UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS
FIRST SESSION

VOLUME 121—PART 16

JUNE 21, 1975 TO JULY 7, 1975

(PAGES 20189 TO 21410)

AUG 26 1977

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1975

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

Congressional Record

United States
of America

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, FIRST SESSION

SENATE—*Saturday, June 21, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by Hon. RICHARD STONE, a Senator from the State of Florida.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, holy and just, by whom the meek are guided in judgment, rule over this body for the welfare of the United States and for the glory of Thy name, through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER**. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 21, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. RICHARD B. STONE, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. **STONE** thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, June 20, 1975, be approved.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 205, 208, and 211.

FURTHER APPROPRIATIONS AUTHORIZATION FOR THE OFFICE OF ENVIRONMENTAL QUALITY

The bill (H.R. 6054) to authorize further appropriations for the Office of Environmental Quality, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT TO THE WATERSHED PROTECTION AND FLOOD PREVENTION ACT

The bill (S. 1230) to amend the Watershed Protection and Flood Prevention Act, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1230

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Watershed Protection and Flood Prevention Act (68 Stat. 666), as amended, is amended as follows:

(a) Section 2(3) is amended by deleting the figure "$250,000" and inserting in lieu thereof the figure "$750,000".

(b) Section 5(3) is amended by deleting the figure "$250,000" and inserting in lieu thereof the figure "$750,000".

(c) Section 5(4) is amended by deleting the figure "$250,000" and inserting in lieu thereof the figure "$750,000".

CERTAIN PROVISIONS OF THE PATENT COOPERATION TREATY

The bill (S. 24) to carry into effect certain provisions of the Patent Cooperation Treaty, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 24

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 35, United States Code, entitled "Patents", be amended by adding at the end thereof a new part IV to read as follows:

"PART IV.—PATENT COOPERATION TREATY

"Chapter 35.—DEFINITIONS

"Sec.
"351. Definitions.

"§ 351. Definitions

"When used in this part unless the context otherwise indicates—

"(a) The term 'treaty' means the Patent Cooperation Treaty done at Washington, on June 19, 1970, excluding chapter II thereof.

"(b) The term 'Regulations', when capitalized, means the Regulations under the treaty excluding part C thereof, done at Washington on the same date as the treaty. The term 'regulations', when not capitalized, means the regulations established by the Commissioner under this title.

"(c) The term 'international application' means an application filed under the treaty.

"(d) The term 'international application originating in the United States' means an international application filed in the Patent Office when it is acting as a Receiving Office under the treaty, irrespective of whether or not the United States has been designated in that international application.

"(e) The term 'international application designating the United States' means an international application specifying the United States as a country in which a patent is sought, regardless where such international application is filed.

"(f) The term 'Receiving Office' means a national patent office or intergovernmental organization which receives and processes international applications as prescribed by the treaty and the Regulations.

"(g) The term 'International Searching Authority' means a national patent office or intergovernmental organization as appointed under the treaty which processes international applications as prescribed by the treaty and the Regulations.

"(h) The term 'International Bureau' means the international intergovernmental organization which is recognized as the coordinating body under the treaty and the Regulations.

"(i) Terms and expressions not defined in this part are to be taken in the sense indicated by the treaty and the Regulations.

"Chapter 36.—INTERNATIONAL STAGE

"Sec.
"361. Receiving Office.
"362. International Searching Authority.
"363. International application designating the United States: Effect.
"364. International stage: Procedure.
"365. Right of priority; benefit of the filing date of a prior application.
"366. Withdrawn international application.
"367. Actions of other authorities: Review.
"368. Secrecy of certain inventions; filing international applications in foreign countries.

"§ 361. Receiving Office

"(a) The Patent Office shall act as a Receiving Office for international applications filed by nationals or residents of the United States. In accordance with any agreement made between the United States and another country, the Patent Office may also act as a Receiving Office for international applications filed by residents or nationals of such country who are entitled to file international applications.

"(b) The Patent Office shall perform all acts connected with the discharge of duties required of a Receiving Office, including the collection of international fees and their transmittal to the International Bureau.

"(c) International applications filed in the Patent Office shall be in the English language.

"(d) The basic fee portion of the international fee, and the transmittal and search fees prescribed under section 376(a) of this part, shall be paid on filing of an international application. Payment of designation fees may be made on filing and shall be made not later than one year from the priority date of the international application.

"§ 362. International Searching Authority

"The Patent Office may act as an International Searching Authority with respect to international applications in accordance with the terms and conditions of an agreement which may be concluded with the International Bureau.

"§ 363. International application designating the United States: Effect

"An international application designating the United States shall have the effect, from its international filing date under article 11 of the treaty, of a national application for patent regularly filed in the Patent Office except as otherwise provided in section 102 (e) of this title.

"§ 364. International stage: Procedure

"(a) International applications shall be processed by the Patent Office when acting as a Receiving Office or International Searching Authority, or both, in accordance with the applicable provisions of the treaty, the Regulations, and this title.

"(b) An applicant's failure to act within prescribed time limits in connection with requirements pertaining to a pending international application may be excused upon a showing satisfactory to the Commissioner of unavoidable delay, to the extent not precluded by the treaty and the Regulations, and provided the conditions imposed by the treaty and the Regulations regarding the excuse of such failure to act are complied with.

"§ 365. Right of priority; benefit of the filing date of a prior application

"(a) In accordance with the conditions and requirements of section 119 of this title, a national application shall be entitled to the right of priority based on a prior filed international application which designated at least one country other than the United States.

"(b) In accordance with the conditions and requirement of the first paragraph of section 119 of this title and the treaty and the Regulations, an international application designating the United States shall be entitled to the right of priority based on a prior foreign application, or a prior international application designating at least one country other than the United States.

"(c) In accordance with the conditions and requirements of section 120 of this title, an international application designating the United States shall be entitled to the benefit of the filing date of a prior national application or a prior international application designating the United States, and a national application shall be entitled to the benefit of the filing date of a prior international application designating the United States. If any claim for the benefit of an earlier filing date is based on a prior international application which designated but did not originate in the United States, the Commissioner may require the filing in the Patent Office of a certified copy of such application together with a translation thereof into the English language, if it was filed in another language.

"§ 336. Withdrawn international application

"Subject to section 367 of this part, if an international application designating the United States is withdrawn or considered withdrawn, either generally or as to the United States, under the conditions of the treaty and the Regulations, before the applicant has complied with the applicable requirements prescribed by section 371(c) of this part, the designation of the United States shall have no effect and shall be considered as not having been made. However, such international application may serve as the basis for a claim of priority under section 365 (a) and (b) of this part, if it designated a country other than the United States.

"§ 367. Actions of other authorities: Review

"(a) Where a Receiving Office other than the Patent Office has refused to accord an international filing date to an international application designating the United States or where it has held such application to be withdrawn either generally or as to the United States, the applicant may request review of the matter by the Commissioner, on compliance with the requirements of and within the time limits specified by the treaty and the Regulations. Such review may result in a determination that such application be considered as pending in the national stage.

"(b) The review under subsection (a) of this section, subject to the same requirements and conditions, may also be requested in those instances where an international application designating the United States is considered withdrawn due to a finding by the International Bureau under article 12(3) of the treaty.

"§ 368. Secrecy of certain inventions; filing international applications in foreign countries

"(a) International applications filed in the Patent Office shall be subject to the provisions of chapter 17 of this title.

"(b) In accordance with article 27(8) of the treaty, the filing of an international application in a country other than the United States on the invention made in this country shall be considered to constitute the filing of an application in a foreign country within the meaning of chapter 17 of this title, whether or not the United States is designated in that international application.

"(c) If a license to file in a foreign country is refused or if an international application is ordered to be kept secret and a permit refused, the Patent Office when acting as a Receiving Office or International Search Authority, or both, may not disclose the contents of such application to anyone not authorized to receive such disclosure.

"Chapter 37.—NATIONAL STAGE

"Sec.
"371. National stage: Commencement.
"372. National stage: Requirements and procedure.
"373. Improper applicant.
"374. Publication of international application: Effect.
"375. Patent issued on international application: Effect.
"376. Fees.

"§ 371. National stage: Commencement

"(a) Receipt from the International Bureau of copies of international applications with amendments to the claims, if any, and international search reports is required in the case of all international applications designating the United States, except those filed in the Patent Office.

"(b) Subject to subsection (f) of this section, the national stage shall commence with the expiration of the applicable time limit under article 22 (1) or (2) of the treaty, at which time the applicant shall have complied with the applicable requirements specified in subsection (c) of this section.

"(c) The applicant shall file in the Patent Office—

"(1) the national fee prescribed under section 376(a)(4) of this part;

"(2) a copy of the international application, unless not required under subsection (a) of this section or already received from the International Bureau, and a verified translation into the English language of the international application, if it was filed in another language;

"(3) amendments, if any, to the claims in the international application, made under article 19 of the treaty, unless such amendments have been communicated to the Patent Office by the International Bureau, and a translation into the English language if such amendments were made in another language;

"(4) an oath or declaration of the inventor (or other person authorized under chapter 11 of this title) complying with the requirements of section 115 of this title and with regulations prescribed for oaths or declarations of applicants.

"(d) Failure to comply with any of the requirements of subsection (c) of this section, within the time limit provided by article 22 (1) or (2) of the treaty shall result in abandonment of the international application.

"(e) After an international application has entered the national stage, no patent may be granted or refused thereon before the expiration of the applicable time limit under article 28 of the treaty, except with the express consent of the applicant. The applicant may present amendments to the specification, claims, and drawings of the application after the national stage has commenced.

"(f) At the express request of the applicant, the national stage of processing may be commenced at any time at which the application is in order for such purpose and the applicable requirements of subsection (c) of this section have been complied with.

"§ 372. National stage: Requirements and procedure

"(a) All questions of substance and, within the scope of the requirements of the treaty and Regulations, procedure in an international application designating the United States shall be determined as in the case of national applications regularly filed in the Patent Office.

"(b) In case of international applications designating but not originating in, the United States—

"(1) the Commissioner may cause to be reexamined questions relating to form and contents of the application in accordance with the requirements of the treaty and the Regulations;

"(2) the Commissioner may cause the question of unity of invention to be reexamined under section 121 of this title, within the scope of the requirements of the treaty and the Regulations.

"(c) Any claim not searched in the international stage in view of a holding, found to be justified by the Commissioner upon review, that the international application did not comply with the requirement for unity of invention under the treaty and the Regulations, shall be considered canceled, unless payment of a special fee is made by the applicant. Such special fee shall be paid with respect to each claim not searched in the international stage and shall be submitted not later than one month after a notice was sent to the applicant informing him that the said holding was deemed to be justified. The payment of the special fee shall not prevent the Commissioner from requiring that the international application be restricted to one of the inventions claimed therein under section 121 of this title, and within the scope of the requirements of the treaty and the Regulations.

"§ 373. Improper applicant

"An international application designating the United States, shall not be accepted by the Patent Office for the national stage if it was filed by anyone not qualified under chapter 11 of this title to be an applicant for the purpose of filing a national application in the United States. Such international applications shall not serve as the basis for the benefit of an earlier filing date under section 120 of this title in a subsequently filed application, but may serve as the basis for a claim of the right of priority under section 119 of this title, if the United States was not the sole country designated in such international application.

"§ 374. Publication of international application: Effect

"The publication under the treaty of an international application shall confer no rights and shall have no effect under this title other than that of a printed publication.

"§ 375. Patent issued on international application: Effect

"(a) A patent may be issued by the Commissioner based on an international application designating the United States, in accordance with the provisions of this title. Subject to section 102(e) of this title, such patent shall have the force and effect of a patent issued on a national application filed under the provisions of chapter 11 of this title.

"(b) Where due to an incorrect translation the scope of a patent granted on an international application designating the United States, which was not originally filed in the English language, exceeds the scope of the international application in its original language, a court of competent jurisdiction may retroactively limit the scope of the patent, by declaring it unenforceable to the extent that it exceeds the scope of the international application in its original language.

"§ 376. Fees

"(a) The required payment of the international fee, which amount is specified in the Regulations, shall be paid in United States currency. The Patent Office may also charge the following fees:

"(1) A transitional fee (see section 361 (d));

"(2) A search fee (see section 361(d));

"(3) A supplemental search fee (to be paid when required);

"(4) A national fee (see section 371(c));

"(5) A special fee (to be paid when required; see section 327(c));

"(6) Such other fees as established by the Commissioner.

"(b) The amounts of fees specified in subsection (a) of this section, except the international fee, shall be prescribed by the Commissioner. He may refund any sum paid by mistake or in excess of the fees so specified, or if required under the treaty and the Regulations. The Commissioner may also refund any part of the search fee, where he determines such refund to be warranted.".

Sec. 2. Section 6 of title 35, United States Code, is amended by adding a paragraph (d) to read as follows:

"§ 6. Duties of Commissioner

* * * * *

"(d) The Commissioner, under the direction of the Secretary of Commerce, may, with the concurrence of the Secretary of State, allocate funds appropriated to the Patent Office, to the Department of State for the purpose of payment of the share on the part of the United States to the working capital fund established under the Patent Cooperation Treaty. Contributions to cover the share on the part of the United States of any operating deficits of the International Bureau under the Patent Cooperation Treaty shall be included in the annual budget of the Patent Office and may be transferred by the Commissioner, under the direction of the Secretary of Commerce, to the Department of State for the purpose of making payments thereof to the International Bureau.".

Sec. 3. Item 1 of section 41(a) of title 35, United States Code, is amended to read as follows:

"§ 41. Patent fees

"(a) The Commissioner shall charge the following fees:

"1. On filing each application for an original patent, except in design cases, $65; in addition on filing or on presentation at any other time, $10 for each claim in independent form which is in excess of one, and $2, for each claim (whether independent or dependent) which is in excess of ten. For the purpose of computing fees, a multiple dependent claim as referred to in section 112 of this title or any claim depending therefrom shall be considered as separate dependent claims in accordance with the number of claims to which reference is made. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.".

Sec. 4. Section 42 of title 35, United States Code, is amended to read as follows:

"§ 42. Payment of patent fees; return of excess amounts

All patent fees shall be paid to the Commissioner who, except as provided in sections 361(b) and 376(b) of this title, shall deposit the same in the Treasury of the United States in such manner as the Secretary of the Treasury directs, and the Commissioner may refund any sum paid by mistake or in excess of the fee required by law."

Sec. 5. Paragraph (e) of section 102 of title 35, United States Code, is amended to read as follows:

"§ 102. Conditions for patentability; novelty and loss of right to patent

* * * * *

"(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent, or".

Sec. 6. The first sentence of section 104 of title 35, United States Code, is amended to read as follows:

"§ 104. Invention made abroad

In proceedings in the Patent Office and in the courts, an applicant for a patent, or a patentee, may not establish a date of invention by reference to knowledge or use thereof, or other activity with respect thereto, in a foreign country, except as provided in sections 119 and 365 of this title."

Sec. 7. The second sentence of the second paragraph of section 112 of title 35, United States Code, is amended to read as follows:

"§ 112. Specification

* * * * *

"A claim may be written in independent or, if the nature of the case admits, in dependent or multiple dependent form.

"Subject to the following paragraph, a claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of the subject matter claimed. A claim in dependent form shall be construed to incorporate by reference all the limitations of the claim to which it refers.

"A claim in multiple dependent form shall contain a reference, in the alternative only, to more than one claim previously set forth and then specify a further limitation of the subject matter claimed. A multiple dependent claim shall not serve as a basis for any other multiple dependent claim. A multiple dependent claim shall be construed to incorporate by reference all the limitations of the particular claim in relation to which it is being considered.".

Sec. 8. Section 113 of title 35, United States Code, is amended to read as follows:

"§ 113. Drawings

"The applicant shall furnish a drawing where necessary for the understanding of the subject matter sought to be patented. When the nature of such subject matter admits of illustration by a drawing and the applicant has not furnished such a drawing, the Commissioner may require its submission within a time period of not less than two months from the sending of a notice thereof. Drawings submitted after the filing date of the application may not be used (i) to overcome any insufficiency of the specification due to lack of an enabling disclosure or otherwise inadequate disclosure therein, or (ii) to supplement the original disclosure thereof for the purpose of interpretation of the scope of any claim."

Sec. 9. Section 120 of title 35, United States Code, is amended to read as follows:

"§ 120. Benefit of earlier filing date in the United States

"An application for patent for an invention disclosed in the manner provided by the first paragraph of section 112 of this title in an application previously filed in the United States, or as provided by section 363 of this title, by the same inventor shall have the same effect, as to such invention, as though filed on the date of the prior application, if filed before the patenting or abandonment of or termination of proceedings on the first application or on an application similarly entitled to the benefit of the filing date of the first application and if it contains or is amended to contain a specific reference to the earlier filed application.".

Sec. 10. The first paragraph of section 282 of title 35, United States Code, is amended to read as follows:

"§ 282. Presumption of validity; defenses

"A patent shall be presumed valid. Each claim of a patent (whether in independent, dependent, or multiple dependent form) shall be presumed valid independently of the validity of other claims; dependent or multiple dependent claims shall be presumed valid even though dependent upon an invalid claim. The burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity.".

Sec. 11. (a) Section 1 of this Act shall come into force on the same day as the entry into force of the Patent Cooperation Treaty with respect to the United States. It shall apply to international and national applications filed on and after this effective date, even though entitled to the benefit of an earlier filing date, to patents issued on such applications.

(b) Sections 2 to 10 of this Act shall take effect on the same day as section 1 of this Act and shall apply to all applications for patent actually filed in the United States on and after this effective date, as well as to international applications where applicable.

(c) Applications for patent on file in the Patent Office on the effective date of this Act, and patents issued on such applications, shall be governed by the provisions of title 35, United States Code, in effect immediately prior to the effective date of this Act.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, I yield the floor

Mr MANSFIELD. Mr. President, I yield back my time.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume the consideration of

Senate Resolution 166, which the clerk will state by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

Mr. MANSFIELD. Mr. President, what is the pending amendment?

The ACTING PRESIDENT pro tempore. The pending amendment is amendment No. 603 of the Senator from Tennessee (Mr. BROCK).

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I send a cloture motion to the desk.

The ACTING PRESIDENT pro tempore. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 166, relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

Mike Mansfield.
Robert C. Byrd.
Hubert H. Humphrey.
John O. Pastore.
Ernest F. Hollings.
Abraham Ribicoff.
Adlai E. Stevenson.
Floyd K. Haskell.
Claiborne Pell.
John C. Culver.
Gale W. McGee.
Edmund S. Muskie.
Gaylord Nelson.
James Abourezk.
Walter F. Mondale.
Daniel K. Inouye.
William D. Hathaway.
Dick Clark.
John V. Tunney.
Frank E. Moss.
Jennings Randolph.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 35 Leg.]

Allen
Beall
Brock
Byrd, Robert C.
Garn
Hansen
Hathaway
Mansfield
McClure
McIntyre
Moss
Packwood
Pastore
Proxmire
Ribicoff
Sparkman
Stone
Talmadge
Tower

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Bartlett
Biden
Bumpers
Byrd, Harry F., Jr.
Cannon
Case
Clark
Cranston
Culver
Domenici
Fannin
Fong
Ford
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Helms
Hollings
Hruska
Huddleston
Jackson
Javits
Johnston
Laxalt
Leahy
Mathias
McClellan
McGee
Metcalf
Mondale
Morgan
Nelson
Nunn
Pearson
Pell
Randolph
Roth
Schweiker
Stennis
Tunney
Weicker

Mr. ROBERT BYRD. I announce that Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Florida (Mr. CHILES), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. GARY W. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Illinois (Mr. STEVENSON), the Senator from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) are absent on necessary business.

Mr. TOWER. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), the Senator from Kansas (Mr. DOLE), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Vermont (Mr. STAFFORD), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), the Senator from South Carolina (Mr. THURMOND), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is present.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. CANNON. Mr. President, I do not see the author of the amendment here.

Mr. MANSFIELD. There he is.

Mr. CANNON. Here he is.

I am delighted to listen to his explanation of the amendment.

Mr. BROCK. I am delighted to make it.

Mr. President, so far in this debate we have discussed recounts of all the ballots. We have discussed the amendment, such as I had a couple days ago, to open up the voting machines and find out why there were more votes cast than there were people casting ballots.

Mr. McCLURE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. BROCK. I yield.

Mr. McCLURE. Mr. President, I ask unanimous consent that Thomas Cooper and Adam Stolper be permitted to assist at counsel table as assistant counsel for Mr. Wyman, in the absence of Mr. Van Loan and Mr. Santarelli.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BROCK. The Rules Committee, throughout the 5 months of inquiry, was split on virtually all these issues. Questions were raised as to whether or not Mr. Wyman had filed a timely protest. Questions were raised as to whether the requests for recounts were relevant. So we are trying to get a little more specific here and talk about just a retally of those areas where there was a change in the count itself from the original recorded vote.

We have repeated the history often enough, but just one more time: When Mr. Wyman won the vote by something over 300 votes in the first count, the secretary recounted and came to the conclusion that Mr. Durkin had won by 10 votes, and then the ballot law commission changed that and gave it back to Mr. Wyman by 2 votes. In those counts, we had several precincts in which the vote was physically changed by the recount.

I do not know that it is logical to argue that we do not have time to recount all the ballots. Personally, I do not think that is logical. But if it is—if there is any logic at all—then I cannot see the logic of not limiting it, as a sequential thought, to those precincts where there was a physical change in the number of ballots recorded for each of the two candidates.

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. McCLURE. Have the yeas and nays been ordered on this amendment?

The ACTING PRESIDENT pro tempore. The yeas and nays have not been ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BROCK. Mr. President, let me just raise a couple of fundamental points.

First, what is a precinct protest? We have a situation, when the ballots are challenged by either candidate, in which the precinct is completely retallied physically. The protest consists of a request merely to open the box and count the pieces of paper. All the judgmental calls have been received through the protest process at the recount and among the 3,500 ballots that went before the ballot law commission and the Rules Committee.

The ballots remaining in the box are clear calls for Wyman, Durkin, Chimento or none. All that is required or requested, then, is to separate them into piles and count them.

I am not sure of the number of precincts involved.

Mr. CANNON. 299.

Mr. BROCK. That is the total in the State. I think that in this particular protest area, though, there are something like 10, if I recall correctly. The number of ballots is about 18,000, and the number of changed votes, if I recall correctly, in the State, was something more than 2,000. Only 2 votes divide these 2 candidates, and there were 2,000 changes—more than 2,000 changes—in position from one count to the next.

I have been in some recounts. I have been in areas when we have gone back in and checked machines, checked paper ballots, checked absentees, and I know, as many Members of this body do, the enormous pressure that people are under in that kind of setting.

The vote was tallied first on Tuesday night. The recount, I think, was on a Monday night. There were an awful lot of people in the room. When we have only two votes differentiating these candidates and there are 2,000 changes, the possibility that 1 or 2 or 10 or even 20 votes were miscounted is pretty obvious. As a matter of fact, we have not had a retally that did not change some votes—not one.

We want to bring this debate to a conclusion, hopefully, before too long. I am asking that the Senate allow that these ballots be counted, once and for all—hopefully, with professionals, perhaps in the General Accounting Office, whoever the committee decides to designate, but to recount them, just so that we eliminate at least one of the issues before this body. We can then go on to the more fundamental questions, such as the "skip-Louie" or the "skip-Durkin" questions, both of which are very fundamental questions of a constitutional nature that the Senate itself, has to decide.

I point out that if this amendment is adopted, it does more than settle just one issue. It literally will settle issues 1, 2, and 3. We have been asked to expedite this process. Issues 1, 2, and 3 in the committee resolution are all dealt with by this recount. We can, in effect, get three in one.

By the terms of the amendment, the towns listed in No. 1 all had election inaccuracies. Meredith had a net change of 8 votes; Lancaster, 48 votes; Merrimac, 4 votes, on June 2. On June 3, Dover Ward 3 had a net change of 4 votes; Troy, 2. Those are net figures. They do not reflect the total shift back and forth between boxes and between candidates. The effect of the amendment would be to settle the issues raised in 1, 2, and 3.

I will mention some of the issues in there and say why it is important to resolve these questions in a better way than is proposed by the Rules Committee.

During the process of sorting and segregating ballots before the committee's panel—these are the three men who are appointed by the Rules Committee to do the investigation—37 ballots which were described as being protested on the secretary of state's ballot sheets, for the precincts of Dover Ward 3 and Troy, did not appear. This is a problem which was not even detected by either side before the ballot law commission. On each such occasion, Mr. Wyman's representative placed the fact of the missing ballots on the record.

All we have is a situation in which 37 ballots were protested and they are gone. They probably are down in the basement of the Capitol here, in some other box, misplaced by a precinct or a ward. The fact is that they are not available to us to consider.

This amendment would resolve that question, because we would find those ballots and be sure that they are in fact counted in part of the tally procedure.

I suppose the essence of this is an effort on my part, as I say, to begin to expedite this matter. I note that this morning, some 15 or 20 Senators have filed a cloture motion, and that is entirely within the rules and procedures of the Senate.

I am a little concerned, though, that those who criticize the minority and some of the majority who are participating in this action call our actions delaying tactics or worse, and they file cloture petitions to bring the debate to a close. Yet, every time they are given an opportunity to vote to identify clearly, once and for all, the specific questions at hand, they deny all of us in the Senate an opportunity to have a factual situation on which to make a decision.

They cannot have it both ways. If they want to bring this debate to a conclusion—and I do—then the most expeditious way to do that is to present a clear, specific choice to the Senate of the United States, with factual documentation, a physical count, and, quite honestly, those of us who are offering amendments would have nothing left to amend. That is the way to settle it. That would end the problem very quickly, very openly. Then the American people would judge us according to our votes, because they, then, will have the same facts we do and they can see whether or not we are fulfilling our function.

For myself, I cannot support a cloture motion until these facts are made a part of the record. I do not see how anybody else can because, in effect, a cloture motion, if adopted, would be requiring the Senate to vote blind, without adequate information.

There really is not any advantage in voting blind. There really is no need for us to close our eyes to the problem. This particular amendment to section (1) of the resolution says, while we are completing debate, before we can even get to cloture, let us just send some counters downstairs into the basement of the Capitol. They do not have to go to New Hampshire, do not have to spend any money. They just have to walk downstairs and physically put the Durkin ballots in one pile and the Wyman ballots in another. There is no question about "skip-Louie" or "skip-John." There is no question about marks of this kind or that kind on the ballot. These are legitimate ballots that are not subject to procedural calls. All that has to be done is a physical count: One and one make two. It is not that difficult, even in this body, to do that. We have a talent for complicating almost anything. But there is nothing complicated about a physical recount of only those precincts where there was a change in the vote—only those precincts.

In other precincts, everybody agreed with the count—the Democrats, the Republicans, the two candidates, the secretary of state, the ballot law commission, the Committee on Rules. Everybody has agreed on the other ones, so we can set them aside. Here we can recount 18,000 ballots and settle, in one fell swoop, three of the most fundamental issues presented to this body by the Committee on Rules. That, to me, makes a great deal of sense—not because I am the author of the amendment, but because I share the concern of those who say, why do we not get on with settling the question?

This will do it. This will give us an opportunity, very quickly, once and for all, to settle three of the eight fundamental issues facing this body. If we do that, we are on the track and moving and we can finish this debate in a very short period of time.

Mr. McCLURE. Mr. President, the Senator from Tennessee has illustrated the necessity for looking at the returns of the election in a way which we have not done up until now. I think there is another aspect in the need for a tally of what happened. I am not talking about a recount of the ballots; I am talking about looking at the sheets that are in each one of the precinct returns, where those precincts are in question.

This whole proceeding is full of so much confusion and so many inaccuracies that we need somehow to define the areas where there can be substantial agreement on facts. One of the areas of confusion has been apparent through the entire proceeding, ever since the matters were brought to a head last November and December, up through the debates as recently as yesterday. I refer to the question of whether or not there has been a recount in New Hampshire and whether or not, on the basis of a recount, Mr. Durkin was actually certified a winner by the secretary of state. Mr. President, there has been so much talk in these proceedings about Mr. Durkin's winning the secretary of state's recount of the November 5 election in New Hampshire that, after receiving a letter from Senator-elect Wyman earlier this week, in which he pointed out that Mr. Durkin did not actually win the secretary of state's recount at the secretary's level when the count was checked out, I checked with Mr. Wyman on this question.

He confirmed that except for a clerical error in the letter reporting a margin of four votes that should have actually been three votes, the secretary's level of counting ended with Wyman, at plus three votes. This was subsequently reduced by the ballot law commission review to two votes. Because this has been generally misunderstood or misreported, I shall outline the documentation from the records in proof of these facts at this time, and I do that simply because it has been stated repeatedly that Wyman won in the original count, but that Durkin was the winner after the recount. The fact of the matter is that Durkin was not the winner after the recount by the secretary of state.

Basic to understanding of the New Hampshire situation is the fact that the secretary of state failed to review write-in votes on machine paper during his recount. For this reason, when this became known by the New Hampshire Governor and council and upon confirmation by the secretary of state that he had not done this, the Governor and council vacated the secretary's provisional certificate of election and directed the secretary to complete his recount. In spite of that fact, we still hear allegations made on the floor of the Senate that Mr. Durkin has a valid certificate of election, which simply is not true.

A review by the secretary of write-in votes on machines, to the extent the machine paper was available to him for this purpose—and it should be pointed out that paper from several machines is missing and can never be reviewed by him or by anyone else—indicated a net of three write-in votes for Mr. Wyman. This reduced the secretary's count to plus seven for Mr. Durkin.

It also developed in the initial review of the secretary's count that there were a net of seven void ballots that had also been wrong-counted for Mr. Durkin. This reduced the secretary's count to zero.

Finally, in the course of review by the ballot law commission, it developed that there were 3 miscalls of ballots for Mr. Durkin, acknowledged by Durkin's counsel to have been miscalled by the secretary, with the net result that Mr. Wyman should have been reported as 3 votes ahead at the end of the secretary of state's recount, instead of Mr. Durkin at plus 10.

I read from the committee's report of the Wyman position, part 2, No. 94–156, page 9, items 4 and 5:

> 4. The so-called "void" ballots for which substitute ballots had been issued to voters are double ballots and were properly *excluded* from the count by the Ballot Law Commission, *Committee Hearings*, p. 72 (January 31, 1975), p. 117 (February 3, 1975);
>
> 5. Write-in votes on voting machines were properly *included in* the count by the Ballot Law Commission, *Committee Hearings*, p. 117 (February 3, 1975).

Now I read from the committee hearings at page 72, January 31, 1975:

> Mr. Duffy. Well, Senator Cannon, the revised statutes of the State of New Hampshire provide in section 59:57 that any voter who spoils a ballot shall return it to the moderator, who shall mark the word "canceled" over his signature.
>
> The moderator then gives a new ballot to the voter, and preserves the spoiled or canceled ballot.
>
> Now, some ballots were marked voided, and some of those which were marked voided did not carry the signature of the person, whether it was the moderator or the person who marked it void.
>
> The secretary of state counted those ballots on the grounds that they did not follow the law for spoiled ballots, either they were not marked canceled, or did not bear a signature.
>
> When the ballot law commission received testimony where possible to clarify the reason for marking the ballots void, and could obtain the identity of the person who did the marking, and satisfied itself that the voter whose ballot was voided was, in fact, given another ballot, then the voided ballot was not counted.
>
> In all other cases if it would appear that the voter did not obtain and cast the ballot, then it was counted.
>
> The Chairman. And if there was a protest by either of the parties, was that indicated on the ballot, on the spoiled marked ballot?
>
> Mr. Duffy. Yes, I think it was.
>
> I believe that wherever there was a protest, yes, it would be counted for Durkin and protested by Wyman, or vice versa.
>
> The Chairman. Do the parties agree?
>
> Mr. Brown. There was a protest in every instance.
>
> I am Mr. Brown, for the record, and the secretary of state entertained no discussion about those situations because it is not his function, but they were handled, as Mr. Duffy says.
>
> The Chairman. At the secretary of state's level?
>
> Mr. Brown. Yes.
>
> The Chairman. But at the ballot law commission level the ballot law commission took testimony from the clerks of the election as to whether the ballot was actually canceled, and a new ballot issued for it, and then refused to count the voided ballots, is that correct?
>
> Mr. Brown. In only those instances where there was satisfactory proof that a substitute ballot had been issued, and we have those on both sides, and they were eliminated from the count.
>
> Otherwise, we would have had double voting by those particular individuals.
>
> The Chairman. A second point made by Mr. Brown was the question of write-in votes on the machines. We discussed this somewhat yesterday, and I will ask counsel to present the remainder of that issue for us.
>
> Senator Pell. Excuse me, Mr. Chairman. I have one question in connection with the voided ballots.
>
> The memorandum here says that where the ballot commission satisfied itself that the voters ballots were marked "voided," and given another ballot, then the voided ballot was not counted.
>
> Does that mean in other instances that the voided ballot was counted?
>
> Mr. Duffy. Where the ballot law commission could not obtain testimony that would tend to show that a voided ballot, that there was no substitute ballot for the voided ballot then it was counted because they did not want to take away the vote of that particular citizen.
>
> Senator Pell. I see.
>
> The Chairman. Is there a total of those ballots that were involved in that fashion; do either of the parties know?
>
> Mr. Brown. It is within the range of 17 or 18 in which the substitute ballot proof was there. There was the number, either 17 or 18 that were excluded from the count under those circumstances.
>
> Senator Pell. Otherwise, how many ballots marked "voided" were counted?
>
> Mr. Brown. Senator Pell, we did find that the election officials with some irregularity and impropriety marked "voided" on ballots not voided, their intention being that votes in particular places on the ballot were voided because it was double voted, and I can submit to the committee an example of that type of thing in several precincts.
>
> Those ballots, if the vote in the Senate contest was not voided, were counted.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield at this point?

Mr. McCLURE. I will yield without losing my right to the floor.

REQUEST FOR VOTE ON THE PENDING AMENDMENT NO LATER THAN 11 A.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, would the Senator be agreeable to vote on the pending amendment at 11 o'clock today?

Mr. McCLURE. I would say to the distinguished majority whip I suspect that we will be ready to vote before that time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, if the Senator will yield, that a vote occur on his amendment at 10:45 a.m.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BROCK. Reserving the right to object, I wonder if we might say prior to 11 just to be sure. We will check.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote occur on the pending amendment no later than the hour of 11 a.m. today.

Mr. McCLURE. Mr. President, I object, and I do so reluctantly.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. McCLURE. I think we will expedite the business more rapidly if we go from one issue to the other.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. McCLURE. Surely.

Mr. ROBERT C. BYRD. That may be true, but this would be one way of assuring the Senator he would get a vote on his amendment up or down. As it is there may be Senators on this side of the aisle who might be constrained to move to table.

Mr. McCLURE. I understand that statement has been made before and, of course, if we start in on that route then those of us on our side are going to have to protect ourselves by refusing to yield the floor.

Mr. ROBERT C. BYRD. Then the Senator is admitting there is a filibuster going on.

Mr. McCLURE. Not at all. But if the Senator attempts to cut off our right to present our evidence we have to protect ourselves.

Mr. ROBERT C. BYRD. We are not attempting to cut it off. We are just attempting to get a time agreed on to vote so that all Senators can know when they can count on the vote.

Mr. McCLURE. I understand.

Mr. ROBERT C. BYRD. The Senator has objected.

Mr. McCLURE. I understand what the Senator from West Virginia is saying.

Mr. ROBERT C. BYRD. I should think the Senator ought to understand. I do not know how I can make it plainer. [Laughter.]

Mr. McCLURE. I think the Senator from West Virginia, on the other hand, would understand what it is we are trying to say when we are trying to present the case, which we think is important, in an orderly fashion so that we proceed from the presentation of an amendment to the debate on the amendment to the vote without the necessity to have to worry about whether we are going to be cut off by a motion to table.

Mr. ROBERT C. BYRD. Well, if the Senator will yield, Mr. President, the Senator from West Virginia can very well understand what is going on. The Senate has spent more than 32 hours now and has not yet voted on the first issue set forth in the resolution. The Senators on this side of the aisle are ready to vote.

Mr. McCLURE. Mr. President, I would say to the Senator from West Virginia that I heard that argument yesterday afternoon that there was some slowdown. Then there was about an hour and a half when Senators on that side of the aisle were discussing not the pending amendment but the general subject matters, all the while saying we were slowing down the proceedings.

Mr. ROBERT C. BYRD. The Senator from Idaho and the Senator from West Virginia are not at the moment discussing general matters.

Mr. McCLURE. That is correct.

I thank the Senator.

SEVERAL SENATORS. Vote!

Mr. McCLURE. On the subject of the write-in votes, I read from the committee hearings at page 73:

> Mr. DUFFY. With respect to the write-in votes on machines, these votes were not counted during the recount by the secretary of state.
>
> The rules and regulations relative to voting machines in city wards which were published by direction of the ballot law commission in 1962 forbid the counting of any write-in votes on a voting machine when the candidate for whom the write-in vote was cast had his name on the ballot for that same office. There was a fear that might be a double vote cast for a particular candidate.
>
> Now, that is rule 2(d) of these rules and regulations regarding voting machines.
>
> The ballot law commission refused requests by Mr. Durkin to test the machines for the purpose of insuring that a double vote could not be cast by writing in the name of the candidate, and at the same time pulling the lever beside that same candidate's name.
>
> The ballot law commission did reverse its prior rule and counted the write-in votes. Three of those were cast for Wyman in Exeter, and one cast for Mr. Wyman in Nashua, and one for Mr. Durkin in Nashua.
>
> The CHAIRMAN. Was that the total number of write-in votes that were counted by the ballot law commission?
>
> Mr. DUFFY. Yes.

Now, on the miscalls, they first appear in the ballot law commission hearings for December 10, 1974, at pages 118 through 120. I want to read from the commission hearing record:

> Chairman SNOW. Allenstown is next.
>
> Mr. MILLIMET. I think the wrong slip is attached to that.
>
> Mr. UPTON. We asked for the ruling of the Commission.
>
> Mr. MILLIMET. I agree that that could never have been a Durkin vote, and I don't understand, I think the wrong slip got on there.
>
> Commissioner RUDMAN. Hold on a minute.
>
> Mr. MILLIMET. There is no mark in the Durkin box.
>
> Mr. BROWN. That is the way the ballot was tallied, and we want it removed from Durkin, because it is not a Durkin vote.
>
> Commissioner RUDMAN. What are we looking at?
>
> Chairman SNOW. Allenstown.
>
> Commissioner RUDMAN. Was that, Mr. Secretary of State, was Allenstown recounted for anything else?
>
> Mr. STARK. No.
>
> Chairman SNOW. A State Representative's race recounted?
>
> Mr. STARK. No.
>
> Mr. MILLIMET. It might be a Chimento.
>
> Mr. BROWN. It is not Durkin.
>
> Mr. MILLIMET. That is so clear that I feel there must be some error.
>
> Commissioner RUDMAN. Whose writing is that?
>
> Mr. STARK. Mine.
>
> Mr. MILLIMET. I want to check the tally sheet.
>
> Commissioner RUDMAN. The Commission is faced with whatever it is faced with, on the face.
>
> Mr. MILLIMET. The Commission hasn't been deferred from going behind the record before.
>
> Chairman SNOW. We will be happy, if you can give us some evidence. They have been added in the count, according to the Secretary of State.
>
> Commissioner RUDMAN. I move to overrule the Secretary of State.
>
> Chairman SNOW. You want it to read a no vote for Durkin?
>
> Commissioner RUDMAN. That is correct. It is not a vote for anyone.
>
> Chairman SNOW. We agree.
>
> Commissioner RUDMAN. Agree.
>
> Commissioner CROWLEY. Agree.
>
> Chairman SNOW. We overrule, and we rule a no vote for Durkin.
>
> Mr. MILLIMET. I would just like it to be marked as a separate Exhibit.
>
> Chairman SNOW. It will be marked "126–W," protested by Wyman, Secretary of State allowed the ballot, upon review we overrule. We vote no vote, and a vote for Chimento.
>
> Commissioner RUDMAN. The terminology is different than we have ever used before. We never put the word no vote if it was for somebody else as well. We say no vote for Durkin.
>
> Chairman SNOW. It was counted for Durkin, so it has to be a no vote for Durkin and a vote for Chimento.
>
> Commissioner RUDMAN. What do we put on the certificate when we say no vote for anyone, what do we write?
>
> Chairman SNOW. Just a no vote.
>
> Commissioner RUDMAN. Do we say blank or or no vote?
>
> Chairman SNOW. No vote.
>
> Commissioner RUDMAN. As long as everybody understands it.

The second appears——

Mr. BROCK. Will the Senator yield for a moment?

Mr. McCLURE. I yield to the Senator from Tennessee.

Mr. BROCK. I think what the Senator is saying is illustrated by the case he just read, and others that are in the same transcript; that there simply is no way of having an absolutely accurate human account under pressure without some mistakes. That is what it amounts to, and these mistakes have been found on each successive counting process.

In the first count, the amount of error was about one-half of 1 percent.

Now, on 220,000 votes, that is 925 votes, that is 500 times the ultimate margin between the two candidates.

If that were true on the recount, even on one-half of 1 percent of the 900, we could have five votes, which is greater than the recount, and all we have asked in this amendment is that the recount, or the retally, be done professionally, on only those precincts where there was error.

We are not asking the committee to go back and check 180,000 ballots. We are asking them to check 1 out of every 10, in effect, and only those one out of 10 where there has been error—proven, accepted, admitted error; error that is admitted by the Rules Committee, error that is admitted by the ballot law commission, error that is admitted by both candidates, and there was a physical change in the record vote for one or the other candidate.

I think the Senator's point is well taken. If we can achieve this very limited retally of the specifically changed precincts, we can eliminate at least three of the fundamental issues presently before this body with regard to the Wyman-Durkin contest.

That is all we are asking that the Senate do, go downstairs two floors into the basement and count just these few precincts where there was a physical change in the vote.

Nothing more than that. I do not think that is a great deal to ask of the Senate of the United States if we really and truly, honestly want to know what happened in the election.

Mr. McCLURE. I thank the Senator from Tennessee.

I think perhaps there has been some misreading of why I am taking the time to read this into the record, apparently some have concluded that since I take a book and start reading from it that I am somehow engaged in a filibuster.

Nothing could be further from the truth.

What I am trying to do, because apparently people refuse to take our word for it, is to show that the record indicates that there were errors made in the recount and that those errors were substantial enough to have changed what occurred.

That is all I am trying to do in reading the record, to show that what my contention is, is not simply something I fabricated, but is something supported by the records in this matter.

The Senator from Tennessee is exactly correct that his amendment seeks only a retally in those precise areas where error has been ascertained and it is important that we tally again the votes in those precincts.

But I am mindful of the fact that the charge may be made that because I try to make the record I am filibustering.

I will attempt to cut that short.

The second miscall appears in the ballot law commission hearings for December 17, 1974, at pages 86 through 90. I shall not read all of those pages.

Mr. President, I ask unanimous consent that the portions that I have marked in the ballot law commission transcript on pages 86 through 90 be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Mr. Upton. Counted for Durkin, protested by Wyman; we ask for a ruling on this Woodstock ballot counted for Durkin, protested by Wyman. In the first place there is no basis for counting it for Durkin at all. There is a faint mark in the Wyman box.

Commissioner Rudman. Look at that. Mr. Stark, see if you can see something I don't see.

Mr. Millimet. I would like to see the tally sheet. I would like to see the tally sheet. I don't think what it says there is necessarily true. Here is what the tally sheet says. It says at the top one Wyman check, which means there was a checkmark for Wyman, we didn't do anything about it, seven Wymans, X, and we didn't do anything about it, one Wyman protest by Durkin, and let's look for that——

Mr. Upton. There it is.

Mr. Millimet. Here it is right here, and then it says one Durkin X no protest——

Mr. Brown. And two Durkins, protested by Wyman, this and that.

Commissioner Rudman. That is what it shows here.

Mr. Millimet. All right.

Chairman Snow. The only question in my mind is not that issue, that has to be overruled, but whether that is a vote for Wyman.

Commissioner Rudman. It is a no vote.

Chairman Snow. Overrule.

Commissioner Rudman. Overrule.

Commissioner Crowley. Overrule.

Mr. Millimet. I think it is a mistake. I can't conscientiously say that there is anything in the Durkin box.

Chairman Snow. Protested by Wyman, Secretary of State allowed it, we overrule. We count it a no vote.

Commissioner Rudman. Let me ask a question. The hour is late, but this is very important. When you gentlemen were protesting ballots and these slips were attached to those ballots did each person have a representative who watched that being done?

Mr. Millimet. I think sometimes—I know in my case—sometimes I simply relied on the Secretary of State, or the Deputy, and didn't watch him very closely and carefully. On many occasions I did not go to the table with Mr. Kelley or Mr. Stark when they took them over, but relied on them. But, we did try to check—

Commissioner Rudman. You certainly were represented by people there?

Mr. Millimet. We were there.

Mr. Brown. Everytime I worked with either Mr. Stark or with his Deputy there was, with out any exception, always a representative of the Durkin forces at the other shoulder.

Mr. Millimet. No question about it.

Mr. Brown. The manner in which this type of thing could happen, General, is that we were working with expedition and the fact that I protested something wouldn't necessarily come to Mr. Millimet's attention, and we didn't take the time to explain why.

Commissioner Rudman. The thing that troubles me, that is, I suppose, up to the U.S. Senate—we are not recounting the recount in this room—is that slip attached to that ballot, there is no explanation for that.

Mr. Brown. We have run into two that were clearly—this is the second clearly bad call, it merely indicates speed, and if you can go through this number of pieces of paper, make no more errors than these gentlemen made, you are pretty good.

Mr. Mlilimet. I think it indicates that Mr. Brown didn't watch the Secretary, what he was writing down, as I may not have.

Commissioner Rudman. This is on the record, that is why I am saying it because, you know, we have a very deep responsibility to, I think, point up anything this Commission comes across during its deliberations. I felt that was a very difficult thing to vote on, because it was almost a *non sequitur,* there was nothing there.

Mr. Millimet. The only way it is human error, that is all.

Mr. McCLURE. From that, I want to emphasize the latter part of that record when Mr. Millimet says:

> Mr. Millimet. I think it is a mistake. I can't conscientiously say that there is anything in the Durkin box.
>
> Chairman Snow. Protested by Wyman, Secretary of State allowed it, we overrule. We count it a no vote.

The third appears in the ballot law commission hearings for December 19, 1974, at page 112 through 114.

Again, Mr. President, in order to conserve time, I ask unanimous consent that those pages from the ballot law commission transcript be printed in the Record in full as part of my remarks at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Mr. Upton. We have one for review in Danville. It checks out.

Mr. Millimet. I assume it does, I'm just looking at it. I don't understand it.

Mr. Upton. Mr. Chairman, in Danville we have one ballot counted for Durkin, protested by Wyman, it can't possibly be a vote for Durkin, in view of the way the ballot is marked, and, in fact, we say it should be counted as a vote for Wyman, because there is insufficient intent of a double vote.

Mr. Millimet. I have to admit this is another one of these cases where it looks as though whoever made out the protest made it out wrong. I don't know what to say. This is the third one of these, human error, but I think it is also a perfectly—I just want to check the tally sheet to make sure I'm not talking through my hat—it looks like it is corroborated by the tally sheet, but it is perfectly clear it is for neither, under the prior Rules of the Commission, the line in Durkin's box is very plain.

Chairman Snow. There is a tremendous amount of destruction of the paper, virtually, through that mark, through the black mark. I am not sure I know what it means. But, there is a lot of action there.

Mr. Millimet. All I ask is, before the Commission rules on the vitality of that single line in the Durkin box, that you look at the X's in the other side, because I think they are the same.

Chairman Snow. In the Town of Danville, counted for Durkin, protested by Wyman, we will vote first on the question of whether or not it should be counted for Durkin.

Commissioner Rudman. I overrule.

Commissioner Crowley. Overrule.

Chairman Snow. Overrule. The second question is whether or not it should be counted for Wyman as opposed to a double vote.

Commissioner Rudman. I vote no.

Commissioner Crowley. I am going to have to vote yes.

Chairman Snow. I am going to vote no. Now, for the record to be clear, we have overruled the Secretary of State, and it is now counted a no vote rather than a vote for Mr. Durkin.

Mr. Brown. This time, after the Commission was well into its consideration, Mr. Millimet came back with a last argument. If you are going to keep doing it, I am going to have to.

Mr. Millimet. I asked the privilege because——

Mr. Brown. You had an opportunity. I don't like the second time around argument. I thought we had a ruling that it wasn't to be done.

Mr. Millimet. I asked for a special condition.

Chairman Snow. We will enforce the rule. It was probably my fault for acceding to his request, but I did. So, we will attempt to enforce it.

Mr. Millimet. I assume all rules are subject to appeal.

Chairman Snow. For the record, the ballot was protested by Wyman, the Secretary of State had allowed a vote for Durkin, the Ballot Law Commission overrules his decision 2 to 1, we count a no vote.

Mr. Brown. The overruling was unanimous. It wasn't even contested.

Chairman Snow. All right. I amend that. We count no vote. That is clear.

Mr. Millimet. This is a funny one.

Mr. Brown. Funny ha ha?

Mr. Millimet. Nothing is funny ha ha anymore.

Mr. McCLURE. Again I want to emphasize this portion of those proceedings. On page 112, Mr. Millimet:

> I have to admit this is another one of those cases where it looks as though whoever made out the protest made it out wrong. I don't know what to say. This is the third one of those human errors, but I think it is also perfectly—

And he goes on to say corroborated by the tally sheet—

> but is perfectly clear it is for neither.

Mr. BROCK. Just for the record, I think it is important to note Mr. Millimet being quoted was the counsel for Mr. Durkin, the Democratic candidate.

Mr. McCLURE. The Senator from Tennessee is correct. I appreciate that clarification in the Record.

Mr. President, this record which I have quoted and put in the Record confirms the statements appearing at page 51 of the hearings before the Subcommittee on Privileges and Elections on January 9, 1975, which stated the errors on behalf of Mr. Wyman as follows, reading from page 51 of the hearings before the Subcommittee on Privileges and Elections:

> The admission of these three "mis-calls"—the only clear errors made by the Secretary of State in reading several thousand ballots—being clear errors favoring Durkin, appears in the BLC Transcript: December 10, 1974, pp. 118–120 (Allenstown); December 17, 1974, pp. 86–90 (Woodstock); and December 19, 1974, pp. 112–113 (Danville).

Mr. President, I feel it is important that these facts be outlined with appropriate references to the record which established beyond any doubt that the actual secretary of state recount of the ballots in New Hampshire, if confined to that level, would have ended with Mr. Wyman at plus three votes. So the fact remains that at this point Mr. Wyman was counted ahead at the end of the election in the original tally. A correct compilation of the secretary of state's final action would show him again as the winner. The ballot law commission review again shows him as the winner. We are being asked now to overturn it without being given the opportunity to go back in and look in those precincts where error has been charged to determine whether or not there was indeed error.

I think the Senate ought to at least adopt the amendment of the Senator from Tennessee and give the people of this country the assurance that the proceedings in this matter have been properly conducted, that the count was accurate and that the winner was actually certified as a result of the clear expression of the voters of New Hampshire. The Senate has already refused to allow the people of New Hampshire to set this matter straight by re-referring it to New Hampshire. We at least ought to be able to make certain, if it is physically possible, to determine who was the winner on November 5 in the election which was held.

Mr. CANNON. Mr. President, first, may I inform my colleagues that we will vote within 5 minutes, or as soon thereafter as a quorum can be obtained.

Mr. President, I will make some brief responses to the amendment that was offered and the statements of the Senator.

First, I have stated time and time again that Mr. Rudman put this matter on the table quite clearly. This is the attorney general who has the right to enforce the New Hampshire law, has the right to consider protests under the New Hampshire statutes, under section RSA 76, to look into matters that are contended to be irregular on the part of either party, and he is also a member by law of the ballot law commission.

Mr. Rudman said:

> The ballots that you see here, about 180,000 ballots, were never protested by anyone. There were roughly 3,500 ballots that were in fact protested.

That is actually the situation. The 180,000 were set aside because the parties and their lawyers went through them very carefully. They had no question about any of those ballots. The totals were taken off the machines. Some question was raised, particularly with respect to the 12 machines that we shall discuss later. But the 3,500 ballots were the ones that were protested. They went to the ballot law commission. But at that time, only 400 of them were presented to the ballot law commission for a ruling. All of the rest of those were waived and set aside. The 3,500 ballots were brought down here, as well as all of the others, but kept segregated.

Our committee staff and representatives of Wyman and representatives of Durkin went through those 3,500 again. At this time they came up with more than 400 that the parties wanted to protest. They came up with 900-and-some-odd that the parties wanted to protest to the Rules Committee. Those are the ballots we considered.

Mr. President, the Senator suggests that we ought to go back and recount every precinct that came out different in the secretry of state's recount from the announced result on election night.

Well, there are 299 precincts in the State of New Hampshire, and 234, I believe is the correct figure, came out slightly different in the recount than the totals that were announced on election night. What he is really saying is let us go back and recount 234 precincts in the State of New Hampshire.

Mr. Wyman has never even requested that. Mr. Wyman did not request a recount of all of them after the secretary of state's recount. He did not request a recount of them at the ballot law commission level other than the precincts that are set forth in the first three issues here. He did request a recount of the 10 precincts that are set forth in issue 1. He requested a recount of the three towns in issue 2, and he requested a conditional recount, a retally and possible recount, in the issue set forth in No. 3. What happened?

With respect to No. 1, I very carefully read the record yesterday before the ballot law commission where Mr. Wyman's lawyer, after checking the matters, waived his complete contest of the ballots involved in 6, first, of the precincts in issue No. 1, and thereafter of the four others. I will state it again because some of my colleagues may not have been here yesterday. This was his statement.

> We request that this Commission completely review all of the ballots, used and unused, together with the other relevant election documents of Gorham, Bedford, Gilford, and Somersworth Ward 1 unless we can be afforded an opportunity to review certain of these documents to satisfy ourselves that less than a full review is necessary in order that justice be done.
>
> Chairman Snow. Give us those again. Gorham and Gilford I got—what were the other two?
>
> Mr. Brown. Gorham, Bedford, Gilford, and Somersworth Ward 1.
>
> Chairman Snow. Okay.
>
> Mr. Brown. The Commission will recall that in Mr. Bigg's appeal notice we listed several others. We don't intend to pursue the others.

Mr. Bigg's appeal notice was the notice of appeal as the lawyer for Mr. Wyman that was filed on November 27, the day after the recount, when Mr. Wyman found he had lost by 10 votes. Every issue that was set forth in that Bigg's letter of November 27 I discussed for the Record here yesterday, and it is available in the Record for my colleagues to review. But the important point is that there were 10 precincts listed by Attorney Bigg in that letter of November 27, and Mr. Brown, the lead lawyer, says:

> The Commission will recall that in Mr. Bigg's appeal notice we listed several others. We don't intend to pursue the others.

A little further on, Mr. Brown said:

> We, therefore, because of special circumstances in each of these four precincts, wish a further review.

Those are the four—Gorham, Bedford, Gilford, and Somersworth Ward 1.

That was before the ballot law commission on December 4, 1974.

On December 20, 1974, before the same ballot law commission, Mr. Brown came in again, and this is reading from the pertinent part:

> Mr. Brown. So far as the precinct recount requests—and I had four of them—
>
> Chairman Snow. Gilford, Bedford, Somersworth Ward 1 in [sic] Gorham.
>
> Mr. Millimet. You didn't mention Somersworth.
>
> Chairman Snow. I was going to ask you about it.
>
> Mr. Brown. I am not pressing on any of those, but I may have some live testimony with regard to the Somersworth situation, depending upon how my brother's case developes, and I withdraw the request for the precinct reviews.
>
> Chairman Snow. Gilford, Bedford, Somersworth Ward 1 and Gorham?
>
> Mr. Brown. Yes.
>
> Chairman Snow. Did you get that?
>
> Commissioner Rudman. Yes, I did.
>
> Commissioner Crowley. I got it.

Now, Mr. President, nothing could be clearer. Mr. Brown was a very able lawyer. We saw him for weeks before our committee, and he investigated the matters concerning all of the precincts that he wanted to protest. He withdraw his request in those two statements that I have read with respect to all of the precincts covered in issue No. 1.

Our colleagues would have us go beyond those 10 and the 3 set forth in issue No. 2, and the possible 2 in issue No. 3, and go back and recount a recount by the secretary of state in 234 precincts. Mr. President, I submit that this is far beyond the actual scope of this investigation. As Attorney General Rudman said, the story lies in those 400 ballots that were really protested to the ballot law commission. All we have to do is review those, make our decision as to how they ought to be counted, and apply the total to the ballot law commission results.

If it comes out for Mr. Wyman, fine, he ought to be certified. If it comes out for Mr. Durkin, fine, he ought to be certified. But that is where the whole story of this election lies, Mr. President.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. CANNON. Yes, I yield to the Senator from Tennessee for a question before I make my motion to table.

Mr. BROCK. Mr. President, the chairman said, and I think I am quoting exactly, that Mr. Brown waived these protests. I do not know where in the Record the word "waive" is used. I would like to see it. And I would like to point out one other fact also.

When you are before the ballot law commission as counsel for some party, and the ballot law commission says, "we do not have jurisdiction," then, as counsel, you probably ought to—and I think Mr. Brown did—present one particular challenge to that position, in order to get a ruling. But once you get the ruling, then it is ridiculous to continue to raise the issue.

If I recall correctly, first of all, these protests were made before the ballot law commission, and the ballot law commission ruled that they had no jurisdiction and it should be referred to the Senate. Then protests were made to the Supreme Court, and the Supreme Court ruled that it should be referred to the Senate. Then we come to the Senate, and the Senate says, in its own report—and this was by a unanimous vote of the Rules Committee:

> A consideration by the Committee of all of the protests made by either party at any stage of the proceedings contemplating that the Committee will take the appropriate steps on each protest to ascertain the validity of such protest and the accuracy of the count of the matter protested.

What I cannot bring myself to understand is why the committee has changed its position. There was a protest made at some point in time; the chairman admits that. He says it was waived. I cannot find that, but that may be a difference of interpretation. I accede that. I do not consider that a waiver. When the ballot law commission has already said, "We do not have jurisdiction," what else can the attorney do, other than to say, "We are not going to press on this matter."

But that is not the point. The point is that the committee guaranteed to both parties a review of all protests made. Protests were made, and now the committee denies its own word in that personal commitment made to these candidates.

One last point. We are not trying to open up all 229, or whatever the number was, precincts. We are trying to say that there are, in these 10 precincts, 1 out of every 10 votes in New Hampshire, about 18,000, that can be counted. For the life of me, I do not understand why the chairman does not endorse this proposal with open arms, because if he does, and that count is made, however it comes out—and I will bet there is not much change, if any—we will have settled three of the five issues before this body, and can get on with doing our job.

That is all we are asking the committee to do, just physically count the ballots where the results were changed in the recount. I do not think that is asking for any new issue on the matter.

Mr. CANNON. Mr. President, I say to my colleague when he suggests that in this case we go back and have a recount of a recount of every precinct in the State in which the results were changed as a result of the secretary of state's recount, he is going far beyond any request that has been made to us. When he says we said we would consider protests by any party at any stage of the proceedings, that is correct; but I did not realize the Senator from Tennessee was a party to the proceedings until now, because he is the only one who has raised this particular issue. No one else has raised it before the Rules Committee, the ballot law commission, or the secretary of state, other than the distinguished Senator from Tennessee, who suggests we ought to go back and reconsider all the votes in the precincts.

Mr. BROCK. Mr. President, I thought we were trying to settle an election, not quibble over who ought to protest.

Mr. CANNON. The Senator raised the question of what was intended by the recount of approximately 3,500 ballots before the ballot law commission in relation to the final results certified by the ballot law commission, and what was meant by—

> A consideration by the Committee of all of the protests made by either party at any stage of the proceedings contemplating that the Committee will take the appropriate steps on each protest to ascertain the validity of such protest and the accuracy of the count of the matter protested.

We had an extended discussion in the Committee as to what was actually intended. I stated, as chairman:

> I may say for Senator Byrd, who was not here when we had this discussion about this language, that we made it clear in the record that this meant that the committee would consider each protest and make the determination then as to what action, if any, should be taken with relation to that protest.

That is what we are now debating, what action we should take. The Senator is presenting one side of the issue, and I am presenting the other, discussing what action we should take.

That is exactly what the committee agreed to do.

Mr. President, I move to lay on the table the amendment of the Senator from Tennessee, and I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore (Mr. Stone). The question is on agreeing to the motion to lay on the table the amendment of the Senator from Tennessee. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from North Dakota (Mr. Burdick), the Senator from Florida (Mr. Chiles), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Colorado (Mr. Gary W. Hart), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Louisiana (Mr. Long), the Senator from Washington (Mr. Magnuson), the Senator from South Dakota (Mr. McGovern), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Illinois (Mr. Stevenson), the Senator from Missouri (Mr. Symington), the Senator from Georgia (Mr. Talmadge), and the Senator from New Jersey (Mr. Williams) are absent on necessary business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey), the Senator from Washington (Mr. Magnuson), and the Senator from Illinois (Mr. Stevenson) would each vote "yea."

On this vote, the Senator from North Dakota (Mr. Burdick) is paired with the Senator from Vermont (Mr. Stafford). If present and voting, the Senator from North Dakota would vote "yea" and the Senator from Vermont would vote "nay."

Mr. TOWER. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Massachusetts (Mr. Brooke), the Senator from New York (Mr. Buckley), the Senator from New Jersey (Mr. Case), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Oregon (Mr. Hatfield), the Senator from New York (Mr. Javits), the Senator from Idaho (Mr. McClure), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Virginia (Mr. William L. Scott), the Senator from Vermont (Mr. Stafford), the Senator from Alaska (Mr. Stevens), the Senator from Ohio (Mr. Taft), the Senator from South Carolina (Mr. Thurmond), and the Senator from North Dakota (Mr. Young), are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Ohio (Mr. Taft), the Senator from South Carolina (Mr. Thurmond), and the Senator from Oregon (Mr. Hatfield), would each vote "nay."

On this vote, the Senator from North Dakota (Mr. Burdick) is paired with the Senator from Vermont (Mr. Stafford). If present and voting, the Senator from North Dakota would vote "yea" and the Senator from Vermont would vote "nay."

The result was announced—yeas 41, nays 18, as follows:

[Rollcall Vote No. 242 Leg.]

YEAS—41

Abourezk
Allen
Biden
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Clark
Cranston
Culver
Ford
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Jackson
Johnston
Leahy
Mansfield
McClellan
McGee
McIntyre
Metcalf
Mondale
Morgan
Moss
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stennis
Stone
Tunney

NAYS—18

Bartlett
Beall
Brock
Domenici
Fannin
Fong
Garn
Hansen
Helms
Hruska
Laxalt
Mathias
Packwood
Pearson
Roth
Schweiker
Tower
Weicker

NOT VOTING—40

Baker
Bayh
Bellmon
Bentsen
Brooke
Buckley
Burdick
Case
Chiles
Church
Curtis
Dole
Eagleton
Eastland
Goldwater
Griffin
Hart, Gary W.
Hatfield
Humphrey
Inouye
Javits
Kennedy
Long
Magnuson
McClure
McGovern
Montoya
Muskie
Percy
Scott, Hugh
Scott, William L.
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Williams
Young

So the motion to lay on the table the amendment of the Senator from Tennessee was agreed to.

Mr. WEICKER. Mr. President, I send an amendment to the desk and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Connecticut (Mr. WEICKER) proposes an amendment: On page 1, line 7, insert the following: in advance of (1) and renumber the remaining sections accordingly: "It is the sense of the Senate that the Committee on Rules and Administration shall conduct a complete investigation into the casting of the Michaud ballot in the city of Nashua on November 5, 1974."

Mr. WEICKER. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

SENATE JOINT RESOLUTION 97—EXTENDING AUTHORIZATION OF APPROPRIATIONS FOR THE COUNCIL OF INTERNATIONAL ECONOMIC POLICY

Mr. PROXMIRE. Mr. President, I send a joint resolution to the desk and ask for its immediate consideration.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, may we have a time limit on this?

Mr. PROXMIRE. I am happy to agree to it. I do not think it will take more than a minute.

Mr. ROBERT C. BYRD. It could take more time. Can we agree to a time limit of 5 minutes?

Mr. PROXMIRE. I do not have the floor. The Senator from Connecticut yielded to me.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limit of not to exceed 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

> A joint resolution (S.J. Res. 97) extending the authorization of appropriations for the Council on International Economic Policy.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to its immediate consideration; and, without objection, the joint resolution will be considered to have been read the second time at length.

Mr. PROXMIRE. Mr. President, this joint resolution is cosponsored by the distinguished Senator from Texas (Mr. TOWER), the ranking member of the Committee on Banking, Housing and Urban Affairs.

The joint resolution authorizes appropriations for the Council on International Economic Policy for 90 days. The CIEP expires at the end of this month. A bill to authorize such appropriations for the next 2 years is pending in the Committee on Banking, Housing and Urban Affairs. We have already held hearings on the bill, but we have yet to hear the testimony of William Simon, the Secretary of the Treasury, and he cannot appear before the committee until July. For that reason, it is necessary to extend the life of the council 90 days, so that we can have the hearing, mark up the bill, and act in good order.

For that reason, I hope the Senate will pass this routine extension for 90 days.

The joint resolution (S.J. Res. 97) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S.J. RES. 97

> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 210 of the International Economic Policy Act of 1972 is amended—
>
> (1) by striking out "is" and inserting in lieu thereof "are"; and
>
> (2) by inserting before the period at the end thereof a comma and the following: "and $400,000 for the period from July 1, 1975, through September 30, 1975".

AMENDMENT SUBMITTED FOR PRINTING

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE—SENATE RESOLUTION 166

AMENDMENT NO. 605

(Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted an amendment intended to be proposed by him to the amendment proposed by Mr. WEICKER to the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. RANDOLPH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut has the floor.

Mr. WEICKER. Mr. President, I yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. I appreciate the Senator from Connecticut yielding to me for a unanimous consent request.

Mr. President, I ask unanimous consent that my name be included as a signatory to the cloture motion which is at the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, may we have order, please?

The ACTING PRESIDENT pro tempore. Senators not seeking recognition will please take their seats, and Senators conversing will take their seats.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Connecticut yield, without losing his right to the floor?

Mr. WEICKER. I yield, first, to the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Charles Gentry, a member of my staff, be permitted the privilege of the floor for the remainder of the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I yield to the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, can the distinguished Senator from Connecticut indicate to the Senate when he expects the Senate to reach a vote on his amendment?

Mr. WEICKER. This issue is a real "smeller." We are not in procedure now; we are very much in substance. Two absentee ballots were cast, but the persons who supposedly cast them said they did not do so.

I hope we can dispose of the Michaud matter, which certainly is one of the main areas in controversy in this dispute, within the next several hours.

Mr. ROBERT C. BYRD. Within the next several hours?

Mr. WEICKER. Yes.

Mr. ROBERT C. BYRD. Will the distinguished Senator allow me to make a unanimous-consent request?

Mr. WEICKER. As the distinguished Senator from West Virginia knows, I will object to any unanimous-consent request as to setting a time certain. On the other hand, the distinguished Senator from West Virginia also knows that it consistently has been the practice on this side of the aisle to come well within the limits of anything that has been contemplated in the way of unanimous-consent requests as to time. So I am not in a position to speak for any of my colleagues. As I have indicated to the Senator, as a matter of policy, we did not feel that matters should be resolved here on the basis of how convenient it is going to be to any of us, or how much time should be taken. It is a matter of getting the matter fully aired and voting. The facts are quite simple on this motion. If there is no detailed discussion, we can do it very fast. In any event, I do not want to see us go with this matter past today.

While I am on the subject of time, since the Republican side seems to be getting belabored with the idea of filibuster, I say this: From the outset, at least in the discussions I have had with my colleagues on this side of the aisle, it has been contemplated that we would try to dispense with this matter prior to the Fourth of July recess and, if need be, go into the recess period a few days. At no time has that shifted since the time the debate started. So I do not understand what the reason for the cloture motion is, unless it is a further flexing of muscles by the majority. I do not understand what the words on filibuster are about unless that is along the same line. It seems to me there is a lot of crying going on before anything occurs.

I make this statement now because I am going to object to the unanimous-consent request, not that I am going to use this issue to drag out the debate, but because I want it fully aired and I hope it will be aired before the day is out.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. WEICKER. I certainly do.

Mr. ROBERT C. BYRD. This Senator is not, at the moment, considering the convenience of Senators in propounding the request, although I do consider the convenience of all Senators on both sides of the aisle whenever possible. The Senate has spent many days, now, on this resolution. The Senate has spent 33 hours and 28 minutes and has not yet reached a vote on the first issue in the resolution. So it does not appear that we are making very good progress. We have not even reached a vote on the first issue.

On the calendar, we have various energy measures and if we could get on with the business of the Senate and allow committees to meet next week, we would have at least five or six energy measures on the calendar next week.

It is certainly the desire of those of us on this side of the aisle to get on with enacting some energy measure. The people of this country are wondering what is happening in the Senate when we are tied down here on a matter and cannot even reach a vote on the first of 35 issues.

Now, it is our desire to make July energy month, but the way we are going, we are expending all of the energy by way of a form of gas that does not operate industries or automobiles on the highways, and we cannot reach a vote on the first of 35 issues. We have spent, as I say, 33 hours and 30 minutes, now, and have not reached a vote on the first issue.

TIME LIMITATION REQUESTS

Mr. ROBERT C. BYRD. I ask unanimous consent, Mr. President, that there be a time limitation on the amendment by Mr. Weicker of 1 hour, to be equally divided between Mr. Cannon and Mr. Weicker.

Mr. WEICKER. Reserving the right to object.

Mr. HANSEN. Mr. President, reserving the right to object.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. WEICKER. Reserving the right to object, and I will object, I only point out to my colleagues that when we started off on this matter of the New Hampshire debate, it was the suggestion of the distinguished assistant majority leader, the distinguished Senator from West Virginia, that debate be limited, at his suggestion, to 70 hours.

Mr. ROBERT C. BYRD. Seventy hours, and that was not accepted.

Mr. WEICKER. We have attained nowhere near 70 hours.

Mr. ROBERT C. BYRD. Seventy hours on 35 issues. We have spent half that now and have not even reached a vote on the first one.

Mr. HANSEN. Will the distinguished Senator from Connecticut yield to me?

Mr. WEICKER. I have objected to the unanimous-consent request of the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the Senator for yielding.

Mr. HANSEN. Mr. President, the Senator from West Virginia is quite accurate when he says we have not yet addressed the first of these major issues that are before the Senate. He is right. But I remind him and all Senators present, if need be, that the Brock amendment, which was not voted upon, but which, rather, was tabled, did address the first three issues.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. HANSEN. I shall be happy to in just a moment, if I may make my statement.

I wish to make it quite clear that I do not think it is quite cricket to try to put the onus on this side of the aisle, saying that we are the people who are procrastinators, we are those who seek to utilize this wicked tool of filibuster, when the blame fairly should be leveled on that side of the aisle, because the Brock amendment did address those issues.

Let me read, Mr. President, precisely what I am talking about in order that everyone may know.

No. 1, on tie vote issues:

(1) Is it the sense of the Senate that the committee should conduct a recount as requested by Mr. Wyman of the following precincts to determine the accuracy of the recount of the Secretary of State of New Hampshire: Gorham, Bedford, Somersworth Ward 1, Claremont Ward 2, Concord Ward 1, Hanover, New Market, Pelham, Salem, and Gilford?

(2) Is it the sense of the Senate that the committee should conduct a recount of the following precincts because of alleged inaccuracies in the tally sheets of the Secretary of State of New Hampshire: Merrimack, Meredith, and Lancaster?

(3) Is it the sense of the Senate that the committee should conduct an investigation into the allegations of missing ballots in Dover Ward 3 and Troy; and, if any ballots are found to be missing in either precinct, that a retally of that precinct be conducted?

As I understand it, Mr. President, that was precisely the thrust of the amendment proposed by the distinguished junior Senator from Tennessee earlier this morning. I thought his presentation was persuasive. It seemed to me that there was sufficient merit in the amendment propounded by Mr. Brock that this body coming in on Saturday, which is an inconvenience to some Senators—I am not one who is privileged to go home on weekends, as many are. I should like to be home, but I am here today because it really is not too easy to get from here to Wyoming and back and be on hand for a Monday morning session.

I am going to try to do the best I can, insofar as I am able to be on hand when we are here in session and voting. Nevertheless, we are here at some inconvenience to Senators.

So what do we do? We do not vote on the issue. We do not have to vote on the issue. All that is required is for someone on that side of the aisle to say, "I move to table," when all debate has been concluded.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield now——

Mr. HANSEN. I am happy to yield.

Mr. ROBERT C. BYRD (continuing). With the indulgence of the Senator from Connecticut.

Mr. President, the carpet back there is still wet from the tears that I shed earlier today when I urged that the Senators on that side of the aisle let us have a time agreement on the amendment by Mr. Brock so that we could have some assurance that we would have an up and down vote on that amendment. We were denied that time agreement. I pointed out at that time that if we did not get a time agreement, we ran the danger of having a tabling motion.

Now, Mr. President, I realize that there is considerable merit to what the distinguished Senator from Wyoming is saying. We ought to have up and down votes on these amendments.

I, therefore, ask unanimous consent that there be a time limitation of 50 hours—10 hours a day next week—on the resolution; that no tabling motions be in order; and that a vote occur on the final adoption of the resolution at no later than 6 p.m. next Friday.

Mr. WEICKER. I object.

The PRESIDING OFFICER (Mr. Ford). Objection is heard.

Mr. WEICKER. I have to point out that on the amendment of the distinguished Senator from Tennessee (Mr. Brock) the request was made for a vote by 11 o'clock. The Republicans finished any presentation they had long before 11 o'clock. I think it is quite obvious what is going on here. We are well within our time limits; but, from a tactical point of view, we are not going to be pinned into a time limit by the dictates of the majority. It is as simple as that.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield for one more request, and then I will not impose on him or on the time, I ask unanimous consent that there be a time limitation on each of the first five issues in the resolution of not to exceed 2 hours, and that no tabling motion be in order.

Mr. WEICKER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. WEICKER. I would hope for a few minutes anyway that my colleagues on both sides of the aisle would try to stay and listen to the facts of this particular amendment. It is not at all procedural in nature. It goes to a specific event that occurred, one that I think would be condemned by Republican and Democrat alike, and yet the Rules Committee saw fit to exclude it from the resolution.

Very simply, the facts are these: In the city of Nashua, N.H., two absentee ballots were cast by Albert J. Michaud and his wife Bertha. The fact is that when both those individuals were asked whether or not they had cast absentee ballots they replied "No."

Here is what transpired: A worker from Democratic headquarters delivered two absentee ballot applications to Albert Michaud and Bertha Michaud. Albert and Bertha filled out these applications, but subsequently did not fill out the ballots which were given to that worker from Democratic campaign headquarters when he presented the applications at the town clerk's office. They so testified.

It is true that we do not know how they voted. But it is also true that the individual who picked up the applications that brought them to the Michauds and subsequently picked up the ballots was a worker in Democratic headquarters.

Mr. HANSEN. Mr. President, will the Senator yield for just one question?

Mr. WEICKER. Yes, I yield.

Mr. HANSEN. The Michauds did not vote at all. It is not a question of who they voted for, they did not vote at all.

Mr. WEICKER. That is right.

I made a statement that they filled out an absentee ballot application. They testified before the Rules Committee that they did not vote, and yet those ballots in their names were cast.

All I have asked in this amendment is that the matter be investigated because, in fact, the investigation was cut off at the pass by the panel which went to New Hampshire. Unfortunately we run into very much the same situation that we did on the machines. The "Riddick" panel went to New Hampshire, consisting of Dr. Riddick, Mr. Duffy, the majority counsel, and Judge Schoener, minority counsel. Dr. Riddick, instead of performing the function which everybody thought he would perform, in effect was set aside. So Mr. Duffy was counsel not only for the majority but also made the rulings. In the course of those rulings he cut off any subsequent investigation in the matter when such investigation was requested by Judge Schoener.

There are some areas here I suppose where we can disagree, and some points I believe where the merits lie with the other side, but please tell me how there cannot be any merit in this situation so as to at least allow a proper investigation to proceed. There is simply the excuse that we do not know which way the ballots went. Therefore, it is something you cannot get into.

You see, the fact is that initially Mr. Duffy told the committee the story that I have told you, specifically, that a man by the name of Stanium from Democratic headquarters brought absentee ballot applications to the Michauds and then brought them to the town clerk and got the ballots. But what they did not tell you was that, in effect, the Michauds left those applications off at a cousin's house or sister's house, Ellen Michaud; they were picked up from there by Stanium, and apparently the ballots were brought back to Ellen Michaud's house. But Mr. Duffy did not permit the questioning of Ellen Michaud. Counsel did not permit handwriting analysis as between the ballot application and the actual ballots to see whether or not there was a difference or whether it could be ascertained who filled out those applications.

Now, if I might read a letter into the record, not from that Republican or conservative newspaper, the Manchester Union Leader. I am not relying on that newspaper. Rather I would like to go to an individual who covered this particular hearing up in Nashua from a radio station in Nashua, a letter which he wrote to Senator Cannon. This is addressed to the Honorable Howard Cannon. U.S. Senate Rules Committee Chairman, Senate Office Building:

May 9, 1975.

Hon. Howard W. Cannon,
U.S. Senate, Rules Committee Chairman,
Senate Office Building, Washington, D.C.

Dear Senator Cannon: The reason for my letter is after viewing the hearing in Nashua, May 6th, 1975, I am convinced that there is a definite attempt being made by the majority counsel of the Rules Committee investigating team, James Duffy, to not ascertain all of the facts surrounding the absentee ballots in question in Nashua.

Based upon the information that Attorney Duffy has given to your committee as a result of the May 6th, 1975 hearing in the City of Nashua, can you tell me Senator Cannon, who cast the two absentee ballots in question here in Nashua?

In all honesty, I don't think Attorney Duffy knows for sure who cast them! Why? Because he wouldn't allow Judge Schoener and Attorney Van Loan to probe further into several areas that arose as a result of testimony given. I was present for the day-long hearing. To me all that it accomplished was the fact that there is a serious question as to who cast the two absentee ballots and all the majority of the committee that came to Nashua was to go through the motions.

In closing, I suggest you stop kicking the question of who won around in Washington and return it to the people of New Hampshire! You have had six months and just for the record how much has this circus cost the taxpayers?

Cordially,
Lee Edwards, *Assistant News Director.*

The fact is, from the record—and I am going to read from the record today—that clearly no investigation was allowed to take place. Yet it was clearly shown that a fraud existed. There was no argument as to that at all. There is no argument as to these two people receiving absentee ballot applications; there is no argument their ballots were cast, and there is no argument that they did not cast them. Now, that is it pure and simple. Every aspect of the record testifies to that, without any argument whatsoever.

Where the argument arises is that Judge Schoener of the minority tried to launch an investigation beyond the bounds I have described to the Senate to ascertain what happened, and he was denied the opportunity to do that.

We are going to get rolled over probably on a lot of votes here, but here it is pure and simple, ungarnished.

I would just as soon sit down now and hear the explanation of the distinguished chairman of the committee and let us get into a debate back and forth of what I consider to be a very substantive issue having nothing at all to do with the procedure; having everything to do with both the legality of the ballots cast and the fairness of the tactics of the committee in ascertaining what went on.

I yield the floor.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. WEICKER. I yield to the distinguished Senator from Wisconsin.

Mr. NELSON. I am puzzled about something. Are those two ballots impounded? Do we know where they are?

Mr. WEICKER. No, they were not. They are in the mix. They were counted.

Mr. NELSON. Obviously if what the Senator says is correct and they were impounded, you simply would not count them. I will agree to that. But what do you do, what do you accomplish, by the investigation?

Mr. WEICKER. I will tell the Senator again we now get into the area of fairness. Unfortunately for the Senator's side the person who obtained the ballots came from Democratic headquarters. If he had come from Republican headquarters, and I was in a similar position as the Senator, I would sure make certain that the minority, if that were the situation and it was reversed, had the opportunity for a full investigation. Then at least you could say that you had done everything possible to ascertain what action had occurred. But that is not what was done. The fraud and illegality were established, and now even fairness has not been allowed to operate so as to find out what exactly happened. It could very well be that the fact of how they were cast might come up. I do not know. All I know is the investigation was stopped after the facts as I presented them; and, as I say, certainly from all the surrounding circumstances I think we have a fairly good indication or the presumption—let us put it that way—that the ballots were cast for the Democratic candidate.

Mr. NELSON. If there was something illegal that occurred, as the Senator asserts, and I have no facts——

Mr. WEICKER. Well, there is no argument on that, something illegal did occur.

Mr. NELSON. Then should not the Attorney General, pursuant to law, pursue that case under the provisions of the statute?

Mr. WEICKER. Without presuming to tell New Hampshire what they should do, I think they probably would.

The problem is, we are dealing—very frankly, we keep going down this route, and the Senator will understand why I want this back in New Hampshire; however, leaving that issue aside, that is a legal duty on the Attorney General of New Hampshire. We have today to decide an election, and by the last count, there was a separation of only a few votes.

Yet clearly here are two votes that most probably have been cast for the Democratic candidate, and absolutely a fraud or illegality was involved.

What if it hinges on just two votes? Here are two votes in there and the presumption is they went to the Democratic candidate. Yet there has been nothing but a surface investigation after the illegality, after the fraud was established, admitted by everybody, known by everybody, and nothing is done.

Maybe we cannot do anything, but a little bit in the way of investigation should be done, both for the absentee ballot application and the ballot itself.

Now, we are not finding out what was done. The Michauds did not vote those ballots. That went with the application. Not even a handwriting analysis was taken. It was stopped cold. That is where we sit.

All I am proposing is—at least, in this instance it would have been the fair thing to do to avoid the controversy here on the floor—that the minority counsel be permitted to ask Ellen Michaud certain questions, as I say, go-between, and two, to allow a handwriting analysis that we have requested. And that was denied.

Mr. NELSON. But even if we recounted all 200,000 ballots, they still would not know to whom they belonged.

We might even seat a Republican with a Democratic label, which sometimes happens on both sides.

Maybe we ought to take two votes away from each candidate and balance it out.

Mr. BROCK. Will the Senator yield?

Mr. NELSON. This was working for the Democratic candidate.

Mr. BROCK. Will the Senator yield?

Mr. WEICKER. I yield.

Mr. BROCK. That is not the point.

I do not know how the ballots were cast. But when the two voters swear that they can vote, and this is man and wife, and they did not vote, this we know, and when the handwriting on the ballot application and the ballot itself is different, and we cannot get an analysis, but we can see, apparently, that they are not the same, all we would like to know is, is it possible to ascertain what did happen and why do we not allow an investigation into the matter?

We have no idea, even if we investigate, whether or not it will add to or take from any particular count, but the point is, as we are now, we have no way of knowing at all.

I cannot see how we can do otherwise. We ought to at least pursue it when there is clear evidence something fraudulent happened.

Mr. WEICKER. I might continue here on a matter that we are also talking about, the 700 absentee ballots in Nashua.

It is not something of hundreds of thousands of ballots.

Very frankly, the whole absentee ballot situation in that town was a fiasco on election day.

I received the notes of the minority counsel and he indicates in his talks with the town clerk, the town clerk said:

> Never again will I let party workers do what they did in 1974.

Apparently there was just not very tight control over the entire absentee ballot situation, as evidenced by this situation of the two votes.

But certainly, it would have been very easy to try to pin this one down.

Once we have established fraud, or illegality, I do not see why we are not allowed the barest of investigations.

That is all I am asking today, not that the ballots be thrown out, but at least allow us to ask the pertinent questions that might establish what actually went on.

Mr. MORGAN. Will the Senator yield?

Mr. WEICKER. Yes.

Mr. MORGAN. Is it clear and undisputed the Michauds did not vote?

Mr. WEICKER. That is correct.

Mr. MORGAN. No contradictory evidence?

Mr. WEICKER. There is not.

Mr. BROCK. Yes, there is.

Mr. WEICKER. The only evidence is somebody made the statement, "Old people sometimes forget."

Mr. MORGAN. As I recall reading the record, the voluminous record, and I cannot be sure, but as I recall, Michaud on one or two occasions stated to two or three other persons that he did vote by absentee ballot and it was only 6 months later after the election that he testified that he did not vote.

Mr. BROCK. Will the Senator yield?

Mr. WEICKER. I state to the distinguished Senator from North Carolina, the whole point becomes moot because he was not even registered to vote.

Mr. MORGAN. I understand, but is there not some question he was dropped?

Mr. WEICKER. No, he was not registered to vote.

Mr. MORGAN. The Senator did not answer my question, is there not contradictory evidence as to whether or not he did cast an absentee ballot?

Mr. BROCK. Will the Senator yield?

Mr. WEICKER. I yield.

Mr. CANNON. I did not hear the Senator's answer.

Mr. WEICKER. The Senator from Tennessee is responding.

Mr. BROCK. In the first testimony, Michaud did say he did vote. It came from a Democratic attorney who said he called him after he had first sworn he did not vote and that he said over the telephone that he did vote.

Then the investigation team, after calling the chairman of the committee, re-called Mr. Michaud, and again he stated categorically that he did not vote. They asked if they could call Ellen Michaud, to whom the applications were taken and the ballots were given when they had signed it, and counsel refused to allow Ellen Michaud to testify.

Then they said, "Well, there is one way at this point." The Democratic precinct worker who carried the ballot applications out there said he knew Mr. Michaud voted, and they said, "How come he says he didn't?" He said, "Old people forget."

Then they said, look, here, we have got one man saying old man Michaud, who is 77 years old, did vote and Mr. Michaud said he did not so let us check the handwriting on the ballot and compare it with the ballot application to see if they are one and the same.

If we look at it, I think the Senator would agree that they did not, they are not the same, that is a matter of judgment. I am not an expert, I do not know if the Senator is or not, but an expert can tell us if they were the same, and we were denied the right to check.

Mr. MORGAN. The question I am trying to get clear in my mind is, the Senator from Connecticut has made the statement that Michaud did not vote. I have read the record on page 10, there were three other persons who indicated, either by affidavit or otherwise, that he did.

So the statement that he did not vote is not an uncontroverted statement.

Mr. WEICKER. All I can do is refer the distinguished Senator from North Carolina as to the actual proceedings themselves put forth by the court reporter.

> QUESTION. You are saying for the record you did not ever receive a ballot?
>
> ANSWER. No, sir.
>
> QUESTION. And you did not, therefore, vote a ballot?
>
> ANSWER. No.

Now, what does the Senator want?

Mr. MORGAN. Let me ask the Senator if it is not also true——

Mr. WEICKER. And if there is—

I am not yielding to the Senator again.

And if there is a controversy, is it not fair to go ahead and allow for an investigation to pursue it, rather than to go ahead and say that we will not allow the minority to ask any questions?

Would the Senator like to respond?

Mr. MORGAN. Will the Senator yield so I may pursue the question?

Mr. WEICKER. I will be glad to yield for the Senator to respond. I read from the record.

Mr. MORGAN. Would the Senator not allow me to pursue it from page 10 of the committee's report?

Mr. WEICKER. I am giving the sworn testimony of this individual. What more does the Senator want?

Mr. MORGAN. Will the Senator yield?

Mr. WEICKER. I will be glad to yield.

Mr. MORGAN. I am trying to get to what I believe to be the truth, I am determined to try to vote on this question based on what I believe to be the facts and the law, notwithstanding party affiliations.

On page 10 it says:

> On three separate occasions, testimony has been received that Albert J. Michaud did in fact vote by absence ballot in the November 5, 1975, election.
>
> Mr. Walter Stanium, in sworn testimony before the staff panel of the Rules Committee (May 6, 1975, transcript, p. 115), has stated that his relative, Albert J. Michaud did, in fact, vote by absentee ballot in the November 5, 1975, election.
>
> Newton Kershaw, in a sworn statement to the Rules Committee has stated that in a telephone conversation on April 29, 1975, with Albert J. Michaud, Michaud indicated that he did, in fact, cast an absentee ballot in the election of November 5, 1974.
>
> In addition, in a previous telephone conversation with James Gilroy in December

1974, Mr. Michaud indicated that he did, in fact, cast an absentee ballot in the election of November 5, 1974.

What I am saying is if those three statements are true, then is it not correct that the question is for the committee to pass upon the credibility of the testimony as to whether or not Michaud actually voted?

Mr. WEICKER. There is absolutely no question about that, but it is impossible to do that because the inquiry was cut off at the pass. I have in front of me a document which was agreed to by all the parties, including Mr. Gilroy, who was just mentioned, who is Mr. Durkin's attorney. On there it says, "Signatures on application and envelope clearly different. Agreed. John Frazier"——

Mr. CANNON. Will the Senator yield? I would like to correct the record. Mr. Gilroy was not Mr. Durkin's attorney and is not a lawyer.

Mr. WEICKER. Was he representing Mr. Durkin's position?

Mr. CANNON. No.

Mr. WEICKER. It says on the paper "Durkin."

Mr. CANNON. I think he is a town clerk.

Mr. BROCK. But he did work for Durkin in the election.

Mr. CANNON. That might be right.

Mr. WEICKER. I am sure the Senator will win many points here. Everyone agrees that a fraud and illegality took place, that it was a worker from the Democratic campaign headquarters that at least started this chain of events going.

Mr. CANNON. Will the Senator yield?

Mr. WEICKER. After I am through.

When we have a piece of paper that says the signatures on the application and envelope are clearly different, and it is agreed by all parties that this is Durkin's man, whether he is town clerk, he is Durkin's man, and everybody believes the signatures are different, and nobody wants anything more?

I yield.

Mr. PASTORE. Let us hear the other side.

Mr. CANNON. I am glad to have the opportunity to answer in this case. I am sorry that the people who are presenting the case for the minority were neither one on the committee and neither one had the opportunity to go into this matter other than such as they have been informed——

Mr. WEICKER. Neither did 90 other Senators.

Mr. CANNON. I did not yield, Mr. President. Regular order.

Mr. PASTORE. Regular order.

The ACTING PRESIDENT pro tempore. The Senator from Nevada has the floor.

Mr. CANNON. Mr. President, I would like to get this matter in perspective, but first I want to point out that this is obviously a red herring type tactic. The move here now is to see if we can go back and find somebody that was not eligible to vote and voted, or if we find somebody that says that they did not vote and the ballot was cast for them, we can void this whole election. We will throw it out.

Today, on the floor of this Senate is the first time—the first time, mind you—that anybody has charged fraud or illegality in these proceedings. Even Mr. Wyman did not charge that before the committee.

Mr. BROCK. Mr. Chimento did.

Mr. CANNON. Both have said consistently that they do not charge fraud or illegalities in connection with these proceedings.

Mr. President, certainly there are a lot of irregularities that occur in every election. Anyone who has had anything to do with an election knows that. We talked earlier about the checklist. We know that the checklist totals never exactly coincide with the number of votes cast. Anybody who has ever been involved in an election knows that.

I would like to lay this Michaud matter out on the table and tell what happened. There are three Michauds in Nashua. This is the thing that created the problem, and it created the problem because Mr. Wyman's attorney then want around to find out if there was some way that they could find fraud or illegality to throw out this whole election.

So they scoured the State. We know that. It is evident in the Michaud case. It is evident in the McCarren case. I am surprised that they did not really find more of them because we always find a lot of irregularities that occur.

Mr. President, there are three Michauds in Nashua. First, Albert W. Michaud, 52 years old, of 123 West Pearl Street. Albert Michaud voted in person, this Albert, by a voting machine in the November 5, 1974, election. His vote was legally cast and legally counted. There is no question whatsoever surrounding his vote.

Bertha Michaud, of 46 Whitney Street, is the wife of the third Michaud, Albert J. Michaud, who is a gentleman 77 years old. Bertha voted by absentee ballot in the November 5, 1974, election. Her name appears on the checklist. Her ballot was legally cast and legally counted. There is no question regarding the validity of her vote, except that the distinguished Senator from Connecticut tells us today that she did not vote.

The third is Albert J. Michaud—remember, Albert W. and Albert J.—77 years old, of 46 Whitney Street. He, along with his wife, Bertha, voted by absentee ballot in the November 5, 1974, election. Due to a clerical error, however, and this is where the problem started, his name was not on the checklist and his ballot, which was properly cast and properly counted, is the only Nashua absentee ballot subjected to investigation by the vote of the Rules Committee.

Albert J. Michaud, the third gentleman, the 77-year-old gentleman, was dropped from the checklist because of clerical error on the part of the Nashua County election officials.

The maintenance of a checklist is a continuing process and involves constant corrections, deletions, and additions.

Sometime between November of 1970, the election, when the 1970 checklist was printed, and the beginning of the reregistration drive in March 1971, Albert J. Michaud was dropped from the checklist.

The first claim here was that Albert J. Michaud had never been eligible to register to vote and, therefore, could not have voted.

He had been incorrectly listed—listen to this, mind you, this is Albert J. Michaud—he had been incorrectly listed as Albert W. Michaud, at 46 Whitney Street, his own address—his own address, mind you—not that of Albert W. Michaud. As Albert W. Michaud of 123 Pearl Street was correctly listed on that checklist, the clerical error involving Albert J. Michaud's middle initial created an apparent duplication. This was discovered during the ongoing process of amending the checklist, and Albert J. Michaud's name was dropped from the checklist due to an error, as I said, by the Nashua election officials.

In 1971, the city of Nashua began a reregistration drive that was completed in 1973. As a part of the drive, letters were sent to all persons whose names appeared on the 1970 checklist as it stood amended in March of 1971.

In June of 1972, and again in April of 1973, second and third letters were sent to all voters who had not yet responded to previous mailings. All voters who failed to respond to any of the three letters were finally eliminated from the voting rolls in August of 1973. It should be noted that no names were stricken prior to August of 1973 for failure to reregister.

Because Mr. Albert J. Michaud had, however, been improperly dropped from the 1970 checklist due to clerical error, and because his name was deleted, due to clerical error, prior to the commencement of the reregistration drive, he, in all likelihood, never received the three reregistration notices. This conclusion is further supported by the fact that Albert J. Michaud's name does not appear on the list of voters who were stricken from the checklist in 1973, due to their failure to reregister. Further evidence of this is the fact that the wife of Albert J. Michaud, Bertha Michaud, was duly reregistered and retained on the checklist of August 1973. This indicates that Albert J. Michaud never reregistered because he was improperly dropped from the 1971 checklist due to clerical error and, as the result of that clerical error, was never notified by the Nashua election officials that he had to reregister.

So there is no question but that Albert J. Michaud was eligible to be on that checklist, and should have been.

The testimony of Lionel Guilbert, city clerk in Nashua, before the staff panel of the Senate Rules Committee, on May 6, 1975, addresses this point—May 6, 1975, transcript, page 29 and 30. He states, "At every election we have some voters that, through clerical error, or through printer's error, a name have been deleted from the checklist."

I would point out as well that the Rules Committee, at the instigation of Mr. Wyman, voted to open and count two absentee ballots, one of them of a voter whose name appeared on the checklist—precisely the same situation they are complaining of here.

Mr. BROCK. No.

Mr. CANNON. Except only that this ballot might have gone to Mr. Durkin. We do not know how it went. We know that if we were really able to make our case here, then the next question would be "What do you do?"

We cannot identify these ballots; they are in with all of the rest. No one knows how anyone voted, unless we accede to the request of the Republican minority and go give a lie detector test to Mr. Albert J. Michaud.

Can you imagine the Senate sending up a team of lie detector experts to give a lie detector test to a gentleman 77 years old, to ask him, "Did you or did you not vote in the last election, and if so, whom did you vote for?"

Mr. BROCK. The Senator has his facts——

Mr. CANNON. I do not yield, Mr. President, until I have finished.

We would be the laughingstock of the country, Mr. President, and I submit that is something we should not even consider here.

On three separate occasions testimony has been received that Albert J. Michaud did in fact vote by absentee ballot in the November 5, 1975, election.

That responds to the question that the distinguished Senator asked a while ago, and says he could never get an answer to, as to whether there was conflicting evidence on this point.

There is conflicting evidence, and that is the thing that the Senate is going to have to determine when we settle this. We settled it in the Rules Committee. We voted to accept the Albert J. Michaud ballot as cast. Why? Because we believed we had gone as far as we could properly go.

Suppose, now, that we investigated further, and use a lie detector test, and he said that, "I did not vote at all, someone else voted for me," and the lie detector supported that position. What do we do? Do we throw out the entire election in the State of New Hampshire? That is the objective of it.

Mr. Walter Stanium, in sworn testimony before the staff panel of the Rules Committee—May 6, 1975, transcript, page 115—has stated that his relative, Albert J. Michaud did, in fact, vote by absentee ballot in the November 5, 1975, election.

Newton Kershaw, in a sworn statement to the Rules Committee has stated that in a telephone conversation on April 29, 1975, with Albert J. Michaud, Michaud indicated that he did, in fact, cast an absentee ballot in the election of November 5, 1974.

In addition, in a previous telephone conversation with James Gilroy in December 1974. Mr. Michaud indicated that he did, in fact, cast an absentee ballot in the election of November 5, 1974.

That was way back in December, months before Mr. Albert J. Michaud started being harassed by being asked over and over, "Did you vote in the November 5, 1974, election?"

He originally stated that he and his wife had both voted by absentee ballot because his wife, Bertha Michaud, was ill, had had a heart attack and was not well, and that was the reason why they had voted by absentee ballot.

Mr. BROCK. But he was not.

Mr. CANNON. No, he had not had the heart attack.

Mr. BROCK. He was in good health?

Mr. CANNON. I do not know. I suppose a man 77 years old can be in reasonably good health.

But, Mr. President, as I said, in a conversation with James Gilroy in December 1974 that, Mr. Michaud indicated that he did, in fact, cast an absentee ballot in the election of November 1974.

Mr. PASTORE. Mr. President, would the Senator mind yielding?

Mr. CANNON. I yield to the Senator from Rhode Island.

Mr. PASTORE. As I understand the thrust of this amendment, it is that they want this matter pursued and studied.

As I listen to the distinguished chairman it strikes me that he, who participates on the committee—and I understand that the Senator from Connecticut and the Senator from Tennessee are not members of the committee, but they seem to know a great deal of what went on with reference to this matter; apparently they have conducted their own investigation.

But I ask this question at this time of the Senator from Nevada, the chairman of the Rules Committee: Is he telling us that the Rules Committee did in fact pursue this matter and reach a conclusion?

Mr. CANNON. We did in fact pursue this. We had our team investigate it. We did not go as far as the minority requested when they suggested the possibility of taking a lie detector test and bringing handwriting experts in to see if in fact Albert J. Michaud cast an absentee ballot in that election.

Mr. PASTORE. Will the Senator yield further?

Mr. CANNON. I was amazed at that suggestion. I was flabbergasted.

Yes, I yield.

Mr. PASTORE. As far as the record indicates, the Republican members of this committee are Senators HATFIELD, HUGH SCOTT, and GRIFFIN. Where are Senators HATFIELD, HUGH SCOTT, and GRIFFIN? Can we find out from them what they thought of the investigation being made by the committee? Where are the people who serve on that committee?

Here we are, confronted instead by a man from Connecticut who stands up here and says there is no question at all about fraud, this is undisputed; and we have the distinguished chairman standing here saying there were contradictions.

There were obviously contradictions. There were statements made at one time that he did vote, and statements made at another time that he did not vote, and apparently these two people were harassed by attorneys on one side or the other, and here we are, being told that a man 77 years old at one time said he did vote and at another time said he did not. Are we going to throw out the election for that reason?

What is it that they want us to pursue?

Several Senators addressed the Chair.

Mr. PASTORE. How far do they want us to go? Do they want us to stay here until Christmas?

Mr. BROCK. Let me answer the question.

Mr. PASTORE. Well, I do not have the floor. When I have the floor I will yield all the Senator wants. But it strikes me. I have been listening and listening and listening; I was invited to remain on the floor for a short statement explaining this matter. I have been here now for almost an hour, and I tell you very frankly, I do not think anyone here knows whether they are coming or going. [Laughter.]

The ACTING PRESIDENT pro tempore. The Senate will be in order. The Senator from Nevada has the floor.

Mr. CANNON. Mr. President, let me say in fairness to my Republican colleagues on the Rules Committee of the Senate, who are not here today, that they did not vote with the majority of the committee to accept the results of the investigation. But the majority of the committee voted to accept the Michaud ballot as cast.

If we did everything the minority wanted, and we got the worst possible result one could conceive of, then we come down to the issue, do we throw out that election because this gentleman, who has been harassed now for a period of 5 months, now says he did not vote in the election, after he earlier told three different people that he did vote by absentee ballot?

Mr. PASTORE. Will the Senator yield?

Mr. CANNON. I yield.

Mr. PASTORE. I do not care how they voted. The fact remains that they were there, and we have a right to know what they heard and saw.

Where are they? We are always accused of being absent. Here we are, on a Saturday afternoon at 10 minutes past 12 o'clock, in extraordinary session, being asked to listen to what? A lot of gobbledygook.

Several Senators addressed the Chair.

Mr. CANNON. Mr. President, I want to finish my statement and say how the problem arose.

As I said earlier, in a previous telephone conversation with James Gilroy in December 1974, Mr. Michaud indicated that he did, in fact, cast an absentee ballot in the election of November 5, 1974. Now, in testimony before the staff panel on May 6, 1975, and this is after, as one can see, after Albert J. Michaud has been queried more about this election, I imagine, than he has ever had anything happen to him in his life before in connection with it——

Mr. PASTORE. Short of a heart attack that his wife suffered.

Mr. CANNON. Yes.

Mr. PASTORE. I suppose they want to us to pursue it until the poor man does have a heart attack, especially if they bring a lie detector up there.

Mr. CANNON. Mr. President, in testimony before the staff panel, on May 6, 1975, in Nashua, Mr. Albert J. Michaud did in fact indicate at that time that he did not cast an absentee ballot in the election of November 5, 1974. This is coming from a gentleman 77 years old, more than 6 months after the election. I submit that it could have something to do with his age and possibly forgetfulness. But in the record itself he could not even tell whether he was talking about an absentee ballot or the application for the ballot.

Mr. BROCK. He did say he did not vote.

Mr. CANNON. Mr. President, just let me read from part of his statement. The question was: "Did you vote in the 1974 election"——

Mr. WEICKER. What page?

Mr. CANNON. 1809.

Mr. WEICKER. I beg the Senator's pardon.

Mr. CANNON. 1809. 1800 is before this.

Q. Did you vote in the 1974 election, November 5, 1974?

A. Well, there is a fellow who came down, I was working at Benson's Farm, and a guy came over with a little form, application, or something like that, and he said, you tell your husband to sign one and you sign the other one.

This is the gentleman. He says: "You tell your husband to sign one and you sign the other one."

Does that indicate that this man might be a little confused? I did not know he had a husband up until this point, but he said:

You tell your husband to sign one and you sign the other one, and I will get it later on, and that is all there was to it. So, I never had any ballot to fill in.

Q. This gentleman who came with a form to sign—he talked to your wife?

A. He talked to my wife, because I was not home.

Q. He left these two forms to be signed?

A. That is correct.

Q. Did you sign one form?

A. Well, I signed my name to one of them.

Q. She sign the other?

A. Right.

Q. What happened to the forms?

A. Well, the form—he must have brought it back.

Q. You did not mail it or take it personally to the City Hall?

A. No, no.

Q. Or any other polling place?

A. No. It is not the ballot. We never had any ballot.

Q. You realize, I told you, you are testifying under oath here today.

You know you do not want to badger a witness. You just remind him a few times that he is testifying under oath you know, a gentleman 77 years old—

A. Right.

Q. You are saying, for the record, that you did not ever receive a ballot?

A. No, sir.

Q. And, you did not, therefore, vote a ballot?

A. No, sir.

Q. Do you know, of your own knowledge, whether your wife may have received a ballot?

A. No.

Q. You are saying that you don't know?

A. No, no, she did not, she did not.

Q. I see.

A. Because, if we had it, we would have had each one them.

Q. Do you know whether or not you are registered to vote here?

A. I was registered, yes, to vote here.

We find out he was not registered to vote. He was not registered to vote, and I explained the circumstances of that.

So you know this gentleman very well could have been a little confused.

A. I was registered, yes, to vote here.

Q. In Nashua?

A. I was.

Q. Mr. Michaud, there was a new registration in the city of Nashua—

This is great for this 77-year-old elderly farmer to ask him some legalistic questions here.

Mr. WEICKER. Mr. President, will the distinguished Senator from Nevada state who asked the questions?

Mr. CANNON. "Mr. Michaud"——

Mr. WEICKER. Will the distinguished Senator from Nevada state who asked the questions?

Mr. CANNON. Mr. President, I do not yield at this point.

Q. Mr. Michaud, there was a new registration in the city of Nashua between 1971 and ending in 1973. Do you know whether you attempted to reregister at any time during that period?

A. I didn't know anything about that.

Q. I see. So, to the best of your knowledge and recollection, you did not?

A. I did not.

Q. You did not reregister?

A. I did not.

Well, Mr. President, this goes on and there is no question but what the gentleman did vote, had been voting before that time.

Mr. WEICKER. Will the distinguished Senator from Nebraska state who asked questions?

Mr. CANNON. Mr. President, in testimony before the staff panel, on May 6, 1975, in Nashua, Albert J. Michaud indicated, however, that he did not cast an absentee ballot in the election of November 5, 1974. This testimony, coming as it does, more than 6 months after the election, is clearly the testimony of a confused and frightened witness.

It is not possible to determine who Albert J. Michaud voted for in the U.S. Senate race, if indeed he voted for any of the three Senate candidates. Mr. Stanium, who brought the ballots to Mr. and Mrs. Michaud, testified that he could not see how Albert Michaud marked his ballot. In his conversation with Newton Kershaw, Mr. Michaud was unable to remember which U.S. Senate candidate, if any, he had voted for. In the conversation between Mr. Michaud and Mr. Gilroy, this question was not answered. It does not, then, prejudice the case of either Mr. Wyman or Mr. Durkin to count this ballot as it was cast and as it was incorporated into totals during the Secretary of State's recount.

The ballot that Mr. Albert J. Michaud cast in the November 5, 1974, election cannot be identified, as is the case with all other ballots cast. The numerous safeguards which protect the privacy of each voter's ballot prevent such identification.

In conclusion, because of some clerical error on the part of either the city clerk's office or the Board of Registrars. Albert J. Michaud was dropped from the 1971 checklist and was never informed of this erroneous deletion. He apparently did not attempt to vote again until 1974. Albert J. Michaud had no chance to learn that he had been improperly dropped from the checklist, due to that clerical error. He cast his absentee ballot in a proper fashion. Any controversy surrounding his ballot is the result of error on the part of election officials; Mr. Michuad was entitled to vote and his ballot must be counted as determined by the recount conducted by the Secretary of State, however, it may have been counted, and we do not know. I point out further, Mr. President, that the New Hampshire statute chapter 7, subsection 6(c), provides for the enforcement of the election laws and gives that responsibility to the attorney general. Had any voter or any other person made a complaint of this sort to the attorney general he had the authority to investigate it. He could have investigated it even on his own motion, and he has not seen fit to do so. He is not proscribed from making any investigation on the election laws and the conduct of the election laws simply because this Senate has the right to make the judgment with respect to the election because that is a procedural matter which he has the full right and authority to go into.

I do not know.

Mr. NELSON. Mr. President, will the Senator yield for a question?

Mr. CANNON. Yes.

Mr. NELSON. Do I understand the Senator to say this is public knowledge, the district attorney knows it, the attorney general knows it, and none of them thought it worthwhile to pursue in any way?

Mr. CANNON. I cannot speak for what they thought. They certainly have known it. It has been in the press up there. This Michaud case has been in the press almost as much as the New Hampshire election. There was a great to-do about this right from the start, believing that some man who was not even eligible to register had voted which did not turn out to be the case.

Mr. NELSON. But in any event so far as the Senator from Nevada knows, neither the attorney general nor the district attorney, or any other official with responsibility, has initiated an independent investigation.

Mr. CANNON. As far as I know they have not done one thing in connection with this. I cannot certify that they have not done something. But I do not know of anything they have done, and I may say, and the Senator included the district attorneys, let me read just part of the statute:

> In conducting an investigation under this section the Attorney General may enlist the aid of the county attorneys, the State police and other public officers in exercise of his powers and duties under this section. The Attorney General may hold hearings and require the attendance of individuals by the use of subpoena and may require the production of books, documents, records, and other tangible goods by the use of subpoena duces tecum.

I suppose under the broad authority if he saw fit to do so he probably could have gotten that lie detector and forced Albert J. Michaud to take a lie detector test to tell whether he voted and if so how he voted.

Mr. NELSON. Will the Senator yield for one question?

Mr. CANNON. I yield for 1 moment.

Mr. NELSON. I do not recall the exact words of the Senator from Connecticut, but I understood him to allege on the Chamber floor that there was fraud here. Did the Senator from Connecticut allege there was any fraud in this case?

Mr. WEICKER. The Senator from Connecticut has stated the facts as in the transcript, that two people did not vote; yet, their absentee ballots were counted. The Senator from Wisconsin can give it any word he wishes—fraud, illegality, call it what he will. They testified before the Rules Committee. The testimony that the chairman has been reading is the testimony under oath before his committee. That is what they testified to. The fact is that they did not cast a ballot and the ballots were counted. The Senator can call it what he wishes.

Mr. NELSON. I have no name I want to assign to it. I was inquiring how the Senator from Connecticut had characterized it.

Mr. WEICKER. I characterize it as fraud. I characterize it as an illegal vote.

Mr. NELSON. I just did not wish to misquote the Senator.

Did I correctly understand the Senator from Nevada to say that Mr. Wyman at no time alleged that there was fraud here?

Mr. CANNON. That is correct. As a matter of fact, the attorneys for both parties consistently have said before the committee that no fraud is alleged in connection with this election.

If this sort of thing did occur, which has not been raised, and the charges that have been made—incidentally, in one of those charges he says there is no question that neither of these people voted. Mrs. Michaud was not even questioned by the staff. This woman had had a heart attack, and she was not even queried by the team, as I understand it, as to whether she voted.

So I do not know how the Senator can be so certain that even Mrs. Michaud did not vote. She was on the list and was eligible to vote. According to the sworn testimony of Stanium, the ballots were taken to them and they voted.

Mr. NELSON. So we have a situation in which the attorney for Mr. Wyman, whose contest is at stake here, at no time makes any allegation that there was fraud in this case, but the charge is being made on the floor of the Senate. Is that correct?

Mr. CANNON. That is my understanding. Other members of the committee are here. I recall specifically asking Mr. Brown that question, and I do not recall either one of the parties ever charging such a thing as fraud.

Mr. PELL. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. PELL. My recollection is exactly the same as that of the chairman.

Mr. MORGAN. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. MORGAN. Mr. President, I should like to inquire as to what efforts were made to determine whether or not Mrs. Michaud actually voted. What is her physical condition, and was she able to talk to an investigator?

Mr. CANNON. I am advised that Mrs. Michaud had had a heart attack, that she was ill, and that she had had a shock. It is my understanding that when the team went up there, they did not attempt to talk to her. Mr. Stanium was the gentleman who said under oath that he took the applications to them, they signed the applications, he took them back, and he got the ballots and returned them, So, so far as I know, Mrs. Michaud was not interrogated.

Mr. MORGAN. There is nothing in the record to reflect what she had to say at all? She made no statements to any attorney for either side, or any investigators, as to whether or not she had voted?

Mr. CANNON. I am sorry that I cannot answer that precisely. I do not recall anything. I have to recheck.

Mr. WEICKER. May I be of assistance to the chairman? I think I can assist him in answering the question of the distinguished Senator from North Carolina by reference to page 1805, the top of the page, the city clerk of Nashua.

Mr. MORGAN. Who was the witness testifying?

Mr. WEICKER. Guilbert, the city clerk of Nashua.

Mr. CANNON. If the Senator will go back to the beginning of 1798, at the bottom, and read that through, he can form a judgment for himself as to the fact.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. CANNON. I yield.

Mr. JOHNSTON. I have been reading through this testimony of Mr. Michaud. He was asked a couple of times in here, first, to spell his wife's name and then to spell Dick Stein's name, and he was unable to do either. Do I take it that he is illiterate?

Mr. CANNON. I cannot respond to that.

Mr. WEICKER. In response, I say to the Senator that in Connecticut, in Louisiana, and in New Hampshire there are many citizens of French origin; so his English is a little on the hazy side, though he is not illiterate, and I will not ascribe that to any French American.

Mr. JOHNSTON. I do not mean that in a pejorative way. I just want to know. Is it established that he can spell and write, or did he ever learn to read and write?

Mr. WEICKER. I gather that it was sufficient to answer questions put to him by the committee and both counsel.

Mr. CANNON. Apparently, he signed the application, according to the record.

Mr. JOHNSTON. He obviously could sign his name, but could he write anything else?

Mr. CANNON. At page 1814, he is asked something about himself. I read from the previous page, where Mr. Schoener is asking about the ballots:

> He brought the slips around. After you signed them, did he pick them up?
>
> No.
>
> Who picked them up?
>
> My sister-in-law picked them up on Sunday, and she gave it to him.
>
> Who was the sister-in-law?
>
> Ellen Michaud, 25 McKean Street.
>
> She, apparently, lives next to this *Dick Stein?*
>
> Certainly.
>
> Did you ever ask her what ever happened to your ballot?
>
> No, I never did.
>
> Did you expect to get a ballot back?
>
> I didn't expect to get any ballot back. He told my wife, he said you just sign those papers and everything is all right.
>
> They would take care of voting the ballot for you?
>
> I don't know about that. That is something I can't say yes or no, I don't know.
>
> Mr. Michaud, you are 77 years of age?
>
> Right.
>
> You are still working?
>
> Oh, yes, I try to anyway.
>
> You are not retired?
>
> I have been out for 15 months, because my wife had a little shock, and she is sick.
>
> Were you born in Nashua?
>
> I was born in Canada.
>
> I see. And, you are an American citizen now?
>
> Right.

Mr. JOHNSTON. We do not really know whether he can read and write, other than his name?

Mr. CANNON. Other than that. The evidence, I think, does show that he signed the application.

Mr. JOHNSTON. And that is all we really know?

Mr. CANNON. That is as far as I recall. I must say that I have not read all this transcript recently.

Mr. JOHNSTON. At another point here, he says that Dick Stein picked it up, and then he says but it was not Dick Stein. After identifying Dick Stein—this is on page 1816—he says:

> I think I gave the wrong name, though. I don't think it is Dick Stein. Dick Stein is a Jewish fellow. This fellow came down to my house—it is not Dick Stein, it is not Dick Stein. I gave Dick Stein, but it isn't Dick Stein. I told Mr. Guilbert last night what his name was. His father lives on Whitney Street.

Did the committee ever find out who that was?

Mr. CANNON. Yes. I think he said later it was Mr. Stanium, Walter Stanium. A little later on, he said he is a Lithuanian fellow. Then he went on later to say that it was Walter Stanium.

Stanium was the man who also testified and said he delivered the applications, got them signed, and took them back and delivered the ballots and that he saw them vote, but he did not see how they marked the ballots. That was Walter Stanium.

Mr. JOHNSTON. Let me ask one more question. Perhaps this question should be relegated to the Senate from Connecticut: What is it that we would do if we did all that the Senator from Connecticut wants to do? I hope he will answer that afterward.

Mr. CANNON. Perhaps the Senator had better ask the Senator from Connecticut, but I will say what the end result is.

Let us suppose that we went up and administered lie detector tests and took handwriting experts to compare the handwriting on the application to see if it were actually the gentleman's signature on there, and if we retrieved the envelope that the absentee ballot was turned back in and submitted that to a handwriting expert to see if it was Mr. Michaud's handwriting. Then, when we concluded all of these things—if I did not say it, I shall say it again—administered the lie detector tests and asked, "Did you really vote in that election and if so, how did you vote?"—I suppose that would be the next question—"Did you vote for Mr. Wyman or Mr. Durkin?"

I know what I would say if it were me. I would tell them it is none of their business. But I can see where a 77-year-old man might be frightened into thinking he might have to answer something like that, even.

In any event, when that is all concluded, then we come down to the fact of who shot John? I mean, what happens? Those ballots are in the mix and there is no way in the world that those ballots could be identified. There is no way that we could make any adjustment on a man's testimony as to how he voted, any more than we could make a contention here.

We had a call from a lady with respect to the "skip-Louie" ballots. There was a lawyer. She said, "I am one of those people who cast a skip-Louie ballot, and I am aghast that the Senate is considering casting my vote for Wyman. That is why I skipped him and I have been a lifelong Republican."

That is not evidence that can be presented and given validity before the committee any more than this sort of thing.

If people were to say, "Yes, somebody voted for me and they voted for Wyman or they voted for Durkin," obviously, this is the red herring move. It is an obvious move to try to send it back for a new election.

Mr. JOHNSTON. That really is the bottom line, to send it back for a new election, not to find out about this particular issue.

Mr. CANNON. That is the bottom line.

Mr. WEICKER. Mr. President, that is not the bottom line. There is no such request of the Senator from Connecticut, to send the election back to New Hampshire. The Senator from Connecticut is suggesting that, in light of the facts that have been revealed by the investigations of the committee, at least, we owe it to ourselves—in fact, we are trying, in fairness—to judge the matter here, and close the circuit of investigation.

I should like to ask the distinguished Senator from Nevada a question. If he does not care to listen, it will get asked anyway.

I wonder if the distinguished Senator from Nevada would like to respond to the question now that I tried to ask him before, where he portrayed the questioning of a 77-year-old man as a sort of badgering process, as to who was asking those questions. Were they not asked by the majority counsel of the distinguished chairman's committee?

Mr. CANNON. Some of the answers that I have read here were to questions that were asked by majority counsel and some were asked by Mr. Schoener. Frankly, if I may say so, I think both of them were a little on the badgering side in this situation.

Mr. WEICKER. All right. Now we get to the question which was raised, I think by the distinguished Senator from North Carolina (Mr. Morgan) about Mrs. Michaud. At the top of page 1805, the following questions and answers appear:

> Judge Schoener. Now we have heard a nice long story but, Mr. Guilbert—

That is the city clerk of Nashua—

> if you would answer me that question again with a sheer clean yes or no—did Mrs. Bertha Michaud tell you that she did not vote by absentee ballot in the last November 5th election?
>
> The Witness. That is what I stated.
>
> Judge Schoener. Yes is the answer?
>
> The Witness. Yes is the answer.
>
> Judge Schoener. All right. So, neither of the people at 46 Whitney Street, neither one of the Michauds cast a ballot, according to their conversation with you last night?
>
> The Witness. That is correct.

I do not know how I can define this any further as to a responsible Nashua official replying to the question of how this individual voted. She did not vote, according to the city clerk of Nashua, when put under oath and examined.

So far as to the business of Mr. Michaud, yesterday there were two pieces of hearsay testimony introduced where somebody testified that he heard Michaud say he did or did not cast a ballot. The Senator from Connecticut has no private investigation at all. I have here the transcript. The title of it is "The U.S. Senate Committee on Rules and Administration, Investigation of Michaud Ballot, Nashua, N.H., Reporter, James Connelly. Wyman-Durkin, May 6, 1975."

I just do not see how my colleagues can duck the testimony that was given under oath and with cross examination. There was no doubt at all in Mr. Michaud's mind what happened; he did not cast the ballot.

Yes, we have some hearsay testimony in the record. Somebody heard or he told somebody that he did not. But here is the last testimony, under oath, and with cross examination available. And he is absolutely certain that he did not vote.

As the questioning goes on, it is very clear, neither was he registered. How can we substitute—never mind the question of fairness—how can we substitute hearsay for the interrogation of our own committee and the answers given?

Now to my friend, the distinguished Senator from Wisconsin, I state how I characterize these various matters. Yesterday the distinguished Senator from Minnesota (Mr. Humphrey) in referring to the Republican action on this side of the floor and terming it a filibuster, quoted these words of the past:

> If it walks like a duck, if it quacks like a duck, it must be a duck.

Mr. and Mrs. Michaud received, according to the sworn testimony before the committee, absentee ballot applications from a Democratic campaign worker. According to their testimony, they did not receive the ballots, they did not vote the ballots.

The Senator asks, why do I term this fraud or illegality? I refer to the words of the distinguished Senator from Minnesota when he was referring to the filibuster:

> If it walks like a duck, if it quacks like a duck.

It is very clear to me what is involved here as far as these ballots are concerned. I use, not my investigation, but only the record that is before me.

Mr. NELSON. Will the Senator yield?

Mr. WEICKER. Incidentally, again in the record, the statement is made by Mr. Wyman's attorney, Mr. Van Loan, on page 1530—

> This directly corroborates his own testimony that he never cast a ballot in this election. Now, if Albert J. Michaud is believed, it is fraud. We did not allege fraud, we did not have evidence of fraud. We knew there was a problem in Nashua, and we have always been complaining about it, and we always requested that it be investigated, and we went up to Nashua and we found what appears to be fraud in this particular case.

So again, I am sorry, yes. It was not alleged at the outset, because nobody knew what was going on. But when they went up there, with just a little scratching, all of a sudden, there they are, plain to see for the whole world. I think the record again should be corrected as to what the distinguished Senator from Nevada said, when he said nobody has mentioned fraud or illegality.

Yes, there was, by Mr. Wyman's attorneys, once they got into the facts.

Now, what is it that Judge Schoener asked to do in the way of this investigation? Not to declare the election null and void or send it back—no. Is it not clear to you who are attorneys, over the whole course of the dialog, that Ellen Michaud might be somebody worth asking a few questions of, both by what the distinguished Senator from Nevada has said and others have said? He made that request: May we talk to Ellen Michaud? He and the majority counsel, Mr. Duffy, got on the phone with the distinguished chairman, the Senator from Nevada, and asked if they could question Ellen Michaud. The request was denied.

As men of commonsense, do you think of this as though it was some extraneous party? This is absolutely a key person in the transaction.

Remember what happened by all accounts of the story. Stanium goes to the Michauds, gives them an application; they leave the application at Ellen Michaud's. According to Stanium the ballots are brought there and dropped off at Ellen Michaud's, and yet a request is made to ask Ellen Michaud a question and it is denied. This in response to the question I forget whether it was from the distinguished Senator from Louisiana or the distinguished Senator from North Carolina. It is not a question of sending it back to New Hampshire on this one item: Should they have been able to question Ellen Michaud?

Incidentally, another statement was made—I cannot remember by which Senator—whether they wanted to subject a 77-year-old man to take a lie detector test. They did not. The request for a lie detector test was addressed to Mr. Stanium, the campaign worker of the Democratic Party.

I have not tried to do anything but stick to the very facts which appear in the record.

In any event, gentlemen, is there any question whatsoever that there is a great deal of confusion about this issue?

I personally think it clear cut, regardless of trying to attach any criminal responsibilty, that there were two illegally cast ballots.

Mind you, there are two different functions. We are not the attorney general either of New Hampshire or of the United States. Our job is to go ahead and determine an election. Their job is to get into the criminal aspects, whatever they may be.

But in your own minds, leaving out the criminal side, are you satisfied that the right thing and fair thing was done in the case of these ballots? Clearly the answer is no. No one can deny the fuzziness and the gray area that exists. That is our job to clear up.

I yield for a question to the distinguished Senator.

Mr. MORGAN. Assuming, for the sake of discussion, that this individual Michaud did not vote, would it not be best for the Senate to go ahead and try to determine the other issues, determine the outcome of the 27 or 28 ballots that are in dispute, and then see whether or not these two votes would make a difference in the election? Then if they would I think that might have some bearing on how I voted. But if, after discussing all of the issues, the outcome of the election one way or the other is more than two votes and this is not at issue, then I think it would be futile, and I think it is a general elementary rule of law that we would not be concerned about them.

So is the Senator not really premature or are we not premature in trying to decide what to do with regard to the Michaud ballots until we see whether or not they would affect the outcome of the election?

Mr. WEICKER. In response to the distinguished Senator from North Carolina, I think his question is eminently fair, and I understand the logic behind it. But the Senator can understand the position I have been in. I asked for this matter to go back to New Hampshire, and it was stated that I was premature because we had to ascertain the facts of the situation.

Now I am trying to ascertain the facts and I am told I am still premature.

I appreciate—I want to state clearly—the integrity and good faith of the distinguished Senator from North Carolina and the fact that he has talked to me and my colleagues many times. He is trying to get the facts of this matter. So am I. I suppose we can say we will leave this one to the end. But, it seems to me, we should judge it in light of the facts rather than the effect on the outcome. Otherwise we can take the same tack with respect to other issues that are before us. So I appreciate very much what the Senator is saying except that every time I get up here it is said that I am premature.

I agree, with one thing, and I want to make it clear to the Senator from North Carolina. I want to dispose of all of this business by the end of next week. That is my personal feeling.

I have not voted in any way to keep on postponing it. But this is a very real issue, and one that was raised in the committee. That is why I chose it today. No, it does not appear in the resolution but, obviously, it occupied time in the committee, and obviously two votes are involved.

It also goes to the whole issue of the fairness, the fairness of the "Riddick panel" and its activity when it was sent up to New Hampshire by the committee. I particularly chose this issue because I believe I can rely on the fairness of my colleagues on the other side of the aisle. I could not pull out anything that I thought was more clear-cut than this issue to try to break the logjam here of partisanship.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. WEICKER. Yes, I yield.

Mr. JOHNSTON. I have heard over and over again during the weeks of this investigation while it has gone on that fraud was not an issue in this matter; possibly illegality was, possibly mistakes, irregularities, all of those things, but that fraud was neither alleged nor an issue in the case; is that correct or incorrect?

Mr. WEICKER. Now I say to the distinguished Senator from Louisiana what is the purpose of my reading the record here on the floor, which I did 5 minutes ago, if the Senator comes right back at me and says he never heard of it. I quoted page 1530 of the record where Mr. Van Loan states, and I will repeat:

> This directly corroborates his own testimony that he never cast a ballot in this election. Now, if Albert J. Michaud is believed, it is fraud. We did not allege fraud, we did not have evidence of fraud. We knew there was a problem in Nashua, and we have always been complaining about it, and we always requested that it be investigated, and we went up to Nashua and we found what appears to be fraud in this particular case.

Now, listen, to me it is very clear that, at the outset of this matter nobody alleged fraud. Once this committee was sent to Nashua to take a look at the Michaud complaint it became very clear, at least to counsel on this side that, yes, there was fraud. So this is not anything new here this morning. This is right in the record at page 1530.

Mr. BROCK. I might point out, Mr. President, if the Senator will yield, there is also an allegation of fraud on the part of the third candidate, Mr. Chimento, with specific reference to the 10 voting machines in Manchester.

I think the argument that has been made that fraud was not, at least at the outset and, perhaps, not at all, a major factor in the election, that neither of the two primary candidates used it to challenge or protest, the two sides, we are now coming to some new facts that did indicate at least some serious question.

Mr. JOHNSTON. Well, now, of course, the Senator knows that there is a great deal of difference between fraud, on the one hand, and which is intentional, conspiracy and, in effect, to cast illegal ballots, there is a difference between that and, perhaps, illegal ballots, mistaken ballots, or ballots which do not measure up to the law.

Is the Senator using that claim of fraud in an intentional sense?

Mr. WEICKER. The Senator is using the exact words used by counsel for Mr. Wyman, and beyond that I repeat if it looks like a duck and it quacks like a duck, it is a duck. Beyond that, I am a Senator, not the district attorney, and, as far as I am concerned, these ballots do not belong in this contest just on the basis of the facts we have as a Senate. That is the only basis I am asking for it.

Mr. BROCK. Mr. President, will the Senator yield to me on one additional point?

Mr. WEICKER. I yield.

Mr. BROCK. If Mr. Michaud is telling the truth and he did not vote, and his wife did not vote, and the votes were cast, then there is fraud.

There is one way to verify whether or not he is telling the truth. The chairman said time and again that the minority was asking him to take a lie detector test. In no instance at any point in time do I know of any situation in which we asked for Mr. Michaud to take a lie detector test. Counsel for the minority did ask that, whatever his name was, Mr. Stanium, take lie detector test because he testified that he saw Mr. Michaud vote. But even with lie detector tests, which are pretty questionable sometimes, there is one thing that you can do, and that is to test the signature on the application with the signature on the ballot itself.

Now, both have to be signed in exactly the same fashion, obviously by the same person. You have to sign the application to get the ballot. When you get the ballot and fill it out, then you have to sign it.

Mr. JOHNSTON. How do you sign the ballot? Will you identify that?

Mr. BROCK. I am sorry. I used the wrong term. It is the envelope in which the ballot is enclosed. We have both of those. These were inspected by representatives of both parties. There were representatives of the attorney general present and, I believe, at the conclusion—I am quoting now from Mr. Van Loan's statement, of the ballot law commission proceedings, and the signatures do not match.

Now, if they do not match, then somebody—then two different people signed them, let us just put it that way, and that is a violation of statute and, by definition then, you have a case of fraud.

Mr. JOHNSTON. Mr. Michaud's daughter-in-law, or sister-in-law, picked up the ballots, is that correct, picked up the application?

Mr. BROCK. The application was taken over to her house, yes, and then she took it or sent it down to the election commission.

Mr. JOHNSTON. He said she picked them up, is that correct?

Mr. BROCK. All right.

Mr. JOHNSTON. What did she do with them?

Mr. BROCK. She took them or sent them to the election commission.

Now, these are the applications, to the city clerk.

Mr. JOHNSTON. Does the Senator know whether she took them or sent them?

Mr. BROCK. We could not determine that because we were not allowed to call her to testify. Mr. Duffy ruled that was not necessary.

Mr. WEICKER. I am sorry, what was the question?

Mr. BROCK. The Senator asked me whether or not Ellen Michaud took the application for absentee ballot to the election commission or sent them, and I said I did not know because Mr. Duffy prohibited the minority counsel from calling Ellen Michaud to testify on the matter. So we do not know.

Mr. WEICKER. That is correct.

The Senator raises the exact point. That was one of the key personnel that was asked to be interviewed, and the interview was denied.

Mr. BROCK. Yes.

Mr. JOHNSTON. Well, how did this Michaud thing come up in the first place, how was it discovered?

Mr. WEICKER. No. 1, there was a general investigation because there were general allegations of difficulties with absentee ballots in Nashua, as was indicated in the statement made by Mr. Van Loan.

Then they went up to investigate and it is clear it was one of the matters gone into by the ballot law commission.

Mr. JOHNSTON. I know, but how did the ballot law commission ever find out about Michaud?

Mr. McCLURE. Will the Senator yield?

Mr. WEICKER. Yes.

Mr. McCLURE. I am not too clear, but it happened because there was one on the checklist and two that voted. So somebody said, How come?

Mr. BROCK. They started checking back and they found out that actually there were two on the checklist and three voted, and when the two are added together——

Mr. WEICKER. Yes, because do not forget, we have a third Albert Michaud who kicked the ball off, which really does not figure in except as the opening lever to what then became a further investigation.

Mr. JOHNSTON. In other words, someone was checking the list.

Mr. WEICKER. If I might explain, somebody went to the Albert Michaud on West Pearl Street to inquire as to the absentee ballot situation. He said he did not vote by absentee ballot, but rather by machine. Everybody agrees to that, there is no problem there.

Obviously, that opened the can of worms as to who it was that had voted.

Mr. BROCK. Right.

Mr. WEICKER. That is when they pinned down the Albert Michaud at 46 Whitney Street, and that is what started this.

Mr. BROCK. I would like to pursue a couple of points.

Mr. WEICKER. I yield to the Senator.

Mr. BROCK. Just to pursue that one matter, I will say to the Senator from Louisiana, to show how fouled up it was up there, they panicked when they saw that Albert W. Michaud, who voted by absentee ballot, was not on the checklist, so then they went back and said they had to find out what had happened.

So they found an Albert W.—I think it was—Michaud on Pearl Street.

So for him, they scratched out his own address and switched it to Pearl Street, and then they filed it in that precinct.

When they started tabulating votes, they had two votes cast by the same Albert Michaud for a while. One on the machine and one by absentee ballot. Then they had to go back and find out what really happened.

Then we go back to the Senator from Nevada's point that he was supposed to be on the checklist, he was not, they put him back, tabulated the absentee ballots, and we got this whole hassle as to whether or not he voted.

I would like to make two or three points. To my knowledge, at no time was this 77-year-old man badgered by a lie detector test or a request for one, and that was directed at the man who was testifying against him.

Second, when I hear time and again this statement, there are three individuals who testified that he did vote, let me say who those three people are.

One was Mr. Walter Stanium.

Walter Stanium testified he saw Mr. Michaud vote and he took the ballot there. He is the Democrat worker that was carrying these absentee ballots around. He saw him do it, he said.

The next guy that said he knew he did was Newton Kershaw. Who is Newton Kershaw?

Newton Kershaw is Durkin's attorney and he just called Michaud on the telephone and said, "Did you vote?" And he swears that he said he did.

Who was the next guy? James Gilroy. Who is James Gilroy?

James Gilroy is a Democrat precinct worker.

So all three of these people said, "I called him on the telephone, he said he voted." And they filed affidavits to that effect.

The third person, of course, is the man who actually was the Democrat worker who took the application for absentee ballot.

I find it a reasonable question that is being more relevant than the testimony of the voter himself.

I keep reminding my colleagues that there are two different signatures. One on the application, one on the ballot. So I am told. I do not even know that, we were not allowed to verify whether or not they were legitimate signatures, whether or not they are the same.

The Senator from Nevada keeps referring to this old man, 77 years old. I suggest he speak softly, because he has a couple of colleagues that are older than that in this body.

One of them was elected last year as a Republican when he was 77 years old. One of the most distinguished Members of this body from the State of Arkansas is in that age range and he is just as vital and acute as any Member of the entire Senate. There are 13 Members of this body over 70 years old.

Nobody has testified at any point in time that Mr. Michaud lacks any intellectual acuity. There was never any indication at all. As a matter of fact, the testimony I saw was that he was able and articulate and in good health.

I just do not think that is an adequate issue to raise.

I yield to the Senator from North Carolina.

Mr. MORGAN. Mr. President, I want to——

The ACTING PRESIDENT pro tempore. The Senate will be in order. Will the Senate please be in order?

The Senator from North Carolina.

Mr. MORGAN. I am really going to reiterate what I said earlier.

There is no question in my mind but what the testimony and the evidence in this case has raised a question of fact that this Senate may be called upon to decide, but even assuming as contended by Senator WEICKER that there was fraud, there might be room or cause for someone to be prosecuted criminally. But in my humble opinion, in accordance with the law of my State and I think generally so, it would not be cause for a new election unless those two votes would affect the outcome of the election.

Therefore, I do not think I can fairly vote on this issue until we have gone through the others.

If I had the floor and thought it would not be presumptuous, I would suggest maybe tabling it for the purpose of getting rid of the other issues, then coming back to this if we find it would really make a difference.

Mr. BROCK. Let me give the Senator a contrary point of view, not in disagreement with what the Senator is saying, but the ballot law commission, the highest authority in the State of New Hampshire, verified by the Supreme Court, the highest judicial authority, ruled that Louis Wyman was elected to the Senate seat by two votes.

There are only two votes involved in

this question right here. I am not arguing with the Senator, but I am just saying if he wanted to postpone until the end of the debate, what would happen then is if we came down and stayed right in line with the ballot law commission and we found that Louis Wyman had been elected by the two votes except there was a remaining question about these two, then what could have happened is that some Republican worker could have stolen those ballots en route, just filched them right out of a package, and cast them for Wyman and we could have had a tie vote.

If we do the investigation now that the Senator from Connecticut is asking for, we will know that by the end of the debate. We will know whether or not there is any possible way of finding out what happened. We may not be able to find out, but we will at least know. If the Senator delays us, we will come down to the final count and if it is close then we have to stop the whole business of the Senate and wait for a week while some investigators go out and find out. Why not find out now?

Mr. CANNON. Will the Senator yield?

Mr. BROCK. I yield.

Mr. CANNON. I want to correct a statement that I made earlier. I said that the three Republican members of the committee voted against the issue in this matter and that is not correct. Senator Griffin made a substitute motion to substitute the Riddick panel, with Dr. Riddick as chairman, and instruct them to return to New Hampshire and thoroughly investigate complaints concerning absentee irregularities in the city of Nashua and report back to the committee.

Then the vote occurred on the basic Michaud motion which had been made by Senator Byrd. On that, the three Republicans did vote. I just wanted to be technically correct.

On the one point made by another Senator, I believe Senator Allen's statement at the time the vote occurred puts it pretty well in perspective. If the Senator will listen to me, I want to read it.

> Senator Allen. Mr. Chairman, I am not altogether satisfied with the investigation that has been made——

Mr. HELMS. What page is the Senator on?

Mr. CANNON. It is 1534—

> Senator Allen. Mr. Chairman, I am not altogether satisfied with the investigation that has been made, but I think that no matter how thorough the investigation may have been, we would still be confronted with the question of who the voter voted for. It looks to me like it is a problem that we cannot unravel by further investigation.
>
> So I see no escape from the proposition of supporting the motion to count the ballots as cast. If there is any way to identify these ballots, then I think we would have some reason for checking further, but in absence of that, I see no escape from counting the ballots as cast, and as reported.

Mr. BROCK. I can understand that argument and I understand what the Senator from North Carolina is saying. If the Senator wants to oppose this amendment, though, I would hope he would say on the record that if we come down within two votes, he will send it back to the State of New Hampshire because he cannot determine what happened.

Mr. MORGAN. The Senator from North Carolina would weigh the evidence.

Mr. BROCK. I fully understand that.

I want to point out one other thing. The chairman says that Mr. Hatfield voted not to send the team back. Maybe it would be fair to Mr. Hatfield to tell why he voted that way. I would like to quote the Senator from Oregon.

> I might add, Mr. President, that I viewed the entire investigation as such a farce that I did not vote in favor of sending the team back to New Hampshire for a complete investigation of the Nashua absentee case, because I felt the chance for a thorough investigation was totally impossible, at least by the committee's team as it was presently constituted.

That is why the Senator from Oregon did not vote to send the team back, because when the team went up there the first time they refused to investigate. I think that makes the case of the Senator from Connecticut.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut has the floor.

Mr. WEICKER. Mr. President, I am prepared to vote on this matter. I do not want to prolong debate.

I can only say this: I concede the fact that among these various issues in the resolution there can be a good deal of disagreement. Votes, I repeat votes, should go both ways. I mean Republicans and Democrats mixing it up. I can see where we would disagree. It should not divide along party lines.

Gentlemen, on this issue there just is not any dispute. Whether we want to term it illegality, whether we want to term it fraud, whether we want to call it confusion, we can name it what we will. But certainly the record, not what I say, the record established by the Rules Committee itself and by the investigation of the Rules Committee makes it clear that something went very wrong. It should not be resolved in a partisan way at all, but at least should be resolved in the sense of what the Senator from Connecticut is asking for, which is that a complete investigation be completed.

Yes, we run the possibility of reviewing 700 absentee ballots in Nashua. That is a possibility. But with whatever reasonableness is required we should assure the country that we are not going to look the other way when a clear, at the least, gross act takes place; that we are not going to turn our heads, especially when we have had evolve upon us a quasi-judicial duty to determine the results of that election.

I certainly hope we do not get a tabling motion. I am prepared, as I say, to vote right now. I would hope it is not a matter——

Mr. CANNON. I do not intend to move to table. If the Senator is ready to vote, I am ready to vote.

Mr. WEICKER. I believe the yeas and nays have been ordered.

I would hope that each Member would give this very much of his individual attention. It is not procedural. As best I can describe, according to the facts in the books, neither is it debatable.

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered. The clerk will call the roll. The question is on the amendment.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from Arkansas (Mr. Bumpers), the Senator from North Dakota (Mr. Burdick), the Senator from Florida (Mr. Chiles), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Kentucky (Mr. Ford), the Senator from Colorado (Mr. Gary W. Hart), the Senator from Maine (Mr. Hathaway), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Louisiana (Mr. Long), the Senator from Washington (Mr. Magnuson), the Senator from South Dakota (Mr. McGovern), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Georgia (Mr. Nunn), the Senator from Rhode Island (Mr. Pastore), the Senator from Illinois (Mr. Stevenson), the Senator from Missouri (Mr. Symington), the Senator from Georgia (Mr. Talmadge) and the Senator from New Jersey (Mr. Williams) are absent necessarily.

On this vote, the Senator from North Dakota (Mr. Burdick) is paired with the Senator from Vermont (Mr. Stafford). If present and voting, the Senator from North Dakota would vote "nay" and the Senator from Vermont would vote "yea."

On this vote, the Senator from Washington (Mr. Magnuson) is paired with the Senator from Michigan (Mr. Griffin). If present and voting, the Senator from Washington would vote "nay" and the Senator from Michigan would vote "yea."

I further announce that, if present and voting, the Senator from Maine (Mr. Hathaway), the Senator from Minnesota (Mr. Humphrey), the Senator from Rhode Island (Mr. Pastore), and the Senator from Illinois (Mr. Stevenson) would each vote "nay."

Mr. TOWER. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Massachusetts (Mr.

BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Vermont (Mr. STAFFORD), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), the Senator from South Carolina (Mr. THURMOND), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD), the Senator from Ohio (Mr. TAFT), the Senator from South Carolina (Mr. THURMOND), and the Senator from Pennsylvania (Mr. HUGH SCOTT), would each vote "yea."

On this vote, the Senator from Michigan (Mr. GRIFFIN) is paired with the Senator from Washington (Mr. MAGNUSON).

If present and voting, the Senator from Michigan would vote "yea" and the Senator from Washington would vote "nay."

On this vote, the Senator from Vermont (Mr. STAFFORD) is paired with the Senator from North Dakota (Mr. BURDICK).

If present and voting, the Senator from Vermont would vote "yea" and the Senator from North Dakota would vote "nay."

The result was announced—yeas 23, nays 33, as follows:

[Rollcall Vote No. 243 Leg.]

YEAS—23

Bartlett
Beall
Biden
Brock
Case
Domenici
Fannin
Fong
Garn
Hansen
Helms
Hruska
Laxalt
Mathias
McClellan
McClure
Packwood
Pearson
Roth
Schweiker
Stone
Tower
Weicker

NAYS—33

Abourezk
Allen
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Clark
Cranston
Culver
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Hollings
Huddleston
Jackson
Johnston
Leahy
Mansfield
McGee
McIntyre
Metcalf
Mondale
Morgan
Moss
Nelson
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stennis
Tunney

NOT VOTING—43

Baker
Bayh
Bellmon
Bentsen
Brooke
Buckley
Bumpers
Burdick
Chiles
Church
Curtis
Dole
Eagleton
Eastland
Ford
Goldwater
Griffin
Hart, Gary W.
Hatfield
Hathaway
Humphrey
Inouye
Javits
Kennedy
Long
Magnuson
McGovern
Montoya
Muskie
Nunn
Pastore
Percy
Scott, Hugh
Scott, William L.
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Williams
Young

So Mr. WEICKER's amendment was rejected.

Mr. WEICKER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **ACTING PRESIDENT** pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Connecticut (Mr. WEICKER) proposes an amendment: On page 1, line 7, insert the following in advance of (1) and renumber the remaining sections accordingly: "It is the sense of the Senate that the Committee on Rules and Administration shall retrieve, separate, and review all of the ballots in its custody of a " 'skip-candidate' type."

Mr. MANSFIELD. Will the Senator yield?

Mr. WEICKER. I will yield in 30 seconds to the distinguished majority leader.

Mr. President, our last result flies directly in the face of all the law, all the logic, and all the facts. Coming from the Senate of the United States, I would say that is pretty bad news for the country. It also is accompanied by a total absence of Members on both sides of the aisle during the course of the argument. It was not procedural in nature. It was not a technicality. It was either, whichever way you want to term it, the improper, the illegal, the gross, or the fraudulent casting of two ballots. Still everyone comes in, gets the word, and does his thing.

I have laid down the amendment, Mr. President. I hope we start to listen to the facts of this case and stop getting orders from above from whichever side they come.

As I stated earlier, that was a very sad vote, both as to substance and as to tactic.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. MANSFIELD. Mr. President, I again propound a unanimous-consent request, and I ask unanimous consent that there be 1 hour on the pending amendment, the time to be equally divided under the usual procedure.

The **PRESIDING OFFICER.** Is there objection?

Mr. TOWER. Mr. President, reserving the right to object——

Mr. BROCK. Mr. President, I object.

Mr. WEICKER. Mr. President, reserving the right to object, I say to the distinguished Senator from Montana it is very tempting to go along with the request, but it is quite clear to me that the arguments make no difference. I suppose on the basis of what is going on here we could take 2 minutes on each section of this resolution and the result would not vary. I am still hopeful that the people will come to their senses.

I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Will the Senator consider the possibility of 1½ hours on the pending amendment, the time to be equally divided under the usual procedure?

Mr. WEICKER. Mr. President, reserving the right to object, what the distinguished Senator from Montana fails to grasp, and maybe he does grasp and does not want to recognize—the same holds true for the distinguished assistant majority leader—is time is not the issue. We spend more time in this Chamber with more Members in here on the issue of time than on the facts. If fairness could be guaranteed and presence could be guaranteed, I would be glad to settle for a lot less time than has been proposed around here for the last 50 days, but such is not the case. I am not going to waste any more time on the issue of time. I think it is time we concentrated on Wyman-Durkin.

Mr. MANSFIELD. Mr. President, if the Senator will yield, without losing the right to the floor, I point out that, as the assistant majority leader already indicated, the Senate has not yet been permitted to face up to the substance of the resolution reported out of the Rules Committee. What I would like to do is to proceed in some fashion after 8 days and now I would say about 36 hours, or 37 hours of debate and voting, but not on the substance of this resolution.

The attendance on this side has been quite good, all things considered, and we would like to get on with the business, so that New Hampshire can have a second Senator, to which it is entitled. Whether it will be a Democrat or a Republican remains to be decided after the procedural questions presented by the resolution are determined.

Our purpose is to try to expedite the proceedings and not to delay them any more than necessary.

Mr. WEICKER. I respond to the distinguished majority leader by commenting that if he can say that we have not considered a matter of substance in the Michaud ballot, then I say I am sorry. I do not know how the Senator defines "substance."

Mr. MANSFIELD. I was referring to the resolution. We have not yet voted on any matter of substance contained in the resolution.

Mr. WEICKER. If the distinguished Senator is stating that "substance" is going to be defined as that which is presented to us by the majority and, therefore, the minority does not have a chance to place any substance in there, I cannot agree to that.

I do not deny to my good friend, the Senator from Montana, that he has the votes. Use them. They are being used.

Mr. MANSFIELD. I must reiterate that I was discussing the issues contained in the resolution, which I understand was reported by the minority as well as the majority of the Rules Committee, eight to nothing.

Mr. HANSEN. Mr. President, will the Senator yield to me for one observation?

Mr. WEICKER. I yield to the distinguished Senator for an observation.

Mr. HANSEN. I respectfully call the attention of my good friend, the majority leader, to the fact that we did, indeed, have such a proposition before this body earlier today. It was propounded by the distinguished junior Senator from Tennessee. And how was it handled? It was not handled on the basis of an up-and-down vote. On the first three issues, the first three tie votes, there was a motion——

Mr. **MANSFIELD**. Mr. President, will the Senator yield?

Mr. **HANSEN**. I yield.

Mr. **MANSFIELD**. If we could have obtained agreement for an up-and-down vote within a certain time period, we would have done so. But when we cannot get any assurance that there is going to be a limitation to an amendment—and the distinguished Senator from Connecticut and the distinguished Senator from Tennessee have been most cooperative so far as time is concerned—that was the reason why the tabling motion was entered.

Mr. **HANSEN**. The point remains that we did have a chance to do it. There was an opportunity. We have not been able, by any means, to muster enough effort to effect delaying tactics on this side, to postpone any vote. There is no question, so far as the Senator from Tennessee, the Senator from Connecticut, and the Senator from Idaho are concerned, that we have voted on that issue. We have resolved, then, the first three issues. And how was it handled? It was handled on a tabling motion, and it was voted down.

Mr. **MANSFIELD**. Mr. President, if the Senator from Connecticut will yield, I ask unanimous consent that there be a 1-hour time limitation on the Weicker amendment now pending and that there be an up-and-down vote.

Mr. **TOWER**. I object.

The **PRESIDING OFFICER**. Objection is heard.

What is the will of the Senate?

QUORUM CALL

Mr. **TOWER**. Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 36 Leg.]

Allen
Bartlett
Beall
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Clark
Cranston
Fannin
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Hollings
Jackson
Johnston
Mansfield
Mathias
McClellan
McGee
McIntyre
Mondale
Moss
Nelson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stone
Tower
Tunney
Weicker

The **ACTING PRESIDENT** pro tempore. A quorum is not present.

Mr. **MANSFIELD**. Mr. President, I move that the Sergeant at Arms be directed to request the presence of absent Senators.

Mr. **ROBERT C. BYRD**. Mr. President, I ask for the yeas and nays on that motion.

The **ACTING PRESIDENT** pro tempore. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion of the Senator from Montana.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **ROBERT C. BYRD**. I announce the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from North Dakota (Mr. BURDICK), the Senator from Florida (Mr. CHILES), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. FORD), the Senator from Colorado (Mr. GARY W. HART), the Senator from Maine (Mr. HATHAWAY), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Georgia (Mr. NUNN), the Senator from Rhode Island (Mr. PASTORE), the Senator from Illinois (Mr. STEVENSON), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

Mr. **TOWER**. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. HRUSKA), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Vermont (Mr. STAFFORD), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), the Senator from South Carolina (Mr. THURMOND), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The yeas and nays resulted—yeas 45, nays 1, as follows:

[Rollcall Vote No. 244 Leg.]

YEAS—45

Abourezk
Allen
Bartlett
Beall
Biden
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Clark
Cranston
Culver
Fannin
Garn
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Helms
Hollings
Huddleston
Jackson
Johnston
Leahy
Mansfield
Mathias
McClellan
McClure
McGee
McIntyre
Mondale
Morgan
Moss
Nelson
Packwood
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stennis
Stone

NAYS—1

Tower

NOT VOTING—53

Baker
Bayh
Bellmon
Bentsen
Brock
Brooke
Buckley
Bumpers
Burdick
Chiles
Church
Curtis
Dole
Domenici
Eagleton
Eastland
Fong
Ford
Goldwater
Griffin
Hansen
Hart, Gary W.
Hatfield
Hathaway
Hruska
Humphrey
Inouye
Javits
Kennedy
Laxalt
Long
Magnuson
McGovern
Metcalf
Montoya
Muskie
Nunn
Pastore
Pearson
Percy
Scott, Hugh
Scott,
William L.
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

Mr. **TOWER**. Regular order, Mr. President.

The **ACTING PRESIDENT** pro tempore. The Senate will be in order.

Mr. **TOWER**. Regular order, Mr. President; regular order, Mr. President.

The **ACTING PRESIDENT** pro tempore. The unanimous-consent order established earlier is that rollcalls will take 15 minutes. The 15 minutes have not yet elapsed.

Mr. **TOWER**. Mr. President——

The **ACTING PRESIDENT** pro tempore. On this vote, there are 45 yeas, 1 nay. The motion is agreed to and the Sergeant at Arms is instructed to request the attendance of absent Senators.

Mr. **TOWER**. A parliamentary inquiry, Mr. President.

Mr. President——

The **ACTING PRESIDENT** pro tempore. Business is not in order in the absence of a quorum. The only motions that can be entertained are motions to establish a quorum or a motion to recess since there is an order to recess.

Mr. **TOWER**. Mr. President, I make a point of order that less than 50 percent of the Senate being present and voting, the vote is a nullity.

The **ACTING PRESIDENT** pro tempore. The Senator is not correct. On this particular vote to instruct the Sergeant at Arms to request the attendance of a Senator, a vote of less than a quorum is valid.

Mr. **TOWER**. I appeal the ruling of the Chair and I ask for the yeas and nays.

Mr. **ROBERT C. BYRD**. Mr. President, I ask for the regular order.

The **ACTING PRESIDENT** pro tempore. Business is not in order.

The Chair is advised that an appeal is not in order.

Mr. **TOWER**. Then may the Senator from Texas suggest that the Sergeant at Arms start at Burning Tree? We can probably get a quorum started up out there.

Mr. **MANSFIELD**. Mr. President, may I suggest that the Sergeant at Arms start outside the door.

The **ACTING PRESIDENT** pro tempore. The Senate will be in order.

Mr. **MANSFIELD**. Mr. President, has the Sergeant at Arms been directed to request the presence of absentees?

The **ACTING PRESIDENT** pro tempore. The Chair advises that the Sergeant at Arms has been so directed and is out performing his duty.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Biden
Culver
Garn
Hansen
Helms
Huddleston
Leahy
McClure
Morgan
Packwood
Stennis

Mr. MANSFIELD addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Montana.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to compel the Senators who are absent to honor us with their presence.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on that motion.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from Arkansas (Mr. Bumpers), the Senator from North Dakota (Mr. Burdick), the Senator from Florida (Mr. Chiles), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Kentucky (Mr. Ford), the Senator from Colorado (Mr. Gary W. Hart), the Senator from Maine (Mr. Hathaway), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Louisiana (Mr. Long), the Senator from Washington (Mr. Magnuson), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Georgia (Mr. Nunn), the Senator from Rhode Island (Mr. Pastore), the Senator from Illinois (Mr. Stevenson), the Senator from Missouri (Mr. Symington), the Senator from Georgia (Mr. Talmadge), the Senator from California (Mr. Tunney), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

Mr. TOWER. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Massachusetts (Mr. Brooke), the Senator from New York (Mr. Buckley), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Hawaii (Mr. Fong), the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Oregon (Mr. Hatfield), the Senator from Nebraska (Mr. Hruska), the Senator from New York (Mr. Javits), the Senator from Nevada (Mr. Laxalt), the Senator from Kansas (Mr. Pearson), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Virginia (Mr. William L. Scott), the Senator from Vermont (Mr. Stafford), the Senator from Alaska (Mr. Stevens), the Senator from Ohio (Mr. Taft), the Senator from South Carolina (Mr. Thurmond), and the Senator from North Dakota (Mr. Young) are necessarily absent.

The result was announced—yeas 46, nays 3, as follows:

[Rollcall Vote No. 245 Leg.]

YEAS—46

Abourezk
Allen
Bartlett
Beall
Biden
Brock
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Clark
Cranston
Culver
Fannin
Garn
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Helms
Hollings
Huddleston
Jackson
Johnston
Leahy
Mansfield
Mathias
McClellan
McClure
McGee
McIntyre
Mondale
Morgan
Moss
Nelson
Packwood
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stennis
Stone

NAYS—3

Hansen
Tower
Weicker

NOT VOTING—50

Baker
Bayh
Bellmon
Bentsen
Brooke
Buckley
Bumpers
Burdick
Chiles
Church
Curtis
Dole
Domenici
Eagleton
Eastland
Fong
Ford
Goldwater
Griffin
Hart, Gary W.
Hatfield
Hathaway
Hruska
Humphrey
Inouye
Javits
Kennedy
Laxalt
Long
Magnuson
McGovern
Metcalf
Montoya
Muskie
Nunn
Pastore
Pearson
Percy
Scott, Hugh
Scott, William L.
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tunney
Williams
Young

So Mr. Mansfield's motion that the Sergeant at Arms be directed to compel the attendance of absent Senators was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms is instructed to compel the attendance of absent Senators.

Mr. MANSFIELD. Mr. President, we have wasted a lot of time this afternoon.

The ACTING PRESIDENT pro tempore. Debate is not in order.

Mr. MANSFIELD. A quorum evidently is not present. I, therefore, move that the Senate stand in recess under the order previously entered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. The question is on the motion to recess. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. TOWER. Mr. President, is the motion of the Senator from Montana in order?

The ACTING PRESIDENT pro tempore. The motion is in order.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from Arkansas (Mr. Bumpers), the Senator from North Dakota (Mr. Burdick), the Senator from Florida (Mr. Chiles), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Kentucky (Mr. Ford), the Senator from Colorado (Mr. Gary W. Hart), the Senator from Maine (Mr. Hathaway), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Vermont (Mr. Leahy), the Senator from Louisiana (Mr. Long), the Senator from Washington (Mr. Magnuson), the Senator from Arkansas (Mr. McClellan), the Senator from South Dakota (Mr. McGovern), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Georgia (Mr. Nunn), the Senator from Rhode Island (Mr. Pastore), the Senator from Illinois (Mr. Stevenson), the Senator from Missouri (Mr. Symington), the Senator from Georgia (Mr. Talmadge), the Senator from California (Mr. Tunney), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota (Mr. Burdick), the Senator from Rhode Island (Mr. Pastore), and the Senator from Illinois (Mr. Stevenson) would each vote "yea."

Mr. TOWER. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Massachusetts (Mr. Brooke), the Senator from New York (Mr. Buckley), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Hawaii (Mr. Fong), the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Oregon (Mr. Hatfield), the Senator from New York (Mr. Javits), the Senator from Nevada (Mr. Laxalt), the Senator from Kansas (Mr. Pearson), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Virginia (Mr. William L. Scott), the Senator from Vermont (Mr. Stafford), the Senator from Alaska (Mr. Stevens), the Senator from Ohio (Mr. Taft), the Senator from South Carolina (Mr. Thurmond), and the Senator from North Dakota (Mr. Young) are necessarily absent.

The yeas and nays resulted—yeas 42, nays 7, as follows:

[Rollcall Vote No. 246 Leg.]

YEAS—42

Abourezk
Biden
Brock
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Clark
Cranston
Culver
Garn
Glenn
Gravel
Hansen
Hart, Philip A.
Hartke
Haskell
Hollings
Hruska
Huddleston
Jackson
Johnston
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Morgan
Moss
Nelson
Packwood
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stennis
Stone
Tower

NAYS—7

Allen
Bartlett
Beall
Fannin
Helms
McClure
Weicker

NOT VOTING—50

Baker
Bayh
Bellmon
Bentsen
Brooke
Buckley
Bumpers
Burdick
Chiles
Church
Curtis
Dole
Domenici
Eagleton
Eastland
Fong
Ford
Goldwater
Griffin
Hart, Gary W.
Hatfield
Hathaway
Humphrey
Inouye
Javits
Kennedy
Laxalt
Leahy
Long
Magnuson
McClellan
McGovern
Montoya
Muskie
Nunn
Pastore
Pearson
Percy
Scott, Hugh
Scott,
William L.
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tunney
Williams
Young

The ACTING PRESIDENT pro tempore. On this vote, the yeas are 42 and the nays are 7. The motion to recess is agreed to, and the Senate will stand in recess until 8:45 a.m. on Monday morning.

RECESS UNTIL MONDAY AT 8:45 A.M.

Whereupon, at 2:39 p.m., pursuant to the previous order, the Senate recessed until Monday, June 23, 1975, at 8:45 a.m.

HOUSE OF REPRESENTATIVES—*Monday, June 23, 1975*

The House met at 12 oclock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The heavens declare the glory of God and the firmament showeth His handiwork.—Psalms 19: 1.

God of grace and God of glory, in these lively days filled with the lilting loveliness of June, we pause to thank Thee for the sacrament of beauty which appears before our eyes revealing the grandeur of Thy being and the greatness of Thy spirit. For the beauty of the Earth and the glory of the skies we offer Thee our prayer of grateful praise.

In these days of challenge and change Thou hast given us tasks which try our souls and test our faith. May we be strong in the power of Thy spirit doing what needs to be done and what must be done for the good of our country.

Give to us the steadfastness of mind to follow faithfully the ways of truth and love until our lives reflect something of the beauty and glory of Him in whose name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on June 19, 1975, the President approved and signed bills of the House of the following titles:

H.R. 3109. An act to authorize appropriations for the saline water conversion program for fiscal year 1976; and

H.R. 4700. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 6054. An act to authorize further appropriations for the Office of Environmental Quality, and for other purposes.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 6900. An act to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes; and

H.R. 7767. An act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 6900) entitled "An act to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Long, Mr. Talmadge, Mr. Hartke, Mr. Ribicoff, Mr. Williams, Mr. Nelson, Mr. Curtis, Mr. Fannin, Mr. Hansen, and Mr. Javits to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 24. An act to carry into effect certain provisions of the Patent Cooperation Treaty, and for other purposes;

S. 323. An act to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes;

S. 537. An act to improve judicial machinery by amending the requirement for a three-judge court in certain cases and for other purposes;

S. 1230. An act to amend the Watershed Protection and Flood Prevention Act, as amended; and

S.J. Res. 97. Joint resolution extending the authorization of appropriations for the Council on International Economic Policy.

COMMUNICATION FROM THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following communication from the Committee on Public Works and Transportation; which was read and, together with the accompanying papers, referred to the Committee on Appropriations:

WASHINGTON, D.C.,
June 17, 1975.

Hon. CARL ALBERT,
Speaker of the House, House of Representatives, Washington, D.C.

MY DEAR MR. SPEAKER: Pursuant to the provisions of Section 5(a) of the Public Buildings Amendments of 1972 and Section 7 of the Public Buildings Act of 1959, as amended, the Committee on Public Works and Transportation of the United States House of Representatives on April 22, 1975, approved the prospectus for proposed construction of two Social Security Administration National Headquarters buildings in the Baltimore, Maryland area.

The original and one copy of the authorizing resolution are attached.

Sincerely,

ROBERT E. JONES.

CONGRATULATIONS HERB

(Mr. FUQUA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUQUA. Mr. Speaker, often caught up in the busy day-to-day routine of our various responsibilities, we do not have time to pause and take time to recognize the outstanding jobs our dedicated staffs perform in a "behind-the-scenes role" in Congress.

Thusly, it is a pleasure and with a great deal of pride that I have the opportunity and privilege of bringing to the attention of this body the selection of Mr. Herbert R. Wadsworth, my administrative assistant, as recipient of this year's Congressional Staff Club outstanding staffer award.

Various honors have been bestowed upon Herb since he first came to Capitol Hill with me 13 years ago, but none could be more meaningful or rewarding than one bestowed by the most highly respected and discriminating judges of all—your colleagues and peers.

Since coming to the Hill, Herb has not hesitated to "get involved." His contributions to the Hill community have been many and he continues to make a tremendous and lasting contribution often far beyond the call of duty. He has become a familiar and respected figure on the Hill and few men have enjoyed as many friendships.

This award is a tribute to his ability and personality and there is little doubt that those of us from Florida are proud of the honor conferred upon one of our own.

But let me point out that this unity and community understanding created between staffs are significant in a much larger picture. It helps build a better and more efficient Congress. For it is people working with people. And that is what a community is about. People helping people.

Therefore, I commend the Congressional Staff Club for sponsoring this most coveted annual award; and I congratulate Herb, not only as a Member of Congress to a staff member, but as a warm, personal friend, on having received this tribute.

As Herb mentioned when accepting the award this past weekend, a quarterback is just as strong as his team. I am proud and fortunate to have Herbert R. Wadsworth on my team.

ANNUAL REPORT OF NATIONAL COUNCIL ON ARTS AND NATIONAL ENDOWMENT FOR ARTS FOR FISCAL YEAR 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

To the Congress of the United States:

I am pleased to transmit to the Congress the Annual Report of the National Council on the Arts and the National Endowment for the Arts for the Fiscal Year 1974.

Our Nation has a diverse and extremely rich cultural heritage. It is a source of pride and strength to millions of Americans who look to the arts for inspiration, communication and the opportunity for creative self-expression.

This Annual Report reflects the role of the government in preserving this cultural legacy and encouraging fresh activity, in developing our cultural resources and making new connections between the arts and our people.

In September 1974, the National Council on the Arts celebrated its Tenth Anniversary, and I had the opportunity to congratulate the Council and this relatively new Federal agency on its success in creating interest in the Arts throughout the Nation.

I believe that the work of the National Council and the National Endowment for the Arts has been a great addition to our society in the United States and we can be very proud of it.

With the bicentennial of our Nation approaching soon, we shall need the creative gifts of our artists and the capabilities of our cultural institutions to help us celebrate this great anniversary.

It is my hope that every member of Congress will share my conviction that the arts are an important and integral part of our society. I hope that they will agree with my assessment of the importance to this Nation of the achievements of the Endowment.

GERALD R. FORD.

THE WHITE HOUSE, *June 23, 1975.*

ACTION ANNUAL REPORT AS REQUIRED BY DOMESTIC VOLUNTEER SERVICE ACT OF 1973—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

To the Congress of the United States:

I transmit herewith the ACTION Annual Report for fiscal year 1974 as required by section 407 of the Domestic Volunteer Service Act of 1973.

GERALD R. FORD.

THE WHITE HOUSE, *June 23, 1975.*

CALL OF THE HOUSE

Mr. **ROUSSELOT**. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 330]

Abdnor
Abzug
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Beard, R.I.
Burke, Calif.
Butler
Byron
Chappell
Chisholm
Clay
Cochran
Collins, Ill.
Conyers
Davis
de la Garza
Dellums
Dickinson
Diggs
Downing
Erlenborn
Esch
Eshleman
Florio
Flowers
Foley
Ford, Mich.
Forsythe
Fulton
Gonzalez
Hébert
Heckler, Mass.
Heinz
Hillis
Howard
Jarman
Jones, Ala.
Jones, N.C.
Karth
Landrum
Leggett
McClory
McCloskey
Mann
Mathis
Meeds
Meyner
Mezvinsky
Mills
Moakley
Mosher
Nedzi
O'Brien
Reuss
Risenhoover
Roncalio
Scheuer
Shriver
Sisk
Solarz
Stanton, James V.
Stephens
Stokes
Stratton
Stuckey
Symington
Teague
Thompson
Udall
Ullman
Vander Jagt
Whitehurst
Young, Tex.

The **SPEAKER**. On this rollcall 352 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT TODAY DURING 5-MINUTE RULE

Mr. **STAGGERS**. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may be allowed to sit today during the 5-minute rule.

The **SPEAKER**. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

FEDERAL RULES OF CRIMINAL PROCEDURE AMENDMENTS ACT

Mr. **HUNGATE**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules.

The **SPEAKER**. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6799, with Mr. VAN DEERLIN in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN**. Before the Committee rose on Wednesday, June 18, 1975, the bill was open for amendment at any point.

Are there further amendments to the bill?

TECHNICAL AMENDMENT OFFERED BY MR. WIGGINS

Mr. **WIGGINS**. Mr. Chairman, I offer a technical amendment.

The **CHAIRMAN**. The Chair will inquire of the gentleman from California whether the technical amendment has been printed in the RECORD.

Mr. **WIGGINS**. Mr. Chairman, the technical amendment has not been printed in the RECORD, but under the rule it is my understanding committee amendments are in order.

Mr. **HUNGATE**. Mr. Chairman, if the gentleman will yield, the gentleman's construction of the rule is appropriate.

The **CHAIRMAN**. The Clerk will report the technical amendment.

The Clerk read as follows:

Technical amendment offered by Mr. WIGGINS: On page 3, strike out line 14 and all that follows down through the end of line 21 and insert in lieu thereof:

"(4) Rule 4 is amended by redesignating paragraphs (c), (d), and (e) to read (b), (c), and (d) respectively."

Mr. **WIGGGINS**. Mr. Chairman, this technical amendment is required by reason of the adoption earlier of an amendment which I offered to rule 4. The technical amendment merely renumbers the succeeding paragraphs, eliminates one paragraph in rule 4 which is no longer applicable. I do not believe there is any controversy concerning the amendment.

Mr. **HUNGATE**. Mr. Chairman, will the gentleman yield?

Mr. **WIGGINS**. I yield to the gentleman from Missouri.

Mr. **HUNGATE**. Mr. Chairman, I thank the gentleman for yielding.

The gentleman is precisely correct. As I understand the situation, the adoption of the amendment earlier necessitated redesignating certain paragraph numbers in the bill and obviated the necessity for this other paragraph in the bill. There is no objection from this side of the aisle to the amendment.

The CHAIRMAN. The question is on the technical amendment offered by the gentleman from California (Mr. WIGGINS).

The technical amendment was agreed to.

AMENDMENT OFFERED BY MR. DRINAN

Mr. DRINAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DRINAN: Page 19, line 13, strike out "unless" and insert in lieu thereof the following: "but not to the extent that".

Mr. DRINAN. Mr. Chairman, I would hope that this amendment simply clarifies what was the original intent of the drafters of this important document.

Mr. Chairman, the original draft of this document never intended that the person accused of wrongdoing would be precluded from reading his presentence investigation report. This section, however, is very clear that he may not read anything in the report containing a diagnostic opinion which might seriously disrupt a program of rehabilitation, nor can the defendant know of the source of the information obtained when it has been obtained on a promise of confidentiality.

The amendment that I propose simply would state that the defendant has a right to see everything in his file, including information based upon a promise of confidentiality, but not the source of that information. A Federal judge or magistrate has many means of protecting the source of information, and insofar as he can do that, he should, under my amendment, give to the accused or the defendant all those things in the presentence report.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. Yes, I yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I want to be certain that I understand the impact of the amendment.

As I understand it, it is offered simply to clarify the original intent of this language, which contains some ambiguity. I understand this from the man who was the reporter for the committee that drafted the rule.

Am I correct that this would not make diagnostic opinion available to the defendant?

Mr. DRINAN. The gentleman is entirely correct.

Mr. HUNGATE. If the gentleman will yield further, in the case of material, he would be able to know the nature of the confidential material, but not the name of the source.

Mr. DRINAN. That is correct, when that source has been pledged confidentiality.

Mr. HUNGATE. Yes.

Then let me make one further qualified understanding here: If the information is such that to reveal the information obtained under a promise of confidentiality and simply revealing it would absolutely identify the source, in that case again he would not have the right to get the information?

Mr. DRINAN. The gentleman from Missouri is quite right. In that event, the defendant would be denied and properly denied that information.

Mr. HUNGATE. But aside from that, if he were to receive the information without harming the confidential source or identifying it, he would be able to get it under the gentleman's method?

Mr. DRINAN. Yes. Under this amendment, that is correct. I think that is the intent of the writers of the document.

Mr. HUNGATE. Mr. Chairman, I commend the gentleman from Massachusetts (Mr. DRINAN) for clarifying the law, and we would have no objection at this time.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. Yes; I yield to the gentleman from California.

Mr. WIGGINS. Mr. Chairman, I thank the gentleman for yielding.

As explained in the colloquy just concluded, the minority has no serious objection to the amendment offered by the gentleman from Massachusetts (Mr. DRINAN). It does depend upon the discretion of the judge, to some extent; but the language suggested by the gentleman from Massachusetts is wholly consistent with the spirit of rule 33, and I urge its adoption.

Mr. DRINAN. Mr. Chairman, I thank the gentleman from California.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. DRINAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MS. HOLTZMAN

Ms. HOLTZMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. HOLTZMAN: Page 17, line 13, strike out "request" and insert in lieu thereof "motion".

Ms. HOLTZMAN. Mr. Chairman, this is a simple amendment designed to correct what I believe is an inadvertence in the rules.

What my amendment would require is that if the Government or the defendant seeks a protective order, the request for a protective order must be made by motion with notice to the opposing side.

Rule 16(d)(1), as before us in this bill, provides that when one party wishes to prevent the disclosure of certain evidence prior to trial, he may seek a protective order in a secret proceeding before a judge. The other party need not even be notified that such a protective order has been sought or issued.

Whatever justification there is for allowing an ex parte proceeding in these circumstances—and such proceedings are extremely rare, frowned upon as contrary to our adversary system—there is no excuse for hiding the fact that a protective order is sought. My amendment would require that the opposing party at least be given notice of this request.

I am informed that the Reporter of the Standing Committee of the Judicial Conference, which proposed the new rule, has said that there was no intention to eliminate any requirement that the other side be given notice of the intention to see a judge. Second, I have discussed the matter with the representative of the Justice Department who has been monitoring this legislation, and he advises me there is also no objection to the amendment that I am offering.

I would strongly urge the adoption of my amendment.

Mr. HUNGATE. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I want to be sure I understand the impact of this amendment. Is it correct that the word "request" is used in this section to which the gentlewoman has alluded?

Ms. HOLTZMAN. That is correct, under the rule as it is reported.

Mr. HUNGATE. And under an earlier rule, rule 12, I think it is, that requests shall be made in the form of motions; is that correct?

Ms. HOLTZMAN. That is correct.

Mr. HUNGATE. So that as I understand it when a motion is made the practice would be to give notice that the motion is being made?

Ms. HOLTZMAN. That is correct.

Mr. HUNGATE. There is nothing in it, I take it, that requires the other party to actually be in the room during this ex parte proceeding; it is simply a notice to the other that an ex parte proceeding will take place?

Ms. HOLTZMAN. It is simply a notice to the other party that the party is seeking a protective order. My amendment will not require the divulgence of the matter itself to be protected.

Mr. HUNGATE. Mr. Chairman, I thank the gentlewoman for yielding. I will simply say that all of my great successes in law have been ex parte, without notice. However, I think this is a good amendment.

Mr. WIGGINS. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman.

Mr. WIGGINS. Mr. Chairman, rule 16 is a discovery rule. The discovery contemplated by that rule is triggered in the language of the law by a request. The amendment offered by the gentlewoman from New York (Ms. HOLTZMAN) will in the case of a protective order substitute the word "motion" for "request."

This proposed amendment must be read in light of rule 12, which indicates that any motion under rule 16 before trial shall be, if addressed to the court, shall be by motion. Accordingly, the language of the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN) merely states what is in fact contemplated by rule 12, as I understand it. Therefore I do not have any objection to the amendment offered by the gentlewoman from New York. But I want to add a caveat so that the legislative history in this respect is clear: The requirement of the amendment would be satisfied by the moving party simply advising the other side of their intention to move under the particular rule without requiring any specificity in that notice as to the request or any supporting material in support of the motion. That is, as I understand it, the intent of the gentlewoman from New York to be?

Ms. HOLTZMAN. If I may just clarify the point, the intent of my amendment is simply to require the giving of notice that an application for a protective order is going to be made. There may be court rules in various district courts or circuits which specify what must be included in the motion or notice of the motion. I am not trying to specify the contents of the motion or notice. All I am saying is that notice must be given, and the minimum contents of the notice given will have to be specified by other rules, not this rule. But there is no intention in this amendment to force disclosure of the matter to be protected.

The CHAIRMAN. The time of the gentlewoman has expired.

(On request of Mr. WIGGINS, and by unanimous consent, Ms. HOLTZMAN was allowed to proceed for 2 additional minutes.)

Mr. WIGGINS. Mr. Chairman, if the gentlewoman from New York will yield further, I think all of us must be alert to at least the background of the problem that concerns me. I believe that the amendment of the gentlewoman from New York is innocuous and does not offend my concern, but we are talking now about the kind of notice given by the government who seeks a protective order under rule 16. That protective order can be granted or denied by the court after an in camera ex parte secret proceeding. The amendment of the gentlewoman from New York does not attack that part of the proceeding, at least not yet. However, so long as it is clear on the basis of this amendment that the security of the proceedings in ruling upon the motion are protected—and I think that is her intent—then I have no objection at all to her amendment.

Ms. HOLTZMAN. If I may respond, I would just like, for purposes of legislative history, to clarify the fact that the word "motion" that my amendment seeks to insert in this rule is exactly the word that appeared in the prior rule, and I would say that my amendment was not intended to abridge prior practice.

Mr. WIGGINS. I have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MS. HOLTZMAN

Ms. HOLTZMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. HOLTZMAN: Page 12, immediately after line 20, insert the following new subsection:

(19) Rule 16(a)(1)(A) is amended to read as follows:

"(A) STATEMENT OF DEFENDANT.—Upon request of a defendant the government shall permit the defendant to inspect and copy or photograph: any relevant written or recorded statements made by the defendant, or copies thereof, within the possession, custody or control of the government, the existence of which is known, or by the exercise of due diligence may become known, to the attorney for the government; the substance of any oral statement which the government intends to offer in evidence at the trial made by the defendant whether before or after arrest; and recorded testimony of the defendant before a grand jury which relates to the offense charged. Where the defendant is a corporation, partnership, association, or labor union, the court may grant the defendant, upon its motion, discovery of relevant recorded testimony of any witness before a grand jury who was, at the time either of the charged acts or of the grand jury proceedings, so situated as an officer or employee as to have been able legally to bind the defendant in respect to the activities involved in the charges."

And renumber the subsequent subsections of section 3 of the bill accordingly.

Ms. HOLTZMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. HOLTZMAN. Mr. Chairman, the thrust of this amendment is to modify the rule respecting discovery so that a defendant can learn before trial the substance of his oral statements that the Government intends to use at trial.

Let me specify the reasons for this amendment. Right now under the committee bill, a defendant before trial is entitled to get from the prosecution the following statements that he made: all written statements so long as they are relevant; all oral statements if they are recorded so long as they are relevant; the substance of all oral statements that the Government intends to use at trial, but only if they were made to a known Government agent. Thus, if the defendant made an oral statement to a Government agent who is not known to the defendant to be a Government agent, and the substance of that statement is going to be used at trial, the defendant is not entitled to find that out before trial.

The purpose of the proposed new criminal procedure is to allow a broader discovery, both for the Government and for the defendant. I think most of these expansions of discovery are desirable, but in this circumstance the restriction on oral statements is not wise.

Let me say that the only argument that I have heard against allowing a defendant to find out the substance of an oral statement that is going to be used against him at trial, if the person to whom he made it was not a known Government agent, is that possibly it will reveal a Government informer. That argument is not very convincing.

First of all, the Government is already entitled to get a protective order. Second, there is an irrational distinction between what I would call a bugged informer and a nonbugged informer, because all oral statements that are recorded have to be provided to the defendant before the trial starts if they are relevant. If they have not been recorded then the defendant is not entitled to them. I think that is a distinction without any substance and basically unfair.

Stated very simply, if the Government is going to use at trial a statement made by the defendant, the defendant ought to be entitled to get into the substance of that statement before the trial so he can prepare an effective defense.

Mr. WIGGINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is an important amendment. The Members should make every effort to understand it because the effect of this amendment if adopted will be to gut substantially the action taken by the committee with respect to the 3-day rule involving the disclosure of the names of witnesses.

Let me place the problem in focus. A defendant under the rule is entitled to obtain after indictment, merely upon his request, his statements in the possession of the Government. If those statements are in writing, there is no difficulty. If those statements however are not in writing but are merely statements made by the defendant to a third person, then under the rule the Government is required to provide a summary of those oral statements, but only in the case that the oral statement was made to a known Government agent.

The amendment by the gentlewoman from New York removes this limiting language: "known Government agent."

Here is the problem that is presented. If a defendant has a conversation with a codefendant or a coconspirator, perhaps an undercover agent, and the Government intends to rely upon that conversation to convict the defendant, the disclosure of the content of that conversation may and perhaps will identify to the defendant the name of the person whom the conversation was had. Accordingly, disclosing the content of the conversation identifies the name of the witness.

The identity of that witness is thus disclosed, not 3 days prior to trial, but rather as soon as the request comes in shortly after the indictment. The effect therefore will be to significantly and unwisely modify the 3-day rule.

The change is significant and raises issues discussed in the debate we had here on this floor several days ago. As the Chairman knows, by a very close vote the body agreed to stay with the 3-day rule although there was substantial sentiment that even the 3-day rule should be amended.

Now this amendment goes far beyond the 3-day rule and allow a defendant the ability to discover the names and identities of Government witnesses well in advance of trial.

In my opinion, Mr. Chairman, this is an important, a serious, and a damaging amendment which ought to be defeated.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I am surprised that the gentleman says my amendment requires giving the names and addresses of the Government witnesses. There is absolutely nothing in my amendment that requires the giving of names or addresses of Government witnesses or the identity of the person to whom the statement was made.

Mr. WIGGINS. I am sorry if the gentlewoman undehstood my remarks in that way because that is not what I intended to say.

I understand that the amendment of the gentlewoman from New York will not require the identification of names of witnesses and certainly will not require identification of their addresses, but nevertheless I contend that that is the practical effect of the rule. If we do require the substance of the conversation, we will in many cases thereby disclose the identity of the person with whom that conversation was had and will in effect require the disclosure of the Government's witnesses.

Ms. HOLTZMAN. Can the gentleman explain what rational basis there is for allowing the discovery of a recorded oral conversation as long as it is relevant and even if it is not going to be used in trial and prohibiting the disclosure of an oral statement that has not been recorded even if the Government intends to use it at trial?

Mr. WIGGINS. I find it difficult to rationalize those two requirements under the rule, because given the hazards to which I have spoken, are also going to occur if a recorded statement is subject to discovery. I am not trying to undo that error. I am simply trying to prevent the error from being compounded.

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Ms. HOLTZMAN and by unanimous consent, Mr. WIGGINS was allowed to proceed for 1 additional minute.)

Ms. HOLTZMAN. Mr. Chairman, I wonder if the gentleman from California would agree that a protective order in appropriate circumstances would protect the Government from disclosing the identity of a witness prior to the 3-day rule?

Mr. WIGGINS. Mr. Chairman, the gentlewoman is, as I understand, inquiring whether a protective order can insulate the Government against the hazards about which I have spoken. Perhaps it can and perhaps it cannot.

We have already passed an amendment which requires that the application for a protective order be in the form of a motion. I believe we are going to deal shortly with an amendment which will decide that motion in an adversary forum.

The very fact that the Government is seeking a protective order with respect to an identifiable request discloses a great deal of information itself.

This is a balancing issue upon which the committee has given considerable thought and the Advisory Committee for the Supreme Court has also given considerable thought.

I urge the membership to stick with those two bodies' recommendations.

Mr. HOLLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment, specifically for the reasons stated previously on this record.

This amendment will further equalize the adversary proceeding that does exist between the offices of the U.S. attorneys around the country and the vast majority of cases in court which are handled by court-appointed attorneys for those who are unable to hire their own.

As I said the other day, if I were given a $50,000 defense fund, I will have an investigation of a case coming to trial just as good or better than the FBI can present.

This amendment asks for very little. It simply wants to enlighten the defendant as to alleged conversations he has participated in which might tend to incriminate him. It is a mighty small requirement.

I have heard it said from this floor that the FBI, the investigative body of the U.S. district attorney, will upon request provide the investigative files. I deny that. I find it not to be true. They will provide the statements immediately before the various agents testify. I brought a few lines of a transcript from a court proceeding, to point out why this amendment is innocuous, to point out where we ought to be focusing attention to correct the injustices. This is a cross-examination if you will, of an FBI agent. It goes this way:

> Question. In the course of the interview did you take any notes as to what was said?
>
> Answer. Yes, sir, I did.
>
> Question. Do you have those with you?
>
> Answer. No, sir, I do not.
>
> Question. Are they a part of your investigative file in this case?
>
> Answer. They were a part of it, sir. They were destroyed once I reduced the notes to what we call an investigative report, or FD 302.
>
> Question. They were destroyed by whom?
>
> Answer. By me.
>
> Question. In what manner?
>
> Answer. I believe I put them in a confidential trash in which they were burned.
>
> Question. Confidential trash?
>
> Answer. Yes, sir.
>
> Question. Is that always burned?

What we are asking for is just to let the FBI give the defendant in indigent cases the benefit of the FBI's recollection and the recollections of agents about conversations with others to the indigent defendant which constitutes, I submit, a vast majority of cases in the courts of this land; give them the same advantage a man with a $50,000 defense fund, that of just knowing the nature of the charges against him and the statements the U.S. Government intends to use against him.

I hope this committee will pass the amendment of the gentlewoman from New York, because it will have that effect. It will put the adversary system in criminal cases on somewhat more of an equal basis than that which does now exist.

Mr. HYDE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from California.

Mr. WIGGINS. Mr. Chairman, I thank the gentleman for yielding to me. I asked the gentleman to yield for just a moment so that I could dispel the suggestion, at least, that the adoption of this amendment is required to interject an element of fairness into the conduct of a criminal trial. The suggestion is, of course, that the trial is weighted in favor of the Government. I want to assure my friends that this is not so.

A defendant approaches a criminal trial secure in the knowledge that he need do nothing. It is the responsibility of the Government to overcome a presumption of innocence on the part of the defendant. The Government's burden is a heavy one. It must carry that burden and prove his guilt beyond a reasonable doubt. In doing so, it must do so in an environment in which it cannot compel the production of testimony on the part of the witness. That right of the witness is secured by the fifth amendment.

This rule allows the defendant to go into the Government's file and extract therefrom statements of the defendant which the Government intends to use during the course of the trial. But, what right does the Government have? The Government has no right to go into the defendant's file and extract the statements in the possession of the defendant with respect to the defendant's witnesses. This is not a truly balancing right at all. It is a special consideration given in the interest of fairness to a defendant, and we should not go beyond that interest of the defendant by jeopardizing the personal security of witnesses whose identity should be maintained confidential until they are required to be produced under the rule.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I think the gentleman from South Carolina has raised an extremely important point, that the issue is one of fairness. The gentleman from California says the Government cannot compel the defendant to produce evidence, which is generally true. But the Government also has the benefit of the FBI, which is a good investigative agency. Most defendants—those who are indigent, at least—cannot afford any comparable investigation on their own behalf.

Second, the Government has had the benefit of the grand jury which can compel persons by subpena and the threat of contempt to appear and give testimony about the defendant or the facts of the case. So that, by the time of trial, the Government often knows a great deal about what the defendant has allegedly said to various people, while the defendant does not know the substance of the case against him.

As I understand it, the purpose of these rules is to take away the sporting concept of justice and introduce instead a justice where both sides have an opportunity to learn the nature of the case and to make rational and effective preparations for trial. I would say that my amendment is very much in the interests of fairness.

Mr. HYDE. Mr. Chairman, if I may say, this position of the gentlewoman from New York was not recommended or adopted by the Judicial Conference of the Supreme Court.

It was defeated in the subcommittee. It was defeated in the full committee by a voice vote. Mr. Chairman, I hope it will be defeated in this body.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN).

The question was taken; and on a division (demanded by Ms. HOLTZMAN) there were—ayes 14, noes 27.

So the amendment was rejected.

Mr. WIGGINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it appears that we are about ready to vote on the bill in the full House. Many of my colleagues have asked me whether or not the bill is worthy of support, in view of the fact that some amendments offered have been defeated. Mr. Chairman, I am firmly of the opinion that this set of rules, as amended by the committee and as amended on this floor, is a far superior product than will be forced down our throats if we fail to take action.

As the Members all know, the rules adopted and promulgated by the Supreme Court will take effect without amendment unless we act here on the floor. We have not adopted all of the amendments I would have wished, but the efforts of this House have produced a set of rules far superior, in my opinion, than as originally promulgated by the court, and I strongly urge that the Members vote "yes" on passage.

Mr. HUNGATE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to join my colleague from California (Mr. WIGGINS) in the statement he has just made. The House of Representatives, if we adopt this bill by voting "yes," will have an input into the criminal justice system. There are amendments that have not thrilled me to death, and I am sure there are some that have not pleased other Members, but I think that I can assert to the Members unequivocally that we are going to like what the House of Representatives has done to this point better than we would like the rules that would be sent down without change by the Supreme Court.

Mr. HAGEDORN. Mr. Chairman, I rise in support of H.R. 6799, amendments to the Federal Rules of Criminal Procedure. I wish to commend my colleague, Mr. HUNGATE, his committee and staff for this reasoned and carefully drawn measure.

The Chief Justice of the United States submitted to the Congress on April 22, 1974, those amendments to the Federal Rules of Criminal Procedure adopted by the Supreme Court. From these complex and far-reaching proposals, the House Judiciary Committee has drawn H.R. 6799.

I believe this bill is a genuine effort to balance the rights of society with the rights of the accused after an extended period of our history in which technicalities often resulted in a tilt away from society and lawful citizens.

While plea bargaining has recently been viewed in a bad light, it has long served as an integral part of the criminal justice system. Plea bargaining has been institutionalized under rule II of this bill in such a way as to provide a timely opportunity for the bargain. Each judge would have the authority to allow or prohibit plea bargaining in his own courtroom. Under the rule, a judge has only the power to accept or reject an entire plea bargain. This protects the prosecution from having their bargain undermined by a lenient judge.

There is a most urgently needed addition by the committee to spell out the required advice the defendant must be given prior to entering a plea. This crucial section utilizes advice accepted by the Supreme Court in Boykin against United States.

To assure a defendant reasonable opportunity to be confronted by his accusers, the committee has provided a procedure for taking depositions to be used in a trial with both accuser and defendant present.

In promulgating the disclosure and inspection rule for witnesses, there appears to be potential danger to witnesses by providing their names and addresses to the adversary in the trial. This danger is somewhat reduced by the "3 days in advance of trial" phrasing, but the past spectre of untimely "accidents" and unsolved murders of key and potentially critical witnesses remains.

There is an air of openness which may cause disquiet due to the way certain cases are handled, but this is mainly due to the heretofore unwritten, but practiced, procedures which have never been generally known. Thus the bill has sought to codify reality.

The task has been difficult, but I commend this committee and its chairman for this accomplishment in seeking to vitalize a greater measure of fairness between the contestants.

The CHAIRMAN. If there are no further amendments, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VAN DEERLIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules, pursuant to House Resolution 513, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. PEYSER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 372, nays 1, not voting 60, as follows:

[Roll No. 331]

YEAS—372

Adams
Addabbo
Alexander
Andrews, N. Dak.
Annunzio
Archer
Armstrong
AuCoin
Badillo
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Flowers
Flynt
Foley
Ford, Tenn.
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hinshaw
Holland
Holt
Holtzman
Horton
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Martin
Mazzoli
Melcher
Metcalfe
Meyner
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Nowak
Oberstar
Obey
O'Hara
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall

Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Traxler
Treen
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—1

Mottl

NOT VOTING—60

Abdnor
Abzug
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Ashbrook
Ashley
Aspin
Bafalis
Brodhead
Butler
Clay
Collins, Ill.
Conyers
Davis
de la Garza
Diggs
Downing
Erlenborn
Florio
Ford, Mich.
Forsythe
Fulton
Goldwater
Gonzalez
Hillis
Howard
Jarman
Jones, Ala.
Jones, N.C.
Karth
Landrum
Leggett
McClory
McCloskey
Mann
Mathis
Matsunaga
Meeds
Mezvinsky
Mosher
Nedzi
Nolan
O'Brien
O'Neill
Roncalio
Shriver
Solarz
Stanton, James V.
Stephens
Stokes
Stratton
Stuckey
Symington
Teague
Thompson
Udall
Ullman
Whitehurst

So the bill was passed.

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Anderson of Illinois.
Mr. Thompson with Mr. Andrews of North Carolina.
Mr. Teague with Mr. Ashbrook.
Mr. Florio with Mrs. Collins of Illinois.
Ms. Abzug with Mr. Brodhead.
Mr. Ambro with Mr. Downing of Virginia.
Mr. Matsunaga with Mr. Forsythe.
Mr. Stratton with Mr. Landrum.
Mr. Udall with Mr. Andrews of North Carolina.
Mr. Howard with Mr. Hillis.
Mr. Davis with Mr. Mosher.
Mr. Ullman with Mr. Butler.
Mr. Mann with Mr. O'Brien.
Mr. Leggett with Mr. de la Garza.
Mr. Mathis with Mr. Goldwater.
Mr. Karth with Mr. McClory.
Mr. Jones of North Carolina with Mr. Solarz.
Mr. Roncalio with Mr. Erlenborn.
Mr. Nedzi with Mr. Shriver.
Mr. Mezvinsky with Mr. Jarman.
Mr. Nolan with James V. Stanton.
Mr. Fulton with Mr. Stokes.
Mr. Ford of Michigan with Mr. McCloskey.
Mr. Anderson of California with Mr. Stephens.
Mr. Ashley with Mr. Stuckey.
Mr. Balfalis with Mr. Symington.
Mr. Clay with Mr. Jones of Alabama.
Mr. Conyers with Mr. Meeds.
Mr. Diggs with Mr. Aspin.
Mr. Abdnor with Mr. Whitehurst.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT TO FILE PRIVILEGED REPORTS

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 6676—CREDIT USES REPORTING ACT OF 1975

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 511 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 511

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6676) to maximize the availability of credit for national priority uses. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Currency and Housing, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Banking, Currency and Housing now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 511 provides for the consideration of H.R. 6676, the Credit Uses Reporting Act of 1975.

This is a 1-hour open rule providing for the committee amendment in the nature of a substitute to to be read as an original bill for the purpose of amendment.

H.R. 6676, as introduced, provided for a reporting system whereby the major banks in the United States would report on the extension of credit to eight categories of loans, defined by the bill as "national priority uses."

Many members expressed concern that the bill is the first step in establishing a Federal program of credit allocation.

As a result of these objections, a reasonable compromise was forged under the leadership of the distinguished chairman of the committee, the gentleman from Wisconsin (Mr. REUSS).

The bill as introduced was labeled "a bill to maximize the availability of credit for national priority uses." The title in the committee amendment is "a bill to maximize the availability of information on commercial bank credit."

The bill as introduced listed eight credit uses, referred to as "national priority uses." They are now referred to by the far more neutral label, "uses of commercial credit."

Whether one supports or opposes credit allocation should be irrelevant to a vote on this rule or even on the bill.

The bill as it stands now, simply lists nine categories of credit and requires the Nation's largest banks to report on their extension of credit within these categories.

It makes no value judgment regarding these uses. It simply requires that the information be available.

The collection of the data is accomplished through existing channels and need involve little additional cost for the banks or the Federal Government.

The bill in the form it comes before us is precisely what it is named, "a bill to maximize the availability of information on commercial banks credit."

Mr. Speaker, I urge the adoption of House Resolution 511 in order that we may discuss H.R. 6676.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Massachusetts has outlined the conditions of this rule, House Resolution 511, as well as the provisions of H.R. 6676, the Credit Uses Reporting Act of 1975. However, I would also like to briefly mention a few general points about the bill and the rule at this time.

H.R. 6676 requires the Federal Reserve Board to obtain periodic reports from the Nation's largest federally insured commercial banks on the amount of funds they are lending in the following specific areas:

First, productive capital investment;

Second, normal working capital needs of industry and commerce;

Third, financing requirements of small business and agricultural establishments;

Fourth, construction and purchase of housing accommodations, particularly low and middle-income;

Fifth, accommodation of consumer

credit needs basic to a rising standard of living;

Sixth, needs of U.S. foreign transactions;

Seventh, other uses essential to the orderly functioning of markets for goods, services, and financial assets;

Eighth, support of the financing needs of Federal, State, and local governments; and

Ninth, all other extensions of credit.

This legislation further requires that these reports be obtained from a sample of commercial banks, and the size of the sample is left to the Federal Reserve Board. The data collected by the Board then must be submitted semiannually to Congress and will likewise be promptly made available to the public.

The rule, House Resolution 511, provides for the House to resolve itself into the Committee of the Whole for consideration of H.R. 6676. Under the terms of the rule, the legislation may be debated for 1 hour and will be read for amendment under the 5-minute rule. In order to preserve the normal amending process, the rule allows that the committee substitute will be in order as an original bill for the purpose of the amendment.

Mr. Speaker, requiring the Federal Reserve Board to obtain reports from our largest Federally insured commercial banks on the amount of funds they are lending in certain areas, undoubtedly, will influence these banks to attempt to satisfy what they perceive to be Congress intentions. It would follow that the data collected via this measure could very possibly be used as a vehicle for the imposition of credit controls.

The control or allocation of credit in this country, by either direct or indirect implementation, is wrong. It will remove the flexibility in national bank lending policies and could force them to make loans for programs possessing only a marginal rate of return in preference to more productive usage of their capital.

Since I do not perceive of any way in which this legislation could be amended to an acceptable proposal, I would strongly urge that my colleagues vote against this rule.

CALL OF THE HOUSE

Mr. SYMMS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. WAGGONNER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 332]

Abdnor
Abzug
Anderson, Calif.
Andrews, N.C.
Ashbrook
Ashley
Badillo
Bafalis
Beard, Tenn.
Brown, Calif.
Buchanan
Burke, Calif.
Burton, John
Clay
Collins, Ill.
Conyers
Crane
Davis
Diggs
Downing
Erlenborn
Evins, Tenn.
Florio
Ford, Mich.
Forsythe
Fraser
Fulton
Gonzalez
Gude
Hagedorn
Hastings
Hébert
Hillis
Horton
Howard
Howe
Jarman
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Okla.
Karth
Landrum
Leggett
Long, Md.
McClory
McCloskey
McCormack
Madigan
Mann
Martin
Mathis
Meeds
Mosher
Moss
Nedzi
Nolan
O'Brien
O'Neill
Pritchard
Rangel
Rees
Roncalio
Solarz
Staggers
Stanton, James V.
Stephens
Stokes
Stuckey
Symington
Teague
Thompson
Udall
Ullman
Whitehurst
Wilson, C. H.

The SPEAKER. On this rollcall 357 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, futher proceedings under the call were dispensed with.

PROVIDING FOR CONSIDERATION OF H.R. 6676—CREDIT USES REPORTING ACT OF 1975

Mr. LOTT. Mr. Speaker, I would like to reiterate a couple of points that I made before the quorum call. This is H.R. 6676, the Credit Uses Reporting Act of 1975, and it is unique because on this bill we had a very, very close vote on the rule as to whether or not we should report this bill from the Committee on Rules. The vote was, at one point, 6 to 6, and the final vote was 7 to 5, with one voting "present." It is obvious there was some question among the members of the Committee on Rules about this particular bill.

Mr. Speaker, again I want to emphasize this: Yes, this bill has been watered down from what was originally introduced in the House of Representatives, but we must consider that from the standpoint of what was the real intent of this bill.

I would like to yield to the gentleman from Ohio (Mr. GRADISON), who is on the Committee on Banking, Currency and Housing, and who can give us some of the background of how this legislation developed and perhaps explain to us whether it is as innocuous as we might have been led to believe.

Mr. GRADISON. Mr. Speaker, I thank the gentleman for yielding.

I think it is important to keep in mind, with regard to this bill, that if the purpose of it is just to point out what the uses of credit are in our economy, there is no need for a bill at all, because there is a great deal of data that are already available that my colleagues can examine.

In order to understand this bill, it is necessary to look at its immediate predecessor, which indicated that this bill was directed at seeking information on what was called in the earlier bill national priority uses of credit. That is where this list of categories came from.

I think it is instructive to keep in mind that this list was developed not to get information on the flow of funds in the economy, because that information is available in large quantities and is coming out of computers all over Washington today, but it is a basis or it gives us a foot in the door, if you will, and is a step toward mandatory allocation of credit among all borrowers and lenders in the United States, with the Government, rather than the private economy, making the decisions as to who these borrowers and who these lenders are to be.

Mr. LOTT. Mr. Speaker, as I understand the bill, it would only apply to some 200 or 300 banks, and it certainly would not apply to all the major producers of credit in the country. I will ask the gentleman to comment on that.

Mr. GRADISON. Mr. Speaker, if the gentleman will yield further, the gentleman from Mississippi is correct. There are a number of major financial institutions which would not report. These include certain banking companies, life insurance companies, mutual savings banks, and credit unions, among others. Only a sample of commercial banks would be required to report.

This raises a very interesting question: What in the world are we going to do with this data once we receive it?

Let me give the Members an example. In the first category, that of productive capital investment, we are only going to get answers from a small fraction of the providers of capital in the United States. This small fraction, this number of banks providing capital, will tell us, let us say, that 14 percent of loans which are reported is for productive capital investment.

What do we do with that information once we get it?

The purpose of this information, I assume, is to assist the Congress in reaching decisions with regard to the economy. If we get a figure back that 14 percent is for productive capital investment, this is absolutely useless unless we also have some way of figuring out whether the proper number should be 14 percent or something higher or something lower.

So, Mr. Speaker, I feel that what we are really doing here basically is creating unnecessary additional paperwork and creating an extra burden—redtape, if you will—that is going to cause problems for borrowers and lenders alike. And to the extent this increases the cost of doing business for lenders, it is going to increase the cost of borrowing in our economy.

Mr. LOTT. Mr. Speaker, I thank the gentleman for his comments.

Some Members have asked me why we are raising these questions and expressing these concerns at this point about the bill. It is because I think this is a giant step toward credit allocation. I think it is important for the Members to stop and think what we are doing.

This is very typical of many things we have done in the past. We have considered legislation along these lines before, and then it zips through quietly, and 6 months later we look back and say, "What have we done?"

Mr. Speaker, I think we ought to take a good look at this legislation before we pass it.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, I thank the gentleman for yielding.

In the colloquy a minute ago the gentleman said something about only the largest banks in the country being required to report. I have seen that same language in the report.

Where in the bill is that limitation provision stating that only a certain number of banks need to report?

Mr. LOTT. Mr. Speaker, I am advised by committee members that it is not provided in the bill. It could go much beyond that. I think that is a very valid point the gentleman raises.

Mr. KAZEN. Mr. Speaker, if the gentleman will yield further, I am wondering where this statement came from, that it is only the largest commercial banks that will report and that only a sampling of them would be obtained.

Mr. LOTT. Mr. Speaker, as I understand the bill, it says, "a sample," and the report refers to the larger banks. It is not clear.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the distinguished chairman of the committee.

Mr. REUSS. Mr. Speaker, I think I can answer the questions asked by the gentleman from Mississippi (Mr. LOTT) and the gentleman from Texas (Mr. KAZEN).

The bill leaves it up to the Federal Reserve System, which worked very closely with the Committee on Banking, Currency and Housing in the drafting of this legislation, in order to make this bill as helpful as possible and to make sure it was not too onerous. Therefore, in our discussions with the Federal Reserve staff, it was more or less agreed that the sample will be the 200 largest banks, because, after all, they control more than 50 percent of the banking assets of this country.

While the paperwork for a large bank is negligible, we do not want to impose this requirement by law on the smaller banks.

Mr. KAZEN. If the gentleman will yield further, that must be the explanation, but nowhere in the bill is it provided that reporting is restricted to those 200 banks which have 55 percent of the credit available.

I, for one, would like to see that provision in the bill rather than in some informal understanding, because this policy of understanding may change from committee to committee or from Congress to Congress.

Mr. LOTT. The gentleman is absolutely correct. I think that he makes a very valid point. I wonder if this cannot be done under existing legislation or regulations anyway.

Mr. REUSS. If the gentleman will yield further, let me state to the gentleman from Texas (Mr. KAZEN) that we would in no way object to an amendment restricting it to the 200 or 300 largest banks. The bill would not lose its effect.

Mr. LOTT. I think that one thing wrong with the bill is that it is going to cause a tremendous amount of paperwork. It may not be used for control or allocation of credit, but there is going to be an awful lot of work done here. What is it going to be used for?

Mr. GRADISON. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Ohio.

Mr. GRADISON. Mr. Speaker, I thank the gentleman for yielding.

The committee did hear evidence on this point.

I would just like to give the Members one example of what we were told as to the paperwork that we would be imposing upon the banks that were covered by this section.

The chief executive officer of the North Carolina National Bank testified on this specific point. That is a very fine institution, but not the largest bank in the United States.

He reported that had they been covered by this bill during calendar year 1974, they would have had to obtain 400,000 separate statements, a statement from each borrower with respect to the purpose of each loan during that year.

If the North Carolina National Bank had to file or had to receive and process through their computer 400,000 statements of purpose, one can imagine the millions of sheets of paper that would be required for the larger banks in carrying out their obligations under this bill.

The problem with this is that the passage of this bill would not only reduce the requirements for reporting which are already imposed by other Federal agencies, such as the present credit reports required by the Federal Reserve, but as a result, the banks that are covered would have to comply with two different requirements on their loans, one to meet the present reporting requirements and another to meet the requirements of this bill.

I do not think the 400,000 additional pieces of paper in North Carolina alone is something that we should impose.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. LOTT. Yes, I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman for yielding.

It is interesting for me to see the gentleman from Wisconsin (Mr. REUSS), the chairman of the Committee on Banking, Currency and Housing, here on the floor accept the proposal of the gentleman from Texas with respect to guaranteeing that the reporting will be limited to certain banks, because it is part of the history of this legislation to have the chairman accede to such requests.

The bill originally introduced by him was a credit allocation bill, pure and simple. However, it was obvious that the gentleman from Wisconsin had not really determined the pulse of the committee, even as to the members of his side. When he did determine that pulse, he readily accepted a change from a bill which was to allocate credit to a bill that was to report credit. Now here on the floor he is willing to make a further accession to Members because he recognizes that even in its present form it is defective.

Mr. Speaker, I only suggest to my colleagues that if proponents have to make these many concessions in the course of bringing legislation to the floor, it is obvious that the legislation may be suspect. I suggest that it is suspect.

May I suggest to my colleagues, the Members of this House, that if the purpose of this legislation is really to provide the Congress with information so that it, in effect, can make a determination—and that would be useful information—as to whether or not credit is being properly extended by commercial banks and by other extenders of credit, then it seems to me that the only way we can make that determination is not just on the basis of learning how credit has been extended, but learning also what credit has been demanded.

Because if you do not know what kind of credit demands are being made how can one know whether or not credit needs are being met? We cannot determine it just on the basis of how it was extended without knowing how it was needed.

So I respectfully commend the gentleman from Mississippi for raising questions about this rule. I think there are serious reasons for doubting the merits of this legislation.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I thank my colleague, the gentleman from Michigan, for bringing out the point that the committee really did not develop the point about priorities in the Committee on Banking, Currency and Housing. That is whether we should first look to what are the current or historical demands on credit, and then make a determination on how we would handle this legislation, or whether the Congress, the President, or the private market would set the priorities.

Of course, that was the original intention of my good colleague, the gentleman from Wisconsin (Mr. REUSS). The gentleman wanted the Congress to set all the priorities as to how credit is to be allocated. That bill basically failed in committee because of that defective draftsmanship and bad policy recommendations.

So I think my colleague, the gentleman from Michigan (Mr. BROWN), has made an excellent point that there are substantial studies done by the Treasury, the Federal Reserve Board, the Comptroller of the Currency and others as to where credit demands are. We have done nothing in this legislation to make a determination on whether we wish to track the demand for credit, or whether we want to mandate where that credit ought to be, the latter course would of course, substantially disrupt the marketplace.

So again I thank my colleague, the gentleman from Michigan (Mr. BROWN), for making the point that this bill only subtly touches either plan but with the ultimate objective of having all credit allocated from the Federal level.

Mr. LOTT. Mr. Speaker, I would like to say in reference to this rule that on prior occasions significant questions have been raised about bills and the Congress has refused to approve such rules. I think this bill involves a situation where we should take a look at whether or not we should grant a rule.

H.R. 6676, would require the Federal Reserve Board to obtain periodic reports from the Nation's largest federally insured commercial banks on the amount of funds they are lending, in several areas, and I would list eight of them, eight categories where this would occur:

Productive capital investment;

Normal working capital needs of industry and commerce;

Financing requirements of small business and agricultural establishments;

Construction and purchase of housing accommodations, particularly low and middle income;

Accommodation of consumer credit needs basic to a rising standard of living;

Needs of U.S. foreign transactions;

Other uses essential to the orderly functioning of markets for goods, services and financial assets;

Support of the financing needs of Fedederal, State, and local governments; and

Then, the ninth category, which I believe is the real clinker as to the extension of credit, which is: All other extensions of credit.

That is everything.

Mr. Speaker, there is a great deal of question about this bill in the minds of the members of the committee. At this time I yield 3 minutes to the distinguished ranking minority member of the Committee on Banking, Currency and Housing, the gentleman from Pennsylvania, Mr. JOHNSON.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, in the interest in saving the time of the House I suggest we vote down the rule on H.R. 6676. The Rules Committee nearly took it upon itself to kill this bill but I suppose it can be said that no matter how bad a bill is, it is appropriate to bring it here to the floor so that all Members have an opportunity to express themselves. That being so lets do so now and avoid an extra hour of debate.

H.R. 6676 has several faults but so far as I can determine no redeeming features. There is absolutely no need to superimpose the reporting requirements of this bill on top of the extensive reporting system now in operation. We currently obtain extensive reports from all forms of creditors—not just a sample of commercial banks—which give us a far better understanding of credit flows than we will ever get from anything reported pursuant to this bill.

A second fault relates to the eight particularized categories of credit to be reported. Since the legislation originated these categories have at least been amended to recognize the need for consumer credit but who is to decide—and how—what extensions of consumer credit are "basic to a rising standard of living for American families." Frankly, though I sometimes think people are a little foolish to buy some of the things they do, I really do not know anyone who goes out and borrows money to buy things that they think are foolish. For one reason or another they just have to have that widget and they sure do not want Congress or the Fed telling them what they can or cannot use credit for.

That really leads me to the third fault I find with this bill. I see it as a thinly veiled effort to set the stage for some form of credit allocation.

When we appeared before the Rules Committee on this bill the gentleman from California (Mr. DEL CLAWSON) asked what we were going to do with this information when we got it. Our chairman's response was that if the information had been available in 1973 it might have been apparent that too much credit was going for office buildings in Manhattan and that the Federal Reserve might have suggested that more credit be directed toward capital for productive investment. He went on to suggest that the information would disclose whether huge amounts of the Nation's credit should go into something for which there is a doubtful need. In plain terms this information is to be used as an excuse to allocate credit.

I want to remind any who doubt this that H.R. 6676 is the product of an abortive attempt to enact a strict credit allocation program which was contained in the original bill, H.R. 212. The committee rejected this proposal outright and subsequently did the same to a modified proposal. We are now down to this superficial measure whose backers hope will result in some distorted picture of credit flows which they can then use to attack the free market system under which we have prospered for so long.

This bill is worse than useless, it is a sinister effort to lay the groundwork for a program of credit allocation which no one is willing to support. I hope the bill be recognized for what it is and be rejected.

Mr. LOTT. Mr. Speaker, I think the allocation of credit in this country, either directly or indirectly, is a dangerous thing to be getting into, and I would urge the Members to withhold their support of this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. SISK).

Mr. SISK. Mr. Speaker, I had some reservations with reference to this rule at the time it was before the Committee on Rules and, in fact, voted against it on the basis that I questioned whether it was something that the House should spend its time on, in view of the uncertainty of what the intent of the bill is. At this time in fairness, though, to the distinguished gentleman from Wisconsin (Mr. REUSS), the chairman of our Committee on Banking, Currency and Housing, I should like to direct two or three questions to him.

It is my understanding, of course, that this is a substitute for another bill which actually did deal with credit allocation. Let me ask the gentleman in the simplest possible terms what really is beneficial, or what kind of benefit does the gentleman feel we will get for the country from this bill as presently written?

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Wisconsin.

Mr. REUSS. I thank the gentleman for yielding.

The gentleman is quite right. An earlier version had encouraged the Federal Reserve to nudge credit in one direction or another, but with the almost unanimous sense of the committee, including that of the gentleman from Wisconsin, the substitute offered by the gentleman from Georgia (Mr. STEPHENS) was adopted, and that is what is before us. That bill in no way allocates credit. It simply sets up certain categories that we would like reporting on, and then a ninth category of "all others." It is very simple to fill out.

Mr. SISK. I was going to ask what is the value of that information?

Mr. REUSS. If the gentleman will yield further, it is very valuable because we now do not have it. The Federal Reserve Call Report may have a certain utility in the bank-examining function, but it does not tell us in the Committee on Banking and in the Congress where the Nation's pool of credit is going. If, for example, we had known 2 years ago of the enormous use of bank credit for overbuilding Manhattan office buildings or for luxury resort homes, we might have been able to take a look at, or ask the Federal Reserve Board to take a look at, the Bank Holding Company Act, and see whether amendments were needed. If we had known 2 years ago of the enormous quantity of our scarce pool of credit that was going over to foreign investment, much of which was very marginal indeed, we might have wanted to have the Ways and Means Committee take a look at the taxation question.

I do not believe that "ignorance is bliss" is a good policy on which to run the economics of the Congress.

Mr. SISK. I do not either, but in discussing this with some people recently I was advised there is a substantial amount of credit information already required by the Federal Reserve on behalf of banks.

Mr. REUSS. They require, if I may say, that the banks report every 6 months on a so-called call report. That is set out in the report. The trouble is that the call report of the Federal Reserve is of little or no use to us in the Congress. Housing, for instance, is scattered around under seven different headings. There is no way, for example, whereby the Congress can find out how much of the Nation's pool of credit is going into foreign lending.

We feel that the eight categories we have lined up in this bill are the proper ones.

Indeed, the people who drew up those categories are our friends at the Federal Reserve Board. Arthur Burns and the Federal Reserve drew those up when we asked them what would be the most useful and informative categories we could have. They are not any extra work. The banks will simply have to lump the information under these categories so we will know where we are.

Mr. SISK. It is my understanding the gentleman or someone testifying on behalf of this committee said it would not take any extra reporting. If it does not, then that information is already being furnished through some procedure of reporting.

As I said, the question has been raised with me as to these categories and really what they mean. I am concerned about money for low-income and moderate housing, as I am sure my friend, the gentleman from Wisconsin is. I am not here carrying any ball for the Federal Reserve or the banks. I am sure many of us would like to see a great deal more credit in certain areas but I had a question with respect to No. 4, which says:

> . . . construction and purchase of housing accommodations, with particular regard to the needs of low- and middle-income families;

Is it proposed or suggested the Federal Reserve is to set up how much in each price category? How will they come up with any information of any value? It seems to me here and I think the whole merit of the question of credit allocation is something we ought to face head on if indeed we should have that at all.

Mr. REUSS. No; it is not the intention of this bill and the words do not permit it that the Federal Reserve tell any bank or the banking system, that they have to put so much or such and such a percentage into low- or moderate-income housing. What the Federal Reserve will do, and has agreed to do under this bill, is to set up a category of housing, and then a sub category under that of low- and moderate-income housing, using the regular HUD definition of low- and moderate-income housing, so we in the Congress can have some idea of the flows of credit. We simply cannot do our job without that; but there is no suasion, no needling, no judging. It is simply informative.

Mr. SISK. I appreciate the gentleman's comments. This is a concern I have as to whether or not in fact we are doing anything that will be helpful or going through an exercise in futility.

I appreciate the comments of my colleague, the gentleman from Wisconsin.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from California.

Mr. ROUSSELOT. In answer to the gentleman's question, there are substantial reporting procedures already on the books, already prepared and published by the Federal Reserve Board which puts out a quarterly report with extensive statistics on the very thing the gentleman seeks.

The thing that disappoints me, I know that the gentleman from Wisconsin reads them, these reports have been in being for sometime. The Federal Reserve Board puts out a monthly report with many of the statistics that the gentleman is asking for in this bill. The Board has done it for years. The Federal Home Loan Bank Board produces all kinds of statistics on the housing industry and HUD produces statistics. We have statistics running out of our ears.

Mr. LOTT. Mr. Speaker, I yield to the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Speaker, the statements of the chairman of the Committee on Banking and Currency leave the implication, at least twice, that the Federal Reserve supports this bill. I wonder if that is the case.

Mr. LOTT. Mr. Speaker, my understanding is that they do not support this bill.

I yield to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, on April 23, 1975, a letter was directed to the chairman of the Committee on Banking and Currency.

It says with respect to a proposed draft bill in lieu of H.R. 3161:

> For these reasons, the Board finds itself unable to support this or any other bill related to mandatory reporting of bank credit accommodation along explicit or implied priority lines.

So the Federal Reserve Board is not in favor of this bill.

Mr. ARCHER. Mr. Speaker, if the gentleman will yield further, I am pleased to have that in the RECORD.

I have been reading reports that we are spending $18 million alone on Federal paperwork each year, and many people in our districts are concerned about this.

Are there any figures on how many dollars of paperwork will be involved if this legislation passes?

Mr. LOTT. Mr. Speaker, not to my knowledge and I doubt if they are available.

Mr. ARCHER. If the gentleman from Wisconsin, the chairman of the Committee on Banking and Currency would respond to that, I would like to have a response.

Mr. REUSS. Mr. Speaker, to the question of the cost of this?

Mr. ARCHER. Yes.

Mr. REUSS. Substantially nothing. Concentrated as it is on the 200 largest banks, their computer capacity is well able to take care of this. As far as having to ask or get a piece of paper from a borrower, that is not necessary. A banker when he makes a loan knows what the purpose of the loan is and the Fed, the Congress, takes the banker's word, just as it does in the Call Report, the nature of the money loaned. What we want are aggregates that will give us some idea of the flow of funds in the economy. The cost is negative. There are many reports which I agree ought to be expanded, much of the material in the Call Report, which is infinitely longer than this report, some of which can be of marginal utility. I cannot believe that these categories are without their usefulness.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, the suggestions from the North Carolina bank, that is one moderate-sized bank, if that is any indication of what would be required in reporting, that bank said there would be over 400,000 different pieces of paper required to comply with the law, if the bill had been in effect this year.

So to answer the gentleman's question, if we are to believe what just one small bank in North Carolina said, it would put a substantial burden on the private market system.

So I think what my colleague, the gentleman from Wisconsin failed to look into was what would be the economic impact on all the banks all over the country that would have to report to the Federal Reserve Board.

Mr. REUSS. Mr. Speaker, if the gentleman will yield for a brief observation, I cannot stand here and hear the North Carolina National Bank twice called a small bank. The North Carolina National Bank is the 28th largest bank in the country and has more than $1 billion in the quickest available capacity we have ever seen.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, in my judgment H.R. 6676 is merely a foot in the door to an economic police state and is incompatible with the democratic system and the free market.

Mr. Leonard Woodcock, president of the United Automobile Workers, came before the auto industry's task force to speak in favor of a mandatory credit allocation system.

I said to him, "Mr. Woodcock, as near as I am able to determine, there are only five countries in the world which utilize total credit allocation: Yugoslavia, East Germany, Czechoslovakia, Poland and the Soviet Union. Do you know of any other?"

There was dead silence in the room for a moment and then he said, "I do not."

Mr. Speaker, that makes the point I want to make here. If you feel we should go in this direction of a credit allocation system and what I choose to call an economic police state, then you should vote for this bill. But, I do not think we want to do that in this country. That is why I rise in opposition to the bill and to the rule.

If I may, to recapture in a nutshell the substance of my objection to this Credit Uses Reporting Act, I would like to quote from Thomas Jefferson: "The government that governs best, governs least."

Time and again, experience has shown the truth of that statement. H.R. 6676 would do just the opposite. When Congress should adopt a hands off policy, it has by contrast added to the cesspool of rules and regulations. Most harmful is economic regulation. I admonish the Members that the local banker is in a far better position to know what the credit needs of his community are and is far more responsible, sympathetic, and knowledgeable of the needs of a locality than a Washington bureaucrat.

Mr. Speaker, I urge the defeat of this rule.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Speaker, I rise in opposition to both the rule and the bill. I compliment the gentleman from Mississippi (Mr. Lott) on the outstanding job he has done in bringing to the attention of the House this legislation that could very well end up as credit allocation somewhere down the road.

I oppose this bill on the basis that it very definitely is a step toward credit allocation and credit rationing. It is a step toward central planning and substitutes the decisions of the bureaucracy for the decisions of the private sector through the free marketplace. If there is a misallocation of capital and credit in America today, I would suggest that it is primarily because of distortions caused by inflation and the speculative ventures of those trying to protect themselves against its ruinous effects.

It is not interesting that this Congress has passed an emergency public jobs bill, thankfully the veto was sustained, we have had an emergency accelerated public works program; we are considering an emergency housing bill, we have had emergency tax cuts, and we have had an emergency farming bill. Now, we are going to have emergency credit rationing or allocation, or at least a step in that direction. After all these emergency programs run the deficit into astronomical heights and central planning distorts the workings of the marketplace, some will say, "Look, we told you, free enterprise is not working and thus we need credit allocation, and we need wage and price controls." And free enterprise as we have known it will slowly die.

Here we have the choice not to start that process and I urge my colleagues to stand up for free enterprise and defeat this bill.

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, I was absolutely astonished to hear the distinguished chairman say that all these banks have computers and therefore have the capacity to do this. Will the gentleman agree with me that to change a subroutine program and reprogram would cost in the thousands of dollars, if not hundreds of thousands of dollars?

If we take one bank with 400,000 documents, data preparation for that is going to run $1 per document; the printout will be $1 per document. That is going to cost millions of dollars.

Mr. KEMP. The gentlemaan is absolutely correct. It will be costly, and will push the cost of credit up even further. Information is already available, as the gentleman from California has pointed out, and this new regulation will only add to the paperwork that is suffocating the production sector of our country now.

If we really want to assist the credit markets and enhance the supply of capital to those areas of the economy so very much in need, Congress will reduce those out-of-control deficits, restore fiscal and monetary restraint and discipline, reform the tax laws which are biased against savings and investment so destructive to the economy's prosperity and freedom. I urge that this bill be defeated.

I include at this point in the Record this outstanding article by Charles Bartlett as reprinted in the Buffalo Evening News:

TAX REFORMERS FACE UPHILL FIGHT

(By Charles Bartlett)

As the House Ways & Means Committee takes up tax reform, the efforts to change the tax code to increase investments in productive plants are menaced by the same political paralysis that has obstructed the energy program.

Just as Congress balked at raising the tax on gas to cut back its importation, it will now find it hard, in confronting the need for tax reform, to buck the public's anti-business bias.

This is why the odds are not promising for swift action on a tax change which appears basic to the future health of the country. The need is recognized by key Democrats. Chairman of the Ways & Means Committee Al Ullman gives it high priority and has a plan of his own.

The issue has even brought George Meany of the AFL–CIO into a wary alliance with the administration. Unable to pass their law to block the flow of investment capital abroad, the labor economists are now aligned in support of domestic tax changes that will attract investments to build plants to furnish jobs.

The tax changes will increase the worth of corporations that are half-owned by the richest 1 per cent of the population. But labor faces the hard fact that an expanding work force requires expanding plant capacity.

It will be impossible for labor to back tax reform that patently puts more profits in corporate pockets, so the relief has to be linked directly to plant investment. The new administration strategy is to let labor and the Democrats take the initiative. If the Ford administration becomes the chief advocate, Democrats will fall instinctively into opposition. So the Treasury has endorsed the Ullman plan, which would defer the investor's tax on dividends reinvested in the company which paid them.

Sen. Lloyd Bentsen of Texas wants to make investment more attractive by easing the capital gains bite on securities held for periods longer than a year. Another Bentsen proposal would liberalize the tax allowance for investment losses.

The basic Treasury position is that the nation has to move, like most of Europe, towards eliminating the double taxation of corporate profits. But any move in this direction is vulnerable to charges that the rich are being fattened, so the answer is a package that will bring relief to the middle classes as well as to corporations. This will be a volatile package in the current political climate. To acquire investment capital, families and corporations need after-tax income which permits them to save. And they must foresee rewards from their investment that make saving seem worthwhile. These are not the kind of reforms with which Democratic Congresses have been preoccupied in the past.

Mr. MOAKLEY. Mr. Speaker, at this time I yield such time as he may consume to the gentleman from Wisconsin (Mr. Reuss).

Mr. REUSS. Mr. Speaker, the difficulty I have with the horror stories from our friends on the minority side of creeping credit control, crawling socialism, and so on, is that they are talking about the wrong bill. We have before us the Stephens substitute, being considered as an original bill under the rule, offered by the gentleman from Georgia (Mr. Stephens), and unanimously approved on the majority side of the aisle, with only 6 votes cast against it on the minority on the Committee on Banking, Currency and Housing. Yet the "Dear Colleague" letter from the gentleman from Mississippi (Mr. Lott) says the following:

> The alleged purpose of this legislation is to maximize the availability of credit for eight specific "national priority" uses. The effect of passing this legislation, however, will be a giant step toward credit allocation—creeping credit control.
>
> I seriously question the wisdom of forcing banks to loan money for programs possessing only a marginal rate of return in preference to more productive usage of their capital.

That is all very interesting, but it does not apply to this bill in any way. There is no question of forcing banks to do anything. There is no maximizing the availability of credit for national priority uses, which are not even mentioned.

The letter is accompanied by a drawing which shows a monster called "Creeping Credit Control" about to swallow a small bank.

The small banks have been consulted. We have a letter from the Independent Bankers Association of America, dated May 15, 1975, signed by its president, Mr. Kenneth J. Benda, who says:

> Our Federal Legislative Committee has been in session here in Washington today and has thoroughly reviewed the provisions of H.R. 6891.
>
> The IBAA Legislative Committee has unanimously voted to support H.R. 6891 as it is now written.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield at that point?

Mr. REUSS. Yes, I will yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague's yielding.

Is it not true, though, that the reason some of the independent bankers do not have an objection to this bill is that they are not included in the reporting system?

Mr. REUSS. They are included, as far as I am concerned. The law of marginal utility would come into play by asking them to report, but they are included, and they knew that, and I still feel it is not a bad idea for the U.S. Congress to know what it is doing.

I hope the rule will be granted.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER.** The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LOTT. Mr. Speaker, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 238, noes 151, answered "present" 1, not voting 43, as follows:

[Roll No. 333]

AYES—238

Adams
Addabbo
Alexander
Ambro
Anderson, Ill.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Chappell
Chisholm
Clay
Conte
Corman
Cornell
Cotter
D'Amours
Daniel, Dan
Daniels, N.J.
Danielson
Delaney
Dellums
Dent
Derrick
Derwinski
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Findley
Fisher
Fithian
Flood
Florio
Foley
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Holland
Holtzman
Howe
Hughes
Hungate
Ichord
Jacobs
Johnson, Calif.
Jordan
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McCormack
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Matsunaga
Mazzoli
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Simon
Slack
Smith, Iowa
Solarz
Spellman
Spence
Staggers
Stark
Steed
Stratton
Studds
Sullivan
Taylor, N.C.
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Weaver
Whalen
White
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOES—151

Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bauman
Beard, Tenn.
Bell
Bowen
Brinkley
Broomfield
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, R. W.
de la Garza
Devine
Dickinson
Duncan, Tenn.
Emery
English
Eshleman
Fenwick
Fish
Flowers
Flynt
Fountain
Frenzel
Frey
Fuqua
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hébert
Hightower
Hinshaw
Holt
Horton
Hubbard
Hutchinson
Hyde
Jeffords
Jenrette
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Latta
Lent
Lloyd, Tenn.
Lott
Lujan
McCollister
McDade
McDonald
McEwen
McKinney
Madigan
Mahon
Martin
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
Passman
Pettis
Poage
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Risenhoover
Roberts
Robinson
Rogers
Rousselot
Runnels
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Smith, Nebr.
Snyder
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Talcott
Taylor, Mo.
Thone
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Whitehurst
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

PRESENT—1

Whitten

NOT VOTING—43

Abdnor
Abzug
Anderson, Calif.
Andrews, N.C.
Bafalis
Collins, Ill.
Conyers
Davis
Diggs
Downing
Erlenborn
Ford, Mich.
Forsythe
Fulton
Hastings
Hillis
Howard
Jarman
Jones, Ala.
Jones, N.C.
Karth
Landrum
McClory
McCloskey
Mann
Mathis
Meeds
Mosher
Nedzi
O'Brien
O'Neill
Pressler
Roncalio
Stanton, James V.
Stephens
Stokes
Stuckey
Symington
Teague
Thompson
Udall
Waxman
Wilson, C. H.

So the resolution was agreed to.

The Clerk announced the following pairs:

Ms. Abzug with Mr. Andrews of North Carolina.

Mr. O'Neill with Mrs. Collins of Illinois.

Mr. Teague with Mr. Downing of Virginia.

Mr. Thompson with Mr. Jones of North Carolina.

Mr. Udall with Mr. Stephens.

Mr. Howard with Mr. McCloskey.

Mr. Landrum with Mr. Hastings.

Mr. Nedzi with Mr. Abdnor.

Mr. Meeds with Mr. Forsythe.

Mr. Roncalio with Mr. Hillis.

Mr. Stokes with Mr. Davis.

Mr. Anderson of California with Mr. Bafalis.

Mr. Conyers with Mr. Fulton.

Mr. Diggs with Mr. Jones of Alabama.

Mr. Ford of Michigan with Mr. Erlenborn.

Mr. Mann with Mr. Jarman.

Mr. Mathis with Mr. McClory.

Mr. Charles H. Wilson of California with Mr. Mosher.

Mr. Symington with Mr. O'Brien.

Mr. James V. Stanton with Mr. Waxman.

Mr. Karth with Mr. Stuckey.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 5358, FEDERAL RAILROAD SAFETY AUTHORIZATION ACT OF 1975

Mr. YOUNG of Georgia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 526 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 526

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5358) to amend the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Act to authorize additional appropriations, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House of any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 5358, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 1462, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 5358 as passed by the House.

The SPEAKER. The gentleman from Georgia (Mr. YOUNG) is recognized for 1 hour.

Mr. YOUNG of Georgia. Mr. Speaker, I yield 30 minutes to the minority member, the distinguished gentleman from California (Mr. DEL CLAWSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 526 provides for an open rule with 1 hour of general debate on H.R. 5358, a bill amending the Federal Railroad Safety Act and the Hazardous Materials Transportation Act.

House Resolution 526 provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule.

House Resolution 526 also provides after the passage of H.R. 5358, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 1462, and it shall then be in order in the House to move to strike out all after the enacting clause of S. 1462 and insert in lieu thereof the provisions contained in H.R. 5358 as passed by the House.

The purpose of this bill is to authorize funds to carry out the Federal Railroad Safety Act of 1970 and the Hazardous

Materials Transportation Act for fiscal year 1976 and the transition period from July 1-September 30, 1976. The bill provided for a $35 million authorization for fiscal year 1976 and $8,750,000 for the transition period. It provides $7 million for the Hazardous Materials Transportation Act for fiscal year 1976 and $1,750,000 for the transition period. The total authorization for the bill is $52.5 million.

Mr. Speaker, I urge the adoption of House Resolution 526 in order that we may discuss and debate H.R. 5358.

Mr. Speaker, I yield to the gentleman from California (Mr. Del Clawson).

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule provides for the consideration of H.R. 5358, the Railroad Safety Authorization Act of 1975. As previously explained, there will be 1 hour of general debate on the bill and it will be open to all germane amendments. In order to preserve the normal amending process, the rule makes the committee substitute in order as an original bill for the purpose of amendment. In addition, to facilitate going to conference, the rule makes it in order to insert House-passed language in the Senate bill.

Mr. Speaker, the purpose of H.R. 5358 is to authorize funds to carry out the Federal Railroad Safety Act of 1970 and also the Hazardous Materials Transportation Act. The bill authorizes funds for fiscal year 1976 and for the transition period of July 1, through September 30, 1976. The total cost of this legislation is $52,500,000.

Mr. Speaker, there are no waivers of points of order in this rule and I recommended its adoption.

Mr. YOUNG of Georgia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 7500, STATE DEPARTMENT AUTHORIZATION ACT, FISCAL YEARS 1976 AND 1977

Mr. YOUNG of Georgia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 534 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 534

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7500) to authorize appropriations for the Department of State, and for other purposes, and all points of order against section 4 of said bill for failure to comply with clause 5 of rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations, the bill shall be read for admendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Georgia is recognized for 1 hour.

Mr. YOUNG of Georgia. Mr. Speaker, I yield the usual 30 minutes to the minority to the gentleman from Ohio (Mr. Latta), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 534 provides for an open rule with 1 hour of general debate on the bill (H.R. 7500) authorizing appropriations for the Department of State for fiscal years 1976 and 1977.

House Resolution 534 provides that all points of order against section 4 of the bill for failure to comply with clause 5 of rule XXI—prohibiting appropriations in a legislative measure—are waived.

H.R. 7500 would authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during fiscal years 1976 and 1977. The total dollar increase over the fiscal year 1975 appropriation to the Department of State for purposes referred to in this report is $96,511,000. This figure takes into account both wage and price increases and exchange rate fluctuations. In addition, the bill authorizes to be appropriated, upon request of the President of the United States, to the President for fiscal year 1977, $20 million to be used for a contribution of the United States to the United Nations University Endowment Fund. The bill also authorizes $20 million for Russian refugee assistance.

Mr. Speaker, I urge the adoption of House Resolution 534 in order that we may discuss and debate H.R. 7500.

Mr. LATTA. Mr. Speaker, as explained by the previous speaker, House Resolution 534 provides for 1 hour of general debate on H.R. 7500, the State Department authorization, and that it will be open to all germane amendments. The rule also has a waiver of points of order against section 4 of the bill for failure to comply with clause 5 of rule XXI, which is the rule dealing with appropriations on a legislative bill. Section 4 provides residence expenses for the U.S. representative to the Organization of American States.

The major purpose of this bill is to authorize appropriations for the State Department for fiscal years 1976 and 1977.

The total increase over fiscal year 1975 appropriations is $96,511,000. The fiscal year 1976 cost of this bill is approximately $873,215,000. In addition, $20 million is authorized for Russian refugee assistance. And, upon request of the President, for 1977, $20 million is authorized to be used for a contribution to the U.N. University Endowment Fund.

Mr. YOUNG of Georgia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 6334, AUTHORIZING ADDITIONAL APPROPRIATIONS TO CARRY OUT THE PEACE CORPS ACT

Mr. YOUNG of Georgia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 550 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 550

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6334) to amend further the Peace Corps Act. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Georgia (Mr. Young) is recognized for 1 hour.

Mr. YOUNG of Georgia. Mr. Speaker, I yield the usual 30 minutes to the minority to the distinguished gentleman from Mississippi (Mr. Lott), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 550 provides for an open rule with 1 hour of general debate on H.R. 6334, the Peace Corps Authorization Act of 1975.

H.R. 6334 authorizes an appropriation of $88,468,000 to finance the operation of the Peace Corps during fiscal year 1976 and $27,887,800 for the transition period. In addition, it authorizes $1 million for increases in salary, pay, retirement, or other employee benefits that may be authorized by law between July 1, 1976 through September 30, 1976. It directs the transfer no later than December 31, 1975, of up to $315,000 from the sums appropriated to the Peace Corps for fiscal year 1976 to ACTION's readjustment allowance account at the Treasury Department. It also raises the readjustment allowance for all regular volunteers from $75 to $125 per month of service and authorizes additional funds—$7,642,000 for fiscal year 1976 and $2,158,000 for the transition period—for this purpose. The bill adds a prohibition against sex discrimination with respect to the enrollment and terms and conditions of service of volunteers.

Mr. Speaker, I urge the adoption of House Resolution 504 in order that we may discuss and debate H.R. 6334.

Mr. Speaker, I yield to the distinguished gentleman from Mississippi (Mr. Lott).

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been previously explained by the chairman of the committee, the gentlemen from Indiana, this rule, House Resolution 550, provides for 1 hour of general debate on H.R. 6334, the Peace Corps Act authorization. Under the terms of the rule the legislation is open to all germane amendments.

The purpose of H.R. 6334, of course, is to authorize appropriations for the Peace Corps during fiscal 1976 and the transition period from July 1, 1976, and September 30, 1976. Included within the provisions of this bill are the following:

First, authorizations of up to but not exceeding $1 million for increases in salary, pay, retirement, or other employee benefits that may be authorized by law between July 1, 1975, and September 30, 1976;

Second, direction for the transfer no later than December 31, 1975, of up to $315,000 from the sums appropriated to the Peace Corps for fiscal 1976 to ACTION's readjustment allowance account at the Treasury Department;

Third, increases in the readjustment allowance for all regular volunteers from $75.00 to $125.00 per month of service and authorizations of additional funds for this purpose; and

Fourth, the addition of a prohibition against sex discrimination with respect to the enrollment and terms and conditions of service to volunteers.

The total cost of this legislation for both fiscal year 1976 and the transition period is $117,355,800.

Mr. Speaker, I frankly think that the tax dollars we have spent on the Peace Corps in the past have been of questionable benefit to us. However, in testimony before the Committee on Rules it was explained that the makeup of the Peace Corps effort is now 60 percent technical assistance and 40 percent educational. I am pleased that at least some progress is being made to channel our money into training people to help themselves in a practical economic sense rather than only offering the well-intentioned but less productive educational assistance.

I know that there are some objections to H.R. 6334; and, therefore, I feel that the measure should be fully debated and the opportunity given to offer amendments to the bill. The rule before us provides this opportunity, and I would not oppose its adoption.

Mr. YOUNG of Georgia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CREDIT USES REPORTING ACT OF 1975

Mr. REUSS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6676) to maximize the availability of credit for national priority uses.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. REUSS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6676), with Mr. WAGGONNER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin (Mr. REUSS) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. JOHNSON) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Wisconsin.

Mr. REUSS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, H.R. 6676, the Credit Uses Reporting Act, was reported favorably by a bipartisan vote of 28 to 6 in the House Committee on Banking, Currency and Housing. The bill is in the form of a substitute amendment, which was offered by my distinguished colleague, the gentleman from Georgia (Mr. STEPHENS).

While this bill is considered to be a very important piece of legislation by your Committee, it is also a very short, simple, and straightforward measure. Quite simply, it requires the Federal Reserve Board to obtain periodic reports from a sample of the Nation's federally insured commercial banks on the amounts of funds which they are lending in nine specific areas of credit. These nine categories are set forth in the legislation and include capital investment, the normal working capital needs of industry and commerce, small business and agricultural establishments, low- and middle-income housing, and other categories.

At the present time, this vital information is not available to anyone. Commercial banks are presently required to file a statement of condition—commonly referred to as call report—with the appropriate bank regulatory agencies four times a year. Twice annually these banks must complete schedule A of the call report which lists all of their outstanding loans and discounts as of a particular date. While the loan categories listed in schedule A may meet certain technical needs of the bank regulatory agencies, they do not provide any useful information on the areas in which bank credit is being extended at any given time.

For example, a review of these reports, or any other reports required by the bank regulatory agencies, fails to disclose how much of the Nation's limited pool of bank credit is going overseas; how much is going for low- and middle-income housing; or how much is going to small business and agricultural establishments. H.R. 6676 would correct this.

As Congressman STEPHENS said in moving the adoption of his substitute amendment which is now before this body, the Congress needs this information in order to be in a position to see where commercial banks are presently making allocation of credit. This bill is necessary to give Congress the information it needs to evaluate the application, administration, execution, and effectiveness of existing law and regulations regarding commercial bank credit.

Mr. Chairman, there were six votes against this measure in our committee. Some of the committee members who opposed this legislation do so on the grounds that commercial banks only provide 50 percent of the credit supplied by private financial institutions in this country. They argue that the bill is not strong enough, because it does not apply to savings and loan associations, mutual savings banks, or credit unions.

The proponents of this argument overlook the fact that Congress already knows where credit is being extended by these other institutions. Federal savings and loan associations are limited by the Homeowner's Loan Act of 1933, primarily to lending for residential loans and a few other carefully prescribed investments. State statutes similarly restrict State savings and loan associations, cooperative banks and homestead associations to primarily residential loans.

Similarly, mutual savings banks are restricted by the Internal Revenue Code to specific types of loans. The Federal Credit Union Act limits Federal credit unions in the types of loans they can make and in the class of borrowers to which the loans can be made. State-chartered credit unions are similarly circumscribed by State law with respect to their loans.

The previous versions of H.R. 6676 which were before the Banking Committee were credit allocation bills which established national priorities and encouraged banks to make credit available in these categories. The bill before us today is strictly a credit reporting act. It is designed to insure that Congress will have the information it needs to evaluate the performance of the Nation's banks in privately allocating credit. It is a good bill, and it is a necessary measure which has enjoyed bipartisan support at the committee level. Its enactment is necessary if Congress is to have the information it needs to do its job. I strongly urge its adoption today.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this, of course, is a very important bill which goes to the very heart of our banking system.

It is too bad that there are but a handful of the Members here to listen to this great debate. Those 75 freshmen Democrats who ran on the platform of fiscal responsibility and who were going to reform the Congress are back in their offices. They have the same habits as the rest of the Members of Congress. I do not see how the 75 new Members changed things very much, and they will have to answer for that some day, I am sure.

Mr. SNYDER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

The CHAIRMAN. A quorum of the Committee of the Whole has not appeared.

The Chair announces that a regular quorum call will now commence.

Members who have not already responded under the noticed quorum call will have a minimum of 15 minutes to report their presence. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 334]

Abdnor
Abzug
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Ashley
Badillo
Bafalis
Brademas
Burton, John
Collins, Ill.
Conyers
Davis
Diggs
Downing
Drinan
Duncan, Oreg.
Edwards, Calif.
Erlenborn
Esch
Ford, Mich.
Forsythe
Fraser
Fulton
Hanley
Harsha
Hébert
Hillis
Holland
Horton
Howard
Jarman
Jenrette
Jones, Ala.
Jones, N.C.
Karth
Kemp
Landrum
Leggett
McClory
McCloskey
McCollister
McDade
McKinney
Mann
Mathis
Meeds
Mikva
Mitchell, Md.
Mollohan
Mosher
Nedzi
O'Brien
O'Neill
Peyser
Pressler
Rees
Riegle
Roncalio
Rosenthal
Ruppe
Scheuer
Shuster
Stanton, James V.
Steed
Stephens
Stokes
Stuckey
Symington
Symms
Thompson
Udall
Ullman
Wiggins
Wilson, C. H.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WAGGONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 6676, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 357 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. JOHNSON).

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I want to try to give some different points now on this bill than were expressed when we debated the rule.

The bill, for the first time outside of perhaps the bill which gave the Federal Reserve some power over banks with respect to recording how they are handling consumer credit, in the Truth in Lending bill, this bill now for the second time, maybe, gives the Federal Reserve Board tremendous power over 14,500 banks. A lot of banks do not belong to the Federal Reserve System because they want to stay away from that power that the Fed has; but this bill would say the Board shall inform all federally insured commercial banks—and that is all of them, 14,500 of them—of the provisions of this Act. It says that the Board shall define the specific categories of credit set forth in section (b).

Well, one fine morning every bank in the United States will get a packet about one inch thick from the Fed wherein the Fed has defined the different types of credit in each of these nine categories. The bill does not say whether the Fed will say to each one of these banks, "You have to now make your loans and separate them into these categories." It does not say that. It just goes on to say, "But a sample of your banks will have to report."

That means that every bank will have to start segregating their credit items into these categories, because none of them know now the way the bill is written whether they are in the sample or not. Of course, that would naturally put a tremendous burden on big and small banks.

I know of one bank in Pennsylvania with perhaps a billion dollars worth of assets—not a big bank as big banks go—but it has over a hundred branches. The first thing it has to do is notify the branches that they will have to change their computer system and keep track of all their loans in these different categories and then report to the main office every Saturday, and the main office will put its loans in and get ready to report it to the Fed.

The bankers will think that this is the first step in mandatory allocation of credit. The whole idea back of this bill is to force the allocation of credit toward social purposes; in other words, it is an attempt to achieve a social purpose through the credit controls on the banks.

I want to point out that this burden would be imposed on all commercial bank customers, not only on those required to report, but all banks which decide that discretion requires them to keep records.

A lot of banks have the system where a person can overdraw his bank account if he has credit, and that is a loan they make to him. All they do is charge that up on their loan account as a loan. The bank would not know what that loan was being used for, so I suppose it will have to stop that particular type of practice which is so prevalent throughout the United States. So, I say this bill has many, many, many mischievous results.

I know what the banks must feel to think that here we are in this Congress apparently trying to minimize the power and scope of the Federal Reserve System, and all of a sudden along comes a bill like this, which, for the first time, gives the Fed huge power over every bank in the United States; nothing ever even contemplated by the establishment of the Federal Reserve System back in 1913.

So, the Members can see that this bill is not as innocuous as the proponents of it would have us think, because it really will have and does have many, many, many far reaching consequences. On this committee, of course we are trying to do the best job we can to have an evenhanded banking system in this country. What this does, and if a proposed amendment to be offered is accepted, only 200 banks will be required to report, which would mean a very small credit report.

Mr. REUSS. Mr. Chairman, we have no further requests for time at this point.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. J. WILLIAM STANTON).

Mr. J. WILLIAM STANTON. Mr. Chairman, members of the committee, during the debate on the rule for this legislation, it was brought out by the distinguished chairman of our committee that this bill was not necessarily a first step toward the allocation of credit in these United States. It was pointed out by my friend from Ohio (Mr. WYLIE) that indeed today the entire world, those that have a closely knit reporting credit allocation financial system are limited to the Communist bloc countries; certainly not in the free world.

The chairman of our full committee was also very fair in stating that the bill we have before us today is indeed a very far cry from the legislation that first faced our committee in February of this year, which indeed was a credit allocation bill. This is clearly a plain reporting bill, but for a couple of minutes, Mr. Chairman, I want to ask the Members to think about the question of, No. 1, what is the basic need for this legislation? What are we going to find out in this legislation? What information is there that we do not already have? Fundamentally, for those of us who have studied this bill in great detail, the heart of the legislation is in section b.

So I ask the members of this committee: What great genius and minds made up the nine specific categories for which we are going to ask the 200 or 300 largest banks in this country to report to? I think the committee is entitled to know how we get to the nine categories and who made them up.

I ask if the chairman can explain that to us.

Mr. REUSS. Yes, if the gentleman will yield.

Mr. J. WILLIAM STANTON. Yes, I will yield to the gentleman.

Mr. REUSS. The nine categories are essentially those proposed in September 1974 by the Bankers Advisory Committee of the Federal Reserve System, composed of 12 of the most distinguished commercial bankers in the country. They proposed to the Federal Reserve, and the Federal Reserve then got out a letter to all of the banks, saying, "These are the appropriate categories." Then at the very sound suggestion of the gentleman from Ohio (Mr. J. WILLIAM STANTON), I was requested by our committee to sit down with Chairman Burns of the Federal Reserve and try to work out a mutually agreeable set of categories. We did so, relying on the recommendations made by the bankers committee. And so it is that the language here is precisely that recommended by staff of the Federal Reserve, and I believe it will be very easy to carry out and in no way onerous on the banks.

Mr. J. WILLIAM STANTON. I am sure the gentleman from Wisconsin is saying that the bankers themselves asked for this legislation, the gentleman is saying that this is a compilation of majority opinion, it was broken down by nine categories.

Mr. REUSS. That is right.

Mr. J. WILLIAM STANTON. The question has come up as to why there is not any emphasis given to energy, the source of capital for energy?

Mr. REUSS. There are many things that are not specifically mentioned here. Energy is a form of capital investment, like all others. And since this is not a credit allocation bill, we did not say what the gentleman would like me here to say, "Help out energy." These are simply general categories which will enable the Congress in the days to come to at least know how many billions of dollars are going overseas or into this or that.

Mr. J. WILLIAM STANTON. Getting specifically into these nine categories—and I think this colloquy, in case this bill passes, will be of great help to those who may be called upon to administer it—we get down to the question of numbers (1), (2), and (3), productive capital investment, the normal working capital needs of industry and commerce, the financing requirements of small business and agricultural establishments. It is my understanding that the banks do report now to the Fed on a quarterly basis, broken down into what you might call voluntary credit reporting.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. J. William Stanton) has expired.

Mr. REUSS. Mr. Chairman, I yield to the gentleman from Ohio 2 additional minutes.

Mr. J. WILLIAM STANTON. I am sorry we are not going to have more time to get into this.

Mr. REUSS. I think the gentleman is asking some very good questions, and if the gentleman has any time problem I will be glad to yield him all of the time he needs.

Mr. J. WILLIAM STANTON. What is productive capital investment and what is normal working capital? I have been told that this is definitely a problem, so far as policy decisions that would have to be made in this category.

Mr. REUSS. The gentleman is asking a good question. These are the very words suggested by the staff of the Federal Reserve, and we used them. If the gentleman will read on, the bill provides the Board shall define the specific coverage of the various categories of credit set forth above, the categories he is talking about, and it is the intent of the committee and of the Federal Reserve, in the event this bill become law, for the Federal Reserve to put these broad categories into regular call report type language.

Mr. J. WILLIAM STANTON. Would the gentleman answer the crux of this legislation: Would it be his intention that these nine categories be more or less of a general guide, and the Federal Reserve should consider it only as such?

I am definitely concerned, for example, when we go on to the next category, that of agricultural establishments. It may be one thing to get agricultural information from agricultural businesses relative to farm operations, but what do we do, with regard to the overwhelming vast majority, when we try to get the credit information of family-owned farms where their loans may be under real estate categories? Would this give us the picture on agriculture-related finances as defined under item 4 or 5, or whatever it is?

The CHAIRMAN. The time of the gentleman from Ohio (Mr. J. William Stanton) has expired.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 2 additional minutes to the gentleman from Ohio (Mr. J. William Stanton).

Mr. J. WILLIAM STANTON. Mr. Chairman, there is another thing that bothers me when we get into these categories of reporting, along this same line of thought—and I would appreciate obtaining the help of the chairman of the committee at this point—and that is this: When it comes down to the financial reporting by banks in regard to foreign transactions, I do not know how this will be done.

How are we going to break down the credit information for these particular institutions which have both foreign and domestic transactions? Some of their loans will be for both local transactions and overseas operations?

I think it would be extremely difficult to get this worked out so that it would be a flexible operation.

Mr. REUSS. Mr. Chairman, if the gentleman will yield, I see no problem in that regard. The financing given by an Akron bank to a rubber company or tire company for exports is clearly within this category.

I will point out to the gentleman that we deliberately put in category (9) all other extensions of credit, which means everything, so that a good-faith effort to reach an agreement is all that is needed now.

Mr. J. WILLIAM STANTON. Mr. Chairman, I think, truthfully, I will say to the chairman of the committee, all we need is category (9), because I think if we take that and we accompany it with what the Federal Reserve Board gets now, that should be sufficient.

As the Members know, I am not a member of the Joint Economic Committee, but I understand last year the banks of this country were asked to voluntarily report—and this is the type of information that should be given on a voluntary basis—so the committee can examine all the material that comes in and is received on a voluntary basis.

Why should we put in legislation that which we can get voluntarily?

The CHAIRMAN. The time of the gentleman from Ohio (Mr. J. William Stanton) has again expired.

Mr. REUSS. Mr. Chairman, I would be delighted to yield further time to the gentleman, if it is agreeable to the gentleman from Pennsylvania (Mr. Johnson).

I yield an additional 5 minutes to the gentleman from Ohio (Mr. J. William Stanton), because I think he is making a very important contribution.

Mr. J. WILLIAM STANTON. Mr. Chairman, I thank the chairman of the committee for the extra time.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. J. WILLIAM STANTON. I am sure it is all right with the chairman of the committee if I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, many times during the course of this discussion and during the course of the consideration of the rule the chairman of the committee, the gentleman from Wisconsin (Mr. Reuss), has referred to Federal Reserve Board participation in the drafting of this legislation, particularly with reference to the establishment of categories and items of this nature.

My understanding is that there was some staff discussion, discussions between the staff of the Federal Reserve Board and the staff of the Committee on Banking, Currency and Housing. But I know of no single member of the Board of Governors of the Federal Reserve Board, including its Chairman, who engaged in the development of these categories or engaged in any of these conclusions to which the gentleman from Wisconsin has referred.

Is that not correct, according to the recollection of the gentleman in the well?

Mr. J. WILLIAM STANTON. The gentleman is correct.

Mr. BROWN of Michigan. So, Mr. Chairman, I want my colleagues to remember that it was not the Federal Reserve Board that was responsible for any understanding which may have been reached, and whenever the gentleman from Wisconsin refers to the Federal Reserve Board participating, it should be understood that it was not the members of the Federal Reserve Board or of the Board of Governors but, rather, it was the Board's staff members who apparently got together on an informal basis with the staff members of the Committee on Banking, Currency and Housing. So some of the things that appear in the bill were developed not with the knowledge or the concurrence of the Federal Reserve Board.

Mr. REUSS. Mr. Chairman, will the gentleman yield to me?

Mr. J. WILLIAM STANTON. I yield to the chairman of the committee.

Mr. REUSS. Mr. Chairman, I think I can clear this matter up.

Of course, it was the staff of the Fed which participated in the drafting of this. I never suggested that Governor Burns put on a green eyeshade and got together with the staff down there and did the drafting. But Chairman Burns and the Board of Governors did review it.

In fact, in the letter addressed to me by Chairman Burns, dated April 23, 1975, which is contained in the record, he said as follows:

> If you nevertheless believe it is essential to go the legislative route in obtaining such information, the proposed bill appears to me to be a workable way to go about it.

Mr. Chairman, that certainly means that the language is sensibly drafted, but I invite the gentleman from Ohio (Mr. J. William Stanton) to go right down every category here because it is important that our meaning be made very clear.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield further?

Mr. J. WILLIAM STANTON. Yes, I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, there is a lot of difference between whether or not this is a workable way to go about legislation and in saying, "I concur in what you have put in the legislation."

The gentleman should read the total letter of April 23, 1975, wherein the Chairman of the Board says:

> For these reasons, the Board finds itself unable to support this or any other bill related to mandatory reporting of bank credit accommodation along explicit or implied priority lines.

That is the conclusion of the Federal Reserve Board, not that of any staff member.

Mr. REUSS. That is absolutely correct.

For that reason, the committee went to the substitute, which removed every trace and vestige of credit allocation.

Does the gentleman from Ohio (Mr. J. William Stanton) have any further questions?

Mr. J. WILLIAM STANTON. Yes; I do have some questions.

I wonder whether the gentleman could tell the committee—and, of course, I could be in error because I heard this on secondhand information—was it not at the direction of the Joint Economic Committee of this Congress last year that a large number of financial institutions of this country were written to, basically asking for much of the same information contained in this legislation?

Mr. REUSS. Yes; and therein hangs a tale. The Joint Economic Committee did write to the 200 largest banks and said, in effect, "Please tell us your response to the Federal Reserve's request."

A great number of those banks—by no means all—but a great number wrote back saying, "We will not tell you" or did not bother to write at all.

Therefore, it is necessary that there be a statutory authorization, if only so that the public-spirited banks who do not want to practice banking by concealment, but who want to contribute to the public interest, do not suffer the fate of the lonely good guy.

Mr. J. WILLIAM STANTON. To be very honest with the chairman, I was very surprised when I heard this information last year was requested, and many of the institutions that I know of are complying with this direction of the Joint Economic Committee.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. J. William Stanton) has expired.

Mr. REUSS. Mr. Chairman, I yield 3 additional minutes to the gentleman from Ohio (Mr. J. William Stanton).

Mr. J. WILLIAM STANTON. To continue, Mr. Chairman, what I am disappointed in is that the chairman never took the time to tell the other members of the Committee on Banking, Currency and Housing, who are not on the Joint Economic Committee, that this information was coming in, and some of them came to us and said, "What shall we do with this voluntary information that we are getting at this time?"

Mr. REUSS. The gentleman's memory, normally absolutely 20/20, here may have failed him. With all due respect, the record was indeed made redundant with my telling him and all the other members about the sad tale of the Joint Economic Committee in trying to get this information and being given the back of the hand by the large banks.

Therefore, the purpose of this bill is to tell the banks that, just as any other great industry in this country, they must inform their Government with respect to the broad outlines of what they are doing, and that is all this bill asks.

Mr. J. WILLIAM STANTON. Mr. Chairman, I appreciate the extra time that has been given to me.

In conclusion, however, I hope we have convinced enough Members of this House that this legislation is not needed.

There are those down the road who see this potentially as credit allocation in this country. Although I do not go that far, I just do not think we need this legislation that is before the House today.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. Gradison).

Mr. GRADISON. Mr. Chairman, I rise in strong opposition to H.R. 6676 and urge my colleagues to defeat it.

With 151 Members voting against the rule, it is fairly apparent that many of our colleagues see some problems in this legislation, and so do I.

This measure is called the "Credit Uses Reporting Act," but this is a misnomer. The bill applies solely to the reporting of credit extended by commercial banks and, indeed, only a sample of such banks would have to file reports.

What is the significance of the fact that only selected banks must report? This means that less than 19 percent of the total funds advanced in credit markets would have been covered had this bill been in effect last year, with data coming from 124 reporting banks.

To say it another way, 81 percent of credit would not have been covered.

Thus we have to ask ourselves a couple of things: What possible value will we get from this data if it just comes from banks? Is there not sufficient information already available in reports now filed by the banks to meet the needs of the Congress and the administration? And if we want to look at the total flow of credit do we not need reports from more than just banks? How about life insurance companies, pension funds, and mutual savings banks? How about credit unions, savings and loans, and profit-sharing funds?

And with regard to the report which the banks would have to file, keep in mind that this bill would break down loans into nine categories, most of which, as the recent colloquy indicated, are different from the breakdowns now in use today in present accounting systems and in reports already required by government agencies. Thus, a heavy paperwork burden would be imposed on the reporting banks; so heavy, in fact, that the chief executive officer of the North Carolina National Bank, as I mentioned earlier, told the committee that they would have to require a purpose statement from each of 400,000 borrowers had this been in effect last year.

Just what are these categories that 400,000 borrowers in North Carolina and millions all over the country would have to deal with? Well, the first category says: "Productive capital investment, including essential structures and equipment." What does this mean? What is an "essential" structure? And what is "essential" equipment? Who decides? I assure the Members that no testimony was received on this matter of definitions. There are no definitions provided in the bill itself. And I am very troubled by leaving this up to a regulatory agency on a matter which lays such a heavy burden on both borrower and lender.

Another example: "The accommodation of consumer credit needs basic to a rising standard of living for American families." If I wish to buy a station wagon for my family and have to borrow to pay for it, is that "basic" to a rising standard of living, or would it be more appropriate for me to buy a smaller car? Who decides what is basic? And where is this definition?

Let us assume that the reporting banks go through all of this red tape, that the information flows into the computers all over the country, and that finally we get a report. Let us assume this report tells us that, let us say, 14 percent of all the loans were for "productive capital investment, including structures and equipment," category No. 1, what does this tell us that we can use as a basis for decisionmaking? The answer is absolutely nothing. We do not know anything about the huge volume of loans not coverd by this bill, credit extended by other lenders, and whether 14 percent of the loans going into productive capital investment is too high or too low, because we have no measurement of the needs of the economy in each of these categories.

Mr. Chairman, I urge those of my colleagues who favor mandatory Government controlled credit allocation to vote against this bill because it will not do the job, and I urge those of my colleagues who oppose mandatory Government controlled credit allocation, and who feel as I do that there is already too much unnecessary paperwork being required of our citizens, also to vote against this bill. Regardless of which viewpoint you hold about the Government's role in the economy, this measure before us is unwise, unnecessary, and unsound.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. Hyde).

Mr. HYDE. Mr. Chairman, I oppose the enactment of H.R. 6676.

This bill is the result of the abortive efforts to enact a credit allocation program which have now boiled down to a totally useless proposal requiring reports from a sample of commercial banks.

I hope the Members have read the supplemental and additional views in the committee report for the bill is definitely subject to all the faults enumerated therein. My purpose in speaking is to emphasize how ridiculous it is to enact this bill.

The United States probably has one of the most comprehensive and sophisticated data collection systems of any nation in the world. We collect so much information currently that our corporations quake at the prospects of disclosures which could divulge trade secrets and individuals loudly protest against invasions of privacy. It is hard to imagine a significant aspect of commerce or industry on which we don't collect more than enough information already.

To illustrate let me just call your attention to the materials published monthly in the Federal Reserve Bulletin. I have here the March 1975 bulletin. In the back there are 83 pages containing 113 comprehensive analyses of a vast wealth of factual financial data. Not subjective—purely objective—they present historic and current data in a way that permits comparison at a glance. New structuring of the reporting forms will be costly and guess who will ultimately pay this cost? You guessed it—the consumer of credit will pay the additional costs in higher finance charges.

Mr. Chairman, I have made a list of 23 of those tables which are particularly relevant to the eight categories set forth in the bill. I insert a partial listing of financial tables from the Federal Reserve Bulletin, March 1975, at this point in the Record:

Partial Listing of Financial Tables

PAGE AND TITLE OF TABLES

A-18: Assets by Class of Bank.

A20-24: Assets & Liabilities of Large Commercial Banks.

A-25: Commercial & Industrial Loans of Large Commercial Banks.

A-25: "Term" Commercial & Industrial Loans of Large Commercial Banks.

A-27: Commercial Paper & Bankers Acceptances Outstanding.

A-31: Stock Market Customer Financing by Source & By Type of Loan.

A-32: Mutual Savings Banks—Analysis of Assets.

A-33: Life Insurance Companies—Analysis of Assets.

A-33: Savings & Loan Associations—Analysis of Assets.

A-43: Current Assets & Liabilities of Non-Financial Corporations.

A-43: Business Expenditures on New Plant & Equipment.

A-44: Mortgage Debt Outstanding By Type of Holder.

A-46: Major Holders of FHA Insured & VA Guaranteed Residential Mortgage Debt.

A-46: Commitments of Life Insurance Companies for Income Property Loans.

A-47: Total Credit.

A-47: Consumer Credit Held by Commercial Banks.

A-48: Installment Credit Held by Non-Bank Lenders.

A-49: Installment Credit Extended and Repaid.

A-58: Summary of Funds Raised & Advanced in U.S. Credit Markets.

A-59: Direct & Indirect Sources of Funds to Credit Markets.

A-63: U.S. Liquid & Other Liabilities to Foreign Official Institutions & Liquid Liabilities to All Other Foreigners.

A-65: Short Term Liabilities to Foreigners Reported by Banks in U.S. by type.

A-72-73: Assets and Liabilities of Foreign Branches of U.S. Banks.

There are several points I would like to make about this information which is readily available to all of us. First, and most important, is that it covers all major sources of credit—not just a small sample of commercial banks as this bill proposes.

Proponents of the bill would have you believe this sample is adequate because savings and loans, mutual savings banks, and credit unions are somewhat restricted in the investment fields open to them. I submit that this argument is too naive to deserve your attention. For example, category 1 under section 2(b) is "productive capital investment, including essential structures and equipment." Are we to believe that the flow of funds for these purposes from the stock market, the bond market, pension funds, and so forth, are too negligible to be significant. I think not, and I want to point out that the information now published by the Federal Reserve already analyzes these flows for us.

Second, but hardly less important, is that the information now being collected is objective—it does not attempt to establish priorities nor in any way invite, or subtly direct, a flow of funds toward preconceived priority areas. Creditors are not asked to differentiate between "essential" or nonessential structures or "consumer credit needs basic to a rising standard of living." What these tables do disclose is factual and comprehensive analysis of the flow of funds into such categories as one- to four-family homes, apartments, factories, and so forth. National priorities change but with a minimum of work we can at any time measure the flow of funds into virtually any activity with the facts currently availalbe to us. To pass this bill requiring a restructuring of reporting systems to conform to the proposed ill defined categories of credit set forth in this bill is pure folly.

This bill ignores the indispensable element of credit demand, in its effort to provide information on how well our financial institutions are meeting the credit needs of our economy. This bill fails to take into account the obvious fact that credit demand will vary from geographic area to area. We will obtain a lot of costly useless information providing a distorted picture of credit utilization, all to satisfy the irresistable urge of the Democratic majority to over-regulate our financial institutions.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. Wylie).

Mr. WYLIE. Mr. Chairman, as I mentioned during the debate on the rule a little while ago, my real concern about this bill is the fact that we are attempting again to solve a problem which we all concede to exist by bad legislation. I would say that my real fear is that we are attempting by legislation to somehow establish a policy of economic prosperity. If we pass this bill, we here in Congress are saying we can somehow be more responsive to the needs of the community than the local people in their community in the determination of credit needs. I say that although this is only a credit uses reporting act. I fear that the concept is the nose of the camel under the tent and would be the forerunner of a mandatory credit allocation system.

The gentleman from Ohio (Mr. Gradison) a little while ago made what I think is a valid point when he said that we would ask only a very small percentage of the credit allocators in this country to disclose where their loans are being made. So the information is not going to be all that complete. How about the insurance company, the savings and loan, the finance company, and the credit union?

I think there was another point which was implicit in his statement which I would like to emphasize, and that is the fact that does this not put those banks which have to report where their loans are being made, at a competitive disadvantage to the other lending institutions in the community, plus the fact the reporting banks would have to sustain a cost that their competitors will not have to sustain in the giving of this additional information. I think that it is not wise for us, as I have said here earlier today, to attempt by this simplistic approach to indicate where credit should be allocated. I think in the final analysis that is the direction this bill is headed. A rose by any other name would smell as sweet. This is a disguise for the beginning of a credit allocation system. In the final analysis it seems to me, as I said before, in this area Congress would be better off to adopt a hands-off policy as far as our economic system is concerned. We would be better off in the management of our economic affairs if we would let the fair market system operate. We would be better off if the banker in the local community, with his knowledge of the needs of that community, were more free to operate without additional government regulation. I, again, urge defeat of the bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. Brown).

Mr. BROWN of Michigan. Mr. Chairman, the first concern I wish to express is one that just came to my attention. I have noticed that with respect to the report on this bill, a supplement to the report has been filed, the report having been filed on May 19, as I take it, and the supplement to the report having been filed on June 4. In that supplement to the report it says, and I quote:

> No costs will be incurred by the Federal Government in carrying out the provisions of this bill since the Federal Reserve will use existing personnel and resources to collect the required data and report this information to the Congress.

That was put in, in compliance with clause 7(a).

Mr. Chairman, I do not think there is anyone in this body who believes we can impose upon the Federal Reserve Board these additional information reporting, information gathering, information analyzing, information classifying duties—all of these duties—without imposing an additional cost on Government.

And to that extent, I think the report on this bill is at best a charade, which brings me to the basic point of this legislation. I suggest to my colleagues that if there is any purpose in this legislation it is mischievous, and if there is not a purpose it is a fraud and a charade.

If this is not legislation to, in effect, bring about the allocation of credit, if it is only for reporting, then what will the Congress do with the information it receives? Clearly the proponents of this legislation want that information so as to be able, in effect, to second-guess the commercial banks of this country to determine whether or not they are extending credit in a proper way.

Now if the Congress gets this information and determines that commercial banks are not extending credit in an appropriate way, the Congress then is obliged, it seems to me, to take action in some way to effectuate an allocation of credit more along the lines which the Congress believes would be appropriate. Therefore we get down to an allocation of credit.

Certainly this information is not going to be gathered and just put aside in a file some place and never looked at, because if it is we surely do not need this legislation which would impose an additional cost not only upon the Federal Reserve Board but also upon the private sector. And, when we impose an additional cost upon the private sector, is it absorbed some way? Absolutely not. That cost then is transmitted along the line and conveyed to the consumer and it becomes a consumer cost.

It is very interesting to me to see those who have been decrying high interest rates and high finance carrying charges and all these things come in and ask for legislation which, if it is not mischievous, is meaningless and yet would impose a substantial additional cost on that sector and on those consumers.

I say to my colleagues I think we have got to do more than that which appears to be politically popular. The reason we are in the shape we are today is because we have done too many politically popular things and not done enough statesmanlike things. If one wants to stand up and be counted and say he believes in credit allocation and that the Congress should get involved in credit allocation, then I say he has every right to support this legislation. But, if we do not believe in that end result, then we should not impose a cost upon the consumer through imposing an expensive burden upon financial institutions which produces no benefit that is commensurate with the cost involved.

We are notorious in this House of Representatives for passing legislation that is cost ineffective. If ever there has been an example of cost ineffective legislation, even if we take the chairman's view of it, this is it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield the gentleman 2 additional minutes but I would like to have the gentleman yield to the gentleman from Ohio (Mr. Guyer).

Mr. BROWN of Michigan. I yield to the gentleman from Ohio.

Mr. GUYER. Mr. Chairman, I thank the gentleman for yielding. It is said there are only two things more difficult than breaking out of the Iron Curtain and one is resigning from a book club and the other is trying to do away with a Federal agency. It is no wonder that we are strangulated by the regulations they make people comply with. This reminds me of an opportunity we had to get rid of a situation that can be characterized by a little boy who got a new boomerang and went nuts trying to throw the old one away. I hope we will vote against this and not put one more yoke on the people at home.

Mr. JOHNSON of Pennsylvania. I yield the balance of my time to the gentleman from Michigan (Mr. Brown).

Mr. BROWN of Michigan. I thank the gentleman for his comments.

Again, at the danger of being repetitious, if this legislation is not intended to bring about and to effectuate directly or indirectly credit allocation, it is meaningless and it imposes a cost upon the private sector which is unjustified.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, would the gentleman ask the chairman of the committee to what use he intends to put this information, once it is acquired under this bill?

Mr. BROWN of Michigan. I will be happy to put the question to the chairman of the committee, although I am afraid we will probably find he retreats from this position, as he retreated from his prior positions since he first introduced credit allocation legislation.

Mr. REUSS. Mr. Chairman, let me answer the gentleman's question.

Mr. BROWN of Michigan. Make it brief, if the gentleman will, unless he intends to yield further time to me.

Mr. REUSS. I think it would be just cause if the Congress and the American people know where their scarce supplies of money are going.

Mr. BROWN of Michigan. May I stop the gentleman right there——

Mr. REUSS. I remind the gentleman, 2 years ago we had an overextension of the banking industry to resort homes and to dollars lent for foreign investment. It would have been a very easy act for the appropriate committees to have amended the tax laws if necessary to decrease the amount of such loans if needed; but I simply do not subscribe to the doctrine that ignorance is bliss. I think it is well to note that is the purpose of credit legislation.

Mr. BROWN of Michigan. The gentleman has made as good an argument against the credit "reporting" legislation as anyone could make. He does advocate congressional action to allocate credit. Further, how can we determine whether or not credit needs are being met if we only examine reports reflecting those areas in which credit has been extended?

Now, there may be a bank which has extended only 10 percent of its credit to low- and middle-income housing, for instance; but if that is 100 percent of the demand for low- and middle-income housing in that area, can that bank be criticized for not having extended more?

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. BROWN of Michigan. Since the gentleman from Wisconsin used part of my time, I assume he will yield to me.

Mr. REUSS. I think the matter has been covered and I do not yield further.

Mr. FRENZEL. Mr. Chairman, H.R. 6676 is another bill of that peculiar Banking and Currency genre which seems to be merely useless, but is, in fact, a sneaky approach to an unworthy policy—in this case, credit allocation.

The credit allocation bill, which was the genesis of H.R. 6676, was so lousy that the committee had to reject it in favor of H.R. 6676, "the harmless substitute." But the substitute is not harmless because it paves the way for future Federal control of credit allocation.

The principal objection to credit allocation is well articulated in the minority views in the committee, particularly those of Mr. Hyde and Mr. Grassley. Credit allocation means that the judgment of a "faceless bureaucrat" will be substituted for the collective day to day judgments of borrowers and lenders in the marketplace.

Let us not be deceived by statements that this is an innocuous reporting bill. Its sponsors intend it to be the forerunner of credit allocation. It should be defeated.

Mr. FRASER. Mr. Chairman, H.R. 6676, the Credit Uses Reporting Act of 1976, comes to us today as a compromise between those who wanted Congress to require the Federal Reserve System to allocate credit to areas of national priority and those who did not want Congress to take any action which would have upset the allocation of credit by the "free market system."

I admit that I am in the former group I think that there is a need for Congress to define certain areas of priorities which should have the first access to credit and lower priorities which should have to pay more for scarce funds.

Despite the fact that I would favor a stronger bill, I think that H.R. 6676 is a good proposal. Since money is no longer as tight as it was a year ago—thanks more to the deep recession than to policies of the Federal Reserve—the need for credit allocation is not as pressing as it was last year.

H.R. 6676, which would require the Federal Reserve Board to set up a system whereby the major commercial banks will report to the Federal Reserve their extensions of credit by nine different categories, will provide us with data on what sort of loans banks approve. With this information collected between the enactment of this bill and the expiration of the act on April 30, 1977, we will be able to assess the need, if there is one, for a program of credit allocation. Alternatively, if we find that banks are making a large portion of their loans to an area that is heavily subsidized by tax expenditures, perhaps we will reexamine that program.

A good example of a sector that received large extensions of credit in the late 1960's and 1970's was real estate investment trusts. These trusts were encouraged by certain favorable tax treatment. Assets of REIT increased from $700 million in 1968 to $20 billion in 1973. Arthur Burns noted of this tremendous growth:

> Unsound practices accompanied this rapid growth and, as a result, many real estate trusts now face difficult financial problems.

Certainly the banking system should be faulted no more for continuing to make loans to a business that clearly had saturated the market than should Congress, which continued tax incentives for this venture.

If there had been reporting that would have shown the level of lending activity to these ventures, we could have intelligently considered what course of action should have been taken.

As I said before, I think that credit allocation can be a useful tool of economic policy. However, if the evidence collected by this reporting shows that large amounts of our available credit goes for those purposes which would be designated high-priority areas without credit allocation mandated by Congress, I would oppose legislation to allocate credit as unnecessary. But the only way we will know where credit goes is through this reporting. I am willing to wait for the evidence to be collected and then examine it objectively. I am sorry my colleagues who oppose credit allocation are unwilling to examine their position on the basis of evidence rather than intuition.

Ms. ABZUG. Mr. Chairman, I support H.R. 6676. Commercial banks in this country have acquired tremendous capital and their activities have a significant impact on the conditions in both the public and private sectors. Our existing procedures and regulations for monitoring these banks do not provide us with adequate information on their activities, or on the considerations they use in determining how credit should be extended. This legislation represents a significant step in providing the Government with this information, and I commend the distinguished gentleman from Wisconsin for sponsoring it.

The report accompanying the bill notes that—

> The committee expects the Federal Reserve to obtain reports from a sample of at least the 200 largest federally insured commercial banks, whose assets constitute 55 percent of the total assets of all commercial banks.

These institutions, in particular, have the resources to exert an alarming amount of power. Their policies and practices in allocating these resources are certainly appropriate matters of concern to the Federal Government.

The additional views submitted in the committee report indicated a belief that H.R. 6676 would lead to undue Government economic control. I do not see this as the intent of the bill. The measure is rather designed to determine what decisions banks are now making on their own. I would submit, Mr. Chairman, that it is the banks—especially the largest ones—which are exercising undue economic control. The Government must be able to obtain information which reveals the impact of that control. This legislation will give us that information.

Among the uses which this bill requires to be reported are the extensions of credit for small businesses and agricultural establishments, low and middle income housing, and consumer needs. There is hardly a balance of economic control and power between these groups and commercial banks. It is therefore a valid function of government to determine whether this imbalance has resulted in the neglect of these areas.

Also included in the uses which are to be reported is "support of the financing needs of Federal, State, and local governments." Here, too, we have seen how banks in our major cities have the power to determine the quality of lives of millions of citizens by deciding, solely on the basis of their own interests, whether to grant financial support to meet government capital needs. This situation is most acute in New York City; but it will be affecting other units of government that use the private capital market, unless our current economic conditions are reversed. The Federal Reserve Board must have data regarding the extention of credit to governments, to enable it to determine whether this sector too is being harmed by the policies of these financial institutions.

The CHAIRMAN. If there are no further requests for time, pursuant to the rule the Clerk will now read the amendment in the nature of a substitute now printed in the bill as an original bill for purposes of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembly, That this Act may be cited as the "Credit Uses Reporting Act of 1975".

SEC. 2. (a) There is hereby established a program of reporting on uses of commercial bank credit which program shall be administered by the Board of Governors of the Federal Reserve System (hereinafter referred to as the "Board").

(b) For the purpose of this Act, "uses of commercial bank credit" shall be extensions of credit for—

(1) productive capital investment, including essential structures and equipment;

(2) the normal working capital needs of industry and commerce;

(3) the financing requirements of small business and agricultural establishments;

(4) construction and purchase of housing accommodations, with particular regard to the need of low- and middle-income families;

(5) the accommodation of consumer credit needs basic to a rising standard of living for American families;

(6) the needs of United States foreign transactions;

(7) other uses essential to the orderly functioning of markets for goods, services, and financial assets;

(8) support of the financing needs of Federal, State, and local governments; and

(9) all other extensions of credit.

(c) The Board shall inform all federally insured commercial banks of the provisions of this Act. The Board shall define the specific coverage of the various categories of credit set forth in subsection (b) and shall require reports from a sample of federally insured commercial banks, as deemed appropriate, to measure the amounts of funds being channeled into commercial bank credit.

(d) The Board shall report semiannually to the Congress on the use of bank credit as indicated by these reports and other sources of information.

(e) This Act shall become effective on enactment and shall expire at midnight on April 30, 1977.

Mr. REUSS (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MR. KAZEN

Mr. KAZEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. KAZEN: On page 3, on line 18, insert after "reporting" the following: "by the Nation's two hundred largest federally insured commercial banks (as determined by the Board)".

Mr. KAZEN. Mr. Chairman, during the debate on the rule there was a colloquy, on this subject and even the distinguished chairman of the committee said that there would be a sampling of the 200 largest banks in the country for this information. I could not find in the legislation that kind of a provision. The chairman said that there was an agreement between members of the committee and the Board that this is what was meant.

I simply offer this language in the bill because I do not think we ought to proceed on the assumption that there is any informal agreement between the Congress and the Board of Governors.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the distinguished chairman.

Mr. REUSS. Mr. Chairman, speaking for myself, I have no objection to the amendment. I think it is a worthy amendment.

Mr. KAZEN. I thank the Chairman.

Mr. Chairman, all this amendment does is clarify what the committee had in mind and makes it a part of the law. I am not particularly wedded to this proposition but offer it to clarify the intent of the sponsors.

Certainly, if there is going to be any agreement between the House Banking and Currency Committee and the Board of Governors, it should be spelled out. This is the only reason I offer this amendment.

The CHAIRMAN. The question is on

the amendment offered by the gentleman from Texas (Mr. Kazen).

The amendment was agreed to.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to H.R. 6676, the Credit Uses Reporting Act of 1975. This bill, as reported, represents an improvement over the original version, which was a direct descendant of H.R. 212 and H.R. 3161, two credit allocation bills which had been unable to gain favorable committee action. Nevertheless, I must oppose this bill, because it represents a significant step toward politicalization of the lending process.

The original Reuss bill, although labeled a "Credit Uses Reporting Act," was sprinkled with references to "national priority uses" for credit. The title of that version was, "To maximize the availability of credit for national priority uses." It enumerated eight categories of "national priority uses" of credit and went on to declare the intent of Congress that—

> *Banks, in giving special attention to requests for credit of the kinds enumerated above*, continue to observe standards of credit worthiness * * *." (Emphasis mine).

This bill was so laden with credit allocation features that the traditional concern of Congress for consumer protection and truth in labeling required that either the label be changed to more accurately describe the contents or that the contents themselves be changed by removing the credit allocation provisions.

My distinguished colleague, Mr. Stephens, in his substitute, which the committee adopted, wisely took the latter course. During the markup of the legislation on May 13, 1973, he made the following statement:

> It has been said that this bill doesn't allocate credit, only seeks information. So if that is true, let's make it just that.
>
> The second thing is that we have rejected the bill to allocate credit, but this bill would say we want the commercial banks to break down where they are making allocations of credit themselves. Then, after they report that to us through this 1977 period, the Banking and Currency Committee will then be in a position to see whether they are meeting the national priorities that the Banking and Currency Committee may want to set.
>
> But we're setting the priorities without knowing anything. We have the cart before the horse. I say this right here will give the information you want upon which you can make a basis of judgment. We're making a judgment without having a basis.

Unfortunately, however, the Stephens substitute retains the nine extremely vague credit categories of the original bill. This language would require commercial banks to make value judgments as to what are—

> "*Productive* capital investment," "*essential* structures and equipment," "consumer credit needs basic to a rising standard of living for American families," and "other uses *essential* to the orderly functioning of markets * * *. (Emphasis mine.)

At best the effort required on the part of commercial banks to classify their loans according to these categories will be a wasteful and needless expense. This is particularly true in view of the vast amount of information on credit flows which is presently available. For example, the Federal Reserve Bulletin, which is published monthly, contains numerous tables and charts which should be of interest to any Member who desires to monitor credit flows in this country.

So much additional information is already being collected by various agencies, universities, and private reporters that the burden of proof that a new reporting system is needed clearly falls upon the proponents. That burden cannot be discharged until the committee has examined currently available data and determined them to be insufficient, which thus far it has not done.

H.R. 6676 will exert a subtle influence upon commercial banks, either to actually attempt to favor extension of credit to the first eight listed categories, or to give the appearance of doing so. Loans which would fall into the ninth category, "all other extensions of credit," will presumably be avoided, since a large percentage of loans in this category may be taken as evidence that the commercial banks have ignored the expressed whim of Congress.

Ultimately, there is a very real danger that the data collected under this bill, or some other data, will be used as a justification for the imposition of credit controls. This would be ironic, considering that there is no shortage of credit, and no shortage is in prospect unless it is created by continued excessive Federal spending, which results in undue Federal intervention in credit markets. It is this intervention, which has reached the point where about 50 percent of all credit raised goes to the Federal Government, which tends to drive up interest rates and create apparent shortages of credit. Imposition of a credit allocation scheme would be tragic because it would necessarily involve the confiscation of the savings of the American people and the sacrifice of their economic liberty. It would also severely retard the Nation's progress toward full economic recovery.

For all of the above reasons, I strongly oppose H.R. 6676, an unnecessary piece of legislation which has great potential for mischief.

Why did my colleague from Wisconsin (Mr. Reuss) so avoid the field of energy? Why did the gentleman avoid including credit allocation for energy?

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I will be happy to yield to the gentleman from Wisconsin.

Mr. REUSS. I did not avoid energy. I was asked whether energy was specifically listed in the listing prepared by the Fed, and I said, No, it was not. But capital investment is important and it is not the intent of this bill to try to allocate credit away from, say, a productive machine tool installation and toward a new energy installation. It is simply a reporting bill.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Rousselot was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. The point I was making, the field of energy is not listed as one of the critical areas in the bill itself.

Mr. REUSS. That is right. This bill does not attempt to list all of the critical areas. That would take an enormous, oppressive and long bill. We did not want to do that.

Mr. ROUSSELOT. An extremely long and oppressive bill?

Mr. REUSS. We simply listed capital investment, working capital, loans and investments to State and local governments, the tried and true items, so that we could get some idea of where the credit was going.

Mr. ROUSSELOT. I appreciate my colleague's candid answer that it would be too oppressive to include all of the areas and categories of credit and the gentleman has made the point very well. We already have substantial reporting in these areas. But I was surprised the gentleman did not include the field of energy, because that is one of the areas to which the gentleman frequently addresses himself as an important area of credit.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I will be happy to yield to the gentleman.

Mr. SNYDER. What is the penalty for failure to comply?

Mr. ROUSSELOT. I will be glad to yield to my colleague from Wisconsin to answer that.

Mr. REUSS. I thank the gentleman for yielding.

There is no penalty, no criminal sanctions. I believe that the banks, if they are formally requested under authority of law by the Federal Reserve, with the backing of Congress, will supply this information.

Mr. ROUSSELOT. And I might add that the banks are already supplying most of the information voluntarily.

Mr. REUSS. If the gentleman has an amendment imposing a criminal penalty, he can offer it. I will not vote for it, because I do not think it is needed.

Mr. ROUSSELOT. I think my colleague from Kentucky can see that my colleague from Wisconsin will take any amendment so that this bill passes.

I say to my colleagues in the House that I hope they will understand that this is basically unnecessary legislation, and I think we ought to vote it down.

AMENDMENT OFFERED BY MR. J. WILLIAM STANTON

Mr. J. WILLIAM STANTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. J. William Stanton: On page 4, line 19, strike the sentence "The Board shall inform all federally insured commercial banks of the provisions of this Act."

Mr. J. WILLIAM STANTON. Mr. Chairman, my amendment is very simple. I agree with the previous speaker in the well, the gentleman from California (Mr. Rousselot) that this is bad legislation. We did accept the amendment of the gentleman from Texas that limited the legislation to the 200 largest banks. My amendment would strike the sentence, "The Board shall inform all federally insured commercial banks of the provisions of this act." Hopefully, the amendment would be in the interest of economy.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. J. WILLIAM STANTON. I will be glad to yield to the gentleman from Wisconsin.

Mr. REUSS. I thank the gentleman for yielding.

I would have no objection whatever to his amendment.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. J. WILLIAM STANTON. Yes, I yield to the gentlewoman.

Mrs. FENWICK. I thank the gentleman for yielding.

I would like to explain something about the preceding series of my votes on this bill. We were first presented in the Banking Committee with 3161, which gave the President of the United States the power to allocate credit in a given number of areas. It was a startling bill, and was succeeded by 6676. That bill, 6676, however, in its original form, maintained the title "To maximize the availability of credit for national priority uses."

That was introduced on the 5th of May. The committee substitute introduced on the 12th was the one that made it essential to give information on commercial bank credit.

Mr. Chairman, I think this is noteworthy. I voted for the Stephens substitute with great relief, feeling that we were moving away from this matter of the establishment of priority uses.

The point I would like to make here is that this bill is the child of an allocation bill. This bill is not divorced from the priority list which was established in H.R. 6676 and which was headed "National Priority Uses of Credit." Those are the same lists of uses to which credit could be put, with the single change of the addition of category 9, which covers all other uses.

Mr. Chairman, we are not faced here with a simple reporting bill. We are here faced with a bill stemming from a desire to give the President of the United States the power to allocate credit. This is really what we are up to.

I was relieved by the Stephens substitute, and I voted for it, but I do not intend to vote for this bill. I think we are clearly moving toward allocation of credit, and I just wonder if anybody is wise enough to make these decisions

Who is going to be wise enough to decide what the President of the United States should do in the way of credit?

Whether we decide to do it by giving the President the power to allocate or whether we are going to decide, how do we find out what we think is right, and how do we tax that which we think is wrong?

I do not think we can dodge the fact of what we are doing here. What we are doing here is to begin the allocation of credit by fiat.

When, on the initiative of Senator Glass, during the administration of Woodrow Wilson, we set up the Federal Reserve Board, it was purposely designed to keep the Board away from politics. It was purposely designed to be an economic board, dependent only on economic considerations. It should stay that way.

Mr. REUSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if I may have the attention of the gentlewoman from New Jersey (Mrs. FENWICK), who just spoke, I think that her vote in favor of the Stephens substitute was a good vote, and I think her last-minute tremors here expressed a moment ago are really unjustified.

The gentlewoman is disturbed, she said, by the title of the bill, "to maximize the availability of credit for national priority uses." Indeed, if that title still remains, she would be justified in her disquiet.

However, if the gentlewoman will look on the last page of the bill, the title has been amended so as to read: "A bill to maximize the availability of information on commercial banks credit."

Therefore, the exact Stephens amendment for which the gentlewoman voted is here today, and while she is welcome to change her vote, I would point out this would not be the first time in this great body that some Member would have done so. The gentlewoman did vote for the substitute, and I hope she will do so today.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, the gentleman has shown his customary indulgence and courtesy, for which I am always grateful. The counsel has advised me indeed that we have a change in the title.

I must confess that the reason I voted for the Stephens bill was that it was an enormous relief to me that we did not have to consider H.R. 3161 any more. I felt it was such a tremendous step forward that I did vote for it, but I am beginning to realize that we are perhaps moving into very dangerous waters if we continue in this direction.

Mr. REUSS. Mr. Chairman, the gentlewoman is entitled to her opinion.

Mr. ASHBROOK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, on its face H.R. 6676 appears to be an innocent piece of legislation. This bill, however, has the potential for great abuse. It is one further step toward credit allocation and a government directed economy. It is one more step toward the destruction of our economic liberty.

Why should the Congress seek to collect this information? The answer is obvious. Some Members want to use the data as the basis for credit allocation by the Federal Government in the future.

If we adopt H.R. 6676 we would be setting forth specific congressional preferences on the extension of private credit. This serves to politicize the credit granting process. Banks would feel pressure to make loans to the eight preferential categories. The ninth category, "all other extensions of credit," would almost certainly be reduced in order to honor the wishes of Congress.

It is bad enough that Federal borrowing has dried up much of the credit supply. Now the Congress would politicize the loaning of what is left. Such unwarranted intervention cannot be justified.

This legislation would also impose an additional cost burden on the private sector of our econmy. Banks forced to fill out the time-consuming reports would incure additional expenses. These costs would be passed on to the consumer by way of increased interest rates and financing charges. Government overregulation is already costing the consumer too much without adding even more to the load.

There seems to be no end to which the liberals in this Congress want to stifle what is left of our free economy by burdensome controls, reports and harrassment. From every sector—land use to credit reporting—these liberals create unnecessary intrusions into our free sector.

Nonproductive costs whether they be from regulatory agencies like OSHA, EPA, EEOC or interrogations from the Census, Commerce Department or Agriculture Department have literally added more to the cost of living than inflation itself. Here is one of the component parts of the paper blizzard flooding our business sector which can be stopped before it starts.

I strongly urge the defeat of this legislation. We need less, not more Government interference in our economy. We need to cut back rather than expand Government regulation of our free enterprise system. This bill is the beginning of the liberal drive to have Federal allocation of credit. Do not be fooled, this would just be the start.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Michigan.

PARLIAMENTARY INQUIRY

Mr. BROWN of Michigan. Mr. Chairman, I wish to make a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BROWN of Michigan. Mr. Chairman, has the Chair acted on the amendment offered by the gentleman from Ohio (Mr. J. WILLIAM STANTON)?

The CHAIRMAN. The Chair will state that that amendment is still pending.

Mr. BROWN of Michigan. I thank the Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. J. WILLIAM STANTON).

The amendment was agreed to.

Mr. BROWN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to

clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee of the Whole appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to the provisions of clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The gentleman from Michigan (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Michigan. Mr. Chairman, with the two amendments which have been adopted, the one restricting the reporting to 200 large banks, which are not defined from the standpoint of assets, business, or what-have-you, but with the adoption of that amendment and the adoption of the Stanton amendment, excluding the necessity for giving notice to the other commercial banks that the bill has been passed, we now have very specialized legislation which is even more restrictive than when the bill was introduced and passed in the committee. It does not cover anything but 200 commercial banks, no savings and loans, no life insurance company, no credit unions and, by and large, not the commercial banks, even.

So a recitation about the value of the the information provided will be at best somewhat reduced.

I again would say to my colleagues that the only justification for the passage of this legislation, it seems to me, is as an effort to get the foot in the door to credit allocation in this country.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Texas.

Mr. PATMAN. I thank the gentleman for yielding.

May I respectfully call to the gentleman's attention the fact that out of 14,500 banks in the United States, 50 of them have over half, the majority, of the assets and deposits. Of the 14,500 banks, certainly 200 as included in the Kazen amendment would not be out of line. In addition, 3,000 trust company banks in the United States have $400 billion in deposits and assets, and 25 of these banks own over half of the assets and deposits of the 3,000 trust company banks.

Mr. BROWN of Michigan. Although I question the accuracy of the gentleman's figures, I thank the gentleman for his contribution, for whatever it is worth.

I would again say that it seems to me the only justification for passing this legislation is a decision to move toward credit allocation in this country, because there is no other justification for the Congress to impose upon the financial institutions of this country a further burden of recordkeeping and of reporting, if the Congress is not going to use that information for some purpose.

Once again I would point out that unless we get a recitation and a reporting of the demands and the requests for credit, a reporting on the extensions of credit has no real meaning.

It is interesting to me to note that in the course of debate on this bill, the only person on the majority side who has spoken in its favor has been the chairman of the committee. If there were broad support for the enactment of this legislation, it would seem to me that there would be many more proponents speaking in favor of the legislation than we have seen today. I suggest to the Members that if they are cost-conscious with respect to the consumer, they should vote against this legislation, unless, of course, they favor allocation of credit, and if they do, then I support them for their forthrightness of being in favor of credit allocation, since that can be the sole and only justifiable purpose of this indirect legislation.

The CHAIRMAN. If there are no further amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WAGGONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6676) to maximize the availability of credit for national priority uses, pursuant to House Resolution 511, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

MOTION TO RECOMMIT OFFERED BY MR. BROWN OF MICHIGAN

Mr. BROWN of Michigan. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BROWN of Michigan. I am, Mr. Speaker.

The Clerk read as follows:

Mr. BROWN of Michigan moves to recommit the bill H.R. 6676 to the Committee on Banking, Currency, and Housing.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the ayes appeared to have it.

Mr. BROWN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 183, nays 205, answered "present" 4, not voting 41, as follows:

[Roll No. 335]

YEAS—183

Adams
Addabbo
Ambro
Annunzio
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Biaggi
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Ind.
Fascell
Fisher
Flood
Florio
Foley
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gonzalez
Green
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holtzman
Howe
Hughes
Hungate
Jacobs
Johnson, Calif.
Jordan
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Levitas
Litton
Long, La.
Long, Md.
McCormack
McFall
McHugh
Madden
Maguire
Matsunaga
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Price
Rangel
Rees
Reuss
Richmond
Riegle
Rodino
Roe
Rooney
Rosenthal
Rostenkowski
Roybal
Russo
Ryan
St Germain
Sarbanes
Scheuer
Schroeder
Seiberling
Simon
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Steed
Stephens
Stratton
Studds
Sullivan
Symington
Traxler
Tsongas
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Wilson, C. H.
Wilson, Tex.
Wolff
Wright
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NAYS—205

Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Ashley
Bafalis
Bauman
Beard, Tenn.
Bell
Bevill
Biester
Boggs
Bowen
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin

Crane
Daniel, Dan
Daniel, R. W.
de la Garza
Derwinski
Devine
Dickinson
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fenwick
Findley
Fish
Fithian
Flowers
Flynt
Fountain
Frenzel
Frey
Fuqua
Gilman
Ginn
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Harsha
Hastings
Hébert
Hefner
Heinz
Henderson
Hightower
Hinshaw
Holt
Horton
Hubbard
Hutchinson
Hyde
Ichord
Jeffords
Jenrette
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Latta
Lent
Lloyd, Calif.
Lloyd, Tenn.
Lott
Lujan
McCollister
McDonald
McEwen
McKay
McKinney
Macdonald
Madigan
Mahon
Martin
Mazzoli
Melcher
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Passman
Pettis
Peyser
Pickle
Poage
Pressler
Preyer
Pritchard
Quie
Railsback
Randall
Regula
Rhodes
Rinaldo
Risenhoover
Roberts
Robinson
Rogers
Rose
Roush
Rousselot
Runnels
Ruppe
Santini
Sarasin
Satterfield
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sikes
Sisk
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Treen
Vander Jagt
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wirth
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, Tex.

PRESENT—4

Gibbons
Jones, Okla.
Pike
Quillen

NOT VOTING—41

Abdnor
Abzug
Anderson, Calif.
Collins, Ill.
Conyers
Davis
Diggs
Downing
Erlenborn
Ford, Mich.
Forsythe
Fulton
Goldwater
Hillis
Holland
Howard
Jarman
Jones, Ala.
Jones, N.C.
Karth
Landrum
McClory
McCloskey
McDade
Mann
Mathis
Meeds
Mosher
Nedzi
O'Brien
O'Neill
Pepper
Roncalio
Schneebeli
Skubitz
Stanton, James V.
Stokes
Stuckey
Thompson
Udall
Ullman

So the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. O'Neill for, with Mr. Jones of North Carolina against.

Ms. Abzug for, with Mr. Landrum against.

Mr. Howard for, with Mr. Davis against.

Mr. Roncalio for, with Mr. Mathis against.

Mrs. Collins of Illinois for, with Mr. Erlenborn against.

Mr. Anderson of California for, with Mr. Forsythe against.

Mr. Diggs for, with Mr. O'Brien against.

Mr. Ford of Michigan for, with Mr. Schneebeli against.

Mr. Jones of Alabama for, with Mr. Skubitz against.

Mr. Karth for, with Mr. Jarman against.

Mr. Meeds for, with Mr. Goldwater against.

Mr. Nedzi for, with Mr. Hillis against.

Mr. Thompson for, with Mr. McClory against.

Mr. Stokes for, with Mr. McDade against.

Mr. James V. Stanton for, with Mr. McCloskey against.

Mr. Abdnor for, with Mr. Pepper against.

Until further notice:

Mr. Udall with Mr. Stuckey.
Mr. Ullman with Mr. Mann.
Mr. Fulton with Mr. Conyers.
Mr. Downing of Virginia with Mr. Holland.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. REUSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 6676, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

FEDERAL RAILROAD SAFETY AUTHORIZATION ACT OF 1975

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5358) to mend the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Act to authorize additional appropriations, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5358, with Mr. ANNUNZIO in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. ROONEY) will be recognized for 30 minutes, and the gentleman from New York (Mr. HASTINGS) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. ROONEY).

Mr. ROONEY. Briefly, Mr. Chairman, what this bill does is extend the authorizations contained in existing law through the next fiscal year and also through the 3-month interim period between the end of next fiscal year and the beginning of fiscal 1977 for the administration of the Federal Railroad Safety Act of 1970 and for the Hazardous Materials Transportation Act. In each case the amount authorized is at the same level authorized for fiscal 1975.

This bill is not, I repeat, is not, a bill providing any sort of emergency financial relief for any of the railroads in this country. As a matter of fact, this may be the only railroad bill this Committee will bring to the floor in this Congress that can be called a noncontroversial railroad bill.

We did not receive testimony from a single witness in opposition to this bill. And we heard several witnesses during 3 days of hearings, including the Department of Transportation, the National Transportation Safety Board, the National Association of Regulatory Utility Commissioners, the Railway Labor Executives Association, and Amtrak.

The bill was ordered reported from both the subcommittee and the full committee by a unanimous voice vote. These days it is not easy to get that kind of vote on a railroad bill.

For railroad safety, the bill authorizes a total of $35 million for fiscal 1976 and $8.75 million for the 3-month transition period.

For the hazardous materials program, the bill authorizes a total of $7 million for fiscal 1976 and $1.75 million for the 3-month transition period.

Of the $35 million railroad safety authorization for fiscal 1976, $18 million is available for safety inspection and enforcement activities—including up to 500 safety inspectors—$10 million is available for safety research and development, and $3.5 million is available for State participation programs. The remaining $3.5 million is available for other salaries and expenses of the Federal Railroad Administration—FRA.

The hazardous materials transportation program is relatively new. It was just signed into law in January of this year as part of the Transportation Safety Act of 1974. Before that, beginning in 1970, the hazardous materials transportation program was primarily a clearinghouse for information on transportation of hazardous materials and hazardous materials accidents. As an information clearinghouse, it was funded at about $1 million annually. The new law gives the Secretary of Transportation new authority to determine what materials are hazardous, develop criteria for handling such materials, and also regulate manufacturers of containers used to transport such materials. It was originally funded at $7 million for its first year and this bill extends the funding at the same level for an additional 15 months. This will give the new program time to get off the ground and we can tell better at that time whether the funding is adequate or too much or too little.

Mr. Chairman, the Congress enacted the Federal Railroad Safety Act of 1970 at the recommendation of this committee. By 1970 the number of train accidents were twice the number we had in 1960 and the number was continuing to increase. The original 1970 act gave the Secretary of Transportation ample authority to implement a comprehensive scheme of Federal railroad safety regulations. It also gave him the authority to encourage participation on the part of the several States by authorizing him to pay up to 50 percent of the cost of a State program of inspection and surveillance to enforce the Federal standards. This committee thought the legislation was adequate then, and we think it is adequate now, to halt the increasing number of train accidents. Unfortunately, it has not happened.

Frankly, we are disappointed—you might even say frustrated—with the seeming lack of enthusiasm for this program downtown at the Federal Railroad Administration—FRA. We found, for example, that they have only about 40 track inspectors responsible for about 330,000 miles of track and only about 75 inspectors responsible for inspecting 1.8 million freight cars and 30,000 locomotives—plus passenger cars. We also found that, even though the State participation program has been authorized since 1970, there are only eight States with a total of 14 inspectors presently participating in the railroad safety program.

With such a meager work force faced with an overwhelming number of safety inspections, perhaps it is not surprising—that train accidents increased from about 9,600 in 1973 to over 10,400 in 1974.

That injuries to railroad employees increased from about 13,000 in 1973 to over 15,500 in 1974;

That 140 railroad employees were killed in 1974; and

That 10 people were killed and 613 injured in 148 hazardous materials accidents.

The overall toll of railroad accidents is completely unacceptable.

I think these statistics are telling us that FRA is not doing its job adequately. I also feel that a major reason for this is that FRA has consistently failed to hire the number of safety inspectors authorized by the Congress, and also has failed to use the funds authorized by the Congress for the railroad safety program. The result has been more accidents, more injuries, and more property damage on our railroads.

I would like to cite one more set of numbers that, I think, underlines the Committee's approach to the rail safety problem. We found that, in 1974, track defects caused 41 percent of all train accidents and equipment defects caused another 20 percent. We also found that existing track standards already issued by FRA cover 98 percent of the reported causes of all track accidents and 97 percent of the equipment defects causing train accidents.

The Committee approach is to make the major emphasis of this legislation better compliance with existing regulations. I think it is obvious that, since existing regulations cover almost all of the accidents, the answer to improved railroad safety is for the FRA to hire a sufficient number of Federal inspectors and encourage participation by more State inspectors in order to assure more and better inspectors, better compliance, and ultimately improved safety on our railroads.

This bill increases the authorization for Federal safety inspectors from 350 to 500. It also makes a specific allocation of $3.5 million for fiscal 1976 to pay 50 percent of the costs of State participation programs.

One last item in the bill I would like to mention is the amendment calling for more information on railroad transportation of radioactive materials. We have asked the Department of Transportation to give us some projections of what to expect in this area so we can evaluate the need for additional regulation or, if necessary, additional legislation. Rather than react to some crisis situation with emergency legislation, we feel we should try to deal with the traffic in radioactive materials traffic on our railroads as it develops and not wait for some disaster to occur.

Mr. Chairman, I support the bill as reported by the Committee. I am not recommending it to this House as the complete answer to railroad safety, or even as the answer to a dramatic improvement in rail safety.

The railroads in this country which are in a deteriorating economic condition will probably continue to defer maintenance of track and roadbed—even at the expense of safety. We hope the industry will become convinced, as the Committee has, that railroad safety is cost beneficial and that they will not continue to defer needed maintenance.

In any event, we are not dealing directly with the economic health of railroads in this bill. The authorizations contained in this bill are necessary to assure adequate safety inspection and enforcement activities which are essential if we ever hope to see an improvement in the railroad safety picture.

Mr. ROONEY. Mr. Chairman, I yield such time as he may consume to the chairman of the committee, the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I rise in support of H.R. 5358, as reported by the Committee on Interstate and Foreign Commerce.

H.R. 5358 is the bill I introduced in March of this year to continue the authorization of funds for the Railroad Safety Program and for the Hazardous Materials Transportation Program through the next fiscal year.

The administration requested a permanent open-end authorization for both the Railroad Safety Program and the Hazardous Materials Transportation Program.

What this bill does is authorize funds for the fiscal year 1976, and for the 3-month transition period of July 1 through September 30, 1976, at the same level of funding authorized for fiscal year 1975 for both programs.

In the case of the Railroad Safety Program, the amount authorized for fiscal year 1976 is $35 million, and for the 3-month transition period, the amount authorized is $8.75 million.

In the case of the Hazardous Materials Transportation Program, the amounts authorized are $7 million for fiscal 1976 and $1.75 million for the 3-month transition period.

The committee has made two basic changes in the introduction bill.

First, it has added the authorizations of funds for the 3-month transition period between the end of fiscal 1976 and the beginning of fiscal 1977. In view of the changeover of the Government fiscal year which will take place next year, I support the funding authorization for the additional 3 months.

Second, the committee adopted an amendment requiring the Secretary of Transportation to include additional information on railroad transportation of radioactive materials in the comprehensive railroad safety report due to be filed with the Congress by March of next year. I support this amendment also. There is increasing railroad traffic in radioactive materials and there will be more, particularly in radioactive waste materials. I think it is wise for us to ask for projections of future traffic in such materials in order to be prepared to deal with it by way of legislating additional authority, if necessary. Too often, we wait until some kind of disaster occurs and then react with emergency legislation.

In 1970, this committee recommended and the Congress enacted the Federal Railroad Safety Act of 1970. This was done at a time when railroad accidents had doubled over the previous decade. The original act was, and still is, a sound legislative approach to the railroad safety problem. It provides for a comprehensive scheme of Federal regulation and for a program of joint Federal-State enforcement activities. We had hoped that this legislation would put a stop to rail accidents. Unfortunately, this has not happened. The best that can be said is that the rate of increase in train accidents in 1974 was lower than in the previous year.

We had over 10,400 train accidents in 1974, compared to about 9,700 in 1973. The number of employees injured in 1974 increased more than 19 percent over the number injured in 1973. And the cost in property damage is skyrocketing. Last year, the damage to Amtrak equipment alone was almost $2.3 million—and that did not include the costs of track repair or clearing the wreck or replacing the equipment.

We know the cause of most of these accidents. The major causes are track and equipment defects. We also know that existing laws and regulations already cover the vast majority of the track and equipment defects causing these accidents. And the major thrust of this bill is to obtain better compliance with existing laws and regulations.

The Federal Railroad Administration—FRA—needs to hire more Federal inspectors to check on track and equipment. This bill increases the number of authorized Federal inspectors from 350 to 500.

The FRA also needs to encourage participation by more States in order to get more State inspectors checking track and equipment. This bill authorizes $4.375 million to pay up to 50 percent of the costs of State inspection programs.

The money request is at exactly the same level it was for fiscal 1975. For the next 15 months, it works out to an annual authorization of $35 million for railroad safety and $7 million for hazardous materials transportation. The money request is the same because we believe it is adequate for a good safety program. In the past, the FRA has consistently failed to use the total funds authorized and has failed to hire the number of Federal inspectors authorized by the Congress. I think the FRA is beginning to move in the right direction—they are requesting more money than before to hire more inspectors and they are having discussions with more States which are interested in participating in the safety inspection program. Despite my frustration and disappointment with their enforcement of railroad safety laws, I intend to make every effort to see that FRA receives authorization for sufficient funds to assure safety on the railroads of this Nation.

It is extremely easy, in the middle of all this publicity about bankrupt railroads to forget that we are dealing with the safety of human lives. Not only the lives of railroad passengers and crews, but also the lives and property of people in the cities, towns, and villages across the country through which the railroads haul a tremendous amount of freight, including some very hazardous materials.

Many railroads are having financial troubles. As a result, they are deferring maintenance on tracks and roadbeds that are badly in need of repair.

I know that this bill alone is not the complete answer to railroad safety. We will not find a really complete answer until we find a way to improve the economic health of the railroad industry. And we may find many different answers to this complex problem. Our committee is in the process of looking into some of these matters this session—the matter of public works jobs to upgrade tracks and roadbeds and the matter of revitalization of the railroad industry through regulatory reforms in the areas of rate flexibility, railroad mergers, and abandonment of lines. All of these matters present difficult problems and few easy solutions. Their resolution requires careful consideration and will take time.

I feel that this authorization is urgently needed to assure adequate safety inspection and enforcement activities which are essential if we want any overall improvement in the railroad safety picture.

Mr. ROONEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey (Mr. FLORIO).

Mr. FLORIO. Mr. Chairman, I want to rise in support of H.R. 5358. In 1974, the Nation suffered over 10,000 train accidents which resulted in 15,000 injuries is 2,000 more than that which we experienced in the previous year. Despite the growing level of concern, the amount of Federal Railroad Administration inspection activities has actually decreased. It is therefore imperative that we vote to pass this authorization bill in the interest of protecting our Nation's people.

Not only will this bill provide funds for better enforcement of safety regulations, it will provide for a comprehensive report by the Federal Railway Administration on improving the regulations for handling and transporting radioactive materials by rail.

Increases in transport of radioactive materials is inevitable, with large numbers of nuclear power plants expected to be in operation in the next few years. In South Jersey, alone, we have one nuclear power plant in operation—the Oyster Creek unit at Toms River—and seven others in our area are now in various stages of development. All but one are expected to be running near capacity by the early 1980's.

It is essential that the Congress and the public be made fully aware of the safety precautions that are taken in the transport of such a hazardous commodity that continues to grow in quantity and use.

Thank you.

Mr. ROONEY. Mr. Chairman, I yield myself such time as I may consume.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank my distinguished colleague for yielding.

I want to ask if the act already covers in some other place a section dealing with the transportation of dangerous chemicals. I am happy to see that this bill covers radioactive materials, but is the transportation of dangerous chemicals covered here? I ask that because we had a serious accident in New Jersey involving chemicals.

Mr. ROONEY. Mr. Chairman, the hazardous materials transportation program is a relatively new program. It was just signed into law in January of this year as part of the Transportation Safety Act of 1974.

Mrs. FENWICK. Yes, but I mean are the dangerous chemicals covered as well as radioactive materials?

Mr. ROONEY. The bill covers these materials, yes.

Mrs. FENWICK. I thank the gentleman.

Mr. HASTINGS. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I rise in support of H.R. 5358, the Railroad Safety Authorization Act of 1975.

For the past two decades our Nation has witnessed a growing number of serious railroad accidents, due in large part to the steady deterioration of track and roadbed conditions which has occurred coincidentally with the financial deterioration of our Nation's largest rail carriers.

Accordingly, Mr. Chairman, the only effective, long-range answer to the problems of rail safety lies in a more adequate, systematic rail and roadbed maintenance program. Hopefully the reorganization of the bankrupt Northeast railroads will help bring this about. There is, however, much that can and should be done now. In view of the serious dangers to our local communities resulting from unsafe track and operating conditions, I believe we should do everything we possibly can to enhance rail safety.

I need cite only a few examples, from my own local area, to bring home most forcefully the severe consequences to local communities of unsafe railroad operations. Last year a Penn Central derailment in a tunnel in the village of Haverstraw, N.Y., forced evacuation of thousands of residents, because the train was carrying an unidentified hazardous substance. It took 2 days to identify that substance and to restore sufficiently safe conditions to permit the evacuated residents to return to their homes.

Over the past several years there have been numerous derailments on the Erie Lackawanna main line which runs through Port Jervis, N.Y. As a result of these accidents, local organizations have formed a special task force to coordinate local planning for such disasters. On their behalf, and on behalf of numerous other groups with similar concerns, I have repeatedly requested the Department of Transportation and the Federal Railway Administration to provide more adequate safeguards and to enforce its existing regulations to protect our citizens from the dangers of unsafe railroad operations. The one common thread which runs though all of these experiences is the need for much vigorous and uniform inspection and the diligent enforcement of existing statutes, coupled with rapid enactment and enforcement of such additional regulations as may be necessary.

This measure, the Federal Railroad Safety Authorization Act, authorizes a total of some $35 million for fiscal year 1976. These funds will result in the hiring of approximately 150 new safety inspectors and about 300 additional clerical personnel. In addition, some $7 million is provided for the hazardous materials transportation safety program. All of these expenditures are not only welcome but most necessary, because they will result in tangible improvements in railroad safety, for the benefit of all of our citizens.

In the long run, our railroads must be restored to economic health, and operated on the premise that safety is cost-beneficial, if we are truly to overcome the problems of railroad safety. We can take a long stride in that direction with the enactment of this measure, and I wholeheartedly urge my colleagues to support this worthy legislation.

Mr. HASTINGS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, when Congress enacted the Federal Railroad Safety Act of 1970, it did so for two reasons. First, there were no uniform Federal railroad safety standards in existence, and second, the number of railroad accidents was increasing at an alarming rate. Five years have passed since the original enactment of the Federal Railroad Safety Act. Today, we do have a comprehensive body of rules and regulations which, if enforced, would significantly improve railroad safety.

The bill before us today is simply a 1-year authorization with money provided for the transition period as we convert to a new budget system. The authorization for fiscal year 1976 would be $35 million which is the same as the present authorization for fiscal year 1975; $8.75 million is provided for the transition period. So that the Federal Railroad Administration will clearly understand the importance with which Congress views the enforcement of safety regulations, certain moneys are earmarked for the hiring of more railroad inspectors and for Federal matching funds to encourage States which are not now participating in the enforcement of railroad safety to do so.

Another aspect of the bill before us involves money to carry out the Hazardous Materials Transportation Act. Rails continue to be the primary way that hazardous materials are transported in this country. Consequently, it is important that the authorization for additional money to deal with hazardous materials' safety is included in this bill; $7 million is included for fiscal year 1976 which is the same as the present authorization; $1.75 million is included for the transition period.

In our increasingly complex society, more and more items in commerce involve hazardous materials. While this bill was before the committee, my colleagues, Mr. SKUBITZ and Mr. FLORIO, offered an amendment which was adopted which would require the Secretary of Transportation to fully investigate and project the problems we can expect to have in transporting radioactive materials. This kind of foresight can prevent numerous tragedies which could otherwise arise.

All of us, Mr. Chairman, know that the problems facing our Nation's railroads are far greater than those handled by this authorization bill. All the laws that we pass on railroad safety will not automatically cure the problems of this troubled industry. However, the Federal Railroad Safety Act is an essential beginning for insuring that our Nation's railroads operate not only efficiently, but safely. Human lives are at stake. Billions of dollars are at stake, and the passage of this authorization will be one additional step toward guaranteeing a first-rate rail system for the United States.

Mr. SKUBITZ. Mr. Chairman, we again have before us an essential piece of transportation legislation. H.R. 5358 authorizes funds to continue work under the Federal Railroad Safety Act and to continue research and the development of standards under the Hazardous Materials Transportation Act.

Railroads, even in their deteriorating condition, continue to transport more of the Nation's goods than all other modes of transportation combined. All of us in this body realize that a great deal needs to be done for the rail industry than merely to impose strict safety standards. Nevertheless, we faced the growing railroad problem responsibly by enacting the first Federal Railroad Safety Act. Today, railroad safety continues to be a number one concern of Congress and so it must be, even if it means that trains must slow down to 5 miles per hour.

During the 5 years of its existence, the Federal Railroad Safety Act has been implemented by numerous uniform safety standards. Unfortunately, the enforcement of those standards has sometimes been less than what has been needed or what had been hoped for by Congress. In this authorization bill, the committee has specifically limited the amount of money that the Federal Railroad Administration can spend for research and development, and the committee has mandated that more money should be spent for employees to actually inspect track and railroad equipment to make sure that safety standards are being met.

We all know, Mr. Chairman, that increasing numbers of employees on railroad inspection is no substitute for finding some way to modernize and revitalize our railroad system. An inspector cannot make a rotten railroad tie hold the rails close together when a heavy freight train goes over it. An inspector cannot replace ballast that has been worn away by the weather year in and year out. An inspector cannot weld rails so as to keep them from splitting with the advent of heavy freight cars. An inspector can, however, stop trains from running over bad rails, slow them down to ridiculous speeds, and create such a clamor that the rail industry, rail labor, and Government officials will once and for all face up to the problem of a generally deteriorating railroad system.

Unfortunately, that day has not yet come. Each time our committee has held hearings on new authorizations to implement the Federal Railroad Safety Act of 1970, it had hoped to see a reversal of the increasing rate of rail accidents. Each time, we have been disappointed and this year is no exception. Train accidents increased from 9,698 in 1973 to 10,419 in 1974. As I have stated, Mr. Chairman, it requires much more than rail safety legislation to significantly curb the number of railroad accidents. To have said that, however, does not mean that FRA could not do a better job with the money and personnel authorized by this legislation. The committee report states in strong language that it feels that FRA can do a better job. I wholeheartedly agree with that conclusion. FRA should hire a sufficient number of inspectors to help assure better inspection, better compliance, and ultimately improve safety on our railroads.

At present, FRA has only 40 inspectors who are responsible for the inspection of nearly 350,000 miles of track. The organic act encourages States to help in the task of track inspection, and again, I would hope that FRA would utilize this provision to a greater extent than it has. This bill authorizes $3.5 million for fiscal year 1976 for FRA to use as Federal matching for State participation so as to encourage the number of inspectors. We have also earmarked $18 million for fiscal year 1976 to the Office of Rail Safety, and $3.5 million for FRA salaries and expenses. The research and development program, which has always been a favorite at FRA, has been trimmed back to $10 million for fiscal year 1976. The authorizations for the Railroad Safety Act are identical to those approved by the Senate with respect to fiscal year 1976, and there are but minor differences in the amounts authorized for the transition period.

Mr. Chairman, one of the problems in railroad safety relates to the type of cargo carried by our Nation's railroads. Railroads continue to be the one mode of transportation best suited to carry the greatest variety of goods. Included among those goods are some very dangerous and hazardous materials. Congressman FLORIO and I introduced as amendment which was adopted by the committee which would require the Secretary of Transportation to take a special look at the transportation of radioactive materials. On March 17, 1976, the Secretary of Transportation is required to provide Congress with a report containing a description of the regulations and handling criteria with respect to radioactive material shipments by railroad. In addition, the Secretary must include annual projections of the amounts of radioactive materials reasonably expected to be transported by railroad during each fiscal year from 1976 through 1980. Finally, the report must contain an evaluation of the need for additional regulations and handling criteria applicable to the transportation of these materials. Overall, this bill contains a $7 million authorization for the Hazardous Materials Transportation Act. That $7 million will be used for evaluating safety in the shipment of such materials, for establishing standards and criteria, and will help assure that the public safety is maintained with respect to the transportation of such materials.

The bill before us today represents a continuation of an important program in the national interest. Rail safety is, and should continue to be, the first priority in any evaluation of our national railroad system. Some railroads simply do not have the money to keep their tracks in shape for today's trains. Some railroads have the money, but are reluctant to spend it for maintenance of way. All railroads, whether rich or poor, must, under the Federal Railway Safety Act, meet standards to assure the public safety. I urge the adoption of this bill and am confident that the Federal Railroad Administration will vigorously utilize the funds to assure that this Nation's railroad system becomes the safest in the world.

Mr. HASTINGS. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut (Mr. McKinney).

Mr. McKINNEY. Mr. Chairman, I fully support this legislation, and I congratulate the chairman of the committee and ranking member for their work on it, particularly on the hazardous substance part.

I am only taking the floor to get a little bit of congressional intent into the Record concerning the operation of the new commuter cars used on the Long Island and on the New Haven railroads in Connecticut and New York, and referred to variously as the metropolitan or cosmopolitan cars.

Two years ago the former Representative from Westchester, Ogden Reed, myself, and several other Congressmen, to be exact, on July of 1973, had a meeting with the Federal Rail Administration, with witnesses and testimony in White Plains, N.Y.

At that time, we expressed great concern over the operation of the safety mechanisms on the doors, and we also expressed great concern that there was simply no way that a passenger could know how to operate the emergency or safety or other release mechanisms on any of the cars used in the Connecticut-New York region, because there is no emergency door handle marked. Instead, it is hidden under a plate behind two screws.

The Federal Rail Administration came back and said, and I quote directly:

> Because of rubber mountings, the closure of doors on a passenger is not likely to result in injury, although it may cause some discomforture when doors are prevented from closing completely. Because of a passenger's body or lower extremity caught between them, the engineman cannot apply power to the train. Thus, the train cannot move from the station.

In December 1974, in front of many horrified people, a man was dragged to his death in Long Island, N.Y., when his ankle caught between the door of one of these cars. There was no way that the passengers could, No. 1, either stop the train, nor, No. 2, was there any fashion in which they could release the door to let the passenger escape.

The National Transportation Safety Board, therefore, investigated the accident and came forth with some very strong concerns. Those concerns are a matter of public record, and I will not bother the House with reading from that report.

Last week I asked for a joint meeting between both bodies in my office, which was also attended by the gentleman from New York (Mr. Ambro), who is from the district in which the passenger was killed.

I was assured by the Federal Railroad Administration that they would publish in the record regulations for our consideration, and for public testimony which would do the following things. They would not allow the train to operate when any substance of over one-half inch or three-eighths of an inch was caught between the doors; and that they would clearly mark and make accessible to the public with a break-in glass panel on emergency handle which would open the doors; and would clearly mark and show to the public where the brake handle is in the cars which are impossible to find in the new cars.

I only put this in the Record, because I think this shows congressional intent. I think we want to see something done about this. I know that neither the chairman nor I want to write into legislation on the floor of the House railroad safety regulations. We are just simply saying that here was something that happened, and we do not want it to happen again. We want action for the safety of our riders.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. McKINNEY. I am happy to yield to the gentleman from Pennsylvania.

Mr. ROONEY. Mr. Chairman, let me say that as chairman of the subcommittee I am in complete agreement with the gentleman from Connecticut and I am glad the gentleman has brought this to the attention of the Administration. I might add that we did receive a letter from Mr. Robert H. Wright, Acting Associate Administrator for Safety, who indicated that the Department is going to promulgate rules along the line the gentleman has just brought to our attention.

Mr. McKINNEY. I thank the chairman, the gentleman from Pennsylvania (Mr. Rooney).

Mr. ROONEY. I want to assure the gentleman also that the committee will pay very close attention to this matter. Again I thank the gentleman for bringing it to the attention of the committee.

Mr. HASTINGS. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho (Mr. Symms).

Mr. SYMMS. Mr. Chairman, I wonder if I could direct a question or two to the chairman of the subcommittee. I note in the committee report that it states that the committee is of the opinion that inadequate railroad safety was not the result of inadequate funding or statutory defects. And that is one of my questions, why then is there an increase in this bill from the $20 million in 1973 up to $43 million in 1976, which represents a 100-percent increase in funding, and what if anything is the justification for that much of an increase?

Mr. ROONEY. Mr. Chairman, if the gentleman will yield, in 1975 we authorized $35 million. Frankly, this committee is disappointed, one might say even frustrated, with the feeling of lack of enthusiasm for this program downtown in the Federal Railroad Administration.

We found, for example, that they had only 40 track inspectors responsible for the inspection of 330,000 miles of track, and only 75 inspectors responsible for the inspection of 1.8 million freight cars and 30,000 locomotives, plus passenger cars, in this country.

The committee is trying to do something about this and hopefully with the passage of this legislation, it will go a long way in dealing with some of the problems involving railroad safety.

Mr. SYMMS. I appreciate the gentleman's statement. My concern is that it is a 100-percent increase in fundings, and yet from reading the committee report they did not seem to think that inadequate funding had anything to do with the promulgation of railroad safety.

Mr. ROONEY. If the gentleman will yield still further, I might add that we are talking here about 15 months, including the interim period between July and October.

The gentleman will remember that this program was started in 1970 at $21 million. In 1975 it was increased to $35 million, and we are holding it at $35 million.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HASTINGS. Mr. Chairman, I yield 2 additional minutes to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding me the additional time.

Mr. HASTINGS. If the gentleman from Idaho will yield, then I might mention that as the chairman just said, this is a relatively new agency that was created in 1970. Actually, it was only in the process of organizing, and was being implemented in the year 1973 to which the gentleman has referred. The additional amount of personnel that the gentleman has referred to is a major factor, and represents a major part of the increase in the appropriation from 1973 to 1976. But as the gentleman from Pennsylvania (Mr. Rooney) and as the gentleman knows, the authorization is precisely the same for the year 1975 as for 1976, and most of the increases have been due to additional personnel, because one of the reasons the Federal Railroad Administration has not been successful in railroad safety was due to lack of personnel. The committee has recognized this fact, and I would say that that is the principal reason for the increase in this fiscal year.

Mr. SYMMS. I thank the gentleman.

Mr. FRASER. Mr. Chairman, I strongly support H.R. 5358, which authorizes additional appropriations to administer the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Act.

These two pieces of legislation were passed by Congress to reverse the increase in rail accidents. Unfortunately, as the committee notes, the trend since the Railroad Safety Act of 1970 has continued in the same direction—from 1973 to 1974 train accidents increased by 7 percent and injuries to railroad employees increased 19 percent. Surely one of the reasons for the continued danger on our railroads is the further deterioration of the roadbeds. But I think that some of the blame can be placed on the Federal Railroad Administration.

Despite efforts by Congress to allow the FRA sufficient funds to hire safety inspectors and to enforce the laws, FRA has spent only small amounts for these important functions. The number of FRA inspectors for the network of railroads is shockingly small—only 40 inspectors for 330,000 miles of track.

I have had dealings with the Federal Railroad Administration over the past few months as I attempted to investigate a potentially dangerous situation as a railroad tank car leaked a hazardous chemical. This matter was brought to my attention by a constituent who worked for the railroad and who was concerned over the handling of the incident. The confusion over what steps should have been taken to prevent injury to both the workers and the residents of the area was astounding. Although the FRA seems to have procedures which are to be followed for such an occurrence, if no one reports the incident, no investigation is made and no assessment is made on who, if anyone, is to blame.

In the case I am familiar with, no report was made despite the very real danger that resulted as the leaking car was returned to a populated area. This was in apparent violation of the rules—and certainly contrary to what common sense dictates. Yet even when the FRA looked into the incident after repeated requests by my office, no penalties were assessed for the failure to report this situation.

Passage of this bill will reaffirm to the Federal Railroad Administration the congressional commitment to safer railroad transportation. More inspectors and stricter enforcement are not sufficient to improve the railroad safety record, but they are an essential first step.

Mr. CONTE. Mr. Chairman, I rise in support of H.R. 5358. Rail safety is an important concern to all Americans. The latest statistics from the Federal Railroad Administration show an ever-increasing pattern of derailments and other serious train accidents. The number of injuries has markedly increased as well.

This legislation is vitally needed to implement safety research and development in the rail industry. Obviously one of our major problems is the dilapidated condition of our rights-of-way. I am hopeful that the House will soon pass authorizing legislation to rehabilitate these rights-of-way. However, it is clear that the many dangers caused by these rights-of-way will continue through fiscal year 1976 while the rehabilitation projects are underway.

This bill also provides for continued funding for the Hazardous Materials Transportation Act. This is a problem area we must recognize. The transportation of hazardous materials must be monitored closely. There is much that is needed to be done in the area of research to devise tank cars which are more secure and puncture proof than present equipment in use. Recently, a train carrying loads of hazardous materials derailed in Decatur, Ill. An explosion occurred and an elementary school was destroyed. Fortunately, there were no serious injuries. This is representative of many hazardous materials accidents which endangered the lives and property of Americans across the Nation this past year.

It is of extreme importance that we act with all due expedition to pass this legislation to continue these much needed safety programs in the railroad industry.

I urge my colleagues to support this bill.

Thank you, Mr. Chairman.

Mr. HASTINGS. Mr. Chairman, I have no further requests for time.

Mr. ROONEY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Railroad Safety Authorization Act of 1975".

Sec. 2. Section 211(c) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 440(c)), relating to a comprehensive railroad safety report, is amended—

(1) by striking out "and" at the end of paragraph (9); and

(2) by redesignating paragraph (10) as paragraph (11), and by inserting immediately after paragraph (9) the following new paragraph:

"(10) contain a description of the regulations and handling criteria established by the Secretary under the Hazardous Materials Transportation Act specifically applicable to the transportation of radioactive materials by railroad (as of June 30, 1975), together with annual projections of the amounts of radioactive materials reasonably expected to be transported by railroad during each fiscal year from 1976 through 1980 and an evaluation of the need for additional regulations and handling criteria applicable to the transportation of radioactive materials by railroad during each such fiscal year; and".

Sec. 3. Section 212 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441) is amended to read as follows:

"Sec. 212. Authorization For Appropriations.

"(a) There are authorized to be appropriated to carry out the provisions of this title not to exceed $35,000,000 for the fiscal year ending June 30, 1976; and not to exceed $8,750,000 for the transition period of July 1, 1976, through September 30, 1976 (hereafter in this section referred to as the 'transition period').

"(b) Except as otherwise provided in subsection (c) of this section amounts appropriated under subsection (a) of this section shall be available for expenditure as follows:

"(1) For the Office of Safety, including salaries and expenses for up to 500 safety inspectors and up to 110 clerical personnel, not to exceed $18,000,000 for the fiscal year ending June 30, 1976; and not to exceed $4,500,000 for the transition period.

"(2) To carry out the provisions of section 206(d) of this title, not to exceed $3,500,000 for the fiscal year ending June 30, 1976; and not to exceed $875,000 for the transition period.

"(3) For the Federal Railroad Administration, for salaries and expenses not otherwise provided for, not to exceed $3,500,000 for the fiscal year ending June 30, 1976; and not to exceed $875,000 for the transition period.

"(4) For conducting research and development activities under this title, not to exceed $10,000,000 for the fiscal year ending June 30, 1976; and not to exceed $2,500,000 for the transition period.

"(c) The aggregate of the amounts obligated and expended for research and development under this title in the fiscal year ending June 30, 1976, and in the transition period, shall not exceed the aggregate of the amounts expended for rail inspection and for the investigation and enforcement of railroad safety rules, regulations, orders, and standards under this title in such fiscal year, and in the transition period, respectively.".

Sec. 4. Section 115 of the Hazardous Materials Transportation Act (49 U.S.C. 1812) is amended to read as follows:

"AUTHORIZATION FOR APPROPRIATIONS

"Sec. 115. There are authorized to be appropriated to carry out the provisions of this title not to exceed $7,000,000 for the fiscal year ending June 30, 1976, and not to exceed $1,750,000 for the transition period of July 1, 1976, through September 30, 1976.".

Mr. ROONEY (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any amendments? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Annunzio, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 5358 to amend the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Act to authorize additional appropriations, and for other purposes, pursuant to House Resolution 526, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HASTINGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 387, nays **0**, not voting **46**, as follows:

[Roll No. 336]

YEAS—387

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Tenn.
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hinshaw
Holland
Holt
Holtzman
Horton
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCollister
McCormack
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Rooney
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—0

NOT VOTING—46

Abdnor
Anderson, Calif.
Bafalis
Collins, Ill.
Conyers
Daniels, N.J.
Danielson
Davis
Diggs
Downing
Erlenborn
Esch
Ford, Mich.
Forsythe
Fulton
Hébert
Hillis
Howard
Jarman
Jones, Ala.
Jones, N.C.
Karth
Landrum
McClory
McCloskey
McDade
Mann
Meeds
Mosher
Nedzi
O'Brien
O'Neill
Pepper
Roncalio
Rose
Schneebeli
Skubitz
Stanton, James V.
Stokes
Stuckey
Thompson
Udall
Ullman
Waxman
Whitten
Wright

So the bill was passed.

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Abdnor.
Mr. Howard with Mr. Downing of Virginia.
Mr. Dominick V. Daniels with Mr. Forsythe.
Mr. Ullman with Mr. Hillis.
Mr. Thompson with Mr. Bafalis.
Mr. Stokes with Mr. Fulton.
Mr. Diggs with Mr. Esch.
Mr. Davis with Mr. Erlenborn.
Mr. Mann with Mr. Jarman.
Mr. Conyers with Mr. McClory.
Mr. Landrum with Mr. Ford of Michigan.
Mr. Roncalio with Mr. McDade.
Mr. Rose with Mr. Jones of Alabama.
Mr. Pepper with Mr. Nedzi.
Mr. Karth with Mr. Jones of North Carolina.
Mrs. Collins of Illinois with Mr. Schneebeli.
Mr. Anderson of California with Mr. O'Brien.
Mr. James V. Stanton with Mr. McCloskey.
Mr. Stuckey with Mr. Skubitz.
Mr. Udall with Mr. Meeds.
Mr. Wright with Mr. Waxman.
Mr. Danielson with Mr. Whitten.
Mr. Hébert with Mr. Mosher.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The **SPEAKER**. Pursuant to the provisions of House Resolution 526, the Committee on Interstate and Foreign Commerce is discharged from further consideration of the Senate bill (S. 1462) to amend the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Act to authorize additional appropriations, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. ROONEY

Mr. ROONEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROONEY moves to strike out all after the enacting clause of the bill S. 1462 and to insert in lieu thereof the provisions of H.R. 5358, as passed, as follows:

That this Act may be cited as the "Federal Railroad Safety Authorization Act of 1975."

SEC. 2. Section 211(c) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 440(c)) relating to a comprehensive railroad safety report, is amended—

(1) by striking out "and" at the end of paragraph (9); and

(2) by redesignating paragraph (10) as paragraph (11), and by inserting immediately after paragraph (9) the following new paragraph:

"(10) contain a description of the regulations and handling criteria established by the Secretary under the Hazardous Materials Transportation Act specifically applicable to the transportation of radioactive materials by railroad (as of June 30, 1975), together with annual projections of the amounts of radioactive materials reasonably expected to be transported by railroad during each fiscal year from 1976 through 1980 and an evaluation of the need for additional regulations and handling criteria applicable to the transportation of radioactive materials by railroad during each such fiscal year; and".

SEC. 3. Section 212 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441) is amended to read as follows:

"SEC. 212. AUTHORIZATIONS FOR APPROPRIATIONS.

"(a) There are authorized to be appropriated to carry out the provisions of this title not to exceed. $35,000,000 for the fiscal year ending June 30, 1976; and not to exceed $8,750,000 for the transition period of July 1, 1976, through September 30, 1976 (hereafter in this section referred to as the 'transition period').

"(b) Except as otherwise provided in subsection (c) of this section amounts appropriated under subsection (a) of this section shall be available for expenditure as follows:

"(1) For the Office of Safety, including salaries and expenses for up to 500 safety inspectors and up to 110 clerical personnel, not to exceed $18,000,000 for the fiscal year ending June 30, 1976; and not to exceed $4,500,000 for the transition period.

"(2) To carry out the provisions of section 206(d) of this title, not to exceed $3,500,000 for the fiscal year ending June 30, 1976; and not to exceed $875,000 per the transition period.

"(3) For the Federal Railroad Administration, for salaries and expenses not otherwise provided for, not to exceed $3,500,000 for the fiscal year ending June 30, 1976; and not to exceed $875,000 for the transition period.

"(4) For conducting research and development activities under this title, not to exceed $10,000,000 for the fiscal year ending June 30, 1976; and not to exceed $2,500,000 for the transition period.

"(c) The aggregate of the amounts obligated and expended for research and development under this title in the fiscal year ending June 30, 1976, and in the transition period, shall not exceed the aggregate of the amounts expended for rail inspection and for the investigation and enforcement of railroad safety rules, regulations, orders, and standards under this title in such fiscal year, and in the transition period, respectively.".

SEC. 4. Section 115 of the Hazardous Materials Transportation Act (49 U.S.C. 1812) is acended to read as follows:

"AUTHORIZATION FOR APPROPRIATIONS

"SEC. 115. There are authorized to be appropriated to carry out the provisions of this title not to exceed $7,000,000 for the fiscal year ending June 30, 1976, and not to exceed $1,750,000 for the transition period of July 1, 1976, through September 30, 1976.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 5358) was laid on the table.

GENERAL LEAVE

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5358, the bill just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HOUR OF MEETING ON TUESDAY, JUNE 24, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 a.m. tomorrow, June 24, 1975.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, could our distinguished leader tell us, is there any chance this will help us get out of here by Thursday night?

Mr. McFALL. Mr. Speaker, if the gentleman will yield, I would say to the gentleman that it is our intention if we could come in at 10 o'clock tomorrow we would try to take up the business in this order:

The HUD independent agency appropriation bill will be first; then the debt limit; 10 unanimous-consent bills from the Committee on Ways and Means; and the public works appropriation.

We would hope to come in early on Wednesday, at 11 o'clock, and at 10 o'clock on Thursday.

I would say to the gentleman that there will be a vote on the recess probably on Wednesday, and I understand there may be an amendment offered to shorten the recess. But as far as our work is concerned, I believe by coming in early on the times I mentioned, we should be able to finish the work that is on the schedule.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, so that it is clear, is it the intention of the Democratic leader to have us out of here by Thursday night?

Mr. McFALL. If the gentleman will yield further, it is our intention to finish the business that is on the schedule by Thursday night.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. McFALL. Yes, I yield to the distinguished minority leader.

Mr. RHODES. Does the distinguished acting majority leader have any thoughts about the plans of the other body with regard to the debt limit increases? Is there any assurance that the other body will accomplish the passage of that bill prior to the time we would like to recess?

Mr. McFALL. I would say to the gentleman that I have no information in that regard. I would assume that if we pass the debt limit tomorrow, the Senate will make it up expeditiously.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. McFALL asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. McFALL. Mr. Speaker, I take this time to announce that we are adding two bills to the list of bills that were reported unanimously from the Committee on Ways and Means, and will be taken up after the debt limit tomorrow. The complete list of the bills will be listed in the RECORD at this point, and I ask unanimous consent that they be included.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

(The list of bills referred to follows:)

H.R. 7709, to continue for a temporary period the existing suspension of duty on certain istle;

H.R. 7727, to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk;

H.R. 7715, to extend until the close of June 30, 1978, the period during which certain dyeing and tanning materials may be imported free of duty;

H.R. 7706, to suspend the duty on natural graphite until the close of June 30, 1978;

H.R. 7728, to suspend until the close of October 31, 1975, the duty on catalysts of platinum and carbon used in producing caprolactam;

H.R. 7731, to suspend the duty on open-top hopper cars exported for repairs or alterations on or before June 30, 1975;

H.R. 7716, to amend the Tariff Schedules of the United States to suspend the duty on certain forms of zinc until the close of June 30, 1978;

H.R. 7710, to amend the Tariff Schedules of the United States to provide duty-free treatment to watches and watch movements manufactured in any insular possession of the United States if foreign materials do not exceed 70 percent of the total value of such watches and movements;

H.R. 83, to amend the Internal Revenue Code of 1954 to exclude from gross income gains from the condemnation of certain forest lands held in trust for the Klamath Indian Tribe; and

H.R. 5559, to amend section 883(a) of the Internal Revenue Code to provide for exclusion of income from the temporary rental of railroad rolling stock by foreign corporations.

STATE DEPARTMENT AUTHORIZATION ACT, FISCAL YEARS 1976 AND 1977

Mr. HAYS of Ohio. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7500) to authorize appropriations for the Department of State, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. HAYS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7500), with Mr. YOUNG of Georgia in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Ohio (Mr. HAYS) will be recognized for 30 minutes, and the gentleman from Alabama (Mr. BUCHANAN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS of Ohio. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is the annual State Department authorization bill. I hope we can make the debate on this bill fairly brief. It came out of the committee unanimously; it came out of the Committee on Rules unanimously.

I will run over the high points of the bill very rapidly for the Members, and then if there are questions, since I left the report back on the desk, I will go back there and try to answer them.

The total cost of the bill will be $853,415,000, I hope. It had been $873 million, but I propose to offer an amendment to take out the funds for the International Control Commission in Vietnam. Since that episode is over, I do not see any reason for that Commission to exist any more. I will move to strike the money for that purpose, which will mean it will be $853,415,000.

This is a dollar increase over the appropriations of 1975 of $76,711,000. The dollar increase in the appropriation for fiscal year 1975 over 1974 was $71,265,000.

The reason for both of those increases is largely worldwide inflation. I have here a table of inflation rates by region. Just let me say, without reading all of this, that the world average last year was 18.8 percent; for the year before that, for 1973, it was 9.9 percent.

The subcommittee which had the bill under consideration put in some amendments, one covering death gratuities for consular agents and representatives of international organizations. This was motivated largely by the fact that one Ambassador and two or three consular agents were murdered by terrorists in the past 3 years, and this would give them the same protection, for example, that a Congressman receives who dies in line of duty whereby we grant 1 year of gratuity for the widow.

We put in more money for salaries for Foreign Service officers, which is really a cost-of-living increase, and we eliminated certain affidavit requirements for Foreign Service officers who are promoted.

Let me say one word about that. When you go into the Foreign Service, you take a loyalty affidavit to the United States, and under the law you have to take another one every time you get a promotion. This just simply makes a lot more paperwork. We concluded one affidavit is enough, so we eliminated that.

We eliminated the $1 million on the use of funds for a new passport system. Until such time as the Passport Commission comes before us and tell us what they want the first million for and how far it is going to go and what it would be used for and what the ultimate cost would be, we decided to eliminate that. I want to say that I do not believe anybody on the subcommittee is against the new passport system, if it can be proved to be more efficient and less costly. But we do not really know enough about this, and we did not want them to go ahead on it until we knew more about it.

We expanded the Soviet refugee assistance section to include any Communist country in Eastern Europe, and we cut the amount we give. We put in a provision that no more than 20 percent of the money may be used to settle refugees in any other country than Israel.

The reason for that was that we found that refugees from the Soviet Union in the beginning were resettled in Israel and this money was used to settle them in Israel, but a lot of these people got exit visas to go to Israel and ultimately when they got to Vienna, it was found they were going to other places and our people were giving them the money to send them there. We do not think this ought to be an ironclad thing. So the primary thing was to meet this problem, and so we said that no more than 20 percent could be used for this purpose.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I wonder if the gentleman could answer some questions concerning this, or would he have to go back to his desk and get the information?

Mr. HAYS of Ohio. Yes, I believe I can answer the gentleman's questions. I am conversant enough on that subject so that I can answer, although if there are additional figures to be supplied, I might have to go back there. But as to the general subject matter, I could answer from here.

Mr. JOHNSON of Colorado. Mr. Chairman, I would like to discuss this item for just a few moments.

The amendment was changed from $40 million last year to $20 million this year, as I understand it.

Mr. HAYS of Ohio. The gentleman is correct.

Mr. JOHNSON of Colorado. How many people are involved?

Mr. HAYS of Ohio. Mr. Chairman, that is a difficult thing to say, but last year the number of people they let out, if my memory serves me correctly, was about 30,000, and this year it is running at about the rate of 12,000, if the conditions at the present rate follow for the balance of the year. That is why we cut the money in half.

Mr. JOHNSON of Colorado. This means $16 million goes to refugees or immigrants who go from Russia into Israel; is that correct?

Mr. HAYS of Ohio. That is right. It all really depends on where they want to go. Out of this $20 million we cannot take more than $4 million to spend anywhere else.

Mr. JOHNSON of Colorado. Is it not true that they are not really so much refugees as they are immigrants?

Mr. HAYS of Ohio. I cannot answer that question because I think we are engaging in a semantic duel, and I do not know.

They do want to get out of the Soviet Union, and they have cogent and compelling reasons, I think, to get out of the Soviet Union. In that sense, I suppose, they are refugees. In another sense of the world, I think they are probably immigrants.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank my distinguished colleague, the gentleman from Ohio (Mr. HAYS), and heartily endorse his comments.

I think they are indeed refugees.

When one signifies his desire to depart and he is deprived of his job and he can be picked up the next day as a vagrant and be put into prison, I think a flight from that country constitutes being a refugee.

The figures of refugee exodus, as I understand it, were 34,500 in 1973 and 17,400 in 1974, a very ominous drop.

I am sorry to hear that the gentleman said it is running at the rate of 12,000 this year.

Mr. HAYS of Ohio. Mr. Chairman, I thank the gentlewoman from New Jersey for her comments. I think that this figure can change, depending on the whim of the Soviets.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield so that I can respond to the gentleman's question in part?

Mr. HAYS of Ohio. Yes, I yield to the gentleman from New York.

Mr. BINGHAM. There is a question as to whether they are refugees or immigrants. I think that is answered by the fact that when they apply to come to this country, the Immigration and Naturalization Service of the Department of Justice recognizes that they are refugees in the true sense of the word, and that is how they come into this country. That is how they get the visa.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield further?

Mr. HAYS of Ohio. Yes, I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. With respect to the question of Jewish refugees or immigrants, we really do not know who the individuals are who receive this aid. We do not know what kind of aid they receive. We do not know what it is used for. When one reads the report, he cannot tell.

Mr. HAYS of Ohio. I can tell the gentleman what it is used for, and we can get pretty good documentation from the Israeli Government. Generally it is used primarily to give them a start, to provide housing and temporary facilities to keep them in until they find a house for them; that is to say, food, clothing, and whatever they need to get them started. The Israeli Government provides some way or another a job for them, but this is just sort of seed money, one might say, to get them started.

Mr. JOHNSON of Colorado. Does the money go to all the Jewish immigrants and Jewish refugees of the Soviet Union, then, on a pro rata basis?

Mr. HAYS of Ohio. No. It goes to the Israeli Government, and they provide, as I say, the moneys for them to stay there for a few weeks until they find a job, and primarily it is also to find housing for them or to build housing for them.

Mr. JOHNSON of Colorado. Mr. Chairman, I thank the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, we included in this, at the request of the President, an authorization for fiscal year 1977 for the United Nations University Endowment Fund, but wrote in there that the money cannot be appropriated until 1977.

The President was anxious to have that before the visit of the Japanese Emperor, I believe, this fall, and the university will be in Japan.

We reduced, as I said, the passport system by $1 million; the UNESCO figure by $2,770,000; the Soviet refugee figure from $40 million to $20 million.

We put in the University Endowment which, as I said, was for 1977; the Soviet refugee figure at $20 million, which is cut in half; and $450,000 for International Women's Year activities.

I might tell the committee that I propose to offer 3 amendments, 2 of which deal with the same thing, and one of which is to knock out fiscal year 1977. This is a 1-year authorization, and when the bill was sent to the printer, the clean bill, the clerk or staff inadvertently left in the language that came up from downtown.

Then the other amendment will be on page 2, line 6, to strike out $289,918,000 and insert in lieu thereof $270,118,000, which is a reduction for the Vietnamese Commission which presumably is no longer in existence or, if it is, it should not be.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I appreciate the gentleman yielding.

Right below the figure the gentleman

was referring to on page 2, you have "for 'International Commission,' $19,933,000."

Would the gentleman from Ohio elaborate on what that is?

Mr. HAYS of Ohio. If the gentleman will permit me to get a copy of the report, because there is a whole list of those, and I do not have them all in mind by amount, but I will be glad to give the list to the gentleman, which is in the report here.

Under "International Commissions," there is listed "International Boundary and Water Commission, United States and Mexico," and the "Joint International Commission."

Mr. SYMMS. Is there anything for "International Women's Organizations"?

Mr. HAYS of Ohio. I mentioned earlier that we would put in $450,000 for that, for this year.

Mr. SYMMS. Does the gentleman from Ohio suppose they will be using that to promote the ERA in this country?

Mr. HAYS of Ohio. I do not know; I will let the gentlewoman from New Jersey answer that, because it is her amendment. But I do not think so.

Mr. SYMMS I would hope not.

I would like to also ask the gentleman from Ohio if the gentleman could explain a little bit more about the university in Japan, the UN University, $20 million. If I read that correctly, that is about a 20-percent increase over last year.

Mr. HAYS of Ohio. It is a 100-percent increase over last year, because there was not anything in it last year.

Let me tell the gentleman from Idaho what I know about it.

The Japanese Government has asked the United Nations to locate this university in Japan. They have put up $100 million and are going to put up another unspecified further amount in the way of buildings. I do not know whether the figure has been stated on that. But before the Emperor's visit to the United States this fall, to indicate that the Congress was interested, and in order to protect the Congress and to make sure that we did not get it in before it was needed, or put the money in before something was done, or before nothing was done, or before the thing fell through, we said that this money may not be appropriated before 1976, but not before fiscal year 1977, and in that way we put that safeguard in. In addition, the Committee on Appropriations does not have to appropriate a dime if it does not want to. So this is really indicating good will toward the Japanese, that is about what it amounts to.

Mr. SYMMS. I thank the gentleman.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Ohio.

Mr. VANIK. I would like to point out that at the appropriate time I will offer an amendment to provide that the membership on the International Joint Commission, the United States and Canadian Commission relating to the environment and waters between the two countries, will contain—and I am sure it is one that can be defended by the Senate—a provision for Senatorial confirmation of the Commission, and I hope the gentleman will consider it.

Mr. HAYS of Ohio. I do not know if there is any opposition on the part of the administration, but I have no objection as far as I personally am concerned.

Mr. BUCHANAN. Mr. Chairman, if the gentleman will yield, I would much prefer if we could first ascertain the position of the administration. I would certainly be prepared to participate in hearings on the subject, but perhaps this might be dealt with through other means.

Mr. HAMILTON. Mr. Chairman, if the gentleman will yield, I would like to raise the question about section 14.

That is the section that makes available the $20 million to help pay for the Soviet refugees; that is, as far as people emigrating to Israel.

As I think the chairman of the subcommittee knows, I strongly support that section because I think it is necessary for this nation to help the refugees around the world to the extent that we can. But as I indicated to the gentleman in deliberations in the committee, I think it is important to specify that funds that are being used in Israel to resettle Soviet Jews should be used for construction, and education and health for these refugees in Israel proper and not in the occupied territories. I think and I hope that the gentleman will agree that it would be unwise for this body to take any action that prejudges the territorial issue that should be subject to negotiation by the parties and, therefore, I hope it is the intention in section 14 that the funds authorized therein will be used in Israel and not in the occupied territories.

Mr. HAYS of Ohio. What the gentleman is saying is in the pre-1967 boundaries of Israel; is that correct?

Mr. HAMILTON. Yes.

Mr. HAYS of Ohio. I would say to the gentleman that that, I hope, is our intention. We cannot totally enforce it, but we would like to see it done that way, and we believe that the Israelis probably will respect our wishes. At least, I hope they will.

Mr. HAMILTON. I thank the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, I reserve the balance of my time.

Mr. BUCHANAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we were, I think unanimous in subcommittee in passing out and reporting to the full committee this legislation. We did amend it in subcommittee. We had no challenges, to my knowledge, within the full committee, and it was reported out, as I recall, without a dissenting vote there.

The Chairman has explained the content of the bill. It is, of course, essential that we pass this authorization, to keep our distinguished Secretary of State and his colleagues in business for another year. It is a reasonable level of authorization, and I, therefore, urge the Committee to approve the bill.

Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Chairman, I would like to address a question or two to either my colleague, the gentleman from Ohio, or the gentleman from Alabama. I am wondering if among their statistics they have any information regarding the total contribution to the U.N. and the U.N. agencies. We have supposedly set out a 25 percent limitation. It is my understanding that voluntary contributions by the government make us considerably in excess of that amount. I am wondering if there is a breakdown that the committee can provide the Membership which contains the total amount that goes to the various U.N. agencies, not only those amounts in this bill but elsewhere, and what the totals would be in those amounts available. I would ask my colleague, the gentleman from Ohio, or the gentleman from Alabama.

Mr. HAYS of Ohio. If the gentleman will yield, I would say to the gentleman that the contribution to the U.N. in January for fiscal year 1975 is 25 percent. There are some of them that run a little over that simply because they are multiyear appropriations and were committed before the Congress adopted the 25 percent figure to them, and there is some excess in there to carry out our commitment until the time that these things come up for renewal.

For example, educational, scientific, and cultural organizations are 4.4 percent above that, but we were assured by the people in the Department of State that as fast as these multi-year commitments run out, that they are informing the U.N. that our share will be no more than 25 percent, and stick to it. But they felt that it would be unfair, since these had been made 3 years in advance, to suddenly cut them back and therefore leave them in a deficit position, and the committee agreed with them.

Mr. ASHBROOK. I thank the gentleman for that information and that assurance.

Mr. HAYS of Ohio. The gentleman can be sure of one thing: as long as I am chairman of the subcommittee and I think the gentleman from Alabama is a ranking member, we are going to watch this very carefully, and as these things come up for refunding in various committees, we are going to insist that our share be within the limitation.

I do not think the gentleman needs to worry about that. I have watched it very carefully in the past.

Mr. ASHBROOK. I know the gentleman has and that is why I am glad he can respond thusly and the RECORD can show that is the intention and interest of the committee to achieve this over a period of time.

Mr. BUCHANAN. I associate myself with the remarks of the gentleman from Ohio. I too shall be watching this.

Mr. ASHBROOK. Mr. Chairman, one last question I would like to raise with my friend and colleague, the gentleman from Ohio, regarding the matter of Southeast Asia. In the past we have had amendments that indicate the House does not want to channel money to the Communist governments to which now of course we could add Laos. Only today we see some of their high-handed actions. Could the gentleman from Ohio who is an expert in this field inform this Member who is not an expert in this field whether the money in this bill can directly or indirectly be channeled to those countries?

Mr. HAYS of Ohio. I would say no. The only way we can spend any of this money in those countries is if we open an embassy and we could use the money there to spend for our own purposes. But no money in this bill could be used for assistance. The gentleman might like to raise that question when the appropriations bill comes in.

Mr. ASHBROOK. I thank the gentleman.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I asked the gentleman to yield so I can ask his colleague a question. I was trying to find out a response to this, that the report says this contains an appropriation of $450,000 for International Women's Year activities. What I wanted to ask is this: Is this the outfit meeting in Mexico City now and picketing the American delegation?

Mr. HAYS of Ohio. The only thing I can tell the gentleman is this is the organization meeting in Mexico City. What they are doing I do not know. The gentleman from Florida (Mr. FASCELL) tried to write into the law that I should be chairman of this delegation but I respectfully declined so I do not know what they are doing.

Mr. SYMMS. I am sorry the gentleman is not down there, but I read in the Washington Post or some other paper the other day an article saying they are picketing the American delegation and saying the delegation does not represent a broad spectrum of Americans.

Mr. HAYS of Ohio. The gentlewoman from New Jersey is my expert on this and if the gentleman will yield to her I believe she will respond.

Mr. ASHBROOK. I yield to the gentlewoman from New Jersey (Mrs. MEYNER).

Mrs. MEYNER. Mr. Chairman, I thank the gentleman for yielding.

Part of this $450,000 is being used to finance the U.S. delegation to go to Mexico City. The International Women's Year was a Presidential program and made official by President Ford in January. It is a big board. It is primarily concerned with promoting equality between men and women. It is an extremely good and worthy cause and is money well spent.

However, if I have any more time I would like to yield to the gentlewoman from New York who has more of the facts and figures on it.

Mr. ASHBROOK. Might I suggest I just yielded time and perhaps the gentleman from Ohio may wish to yield to whoever is appropriate.

Mr. HAYS of Ohio. I yield myself 2 minutes merely to say this is only an authorization and they do not have the money yet, it has not been appropriated. They are down in Mexico City perhaps on their credit and hoping to get the money, and if they get too far out of line the Appropriations Committee may never give them the money.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentlewoman from New York at her own risk that she does not get this knocked out of the bill.

Ms. ABZUG. Mr. Chairman, the money is for the Presidential Commission for International Women's Year. This Commission has been meeting. There are Members of the Senate and a couple Members of the House, including the gentlewoman from Massachusetts (Mrs. HECKLER) and myself who are on it, and it represents a broad spectrum of women across the country.

The U.S. delegation to Mexico has a staff which has the money and it will go for this development. The committees have been set up under the general commission of President Ford. That is the purpose of this authorization.

Mr. SYMMS. I thank the gentlewoman. If the gentleman from Ohio will yield, I thank the gentlewoman for the time and the information on this. It seems to me that—maybe it is just my point of view, it does not seem to me that is important enough to be spending $450,000 worth on this project at all. Maybe these people are serious. Perhaps there is something in here that I just do not see.

Mr. HAYS of Ohio. Mr. Chairman, let me say to the gentleman that the committee did not hold extensive hearings on it. We put it in at the request of some of the members of the committee.

I can assure the gentleman that the Committee on Appropriations will give it a thorough scrutiny. What they will come up with I do not know; but at least we gave them a chance to look at it.

Mr. BUCHANAN. Mr. Chairman, I yield myself 1 minute to comment briefly on this subject.

Heretofore that money to be spent on the International Women's Year activities was divided up among a number of different U.S. Government agencies who had smaller amounts of budget responsibility. The State Department had responsibility to collect from all the agencies their portion. We now have it in one budget, which should be a more workable arrangement. That is why it appears to be a larger amount. In this great Government, however, which spends so many billions, I cannot see that 0.00014 percent of the $369 billion we will spend this year can make enough difference to justify not meeting our commitments to participate in this meritorious international activity or our obligations to our own delegation. I believe this to be both a very small and a most worthwhile investment for our country.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I just wanted to return to the point that the gentleman from Ohio (Mr. ASHBROOK) raised earlier and to see if the record was not accidentally misinterpreted.

Twenty-five percent is the amount that we pay for regular dues to the U.N.; but in a number of specialized programs we have agreed to figures over and above that, specifically for peacekeeping where it is deemed far more practical for the United States to pay some additional percentage than to have U.S. troops committed.

I think everybody agrees that is a practical development.

One other thing that comes to mind is the U.N. drug enforcement program, which was an initiative from the U.S. delegation some years ago and which by agreement we matched the contributions made by other countries to this program. Here again, I think this was recognized that it was to the interest of the United States to combat drug abuse, so there are a few cases where there is a special formula.

Mr. HAYS of Ohio. Mr. Chairman, I appreciate the gentleman's comments. Usually we are the instigators of this and usually we make a contribution which has no relation to the budget as a whole.

Mr. DERWINSKI. If the gentleman will yield further, it is to our interest in such a situation to make a larger contribution.

Mrs. HECKLER of Massachusetts. Mr. Chairman, nothing could be more shortsighted than the proposal that will be made during this debate to eliminate the already too modest authorization for U.S. participation in International Women's Year.

IWY was so designated by the United Nations, to help bring into sharper focus the status of women around the world. For the first time, there will be a world conference at which delegates will discuss the challenges and opportunities for women in the years ahead. Hopefully the conference will result in an agenda for action to improve the opportunities for women to achieve real equality, after centuries of discrimination.

Our Government has over the past two decades shown its commitment to ending discrimination against groups within our society. We have laws requiring equal job opportunities for women, yet we find that the EEOC, which administers these laws, has a 105,000-case backlog. This should be a clear indication to my colleagues that much more worth has to be done to insure that women have true equality.

International Women's Year will help in that struggle. Our participation in the United Nations conference will help women around the world strive to achieve equality, and I think that the small authorization contained in this bill is the very least we should expend to help reach that goal.

Mr. BINGHAM. Mr. Chairman, I rise in support of H.R. 7500. I am especially interested in the funds provided for refugees from the Soviet Union. I appreciate the continued interest of the chairman of the subcommittee and the chairman of the Committee on International Relations in this program. I regret that it seemed necessary to reduce the amount authorized for this program from $40 million, which was the amount authorized last year and which I requested in my testimony before the subcommittee, to $20 million. However, it is an undeniable fact that the numbers of refugees have substantially dropped since the high point of 1973.

I insert herewith the statement I made before the subcommittee:

STATEMENT BY HON. JONATHAN BINGHAM

Mr. Chairman, I appreciate this opportunity once again to appear before you and members of the Subcommittee on International Operations.

As you will recall, I have testified before this Subcommittee on two previous occasions to urge assistance specifically for the purpose of aiding Israel in resettling and absorbing the thousands of refugees that had begun to reach Israel from the Soviet Union.

Since Fiscal Year 1973, Congress has voted $86.5 million for this program of which $74.5 million was allocated for assistance to Soviet refugees emigrating to Israel. The remaining $12 million went to the Intergovernmental Committee for European Migration (ICEM) for transportation assistance and to voluntary agencies through the U.S. Refugee Program (USRP) for temporary maintenance in Western Europe and resettlement to countries outside Israel.

Since the Six-Day War of 1967, more than 100,000 Jewish emigrants from the Soviet Union have gone to Israel. The tremendous task of receiving and integrating these refugees was made possible by a partnership of Israel, the Jewish communities throughout the Free World and the assistance of the United States Congress. During these same four years, Israel also absorbed about the same number of immigrants from other countries around the world.

Since 1948, despite and throughout five wars, Israel has kept her doors open to more than 1.5 million refugees who found sanctuary in the Jewish state and despite the economic burdens of wartime economies, these immigrants were received and settled. More than 400,000 apartments were constructed; 32 new towns were built; the cultivated area was expanded from 400,000 acres to more than one million acres; the number of hospital beds grew from 4,600 to 27,000; the public educational system with more than 100,000 students was expanded ten-fold; and the two universities with 1,700 students increased to seven institutions with more than 50,000 pupils.

While earlier problems of absorbing mass immigration for Israel were awesome, the changing character of immigration has brought new problems. In the 1950s and 1960s, all skills could be used in Israel's developing economy. The problems of today, however, are the problems of integrating individuals in a much more sophisticated and industrialized society.

The cost of resettling refugees in Israel is so high because unlike most of other refugee programs, Israel provides the full range of services necessary for actually absorbing Soviet Jews into the mainstream of the country: temporary maintenance in an absorption center, language training, providing permanent housing, job placement, job retraining and required medical and social services.

Just under 20 percent of the Israeli labor force consists of workers in the professions. Among the Russian immigrants, the percentage is exactly double. The retraining process in Israel always means financial assistance until the immigrant has been able to adapt his skills and knowledge, and this is a more complicated process for professionals.

The need to learn the language of the country is far more urgent today because a greater portion of Israel's work force is required in the service fields. Language training is provided while the families live in absorption centers.

The Russian immigrant family is relatively small with an average size—excluding singles—of 3.4 persons (single persons constitute 5.5 percent of the immigration). In earlier immigration, especially from the Moslem countries, the families were much larger. Consequently, more apartments are required to house the same number of people.

Moreover, today's immigrants from the Soviet Union are older than earlier immigrants (and also older than the present Israeli population). Thirty-six percent are over middle-age and 6 percent are over 60 years of age. The elderly usually arrive penniless and do not have children who can assist them. Therefore, continual care is necessary.

Another acute problem is culture shock. It takes both professional guidance and re-education to help many Soviet Jews realize that they are now living in a free and open society—that the clerk in the Ministry of Absorption is not part of the police system and that the social worker is not a spy. Living in a free society does not come naturally.

Overcoming these and many other problems is what the absorption process in Israel is designed to accomplish—to give a home and an opportunity to live in freedom to those who came from displaced persons camps, from behind the Iron Curtain and from ghettos in Arab lands. However, unlike other U.S. assisted refugee programs, the aid to Israel goes to helping the individual terminate his refugee status and become a productive member of society. Therefore, the same individual will not require continuing assistance.

The Government of Israel has estimated that in the last four years, the cost of bringing Russian immigrants to Israel and integrating them into the society and economy has totaled more than $1.5 billion, or 20 times the amount of U.S. assistance. For the average family of 3.4 persons these costs amounted to $35,000 in 1970. With soaring inflation, the cost per family has now almost doubled.

This gigantic task is being carried out despite the economic dislocation in Israel set off by the Yom Kippur War and the escalating arms race.

On November 10, 1974, Israel put drastic emergency economic measures into effect including a 42 percent devaluation of the Israeli pound. This action was the third series of tax increases, credit and budget restrictions, and direct economic control measures instituted since the 1973 war.

The elimination of subsidies resulted in a doubling of prices for foodstuffs, an 82 percent petroleum product price increase, a 126 percent water rate increase and electricity by 67 percent and bus fares by 40 percent.

The high cost of defense, spiralling inflation, increased prices of vital imports and low production have combined to increase Israel's balance of payments deficit from $1.1 billion in 1972 to $3.6 billion in 1974. Per capita, the Israelis pay the highest taxes in the world contributing more than 65 percent of the gross national product to government treasuries. If you earn $10,000 a year in Israel—you pay more than $6,000 in taxes.

Despite these sacrifices, Israel's foreign currency debt is steadily rising—from $4.1 billion in 1972 to $6.3 billion at the end of 1974 and is now expected to total $8.4 billion by the end of 1975. Per capita, the Israelis carry the highest foreign currency debt in the world.

Israel's defense is the principle source of its economic difficulties. Ever since the Six-Day War of 1967, Israel's defense expenditures have been of a magnitude characteristic of wartime economies. Today, 30 percent of Israel's GNP goes for defense. By comparison it is less than 6 percent of the U.S.

As a result of Israel's weakening economic situation, it is now estimated that the average period of absorption for Russian refugees will extend for two years compared to a one-year period in the pre-war years.

In view of the magnitude of the need and the extraordinary sacrifices the people of Israel are making to absorb the Soviet refugees during a period of economic crisis, I submit that the authorization level for the United States assistance should continue at $40 million, the same level that we approved by this Subcommittee and by the Congress last year.

Mr. HAYS of Ohio. Mr. Chairman, I have no further requests for time.

Mr. BUCHANAN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "State Department Authorization Act, Fiscal Years 1976 and 1977".

AMENDMENT OFFERED BY MR. HAYS OF OHIO

Mr. HAYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAYS of Ohio: Page 1, line 5, strike out "fiscal years 1976 and 1977" and insert in lieu thereof "fiscal year 1976".

Mr. HAYS of Ohio. Mr. Chairman, I will not take the 5 minutes.

This is the amendment I explained previously. This makes it a single-year authorization. It will have to be backed up by a hearing on the 1976–77 budget next year.

Mr. Chairman, I ask for a favorable vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. HAYS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. (a) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) For the "Administration of Foreign Affairs", $444,204,000.

(2) For "International Organizations and Conferences", $289,918,000.

(3) For "International Commissions", $19,993,000.

(4) For "Educational Exchange", $89,000,000.

(5) For "Migration and Refugee Assistance", $10,100,000.

(6) For increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs, such amounts as may be necessary.

(b) There are authorized to be appropriated for the Department of State for fiscal year 1977 such sums as may be necessary to carry out the authorities, functions, duties, and responsibilities referred to in subsection (a).

(c) Amounts appropriated under this section are authorized to remain available until expended.

Mr. HAYS of Ohio (during the reading). Mr. Chairman, I ask unanimous consent that section 2 may be considered as read, printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AMENDMENT OFFERED BY MR. HAYS OF OHIO

Mr. HAYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAYS of Ohio: Page 2, line 6, strike out "$289,918,000" and insert in lieu thereof "$270,118,000".

Mr. HAYS of Ohio. Mr. Chairman, this is the amendment I spoke of earlier which strikes out the money for the International Control Commission on Vietnam, which was still in existence when we marked up the bill, and as far as we knew, might be in existence or might at least be functioning. There is no reason for it anymore since the conclusion of that episode. This amendment merely strikes out the money.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. HAYS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WOLFF

Mr. WOLFF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLFF: Page 2, line 6, strike "$289,918,000" and insert "$272,139,000" no more than $59,555,000 of which is to be used as the U.S. contribution to the United Nations.

Mr. HAYS of Ohio. Mr. Chairman, I reserve a point of order against the amendment.

Mr. WOLFF. Mr. Chairman, at the present time the budget for the United Nations is $59,555,000. Even though the United Nations budget was originally proposed at $270 million, the General Assembly added $65 million to that budget, and we have therefore been asked for a 30-percent increase in our contribution to the United Nations.

What my amendment proposes to do is cut $17,779,000, which is actually the increase that has been requested by the General Assembly. It seems to me that with the U.S. influence in the United Nations, especially in the General Assembly, continuing to erode, and with economic conditions continuing to confront us as they are, we cannot afford this type of increase at the present time.

I am not asking for us to cut the U.N. budget out, as some others have recommended, but I certainly think that the United States, with one vote in the total General Assembly, should not be asked to make a 30-percent increase at the present time. Up to now the United States has provided over 40 percent of the total funds for the United Nations, some $4.7 billion. The United Nations has spent $11.8 billion. It is the equivalent of a U.S. expenditure of $429,000 a day.

Too, I believe we should send a message to the U.N. General Assembly that we should not have to continue to bear the heavy burden placed upon us if they continue to undermine the U.S. position. I think certainly, if we are considering austerity in this country, we must consider the fact that austerity can begin right now at the United Nations.

If this amendment is ruled out of order now I will reintroduce the amendment to the appropriations bill.

Twenty nations with less than 1 million population have 20 votes in the General Assembly. They are in arrears almost $1 million. The Arab League with all of their countless billions of dollars of oil revenues has an added 20 votes, yet they are in arrears almost $4 million.

Why must the United States with one vote be forced to shoulder such an inordinate amount of the U.N. budget. It is time for the U.N. to get back to the mandate of its founders and truly be a representative body dedicated to equality, freedom, and justice.

POINT OF ORDER

Mr. HAYS of Ohio. Mr. Chairman, I insist on my point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HAYS of Ohio. Mr. Chairman, my point of order simply consists of the fact that this has already been amended, and the amount has been fixed. The gentleman should have offered his amendment as a substitute for the amendment that has just been adopted.

Let me say that this is not a parliamentary device to kill the gentleman's amendment, but I do not think we ought to make a quick judgment on it here. They did vote a budget, and we are meeting our commitment to the budget.

The gentleman might want to consider, when the Appropriations Committee brings in a bill, offering an amendment to cut it down at that point. I have some sympathy with his point of view, but I do insist on my point of order at this point.

The CHAIRMAN. Does the gentleman from New York wish to be heard on the point of order?

Mr. WOLFF. Mr. Chairman, I think the Chairman has made his point, and I have made mine.

The CHAIRMAN. The Chair agrees with the analysis of the gentleman from Ohio. The point of order is sustained.

AMENDMENT OFFERED BY MR. HAYS OF OHIO

Mr. HAYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAYS of Ohio: Page 2, strike out lines 16 through 19, and in line 20 strike out "(c)" and insert in lieu thereof "(b)".

Mr. HAYS of Ohio. Mr. Chairman, this amendment is simply to make the bill conform with the striking out of 1977, so that it is not a multiyear authorization but a single year authorization.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Chairman, I simply want to state my support for the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. HAYS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. Funds authorized to be appropriated for fiscal year 1976 by any paragraph of section 2(a) (other than paragraph (6)) may be appropriated for such fiscal year for a purpose for which appropriations are authorized by any other paragraph of such section (other than paragraph (6)), except that the total amount appropriated for a purpose described in any paragraph of section 2(a) (other than paragraph (6)) may not exceed the amount authorized for such purpose by section 2(a) by more than 10 per centum.

RESIDENCE EXPENSES FOR THE UNITED STATES REPRESENTATIVE TO THE ORGANIZATION OF AMERICAN STATES

SEC. 4. The Act entitled "An Act to provide cetrain basic authority for the Department of State", approved August 1, 1956, is amended by adding at the end thereof the following new section:

"SEC. 17. The Secretary of State is authorized to use appropriated funds to defray unusual expenses incident to the operation and maintenance of the living quarters of the United States Representative to the Organization of American States to the extent that such expenses are similar to the unusual expenses incident to the operation and maintenance of official residences in foreign countries which may be defrayed under section 5913(b) of title 5, United States Code.".

EXCEPTION TO LIMITATION ON PAYMENTS TO THE INTERNATIONAL CIVIL AVIATION ORGANIZATION

SEC. 5. (a) Notwithstanding the proviso in the seventh paragraph of title I of the Act of October 25, 1972 (86 Stat. 1110), there is authorized to be appropriated $366,675 for the contribution of the United States toward the calendar year 1974 budget of the International Civil Aviation Organization.

(b) The proviso in the seventh paragraph of title I of the Act of October 25, 1972 (86 Stat. 1110), the sixth and seventh paragraphs of title I of the Act of July 10, 1952 (66 Stat. 550–551), and section 602 of the Act of October 22, 1951 (65 Stat. 599), shall not apply with respect to contributions and other payments (including commitments and appropriations therefor) for international peacekeeping activities conducted by or under the auspices of the United Nations, any affiliated agency, or any other international organization.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SEC. 6. Section 2 of the Act of June 4, 1936 (49 Stat. 1463), is amended—

(1) by striking out "$3,000,000" and inserting in lieu thereof "$4,500,000"; and

(2) by striking out "$4,000,000", and inserting in lieu thereof "$5,500,000".

INTERPARLIAMENTARY UNION

SEC. 7. The first section of the Act entitled "An Act to authorize participation by the United States in the Interparliamentary Union", approved June 28, 1935 (22 U.S.C. 276), is amended to read as follows: "That there is authorized to be appropriated for fiscal year 1976 and for each subsequent fiscal year—

"(1) for the annual contribution of the United States toward the maintenance of the Bureau of the Interparliamentary Union for the promotion of international arbitration, an amount equal to 13.61 per centum of the budget of the Interparliamentary Union for the year with respect to which such contribution is to be made if the American group of the Interparliamentary Union has approved such budget; and

"(2) to assist in meeting the expenses of the American group for such fiscal year, $45,000, or so much thereof as may be necessary.

Funds made available under paragraph (2) shall be disbursed on vouchers to be approved by the president and the executive secretary of the American group.".

ASSIGNMENT OF FOREIGN SERVICE OFFICERS TO PUBLIC ORGANIZATIONS

SEC. 8. (a) Section 576 of the Foreign Service Act of 1946 (22 U.S.C. 966) is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a) A substantial number of Foreign Service officers shall, before their fifteenth year of service as such officers, be assigned in the United States during each fiscal year for significant duty with the Congress, State or local governments, public schools, community colleges, or other public organizations designated by the Secretary. To the extent practical such assignments shall be for at least twelve consecutive months and may be on a reimbursable basis.".

(2) The second and third sentences of subsection (b) are repealed.

(b) Section 9(b) of the State Department/United States Information Agency Authorization Act, fiscal year 1975 (22 U.S.C. 966 note), is repealed.

DEATH GRATUITIES FOR CONSULAR AGENTS AND UNITED STATES REPRESENTATIVES TO INTERNATIONAL ORGANIZATIONS

SEC. 9. (a) Paragraph (1) of section 14(d) of the Act entitled "An Act to provide certain basic authority for the Department of State," approved August 1, 1956, is amended to read as follows:

"(1) the term 'Foreign Service employee' means any national of the United States who is a chief of mission, a Foreign Service officer, a Foreign Service information officer, a Foreign Service Reserve officer of limited or unlimited tenure, a Foreign Service staff officer or employee, a consular agent, or a United States representative to an international organization or commission;".

(b) The amendment made by subsection (a) shall apply with respect to deaths occurring on or after January 1, 1973.

WITHIN-CLASS SALARY INCREASES OF FOREIGN SERVICE OFFICERS AND RESERVE OFFICERS

SEC. 10. Section 625 of the Foreign Service Act of 1946 (22 U.S.C. 995) is amended to read as follows:

"SEC. 625. (a) Any Foreign Service officer or any Reserve officer, whose services meet the standards required for the efficient conduct of the work of the Service and who shall have been in a given class for a continuous period of nine months or more, shall, on the first day of the first pay period that begins on or after July 1 each year, receive an increase in salary to the next higher rate for the class in which such officer is serving. Credit toward such nine-month period may be granted to an officer in accordance with such regulations as the Secretary may prescribe for any civilian service of such officer with the Government or with the government of the District of Columbia which was performed subsequent to any break in service in excess of three calendar days and subsequent to the officer's last equivalent increase in pay. As used in this subsection, the term 'equivalent increase in pay' means—

"(1) any increase in basic salary resulting from—

"(A) a grade or class promotion,

"(B) a regularly scheduled within-grade or within-class step increase, or

"(C) a salary adjustment or combination of adjustments—

"(i) made since the last equivalent increase in pay,

"(ii) resulting from conversion from one pay system to another, and

"(iii) equal to or greater than the amount of the within-class increase for the class to which the officer was appointed; or

"(2) such other increases in salary as the Secretary may by regulation designate;

but does not include any general increase in salary granted by law or any within-grade or within-class increase in salary awarded for meritorious performance.

"(b) Without regard to any other law, the Secretary is authorized to grant to any Foreign Service officer or any Reserve officer additional increases in salary, within the salary range established for the class in which such officer is serving, based upon especially meritorious service.".

ELIMINATION OF CERTAIN AFFIDAVIT REQUIREMENTS FOR FOREIGN SERVICE OFFICERS WHO ARE PROMOTED

SEC. 11. Section 621 of the Foreign Service Act of 1946 (22 U.S.C. 991) is amended by adding at the end thereof the following new sentence: "The affidavit requirements of sections 3332 and 3333(a) of title 5 of the United States Code shall not apply with respect to a Foreign Service officer who has complied with such requirements and who is subsequently promoted by appointment to a higher class without a break in service.".

PROHIBITION ON USE OF FUNDS FOR A NEW PASSPORT SYSTEM

SEC. 12. No part of any funds authorized to be appropriated by this Act may be used for the development or implementation of the Travel Document and Issuance System which has been proposed by the United States Passport Office (and which involves a restructuring of the passport issuance function and the issuance of machine readable passport books), or of any other new passport system.

INCREASE IN AVAILABILITY OF FUNDS FOR MIGRATION AND REFUGEE NEEDS

SEC. 13. Section 2(c) of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601(c)), is amended by striking out "$10,000,000" and inserting in lieu thereof "$25,000,000".

REFUGEE ASSISTANCE

SEC. 14. In addition to amounts otherwise authorized, there are authorized to be appropriated to the Secretary of State for the fiscal year 1976 not to exceed $20,000,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorization Act of 1972 (relating to Russian refugee assistance) and to furnish similar assistance with respect to refugees from Communist countries in eastern Europe. Not to exceed 20 per centum of the amount appropriated under this section may be used to resettle refugees in any country other than Israel. Appropriations made under this section are authorized to remain available until expended.

UNITED STATES CONTRIBUTION TO THE UNITED NATIONS UNIVERSITY ENDOWMENT FUND

SEC. 15. There is authorized to be appropriated, upon request of the President, to the President for fiscal year 1977, $20,000,000 to be used for a contribution of the United States to the United Nations University Endowment Fund, such contribution to be made on such terms as the President finds will promote the purposes of the University as stated in University Charter approved by the General Assembly of the United Nations in December 1973; except that the contribution of the United States to the United Nations University Endowment Fund may not exceed 25 per centum of the total amount actually contributed to such fund by other members of the United Nations. Amounts appropriated under this section are authorized to remain available until expended.

Mr. HAYS of Ohio [during the reading]. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 4, line 24, insert "(a)" immediately after "Sec. 7.", and on page 5, immediately after line 18, insert the following new subsection:

(b) Such Act is further amended by adding at the end thereof the following new section:

"SEC. 3. After January 1, 1976, there shall be not to exceed nine delegates from the House of Representatives to each Conference of the Interparliamentary Union, such delegates to be appointed by the Speaker of the House of Representatives. Not more than five delegates from the House of Representatives to any such Conference may be of the same political party."

The committee amendment was agreed to.

F. AMENDMENT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SYMMS: Page 2, line 6, after "Conference", strike out "$289,918,000" and insert "$289,468,000".

Mr. HAYS of Ohio. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Ohio reserves a point of order.

The Chair recognizes the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, the amendment is very simple. From the colloquy we had on the general debate on this, it was established that there is actually no need for the authorization of this $450,000 this year. We are talking about authorizing $450,000 for national women's programs, International Women's Year activities, and then expecting the Appropriations Committee to be the people to take the heat.

Mr. Chairman, I think the House of Representatives should go ahead and decide whether we want to spend this money, whether we think it is worthwhile for the middle-class, hard-working American taxpayer to appropriate money or authorize spending and send people to Mexico City or send people all over the world. I think we should cut this $450,000 out.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, I was just going to insist on the point of order when the gentleman is finished.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I will be happy to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank my distinguished colleague for yielding. I do not know whether the point of order perhaps makes this unnecessary, but it seems inconceivable what we are here debating. We have an international conference of women in Mexico. Many States, many nations all over the world are sending delegates. It is absolutely inconceivable that the United States should not join in.

Mr. SYMMS. The United States is there.

Mrs. FENWICK. If the gentleman will yield further, we have to pay for it. We cannot expect the delegates to pay their own way.

Mr. SYMMS. I imagine we paid for it last year.

Mrs. FENWICK. There was not an international convention last year.

Mr. SYMMS. Who is paying for the women down there now?

Mrs. FENWICK. As the chairman said, they probably went on credit. I do not know how they got down there. I am not there.

Mr. SYMMS. The gentlewoman surely knows, so far as I am concerned, if they want to pay their own way I will be happy to consent to that.

Mrs. FENWICK. I would like to say to my distinguished colleague that this is wholly unworthy of debate in this Chamber. We have an international women's meeting.

POINT OF ORDER

Mr. HAYS of Ohio. If the gentlewoman will let me insist on my point of order, I think we can end the debate.

Mr. Chairman, I made the point of order against the amendment because we have already passed section 2, and I had then asked, as the Clerk started to read section 3, that the remainder of the bill be considered as read and open for amendment at any point. So the amendment comes too late.

The CHAIRMAN (Mr. YOUNG of Georgia). The Chair rules that the amendment amends the figure which has already been amended and is not in order at this time. The Chair sustains the point of order.

AMENDMENT OFFERED BY MR. VANIK

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. VANIK:
>
> Page 11, immediately after line 9, add the following new section:
>
> "INTERNATIONAL JOINT COMMISSION
>
> "SEC. 16. After the date of enactment of this section, any commissioner of the International Joint Commission appointed on the part of the United States, pursuant to article VII of the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548; III Redmond 2607), shall be appointed by the President by and with the advice and consent of the Senate."

Mr. VANIK. Mr. Chairman, my amendment is a very simple one and I hope that the House can approve it quickly.

The amendment requires that the three Commissioners to the American Section of the International Joint Commission—IJC—be confirmed by the Senate after their appointment by the President.

Since 1973, I have been particularly concerned over the inability of any Government agency, international or otherwise, to respond to the problems of exceedingly high water levels on the Great Lakes.

The International Joint Commission, as a Canadian-American body designed to cope with problems such as high water levels, has not done enough. Although a comprehensive water levels study was initiated by the Commission in 1964, it was not completed until almost 10 years later. Its several proposed solutions required months of public comment, and the Commission will still not make a decision on which water regulation scheme to use until late this year. Construction to implement these plans will take 2 more years.

Meanwhile, the unprecedented high water levels may now be on the decline; any solution that the Commission proposes will be too late to aid the current high water and shoreline erosion damages situation. Millions of dollars of land and homes and personal property have since washed into the lakes.

Mr. Speaker, part of the lack of response to public concerns by the Commission stems from the fact that few Americans—but probably more Canadians—even know of the Commission's existence. The resulting lack of public expectation makes delays and inaction by the IJC possible.

My amendment is meant to do several basic things, Mr. Speaker:

First. Give the IJC exposure so that Government agencies, the American public, and the Commission itself, are aware of the important role the Commission plays;

Second. To insure that American Section Commissioners are fully qualified and capable in areas that the Commission must consider: health and sanitation, hydrology, engineering, environment, et cetera. Canada has seemed to take the IJC more seriously than the United States and has appointed well qualified Commissioners. The United State cannot afford to allow men or women to be appointed simply because they are members of one political party or another;

Third. Impress on the International Joint Commission the expectation which we have for it. If the Congress and the American public go on expecting nothing from the Commission we will go on receiving nothing;

Fourth. Give the Congress some voice in the ever-increasingly important IJC affairs. We should not allow the Executive to dictate policy in this portion of international affairs.

Mr. Chairman, this is a simple amendment and one which will not require the expenditure of Federal moneys. I hope my colleagues see the need for it and vote for its passage.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I am prepared to accept the gentleman's amendment, speaking for myself individually. I do not know the disposition of the House.

Mr. VANIK. Mr. Chairman, I thank the gentleman.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I certainly would like to commend the gentleman from Ohio (Mr. VANIK) for making a valid point and for offering this amendment. As the gentleman said, the International Joint Commission has not been responsive to the will of Congress or to the people living along the Great Lakes.

High water levels have been a serious problem in these areas, and we must have the full cooperation of the IJC in this area.

Mr. Chairman, I think the gentleman's amendment would help and would contribute toward the solution of these problems.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Chairman, I may wish to speak in opposition to the gentleman's amendment. I believe I am going to be forced to oppose the amendment when my time comes.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, the amendment does not go to the arrogation of the present members of the Commission?

Mr. VANIK. Mr. Chairman, the amendment is offered to give an upgraded status to the membership of the IJC from this time henceforth.

Mr. FINDLEY. Mr. Chairman, the amendment seems to me to be in the public interest, and I support the amendment.

Mr. VANIK. Mr. Chairman, I thank the gentleman for his warm support.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. MINETA. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from California.

Mr. MINETA. Mr. Chairman, section 13 of the State Department Authorization Act would increase from $10 million to $25 million the amount of funds which may be made available from foreign assistance appropriations by Presidential determination for refugee assistance. The committee report on H.R. 7500 indicates that this amendment to the Migration and Refugee Assistance Act of 1962 is needed, and I quote from the report—

> Because of the growing number of worldwide refugee situations, the rising costs of assistance which have eroded the quantity and quality of relief that can be provided within the present $10 million limitation and to provide greater administration flexibility in meeting new, emergency situations.

Mr. Chairman, with regard to this section of H.R. 7500, I would greatly appreciate having the benefit of your knowledge and expertise on these important matters, and clarification of the intent of the committee and the nature of the State Department's intended use of a larger portion of foreign assistance funds for refugee assistance. Specifically, I would like to know whether it is the intent of the committee or of the State Department to use the authority contained in section 13 of the State Department authorization bill for the provision of either continued or increased assistance to the Southeast Asian refugees presently in the United States?

Mr. HAYS of Ohio. I would say to the gentleman that the way the language is stated, and depending upon the appropriation, the State Department is not precluded from using this money for any purpose for which they see fit as long as it is connected with refugees.

We thought, of course, and hoped that the money provided specifically for the refugees from Vietnam would be sufficient; but if it is not, this money authorizes the President—and presumably it will be appropriated—to use some of it as he sees fit. Therefore, it would be entirely up to them to use it as they saw fit. There is no prohibition on the Department.

Mr. MINETA. Mr. Chairman, I thank the gentleman.

Mr. BUCHANAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I really am sympathetic with the desire of the gentleman to upgrade the Commission, and I do not raise any objection to that.

However, we have had no opportunity to obtain the administration's position on this matter. It does appear to change the language of the treaty itself. The treaty itself mentions that the American Commissioner shall be appointed by the President.

There is no mention of requiring the advice and consent of the Senate, and that is mentioned elsewhere in the treaty. It is normal, of course, for the advice and consent of the Senate to be required for diplomatic appointments, but not usually for joint commissions such as this.

Our incumbent American Commissioner and chairman of the Commission, the distinguished gentleman from New York, our former colleague, Mr. Henry Smith, as the sponsor of the amendment has indicated, is an outstanding man. I am quite certain that as long as we have this caliber leadership, there will be no reason to make any apology and we will certainly hold up the American end of this joint commission. I, for one, would be willing to pursue this matter, to hold hearings and to act separately on it, as we well could do, but pending that, I must reluctantly oppose the amendment on grounds that it does appear to change the language of the treaty unilaterally, and on grounds that we do not know the administration position and whether or not there is any administration objection to this change.

Mr. FASCELL. Mr. Chairman, I move to strike the last word.

I do not think I really have strong objection to the members of the Commission being confirmed by the Senate.

The problem is a great deal deeper than that, however; and I think we ought to take a minute to just put it on the record.

There are a great many problems that exist with respect to the borders of Canada and the United States, and high water in the lakes is just one of many. The IJC right now is a recommending body. They cannot enter into an agreement. Let us put it this way: There is a multiplicity of groups that have to do with some part of the problem.

Those of us on the committee who were with the Canadian-American Parliamentary Delegation recently have recognized that we need to improve the status of the Commission, but it is going to really take a change in the treaty.

If we are going to upgrade the authority of the Commission we cannot do it unilaterally. Both countries should place members on the Commission at a high enough level in each Government so that they can really get something done.

While we may go ahead here today with this amendment and ask that our members be confirmed by the Senate, we do not really deal with the basic problem involved in United States and Canadian relations.

The committee is addressing this whole problem, as the gentleman from Alabama has said. We have had extensive hearings on the matter and we shall undoubtedly hold more hearings as soon as the recommendations of the U.S. delegation to the United States-Canadian Parliamentary Conference are published.

We are very much concerned that we try to deal with the solutions of the problems in the best manner possible, and one of the ways to do that is to see that the delegations serving on both sides are of high enough status so that they are not merely recommendatory.

Mr. OBERSTAR Mr. Chairman, if the gentleman will yield, do I understand the gentleman from Florida to say that there will be hearings held on the confirmation of U.S. members of the IJC?

Mr. FASCELL. No; I did not say that. I said that we have been holding hearings on bilateral problems between the United States and Canada, and we will continue to do so. One of the recommendations we have recently made is that we upgrade the status of the members of the Commission on both sides so that we can deal more effectively with these problems.

Mr. OBERSTAR. If the gentleman will continue to yield, I certainly can understand the position of the gentleman from Florida, but I would add that the Commission is an important part of this problem, and I think that my amendment would help to get a better handle on the situation, and would help to make the Commission more responsive to the interests of all concerned.

Mr. FASCELL. They certainly cannot be more responsive, but if the gentleman wishes them to be confirmed by the Senate, then we can do that, but not in this bill. I believe that it should be done separately, in a separate piece of legislation, because we would have to change the nature of the treaty to include both sides, and we should not try to change that treaty in this bill.

Mr. OBERSTAR. Certainly if we could have hearings on the wider aspects of this I would certainly be willing to assist the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. VANIK).

The amendment was rejected.

AMENDMENT OFFERED BY MR. BONKER

Mr. BONKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONKER: Page 9, immediately after line 15, insert the following new section 12, and redesignate the following sections accordingly:

AMBASSADORIAL NOMINEES

SEC. 12. Section 501 of the Foreign Service Act of 1946 is amended by adding at the end thereof the following new subsection:

"(d) (1) It is the sense of the Congress that the position of the United States ambassador to a foreign country should be accorded only to men and women possessing clearly demonstrated competence to perform ambassadorial duties, that such competence should be reflected in actual experience in the field of international affairs or in special qualifications relating to a particular assignment, and that no individual should be accorded the position of United States ambassador to a foreign country primarily because of partisan political activity or financial contributions to political campaigns.

"(2) At any time on or after July 1, 1977, the number of career personnel in the Foreign Service serving as ambassador to a foreign country shall not be less than 80 per centum of the total number of such ambassadors; and there shall be, in assignment of such ambassadors among the regions of the world, a generally balanced distribution of those ambassadors who are not career personnel in the Foreign Service.".

Mr. BONKER. Mr. Chairman, this proposal has been introduced in the other body by the Senator from Rhode Island, Senator PELL, to amend the Foreign Relations Authorization Act of 1976.

The amendment has two provisions relating to the appointment of Ambassadors. The purpose is to place the emphasis on the appointment of career diplomats as opposed to political appointments. It is the intent of this amendment to minimize the political appointments to these important foreign posts.

The first provision is a sense of Congress that the U.S. Ambassadorship to a foreign country be accorded only to men and women possessing clearly demonstrated competence to perform ambassadorial duties. These qualifications are to be reflected in the actual experience of the person in the field of international affairs, or by special qualifications relating to that particular assignment. In any case, the appointment is not to be granted because of partisan political activity or contributions to political campaigns.

Mr. Chairman, for years the appointment of ambassadors has been clouded by questions concerning campaign contributions and political favoritism. Too frequently a large percentage of our important diplomatic posts would be entrusted to persons whose only qualification was a large donation or strong political allegiance to the incumbent president. This is obviously not the ideal way to conduct our foreign affairs.

I realize one cannot legislate the final degree of all qualifications of a potential ambassador whom a president may appoint and, indeed, we do not want to. We do not want to tie a President's hands. We do want to make him pause before nominating a person to this high post.

The second provision of this amendment relates to the percentage and geographic distribution of our Foreign Service officers. Presently there is not a balance in the ratio. We have in Africa, for instance, 82 percent of our ambassadors as career diplomats. On the other hand, in Western Europe, 80 percent of our ambassadors are political appointees. This amendment seeks to equalize the distribution around the world to an 80 percent career and 20 percent political ratio. I might add that our Foreign Service officers, as this body knows, are highly trained professional, skilled diplomats, and that we can help encourage their morale and their career with the U.S. Government by allowing most of these positions, at least 80 percent, to go to those who are professionally trained.

Mr. Chairman, I urge adoption of this amendment.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I reluctantly oppose the gentleman's amendment. But let me say that he has already pointed out that 82 percent of the ambassadors today are from the State Department, and there are a lot of people who think that is many too many. The thing, however, that I object to more than anything else in the gentleman's amendment is that he does this on a geographical basis. I can tell the Members right off that many of the countries in Western Europe would much rather in many cases have someone who is not a member of the career service as ambassadors. They would rather have someone who has had some prominence either in the Congress or in government or in business. I would hope to be precluded in the next administration from being appointed Ambassador to France just because of the numerical limitation. But all joking aside, I think we have cured the main thing that the gentleman objects to, and I agree with him that it is an ill, and that is the so-called buying of ambassadorships, because we put into the legislation some time back, 2 or 3 years ago, the prescription that each person appointed by the President as ambassdor or minister shall at the time of his nomination file with the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives a report of the contributions made by such persons and by members of his immediate family for the past preceding 4 years.

And the term "immediate family" means a person's spouse, child, parent, grandparent, brother, or sister. So we take in a rather broad range of relatives.

Certainly it would become apparent in a divided Government such as we have today, where the Senate is predominantly one party and the President another, that if the President appointed someone who had given, say, a couple hundred thousand dollars—and that would be impossible if the new election law stands, but previously it would have been—it would stick out like a sore thumb that this was some kind of a reward. But, on the other hand, I do not think we ought to so rigidly limit the President's right to select ambassadors.

Just let me say in conclusion, I do not want to belabor this, but I have been chairman of this committee for nearly 20 years, this subcommittee, and when I became the chairman, I had a very strong predilection toward the total appointment of ambassadors from the career service.

I have had a chance to observe the career service and by and large most of those people do a good job. I would say the gerat majority of them do. I just do not think in every instance or even in 80 percent of the instances the President ought to be tied down to picking an ambassador from this rather small, narrow group of people. There may be an occasion, such as the present Ambassador to Great Britain, for example, where the President wants to reach outside the Foreign Service for prestige purposes.

Let me give an example, and it is not my custom to say anything derogatory about deceased persons but I would like to mention the late Charles "Chip" Bohlen. I think he was one of the greatest career ambassadors we ever had and one of the greatest men we ever had in the Foreign Service and yet he was appointed Ambassador to France at a difficult time and because of his career background he was inclined to go along with the organization, so to speak, and he became a sort of satellite, in my opinion, of General de Gaulle. I thought he did a very bad job in that particular assignment. I think he did a spectacular job in some of his previous assignments and he was the greatest expert on the Soviet Union or one of the greatest two or three experts we have ever had on the Soviet Union.

So if we tie the President's hand like this, he might be forced to use someone in this field who did not do the job well.

Whenever Chip Bohlen left, and I happened to like him, and he was succeeded by Sargent Shriver, the whole atmosphere over there changed, because he did not become a hunting partner of General de Gaulle and he did not think the greatest thing in his month was to be invited to go grouse hunting by President de Gaulle. Sargent Shriver presented the American point of view and we began to find a change of attitude on the part of the French.

I would not want to establish this requirement in the law and I hope the amendment will be defeated.

Mr. DERWINSKI. Mr. Chairman, I rise in opposition to the amendment.

The gentleman from Ohio I think summed it up well. There are other examples I would like to give. For example Sargent Shriver, who was just mentioned. His effectiveness was so recognized that he continued on after a change of administration in the United States, and yet under the terms of this amendment he would be a political ambassador since he was not a career officer.

In most of Western Europe there is an expectation the American Ambassador would be a person with political contacts of whatever the administration is and their Ambassadors here generally have that same characteristic.

I ran into one Ambassador in Africa, our Ambassador who was a career Ambassador, who told me his one liability was the fact that he was not known to be a personal crony of the President. That the French always sent as their Ambassador a man who was known to be a crony of the French President, usually a schoolmate of some of the key people in this country. Our Ambassador said: "My job here would be much easier if these people knew I had direct entree to the President of the United States and they know I do not."

I merely point out that any President, regardless of party, and I have served under five, ought to have the flexibility of appointing noncareer Ambassadors. I think "noncareer Ambassador" is a much better term than "political Ambassador" because this term "political Ambassador" seems to indicate it is merely politics that gives the assignment. That is not so at all. In almost every case our noncareer Ambassador is an individual who has achieved prominence and respect in another field, and this gives them an added dimension when they serve our country abroad.

So I think this amendment, as well intended as I think it is, is neither practical nor timely.

Mr. BONKER. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Washington.

Mr. BONKER. The gentleman from Illinois as well as the gentleman from Ohio imply that my amendment would tie the President's hand completely, but it does allow for a 20 percent selection of political appointees.

I might comment in certain areas of the globe 88 percent are career diplomats. My concern is with the career officer who has spent a lifetime of devotion and specialized work in the Foreign Service only to find out he may be precluded from holding a high post because someone has donated a rather large amount of money to the campaign.

Mr. DERWINSKI. Now, that is a red herring. The figures do not show that at all.

The gentleman from Ohio pointed out that 82 percent of the present ambassadors are career ambassadors. There are at least a dozen more countries that will soon enter the family of nations. The opportunities will be there for career diplomats to fill a number of these positions.

The new campaign law under which we are working now specifically prohibits major contributions, so that the whole image of the man purchasing an ambassadorial position has been eradicated.

If we can think of a medium country, not a large country, having an American come to represent his country who has achieved fame and legitimate achievement in another field, this gives our ambassador a definite advantage.

I do not subscribe to the fact that all our ambassadors should be noncareer, whether it is any definite figure of 75 or 80 percent. I just do not think the gentleman's amendment is necessary.

Mr. BUCHANAN. Mr. Chairman, I

move to strike the requisite number of words.

Mr. Chairman, I rise briefly in opposition to the amendment, only to say that I sympathize with the gentleman in the intent of his amendment. There are many fine career officers who would make distinguished ambassadors, such as to France, Great Britain and others; but this amendment takes away from the President the flexibility he needs.

The main problem of career officers has been the financial burden of holding such a post as London or Paris. We ought to provide a way for more opportunity for such career officers, through creating allowances to make it financially possible without private wealth.

Meanwhile, I would point out that many former Members of Congress have served with distinction as noncareer ambassadors, such as the former ranking member of this committee, the Honorable Ross Adair of Indiana. There could not be a person better qualified to serve the post he served, having spent all his time for many years as a Member of Congress, rather than as a Foreign Service officer. A second excellent example is his successor as our ranking minority member, the Honorable William Mailliard of California, who is now serving our country with great distinction as its Ambassador to the OAS, a post for which the expertise he developed in his years here uniquely qualified him.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. BONKER).

The amendment was rejected.

Mr. ASHBROOK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have before us today a bill that needs more examination than it has received in the past. While the bill has not had the phenomenal growth in costs that welfare legislation has, this bill also has had some impressive growth in expenses in the past several years.

The money authorized for the Administration of Foreign Affairs has grown from $282 million requested for fiscal year 1974 to more than $444 million for fiscal year 1976. This is more than a 55 percent increase in 2 years.

The amounts for "international organizations and conferences" have grown by more than 37 percent. The money requested for "international commissions" has expanded by well over 25 percent in the same time span. The funds requested for "educational exchange" have grown by more than 48 percent.

The Department of State and their requests for funds for various programs and organizations must be considered in the same light as any other department. This country has long gone past the point where it can afford any sacred cows in Government departments.

Spending must be brought under control and the Department of State must be under the same constraints as everyone else. At the same time the Department of State must recognize that its policies and execution of those policies in various parts of the world have been less than victories for this country. Southeast Asia is one example of what I am talking about. In Southeast Asia we saw the worthlessness of détente and the worthlessness of certain agreements negotiated by the Secretary of State.

We must judge how effective a job the Department of State is doing. We also must put the same budgetary restraints on this authorization that should be put on other authorizations.

The CHAIRMAN. Are there further amendments? If not, under the rule, the committee rises.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. YOUNG of Georgia, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7500) to authorize appropriations for the Department of State, and for other purposes, pursuant to House Resolution 534, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 336, nays 46, not voting 51, as follows:

[Roll No. 337]

YEAS—336

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
Aspin
AuCoin
Baldus
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Conable
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
de la Garza
Delaney
Dellums
Derrick
Derwinski
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Tenn.
Fountain
Fraser
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Gradison
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hinshaw
Holland
Holtzman
Horton
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kemp
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCollister
McCormack
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Matsunaga
Mazzoli
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stratton
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—46

Archer
Ashbrook
Bafalis
Bauman
Brinkley
Collins, Tex.
Conlan
Crane
Dent
Devine
Dickinson
Duncan, Tenn.
Frenzel
Ginn
Goodling
Grassley
Hammerschmidt
Hansen
Harsha
Holt
Jacobs
Jones, Okla.
Kelly
Ketchum
Kindness
Lott
Lujan
McDonald
Martin
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Pressler
Quillen
Rousselot
Satterfield
Schroeder
Schulze
Shuster
Snyder
Spence
Steiger, Ariz.
Symms
Treen
Young, Alaska

NOT VOTING—51

Abdnor
Anderson, Calif.
Badillo
Collins, Ill.
Conyers
Davis
Diggs
Downing
Erlenborn
Esch
Flynt
Ford, Mich.
Forsythe
Fulton
Hébert
Hillis
Howard
Jarman
Jones, Ala.
Jones, N.C.
Karth
Landrum
McClory
McCloskey
McDade
Mann
Mathis
Meeds
Moakley
Mosher
Murphy, N.Y.
Neal
Nedzi
O'Brien
O'Neill
Passman
Pepper
Rees
Rhodes
Roberts
Roncalio
Schneebeli
Skubitz
Stanton, James V.
Stokes
Stuckey
Thompson
Udall
Ullman
Whitten
Wright

So the bill was passed.

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Hébert.
Mr. Thompson with Mr. Abdnor.
Mr. Howard with Mr. Erlenborn.
Mr. Badillo with Mr. Hillis.
Mr. Ullman with Mr. Jones of Alabama.
Mr. Stokes with Mr. Mathis.
Mr. Diggs with Mr. Downing.
Mr. Davis with Mr. Mosher.
Mr. Mann with Mr. Jarman.
Mr. Conyers with Mr. Meeds.
Mr. Landrum with Mr. McClory.
Mr. Roncolio with Mr. Nedzi.
Mr. Pepper with Mr. O'Brien.
Mr. Karth with Mr. Jones of North Carolina.
Mrs. Collins of Illinois with Mr. Skubitz.
Mr. James V. Stanton with Mr. Esch.
Mr. Anderson of California with Mr. Passman.
Mr. Stuckey with Mr. Wright.
Mr. Udall with Mr. Schneebeli.
Mr. Fulton with Mr. McCloskey.
Mr. Ford of Michigan with Mr. Rees.
Mr. Flynt with Mr. Whitten.
Mr. Moakley with Mr. McDade.
Mr. Murphy of New York with Mr. Roberts.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING ADDITIONAL APPROPRIATIONS TO CARRY OUT THE PEACE CORPS ACT

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6334) to amend further the Peace Corps Act.

The **SPEAKER.** The question is on the motion offered by the gentleman from Pennsylvania (Mr. Morgan).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5334, with Mr. Young of Georgia in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN.** Under the rule, the gentleman from Pennsylvania (Mr. Morgan) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. Whalen) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. Morgan).

Mr. MORGAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before us contains the annual authorization for the Peace Corps.

The Committee on International Relations has reviewed the executive request very carefully.

We received the testimony of action and Peace Corps officials, of Members of the House who formerly served in the Peace Corps, and of other interested persons.

After an open session markup, our committee approved the executive request in full and added two amendments.

The Executive requested $80,826,000 for fiscal year 1976 and $25,729,000 for the transition quarter.

Those amounts—which represented about a $2 million reduction in comparison with last year's authorization—are contained in the bill before us.

This authorization will enable the Peace Corps to train 3,750 volunteers in the coming year, and 1,400 in the transition quarter.

At this level of training, there will be 6,052 volunteers in the field as compared to 6,670 during fiscal year 1975.

The two amendments which the committee adopted, and which are reflected in the bill, deal with readjustment allowance and put a ceiling on any salary raises that may be authorized by law during fiscal year 1976.

I want to say a few words about each of them.

First, we raised the readjustment allowance for returning volunteers from $75 to $125 per month of service and authorized additional funds for this purpose—$7,642,000 for fiscal year 1976 and $2,158,000 for the transition quarter.

Second, we imposed a $1 million ceiling on the request for open-ended authority for Federal pay increases authorized by law between July 1, 1975 and September 30, 1976. This ceiling is identical to that included in the fiscal year 1975 legislation.

Let me take a few moments to explain what the readjustment allowance is and the basis for the committee's action. Under the original Peace Corps Act, each regular volunteer receives a so-called readjustment allowance at the rate of $75 for each month of service. A volunteer "leader" or head of household receives $125. These amounts are deposited in a treasury account each month and are paid to the volunteers when they leave the Peace Corps.

The purpose of this allowance—which is not a living allowance—is to tide the exvolunteer over until he gets a job or returns to school. The rates I have quoted have remained the same since the Peace Corps was established in 1961.

During last year's authorization hearings, the committee addressed this issue. Action officials told us that a study would be done on this subject. If an increase in the allowance were found justified, a proposal to that effect would be included in the fiscal year 1976 request.

A Peace Corps staff study was, in fact, completed during this fiscal year. It recommended that the allowance be raised from $75 to $125 per month for all volunteers. Under this plan, all volunteers would receive equal treatment.

These recommendations, however, were never released and were not included in the fiscal year 1976 request. This was a budgetary decision imposed on the ACTION Agency by the Office of Management and Budget (OMB).

A majority of our committee did not agree. It was noted, for instance, that the Consumer Price Index of January 1975 was 74.8 percent over that of March 1961. At current inflation rates—11 percent—the first volunteers to serve at the $125 rate would find their allowance, in the words of the study, "sufficient to provide support only at the poverty level." Since all other program costs have been adjusted to reflect the effects of inflation since 1961, we concluded that a modest increase in the rate was overdue.

Mr. Chairman, the Peace Corps has lost some of its early glamour and receives less publicity than it did a decade ago. But it still provides much-needed assistance to developing countries at minimal cost to the U.S. taxpayer. Host countries, in turn, are increasing their own contributions to the program. Last year, for instance, host country contributions increased about 10 percent from $3.9 million to $4.3 million. They are expected to reach $6 million in fiscal year 1976.

Volunteer applications will be approximately 32,000 in 1975. This is about halfway between the low year of 1970—with 19,022 applications—and the all-time high year of 1964—with 45,653.

The average volunteer of today is slightly older, more experienced and more professionally skilled than in the past. This trend is in accord with the committee's recommendations and host government requirements.

It is not, however, a one-way street: Over 62,000 men and women have served in the Peace Corps in more than 80 countries. This includes two freshmen Members of Congress—Congressman Dodd of Connecticut and Tsongas of Massachusetts—who gave testimony before our committee. These exvolunteers have brought back to their own communities across the Nation the benefits of their Peace Corps experience. They have also enlarged their knowledge of the world in which we live.

I believe this bill provides a reasonable level of support to a program which—although modest in scope—serves to promote the U.S. interest abroad during a critical period in our history.

Mr. Chairman, before finishing my statement, I want to mention one subject which was of great concern to our committee.

Our committee believes that the Peace Corps should provide assistance to those countries which are most in need. At present, however, there are still some Peace Corps programs in countries which should be able to pay for their own development programs.

We have urged the Peace Corps to review those cases and to phase out those programs.

We received assurance that this will be done.

The committee's report deals with this issue in more detail. While we do not want to point the finger at programs in particular countries, the Peace Corps and we know whom we are talking about. And, as I said, our former colleague, John Dellenback, the new Peace Corps Director, gave us his personal assurance that those programs will be phased out.

Mr. Chairman, I urge the passage of the bill.

Mr. BROOMFIELD. Mr. Chairman, I would also like to congratulate the chairman of our committee for his explanation of this bill. The committee has gone over it very, very carefully, and I might point out that there was only one dissenting vote on our entire committee.

Mr. Chairman, I rise in support of H.R. 6334, the Peace Corps Authorization Act for fiscal year 1976.

Peace, Mr. Chairman, is one of our highest priorities, and it is as its name implies, one of the missions of the Peace Corps. Peace is promoted through better understanding among the peoples of the world. Peace is promoted when we effectively work to solve the problems of hunger and poverty that, left to fester and grow, can lead the dispossessed of the world to resort to violence in civil war or international conflict. Peace is promoted when desperate people learn that there is a way out of their misery, when they find there is hope for improving their lot, when they learn that somebody cares enough about them to help.

Because it is doing all these things in 68 countries of the world, the Peace Corps deserves the name it bears. It is making a substantial contribution toward strengthening peace in those areas in which it works. It has done this for the past 14 years. It is doing this today.

Some may ask, what does the United States get out of the Peace Corps? Some may view this program as a "give away" from which we derive no benefit. No one should regard the promotion of peace in Latin America, Asia, or Africa as a benefit only for the inhabitants of those continents. To hold that the United States is not also a beneficiary when peace is made more firm anywhere in the world is to take a narrow and myopic view of our national interest.

Further, Peace Corps volunteers create friends for the United States all over the world, by presenting to many people of Latin America, Asia, and Africa a view of America they would otherwise not be aware of. A view of America helping those less fortunate, a view of America as a magnanimous land, a view of Americans sacrificing comfort and material reward in order to serve others.

It has been said that one of the goals of Peace Corps is to eventually work themselves out of a job, and I hope one day there will be no need to enact a Peace Corps authorization bill, because that will mean that the developing nations have achieved a reasonable degree of self-sufficiency in these skills now being provided by Peace Corps volunteers. But until that day, Mr. Chairman, this program deserves our strong support. It is not within our ability to cure all the evils of the world. We can, however—and we should—try to lessen them.

Mr. Chairman, one compelling proof of the goodwill that Peace Corps is generating in the countries it serves is found in a recent poll taken by the Liberian Government radio and television stations. In this countrywide poll, Liberians were asked to name the foreign assistance agency or program that was having the most impact in that country. Over 95 percent responded—"Peace Corps."

Mr. Chairman, this bill would authorize $88 million to carry out the Peace Corps Act for fiscal year 1976. This is a small price to pay for the great service the Peace Corps is rendering overseas and for the amount of goodwill it is generating towards the United States. I urge my colleagues to support this legislation.

Mr. MORGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. Dodd) who is a former member of the Peace Corps.

Mr. DODD. Mr. Chairman, I rise in support of the Peace Corps authorization measure before us today, H.R. 6334, because I know personally of the great value this program has to this country and to many of our friends in other nations.

As a former Peace Corps member, I have learned firsthand what this humanitarian assistance program means—not only to the individual volunteers but to those they serve overseas.

There is no program that compares to the services of the Peace Corps, Mr. Chairman, and the $116.4 million authorization for the next 15 months is a relatively small price to pay for the benefits of this worldwide effort.

These funds provide for the training, assignment, and overseas support of more than 5,000 volunteers, and the need for these people and the work they accomplish is greater now than ever before.

We are only too aware in this rich country of ours how the ravages of economic instability are taking their toll. We can only imagine how much worse off are those people in even poor, less fortunate nations.

Mr. Chairman, when President Kennedy initiated the Peace Corps, its basic purpose was to promote world peace and a better understanding of the American people by sending young Americans overseas to disadvantaged nations to teach the peoples of these countries the skills they needed to help themselves.

That basic purpose remains unchanged, and the Peace Corps has made great contributions to many countries by filling their needs for trained manpower and by providing essential humanitarian services.

The Peace Corps is not meant to be a massive U.S. aid effort, but it expresses the personal commitment of this Nation and its citizens to helping other countries.

It is through this personal communication that foreign nations see that this country cares and is willing to expend time and energy to assist them.

Mr. Chairman, the money requested in this legislation will pay for intensive screening and training of volunteers so as to provide host countries with people with specific skills they say they need.

It allows the volunteers to develop language abilities and gives them knowledge of the countries they will serve.

Under the new directions policy of the Peace Corps, more volunteers skilled in specific areas are being recruited—experts in agriculture, health and nutrition, and conservation.

Supported by the funds in this bill, these experts will be sent to more than 80 nations where they will be relied on to use American technology to help those nations improve the quality of life at local levels.

I know that in the past, the Peace Corps has had a number of difficulties, Mr. Chairman, and that it has made some mistakes which its critics in the Congress were correct to quickly point out.

However, the agency has an on-going evaluation to make improvements, and I am hopeful that even the severest of my colleagues will soon be satisfied with the progress of the Peace Corps.

Mr. Chairman, in this troubled period when many of our allies fear that we might not come to their aid in times of future need, continuation of a strong Peace Corps program will serve to reinforce and demonstrate American resolve to help underdeveloped nations.

Mr. MORGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts (Mr. Tsongas) who also served in the Peace Corps and who also appeared as a witness on behalf of this program.

Mr. TSONGAS. Mr. Chairman, I like to associate my remarks with those of the gentleman from Connecticut (Mr. Dodd) and extend my strong support for the Peace Corps for this year.

Mr. WHALEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the Peace Corps authorization bill, H.R. 6334.

The record of the Peace Corps demonstrates clearly that it is one of the most effective foreign assistance programs sponsored by the United States. An investigation of Peace Corps accomplishments last year revealed that 25,902 volunteers engaged in ongoing projects had served approximately 3,204,115 people directly and over 4,800,000 as additional beneficiaries. Since September 1961, more than 62,000 American men and women have volunteered to work in developing countries in the fields of agriculture and rural development, business and public management, education, health, and urban development and public works. Through their dedication and personal sacrifices, the three major goals of the Peace Corps Act have been implemented:

First. Helping developing countries to meet their need for trained manpower;

Second. Helping to promote a better understanding of the Americans on the part of the people served; and

Third. Helping to promote a better understanding of other peoples on the part of the American citizens.

Support for the work of the Peace Corps has continued to grow, both at home and abroad.

In the United States, applications to serve in the Peace Corps have increased from a low in 1970 of 19,022 to a high of over 30,000 in fiscal year 1974. Further, a 1973 survey of U.S. citizens conducted by the Overseas Development Council indicated that 88 percent of those polled considered the Peace Corps effective, outranking all other foreign assistance organizations covered by the survey.

Overseas, the demand for volunteers is high. Host country requests for Peace Corps workers exceed 6,500 for fiscal year 1976. It should also be noted that volunteers now operate in 68 developing countries, many of which receive no other bilateral assistance.

The importance of the Peace Corps to these countries is reflected in their financial support of the volunteers. Host country contributions have increased 11 percent, from $3 million in fiscal year 1973 to $4.3 million in fiscal year 1975. In fiscal year 1976, they are expected to reach $6 million. Moreover, when compared on a proportionate per capita income basis, host country contributions are more than the U.S. contribution to Peace Corps activities.

Certainly, the record of accomplishments of the Peace Corps is statistically impressive. Nevertheless, I would like to personalize the human impact of the work of this organization by sharing with my colleagues my observations of Peace Corps activities in three countries I visited.

During my trip this January to Cameroon I met with volunteers involved in an inland fisheries program located in Ngaoundete, a provincial town located in the north-central part of the country. The fisheries program, which is under the supervision of the Cameroon Ministry of Agriculture, has as its goal the training of host country counterparts in the field of freshwater fish culture. Cameroonian extension agents work alongside Peace Corps fisheries volunteers learning how to construct ponds, raise fingerlings, disect parasites, spawn carp, keep records, and harvest and market the fish crop. Twenty-one Peace Corps volunteers have served in this project since 1969. In that time, 1,000 fish farmers have been educated, 1,500 fish ponds have been renovated, and 3,000 new fish ponds constructed. Two government fish stations have been built and two more are under construction. Fish production in the northwest province has increased 500 percent in the past 5 years, which coincides with the tenure of Peace Corps' presence. Aware of the success of this program, other sub-Sahara nations have asked that Peace Corps volunteers be assigned to their respective countries to undertake similar efforts.

When I visited Nicaragua in April 1974, I found Peace Corps volunteers challenged by the effects of the worst drought in 40 years and the aftermath of the devastating earthquake in Managua in December 1972. I saw volunteers working with the Ministry of Agriculture and Livestock to increase the production of vitally needed foodstuffs. Also, volunteers working in health were assigned to rural health centers or hospitals to organize community members to receive instruction in nutrition, sanitation, home gardens, and related subjects. In the field of urban development and public works, Peace Corps members were preparing to participate in the reconstruction of Managua. Architects, civil engineers, economists, and urban planners were being trained for this task.

When I was in Ecuador in April 1973, I had the occasion to visit a local livestock improvement program being conducted by Peace Corps workers. Their job is to help develop the cattle industry in the country by improving cattle health and breeding and pasture management methods.

The project, locally called "Rancho Ronald" after Ronald Dudley, the first Peace Corps volunteer to work the farm, has turned out to be one of the most successful Peace Corps agricultural projects in the world. Here, a livestock and dairy breeding program and a crop and grass experimentation project are run by nine volunteers. Among these, in 1973, was the remarkable Gardner Locke family. Gardner, his wife, and two youngest children arrived in Ecuador in 1972. The previous year, their son Martin was the first member of the family to join the Peace Corps as a cattle program manager in Colombia. Later, their middle son Steven visited them at Rancho Ronald and stayed on as a volunteer in the Peace Corps program.

Local farmers and other interested persons are brought in periodically to Rancho Ronald to observe new agricultural methods and better farm management practices. In addition, the ranch has an extension program and the Ministry of Agriculture conducts supervised classes for small farmers. Farmers who were in the extension program have seen a vast improvement in their herds. Some have gone on to become prominent cattle businessmen. Plans are underway for purchasing additional land so the herd can be enlarged and the program expanded to cover farmers from other areas of Ecuador.

Mr. Chairman, these are just three examples of the practical, solid accomplishments of the Peace Corps. The benefits from such projects, in terms of development, goodwill, and international understanding, are truly incalculable.

I have seen the Peace Corps at work and am convinced that it is a good investment. This successful program deserves our continued support. I strongly urge my colleagues to vote for H.R. 6334.

Mr. BUCHANAN. Will the gentleman yield?

Mr. WHALEN. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Chairman, I commend the gentleman on his statement and I join him in strong support for this authorization.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WHALEN. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in support of H.R. 6334, the Peace Corps authorization for fiscal 1976 and the transition period. The total authorization for these two periods is $117.4 million—$88.7 million in fiscal 1976, and $27.9 million for the succeeding 3-month transition period under the new Budget Act.

The fiscal 1976 authorization represents a $6.4 million increase over the fiscal 1975 appropriation and about $7 million in excess of the administration request. The main reason for the increase is the provision in this authorization for raising the readjustment allowance—that is, the amount which is set aside for volunteers which is paid in a lump sum upon their return—from $75 a month to $125 a month. I strongly support this increase in the readjustment allowance.

The $75 a month readjustment allowance has remained constant since the inception of the Peace Corps back in 1961, despite the fact that the Consumer Price Index has risen 74.8 percent over that period. The old readjustment allowance just is not realistic or adequate in terms of today's prices in assisting a returned volunteer during the difficult transition period.

Mr. Chairman, one often hears people ask today, "What ever happened to the Peace Corps? Is it still around?" It is true that the Peace Corps does not receive the same attention in the media today as it did during the heydays of the New Frontier when it was an exciting new concept. But the fact remains that it is still very much alive and well and I think even stronger in many respects than before. It is true that the number of volunteers and the amount of the authorization is down from the peak years of the mid-1960's when the authorization level reached $115 million and supported over 10,000 volunteers in some 60 countries.

Today there are about 6,500 volunteers serving in 68 countries, and this authorization is based on an expected volunteer force of 6,000 in the next fiscal year. I think with the reduction in quantity over the last few years, there has been an increase in quality, mostly in response to the more sophisticated demands and needs of the host countries. The new directions of the Peace Corps have been shaped to these changing development needs by placing greater emphasis on more skilled and experienced volunteers who are better equipped to teach host country nationals various technical skills. I think this is an encouraging trend, and while the Peace Corps may not be as visible as it once was in terms of media attention, this is perhaps just as well.

From what I have read the Peace Corps at one time got too caught up in playing the bureaucratic numbers game that it became too visible in many countries. I was pleased to read on page 7 of the committee report that—

> No significant expansion of the program is contemplated over the next five years.

I think we can have more of an impact on the development process with this smaller and more experienced Corps of highly trained volunteers, teaching others how to help themselves. That was the original intent of the Peace Corps and

I am glad it is returning to those founding principles.

Mr. Chairman, this leads me to a final word on the present size of the Peace Corps. Attempts will be made during the amendment process both to substantially increase and decrease this authorization. I think both should be rejected. Someone is proposing a substantial increase in order to absorb the many job-hungry Americans interested in contributing to world peace and development. I intend to oppose this amendment because I do not think the Peace Corps should be turned into another public service employment program—a dumping ground for the unemployed. If we take this route we will only be repeating the mistakes of the past by attempting to flood these developing countries with unskilled young volunteers they really do not want or can not effectively use. The primary purpose of the Peace Corps, in my opinion, should be to serve as an agent of change in the development process of third world countries.

There will also be an attempt made to reduce this authorization by one-third. I will vigorously oppose this dangerous amendment, for it will have the effect of pulling the rug out from under developing countries to whom we have made commitments. According to figures I have requested from the Peace Corps, such a one-third reduction in the authorization would require that Peace Corps pullout entirely from the larger African countries or reduce programs by 50 percent overall in Africa; all programs in South America would have to be terminated; the programs in the largest countries of East Asia would have to be shut down; and programs in some Near East countries would also be ended.

In short, the effects of such a one-third reduction would be not only disastrous for the Peace Corps but would further undermine the credibility of our foreign policy commitments. The volunteer force would have to be reduced by 46 percent overall, from 6,000 volunteers to 3,258, and there would be a 22-percent reduction in the number of countries served, from 68 to 53.

In conclusion, Mr. Chairman, I urge the passage of this authorization as reported from the International Relations Committee and the rejection of any amendments which would either weaken the Peace Corps or balloon it out of proportion to realistic policy goals.

Mrs. SCHROEDER. Mr. Chairman, I will be voting in favor of H.R. 6334, the Peace Corps authorization bill, but not without some second thoughts. Accordingly, I would like to direct some comments at our former colleague, John Dellenback, who is now Peace Corps Director.

I share some of the thoughts in the minority report on the bill. I have some difficulty understanding what we are doing with Peace Corps volunteers in countries like Iran and Venezuela. Iran in particular could just as easily be sending volunteers here. Or better yet, oil.

Part of the Peace Corps quandary is that it still does not know what it is: A low level technical assistance program? A people-to-people activity? A teacher training program? A Fulbright scholarship without books? A holding tank for jobless college graduates? Or a benign form of cultural imperialism?

In any event, in spite of 15 years of rhetoric and platitudes, studies and reports, and successes, failures, and lots of ties, the Peace Corps still remains, above everything else, a unilateral U.S. program. And its successes are more a tribute to individual volunteers than to the program itself.

The Peace Corps has made great strides in involving host country nationals in training volunteers and administering volunteer activities. For this it is to be congratulated.

Where the Peace Corps has failed, and failed miserably, is in making progress toward generating an international volunteer movement. To date the Peace Corps has entertained only a hobby interest in anything but its own large, unilateral, we-call-the-shots, volunteer program. The Peace Corps current contribution to international, United Nations sponsored volunteer activities is about 30 volunteers, a figure that has remained stable over the past several years.

I, for one, hope that Director Dellenback will not spend his tenure at Peace Corps simply shepherding the flock of American volunteers around the world. He ought, instead, to make a determined effort at generating true international volunteerism, and move us toward the day when "peace" will not be thought of as a U.S. Government program.

Mr. DERWINSKI. Mr. Chairman, I rise in support of H.R. 6334, the Peace Corps Authorization Act for fiscal year 1976. As many of my colleagues, I support Peace Corps for the outstanding job the volunteers are performing overseas in helping people help themselves and in exposing these people to a side of America they have never seen before.

Mr. Chairman, the Peace Corps is not only a technical assistance program, it also develops goodwill and understanding among the peoples they serve.

But if I am impressed by the fruits and accomplishments of the work performed by the volunteers, I am also impressed by the management of the Peace Corps. Mr. Chairman, to my recollection the Peace Corps and ACTION, its parent agency, is the only Government agency which in this time of inflation has maintained the same level of program effort without substantially increasing its costs. This is admirable. For example, in 1970 the Peace Corps spent an average $5,123 for training a volunteer; in fiscal year 1976, the average will be $2,762, a reduction of $1,361. In the last 2 years while average Government-wide employees' salaries have increased 10½ percent in the Peace Corps, through better manpower utilization, the average salary has increased by only 2 percent. The Agency has consolidated space at a savings of $200,000 per year. In 1971, the cost of fielding a volunteer was $10,766; in fiscal year 1976, it was $10,180. I might add that Peace Corps programs have not suffered in quality or substance in spite of this.

Mr. Chairman, I think the Peace Corps should be commended for these efforts.

Mr. CONTE. Mr. Chairman, I rise in strong support of this bill to authorize additional appropriations for the Peace Corps.

As one of the original sponsors of the legislation which created the Peace Corps in 1961, I have followed its progress with pride as it has helped developing countries to meet their needs for trained manpower while promoting international understanding and goodwill.

Since the Peace Corps began, more than 62,000 American men and women have served in the Peace Corps, either as volunteers or as staff. More than 53,000 former volunteers have completed their service and returned to the United States to lives of enhanced involvement of one kind of another. For example, some Peace Corps volunteers return to the United States and continue their volunteer roles as Vista volunteers.

Mr. Chairman, I think that it is difficult for us to realize the tremendous job which these Peace Corps volunteers do in their assigned posts. As we debate on Capitol Hill, it is hard to picture volunteers living and working in African villages or Latin American Indian communities high in the Andes.

I have had the opportunity to visit some of these Peace Corps outposts in Africa, and I was tremendously impressed both with the work that was being done and with the attitudes toward the United States which had been developed by our Peace Corps presence in these communities.

Mr. Chairman, even in those countries where there were currently disputes or ill feelings between that country and the United States, the people who had been in contact with our Peace Corps program were still friendly and hospitable to the United States and its citizens.

One thing that sometimes gets overlooked in foreign policy is that governments are not necessarily reflective of the people they represent. The fact that governments cannot always agree with each other does not mean that citizens of those countries cannot be friends.

The Peace Corps is our primary instrument of people-to-people diplomacy. Through the Peace Corps, people in other countries are able to see that the United States does have a humanitarian interest in the rest of the world. They are able to see that we do care about the people of other countries, and not just the governments.

Over the years many changes and improvements have been made in the Peace Corps and its operations. During the last year, the applicant processing time has been reduced, and recruiting costs have been lowered by nearly $2.5 million. The dropout rate has been steadily decreasing, because of improved training and preparation of volunteers.

The Peace Corps has been in the forefront of United States good works and relief efforts. For example, the Peace Corps' record in the Sahel region goes back into the early 1960's. The Peace Corps was one of the first groups to recognize early-on the aspects of the severe drought which has so devastated that region during the past several years. The Peace Corps' record of irrigation and agricultural projects goes back to before the drought, and we can only realize that had the Peace Corps not been there the devastation and famine would have been much worse.

Mr. Chairman, the Peace Corps has had an excellent history of conscientious service to our foreign policy interests through direct involvement at the personal level. I strongly urge my colleagues to adopt this bill.

Mr. WHALEN. Mr. Chairman, I reserve the balance of my time.

Mr. MORGAN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of section 3(b) of the Peace Corps Act (22 U.S.C. 2502(b)) as precedes the first proviso thereof is amended to read as follows: "There are authorized to be appropriated for fiscal year 1976 not to exceed $88,468,000, and for the period July 1, 1976, through September 30, 1976, not to exceed $27,887,800, to carry out the purposes of this Act:"

SEC. 2. Section 3(c) of the Peace Corps Act (22 U.S.C. 2502(c)) is amended to read as follows: "In addition to the amounts authorized for fiscal year 1976 and for the period July 1, 1976, through September 30, 1976, there are authorized to be appropriated for the Peace Corps for such year not in excess of $1,000,000 for increases in salary, pay, retirement, or other employee benefits authorized by law.".

SEC. 3. Section 3(d) of the Peace Corps Act (22 U.S.C. 2502 (d)) is amended to read as follows: "The Director of ACTION shall transfer to the readjustment allowance, ACTION, account at the Treasury Department, no later than December 31, 1975, not to exceed $315,000 from any sums available to carry out the purposes of this Act in fiscal year 1976 to rectify the imbalance in the Peace Corps readjustment allowance account for the period March 1, 1961, to February 28, 1973.".

SEC. 4. Section 5(a) of the Peace Corps Act, as amended, which relates to conditions of enrollment for volunteer service is amended by adding ", sex" after the word "race" in the last sentence thereof.

SEC. 5. Section 5(c) of the Peace Corps Act (22 U.S.C. 2504(c)) is amended by striking out "$75" and inserting in lieu thereof "$125".

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, in line 4, strike out "provision" and insert in lieu thereof "proviso".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, in line 6, strike out "$80,826,000" and insert in lieu thereof "$88,468,000" and in line 8, strike out "$25,729,000" and insert in lieu thereof "$27,887,800".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, beginning in line 4, strike out "such sums as may be necessary" and insert in lieu thereof "not in excess of $1,000,000".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the final committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, immediately after line 19, add the following new section:

SEC. 5. Section 5(c) of the Peace Corps Act (22 U.S.C. 2504(c)) is amended by striking out "$75" and inserting in lieu thereof "$125".

The committee amendment was agreed to.

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. YOUNG of Georgia, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6334) to amend further the Peace Corps Act, pursuant to House Resolution 550, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 303, nays 70, not voting 60, as follows:

[Roll No. 338]

YEAS—303

Abzug
Adams
Addabbo
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Aspin
AuCoin
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Biaggi
Biester
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Butler
Carney
Carr
Cederberg
Chisholm
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
de la Garza
Delaney
Dellums
Derrick
Derwinski
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Eshleman
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Tenn.
Fountain
Fraser
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hightower
Hinshaw
Holland
Holtzman
Horton
Howe
Hubbard
Hughes
Hungate
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Okla.
Jordan
Kasten
Kastenmeier
Kazen
Kemp
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McCormack
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Martin
Mathis
Matsunaga
Mazzoli
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moffett
Mollohan
Moore
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Myers, Pa.
Natcher
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quillen
Railsback
Randall
Rangel
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stratton
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thone
Thornton
Traxler
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—70

Archer
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bevill
Brinkley
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Byron
Carter
Casey
Chappell
Clancy
Clawson, Del
Conlan
Crane
Daniel, Dan
Daniel, R. W.
Dent
Devine
Dickinson
Duncan, Tenn.
Gaydos
Ginn
Haley
Hammerschmidt
Hansen
Harsha
Hefner
Holt
Hutchinson
Hyde
Ichord
Jones, N.C.
Jones, Tenn.
Kelly
Ketchum
Kindness
Lloyd, Tenn.
Lott
Lujan
McCollister
McDonald
Milford
Montgomery
Moorhead, Calif.
Murtha
Myers, Ind.
Nichols
Poage

Robinson
Rose
Rousselot
Runnels
Satterfield
Shuster
Smith, Nebr.
Snyder
Spence
Steiger, Ariz.
Symms
Taylor, Mo.
Teague
Treen
Waggonner
Wiggins
Young, Alaska
Young, Fla.

NOT VOTING—60

Abdnor
Alexander
Anderson, Calif.
Ashley
Badillo
Bingham
Collins, Ill.
Conable
Conyers
Davis
Diggs
Downing
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Flynt
Ford, Mich.
Forsythe
Fulton
Hébert
Hillis
Howard
Jarman
Johnson, Pa.
Jones, Ala.
Karth
Landrum
McClory
McCloskey
McDade
Mann
Meeds
Moakley
Mosher
Murphy, N.Y.
Neal
Nedzi
O'Brien
O'Neill
Passman
Patman, Tex.
Pepper
Quie
Rees
Rhodes
Roberts
Roncalio
Schneebeli
Sikes
Skubitz
Stanton, James V.
Stokes
Stuckey
Thompson
Udall
Ullman
Whitten
Wilson, Bob
Wright

So the bill was passed.

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Hébert.
Mr. Thompson with Mr. Rhodes.
Mr. Howard with Mr. Erlenborn.
Mr. Sikes with Mr. Hillis.
Mr. Ullman with Mr. Jones of Alabama.
Mr. Stokes with Mr. Conable.
Mr. Diggs with Mr. Downing of Virginia.
Mr. Davis with Mr. Mosher.
Mr. Mann with Mr. Jarman.
Mr. Conyers with Mr. Meeds.
Mr. Landrum with Mr. McClory.
Mr. Roncalio with Mr. Nedzi.
Mr. Pepper with Mr. O'Brien.
Mr. Karth with Mr. Evins of Tennessee.
Mrs. Collins of Illinois with Mr. Skubitz.
Mr. James V. Stanton with Mr. Esch.
Mr. Anderson of California with Mr. Wright.
Mr. Stuckey with Mr. Schneebeli.
Mr. Udall with Mr. McCloskey.
Mr. Fulton with Mr. Rees.
Mr. Ford of Michigan with Mr. Whitten.
Mr. Murphy of New York with Mr. McDade.
Mr. Badillo with Mr. Flynt.
Mr. Alexander with Mr. Forsythe.
Mr. Bingham with Mr. Roberts.
Mr. Ashley with Mr. Johnson of Pennsylvania.
Mr. Evans of Colorado with Mr. Moakley.
Mr. Neal with Mr. Passman.
Mr. Patman with Mr. Quie.
Mr. Abdnor with Mr. Bob Wilson.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **MORGAN**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 7500, the State Department Authorization Act, and H.R. 6334, the Peace Corps Authorization Act, the 2 bills just passed.

The **SPEAKER** pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PROVIDING FOR APPOINTMENT OF A JOINT COMMITTEE ON ARRANGEMENTS FOR COMMEMORATION OF THE BICENTENNIAL

Mr. **LONG** of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 555 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 555

Resolved, That upon the adoption of this resolution it shall be in order to consider the concurrent resolution (H. Con. Res. 292) to provide for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America in the House. After the adoption of H. Con. Res. 292, the Committee on Rules shall be discharged from the further consideration of the Senate concurrent resolution, S. Con. Res. 44, and it shall then be in order to consider said Senate concurrent resolution in the House.

The **SPEAKER** pro tempore. The gentleman from Louisiana is recognized for 1 hour.

Mr. **LONG** of Louisiana. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from Tennessee (Mr. QUILLEN), and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 555 provides for the consideration of House Concurrent Resolution 292, a concurrent resolution providing for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America.

Mr. Speaker, House Concurrent Resolution 292 provides for the establishment of a joint committee to be composed of 12 members. The joint committee will serve as the vehicle to coordinate the planning and implementation of Bicentennial activities and events of the Congress with the activities and events of other governmental and nongovernmental groups and develop and implement programs to inform the Nation of the role of the Congress.

Mr. Speaker, I urge the adoption of House Resolution 555 in order that we may discuss, debate, and pass House Concurrent Resolution 292.

Mr. **QUILLEN**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as previously explained, this rule provides for the consideration of House Concurrent Resolution 292, providing for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America, in the House. This means that there will be 1 hour of debate on the concurrent resolution and that it will not be open to amendment unless the gentleman from Louisiana yields for that purpose. In addition, Mr. Speaker, in order to facilitate going to conference on this legislation, the rule makes it in order to use the Senate number, Senate Concurrent Resolution 44.

Mr. Speaker, I strongly support this rule and the concurrent resolution it makes in order.

Mr. **LONG** of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. **LONG** of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Concurrent Resolution 292 and ask that it be considered in the House.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 292

Whereas the Congress has represented the people of the United States since the First Continental Congress met in Carpenter's Hall in Philadelphia from September 5 to October 26, 1774; and

Whereas the actions of the First Continental Congress united the thirteen Colonies in seeking redress of the grievances against the Parliament and the King of England which led to the Declaration of Independence and guided the new nation through the American War for Independence; and

Whereas the Congress has continually since the First Continental Congress represented the sovereign rights of the people in exercising their responsibility of self-government; and

Whereas the proper and appropriate commemoration of the Nation's Bicentennial should include recognition of the historic role of the Congress and its participation in the commemoration: Now, therefore, be it

Resolved by the House of Representatives (*the Senate concurring*) That the Congress should play a significant and substantive role in honoring the Nation's two hundredth anniversary and in assisting the American Revolution Bicentennial Administration.

SEC. 2. (a) There is hereby established a joint congressional committee to be known as the Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America (herein referred to as the "joint committee").

(b) The joint committee shall be composed of twelve members as follows:

(i) the majority and minority leaders of the House of Representatives and of the Senate;

(ii) the Members of Congress who are members of the American Revolution Bicentennial Board;

(iii) two Members of the House of Representatives appointed by the Speaker of the House of Representatives. Members appointed under this paragraph shall not be of the same political party; and

(iv) two Members of the Senate appointed by the President of the Senate. Members appointed under this paragraph shall not be of the same political party.

(c) The joint committee shall select a chairman from among its members. Seven members of the joint committee shall constitute a quorum. Any vacancy in the membership of the joint committee shall not affect its authority and shall be filled in the same manner in which the original appointment was made.

SEC. 3. The joint committee shall—

(1) coordinate the planning and implementation of Bicentennial activities and events of the Congress with the activities and events of other governmental and nongovernmental groups;

(2) consult with the Speaker of the House of Representatives and the President of the Senate to provide for representation of the Congress at appropriate Bicentennial ceremonies and events; and

(3) develop and implement programs to inform and emphasize to the Nation the role of the Congress, as the representative of the people, from its historic beginnings in pre-Revolution days through two hundred years of growth, challenge, and change.

SEC. 4. The joint committee may—

(1) adopt rules respecting its organization and procedures;

(2) sit and act at such times or places as it shall deem appropriate;

(3) in carrying out any of its functions under this Act the joint committee may utilize the services, information, facilities, and personnel of the departments and establishments of the Government, and to procure the

temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract at rates of pay not in excess of the per diem equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332 of title 5, United States Code, including payment of such rates for necessary traveltime;

(4) hold hearings;

(5) procure printing and binding; and

(6) with the prior consent of the agency concerned, use on a reimbursable basis the services of personnel, information, and facilities of any such agency.

Sec. 5. The expenses of the joint committee shall be paid from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the joint committee.

The SPEAKER pro tempore. The gentleman from Louisiana is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, House Concurrent Resolution 292 provides for the establishment of a Joint Congressional Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America. The resolution was introduced by my dear friend and colleague in the Louisiana delegation (Mrs. Boggs). It is cosponsored by the distinguished gentleman from Virginia (Mr. Butler) and the distinguished majority and minority leaders, Mr. O'Neill and Mr. Rhodes. It was reported unanimously by the Committee on Rules which has original jurisdiction for this matter. I am honored to manage this measure on the floor today.

The reasons for the creation of this committee are threefold, first with the vast number of Bicentennial activities and events that will occur in the upcoming year, we want to insure that the role of the Congress in these activities is coordinated with other groups participating in the Bicentennial activities. To help insure this the congressional members of the American Revolution Bicentennial Board will be members of this joint committee.

Second, with the current estimates of visitors to Washington during the Bicentennial, the joint committee will help to arrange for the continued, orderly operation of the Congress. While we want to be sure that the visitors to the Congress enjoy their stay, we also need to know that Members will be able to walk through the hallways of the Capitol and the office buildings in an unobstructed manner and that the business of the Congress can continue in an uninterrupted fashion.

Third, the committee will have an important educational role. It is charged in House Concurrent Resolution 292 with the development and implementation of programs to inform and emphasize to the Nation the role of the Congress through the 200 years of our Nation's history.

Mr. Speaker, I want to commend the gentlewoman from Louisiana (Mrs. Boggs) and the gentleman from Virginia (Mr. Butler) for their work on this matter. The Congress must play an active role in the celebration of the Bicentennial. The activities must be coordinated to insure the smooth operation of this body. And most important the Bicentennial provides an excellent opportunity to educate the public concerning the workings of the Congress—past and present. I urge the adoption of House Concurrent Resolution 292.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Louisiana (Mrs. Boggs).

Mrs. BOGGS. Mr. Speaker, I rise today in support of House Concurrent Resolution 292 to establish a Joint Committee on Bicentennial Arrangements which I have cosponsored with my distinguished colleagues, Mr. Butler, Mr. O'Neill, and Mr. Rhodes. I ask the respectful consideration of the House of this resolution to create a committee which we believe is necessary to assist the Congress in playing a significant and substantive role in observing the Nation's 200th anniversary.

As you all know, the celebration of the Bicentennial is already upon us. Last fall we observed the anniversary of the convening of the First Continental Congress at Carpenter's Hall in Philadelphia; and since that body was the predecessor of our own House of Representatives, it was quite fitting that a congressional delegation participated. Earlier we had observed the same event with a very moving ceremony in our own Chamber. "The World of Franklin and Jefferson," our major Bicentennial exhibit abroad, is being shown in France, Poland and England. Its U.S. tour will commence in 6 months. This spring the Nation commemorated a series of major Revolutionary events, including the ride of Paul Revere and the historic confrontations at Concord and Lexington. Much, much more is yet to come, with July 4, 1976 a year away.

While it certainly is important that Congress be represented at ceremonial events, I feel it is also necessary that Congress establish definitive plans to determine its contribution as an institution to the United States 200th anniversary celebration. Further, I believe the proposed Joint Committee on Bicentennial Arrangements will accomplish these objectives, as well as appropriately marking the role of Congress as the representative body of the American people.

The joint committee which we propose would include 12 members: the majority and minority leaders of both the House and the Senate; the four congressional Members of the American Revolutionary Bicentennial Administration who are Senators Brooke and Montoya, Representative Butler and myself; plus four additional members, two from each body, to be designated by the respective presiding officers. The sponsors of the resolution to create the joint committee believe the four "at-large" members will give the Committee increased flexibility and will provide a broader representation from the Congress.

The joint committee will have three basic functions, although the actual tasks and projects undertaken by the Committee will have to be more fully defined after the Committee is constituted.

OFFICIAL REPRESENTATION AT EVENTS

The joint committee will consult with the Speaker of the House of Representatives and the President of the Senate to provide for representation of the Congress at appropriate Bicentennial ceremonies and events. For example, the Member or Members who represent the particular area that may be conducting the event or celebration would be excellent choices to perform such duties.

COORDINATION OF PROGRAMS

The joint committee will coordinate congressional programs with the activities and events planned and implemented by governmental and nongovernmental groups, including the State and local governments, private groups, and the American Revolutionary Bicentennial Administration.

This committee will not in any way impinge on the functions of ARBA, which has been most effectively administered by John Warner. I believe that ARBA is doing an outstanding job of coordinating nationally the myriad events commemorating the Bicentennial. Since the joint committee will focus its activities on the Bicentennial exclusively as it relates to the Congress, and in particular to activities taking place here on Capitol Hill, the committee will actually be providing welcomed assistance to ARBA.

THE ROLE OF CONGRESS AS AN INSTITUTION

I believe one of the most important functions of the Joint Committee on Bicentennial Arrangements will be to develop and implement programs to inform and emphasize to the Nation the important role of the Congress as the representative of the people from its historic beginnings through 200 years of growth, challenge, and change.

Estimates of the numbers of visitors expected in Washington during 1976 vary widely, from slightly more than the average 16 million to as high as 45 million. Whatever the actual numbers, we can count on a large increase in visitors coming to the Capitol area. These visitors will be both constituents and foreign tourists, and their reception by the Congress will make a lasting impression upon them. The committee will assist the Congress in putting its best foot forward. We must greet our Bicentennial guests graciously and to provide education for them while at the same time insuring that the work of the Congress is not impeded.

At present the best target completion of the National Visitors' Center is July of 1976. As you are well aware, congressional offices are being bombarded with requests for information on logistics and events in Washington. More visitors may not contact the Visitors' Center until after they arrive, and one of the functions of the Joint Committee could be to assist the congressional staff offices in answering information requests. The constituents who visit the Capitol will be our guests and we believe the Joint Committee on Bicentennial Arrangements will help prepare us to receive them.

The success of the American experiment in democracy has inspired the hopes and dreams for freedom of peoples all over the world, and many foreign nations have indicated their desire to present to the American people gifts to commemorate our Bicentennial and to exemplify the bonds of friendship existing between their people and ours. Many of these offers, quite appropriately, have been extended to the Congress because it is the closest representative of the people. One of the duties of the Joint Committee could be to receive, evaluate, and coordinate these offers and to determine the proper disposition of these gifts when accepted.

Mr. Speaker, for these reasons, the resolution provides that the Joint Committee should serve for such time as is necessary to accomplish these purposes:

The U.S. Congress represents the people of this great democracy. As we enter our Bicentennial era, we have a further opportunity to represent our constituencies in honoring and celebrating our history and our form of government. No group of Americans should be more willing than we to take part in the observation of the Bicentennial. No group in the Nation should be more dedicated to the efforts of the people to make the celebration of our 200th anniversary a deep and meaningful experience, both nationally and within our home communities especially those 2,000 plus which have received official Bicentennial designations where local Bicentennial events and projects abound. I firmly believe that the celebration of the Bicentennial is an opportunity for the Congress to renew and strengthen the link that exists between the citizen and his Government.

The resolution before you today will make it possible for the Congress to participate in the Bicentennial to the fullest extent by facilitating the coordination of our role so that no part of the Nation is neglected. I believe the Joint Committee on Bicentennial Arrangements will be an invaluable part of our congressional work as we approach our third century as a Nation.

Mr. LONG of Louisiana. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Speaker, the Congress should play a more active role in our Bicentennial, and we should all be cognizant of our heritage of 200 years as a freedom-loving Nation, already the longest continuous democracy in the history of the world.

We have many things about which we should tell the American people and all the world. This joint committee will lead. It can do an outstanding job in helping in the Bicentennial.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. Yes, I will be happy to yield to the gentleman from Maryland.

Mr. BAUMAN. If this joint committee were not created, what committees of the House would then handle this matter?

Mr. QUILLEN. I would say that there would be none with the full responsibility, but several involved in the action. However, I feel that this joint committee is proper and appropriate and will expedite the overall activity of the Bicentennial.

Mr. BAUMAN. But there are committees which could handle this at the present time; is that not correct?

Mr. QUILLEN. I am sure there would be, but not a joint committee.

Mr. BAUMAN. Could the gentleman explain to me something about the item on page 4 with respect to this unlimited authority, which allows the hiring of consultants and experts at a basic rate of daily pay set forth in the general schedule? How much is the maximum these consultants and experts could be paid per day?

Mr. QUILLEN. $135 a day for the consultant.

Mr. BAUMAN. Was there any testimony as to how many consultants would be needed?

Mr. QUILLEN. Not before the Committee on Rules.

Mr. BAUMAN. There is also a general authorization to pay the expenses of this Joint Committee out of the contingent fund. Is there any budget estimate or figure given as to what this committee will spend or of how many staff members, assistants, and clerical help they will need?

Mr. QUILLEN. None was presented, but the gentlewoman from Louisiana (Mrs. BOGGS) said it would be a very tight budget and that no funds would be expended unless they were absolutely necessary.

Mr. BAUMAN. The gentleman knows that the Boston Tea Party was part of the American Revolution, does he not?

Mr. QUILLEN. Of course, that is true. The Kings Mountain Men marched over Roan mountain in my district. We have a lot of things to commemorate.

Mr. BAUMAN. Does the gentleman know what gave rise to and what was the cause of the Boston Tea Party?

Mr. LONG of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I yield to the gentleman from Louisiana.

Mr. LONG of Louisiana. Mr. Speaker, I think that the fact that the majority leader and minority leader are going to represent the House of Representatives and both parties of the House of Representatives on this Joint Committee is, at least in my mind, adequate proof that the funds that are expended will be expended well and that they will in no way be throwing money away in this effort.

Mr. QUILLEN. Mr. Speaker, in further reply to the question of the gentleman from Maryland, let me say that one of the causes of the Boston Tea Party was taxation, too much taxation.

Mr. BAUMAN. Yes, but not only taxation; also there was the misspending of funds, that caused the Boston Tea Party.

Mr. QUILLEN. That is past history which resulted and accrued to our benefit.

Mr. BAUMAN. I just want to compliment the gentleman from Louisiana for the faith he has. I think the gentleman has a large measure of it.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the concurrent resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the current resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. LONG of Louisiana. Mr. Speaker, pursuant to the rule, I call up the Senate concurrent resolution (S. Con. Res. 44) and ask for its immediate consideration.

MOTION OFFERED BY MR. LONG OF LOUISIANA

Mr. LONG of Louisiana. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Louisiana moves to strike all after the resolving clause of the Senate concurrent resolution (S. Con. Res. 44), and insert in lieu thereof all after the resolving clause of the House concurrent resolution (H. Con. Res. 292) as agreed to by the House, as follows:

Resolved by the House of Representatives (the Senate concurring) That the Congress should play a significant and substantive role in honoring the Nation's two hundredth anniversary and in assisting the American Revolution Bicentennial Administration.

SEC. 2. (a) There is hereby established a joint congressional committee to be known as the Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America (herein referred to as the "joint committee").

(b) The joint committee shall be composed of twelve members as follows:

(i) the majority and minority leaders of the House of Representatives and of the Senate;

(ii) the Members of Congress who are members of the American Revolution Bicentennial Board;

(iii) two Members of the House of Representatives appointed by the Speaker of the House of Representatives. Members appointed under this paragraph shall not be of the same political party; and

(iv) two Members of the Senate appointed by the President of the Senate. Members appointed under this paragraph shall not be of the same political party.

(c) The joint committee shall select a chairman from among its members. Seven members of the joint committee shall constitute a quorum. Any vacancy in the membership of the joint committee shall not affect its authority and shall be filed in the same manner in which the original appointment was made.

SEC. 3. The joint committee shall—

(1) coordinate the planning and implementation of Bicentennial activities and events of the Congress with the activities and events of other governmental and nongovernmental groups;

(2) consult with the Speaker of the House of Representatives and the President of the Senate to provide for representation of the Congress at appropriate Bicentennial ceremonies and events; and

(3) develop and implement programs to inform and emphasize to the Nation the role of the Congress, as the representative of the people, from its historic beginnings in pre-Revolution days through two hundred years of growth, challenge, and change.

SEC. 4. The joint committee may—

(1) adopt rules respecting its organization and procedures;

(2) sit and act at such times or places as it shall deem appropriate;

(3) in carrying out any of its functions under this Act the joint committee may utilize the services, information, facilities, and personnel of the departments and establishments of the Government, and to procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract at rates of pay not in excess of the per diem equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332 of title 5, United States Code, including payment of such rates for necessary traveltime;

(4) hold hearings;

(5) procure printing and binding; and

(6) with the prior consent of the agency concerned, use on a reimbursable basis the services of personnel, information, and facilities of any such agency.

SEC. 5. The expenses of the joint committee shall be paid from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the joint committee.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

A similar House concurrent resolution (H. Con. Res. 292) was laid on the table.

PERSONAL EXPLANATION

(Mr. WAXMAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WAXMAN. Mr. Speaker, on rollcall No. 336 on H.R. 5358, the Federal Railroad Safety Act of 1970, I was called off the floor to meet with constituents, and therefore I am not recorded on the vote for final passage. If I had been present I would have voted "aye."

PERSONAL EXPLANATION

(Mr. DANIELSON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, I was called off the floor to meet with constituents at the time of rollcall No. 336, the vote on final passage of H.R. 5358, the railroad safety authorization, and therefore am not recorded on that vote. If I had been present I would have voted "aye."

IMPENDING VETO OF EMERGENCY HOUSING ACT OF 1975

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, President Ford has indicated that he will veto the Emergency Housing Act of 1975. His spokesmen indicate that he is opposed to this vital and much needed legislation because it would cost too much money; it would help too few people; and the homebuilding industry has reversed its deep slide.

A point-by-point refutation of President Ford's views is in order. First, the bill would have a total cost of $1.35 billion, a mere drop in the bucket as far as the Federal budget is concerned. No like amount of money could be better spent to help put 500,000 men and women back to work in the private sector. With the investment, the Federal Government would receive between $2 and $3 billion in increased revenues. Plus, the enormous costs of unemployment—unemployment compensation, food stamps, et cetera—would be greatly reduced.

Second, 400,000 families who today are precluded from buying a home because of outrageously high interest rates is no small number. These families will generate increased tax revenues at all levels, thus providing more return on the investment made by the Federal Government.

Third, the administration says that the housing industry has started back up and points with pride and glee at the housing starts and building permits figures for May. They are up. Yes, housing starts are up to their second lowest May level since 1945. And, building permits have climbed to their lowest level for any May since World War II. If this is recovery, I am glad I am not sick and being cared for by this administration.

And now comes a substitute emergency housing bill. Its proponents claim that it will accomplish everything that the original H.R. 4485 would accomplish. They propose to increase the authority of HUD to purchase mortgage loans under the Emergency Home Purchase Assistance Act of 1974. This increase in authority would be $10 billion. It would provide financing assistance for 400,000 housing units. It would also assist homeowners threatened with foreclosure through a complicated co-insurance program. Who can argue with the objectives of this bill as proposed as a substitute?

I agree with the objectives of the legislation, with a small but vital exception. The bill authorizes discretionary authority to HUD. The key to the failure of this bill to meet the needs of the housing crisis is that word discretionary. HUD has not utilized the discretionary authority it has—over $2 billion remains unusued under the original Emergency Home Purchase Assistance Act. This money has been unusued since January. This substitute will not meet the goal of increasing construction employment. It's only goal seems to be to provide HUD the opportunity not to use an additional $10 billion in purchase authority. It is, in fact, a sham.

This substitute bill will not reduce greatly the historically high unemployment rate in the construction industry. It will not help increase housing production or help middle income people purchase a home. This is because the authority in the substitute is discretionary and HUD's record of using the discretionary authority it has been dismal in the past.

I hope that the President will see fit to sign H.R. 4485. If, however, he does not, I hope Members of the House will vote to override this unconscionable veto and that the housing industry will be allowed to help get the economy moving out of its recession.

MALPRACTICE NO. 1

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 15 minutes.

Mr. CRANE. Mr. Speaker, in the last few months, the shocking reality of the crisis situation which faces both physicians and surgeons has become apparent to all Americans. Skyrocketing insurance premiums, cancellations of liability coverage and the resulting work slowdowns have suddenly brought the growing malpractice controversy into public view.

The aura of mystery which surrounds malpractice adds to the sense of fear engendered by the thought of being caught without adequate medical care. Lack of information and the unfounded fear of being caught helpless have together caused angry, frustrated calls for Government action.

All Americans desire a continuation of the best available medical care at the lowest possible cost. But let us not merely legislate under pressure an expedient solution which neither takes into consideration nor attacks the critical problems of the malpractice crisis. Rather than indulging in rhetoric, let us take a considered view of the issues, isolating and defining the problems and only then decide what, if any, Government intervention is needed and at what level it will be most efficient and successful in solving the problem.

The immediate problem is of course the all but prohibitive cost of medical liability insurance. Doctors and hospitals have found their premiums have tripled or even quadrupled since 1970. Whereas they formerly had to pay thousands of dollars per year in premiums, now they must pay tens of thousands of dollars per year.

These price hikes are due to the increased incidence of malpractice cases and their high costs.

It seems strange with the advances made by the medical profession in the last 30 years that malpractice cases and awards should have increased so dramatically in the last decade. But in some ways these advances are a cause of the problem.

The medical miracle in the United States has been based on research, specialization, and the high quality of medical personnel. Unfortunately specialization has also meant a trend to less personal physician-family involvement.

Second, the medical miracles have made many of us lay people forget that despite the dedication of doctors and the continued improvement of techniques, medicine is still not an exact science.

In addition the ethical shift from personal responsibility to societal blame has made it necessary in the minds of many that someone pay for individual misfortune.

Thus the trend is toward increased adjudication. If one is not 100 percent recovered, sue for damage and let the insurance company pay.

This unfortunately results in higher costs for all involved, insurance company, doctor, and patient. And most particularly it affects those already overburdened by increasing costs and taxation, the middle income wage earner, while it makes quality care almost impossible for the poor.

To pay for skyrocketing insurance premiums a doctor must charge his patients more. And not only is this cost passed on, but also the increased medical precautions, labeled "defensive medicine," which are taken to cover oneself in the event of any resulting malpractice charges. These costs are estimated at $1 to $7 million per year and are perhaps even higher.

The increased threat of malpractice claims passes the burden on to the middle class and the poor in other ways. The increasing tendency to link hospitals to malpractice claims has quadrupled their insurance rates in the last 4 or 5 years and thus many inner city hospitals which provide the basis of medical care for the poor are being forced out of business due to higher expenses.

Also the medical student whose school debts must be paid off can no longer afford a low paying practice if he wants the "luxury" of malpractice insurance.

In addition the poor and the middle class cannot afford the care of the necessarily high priced specialists in the event of catastrophic illness.

All the way around the high costs are passed to those who are not already most burdened, the poor and the middle-income family.

The trend to increased adjudication has brought about an excess of claims of malpractice. Claims have increased 300 percent in only the last 10 years. Insurance carriers judged less than half of the claims made in 1970 to be meritorious. Data from the Secretary of Health, Education, and Welfare's Commission formed specifically to study the malpractice problem showed that "contingency fees tended to discourage the acceptance of legally meritorious cases involving minor injury and relative small potential recovery."

Perhaps the most distressing figure though is one which shows that only 16 cents out of every $1 of malpractice insurance paid gets back to the grieved party. Thus it is not only the increase in settlements and their size which causes the rise in premiums, but the need to pay for courts costs, administrative and lawyers fees. The high cost of defense against false claims is actually the key to the precipitous rise in premium rates.

The legal system itself needs reforming before the vision of lawyers as probate court vultures pervades the practice of medical liability cases also.

The statute of limitations, the doctrine of res ipsa loquitur, contingency fees, and indeed even the tort system itself as it applies to medical malpractice cases should be carefully reviewed on a State-by-State basis. Perhaps a return to past customs of determining negligence cases by equity or peer review as in an arbitration concept is in order in some States. But the very nature of the problem precludes Federal action.

Rather than Federal interference, we should encourage each State to examine its own unique situation and deal with the problem on a new manageable level. True, undue Government interference can be as bad at the State level as at the Federal level, but State actions have the advantage of learning from the experience of other States while Federal travesties tend to be etched indelibly in stone.

The Secretary's Commission recommended the application of State-by-State alternatives noting individual State control over insurance practices and the possibility of experimentation with different proposed solutions. Secretary Weinberger and Dr. Roger Egeberg, his Special Assistant for Health Policy at HEW, have both noted the inability of the Federal Government to deal effectively with the crisis and have joined the American Medical Association, the American Hospital Association and all other responsible medical associations in calling for a hands off policy by the Federal Government.

Certainly this is supported by the well-documented evidence of HEW's inefficiency as an administrator. Their history of failure in running the medicare and medicaid programs, whose excessive costs are unjustly pinned on the medical profession, is well known. And this is not to criticize the individuals at HEW but rather to point out the impossibility of effectively administrating such programs at the Federal level.

I fully realize having served in this august body for over 5 years the temptation that exists to hand down a solution from the font of all wisdom, but let us just this once attempt to solve rather than further complicate a problem by using a new approach: That is, an intelligent, reasoned abstention from Federal interference and a reliance on the genious of the American Federal system.

In April the State of Indiana passed what is quickly becoming a landmark piece of legislation in the area of malpractice compensation. The bill is far from faultless, but it is head and shoulders above legislation proposed thus far in other States. Indeed an important provision in the Indiana law provides for the creation of a medical malpractice study commission to review the overall problem in the State of Indiana and to make recommendations concerning the problem and the inadequacies of the recently passed legislation.

The bill includes a provision of the statute of limitations, it invalidates oral contracts by providers, requires pretrial claim review, sets maximum recovery ceilings, eliminates ad damnum payments, and moves to restrict the percentage amount now taken on a contingency fee basis. As noted before the bill is not perfect by any means, but it is at least a step in the right direction.

California, Pennsylvania, Tennessee, Texas, Idaho, and Arizona are all carefully examining the Indiana bill. Other States taking noticeable, if not particularly notable action are Maryland, Michigan, New York, and Wisconsin. Though the legislative action in these States is unfavorable, it shows the interest and action being generated in the States. Indeed all States in which a crisis situation exists have introduced or passed measures dealing with their unique malpractice problem.

Rather than detouring them and raising disincentives which would only compound the problem let us rely upon the genius of our American Federal system which allows the States to analyse their unique problem and to provide for specific solutions. Let us not tie their hands with high cost Federal programs of doubtful quality.

To the cursory observer, Federal interference is appealing. However, it ignores the needs of the two important groups. First, it will result in lower quality medical care and second, it will result in higher costs for the consumer.

Sweden's governmentally controlled and financed health care program had a cost increase of 614 percent between 1950 and 1966. During the same timespan U.S. costs rose 148 percent. Though it is often difficult for some Members of Congress to remember, Government must pay for those projects. In the truest sense this is when you and I become the "government of the people." As taxpayers we pay for the increased taxes needed to finance Government waste. We pay through increased interest rates due to Government competition in the borrowing market. Once again it is the middle income wage earner who is forced to pay the price for Government largesse.

Even more important though is the lower quality of care resulting from Federal interference. Governmental domination results in a lack of competition and personal incentive. Doctors are no longer free to practice where and in what capacity they wish. They must perform where and in whatever capacity the Government desires.

It is this sort of government direction in England that has resulted in a staggering loss of British medical school graduates to other nations.

How are we as legislators to justify the lower quality and higher cost of medical care which will result from governmental interference? Thus as legislators we are left with a dilemma, a problem which Federal action is neither qualified nor capable of solving. Do we let the States attempt to deal with a matter under their rightful jurisdiction in an informed and conscientious manner capable of applying selective solutions to State-by-State problems, or do we throw caution to the winds and let the Federal Government rush in and thus totally destroy any hopes for a responsible, effective solution.

As we approach the Bicentennial let us not forget the ideals of liberty and free enterprise upon which our country was founded. Let us as legislators swallow our pride and admit the incapacity of Federal action in response to this problem, and rely upon the genius of our Federal system to deal with a problem, though common to us all, still unique in each State.

RADIO AND TELEVISION COVERAGE OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 10 minutes.

Mr. CLEVELAND. Mr. Speaker, I believe it is becoming increasingly evident that interest in and support for the broadcasting of House and Senate floor proceedings is more than a passing fancy, that the proposal for opening floor sessions to coverage by the electronic media is soundly based and strongly held.

By way of evidence, I call our colleagues' attention to an editorial in this morning's Washington Post and to an article in the same issue by Post columnist George F. Will. Despite differences of tone and approach between the two pieces, both provide convincing justification for opening Congress more fully to public view.

It is worthy of note, too, that our sister institution, the British House of

Commons, is currently at mid-point in its 4-week trial of radio coverage of Commons' debates. Although the Commons defeated by 275 votes to 263 a motion to extend coverage to television, the London Economist commented that:

> Given the size of this majority, it is highly improbable that the sound microphones will be banished from the chamber at the conclusion of the experiment. Yet if sound broadcasting continues, the absurdity of keeping out the television cameras will become increasingly apparent, and it will scarcely be tenable to maintain this anomalous situation for very long. It is highly probable that the present Parliament will be the last to remain untelevised. . . .

Therefore, Mr. Speaker, in the perspective of growing public interest in greater public access to congressional debates and of the steady extension of electronic coverage to other legislative bodies, I remain highly optimistic that this House will soon approve the resolution so many of us have cosponsored to permit a test program of such coverage of our own activities.

Consequently, I welcome the action last week of the Committee on Rules in referring our resolution to a subcommittee headed by the distinguished gentleman from California (Mr. Sisk). As ranking minority member of the Joint Committee on Congressional Operations, it was my pleasure last year to listen to the gentleman's thoughtful presentation to the committee of his very positive views on this subject. I am confident that our proposal will receive equally thoughtful consideration from the subcommittee under his direction.

Mr. Speaker, as George Will pointed out in this morning's Post, television is uniquely able to convey such events as congressional debates "with an immediacy that print journalism cannot match." Television is also the medium on which most people depend most heavily for most of their understanding of public affairs. It is unthinkable that Congress will long delay in making it possible for television to contribute to the people's understanding of the process by which their laws are made.

As a part of my remarks, I include the editorial and article from the Washington Post of June 23:

Putting Congress on the Air

Earlier this month it seemed that broadcasting had finally scored a breakthrough on Capitol Hill. The Senate, in an unprecedented move, voted to permit television and radio to cover the floor debates on the New Hampshire Senate election case. Properly handled, this could have been a good test of the usefulness of letting the public see and hear what actually occurs in an important, complicated congressional debate. Moreover, broadcasting would have been a particular service to the people of New Hampshire, who obviously have a special interest in the Senate's conduct of this case.

Unfortunately, the last-minute effort to air this debate foundered on tactical and technical points. Senate Democrats made broadcasting contingent on setting some limits to debate. No such agreement could be reached. Then the senators learned that TV coverage on such short notice would require banks of obtrusive lights that would make the Senate look like a TV studio and that could generate enough heat to overwhelm the air conditioning.

Neither of these difficulties amounts to a permanent problem. If broadcast coverage of floor sessions were to become routine, it could not be used as a bargaining chip in parliamentary disputes. And the lighting troubles are also surmountable. Technicians believe that, with some time to plan and experiment, it would be possible to provide enough light without too much heat—and without changing the basic appearance of the historic Senate and House chambers.

The key element is a sensible plan. One orderly approach has been developed by the Joint Committee on Congressional Operations, led by Sen. Lee Metcalf (D-Mont.) and Rep. Jack Brooks (D-Tex.). This proposal calls for a one-year test of continuous audio and video coverage of both chambers. The service would be launched on a closed-circuit hookup to members' offices. After a trial period of a few months, the coverage would be made available live and on tape to public and commercial broadcasters. An especially notworthy aspect of this plan is that, once general broadcasting began, Congress would not try to limit or dictate uses of the service. News judgments would be made, as they should be, by the various broadcasters.

At a House hearing the other day, Rep. Don Fuqua (D-Fla.) noted that a similar system has worked well in the Florida legislature. Far from disrupting the proceedings, he said, broadcasting has probably helped to improve the quality of floor debate. That should be true in Congress. Broadcasting of floor sessions ought to be begun, not as an occasional improvised move, but as a permanent improvement.

The Electronic Congress

(By George F. Will)

When Fred Allen called television "chewing gum for the eyes" he did not anticipate the visual nourishment Congress soon may provide. Congress is inching toward allowing television and radio broadcasters to cover floor debates live and to use taped excerpts on news shows.

The electronic age dawned in Congress Dec. 4, 1923, when President Calvin Coolidge made a radio speech there. Although Coolidge's speech did not stir dangerous public passions, Congress always has treated broadcasting as a threat. It is unlikely that broadcasting Congress would lower the public's opinion of it, but it is understandable that Congress is wary of new surveillance.

Congressional "debate" rarely is a deliberative process that changes minds. It usually involves primarily "building a record" with prepared statements, some of which are prepared by the executive branch. When members lapse into spontaneity, they later "clean up" the record—they falsify the Congressional Record.

Some congressmen think viewers will misunderstand the periods of inaction in both chambers, and will make unflattering comparisons between congressmen and lilies of the field. Lilies toil not, neither do they spin, but neither do they pull down $42,500 a year, plus perquisites.

But Americans understand that much work is done outside the chambers. And, besides, it is intolerable for politicians to restrict coverage of public events, like chamber activities, because they think a wide audience might not appreciate them.

Broadcasting might partially redress the growing imbalance between Presidents and Congress in the struggle for the public's attention. Americans cannot avoid seeing a President who is determined to be seen: the current one even commandeered all three networks so he could be seen not vetoing a tax bill. But only a few hundred people in Congress' public galleries can see Congress attempt to override any veto.

Most presidential candidates come from Congress. We should keep more of an eye on them than we can do with current restrictions on Capitol Hill broadcasting.

Moreover, the television camera, although in some ways a superficial news-gathering instrument, conveys some things—sports, conventions, and other spectacles—with an immediacy that print journalism cannot match.

Television has a dreadful time reporting economic news because no one can take a picture of the law of supply and demand. But Sen. Lowell Weicker (R-Conn.) in high or even lower-middle dudgeon—that is a news event that only television can adequately capture.

And occasionally there is a congressional event, which, if televised, might change history. Sen. Joe McCarthy's hearings made his primitiveness apparent to a wide audience. The nation might have avoided three years of his mischief if, in 1951, television had carried his billious Senate diatribe against Gen. George Marshall.

Some congressmen worry that television footage will be "taken out of context." That certainly will happen, every day, just as print journalists excerpt paragraphs and phrases from congressional speeches.

This is part of a process called editing. It can be done well or poorly. But there is no way Congress can properly—that is, constitutionally—regulate it.

Congress has been allowed to act as though broadcasting of its activities is a privilege that it can bestow and regulate as it pleases, rather than a right belonging to broadcasters as legitimate journalists.

The exercise of this right by broadcasters may not have any of the good or bad consequences that people anticipate; it may only add to the public stock of harmless pleasure. But it is supremely important that Congress should abandon the pernicious idea that it has a right to deny that right.

Congress should remember what it did in expanding the public's access to televised professional football. Congress made it illegal for team owners to black out television coverage of home games that are sold out.

Having consulted Natural Law, and public opinion (which, to most congressmen, is Natural Law), Congress decided that the public has a sovereign "right" to see such games. Congress declared, in effect, that a contest between two privately owned professional teams is not private property, and that the team owners cannot control access to their product.

By banning cameras and microphones from its chambers, Congress has said, regarding broadcasters, that congressional proceedings are Congress' private property. Without implying that Congress is as important or interesting as football, the public can insist that if it has a "right" to see a Rams-Redskins game, it has a right to see the great game of legislation.

FHA'S REDTAPE, COVERUPS, AND WASTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Murphy) is recognized for 5 minutes.

Mr. MURPHY of Illinois. Mr. Speaker, a team of Chicago Tribune reporters spent the last 7 months investigating the Federal Housing Administration's bureaucratic redtape, the coverups, and incredible waste which defraud the American public and the shoddy business real estate practices which continue unchecked. FHA authorities argue they do not have the authority to change things, real estate companies complain they are in business just to make an honest buck, and new homeowners are shocked by the condition of their homes and unable to get the help they need to make the repairs.

The Tribune reporters scrounged for the facts, read endless numbers of reports, talked with officials in Chicago and Washington, D.C., inspected the FHA properties, and drew their conclusions. These articles are not pleasant to read. The realities are not easy to print.

Congressman FLOYD V. HICKS announced June 12 that his Manpower and Housing Subcommittee of the Committee on Government Operations is planning hearings next month on HUD's management operations and the scandals that have accompanied them. I trust these articles will prove useful to him and his subcommittee in its investigation. I include the first two articles of the series which began Sunday, June 22:

FHA Wastes $4 Billion and Creates City Slums—Thousands Abandon, Lose Homes

It is a hidden disaster, manmade but more destructive to America's cities and towns than any tornado, hurricane, or earthquake on record.

In less than seven years it has cut a swath thru hundreds of communities the length and breadth of the nation, leaving $4 billion worth of housing destroyed in its wake.

It is a bureaucratic machine set up in Washington to provide housing for the nation's poor that has instead run off course and mangled the homes and lives of thousands of families.

Evidence of the destruction is easy to spot when you know where to look.

You can see it, for example, in the 7300 block of South Hoyne Avenue, once a neat, quiet, middle-class Chicago neighborhood.

In 1971, 14 families moved into new, brick, bilevel $24,000 homes on the block, purchased with federally insured mortgages in a program created by the 1968 National Housing Act for low and moderate-income families.

Today the street looks like desolation row. Seven of the homes are now mostly four-sided shells. In some the roofs are gone, the floors are broken, the walls smashed.

Front yards are cluttered with debris, back yards with the broken toys of children who have moved away.

Families who have managed to stay on the block and families in the surrounding neighborhood are terrified of the smashed and abandoned houses. The gaping windows and splintered doors are an invitation to vandals who set fires late at night.

"If one of the abandoned homes really gets going on fire, it will be goodby to the whole block," said John Bramwell, a disabled veteran who lives with his five children at 7329 S. Hoyne Av. The Bramwell home is sandwiched between two abandoned houses, both of which have had fires.

"I put in a patio to make my house look nice," said Bramwell, who moved in almost four years ago. "It was a nice neighborhood when we moved in. Now it is beginning to look like a ghetto.

"I want to get out of here. The neighborhood is just getting too bad."

The American taxpayers now own four of the houses, having paid more than $100,000 for the useless wreckage. They soon will own three more.

The taxpayers are paying for the same sort of wrecks in dozens of other Chicago neighborhoods—black and white, middle-class and poor.

Billions of taxpayers' dollars are buying wrecked homes in suburbs like Bolingbrook and Chicago Heights, in Downstate towns like Champaign and Granite City, and in cities and villages in New York, Michigan, Texas, California, and a dozen other states.

The $4 billion hidden disaster has been the subject of a seven-month investigation of a team of Tribune reporters who set out to find what happened, how it happened, and who is to blame.

Traveling thru Illinois, they recorded the waste of hundreds of millions of dollars in this state alone.

Traveling to Washington, D.C., they found a bureaucratic monstrosity at the Department of Housing and Urban Development and the Federal Housing Administration, the agencies which authorized spending the wasted billions.

The reporters examined thousands of secret government reports, files, and investigations telling who is profiting from bureaucratic bungling by HUD and FHA.

"It is a national scandal," said James M. Alter, a wealthy Chicago businessman who, as chairman of the Governor's Commission on Mortgage Practices, has been fighting the programed waste and corruption.

"Outside of Watergate and Vietnam, there is no greater scandal than in FHA and HUD housing," he said. "The cities are rotting and nobody seems to be responsible.

"Tens of thousands of people have been displaced, and we, the taxpayers, paid for it."

Revelations by Tribune reporters also startled many housing and congressional experts previously unaware of the extent of the waste, fraud, and deception caused by the housing fiasco.

The reporters found:

An entrenched coverup policy by the highest-ranking HUD and FHA officials in Washington, who refuse to talk about or reveal records in which the scandal is hidden to newsmen, local FHA officials, and other government officials.

A policy of blocking HUD and FHA local officials who are attempting to curtail the waste and rid federal housing programs of dealings with corrupt mortgage companies and real estate operators.

An unsettling relationship between mortgage companies that have made millions of dollars from the scandal and the highest HUD and FHA officials, several of whom were formerly executives of the profiteering mortgage companies.

That the federal government now owns 3,579 vacant and destroyed homes in the Chicago area at an average loss of $13,393 because of neglect by mortgage companies and the FHA. The loss totals more than $42 million.

That FHA's own predictions show that in the Chicago area alone another 5,000 to 7,000 similar homes will soon come into FHA possession.

In the Chicago region FHA estimates that its accumulation and sales of homes represent a loss of hundreds of millions of dollars.

Nationally the picture of waste and destruction is enormous. H. L. Crawford, assistant secretary of housing management in HUD, said that HUD now owns 74,000 single-family homes which cost the government $20 million a month just to maintain.

Another 127,000 single-family homeowners have defaulted on their FHA-insured mortgages and are in danger of foreclosure. Between 80 and 90 percent of those 127,000 houses are expected to fall back into the government's hands, Crawford said.

Good intentions led to programs in which scandal took root and grew.

In 1968 Congress hurriedly passed the National Housing Act in response to unrest and rioting in major cities.

The bill was designed to provide hundreds of thousands of homes at low cost and easy terms for low- and moderate-income families to relieve the tensions of the overcrowded cities.

Under several programs set up by the act, families which normally would not have been able to afford homes could get private financing because the FHA insured their mortgages 100 per cent.

If the family missed payments to the private mortgage companies, the companies foreclose the mortgage, and collect all that was owed them from the FHA.

The system was attractive to mortgage companies, real estate operators, and the poor.

It soon became apparent to many mortgage companies and real estate dealers that they could make more money faster by selling homes to families that were not only poor but poor risks—unemployed persons who could afford only the first payments and were certain to default, for example.

"People were getting loans who should not have been," said Leonard Giblin, vice president of the Chicago Mortgage Bankers Association and a severe critic of the scandal. "And FHA officials are not correcting the abuses."

Once they foreclose for failing to meet payments, the mortgage companies collect full value for the homes after a year from FHA insurance rather than wait up to 30 years for the mortgages to mature.

HUD and FHA records indicate that the foreclosure rate of Housing Act homes in Illinois has reached seven times the rate of foreclosure of homes purchased thru conventional loans.

Homeowners, civic groups, and neighborhood organizations concerned about the scandal told Tribune reporters that some mortgage companies dealing with FHA-insured homes have systematically tried to vacate the homes.

If a family misses more than one payment, the mortgage companies often start foreclosure action immediately, hoping the family will drop even farther behind, say the homeowners and community groups.

"Mortgage lenders eager to maximize their profits are now fast foreclosing on their FHA loans to get the federal insurance money," said Gail Cincotta, a leader of the Metropolitan Housing Alliance.

"The way the FHA-insured mortgage program works now, mortgage companies can make more profit by foreclosing."

Once a house is abandoned the unscrupulous mortgage companies go thru a quick flurry of activity to squeeze as much money as they can from the home.

When a mortgage company forecloses on an FHA-insured loan after one year, the annual profit can go as high as 14 per cent, against 6.7 per cent over the life of the loan.

During the one year of the mortgage, plus the one year 3-month period generally required for foreclosure proceedings, a lender can make a profit of $5,263 on a loan of $18,500.

The mortgage companies contract—or at least are supposed to—with companies to board up the houses, winterize the plumbing, and do anything else to protect them from damage and keep them attractive.

But too often these protective services are never provided, or provided so inadequately that the homes are not protected. This doesn't prevent mortgage companies from collecting $400 to $2,000 from the FHA for work that is never done.

Tribune investigators discovered that hundreds of such bills were paid by the government, although reporters and federal inspectors found that the work had not been performed, or even that the houses involved had long been destroyed, like those on South Hoyne Avenue.

Many HUD and FHA career officials who repeatedly tried to have this situation corrected were rebuffed by their Washington superiors. Some agreed to tell the Tribune what they knew to protect their own reputations.

One of the most outspoken critics of the situation within the government is John Waner, a former candidate for Chicago mayor who is now a district director of HUD and FHA.

Last Oct. 21 he demanded action from the HUD-FHA inspector general.

In a letter Waner said he'd ordered his staff to investigate mortgage companies which were paid for unperformed protective work on vacant houses.

He collected photographs and records of damaged and destroyed homes on which the protective-service payments had been made.

"I confronted a group of mortgage bankers with our findings and asked them if they indeed received payment from the government for cleaning and maintaining these buildings," Waner wrote to the inspector general.

"Without exception they all said they had."

Waner forwarded three cartons of evidence, including hundreds of pictures, to the inspector general's office for a more thorough investigation. He failed to get a response, he said.

He then had staff members contact Washington and request copies of protective service payments to mortgage companies for additional proof of criminal fraud against the companies. The requests were denied.

Waner's attempt to end the waste was only one of several he had made, and one of hundreds by HUD–FHA officials.

Field workers have repeatedly sought a change in the procedure in which Washington pays mortgage companies for foreclosed houses without inspections to see whether the houses have been damaged or destroyed.

William M. Miller, director of the housing management disvision of HUD in Chicago, has campaigned to get Washington to let his men see the houses before payments are made; so far he has failed.

Earlier this year Daniel F. Martini, an attorney in the General Counsel's office in Washington, wrote Miller's office ruling against its request to inspect and certify houses before authorizing payment of claims.

Crawford, his boss in Washington, admits HUD and FHA have been lax in monitoring the mortgage companies, but said HUD never expected so many abandoned homes.

"We were not ready to take back houses," he told The Tribune. "We never thought we'd have this many, but we do check homes eventually."

However, Waner said HUD and FHA don't usually "check" Chicago homes until they have been destroyed and the mortgage companies have collected their money.

"This system is like closing the barn door after the horse gets away," he said.

Fred Pfaender, HUD director of loan management in Washington, insisted his agency has only a limited staff and can't possibly look at every foreclosed home in the nation. HUD's job is to make loans, not police the mortgage companies, he said.

"It is a matter of priorities as to what we should look at," Pfaender said. "We are not equipped for policing."

So the hidden disaster continues to churn across neighborhoods throughout the nation, and the government continues to buy up the damaged and destroyed houses left in its wake.

Shady real estate operators working with mortgage companies continue to reap millions of tax dollars with the quick turnover of property that rots the neighborhoods it was supposed to save.

And evicted homeowners are left with broken dreams, destroyed credit records, and anger toward a system that used them.

System Strangles Reform—FHA Scandal Enmeshed in Redtape

(By George Bliss and Chuck Neubauer)

Periodically Chicago-area newspaper readers thumbing thru the real estate sections have to stop and blink at advertisements run by the Chicago office of the Federal Housing Administration.

Whole columns of homes are listed for sale, 50 or more at a time—minimum price: $0. Zero dollars. For a house and lot.

It has to be the greatest real estate bargain in history.

Take for instance the $20,000 home at 5738 S. Sangamon St. that FHA almost gave away. In open bidding, the new owner paid only $501.

The buyer just went to an auction, took title to the house and property, and it was his. For next to nothing.

Of course, there were a couple of drawbacks. Vandals had knocked the doors wide open. All the windows were broken, fixtures were smashed; the sinks, bathtubs, toilets, and boiler had been stolen; and wet and stinking trash was littered thruout the house and yard.

The FHA said it had to give away the house because it was so badly damaged; the demolition costs were not much less than the worth of the lot the house was sitting on.

This happens a lot in Chicago. It has been going on for nearly seven years in the city, the suburbs, thruout the state—and in fact, thruout the country.

While this is an inexpensive way for an individual to acquire property—as in the case of the man who bought the dilapidated house and the lot at 5738 S. Sangamon—it the federal government [in other words, the taxpayer] about $20,000 to offer this particular bargain.

The average loss to the government on each FHA foreclosure is more than $13,000. It is all part of the hidden disaster that has cost the nation $4 billion, tens of thousands of destroyed houses, and the decay of hundreds of good neighborhoods.

The disaster is hidden in Washington, buried by redtape in the files of the FHA and the Department of Housing and Urban Development.

The billions wasted so far are lost, irretrievably squandered by a bureaucratic monstrosity created by HUD and FHA to administer the 1968 National Housing Act.

A team of Tribune reporters has investigated the housing scandal for the last seven months, obtaining thousands of documents never before made public showing how HUD and FHA wasted—and was defrauded of—the $4 billion.

The reporters found that the highest FHA and HUD officials in Washington have chosen to cover up the waste rather than reform Housing Act programs.

The investigation documented how high HUD and FHA officials in Washington have systematically thrown roadblocks in front of their own employees who have tried to stop the waste.

Part of the problem, local FHA and HUD officials admit, is that mortgage companies have so much influence in the HUD and FHA administration that it has become impossible to act against even the most unscrupulous companies.

The close proximity of high FHA and HUD administrators with mortgage companies was exemplified by Sheldon Lubar who, until he resigned last November, was FHA commissioner and undersecretary of HUD in Washington.

Before Lubar received his Washington appointment, he was chairman of the board of Mortgage Associates of Milwaukee.

According to FHA records, Mortgage Associates has turned over to the government more damaged and destroyed housing—after collecting FHA insurance on it—than any other mortgage company in the Chicago area.

Lubar, now president of the Midand National Bank in Milwaukee, insisted to The Tribune that as FHA commissioner he had no authority over how FHA handled dealings with mortgage companies in field offices like Chicago.

"I had zero authority and could not be effective," Lubar said. "I had no direct authority in the field."

He said his job with FHA was merely to provide policy studies to the HUD secretary, and he never had any dealings in which his former company, Mortgage Associates, came up.

"I never had a matter regarding Mortgage Associates before me," Lubar said. "If I did, I would send it to the secretary."

A spokesman in HUD and FHA strongly disputed Lubar's contention that he lacked authority. As FHA commissioner, he had both the authority and responsibility for all business conducted by FHA, the spokesman said.

Mortgage Associates was cited frequently in investigators' reports last year when William M. Miller, director of the housing and management division in HUD's Chicago-area office, cracked down on negligent mortgage companies.

Miller ordered his investigators to send back to the mortgage companies 60 badly damaged homes. They were homes purchased by poor families with FHA-insured mortgages who later defaulted on payments and lost their homes to the mortgage companies.

The investigators reported that the houses had been left badly damaged because the mortgage companies apparently ignored FHA regulations requiring protection of the vacant buildings.

The following are typical reports by Miller's investigators:

A three-story frame home at 1733 N. Rockwell Av. for which FHA paid $16,155.82 in mortgage insurance. Advance Mortgage Corp. of Detroit, the servicer, in turning the house over to FHA, said it was in "vacant, clean, and secured" condition.

In reality, the investigators said, the house had holes in the roof and floors, plaster walls had been battered in, and the plumbing had never been turned off and drained, causing warping and rot. Vandals who had free access to the house thru unlocked doors and open windows, had strewn garbage and trash thruout the house and yard.

A home at 3230 W. Crystal St., when turned over to FHA, was inspected by one of Miller's men, who found it to be ". . . wide open, kids could get hurt inside. There has never been a board put on this place."

Miller's report showed that Mortgage Associates of Milwaukee, Lubar's former firm apparently ignored regulations by not winterizing and boarding the house, and as a result vandals stole the radiators, furnace, and . . . the kitchen sink.

A home at 8809 S. Burley Av., inspected by Miller's men after being turned over to FHA, had been stripped by thieves of interior walls, plumbing, and electrical boxes, leaving only the carcass of a dead dog. Mortgage Associates had failed to secure and protect the property, according to FHA inspection reports.

Because of these conditions the houses were worthless.

"Stuff like this should be demolished," said Joe Jackson, one of Miller's inspectors. "It could burn up anytime. The house could fall in."

Miller sent letters to the companies responsible for the 60 houses telling them FHA would not accept the houses until they were repaired.

He didn't hear from the companies, but he did hear from his supeirors in Washington very quickly.

His bosses told him he had no authority to act against mortgage companies; the only authority he had was to make recommendations to Washington.

After Miller was overruled, the mortgage companies responsible for the houses received from the FHA the mortgage money it had guaranteed. In addition, Advance Mortgage and Mortgage Associates were paid for security work they apparently never performformed.

Miller and his staff were informed of the protective service payments made to Advance Mortgage and Mortgage Associates by Tribune reporters who obtained copies of documents from other sources.

The continuous frustration of his reform efforts by his superiors led Miller in March of this year to compile a list of such efforts made by his staff and include a description of how Washington dealt with each request for action.

A copy of this secret "Miller Memorandum," intended for circulation only among federal housing officials, was one of the many documents used by Tribune reporters in their seven-month investigation.

The bureaucratic roadblocks it describes make it impossible for local HUD and FHA officials to crack down on unsavory businessmen profiting from poorly administered housing programs.

The local offices can recommend to Washington action against mortgage companies, but they are not allowed to compile documented evidence because they are not permitted to see the vital documents.

As a result, Washington has never taken action for inadequate servicing against any of the thousands of companies it deals with.

It was Sheldon Lubar's administration that told Miller and other local FHA officials to mind their own business, which apparently is to accept the FHA-insured homes in whatever condition they happen to be in and dispose of them in any way they can.

That leaves the Chicago office with the job of running advertisements in the newspapers virtually giving away damaged and destroyed homes.

The following is typical of the transactions that result from such ads:

For a four-flat building at 102-04 S. Central Ave., FHA paid the mortgage company $34,312.71. The building was stripped of radiators, plumbing, and bathroom fixtures. The windows were broken thruout and interior paint was peeling.

FHA eventually got $10,000 for the four-flat in an auction; it would have cost $75,000 to duplicate such a structure.

"It was wide open when Mortgage Associates turned it over to me," said Sel Dunlap, the FHA area manager. "It cost us $700 just to board up the first floor."

Dunlap didn't know it, but Mortgage Associates had already been paid $699 by his own Washington office for "maintaining and protecting" the building.

Another home the FHA wants to get rid of is at 558 N. Leamington Av., for which the government paid $15,677.66. The doors were left unlocked, the windows were broken, the house and yard was littered with lumber, paper, boxes, broken glass, rotting wood, and other trash, and all the heating registers had been stolen. FHA in Washington paid O'Brien & Pain, Inc., First National Plaza, $556.50 for maintaining and servicing the home.

This drainage of public money into the coffers of unscrupulous businessmen is a continuing process in Chicago, the suburbs, the state, and all over the nation, as tens of thousands of damaged and destroyed homes are bought by the federal government for billions in tax dollars and then sold for next to nothing.

HOUSE RESOLUTIONS 536, 537, AND 543, RESOLUTIONS OF INQUIRY DIRECTING THE SECRETARY OF STATE TO PROVIDE INFORMATION CONCERNING THE SEIZURE AND RECOVERY OF THE U.S. MERCHANT SHIP "MAYAGUEZ" AND CREW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MORGAN) is recognized for 5 minutes.

Mr. MORGAN. Mr. Speaker, on June 19, 1975, the Committee on International Relations met in open session to consider three identical resolutions of inquiry, House Resolutions 536, 537, and 543, directing the Secretary of State to provide to the House of Representatives information concerning the seizure of the U.S. Merchant ship *Mayaguez* and its crew, and subsequent diplomatic efforts to release them.

By voice vote, the committee approved a motion that the resolutions be referred to the Subcommittee on International Political and Military Affairs for further consideration.

House Resolutions 536 and 537 were introduced on June 12, 1975, by the Honorable MICHAEL HARRINGTON and 34 cosponsors. House Resolution 543 was introduced on June 16, 1975, by Mr. HARRINGTON and three cosponsors.

On June 13, 1975, the day when House Resolutions 536 and 537 were referred to the committee, the Chair forwarded them to the Secretary of State requesting his comments. A reply was received from the Department of State on June 18, 1975.

At the outset of the committee meeting on June 19, 1975, the Chair pointed out that the full committee and two of its subcommittees had conducted a series of hearings on the *Mayaguez* affair prior to the introduction of the resolutions. Those hearings are as follows:

First. On May 12, the Subcommittee on International Political and Military Affairs began hearings on the seizure of the *Mayaguez*. A second hearing was held by the subcommittee on June 19, 1975, and a third hearing is scheduled for Wednesday, June 25, 1975. In addition, the subcommittee has requested the General Accounting Office to conduct a study of the U.S. Government's actions relating to the *Mayaguez* incident and of the U.S. Government's capability in the general area of crisis management.

Second. On May 15, 1975, the full committee conducted a hearing on the *Mayaguez* affair in which executive branch witnesses testified.

Third. On June 4, 1975, the Subcommittee on International Security and Scientific Affairs held a hearing on the executive branch's compliance with the war powers resolution in the course of its efforts to gain the release of the ship and its crew.

Following the Chair's explanation of committee action with respect to the *Mayaguez* affair, the committee heard statements from the principal sponsor of the resolutions, the Honorable MICHAEL HARRINGTON and three cosponsors: the Honorable JOHN L. BURTON, the Honorable BOB CARR, and the Honorable BELLA ABZUG. In view of the fact that hearings on the *Mayaguez* affair are ongoing, the principal sponsor and three cosponsors present recommended that the resolutions be referred to the appropriate subcommittee for further consideration.

Both the principal sponsor and the three cosponsors present assured the committee that they would not call up the resolutions on the House floor while they are under consideration by the committee.

Following discussion of the recommendation, the committee entertained a motion made by the Honorable ROBERT J. LAGOMARSINO that House Resolutions 536, 537, and 543 be referred to the Subcommittee on International Political and Military Affairs for further action. The motion was adopted by voice vote.

Mr. Speaker, I am making this statement in order to apprise the House of what transpired in the Committee on International Relations on June 19, 1975, with respect to the disposition of House Resolutions 536, 537, and 543.

At this point, I include in the RECORD the text of the three resolutions and the exchanges of correspondence with the Department of State:

RESOLUTION

Resolved, That the Secretary of State is hereby directed to furnish to the House of Representatives, within ten days of the adoption of this resolution, the following infomation:

1. What specific diplomatic initiatives and communications were carried out by the United States in response to Cambodia's seizure of the United States merchant ship Mayaguez and its crew?

2. What diplomatic responses and initiatives are known to have been carried out by Cambodia and other parties, including the United Nations, with respect to the seizure of the Mayaguez and its crew and subsequent efforts to release them?

3. What specific diplomatic options were considered and rejected by the National Security Council in seeking the release of the Mayaguez and its crew?

4. What orders, if any, had been issued to the United States Armed Forces with respect to the Mayaguez incident before the Secretary General of the United Nations was asked to give diplomatic assistance?

5. If known, what was the exact position and course of the Mayaguez when it was seized in relation to the island Poulo Wai, which is claimed by both Cambodia and South Vietnam?

6. What United States intelligence gathering activities, if any, were conducted in or over or from off the shores of Cambodia subsequent to the Khmer Rouge takeover in April 1975, and prior to the seizure of the Mayaguez? Were any such activities known to have been detected or terminated by Cambodia?

7. What covert actions, if any, were undertaken by the United States, either directly or indirectly, to disrupt, destabilize, or otherwise interfere in the internal affairs of Cambodia subsequent to the Khmer Rouge takeover in April 1975, and prior to the seizure of the Mayaguez? Where any such actions known to have been detected or terminated by Cambodia? If so, and if known, in what manner where they detected or terminated?

8. What communications have occurred to date between the United States and Thailand regarding the use of Thai territory in conjunction with the United States military action to secure the release of the Mayaguez and its crew?

JUNE 13, 1975.

Hon. HENRY A. KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: I am writing to request your comments on two identical Resolutions of Inquiry which were introduced in the House on June 12, 1975, and referred to the Committee on International Relations.

Enclosed are two copies of each of the resolutions, H. Res. 536 and 537, directing the Secretary of State to furnish to the House of Representatives information concerning the seizure of the U.S. merchant ship *Mayaguez* and its crew, and subsequent diplomatic efforts to release them.

As you know, the Committee must act on these resolutions within seven (7) legislative days, beginning today. Therefore, we will appreciate receiving your comments as soon as possible, but no later than Thursday, June 19, 1975.

With best wishes, I am,

Sincerely yours,

——— ———,
Chairman.

June 18, 1975.

Hon. Thomas E. Morgan,
Chairman, Committee on International Relations, House of Representatives, Washington, D.C.

Dear Mr. Chairman: The Secretary has asked me to reply to your letter of June 13 requesting his comment on two identical resolutions, H. Res. 536 and 537 requesting the Secretary of State to furnish information concerning the *Mayaguez* operation.

At the beginning of the incident, the President directed that the Congress be kept informed. On two occasions members of the White House staff contacted the Congressional leadership by telephone to inform them of developments. On the late afternoon of Wednesday the 14th, the President met with the Congressional leaders to discuss with them the action he had ordered to recover the ship and crew. We have made every effort to keep the House of Representatives informed concerning the *Mayaguez* operation. Deputy Assistant Secretary of State for East Asian and Pacific Affairs, Robert H. Miller, appeared in executive session before the International Political and Military Affairs Sub-Committee of the International Relations Committee and the Armed Services Committee on May 14, and before the Defense Sub-Committee of the Appropriations Committee and the full International Relations Committee on May 15. The Department of State Legal Adviser, Monroe Leigh, appeared before the International Security and Scientific Affairs Sub-Committee of the International Relations Committee on June 4 to testify concerning consultations with Congress under the War Powers Resolution during the *Mayaguez* affair.

Enclosed are the Department's comments on the questions raised in H. Res. 536 and 537. We believe that the testimony of administration witnesses before the House, as outlined above, and our comments on these questions are evidence of a cooperative effort on the part of the administration to inform the Congress concerning the successful measures to obtain the release of the *Mayaguez* and its American crew. For these reasons we believe that H. Res. 536 and 537 are unnecessary.

Sincerely,

Robert J. McCloskey,
Assistant Secretary for Congressional Relations.

TESTIMONY

1. What specific diplomatic initiatives and communications were carried out by the United States in response to Cambodia's seizure of the United States merchant ship *Mayaguez* and its crew?

Answer: On Monday, May 12 shortly after the NSC meeting and the White House statement demanding the immediate release of the ship, the Department requested the Head of the Chinese Liaison Office here in Washington to call at the Department. The meeting took place at 4:30 p.m. When the Chinese refused to accept a message to the Cambodians demanding the release of the crew and ship, we instructed our Liaison Office in Peking that same day to pass the message to the Chinese Ministry of Foreign Affairs there as well as directly to the Cambodian diplomatic mission in Peking. We had received no reply by the end of the second day (Tuesday, May 13) at which time the first military operations began. These operations were directed at Cambodian patrol boats that were trying to transmit between the *Mayaguez*, the Cambodian mainland and Koh Tang Island.

The next morning, Wednesday, May 14 (about 7:15 a.m., EDT), we learned that the Chinese authorities in Peking had returned undelivered to our Liaison Office in Peking our message to the Cambodians. We still had received no response to the message we delivered directly to the Cambodians in Peking. Shortly after midday on May 14 we delivered a letter to UN Secretary General Waldheim concerning the action requesting him to take steps to bring about the safe return of the *Mayaguez* and crew.

On the evening of May 14 we informed a number of Embassies here in Washington, and the UN Security Council, that we were taking certain military actions to secure release of the *Mayaguez* and its crew.

A Cambodian domestic broadcast indicating that the *Mayaguez* would be ordered to withdraw from Cambodian territorial waters but which made no mention of the disposition of the crew was received in Washington shortly after 8:00 p.m. on Wednesday, May 14.

Within an hour after that broadcast, the White House issued a statement via the press informing the Cambodian government that our military action would cease when the crew was released.

Still later that night we learned that the message we had delivered to the Cambodians in Peking had been routinely sent back through the mail.

2. What diplomatic responses and initiatives are known to have been carried out by Cambodia and other parties, including the United Nations, with respect to the seizure of the *Mayaguez* and its crew and subsequent efforts to release them?

Answer: There are no known diplomatic responses or initiatives carried out by Cambodia, the Chinese, or anyone else with respect to the seizure of the *Mayaguez*. The Cambodian announcement received in Washington the evening of May 14, which referred to release of the ship but did not mention the crew, was a domestic broadcast in the Cambodian language.

The Secretary General's spokesman at the UN announced the afternoon of May 14 that the Secretary General was making all possible efforts to achieve a solution to the problem by peaceful means. For this purpose, he had communicated with the U.S. and Cambodian governments, offered them his good offices, and appealed to them to refrain from further acts of force to facilitate a peaceful settlement. The Secretary General's effort elicited no response from the Cambodians until some days after the rescue of the ship and crew.

3. What specific diplomatic options were considered and rejected by the National Security Council in seeking the release of the *Mayaguez* and its crew?

Answer: Because of the urgency of the situation and the lack of direct channels to the Cambodian authorities in Phnom Penh, we judged that the only effective and rapid channels were those we used—the approach to the Chinese here and in Peking, and in direct delivery of a message to the Cambodian representative in Peking. No other government which might have been helpful in the situation has any representation in Phnom Penh and thus any effective contact with the authorities there.

4. What orders, if any, had been issued to the United States Armed Forces with respect to the *Mayaguez* incident before the Secretary General of the United Nations was asked to give diplomatic assistance?

Answer: As the President stated in his letter to the Speaker of the House, U.S. forces were ordered on Tuesday, May 13 to take measures to prevent the removal of the ship and crew to the mainland. During that night, several Cambodian patrol boats which disregarded warning signals were damaged or sunk.

We approached the Secretary General shortly after noon on Wednesday, May 14, after having received no positive response from the Cambodians or Chinese to our earlier approaches. The National Security Council met later that afternoon, and at about 5:00 p.m. that afternoon the first orders were issued to begin operations later that evening to remove the ship and crew.

5. If known, what was the exact position and course of the *Mayaguez* when it was seized in relation to the island Poulo Wai, which is claimed by both Cambodia and South Viet-Nam?

Answer: The ship was about seven nautical miles from Poulo Wai (9 degrees 48 minutes north/102 degrees 53 minutes east), bound for Sattahip, Thailand.

6. What United States intelligence gathering activities, if any, were conducted in or over or from off the shores of Cambodia subsequent to the Khmer Rouge takeover in April 1975 and prior to the seizure of the *Mayaguez?* Were any such activities known to have been detected or terminated by Cambodia?

Answer: The *Mayaguez* was not a spy ship. It was not engaged in intelligence activities. Between the fall of Phnom Penh on April 17 and the seizure of the *Mayaguez* on May 12, the U.S. undertook periodic reconnaissance flights in the area. However, the thrust of question No. 6 appears to be concerned with whether U.S. intelligence activities might have been the provocation of action taken by the Cambodian vessel in seizing the *Mayaguez*. No such activities were conducted within the time period specified.

7. What covert actions, if any, were undertaken by the United States, either directly or indirectly, to disrupt, destabilize, or otherwise interfere in the internal affairs of Cambodia subsequent to the Khmer Rouge takeover in April 1975 and prior to the seizure of the *Mayaguez?* Were any such actions known to have been detected or terminated by Cambodia? If so, and if known, in what manner were they detected or terminated?

Answer: No such actions were undertaken.

8. What communications have occurred to date between the United States and Thailand regarding the use of Thai territory in conjunction with the United States military action to secure the release of the *Mayaguez* and its crew?

Answer: The Thai government on several occasions publicly expressed concern over the presence of our Marines in Thailand in connection with the *Mayaguez* operation. We expressed our regrets at any action which may have caused any embarrassment to the Thai government. The Thai subsequently stated that they were satisfied with our note expressing regret.

HOME HEALTH CARE—PART XVIII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Koch) is recognized for 15 minutes.

Mr. KOCH. Mr. Speaker, together with 111 House cosponsors I have introduced H.R. 4772 and H.R. 4774, the National Home Health Care Act of 1975. The bill has been given equally strong support in the Senate where it has been introduced as S. 1162 by Senators Frank Moss and Frank Church, respective chairmen of the Senate and the Senate Subcommittee on Long-Term Care and Committee on Aging, Hugh Scott, Senate minority leader, and Senators Williams, Domenici, and Tunney.

To discuss the need for home health care and the public support this proposal is receiving, it is my intention to place statements by myself, and others commenting on the legislation in the Record several times a week.

Today, I am submitting the text of my testimony before the House Subcommittee on Health Maintenance and Long-Term Care chaired by our distinguished colleague, Claude Pepper, on June 16, 1975:

Testimony of Representative Edward I. Koch Before the House Subcommittee on Health Maintenance and Long-Term Care, June 16, 1975

Mr. Chairman, Members of the Subcommittee, I am pleased to have this opportunity to appear before you this morning to discuss home health alternatives to institutionalization, including my bills, H.R. 4772 and H.R. 4774, which I have developed after consulting with over 200 organizations specializing in health care for the elderly and disabled. The legislation now has the support of 111 co-sponsors, including the distinguished Chairman and other Members of this Subcommittee. Chairman Pepper and Mr. Conable have also introduced legislation, the Medicare Long Term Care Act, H.R. 1354, to encourage the creation of community long term care centers. I believe that these two bills together would, if enacted, establish for the first time the kind of care our country has the responsibility of providing for our elderly and handicapped citizens.

The elderly and disabled, so desperately in need of our concern and help, have long been ignored by our society. Although over 75 billion dollars, according to the Social Security Administration, is spent each year to maintain patients in nursing homes, they are too often ignored once they are there. We, as a society, have ignored the abuses that exist in many nursing homes as a result of some unscrupulous operators who overcharge the elderly, their families, and the government, sell nursing homes at high profits to members of their own families, and then charge the government through Medicaid. We have ignored such abuses until they were dramatically brought to our attention by newsmen's investigations. And, we have ignored the basic question of whether many patients belong in nursing homes at all. The shocking fact is—many of the people who are institutionalized in nursing homes do not belong there at all.

It is long past time for a national commitment to be made to guarantee decent health care for our elderly. We must make that commitment now.

I would like to commend the Subcommittee for holding these hearings. I am hopeful that the hearings will demonstrate to the Congress and the public the crisis existing in the delivery of health services to our senior citizens. By pointing out the problems, these hearings will also be of great assistance in the enactment of badly needed legislation.

To help the elderly and disabled, we must look at regulations only. That, in a sense, is the easiest problem to attack. To provide the means to match the needs of the elderly to the care available is much more challenging. For years the nursing home has been the dumping ground for the senior citizens with whom our society cannot cope. You are aware of the situation, which I know from visiting nursing homes myself is all too often the case, of patients blankly staring at a television set with nothing else to do. Even excellent nursing homes, and there are many, give the entering patient the depressing feeling that this will be the end of his or her life.

According to New York State Health Department data collated by the Federation of Jewish Philanthropies, the average nursing home patient in New York City lives only fifteen months after entering. I believe that this is as much caused by a wrenching away from family and friends and a loss of the will to live as it is by deteriorating health.

I have joined with Senator Moss and Chairman Pepper in the introduction of 49 bills to require more stringent controls over the nursing home industry, to provide training of additional persons specializing in the care of the elderly, and to support expansion of home health services for the elderly.

Central to my effort in the National Home Health Care Act of 1975, which I introduced in its current form on March 12. This bill provides key alternatives to institutionalization. There is no reason why an elderly or disabled person should be institutionalized if it is not necessary. There is no reason to compromise his or her dignity and independence. The numbers of elderly and disabled who would benefit by such alternatives—who are now forced to seek institutionalization, whether in hospital or a nursing home only because of a lack of these alternatives—are astounding. A study done for HEW in January of this year cites figures showing that as many as 144,000 to 260,000—or 14 to 25 per cent of the nation's 1,070,000 nursing home patients may be—I quote—"unnecessarily maintained in an institutional environment." And the Levinson Gerontological Institute reports that 40 percent could live at home.

Such a state of affairs is tragic, for no matter how well maintained a nursing home may be, the effect of entering one upon the patient is to create a state of depression. There is a major hole in the current Medicare/Medicaid law in that the alternative of part-time nursing care in the home setting, for those who do not require the full range of services of a nursing home, far cheaper than institutionalization, is not generally available. Estimates by the General Accounting Office, the Library of Congress, and others say that home care averages about one-third the cost of nursing homes, depending on the services required. In New York City, home health programs—averaging from $180 to $600 per month depending on the level of care—cost substantially less than the $15,000 to $20,000 per year or $1,500 per month or $50 per day it takes to place a patient in a nursing home. These figures are for New York City, but there would be comparable savings across the country. Although I have received figures from a number of health care organizations and reports which I will furnish to the Committee, the data is not by any means complete. What is needed now and what the Committee with its resources might wish to initiate, is a national survey of comparative cost data between home health care services and institutionalization in nursing home sand hospitals. Although the cost figures that we have are preliminary, even if the expense approached the nursing home costs, which it will not, I believe that it would be worthwhile, if only because of the positive impact upon the patient.

However, to guarantee that the cost to the government will not be exorbitant for a patient, my legislation provides for alternative care through Medicare/Medicaid, not to exceed in government funds the cost of nursing home care. In the rare case where the home care would be more than institutionalization, the patient can either pay the difference himself or be institutionalized. Thus, patients would be given the choice, at no additional cost to the government.

The National Home Health Care Act, H.R. 4772 and 4774, provides unlimited visiting nurse and doctor visits for those covered by Medicaid, as needed to avoid institutionalization. Current law provides artificial limits of one hundred visits under Medicare post-hospitalization coverage and another one hundred, regardless of hospitalization under Part B, if the patient pays for it. Medicaid has no federally imposed limits, but states can set their own. Our bill pre-empts both the artificial federal and state limits and allows any needed visits up to the cost of that which would have been reimbursed if the patient were institutionalized. For Medicare Part B patients we increase the coverage to 200 visits.

The bill permits additional services to the home health patient such as physical therapy, nutritional guidance, family and personal counseling, as well as necessary medical equipment such as hospital beds, wheel chairs, salves, drugs, oils and other necessities.

In addition, the bill provides assistance with household tasks and repairs, shopping, walking, transportation to doctors' offices and senior centers; and rent subsidies or private home mortgage costs for those who would otherwise require nursing home care. A three-member board, consisting of at least one doctor plus nurses, social workers, phychiatrists, psychoanalysts, or other qualified specialists chosen by HEW, would review each patient's need for and level of care a minimum of twice annually.

It is irrational to force thousands of persons to accept institutionalization if they can be helped through home health care. The passage of the National Home Health Care Bill will correct this injustice.

There has been some controversy over one portion of the bill, to wit, section 7, which requires that the child of a person in a nursing home or receiving home health assistance make a contribution to the beneficiary's care to the extent of up to 5 per cent of the child's taxable income, based on a sliding scale for the amount of income. This means that a family of four with an income of $15,000 using the standard deduction would pay $500—5 per cent of the $10,000 in taxable income—in a year while the Federal payment might be as high as $10,000 to $15,000. An individual making under $4,000 in taxable income and a family under $6,000 would not have to pay.

The bill states that the delivery of health care is in no way conditional upon the payment of the children. In addition, in no case, regardless of income, will the contribution exceed the cost of the care.

I realize, however, that some disagree with me on this question of mandating support while agreeing on other aspects of the bill. Every time I ask for an opinion at a meeting, 70 per cent of those voting approve of the provision and 30 per cent are opposed. Hearings, where all interested parties will have the opportunity to testify, will determine the outcome of this provision. I have introduced a second identical version of the bill but without the parent support requirement, section 7. Thus, both bills are available for consideration, one with the section for parent support, one identical save the omission of this section.

Just as parents have certain responsibilities for the care of their children, as legislated last year under the social services amendments, I believe that this obligation also extends from an adult to his or her elderly or disabled parent. My feeling on this is summed up in a remark I remember my mother once made when reading about an abandoned parent: "That woman raised and cared for seven children: you'd think that seven children could take care of one mother."

I believe that the National Home Health Care Act should be passed by this Congress. Health care for the elderly and the handicapped has become an ever more critical problem and will increase in future years as the longevity of our population increases. This Committee can assist in making home health care for our elderly and handicapped population a reality, and thus help our nation move dramatically closer to the goal of giving the elderly the life of dignity and well-being that should be the reward of their later years.

Mr. Chairman, with your permission, I will leave with you for the Hearing Record copies of statements and articles by experts in the home health field which I have received in support fo the legislation and which relate experiences in the area of home health care.

DESCRIPTION OF KOPPERS-TOTZEK PROCESS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 30 minutes.

Mr. DENT. Mr. Speaker, a number of Members have recently expressed an interest in the hard-figure facts involved in the coal gasification and liquefaction Koppers-Totzek process that I have addressed myself to recently. I submit for the Members edification the following information concerning Koppers-Totzek in producing three products from coal.

One ton of low-sulfur coal will produce 50,000 standard cubic feet of synthetic gas, which, at 300 Btu's per cubic foot of gas, converts to 15 million Btu's of product. The Koppers-Totzek process claims an end product efficiency of approximately 65 percent, with approximately 30 percent of the remaining gas being used in the production process.

An operating period of 330 days per year in a standard four-gasifier unit will produce the following daily and yearly amounts of synthetic gas:

Ammonia: 2,100 tons per day; 693,000 tons per year;

Methanol: 2,100 tons per day; 693,000 tons per year;

Hydrogen: 634.0 million gallons per day; 209,525 million gallons per year.

A two-headed gasifier can gasify more than 400 tons of coal per day. A four-headed gasifier can gasify more than 850 tons of coal per day. All ranks of sulfur grade coal can be gasified. At present the lower sulfur coal is used for Koppers-Totzek research, and all data is based on this 26,800,000 Btu per ton coal.

Conversion statistics comparing low sulfur with anthracite coal:

Low sulfur per ton equals 50,000 standard cubic feet of gas, which at 300 Btu's per cubic foot yields 15,000,000 Btu's.

High sulfur per ton equals 75,000 standard cubic feet of gas which at 300 Btu's per cubic foot yields 22,500,000 Btu's.

DESCRIPTION OF K-T PROCESS

In the Koppers-Totzek process, pulverized coal, oxygen and steam are fed into a gasifier where they react in suspension at high temperatures.

The gasifier is a refractory-lined steel shell equipped with a steam jacket.

A two-headed gasifier can gasify more than 400 tons of coal per day. The coal, oxygen and steam are brought together in opposing burner heads spaced 180° apart. Four-headed gasifiers, capable of gasifying 850 tons of coal a day, employ burner heads 90° apart. With the use of multiple units, capacities and efficiencies can be greatly increased.

Within the gasifier, the operating pressure is slightly above atmospheric and the reaction temperature is 3,300–3,500° F. The coal is gasified almost completely and instantaneously, and organic contaminants are destroyed to trace quantities.

K–T can gasify all ranks of coal. High sulful and ash present no problems. Actually, any carbonaceous material that can be dried and pulverized is a suitable feedstock.

COSTS OF CHEMICAL PRODUCTS

Figures 6, 7 and 8 [not printed in RECORD] show estimated costs for producing ammonia, methanol and hydrogen via the K–T system. As indicated earlier, estimated costs are on a battery limits basis and all utilities are purchased. The biggest utility cost is power for synthesis gas compression, and in this report it is charged in at one cent per kilowatt. Power requirements could be reduced with the use of steam turbine drives, however, this would require low cost, low sulfur coal for in-plant coal fired steam generation. With high sulfur coal, one could use gasification to supply environmentally acceptable fuel gas to a steam generator. Each of these alternatives involves many variables and require special considerations, therefore they are not included in this discussion.

Cost data are based on the following conditions:

Operating Period: 330 days/year.

Plant Capacity: Ammonia, 2100 tons/day, 693,000 tons/years; Methanol, 2100 tons/day, 693,000 tons/year, 634.9 M gal/day, 209,525 M gal/year; Hydrogen, 100×10^6 SCFD.

*Project Life (n): 20 years.

Taxes and Insurance: **3.5% of Plant Investment.**

*Interest (i): 9%; 20 year average equals 6.0%.

Corporate Charges: 10% of Plant Level Cost.

Gross Return: 20% of Plant Investment.

Federal Income Tax: 48% of Gross Return.

Debt: 100%.

Working Capital: 60 days inventory of raw material; net receivables 1/24 annual revenue; materials and supplies at 0.9% of Plant Investment.

Start-Up Costs: 20% of Total Net Operating Cost.

Interest During Construction: 1.875 years at 9% of Plant Investment.

Coal Cost for All Cases: $8.00 per ton.

KOPPERS-TOTZEK COAL GASIFICATION

ESTIMATED ANHYDROUS AMMONIA COSTS (BASIS: 330 DAYS PER YEAR)

[Plant capacity: 2,100 tons per day—693,000 tons per year]

	M$	Dollars per ton NH_3	Percent cost per ton
Plant investment	123,000		
Working capital	5,329		
Total investment	128,329	185,00	
Direct operating costs:			
Raw materials, chemicals, catalysts and utilities (includes sulfur credit)	19,578	28.25	27.7
Labor and supplies: Operating and maintenance (includes supervision and general overhead)	4,518	6.52	6.4
Total direct costs	24,096	34.77	34.1
Indirect costs: Depreciation, taxes, insurance and interest—plant investment basis: Total indirect costs	17,835	25.73	25.2
Total cost plant level	41,931	60.50	59.3
Corporate charges, 10 percent plant level cost	4,193	6.05	5.9
Gross return, 20 percent of investment	24,600	35.50	34.8
Total yearly costs	70,724	102.05	100.0

	Amount
Tons NH_3 per 330-day year	693,000
Selling price, dollars per ton NH_3	102.05
Federal income tax, M$	11,808
Net return M$	12,792
Net return:	
Percent of plant investment	10.4
Percent of sales	18.1
Not included in cost calculations are the following:	
Startup costs, M$	4,800
Interest during construction (1.875 yr at 9 percent, M$	20,756
Total, M$	25,556

These costs, if included in plant investment, would add $5.35 per ton to the ammonia selling price.

Basis: 20-yr project life; 48 percent Federal income tax rate; 100 percent debt; 9 percent interest (20-yr average=6 percent).

ESTIMATED COMMERCIAL METHANOL (COSTS BASIS: 330 DAYS PER YEAR)

[Plant capacity: 2,100 tons per day—693,000 tons per year; 209,525 M gals per year]

	M$	Cents per gallon	Percent cost per ton
Plant investment	118,820		
Working capital	3,276		
Total investment	122,096	58.0	
Direct operating costs:			
Raw materials, chemicals, catalysts and utilities (includes sulfur credit)	15,166	7.2	23.5
Labor and supplies:			
Operating and maintenance (includes supervision and general overhead)	4,481	2.1	6.9
Total direct costs	19,647	9.3	30.4
Indirect costs: Depreciation, taxes, insurance and interest—plant investment basis: Total indirect costs	17,229	8.2	26.8
Total cost plant level	36,876	17.5	57.2
Corporate charges, 10 percent plant level cost	3,688	1.8	5.9
Gross return, 20 percent of investment	23,764	11.3	36.9
Total yearly costs	64,328	30.6	100.0

	Amount
M gals per 330-day year	209,525
Selling price, cents per gallon	30.6
Federal income tax, M$	11,407
Net return, M$	12,357
Net return:	
Percent of plant investment	10.4
Percent of sales	19.2
Not included in cost calculations are the following:	
Startup costs, M$	3,900
Interest during construction (1.875 yr at 9 percent), M$	20,000
Total, M$	23,900

These costs, if included in plant investment, would add 1.6 cents per gallon to selling price of methanol.

Basis: 20-yr project life; 48 percent Federal income tax rate; 100 percent debt; 9 percent interest (20-yr average=6 percent).

ESTIMATED 96 PERCENT PURITY HYDROGEN COST (BASIS: 330 DAYS PER YEAR)

[Plant capacity: 100×10^6 SFCD]

	M$	Dollars per MSCF	Cost per MSCF
Plant investment	84,725		
Working capital	3,795		
Total investment	88,520	2.570	
Direct operating costs:			
Raw materials, chemicals, catalysts and utilities (includes sulfur credit)	12,660	.384	26.03
Labor and supplies:			
Operating and maintenance (includes supervision and general overhead)	3,914	.119	8.07
Total direct costs	16,574	.503	34.10
Indirect costs: Depreciation, taxes, insurance and interest—plant investment basis: Total indirect costs	12,285	.372	25.22
Total cost plant level	28,859	.875	59.32

---

*Based on capital recovery factor= $i(1+i)^n/(1+i)^n-1$.

ESTIMATED 96 PERCENT PURITY HYDROGEN COST (BASIS: 330 DAYS PER YEAR)—Continued

[Plant capacity: 100×10⁶ SFCD]

	M$	Dollars per MSCF	Cost per MSCF
Corporate charges, 10 percent plant level costs	2,886	.087	5.90
Gross return, 20 percent of investment	16,945	.013	34.78
Total yearly costs	48,690	1.574	100.00

	Amount
MMSCF per 330-day year	33,000
Selling price, dollars per MSCF	1.475
Federal income tax, M$	8,134
Net return, M$	8,815
Net return:	
Percent of plant investment	10.4
Percent of sales	18.0
Not included in cost calculations are the following:	
Startup costs, M$	3,350
Interest during construction (1.875 yr at 9 percent), M$	14,297
Total, M$	1,647

These costs, if included in plant investment, would add 8 cents per thousand cubic feet to the selling price of hydrogen.

Basis: 20-yr project life; 48 percent Federal income tax rate; 100 percent debt; 9 percent interest (20-yr. average = 6 percent).

RENEWAL REFORM FOR BROADCASTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise today to support passage of H.R. 7947, a long overdue bill which I am cosponsoring. This piece of legislation would give the FCC authority to extend the period of license renewal for broadcasters. This is leigslation which should have been enacted in the 92d or 93d Congress, and I hope that this much needed action will finally be taken in this, the 94th Congress.

Broadcasters are in a unique position. Their ability to operate their businesses is dependent upon the FCC's decision to renew their license every 3 years. Broadcasting, despite the insecure ownership status of stations, is forced to operate much like other businesses. Future plans and capital improvements are necessities in broadcasting, as in all businesses. Often, significant expenditures are required, as in conversion to a color transmitting capability. Broadcasters need assurance that they will be operating long enough into the future to at least recover the cost of their investments.

Unfortunately, at present this assurance does not exist. The FCC is currently operating under an ill-defined, unreliable license renewal policy. A broadcaster has no security that his license will be renewed in the future although he has broken no rules or failed to fulfill any requirements as outlined by the FCC. The problem exists because the FCC has failed to define specific criteria for awarding a broadcast license, other than that such an award shall best serve "the public interest," a term which is, unfortunately, also nonspecific and inadequately defined by the FCC. Thus the FCC has the power to deny the renewal application of an incumbent licensee who has performed his responsibilities without fault, solely because the FCC decides at the time of renewal that the untested proposals of a competing applicant will better serve the "public interest," as currently defined.

H.R. 7947, however, would direct the FCC to establish definite procedures for a licensee to follow to ascertain the "problems, needs, and interests" of the service are in which he broadcasts. Additionally, the bill directs the FCC to renew the license of a broadcaster who has been responsive to those needs in his programing. Thus H.R. 7947 would relieve broadcasters from the burden of insecurity, by requiring the FCC to establish definite requirements which, if followed, would assure renewal.

In addition to providing security to incumbent licensees, H.R. 7947 would give the FCC the authority to extend the broadcast license period from the present 3-year term to 5. The very great majority of broadcasters retain their licenses. The FCC and the broadcasters waste a great deal of time routinely refiling and renewing applications of incumbent licensees every 3 years. H.R. 7947 would allow the FCC to lessen its burden and that of individual broadcasters by requiring application every 5 years, rather than 3, in cases which the FCC decides are in the public interest.

I do not believe that such an extension would limit the FCC's regulatory effectiveness or promote abuses on the part of broadcasters. The threat of cancellation would still exist, regardless of the date of reckoning. It is illogical to believe that the length of time between renewals is the regulatory force affecting broadcasters attitudes and actions. Rather it is the fact that the possibility of revocation exists, regardless of the specific date in the future.

In summation, let me say that I strongly support passage of H.R. 7947. I believe that it is a just reflection of the regulatory needs of the broadcast industry. Due to the limited number of broadcasting channels available, I agree that regulation of the industry is necessary, and I agree that broadcasters should be responsive to the "public interest." However, I also believe that definite requirements must be defined for serving that interest before we can hold broadcasters accountable for failure to do so. H.R. 7947 would accomplish that objective and relieve broadcasters and the FCC of some of the unnecessary burdens and expensive paperwork imposed by regulation, and I urge the support of my colleagues for this legislation.

REQUESTS FOR INFORMATION ON "MAYAGUEZ"

(Mr. PRICE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, today the Armed Services Committee took up House Resolutions 529, 530, and 542. Those resolutions, which are identical, directed the President to furnish certain information to the House of Representatives concerning the seizure and recovery of the U.S. merchant ship *Mayaguez*. Since today was the final day of the 10 days specified for reply in House Resolutions 529 and 530, the committee set a hearing for the response of the Department of Defense.

The Department submitted written answers to each of the questions contained in the resolutions, and also provided witnesses to answer any additional inquiries of the members. The committee also heard from Mr. Michael Harrington, Mr. John Burton, and Mr. Robert Carr, cosponsors of the resolutions.

The committee was unable to complete its action on the resolutions when an objection was raised to the lack of a quorum. Since a quorum was lacking, the hearing was recessed subject to the call of the Chair.

In view of the interest of many House members in the *Mayaguez* incident, I want to submit for publication in the Record the Department of Defense response to the resolutions.

Office of the
Assistant Secretary of Defense,
Washington, D.C., June 20, 1975.

Hon. Melvin Price,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

Dear Mr. Chairman: The Secretary of Defense has asked that I reply to your letter of June 19 regarding H. Res. 529, H. Res. 530 and H. Res. 542. Mr. Lally of your staff has been provided responses to the fourteen questions contained in those resolutions, copies of which are enclosed.

As you know, the Department of Defense provided you and your Committee a comprehensive briefing on the Mayaguez incident on May 14 and on May 23, Deputy Secretary Clements furnished you a written narrative description of the military operation.

We believe that the actions we have taken both during the operation to secure the release of the Mayaguez and its crew and subsequent to its successful conclusion demonstrate our efforts to keep the Congress properly informed. In this regard, we stand ready to provide you any further information you may require. Consequently, we believe that H. Res. 529, H. Res. 530, and H. Res. 542 are unnecessary and recommend they be reported unfavorably.

Sincerely,

Richard Fryklund,
Principal Deputy Assistant, Secretary of Defense (Legislative Agency).

Chronology of Diplomatic Events, Meetings, and Press Briefings Pertaining to the "Mayaguez" Incident

(All times are eastern daylight savings time)

1. What was the exact sequence of communications, meetings, consultations, diplomatic initiatives, and military actions carried out by the United States in response to Cambodia's seizure of the United States merchant ship Mayaguez and its crew? What communications, diplomatic responses and initiatives, and military actions are known to have been carried out by Cambodia and other parties with respect to the seizure of the Mayaguez and its crew and subsequent efforts to release them?

MAY 12

3:18 a.m.: Mr. John Neal of the Delta Exploration Col. in Jakarta, Indonesia received a Mayday call from the Mayaguez. Messages stated "Have been fired upon and boarded by Cambodian armed forces at 9 degrees 48 minutes north/102 degrees 53 minutes east. Ship is being towed to unknown Cambodian port."

4:00 a.m. to 5:00 a.m.: Mr. Neal lost communication with the ship, gave up trying to reach the ship and informed the U.S. Embassy of the incident.

5:02 a.m.: U.S. Embassy in Jakarta informed Washington of the incident.

12:05 p.m.: The President chaired a meeting of the National Security Council.

1:50 p.m.: White House press briefing and statement concerning seizure of the ship and U.S. demand for its release.

4:30 p.m.: A representative of the Liaison Office of the People's Republic of China was summoned to the State Department and given a message for the Cambodian authorities, demanding the release of the ship. The PRC representative refused to accept the message.

MAY 13

12:10 a.m.: A representative of the United States Liaison Office in Peking delivered a message to the Cambodian Embassy there. A message was also delivered to the Foreign Ministry of the People's Republic of China.

6:45 a.m.: White House press briefing on location of ship and U.S. surveillance effort.

10:30 a.m.: President chaired a meeting of the National Security Council. Orders are issued that boats between the island and the mainland, be intercepted with minimal force. Koh Tang is to be isolated and no boats are to be allowed to arrive or depart.

6:00 p.m. to 7:00 p.m.: Congressional leadership notified by telephone of President's orders to prevent movement of ship and crew.

10:40 p.m.: The President chaired a meeting of the National Security Council.

MAY 14

7:15 a.m.: U.S. Liaison Office in Peking reported that PRC Foreign Ministry returned the message for the Cambodian authorities.

11:00 a.m.: Congressional leadership notified by telephone that three Cambodian boats had been sunk and four damaged by U.S. air strikes.

11:50 a.m.: DOD press briefing and statement about U.S. attacks on Cambodian boats.

1:00 p.m. to 2:00 p.m.: A letter regarding this action was delivered to UN Secretary General Waldheim by Ambassador Scali.

3:00 p.m. to 5:00 p.m.: State and DOD officials briefed members of the House International Relations Committee, Senate Foreign Relations Committee and House Armed Services Committee.

3:52 p.m.: President chairs NSC meeting in the Cabinet Room.

4:45 p.m. to 5:10 p.m.: Orders are issued to begin the military operations for the recovery of the SS Mayaguez and crew including air attacks against military facilities near Kompong Som to prevent reinforcement and support from the mainland for Cambodian forces detaining the ship and its crew.

5:14 p.m. to 5:20 p.m.: U.S. assault forces take off from stations.

6:40 p.m. to 7:40 p.m.: President meets with Congressional leadership to inform them of the actions he has ordered to recover the ship and the crew.

7:07 p.m.: Phnom Penh domestic radio service carries a broadcast in Cambodian that states that the Cambodian Government will order the Mayaguez to withdraw from Cambodian territorial waters. No mention is made of the crew.

7:09 p.m.: Assault force arrives at Koh Tang Island and comes under fire.

8:06 p.m.: The Cambodian broadcast, monitored by the Foreign Broadcast Information Service and translated into English, was carried on the FBIS wire.

8:15 p.m.: The President is informed of the FBIS wire report by Secretary Kissinger.

8:30 p.m.: White House press briefing and statement on actions ordered by the President.

9:15 p.m.: White House issued press release on message being sent to Cambodian authorities offering to stop military operations if crew is released.

9:33 p.m.: Mayaguez is secured and U.S. colors are raised.

10:23 p.m.: A boat was reported near Koh Tang Island flying a white flag.

11:07 p.m.: The USS Wilson takes aboard the occupants of a Thai boat flying a white flag. The occupants were determined to be the entire crew of the SS Mayaguez.

11:31 p.m.: White House statement on recovery of ship.

MAY 15

12:30 a.m.: The President's statement on recovery of ship and crew.

12:45 a.m.: DOD pres briefing on military actions.

2–2:30 a.m.: President's War Powers report delivered to Senate and House leadership.

7:17 a.m.: Final extraction of U.S. ground forces completed.

MILITARY EVENTS

(All times are eastern daylight saving time)

The Mayaguez incident began for the US Armed Forces at 5:12 AM on 12 May 1975, when the National Military Command Center (NMCC) received a report from the American Embassy, Jakarta, that a US merchant vessel, SS Mayaguez, had possibly been boarded. The vessel had been fired on, boarded, and seized in international waters at about 21 minutes past midnight, 12 May, while traversing a standard sealane and trade route. (All times used are Eastern Daylight Time. To convert to Gulf of Thailand time, add eleven hours.)

At 7:30 AM, a reconnaissance aircraft was directed to be launched from Utapao, and early that morning a P–3 took off to begin coverage of the area. By mid-afternoon other reconnaissance aircraft joined the surveillance coverage. A total of 45 reconnaissance sorties provided continuous surveillance until the end of the operation. The first minor battle damage was incurred when a P–3 was hit by small arms fire from a gunboat at 9:16 PM. During the afternoon, the destroyer, USS Holt, the support ship, USS Vega, the USS Coral Sea Carrier Task Group, and the destroyer, USS Wilson had been directed to proceed to the vicinity of Kompong Som from various locations in the Western Pacific. By midnight the Mayaguez had moved from the vicinity of Poulo Wai Island to near Kaoh Tang Island. All of these ships were to play a significant role in the operations on 14–15 May.

On 13 May at 6:55 AM, Commander in Chief Pacific (CINCPAC) was directed to maintain fighter/gunship cover over Mayaguez to keep it away from the Cambodian mainland and to isolate the area. At about 6:20 AM, an A–7 reported placing ordnance in the water in front of Mayaguez to signal it not to get underway. During the remainder of the morning, several small boats were observed moving to the Mayaguez and between the ship and Kaoh Tang. At 8:30 PM, another A–7 sank a Cambodian patrol boat after attempting to divert the craft.

At 12:10 PM, CINCPAC was directed to move all available Air Force helicopters to Utapao, and to temporarily move two reinforced Marine platoons from Subic Bay to Utapao. These preparations were completed by about 3:00 AM on 14 May. At 3:33 PM on 13 May an Okinawan-based Marine battalion was directed to travel to Utapao in case it was needed. This movement was completed early the following day.

During the remainder of 13 May and into early evening of the 14th, efforts continued to prevent Mayaguez from leaving Kaoh Tang until sufficient US forces could be positioned in the event diplomacy failed. During this period a boat was seen leaving the island proceeding towards Kompong Som with some possible Caucasians aboard. It was not known whether this represented some or all of the US crew. Attempts to turn back this boat, including use of warning shots and riot control agents, failed and the boat was allowed to proceed. It has been subsequently determined that the entire crew was probably on this boat. At midnight on the 13th discretionary authority was given to attack and sink all small craft in the vicinity of Kaoh Tang. Up until that time, the decision to sink any vessel had to be taken in Washington by the NCA.

The military operation to effect the recovery of SS Mayaguez and crew from Cambodian control began with the issuance of an order at 3:50 PM on 14 May. This order followed extensive planning and prepositioning of forces. The initial order directed CINCPAC to conduct the assault using Marines placed aboard the destroyer USS Holt to seize and secure Mayaguez and sail or tow the ship to sea as soon as possible and also directed a Marine helicopter assault on Kaoh Tang Island to free US crewmen thought to be there. Tactical aircraft from Thailand and the carrier USS Coral Sea were authorized to provide support for the operations as required, as was naval gunfire. Riot control agents in a defensive mode were authorized to reduce civilian casualties.

At 5:15 PM on 14 May, the first troop-carrying helicopter took off from Utapao Airfield, Thailand, where all available USAF helicopters and the Marine Ground Security Force had been prepositioned. At about the same time, tactical aircraft began to launch to provide continuous coverage for the operation, and an airborne command post assumed on-scene control. Three helicopters carrying about 50 Marine Ground Security Force combat troops, 6 US Navy explosive ordnance disposal technicians, and a linguist arrived at USS Holt at about 7:00 PM. These forces, together with 6 Military Sealift Command personnel to crew Mayaguez, were all transferred to Holt by 7:22 PM. Holt came alongside Mayaguez at 8:45 PM, and 20 minutes later reported that the Marines were in full control of the ship. No one was found onboard Mayaguez at the time of boarding, but food found on the dining table and a warm kettle on the stove suggested a recent, hasty departure.

The assault on Kaoh Tang began when the first three of eight USAF helicopters with Marine assault forces took off from Utapao. One of the first helicopters reported hostile ground fire at 7:09 PM, and the flight mechanic was wounded. A second helicopter was reported hit and burning some six minutes later. Another helicopter from this flight crashed nearby on the beach at about 7:45 PM. Thirty minutes later insertion of the first assault wave had been completed. Of the eight helicopters in the first wave, three crashed on the beach or in the water, and two were disabled, one landing on a Thai island for fuel before proceeding to Utapao and the other returning directly to Utapao. The Marine Ground Force Commander had consolidated his position in the vicinity of the main landing zone by about 9:45 PM. The force received sporadic but heavy automatic weapon fire, together with claymore mine detonations. Across the island from the main force, 22 personnel, whose helicopter had been hit and crash-landed, were isolated.

CINCPAC had been directed at 5:18 PM on 14 May to commence cyclic strike operations from the aircraft carrier USS Coral Sea on military targets in the Kompong Som-Ream complex with first time on target specified at 8:45 PM to coincide with the estimated time of recapture of Mayaguez. The first cycle was to be armed reconnaissance with Cambodian aircraft and military watercraft as principal targets. Subsequent flights were to make maximum use of precision guided munitions to attack targets of military significance. The tactical air armed reconnaissance cycle did not expend ordnance. The second cycle struck the Ream Airfield. The runway was cratered, numerous aircraft were destroyed or damaged, and the hangars were badly damaged. The third and final cycle struck the Naval Base at Ream damaging the barracks area. Naval facilities in

Kompong Som, including a POL storage area, were also struck during the cycle, damaging two warehouses in the port and scoring a direct hit on a large building in the marshalling yard. This bomb damage assessment is based on pilot reports and some photography. In all, 15 attack sorties expended munitions. Operations against the mainland terminated about midnight on 14 May.

These operations against the mainland were designed to ensure the island was not reinforced, to put pressure on the Cambodians to release the crew and to ensure the safe withdrawal of the Marine Ground Support Force.

At about 1:15 PM, a domestic broadcast from Cambodia had indicated that the Government intended to release the vessel at some future time. No mention was made of the crew. The broadcast was monitored, translated, and transmitted to Washington where it was passed to the Secretary of Defense in the White House some time after 8:00 PM. This information received after the launch of the force, the landing of the Ground Security Force, and the infliction of most US casualties was not deemed sufficiently definite to call for a ceasefire, which would risk the crew and the Marines on the island.

At 10:23 PM, a boat was reported approaching the island flying a white flag. The destroyer USS Wilson picked up the occupants and reported at about 11:15 PM that the entire crew of Mayaguez was accounted for and that all were in good condition. A fishing vessel with a five-man Thai crew had brought Mayaguez's crew to Wilson from Kaoh Rong San Lem. The Thais requested food and fuel for their boat, and upon receipt of these supplies, they departed. By 25 minutes past midnight, on 15 May, Mayaguez's crew had been returned to their ship.

At about midnight, the order was given to cease all offensive operations and begin to withdraw. At that time, additional ground security forces were requested by the Ground Force Commander in order to provide sufficient firepower for a successful withdrawal under fire. The second Marine assault wave had begun to arrive in the area of Kaoh Tang Island at about 11:45 PM on 14 May.

The helicopter received ground fire, and one of the first two was damaged. At eight minutes past midnight, after augmentation by a portion of the second wave, the Marines were reported in good position with the opposition forced back. At 1:21 AM on 15 May, a second helicopter from the second assault wave was hit at the island, and, along with two other helicopters, it returned to Utapao without disembarking the Marines.

Initial efforts to withdraw forces from the island concentrated on extracting the 22 isolated personnel. The main body of the Marine Ground Security Force with a strength of approximately 213 personnel was unable to reach the 22-man Marine force. It was felt there would be considerable risk to this small force if left overnight. The first helicopter making the attempt was hit by ground fire at 3:34 AM and landed on USS *Coral Sea.*

The reduction in numbers of operational helicopters, the intensity of enemy ground fire received by each inbound helicopter and the approach of darknes complicated the extraction. Small boats from USS *Holt* and USS *Wilson* began efforts to approach the beaches at 6:15 AM, but aborted due in part to ground fire. Working with naval gunfire and tactical aircraft support, the extraction continued into darkness. Helicopters recovering to *Coral Sea* were able to finally clear all USMC personnel from the island by about 9:15 AM, 15 May. The small group near the downed helicopter had been the first extracted, some two hours earlier.

At the approximate time of the extraction of the last Marines from Kaoh Tang Island, it was directed that the residual force of 789 Marines at Utapao be returned to their home station. The first C-141 aircraft with 150 Marines lifted off Utapao at about noon with the last aircraft departing at a little after 5:00 PM, 15 May. Marine forces aboard the USS *Coral Sea* were taken to Subic Bay by the Naval Task Force and arrived Tuesday morning, 20 May 1975. The Armed Forces of the United States in the Pacific area have reverted to routine operations.

2. What specific diplomatic options were considered and rejected by the National Security Council in seeking the release of the *Mayaguez* and its crew?

Because of the urgency of the situation and the lack of direct channels to the Cambodian authorities in Phnom Penh, it was judged that the only effective and rapid channels were those used—the approach to the Chinese here and in Peking, and the direct delivery of a message to the Cambodian representative in Peking. No other government which might have been helpful in the situation has any representation in Phnom Penh and thus any effective contact with the authorities there.

3. What specific military options were considered by the National Security Council in seeking the release of the *Mayaguez* and its crew?

The National Security Council considered a wide range of specific military options in securing the release of the *Mayaguez* and its crew. They included various means of recovery, levels of air activity, various kinds of targets and ranges of times.

After full deliberation on the specific military options discussed, a combination of the options to apply selectively that military force reasonably necessary to achieve the desired results was directed by the President.

4. What consultations were carried out between the President and the Congress, pursuant to section 3 of the war powers resolution, prior to the deployment of United States Armed Forces to secure the release of the *Mayaguez* and its crew?

At the beginning of the incident, the President directed that the Congress be kept informed. On two occasions members of the White House staff contacted the Congressional leadership by telephone to inform them of developments. On the late afternoon of Wednesday the 14th, the President met with the Congressional leaders to discuss with them the action he had ordered to recover the ship and crew.

5. What orders, if any, had been issued to the United States Armed Forces with respect to the Mayaguez incident before the Secretary General of the United Nations was asked to give diplomatic assistance?

As the President stated in his letter to the Speaker of the House, U.S. forces were ordered on Tuesday, May 13 to take measures to prevent the removal of the ship and crew to the mainland. During that night, several Cambodian patrol boats which disregarded warning signals were damaged or sunk.

The Secretary General was approached shortly after noon on Wednesday, May 14, after having received no positive response from the Cambodians or Chinese to our earlier approaches. The National Security Council met later that afternoon, and at about 5:00 p.m. that afternoon the first orders were issued to begin operations later that evening to remove the ship and crew.

6. What was the nature and source of information regarding the location of the Mayaguez crew which was available to the President immediately prior to the deployment of United States ground troops on Koh Tang Island?

Aerial reconnaissance indicated that some members of the Mayaguez crew had been taken to Koh Tang Island. There was also indication that some members of the crew may have been taken to the mainland. The operation was conducted under the assumption that members of the crew may have been in all three locations.

7. Were United States air strikes carried out against targets on the Cambodian mainland after the Mayaguez crew had been released?

Yes, as part of our efforts to ensure the earliest, safe disengagement of US forces engaged in close combat on Koh Tang.

8. If known, what was the exact position and course of the Mayaguez when it was seized in relation to the island Poulo Wai?

Ship was 7nm southwest of Poulo Wai Island heading NNW enroute Thailand.

9. What United States intelligence gathering activities, if any, were conducted in or over or from off the shores of Cambodia subsequent to the Khmer Rouge takeover in April 1975, and prior to the seizure of the Mayaguez? Were any such activities known to have been detected or terminated by Cambodia? How did the United States acquire a photograph of Koh Tang Island, dated April 17, 1975, which was displayed at a Defense Department briefing during the Mayaguez incident?

The Mayaguez was not a spy ship. It was not engaged in intelligence activities. Between the fall of Phnom Penh on April 17 and the seizure of the Mayaguez on May 12, the U.S. undertook periodic reconnaissance flights in the area. However, the thrust of question No. 9 appears to be concerned with whether U.S. intelligence activities might have been the provocation of action taken by the Cambodian vessel in seizing the Mayaguez. No US reconnaissance operations were terminated or even intercepted by Cambodian forces. The photograph of Koh Tang Island, dated 17 April 1975, was obtained by routine US reconnaissance photography.

10. What covert actions, if any, were undertaken by the United States, either directly or indirectly, to disrupt, destabilize, or otherwise interfere in the internal affairs of Cambodia subsequent of the Khmer Rouge takeover in April 1975, and prior to the seizure of the Mayaguez? Were any such actions known to have been detected or terminated by Cambodia? If so, and if known, in what manner were they detected or terminated?

None.

11. What warning, if any, was issued to the United States merchant marine prior to the seizure of the Mayaguez, regarding Cambodia's interception and harassment of vessels traveling near its shores, including Cambodia's attack on a South Korean freighter on May 4, 1975, and its detaining of a Panamanian ship on May 7, 1975?

None. Both the Department of State and Department of Defense are involved in issuing special warnings to US commercial vessels about the possibility of military action, but the need to issue such warnings has been relatively rare. This, coupled with the view that it was not immediately apparent, to those throughout the Government who received the information on the May 4th and May 7th incidents that American ships happening to pass in the area might possibly be in danger, resulted in no warning being immediately issued. A special warning was issued on the day we learned that the Mayaguez was seized.

12. Under the authority of what law superseding the statutory prohibitions against United States combat activity in or over or from off the shores of Cambodia were United States Armed Forces used to secure the release of the Mayaguez and its crew?

The duty of the President to protect US citizens abroad is an inherent part of his responsibility as Commander in Chief of the United States Armed Forces.

13. What communications have occurred to date between the United States and Thailand regarding the use of Thai territory in conjunction with the United States military action to secure the release of the Mayaguez and its crew?

The Thai government on several occasions publicly expressed concern over the presence of U.S. Marines in Thailand in connection with the Mayaguez operation. The U.S. Government expressed its regrets at any action which may have caused any embarrassment to the Thai government. The Thai subsequently stated that they were satisfied with the note expressing regret.

14. What steps were taken to insure the accuracy of the various announced casualty figures relating to the Mayaguez rescue operation?

Every effort was made to insure that information pertaining to this activity was rapidly made available to the American people. Thus, numbers of casualties were being reported at every level of command, sometimes inaccurately always incompletely. Without regard to how often words of caution such as "incomplete," "interim," or "preliminary," are used to describe all such activity, they are seldom reported. In any event the same procedures traditionally applied by the Armed Forces to casualty accountability, i.e., head-count, personnel interviews and boards of officers where required were applied here. The time required to finalize the numbers must have appeared somewhat inordinate. However, in light of the fact that mixed forces from several services and units were extracted under fire, some to Thailand, some to Coral Sea, some to Wilson, and some to Holt, this was from a combat standpoint to be expected. It was not until unit integrity was restablished at Subic Bay, that a final count of casualties could be made.

FOOD STAMP-SSI BENEFITS TO CONTINUE

(Mr. WAMPLER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAMPLER. Mr. Speaker, I take this occasion to compliment the leadership on both sides of the aisle for acting quickly and responsibly on H.R. 6698, a bill which includes a provision that will extend for 1 year present law in regard to the SSI and food stamp programs. I include, of course, the bipartisan leadership of the committees on Ways and Means and Finance which also acted most responsibly in this matter.

The bill is now on its way to the President and I am confident it will be signed into law prior to the June 30 deadline.

I am especially proud of the membership of the Committee on Agriculture for being responsive to the welfare of 1.3 million aged, blind, and disabled Americans by supporting my motion to move expeditiously on this important bill. In the Commonwealth of Virginia alone there will now be 34,471 of our most needy citizens who will continue to draw their food stamp and SSI benefits without either jeopardy or undue complexity.

I would like to especially thank the gentleman from Texas (Mr. POAGE) for his support on this matter and the gentleman from Washington (Mr. FOLEY) for his statesmanship in moving in a forthright manner to carry out the will of the Committee on Agriculture.

As we go forward with further consideration of food stamp legislation I know there will be many disagreements, but I sincerely hope that the results of working together within the Congress and with the administration as manifested by the action on H.R. 6698 will be a lesson from which we can all benefit.

GAO STUDY ON DICKEY-LINCOLN

(Mr. HARRINGTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HARRINGTON. Mr. Speaker, after almost a year of study, the General Accounting Office has released its report on the economic benefits and costs of the Dickey-Lincoln hydroelectric project.

While the report contained no specific conclusions or recommendations, two general conclusions can be drawn from the study.

First, further study is needed before any final conclusions can be reached on whether the project should be built. GAO pointed out that changing conditions would have an impact on both the costs and benefits of Dickey. These conditions could either improve the benefit-cost ratio, or reduce it. It also pointed out the need for an environmental impact statement to clarify the environmental aspects of the project.

The appropriation recommended by the Appropriations Committee is entirely earmarked for the environmental impact statement and for further planning and studies.

Second, GAO concluded that the Corps of Engineers projections of the benefits and costs of Dickey-Lincoln are generally accurate. This reaffirms my belief that the project is not the economic boondoggle opponents have claimed it to be.

Specifically, GAO made the following points:

First. That the most likely alternative to Dickey-Lincoln is a number of gas turbine units which depend on increasingly expensive and scarce fuel oil;

Second. That the cost data used by the FPC to determine power values was supported by operating and financial data supplied by utilities;

Third. That, even if private companies were given the same tax status and interest rate as Dickey-Lincoln, their annual costs for an alternative project would be more than twice the annual cost of the hydroelectric project;

Fourth. That all of the power costs of the project, together with interest, would be recovered by the U.S. Government within 50 years, through the sale of power; and

Fifth. That a recosting study performed by an independent engineering firm indicated that the corps may have slightly overestimated the construction costs of the project.

An amendment is being offered to delete funding for the project. I am opposed to cutting off funding before the environmental impact statement and preconstruction planning is completed—New England, in my opinion, would benefit from a major hydroelectric project which would lessen its dependence on imported oil.

In order that Members may draw their own conclusions from the GAO study, I have included the full text of the report, as follows:

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, D.C.

The Honorable MICHAEL J. HARRINGTON,
House of Representatives.

DEAR MR. HARRINGTON: Pursuant to your joint request with Congressman Silvio O. Conte of July 15, 1974, and subsequent discussions with both of the proposed Corps of Engineers' Dickey-Lincoln School Lakes project, Maine. As agreed with your office and with Congressman Conte, we did not review the environmental aspects of the project because, at the time we initiated our review, the Corps was planning to make an environmental study. The Corps plans to have a draft environmental statement available in July 1976 and to file a final environmental impact statement with the Council on Environmental Quality in April 1977.

During our review we noted several pending or unsettled matters which could alter the planned project design and operations. The 1974 cost and benefit estimates have not been revised to show the impact of such changing conditions or requirements which have occurred or which have been under consideration since 1967 when project planning and funding stopped. The impacts cannot be reliably estimated until the Corps completes project design and planning studies, such as those on power marketing and transmission, power output, and environmental effects, and reaches an agreement with Canada concerning the design and operation of the project.

Currently, power output and environmental studies have been initiated. The power marketing and transmission studies and discussions with Canada have not yet started.

Corps personnel had not been involved with Dickey-Lincoln planning for 7 years, and key estimators have either retired or left the Corps. This made it difficult in some cases to determine estimators' assumptions and reasoning and data sources where supporting documentation could not be located.

We discussed the matters presented in this report with officials of the Corps of Engineers, Department of the Army; the Department of the Interior; and the Federal Power Commission, but, as requested by Representative Conte's office and yours, we did not obtain written comments from those agencies.

We are also sending this report today to Representative Silvio O. Conte. As you requested, a copy of this report is being sent to Representative Robert N. Giaimo.

We believe the report would be of interest to committees and to other Members of Congress. We plan to contact you in the near future regarding this distribution of the report.

Sincerely yours,

R. F. KELLER,
Acting Comptroller General of the United States.

ECONOMIC BENEFITS AND COSTS OF THE DICKEY-LINCOLN HYDROELECTRIC PROJECT IN MAINE

CORPS OF ENGINEERS (CIVIL FUNCTIONS), DEPARTMENT OF THE ARMY

(By the Comptroller General of the United States, RED–75–387)

ABBREVIATIONS

EIS: Environmental Impact Statement.
FPC: Federal Power Commission.
GAO: General Accounting Office.
GDM: General Design Memorandum.
MMWEC: Massachusetts Municipal Wholesale Electric Company.
NEPOOL: New England Power Pool.
NEPPA: Northeast Public Power Association.

DIGEST

This report examines economic benefits and costs of a Corps of Engineers' proposed multi-purpose project on the St. John River near the United States-Canadian border in Maine.

Called the Dickey-Lincoln School Lakes project, it was authorized by the Congress in 1965. Project benefits are hydroelectric power, recreation, area redevelopment, and flood control.

Power would be the principal benefit to be realized—95.6 percent of total benefits. The project is intended to provide power to utilities primarily in Boston at times when the demands for power from them is the greatest. The remaining electric power output would serve other demands for power in Maine.

About $2.2 million was spent from fiscal year 1966 through fiscal year 1968 for preconstruction planning and design. Funding and planning ceased in November 1967. With the appropriation of $800,000 for fiscal year 1975, the Corps resumed project planning and design and began to update the project for changed conditions and requirements.

Updating will include reviewing the project's design and cost estimates, economic and financial feasibility, and an environmental study. The Corps requested $1,060,000 for fiscal year 1976 and $335,000 for the transitional quarter to continue preconstruction planning.

The project includes construction of two earth-filled dams with hydroelectric powerplant installations and transmission lines from the project in Aroostook County to the Boston, Massachusetts area—about 410 miles. Project waters will extend into Quebec Province, Canada, and will affect operations of hydroelectric projects farther downstream in New Brunswick Province, Canada.

Construction cost of the project increased from a 1967 estimate of $297 million to $521.8 million in 1974 ($388 million for dams and reservoirs and $133.8 million for the transmission system).

In the Corps' latest analysis (July 1974), annual benefits and costs were estimated to be $50.6 million and $19.2 million, respectively—a benefit-cost ratio of 2.63 to 1. Several matters which could alter the planned project design and operations have not been resolved.

The 1974 benefit and cost estimates have not been revised to show the impact of changing conditions or requirements which have occurred or which have been under consideration since 1967 when project planning and funding stopped.

For example, it is now expected that the project will connect with the powerlines of the New England Power Pool.

Also, power studies are underway to consider the feasibility of adding a pumped storage feature to the project and to determine the project's operational characteristics and power output.

The effects of these cannot be reliably estimated until the Corps completes project design and planning studies. In addition, an assessment of the environmental effects must be done and an agreement must be reached with Canada concerning the project's design and operation.

These unresolved matters are under study as part of the Corps' normal preconstruction planning and design procedures.

The Corps stated that it keeps the Congress informed during each annual budget submission of the progress of the project. If changes occur which would affect the project, the Corps would write to the House and Senate Committees on Public Works and Appropriations explaining the changes and their effects.

The Corps provided GAO with a schedule of expected completion dates of studies on the unresolved matters.

CHAPTER 1: INTRODUCTION

At the joint request of Congressman Silvio O. Conte and Michael J. Harrington (see app. I), we reviewed the Corps of Engineers' benefit-cost analysis for the proposed Dickey-Lincoln School Lakes project in Maine. Our review covered the method of computing project benefits and costs and the adequacy of supporting data.

Background

The project was authorized by the Flood Control Act of 1965 (Public Law 89-298, Oct. 27, 1965). The project will be located on the St. John River in Aroostook County, Maine, near the United States-Canadian border. The planned project benefits are hydroelectric power, recreation, area redevelopment, and flood control. The project plan involves the construction of two earth-filled dams with hydroelectric powerplant installations and transmission lines from the project to the Boston, Massachusetts area—about 410 miles.

Dickey dam, the larger dam, will be 28 miles above Fort Kent, Maine, and immediately above the St. John River's confluence with the Allagash River; it will be about 2 miles across with a maximum height of 335 feet above the streambed. It will create a reservoir of 135 square miles, or 86,000 acres at maximum pool elevation, extending some 45 miles upstream. Waters from the reservoir would extend into Quebec Province, Canada, at two locations.

Lincoln School dam will be 11 miles downstream from Dickey dam and will regulate the water released from Dickey dam to provide a pattern of flows acceptable for Canadian hydroelectric projects located downstream. Its reservoir will encompass 2,150 acres at maximum pool elevation. The dam will be a little more than one-quarter of a mile across and have a maximum height of 85 feet.

The project will have a hydroelectric generating capability of 830,000 kilowatts, 760,000 kilowatts at Dickey dam and 70,000 kilowatts at Lincoln School dam. About 725,000 kilowatts are planned for peaking power—power generated to meet daily peak electrical demands of relatively short duration—to be delivered to utilities primarily in the Boston area. However, the Department of the Interior has not analyzed marketing arrangements since 1968 and has not specified the customers to whom they expect to sell the power.

See chapter 2 for a detailed discussion. The remaining project power output will serve longer duration demands in Maine.

Roles of Federal agencies in Dickey-Lincoln planning

Corps of Engineers

The Corps is responsible for designing, evaluating, and constructing the project, except for required power transmission facilities. The Corps is the focal point for project cost estimates and economic and financial analyses.

Department of the Interior

The Interior is responsible for marketing electric power from the project, including identifying recipients of the power; determining power revenues necessary to recover Federal investment; and designing and acquiring transmission facilities required to market the power. Cost estimates for the transmission system are developed by the Interior for the Corps.

Federal Power Commission

The Federal Power Commission (FPC) estimates the value of project power used in benefit computations and advises the Corps on the demand for power output.

Project benefits and costs

In the Flood Control Act of 1936 (33 U.S.C. 701a), the Congress declared that Federal project benefits should exceed costs. This act led to the development of analytical procedures for evaluating the benefits and costs of proposed water resources projects. Federal water resource construction agencies develop and report benefit-cost analyses to the Congress to show the economic feasibility of proposed projects. Such analyses are an important part of the congressional and agency decisionmaking process. The Congress seldom authorizes water resource projects unless the benefit-cost ratios exceed unity (estimated project benefits exceed the estimated project costs).

From the time Dickey-Lincoln was authorized in 1965, the benefit-cost ratio has increased from 1.8 to 1 to the present ratio of 2.6 to 1. The following table shows annual benefits and costs of the project, as shown in the 1967 General Design Memorandum[1] (GDM) and as estimated at July 1974.

ESTIMATES OF ANNUAL BENEFITS AND COSTS

[Dollar amounts in thousands]

Project benefits	GDM estimate 1967 [1]	Percent of total	Current estimate July 1974 [2]	Percent of total
Power:				
Marketed in Maine	$3,440	16.3	$10,987	21.7
Marketed in Boston	16,063	76.3	33,932	67.0
Total	19,503	92.6	44,919	88.7
Downstream [3]	1,050	5.0	3,500	6.9
Total	20,553	97.6	48,419	95.6
Recreation [4]			1,250	2.5
Flood control	40	.2	70	.1
Area development [5]	467	2.2	891	1.8
Total annual benefits	21,060	100.0	50,630	100.0
Total annual costs	10,651		19,243	

[1] Estimate analyzed by GAO.

[2] Estimates shown in the fiscal year 1976 budget justification. These estimates are based on the July 1974 estimate.

[3] Value of increases in power production at downstream Canadian hydroelectric projects due to regulated flows from Lincoln School dam.

[4] Recreation benefits were added as a project purpose in 1969.

[5] Represents the value of project employment expected from construction and operation of the project.

Note: Benefit cost ratio estimate for GDM 1967 is 1.98 to 1. Current estimate July 1974 is 2.63 to 1.

The initial construction cost estimate supporting project authorization in 1965 was $303 million ($227 million for dams and reservoirs and $76 million for the transmission system). The 1967 estimate had decreased to $297 million ($218 million for dams and reservoirs and $79 million for the transmission system). The Corps, as of July 1974, estimated the construction cost at $521.8 million ($388 million for dams and reservoirs and $133.8 million for the transmission system). Our review of the Dickey-Lincoln project centered around the 1967 estimate and the Corps' July 1974 estimate.

Project status

About $2.2 million was spent from fiscal year 1966 through fiscal year 1968 for preconstruction planning and design. Funding and planning ceased in November 1967. With the appropriation of $800,000 for fiscal year 1975, the Corps resumed project planning and design and began to update the project for changed conditions and requirements. Updating will include reviewing the project's design and cost estimates, economic and financial feasibility, and an environmental study.

The Corps requested $1,060,000 for fiscal year 1976 and $335,000 for the 1976 transition quarter to continue preconstruction planning. Construction and land acquisition funds have not been requested. The Corps anticipates requesting such funds in its fiscal year 1979 budget request.

---

[1] Includes the basic project plan of development, extent of major features of development, estimated benefits and costs, operating requirements, real estate requirements, and the extent of local cooperation. The Corps plans to update the GDM with a supplement in 1976.

Scope of review

We made our review primarily at the Corps' New England Division, Waltham, Massachusetts; the Bureau of Reclamation's Engineering and Research Center, Department of the Interior, Denver, Colorado, which was responsible for the transmission design and cost estimate; and the Federal Power Commission, New York City, and held discussions with officials of these agencies at their headquarters offices in Washington, D.C. In addition, we interviewed officials of the following private and public utility organizations—the New England Power Pool (NEPOOL), the Massachusetts Municipal Wholesale Electric Company (MMWEC), and the Northeast Public Power Association (NEPPA)—in Massachusetts.

At the Corps, we reviewed records and data supporting its 1967 benefit and cost estimates and analyses and its annual procedure for updating project costs and benefits. We did not review the flood control or area redevelopment benefits since they constituted only 2 percent of the project's total benefits. Further, although Corps policy permits area redevelopment benefits to be included in project plans for information, it precludes their use in determining a project's economic justification.

As agreed with Congressman Harrington's office and Congressman Conte, we did not review the environmental aspects of the project because, at the time we initiated our review, the Corps was planning to make an environmental study, as required by the National Environmental Policy Act of 1969 (42 U.S.C. 4332).

During our fieldwork, the Corps initiated action on the environmental study. The Corps plans to have a draft environmental statement available in July 1976 and to file a final environmental impact statement (EIS) with the Council on Environmental Quality in April 1977.

CHAPTER 2: CHANGING CONDITIONS COULD HAVE AN IMPACT ON DICKEY-LINCOLN COST AND BENEFIT ESTIMATES

Our review was made principally to determine the accuracy and completeness of the Corps' cost and benefit estimates for Dickey-Lincoln. We noted several pending or unsettled matters which could alter the planned project design and operations.

The 1974 cost and benefit estimates have not been revised to show the impact of such changing conditions or requirements which have occurred or which have been under consideration since 1967 when project planning and funding stopped. The impacts cannot be reliably estimated until the Corps completes project design and planning studies—such as those on power marketing and transmission, power output, and environmental effects—and reaches an agreement with Canada concerning the project's design and operation.

The following sections describe the major unresolved conditions that could have an impact on the project's benefits and costs. We asked the Corps to estimate when these matters would be resolved and their impact on the project. Their comments have been considered in preparing this report and are included as appendix II.

Chapter 3 contains information on the economic and financial feasibility determination for the project, and chapter 4 contains information on the estimated construction cost of the project.

Marketing and transmission studies are needed

Under the Flood Control Act of 1944, the Interior is responsible for marketing Federal power. The act states that preference in the sale of this power is to be given to public bodies and cooperatives. The Interior analyzes preference customer marketing arrangements and the transmission system which will transmit the power to these customers.

The Interior studies of electric power marketing and transmission, completed before 1967, formed the basis for the project transmission cost estimates of $78.8 million, which comprised about 26 percent of total project construction costs. The Interior identified the Boston area as the location likely to receive most of the project's peaking power and assumed Federal construction of transmission lines from Dickey-Lincoln to Boston—about 410 miles.

The marketing arrangements have not been analyzed since about 1968 and the last transmission design analysis was done in 1966.

Transmission facilities

From 1966 when the transmission system was designed, until recently, the cost estimate had been based on the assumption that the Federal Government would construct the transmission lines from Dickey-Lincoln to Boston. Corps, Interior, and FPC officials now expect the transmission lines to be integrated with the since-established powerlines of NEPOOL, an organization of predominantly investor-owned utilities. This could reduce federally constructed powerlines but would probably mean paying NEPOOL for use of its transmission network. However, project transmission design, as well as the costs and benefits computations, continue to assume most of the peaking power will be transmitted over Federal lines to the Boston area.

Officials of FPC—a participant in the electric utility industry's regional reliability councils which encourage interconnection and coordination of power systems to assure the adequacy and reliability of electric power supply—told us that the existing project transmission design was no longer relevant, because of more recent developments, such as NEPOOL. They said that building a Federal line from Dickey to Boston could not be justified. According to FFPC, the probable design would include building a line to connect to the existing industry network, and strengthening portions of existing industry lines.

The Interior told us that its present goal was to have industry construct and maintain any lines needed for the project.

According to Corps, Interior, and industry representatives, the Federal investment and annual costs for transmission facilities may vary depending on the agreements reached with NEPOOL; what new facilities would be required to integrate with its system; and whether new additions would be federally or privately built and financed. The effect of such changes on the project's costs and operation needs to be studied.

Integration of the transmission system with industry could effect some savings in initial Federal investment. However, the annual transmission costs used in benefit-cost and repayment analyses could become higher than the current Corps estimates because industry normally seeks to recover its investment over a shorter period and at higher rates of return than does the Federal Government.

The current Corps estimate includes one-half ($3.06 million) of the annual transmission costs in the benefit-cost and repayment analyses. The Corps' justification is that half the costs can be recovered through charges to utilities for sharing the use of federally built transmission lines when not fully utilized for Dickey-Lincoln or by limiting the construction of Federal transmissions to that required to connect with industry lines. However, the Corps did not have any documentation to support the basis of the 50-percent reduction and said that the estimate was a judgment based on Corps experience.

In February 1975 Corps and Interior officials met to discuss restudying the marketing of the project's power, including determining preference customer demands and whether power can be distributed over the industry transmission system. Interior officials agreed to make the studies soon if the Corps provided the funds. The officials told us that the Interior would not request such funds until the Secretary of the Interior officially decided to support the project. On April 15, 1975, the Interior furnished the Corps with its funding estimate.

The Corps said that the marketing and transmission studies must be completed in time for their results to be included in the draft EIS scheduled for completion in July 1976. As of May 14, 1975, the Corps and the Interior had not reached agreement on the scheduling of the studies.

Marketing of peaking power

In the March 1968 hearings held before the Subcommittee on Public Works, House Committee on Appropriations, the Interior presented a list of public utilities in New England that projected peaking power needs they would like met by Dickey-Lincoln. These requirements would consume a large part of the project's peaking power output. The Interior, however, has not specified the customers to whom it expects to sell the power. According to Corps and Interior officials, this probably will not be done until the project is under construction since this is Interior's normal practice in marketing power.

To determine the likelihood of marketing project peaking power to preference customers in Massachusetts and other States in New England, we obtained power demand projections for 1985 from FPC and from a study prepared for MMWEC. The projections show that Maine, New Hampshire, and Vermont preference customer requirements would total about 150,000 kilowatts of a total project peaking power capacity of about 725,000 kilowatts, excluding consideration of transmission losses. Maine accounts for only about 20,000 kilowatts. Thus the balance could be available for preference customers in Massachusetts, Connecticut, or Rhode Island.

Powerplant design and operating plan needs studying

Power studies determine the project's power-generating capability and are the basis for power benefit computations. Therefore the project's power benefits and costs could be affected by the outcome of new power studies.

The power studies, which have been undertaken by the Corps, will determine the feasibility of adding a pumped storage feature which would replenish the main reservoir by pumping back water releases to obtain increased power capability at the project and to analyze the project's operational characteristics and power output based on future New England power demand data.

The Corps said that it was too early to define the magnitude of project cost increases for adding a pumped storage feature but that additional features would not be added to the project without being incrementally justified.

The results of the power studies will be summarized in a Hydropower Design Memorandum scheduled for completion in March 1976. This memorandum will provide basic information on the number, type, and size of units comprising the project's power installation.

After the approval of the power studies and the GDM Supplement, powerplant design studies will be initiated. The preliminary design for the powerplant will be completed by May 1977.

The power studies are also important to the Canadians. The New Brunswick Province has been vitally concerned with the operation of the project since its inception, according to the Corps, because of the Province's three downstream hydroelectric facilities. Officials of Canada's New Brunswick Electric Power Commission also have an interest in the project and would like the project operation viewed from a basinwide perspective to maximize total power output.

The Corps stated that, until specific data is developed through various power studies within the New England Division, no logical system evaluations of the project's impacts on downstream plants can be made. The Corps added that once an initial basic plan is established as economically and environmentally sound, it can be used as a point of reference for further studies with the New Brunswick Electric Power Commission. The Corps said it was impossible to make firm determinations of the related impacts on benefits and costs.

Assessments of social, economic, and environmental impacts needed

Legislation passed since 1967, including the National Environmental Policy Act of 1969 (42 U.S.C. 4332) and section 122 of the River, Harbor, and Flood Act of 1970 (Public Law 91-611) require the Corps to prepare detailed studies of social, economic, and environmental impacts of proposed water resources projects.

The Corps has contracted with an environmental consulting firm for preparing a scope of work plan for the project's EIS. This is intended to identify all major environmental, social, and economic impacts of the project and to outline the work necessary to prepare the EIS. The scope of work plan is scheduled for completion in July 1975. The Corps said that the scope of work plan would be used as a planning guide for contracts to be awarded to evaluate specific impact areas identified by the plan as significant. A draft EIS is scheduled for completion in July 1976; a final EIS is scheduled for filing with the Council on Environmental Quality in April 1977.

Consideration of the environmental, social, and economic impacts, both beneficial and adverse, is necessary to the Corps' planning and decisionmaking process. These impacts cannot be fully identified until the EIS work is completed.

Also, in accordance with section 313 of the Federal Water Pollution Control Act Amendments of 1972 (Public Law 92-500), the Corps must comply with Federal, State, interstate, and local requirements respecting control and abatement of pollution. This requirement could increase project costs. The water quality standards will require redesign of the water intake structures that carry water from the reservoir to the powerplant to permit drawing water from multiple levels, rather than at one level as envisioned in the 1967 project design. The Corps has not estimated the cost impact of this change. The water quality studies have been initiated by the Corps.

Treaty or agreement with Canada must be negotiated

According to the Corps, a treaty or agreement with Canada on the project's design and operation must be negotiated before construction because the Dickey reservoir would inundate land in Quebec Province and would alter riverflows and thereby affect the operations of downstream hydroelectric dams in New Brunswick Province.

When funding ceased for the project in 1967, negotiations with Canada on land damages and design and operation of Dickey-Lincoln had reached the draft treaty stage. The Corps held preliminary discussions with Canadian utility officials in September 1974 and said they planned to request the Department of State to reopen negotiations with Canada.

Corps officials said that, in the preliminary discussions, Canadian representatives expressed several ideas on the Dickey-Lincoln project's design and operation that differed from the 1967 plan. These ideas ranged from changes in the pattern of water releases from the project to inclusion of a new capability for pumped storage.

Changes in the project's design and operation could have an impact on the project's costs and benefits. It was not practical at this time to identify changes which might be made to reach an agreement with Canada, the Corps said.

Recreation benefits need reformulating

In accordance with Senate Document 97 (87th Cong., 2d sess.), Supplement No. 1, recreation benefits for water resource projects are computed by estimating annual recreation attendance during the life of the project and by assigning a dollar value for each visit. The dollar value of a recreation visit is based on implied willingness to pay.

Recreation benefits were added to the project in February 1969. The recreation benefit is a preliminary estimate of general recreation, hunting, and fishing activities. The Corps indicated that the project will receive and support an average annual use of about 833,300 recreation days at a unit value of $1.50 per recreation day, amounting to $1,250,000 annual benefits. Due to the location and accessibility of the project, a major portion of visitors were expected to come from Canada. The Corps told us there was no supporting documentation available for the recreation days and choice of the unit value used.

The benefits have not been updated since the original estimate. The Corps told us that the amount of recreation benefits would be reformulated and presented as a Recreation Resource Appendix to the GDM Supplement.

Conclusions

The results of the studies for resolving the changing conditions and requirements concerning power marketing and transmission, powerplant design and operation, and environmental matters could alter the planned project's design, operations, benefits, and costs. We believe the Corps should resolve these matters during its review process for the GDM Supplement so that the project changes and their impact on the project's benefits and costs can be reasonably estimated and reported to the Congress for its evaluation of future appropriation requests.

When major uncertainties exist that could affect the project's benefits and costs, the Corps should describe, both in the GDM Supplement and in its budget documents submitted to the Congress, alternative plans which are being considered and their potential impact on project costs and benefits. For example, if agreement on project design and operation has not been reached with Canada, the Corps should present the Canadian position along with a discussion of plans to resolve the differences and the probable impact of such plans on the project's benefits and costs.

Corps comments

We discussed this report with Corps officials who told us that the unresolved matters were being studied as part of their normal preconstruction planning and design procedures.

The Corps told us also that the annual budget hearings before the respective congressional Appropriations Subcommittees would continue to be the vehicle by which Congress is informed of progress on the project. However, should changes occur during the year which result in a major impact on the project—for example, a major increase in project cost; a major change in scale of the project, its features, or benefits—a letter would be written to the House and Senate Committees on Public Works and Appropriations explaining the significant change and its impact on the project.

Also, we were told that the updating procedures would vary, depending on the status of preconstruction planning. As a minimum, the cost estimate and benefits would be updated annually utilizing price level indexes. The power values for use in determining power benefits would continue to be updated annually, predicated on the operational scheme available at the time of analysis. As planning progresses and changes are incorporated into the project plan, the effect of these changes on the project cost estimate and benefits, if applicable, will be shown. The latest available data would be included in the economic data provided to the Appropriations Subcommittees commensurate with required submission dates for budgetary data.

The schedule below summarizes the Corps' expected dates of completion for studies on the unresolved project matters.

	Responsible agency	Expected completion
Marketing and transmission studies.	Interior	(Must be completed for inclusion in draft environmental statement—July 1976).
Power studies	Corps	March 1976.
Preliminary powerplant design.	Corps	May 1977.
EIS	Corps	Draft: July 1976, final: April 1977.
Treaty or agreement with Canada.	State Department.	[1].
GDM Supplement, including recreation resource appendix and a reanalysis of unit prices.	Corps	July 1976.

[1] Must be completed before construction begins.

The above events will be summarized in the GDM Supplement, except for the preliminary powerplant design.

CHAPTER 3: PROJECT ECONOMIC AND FINANCIAL FEASIBILITY

Proposed Federal water resources projects are tested for economic feasibility through benefit-cost analyses to determine whether total project benefits exceed total project costs. Another economic test made by the Corps is the comparability one which provides that the separable hydroelectric costs should be less than the cost of the most likely alternative means of providing equivalent service in the absence of the project, evaluated on a basis of taxes, interest, and other financial factors comparable with the determination of project costs. In addition, hydroelectric power projects like Dickey-Lincoln are tested for financial feasibility through repayment analyses to determine whether the project costs attributable to producing power can be recovered through sale of the power.

Economic feasibility

In making its economic feasibility analysis for Dickey-Lincoln, the Corps followed Senate Document 97 which contains the governing criteria for formulating and evaluating plans for water resources projects. Although Senate Document 97 has been superseded by the new principles and standards issued by the Water Resources Council on October 25, 1973, the Corps continues to apply Senate Document 97, as permitted by Council procedures, to certain projects already authorized, including Dickey-Lincoln.

The Corps' estimated July 1974 benefit-cost ratio for Dickey-Lincoln was 2.63 to 1, based on annual benefits of $50.6 million and annual costs of $19.2 million.

As provided by Senate Document 97, power benefits should represent the value of power to the users as measured by the amount that they should be willing to pay for such power. The usual practice is to measure the benefit in terms of the cost of providing the annual amount of power available for the project by the most likely alternative means that would exist in the absence of the project. This cost is obtained by using power values provided by FPC and certain Corps estimates. (See p. 18 for the computations.) The annual power benefits for Dickey-Lincoln are $44.919 million.

The downstream power benefits of $3.5 million annually are estimated values of increases in power production at downstream Canadian dams due to the project's regulation of streamflow. They comprise 6.9 percent of the project's benefits. A draft treaty prepared in 1966 provided that the United States and Canada would each receive half of the value of the total increase in downstream power.

Whether the United States receives any benefit from the increased Canadian power production will depend on the treaty or agreement the two countries sign. We were unable to review the downstream benefit estimate because supporting documentation for the values was not available.

The economic costs of a project with power usually are expressed as an equivalent annual charge, consisting of interest on the investment, amortization of the project investment in 100 years, and operation and maintenance, including major replacements and repairs. Appendix III provides a detailed discussion of how the annual benefits and costs were derived.

Selection of Most Likely Alternative Means

The Corps has relied on FPC to determine the most likely alternative power sources and to estimate the costs of constructing and operating the alternatives.

Based on Interior's 1967 determination to market most of the project's power in the Boston area and some in Maine, the FPC assumed that the alternative generating capacities would be operated by investor-owned utilities. FPC valued project power based on such utilities' costs to provide similar power using oil-fired generators.

The FPC in 1974 established the alternatives to Dickey-Lincoln as oil-fired, steam-generating plants to supply intermediate-duration demands in Maine and gas turbine generators to supply short-duration peaking demands in the Boston area. Most gas turbines are run by the expanding gases created in the burning of fuel oil. Fuel oil costs accounted for about 52 percent of the cost of the most likely alternative used in computing the power benefits in July 1974 for Dickey-Lincoln.

Because the benefit-cost comparison for Dickey-Lincoln was based on a project life of 100 years, the power benefit estimate is based on the expectation that industry would continue to use, for the same period, gas turbine and oil-fired steamplants as the most likely sources for future peaking and intermediate power demands.

FPC officials explained that power values are based on a straight-line projection of current costs and practices, because it is not their function, in developing power values, to speculate on future developments. They did note, however, that they would expect fuel oil to become more expensive in the future.

Gas turbines alternatives—Boston area

NEPOOL and MMWEC officials corroborated FPC's selection of gas turbine generators as the most likely alternative source of peaking power for the Boston area in the absence of Dickey-Lincoln. The rationale for this selection is described below.

From 1968 through 1972 FPC considered a pumped storage hydroelectric project as the likely alternative to supply peaking power. In 1973 this selection was changed to gas turbines because of lower construction costs and difficulties in obtaining licenses for pumped storage projects due to concerns for adverse environmental impacts. NEPOOL representatives noted the following reasons for currently favoring gas turbines over pumped storage.

Unexpectedly high construction cost experiences on two recent pumped storage developments.

Difficulties in raising capital.

Failure to install sufficient amounts of nuclear-generating plants that could provide low-cost pumping energy to fill the reservoir for such projects.

Other common sources of peaking power, besides pumped storage and gas turbines, are diesel units and conventional hydroelectric installations. There are, however, according to FPC, no remaining undeveloped hydroelectric sites of major size in New England aside from Dickey-Lincoln. Diesel units generally are not used on large power systems to supply powerloads because available sizes are too small. Additionally, industry plans for future installations do not show a great amount of diesel or hydroelectric capacity.

Thus the selection by FPC of the only remaining viable alternative—gas turbine generators—has a reasonable basis.

Oil-fired steamplant alternative—Maine

FPC's selection of an oil-fired steamplant designed to meet intermediate-duration demands in Maine is supported by industry plans and practices.

Traditionally, intermediate-duration demands have been supplied using older, less-efficient oil-fired steamplants. Recently, however, industry has begun installing oil-fired steamplants specifically designed to serve intermediate-duration loads. A NEPOOL-member utility has installed several such intermediate plants since 1972, and a Maine utility is planning one for installation in an area which may receive Dickey-Lincoln power.

A 1971 NEPOOL study of the economics of Dickey-Lincoln assumed an intermediate oil-fired steamplant to be a logical alternative to Dickey-Lincoln intermediate-duration hydroelectric power. Also, an Interior official suggested such a plant as an alternative for intermediate-duration hydroelectric power.

Estimated costs to provide power by alternative means

The value of power from the most likely alternatives to the project was estimated in "capacity values" and "energy values." Capacity value represents the annual fixed costs to private utilities of making available 1 kilowatt of generating capacity. The energy value represents costs per kilowatt-hour, including fuel costs, which vary with energy output.

The total value of power benefits generated at Dickey and Lincoln School Lakes dams was computed by combining FPC's estimated power values, Corps estimates for the project's generating capacity, and average annual energy production, and with estimates of losses incurred in transmitting the power to customers. The July 1974 computations are shown in the following table:

	FPC power value	Multiplied by transmission loss factor	Multiplied by project capacity and energy output	Total
Gas turbine generators—Boston area:				
Capacity	$18.50/kw/yr	0.905	725,000 kw	$12,138,000
Energy	3 cents/kwh	.929	782,000,000 kwh	21,794,000
Total				33,932,000

	FPC power value	Multiplied by transmission loss factor	Multiplied by project capacity and energy output	Total
Oil-fired steamplant—Maine:				
Capacity	$57/kw/yr	.95	105,000 kw	$5,686,000
Energy	1.5 cents/kwh	.95	372,000,000 kwh	5,301,000
Total				10,987,000
Total:				
Capacity			830,000 kw	17,824,000
Energy			1,154,000,000 kwh	27,095,000
Total				44,919,000

FPC developed the fixed and variable costs for power values from historical data reported to them by utilities and from industry projections of costs for construction of planned facilities. In the case of the gas turbine generators and oil-fired steamplants, investor-owned utilities have built many plants of these types.

Our review of selected cost data used by FPC to determine the power values showed that this data was supported by operating and financial data reported to FPC by utilities and by representative costs we obtained through discussions with utility representatives. Appendix III discusses the major cost items used to establish the power values.

Federal interest rate of 3¼ percent

Construction costs for a project are mostly incurred before the project is put into operation. Benefits, however, are realized over the operating life of the project.

To make a valid comparison of benefits and costs, the Corps must reduce the benefits and costs to a common-time basis, either by discounting to present dollar value or by some equivalent method. The Corps' preferred method for placing benefits and costs on a common-time basis is by deriving equivalent annual values.

The interest (or discount) rate to be used in evaluating costs and benefits has been set annually since fiscal year 1968 by the Water Resources Council. The formula used to establish the annual rates is based on the average yield (during the preceding fiscal year) of interest-bearing, marketable U.S. securities which have terms of 15 years or more remaining to maturity, provided that in no even shall the rate be raised or lowered by more than one-quarter of 1 percent in any year. The interest rates since fiscal year 1968 have been:

Fiscal year:	Rate
1968	3¼
1969	([a])
1970	4⅞
1971	5⅛
1972	5⅜
1973	5½
1974	5⅝
1975	5⅞

[a] 3¼ percent in effect to December 24, 1968; 4⅝ percent in effect for remainder of FY 1969.

The Water Resources Development Act of 1974 (Public Law 93-251, Mar. 7, 1974) contains a clause which freezes the interest rate for certain projects when local assurances for cost sharing were furnished before December 31, 1969. Section 80(b) of the act states that:

"In the case of any project authorized before January 3, 1969, if the appropriate non-Federal interests have, prior to December 31, 1969, given satisfactory assurances to pay the required non-Federal share, of project costs, the discount rate to be used in the computation of benefits and costs for such project shall be the rate in effect immediately prior to December 24, 1968, and that rate shall continue to be used for such project until construction has been completed, unless otherwise provided by a statute enacted after the date of enactment of this Act."

In the case of Dickey-Lincoln, the project benefit which requires cost sharing is recreation. The Federal Water Project Recreation Act (16 U.S.C. 4601–13) requires a non-Federal public entity to bear one-half of the separable construction costs of the project allocated to recreation and to bear the full cost of operating and maintaining the recreation facilities. In compliance with the act, the Governor of Maine, in a letter dated February 24, 1969, certified assurance of the capability and willingness of the State of Maine to provide the required local cooperation and reimbursement. Therefore, consistent with the requirements of the Water Resources Development Act of 1974, the Corps is using 3¼ percent as the Federal interest rate in its benefit-cost analyses.

The benefit-cost ratio can be greatly affected by the interest rate used in the economic analyses. In 1974 the Corps computed the impact on the benefit-cost ratio if the fiscal year 1975 rate of 5⅞ percent, or the 6⅞ rate proposed by the Water Resources Council's October 1973 principles and standards, has been used in the economic analysis.

A comparison of the benefit-cost ratio at the different interest rates follows.

Interest rate, percent	*Benefit-cost ratio*
3¼	2.6 to 1
5⅞	1.5 to 1
6⅞	1.3 to 1

Comparability test

The Corps, in accordance with Senate Document 97, made a comparability test for the project. Corps officials make this test on all hydroelectric power projects. The test requires that the separable hydroelectric power costs should be less than the costs of the most likely alternative means of providing equivalent power in the absence of the project, evaluated on a basis of taxes, interest, and other financial factors comparable with the determination of project costs.

The Corps' comparability test showed annual project costs of $19,243,000 and alternative costs of $41,276,000, resulting in a ratio of 2.1 to 1 in favor of the project. This indicates that, if alternatives could be built at a 3¼ percent interest rate and tax-free status similar to the project, the cost of providing power from the alternatives would exceed project cost by about 2 to 1. (See app. IV for the Corps' computation.)

Although the Corps used the total economic cost for the project cost, rather than just the separable hydroelectric power costs, and included a tax component in the project cost, this did not affect the outcome of the test. If corrected, the test would have been favorable to the project by a slightly greater margin. The questionable 50 percent reduction in annual transmission costs, discussed in chapter 2, was also applied in this test. Without this 50 percent reduction, the annual project costs used in this test would have been $3.06 million, or about 16 percent, higher than the Corps' reduced figure. The outcome of the test would still be favorable to the project if the full amount were included.

Financial feasibility

In addition to the economic analysis, hydroelectric power projects, like Dickey-Lincoln, are tested for financial feasibility through repayment analyses. These analyses determine whether the project costs attributable to producing power can be recovered through sale of the power.

Section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s) requires the Secretary of the Interior to market electric power from Federal projects at rates sufficient to recover power production and transmission costs, including amortization of capital investment with interest over a reasonable period which has been administratively set at 50 years.

To meet this requirement, the Interior makes repayment analyses to determine the costs that must be recovered and to determine whether recovery of such costs can reasonably be expected through sale of the power. At the time of suspension of project funding in 1967, the Interior had made repayment analyses for Dickey-Lincoln and concluded that project costs allocable to power—about 96 percent—could be recovered through sale of project power over 50 years. Since then, the Corps has made the repayment analyses which show that the project is financially feasible.

The New England Division's 1974 repayment analysis showed project costs attributable to producing power could be recovered through the sale of the power. The New England Division, in making the 1974 repayment analysis, used an interest rate of 5⅞ percent to determine the financial costs allocable to power. The Interior had, however, directed the use of 6⅛ percent for fiscal year 1975 project planning. New England Division officials agreed and recomputed the repayment analysis using 6⅛ percent. The recomputation showed that project costs attributable to producing power still could be recovered through sale of the power.

CHAPTER 4: CONSTRUCTION COST ESTIMATES

The Corps' July 1974 construction cost estimate of $521.8 million was based on the 1967 estimate updated for price escalation to July 1974 prices. A comparison of the 1967 and 1974 cost estimates is shown on the following page. The 1967 cost estimates for Dickey-Lincoln were based on historical data, labor and equipment rates, and manufacturers' and equipment suppliers' quotes. The 1974 cost estimate was developed by applying construction cost indexes annually to the cost categories of the 1967 estimate.

In our analysis of the Corps' bases for estimating the major items in the 1967 estimate, we looked at cost estimates for excavation and fill, powerplants, and transmission facilities. These items accounted for about 79 percent of project costs, excluding contingencies and indirect costs.

Our analysis, however, was hampered because Corps personnel had not been involved with Dickey-Lincoln planning for 7 years, except for annual updating by price indexes, and key estimators responsible for the 1967 estimates have either retired or left the Corps. This made it difficult, in some cases—particularly with excavation and fill costs—to determine the estimators' assumptions and reasoning and data sources where supporting documentation could not be located. We were therefore unable to reach a conclusion on the overall accuracy of the 1967 estimate. We did find that the Corps' estimate of dam costs was overstated by about $4.26 million because the indexes had not been correctly applied.

The 1974 Corps cost estimates have not been revised to show the impact of changing conditions or requirements which have occurred or which have been under consideration since 1967 when project planning and funding stopped. These matters are discussed in chapter 2.

After we completed our audit work, an engineering firm, under contract with the Corps, completed an estimate of the dam portion (about 84 percent of project costs, excluding transmission) of the project's cost, based on the 1967 design and conditions. The estimate for January 1975 costs was about $7 million, or 2 percent, below the Corps' estimate for the same items updated to January 1975 prices using indexes.

COMPARISON OF COST ESTIMATES, 1967 AND 1974

[Dollar amounts in thousands]

	1967		1974		1967–74	
	Amount	Percent	Amount	Percent	Amount of increase	Percent of total increase
Dams:						
Excavation and fill	$64,040	21.6	$117,099	22.4	$53,059	23.6
Powerplants	63,417	21.3	109,184	20.9	45,767	20.4
Lands, damages, relocation, and clearing	22,644	7.6	31,004	6.0	8,360	3.7
Other	26,760	9.0	57,452	11.0	30,692	13.7
Total	176,861	59.5	314,739	60.3	137,878	61.4
Contingencies	20,039	6.7	35,361	6.8	15,322	6.8
Engineering, design, and administration	21,500	7.3	37,900	7.3	16,400	7.3
Project costs excluding transmission costs	$218,400	73.5	$388,000	74.4	$169,600	75.5
Transmission:						
Transmission facilities	53,905	18.1				
Contingencies	11,775	4.0				
Administrative and general	13,140	4.4				
Transmission costs	78,820	26.5	[1] 133,820	25.6	55,000	24.5
Total project costs	297,220	100.0	521,820	100.0	224,600	100.0

[1] Interior's July 1974 estimate for transmission was provided in total only.

Excavation and fill

Costs for earth and rock excavation and filling operations consist of quantity estimates multiplied by cost estimates per unit of material. Quantity estimates are based on the design dimensions for the project dams and topography of the sites. The 1967 cost estimates for excavation and fill was $64.0 million, excluding contingencies.

The lack of documentation and the absence of the estimators to explain the basis or to verify many assumptions and figures used to compute unit costs made it impracticable for us to verify the prices. Therefore, and because the Corps was planning to contract for a new estimate of unit prices in early 1975, we did not review the 1967 estimates further.

Powerplants

Powerplants for the Dickey and Lincoln School dams consist of powerhouse structures, turbines, generators, switchyards, transformers, and associated equipments.

The 1967 cost estimate for powerplants, excluding the excavation and fill portion and contingencies, was $63.4 million—$52.4 million for Dickey and $11 million for Lincoln School—and was based on an estimate prepared by the Corps' North Pacific Division. The North Pacific Division had developed the estimate with a computer-adapted program or model used to project relationships between powerplant costs and key design parameters. According to North Pacific Division officials, cost input for the program was taken from low bids for 11 power projects in the northwest and manufacturers' price catalogue data.

Both North Pacific Division and Interior officials said that estimates obtained by this method were normally used in deciding among alternative designs before project authorization and that a more exact estimate; should be developed in the postauthorization stage.

The Corps chose to use North Pacific Division's 1967 powerplant estimate over a higher Interior estimate that had been used previously. Estimators' notes in the project files indicate that the Corps felt the North Pacific Division's estimate was more up to date. However, documentation was not available in the Corps' files to support this judgment or to provide a basis for making a thorough analysis of the total powerplant cost estimate.

Transmission system

The 1967 estimated cost of the transmission system for Dickey-Lincoln was prepared by the Interior. The estimate of $53.9 million, excluding contingencies and administrative and other costs, assumed construction of a federally financed 410-mile transmission system from the project to Boston. Except for an underestimate of the cost for capacitor stations, we did not find any discrepancies in the 1967 estimate.

In developing its estimate, the Interior made:

a survev of the proposed location of transmission facilities, including aerial reconaissance, discussions of transmission construction with utilities experienced in the locale, and a study of foundation geology in the area;

a design analysis to determine the types, sizes and quantities of transmission equipment needed, such as poles, lines, insulators, and other hardware; and

a pricing analysis which applied unit prices to the equipment requirements set out in the engineering design study and which included prices for land rights-of-way and clearing and costs to erect the transmission poles, lines, and hardware.

We reviewed the bases and computation accuracy for major cost items in Interior's transmission estimates. Of the $53.9 million, about $37 million was for towers and conductors which were developed in considerable detail using bid abstract data and supplier quotes.

Series capacitor stations, according to Interior officials, were estimated at $1.2 million using best judgment because the Interior lacked cost experience. Subsequent Interior experience has shown that the cost of the two stations were underestimated. An Interior official estimated for us in November 1974 that the capacitor stations would cost a total of about $3.9 million instead of about $1.9 million in the 1974 cost estimate.

Interior officials said that a restudy of the system was needed and would probably change the design somewhat and the related costs. They cited, as examples, the probable use of steel towers instead of wooden poles and the following of ground contours rather than straight paths, in accordance with environmental concerns. These officials could not estimate the cost impact of such design changes.

Application of cost indexes

The Corps' dam estimate was overstated by $4.26 million, or 1.2 percent, because it applied cost indexes improperly.

Corps officials said that, lacking funding to reanalyze project costs after 1967, the Corps used construction cost indexes to cover the rise in project dam and reservoir costs during the 1967–74 period.

The cost indexes used included:

The Department of the Interior, Bureau of Reclamation's "Construction Cost Trends," which were based on Reclamation's cost experience on similar projects and other relevant data.

Handy-Whitman Public Utility Cost Indexes for hydroelectric generation plant construction.

Both indexes are suggested for use in the Corps' cost estimating manual and appear in Engineering News Record, an industry periodical. FPC officials used these same indexes in estimating cost increases for their purposes.

The Corps used the Reclamation indexes to estimate the overall increase in construction costs and used the Handy-Whitman indexes to estimate the relative movement of prices in New England, compared to the price change in the geographic area covered by Reclamation indexes.

Reclamation, which prepared the estimate for transmission costs for the 1967 GDM, also updated the transmission costs for the Corps using the Reclamation indexes.

The Corps used Reclamation's indexes adjusted for geographic differences applying them annually and rounding totals. The Corps applied each incremental annual increase in the indexes to the preceding year's updated, rounded cost. Interior officials, responsible for maintaining the indexes, said that the proper way to use the indexes was to apply the total incremental increase in the indexes, since the base year, to the base year's costs.

The Corps, by not following Interior's procedure for updating, overstated the dam estimate by $4.26 million or 1.2 percent. The Interior, in updating transmission costs, followed the proper procedure.

Engineering firm estimate of dams and reservoirs costs

Although the project design and cost estimates have not yet been restudied to assess impacts due to changed conditions since 1967 (see ch. 2), a reestimate of a portion of project costs was done early in 1975 by an engineering firm under contract to the Corps. This price estimate was based on the 1967 design and conditions.

The engineering firm estimate made at January 1975 prices, covered the majority of dams, powerplant, and reservoirs costs, or about 84 percent of project costs, excluding transmission costs. The firm's estimate of $350.7 million was within 2 percent of the Corps' estimate of $357.7 million for the same items, updated to January 1975 prices using indexes.

The engineering firm's estimate was published after we completed our fieldwork and was not covered in our review.

APPENDIX 1

HOUSE OF REPRESENTATIVES,
FOREIGN AFFAIRS COMMITTEE,
Washington, D.C., July 15, 1974.

Hon. ELMER STAATS,
Comptroller General, General Accounting Office, Washington, D.C.

DEAR MR. STAATS: Last month, the House of Representatives approved an $800,000 appropriation for preconstruction planning of the Dickey-Lincoln hydroelectric project in Northern Maine.

During the course of the debate, numerous questions were raised regarding the costs and benefits of the project, both economic and environmental. While the Army Corps of Engineers' analyses indicate that the dam is economically justified, the accuracy and completeness of these analyses were questioned by a number of Members and environmental groups.

In order to resolve the issue, we would appreciate it if the General Accounting Office would conduct its own study of the economic costs and benefits of the project, including the environmental costs associated with the construction of the dam.

Dickey-Lincoln has been discussed and debated for ten years. If it is economically and environmentally justified, construction should proceed without delay. If the costs of the dam exceed its benefits, then it should be terminated. Only a completely impartial analysis of the project can resolve the issue to the satisfaction of both the supporters and opponents of the project.

Yours sincerely,

MICHAEL J. HARRINGTON,
SILVIO O. CONTE,
Members of Congress.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D.C., February 20, 1975.

Mr. HAROLD PICHNEY,
Assistant Director, U.S. General Accounting Office, Washington, D.C.

DEAR MR. PICHNEY: This is in reply to your recent letter requesting my views on certain matters pertaining to the Dickey-Lincoln School Lakes projects in the State of Maine.

I have attached a detailed response to your questions which is organized in the same sequence and format as that of your letter. I hope the information provided therein is satisfactory.

Sincerely yours,

W. C. GRIBBLE, Jr.,
Lieutenant General, USA, Chief of Engineers.

APPENDIX II—DETAILED RESPONSE TO QUESTIONS RAISED IN JANUARY 1975 GAO LETTER

The response furnished in the following paragraphs are in the same sequence as presented in your letter. The major discussion items are also identified consistent with your format. For items (2) through (5) the comments include, when possible, a plan and relative time-table for resolving the referenced items as requested. An assessment of possible and probable impacts on the project of the items cited is not feasible at this time.

A seven year layoff is a significant lapse of time—particularly during this era of rapid change. The complexities of a project the size of Dickey-Lincoln School Lakes are formidable and are compounded by the introduction of new personnel. Project development should be viewed as a continuing process conducted within the framework of revised water resource policies, updated engineering criteria, environmental concerns, high power and energy needs, and a broad spectrum of coordination. All of these factors can cause or contribute toward project modifications or adjustments. These changes can only be identified, however, as preconstruction planning proceeds and the complex interrelationships of these influencing factors have time to surface. Preliminary activity was initiated on the project in September 1974 under continuing obligational authority pending the President's review of the FY 1975 Appropriations Act and its inflationary effect. The FY funds were allotted in early November 1974 and full scale activity was resumed at that time.

The context of the following remarks should be viewed within the benefit of this short time frame.

(1) *Revised price estimate for the 1967 design:*

A contract was awarded in January 1975 to Stone and Webster Engineering Corporation, a large engineering firm with extensive experience in the construction of hydroelectric facilities, to provide an estimated construction cost for specific project features included in the General Design Memorandum (GDM) dated May 1967. The estimate will be based on 1 January 1975 price levels. The specific items to be updated include: (a) reservoir clearing; (b) construction of the Dickey and Lincoln School dams consisting of embankment placement; outlet works, spillway, penstocks and headworks; (c) construction of the three saddle dikes and (d) construction of the power plants at each site including the powerhouses, turbines, generators, governors, switchyards and all ancillary electrical and mechanical equipment.

These major items comprised about 84% of the total project cost included in the 1967 GDM. The remaining items consist of engineering and design and supervision and administration (10%); lands and damages (4%) and miscellaneous construction features (2%) such as relocations, access roads, recreation facilities, permanent operating equipment and housing and service facilities. The updated estimate for lands will be accomplished by contract and by in-house forces. The update for the timberlands segment of real estate costs will be accomplished by contract with an expert firm knowledgeable in timber appraising within the State of Maine. The remaining real estate costs are being reviewed in-house and will be based on recent sales data for the area. The miscellaneous construction items are minimal and are not susceptible to firm definition. Price escalation will be applied to these items. Design and supervision costs will be principally based on the current percentage of construction cost.

The manner in which succeeding updates of costs are conducted will depend upon the stage of preconstruction planning. If planning has not progressed to the point of revising project features then the annual update will be based on 1 October 1975 price levels. This estimate will be the result of the January 1975 repricing updated to October 1975 by using cost indices because design changes and related estimates will not have been completed by that time. The next significant reanalysis of unit prices will be conducted during the preparation of the Supplement to the General Design Memorandum which is scheduled for completion in July 1976. The project estimate will subsequently continue to be refined as Feature Design Memorandums for specific project components are completed. The most detailed estimate, however, is developed in conjunction with the preparation of contract plans and specifications. For a project the size of Dickey-Lincoln School Lakes, the total project cost could, at some point in time, be updated concurrently by a combination of cost indices, feature design memorandums and contract plans.

(2) *Updating project design:*

All of the project components will be reanalyzed for the GDM Supplement consistent, of course, with the degree of accuracy inherent in the early stages of preconstruction planning. Two major areas are currently being addressed namely the requirement for multi-level discharge capability in the interest of water quality and the feasibility of modifying the project to include pumped storage generating facilities.

The project design does not currently include multilevel discharge capability. Water quality studies have been initiated to identify the various levels within the proposed impoundment at which withdrawal may be required. It is anticipated that by mid-1975 studies will have reached a point at which reasonable determinations can be made. This schedule is predicated on the applicability of available mathematical modeling techniques to the project. Should physical models be required the study period would be extended. As soon as the required levels are defined, redesign of the power intake facilities and possibly the diversion tunnel will be required. Engineering layouts of various schemes to accommodate the water quality features should be completed by the end of 1975. It is impossible at present to cite the relative impact of this change on the project cost although it would appear to be minor relative to the total project cost.

The feasibility of including pumped storage was going to be examined at the time earlier preconstruction planning activity was terminated. Our current studies will evaluate the economic feasibility of adding reversible units to obtain increased power capability at the site. The pumped storage aspect would also enhance the project's operational flexibility. The power studies should be essentially firm by the Fall of 1975. Again it is too early to define the magnitude of project cost increase. However, additional units would not be added to the project without being incrementally justified. Accordingly any increase in project cost would have to be offset by increased power benefits.

Other activities such as the investigation of construction materials, reanalysis of spillway design, flood and diversion hydrology to reflect hydrologic events since 1967 and environmental considerations may also require design modifications. In essence the individual project components will be evaluated within the totality of the project and changes incorporated in the GDM Supplement to assure the most economical project consistent with its functional integrity. The GDM Supplement is scheduled for a July 1976 completion.

Power studies have been initiated. The NED is presently awaiting New England projected power demand data for future years to be furnished by the Federal Power Commission (FPC). Computer simulation studies will be conducted similar to those performed in the earlier planning effort. The analysis will evaluate the project's output utilizing FPC load data and simulating 40 years of hydrologic record. In addition, as previously noted, pumped storage will also be considered. The study results will be summarized in a Hydropower Design Memorandum scheduled for submission in March 1976. This document will present the results of the power studies and provide basic information on the number, type and size of units comprising the project's power installation.

Subsequent to approval of the Hydropower DM and the GDM Supplement when project layout is reasonably firm, studies will be initiated on the power plant. These studies will be accomplished in two stages. Stage 1 entails preliminary design of the powerhouse to determine the most suitable type of structures and equipment. This preliminary design stage is culminated in a document entitled Preliminary Design Report (PDR) which serves as the basis for proceeding with Stage 11 work. The PDR for Dickey-Lincoln School Lakes is scheduled for completion in May 1977. Stage 11 consists initially of preparing feature Design Memorandums, including drawings, which detail the power plant structure, equipment and development of the site. Subsequent to approval of the Design Memorandum, Stage 11 proceeds into the preparation of construction drawings, specifications and estimates. Completion of Stage 11 is scheduled for FY 1980. With reference to impact on project cost it can be seen from the sequence outlined that estimates will be developed and refined through the various stages. No evaluation is possible at this time.

No meetings have been held to date with the investor owned sector of the New England Power Pool (NEPOOL). Accordingly there is no knowledge of NEPOOL's interest in "influencing the project." A Planning Commitee of NEPOOL has conducted an independent study of the project. Its study concluded that the project's capacity would be "fully effective capacity to the interconnected New England System if it were dispatched in a peaking assignment during the 1985–86 power year." The study focused solely on the project's peaking capability and was based on the stringent criteria of loading the project after dispatching existing hydroelectric and pumped storage projects. No economic considerations were included in the investigation. Until NED's power studies are completed and coordination established with NEPOOL, through the Department of Interior, there is no basis for defining the need for added studies. It is felt, however, that the project will be inherently flexible enough to effectively fit within the NEPOOL system.

The Province of New Brunswick has been vitally concerned with the operation of the project since its inception because of the Province's three downstream hydro facilities. Representatives of the New England Division met with officials of the New Brunswick Electric Power Commission (NBEPCO) in September 1974. The purpose of the meeting was to inform the Commission that preconstruction planning was being resumed on Dickey-Lincoln School Lakes and to renew contacts following the seven year hiatus. The Commission representatives noted their continued keen interest in the project and desire that the operation of the project be viewed from a basin wide perspective to maximize total power output. No specific data were presented. Subsequent to the meeting, a 1967 preliminary draft report on the effects of Lincoln School operation on downstream New Brunswick power plants was forwarded to NBEPCO for its review and comment. The draft report had been completed during the late stages of the earlier planning activity and had not been seen by the Commission. The report basically reflects the impact of a 70 MW installation at Lincoln School in lieu of the previously planned 34 MW facility. The draft was forwarded in November 1974. No comments have yet been received.

Until specific data is developed through various power studies within NED no logical system evaluations on downstream plants can be realized. Once an initial basic plan is established as economically and environmentally sound it can be used as a point of reference for further studies with New Brunswick, should the need exist. In the interim as NED's studies are being developed, NED will maintain coordination with the NBEPCO. It is anticipated that by late 1975 meaningful determinations can be made. It is impossible at this time to make firm determinations of the related impacts on benefits and costs.

(3) *Department of the Interior's marketing of power and transmission studies:*

The timing with respect to conclusively determining the recipients of project power has not yet established. As noted in your letter the Interior Department has statutory responsibility for marketing the project's power. NED anticipates that Interior will not proceed with definitive marketing and transmission plans until construction of the project is underway and that prior to that time, only studies of sufficient depth to determine marketability in accordance with the principles of the 1944 Flood Control Act and evaluate the financial feasibility of the project will be performed.

Dickey-Lincoln School Lakes would be the first Federal power project in New England. There is no DOI marketing agency specifically responsible for the New England area. It is important that the Interior Department become involved in early discussions with NEPOOL, which is the mutual marketing vehicle of major New England utilities, and with potential customers. The NED had a preliminary meeting with the Regional Field Coordinator of Interior on 30 December 1974 to establish coordination with the appropriate personnel. A meeting with the Department of Interior Washington personnel has been scheduled for early February.

The entire question of transmission should be addressed in the early stages of preconstruction planning. The design and cost are functions of the scope of facilities required. The scope can now only be reasonably defined through Interior discussions with NEPOOL officials to explore the feasibility of common transmission facilities. A NEPOOL Planning Committee has recently completed a study of Dickey-Lincoln School Lakes transmission. This report will be made available to Interior for its review. The scope and alignment of the transmission lines will also have to be known to provide for a reasonable basis for an environmental assessment which will be included in the Environmental Impact Statement for the total project.

The major issue involved in the use of existing transmission facilities will appear to be determining the appropriate charges for the transmission of power over NEPOOL facilities. However, the Interior Department in connection with their marketing responsibilities, most likely could provide better information in response to this question.

(4) *Environmental requirements:*

The EIS will address all significant environmental, economic and social impacts allied with the project. As an initial step, a contract is scheduled to be awarded in February 1975 to a consulting firm to prepare a comprehensive scope of work for the EIS. The contractor will be required to identify—through numerous interviews and extensive literary research—all significant project-induced environmental, social and economic impacts that should be discussed in the EIS. In addition methodology for measuring the various impacts will be recommended. The scope of work contract is scheduled for completion in July 1975. Using the scope of work as a planning guide, subsequent contracts will be let to evaluate specific impact areas identified as significant. A draft EIS is scheduled for completion in July 1976.

The GDM Supplement will be completed concurrently with the draft EIS. As presently envisioned the major impact areas will be discussed in summary form within the GDM Supplement. The in-depth discussions would reside in the EIS document.

(5) *Agreement with Canada on project's design and operation:*

A letter has been drafted for transmittal to the State Department requesting that negotiations be reopened with the Canadian government. The specific timing relative to negotiations will be within the purview of the State Department. The Corps is ready to provide technical assistance.

The major issues focus on the benefits to be derived at downstream Canadian plants within the Province of New Brunswick and the flooding of lands within the Province of Quebec.

It is impractical at this early stage to identify any changes that may be needed to reach an agreement with Canada. As previously noted the initial effort in power studies is to examine the feasibility of adding pumped storage and analyze the project's operational characteristics and power output based on future New England power demand data. These analyses will be evaluated in terms of environmental impact as well as influences on the downstream Canadian system. Until these studies are crystallized no alternatives, if needed, can be logically determined.

(6) *Other matters:*

The updating of the project cost estimate will be noted by the NED Division Engineer during his FY 1976 Budget testimony before the Congressional Appropriations Subcommittees. The contract estimate mentioned will not be available until late March 1975. Preliminary indications are that the Division Engineer will testify in late February or early March 1975. He will note at that time that the estimate is being updated and a report will be provided the respective committees upon completion of the update.

The annual budget hearings before the respective Congressional Appropriations Subcommittees will continue to be the vehicle by which Congress is informed of progress on the project. However, should changes occur during the year which result in a major impact on the project—for example, a significant increase in project cost; major change in scale of the project, its features or benefits—then a letter would be written to the Public Works and Appropriations Committees of Congress explaining the significant change and its impact on the project.

The updating procedures will vary dependent upon the status of preconstruction planning. As a minimum the cost estimate and benefits would be updated annually utilizing price level indices. The power values for use in determining power benefits would continue to be updated annually predicated on the operational scheme available at the time of their analysis. As planning progresses and changes are incorporated into the project plan, the effect of these changes on the project cost estimate and benefits—if applicable—will be reflected. The latest available data would be included in the economic data provided the Congressional Appropriations Subcommittee commensurate with required submission dates for budgetary data.

The scheduling of land acquisition and construction of the project is controlled by the timing of the Environmental Impact Statement. A draft EIS is scheduled for completion in July 1976 and a final EIS is scheduled for filing with the Council on Environmental Quality (CEQ) in April 1977. Under our present policy initial land acquisition or construction funds cannot be budgeted unless a final EIS is on file with CEQ by 1 January of the year preceding the budget fiscal year. Accordingly land acquisition and construction could not be budgeted until FY 1979. However, a capability to initiate these activities could be cited in FY 1978.

APPENDIX III—EXPLANATION OF ECONOMIC COST AND BENEFIT ANALYSIS

The Corps' July 1974 economic, or benefit-cost, analysis for the Dickey-Lincoln project is set forth below.

	Amount (thousands)	Percent of total
Annualized economic costs:[1]		
Interest on investment	$15,907	82.6
Amortization of investment	679	3.5
Operation and maintenance	2,072	10.8
Interest and amortization of major replacements	478	2.5
Loss of land taxes	107	.6
Total annual costs	19,243	100.0
Annualized economic benefits:		
Hydroelectric power[2]	48,419	95.6
Recreation	1,250	2.5
Redevelopment	891	1.8
Flood damage prevention	70	.1
Total annual benefits	50,630	100.0

[1] Computed at a Federal interest rate of 3¼ percent and a 100-yr project life.

[2] Computed at an estimated private borrowing rate of 8¾ percent.

Note: Benefit-cost ratio: 50,630 over 19,243 equals 2.63 to 1.

How annual economic costs were derived

To put all project-related costs on a common-time basis with annual benefits, costs for initial Dickey-Lincoln investment and estimated major replacements were converted to equal annual outlays over the project's estimated 100-year life. Remaining economic costs for the project consist of recurring outlays for project operation and maintenance and an imputed economic cost representing the loss of land taxes caused by Federal ownership of the project area.

Investment Amortization

Project investment consists of the estimated costs of planning and constructing the project, plus interest during construction, then applying the prescribed Federal interest rate to the total amount.

Project investment costs were converted to equivalent annual payments over the life of the project by applying an annual sinking fund factor to the investment costs. The annual amortization figure thus computed represents the amount which, if invested annually at compound interest of 3¼ percent, would accumulate over the 100-year project life to the amount of the project investment.

Interest on Investment

Annual interest of $15,907,000 is the result of applying the prescribed Federal interest rate of 3¼ percent to the project investment cost. Interest on investment accounts for about 83 percent of the total annual economic cost for the project.

Operation and Maintenance

The annual costs of operating and maintaining the project at full operating efficiency were estimated and include (1) salaries of personnel necessary for operation, (2) cost of labor, equipment, and supplies required for ordinary maintenance, (3) supervision, (4) overhead, and (5) periodic inspection and evaluation.

Annual operation and maintenance costs of $2,072,000 were estimated on the basis of Corps and Interior experiences.

Interest and Amortization for Major Replacement Costs

Estimated costs for major replacements over the 100-year life were converted to equal annual charges by discounting the expected replacement costs to present value using a discount rate equal to the prescribed Federal interest rate for the project of 3¼ percent. The figure, expressed at present value was converted to equal annual payments for interest and amortization in the same manner described above for investment costs.

The estimated annual cost of $478,000 was based on Corps and Interior experiences in major replacements.

How annual economic benefits were derived

Dickey-Lincoln power benefits consist of (1) the value of electric power generated directly by Dickey-Lincoln and (2) the value of additional power output of downstream dams in Canada made possible by the project's stabilization of annual riverflows. Power benefits based on direct project output were valued in 1974 at about $44.9 million and downstream benefits at about $3.5 million. Annual economic benefits for the projects—$48,419,000 of $50,630,000 total annual benefits—or about 96 percent.

The Corps used the estimated cost to produce the power by the most likely alternative means to value Dickey-Lincoln's expected power output. Senate Document 97 states this as the usual method of valuing what consumers should be willing to pay for such electric power.

Explanation of major cost items used to value alternatives

Capital investment and fuel costs represent over 70 percent of the value of the above benefits. These items are discussed below.

Capital investment costs for the designated alternatives to Dickey-Lincoln include:

Interest charges, or the utilities' estimated cost of borrowing applied to an estimated plant investment cost (per kilowatt of generating capacity).

An estimated annual sinking fund charge sufficient to recover the cost of the plant over its estimated life (30 years) at the utilities' estimated cost of borrowing.

The cost of borrowing used by FPC is an average cost of obtaining money for investor-owned utilities. For the Corps' July 1974 benefit-cost analysis, FPC used a borrowing rate of 8¾ percent.

FPC computed fuel costs for the alternatives using:

The price per unit of fuel.

The energy content in a unit of fuel.

The efficiency with which the alternative electric power source converts fuel to electric energy.

These three values were combined to provide an estimate of fuel costs per kilowatt-hour of electrical energy produced.

Figures used by FPC for heat content per unit of fuel were consistent with figures obtained from annual reports of electric utilities filed with FPC, and with FPC's Monthly Fuel Cost and Quality Reports for May and June 1974.

The efficiency of fuel conversion assumed by FPC for oil-fired steamplants was corroborated by values obtained in discussions with industry officials and from FPC's annual compilation, Steam-Electric Plant Construction Cost and Annual Production Expenses for 1972.

FPC estimated that gas turbine generators would convert fuel oil to electrical energy less efficiently than industry representatives said was possible. Utilities' operating reports showed that a number of existing gas turbines did operate more efficiently than FPC had estimated. An FPC official explained that improved efficiency would be factored into the next estimate of power values. This was done in March 1975, when FPC power values reflected a 10-percent improvement in conversion efficiency for gas turbines.

Fuel oil prices estimated by FPC were consistent with prices reported to FPC by utilities. An FPC official noted, however, that fuel oil prices were unstable and rising.

Comparability test prepared by the Corps at July 1974 prices

[Comparably financed at 3¼ percent]

Alternative costs:	
Power marketed in Maine	$8,194,000
Power marketed in Boston	27,371,000
Downstream	3,500,000
Total	39,065,000
Adjustment for flood control (note a)	70,000
Adjustment for recreation (note a)	1,250,000
Adjustment for area redevelopment (note a)	891,000
Total alternative cost	41,276,000
Annual cost—Dickey-Lincoln	19,243,000
Comparability ratio	2.1 to 1

Note a: Flood control, recreation, and area redevelopment benefits, which are provided incidentally to construction of Dickey-Lincoln, would be foregone by the alternative. Therefore the values of these benefits were added by the Corps to the alternative to obtain a valid comparison.

PERSONAL EXPLANATION

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, because of prior commitments in my congressional district on Friday, June 20, I was unable to be present on the House floor when several votes were taken late Friday afternoon and early Friday evening. Had I been present I would have voted "yea" on roll No. 325, final passage of the bill H.R. 3474, to authorize appropriations for the Energy Research and Development Administration; "yea" on roll No. 326, the rule, House Resolution 533, for the consideration of a bill, H.R. 7001, authorizing appropriations for the Nuclear Regulatory Commission; "yea" on roll No. 327, the amendment to H.R. 7001 offered by the gentleman from Maryland (Mr. Long) which sought to prevent the export of nuclear fuel and technology to countries that are not members of the nuclear nonproliferation treaty; "yea" on roll No. 328, the amendment from H.R. 7001 offered by the gentleman from New York (Mr. Scheuer) that prohibits the air transport of plutonium fuel until the Commission certifies to the Congress that a safe container has been developed; and "yea" on roll No. 329, final passage of H.R. 7001, the Nuclear Regulatory Commission authorization bill.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Thompson (at the request of Mr. Maguire), for today, on account of illness in family.

Mr. McClory (at the request of Mr. Rhodes), for today, on account of official business.

Mr. Mann (at the request of Mr. O'Neill), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. Fenwick) and to revise and extend their remarks and include extraneous matter:)

Mr. Crane, for 15 minutes, today.

Mr. Cleveland, for 10 minutes, today.

(The following Members (at the request of Mr. Nolan) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Brademas, for 5 minutes, today.

Mr. Murphy of Illinois, for 5 minutes, today.

Mr. Morgan, for 30 minutes, today.

Mr. Koch, for 15 minutes, today.

Mr. Dent, for 30 minutes, today.

Mr. Moorhead of Pennsylvania, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Harrington, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $2,711.

(The following Members (at the request of Mrs. Fenwick) and to include extraneous matter:)

Mr. Rhodes.

Mr. Buchanan.

Mrs. Holt.

Mr. Rousselot in two instances.

Mr. du Pont in two instances.

Mr. Collins of Texas in four instances.

Mr. Robert W. Daniel, Jr.

Mrs. Pettis.

Mr. Conte.

Mr. Michel.

Mr. Lagomarsino.

Mr. Schulze.

Mr. Pressler.

(The following Members (at the request of Mr. Nolan) and to include extraeous material:)

Mr. Annunzio in six instances.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Fithian.

Mr. Kastenmeier in two instances.

Mrs. Collins of Illinois.

Mr. Downey of New York in 12 instances.

Mr. Helstoski.

Mr. Mazzoli in two instances.

Mr. Bonker.

Mr. Fauntroy.

Mr. Richmond.

Mr. Won Pat in two instances.

Mr. Rosenthal.

Mr. Jones of Tennessee.

Mr. Brademas.

Mr. Ryan.

Mr. Morgan in five instances.

Mr. Zeferetti.

Mr. de Lugo.
Mr. Koch.
Mr. Alexander.
Mr. Cotter in five instances.
Mr. Harrington in two instances.
Mrs. Spellman.
Mr. Fraser in two instances.
Mr. Rangel.
Mr. Vanik.
Mr. Ambro.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 24. An act to carry into effect certain provisions of the Patent Cooperation Treaty, and for other purposes; to the Committee on the Judiciary.

S. 323. An act to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 537. An act to improve judicial machinery by amending the requirement for a three-judge court in certain cases and for other purposes; to the Committee on the Judiciary.

S. 1230. An act to amend the Watershed Protection and Flood Prevention Act, as amended; to the Committee on Agriculture.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 37. An act to authorize appropriations to carry out the Standard Reference Data Act;

H.R. 6054. An act to authorize further appropriations for the Office of Environmental Quality, and for other purposes;

H.R. 6698. An act to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for U.S. citizens returned from abroad, subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case, and for other purposes; and

H.J. Res. 499. Joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes.

ADJOURNMENT

Mr. NOLAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 56 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, June 24, 1975, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1265. A letter from the President of the United States, transmitting amendments for reductions in the amounts of appropriations requested for the Energy Research and Development Administration for fiscal year 1976 and the transition period ending September 30, 1976 (H. Doc. No. 94–195); to the Committee on Appropriations and ordered to be printed.

1266. A letter from the President of the United States, transmitting a proposed budget amendment for the Department of the Treasury for fiscal year 1976 (H. Doc. No. 94–196); to the Committee on Appropriations and ordered to be printed.

1267. A letter from the President of the United States, transmitting a proposed budget amendment for the General Services Administration for fiscal year 1976 (H. Doc. No. 94–197); to the Committee on Appropriations and ordered to be printed.

1268. A letter from the Chairman, Equal Employment Opportunity Commission, transmitting a supplemental report on disciplinary action and other steps taken against employees responsible for a previously reported violation of the Anti-Deficiency Act, pursuant to section 3679(i)(2) of the Revised Statutes; to the Committee on Appropriations.

1269. A letter from the Secretary of the Treasury, transmitting the second annual audit report on the Student Loan Marketing Association, covering calendar year 1974, pursuant to section 439(k) of the Higher Education Act of 1965, as amended [20 U.S.C. 1087–2(k)]; to the Committee on Education and Labor.

1270. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations and actions related thereto contained in the report of the National Advisory Council on Supplementary Centers and Services entitled "Sharing Educational Success, Sixth Annual Report," dated March 1974, pursuant to section 6(b) of the Federal Advisory Committee Act (H. Doc. No. 94–198); to the Committee on Government Operations and ordered to be printed.

Received From the Comptroller General

1271. A letter from the Assistant Comptroller General of the United States, transmitting a report on the release of budget authority for the alcohol, drug abuse and mental health program and the health manpower/health facilities program, the rescission of which was proposed by the President (R75–84 and R75–86), and not approved by the Congress; to the Committee on Appropriations.

1272. A letter from the Comptroller General of the United States, transmitting a draft of proposed legislation to revise and restate certain functions and duties of the Comptroller General of the United States and for other purposes; to the Committee on Government Operations.

1273. A letter from the Comptroller General of the United States, transmitting a report on the application of the design-to-cost concept to major weapon system acquisitions in the Department of Defense; Jointly, to the Committees on Government Operations, and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SISK: Committee on Rules. House Resolution 562. Resolution providing for the consideration of H.R. 8030. A bill to increase the temporary debt limitation until November 15, 1975 (Rept. No. 94–320). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 563. Resolution waiving certain points of order against H.R. 8070. A bill making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94–321). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. **House Resolution 564. Resolution** waiving certain points of order against H.R. 8121. A bill making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94–322). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 565. Resolution providing for the consideration of H.R. 8122. A bill making appropriations for public works for water and power development and energy research, including the Corps of Engineers—Civil, the Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachia regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Nuclear Regulatory Commission, the Energy Research and Development Administration, and related independent agencies and commissions for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94–323). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Michigan (for himself, Mr. Brown of Ohio, Mr. Burgener, Mr. Cederberg, Mr. Esch, Mr. Eshleman, Mr. Grassley, Mr. Hinshaw, Mr. Hyde, Mr. Johnson of Pennsylvania, Mr. Kelly, Mr. Latta, Mr. McKinney, Mr. Madigan, Mr. Michel, Mr. Quie, Mr. Sarasin, Mr. J. William Stanton, Mr. Gradison, and Mr. Pressler):

H.R. 8123. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. BURKE of Massachusetts:

H.R. 8124. A bill to amend the Tariff Schedules of the United States in order to change the customs treatment of certain woven fabrics of wool if products of an insular possession of the United States but imported into such posesssion as fabric for further processing; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself, Mr. Conable, Mr. Cotter, Mr. Karth, Mr. Waggonner, and Mr. Schneebeli):

H.R. 8125. A bill to amend section 5701(a)(2) of the Internal Revenue Code of 1954 so as to change the bracket tax on cigars to an ad valorem tax; to the Committee on Ways and Means.

By Mr. DEVINE:

H.R. 8126. A bill to reform the Food Stmp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative responsibility for the food stamp program, and for other purposes; to the Committee on Agriculture.

By Mr. DOWNEY of New York:

H.R. 8127. to amend the Fair Credit Reporting Act of 1975; to the Committee on Banking, Currency and Housing.

By Mr. MIKVA (for himself, Mr. Rangel, Mrs. Keys, Mr. Jacobs and Mr. Rosenthal):

H.R. 8128. A bill to amend title XVI of the Social Security Act so as to provide for the referral, for appropriate services provided by other State agencies, of blind or disabled children who are receiving supplemental security income benefits; to the Committee on Ways and Means.

By Mr. MILFORD:

H.R. 8129. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. PRICE:

H.R. 8130. A bill to protect the economic rights of labor in the building and construction indusrty by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. RAILSBACK (for himself, Mr. Kastenmeier, and Mr. Koch):

H.R. 8131. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. TRAXLER:

H.R. 8132. A bill to amend section 2040 of the Internal Revenue Code of 1954 to provide that a spouse's services shall be taken into account in determining whether that spouse furnished adequate consideration for jointly held property for purposes of qualifying for an exclusion from the Federal estate tax; to the Committee on Ways and Means.

By Mr. WHITEHURST:

H.R. 8133. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for State and local public utility taxes; to the Committee on Ways and Means.

By Mr. YATRON:

H.R. 8134. A bill to amend the Internal Revenue Code of 1954 to provide a 25-percent investment tax credit for battery-powered vehicles and to provide that the Federal excise tax on motor vehicles not apply with respect to battery-powered vehicles; to the Committee on Ways and Means.

By Mr. ASHLEY (for himself, Mr. Rees, Mr. Stephens, Mr. Eilberg, Mr. Ichord, Mr. Krebs, Mr. Mikva, Mr. Milford, Mr. Pepper, and Mr. Vigorito):

H.R. 8135. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. BEDELL (for himself and Mr. Fithian):

H.R. 8136. A bill to amend the Packers and Stockyards Act, 1921, to clarify the authority of the Secretary of Agriculture to require reasonable bonds from packers in connection with their livestock purchasing operations, and for other purposes; to the Committee on Agriculture.

By Mr. BOWEN:

H.R. 8137. A bill to establish improved programs for the benefit of producers and consumers of rice; to the Committee on Agriculture.

By Mr. BROWN of Michigan (for himself, Mr. Broyhill, Mr. Don H. Clausen, Mr. Cleveland, Mr. Conable, Mr. Duncan of Tennessee, Mr. Frenzel, Mr. Kasten, Mr. Lott, Mr. McDade, Mr. Pritchard, Mr. Regula, Mr. Rhodes, Mr. Spence, and Mr. Wydler):

H.R. 8138. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. FISH:

H.R. 8139. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. FOLEY (for himself, Mr. Poage, Mr. Wampler, Mr. Sebelius, Mr. Andrews of North Dakota, Mr. Breckinridge, Mr. Brown of California, Mr. English, Mr. Jenrette, Mr. Johnson of California, Mrs. Keys, Mr. Krebs, Mr. Mathis, Mr. Mills, Mr. Sisk, Mr. Talcott, Mr. Bob Wilson, and Mr. Winn):

H.R. 8140. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products; to the Committee on Agriculture.

By Mr. FOLEY (for himself, Mr. Poage, Mr. Wampler, Mr. Sebelius, Mr. Burleson of Texas, Mr. Casey, Mr. Collins of Texas, Mr. Kazen, Mr. Krueger, Mr. Pickle, Mr. Roberts, Mr. Teague, Mr. White, Mr. Charles Wilson of Texas, Mr. Wright, and Mr. Young of Texas):

H.R. 8141. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producers and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products; to the Committee on Agriculture.

By Mr. GRADISON (for himself, Mr. Ford of Tennessee, Mr. Gilman, Mr. Harrington, and Mr. McCloskey):

H.R. 8142. A bill to provide for an abandoned mine reclamation fund; to the Committee on Interior and Insular Affairs.

By Mr. LAGOMARSINO:

H.R. 8143. A bill to amend title XVI of the Social Security Act to prohibit States from reducing their supplementation of supplemental security income benefits when cost-of-living increases (or other general increases) are made in such benefits, so as to assure that recipients of such benefits will actually receive those increases, and to prohibit reductions in Federal hold-harmless payments to States as a consequence of such increases; to the Committee on Ways and Means.

By Mr. MACDONALD of Massachusetts:

H.R. 8144. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. MICHEL (for himself, Mr. Archer, Mr. Armstrong, Mr. Bafalis, Mr. Bauman, Mr. Beard of Tennessee, Mr. Burgener, Mr. Clancy, Mr. Del Clawson, Mr. Collins of Texas, Mr. Conlan, Mr. Conable, Mr. Crane, Mr. Robert W. Daniel, Jr., Mr. Dan Daniel, Mr. Derwinski, Mr. Devine, Mr. Dickinson, Mr. Edwards of Alabama, Mr. Findley, Mr. Goldwater, Mr. Goodling, Mr. Grassley, Mr. Hagedorn and Mr. Hansen):

H.R. 8145. A bill to reform the Food Stamp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative responsibility for the food stamp programs, and for other purposes; to the Committee on Agriculture.

By Mr. MICHEL (for himself, Mr. Hinshaw, Mrs. Holt, Mr. Hutchinson, Mr. Ichord, Mr. Johnson of Colorado, Mr. Kasten, Mr. Kemp, Mr. Ketchum, Mr. Kindness, Mr. Lagomarsino, Mr. Lott, Mr. Mann, Mr. Martin, Mr. McCollister, Mr. Miller of Ohio, Mr. Montgomery, Mr. Moorhead of California, Mr. Myers of Indiana, Mr. Regula, Mr. Rousselot, Mr. Runnels, Mr. Robinson, Mr. Satterfield, and Mr. Snyder):

H.R. 8146. A bill to reform the Food Stamp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative responsibility for the food stamp program, and for other purposes; to the Committee on Agriculture.

By Mr. MICHEL (for himself, Mr. Spence, Mr. Steiger of Arizona, Mr. Stuckey, Mr. Symms, Mr. Talcott, Mr. Taylor of Missouri, Mr. Treen, Mr. Vander Jagt, and Mr. Winn):

H.R. 8147. A bill to reform the Food Stamp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative responsibility for the food stamp program, and for other purposes; to the Committee on Agriculture.

By Mr. MOORE:

H.R. 8148. A bill to amend the Foreign Assistance Act of 1961 to require congressional approval of any suspension of the provision prohibiting the furnishing of assistance to any country in arrears more than 180 days on any payment to the United States of any principal or interest due under any loan or credit furnished to such country by the United States; to the Committee on International Relations.

By Mr. PRICE (for himself and Mr. Bob Wilson) (by request):

H.R. 8149. A bill to amend title 5, United States Code, to repeal section 5343(d) and make conforming amendments; to the Committee on Post Office and Civil Service.

By Mr. ROGERS (for himself, Mr. Preyer, Mr. Symington, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Maguire, Mr. Carney, Mr. Broyhill, Mr. Hastings, and Mr. Heinz):

H.R. 8150. A bill to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUSSELOT:

H.R. 8151. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. ROYBAL:

H.R. 8152. A bill to provide for payment by the United States for certain medical services and treatment provided to individuals suffering from physical injuries attributable to the atomic bomb explosions on Hiroshima and Nagasaki, Japan, in August 1945; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself, Mr. BADILLO, Mr. BINGHAM, Mr. BURGENER, Mr. HARRINGTON, Mr. JOHNSON of California, Mr. RYAN, Mr. SISK, Mr. STARK, Mr. CHARLES H. WILSON of California, and Mr. WON PAT):

H.R. 8153. A bill to authorize funds for assistance to local educational agencies for the education of Cambodian and Vietnamese refugees, and for other purposes; to the Committee on Education and Labor.

By Mr. RUSSO:

H.R. 8154. A bill to improve public understanding of the role of financial institutions in home and commercial real property financing; to the Committee on Banking, Currency and Housing.

By Mr. SCHULZE:

H.R. 8155. A bill to authorize and direct the Secretary of the Treasury to coin and issue a 2-cent piece emblematic of the Bicentennial of the American Revolution; to the Committee on Banking, Currency and Housing.

By Mr. WHALEN:

H.R. 8156. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. BARRETT:

H.J. Res. 525. Joint resolution proposing an amendment to the Constitution of the United States to insure that due process and protection are afforded to an individual from conception; to the Committee on the Judiciary.

By Mr. DENT:

H.J. Res. 526. Joint resolution proposing an amendment to the Constitution of the United States to repeal section 2 of the 25th article of amendment to such Constitution (relating to succession to the Vice Presidency); to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

195. By the SPEAKER: Memorial of the Legislature of the State of Nevada, relative to conveyance of the Lee Canyon Youth Camp property to Clark County, Nev.; to the Committee on Agriculture.

196. Also, memorial of the Legislature of the State of Nevada, relative to multiple use of Federal lands; to the Committee on Interior and Insular Affairs.

197. Also, memorial of the Legislature of the State of Nevada, relative to predator control management on Federal lands in Nevada; to the Committee on Interior and Insular Affairs.

198. Also, memorial of the Legislature of the State of Indiana, relative to the Panama Canal; to the Committee on International Relations.

199. Also, memorial of the House of Representatives of the State of Arizona, relative to the sale of the Peabody Coal Co.; to the Committee on Interstate and Foreign Commerce.

200. Also, memorial of the Legislature of the State of Nevada, relative to hearings on a constitutional amendment concerning abortion; to the Committee on the Judiciary.

201. Also, memorial of the Legislature of the State of Nevada, relative to the water supply to the Stillwater National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

202. Also, memorial of the Legislature of the State of Nevada, relative to veterans' medical benefits; to the Committee on Veterans' Affairs.

203. Also, memorial of the Legislature of the State of Nevada, relative to allowing the issuance of tax-free capital improvement bonds for public utilities; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FISHER:

H.R. 8157. A bill for the relief of Cooley Berry; to the Committee on the Judiciary.

H.R. 8158. A bill for the relief of Edward J. Callahan; to the Committee on the Judiciary.

H.R. 8159. A bill for the relief of Samir Ghosh; to the Committee on the Judiciary.

H.R. 8160. A bill for the relief of Jim Jesusa Llacer and Emilio Llacer; to the Committee on the Judiciary.

H.R. 8161. A bill for the relief of Cedomir Markovic; to the Committee on the Judiciary.

By Mr. KETCHUM:

H.R. 8162. A bill to authorize the President of the United States to present, in the name of Congress, a medal of honor to Brig. Gen. Charles E. Yeager; to the Committee on Armed Services.

By Mr. WIGGINS:

H.R. 8163. A bill for the relief of Charles P. Abbott; to the Committee on the Judiciary.

H. Res. 561. Resolution to refer the bill, H.R. 7943, entitled "A bill for the relief of P. S. Seymour-Heath" to the Chief Commissioner of the Court of Claims in accordance with sections 1492 and 2509 of title 28, United States Code; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

157. By the SPEAKER: Petition of Brent Berryman, Dallas, Tex., relative to the F-16 and F-18 air combat fighters; to the Committee on Armed Services.

158. Also petition of members of the Oak Grove Baptist Church, Broken Bow, Okla., and others, relative to religious freedom; to the Committee on the Judiciary.

159. Also, petition of the Suffolk County Legislature, N.Y., relative to the establishment of a new National Cemetery at Calverton, N.Y.; to the Committee on Veterans' Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 8069

By Mrs. BURKE of California:

On page 44, line 18, of the bill strike out: "$399,185,000." and insert in lieu thereof: "$457,385,000".

On page 44, line 20, of the bill strike out: "$99,800,000." and insert in lieu thereof: "$114,350,000.".

By Mr. HAWKINS:

On page 44, line 18, strike "$399,185,000" and insert in lieu thereof, "$434,185,000", and on line 20, strike "$99,800,000" and insert in lieu thereof, "$108,600,000".

By Mr. MOORE:

On page 43, strike lines 3 through 12, and insert the following in lieu thereof:

"SEC. 207. No funds appropriated by this Act may be used to compel, coerce, induce or otherwise encourage (by withholding or threatening to withhold any grant, loan or other Federal financial assistance, or by any other means) any local educational agency or institution to transport or assign any public school student to any particular school."

On page 43, strike all after "Sec. 208." on line 13, down through "(b)" on line 23.

H.R. 8070

By Ms. ABZUG:

On page 21, lines 11 and 12, strike out "$2,628,980,000" insert in lieu thereof "$1,422,980,000."

On page 21, line 14, strike out "$700,600,000" and insert in lieu thereof "$379,600,000."

On page 25, line 14, strike the colon and all that follows through line 23, and insert a period.

By Mr. DRINAN:

On page 27, line 1, strike out "$40,000,000" and insert in lieu thereof "$17,672,000."

On page 27, line 11, strike out "$8,300,000" and insert in lieu thereof "$3,272,000."

By Mr. RYAN:

Page 26, strike out line 18 and all that follows thereafter through page 27, line 13.

H.R. 8122

By Ms. ABZUG:

On page 2, line 24, strike "$3,036,120,000" and insert in lieu thereof "$2,187,005,000."

On page 3, line 19, strike "$931,939,000" and insert in lieu thereof "$710,014,000."

By Mr. FRASER:

Page 13, Line 11, immediately before the period insert the following: *Provided*, No part of any appropriation contained in this Act shall be used to continue construction of or to acquire land for the Garrison Diversion Unit of the Pick-Sloan Missouri Basin Program.

By Mr. RICHMOND:

Page 2, line 24, strike the figure "$3,036,120,000" and insert in lieu thereof the figure "$3,103,220,000".

Page 3, line 19, strike the figure "$931,939,000" and insert in lieu thereof the figure "$951,339,000".

By Mr. STEELMAN:

Page 7, line 10, immediately before the period at the end thereof insert the following: ": *Provided further*, That no part of this appropriation shall be used to conduct any study which includes navigation alternatives with respect to the Trinity River Project, Texas."

SENATE—*Monday, June 23, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who are the source of light and wisdom, we ask for the indwelling of Thy grace as we undertake our work. Turn us from things which make for discord, division, and strife to that which makes for reconciliation, unity, and concord. Keep us from self-righteousness, from arrogance, and foolish pride. Remove from us all that obstructs doing Thy will.

Be Thou our strength when the flesh is weak, the spirit troubled or depressed.

Be Thou our light when the hour is dark and we know not which way to turn.

Be Thou our unifier when there is division or alienation.

Be Thou our courage when there is danger or we face adversity.

Be Thou our hope when our own vision fails and we would give way to despair.

Be Thou at all times "our refuge and our strength, a very present help in trouble," until the victory is won and Thy kingdom comes on Earth as it is in heaven.

We pray in the Redeemer's name. Amen.

QUORUM CALL

The ACTING PRESIDENT pro tempore. The Senate having recessed in the absence of a quorum on Saturday last, the Chair directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 37 Leg.]

Abourezk
Allen
Baker
Byrd, Harry F., Jr.
Culver
Domenici
Glenn
Hart, Philip A.
Haskell
Hathaway
Hollings
Hruska
Inouye
Jackson
Leahy
Mansfield
McGee
Metcalf
Moss
Sparkman
Stennis
Stone
Tower
Young

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Bartlett
Bellmon
Burdick
Byrd, Robert C.
Cannon
Church
Clark
Cranston
Dole
Fannin
Ford
Garn
Goldwater
Hansen
Hartke
Helms
Huddleston
Johnston
Magnuson
McClellan
McGovern
McIntyre
Mondale
Montoya
Nelson
Nunn
Packwood
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stevenson
Thurmond
Weicker

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Florida (Mr. CHILES), the Senator from Missouri (Mr. EAGLETON), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from North Carolina (Mr. MORGAN), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Missouri (Mr. SYMINGTON), the Senator from California (Mr. TUNNEY), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. GARY W. HART), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I also announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

Mr. HUGH SCOTT. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from New Jersey (Mr. CASE), the Senator from Nebraska (Mr. CURTIS), the Senator from Hawaii (Mr. FONG), the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is present.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Saturday, June 21, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I do not ask for any time at this time, but as soon as the acting Republican leader gets through I will call up a couple of bills.

Mr. TOWER. I do not desire the floor, Mr. President.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendars Nos. 207 and 210.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to their consideration.

PART-TIME CAREER OPPORTUNITY ACT

The Senate proceeded to consider the bill (S. 792) to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes, which had been reported from the Committee on Post Office and Civil Service with amendments, as follows:

On page 2, in line 5, after the comma, insert "the United States Postal Service, the Postal Rate Commission".

On page 4, at the beginning of line 3, strike out "not yet achieved and".

On page 4, in line 10, after the period, strike out:

"The Commission may find compliance substantially disruptive of the ability of the agency to perform its mission when compliance would cause the agency's efficiency to be severely impaired and/or when the agency is undergoing a substantial reduction in force, a freeze on new hiring or other major personnel action which so adversely affects the status of agency employees as to make it impossible to comply with percentage minimums not yet achieved without seriously jeopardizing the employment or employment rights or benefits of agency employees."

On page 5, beginning in line 21, strike out:

"Not later than January 20, April 20, July 20, and October 20 of each year, each agency shall report to the Commission with respect to the three calendar months preceding the month in which that particular report is due,"

On page 5, beginning with line 25, insert "Each agency shall report annually to the Commission".

On page 7, in line 1, strike out "flexible hours" and insert "part-time career".

On page 10, in line 19, strike out "complete," and insert "compete for promotion,".

On page 10, in line 20, strike out "employed" and insert "employed,".

On page 11, in line 1, after "employee" insert "organization", so as to make the bill read:

S. 792

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Part-Time Career Opportunity Act".

SEC. 2. (a) Title 5, United States Code, is amended by inserting between chapters 31 and 33 the following new chapter:

"Chapter 32—PART-TIME CAREER EMPLOYMENT

"Sec.
"3201. Definitions.
"3202. Policy.
"3203. Part-time career employment percentage minimums; waiver.
"3204. Implementation.
"3205. Limitations.
"3206. Personnel ceilings.
"3207. Nonapplicability.

"§ 3201. Definitions.

"For the purpose of this chapter—

"(1) 'agency' means an executive agency other than the Federal Bureau of Investigation, the United States Postal Service, the Postal Rate Commission, and any agency referred to in section 5102(a)(1)(i)–(viii) of this title;

"(2) 'part-time career employment' means part-time employment of at least sixteen hours but not more than thirty hours a week, including, as for example, four hours each workday, five hours each workday, a different number of hours each workday, or two, three, or four days a week, job-sharing arrangements, or such other arrangements as the Civil Service Commission establishes as consistent with the policy prescribed by section 3202 of this title, but does not include an employee who is employed on a temporary or intermittent basis; and

"(3) 'grade' means any grade referred to in chapter 51 (other than grades GS–16, GS–17, and GS–18).

"§ 3202. Policy

"It is the policy of the Government of the United States that at least a certain percentage of all positions in each grade in each agency shall be restructured to the requirements of part-time employment and made available on a part-time career employment basis to individuals who are unable, or do not desire, to work on a full-time basis.

"§ 3203. Part-time career employment percentage minimum; waiver

"(a) Not later than one year after the date of enactment of this chapter, at least 2 per centum of all positions in each grade of each agency shall be restructured to the requirements of part-time employment and made available to individuals on a part-time career employment basis. Not later than two years after the date of enactment of this chapter, 4 per centum of such positions shall be restructured and made available on such a basis. Not later than three years after the enactment of this chapter, 6 per centum of such positions shall be restructured and made available on such a basis. Not later than four years after the date of enactment of this chapter, 8 per centum of such positions shall be restructured and made available on such a basis. Not later than five years after the date of enactment of this chapter, and thereafter, 10 per centum of such positions shall be restructured and made available on such a basis.

"(b) Upon the request of an agency, the Civil Service Commission may waive or reduce the percentage minimum applicable to any year referred to in subsection (a) for positions in a grade of an agency for a period of not to exceed one year if—

"(1) the Commission finds that compliance with the percentage minimum for those positions in that grade for that period by such agency would be substantially disruptive of the ability of the agency to perform its mission; and

"(2) notice of the request for a waiver or reduction and the reasons and justification for that request have been published in the Federal Register and interested parties have been afforded not less than sixty days to submit comments to the Commission.

"(c) A decision of the Commission to waive or reduce any such percentage minimum shall include the reasons and justification therefor. Copies of each such decision shall be available to the public during normal business hours at each location at which the Commission has offices. Upon request, a copy of a decision shall be furnished without charge.

"(d) Notwithstanding any other provision of law any such decision of the Commission is a final agency action within the meaning of chapter 7 of this title.

"§ 3204. Implementation

"(a) Each agency shall adopt and maintain procedures, continuously conduct activities and projects, and undertake such other efforts as may be appropriate, to carry out sections 3203 and 3203(a) of this title. The Civil Service Commission shall promptly formulate and implement, and thereafter supervise, a program to assist agencies in carrying out those sections. Not later than six months after the date of enactment of this chapter, the Commission shall report to Congress on actions taken to formulate and implement a program to assist agencies in carrying out those sections.

"(b) Each agency shall report annually to the Commission on the procedures, activities, projects, and other efforts undertaken to carry out sections 3202 and 3203(a) of this title. Each report shall contain documentation concerning the extent to which the percentage minimums of section 3203(a) of this title have been met and an explanation of any impediments to their fulfillment and of measures undertaken to remove these impediments.

"(c) The Commission shall report annually to the Congress on the procedures, activities, projects, and other efforts undertaken to carry out sections 3202 and 3203(a) of this title. Each annual report shall contain documentation concerning the extent to which the percentage minimums of section 3203(a) of this title have been met and an explanation of any impediments to their fulfillment and of measures undertaken to remove these impediments.

"(d) The Commission shall conduct research and experimentation projects and any other activities designed to promote, in public employment, the advancement of opportunities for individuals who are unable, or who do not desire, to work on a full-time basis.

"§ 3205. Limitations

"(a) An agency shall not abolish a full-time position in a grade subject to this chapter, and occupied by employee, in order to establish two or more positions to be made available to individuals on a part-time career employment basis.

"(b) Nothing in this chapter shall impair the employment or employment rights or benefits of any employee.

"(c) No agency shall enter into any contract or other agreement with any person as a result of the enactment of this chapter, except with respect to any agreement to furnish advice and assistance to that agency to meet the percentage minimums of section 3203(a) of this title.

"(d) No person employed as an expert or consultant under section 3109 of this title, and no person who is employed by any employer other than an agency, may be counted for the purpose of determining whether that agency has met the percentage minimums of section 3203(a) of this title.

"(e) Not to exceed 10 per centum of the full-time positions of an agency may be restructured to the requirements of part-time employment and made available to individuals on a part-time career employment basis.

§ 3206. Personnel ceilings.

"In counting the number of employees an agency employs for purposes of any personnel ceiling, an employee employed on a part-time career employment basis shall be counted as a fraction which is determined by dividing forty hours into the average number of hours that employee works each week.

"§ 3207. Nonapplicability

"If, on the date of enactment of this chapter, a collective-bargaining agreement is in effect with respect to positions occupied by employees which establishes the number of hours of employment in a week, then this chapter shall not apply to those positions.".

(b) Subpart B of the table of chapters of part III of title 5, United States Code, is amended by inserting between items 31 and 33 the following:

"32. Part-Time Career Employment.. 3201".

SEC. 3. (a) Section 3502(a) of title 5, United States Code, is amended—

(1) by striking out "aid" at the end of clause (3);

(2) by striking out the period at the end of clause (4) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

"(5) previous or current employment on a full-time basis (other than on a temporary or seasonal full-time basis).".

(b)(1) Section 8332 of such title is amended by adding at the end thereof the following:

"(1) Notwithstanding any other provision of law, an employee occupying a position on a part-time career employment basis shall be allowed credit of one month for each one hundred and seventy-three hours of work performed for which deductions are made under this subchapter or deposits may be made.".

(2) The amendment made by paragraph (1) of this section shall apply to an employee referred to in such amendment commencing on the first day of the first pay period of that employee which begins on or after the date of enactment of this Act.

(c) Section 8347(g) of title 5, United States Code, is amended by adding at the end thereof the following: "However, the Commission may not exclude any employee who occupies a position on a part-time career employment basis (as defined in section 3201 (c) of this title).".

(d) Section 8716(b) of such title 5 is amended—

(1) by striking out of the second sentence "or part-time";

(2) by striking out "or" at the end of clause (1);

(3) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon and "or"; and

(4) by adding at the end thereof the following:

"(3) an employee who is occupying a position on a part-time career employment basis (as defined in section 3201(2) of this title).".

(e) Section 8913(b) of such title 5 is amended—

(1) by striking out "or" at the end of clause (1);

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon and "or"; and

(3) by adding at the end thereof the following:

"(3) an employee who is occupying a position on a part-time career employment basis (as defined in section 3201(2) of this title.".

(f) Section 3302 of title 5, United States Code, is amended—

(1) by inserting the subsection designation "(a)" at the beginning of the text thereof; and

(2) by adding at the end thereof the following:

"(b) The rules prescribed in accordance with subsection (a) shall also provide that any employee employed on a part-time career employment basis shall not compete for promotion, as the result of being so employed, with any employee in the competitive service employed on a full-time basis.".

§ 3208 Employee organization representation

"If an employee organization has been accorded exclusive recognition with respect to a unit with an agency, then the employee organization shall be entitled to represent all employees within that unit employed on a part-time career employment basis.".

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the amendments made by this Act.

The ACTING PRESIDENT pro tempore. Without objection, the amendments are considered and agreed to en bloc.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

VETERANS DISABILITY COMPENSATION AND SURVIVOR BENEFITS ACT OF 1975

The Senate proceeded to consider the bill (S. 1597) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes, which had been reported from the Committee on Veterans' Affairs with amendments, as follows:

On page 2, in line 23, strike "$1,139" and insert "$1,159";

On page 4, beginning with line 20, insert the following new section:

SEC. 104. Section 3010 of title 38, United States Code, is amended—

(1) by redesignating paragraph (2) of subsection (b) as paragraph (3); and

(2) by inserting immediately after paragraph (1) thereof the following new paragraph:

"(2) The effective date of an award of increased compensation shall be the earliest date as of which it is ascertainable that an increase in disability had occurred, if application is received within one year from such date.".

On page 7, in line 10, strike "total";

On page 7, in line 11, strike "permanent in nature" and insert "total and permanent in nature, which disability was so rated for not less than one year prior to such death."

So as to make the bill read as follows:

S. 1597

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Disability Compensation and Survivor Benefits Act of 1975".

TITLE I—VETERANS DISABILITY COMPENSATION

SEC. 101. (a) Section 314 of title 38, United States Code, is amended—

(1) by striking out "$32" in subsection (a) and inserting in lieu thereof "$36";

(2) by striking out "$59" in subsection (b) and inserting in lieu thereof "$66";

(3) by striking out "$89" in subsection (c) and inserting in lieu thereof "$100";

(4) by striking out "$122" in subsection (d) and inserting in lieu thereof "$137";

(5) by striking out "$171" in subsection (e) and inserting in lieu thereof "$192";

(6) by striking out "$211" in subsection (f) and inserting in lieu thereof "$241";

(7) by striking out "$250" in subsection (g) and inserting in lieu thereof "$285";

(8) by striking out "$289" in subsection (h) and inserting in lieu thereof "$329";

(9) by striking out "$325" in subsection (i) and inserting in lieu thereof "$371";

(10) by striking out "$584" in subsection (j) and inserting in lieu thereof '$666";

(11) by striking out "$52" and "$727" and "$1,017" in subsection (k) and inserting in lieu thereof "$58" and "$814" and "$1,159", respectively;

(12) by striking out "$727" in subsection (l) and inserting in lieu thereof "$829";

(13) by striking out "$800" in subsection (m) and inserting in lieu thereof "$912";

(14) by striking out "$909" in subsection (n) and inserting in lieu thereof "$1,036";

(15) by striking out "$1,017" in subsections (o) and (p) and inserting in lieu thereof "$1,159";

(16) by striking out "$437" in subsection (r) and inserting in lieu thereof "$498"; and

(17) by striking out "$654" in subsection (s) and inserting in lieu thereof "$746".

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 102. Section 315(1) of title 38, United States Code, is amended—

(1) by striking out "$36" in subparagraph (A) and inserting in lieu thereof "$40";

(2) by striking out "$61" in subparagraph (B) and inserting in lieu thereof "$68";

(3) by striking out "$77" in subparagraph (C) and inserting in lieu thereof "$86";

(4) by striking out "$95" and "$17" in subparagraph (D) and inserting in lieu thereof "$106" and "$19", respectively;

(5) by striking out "$24" in subparagraph (E) and inserting in lieu thereof "$27";

(6) by striking out "$41" in subparagraph (F) and inserting in lieu thereof "$46";

(7) by striking out "$61" and "$17" in subparagraph (G) and inserting in lieu thereof "$68" and "$19", respectively;

(8) by striking out "$29" in subparagraph (H) and inserting in lieu thereof "$32"; and

(9) by striking out "$55" in subparagraph (I) and inserting in lieu thereof "$63".

SEC. 103. Section 362 of title 38, United States Code, is amended by striking out "$150" and inserting in lieu thereof "$175".

SEC. 104. Section 3010 of title 38, United States Code, is amended—

(1) by redesignating paragraph (2) of subsection (b) as paragraph (3); and

(2) by inserting immediately after paragraph (1) thereof the following new paragraph:

"(2) The effective date of an award of increased compensation shall be the earliest date as of which it is ascertainable that an increase in disability had occurred, if application is received within one year from such date.".

TITLE II—SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

SEC. 201. Section 411 of title 38, United States Code, is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

"Pay grade	Monthly rate
E-1	$245
E-2	252
E-3	260
E-4	275
E-5	283
E-6	290
E-7	303
E-8	320
E-9	[1] 335
W-1	309
W-2	321
W-3	332
W-4	350
O-1	309
O-2	320
O-3	343
O-4	363
O-5	399
O-6	449
O-7	487
O-8	532
O-9	572
O-10	[2] 626

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $360.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $671.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $30 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to a widow shall be increased by $73 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.".

SEC. 202. Section 413 of title 38, United States Code, is amended to read as follows:

"Whenever there is no widow of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

"(1) One child, $123.

"(2) Two children, $178.

"(3) Three children, $229.

"(4) More than three children, $229, plus $46 for each child in excess of three.".

SEC. 203. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$64" and inserting in lieu thereof "$73".

(b) Subsection (b) of section 414 of such title is amended by striking out "$108" and inserting in lieu thereof "$123".

(c) Subsection (c) of section 414 of such title is amended by striking out "$55" and inserting in lieu thereof "$63".

SEC. 204. Section 410(a) of title 38, United States Code, is amended to read as follows:

"(a) The Administrator shall pay dependency and indemnity compensation to the widow, children, and parents of any veteran who dies after December 31, 1956, and who—

"(1) dies from a service-connected or compensable disability; or

"(2) was at the time of his death in receipt of or entitled to receive compensation for a service-connected disability total and permanent in nature, which disability was so rated for not less than one year prior to such death.

The standards and criteria for determining whether or not a disability is service-connected shall be those applicable under chapter 11 of this title.".

TITLE III—EFFECTIVE DATE

SEC. 301. The provisions of this Act shall become effective on July 1, 1975.

Mr. HARTKE. Mr. President, as chairman of the Senate Committee on Veterans' Affairs, I am pleased to rise and urge my colleagues to support my bill, S. 1597, the Veterans' Disability Compensation and Survivor Benefits Act of 1975, as reported. I am pleased to note that this measure like others before it is cosponsored by the distinguished chairman of the Subcommittee on Compensation and Pensions, Mr. TALMADGE, and by the entire membership of the committee which includes the Senator from West Virginia (Mr. RANDOLPH), the Senator from California (Mr. CRANSTON), the Senator from Florida (Mr. STONE), the Senator from Wyoming (Mr. HANSEN), the Senator from South Carolina (Mr. THURMOND), the Senator from Vermont (Mr. STAFFORD), and the Senator from Virginia (Mr. WILLIAM L. SCOTT).

Mr. President, the basic provisions of the bill as reported would:

First, provide a 12-percent cost-of-living increase in the rates of disability compensation for those veterans rated 50 percent disabled or less and a 14-percent increase for more severely disabled veterans rated 60 percent to totally and permanently disabled;

Second, provide a 12-percent cost-of-living increase in the rates of additional compensation for dependents of veterans whose disability is rated 50 percent or more;

Third, provide an increase in the annual clothing allowance of $25 for a veteran who because of his compensable disability wears or uses a prosthetic or orthopedic appliance, including a wheelchair, which tends to wear out or tear his clothing, from $150 to $175;

Fourth, provide that the effective date of an award of increased compensation shall be the earliest date it is ascertainable that an increase in disability occurred if the application is received within a year of such date;

Fifth, provide a 14-percent cost-of-living increase in the rates payable for dependency and indemnity compensation—DIC—for widows and children, as well as for additional allowances for those in receipt of DIC and death compensation in need of aid and attendance; and

Sixth, provide that the survivors of a veteran who was rated totally disabled and permanently service-connected disabled at the time of death would be automatically entitled to dependency and indemnity compensation.

Mr. President, to briefly review the background of the measure which we are considering today, I wish to note that the Subcommittee on Compensation and Pension, chaired by Senator HERMAN E. TALMADGE, conducted a hearing on May 8, 1975. This hearing reviewed the Veterans' Administration service-connected disability compensation and dependency and indemnity and death compensation programs. The hearing also examined pending legislation which included my bill, S. 1597, the Veterans Disability Compensation and Survivor Benefits Act of 1975.

The subcommittee received testimony from Senator DANIEL K. INOUYE. Administration spokesmen testifying included Rufus Wilson, Chief Benefits Director, Veterans' Administration. Testimony was also received from the Disabled American Veterans, the American Legion, Veterans of Foreign Wars, Paralyzed Veterans of America, the Military Wives Association, Inc., the Noncommissioned Officers Association of the United States, the Disabled Officers Association, the Retired Officers Association, the Gold Star Wives of America, Inc., and the Blinded Veterans Association.

By agreement of the Subcommittee on Compensation and Pensions, S. 1597 was reported without recommendation to the full Committee for its consideration. The full Committee on Veterans' Affairs met in executive session on June 19, 1975 to consider S. 1597. After careful consideration, the committee unanimously approved and ordered favorably reported S. 1597 with amendments, the provisions of which I have previously noted.

Mr. President, I ask unanimous consent that appropriate excerpts from the committee report to S. 1597 be inserted in the RECORD at this point.

There being no objection the material was ordered printed as follows:

BACKGROUND AND DISCUSSION

INCREASES IN DISABILITY COMPENSATION

The Veterans' Administration disability compensation program provides income for 2,217,557 veterans who have service-connected disabilities. Of this number, about 55,000 are disabled World War I veterans; 1,312,800 World War II veterans; 239,800 Korean conflict veterans; and 415,700 Vietnam era veterans. Compensation is paid according to the degree of disability. Section 355 of title 38, United States Code, provides that the ratings of disability which range from 10 to 100 percent (with additional allowances for statutory awards) for certain disabilities shall be based "as far as practical on the average impairment of earning capacity resulting from such injury for civilian occupation." In addition, other less tangible factors have also traditionally been considered by Congress in establishing compensation rates for those who sustained service-connected disabilities in the defense of their country.

The following table reveals average cost and caseloads for disabled veterans:

TABLE 1.—AVERAGE COST AND CASELOAD OF VETERAN DISABILITY AND SURVIVOR COMPENSATION CASES

Total costs	Fiscal year 1974			Fiscal year 1975			Fiscal year 1976 (estimated)		
	Average cases	Average cost	Total cost (in thousands)	Average cases	Average cost	Total cost (in thousands)	Average cases	Average cost	Total cost (in thousands)
Spanish-American War	11	$6,270	$69	5	$7,225	$36	5	$7,225	$36
Mexican border period	13	5,253	68	12	6,250	75	10	6,300	63
World War I	61,937	2,105	130,349	56,900	2,379	135,370	52,400	2,379	124,660
World War II	1,339,747	1,376	1,844,035	1,318,500	1,565	2,063,711	1,300,000	1,570	2,041,058
Korean conflict	240,573	1,682	404,745	240,200	1,921	461,438	240,000	1,927	462,415
Vietnam era	372,824	1,587	591,581	405,800	1,778	721,705	425,500	1,777	756,134
Peacetime service	191,896	1,639	314,564	193,000	1,854	357,885	194,000	1,855	360,034
Veterans—total	2,027,001	1,489	3,285,411	2,214,417	1,689	3,740,220	2,211,915	1,693	3,744,400

In light of the foregoing, the Committee periodically reviews the service-connected disability compensation program to ensure that the benefits will provide reasonable and adequate compensation for loss of earning power.

Normally, this review of disability compensation and dependency and indemnity compensation (DIC) program occurs biennially. These rates were most recently adjusted last year by the Veterans Disability Compensation Survivor Benefits Act of 1974 (Public Law 93-295). However, as the Disabled American Veterans noted in their testimony this year, "these are not normal economic times." Disabled veterans and their survivors during the past year have experienced a persistent, continuing rapid inflation in the cost of living. Following the hearing on this matter, the Committee believes that a 12 to 14 percent cost-of-living increase in compensation payments is both warranted and necessary to protect disabled veterans and their survivors from a continued loss of purchasing power. From May 1, 1974, the effective date of Public Law 93-295, to April 31, 1975, the Consumer Price Index has risen 10.1 percent as shown in the following table.

TABLE 2.—U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS—CONSUMER PRICE INDEX

[In percent]

	1974	1975
January	139.7	156.1
February	141.5	157.2
March	143.1	157.8
April	144.0	158.6
May	145.6	
June	147.1	
July	148.3	
August	150.2	
September	151.9	
October	153.2	
November	154.3	
December	155.4	

On a twelve-month basis, this represents an increase of 0.84 percent per month. For the calendar year 1975, the President's Council of Economic Advisers has estimated an inflation rate of 9 percent or 0.75 percent per month. Thus, actual inflation to date plus projections for the two additional months to a July 1, 1975 effective date, would require a minimum 12-percent increase as adopted in the Committee's reported bill. Veterans rated 50 percent disabled or less would receive a uniform 12-percent increase if the reported measure is enacted.

For those veterans who are rated 60 percent to totally and permanently disabled, and for those with severe anatomical losses, the Committee believes that they are in need of even greater increased compensation and that the majority of those veterans having lesser disability ratings are more able to supplement their compensation with earnings. Accordingly, the Committee has authorized slightly higher compensation increases of 14 percent for veterans with disabilities rated 60 percent to totally and permanently disabled. As the Disabled American Veterans noted in their testimony before the Subcommittee on Compensation and Pensions, "Most serious of all is the plight of the service-connected disabled veterans who have no earnings from employment. The totally and permanently disabled veteran who cannot work, and who depends on his disability compensation for life's basic necessities, is today in a very precarious financial position."

In this connection, the Committee notes that in 1974 a totally and permanently disabled service-connected veteran with a wife and one child received compensation totalling $7,352, as compared with the median gross annual earnings of Federal Government employees which was $11,402.

Compensation payments for anatomical losses rated in paragraphs (l) through (s) of section 314 of title 38, United States Code, are also increased by 14 percent while paragraph (k) is increased by 12 percent. The following table shows the current rates for disability compensation and those proposed in S. 1597, as reported, together with the number of veterans placed in each rating:

TABLE 3.—COMPARISON OF COMPENSATION RATES UNDER PRESENT LAW AND UNDER S. 1597

Disability	Present law	S. 1597	Number of veterans
(a) Rated at 10 percent	$32	$36	867,474
(b) Rated at 20 percent	59	66	343,550
(c) Rated at 30 percent	89	100	314,173
(d) Rated at 40 percent	122	137	179,542
(e) Rated at 50 percent	171	192	112,546
(f) Rated at 60 percent	211	241	115,104
(g) Rated at 70 percent	250	285	75,348
(h) Rated at 80 percent	289	329	37,380
(i) Rated at 90 percent	325	371	13,016
(j) Rated at total	584	666	122,215
Limit for veterans receiving payments under (a) to (j) above			
(l) Anatomical loss or loss of use of both hands, both feet, 1 foot and 1 hand, blindness in both eyes (5/200 visual acuity or less), permanently bedridden or so helpless as to require regular aid and attendance	727	829	9,129
(m) Anatomical loss of use of 2 extremities so as to prevent natural elbow or knee action with prosthesis in place, blind in both eyes, rendering veteran so helpless as to require regular aid and attendance	800	912	5,387
(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent use of prosthesis, anatomical loss of both eyes	$909	$1,036	1,602
Limit for veterans receiving payments under (l) to (n) above			
(o) Disability under conditions entitling veteran to 2 or more of the rates provided in (l) through (n), no condition being considered twice in the determination, or total deafness in combination with total blindness (5/200 visual acuity or less)	1,017	1,159	29
(p) If disabilities exceed requirements of any rates prescribed, Administrator of VA may allow next higher rate or an intermediate rate, but in no case may compensation exceed	1,017	1,159	6,370
(r) If veteran entitled to compensation under (o) or to the maximum rate under (p), and is in need or regular aid and attendance, he shall receive a special allowance of the amount indicated at right for aid and attendance in addition to whatever he is receiving under (o) or (p)	437	498	8,285
(s) Disability rated as total, plus additional disability independently ratable at 60 percent or over, or permanently housebound	654	746	7,135
Total number of cases affected			2,211,915

Note: Finally, the following tables show statutory increases in the compensation program since 1933:

Sec. 314, title 38, subpar.—	Percent	July 1, 1933	Plus percent increase equals—	Jan. 19, 1934	Plus percent increase equals—	Public Law 312, 78th Cong., June 1, 1944	Public Law 182, 79th Cong., Oct. 1, 1945	Plus percent increase equals—	Public Law 662, 79th Cong., Sept. 1, 1946	Plus percent increase equals—	Public Law 339, 81st Cong., Dec. 1, 1949	Plus percent increase equals—	Public Law 356, 82d Cong., July 1, 1952	Plus percent increase equals—	Public Law 427, 82d Cong., Aug. 1 1952	Plus percent increase equals—
(a)	10	$9	11.1	$10	15	$11.50		20	$13.80	8.7	$15	5	$15.75			7.9
(b)	20	18	11.1	20	15	23.00		20	27.60	8.7	30	5	31.50			4.8
(c)	30	27	11.1	30	15	34.50		20	41.40	8.7	45	5	47.25			5.8
(d)	40	36	11.1	40	15	46.00		20	55.20	8.7	60	5	62.00			4.8
(e)	50	45	11.1	50	15	57.50		20	69.00 60.00	8.7	75	15	86.25			5.5
(f)	60	54	11.1	60	15	69.00		20	82.80	8.7	90	15	103.50			5.3
(g)	70	63	11.1	70	15	80.50		20	96.60	8.7	105	15	120.75			5.2
(h)	80	72	11.1	80	15	92.00		20	110.40	8.7	120	15	138.00			5.0
(i)	90	81	11.1	90	15	103.50		20	124.20	8.7	135	15	155.25			5.0
(j)	100	90	11.1	100	15	115.00		20	138.00	8.7	150	15	172.50			4.9
Subpar. (s) (housebound cases) Public Law 86–663, effective Sept. 1, 1960																
(l)		150			33.3		$200	20	240.00					10.8	$266	4.9
(m)		175			34.3		235	20	282.00					11.0	313	5.1
(n)		200			32.5		265	20	318.00					11.0	353	5.1
(o)		250			20.0		300	20	360.00					11.1	400	5.0
(p)							300	20	360.00					11.1	400	5.0
Subpar. (r) "A and A" nonhospitalization, Public Law 85–782, effective Oct. 1, 1958																
(k)		25			40.0		35	20	42.00					11.9	47	
(q)															67	

TABLE 5.—HISTORY OF WARTIME SERVICE-CONNECTED COMPENSATION INCREASES—1954 TO PRESENT

Sec. 314, title 38, subpar.—	Public Law 695, 83d Cong., Oct. 1, 1954	Plus percent increase equals—	Public Law 85–168, Oct. 1, 1957	Plus percent increase equals—	Public Law 87–645, Oct. 1, 1962	Plus percent increase equals—	Public Law 89–311, Oct. 31, 1965	Plus percent increase equals—	Public Law 90–493, Jan. 1, 1969	Plus percent increase equals—	Public Law 91–376, July 1, 1969	Plus percent increase equals—	Public Law 92–328, Aug. 1, 1972	Plus percent increase equals—	Public Law 93–295, May 1, 1974	Plus percent increase equals—	S. 1597	Percent increase from Jan. 1, 1969
(a)	$17	11.8	$19	5.3	$20	5.0	$21	9.5	$23	8.7	$25	12.0	$28	15	$32	12	$36	47.7
(b)	33	9.1	36	5.6	38	5.3	40	7.5	43	7.0	46	10.8	51	15	59	12	66	44.7
(c)	50	10.0	55	5.5	58	3.4	60	8.3	65	7.7	70	10.0	77	15	89	12	100	44.7
(d)	66	10.6	73	5.5	77	6.6	82	8.5	89	7.9	96	10.4	106	15	122	12	137	45.3
(e)	91	9.9	100	7.0	107	5.6	113	8.0	122	10.7	135	10.3	149	15	171	12	192	48.0
(f)	109	10.1	120	6.7	128	6.3	136	8.1	147	10.9	163	9.8	179	18	211	14	241	52.7
(g)	127	10.2	140	6.4	149	7.4	161	8.1	174	10.9	193	9.8	212	18	250	14	285	52.7
(h)	145	10.3	160	6.3	170	9.4	186	8.1	201	10.9	223	9.9	245	18	289	14	329	52.8
(i)	163	9.8	179	6.7	191	9.4	209	8.1	226	10.6	250	10.0	275	18	325	14	371	52.6
(j)	181	24.3	225	11.1	250	20.0	300	33.3	400	12.5	450	10.0	495	18	584	14	666	54.5

TABLE 5.—HISTORY OF WARTIME SERVICE-CONNECTED COMPENSATION INCREASES—1954 TO PRESENT—Continued

Sec. 314, title 38, subpar.—	Public Law 695, 83d Cong., Oct. 1, 1954	Plus percent increase equals—	Public Law 85-168, Oct. 1, 1957	Plus percent increase equals—	Public Law 87-645, Oct. 1, 1962	Plus percent increase equals—	Public Law 89-311, Oct. 31, 1965	Plus percent increase equals—	Public Law 90-493, Jan. 1, 1969	Plus percent increase equals—	Public Law 91-376, July 1, 1969	Plus percent increase equals—	Public Law 92-328, Aug. 1, 1972	Plus percent increase equals—	Public Law 93-295, May 1, 1974	Plus percent increase equals—	S. 1597	Percent increase from Jan. 1, 1969
Subpar. (s) (housebound cases) Public Law 86-663, effective Sept. 1, 1960			265	9.4	290	20.7	350	28.8	450	12.0	504	9.9	554	18	654	14	746	53.9
(l)	279	10.8	309	10.0	340	17.6	400	25.2	500	12.0	560	10.0	616	18	727	14	829	54.0
(m)	329	9.1	359	8.6	390	15.4	450	22.2	550	12.0	616	10.1	678	18	800	14	912	54.1
(n)	371	8.1	401	9.7	440	19.3	525	18.2	625	12.0	700	10.0	770	18	909	14	1,036	54.0
(o)	420	7.1	450	16.7	525	14.3	600	16.7	700	12.0	784	9.9	862	18	1,017	14	1,159	53.9
(p)	420	7.1	450	16.7	525	14.3	600	16.7	700	12.0	784	9.9	862	18	1,017	14	1,159	53.9
Subpar. (r) "A and A" nonhospitalization, Public Law 85-782, effective Oct. 1, 1958			150	33.3	200	25.0	250	20.0	300	12.0	336	10.1	370	18	437	14	498	54.1
(k)														10	52	12	58	22.0
(q)																		

INCREASES IN MONTHLY DEPENDENTS ALLOWANCES

Under existing law, additional allowances are provided for dependents of veterans who are rated 50 percent or more disabled. S. 1597, as reported, provides 12 percent increases in dependency allowances to 365,000 veterans currently in receipt of these benefits. The additional compensation rates payable for dependents under present law and the Committee bill are shown in the following table:

TABLE 6.—MONTHLY DEPENDENTS' ALLOWANCES (FOR DEPENDENTS OF VETERANS RATED 50- TO 100-PERCENT DISABLED)

	Present law	S. 1597
Wife, no children	$36	$\$4^{0}_{8}$
Wife and 1 child	61	6_{6}
Wife and 2 children	77	8_{6}
Wife and 3 children	95	10_{9}
Each additional child	17	1_{7}
No wife, 1 child	24	2_{6}
No wife, 2 children	41	4_{8}
No wife, 3 children	61	6_{9}
Each additional child	17	1_{2}
Mother or father, each	29	3^{2}

INCREASES IN SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

The dependency and indemnity compensation (DIC) program was created in 1965 with enactment of the Servicemen's and Veterans' Survivor Benefits Act (Public Law 84-881).

DIC payments are authorized for widows, unmarried children under 18 (as well as certain helpless children and those between 18 and 23 enrolled in school under chapter 35), and certain parents of servicemen or veterans who died on or after January 1, 1957, from: (a) a disease or injury incurred or aggravated in line of duty while on active duty or active duty for training; or (b) an injury incurred or aggravated in line of duty while on inactive duty training; or (c) a disability otherwise compensable under laws administered by VA.

Widows, children, and parents who are on the rolls, or found to be eligible, for death compensation by reason of a death occurring before January 1, 1957 may elect to receive DIC payments in lieu of death compensation. They cannot thereafter choose to receive death compensation.

Prior to enactment of the DIC programs, the survivors of military personnel whose deaths were due to service-connected causes might have been elibille for as many as five differing survivor benefits.

In 1969, Public Law 91-96 was enacted which replaced the original DIC formula with a table of rates related to the pay grade of the uniformed services at specific dollar rates. An effort was made at that time to increase all widows payments by an amount equal to increases in the cost of living since the effective date of the 1965 act. A subsequent adjustment in Public Law 92-197 provided an additional 10-percent increase in benefits. Finally, last year DIC rates were increased 17 percent by Public Law 93-295.

The current DIC program provides benefits to more than 369,000 beneficiaries. The following table shows the current and anticipated survivor caseloads and costs by fiscal years:

TABLE 7.—AVERAGE COST AND CASELOAD OF SURVIVOR COMPENSATION CASES

Total costs	Fiscal year 1974			Fiscal year 1975			Fiscal year 1976 (estimated)		
	Average cases	Average cost	Total cost (in thousands)	Average cases	Average cost	Total cost (in thousands)	Average cases	Average cost	Total cost (in thousands)
Indian wars	1	$1,814	$2	1	$2,064	$2	1	$2,064	$2
Civil War	12	2,267	27	9	2,556	23	6	2,556	15
Spanish-American War	291	2,395	697	265	2,751	729	245	2,751	674
Mexican border period	2	3,098	6	2	3,011	6	2	3,011	6
World War I	36,164	2,415	87,336	35,400	2,773	98,178	34,500	2,792	96,309
World War II	198,350	1,745	346,176	194,200	2,020	392,294	189,700	2,036	386,171
Korean conflict	39,288	1,985	78,005	39,000	2,289	89,280	38,800	2,305	89,438
Vietnam era	49,187	2,587	127,252	52,000	2,971	154,507	54,500	2,990	162,977
Peacetime service	48,941	2,463	120,559	48,500	2,829	137,189	48,300	2,847	137,514
Survivors, total	372,236	2,042	760,060	369,377	2,361	872,208	366,054	2,385	873,106

Title II of S. 1597, as reported, provides a uniform cost-of-living increase in dependency and indemnity compensation rates of 14 percent for widows and children effective July 1, 1975. The Committee believes these increases are justified by the fact that since DIC rates were last adjusted May 1, 1974, the Consumer Price Index has increased by over 10 percent by April 30, 1975 as reflected in table 2 cited previously and continuing to increase. Additional allowances for widows in need of aid and attendance, helpless children, children between the ages of 18 and 23 attending schools, and widows and dependent parents in receipt of death compensation in need of aid and attendance are also increased by 14 percent. Existing and proposed rates are shown in the following table:

TABLE 8.—COMPARISON OF DIC RATES UNDER PRESENT LAW AND S. 1597

Pay grade	Present law	S. 1597	Estimated number of DIC widows—fiscal year 1976
E-1	$215	$245	38,900
E-2	221	252	24,400
E-3	228	260	21,200
E-4	241	275	20,000
E-5	248	283	19,700
E-6	254	290	18,260
E-7	266	303	19,700
E-8	281	320	2,400
E-9	294	335	1,100
W-1	271	309	1,200
W-2	282	321	1,800
W-3	291	332	640
W-4	307	350	680

Pay grade	Present law	S. 1597	Estimated number of DIC widows—fiscal year 1976
0-1	271	309	3,300
0-2	281	320	6,100
0-3	301	343	9,500
0-4	318	363	8,100
0-5	350	399	6,800
0-6	394	449	5,500
0-7	427	487	440
0-8	467	532	420
0-9	502	572	90
0-10	549	626	40

CLOTHING ALLOWANCE INCREASE

Section 103 would increase from $150 to $175 the annual clothing allowance. This is a special clothing allowance for veterans who because of a compensable disability wear or use a prosthetic appliance which tends to wear or tear out their clothing and was first authorized in 1972 by enactment of Public Law 92–328. The clothing allowance was first authorized then because previous law had proved to be inadequate. Prior to that time, the Administrator had been authorized to furnish "special clothing" made necessary by the wearing of prosthetic appliances. The law did not, however, authorize furnishing a replacement of conventional clothing by reason of extraordinary wear and tear occasioned by the use of a prosthetic appliance. For this reason, Congress authorized a $150 annual clothing allowance.

Although the Veterans' Administration was and still is unsure as to how many severely disabled veterans are eligible for this allowance, it sent 61,378 computer-generated letters to prospective entitlees, who were identified by "anatomical loss" and "loss of use" codes. For the first nine months of fiscal year 1975, the most recent period for which complete statistics are available, 52,273 veterans had been awarded the clothing allowance. Thus, according to VA supplied information, over 9,000 veterans or approximately 15 percent of those veterans tentatively identified as eligible, have not been awarded the clothing allowance.

Accordingly, the Committee expects that additional outreach efforts will be made by the Veterans' Administration this year to identify and contact all those disabled veterans who are eligible for the allowance and encourage them to apply for it.

Since enactment of the clothing allowance in August 1972, the Consumer Price Index has risen from 125.7 to 158.6 at the end of April 1975. Accordingly, the Committee believes that the modest $25 increase in the clothing allowance is thoroughly justified.

Increasing the clothing allowance would thus give further recognition to the difficulties these veterans must endure daily because of the special nature of their service-incurred disabilities. The first year additional cost of this provision will be $1.4 million, slowly increasing to $1.5 million at the end of five years.

AUTOMATIC ENTITLEMENT TO DIC BENEFITS

S. 1597, as reported, would also, in certain limited circumstances, grant automatic entitlement to dependency and indemnity compensation (DIC). Widows of veterans who were rated totally and permanently disabled for a period of one year or more would be automatically entitled to receive DIC survivor benefits following the veteran's death. This has been a matter of continuing concern as expressed in testimony by representatives of various veterans' organizations during the past several years. Last year, a similar provision was originally included in the Committee bill when it considered compensation adjustments. At that time, the Committee received considerable testimony in favor of the automatic entitlement from veterans' organizations. The administration, however, opposed this provision. In light of contrasting viewpoints and lack of available information, the Committee did not report the provisions but instead directed the Veterans' Administration pursuant to section 207 of Public Law 93–295 to conduct a study of DIC claims of survivors of those veterans who had been rated totally and permanently disabled at the time of their death. The Committee directed the Veterans' Administration to place particular emphasis in its analysis of DIC applications, first to the difficulties in establishing service-connected death by widows; and second, to the financial situation of those widows and families denied DIC benefits.

The study was submitted to the Committee on January 20, 1975 and was reprinted as Senate Committee Print No. 2, 94th Congress, 1st session. The study contains much information which bears on both of those questions. First, the study revealed that nearly 25 percent of all claims for death benefits filed by widows of veterans who were totally and permanently disabled in their lifetime were denied by the Veterans' Administration. The Committee is convinced that many of these denials were caused by the VA's failure, despite however well-meaning claims adjudicators may be, to take into account adequately the total impact of a total and permanent disability. Such a condition may be a contributing factor to a death resulting from a disease or dysfunction, which of itself may not be regarded as service connected in origin. Existing procedures often do not take into account the recognized fact that catastrophic disabilities cannot be isolated in the body of one organ, one limb or particular dysfunction, but rather affects in one way or another a person's entire physical and mental system.

The Disabled American Veterans testified, for example, that:

"In many instances, even though a claimant may submit medical evidence which supports the claim for contributory cause of death, DIC benefits are denied by the VA on the basis of difference in medical opinion. This holds true even in cases where a veteran prior to his death had a service-connected disability permanent and total in nature of many years duration. . . . We hold to the view that such a total disability must in and of themselves virtually affect the general well-being of a veteran and therefore materially hasten the death process."

The Paralyzed Veterans of America testified:

"How can you justify to his widow or his children that once the veteran is dead, we no longer have a responsibility to you? Any veteran determined to be totally and permanently disabled has suffered a traumatic injury to substantially shorten his life expectancy. In the instance of a spinal injury, he is expected to live to the age of 57, substantially less than a normal life expectancy. Excessive strain on certain vital organs, susceptibility to infection and accident, drastically shorten the number of years he will be able to live and provide for his family. This affliction is again a result of service to his country and the responsibility is ours."

The Committee further believes that present practice also fails to acknowledge adequately that a total and permanent disability can severely shorten life expectancy of a veteran. The American Legion testified that:

"Ratings of disability under the Veterans' Administration schedule for rating disabilities do not take into consideration reduced life expectency flowing from total service-connected disability."

Thus, the current system is often imprecise and vague. In its comments accompanying the report on the study of DIC denials, the Veterans' Administration said that its determinations were made on a "very liberal basis." Nevertheless, the VA recently recognized the inherent problems and difficulties in making such judgments in a program guide issued on March 27, 1975, subsequent to its mandated report to the Committee. The purpose of the program guide was to "reemphasize and encourage more equitable use of the broad discretionary power" of the rating boards with respect to death claims. The Committee believes that this program guide underscores the need for increased compassion when dealing with the surviving spouses of veterans who were totally and permanently disabled during their lifetime. The program guide also acknowledges that greater consideration should be given to whether service connection impaired the general health of the individual so that he or she was less able to ward off the effects of disease or trauma. This program guide is printed in full in the section of this report entitled "Agency Reports."

Aside from the difficult question of deciding whether or not a death was service connected, there is the additional and equally important question of the financial condition of those the totally disabled veteran leaves behind. According to the study submitted by the Veterans' Administration, the total income of those veterans' widows denied DIC benefits averaged $2,621 a year. The American Legion in its testimony noted that:

"Because of the severity of this level of disability, veterans so rated have a reduced earning capacity. Both reduced life expectancy and diminished earnings resulting from such disability deny the survivors an economic status they might otherwise have experienced."

The Disabled American Veterans further testified:

"Any veteran who suffers from physical and economic effects of a total service-connected disability should have the statutory assurance that upon his death, his widow and children will receive the measure of security available for DIC entitlement. It has long been our contention that totally disabled veterans due to the economic impairment caused by a service-connected disability are not in a position to provide any substantial financial security for their families following their death."

The meager economic resources available to widows as reported in the VA's study would appear to strongly support this contention.

Further, special recognition for those married to veterans with disabilities total and permanent in nature would not be unique. For example, educational and training assistance benefits are currently provided under chapter 35 of title 38, United States Code. Second, medical benefits are authorized for the spouses of totally disabled veterans under the CHAMPVA program, created by the Veterans Health Care Expansion Act of 1973 (Public Law 93–82). And finally, job counseling, training, and placement assistance under chapter 41 of title 38, United States Code, was made available to this group under the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (Public Law 93–508). Thus, automatic entitlement to DIC benefits would be a logical extension of the special status we accord to the spouses of severely disabled veterans. Further, the assurance of this additional income for the survivors should provide peace of mind for severely disabled veterans during their lifetime with the knowledge that their widows and children will be cared for after their death.

Thus, the Committee believes that even in these cases where there is no ambiguity with respect to service connection, a strong argument can be made for compassionate generosity to this group of widows who have devoted so much of their lives to their totally disabled veteran spouses.

Accordingly the Committee, after studying this difficult problem last session and carefully considering the agreed upon study of DIC denials this year, believes the provisions adopted in the reported bill are thoroughly justified.

In testimony before the Subcommittee, the Veterans of Foreign Wars strongly supported this provision and noted that a similar provision was reported by a Senate committee some years ago.

The cost of this provision would, according to the Veterans' Administration, be "negligible"—probably less than $1 million a year. In addition, this cost will be offset by reduced administrative costs currently entailed in determining such claims.

COST ESTIMATES

In accordance with section 252(a) of the Legislative Reorganization Act of 1970

(Public Law 91-510, 91st Congress), the Committee, based on information supplied by the Veterans' Administration, estimates that the costs attributable to this bill, S. 1597, are approximately $584.8 million the first year, gradually decreasing to $583.4 million the fifth year.

The Chairman in a March 15, 1975, letter to the Budget Committee as required by section 301(c) of the Congressional Budget Act of 1974 (Public Law 93-344), indicated that due to rapid increases in the Consumer Price Index, there was a "pressing need for rate adjustments this year in the range of 10 to 14 percent producing first full-year additional costs of $300 to $600 million" for veterans' disability compensation and survivor benefits. The Budget Committee, in executive session deliberations, clearly indicated with near unanimous agreement (including a specific voice vote), that such cost-of-living adjustments should be part of their overall concurrent resolution. Complete and accurate information as to the cost of this proposal was, however, neither available to the Veterans' Affairs Committee or the Budget Committee at that time. Consequently, in providing for compensation and dependency and indemnity compensation (DIC) increases, the Budget Committee apparently utilized the lower parameter of $300 million in first estimating costs. Subsequent to initial Senate action on the Budget Resolution, the Committee received and relayed to the Budget Committee, official estimates submitted by the Veterans' Administration which show that the rate adjustments contemplated in S. 1597 would actually be closer to the upper parameter with a first full-year cost of $584.8 million. A breakdown of that cost estimate is contained in the following table:

TABLE 9.—5-YR. COST OF S. 1597, AS REPORTED

Section and provision	Fiscal year cost (in millions) 1976	Transition period	1977	1978	1979	1980
101. 12 to 14 percent increase in disability compensation	$466.0	$116.1	$463.9	$462.1	$460.8	$459.4
102. 12-percent increase in additional allowances for dependents	16.0	4.0	15.9	15.9	15.8	15.8
103. $25 increase in clothing allowance	1.4	1.2	1.4	1.5	1.5	1.5
104. Change in effective date of award of increased compensation	(2)	(1)	(1)	(1)	(1)	(1)
201. 14-percent DIC for widows	94.0	23.7	96.2	98.3	100.6	102.8
202. 14-percent increase in DIC for children	$6.2	$1.6	$5.7	$5.1	$4.2	$3.1
203. 14-percent increase in additional DIC allowance for children	1.2	.3	1.1	1.0	.9	.8
204. Automatic DIC entitlement for service-connected disabled veterans' survivors	(2)	(2)	(2)	(2)	(2)	(2)
Total	584.8	146.9	584.2	583.9	583.9	583.4

[1] Estimate of cost is unknown.

[2] Negligible cost; less than $1,000,000 a year.

TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes cast in person or by proxy of the Members of the Committee on Veterans' Affairs on a motion to report S. 1597, with amendments, favorably to the Senate:

YEAS—9

Vance Hartke
Herman E. Talmadge
Jennings Randolph
Alan Cranston
Richard (Dick) Stone
Clifford P. Hansen
Strom Thurmond
Robert T. Stafford
William L. Scott

NAYS—0

SECTION-BY-SECTION ANALYSIS AND EXPLANATION OF S. 1597

Section 1

This section provides that the proposed act may be cited as the "Veterans Disability Compensation and Survivor Benefits Act of 1975."

TITLE I—VETERANS DISABILITY COMPENSATION

Section 101

Subsection (a) provides increases in the basic rates of service-connected disability compensation payable under section 314 of title 38, United States Code, ranging from 12 percent to 14 percent depending upon the degree of severity of disability. Increases of 12 percent are provided for disabilities rated 10 to 50 percent. Increases of 14 percent are provided for disabilities rated 60 to totally and permanently disabled. Currently, a veteran with a 10-percent disability receives $32 monthly and a veteran with a disability rated at 100 percent receives $584. The rates would be increased to $36 and $666, respectively. An increase of 14 percent is provided for all higher statutory awards involving combinations of severe disabilities. A 12-percent increase is provided for the statutory awards payable under section 314(k).

Subsection (b) authorizes administrative adjustment consistent with the rate increases specified in subsection (a), of the rates of disability compensation payable to persons under section 10 of Public Law 85-857 who are not in receipt of compensation under chapter 11 of title 38, United States Code.

Section 102

This section provides increases in the additional allowances payable under section 315 of title 38, United States Code to service-connected disabled veterans with spouses, children, and dependent parents when the veteran is rated 50 percent or more disabled. These allowances are increased by 12 percent and would affect approximately 365,000 veterans.

Section 103

This section would provide an increase in the clothing allowance of $125 payable under section 362 to any veteran who because of his compensable disability wears or uses a prosthetic or orthopedic appliance, including a wheelchair, which tends to wear out or tear his clothing, from $150 to $175.

Section 104

This section would provide that the effective date of an award of increased compensation shall be the earliest date at which it is ascertainable that an increase in disability occurre" if the application is received within one year from such date. This amendment is consistent with amendments concerning pension awards made last year by Public Law 93-177.

TITLE II—SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

Section 201

Subsection (a) would increase the rates of dependency and indemnity compensation (DIC) payable under section 411 to the widows of veterans who died of service-connected causes. Currently, the minimum amount of DIC payable is for the widow of a veteran who attained the grade of E-1, $215 monthly, ranging upward to the DIC payable to the widow of a veteran who attained the grade of 0-10, of $549 per month. These rates would be increased by 14 percent or $245 per month for an E-1 up to $626 per month for an 0-10.

Subsection (b) would increase the additional monthly allowance payable under section 411(b) to a widow receiving DIC for each child under eighteen by 14 percent from $26 to $30.

Subsection (c) would provide a 14-percent increase in the additional allowance payable under section 411(c) to a widow in receipt of DIC who is in need of aid and attendance from $64 per month to $73.

Section 202

This section would provide a 14-percent increase in the rates of DIC payable under section 413 for children when there is no widow entitled. Currently the rates range from $108 for one child to $201 for three children plus $40 per month for each additional child. The increases would provide rates of $123 to $229, respectively, with $46 for each additional child.

Section 203

Subsection (a) would provide a 14-percent increase in the additional allowance payable under section 414(a) to a child eligible for DIC who had attained the age of eighteen and is permanently incapable of self-support from $64 to $73 per month.

Subsection (b) would provide an increase of 14 percent in the additional allowance (from $108 to $123 per month) payable under section 414(b) to a widow receiving DIC when there is a child eligible who has attained the age of eighteen and is permanently incapable of self-support.

Subsection (c) would provide a 14-percent increase (from $55 per month to $63) in the additional allowance payable under section 414(c) to a widow in receipt of DIC when there is a child pursuing a course of education approved under section 104.

Section 204

This section would amend section 410(a) to provide that the survivors of a veteran who was rated totally and permanently service-connected disabled for a period of at least one year would be automatically entitled to dependency and indemnity compensation.

TITLE III—EFFECTIVE DATE

Section 301

Provides that the provisions of this Act shall become effective on July 1, 1975.

Mr. HARTKE. Mr. President, veterans' organizations are strongly in support of the measure which we have reported today. In this connection I ask unanimous consent that a letter from James Wagonseller, national commander of the American Legion, be placed in the RECORD at this point.

There being no objection, the material was ordered printed as follows:

JUNE 20, 1975.

Hon. VANCE HARTKE,
Chairman, Senate Committee on Veterans Affairs, Russell Senate Office Building, Washington, D.C.

DEAR CHAIRMAN HARTKE: The American Legion fully supports S. 1597, the Veterans Disability Compensation and Survivors Benefits Act of 1975, as favorably reported by your Committee on Veterans Affairs, June 19.

The measure would provide for full cost of living increases for service-disabled veterans and their spouses and children effective July 1. The bill, H.R. 7767, as passed by the House would not.

Your provision to automatically entitle the dependents of permanently and totally disabled veterans to payments of Dependents Indemnity Compensation will, if approved, satisfy a mandate of long standing of the American Legion.

In addition, the bill provides for cost of living increases in special compensation payable to service-disabled veterans who have suffered the loss of an extremity, and for certain other conditions. Payment of these statutory awards is founded in the history of veterans disability compensation commensing with the General Pension Law approved July 14, 1862.

Approval of S. 1597, as favorably reported by your Committee, is much needed legislation. We urge the Senate to favorably consider this measure at the earliest opportunity.

Sincerely,
JAMES M. WAGONSELLER,
National Commander.

Mr. HARTKE. Mr. President, I and the members of this committee strongly believe that the cost-of-living increases provided in this measure are thoroughly warranted in order to help restore the lost purchasing power sustained by our Nation's 2.2 million disabled veterans as well as the 372,000 survivors of veterans who died in service to their country.

The measure we acted on today provides for an effective date of July 1, 1975. I am hopeful that we can resolve our differences with the House quickly prior to that time. But, in any event the July 1 effective date in this bill would allow retroactive increases if we are unable to agree prior to that time. Accordingly I urge Senate Members to support S. 1597, the Veterans' Disability Compensation and Survivor Benefits Act of 1975.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

Mr. GOLDWATER. Reserving the right to object, I would like to ask a question of the Senator from Indiana (Mr. HARTKE). Could the Senator give us a guess as to what this might cost.

Mr. HARTKE. The estimated cost is $584.8 million the first year. It gradually decreases to $583.4 at the end of 5 years.

Mr. GOLDWATER. The first year?

Mr. HARTKE. Yes; the cost of living increases are within the framework of the first concurrent resolution reported from the Budget Committee. It is not within the framework of the President's budget. He asked for a 5-percent increase limit. I might as well make this clear so that no one is misled as to this situation. He asked for an overall increase limitation of 5 percent of social security and all increases across the board including veterans disability compensation, but the Senate Budget Committee has incorporated actual cost-of-living increases in its first concurrent resolution.

The ACTING PRESIDENT pro tempore. Without objection, the committee amendments are considered and agreed to en bloc.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of H.R. 7767 and that the Senate proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7767) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation, and for other purposes.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. THURMOND. Mr. President, I rise in support of H.R. 7767, as amended, the Veterans Disability Compensation and Survivor Benefits Act of 1975. I am pleased to be a cosponsor of this legislation.

Briefly, this bill is designed to provide a cost of living increase in service-connected disability compensation and in dependency and indemnity compensation survivors' benefits.

Additionally, H.R. 7767, as amended by the Senate, will provide an increase in the annual clothing allowance for disabled veterans who must wear or use prosthetic or orthopedic appliances which tend to wear out their clothing.

Finally, H.R. 7767, as amended, will grant entitlement to disability indemnity compensation survivor benefits to survivors of those veterans who were rated totally or permanently disabled for at least 1 year at the time of their death.

Mr. President, as a member of the Compensation and Pension Subcommittee, I have gone into the need for the provisions of this bill. These provisions are meritorious, and I urge my colleagues to join in support of the committee recommendations.

Mr. MANSFIELD. Mr. President, I move to strike all after the enacting clause on H.R. 7767 and to substitute therefor the text of S. 1597 as reported to the Senate, amended, and heretofore passed.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 7767), as amended, was passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 1597 be postponed indefinitely

The ACTING PRESIDENT pro temore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MANSFIELD. Is my understanding correct that the distinguished Senator from Wisconsin will now be recognized for not to exceed 15 minutes?

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma is to be recognized.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that that order be vitiated and that the time be transferred until tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Will the Senator yield for one-half minute?

Mr. PROXMIRE. I am happy to yield to the Senator.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the remarks of the distinguished Senator from Wisconsin there be a period for the conduct of morning business of 15 minutes with a time limitation of 3 minutes attached thereto.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CENTRAL INTELLIGENCE AGENCY: ANOTHER VIEW

Mr. PROXMIRE. Mr. President, within recent weeks there have been suggestions aired in newspaper columns and by some officials that the Central Intelligence Agency should be put out of business. In my opinion, these calls for the abolition of the CIA are foolish and dangerous.

First let us agree that the CIA has been involved in a number of serious illegal activities that cannot be defended in terms of national security or even good sense. Mail covers, infiltration of domestic organizations, the exercising of police functions, drug experimentation on unknowing people, and computerized file systems on hundreds of thousands of Americans cannot be tolerated in our society.

Any bureaucracy that operates in secret must have higher standards of morality and greater respect for civil rights than open organizations. Secrecy prohibits the exercise of the give-and-take of public debate. It denies the cleansing wash of accountability. Without such checks and balances ominous dangers are posed to our form of government.

Having said that, however, it should be quickly pointed out that the vast majority of CIA activities—80 to 90 percent—have not been tarnished by these revelations. The CIA is more than a traditional spy agency. Very little of its resources are devoted to the classic spy novel operations so frequently seen on television.

The CIA has two directorates which perform the intelligence analysis so vital to a free government in a world of restricted information. They are, first, the Directorate of Intelligence and second, the Directorate of Science and Technology. The former analyzes military, political and economic data from around the world. A great deal of this material is obtained from newspapers, scholarly journals, governmental publications, and certain technical devices.

The Directorate of Science and Technology is staffed by scientific personnel who can interpret the complex technological developments in the U.S.S.R. or People's Republic of China using the most advanced techniques.

Without such up-to-date information about foreign events, our leaders could make serious mistakes. Are the Russians and Chinese about to square off in another border skirmish? Are the Egyptians and Israelis really pulling back from the canal? Will a poor grain harvest this year create famine in Asian countries? Are tensions increasing in Uganda to the point that there is the possibility of regional warfare?

The CIA is the only organization that can provide this data without self-serving biases. The military intelligence organizations are subject to intense pressures.

Military officers at the Defense Intelligence Agency are rotated every 2 or 3 years thus reducing their effectiveness. As soon as they learn the business, they move on.

Furthermore, military intelligence careers are considered a dead end. They do not attract the best military personnel.

The officers working at the Defense Intelligence Agency are dependent on their own services for promotions. If they take a position contrary to the assessment of their service, it would be tantamount to promotion suicide. Therefore, even though they are at the Defense Intelligence Agency, their independence is greatly limited.

Since the military services also are in the business of purchasing weapons, there is a natural tendency to inflate the foreign threat in order to get more money from Congress.

Every year at budget time, just as surely as the flowers bloom in the spring, we get estimates from the Air Force, for example, that the Soviets have developed bombers which are better than ours. We hear from the Navy that the Soviet navy has expanded more than ours. This selected release of intelligence information serves parochial purposes.

All of these factors result in a strong trend at the DIA to subjugate intelligence to military politics.

The Central Intelligence Agency is free from such conflicts. They do not have a policy of rotating staff in and out of the Agency every 2 years. They are not subject to the influence of promotions from an organization outside the intelligence field. They build no weapons and are insulated from military politics.

For this reason, to disband the CIA and give the military intelligence agencies free reign could result in a new cycle of ominous threat estimates followed by a dramatic increase in the defense budget.

There are other intelligence agencies, of course. The State Department Intelligence and Reports Bureau is competent but has few resources. Furthermore they are tied closely to the diplomatic posture of the country and have little influence outside the Department of State. Other intelligence organizations, such as the National Security Agency, are highly specialized in their approach. Only the CIA was established to coordinate and evaluate intelligence from all sources for the National Security Council and the President.

It is clear to this Senator that there are too many intelligence agencies. When the Defense Intelligence Agency was founded in 1962 by Secretary of Defense McNamara, it was the intention to disband the individual service intelligence organizations. But by the time of the Fitzhugh Blue Ribbon Panel report, however, not only had the service intelligence agencies survived but each was larger than the DIA designed to replace the whole lot. We should either drop DIA or eliminate the three service intelligence units.

Just what constructive role does the Central Intelligence Agency play in our Government? Do they provide an essential service?

The answer is a resounding "Yes." CIA intelligence analysis, for example, is indispensable to arms control and diplomacy.

The CIA provides technical support for the SALT negotiations.

They provide expertise for the mutual balanced force reduction talks in Europe.

The CIA checks to see that prior diplomatic agreements such as the Outer Space Treaty and the Nuclear Test Ban Treaty are being observed by all parties and that there is no cheating.

The CIA attempts to coordinate intelligence gathering so there is less duplication and overlap.

The CIA monitors the latest Soviet and People's Republic of China weapons developments which pose potential threats to our security.

The CIA collects and analyzes political and economic data worldwide.

And the CIA releases valuable information publicly to Congress and the academic community.

A sound intelligence capability is critical when other nations deny us information of even a rudimentary nature. It would be foolish for the United States to enter into complex arms control agreements without a top-flight intelligence gathering agency.

There can be a clear separation between intelligence gathering and covert action programs designed to interfere in the internal affairs of other nations. The former is invaluable. The latter is dangerous and counterproductive.

Talk of disbanding the CIA is unreasonable. Strong measures must be taken to insure that future violations of the law cannot occur. Criminal penalties must be devised to keep the CIA either from operating on its own or being used by the executive department.

But disbanding the CIA would shut our eyes and ears during a period of tension in the Middle East, Asia, and elsewhere. That could be dangerous to our security.

Mr. President, I want to say in conclusion that I have been briefed by the CIA as chairman of a subcommittee of the Joint Economic Committee—I have also been chairman of the committee over the years—and I have found their briefings to be extremely reliable. They are objective. They are based on comprehensive data. They serve as a welcome antidote to the kind of self-serving information that we get from all sides. I have found this absolutely essential.

I hope that Members of the Senate and the House in this emotional development we have about some abuses in the CIA will recognize that fundamentally this is an organization that is absolutely essential to the security of this country.

Mr. **GOLDWATER**. Will the Senator yield?

Mr. **PROXMIRE**. I am happy to yield.

Mr. **GOLDWATER**. Mr. President, I am very happy that the Senator from Wisconsin has spoken as he has this morning in defense of the CIA. I think it is long overdue that Members of this body paid their respects to this organization that has done so much for this country. While I do not agree with the Senator's appraisal of other intelligence agencies—and in the course of time I think he will understand my disagreement—I am in complete accord with him on his comments on the CIA.

We have to look on the CIA as we look on military organizations. There is a commander in chief. The commander in chief, like the military, happens to live in the White House. When organizations like the CIA are asked to do something or told to do something, this is a command and they do it whether they like it or not.

Certainly, as a member of the Select Committee on Intelligence, I am very anxious that the full report of what we have found so far be made public. I think it will give the American people a better idea of just what the CIA is doing and what it has had to put up with during the course of the time that they have gotten into public distrust.

I might comment, too, that prior to World War II we had no intelligence service in this country. During the course of World War II, the OSS was formed. In 1947 the CIA came out of this. Since that time we have developed one of the finest intelligence gathering systems in the world. I would say that the British or the Soviets were superior in some respects, but our CIA has done a highly commendable job.

Now, I am sad to relate to my friend from Wisconsin, concerning something he touched upon, we have been losing our top contacts in other countries. Strangely, this intelligence business intertwines amongst countries, both enemy and friendly. Now that the press and media have assaulted the CIA in an unwarranted way, other countries are feeling it dangerous to cooperate with our own intelligence agencies.

I would hope that in the very near future, a matter of months, that the disclosures we will make will cause the media, will cause the press, will cause those people in the citizenry to realize what a tough job this group is up against and how good a job they have been doing.

I will just close by making one surmise: if a foreign country wanted to overthrow this country, I think it would cause distrust in the schools such as we have seen; I think it would cause rioting on the streets of the major cities and major conventions such as we have seen; I think it would try to create a distrust for the Congress and the Presidency. And then I think it would try to create a distrust in the military and certainly in the intelligence agencies. I just remind my friend all of these things have happened. Whether they have happened by accident, whether they have happened because some foreign country has been causing them, is beyond my ability to relate. But I think we better be very careful in our public discussions of things that are as valuable and also at the same time as secret as the CIA.

I again commend my friend from Wisconsin.

Mr. PROXMIRE. Mr. President, I thank the distinguished Senator from Arizona and agree with much of what he said. I do want to make it clear that I think that exposure by the press of abuses by the CIA, some of their activities that I think cannot be condoned, has been a very useful and constructive action. I think they have served democracy. They have helped improve this Agency. I think that we can improve it. What I have tried to do this morning is to put this whole thing in perspective. The CIA has, indeed, in my view, engaged in activities that cannot be justified. I think covert operations have to be reviewed. I think upon reflection we might very well eliminate them.

The problem is that in developing intelligence you also develop a capability of using covert action to destabilize governments and other intrusive activities. I think that that is wrong. But right or wrong, it is something that should have been discussed and determined democratically by the Congress of the United States under the law. We have not done that.

Since 80 to 90 percent of CIA operations involve the gathering of intelligence and analysis of that intelligence, this Agency has been absolutely essential to our Government. It has served it very well, indeed. It has been operating at a level of high quality and competence.

Mr. GOLDWATER. If the Senator will yield further, I will repeat what I said before. The CIA, like other intelligence gathering agencies, are like the military, somewhat, in their formation, and they take orders from on top. I think we will find in discussing these actions that the CIA has been engaged in, that they recognize the illegality of some of them. They will admit that they did not want to perform them. But when an officer or superior says, "Get along with this," one gets along with it. You may not like it, but you do it.

Mr. PROXMIRE. The Senator makes a good point. We ought to fix our criticism on those who have the power or authority over the CIA, to wit, the President of the United States, as the people who have to assume the fundamental responsibilities.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of not to exceed 15 minutes, with a 3-minute limitation, for the transaction of routine morning business.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a 5-minute limitation rather than a 3-minute limitation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ASSISTANCE TO THE PRESIDENT IN NEGOTIATIONS WITH OIL-PRODUCING COUNTRIES—S. 1989

Mr. STONE. Mr. President, on behalf of myself and the distinguished Senator from Montana (Mr. MANSFIELD), I am today introducing for appropriate reference a bill directing the executive agencies of the Federal Government to prepare and submit to the President of the United States inventories of the various relationships, existing and projected, between the United States and each foreign country from which crude oil, natural gas, or petroleum products are imported into the United States. This information shall be used by the President and his representatives in negotiations between the United States and the oil-producing nations.

Although some of this information is already available and some of it is already the subject of careful analysis, both within and outside Government, it is my opinion that the Government as of this date has not proceeded to develop a comprehensive profile of our country's myriad economic, financial, military, and technological relationships with the oil-producing countries.

This information is important for our Government to have in a usable form because of the recent history of embargo and exorbitant price increases with respect to petroleum and petroleum products imported into the United States. The embargo and price increases have caused serious economic and financial disruptions both in the United States and throughout the industrialized world. Unfortunately, on the basis of recent announcements from spokesmen of the Organization of Petroleum Exporting Countries, it appears likely that our country and the rest of the industrialized world must prepare for yet another sharp price increase for imported petroleum later this year.

Mr. President, it is my conviction that the United States cannot afford to continue to pay these ever-increasing, highly inflated prices for petroleum and petroleum products. We cannot accept the raging inflation, the debilitating unemployment, and the potential threat to our national independence which result from these imposed price increases. Even if we accelerate greatly our efforts to increase domestic production of petroleum and implement an effective conservation program, we will have to continue to import large quantities of petroleum from the OPEC nations for the near and medium term. The nature of our industrialized economy depends on the continued use of petroleum at high levels. Consequently, we cannot avoid coming to terms with the reality of the moment—unreasonable price increases for imported petroleum essential to our economic well-being imposed on this country by the oil producers' cartel with the accompanying economic and financial dislocations in our country.

Whatever else we may do about energy, Mr. President—and we need to be doing a great deal—we cannot ignore the predicament of our dependence on foreign petroleum and the apparent determination of OPEC nations to take full advantage of this situation. We cannot possibly adopt a reasonable and comprehensive energy policy unless we take into full consideration the reality of our present and near-term dependence on imported petroleum. Whatever policies we might adopt with respect to the pricing of natural gas, energy conservation, research and development for alternative energy sources, and the encouragement of greater domestic production of petroleum—all essential ingredients of an effective energy program—we are unlikely to be successful in meeting the challenge of the energy crisis unless we also proceed to develop an effective policy for countering the imposition of exorbitant and increasing prices for imported petroleum.

It is my belief, Mr. President, that the enactment of the simple bill I am introducing today represents the first, necessary step in developing a wise and effective policy with respect to the prices we pay for imported petroleum. Quite clearly, and correctly, my bill suggests no policy or program in particular which should ultimately be adopted. It merely lays the essential basis—collection of the facts—for the development of a policy. Whatever policy we might ultimately adopt with respect to imported oil prices, we must adopt it on the basis of a comprehensive understanding of the complex and multifaceted relationships which exist between our nation and the oil-producing nations. It is to the development of this understanding that my bill is directed and I sincerely urge my colleagues to adopt it.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1989

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of this Act—

(1) The term "Executive agency" has the meaning given to it by section 105 of title 5, United States Code, except that it does not include the General Accounting Office.

(2) The term "United States person" means—

(A) a citizen or resident of the United States, and

(B) a corporation, partnership, estate, trust, organization, or institution created or organized in, or under the laws of, the United States, any State or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

Sec. 2. Under the direction and supervision of the President, the head of each Executive agency shall prepare and submit to the President, as soon as possible after the date of the enactment of this Act, inventories of the following relationships, both existing and projected, between the United States and each foreign country from which crude oil, natural gas, or petroleum products are imported into the United States:

(1) Exports of materials, commodities, and other articles from the United States to such country.

(2) Arrangements to perform research and development within, or for, such country by the United States Government and United States persons.

(3) Arrangements to provide educational or training programs within, or for, such country by the United States Government and United States persons.

(4) Investments (including time deposits, certificates of deposit, notes, and bonds and stocks and other equity interests) held by such country and the citizens, corporations, organizations, and institutions of such country in the United States and United States persons; and investments held by the United States Government and United States persons in such foreign country and the corporations, organizations, and institutions of such country.

(5) Arrangements for furnishing military supplies, technology, training, and research and development to such country by the United States Government and United States persons.

The inventories prepared under paragraphs (2), (3), and (4) shall give particular references to the petroleum industry.

Sec. 3. The use of information prepared and submitted to the President pursuant to this Act shall include but is not limited to assisting in negotiations between the United States and oil producing countries.

Mr. STONE. Mr. President, some have said that the inflation has topped out and that the recession has bottomed out, and we are preparing to recover economically. The Senator from Florida has said that full recovery cannot take place with the artificially high prices of imported oil and the newly threatened price increases imposed by the oil-producing countries—OPEC.

As evidence that my opinion is supported factually, I call the attention of the Senate to the first two pages of the Wall Street Journal of Tuesday, June 17,

On the front page, the first two paragraphs read:

> Industrial output fell 0.3% last month, suggesting the recession is still under way although perhaps nearing bottom. It was the eighth monthly drop in a row.

And right under that:

> Higher world oil prices will slow the U.S. economic rebound and have a devastating effect on some other nations' economies, Treasury Secretary Simon warned. He said there's no economic justification for a rise.

Turning to the article on page 2, in which Treasury Secretary Simon is quoted, he states:

> "My position is there ought to be a decrease, not an increase," the Treasury chief said. Indeed, he added, "there are some in government who believe we weren't taking an active posture in vehemently opposing OPEC price increases. I obviously am one of them."

What can we do about that? That bill would direct the President to supervise all executive agencies in gathering the relevant facts regarding this Nation and all of its people's relationships with OPEC: What we export to OPEC including massive food shipments on credit or even grant terms, what we research for OPEC and the OPEC nations, what we educate their people to do, our military support, our defense procurement for OPEC nations, our technological assistance to them, our communications contracts with them, as well as the obvious marketing information on both sides, import and export.

Mr. President, in a very incisive article on June 12, 1975, under the leadline "The Counter-Hook," and Joseph Kraft wrote:

> What can the United States do to prevent the cartel of oil-exporting nations from raising prices once again? The answer does not lie primarily in military measures which divided the world or in an energy program which divides the country.
>
> The truly strong weapon is a weapon this country and other oil-consuming nations seem not to know they even have. It is the weapon of the counter-hook.

Farther down, Mr. Kraft writes:

> Nobody knows exactly how much money is involved in the goods and services made available to the OPEC countries. But it is many billions of dollars.

The article continues:

> That means, first that the United States should make a systematic inventory of everything it exports to the OPEC countries. It means, second, that we should work out with other consuming countries joint rules for access of the OPEC countries to modern technology—particularly technology such as nuclear plants which are positively dangerous.
>
> With an understanding like that, the United States and the other oil consuming countries would have a truly effective weapon in place against the OPEC nations. It would not involve confrontation of a military sort. It would go along with whatever measures in conservation or development of new energy sources can be put in operation.

Mr. President, economically speaking we have not begun to fight. We supinely accept the actuality and the threat of further foreign oil price increases and quantity squeezes without even getting the facts that make this Nation not merely the largest single market for OPEC, but the largest single producer for OPEC. Just as they are our energy sources, we are their economic, food and technology sources.

What this bill, if passed, would do—and I have confidence that it will be passed—is put on the President's desk to assist him in forthcoming OPEC negotiations, the actual facts of our exports, of our food exports, of our technological exports, of our research and development exports, and of our final product exports, including but not limited to the oil drilling equipment and other refining equipment without which the OPEC nations would not be able to produce the product they threaten to withhold and which they actually restrict unilaterally.

Mr. President, let us find out what leverage we have. Let us not fly blind any more. Why should our Secretary of State, after trying to get all of the other consuming nations together, make a statement to the effect that in the short run the oil-producing nations seem to have total control of the market?

That is not the case. We have partial control of the market; and whether or not they have more control of the market, they have it all if we do not even assert we have something to say about it.

Who are we? We are at least who we say we are, and if we say we are nothing, we truly have nothing to say for our own survival.

I was noticing the columns Mr. Kraft was writing while he traveled through the Middle East. While he was in the Middle East, he was very pessimistic about anyone other than OPEC's ability to influence the price of oil as fixed by the oil-producing nations. But when he returned to this country, he wrote this excellent article, "The Counter-Hook."

The ACTING PRESIDENT pro tempore. The time of the Senator from Florida has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair recognize me.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. I yield my 5 minutes to the Senator from Florida.

Mr. STONE. I thank the distinguished Senator from West Virginia.

I had an opportunity to ask Mr. Kraft what led to his renewed feistiness, his writing that we do have leverage, after he returned.

His answer was that when he saw what we had in this country in relation to his just-completed trip through the Middle East, he realized that we have all kinds of leverage which we are not even finding out that we do have.

If we find out, for example, that the staple diet commodity of the Middle East is rice, and that we are the major if not the sole substantial rice exporting nation, will that give us enough confidence to try to negotiate with OPEC?

If we find that the reason OPEC is trying to raise its revenues is so that it can industrialize against the day that it no longer has oil to export, and that the bulk of that industrialization must come from the oil-consuming nations of the West, will that give us the confidence to try to negotiate?

Mr. President, if we find, by collating this inventory, that the major research and development efforts to convert coal to oil and gas fuel and to find new sources of energy to take the place of the limited oil resources in this world comes from the oil-consuming nations, will that give us the confidence, knowing that when the oil runs out these same oil-producing nations must turn to us for the very energy they run their industrial plant on, will that give us confidence to negotiate?

Mr. President, the time has come for confidence, and confidence can come only from knowledge. This bill will direct the executive branch to get the knowledge that should give us the confidence to get into a successful negotiation for OPEC oil both as to quantity and price.

Mr. President, economically we can recover only if investors in this country have the confidence in the future, in the medium term, of the supply of energy and its affordable cost, to make their decision to invest. Only then will the private sector provide the jobs that produce prosperity. This Nation has so much, in the way of leverage that learning of that leverage will give us the confidence to successfully consummate negotiations with OPEC not only by ourselves but in concert with other developed nations.

If I thought there was nothing we could do, I would not be introducing any energy bills at all. But the missing element in the duet of oil policy, Mr. President, is the missing triad element of negotiation, on the basis of economic leverage, with OPEC.

Both the President and the Congress are just proposing two legs of a three-legged stool. The first leg is to reduce domestic use of energy. The second leg is to induce more domestic supply of energy.

But what is missing is the feeling that, if we do those two things, we can negotiate a better deal with the 38 percent, maybe 40 percent of our energy supply which is the imported oil and oil equivalent that we get from the OPEC. Otherwise, why this proposed self-sacrifice by our consumers?

I submit that the absence of preparing to negotiate with OPEC is the reason why Congress has not passed a conservation bill with bite.

But if we can show the American economy and the American public that we are gearing up for a good tough negotiation with OPEC, not a military confrontation, not even an economic confrontation, but a bargain-striking negotiation based on the leverage we know we have and find out that we have, then these sacrifices of higher oil prices within America in order to induce more supply and reduce domestic consumption in order to reduce oil imports, will have some meaning, and the American public will understand what the sacrifices are for.

So, Mr. President, in conclusion, I urge that this Congress swiftly pass these instructions to the President, in the form of this bill, that the President will on a priority basis find out all the leverage that we have in this country, with regard to our dealings with OPEC, tangible and intangible, so that it may be used, including but not limited to, in the negotiations with OPEC.

I thank the distinguished Senator from West Virginia for making this extra time available to me.

Mr. President, I ask unanimous consent that an article entitled "The Counter-Hook" written by Joseph Kraft, published in the Washington Post of June 12, 1975, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Counter-Hook

(By Joseph Kraft)

What can the United States do to prevent the cartel of oil-exporting nations from raising prices once again? The answer does not lie primarily in military measures which divide the world or in an energy program which divides the country.

The truly strong weapon is a weapon this country and other oil-consuming nations seem not to know they even have. It is the weapon of the counter-hook.

To understand the counter-hook, it is useful to go back to 1960 when the oil-exporting countries first formed the cartel known as OPEC. For the next dozen years, Japan, Western Europe and the United States became increasingly dependent on OPEC oil.

But despite warnings, no defensive measures were taken against pressures by the producing countries. Alternate sources were not developed; conservation was not practiced; stockpiles were not stockpiled. When the October war broke out in 1973 and an oil embargo was imposed, the developed countries were defenseless. We had allowed ourselves to become hooked.

Since then, however, we have been selling the OPEC countries cars and air-conditioners and all kinds of consumer goods. We have been selling them planes and tanks and all other kinds of weapons. We have been selling them steel plants and desalination units and all other kinds of modern technology. We have been hooking the OPEC countries on the stuff we produce.

Nobody knows exactly how much money is involved in the goods and services made available to the OPEC countries. But it is many billions of dollars.

Some OPEC countries have plunged so heavily that their futures are already mortgaged. The Shah of Iran, for example, has bought so much in the way of technology, defense items and consumer goods that Iran is expected to begin heavy international borrowing next year.

In other countries, the technology available from the oil consumers provides utterly critical services. Saudi Arabia, for example, had to turn to the United States Corps of Engineers early in April for a massive repair job when flash floods washed out the water supply for Jiddah, its booming port on the Red Sea.

Finally, most of the oil-exporting countries are totally dependent on Western, in fact American, firms to market the oil they sell. Indeed, the big companies quite literally run the oil cartel with the acquiescence of the producer countries.

Not only is there intense traffic between the oil exporters and the consumers, but the traffic is growing at a dizzying pace. For selling goods and services abroad is not like conservation or development of new sources or military action. It is not something which comes hard to this country and its friends. It is what comes naturally. It is like water running downhill. It is what we do without thinking.

The great opportunity in the international energy field, the secret weapon of the consumers, lies in thinking hard about the goods and services made available by the oil consumers to the oil producers. That means, first, that the United States should make a systematic inventory of everything it exports to the OPEC countries. It means, second, that we should work out with other consuming countries joint rules for access of the OPEC countries to modern technology—particularly technology such as nuclear plants which are positively dangerous.

With an understanding like that, the United States and the other oil-consuming countries would have a truly effective weapon in place against the OPEC nations. It would not involve confrontation of a military sort. It would go along with whatever measures in conservation or development of new energy sources can be put in operation.

What would be established is a rough kind of balance. Just as the OPEC countries have control of what the developed countries need, the governments of the developed countries would have control of what the OPEC countries need. There would be a base for establishing by negotiation—instead of unilateral decision—the cooperative arrangements which alone can underlie a harmonious relationship between the developed world and the oil exporters. By an implicit bargaining process the goods and services on which the OPEC countries are already hooked would be organized to work for reasonable prices in oil.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

REPORT OF ACTION—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Metcalf) laid before the Senate a message from the President of the United States transmitting the ACTION annual report for the fiscal year 1974, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I transmit herewith the ACTION Annual Report for fiscal year 1974 as required by section 407 of the Domestic Volunteer Service Act of 1973.

Gerald R. Ford.

The White House, *June 23, 1975.*

REPORT OF THE NATIONAL COUNCIL ON THE ARTS AND THE NATIONAL ENDOWMENT FOR THE ARTS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Metcalf) laid before the Senate a message from the President of the United States transmitting the annual report of the National Council on the Arts and the National Endowment for the Arts for the fiscal year 1974, which, with the accompanying report, was referred to the Committee on Labor and

Public Welfare. The message is as follows:

To the Congress of the United States:

I am pleased to transmit to the Congress the Annual Report of the National Council on the Arts and the National Endowment for the Arts for the fiscal year 1974.

Our Nation has a diverse and extremely rich cultural heritage. It is a source of pride and strength to millions of Americans who look to the arts for inspiration, communication and the opportunity for creative self-expression.

This Annual Report reflects the role of the Government in preserving this cultural legacy and encouraging fresh activity, in developing our cultural resources and making new connections between the arts and our people.

In September 1974, the National Council on the Arts celebrated its tenth anniversary, and I had the opportunity to congratulate the Council and this relatively new Federal agency on its success in creating interest in the arts throughout the Nation.

I believe that the work of the National Council and the National Endowment for the Arts has been a great addition to our society in the United States and we can be very proud of it.

With the bicentennial of our Nation approaching soon, we shall need the creative gifts of our artists and the capabilities of our cultural institutions to help us celebrate this great anniversary.

It is my hope that every member of Congress will share my conviction that the arts are an important and integral part of our society. I hope that they will agree with my assessment of the importance to this Nation of the achievements of the Endowment.

GERALD R. FORD.

THE WHITE HOUSE, *June 23, 1975.*

MESSAGES FROM THE HOUSE

At 12:12 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the bill (S. 1716) to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message further announced that the House agrees to the amendments of the Senate to the bill (H.R. 6698) to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for U.S. citizens returned from abroad, subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

H.R. 37. An act to authorize appropriations to carry out the Standard Reference Data Act;

H.R. 6054. An act to authorize further appropriations for the Office of Environmental Quality, and for other purposes, and

H.R. 6698. An act to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for U.S. citizens returned from abroad, subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

ENROLLED JOINT RESOLUTION SIGNED

At 2:07 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the Speaker has signed the enrolled joint resolution (H.J. Res. 499) making continuing appropriations for the fiscal year 1976, and for other purposes.

The enrolled joint resolution was subsequently signed by the President pro tempore.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate the following letters, which were referred as indicated:

PRESIDENTIAL DETERMINATION

A letter from the Assistant Secretary of State for Congressional Relations transmitting, pursuant to law, a Presidential Determination with Statement of Reasons permitting the sale to Egypt of 50,000 tons of wheat/wheat flour (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT OF THE DEPARTMENT OF AGRICULTURE

A letter from the Acting Secretary of Agriculture transmitting, pursuant to law, a report on the administration of the Horse Protection Act of 1970 (with an accompanying report); to the Committee on Commerce.

REPORT OF THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

A letter from the Chairman of the Washington Metropolitan Area Transit Authority transmitting, pursuant to law, the fifth quarterly report of the Authority on the Metrorail construction program (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF THE DEPARTMENT OF THE TREASURY

A letter from the Assistant Secretary of the Treasury transmitting, pursuant to law, a report on the actions by the Department under the Countervailing Duty Law with respect to imports of dairy products from member states of the European Economic Community (with an accompanying report); to the Committee on Finance.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Limited Progress Made in Developing Loan Accounting System" (with an accompanying report); to the Committee on Government Operations.

REPORT OF THE JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

A letter from the Chairman and Vice Chairman of the Joint Committee on Congressional Operations transmitting a report on the case of Eastland et al. v. United States Servicemen's Fund (with accompanying papers); to the Committee on Government Operations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a list of reports of the General Accounting Office for the month of May 1975 (with accompanying papers); to the Committee on Government Operations.

AMENDMENT OF STRIPPER WELL LEASE EXEMPTION REGULATION

A letter from the Administrator of the Federal Energy Administration serving notice that the proposed amendment of stripper well lease exemption regulation will become effective June 3, 1975; to the Committee on Interior and Insular Affairs.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting a report entitled "Examination of the Environmental Financing Authority's Operations from October 18, 1972 through March 31, 1975" (with an accompanying report); to the Committee on Public Works.

REPORT OF THE FEDERAL ELECTION COMMISSION

A letter from the Chairman of the Federal Election Commission transmitting certain correspondence and briefs relating to the pending litigation, Buckley et al. v. Valeo et al., Civil #75-001 (D.D.C.) (with accompanying papers); to the Committee on Rules and Administration.

REPORT OF THE GENERAL SERVICES ADMINISTRATION

A letter from the Administrator of General Services transmitting, pursuant to law, a report of the General Services Administration covering public buildings projects authorized for construction (with an accompanying report); to the Committee on Public Works.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States reporting, pursuant to law, a rescission of Department of Housing and Urban Development budget authorization which should have been, but was not, reported to the Congress pursuant to the provisions of the Impoundment Control Act of 1974; to the Committee on Apropriations, the Committee on the Budget, and the Committee on Banking, Housing and Urban Affairs, pursuant to the order of January 30, 1975.

PROPOSED LEGISLATION BY THE GENERAL SERVICES ADMINISTRATION

A letter from the Administrator of General Services transmitting a draft of proposed legislation to establish a fund for activating authorized agencies, and for other purposes (with accompanying papers); to the Committee on Government Operations.

PROPOSED RULEMAKING BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Executive Secretary to the Department of Health, Education, and Welfare transmitting, pursuant to law a notice of proposed rulemaking governing operation of the Special Projects Act (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT OF THE SECRETARY OF THE TREASURY

A letter from the Secretary of the Treasury transmitting, pursuant to law, the second annual audit report on the Student Loan Marketing Association for the fiscal year ended December 31, 1974 (with an accompanying report); to the Committee on Labor and Public Welfare.

Proposed Legislation by the Department of the Air Force

A letter from the Assistant Secretary of the Air Force transmitting a draft of proposed legislation to authorizing the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

Update of Indiana's Civil Defense Law

A letter from the Secretary of State of the State of Indiana transmitting, pursuant to law, a copy of the Civil Defense and Disaster Law of 1975 as passed by the 99th Indiana General Assembly (with accompanying papers); to the Committee on Armed Services.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the **ACTING PRESIDENT** pro tempore (Mr. Stone):

House Joint Memorial No. 18 adopted by the legislature of the State of Washington; to the Committee on Post Office and Civil Service:

"House Joint Memorial No. 18

"To the Honorable Gerald R. Ford, President of the United States, and to the President of the Senate and the Speaker of the House of Representatives, and to the Senate and House of Representatives of the United States, in Congress assembled:

"We, your Memoralists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, respectfully represent and petition as follows:

"Whereas, in the State of Washington there is represented the type of great diversity of geography, industry, agriculture, ethnic background, and cultural identity that has made the United States one of the great nations of the world; and

"Whereas, In this unification of individuality that is America, the role of the small as well as the mighty has always been one of importance; and

"Whereas, The town of Deep River, Washington overlooking the banks of the mighty Columbia, the main artery of commerce for the Pacific Northwest, a great producer of hydroelectric power for the western states, and a major element of the region's fishing industry, has long played an important role in the history of that great river; and

"Whereas, Two of the largest timber companies in the nation have invested millions of dollars in the town of Deep River because of its key location near the mouth of the Columbia, which makes it a focal point for river rafting and log sorting operations; and

"Whereas, Deep River is the home office of several major businesses serving Wahkiakum County and the surrounding areas of the Lower Columbia, among them an independent telephone company, an expanding port district, a regional three store mercantile organization, the county's largest and most efficient insurance company, and several independent logging contractors; and

"Whereas, The steady growth of Deep River will continue as the construction of a new water system will permit the building of new homes on a scale previously impossible; and

"Whereas, Deep River's church, built by the town's pioneers, has been registered as a National Historic Site; and

"Whereas, The many business concerns and residents of this community depend to a great degree on the personal and efficient service offered by the Deep River post office, one of an unfortunately diminishing class across this land; and

'Whereas, In this Bicentennial era of thought and reflection on the origins of our Nation it seems most appropriate that the spirit of communities such as Deep River, Washington, and the needs of the citizens of such places for a local post office able to serve the community in a direct and personal manner should be recognized and supported; and

"Whereas, The needs of communities such as Deep River simply cannot be overlooked in the rush toward consolidation of services in ever larger, more remote, mechanized, and automated post offices; and

"Whereas, The United States Postal Service has indicated it is considering the closure of the local post office at Deep River, thereby forcing the town's residents to travel many miles for services which could not be provided by a rural mail carrier; and

"Whereas, Small communities such as Deep River need encouragement in their continued steady growth instead of being shunted aside and thrust into the backwaters of bureaucratic consolidation;

"Now therefore, your Memorialists respectfully pray that the United States Postal Service be directed to permit the Deep River post office to continue in existence to serve the businesses and citizens of the area, saving them the serious hardships which would result from the closure of the town's post office; and

"Be it resolved, That copies of this Memorial be immediately transmitted by the Secretary of State to the Honorable Gerald R. Ford, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

House Joint Memorial No. 24 adopted by the Legislature of the State of Washington; to the Committee on the Judiciary:

"House Joint Memorial No. 24

"To the Honorable Gerald R. Ford, President of the United States, and to the President of the Senate and the Speaker of the House of Representatives, and to the Senate and House of Representatives of the United States, in Congress assembled:

"We, your Memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, respectfully represent and petition as follows:

"Whereas, The several states of the United States have each adopted a flower as the official flower of that state; and

"Whereas, The United States of America has not designated for itself a flower as the official national flower; and

"Whereas, In this Bicentennial era it is most fitting and appropriate that the national Congress should make such a designation; and

"Whereas, The apple blossom's beautiful colors of snowy white shaded with delicate pink and touches of scarlet appear across this great land every spring; and

"Whereas, The apple tree has played a singularly important part in the cultural history and folklore of the United States; and

"Whereas, The fruit of the apple tree is grown and enjoyed throughout the nation;

"Now, therefore, Your memorialists respectfully pray that Congress and the Administration do work in concert toward the designation of the apple blossoms as the official national flower of the United States of America; and

"Be it resolved, That copies of this Memorial be immediately transmitted by the Secretary of State to the Honorable Gerald R. Ford, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

Senate Concurrent Resolution No. 11 adopted by the Legislature of the State of New Hampshire; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution No. 11 Memorializing Congress To Investigate Pricing of and Problems Relating to Energy Resource Supplies

"Resolved by the Senate, the House of Representatives concurring:

"That, the Congress of the United States is hereby memorialized to investigate the problems of energy resource supplies which are presently unregulated, and to further investigate energy supply pricing in relationship to controlled prices of consumer products as set by the public utilities commissions of the several states; and

"That, the secretary of state forward copies of this resolution to the speaker of the United States House of Representatives, to the President of the United States Senate and to each member of the congressional delegation from New Hampshire."

House Joint Memorial No. 16 adopted by the Legislature of the State of Washington; to the Committee on Government Operations:

"House Joint Memorial No. 16

"To the Honorable President of the Senate and the Speaker of the House of Representatives, and to the Senate and House of Representatives of the United States, in Congress assembled:

"We, your Memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, respectfully represent and petition as follows:

"Whereas, The budget, as a vehicle of both policy coordination and administrative control, is now considered one of the most effective devices of modern government; and

"Whereas, The budget process, while serving to channel and compromise the conflicting views in democratic systems, is of primary importance in the establishment of a system of communication required to bring information to the proper levels for decision-making; and

"Whereas, At both state and national levels, a definitive change is becoming apparent in which the legislative branches of government are demanding a greater role in the preparation of budgets in an effort toward improving their primary function in the appropriation of funds; and

"Whereas, The public is becoming increasingly aware of the important constitutional roles of both federal and state legislative branches of government, demanding increased effectiveness and attention to duty and responsibility; and

"Whereas, If the role of the legislative branch is to be effective in the budget process at both the state and national levels, information must be readily available in a timely manner concerning proposals and developments from both levels in order to intelligently enact legislation resolving and implementing comprehensive programs for the good of the citizens of this nation; and

"Whereas, State legislatures are experiencing great difficulty acquiring timely and current fiscal and policy information relating to congressional action in areas of vital fiscal concern for effective state legislative consideration of revenue and appropriation bills;

"Now, therefore, Your Memorialists respectfully pray that through the respective offices of the Speaker of the House and the President of the Senate, the recently created Senate and House of Representatives Budget

Committees of the United States Congress be made aware of this lack of vital communication between the federal and state legislative branches of government, and that those Congressional Committees do institute and implement a comprehensive system designed to serve as a clearinghouse for assembling and promulgating to state legislatures all fiscal and policy information relating to congressional developments impacting state programs.

"Be it further resolved, That, if the respective Congressional Legislative Budget Committees decide that the establishment of communications, directed toward the development of state legislative expertise in budgetary and fiscal matters, is beyond their organizational scope at this time, they do then undertake to establish provisional communications directed toward the same goals until such time as a permanent system can be established; and

"Be it further resolved, That copies of this Memorial be immediately transmitted by the Secretary of State to the Honorable President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

Senate Joint Resolution No. 596 adopted by the General Assembly of the State of North Carolina; to the Committee on Armed Services:

"SENATE JOINT RESOLUTION 596

"A joint resolution commending the Armed Forces and urging Congress to preserve the defenses of this Nation

"Whereas, this State and nation is now in its 200th year of freedom; and

"Whereas, that freedom was secured and has since been maintained by the sacrifices of the men and women of the armed forces of this nation, both professional and civilian; and

"Whereas, the potential cost of maintenance of freedom is and always will be the lives and fortunes of every citizen of this nation; and

"Whereas, it is absolutely essential to the survival of these freedoms which Americans traditionally hold most dear, including but not limited to freedom of religion, freedom of speech, freedom of the press, freedom from any restraints on our liberties without due process of law, and the freedom to criticize government and dissent from the majority, and that survival depends upon the safety of this nation from governments and ideologies which would destroy us in the pursuit of their own destinies; and

"Whereas, there has been a discernible trend in the Congress of the United States and in certain segments of the public to detract from the armed forces of this nation, not only the financial support which those forces must have to adequately protect this nation and insure its survival, but also from the respect and admiration which this nation has traditionally had for its armed forces; and

"Whereas, such detraction is inimical to the best interests of this nation and should be deplored by every American citizen;
Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

"Section 1. That the General Assembly of North Carolina recognizes that while we continue our efforts to secure economic and social justice for all our people we must realize that such justice cannot be obtained unless we remain free, and that freedom can only be guaranteed for the foreseeable future by an armed force second to none.

"SEC. 2. That the appreciation of the people of North Carolina is hereby expressed to the men and women of the armed forces, living and dead, who have devoted their lives and fortunes to the maintenance of those freedoms which all of us now enjoy.

"SEC. 3. That the Congress of the United States is hereby urged to take care that the defenses of this nation remain adequate for the preservation of this nation and its ideals.

"SEC. 4. That this resolution shall become effective upon ratification.

"In the General Assembly read three times and ratified, this the 13th day of May, 1975."

Assembly Joint Resolution No. 9 adopted by the Legislature of the State of California; to the Committee on Commerce:

"ASSEMBLY JOINT RESOLUTION NO. 9 RELATIVE TO BILINGUAL TELEVISION PROGRAMMING

"Whereas, In the fall of 1974, an innovative bilingual children's television program known as 'Villa Alegre' made its debut nationally; and

"Whereas, 'Villa Alegre' is produced by Bilingual Children's Television, Inc., a California nonprofit corporation based in Oakland, California; and

"Whereas, Utilizing the most singularly powerful medium in existence today, 'Villa Alegre' is aimed for children at the formative years where its impact can be of most value to the viewer; and

"Whereas, 'Villa Alegre' provides a sense of identity as well as understanding and appreciation of the Spanish and English languages, instills a sense of pride and confidence in the heritage of the Spanish-speaking community, introduces monolingual children to a new linguistic melody, and broadens curriculum experiences, while celebrating cultural diversity; and

"Whereas, The program helps to create a linguistic and cultural bridge within the home, school, and total community and can serve as an effective educational tool in complying with recent United States Supreme Court decisions involving bilingual education; and

"Whereas, Bilingual Children's Television, Inc., producers of 'Villa Alegre,' has developed invaluable expertise in bilingual children's television programming, has compiled extensive research data on bilingual children, and has gained a keen insight into the educational needs of children during the formative years; and

"Whereas, The value and impact of 'Villa Alegre' on all children in the United States is manifest in its institutional, civic and community support and its utilization in homes and classrooms nationally; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California jointly*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation to assure the continuation of 'Villa Alegre' for all children; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

Joint Resolution No. 81 adopted by the Legislature of the State of North Carolina; to the Committee on Finance:

"SENATE JOINT RESOLUTION 225

"A joint resolution in opposition to pending legislation in the United States Senate to increase the Federal tax on motor fuel

"Whereas, legislation is now being considered by the United States Senate to increase the federal tax on motor fuel: and

"Whereas, any increase in the federal tax on motor fuel will drive the price of gasoline to the individual consumer to a prohibitive level; and

"Whereas, the significant portion of our population who use their automobiles in their work or commute from great distances to their jobs and who are least able to pay for such gasoline increases will be effectively deprived of their livelihood should this tax take effect; and

"Whereas, the farmers of this country who supply our food and form the very backbone for this nation's future sustenance and well-being will particularly feel the adverse effect of this proposed tax; and

"Whereas, by reason of the general decline in the economy and the decrease in the collection of State motor fuel taxes, the State is now in great need of additional funds for the maintenance and improvements of its highways; and

"Whereas, any substantial increase by the federal government in its motor fuel taxes would constitute a further diversion of the source of revenues upon which the State is dependent for its highway maintenance and construction;

"Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

"SEC. 1. That the General Assembly of North Carolina urges that the Congress of the United States pass no legislation that would increase the federal tax on motor fuel in view of the certain terrible economic consequences that will result to all segments of the population of this country.

SEC. 2. That a copy of this resolution by transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate and each member of the North Carolina Delegation to the United States Congress.

"SEC. 3. This resolution shall become effective upon ratification.

"In the General Assembly read three times and ratified, this the 4th day of June, 1975."

Senate Concurrent Resolution No. 12 adopted by the Legislature of the State of Louisiana; to the Committee on Public Works:

"SENATE CONCURRENT RESOLUTION NO. 12

"A concurrent resolution to memorialize the Congress of the United States to provide sufficient funds to the various states to be used solely to eliminate hazardous railroad crossings

"Whereas, accidents occurring at railroad crossings continue to be an increasingly critical problem in the area of public safety administration, resulting in some 7,000 injuries and 1,500 deaths annually on our streets, roads and highways; and

"Whereas, such accidents can be completely eliminated by the construction of appropriately engineered overpasses and underpasses and further relief from the dangerous traffic congestion, economic losses suffered through avoidable delays, and the concentration of noxious exhaust fumes detrimental to the surrounding environment occasioned by inadequately designed railroad crossings can be realized from the construction of properly engineered facilities therefor; and

"Whereas, the states and the federal government have expended considerable monies in the planning and construction of a system of public highways on behalf of the citizens thereof which will provide them with a method of safe, swift, and scenic transportation; and

"Whereas, the states lack significant funds to provide the necessary facilities to correct the hazardous situations currently existing at railroad grade crossings within their boundaries and the construction or redesigning of such facilities would be more than justified by the resultant savings in the lives and properties of the citizens of this great nation.

"Therefore, be it resolved by the Senate of the Legislature of the state of Louisiana, the House of Representatives thereof concurring, that the Congress of the United

States is hereby memorialized to provide sufficient funds to the various states to be used solely to eliminate hazardous railroad crossings within their boundaries, both on and off the federal aid highway system through the construction of overpasses and underpasses, the relocation of streets or highways to eliminate such hazardous crossings, and the closing of unnecessary crossings.

"Be it further resolved that a copy of this Resolution upon its adoption shall be transmitted to the presiding members of the two houses of the Congress of the United States and to the Honorable Gerald R. Ford, President of the United States of America."

Two resolutions adopted by the North Dakota Optometric Association relating to optometric care within federally financed coverage of any Medicaid program; to the Committee on Finance.

A petition from the Sol C. Kraus Lodge No. 8 of Philadelphia, Pa., urging assurance of help and support of the United States for Israel; to the Committee on Foreign Relations.

A resolution adopted by the County Legislature of Suffolk County, N.Y., in support of H.R. 5768; to the Committee on Veterans' Affairs.

A resolution adopted by the Village Board of Olympia Fields, Ill., relating to certain rules of the U.S. Postal Service; to the Committee on Post Office and Civil Service.

Two resolutions adopted by the American Personnel and Guidance Association; the first dealing with the White House Conference on Education; to the Committee on Labor and Public Welfare; and the second relating to the equal rights amendment; ordered to lie on the table.

A resolution adopted by the South Suburban Association of Chiefs of Police, Blue Island, Ill., urging support of Law Enforcement Education Program funds; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Commerce, without amendment:

S. 1972. A bill to amend the Airport and Airway Development Act of 1970, as amended, so as to extend the Airport and Airway Development program authority (Rept. No. 94–219).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1849. A bill to extend the Emergency Petroleum Allocation Act (Rept. No. 94–220).

Mr. JACKSON. Mr. President, today the Interior Committee files its report on S. 1849, the "Emergency Petroleum Allocation Extension Act of 1975". This bill extends the Allocation Act from August 31, 1975, to March 1, 1976. Although an extension of the act is provided in other bills which have passed the Senate, it is possible that these will not be enacted into law in time to prevent an expiration of the act, and the termination of the important price control and allocation authorities contained therein.

If the Allocation Act expires on August 31, Mr. President, the two-thirds of domestic crude oil now subject to price controls will jump from $5.25 to over $13 per barrel. This will renew inflationary pressures in the economy and prolong the current recession. Such an abrupt removal of price controls is not contemplated even by the administration, which has announced a gradual 2-year program of decontrol. The severe economic dislocations which would be caused by an immediate termination of price controls is obvious, it seems, to the most vociferous advocates of rationing energy by price.

Mr. President, I ask unanimus consent that both the bill and the summary from the committee's report on S. 1849 be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1849

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Petroleum Allocation Extension Act of 1975".

EXTENSION OF MANDATORY ALLOCATION PROGRAM

SEC. 2. Section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out "August 31, 1975," wherever it appears and inserting in lieu thereof "March 1, 1976,".

I. SUMMARY

The purpose of the Emergency Petroleum Allocation Act of 1973 was to provide authority for the mandatory allocation of crude oil, residual fuel oil and refined petroleum products in amounts and at prices required to provide for the protection of the public health, safety, and welfare and maintenance of public services and agricultural operations. In addition to providing the authorities necessary for dealing with the shortages induced by the Arab embargo, the Act has served to insulate the economy and the American consumer from the drastic petroleum price increases which followed.

Pursuant to Section 4(g)(1), the Allocation Act—which provides the sole authority for continued price control and allocation—will expire on August 31, 1975. If the Act is not extended, the two-thirds of domestic crude oil production now under price controls will rise abruptly from $5.25 to over $13 per barrel. Because of the $2 tariff imposed by the President, removal of price controls will push the price of domestically produced crude oil even above the economically ruinous and artificially high prices now set by the OPEC cartel.

If the proposed $3 tariff is enacted, the cost to the U.S. economy of decontrolling old domestic crude oil—coupled with higher costs for new and imported oil and competing fuels such as coal and intrastate natural gas—will amount to a staggering $33.5 billion per year. Assuming the OPEC cartel raises world oil prices by $2 this fall, the total drain on the economy would approach $50 billion.

There is, of course, considerable disagreement over the need for or desirability of decontrolling domestic crude oil prices. However, even proponents of decontrol recognize that the immediate lifting of all price controls—which could occur if the Allocation Act were permitted to expire on August 31—would cause severe dislocations in an economy weakened by prolonged recession and inflation. For this reason, advocates of decontrol in both the Administration and Congress have suggested plans to phase out price controls over an extended period. In fact, the Administration's proposal to decontrol domestic crude oil prices over two years would necessitate an extension of the authorities provided in the Allocation Act.

The Committee strongly believes that a six month extension of the Act is essential to assure an orderly transition period for resolving the significant issue of domestic crude oil pricing. Without such an extension, there will be no opportunity either to phase out price controls gradually, or to extend the Act with appropriate amendments for an interim period. Moreover, the abrupt termination of price control authority and the consequent increase in domestic crude oil prices may occur simultaneously with further price increases contemplated by the OPEC cartel this fall. This would place an intolerable burden on the economy and destroy any prospect of recovering from the current recession. Since the Allocation Act permits the President to increase crude oil prices, or exempt any category of petroleum from regulation, the Committee believes the issue of domestic crude oil pricing should be resolved while preserving the important protection provided by the Act.

HOUSE BILL REFERRED

The bill (H.R. 6860) to provide a comprehensive national energy conservation and conversion program was read twice by its title and referred to the Committee on Finance.

ORDER FOR STAR PRINT—S. 729

Mr. McGEE. Mr. President, I ask unanimous consent that a star print be made of S. 729 the Part-Time Career Opportunity Act, as reported by the Committee on Post Office and Civil Service, to correct a technical error.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPROVAL OF BILLS

A message from the President of the United States stated that on June 19, 1975, he had approved and signed the enrolled bill (S. 818) to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East and for other purposes; and on June 20, 1975, he had approved and signed the enrolled bill (S. 441) to amend the Forest Pest Control Act of June 25, 1947.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CRANSTON (for himself, Mr. PHILIP A. HART, and Mr. MONDALE):

S. 1988. A bill to provide, on a demonstration basis, emergency relief for the general welfare and security of the United States by preventing the loss of existing housing units through the phenomenon of housing abandonment, to protect the health and living standards in communities and neighborhoods threatened by abandonment, to protect the interests of the United States in connection with certain mortgage transactions, to assist local public bodies in the development and redevelopment of well planned, integrated, residential neighborhoods and in the development and redevelopment of communities, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. STONE (for himself and Mr. MANSFIELD):

S. 1989. A bill to direct the preparation and submission to the President of information to assist in negotiations with oil producng countries. Referred to the Committee on Government Operations.

By Mr. STEVENSON:

S. 1990. A bill for the relief of Romeo Gumila and Policronio Gumila. Referred to the Committee on the Judicicary.

By Mr. SCHWEIKER:

S. 1991. A bill to provide for the payment of Servicemen's Group Life Insurance in the case of certain members of the Ready Reserve who died while performing service as a member of the National Guard of a State pursuant to an order of the Governor of such State. Referred to the Committee on Veteran's Affairs.

By Mr. CHURCH (for himself and Mr. WILLIAMS):

S. 1992. A bill to amend title II of the Social Security Act to revise the provisions relating to automatic cost-of-living increases in benefits, and for other purposes. Referred to the Committee on Finance.

By Mr. BUCKLEY (for himself, Mr. FANNIN, Mr. LAXALT, Mr. GARN, Mr. HANSEN, Mr. HELMS, Mr. MCCLURE, Mr. CURTIS, Mr. TOWER, Mr. THURMOND, Mr. BARTLETT, Mr. BELLMON, BROCK, Mr. WILLIAM L. SCOTT, and Mr. ROTH):

S. 1993. A bill to reform the Food Stamp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative re-

Mr. GOLDWATER, Mr. DOMENICI, Mr.

sponsibility for the food stamp program, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. MOSS:

S. 1994. A bill to authorize the Director of the National Science Foundation to undertake research in the development of improved curricula for training of coal mine technologists, and to authorize the Commissioner of Education to make grants to the community colleges for the conduct of such programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. ROTH:

S. 1995. A bill amending the Internal Revenue Code of 1954 to provide for an inflation adjustment in the rates of tax and the standard and personal exemption deductions and for other purposes. Referred to the Committee on Finance.

By Mr. RANDOLPH (for himself, Mr. JACKSON and Mr. DOMENICI):

S. 1996. A bill to extend the Energy Supply and Environmental Coordination Act of 1974. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS ON JOINT RESOLUTIONS

By Mr. CRANSTON (for himself, Mr. PHILIP A. HART, and Mr. MONDALE):

S. 1988. A bill to provide, on a demonstration basis, emergency relief for the general welfare and security of the United States by preventing the loss of existing housing units through the phenomenon of housing abandonment, to protect the health and living standards in communities and neighborhoods threatened by abandonment, to protect the interests of the United States in connection with certain mortgage transactions, to assist local public bodies in the development and redevelopment of well-planned, integrated, residential neighborhoods and in the development and redevelopment of communities, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. CRANSTON. Mr. President, last year Senators HART, MONDALE, and I introduced S. 3115, the Housing Abandonment Disaster Demonstration Relief Act, a bill to test a new mechanism for acquiring and disposing of abandoned property and to develop new financial resources for localities afflicted by the disaster of large-scale housing abandonment. My colleagues and I are reintroducing this legislation today because housing abandonment is still the major housing problem in our urban cities. Housing abandonment is a problem of poor people concentrated in overcrowded, unsafe, and unsanitary housing units, of streets scarred by vandalism and fire, of neighborhoods shunned by businesses and investors, of cities with dying central cores. Housing abandonment is creating housing, crime, health, and tax crises in many of the Nation's cities.

The last national survey in 1971 completed by the Library Congress on national levels of housing abandonment indicated the growing magnitude of this problem. Conservative estimates on the number of abandoned units for example, run around 100,000 in New York, 12,000 in Baltimore, 10,000 in St. Louis, and 5,738 in Oakland. Recent up-to-date figures of HUD–VA-owned properties in selected cities indicate that this problem continues to haunt our cities. The following table will illustrate the volume of units that could be turned over to the corporation by HUD and VA in selected cities:

Area	*HUD owned*	*VA owned*
Los Angeles	3,647	2,188
Detroit	15,905	691
Chicago	3,393	294
Atlanta	4,953	854
Newark	924	485
Cleveland	943	983
Houston	799	1,055
St. Louis	413	337

As of May 1975, HUD owned 69,695 single-family properties nationwide and the VA owned 11,345. Exact figures for the number of non-Government-owned abandoned units are not available. Even if exact figures were available, they would fall short of describing the full magnitude of the housing abandonment problem in terms of the destruction of the quality of life it produces.

The Department of Housing and Urban Development has implemented several programs to rid itself of its growing inventory of repossessed homes. These attempts include: the Urban Homesteading Program announced May 1974, a 1-year experimental program with a projected goal of putting 700 homes in the hands of low-income citizens. This program has been fraught with difficulties because low-income homeowners have difficulties getting financing to repair there units; the "sale as is" program to encourage rapid purchase of HUD repossessions; "policy release option" program for local governments; neighborhood housing services programs that make available loan funds for inner-city areas that are deteriorating. In addition, a few cities have their own homesteading programs. Overall, very little has been done at the Federal or State level to adequately address the abandonment issue.

None of the HUD programs have the necessary elements and flexibility to deal with developing unique solutions to the abandoned housing problem. The Abandonment Disaster Demonstration Relief Act would provide this flexibility and would work in this manner:

First. Create a neighborhood corporation, an independent government sponsored agency and empower it to seize and acquire title to abandoned residential properties financed by the Department of Housing and Urban Development or the Veterans' Administration;

Second. Give it the same powers over conventionally financed properties if a bank or other lending institution owns excessive amounts of abandoned property so that it may be placed in financial jeopardy;

Third. The Corporation may demolish units, construct, repair, redevelop, refinance, purchase property, condemn, and originate its own mortgages; and

Fourth. The Corporation will have a five year life and will function in three test areas.

This proposal seeks to turn abandonment disaster into a "plus" by preventing deterioration of abandoned units by securing possession quickly and seeing whether a single purpose agency on abandonment can bring together with the Federal Government, local officials, lenders, renewal and housing agencies, court organizations, and others necessary to develop a corporative effort for improvement of urban life.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1988

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Abandonment Disaster Demonstration Relief Act".

DECLARATION OF POLICY AND STATEMENT OF PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) the abandonment of residential housing in the United States substantially burdens the flow of interstate commerce and impedes the effective utilization of the Nation's housing stock, and the health and welfare of the people of the United States is damaged by the resulting loss of housing units in many urban areas;

(2) the abandonment of such housing acts as a contagious disease when it spreads unchecked throughout neighborhoods and entire communities, resulting in the abandonment of standard as well as substandard housing in many cases;

(3) certain mortgage guaranty and insurance programs administered by agencies of the United States are relied upon by the holders of mortgages on abandoned residential properties and discourage such holders

from taking reasonable corrective actions at the earliest practicable time, thereby imposing a substantial financial burden on the agencies involved in such programs; and

(4) the continued unchecked spread of housing abandonment may, in some cases, impair the financial position and liquidity of federally related financial institutions, and thereby result in even greater financial burden on agencies of the United States.

(b) It is the purpose of this Act to establish a Neighborhood Protection Corporation which will have the authority, on a demonstration basis, to enter and take possession of abandoned residential properties in order to prevent the continued deterioration and destruction of neighborhoods and communities and to hold and assemble parcels of land for the orderly development and redevelopment of neighborhoods and communities.

DEFINITIONS

SEC. 3. For the purpose of this Act—

(1) The term "residential property" means any real property (including improvements) which is designed for occupancy by one or more families and—

(A) which is subject to a mortgage which is insured or guaranteed by an agency of the United States; or

(B) which is subject to a mortgage held by any federally related financial institution.

(2) The term "federally related financial institution" means—

(A) any bank the deposits of which are insured by the Federal Deposit Insurance Corporation;

(B) any savings and loan association the accounts of which are insured by the Federal Savings and Loan Insurance Corporation;

(C) any thrift or home financing institution which is a member of a Federal home loan bank; and

(D) any credit union the accounts of which are insured by the Administrator of the National Credit Union Administration.

(3) A residential property shall be deemed to be abandoned if—

(A) in any case where the mortgage covering the property was executed in connection with the mortgagor's occupancy of the property, that mortgagor (i) has vacated such property, and (ii) has defaulted on the mortgage secured by the property; or

(B) in any case where the mortgage covering the property was not executed in connection with the mortgagor's occupancy of the property, that mortgagor has substantially reduced the level of operating services or other services below an adequate level, and that mortgagor (i) has defaulted on the mortgage secured by the property; and (ii) is more than six months in arrears in payment of real property taxes on such property.

(4) The term "Corporation" means the Neighborhood Protection Corporation established under section 4.

ESTABLISHMENT OF NEIGHBORHOOD PROTECTION CORPORATION

SEC. 4. (a) There is established a corporation to be known as the Neighborhood Corporation, which shall be an independent agency of the United States. Neither the Corporation nor any of its functions, powers, or duties, shall be transferred to or consolidated with any other department, agency, or establishment of the Federal Government. The Corporation shall maintain its principal office in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be a resident thereof. Agencies or offices may be established by the Corporation in such other places or places as it may deem necessary or appropriate in the conduct of its business.

(b) There shall be a President of the Corporation, who shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and who shall serve as chief executive officer of the Corporation. There shall be a First Vice President of the Corporation, who shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and who shall serve as President of the Corporation during the absence or disability of or in the event of a vacancy in the office of the President of the Corporation, and who shall at other times perform such functions as the President of the Corporation may from time to time prescribe.

(c) (1) There shall be a Board of Directors of the Corporation consisting of the President of the Corporation who shall serve as the Chairman, the First Vice-President, who shall serve as Vice-Chairman, the Secretary of Housing and Urban Development, the Secretary of Agriculture, the Administrator of Veterans' Affairs, and four additional persons appointed by the President of the United States, by and with the advice and consent of the Senate. Of the nine members of the Board, not more than five shall be members of any one political party. The terms of the Directors shall be at the pleasure of the President of the United States, and the Directors, in addition to their duties as members of the Board, shall perform such additional duties and may hold such other offices in the Corporation as the President of the Corporation may from time to time prescribe. A majority of the Board of Directors shall constitute a quorum. The Board of Directors shall adopt, and may from time to time amend, such bylaws as are necessary for the proper management and functioning of the Corporation.

(2) The members of the Board who are not otherwise employed by the United States shall receive compensation for service as members at the rate provided for individuals occupying a position under level II of the Executive Schedule (5 U.S.C. 5313).

(3) No director, officer, attorney, agent, or employee of the Corporation shall in any manner, directly or indirectly, participate in the deliberation upon, or the determination of, any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he has a direct or indirect personal interest.

DEMONSTRATION PROGRAM

SEC. 5. (a) In order to provide for an effective demonstration program, the Corporation shall carry out its functions in three metropolitan housing market areas. In selecting the areas for the purpose of such demonstration, the Board of Directors should take into account the necessity for local cooperation and assistance and the extent to which appropriate local officials in any area being considered for selection have demonstrated an interest in cooperating with and assisting the Corporation in carrying out its functions. The Board of Directors shall establish policies which require the officers and employees of the Corporation to consult, on a continuing basis, with local officials and affected residents of a selected area with respect to matters of mutual interest and concern.

(b) The Corporation shall, for the purpose of the demonstration program, limit its activities to metropolitan housing market areas where the abandonment of residential property as defined in section 3 is substantial.

(c) In carrying out its functions under section 6, notwithstanding the provisions of such section, the Corporation shall—

(1) comply with any applicable community development plan or program;

(2) comply with any applicable housing plan or program; and

(3) hold public hearings in any case where condemnation proceedings or a change in land use is proposed by the Corporation if such hearings are not required by local law in such a case.

(d) Upon the expiration of five full calendar years following the date of enactment of this Act, the Corporation may not exercise its power to acquire real property, except in the case of an acquisition in connection with a default on a mortgage held by it.

FUNCTIONS OF THE CORPORATION

SEC. 6. (a) Whenever the Corporation has probable cause to believe that a residential property is abandoned, the Corporation is authorized, on its own motion or at the request of a Government agency or a federally related financial institution having an interest in such property, to institute proceedings in accordance with the provisions of this section to protect the interests of the United States.

(b) (1) In the case of abandoned residential property subject to a mortgage which is insured or guaranteed by an agency of the United States, the Corporation may file in the United States district court wherein the property is located an action for forfeiture of such property to the United States, and an application for an order to seize and take possession of such property as the receiver of the court. An order to seize and take possession shall be issued only on affidavits which are sworn to before a United States district court judge or a United States magistrate, and which establish the grounds for issuing the order. If the judge or magistrate finds that grounds for the application exist, or that there is probable cause to believe that they exist, he shall enter an order appointing the Corporation as the court's receiver, and directing the Corporation to seize and take possession of the property. The order shall state the grounds or probable cause for its issuance and the names of the persons whose affidavits have been taken in support thereof. The order may be executed and a return made to the court only within ten days after the date of issuance. The Corporation shall execute the order and leave with any person at the premises a copy thereof and a receipt for any property taken. The Corporation shall also post a copy of the order and a receipt for any property taken. The return shall be made promptly and shall be accompanied by a written inventory of any property taken. The inventory shall be made in the presence of the applicant for the order and any person at the premises, or in the presence of at least one credible person other than the applicant for the order, and shall be verified. The court shall, upon request, deliver a copy of the inventory to any person claiming an interest in any property taken and to the applicant for the order.

(2) In addition to any notice by publication, actual notice of the commencement of any such action, and of the date of the hearing required by paragraph (3) shall be given by the Corporation, in such manner as the court shall direct, to (A) the person who holds title to the property, and (B) any person who has recorded an interest in the property, unless after search by the Corporation satisfactory to the court, any such person is not found.

(3) Not later than thirty days after the issuance of an order under paragraph (1), the court shall hold a hearing on the merits to determine whether forfeiture should be ordered. If at such hearing, the court determines that the residential property has been abandoned, and that the abandonment of such property tends to constitute a danger to the community or neighborhood, the court shall order that the property be forfeited to the United States and all right, title, and interest therein shall pass to the Corporation. Any such order shall be subject to the payment of just compensation by the Corporation of an amount equal to the value of the interest of any person claiming an interest in the property as established in the hearing on forfeiture by persons or agencies having an interest. In any case in which the person or agency having such an interest is an agency of the United States, the payment by the Corporation shall be in the form of obligations issued by it.

(4) If the court finds, in any hearing on forfeiture, that a person (other than an agency of the United States) who has an interest in the property failed to protect the interests of the United States by knowingly permitting the continued deterioration of an abandoned property in which it has an interest while having the authority under law or contract to prevent such continuation, it shall give notice of such finding to any agency of the United States which has an insurance or other similar obligation with respect to the property or with respect to the person who has an interest in the property so that such agency can take appropriate action to protect the interest of the United States.

(5) If at a hearing under paragraph (3) the court determines that the residential property was not abandoned, or that the abandoned property did not tend to create a danger to the community or neighborhood, or that probable cause for an order issued pursuant to paragraph (1) did not exist, the court shall fix and allow to any person with an interest in the property, to be paid by the Corporation, the costs, counsel fees, expenses, and damages as a result of the issuance of the order to seize and take possession of the property.

(c) In the case of an abandoned residential property which is not subject to a mortgage insured or guaranteed by an agency of the United States, the Corporation may take action in accordance with subsection (b) with respect to such property only if it determines—

(1) that the mortgagee is a federally related financial institution;

(2) that the mortgagee holds a substantial number of mortgages covering abandoned residential properties; and

(3) after consultation with the appropriate Federal regulatory agency, that the liquidity of the mortgagee may be affected.

(d) The Corporation shall acquire in exchange for obligations issued by it residential properties to which title is held by the Secretary of Housing and Urban Development or the Administrator of Veterans' Affairs at the fair market value of the property as of the date the title is passed to the Corporation, and the Secretary of Housing and Urban Development and the Administrator of Veterans' Affairs are authorized and directed to accept such obligations in exchange for such properties. The fair market value of the properties to be exchanged shall be determined by an appraisal made by the Corporation, but in no event shall the fair market value of the property exceed the unpaid balance of the mortgage.

(e) The Corporation may acquire real or residential properties by condemnation for the purpose of redeveloping a community or neighborhood, except that before instituting such proceedings, the Corporation shall secure the approval by resolution or ordinance of the governing body of the affected community.

(f) With respect to any real or residential properties the Corporation has acquired pursuant to this section, the Corporation may, by contract or otherwise—

(1) make plans, surveys, and investigations;

(2) demolish structures or otherwise dispose of any improvements on real or residential property;

(3) hold and assemble real and residential property for purposes of redevelopment;

(4) construct, erect, remodel, repair, and rehabilitate structures on residential property;

(5) procure necessary materials, supplies, articles, equipment, and machinery;

(6) provide approaches, utilities, and necessary community facilities;

(7) convey without cost to States and political subdivisions and instrumentalities thereof real property for streets and other public thoroughfares and easements for public purposes; and

(8) rent, lease, insure, maintain, exchange, convey, sell for cash or credit, or otherwise dispose of real or residential property, improvement or interest therein, except that if the disposition of such property involves a change in its use, the Corporation shall secure the approval by resolution or ordinance of the governing bodies of the affected units of government. Any instrument executed by the Corporation purporting to convey any right, title, or interest in any real or residential property disposed of pursuant to this subsection shall be conclusive evidence of compliance with the provisions thereof insofar as title or other interest of any bona fide purchasers, leasees, or transferees of such property is concerned.

(g) Except where the property is being disposed of in conjunction with an urban homesteading program, the Corporation shall determine that the homes it sells are in decent, safe, and sanitary condition at the time of sale. In the event of a sale which does not meet this requirement, the Corporation may make expenditures to correct, or to compensate the purchaser of any dwelling for occupancy by fewer than five families for, structural or other defects which seriously affect the use and livability of any one- to four-family dwelling, if (1) the dwelling was sold by the Corporation, (2) the purchaser requests assistance from the Corporation not later than one year after the sale, and (3) the defect is one that existed on the date of the sale and is one that a proper inspection could reasonably be expected to disclose.

(h) The Corporation may acquire in exchange for obligations issued by it, real properties, residential properties, mortgages on residential properties, and other obligations and liens secured by residential properties (including the interest of a vendor under a purchase money mortgage or contract) recorded or filed in the proper office, and in connection with any such exchange, the Corporation may make advances in cash to pay the taxes and assessments on the residential property, to provide for necessary maintenance and make necessary repairs, to meet the incidental expenses of the transaction, and to pay such amounts to the holder of the mortgage, obligation, or lien acquired as may be the difference between the face value of the obligations exchanged plus accrued interest thereon and the purchase price of the mortgage, obligation, or lien, but in no event shall the purchase price of the mortgage, obligation, or lien exceed the unpaid balance thereon. Each mortgage on residential property or other obligation or lien so acquired shall be carried as a first lien or refinanced as a mortgage by the Corporation, and shall be amortized by means of monthly payments sufficient to retire the interest and principal within a period not to exceed thirty years. Interest on the unpaid balance of the mortgage shall be at a rate determined by the Corporation. The Corporation may at any time grant an extension of time to any mortgagor for the payment of any installment of principal or interest owed to the Corporation if, in the judgment of the Corporation, the circumstances of the mortgagor justifies such extension.

(i) The Corporation shall provide directly or by contract counseling on household management, property management, budgeting, and related counseling services which would assist low- and moderate-income families who purchase homes from the Corporation in improving their living conditions and housing opportunities, and in meeting the responsibilities of homeownership.

(j) Whenever the Corporation sells property improved by dwellings for occupancy by fewer than five families to a purchaser, the Corporation may originate and service the mortgage covering such property. The Corporation may sell, deal in, or otherwise dispose of the mortgage it originates, but it shall continue to service all of the mortgages it originates, and may service other mortgages on properties it sells.

(k) Whenever the Corporation sells property improved for occupancy by more than four families, the Corporation may provide the services referred to in subsection (i) to low- and moderate-income families who occupy such housing, and originate and service the mortgage covering such property. The Corporation may sell, deal in, or otherwise dispose of the mortgages it originates, but it shall continue to service all of the mortgages it originates, and may service other mortgages on properties it sells. From time to time, but not less than semiannually, the Corporation shall review the management and maintenance of any project covered by a mortgage originated by it.

POWERS OF THE CORPORATION

Sec. 7. (a) The Corporation is authorized—

(1) to sue and be sued in its own name and appear by its own counsel in any legal proceedings brought by or against it;

(2) to issue capital stock and other obligations subject to the provisions of section 8;

(3) to refinance any mortgage, obligation, or lien, and to grant an extension of time to any mortgagor for the payment of any installment of principal or interest owed to the Corporation;

(4) to employ and fix the compensation of such officers, employees, attorneys, or agents as shall be necessary for the performance of its duties under this Act, without regard to the provisions of other laws applicable to the employment or compensation of officers, employees, attorneys, or agents of the United States, except that no such officer, employee, attorney, or agent shall be paid compensation at a rate in excess of the rate provided for members of the Board;

(5) to impose charges or fees for its services where necessary with the objective that all costs and expenses of its operation shall be fully self-supporting;

(6) to issue such regulations, orders, and reports as may be necessary to carry out the provisions of this Act; and

(7) to take such other actions such as may be necessary to enable it to carry out its duties under the provisions of this Act.

CAPITALIZATION OF THE CORPORATION

Sec. 8. (a) The Board shall determine the minimum amount of capital stock in the Corporation and is authorized to increase such capital stock from time to time in such amount as may be necessary, but not to exceed in the aggregate $35,000,000. The Corporation is authorized and directed to issue and deliver to the Secretary of the Treasury, and the Secretary of the Treasury is authorized and directed to accept, the capital stock of the Corporation. Payments for such capital stock shall be subject to call in whole or in part by the Board and shall be made at such time or times as the Secretary of the Treasury deems advisable. The Corporation shall issue to the Secretary of the Treasury receipts for payments by him for or on account of such stock, and such receipts shall be evidence of the stock ownership of the United States.

(b) For the purposes of this section, the Corporation is authorized to issue, upon the approval of the Secretary of the Treasury, and have outstanding at any one time, obligations having such maturities and bearing such rate or rates of interest as may be determined by the Corporation, with the approval of the Secretary of the Treasury, to be redeemable at the option of the Corporation before maturity in such manner as may be stipulated in such obligations; but the aggregate amount of the obligations of the Corporation under this subsection outstanding at any one time shall not exceed

10 times the sum of the capital stock issued by the Corporation. In no event shall any such obligation be issued if, at the time of such proposed issuance, and as a consequence thereof, the resulting aggregate amount of its outstanding obligations under this subsection would exceed the amount of the Corporation's interest pursuant to this Act free from any liens or encumbrances, or property, cash, mortgages, or other security holdings, and obligations issued or guaranteed by the United States, or obligations, participations, or other instruments which are lawful investments for fiduciaries, trusts, or public funds. The Corporation shall insert appropriate language in all of its obligations issued under this subsection clearly indicating that such obligation, together with the interest thereon, is not guaranteed by the United States and does not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than the Corporation. The Corporation is authorized to purchase in the open market any of its obligations outstanding under this subsection at any time and at any price.

(c) The Secretary of the Treasury is authorized in his discreation to purchase any obligations issued pursuant to subsection (b) of this section, and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under the Second Liberty Bond Act are extended to include such purchases. The Secretary of the Treasury shall not at any time purchase any obligations under this subsection if such purchase would increase the aggregate principal amount of his then outstanding holdings of such obligations under this subsection to an amount greater than $350,000,000. Each purchase of obligations by the Secretary of the Treasury under this subsection shall be upon such terms and conditions as to yield a return at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the making of such purchase. The Secretary of the Treasury may, at any time sell, upon such terms and conditions and at such price or prices that he shall determine any of the obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such obligations under this subsection shall be treated as public debt transactions of the United States.

TAXATION OF THE CORPORATION

SEC. 9. The Corporation, including its franchise, capital, reserve, surplus, and income shall be exempt from all taxation now or hereafter imposed by the United States or any district, territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. Any residential or other real property of the Corporation shall be subject to taxation to the same extent, according to its value, as other residential or other real property.

RECEIPTS AND DISBURSEMENTS OF CORPORATION EXCLUDED FROM THE BUDGET

SEC. 10. The receipts and disbursements of the Corporation in the discharge of its duties shall not be included in the totals of the buget of the United States Government and shall be exempt from any annual expenditure and net lending (budget outlays) limitations imposed on the budget of the United States Government. In accordance with the provisions of the Government Corporation Control Act, the President shall transmit annually to the Congress a budget for program activities and for administraitve expenses of the Corporation, which budget shall also include the estimated annual net borrowing by the Corporation from the United States Treasury. The President shall report annually to the Congress the amount of net lending of the Corporation, including any net lending created by the net borrowing from the United States Treasury, which would be included in the total budget of the United States Government if the Corporation's activities were not excluded from those totals as a result of this section.

RETIREMENT OF OBLIGATIONS

SEC. 11. The Corporation shall retire and cancel its bonds and stock when its purposes under this Act have been accomplished. Upon the retirement of such stock, the reasonable value thereof as determined by the Board shall be paid into the Treasury of the United States and the receipts issued therefor shall be canceled. The Board shall proceed to liquidate the Corporation and shall pay any surplus or accumulated funds into the Treasury of the United States. The Corporation may declare and pay such dividends to the United States as may be earned and as in the judgment of the Board it is proper for the Corporation to pay.

SEVERABILITY

SEC. 12. If any provision of this Act or any part thereof, or the application of any such provision or part to any person or circumstance is held invalid, the remainder of the Act or provision, or the application of such provision or part to other persons or circumstances, shall not be affected thereby.

ANNUAL REPORT

SEC. 13. (a) The Corporation shall transmit to the Congress not later than March 31 of each year a detailed report on its operations and activities during the preceding calendar year.

(b) In its fourth annual report, the Corporation shall include its recommendations with respect to whether the demonstration authorized under this Act should be continued, expanded, or terminated. If the Corporation recommends a termination of the demonstration, it shall include in such report a detailed plan for the transfer of the assets, liabilities, and functions of the Corporation and for its dissolution.

By Mr. STONE (for himself and Mr. MANSFIELD):

S. 1989. A bill to direct the preparation and submission to the President of information to assist in negotiations with oil producing countries. Referred to the Committee on Government Operations.

(The remarks of Mr. STONE on the introduction of the above bill are printed earlier in the RECORD.)

By Mr. SCHWEIKER:

S. 1991. A bill to provide for the payment of servicemen's group life insurance in the case of certain members of the Ready Reserve who died while performing service as a member of the National Guard of a State pursuant to an order of the Governor of such State. Referred to the Committee on Veterans' Affairs.

Mr. SCHWEIKER. Mr. President, I introduce legislation today to provide for the payment of servicemen's group life insurance in the case of certain members of the Ready Reserve who died while performing service as a member of the National Guard of a State, pursuant to an order of the Governor of that State.

This payment would be restricted only to the beneficiaries of servicemen entrolled in the SGLI plan on or after June 25, 1970, and before May 24, 1974.

On June 25, 1970, Public Law 91–291 extended coverage of the SGLI to all Reservists and members of the National Guard. This law, however, applied only to guardsmen under orders issued by the Federal Government, and not those ordered to duty under any other authority, such as by the Governor of a specific State.

This problem was partially remedied in June 1974, by Public Law 93–289, which extended full-time coverage to members of the Reserves or the National Guard. But this law made no allowance for the 4 years between 1970 and 1974, when Reservists and guardsmen were first made eligible for SGLI coverage. I learned recently of at least one instance where the beneficiary of a SGLI policy was denied benefits because the guardsman in question was killed while under orders of a Governor.

The specific case I refer to is that of Walter Radewonuk, who died April 6, 1974, while on duty during the aftermath of the tornado in Xenia, Ohio. Because Sergeant Radewonuk had been called to action by the State of Ohio and not the Federal Government, the beneficiary of his SGLI policy, his brother Kenneth Radewonuk, was denied payment of the insurance benefits.

I feel sure that the Congress never intended that beneficiaries of a serviceman who had paid his insurance premiums would be denied benefits simply because he was called to National Guard duty by a Governor rather than by the President. This unintentional inequity which existed for 3 years and 11 months was corrected by the Congress, but not until 7 weeks after Sergeant Radewonuk's death.

Although the number of individuals affected by this legislative oversight probably is very small, fairness nonetheless demands remedial action. To the families of servicemen killed while on duty to their country, the matter is of utmost concern. It also should be ours. I therefore urge swift action in remedying this situation.

I request that the text of my bill be printed in the RECORD following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1991

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in the case of any member of the Ready Reserve who—

(1) died, not as a result of his own misconduct, during any period he was performing service on or after June 25, 1970, and before May 24, 1974, as a member of the National Guard of any State pursuant to an order of the Governor of such State, or who died (not as a result of his own misconduct) as the result of an injury incurred or disease contracted during any such period of service, and

(2) had in effect at the time of his death a policy of Servicemen's Group Life Insurance under subchapter III of chapter 19 of title 38, United States Code,

the Administrator of Veterans' Affairs is authorized and directed to pay the face amount of such policy to the beneficiary or beneficiaries under such policy.

(b) In the event one or more beneficiaries under any policy of insurance referred to in subsection (a) are deceased, the proceeds of the insurance shall be paid to the heirs of such deceased beneficiary or beneficiaries, as the case may be.

Sec. 2. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. CHURCH (for himself and Mr. Williams):

S. 1992. A bill to amend title II of the Social Security Act to revise the provisions relating to automatic cost-of-living increases in benefits, and for other purposes. Referred to the Committee on Finance.

SOCIAL SECURITY COST-OF-LIVING IMPROVEMENT ACT

Mr. CHURCH. Mr. President, on behalf of myself and the Senator from New Jersey (Mr. Williams), I introduce for appropriate reference the Social Security Cost-of-Living Improvement Act.

In March the Senate Committee on Aging conducted 3 days of hearings on the impact of inflation upon older Americans. Field hearings were later held in May in San Francisco, Los Angeles, and Des Moines.

These hearings have made it abundantly clear that the elderly have been especially hard hit by inflation.

Last year prices rose by 12.2 percent, the most rampant increase in over a quarter of a century.

But in the four areas where the elderly have their greatest expenditures—housing, food, medical care, and transportation—the rate of increases exceeded the rise in prices for all other items in the consumer price index by 29 to 43 percent. These expenditures typically account for about 80 percent of an aged family's limited budget.

The automatic cost-of-living adjustment mechanism—enacted in 1972—represented an historic first step to protect social security beneficiaries from inflation.

But other actions are still needed if the elderly are to have full protection from rising prices.

Our Social Security Cost-of-Living Improvement Act is designed to strengthen the automatic escalator provision in two key respects.

First, it would direct the Secretary of Labor and the Secretary of Health, Education, and Welfare to develop a special consumer price index for the elderly—one which would more accurately reflect the overall impact of rising prices upon the aged. A special index is needed, it seems to me, because the inflationary rate for specific items in the overall consumer price index can vary markedly. In recent years some of the sharpest increases have occurred in those areas where the aged's greatest expenditures are concentrated. A special index could give appropriate weight to these increases in terms of the impact upon older Americans.

Second, the bill would authorize cost-of-living adjustments up to twice a year, provided the consumer price index increased by at least 3 percent from one base period to another. Social security beneficiaries may now receive a cost-of-living adjustment only once a year—in July—regardless of the rate of inflation. Our proposal would permit cost-of-living adjustments to be made in April and October.

This change would allow social security benefits to be kept current with rising prices during periods of accelerated inflation. It would also provide an extra hedge against inflation, particularly when prices rise precipitously.

Mr. President, I ask unanimous consent that the text of this bill be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

SHORT-TERM AND LONG-TERM FINANCING PROBLEMS

Mr. CHURCH. The Committee on Aging's hearing in March also focused on the actuarial soundness of the social security program.

As things now stand, the social security system is faced with a short-term and long-range deficit. But these problems are clearly solvable. This point was made very emphatically by witnesses who testified before the committee.

Social security is faced with a deficit this year because of the unprecedented economic situation: a high rate of inflation combined with the highest level of unemployment in 34 years.

As a result, benefit payments are increasing at a time when payroll contributions are being reduced.

Fortunately, there is $46 billion in the social security trust funds to provide a margin of safety.

But unless corrective action is taken, the trust funds will soon be reduced to a critical point.

The long-term financing problem is caused primarily by two factors.

First, the birth rate is projected to decline sharply. If this projection proves to be accurate, there would be a substantially larger proportion of older Americans to workers in the 21st century.

Second, the cost-of-living adjustment mechanism can now yield benefits out of proportion to earnings for today's workers, if a high rate of inflation persists over the long haul. This is an important point and requires a detailed explanation:

Monthly benefits for retirees on the social security rolls are adjusted automatically with increases in the Government's inflationary index.

A retired worker with $300 average monthly earnings, for example, would now be entitled to a monthly benefit of $214.40. With the 8 percent cost-of-living adjustment in July, an average monthly wage of $300 will produce a $231.60 monthly benefit.

This adjustment, in effect, provides protection from price increases for retirees.

But for today's workers—those still in the labor force—the automatic provisions do much more than keep retirement protection up to date with prices. They receive what might be called a "coupling" of benefits.

They benefit from an automatic adjustment for retirees because they will eventually obtain the advantages of the higher payment schedule when they retire. At the same time today's workers can expect wage increases. This will increase their future benefits because social security payments are pegged to a worker's average monthly earnings.

The net impact is that benefit increases for present retirees are coupled with wage increases for today's workers. And, this can produce instability in the wage replacement ratios, especially if a relatively high rate of inflation occurs over the next 75 years. Therefore, "decoupling" is essential to resolve the long-range problems confronting the program.

Resolving these financing problems, however, requires considerable technical information which is not readily available to the Congress. But, the Commissioner of Social Security has the manpower, resources, and technical know-how at his disposal to accomplish this goal. For this reason, I have written the Commissioner to provide the Committee on Aging with technical information and alternatives to come to grips with the short-term and long-range financing problems.

I am aware that this will be a complicated process involving numerous considerations. But these problems must also be addressed promptly.

Consequently, I have asked the Commissioner to submit recommendations to the committee by December 31, 1975, for bringing the social security system into actuarial balance over the short term and long haul.

Mr. President, I ask unanimous consent that this letter be reprinted following the text of my bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPORTANCE OF SOCIAL SECURITY

Mr. CHURCH. On August 14 social security will celebrate its 40th anniversary. Quite clearly, it is one of our Nation's landmark achievements.

Today nearly 100 million workers contribute to social security and 31 million Americans receive benefits.

These facts underscore the need for insuring that social security continue to be built upon the soundest policy, economic, and actuarial considerations.

The program must also be perfected to make it more responsive to the requirements of beneficiaries, as well as to changing developments.

My Social Security Cost-Of-Living Improvement Act, I strongly believe, can help to implement this goal.

In addition, I am hopeful that the Commissioner's response to my letter can lay the groundwork for resolving the short-term and long-range problems confronting social security.

Social security affects almost every American family. And, it is essential that the program be sound and secure in every respect.

S. 1992

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Social Security Cost-of-Living Improvement Act of 1975".

Sec. 2. (a) Section 215(i)(1) of the Social Security Act is amended—

(1) in subparagraph (A), by striking out "(i)" and all that follows and inserting in

lieu thereof the following: "(i) the three-month period ending on March 31, 1975, (ii) the three-month period ending on November 30 of 1975 or any succeeding year, (iii) the three-month period ending on May 31 of 1976 or any succeeding year, or (iv) any other calendar quarter (which, for purposes of this subsection, means a three-month period ending on May 31, August 31, November 30, or the last day of February) in which occurs the effective month of a general benefit increase under this title;".

(2) in subparagraph (B)—

(A) by striking out "subparagraph (A) (i)" and inserting in lieu thereof "subparagraph (A) (other than clause (iii) thereof)"; and

(B) by striking out "calendar quarter" and inserting in lieu therof "quarter"; and

(3) in subparagraph (C), by striking out "calendar quarter" and inserting in lieu thereof "quarter".

(b) Section 215 (i((2) of such Act is amended—

(1) in subparagraph (A)(i), by striking out "the base quarter (as defined in paragraph (1)(A)(i))" and inserting in lieu thereof "a base quarter (as defined in paragraph (1)(A)(ii) or (iii))";

(2) in the first sentence of subparagraph (a) (ii),—

(A) by striking out "that the base quarter" and inserting in lieu thereof "that a base quarter";

(B) by striking out "effective with the month of June of such year as provided in subparagraph (B)" and inserting in lieu thereof "effective (in the case such quarter is the quarter which ends on May 31 of such year) with the month of September of such year as provided in subparagraph (B) and effective (in the case such quarter is the quarter which ends on November 30 of such year) with the month of March of the next year as provided in subparagraph (B)";

(3) in subparagraph (B)—

(A) by striking out "quarter shall" and inserting in lieu thereof "quarter shall (i) in case such cost-of-living computation quarter is the quarter which ends on May 31 of the calendar year,";

(B) by striking out "May" each place it appears and inserting in lieu thereof "August"; and

(C) by inserting, immediately before the period at the end thereof, the following: ", and (ii) in case such cost-of-living computation quarter is the quarter which ends on November 30, apply in the case of monthly benefits under this title for months after February of the calendar year immediately succeeding the calendar year in which occurred such cost-of-living computation quarter, and in the case of lump-sum death payments with respect to deaths occurring after such February".

(c)(1) Subsection (a) of section 230 of such Act is amended to read as follows:

"(a) If the Secretary institutes pursuant to section 215(i) one or more benefit increases which become effective in any calendar year, he shall after October 1 and not later than November 1 of such year determine and publish in the Federal Register the contribution and benefit base determined under subsection (b) which shall be effective with respect to remuneration paid after such year and taxable year beginning after such year."

(d) Section 203(f)(8)(A) of such Act is amended to read as follows:

"(A) If the Secretary institutes pursuant to section 215(i) one or more benefit increases which become effective in any calendar year, he shall after October 1 and not later than November 1 of such year determine and publish in the Federal Register a new exempt amount which shall be effective (unless such new exempt amount is prevented from becoming effective by subparagraph (C) of this paragraph) with respect to any individual's taxable year which ends after such calendar year."

(e) Section 1839(c) (1), (2), (3), and (4) of the Social Security Act are each amended by striking out "July 1" wherever it appears therein and inserting in lieu thereof "October 1".

(f) The amendments made by subsections (a) and (b) shall be effective only with respect to determinations under section 215(i) of the Social Security Act as to whether a base quarter is a cost-of-living quarter, in the case of the base quarters as defined in such section (as modified by such amendments) which end after the date of enactment of this Act. The amendment made by subsection (c) shall be effective only with respect to adjustments of the contribution and benefit base, under section 230 of the Social Security Act, which become effective in the case of calendar years after 1975. The amendment made by subsection (d) shall be effective only with respect to adjustments in exempt amounts, under section 203(f)(8) of the Social Security Act, which become effective in the case of taxable years ending after December 31, 1975. The amendments made by subsection (e) shall be effective in the case of determinations, made under section 1839(c) of the Social Security Act, made after the date of enactment of this Act.

(g) The Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, shall immediately undertake to develop a special Consumer Price Index for the elderly. Not later than 30 days after the date of enactment of this Act, the Secretary of Labor and the Secretary of Health, Education, and Welfare shall each submit to the Congress a report of the action that they have jointly and severally taken toward the development of such an Index, together with an estimate of the date that the development of such an Index will be completed and such Index put into effect.

SPECIAL COMMITTEE ON AGING,
Washington, D.C., June 17, 1975.

Hon. JAMES B. CARDWELL,
Commissioner, Social Security Administration, Washington, D.C.

DEAR COMMISSIONER CARDWELL: As you know, the Committee on Aging is conducting a comprehensive study concerning "Future Directions in Social Security." One major purpose is to assure that Social Security continues to be built upon a solid foundation—actuarially, policywise, and in terms of equity. The Committee is now considering various alternatives for this purpose. However, certain technical information, which is not readily available to the Committee, is needed to develop these proposals. For this reason, I am asking the assistance of the Social Security Administration to provide three alternatives for meeting the short-term financing problems confronting the cash benefits program. The alternatives should be consistent with the four following principles:

7. The contributory features of the Social Security system should be maintained.

2. The trust fund balance for the cash benefits program should be at least equal to 40 percent of the following years' estimated outgo by 1980.

3. Any additional revenue should be raised primarily—although not necessarily exclusively—through wage base increases.

4. Any additional revenue for the cash benefits program (above that provided in existing law) should become effective no later than 1977.

In addition, the Committee is requesting two recommendations for stabilization of wage replacement rates ("decoupling"). Both alternatives should be based upon an indexed system with a wage replacement formula consistent with the present one.

I want to emphasize that the Committee on Aging will not consider any of these alternatives as official Administration recommendations. The purpose for this request is to enable the Committee to examine various financing alternatives.

The Committee is aware that a considerable amount of time will be necessary to develop these proposals because of the complexity of the subjects. However, we would appreciate receiving the proposed alternatives by December 31.

Thank you and best wishes,

Sincerely,

FRANK CHURCH,
Chairman.

Mr. WILLIAMS. Mr. President, I wish to join my colleague, the Senator from Idaho (Mr. CHURCH) in proposing the Social Security Cost-of-Living Improvement Act. As a member of the Senate Committee on Aging, I have dealt with the special hardships of this sadly neglected group of Americans who have the least power and ability to resist inflation. The extraordinary high number of elderly poor, which is now over 5 million, represents a tragedy unworthy of this great Nation. Therefore, I give my strongest support for this legislation to alleviate the impoverished conditions for these deserving people.

Senior citizens have been hard hit by the continuing inflation, throughout our Nation. However, I must emphasize that the national economic picture has caused special hardships for many of New Jersey's elderly. It is estimated that the aged population in New Jersey is over 800,000, of which 84 percent rely on social security payments. These low-income elderly are confronted with a higher rate of inflation than the average Consumer Price Index family during the present inflationary period because they spend a larger proportion of their budgets on essentials—housing, food, fuel, and health care—which have experienced higher rates of inflation for all other items in the consumer price index by 29 to 43 percent. We must also consider that such factors as stable living patterns, limited mobility, and more frequent health problems combine with high inflation to make it difficult for the aged to substitute lower costs for their present purchases.

Rapid increases, accompanied by inadequate compensation for losses in real income, has placed serious constraints on the budgets of the aged. Moreover, it is impossible to determine what kinds of individual tradeoffs senior citizens have been forced to make in their budgets among medical care, housing, food, and fuel—all necessities of life.

The legislation being introduced today is designed to improve the automatic escalator law enacted in 1972. First, it would authorize cost-of-living adjustments up to twice a year whenever the consumer price index exceeds 3 percent in a base period. The current annual social security payment adjustments seem patently insufficient and unfair. Consider that increases in social security benefits for inflation are at least 4 months behind the cost-of-living increases, and can be as much as 16 months later. In sharp contrast to this are many private and public pension plans, such as the Civil Service retirement plan, which has provisions for biannual adjustments. The Civil Service plan also has a prudent additional payment for money lost to inflation in periods spent waiting for the belated higher checks. This seems only fair in considering that money it completely and irretrievably lost by the elderly in any period of time spent waiting for increases to account for the past inflation while inflation continues.

Second, the bill would authorize the Secretary of HEW to develop a special consumer price index for the elderly. The need for a separate consumer price index for the elderly is evident from the "Survey of Consumer Expenditures" published by the Bureau of Labor Statistics in 1960–61. It found that the aged spend more of their income on groceries, shelter, household goods, and health care. Since it is reasonable to assume that an updated consumer expenditure study now underway will reveal similar consumption characteristics distinct from the general population, a more accurate index of their expenses can be both simply and reliably determined.

Mr. President, I urge quick adoption of this measure which will relieve two problems in current social security benefits. We must maintain purchasing power for the elderly in an inflationary economy. We must also make our laws reflect reality by taking into account the extraordinarily high rate of inflation burdening older Americans.

By Mr. BUCKLEY (for himself, Mr. Fannin, Mr. Laxalt, Mr. Garn, Mr. Hansen, Mr. Helms, Mr. McClure, Mr. Curtis, Mr. Tower, Mr. Thurmond, Mr. Bartlett, Mr. Bellmon, Mr. Goldwater, Mr. Domenici, Mr. Brock, Mr. William L. Scott, and Mr. Roth):

S. 1993. A bill to reform the Food Stamp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative responsibility for the food stamp program, and for other purposes. Referred to the Committee on Agriculture and Forestry.

THE NATIONAL FOOD STAMP REFORM ACT

Mr. BUCKLEY. Mr. President, the food stamp program is out of control. What began 10 years ago as a modest Federal project funded at $40 million will this year consume well over $5 billion.

One out of every four Americans is now eligible for food stamps. One out of four Americans can demand from the Federal Government financial aid in buying groceries. We are fast approaching a point at which a third or a half of the American people may be eligible for this form of public assistance.

Enough is enough. I and other Members of the Senate and the House are today introducing companion bills to overhaul the entire food stamp program.

Our intention is to correct its abuses while strengthening its merits. We offer a program of reform. We propose changes that will reduce the food stamp rolls while simultaneously expanding benefits to the truly needy. We hope to end the national scandal of allowing affluent families to literally live off the labor of those who must work for their daily bread.

Shocking Federal regulations have turned a worthy and humane food stamp program into an administrative nightmare and a public ripoff. They contain more loopholes than a motheaten fishnet. Able-bodied persons who do not wish to work can get food stamps. Persons who quit their jobs without good reason can get food stamps. Minor children can get food stamps without parental consent or control. The owners of jewelry, furs, and luxury appliances can get food stamps. There is literally no limit to the ways the taxpaying public can be exploited through the food stamp program.

And yet, food stamps were initiated because there was a valid need for them. Some of our countrymen needed a hand, and we were rightly willing to extend it to them. Some still are in need, and I believe the American people are still willing to aid them.

That is why, for those most in need, the National Food Stamp Reform Act would significantly expand nutritional assistance. Millions of poor people would benefit directly and substantially from its enactment. The elderly, who are least able to defend their pocketbooks against the onslaught of federally created inflation, would be given special consideration. And the food stamp allotment of every receipient would be immediately increased by 29 percent.

The reforms we are proposing will accomplish all this at the same time that they cut back the food stamp rolls and simplify administration. We estimate that a reformed food stamp program, carefully administered and generously available to the truly needy, would save at least $2 billion in the coming year and would keep the programs from getting completely out of hand in years ahead. That is $2 billion in Federal revenues which could be returned to the homemakers of America, who also must buy groceries for their families.

That savings can be effected through several commonsense measures:

By using the Federal Government's poverty indices as the cutoff points for food stamp eligibilty.

By eliminating the present complicated system of income deductions through which many high-income families qualify for food stamps.

By instituting reasonable resource limitations, to ensure that individuals who possess considerable material wealth do not take advantage of their neighbors by using food stamps.

By denying food stamp eligibility to able-bodied persons, without small children, who choose not to work.

By mandating that all food stamp recipients spend for their stamp allotment either the average percentage of income spent by others in their income level, family size, and geographical area or 30 percent of their income, whichever is less.

By instituting simple administrative procedures, now woefully lacking, which would crack down on food stamp fraud, multiple applications, and the black marketeering of food stamps.

Because the National Food Stamp Reform Act combines the frugality we owe all taxpayers with the generous compassion our country has always shown to the poor, I am happy to submit it for the consideration of the Senate. I join my colleagues from the House and Senate in recommending this legislation not only to the Congress, but also to the President and to the American people. Together we can make the food stamp program less expensive and more effective. This bill offers us the means to do so. We need only the will to use it .

Mr. President, I send the bill to the desk for appropriate reference. I also ask unanimous consent that it be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1993

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "National Food Stamp Reform Act of 1975".

DEFINITIONS

Sec. 2. (a) Section 3 of the Food Stamp Act of 1964 is amended by adding at the end thereof the following new subsection:

"(o) The term 'income' means the monthly gross income of all members of a household, including, but not limited to, the total value of any in-kind payment, and the total value of benefits received under other publicly funded assistance programs which provide income supplements to households for the purposes of assisting them in meeting their food and housing needs; except that in calculating the income for any month of any household in which there is at least 1 member who is sixty-five years of age or older, the Secretary shall deduct $25."

(b) Section 3(e) of such Act is amended by adding the following new sentence at the end thereof: "The following individuals shall not be considered as a member of any household or as an elderly person for purposes of this Act:

"(1) any individual who knowingly transfers real or personal property for the purpose of attempting to qualify for benefits under this Act shall not be considered as a member of a household for a period equivalent to the time during which the value of the property transferred would have provided resources sufficient to preclude the eligibility of the household with which such individual resides, but in no event for a period of less than 30 days from the date of the discovery of the transfer; and

"(2) any individual who has not reached the age of majority applicable in the State where the application is made and for whom no other member of the household with which such individual resides has a legal duty of support, unless there is no one who has a legal duty to support such individual or who, although he has such a duty, is unable to perform it. Contact may be made with individuals who have the legal duty to support the minor in order to verify such duty of support."

LOCAL AND STATE OPTION OF DONATED FOODS

Sec. 3. Section 4(b) of the Food Stamp Act of 1964 is amended by—

(1) by striking out "In areas" and inserting in lieu thereof "(1) Except as provided by paragraph (2), in areas";

(2) by striking out all that follows "replaced by a food stamp program" and inserting in lieu thereof a period; and

(3) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall provide, to the maximum extent practicable, for distribution of federally donated foods to households in any political subdivision of a State if such political subdivision requests, through the State agency, that such distribution be made to all eligible households therein in lieu of food stamps."

ELIGIBILITY

SEC. 4. (a) Section 5(b) of the Food Stamp Act of 1964 is amended by striking out the second and third sentences and inserting in lieu thereof the following: "No household shall be eligible for benefits under the food stamp program—

"(1) if the level of income, determined on a monthly basis, for such household exceeds the current poverty index level of income, as established by the Office of Management and Budget, for a household of its size in the area in which the household resides; or

"(2) if the market value of the liquid and non-liquid resources of the household exceed $1,500, or $2,250 if such household contains more than 1 member, except that in determining the amount of such resources of a household the Secretary shall exclude the market value of the following items owned by such household:

"(A) the principal residence, and lot on which such residence is located, to the extent their market value does not exceed $25,000, or $35,000 in Hawaii and Alaska;

"(B) a motor vehicle, to the extent that its market value does not exceed $1,200;

"(C) household goods and personal effects to the extent that their total market value does not exceed $1,500;

"(D) property used in a trade or business which is essential to the means of self-support of the household; and

"(E) non-business property essential to the means of self-support of the household.

The Secretary shall issue regulations for the purpose of determining household resources under the preceding sentence which shall, to the maximum extent practicable, be consistent with the regulations governing the determination of resources of the aged, blind, and disabled under the program authorized by title 15 of the Social Security Act."

(b) Section 5(c) of such Act is amended to read as follows:

"(c)(1) No household shall be eligible for benefits under the food stamp program if it includes an able-bodied adult person between the ages of 18 and 65 (except mothers or other members of the household who have the responsibility of care of dependent children under the age of 6 or of incapacitated adults, or persons employed and working at least 30 hours per week) who—

"(A) is unemployed as a result of voluntarily refusing to continue employment without good cause, unless the household of which such person is a member was eligible for benefits under this Act immediately prior to such unemployment;

"(B) fails to register for employment at a State or Federal employment office or, when impracticable, at such other appropriate State or Federal office designated by the Secretary;

"(C) fails to inquire regularly about employment with prospective employers or otherwise fails to engage regularly in activities directly related to securing employment, as required by regulations issued by the Secretary;

"(D) refuses to accept employment or public work, including work provided by community work-training programs established by the State, at not less than—

"(i) the applicable State minimum wage;

"(ii) the applicable Federal minimum wage;

"(iii) the applicable wage established by a valid regulation of the Federal Government authorized by existing law to establish such regulations; or

"(iv) 1.30 per hour if there is no applicable wage as described in clauses (i) through (iii); or

"(E) is enrolled in an institution of post-secondary education and such enrollment is a substitute for full-time employment, as determined by the Secretary in accordance with regulations issued by him or her.

"(2)(A) For purposes of this subsection, a refusal to work at a plant or site because of a strike or any other labor dispute (other than a lockout), as defined in section 2(9) of the National Labor Relations Act, shall be deemed a refusal to accept employment, except that no household shall be ineligible for food stamps under this subsection because one of its members refuses to work on account of such a strike or any other labor dispute (other than a lockout) if such household was eligible for food stamps immediately prior to such refusal to work.

"(B) No person may be exempted from the provisions of this subsection for the sole reason that, as a condition of employment, such person is required to join, resign from, or refrain from joining any labor organization."

(c) Section 5 of such Act is amended by adding at the end thereof the following new subsection:

"(e) The Secretary shall require each household receiving benefits under this Act to report its income at least once each month."

ISSUANCE, SHIPMENT, AND USE OF COUPONS

SEC. 5. (a) Section 6(c) of the Food Stamp Act of 1964 is amended by striking out "shall include only such words or illustrations as are required to explain their purpose and define their denomination" and inserting in lieu thereof "shall include places for the recipient to sign when he receives the coupon and when he redeems it, and only such words as are necessary to explain the purpose and denomination of the coupons".

(b) Section 6 of such Act is amended by adding at the end thereof the following new subsections:

"(d) Coupons issued to eligible households shall be negotiable at approved retail food stores only when such coupons have been signed by one member of the household in the presence of the issuing agent and in the presence of an agent of such food store and when they are presented by such member of the household to such food store with a matching photo-identification card. This card shall be issued by the State agency to one member of the household when such household is certified for eligibility for the food stamp program. The card shall include, but not be limited to, the following items identifying the recipient:

"(1) a color photograph;

"(2) name, address, and Social Security number;

"(3) the left and right thumb prints;

"(4) the State in which issued;

"(5) the program or programs for which the recipient is eligible to receive assistance;

"(6) the issuance and expiration dates; and

"(7) other information required by the State agency.

"(e) The Secretary shall, by regulation, provide for means for enabling persons who are physically or otherwise unable to meet the conditions of subsection (d) to negotiate their coupons in a manner that will ensure their use only by the intended beneficiary.

"(f) In distributing coupons to State agencies, the Secretary shall ship such coupons directly to the receiving points designated by the State agency in its plan of operation. The shipment procedures established by the Secretary, at a minimum, shall provide for—

"(1) insuring that the State agency or county involved receive copies of the 'Advice of Shipment' when coupons are shipped to and received by food stamp issuing agents;

"(2) centrally computing any adjustment made to any issuing agent's monthly coupon order and notifying both the issuing agent and the State agency or county involved each time there is a change in food stamp coupon allotment tables;

"(3) informing the State agency or county involved each time an issuing agent's monthly coupon order is adjusted regardless of whether the change is at the agent's request or at the Secretary's discretion; and

"(4) assuring that armored car and other deliveries are made only to persons authorized by the issuing agent to sign a receipt acknowledging the shipment."

COUPON ALLOTMENTS AND PURCHASE

SEC. 6. (a) Section 7(a) of the Food Stamp Act of 1964 is amended—

(1) by striking out "the prices of food" and inserting in lieu thereof "the overall retail cost-of-living index"; and

(2) by adding at the end thereof the following new sentence: "For purposes of this subsection, the term 'nutritionally adequate diet' shall mean the low-cost food plan, in its most current form, which was developed by the Agricultural Research Service of the United States Department of Agriculture and published by such Service in November, 1974."

(b) Section 7(b) of such Act is amended by striking out the first sentence and inserting in lieu thereof the following: "Notwithstanding any other provision of law, a household shall be charged (beginning with allotments issued after the effective date of this subsection) for its coupon allotment a per centum of its income which equals—

"(1) the per centum of income expended for food by an average household of its size and income range in the region of the country where the household receiving benefits resides, as established by the most recent Consumer Expenditure Survey compiled by the Bureau of Labor Statistics in the Department of Labor; or

"(2) 30 per centum, whichever is less.

When the value of the coupon allotment is increased or decreased under subsection (a), the amount paid by a household shall be increased or decreased, respectively, by the same percentage as the increase or decrease in the value of its coupon allotment. The Secretary shall provide a reasonable opportunity for any eligible household to elect to be issued a coupon allotment having a face value which is less than the face value of the coupon allotment authorized to be issued to it under subsection (a)."

(c) Section 7(d) of such Act is amended by inserting immediately after the first sentence the following new sentences: "Upon receipt by the designated bank of any such deposit, immediate notice confirming such deposit shall be sent by such bank to both the coupon issuing agent and to the State agency or political subdivision involved or, at the option of the State agency, to both. The Secretary shall provide that State agencies shall include, in contracts with coupon issuing agents, fiscal sanctions against any such agent who fails to meet depositing requirements established by the Secretary. As part of such requirements, the Secretary shall require that funds received by such agent as a result of the sale of such coupons be immediately set aside as Federal funds and not used in any manner for the benefit of any individual, corporation, association, organization, or other entity other than the Federal Government."

ADMINISTRATION

SEC. 7. (a) The first sentence of section 10(c) of the Food Stamp Act of 1964 is amended by striking out "sixty days from the date of such removal" and inserting in lieu thereof "30 days from the date of such removal, and at the end of such period, reapplication and recertification shall be required as a condition of continuing eligibility".

(b)(1) Section 10(e)(5) of such Act is amended to read as follows: "(5) that the State agency shall undertake effective action to (A) determine promptly the eligibility of applicant households by providing an opportunity for each household to receive and file an application for assistance under this Act on the same day of such household's first reasonable attempt to make an oral or written request for such application, (B) complete the certification of all eligible households and provide an authorization to purchase card to such households not later than 30 days after the filing of such application, and (C) conduct nutrition education programs for the purpose of informing food stamp recipients of effective means of planning, purchasing, and preparing foods in the most nutritionally adequate fashion;".

(2) It is the sense of Congress that at least the amount of funding used for the program established in section 10(e)(5) of the Food Stamp Act of 1964 prior to the effective date of the amendment made by paragraph (1) should be used for the program established by such amendment.

(c) Section 10(e)(7) of such Act is amended by inserting ", at the option of the local governmental entity administering the food stmap program," immeditely after "the institution of".

(d) The second sentence of section 10(e) of such Act is amended by inserting immediately before the period the following: "; and (9) the establishment of an earnings clearance system for the purpose of checking the actual income and assets of a household against those reported by such household, except that the Secretary may exempt any State from the requirement of this clause if the Secretary determines that it would be impracticable or impossible for such State to comply with it".

(e) Section 10 of such Act is amended by adding at the end thereof the following new subsections:

"(j) For purposes of assuring that individuals living as one household do not establish eligibility as separate households, the Secretary shall provide precise criteria for determining and verifying the number of separate households sharing the same housing quarters and for detecting any fraudulent practice employed by such individuals in attempting to qualify as separate households.

"(k) The Secretary shall establish a system operated at the national level for the purpose of providing information to State agencies in order to assist such agencies in preventing households from receiving benefits under this Act in more than one State or in more than one political subdivision within a State.

"(1) Notwithstanding any other provision of law, the United States Postal Service shall serve as a food stamp issuing agency upon request by a State agency. In the event of such a request, the Postal Service will be held accountable for cash and coupons over which only it has control as an issuing agent. Transaction fees paid to the Postal Service under this subsection shall be set at a reasonable rate so as not to exceed by more than 10 percent the actual add-on costs to the Postal Service resulting from providing this service."

COOPERATIVE WITH STATE AGENCIES

SEC. 8. Section 15 of the Food Stamp Act of 1964 is amended by adding at the end thereof the following new subsections:

"(c)(1) Notwithstanding any other provision of law, the Secretary shall pay to each State agency an amount equal to 100 per centum of all costs, including administrative costs, attributable to providing assistance pursuant to this Act to individuals who are not citizens of the United States, who have presented to the State agency material from the Immigration and Naturalization Service indicating that they are permanently residing in the United States under color of law, and for whom the State agency has verified the accuracy of such material with such Service.

"(2) Nothing in this Act shall be construed to authorize the eligibility for assistance under this Act to any person who is not lawfully and physically present in a State.

"(d) Notwithstanding any other provision of law, the Secretary shall pay to each State agency an amount equal to 75 per centum of all the costs of State investigations, prosecutions, collections of claims, and other State activities related to retrieving of losses sustained in the food stamp program.

"(e) The Secretary may permit any State agency to conduct demonstrations or pilot projects under this Act for the purpose of attempting to determine alternate methods of providing assistance to households otherwise unable to purchase a nutritionally adequate diet.—

"(f) The Secretary shall institute procedures whereby Federal, State, and local government officials meet monthly to reconcile all records related directly or indirectly to the disbursement of food stamp coupons so that a current account of such records may be maintained at the Federal, State, and local levels of government."

ANNUAL REPORT

SEC. 9. Section 16(a) of the Food Stamp Act of 1964 is amended by adding at the end thereof the following: "As part of such report the Secretary shall include, but not be limited to, the following items:

"(1) the status of the Secretary's efforts to obtain from other Federal departments and agencies, and from States and political subdivisions thereof, data which can be utilized to establish the size and composition of both the households participating in the food stamps program and the households which are not participating in but are eligible for such program;

"(2) the status of the Secretary's quality control program, including, but not limited to—

"(A) a description of efforts to incorporate techniques that have been effective in the several States for reducing the incidence of overpayments and of granting benefits to ineligible households;

"(B) a summary of steps taken to provide complete quality control coverage for all food stamp households through arrangements for expanded State reviews;

"(C) an assessment of the extent to which better analysis and reporting of quality control review results by the State have been achieved, so that more meaningful information will be available on the significance and causes of program errors; and

"(D) a summary of the extent to which proposed corrective actions have been critically evaluated in relation to their expected impact on basic causes of food stamp program errors and systematically followed up to see that actions are being taken which are decreasing errors and improving program integrity; and

"(3) further recommendations made for the purpose of assuring that public funds under the food stamp program are being directed in a cost/beneficial manner to households most in need of such assistance."

PAYMENT TO STATES; QUALITY CONTROL; BLOCK GRANT

SEC. 10. The Food Stamp Act of 1964 is amended by adding the following new subsection at the end thereof:

"SEC. 18. (a)(1) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan of operation pursuant to section 10(d) of this Act, for each quarter, commencing July 1, 1976, an amount equal to the Federal share of the total amount expended by such State for the bonus value of coupons. As used in this Act, the term 'bonus value of coupons' means the face value of the coupon allotment reduced by the amount charged to the household for such allotment. The Federal share of the total amount expended by a State for the bonus value of coupons shall be fixed at the same sharing ratio as that provided for such State by Section 403 of the Social Security Act.

"(2) The method of computing and paying such amounts shall be as follows:

"(A) The Secretary shall, prior to the beginning of each quarter, estimate the amount to be paid to the State for such quarter under the provisions of this subsection, such estimate to be based on (i) a report filed by the State containing its estimate of the total sum to be expended in such quarter; (ii) records showing the expenditures for past quarters and the number of food stamp recipients in the States; and (iii) such other investigation as the Secretary may find necessary.

"(B) The Secretary shall then certify to the Secretary of the Treasury the amount so estimated by him and (i) reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimate for any prior quarter was greater or less than the amount which should have been paid to the State for such quarter, and (ii) reduced by a sum equivalent to the pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered during any prior quarter by the State or any political subdivision thereof with respect to the food stamp program; except that such increases or reductions shall not be made to the extent that such sums have been applied to make the amount certified for any prior quarter greater or less than the amount estimated by the Secretary for such prior quarter.

"(C) The Secretary of the Treasury shall thereupon, prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Secretary, the amount so certified.

"(b) Notwithstanding any other provision of this Act, for a period of five fiscal years, commencing with the assumption by the States of the cost sharing rate of subsection (a), the Secretary shall pay each fiscal year, at intervals determined by the Secretary to such States, and in lieu of the payments specified by subsection (a), an amount equivalent to the amount which in accordance with the computation provided for in subsection (a) would have been equal, had such provision been then in effect, to the State's share of the bonus value of coupons provided within such State during the base period of the fiscal year beginning July 1, 1976: *Provided*, That during the period of operation of this subsection such computation of the bonus value of coupons during such base year shall be adjusted semiannually to conform to the adjustment made pursuant to section 7(a) of this Act. Such funds, so allocated to such States, may be used by such States for any public purpose subject only to the spending limitations of the State and Local Fiscal Assistance Act of 1972."

TRANSFER OF ADMINISTRATIVE RESPONSIBILITY TO DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SEC. 11. (a) For purposes of this section—

(1) the term "function" includes power and duty; and

(2) the term "Secretary of Agriculture" includes all officers and organizational units of the Department of Agriculture.

(b)(1) All functions of the Secretary of Agriculture under the Food Stamp Act of 1964 are transferred to the Secretary of Health, Education, and Welfare.

(2) The Secretary of Health, Education, and Welfare may delegate any functions transferred to him by paragraph (1) to such officers and employees of the Department of Health, Education, and Welfare as he may designate, and may authorize successive redelegations of such functions.

(c)(1) The transfer made by this section shall be implemented in accordance with such procedures and regulations as the Director of the Office of Management and Budget shall prescribe.

(2) So much of the personnel, personnel positions, assets, liabilities, contracts, property, records, and authorizations, allocations, and other funds, as the Director of the Office of Management and Budget shall determine pertain to the functions transferred by this section shall be transferred to the Secretary of Health, Education, and Welfare.

(d)(1) All order, determinations, rules, regulations, contracts, certificates, and privileges—

(A) which have been issued, made, granted, or allowed to become effective in the exercise of any function transferred by this section, and

(B) which are in effect at the time this section takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary of Health, Education, and Welfare, by any court of competent jurisdiction, or by operation of law.

(2) Except as provided in paragraph (3), this section shall not affect any proceedings pending before the Secretary of Agriculture on that effective date of this section.

(3) To the extent that such proceedings involve functions transferred by this section, such proceedings shall, upon the transfer of functions under this section, be continued before the Secretary of Health, Education, and Welfare. In any proceeding so continued, order shall be issued, appeals shall be taken, and payments shall be made, as if this section had not been enacted; and orders issued in any proceeding so continued shall continue in effect until modified, terminated, superseded, or repealed by the Secretary of Health, Education, and Welfare, by a court of competent jurisdiction, or by operation of law.

(e)(1) Except as provided in paragraph (2), the provisions of this section shall not affect suits or other proceedings commenced by or against the Secretary of Agriculture in his official capacity prior to the effective date of this section.

(2) All such suits or other proceedings pending on the effective date of this section shall, to the extent that they involve functions transferred to the Secretary of Health, Education, and Welfare by this section, be continued after such date by or against such Secretary. In any litigation pending on the effective date of this section, the court may, at any time, on its own motion or that of any party, enter such order as the court determines necessary to give effect to the provisions of this subsection.

(f) With respect to any function transferred by this section and exercised after the effective date of this section, reference in any other Federal law to the Secretary of Agriculture shall be deemed to mean the Secretary of Health, Education, and Welfare.

(g)(1) The Food Stamp Act of 1964 is amended—

(A) by striking out in section 3(a) "Secretary of Agriculture" and by inserting in lieu thereof "Secretary of Health, Education, and Welfare";

(B) by striking out the last sentence added to section 3(e) of such Act by section 3(b) of the Agriculture and Consumer Protection Act of 1973.".

(2) Section 409 of the Disaster Relief Act of 1974 (authorizing distribution of food stamp coupons in areas affected by a major disaster) is amended—

(A) by striking out in subsection (a), "Secretary of Agriculture" and inserting in lieu thereof "Secretary of Health, Education, and Welfare"; and

(B) by striking out in subsection (b), ", through the Secretary of Agriculture or other appropriate agencies,".

Mr. TOWER. Mr. President, I am pleased today to join my distinguished colleague, the Senator from New York (Mr. BUCKLEY) in sponsoring the National Food Stamp Reform Act of 1975.

The Federal food stamp program, which supplements the income of millions of Americans by partially subsidizing their food purchases, has helped many needy families maintain a nutritionally adequate diet. However, the growth of the food stamp program has been phenomenal. In 1965, following the enactment of the Food Stamp Act, 1 out of 439 persons was receiving food stamps. Today, 1 out of every 13 persons in the United States is a food stamp recipient. And even more startling is the fact that one out of every four persons may be eligible for the food stamp program. For these reasons, and others, the food stamp program has in recent months become an issue of great concern, not only for those of us in Government but most particularly for those families who need food stamps. Serious questions have been asked about the direction the program is taking and about its efficiency, and indeed, more questions need to be asked. We by no means have come up with all of the answers, but I believe that the National Food Stamp Reform Act has some of them.

Our current economic crisis has made it increasingly difficult for many Americans to make ends meet. Those, such as the elderly, who live on fixed incomes are the most seriously affected. High rates of inflation have resulted in inordinately high food prices, while unemployment has lessened the individual's capacity to pay those prices. The Federal Government recognizes as proper its role in providing assistance to the legitimately needy and destitute.

However, a great many of those who receive food stamps are not legitimately needy, nor do they meet the eligibility requirements, while others who are truly hungry receive little or no assistance. This situation can and must be remedied. We must have an efficient food stamp program. We must streamline the program; we must eliminate administrative inefficiency, eliminate abuses. Food stamp fraud must be diminished, if we cannot eliminate it altogether; and the loopholes which have enabled persons with substantial incomes to qualify for food stamps must be closed. At the same time, we must expand assistance to the neediest recipients and insure them a balanced and nutritionally adequately diet.

I believe that the National Food Stamp Reform Act introduced today addresses many of these problems, and I would urge the favorable and prompt consideration of this measure by my colleagues.

Mr. FANNIN. Mr. President, I join with my distinguished colleague from the State of New York, Senator BUCKLEY, in introducing a most necessary and meaningful piece of legislation, the National Food Stamp Reform Act of 1975.

As I am sure my colleagues know, the first food stamp program was carried out from May 1939 through March 1943. This program was designed for families on relief and was used to help dispose of large national food surpluses. In its peak year the plan cost the Federal Government about $112 million. When the United States became involved in World War II the surpluses disappeared, thus ending the food stamp program.

In 1961 a pilot food stamp program was initiated, which led to the enactment of the Federal Food Stamp Act in 1964. The Secretary of Agriculture was authorized to establish and finance food stamp programs in various States, at the request of State governments. The stated purpose of the act was to make possible the distribution of national food surpluses through retail channels, to stimulate the Nation's agricultural economy and raise the nutritional levels of the needy. Between 1964 and 1970 the program grew a great deal, but relatively slowly. Most of its growth in participation and cost was due to new areas of the country coming into the program—not because of increased benefits or higher eligibility standards.

The first set of major amendments to the Food Stamp Act were passed in late 1970 and greatly altered the operation of the program. Congress, by changing the language of the policy declaration, acknowledged the increasingly important welfare role of the program, tied the program more closely to income-related hunger and malnutrition, and reinforced the program aim of helping the poor obtain an adequate diet. In addition, the USDA was required to prescribe uniform nationwide eligibility standards for participation—including standards for allowable income and liquid and nonliquid assets.

Beginning with fiscal 1972 open-ended appropriations were mandated. Monthly stamp allotments had to be the cost of a nutritionally adequate diet and these allotments had to be updated annually to reflect changes in food prices. In effect, these changes substantially increased food stamp allotments. The requirement for annual updating of food stamp allotments also meant that the income eligibility standards used for nonwelfare households would be adjusted every year. Since the eligible income standards are set relative to the food stamp allotments every time food stamp allotments are updated due to food price changes, income eligibility standards are also adjusted.

Mr. President, the food stamp program has virtually grown out of control. We can no longer ignore this fact. In March of 1965, the food stamp caseload stood at 442,359. In March of 1975, it numbered 19,142,359—an increase of 4,227 percent. And that number has, in 2 months, increased to over 21 million people. Total expenditure growth is even more astounding: In fiscal 1965, the total expenditures were $36,353,797; in fiscal 1975, they are estimated to be almost $5.2 billion, an increase of 14,203 percent. The growth in the program can further be demonstrated by numbers of Americans receiving food stamps. In 1965 one of every 439 people was a recipient. Today, approximately 1 in 11 is receiving food stamps.

The number of persons who are eligible for food stamps is even more staggering. Late in 1973, a report submitted to the Joint Economic Committee of the Congress stated that, at the then-present rate of growth, by 1977 one out of every four Americans would be eligible for food stamps at least 1 month out of the year. By July of 1974 that had already happened with the number of eligible persons estimated at 52.8 million.

As I have pointed out, in 1964 the Food Stamp Act was adopted with two basic objectives: To alleviate hunger and malnutrition by permitting low-income households to purchase a nutritionally adequate diet; and to expand the market for domestically produced food by supplementing the food purchasing power of eligible low-income households. It seems that Congress has lost sight of the first objective by allowing the formula for eligibility to make an increasing number of people eligible in the middle-income brackets, who are not in fact in need, of assistance.

Mr. President, I ask unanimous consent to have printed in the RECORD at this time an advertisement which has appeared in several periodicals and which demonstrates just how far the eligibility formula has gotten out of hand.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOW TO SAVE $120 TO $2,400 A YEAR BY PARTICIPATING IN THE U.S. FOOD STAMP PROGRAM

(By Elizabeth Evans)

A government ruling in July of 1974 has extended food stamp coverage to 20,000,000 new Americans. But to date, more than 15,000,000 of these newly eligible citizens have not claimed their benefits. Why?

Obviously, most of these people are not aware of this new ruling. Others think that eligibility is based on gross income. But in reality, numerous deductions lowering your gross income are used to figure food stamp eligibility. And finally, thousands of people who know they are eligible are too embarrassed to claim their benefits.

The embarassment surrounding food stamps and the old fashioned notion that you must be on welfare to participate are quickly becoming a thing of the past.

A December 20, 1974, Wall Street Journal article reported that more and more middle and upper class working families are using food stamps. Donna Marie of 4445 11th Street NW, Canton, Ohio, sums up the feelings of hundreds of thousands of working American families who now use food stamps, "I saw my neighbor eating steaks and using the money she saved to buy a few luxuries. Then I thought of all the taxes I'd paid. It struck me how silly it was not to take advantage of something I'd already paid for. I now use food stamps to serve nutritional and delicious meals for my family. To me it is no different than a tax rebate program."

NO RISK REPORT

The problem of people not knowing if they are eligible has been eliminated with the recent publication of the public information report *1975 Food Stamp Qualification Guide*. This report is being made available on a no risk basis. By ordering the report, you can quickly determine in the privacy of your home if you qualify and for what amount. If you don't qualify, you may return the book. You'll receive a full refund—no questions asked.

EYE OPENING FACTS

Here are some little known facts regarding the food stamp program. Did you know that:

Workers who are layed off or on strike can collect food stamps.

In some states, you can get your food stamps through the mail.

Hundreds of thousands of senior citizens are eligible.

The elderly can use food stamps to pay for home delivered meals-on-wheels and for group meals for the elderly.

Working families with gross income as high as $16,000 a year can qualify for food stamps.

Food stamps are used just like cash. There are no forms to fill out at the grocery checkout counter.

Food stamps are accepted at almost every grocery store.

It takes only two weeks to receive your food stamps after you qualify.

Several people living in the same house can all separately receive food stamps.

If you are physically unable to apply at the food stamp office, you can have someone else apply for you or have the food stamp office come to your home.

If you move, you can continue to receive food stamps for a 60 day period from your old food stamp area.

If you've recently moved to a new state, you can immediately apply for food stamps.

When your income and resources are being calculated to see if you qualify, your house, lot, one car, your personal belongings and household goods, cash value of your insurance policy, income producing property, and boarders are not counted as resources.

When calculating your income, money from a student under 18, irregular income from part time jobs totaling less than $30 a month, and money from loans is not counted as income.

If you work and must use a day care center or a babysitter, you can deduct this expense.

State and Federal taxes, Social Security, and union dues are deducted from your income.

Medical fees over $10 a month and tuition and mandatory education expenses can be deducted from your income.

Alimony or child support you pay can be deducted. So can unusual expenses due to disasters.

Rent, mortgage and utilities are deductable by using a shelter standard formula.

All information given when you apply for stamps must be kept strictly confidential.

You'll be told if you qualify 30 days after you apply.

If you are refused food stamps and feel you're being cheated, you have the right to a fair hearing appeal. Even if you've been refused long ago, you can still go back for your hearing. And if the food stamp office made a mistake, you're entitled to all the back food stamps you should have collected.

TYPICAL WORKING FAMILIES

Here's an example of a typical family that qualifies for food stamps. Mr. Seagel grosses $192 a week, $10,000 a year. Mrs. Seagel does not work and has a boy, age 5, and a girl, age 10. Mr. Seagel pays $150 per month alimony and child support to his previous wife, has a rent of $130, $8 for phone, $50 for heat and utilities, $35 a month for hospital insurance, and spends $15 a month on allergy medicine.

After making all the necessary deductions outlined in the 1975 Food Stamp Qualification Guide, it was found that the Seagels would receive $150 worth of food stamps for only $113 a month. They'd saved $37 dollars a month. A total of $444 on groceries for the year.

What will qualifying for the food stamp program mean to you? Depending on your income, you could slash your food budget by 20% to 60%. This would mean a saving of $120 to $2,400 a year. You could afford to provide your family with the most nutritional and healthful foods. The money you've saved could be placed in the bank or used to buy anything you'd like. There are no restrictions on what you do with the money you saved. But, best of all, you'd be starting your own personal tax rebate program. You will be getting back some of the thousands of dollars you've paid in taxes by taking advantage of a government program which you've already paid for.

The 1975 Food Stamp Qualification Guide is written in plain, simple language. It will show you step by step how to figure your Food Stamp income. It will make sure you're deducting all the expenses you're entitled to. It will also prevent you from adding income which should not be counted in your total. When you qualify, you'll be told exactly where to go, who to see, and what to do in order to start cashing in on your benefits. A sample form is enclosed so you will waste no time when you go to fill out the real thing. All of this is done in the privacy of your home. You'll waste no time hunting down the information, and you won't have to spend a cent on gas.

LOW PRICED SOFT COVER EDITION

As I've said, this public information report is being made available in a special low price soft cover edition. To get your report, all you need do is write the words Food Stamps on the top of a piece of paper along with your name and address.

Mail to: The Center for Public Information, Government Programs Division, Dept. D-5, 401 Market Ave., N., Canton, Ohio 44702. Be sure to enclose $3.00 plus 50¢ postage and handling charges in cash, check, or money order. Make checks payable to Public Information. Your report will be rushed to you by return mail in a plain unmarked envelope.

If after reading your report you discover that you don't qualify, return the book within 3 weeks. You'll receive a full refund—no questions asked.

You could be one of the 15,000,000 people missing out on the benefits you have coming to you. If you do qualify, you'll receive a $120 to $2400 return on your $3.50 investment. You can find out if you qualify within 3 weeks by mailing in your report request today.

Mr. FANNIN. Mr. President, was it the intent of Congress to subsidize a family making $16,000 a year? Let us look at some of the loopholes in the present act which allow this to happen:

There is no maximum income limit to qualify for food stamps;

There is no minimum age for eligibility as a separate household;

Major items of personal property may be exempt from the resource limits;

Money from a student under 18, irregular income from part-time jobs totaling less than $30 a month, and money from loans is not counted as income;

Ownership of an expensive home actually helps one to qualify;

Car payments, union dues, utilities, and a host of other deductions enable persons with high incomes to qualify; and

Tuition for a private school is deductible.

In addition, regulations include no prohibition against immediate eligibility for an applicant who has transferred property or cash to another person for the purpose of qualifying for assistance.

If all eligible households had participated in fiscal year 1974 the cost would have been $12.1 billion.

I would like to read an excerpt from a book entitled "California's Blueprint for National Welfare Reform," developed under the direction of former Gov. Ronald Reagan, concerning eligibility:

> Federal food stamp eligibility requirements are far more lax than welfare eligibility rules. In addition, the income exemptions a food stamp applicant can claim to qualify for stamps are far more liberal than those in the AFDC program.

Mr. President, the food stamp program is out of control. Many of my colleagues have stated in the past their belief that the food stamp program needs a broad-range examination with a view to eliminating the inequities and inefficiencies which add to its cost. We cannot wait any longer. The time to start the wheels rolling is now, not in 5 or 10 years when one-half of the population could conceivably be subsidizing the other half. We need to reevaluate the program and remember what its objective is, raise levels of nutrition among low-income households.

The bill we are introducing today insures that resources are more properly allocated to persons in genuine need, that savings are realized for the taxpayer and that significant progress is made in bringing both control and equity to the food stamp program.

The proposals contained in the National Food Stamp Reform Act of 1975 have been developed after a thorough analysis of the present program and the elements which make it so complex and rapidly expanding; such as the eligibility, bonus value, purchase requirement, and coupon allotment criteria; the tests of income and resources which are applied; the numerous loopholes that permit abuse of the program; the manner in which cash and coupons are handled; current funding methods; and the basic purpose for which the program was first enacted.

If enacted, the proposals which are contained in the National Food Stamp Reform Act will:

Place realistic limits so that persons with high incomes will not qualify and thereby drain resources from a program that is meant to meet the needs of the legitimately needy;

Institute a food stamp formula that is based on what the average American family, by size and income range, spends for food, eliminating the many complex deductions and exemptions;

Close numerous loopholes that permit the voluntarily unemployed to receive food stamps;

Tighten work requirements;

Simplify administration by basing eligibility on gross income, by permitting demonstration projects to test management improvements, and by linking with welfare administration;

Requirement recognition of multiple public benefits that go to the same family;

Direct funding to swifter processing of applications and to nutritional education;

Improve cash and coupon handling methods to minimize opportunities for theft, loss, and misuse of Federal coupons and funds;

Enhance fraud control efforts; and

Increase amounts paid to the truly needy by substituting the low cost diet plan for the economy diet plan and raising coupon allotments by 29 percent, and reducing food stamp costs for the aged by allowing a $25 monthly income deduction.

I think this last point is extremely important and meaningful. We would be raising the coupon allotments substantially for those who genuinely need assistance. And at the same time we would be cutting the cost of the program and saving the taxpayer billions of dollars each year.

Mr. President, the food stamp program can be restored to the purpose for which it was originally intended by closing loopholes and correcting defective elements of the eligibility formula. The bill we are introducing today can achieve the needed reform without detrimental effect upon the persons who are in legitimate need and in fact, give them increased aid as a result of the reform.

Mr. HANSEN. Mr. President, I am pleased to be a cosponsor of the Food Stamp Reform Act of 1975.

Late in 1973, I was startled to read a report by the Joint Economic Committee that at the then existing growth rate, one in four Americans could be eligible for food stamps for at least 1 month a year by 1977.

Well, Mr. President, we do not have to wait until 1977 for this prognostication to be fulfilled. By July 1974, one out of every four Americans was eligible for food stamps for at least 1 month. I find this shocking. I do not believe that 25 percent of the citizens in this conutry need or want a Government food subsidy.

The fact that 25 percent of the people do not need this food subsidy is borne out by the fact that in 1975 only approximately 8 percent, 1 in 13 Americans, were actually receiving food stamps. The reason for the disparity between food stamp participation and those eligible to participate results from the defective nature of the food stamp formula. The present formula is artificially making an increasing number of high income Americans eligible for food stamps who are not in need of nutritional assistance. In fact, during July 1974, over half—57 percent—of the potential eligibles had incomes above the poverty line.

It is the food formula, not nutritional need, that has qualified 25 percent of the American people for food stamps. Clearly, the food stamp formula must be changed.

Moreover, I believe the actual present rate of food stamp participation is too high and does not, in many instances, represent true nutritional need. This, in part, is supported by the explosive rate of participation. In 1965, the average number of Americans receiving food stamps was 1 in 439, but 2 years later it was 1 in 157. By 1970, 1 of 47 Americans received food stamps, and by 1973, 1 in 17. Presently, one out of every 13 Americans receive food stamps. The estimated 19.1 million recipients in fiscal year 1975 compares with 12.8 million only a year ago. Moreover, in the 3 months between March and June of 1975, the caseload is believed to have grown from 19.1 million to 21.8 million. Clearly, this astronomical expansion of participation is not the result of increased nutritional needs, but again the result of an overexpansive formula.

The cost of this program has increased 14,203 percent in the past 10 years. In 1965, the food stamp program amounted to $36,353,797; whereas the estimate for 1975 is $5.2 billion, not million, but billion. There is no question that the food stamp program has gotten out of control.

The reason for the explosive cost rise of this program lies in the most part in the overexpansive formula. Presently, there is no maximum income limit to qualify for food stamps. Major items of personal property—boats, airplanes, and so forth—may be exempt from the resource limits. Making payments on expensive homes actually could help one qualify. Car payments, union dues, utilities, and a host of other deduction enable persons with high incomes to qualify.

Sending a child to a private school could help to assist in eligibility. Additionally, there is no minimum age for eligibility. Often college students, voluntarily unemployed, qualify for food stamps, even though their parents earn as much as $100,000 per year.

The cost of the present program results not only from the over-expansive formula, but also because of administrative difficulties. A February 1975, General Accounting Office report revealed that 18 percent, or almost one in five food stamp recipients, were ineligible. This high rate of ineligible participation results, in most instances, because of the complex method by which eligibility is calculated under the present formula. However, many cases result because the program is poorly administered. Our bill goes a long way in correcting both problems. The bill which was introduced will revise the formula under which food stamp eligibility is determined and improve the procedures under which the program is administered.

Our bill reduces the cost of the food stamp program by approximately $2 billion a year. This saving is accomplished primarily by weeding out those individuals currently receiving food stamps who do not need a Government food subsidy, and those others, who have established eligibility through fraud. By eliminating these individuals from the food stamp program, the bill can provide a 29-percent diet improvement for those truly in need of Government assistance. The diet improvement is accomplished by providing food stamp recipients the USDA "low cost diet" rather than the present "economy diet."

Thus, by eliminating from the food stamp program those individuals not in need, we can provide a better diet for those truly in need of a Government food program, and still save the American taxpayer $2 billion annually.

I want to emphasize that our bill represents merely a starting place for food stamp reform. The bill is by no means the last word, but it does provide a constructive proposal for a more workable system.

I hasten to add that I am not totally satisfied with the bill formula. It must be examined closely during committee deliberations to insure it is not difficult for many older, low-income Americans, truly in need of assistance, to participate. If the legislation is found short in this area, I will offer an amendment to assure that qualified older Americans receive adequate food stamp assistance.

With this qualification, I commend this bill to the attention of every Senator. We all recognize that the food stamp program has gotten out of control. This bill provides the first comprehensive approach to regaining control over this explosive program.

I certainly wish to commend Senator Buckley for his leadership on this bill.

Mr. DOMENICI. Mr. President, I am pleased today to join with the Senator from New York (Mr. Buckley) in introducing the National Food Stamp Reform Act of 1975. The fantastic growth rate of the food stamp program has made this type of comprehensive reform imperative.

The basic concept of this bill is to make sure the truly needy—the elderly, the poor, and the infirm—get improved benefits and improved nutrition. We can accomplish this objective while at the same time making sure that those who have abused the program are removed from the food stamp rolls. This legislation will also give the Congress a chance to hold open hearings on the food stamp program and to consider any modifications to this approach may be applicable.

There can be no doubt that a basic review of the present food stamp program is needed. In March of 1965, there were 442,359 Americans receiving food stamps. In March of 1975, there were only 19 million Americans on the program, an increase of 4,227 percent. The total cost of the program has risen from $36.3 million in fiscal year 1965 to approximately $5.2 billion in fiscal year 1975, an increase of 14,203 percent. The growth of this program can be demonstrated in another way: In 1965 one out of every 439 Americans received food stamps; and in 1975, one out of every 13 Americans are receiving food stamps.

The National Food Stamp Reform Act of 1975 specifically addresses this phenomenal growth in the program. This approach will place realistic limits on income for participants, so that persons with high incomes will not be eligible and thereby continue to drain resources from a program which is designed to meet the needs of the truly needy. Also, by substituting the low cost diet plan for the economy diet plan, this bill will raise coupon allotments to participants by 29 percent.

Mr. President, by closing loopholes, correcting some elements of the eligibility formula, tightening work requirements and curtailing opportunities for fraud and other criminal activities, the food stamp program can be restored to the purposes for which it was originally intended. This can be accomplished without detrimental effect upon the persons who are in legitimate need, and in fact, they will receive increased aid as a result of the reforms. At the same time, it is estimated these reforms will save the American taxpayer from $2 to $2.5 billion.

By Mr. MOSS:

S. 1994. A bill to authorize the Director of the National Science Foundation ment of improved curricula for training of coal mine technologists, and to authorize the Commissioner of Education to make grants to community colleges for the conduct of such programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

COAL MINING TECHNOLOGY AND MANPOWER DEVELOPMENT ACT

Mr. MOSS. Mr. President, I am introducing the Coal Mining Technology and Manpower Development Act, to assist community colleges in training skilled coal mine workers.

In our effort to expand the production and diversify the sources of domestic energy, we must not overlook the need to develop sufficient manpower with appropriate skills to do the job. This is particularly true of coal mining. Coal presently provides only 17 percent of our energy even though it constitutes 93 percent of the fossil fuel reserves of the United States. Project Independence anticipates an increase in production of 10 percent per year through 1985 in order to raise output to more than 1 billion tons. This goal, in the judgment of the National Academy of Engineering, will require 125,000 additional skilled workers, more than one-half of the projected increase for all energy production, electric power generation, and energy transportation in the decade ahead.

The problem in coal mining is not merely one of numbers. So far the general unemployment rate has assured the industry an adequate labor supply, but many of the new recruits are poorly trained. Shortages of experienced miners are beginning to appear and will become acute, for a large proportion of the work force is concentrated in the older and younger age groups. According to United Mine Workers' President Arnold Miller, who testified just last week before the Senate Interior and Public Works Committees, nearly 30 percent of the union's membership will be eligible for retirement under the terms of the present contract. The same number of workers is under 30 and, therefore, inexperienced. In this, the most hazardous of industrial occupations, they are the most frequent victims of accidents.

The private sector has long assumed the major burden of recruiting and training skilled coal workers and is taking new initiatives. In recent years, however, a number of junior colleges, technical colleges, and vocational schools have created training programs. In my own State, for example, the College of Eastern Utah in Price will construct a $2 million center to provide training for high school students, a 2-year associate degree in mining technology, an extension course for recertifying mine electricians, and a university preparatory general science course.

My bill would provide two kinds of Federal assistance to these institutions. First, the National Science Foundation would conduct studies of manpower needs, research in coal mining technology and curricula, and demonstration projects applying the results of that research. Second, the Office of Education would provide direct grants to community colleges to train electricians, machine operators, mechanics, mine safety supervisors, foremen, and other skilled coal workers.

Mr. President, these programs must be accompanied by efforts to develop new technologies for coal production and conversion, new techniques of land reclamation, and new programs in mineral research. S. 26, the Mining and Minerals Resources Research Act, which I introduced earlier this year, and S. 62, the Coal Research Laboratory and Energy Research Fellowship Act, which the distinguished minority leader, Senator Scott, introduced with my support, would create or expand mineral research centers, laboratories, and student financial assistance. Together with the Coal Mining Technology and Manpower Development Act, these bills would do much to insure the safe, efficient, and expanded production of coal. They would, in addition, enable thousands of men and women to qualify for jobs that will be available.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1994

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Coal Mining Technology and Manpower Development Act."

STATEMENT OF PURPOSE

Sec. 2. It is the purpose of this Act to advance the technology and training of technologists needed to increase the production of coal in a safe and environmentally acceptable manner.

DEFINITIONS

Sec. 3. As used in this Act, the term—

(1) "comunity college means any junior colege, postsecondary vocational school, technical institute, or any other educational institution (which may include a four-year institution of higher education or a branch thereof) in any State which—

(A) is legally authorized within such State to provide a program of education beyond secondary education;

(B) admits as regular students persons who are high school graduates or the equivalent, or at least 18 years of age;

(C) provides a two-year postsecondary educational program leading to an associate degree, or acceptable for credit toward a bachelor's degree, and also provides programs of postsecondary vocational, technical, occupational, and specialized education;

(D) is a public or other nonprofit institution;

(E) is accredited as an institution by a nationally recognized accrediting agency or association, or if not so accredited—

(i) is an institution that has obtained recognized preaccreditation status from a nationally recognized accrediting body, or

(ii) is an institution whose credits are acceptable on transfer, by not less than three accredited institutions, for credit on the same basis as if transferred from an institution so accredited.

(2) "Commissioner" means the Commissioner of Education, and

(3) "Director" means the Director of the National Science Foundation.

DEVELOPMENT OF COMMUNITY COLLEGE PROGRAMS FOR THE ADVANCEMENT OF COAL TECHNOLOGY AND COAL TECHNOLOGY MANPOWER STUDIES

Sec. 4. (a) The Director of the National Science Foundation, after consultation with the National Academy of Engineering, is authorized and directed to—

(1) develop improved curricula for use by community colleges in programs for training of technologists needed to increase the production of coal in a safe and environmentally acceptable manner,

(2) conduct, by contract or other arrangement, demonstration projects applying the curricula developed under paragraph (1) of this subsection; and

(3) conduct research designed to identify the manpower goals and needs of the United States for increasing the production of coal in a safe and environmentally acceptable manner.

(b) Curricula developed under subsection (a) of this section shall include the training of technologists in the fields of—

(1) the extraction, preparation, and the transportation of coal,

(2) the reclamation of coal mined land,

(3) the disposal of coal mine wastes,

(4) the chemical and physical analysis of coal and materials such as water and soil, that are involved in the coal mining process, and

(5) the improvement of health and safety of coal mine employees.

(c) Curricula developed under subsection (a) of this section shall, to the maximum extent practicable, be designed to meet the needs of existing personnel in the coal mining process and to enable coal mine employees to upgrade their skills.

ADMINISTRATIVE PROVISIONS

SEC. 5. (a) In carrying out his functions under section 4 of this Act, the Director is authorized to—

(1) make use of the resources of community colleges in developing curricula under subsection (a) of section 4, to the maximum extent possible;

(2) obtain consultative services as provided under section 3109 of title 5, United States Code;

(3) pay transportation expenses, and per diem in lieu of subsistence expenses, in accordance with chapter 57 of title 5, United States Code, for travel between places of recruitment in duty, and while at places of duty, of persons appointed for emergency, temporary, or seasonal services in the field service of the National Science Foundation;

(4) utilize, on a reimbursable basis, the services of any personnel made available by any department, agency or instrumentality, including any independent agency, of the Federal government; and

(5) enter into contracts and other arrangements as he deems necessary to utilize, to the maximum extent feasible, the resources of other departments, agencies, or instrumentalities, including independent agencies, of the Federal Government.

(b) Upon request of the Director the head of any department, agency, or instrumentality of the Federal Government is authorized to furnish to the Director such information as may be necessary to carry out his functions under section 4 of this Act.

ADVISORY COUNCIL ON COAL MINING TECHNOLOGY EDUCATION

SEC. 6. (a) There is established an Advisory Council on Coal Mining Technology Education which shall be composed of—

(1) the Director of the National Science Foundation, who shall be Chairman;

(2) the Commissioner of Education;

(3) the Director of the Bureau of Mines of the Department of the Interior;

(4) the President of the National Academy of Engineering;

(5) the Director of the United States Geological Survey;

(6) the Director of Mining Enforcement and Safety Administration of the Department of the Interior; and

(7) six members appointed by the Director from amoing individuals who by virtue of experience or training, are knowledgeable in the field of coal mining technology, and who are representative of community colleges, industrial users of coal and coal derived fuels, the coal industry, labor, and institutions concerned with preservation of the environment.

(b) The Advisory Council shall advise the Director with respect to the general administration of this title, and furnish such additional advice as he may request.

(c) The Advisory Council shall make an annual report of its findings and recommendations (including recommendations for changes in the provisions of this title) to the President not later than March 31 of each calendar year. The President shall transmit each such report to the Congress.

(d)(1) Members of the Council who are not regular officers or employees of the United States Government shall, while serving on business of the Council, be entitled to receive compensation at rates fixed by the Director, but not exceeding the daily rate prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(2) Members of the Council who are officers or employees of the Government shall be reimbursed for travel subsistence, and other necessary expenses incurred by them in carrying out their duties on the Council.

(e) Whenever a member of the Council appointed under clauses (1) through (5) is unable to attend a meeting, that member shall appoint an appropriate alternate to represent him for that meeting.

FINANCIAL ASSISTANCE TO COMMUNITY COLLEGES

SEC. 7. (a) The Commissioner is authorized to make grants to community colleges to carry out programs for the training of technologists in the field of coal mining and technology.

(b) In making grants under subsection (a) of this section the Commissioner shall give priority to—

(1) community colleges located in States having abundant coal reserves, and

(2) training programs implementing curricula developed under section 4 of this Act.

APPLICATIONS FOR FINANCIAL ASSISTANCE

SEC. 8. (a) Each community college desiring to receive a grant under this Act shall submit an application to the Commissioner, at such time, in such manner, and containing or accompanied by such information, as the Commissioner deems necessary. Each such application shall—

(1) describe with particularity the program for training technologists in the field of coal mining and technology, including provisions for such supplementary demonstration projects or short term seminars as the community college determines will best carry out the purposes of this Act;

(2) set forth policies and procedures to assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be available for the purposes described in section 5, and in no case supplant such funds;

(3) provide that fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursal of, and accounting for, Federal funds paid to the State under this Act; and

(4) provide that reasonable reports will be furnished in such form and containing such information as the Administrator may reasonably require and such reports will be kept and access furnished thereto as the Administrator may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner may approve any application that meets the requirements of subsection (a).

PAYMENTS

SEC. 9. (a) The Commissioner shall pay to the community college which has an application approved under section 8, an amount equal to the amount needed for the purposes set forth in that application.

(b) Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

WITHHOLDINGS

SEC. 10. Whenever the Commissioner, after reasonable notice and opportunity for hearing to any community college, finds that there has been a failure to comply substantially with any provision set forth in the application of that community college approved under section 8, the Commissioner shall notify the community college that further payments will not be made under this Act until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made under this Act.

ADMINISTRATION OF FINANCIAL ASSISTANCE

SEC. 11. (a) The Commissioner may delegate any of his functions under this Act except the making of regulations to any officer or employee of the Office of Education.

(b) In administering the provisions of this Act for which he is responsible, the Commissioner is authorized to utilize the services and facilities of any department, agency, or instrumentality of the Federal government and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

AUTHORIZATION OF APPROPRIATIONS

SEC. 12. (a) There are authorized to be appropriated to carry out section 4 of this Act, $4,000,000 for the fiscal year 1975, and $8,000,000 for the fiscal year 1976 and each of the four succeeding fiscal years.

(b) There are authorized to be appropriated to carry out the provisions of section 6 of this Act such sums as are necessary.

(c) There are authorized to be appropriated to carry out the provisions of section 7 of this Act not to exceed $5,000,000 for the fiscal year 1976, and not to exceed $10,000,000 for the fiscal year 1977 and each of the three succeeding fiscal years.

By Mr. ROTH:

S. 1995. A bill amending the Internal Revenue Code of 1954 to provide for an inflation adjustment in the rates of tax and the standard and personal exemption deductions and for other purposes. Referred to the Committee on Finance.

INFLATION ADJUSTMENT ACT

Mr. ROTH. Mr. President, I am today introducing legislation which would reduce the Federal personal income tax by the rate of inflation by adjusting the tax rates and the personal exemption and standard deductions.

Under this legislation, which I first introduced last year, the personal income tax would be indexed, or adjusted to reflect the increase in the rate of inflation, as measured by the Consumer Price Index.

I have consistently initiated efforts to reduce the level of Federal spending, but Federal spending will not be brought under control as long as our tax system is structured so that inflation benefits the Government.

In the past few years, the Federal Government has relied on inflation to supply the Government with a continually growing supply of tax revenues. This hidden inflation tax has allowed Congress to continue spending without facing the political consequences of funding new spending projects through tax increases.

This hidden inflation tax is a result of the effect that inflation has on a tax system which is based on a progressive rate. Under our progressive rate system, a person must pay a greater percentage of his income in taxes as his income increases.

Although this system appears to be conceptually fair and sound, it has no way of determining whether an individual's increased income is real, or simply the result of inflation.

For example, a 10-percent wage increase, combined with a 10-percent rate of inflation, will not increase a person's purchasing power. Yet, the wage increase could push the individual into a higher tax bracket, and the raise could end up lowering his standard of living.

The impact of this hidden inflation tax has been dramatic. We are all aware of last year's inflation rate of of 14 percent, with the 12-percent increase in food prices and the 13-percent increase in housing costs. But very few people realize that the largest increase for consumers last year was the 26.5 percent increase in Federal, State, and local personal income taxes.

A few examples of the effect that inflation has on the tax system points out the pressing need for this legislation.

A family of four earning $15,000 at the beginning of 1974 received a 10-percent salary increase. But because the inflation rate was 14 percent, the family's real purchasing power declined by about $600. And to make matters worse, the 10-percent raise pushed the family into a higher tax bracket and increased their tax bill by about $300.

Another family of four earning $20,000 at the beginning of the year and receiving a 10 percent raise would have experienced an $800 loss in purchasing power and a $400 increase in its tax bill.

In the past 2 years, inflation has raised Federal taxes by almost $50 billion. If Congress tried to enact a real tax increase of that size, the public reaction would have been enormous.

If the public recognized how much their taxes were being increased by inflation, they might turn their anger on Congress and motivate the Congress to bring Federal spending under control.

But under our present system, Congress has the best of both worlds. The hidden inflation tax allows Congress to benefit politically from popular spending programs, and every few years can enact a politically popular tax reduction act.

If in periods of inflation, increased Federal spending had to be funded by an implicit tax increase, rather than by a hidden tax increase, Congress would be much more concerned with inflation.

Under this legislation, if the inflation rate is 10 percent, the present $750 personal exemption would automatically be increased to $825 and the $2,000 standard deduction would increase to $2,200. In addition, the tax brackets would be adjusted so that, for example, the 32-percent bracket for married couples would range from $22,000 to $26,400, instead of from $20,000 to $24,000.

This plan has been downgraded in the press as a radical change in our system of taxation. But my approach is modeled after systems that have been successfully adopted by the Netherlands, Denmark, and our neighbor, Canada, and I can see no reason why we cannot adopt this approach.

If this legislation had been in effect this year a tax cut of $15 billion would have automatically gone into effect on January 1.

This type of tax cut would have been much more preferable to the complex tax cut finally enacted by Congress 2 months ago. Not only would it have been more equitable than the final tax cut, which I believe was heavily biased against moderate- and middle-income taxpayers.

I believe that an indexed tax system would provide at least partial relief from inflation. It would insure that a person will no longer be forced to pay more taxes simply because inflation has pushed him into a higher tax bracket.

For many senior citizens on a fixed income, this proposal could result in a tax reduction each year that prices rise.

But most important, this proposal would reduce the amount of inflated revenues that the Federal Government collects and spends each year.

The Congress would then be faced with some hard choices—either reduce the amount of Federal spending in order to reduce inflation, or enact a tax increase.

Despite the easing of price levels, inflation is still one of our most serious problems and I do not believe we can ignore its disruptive impact on the American economy. The Congresss cannot continue to spend, and then cut taxes every election year.

We have to face up to this very real problem, deal with it directly, and put a stop to a tax system which allows the Government to benefit from inflation.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1995

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Inflation Adjustment Act".

"Sec. 2. Section 1 of the Internal Revenue Code of 1954 (relating to tax imposed) is amended by adding at the end thereof the following new subsection:

"(e) Inflation Adjustment.—

"(1) Changes in amount.—As soon after the end of each inflation year as the necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the percentage difference between the price index for such inflation year and the price index for the base period. Each dollar amount listed in the tables under subsections (a), (b), (c), and (d) shall be changed by an amount equal to such percentage difference and, as changed, shall be the amount in effect for the succeeding calendar year. The amount in effect for calendar year 1978 shall remain in effect for all succeeding calendar years.

"(2) Definitions.—For the purposes of paragraph (1)—

"(A) the term 'base period' means the period beginning October 1, 1973, and ending September 30, 1974;

"(B) the term 'inflation year' means each of the periods beginning October 1, 1974, 1975, and 1976, and ending September 30, 1975, 1976, and 1977, respectively; and

"(C) the term 'price index' means the average over the base period or over an inflation year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.".

"Sec. 3. Section 141 of the Internal Revenue Code of 1954 (relating to standard deduction) is amended by adding at the end thereof the following new subsection:

"(f) Inflation Adjustment.—

"(1) Changes in amount.—As soon after the end of each inflation year as the necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the percentage difference between the price index for such inflation year and the price index for the base period. Each dollar amount listed in the table under subsection (b) and in subsection (c) shall be changed by an amount equal to such percentage difference and, as changed, shall be the amount in effect for the succeeding calendar year. The amount in effect for calendar year 1978 shall remain in effect for all succeeding calendar years.

"(2) Definitions.—For the purposes of paragraph (1)—

"(A) the term 'base period' means the period beginning October 1, 1973, and ending September 30, 1974;

"(B) the term 'inflation year' means each of the periods beginning October 1, 1974, 1975, and 1976, and ending September 30, 1975, 1976, and 1977, respectively; and

"(C) the term 'price index' means the average over the base period or over an inflation year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.".

Sec. 4. Section 151 of the Internal Revenue Code of 1954 (relating to allowance of deductions for personal exemption) is amended by adding at the end thereof the following new subsection:

"(f) Inflation Adjustment.—

"(1) Changes in amount.—As soon after the end of each inflation year as the necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the percentage difference between the price index for such inflation year and the price index for the base period. Each dollar amount in subsections (b), (c), (d), and (e) shall be changed by an amount equal to such percentage difference and, as changed, shall be the amount in effect for the succeeding calendar year. The amount in effect for calendar year 1978 shall remain in effect for all succeeding calendar years.

"(2) Definitions.—For the purposes of paragraph (1)—

"(A) the term 'base period' means the period beginning October 1, 1976, and ending September 30, 1974;

"(B) the term 'inflation year' means each of the periods beginning October 1, 1974, 1975, and 1976, and ending September 30, 1975, 1976, and 1977, respectively; and

"(C) the term 'price index' means the average over the base period or over an inflation year of the average) published monthly by the Bureau of Labor Statistics.".

Sec. 5. Section 3402 of the Internal Revenue Code of 1954 (relating to income tax collected at source) is amended by adding at the end thereof the following new subsection:

"(g) INFLATION ADJUSTMENT.—

"(1) CHANGES IN AMOUNT.—As soon after the end of each inflation year as the necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the percentage difference between the price index for such inflation year and the price index for the base period. Each dollar amount listed in the tables under subsections (a) and (b)(1) and in subsection (m)(1) shall be changed by an amount equal to such percentage difference and, as changed, shall be the amount in effect for the succeeding calendar year. The amount in effect for calendar year 1977 shall remain in effect for all succeeding calendar years.

"(2) DEFINITIONS.—For the purposes of paragraph (1)—

"(A) the term 'base period' means the period beginning October 1, 1973, and ending September 30, 1974;

"(B) the term 'inflation year' means each of the periods beginning October 1, 1974, 1975, and 1976; and 1977, respectively; and

"(C) the term 'price index' means the average over the base period or over an inflation year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.".

SEC. 6. The amendments made by sections 2, 3, and 4 of this Act apply with respect to taxable years beginning after December 31, 1975. The amendments made by section 5 apply with respect to payments of wages made after December 31, 1975.

By Mr. RANDOLPH (for himself, Mr. JACKSON, and Mr. DOMENICI):

S. 1996. A bill to extend the Energy Supply and Environmental Coordination Act of 1974. Referred to the Committee on Interior and Insular Affairs.

SENATOR RANDOLPH INTRODUCES LEGISLATION TO EXTEND FEDERAL COAL CONVERSION PROGRAM

Mr. RANDOLPH. Mr. President, 1 year ago on June 29, 1974, the Congress passed and the President approved the Energy Supply and Environmental Coordination Act of 1974.

Among its provisions was authority to require electric powerplants and major industrial facilities with the capability to utilize coal to convert from oil and natural gas to our Nation's most abundant fossil fuel.

The Federal Energy Administration recently completed most of the complex analyses called for by the act before issuing orders for 48 generating stations.

Early in May, the Federal Energy Administration promulgated the first "Notices of Intent" to issue prohibition orders. The notices now cover 70 boilers in 32 generating stations. Since then the Federal Energy Administration has held public hearings on the 74 proposed orders affecting utilities in 17 States.

If the Notices of Intent withstand public scrutiny and the Environmental Protection Agency approves the attendant air pollution control compliance schedules for all of these cases, the final orders could result in the ultimate substitution of 19 million tons of coal for 64 million barrels of oil and 88 million cubic feet of natural gas per year.

There still remain, however, some 11 powerplants which are in the process of further examination before a final decision is made by the Federal Energy Administration to issue a Notice of Intent. This analysis will not be complete prior to June 30. Yet the present authority expires on June 30, 1975.

In addition, there are approximately 4,000 major fuel burning installations in the Nation which are only now being defined. While these plants could yield significant oil savings, the absence of concise data has made it impossible to date to single out plants that had coal burning capability last June when the Energy Supply and Environmental Coordination Act was enacted.

The administration in the Energy Independence Act has requested a 2-year extension of the Energy Supply and Environmental Coordination Act. This is to allow the Federal Energy Administration to complete its investigation of those powerplants that involve difficult analytical problems. It also will enable them to identify, analyze, and issue orders to a sizable group of major fuel-burning installations other than powerplants which could provide potential oil savings of 200,000 to 500,000 barrels per day.

Mr. President, on June 10, the Committee on Public Works, in conjunction with the National Fuels and Energy Policy Study, launched an investigation of national policies affecting greater coal utilization. To date 4 days of hearings have been held during which testimony has been received from the coal industry, coal users, labor and transportation. In addition a conference was held with representatives from the Department of the Treasury, the Federal Energy Administration, and the Environmental Protection Agency. For the record Federal Energy Administrator Frank G. Zarb supported legislative attempts to lessen our reliance on foreign sources of energy supplies by turning to coal, our most abundant fossil fuel resource, stating that—

> The substitution of coal for insecure foreign sources of oil, and for our own dwindling supplies of natural gas, is imperative if we are to lessen the nation's energy vulnerability. While we vigorously support the basic goals of the bill, I have reservations about some of its detailed provisions and about its mechanisms of implementation. I do, however, endorse increased reliance on coal to regain energy independence.
>
> Any examination of government efforts to foster coal utilization should begin with the pioneer program authorized by Congress last June in the Energy Supply and Environmental Coordination Act of 1974.

Mr. President, I introduced legislation to extend for 6 months the coal conversion authority of the Federal Energy Administration as contained in the Energy Supply and Environmental Coordination Act. This proposal is cosponsored by Senators HENRY M. JACKSON, and PETE V. DOMENICI.

This will facilitate the orderly continuation of the congressional review of this existing coal conversion program and the reasoned consideration of S. 1777, the National Petroleum and Natural Gas Conservation and Coal Substitution Act of 1975.

In the interest of expediting Senate consideration of this 6-month extension, I am introducing this proposal as both a separate bill and as an amendment to S. 1849, the Emergency Petroleum Allocation Extension Act of 1975.

Mr. President, the record should note that such a 6-month extension was approved by the Senate on April 9, 1975, as an amendment to S. 622, the Standby Energy Authorities Act. An identical provision also is in H.R. 4035 as passed by the House, although these are not companion measures.

Mr. President, I ask unanimous consent that the amendment as well as the bill be printed in the RECORD.

There being no objection, the bill and amendment were ordered to be printed in the RECORD, as follows:

S. 1996

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(f)(1) of the Energy Supply and Environmental Coordination Act of 1974 is amended by striking "June 30, 1975" and inserting "December 31, 1975".

AMENDMENT NO. 606

At the conclusion of the bill, insert the following new title:

"TITLE II

"SEC. 201. This Act may be cited as the 'Coal Conversion Extension Act of 1975'.

"SEC. 202. Section 2(f)(1) of the Energy Supply and Environmental Coordination Act of 1974 is amended by striking 'June 30, 1975' and inserting 'December 31, 1975'."

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 84

At the request of Mr. MATHIAS, the Senator from California (Mr. CRANSTON), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), the Senator from Vermont (Mr. LEAHY), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of S. 84, a bill to enforce the first amendment and fourth amendment to the Constitution and the constitutional right of privacy by prohibiting any civil officer of the United States or any member of the Armed Forces of the United States from using the Armed Forces of the United States to exercise surveillance of civilians or to execute the civil laws, and for other purposes.

S. 89

At the request of Mr. MATHIAS, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 89, a bill to provide that income from entertainment activities held in conjunction with a public fair conducted by an organization described in section 501(c), (3) and (5) shall not be unrelated trade or business income and shall not affect the tax exemption of the organization.

S. 123

At the request of Mr. INOUYE, the Senator from Hawaii (Mr. FONG) was added as a cosponsor of S. 123, a bill to amend the Social Security Act.

S. 389

At the request of Mr. CHURCH, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 389, a bill to amend the Internal Revenue Code of 1954 to revise the retirement income credit and to increase the amount of such credit.

S. 390

At the request of Mr. CHURCH, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 390, a bill to provide a program of income tax counseling for elderly individuals.

S. 666

At the request of Mr. BENTSEN, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 666, the Educational Saving Plan.

S. 1761

At the request of Mr. MATHIAS, the Senator from California (Mr. CRANSTON) and the Senator from Ohio (Mr. TAFT) were added as cosponsors of S. 1761, a bill to provide foreign assistance to Cyprus.

S 1980

At the request of Mr. BARTLETT, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 1980, a bill to provide a priority system for certain agricultural uses of natural gas.

AMENDMENTS SUBMITTED FOR PRINTING

EMERGENCY PETROLEUM ALLOCATION EXTENSION ACT—S. 1849

AMENDMENT NO. 606

(Order to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. RANDOLPH (for himself, Mr. JACKSON, and Mr. DOMENICI submitted an amendment intended to be proposed by them jointly to the bill (S. 1849) to extend the Emergency Petroleum Allocation Act.

NOTICE OF HEARING ON JUDICIAL SURVIVORS ANNUITIES REFORM ACT

Mr. BURDICK. Mr. President, I wish to announce that an open public hearing has been scheduled by the Subcommittee on Improvements in Judicial Machinery on S. 12, a bill to amend and reform the Judicial Survivors Annuity Act, including printed amendment No. 587 which proposes amendments to the bill.

The hearing will be held on July 17, 1975, commencing at 10 a.m., in room 6202, Dirksen Senate Office Building.

Persons who wish to testify or submit a statement for inclusion in the RECORD should communicate, as soon as possible, with the subcommittee office, 6306 Dirksen Senate Office Building, telephone 224-3618.

ANNOUNCEMENT OF HEARING BEFORE THE ENVIRONMENT AND LAND RESOURCES SUBCOMMITTEE

Mr. HASKELL. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of a public hearing before the Environment and Land Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for July 9, 1975, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

Testimony is invited regarding two wild and scenic river proposals which are pending before the subcommittee. The proposals are:

S. 10, a bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Housatonic River, Conn., for potential addition to the National Wild and Scenic Rivers System.

S. 1004, a bill to amend the Wild and Scenic River Act of 1968 by designating a portion of the Allegheny River, Pa., for potential addition to the National Wild and Scenic Rivers System.

For further information regarding the hearings you may wish to contact Mr. Steven Quarles or Mr. Thomas Williams of the subcommittee staff on 224-9894. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Environment and Land Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARING

Mr. BURDICK. Mr. President, as chairman of the Judiciary Committee's Subcommittee on National Pentinentiaries, I wish to announce a change in the dates of hearings for consideration of S. 1243, legislative providing for the relocation of certain District of Columbia correctional facilities. The hearings will continue on July 9 and 10, 1975, in room 2228 of the Dirksen Senate Office Building beginning at 10 a.m.

Any person who wishes to testify or submit a statement for inclusion in the record of the hearings should communicate as soon as possible with the Subcommittee on National Penitentiaries, room A-404, Senate Annex III, telephone 224-5461.

ANNOUNCEMENT OF HEARING BEFORE THE SMALL BUSINESS COMMITTEE

Mr. NELSON. Mr. President, I wish to announce that the Senate Select Committee on Small Business will hold a public hearing on Wednesday, July 16, 1975, at 10 a.m. in room 457, Russell Senate Office Building.

The purpose of the hearing is to examine the practice of giveaways and sale of merchandise by financial institutions. Small business retailers contend these practices constitute unfair competition and do not serve the best interests of consumers. The hearing will explore the impact of such practices and the ramifications on small busines retailing.

The Senator from Maine (Mr. HATHAWAY) has been designated to serve as acting chairman for the July 16 hearing.

The committee would welcome statements for inclusion in the record of the hearing.

NOTICE OF HEARING ON U.S. MAGISTRATES JURISDICTION

Mr. BURDICK, Mr. President, I wish to announce that an open public hearing has been scheduled by the Subcommittee on Improvements in Judicial Machinery on S. 1283, a bill to further define the jurisdiction of U.S. magistrates, including printed amendment No. 589 which proposes amendments to the bill.

The hearing will be held on July 16, 1975, commencing at 10 a.m., in room 6202, Dirksen Senate Office Building.

Persons who wish to testify or submit a statement for inclusion in the record should communicate as soon as possible with the subcommittee office, 6306 Dirksen Senate Office Building, telephone 224-3618.

CHANGE OF HEARING—EXAMINATION OF PROPOSED SECTION 202 HOUSING REGULATIONS

Mr. WILLIAMS, Mr. President, I wish to announce a change of time and place for a hearing by my Subcommittee on Housing for the Elderly of the U.S. Senate Special Committee on Aging. The hearing was originally scheduled for June 25, 1975, at 10 a.m. The new date is June 26, 1975, beginning at 9 a.m. in room 4232, Dirksen Building. Testifying at that time will be Secretary Carla A. Hills of the Department of Housing and Urban Development.

As I announced earlier, this hearing is a continuation of our series entitled "Examination of Proposed Section 202 Housing Regulations." The initial hearing on this issue was held on June 6, 1975, at which time we heard testimony from national organizations representing senior citizens and from experienced nonprofit sponsors who are anxious to continue building housing for the elderly. Because of prior commitments that conflicted with that date no presentation was made by HUD. However, Mrs. Hills has accepted our invitation to testify on June 6. Our hearing will center on her testimony and the issues surrounding the proposed regulations.

ADDITIONAL STATEMENTS

FOOD STAMP PROGRAM

Mr. PACKWOOD. Mr. President, I can only begin to express my anger and frustration, and that of my constituents, with our Nation's most troubled stepchild—the food stamp program.

I was shocked and disgusted to see an advertisement in a recent Sunday newspaper supplement, "Parade magazine," that told nonneedy Americans how to exploit loopholes in the program. It makes me mad to see the so-called "Center for Public Information" charge $3 for a paperback book that shows working, relatively well-off families how to "rip-off" other hardworking taxpayers. The headline reads: "Taxpayers Making Up to $16,000 a Year Now Eligible: How to Save $120 to $2,400 a Year by Participating in the U.S. Food Stamp Program." At this point in my remarks, Mr. President, I ask unanimous consent that this ad be printed in the RECORD.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

How to Save $120 to $2,400 a Year by Participating in the U.S. Food Stamp Program

TAXPAYERS MAKING UP TO $16,000 A YEAR NOW ELIGIBLE

(By Elizabeth Evans)

A government ruling in July of 1974 has extended food stamp coverage to 20,000,000 new Americans. But to date, more than 15,000,000 of these newly eligible citizens have not claimed their benefits. Why?

Obviously, most of these people are not aware of this new ruling. Others think that eligibility is based on gross income. But in reality, numerous deductions lowering your gross income are used to figure food stamp eligibility. And finally, thousands of people who know they are eligible are too embarassed to claim their benefits.

The embarassment surrounding food stamps and the old fashioned notion that you must be on welfare to participate are quickly becoming a thing of the past.

A December 20, 1974, Wall Street Journal article reported that more and more middle and upper middle class working families are using food stamps. Donna Marie of 4445 1'th Street NW, Canton, Ohio, sums up the feelings of hundreds of thousands of working American families who now use food stamps, "I saw my neighbor eating steaks and using the money she saved to buy a few luxuries. Then I thought of all the taxes I'd paid. It struck me how silly it was not to take advantage of something I'd already paid for. I now use food stamps to serve nutritional and delicious meals for my family. To me it is no different than a rebate program."

NO RISK REPORT

The problem of people not knowing if they are eligible has been eliminated with the recent publication of the public information report, *1975 Food Stamp Qualification Guide*. This report is being made available on a no risk basis. By ordering this report, you can quickly determine in the privacy of your home if you qualify and for what amount. If you don't qualify, you may return the book. You'll receive a full refund—no questions asked.

EYE OPENING FACTS

Here are some little known facts regarding the food stamp program. Did you know that:

Workers who are laid off or on strike can collect food stamps.

In some states, you can get your food stamps through the mail.

Hundreds of thousands of senior citizens are eligible.

The elderly can use food stamps to pay for home delivered meals-on-wheels and for group meals for the elderly.

Working families with gross incomes as high as $16,000 a year can qualify for food stamps.

Food stamps are used just like cash. There are no forms to fill out at the grocery checkout counter.

Food stamps are accepted at almost every grocery store.

It takes only two weeks to receive your food stamps after you qualify.

Several people living in the same house can all separately receive food stamps.

If you are physically unable to apply at the food stamp office, you can have someone else apply for you or have the food stamp office come to your home.

If you move, you can continue to receive food stamps for a 60 day period from your old food stamp area.

If you've recently moved to a new state, you can immediately apply for food stamps.

When your income and resources are being calculated to see if you qualify, your house, lot, one car, your personal belongings and household goods, cash value of your insurance policy, income producing property, and boarders are *not counted* as resources.

When calculating your income, money from a student under 18, irregular income from part time jobs totaling less than $30 a month, and money from loans is *not counted* as income.

If you work and must use a day care center or a babysitter, you can deduct this expense.

State and Federal taxes, Social Security, and union dues are deducted from your income.

Medical fees over $10 a month and tuition and mandatory education expenses can be deducted from your income.

Alimony or child support you pay can be deducted. So can unusual expenses due to disasters.

Rent, mortgage and utilities are deductable by using a shelter standard formula.

All information given when you apply for stamps must be kept strictly confidential.

You'll be told if you qualify 30 days after you apply.

If you are refused food stamps and feel you're being cheated, you have the right to a fair hearing appeal. Even if you've been refused long ago, you can still go back for your hearing. And if the food stamp office made a mistake, you're entitled to all the back food stamps you should have collected.

TYPICAL WORKING FAMILIES

Here's an example of a typical family that qualifies for food stamps. Mr. Seagel grosses $192 a week, $10,000 a year. Mrs. Seagel does not work and has a boy, age 5, and a girl, age 10. Mr. Seagel pays $150 per month alimony and child support to his previous wife, has a rent of $130, $8 for phone, $50 for heat and utilities, $35 a month for hospital insurance, and spends $15 a month on allergy medicine.

After making all the necessary deductions outlined in the *1975 Food Stamp Qualification Guide*, it was found that the Seagels would receive $150 worth of food stamps for only $113 a month. They'd saved $37 dollars a month. A total of $444 on groceries for the year.

"A July 74 ruling extended food stamp coverage to over 20,000,000 new Americans. To date, over 15,000,000 of these newly eligible citizens have not claimed their benefits which their personal taxes have already paid for."

What will qualifying for the food stamp program mean to you? Depending on your income, you could slash your food budget by 20% to 60%. This would mean a savings of $120 to $2,400 a year. You could afford to provide your family with the most nutritional and healthful foods. The money you've saved could be placed in the bank or used to buy anything you'd like. There are no restrictions on what you do with the money you saved. But, best of all, you'd be starting your own personal tax rebate program. You will be getting back some of the thousands of dollars you've paid in taxes by taking advantage of a government program which you've already paid for.

The *1975 Food Stamp Qualification Guide* is written in plain, simple language. It will show you step by step how to figure your Food Stamp income. It will make sure you're deducting all the expenses you're entitled to. It will also prevent you from adding income which should not be counted in your total. When you qualify, you'll be told exactly where to go, who to see, and what to do in order to start cashing in on your benefits. A sample form is enclosed so you will waste no time when you go to fill out the real thing. All of this is done in the privacy of your home. You'll waste no time hunting down this information, and you won't have to spend a cent on gas.

LOW PRICED SOFT COVER EDITION

As I've said, this public information report is being made available in a special low priced soft cover edition. To get your report, all you need do is write the words Food Stamps on the top of a piece of paper along with your name and address.

Mail to: The Center for Public Information, Government Programs Division, Dept. C-19, 401 Market Ave., N. Canton, Ohio 44702. Be sure to enclose $3.00 plus 50¢ postage and handling charges in cash, check, or money order. Make checks payable to Public Information. Your report will be rushed to you by return mail in a plain unmarked envelope.

If after reading your report you discover that you don't qualify, return the book within 3 weeks. You'll receive a full refund—no questions asked.

You could be one of the 15,000,000 people missing out on the benefits you have coming to you. If you do qualify, you'll receive a $120 to $2,400 return on your $3.50 investment. You can find out if you qualify within 3 weeks by mailing in your report request today.

Mr. PACKWOOD. Without a doubt, Mr. President, the goals of the food stamp program are good and necessary ones. No one minds spending good tax dollars to help the needy maintain an adequate diet. But present income deductions allowed before eligibility determinations are made give some a chance to—and I am quoting from an article, Mr. President—"slash your food budget" and buy "a few luxuries." I submit that this is not the purpose of the program. As one of my constituents wrote:

> . . . I can't save, so why should I pay taxes for others to save?

Perhaps, however, this advertisement has served a purpose. It has shown some of the real inequities that exist in the present food stamp program. They are built into the current eligibility determination process.

As my colleagues are well aware, both eligibility and the amount that the household pays for the food stamps are determined on the basis of their anticipated "net" monthly income and assets. Numerous allowable deductions permit some families to considerably lower their gross income, thus becoming eligible for a greater "bonus"—that share of the food stamps' face value which the Government pays. Mr. President, these deductions were built into the program to assure greater flexibility in meeting the needs of the poor or unexpectedly unemployed, who are likely to have very erratic incomes. They were not designed to help the crafty steal us blind.

The advertisement has the audacity to call these benefits a kind of "tax rebate." Hogwash, Mr. President, this Congress worked so hard to provide tax rebates and special benefits to most Americans by honest and open means. We did not spend $6 billion on the food stamp program this year, merely to give some others an additional tax rebate. We cannot afford that kind of rebate.

Once again, I urge my colleagues to

demand real reform of the food stamp program. We must reexamine the complex and confusing income deduction schedule used to decide household eligibility. Aside from the administrative headaches it causes, this mechanism tends to favor the working family with numerous "legal" income deductions, as the Seagel family of the advertisement. Meanwhile, more needy, often elderly individuals and families may not qualify for benefits. Others, unemployed must wait for days to be certified by program officers who have to review complex application forms. Thus, already strained program resources often do not reach those who most need them.

The following tables, published by the Department of Agriculture's Food and Nutrition Service, illustrate the many income deductions allowed, and the corresponding amounts that families pay for food stamps based on the resulting "net" income. I ask unanimous consent that these information sheets be printed in the RECORD.

There being no objection, the information sheets were ordered to be printed in the RECORD, as follows:

Food Stamp Facts: Household Income Deductions

The Food Stamp Program enables low-income households to buy more food of greater variety to improve their diets. Participants pay a small sum of money—the amount based on family size and net monthly income—and receive a larger value of food stamps, which can be spent like money in participating food stores.

To qualify for food stamp benefits, households must meet certain nationwide eligibility standards such as income and work registration. Except in special circumstances, food stamp households must be able to prepare meals. Participants are allowed certain deductions in determining their income eligibility and purchase requirement. This fact sheet discusses those income deductions.

1. What household expenses can be deducted from income?

(a) Ten percent of earned income or training allowance not to exceed $30 per household per month.

(b) Mandatory income deductions such as—

Local, State, and Federal income taxes.
Social Security taxes.
Retirement payments.
Union dues.
Some types of garnishments.

(c) Medical costs, exclusive of special diets, if more than $10 a month.

(d) Payments for child or invalid care when this care is necessary to enable a household member to accept or continue employment or participate in job training.

(e) Tuition and required fees for education. This does not include such expenses as books, school supplies, meals at school and transportation.

(f) Unusual expenses such as losses due to fire, hurricane, flood, or theft and costs of funerals.

(g) Court-ordered support and alimony payments.

(h) Shelter costs which are more than 30 percent of household income as calculated after all other deductions. Shelter costs are—

Utilities (heating or cooking fuel, electricity, basic service fees for one telephone, water, sewerage fees).

Rent.

Mortgage payments and interest on applicant's own income.

Real estate taxes and special State or local assessments on applicant's own home.

U.S. Department of Agriculture Food and Nutrition Service, Washington, D.C. 20250, Revised September 1974 (Previous editions are obsolete.), FNS-74.

2. What income garnishments can be deducted?

The only allowable garnishments are those for items which would have been deductible if they had been paid when due (for example, medical costs of over $10 a month).

3. If monthly medical costs are $15, is only $5 deductible?

No. The entire medical costs of $15 are deductible. However, if costs are $9, there would be no deduction.

4. How will mandatory deductions, certain other expenses, and shelter costs be deducted?

Here is an example of the calculations for allowable deductions:

(a) Mandatory deductions, $35; Medical expenses, $15 and total expenses, $50.

(b) Monthly household income, $400; Less above expenses, $50; Remaining income, $350.

(c) Shelter costs, $110; 30% of remaining income, $105; Allowable shelter deduction, $5.

(d) Remaining income, $350; Shelter deduction, $5; Net food stamp income, $345.

5. I was certified for food stamps on July 10th. Can I deduct a $50 medical expense I paid in June?

No. You can only deduct those expenses you met during the period of certification.

6. Can I deduct the cost of a new battery for my truck?

No. You may deduct the costs of repair of property, clothing, etc. because of wear and tear, mechanical failure, or other reason not directly connected with a household disaster.

Any food stamp participant may request a fair hearing if he feels a decision regarding his participation has been unfair. Each household should be informed of its right to a fair hearing at the time of application. The standards for participation in the Food Stamp Program are the same for everyone without regard to race, color, religious creed, sex, national origin, or political beliefs.

For full and complete information, contact your local food stamp certification or welfare office.

The Food Stamp Facts series include:

Allotments and Purchase Requirements (FNS-70)
Work Registration (FNS-71)
Eligibility Requirements (FNS-72)
Fair Hearing (FNS-73)
Household Income Deductions (FNS-74)
Meals-on-Wheels (FNS-75)
Recipient Responsibility (FNS-76)
Disaster Situations (FNS-99)

USDA Announces Increase in Food Stamp Allotments and Eligibility Levels

WASHINGTON, May 5.—The U.S. Department of Agriculture (USDA) announced today that food stamp allotments and maximum income eligibility standards will be increased on July 1 by approximately five percent. For example, the allotment for a four-person household will be increased from $154 to $162 a month, and the maximum income eligibility level from $513 to $540 per month.

The Food Stamp Act, as amended by the Agriculture and Consumer Protection Act of 1973 (Public Law 93-86), directs that coupon allotments be adjusted semiannually to reflect changes in food prices as published by the Bureau of Labor Statistics. Maximum income eligibility standards are based on allotments and are therefore adjusted at the same time.

Allotment adjustments are based on the cost of USDA's Economy Food Plan as it is computed from Bureau of Labor Statistics food prices. Adjustments are made each July based on the cost of the Economy Food Plan in the preceding February, and in January based on the cost of that plan in the preceding August.

The cost of the Economy Food Plan for Feb. 1975 was $162 for a family of four with school children. Accordingly, USDA will raise the value of the coupon allotment for a four-person household from $154 to $162 and make appropriate adjustments for other household sizes. In line with the Congressional intent expressed in House Report 94-2, purchase requirements will not be changed, except for households in the top monthly net income brackets.

Maximum income eligibility standards standards starting July 1 are:

One person household, $215.
Two-person household, $300.
Three-person household, $427.
Four-person household, $540.
Five-person household, $640.
Six-person household, $740.
Seven-person household, $833.
Eight-person household, $926.

For each additional household member over eight, add $73 to the eight-person eligibility level.

The following tables giving coupon allotments and purchase requirements for all household sizes in the 48 contiguous states and the District of Columbia will be published in the Federal Register of Wednesday, May 7. Separate tables for Alaska, Hawaii, the Virgin Islands, Puerto Rico and Guam will be announced shortly.

Applicants for all Department programs will be given equal consideration without regard to race, color, sex, creed or national origin.

MONTHLY COUPON ALLOTMENTS AND PURCHASE REQUIREMENTS, 48 STATES AND DISTRICT OF COLUMBIA (EFFECTIVE JULY 1, 1975)

	Number of persons in household							
	1	2	3	4	5	6	7	8
Monthly coupon allotment	$48	$90	$128	$162	$192	$222	$250	$278
MONTHLY PURCHASE REQUIREMENT								
Monthly net income:								
$0 to $19.99	0	0	0	0	0	0	0	0
$20 to $29.99	$1	$1	0	0	0	0	0	0
$30 to $39.99	4	4	$4	$4	$5	$5	$5	$5
$40 to $49.99	6	7	7	7	8	8	8	8
$50 to $59.99	8	10	10	10	11	11	12	12
$60 to $69.99	10	12	13	13	14	14	15	16
$70 to $79.99	12	15	16	16	17	17	18	19
$80 to $89.99	14	18	19	19	20	21	21	22
$90 to $99.99	$16	$21	$21	$22	$23	$24	$25	$26
$100 to $109.99	18	23	24	25	26	27	28	29
$110 to $119.99	21	26	27	28	29	31	32	33
$120 to $129.99	24	29	30	31	33	34	35	36
$130 to $139.99	27	32	33	34	36	37	38	39
$140 to $149.99	30	35	36	37	39	40	41	42
$150 to $169.99	33	38	40	41	42	43	44	45
$170 to $189.99	36	44	46	47	48	49	50	51
$190 to $209.99	36	50	52	53	54	55	56	57
$210 to $229.99	38	56	58	59	60	61	62	63
$230 to $249.99		62	64	65	66	67	68	69
$250 to $269.99		68	70	71	72	73	74	75

Monthly coupon allotment	Number of persons in household							
	1	2	3	4	5	6	7	8
	$48	$90	$128	$162	$192	$222	$250	$278
$270 to $289.99		$70	$76	$77	$78	$79	$80	$81
$290 to $309.99		70	82	83	84	85	86	87
$310 to $329.99			88	89	90	91	92	93
$330 to $359.99			94	95	96	97	98	99
$360 to $389.99			100	104	105	106	107	108
$390 to $419.99			109	113	114	115	116	117
$420 to $449.99			110	122	123	124	125	126
$450 to $479.99				131	132	133	134	135
$480 to $509.99				138	141	142	143	144
$510 to $539.99				138	150	151	152	153
$540 to $569.99				138	159	160	161	162
$570 to $599.99					164	169	170	171
$600 to $629.99					$164	$178	$179	$180
$630 to $659.99					164	187	188	189
$660 to $689.99						190	197	198
$690 to $719.99						190	206	207
$720 to $749.99						190	214	216
$750 to $779.99							214	225
$780 to $809.99							214	234
$810 to $839.99							214	238
$840 to $869.99								238
$870 to $899.99								238
$900 to $929.90								238

Note: For each additional household member over 8, add $22 to the 8-person allotment.

Mr. PACKWOOD. Mr. President, these easily readable charts are available at no cost from the Department of Agriculture, while the "Center for Public Information" is raking in $3 for their "services." I am all for providing further information on the program. Indeed, the "outreach" aspects of the food stamp program have been proven woefully inadequate in Federal court. However, the Department is working to improve that problem now. And Congress did not intend this kind of blatant abuse.

The food stamp program is not "a rebate program" for those who would manipulate it. It is not a budget-cutting tool for the well-off.

Mr. President, we have to concentrate our available resources on the truly needy—the poor and the unwillingly unemployed—those who would otherwise be malnourished. These are the victims of our Nation's current economic troubles. But get the others off the dole.

I am proud to note that this Congress has seen fit to make some important improvements in the food stamp program. We have voted to assure that the aged and blind SSI recipients are assured benefits, and that housebound older adults can continue to purchase meals on wheels with their coupons.

However, a total overhaul of the program is long past due. When the Secretary of Agriculture returns to the Senate later this month with the legislative recommendations mandated by S. 58, I urge expeditious consideration of his report. The taxpayers of this country cannot afford to wait.

NUCLEAR MADNESS

Mr. SPARKMAN. Mr. President, the term "nuclear club" is a most apt double meaning.

The growing "club" of the nations with potential to create world havoc because they possess the ability to manufacture a nuclear weapon, is one of the most significant and fearful threats faced by all peoples of the world.

The possibility of nuclear war or nuclear blackmail does not normally make the front pages of newspapers or the lead stories on the network news—maybe because the thought is so frightening.

For instance, a UPI report on page 19 of the June 13 Los Angeles Times quoted Dr. Frank Barnaby, director of the Stockholm Peace Research Institute:

> The most crucial issue is nuclear proliferation.

According to UPI's report of a document from the Institute, the UPI item said:

> The Institute, funded by the Swedish Parliament to research problems of peace and conflict, said that by 1980 the world would have accumulated 770,000 pounds of plutonium, a raw material for nuclear weapons.
>
> Even if safeguards are 99.9 percent effective in 1980, enough plutonium could be diverted at the rate of one per week.

The future health of the family of nations is threatened by the sudden, near epidemic spread of deals which can result in weapons grade materials being placed in the hands of nations with newly acquired reactors. Although the primary intent of these deals may be to generate electrical power there has been an appalling lack of adequate safeguards in too many of the recent arrangements between European and Third World nations.

The U.S. Government is coming under some unwise pressure from a number of sides because of its wise policy of being extremely careful about the type of nuclear technology exported. This policy springs from a strong and commendable belief in the nonproliferation of atomic weapons. It is a policy I firmly support as do most, if not all, of my fellow Senators.

Reports that several nuclear-equipment exporting countries, including the United States and the U.S.S.R., have met in a secret conference in London to discuss possible means of controlling sales and developing safeguard standards to prevent the spread of atomic weapons. This, I feel, is an encouraging step in the right direction.

With the ominous and lurking specter of too many fingers on the nuclear trigger in mind, I bring to the Senate's attention an editorial in the New York Times which calls for "supplier nations to move quickly toward common export rules, rather than the competitive degradation of safeguards in pursuit of profit."

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NUCLEAR MADNESS

The West German Government has now confirmed that it is planning to sign a multibillion-dollar agreement later this month to provide Brazil with a complete nuclear industry and technology that would enable it to produce atomic bombs as well as electricity. As we have previously noted, this is a reckless move that could set off a nuclear arms race in Latin America, trigger the nuclear arming of a half dozen nations elsewhere and endanger the security of the United States and the world as a whole.

Senator Pastore, chairman of the Congressional Joint Committee on Atomic Energy warned last week that the NATO commitment of the United States could come into question if Bonn creates "a likely peril in our backyard while we are heavily engaged in Germany's backyard to defend them against likely peril." The Rhode Island Democrat has urged Preident Ford to seek a postponement of the German-Brazilian deal "at the highest level of international diplomacy." Brazil had earlier approached an American company; but the United States Government refused—and has always refused—to permit the export of technology for uranium enrichment and plutonium separation, both of which are included in the unprecedented German sale of a "complete nuclear fuel cycle" to Brazil.

The German sale only requires inspection of equipment and materials provided by West Germany, Bonn has acknowledged. Once Brazil masters German technology, it will be able to duplicate German equipment and make nuclear explosives free of international supervision, much as India did. A Brazilian Foreign Office spokesman already has announced that his country "intends to detonate nuclear explosives for peaceful purposes." But there is no way to distinguish a peaceful nuclear exlosive from a weapon and even the United States has been unable to develop a commercially-feasible use for nuclear explosives. If Brazil is enabled to take this route, other near-nuclear countries undoubtedly will be stimulated to do the same.

Argentina already is believed to be seeking to acquire a plutonium separation plant, as is Taiwan. Chile and other South American countries may follow. South Korea and Pakistan are far along in similar negotiations with France. Paris has been urged repeatedly by Washington not to sell such equipment but is unlikely to hold the line if West Germany goes through with the Brazilian deal.

Iran is buying two reactors each from France and West Germany but is holding up an eight-reactor deal with the United States in an effort to get a free hand to extract plutonium from spent fuel. Israel and South Africa are believed to be well along toward nuclear bomb manufacture. If a half dozen such countries follow India into the nuclear club, pressure undoubtedly will grow in Japan, West Germany and other nuclear-capable but politically inhibited countries to do the same.

Should Bonn perpetrate this nightmare upon the world, it will put at risk three decades of effort in gaining the high regard of its neighbors and allies. It will pay a political price that will far outweigh economic gains. A far wiser course would be to join the United States in refraining from such sales and in urging other supplier nations to move quickly toward common export rules, rather than the competitive degradation of safeguards in pursuit of profit.

CAPTIVE NATIONS

Mr. GOLDWATER. Mr. President, I wonder whether all of us in Congress actually realize how long is the list of captive nations in this world. It is important because it shows the thrust and power of Communist dictatorships in the world. At the present time we are watching Southeast Asia and the countries therein being slowly added to the list of nations where freedom has fled.

We are indebted Mr. President, to a newspaper, the Daily Review of Towanda, Pa., for providing an up to date list of captive nations in time for the observance of Captive Nations Week which is coming up in July. It shows 31 captive nations in the world and three more, Laos, Portugal and Thailand, as places where the existence of liberty is questionable. Mr. President, I ask unanimous consent that the article from the Daily Review be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DOMINO FACT

The words have been misquoted so often that many people do not know that when President Dwight Eisenhower first used the term, he did not refer to a domino "theory" but to the domino "fact." He used the words to describe what Joseph Stalin called "the salami tactic"—the Communist procedure of taking over control of the world one slice at a time, nation by nation. It is altogther tragic that the year 1975 marks the erection of still another tombstone over the grave of a free nation; Cambodia. Even as this editorial is being printed, preparations are being made for the funeral of South Vietnam. With these two areas occupied by the Communist dictatorship, will Thailand and Laos be able to survive? How long will the list of Captive Nations be, when Captive Nations Week is commemorated this forthcoming July, 1975?

The list of Captive Nations now reads as follows:

Albania—1946.
Armenia—1920.
Azerbaijan—1920.
Bulgaria—1946.
Byelorussia—1920.
Cambodia—1975.
Cossackia—1920.
Cuba—1960.
Czechoslovakia—1948.
East Germany—1949.
East Prussia—1945.
Estonia—1940.
Georgia—1920.
Hungary—1949.
Laos—?
Latvia—1940.
Lithuania—1940.
Mainland China—1949.
Mongolia—1924.
North Caucasus—1920.
North Korea—1948.
North Vietnam—1954.
Poland—1947.
Pomerania—1945.
Portugal—?
Rumania—1947.
Russia—1917.
Silesia—1945.
South Vietnam—1975.
Thailand—?
Tibet—1951.
Turkestan—1922.
Ukraine—1920.
Yugoslavia—1946.

Need we remind the scoffers that to this date not one nation buried by Communism has regained its freedom? And may we ask those who ridicule the domino fact by calling it a "theory," how much more of the world can we lose and expect the United States to remain free?

GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, with amazing regularity genocide has repeated itself throughout history. Despite all advances in our civilization, the 20th century must unfortunately be considered as one of those most guilty of the crime of genocide. Losses in life and culture have been staggering.

Deep down every man cherishes a fervent yearning for justice and love. Among small nations and minorities the craving for security is particularly alive. The success of the convention today and its greater success tomorrow can be traced to the fact that it responds to necessities and desires of a universal nature. The word "genocide" carries in itself a moral judgment in which every feeling man and woman concurs.

It is much easier to declare human rights than to guarantee them in real-life situations. The United States is capable of doing both, but by our failure to ratify the Genocide Treaty we show a lack of concern and leadership. How can a nation as great as ours follow such a path?

The convention is based on the assumption that differences among groups—whether ethnic, religious, national, political, social, professional—are to be respected rather than feared, and to be protected from those who cannot tolerate differences. The convention therefore can be regarded as supporting this most important fact of nature's living processes; namely, the move toward diversity and innovation.

There is one thing that must be done to promote the cause of human rights. Mr. President, I urge the immediate ratification of the Genocide Convention.

RETIREMENT OF NICK ZAPPLE

Mr. MANSFIELD. Mr. President, as we all know too well, on June 30th Nicholas Zapple will be officially retired from the Federal Government. Nick Zapple has an outstanding record of service with the Commerce Committee and a total of 32 years of Government service. Not only will Nick be missed as a professional staff member of the Senate Commerce Committee, but he will also create a void for many of us who have relied upon him for counsel in any number of matters, especially the field of broadcasting and telecommunications. He has always performed his duties with fairness and in an impartial way. From time to time my constituents in Montana have had problems generated by the Federal Communications Commission, and Nick has always offered appropriate recommendations. I want to take this opportunity to thank Nick for his services to the Senate and the constituents we all serve. I wish him many more years of good health and happiness in retirement. My good will is extended to Nick, his wife, Jean, and their six children.

BROADCASTING AND THE CONSUMER

Mr. FANNIN. Mr. President, many distinguished Americans have been speaking out against excessive concentration of Government power and increasing Federal intervention in the private sector.

We in the Congress should take special heed of the advice and warnings from the business community which has been directly affected by governmental decisions. One of the leaders of business who has been outspoken in criticizing Government's expanding role in our personal lives in Mr. Richard W. Jencks, vice president of CBS in Washington. As a spokesman for the broadcasting industry, Mr. Jencks is especially troubled by Government encroachment into sensitive first amendment areas.

Mr. President, I call the attention of my colleagues to a speech delivered by Mr. Jencks to the Oregon Association of Broadcasters at their May 30 convention in Medford, Oreg.

In his remarks Mr. Jencks attributes the alarming trend toward more governmental control to popular dissatisfaction with government itself. He notes the irony that:

> Although the distrust has centered chiefly on institutions of government, many of the proposals which are urged to remedy it call for the vesting of more and more power in government and an ever greater degree of government involvement both in the citizen's daily concerns and in the day to day decisions of businessmen. In all of this it often seems that the connection is increasingly tenuous between the remedies proposed and the problems to which they are directed. Indeed, sometimes there are no problems of the sort imagined, or in any event, the problems are drastically different than those perceived by the problem solvers.

As Mr. Jencks points out, the Congress frequently rushes to pass legislation aimed at solving these real or imagined problems because of constituent pressures.

> One of the reasons . . . why Americans often leap to conclusions about solving a problem before they have defined the problem they wish to solve is the influence of the well-known "Don't just sit there; do something?" syndrome. Once we are in the grip of a passion to reform something we often lose patience with calmly analyzing the thing to be reformed.

Unfortunately congressional cures are often much worse than the problems they are supposed to remedy. One example cited by Mr. Jencks which "promises also to work a good deal of mischief" is the proposed consumer protection agency.

Mr. Jencks' discussion of the Agency for Consumer Advocacy merits special attention. This legislation, which the

Senate recently passed, could have far-reaching consequences not only for broadcasters but for everyone, because of its "immense influence" on fundamental free press issues.

It must be emphasized here that broadcasters will not be immune from the ACA's impact for, as Mr. Jencks observes, the amendment which the Senate adopted does not exempt license applications and would still permit the law, if enacted, to apply with force to any Federal Communications Commission proceeding where consumer interests can be shown to be involved in any way.

Mr. Jencks raises many critical questions which I believe were not adequately explored by the Senate and which I hope will be raised by the House. The constitutional question posed by Mr. Jencks is this:

> If the Federal government is prohibited by First Amendment considerations, as well as by Section 326 of the Communications Act, from interfering with the content of broadcast programming, can it fund a consumer advocate to urge an agency or court to sanction such interference?

From that follows an inquiry into the legitimate role of the ACA in Fairness Doctrine cases. Under this doctrine, radio and television licensees are required to devote a reasonable percentage of their broadcast time to the presentation of controversial public issues, and in so doing, they must provide a reasonable opportunity for spokesmen of contrasting viewpoints.

Should the Consumer Protection Agency be able to intervene in "fairness" issues? If it does so, what will the agency see as the interest of a special class of "consumers?" Can such an agency, whose Administrator will be appointed by the White House, take positions free of political considerations?

Mr. Jencks' conclusion is that a new Federal agency like the ACA, instead of protecting consumers from improper Federal practices, will be likely to advance Government interference into their lives, at the expense of their most sacred liberties. I quote his speech:

> If there is any really sad reflection in all of this it is that nobody would assume . . . that an agency for Consumer Advocacy might intervene in an FCC or Court proceeding to plead for First Amendment rights for broadcasters, or to say, once and for all, that the highest consumer interest with respect to the press of this nation, including the broadcast press, is that it be free of government compulsion or influence over content.
>
> Surely the First Amendment interest *is* one which should preempt all others. That is the very meaning of the flat prohibition embodied in the First Amendment ("Congress shall make no law . . ."), a prohibition that bars any legislation abridging freedom of the press no matter how beneficial or enlightened the interest which might be served by such legislation.
>
> But it is clear that given the nature of consumerist positions constantly urged against the broadcast press the thrust of Federally funded consumer advocacy would merely be to accentuate government involvement in decisions affecting programming.

The conclusion drawn by Mr. Jencks is one I share:

> Consumers will make a mistake if they permit the government to preempt the role of private spokesmen for their interests.

The Congress should not establish a so-called consumer protection agency, and if such legislation is approved, the President should veto it.

The problem, as I see it, is not limited to the ACA, but to Government agencies in general. Many of the agencies the Congress has already created interfere with the fundamental freedoms of the American people.

In the realm of the press—the electronic as well as printed press—with which Mr. Jencks is concerned, the Federal Communications Commission is already heavily involved in the everyday programing decisions of local broadcast licensees. Many of the rules and regulations promulgated by the FCC affect licensee judgment and encroach on areas of broadcast responsibility, in my opinion, far beyond what was originally envisioned when the Communications Act was enacted and the Commission established.

I call to mind the restrictions on cigarette advertising and then the legislative ban which applies only to radio and television. Or the so-called fairness doctrine, already referred to, which has produced a chilling effect on broadcast journalism. In my view, these enactments amount to an unconstitutional abridgment of the public's right to a fully free press. That is why I am pleased to cosponsor legislation to repeal the fairness doctrine and to extend to the broadcast media the full panoply of first amendment rights guaranteed to the print media.

Mr. President, I believe that the Congress should review the system of government regulation it has created, which has grown so rapidly over the years. In the process of reevaluating the role and functions of Federal agencies we should pay strict attention to the basic constitutional issues, including those questions presented by Mr. Jencks, which may be affected by the regulatory process.

Mr. President, I ask unanimous consent that the complete text of the address by Mr. Richard W. Jencks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

BROADCASTING AND THE CONSUMER

(By Richard W. Jencks)

I am delighted to be in Oregon, and in such good company, on the occasion of your 34th annual Spring Conference. I wish I could grace the occasion by telling you that as CBS' chief lobbyist in Washington, the problems of broadcasters have so diminished that I am working myself out of my job. Unfortunately that is not the case. I am sure that you have already heard—from Commissioner Abbott Washburn and from John Summers—of many of the vexing problems which plague the broadcasting industry in Washington.

But, at least I can tell you that the general atmosphere in the Washington of Gerald Ford is infinitely sweeter and more wholesome than has been the case in a long, long time. And in the long run that atmosphere—which is one which fosters mutual confidence and the return of trust in both governmental and private institutions—will benefit broadcasters just as it will benefit the rest of the nation.

In the meantime, however, we still see many signs of the tide of distrust and dissatisfaction which is the heritage of the past ten turbulent years. Oddly enough, although the distrust has centered chiefly on institutions of government, many of the proposals which are urged to remedy it call for the vesting of more and more power in government and an ever greater degree of government involvement both in the citizen's daily concerns and in the day to day decisions of businessmen. In all of this it often seems that the connection is increasingly tenuous betwen the remedies proposed and the problems to which they are directed. Indeed, sometimes there are no problems of the sort imagined, or in any event, the problems are drastically different than those perceived by the problem solvers.

I am reminded of a story going the rounds in Washington which allegedly involved the Equal Employment Opportunity Commission. It seems that the Commission had its attention directed to the fact that the number of female judges in the Federal Judiciary is quite low. Believing that a pattern of discrimination might exist, the Commission sent an investigator to see the Presiding Judge in a certain Federal District. "Well, my good man" said the Judge, "what is it that you want." "Your honor," said the investigator, "I would like to have a list of all Federal judges in this District, broken down by sex." "That's not our problem," said the Judge. "Alcohol's our problem!"

One of the reasons, I suppose, why Americans often leap to conclusions about solving a problem before they have defined the problem they wish to solve is the influence of the well-known "Don't just sit there; do something!" syndrome. Once we are in the grip of a passion to reform something we often lose patience with calmly analyzing the thing to be reformed.

A perfect example is the 1974 Federal Campaign Spending Reform Law. That legislation, lobbied through Congress as the principal legislative objective of Common Cause, had as its major tenet the proposition that too much money was being spent on political campaigns, and that the amount ought to be reduced by law. But a Harvard Professor, Roland J. Cole, has now completed a study showing, for example, that total spending by Senate candidates in 1972 came to less than 15 cents per adult in the 33 states with Senate contests—about 5 cents less than it costs to send a single communication, by letter or phone, to each potential voter in those states.

Further, Professor Cole found that half those campaigns spent more than the new law would have allowed, and that every one of five challengers who were successful in beating out incument Senators in 1972 would have broken the law. In short, as David Broder of the Washington Post has recently observed, ". . . virtually everyone who has studied campaign finance in this country for the past 40 years has come to the conclusion that there is too little money in the system, not too much." The problem that needed to be solved was how to raise money equitably, and without corrupting the political process. The restriction on spending made democratic government less responsive and more susceptible to corruption, since such restrictions greatly benefit incumbents at the expense of challengers. I understand that your own Oregon courts have already thrown out spending ceilings imposed by Oregon's post-Watergate campaign finance laws. I would expect the Federal law to suffer the same fate. It is also, I might add, probably unconstitutional on other grounds as well.

I have mentioned 1974's great reform at some length even though it does not have a great impact on broadcasters, because the reform of 1975—also enthusiastically supported by the consumer movement—promises also to work a good deal of mischief, and some of it very close to home.

The legislation I refer to is the Consumer Protection Act of 1975, which passed the

Senate two weeks ago, on May 15, and will in the next few months be considered by the House.

I am sure that it has been called to your attention that a floor amendment offered by Senator Magnuson to exempt license renewal proceedings from the Consumer Protection Act was adopted. Broadcasters throughout the country heaved a large sigh of relief on hearing that news.

But it is difficult to take too much comfort in this development. In the first place, the House of Representatives, where consumer organizations are strong indeed these days, has never shown any disposition to exempt license renewal proceedings from proposed Consumer Protection Legislation. In the second place, the Magnuson Amendment only exempts license renewal proceedings. It does not exempt license applications, whether for an original license or for a transfer of a license. And it is not entirely clear whether it would exempt so-called "strike applications," that is to say, an application filed on top of your application for license renewal. Finally, the Magnuson Amendment permits the Consumer Protection Act to apply with full force to any FCC proceeding—formal or informal, rule making or adjudicatory—which is found to be affected with a consumer interest under the legislation.

Now what exactly would the Consumer Protection Act do? Basically, it would create an independent Agency for Consumer Advocacy (ACA) to represent and advocate the interests of consumers before other Federal agencies and Federal courts. The premise of the legislation is that although agencies of the Federal Government daily make decisions that have a direct impact on consumers, they do so without adequately considering the consumer. Underlying this premise, in turn, is the belief that consumers as such are ill-equipped to present their case before Federal agencies, whereas, in contrast, business interests are said to be fully able to assure that their views are heard.

Rather subdued in the Committee Report accompanying the legislation, but quite plain in the testimony of those who supported it, is the notion that existing Federal Agencies, although created to protect the public interest—including the interests of consumers—have abused their authority and have, in the familiar formulation, become "captives" of the industries and commercial activities which they regulate.

The Agency would have no authority to directly regulate activities affecting the interest of consumers. Nor would it have power to dictate how other Federal agencies act on such matters. But there is no gainsaying the fact that the Agency for Consumer Advocacy would have immense influence. The initial suggested funding of the ACA for the first three years of its existence is sixty million dollars. In testimony supporting an earlier version of the legislation Ralph Nader said that he contemplated an agency with 400 to 500 lawyers petitioning for 20 to 30 rule making actions per week in other Federal agencies. Certainly those broadcasters, and there are many of them, who have already experienced the impact of privately funded or foundation funded public interest advocates will have a fairly good idea of what to expect if the Federal pocketbook is harnessed to the advocacy of the same or similar causes.

Yet it is important to remember that Federal funding of consumer advocacy is not merely an extension of private litigation in this field. It is a new departure and it raises some disturbing questions which are not receiving adequate attention.

In the first place, are the basic assumptions of the Consumer Protection Act correct?

Is it true that Federal agencies are disregarding or slighting the consumer interest? On the face of it the charge seems preposterous. News reports daily tell us of new Federal interventions in the interest of consumers, both by old established agencies and by a plethora of newly created ones. Not all consumer claims are vindicated, to be sure, but this is inevitable when it is considered that the consumer interest *per se* is only one component of the public interest, which embraces the interests of individuals, not only as consumers, but also as producers, employers, employees and owners, as well as in the exercise of their civil and political rights.

Is it true that consumers are poorly organized, under-funded and ill-equipped to present their cases before Federal agencies? The truth of the matter is that we have seen, in the past several years, an explosion of groups, new and old, asserting consumer interests—and doing so with force and competence—before agencies and in the Congress. Not only are there broadly based public interest organizations, like Common Cause and the Nader organization, which have been highly successful in influencing legislation, but dozens of specialty organizations have sprung up. Americans are passionate joiners and in growing numbers they have supported the consumer movement. Meanwhile, many conventional interest groups—teachers' organizations, labor unions, professional societies, organizations of the retired, racial and ethnic groups, church groups and many others—have adopted consumer causes as part of their regular agenda. The Congress underestimates the American public if it thinks that voluntarism in this field is doomed without government help. Of course, consumer activists feel they are inadequate; no one promoting a cause ever feels he has the success he deserves. But government help in this area has its drawbacks. On many occasions these consumer groups will find the government-supported consumer advocate taking a position inimical to the consumer interest as *they* see it. This kind of help they do not need.

Then again, is it really true that there is an imbalance of business influence as compared with consumer influence? Tell it to Ford or General Motors. The fact is that businessmen everywhere despair over their inability to counteract the tide of consumerism and the recent successes of business have been marginal indeed.

To move to the real crux of the matter, it is true that on any complicated issue affecting the public interest any single consumer interest can be identified? How will the Federal Government determine when, as to a particular commodity, low cost is the consumer interest to be advocated rather than, say, better quality, longer life, or a greater element of safety? In its automobile actions of recent years, the government has been opting for safety over price considerations and for environmental improvement over fuel economy. And how determine whether low-priced natural gas, or a more plentiful supply of natural gas induced by higher prices, is the consumer interest? Only one thing is plain: Under the Act the Agency's determination of *the* consumer interest, once chosen by it, is unchallenged by others.

Some questions go to fundamental due process. It is fair, where a private party is charged by a regulatory agency with violation of the law, for him to face in effect, two prosecutors—the regulatory agency and, perhaps, the Agency for Consumer Advocacy?

Finally, is it in the interest of responsible government for the Agency for Consumer Advocacy, on behalf of a particular consumer interest deemed important to it, to challenge in court the broad *public* interest finding of a Federal regulatory agency? As Senator Allen has said, to vest this power in the ACA "clearly implies that Congress does not trust the judgment of the regulatory agencies which it created. All right." "But," the Senator goes on, "can anyone tell me why Congress is ready to trust the judgment of the untried ACA in light of its view that other instrumentalities of its own making cannot be trusted?"

These are but some of the general questions which could, and should, be asked before Congress finally embarks on this extraordinary legislative experiment.

Because broadcasting is a part of the press protected by the First Amendment, and yet is regulated by a Federal agency, an even more critical question arises with respect to the potential impact of a Consumer Advocacy Agency on broadcasting. If the Federal government is prohibited by First Amendment considerations, as well as by Section 326 of the Communications Act, from interfering with the content of broadcast programming, can it fund a consumer advocate to urge an agency or court to sanction such interference?

This fundamental constitutional issue, unfortunately, is badly confused in the Committee Report and in the floor debate on the Senate bill. When the Government Operations Committee removed the license renewal exemption the Committee sought to paint the removal of the exemption as of little consequence, contending that even without the exemption license renewal proceedings would rarely, if ever, call for ACA intervention. Thus, the Committee Report says: "In license renewal proceedings generally the issues contested involve questions of free speech, fairness in broadcasting, equal time provisions; racial discrimination and other aspects of the broadcaster's obligation to serve the public adequately. Such issues do not relate to market place transactions, and since there is no commercial transaction involved between a licensee and a consumer, there is not direct consumer interest involved in the license renewal proceeding.

But the Committee went on to say: "FCC rule making proceedings may have a substantial effect on the interest of consumers and in such instances the ACA may seek to become involved."

The Chairman of the Government Operations Committee, Senator Ribicoff, in a subsequent colloquy on the floor of the Senate, was asked to give an example of a license renewal issue which would come under the jurisdiction of the ACA. Senator Ribicoff replied that a station's compliance with the FCC's fairness ruling regarding cigarette advertising would have been such an issue.

Now that of course, being a fairness issue, was an issue vitally affected with a First Amendment interest. What the Senator was saying, in effect, was that at least any fairness issue relating to commercial advertising was proper for intervention by the ACA. But if that is so, why not permit ACA involvement in an issue affecting a network documentary, if the documentary met the Senator's test of being, in his words, "related to economic concerns of consumers involving a commercial transaction in the marketplace."

Now of course this discussion about the application of the ACA to license renewal proceedings was washed out by Senator Magnuson's amendment—at least for the time being.

But the plot thickens. If Senator Ribicoff, prior to the passage of the Magnuson amendment, thought that the ACA could intervene on a fairness issue in a license proceeding, then, presumably, the ACA could intervene on a fairness issue, even after the Magnuson amendment, in a rule making proceeding or in a fairness adjudication.

Could ACA, had it been in existence at the time, have intervened in the FCC's recent reexamination of the Fairness Doctrine? Could it have intervened in the NBC Pensions case, on the ground that the NBC documentary at issue involved commercial transactions in the marketplace?

And if the Agency for Consumer Advocacy *had* been in existence, and *had* intervened in these or other fairness issues, what do you suppose the Agency would have perceived as the consumer interest? If political partisans were on opposite sides of the fairness issue, could the Agency's choice of a position be free of political considerations? How would the Agency deal with Administration involvement in the fairness issue being litigated?—bearing in mind the fact that the Administrator of the ACA is, of course, appointed by the President.

If there is any really sad reflection in all of this it is that nobody would assume—not any of you, not I, and certainly not Senator Ribicoff—that an agency for Consumer Advocacy might intervene in an FCC or Court proceeding to plead *for* First Amendment rights for broadcasters, or to say, once and for all, that the highest consumer interest with respect to the press of this nation, including the broadcast press, is that it be free of government compulsion or influence over content.

Surely the First Amendment interest *is* one which should preempt all others. That is the very meaning of the flat prohibition embodied in the First Amendment ("Congress shall make no law . . .) a prohibition that bars any legislation abridging freedom of the press no matter how beneficial or enlightened the interests which might be served by such legislation.

But it is clear that given the nature of consumerist positions constantly urged against the broadcast press the thrust of Federally funded consumer advocacy would merely be to accentuate government involvement in decisions affecting programing.

The message I leave you with is a simple one: that freedom—yours or anyone else's—has depended for 200 years, and will continue to depend, upon private advocacy of positions by contending interests in our society. My hunch is that consumers will make a mistake if they permit the government to preempt the role of private spokesmen for their interests. Be sure that you do not make the same mistake.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the Record the notifications I have just received.

There being no objection, the notification was ordered to be printed in the Record, as follows:

June 18, 1975.

Hon. John J. Sparkman,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 75–28, concerning the Department of the Navy's proposed Letter of Offer to the Federal Republic of Germany for fifteen S–3A aircraft and related support estimated to cost $317.7 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

H. M. Fish,
Lieutenant General, U.S. Air Force, Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

Transmittal No. 75–28—Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as Amended

(a) Prospective Purchaser: Federal Republic of Germany.

(b) Total Estimated Value: $317.7 Million.

(c) Description of Articles or Services Offered: Fifteen S–3A "Viking" antisubmarine search and attack aircraft and related support.

(d) Military Department: Navy.

(e) Date Report Delivered to Congress: June 18, 1975.

June 17, 1975.

Hon. John J. Sparkman,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 75–30, concerning the Department of the Navy's proposed Letter of Offer to the Netherlands for four P–3C antisubmarine search and attack aircraft and related support estimated to cost $82.5 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. Fish,
Lieutenant General, U.S. Air Force, Director, Defense Security Assistance Agency, Deputy Assistant Secretary (ISA), Security Assistance.

Transmittal No. 75–30—Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as Amended

(a) Prospective Purchaser: Netherlands.

(b) Total Estimated Value: $82.5 million.

(c) Description of Articles or Services Offered: four P–3C antisubmarine search and attack aircraft and related support.

(d) Military Department: Navy.

(e) Date Report Delivered to Congress: June 17, 1975.

CONGRESSIONAL POLICY IN INDIAN AFFAIRS IN ARIZONA, 1871–86

Mr. GOLDWATER. Mr. President, Fort Huachuca, Ariz., is probably one of the oldest existing military post in America and started back during the Indian wars in the 1870's. It is now the site of the Army electronic proving ground so its contributions to our defense have covered the whole gamut of military enterprise.

Mr. Earl Eisenhower is giving an address on June 21 and the title is to be "Congressional Policy in Indian Affairs in Arizona—1871 to 1886." This is a wonderfully prepared paper that will give little known information to my colleagues who are interested in Indian matters. I ask unanimous consent that this paper be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Congressional Policy in Indian Affairs in Arizona, 1871–86

(By Mr. Earl Eisenhower)

Before trying to get into the main topic of discussion, I think there are two basic premises which must be made that have a large bearing on the main subject. Both of them are inter-related with the main topic and with each other. Without proper mention and without keeping them in mind could easily lead us to some undesirable conclusions.

The first is that, by and large, the majority of the white settlers who moved westward across this country during the 19th century had no real animosity toward the native Indian dwellers of the land. There was, to be sure, a fear caused by misunderstanding of one another's motives and fed upon by a small group who, for whatever selfish ideals, kept the flames of warfare fanned.

The second premise is that, although we had groups of Indian "friends" and "reformers," these were not the trained ethnohistorians to whom we look today for expertise on Indian affairs. With the conflicting aims of these various groups of one hundred years ago, our national policy was often created on a catch-as-catch-can basis. However well-meaning these people might have been, their major fault lay in the fact that they simply did not understand or take into consideration the myriad of differences which occured not only from tribe to tribe, but from clan to clan. The resulting problems of this "one-indian policy" only prolonged the bitter disputes among Congress, the War Department, the Bureau of Indian Affairs and the social reformers.

Keeping these two things in mind, let us first take a brief look at the post Civil War years before getting into the period 1871–1886.

In the aftermath of the Civil War, as in most cases, the Congress was unwilling to maintain any sort of large, standing Army which, whether they liked it or not, was to become a vital instrument in Indian policy. From a high of over one million men at the end of 1865, by the next year Congress mandated a cut of almost one-half in the manpower of the U.S. Army and, by 1871 it was cut to a little over 29,000. The only reason these cuts were not greater was a strange political combination of radical reconstructionists and western States legislators who could foresee the need of the Army on the western frontier. However, in managing to keep alive the Army even to this extent, the radical reconstructionists managed to insert into every military authorization bill the proviso that one third of the standing Army was to be stationed in the recently defeated southern States. And, this provision was not deleted until the end of reconstruction in 1877. Also, it was during this post war period that some of the bitterest arguments arose, both in and out of Congress, as to who should have control over Indian affairs. As you probably recall, Congress had mandated the transfer of Indian affairs from the War Department to the Interior Department in 1849. With the increasing flood of white settlers moving west in the post war years, the inevitable clash of cultures began to occur more and more regularly. It was not to the Bureau of Indian Affairs which people turned to solve the problem but rather to the Army directly and indirectly through Congress. Several times during the period 1865 to 1871, the House of Representatives passed and sent to the Senate bills which called for the transfer of Indian affairs from the Interior Department to the War Department. In the Senate, a combination of eastern Senators and enlightened reformers was enough to forestall any such action. The various arguments both for and against transfer continued to plague Congress for almost 15 years.

During the period from 1869 to 1871 there were several major events which would ultimately play a part in any congressional debate concerning Indian policy during the next decade and a half. Without going into detail, there were four major things which occurred in those three years. The first was Ulysses Grant's election to the presidency in 1869. As with any war hero, his old comrades in arms, particularly Sherman, who had taken his place as head of the Army, and Sheridan felt that they now had "one of their own" in the White House and were certain to receive a free hand in dealing with the Indian program. Generals Sherman and Sheridan along with the rest of the Army received, not a free hand, but a shock when Grant expounded his now famous Peace Policy. One of the particular features of Grant's policy was the establishment of an unpaid Board of Indian Commissioners. This Board was to be made up of unpaid volunteers—as it turned out generally they were New England philanthropists—who were to advise the Indian Bureau to stimulate cooperation between the Bureau and the general public. Another significant event was the selection by President Grant of Vincent Colyer, Secretary of the B.I.A. to be a special peace emissary to the Chiricahau Apaches in September, 1871. Still trying to maintain his Peace Policy, Grant then dispatched General O. O. Howard on this famous peace mission to the same group of Apaches.

These events are cited because, whether any or all could be claimed as successes or failures, they developed their own set vocal adherents who would lobby Congress during the decades of the 70's and 80's.

The coming of the year 1871 saw the forty-first congress still in session arguing over the various perogatives of the House of Representatives versus those of the senate. One "bone of contention" was the role of each chamber in dealing with the Indian problem. Historically, the House had always resented the idea that, while the senate could advise and consent to the execution of treaties with the various Indian tribes, all that the House could do was to appropriate money to pay for the treaties. Finally, in an attempt at compromise, the House added an amendment of the Indian appropriations bill of 1871 to abolish the treaty-making power. This amendment, however reluctantly agreed to, declare that no Indian tribe or nation would thereafter be recognized as a sovereign power. The resulting effect was that all Indians were to become wards of the Government. Even the most ardent reformers at the time could little have guessed at the consequences this law would have over the next two decades. All the problems of transfer of authority, concentration, removal, the various severalty proposals and Indian citizenship all would arise anew because of a new legal basis for dealing with the Indians. With all of these problems arising, there was no one to whom congress could really turn to for enlightened, scientific data to help them make their decisions. The result was that Indian legislation varied greatly from year to year in its harshness or leniency.

To be sure, there were groups of reformist friends who tried to give able assistance to the various concepts which implied civilian control. The earliest of these groups was the previously mentioned Board of Indian Commissioners established in 1869. Unfortunately, they never really exerted much influence over Indian policy except for the first 2 years. This lack of influence could be attributed to several factors, chief among them being their inability to reach agreements among themselves as well as with the several Secretaries of Interior. One of the outgrowths of this Board was the Lake Mohonk (New York) conferences. In 1883, Commissioner Albert Smiley invited all of the leading people involved in Indian problems to yearly conferences to discuss various problems in Indian affairs. The notable thing about these conferences was almost total exclusion of the military which, at that time, probably had more contact with the Indians than anyone else. Also, a few notable publications arose during the mid-1880's which had some affect on Indian policy but they were handicapped by B.I.A. scandals and an uncompromising attitude toward the Army. The two most notable were *Our Indian Wards* founded by George W. Manypenny, a former Indian commissioner, and *Council Fire* a monthly magazine founded in 1878 by Alfred B. Meachem and Theodore Bland. The ultimate aim of these groups, whether right or wrong in today's light, was the rapid extension of all rights, privileges and obligations to the American Indian under the provisions of the 14th amendment just as they had been granted to the American Negroes. Their professed aim was one of acculturation and assimilation as rapidly as possible or, in other words "destroy the Indian to save the man."

It is rather ironic that in considering the problems which faced Congress and the people of Arizona during the period in question, they always seemed incapable of peaceful solution and ended up being resolved by the military. For, without belaboring the obvious, this particular time frame coincides identically with the arrival and departure from Arizona of General George Crook. In this context, it is interesting to note the modern day reformists who have so bitterly castigated the Army for its role in Indian affairs of one hundred plus years ago. With a few possible exceptions such as Sand Creek and one or two others, the Army as a whole, probably had a more enlightened attitude than the multitudes of "Indian friends" of that age. In considering all of the problems and resultant policies of that time, it becomes rather obvious that the solutions mandated by Congress and the different Presidents were not founded upon any real military basis. Rather, the military was relegated to playing a policeman's role throughout the whole affair. In trying to assess the impact of congressional policy during the time in question, it must be remembered that, with very few exceptions, this policy was a national one and the effects varied greatly from place to place. Without trying to analyze the impact on Arizona, a brief review of congressional action, or inaction, of the problems cited earlier may be helpful.

The first of these problems was that of returning Indian affairs management to the War Department. Historically, the House of Representatives has sided with the Army's point of view mainly as a token of resentment against the Senate's treaty power. In the waning days of the 39th Congress, the House passed a transfer bill only to see it defeated in the Senate. The same fate occurred during the 40th Congress primarily out of consideration for Grant and his peace policy. Transfer continued to be a hotly debated issue and probably would have passed except for a couple of incidents such as Colonel Baker's with the Piegans in 1870 and the Camp Grant affair of 1871. With the Sioux outbreak of 1876, Congress was again in the mood to urge transfer. This time, however, it was as much the Sioux as it was a political football between a Democratic House versus a Republican administration. This time the Senate narrowly defeated it by a margin of only three votes. Thereafter until 1879 the issue was kept alive by the House until the beginning of the end of the Indian wars began to show that it was no longer necessary.

The second major problem area had three distinct facets, but, to try to deal with them separately would be like trying to make an omelet without breaking the egg. These three things—removal, concentration, and the reservation system—were all part of the evolutionary process of how the white settler coped with the physical presence of his Indian counterpart. From the earliest days of the Spanish conquistadores through the English and French explorers and settlers, one of the thorniest problems was, where should the Indian live in relation to these other civilizations? As long as vast amounts of what is now the United States were not sought after and settled by the white man, the easiest course was removal. By promising the Indian that if he moved to make way for the people of the great white father, they and their descendants could "for ever more" inhabit a certain area. As history was shown, this tactic only left a string of broken promises in its wake. With the advent of mass migration into and through the trans-Mississippi west after the civil war, a marked stiffening of congressional attitude against this practice began to occur. There again strange alliances were created and recreated as new demands arose. It is interesting to note that the long-time champions of the Indians, the representatives and senators from the New England States, almost consistently voted for the policy of removal. This attitude prompted Senator Plumb of Kansas to note somewhat bitterly that interest in the Indian was in exact ratio to the distance from him. So it was that removal remained a fairly consistent policy because of fears and misunderstandings well into the late 19th century.

The natural consequence of the policy of removal was an ill-considered theory of concentration. The same factors which gave rise to removal also played an important part in this phase of Indian management. In Arizona this manifested itself at San Carlos where, for whatever reasons, vast numbers of Indians forcibly moved to during the 1870's and 1880's. This in effect spelled out the "one Indian policy" whereby even hereditary enemies had to live shoulder to shoulder. The problems arising from these attempts do not need further elaboration at this point.

As a result of removal and concentration a full-fledged reservation system came about somewhat like topsy—"it grewed." As was noted earlier, in some cases the army had a more enlightened attitude than the so-called reformers. So it was in this case. The army, for obvious reasons, desired to maintain the system, while the reformers, as early as 1874, began to push for the end of the reservations. By doing so, these people felt that they could hasten the pace of Indian assimilation. It was in this area of policy that the reformers had the somewhat surprising support of some western states Congressmen. This congressional support was probably based on equal parts avarice, idealism and state versus national control. Throughout the 70's and 80's various proposals surfaced in Congress to do away with the reservations and, in some cases, they received a substantial number of votes. One of the suggestions from a western delegate was to break up the reservations and resettle the Indians back to their original homelands, including resettlement east of the Mississippi. This, of course, was the furthest thing from the minds of the eastern Congressmen—the so-called "Friend of the Indian." The continuing push for the end of the reservation system lasted until the 1890's and the system was undoubtedly saved only through the opposition of the Department of Interior which was unwilling to give up its prerogatives in managing Indian affairs.

Probably the most irksome problem which was to face Congress from 1871 to 1886 was the matter of Indian citizenship and the various severalty plans which finally culminated in the Dawes Severalty Act of 1887. The idea of severalty goes back at least to 1816 when the then Secretary of War proposed tribal apportionment of land. Some experiments were tried during the 20's, 30's, and 40's but it was not until 1854 when it was widely tried through a series of treaties with various tribes. These tests were, for the most part, abject failures since the individual Indian was completely unfamiliar with the concept of private ownership of land. Years later, the Indian Commissioner who had negotiated these treaties felt as through he "had committed a high crime." With the abolishing of the treaty power in 1781, the next thing which Congress did in this whole debate was to extend in 1875 the benefits of the Homestead Act to the Indians. With this bill, an individual Indian could lay claim to 160 acres and by virtue of living on the land and paying a small entry fee, the Indian would then be assuming certain rights and obligations of citizenship. There were two conditions of this bill which its sponsors thought would make it particularly attractive to the Indians. The first was that even if an individual Indian wished to claim a homestead, he did not relinquish his share of tribal annuities. The second stipulation was that no Indian could sell his homestead until five years after the final patent was granted. This was supposedly to protect the Indian against his own inabilities in money matters and also to prevent unscrupulous whites from cheating the Indian. How little accepted this 1875 law became was evident in 1879 when the House of Representatives actually debated the existence of the law! Finally, in 1879, the Congress began proposing and debating general allotment bills. In 1880 Senator Coke of Texas proposed a bill which was debated in 1881 and finally passed in 1882 only to have it die in the House. At the opening of the 48th Congress in 1883, both the House and Senate had severalty bills introduced and debated. The Senate bill was passed in 1884 but the House did not complete action on their version. In 1885, for the third time, the House failed to take action on a Senate bill. Finally, in February 1886 the Senate passed the Dawes Bill, but not until December did the House pass it with several amendments. The conference bill was passed by the House and Senate in January 1887 and it finally became law on February 8, 1887 when it was signed by President Cleveland. The content and impact of the Dawes Severalty Act of 1887 would, indeed, fill a very large volume but, suffice to say at this point is that it formed the basis of this country's Indian policy for the next 50 years.

In conclusion, I would like to make one more observation. And that is, by and large, even though our Indian policy took many convoluted twists and turns during the preceding two hundred and fifty years, the overall treatment which the Indian received at the hands of the white settler was just as good and humane, if not better, than any vanquished tribe could expect from its Indian foes.

BIBLIOGRAPHY

Loring B. Priest, *Uncle Sam's Stepchildren, The Reformation of United States Indian Policy, 1865–1887*, New York 1969.

Robert M. Utley, *Frontier Regulars, The United States Army and the Indian 1866–1891*, New York 1973.

William T. Corbusier, *Verde To The San Carlos*, Tucson 1968.

Russell F. Weighley, *History of the United States Army*, New York 1967.

Dee Brown, *The Westerners*, New York 1974.

Biographical Directory of the American Congress 1774–1971, 92nd Congress, 1st Session, Senate Document 92–8, Washington, D.C. 1971.

Benjamin Capps, ED., *The Indians*, Time-Life Books, New York 1973.

1974 FEDERAL INCOME TAX RETURN OF SENATOR JOHNSTON

Mr. JOHNSTON. Mr. President, I have asked unanimous consent that my 1974 income tax return be printed in the RECORD.

There being no objection, the tax return was ordered to be printed in the RECORD, as follows:

U.S. Individual Income Tax Return—1974

J. Bennett, Jr., and Mary C. Johnston.
Shreveport, La. 71106.
County of Residence, Caddo.
Occupation: Yours, U.S. Senator; Spouse's, Housewife.
Your social security number-[redacted].
Spouse's social security no.-[redacted].

FILING STATUS

Married filing joint return (even if only one had income).

EXEMPTIONS

Yourself and Spouse.

Total exemptions claimed, 6.

Wages, salaries, tips and other employee compensation, $42,500.

Interest income, $1,074.

Income other than wages, dividends, and interest, $12,041.

13. Total, $55,615.

Adjustments to income, $3,300.

Subtract Adjustments to income from total (adjusted gross income)—$52,315.

Tax, check it from: X, tax rate schedule X, Y, or Z, $9,904.

Total credits, $112.

Income tax, $9,792.

Other taxes, $439.

Total, $10,231.

Total Federal income tax withheld, $10,250.

1974 estimated tax payments, $4,875.

Other payments, $28.

Total, $15,153.

BALANCE DUE OR REFUND

Balance due IRS, None.

Amount overpaid, $4,922.

Amount to be refunded to you, $3,922.

Amount of line 24 to be credited on 1975 estimated tax, $1,000.

PART I—INCOME OTHER THAN WAGES, DIVIDENDS, AND INTEREST

29. Net gain (or loss) from sale or exchange of capital assets, $—359.

31. Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc., $7,450.

37. Other, see data sheet #1, $4,950.

38. Total, $12,041.

PART II—ADJUSTMENTS TO INCOME

41. Employee business expense, $3,300.

43. Total adjustments, $3,300.

PART III—TAX COMPUTATION (DO NOT USE THIS PART IF YOU USE TAX TABLES 1–12 TO FIND YOUR TAX.)

44. Adjusted gross income, $52,315.

45. (a) If you itemize deductions, enter total from Schedule A, line 41 and attach Schedule A, $12,853.

46. Subtract line 45 from line 44, $39,462.

47. Multiply total number of exemptions claimed on line 7, by $750, $4,500.

48. Taxable income, $34,962.

PART IV—CREDITS

50. Investment credit, $112.

54. Total credits, $112.

PART V—OTHER TAXES

55. Self-employment tax, $439.

61. Total, $439.

PART VI—OTHER PAYMENTS

63. Credit for Federal tax on special fuels, nonhighway gasoline and lubricating oil, $28.

65. Total, $28.

Itemized Deductions and Dividend and Interest Income, 1974

MEDICAL AND DENTAL EXPENSES (NOT COMPENSATED BY INSURANCE)

1. 50% medical insurance premiums, $150.

2. Medicine and drugs, $31.

3. Enter 1% of line 15, Form 1040, $523.

5. Enter balance of insurance premiums for medical care not entered on line 1, $248.

6. Enter other medical and dental expenses:

a. Doctors, dentists, nurses, etc., $650.

b. Hospitals, $68.

c. Other see data sheet No. 2, $26.

7. Total, $992.

8. Enter 3% of line 15, Form 1040, $1,569.

10. Total, $150.

TAXES

11. State and local income tax paid in 1974: 1974 estimated, $900; other years tax, $496; $1,396.

12. Real estate, $2,084.

13. State and local gasoline, $129.

14. General sales, $574.

17. Total, $4,183.

INTEREST EXPENSE

18. Home mortgage, $7,674.

20. Total, $7,674.

21. a. Cash contributions for which you have receipts, cancelled checks, etc., $609.

24. Total contributions, $609.

MISCELLANEOUS DEDUCTIONS

33. Other (itemize), see data sheet No. 2, $237.

34. Total, $237.

SUMMARY OF ITEMIZED DEDUCTIONS

35. Total medical and dental, $150.

36. Total taxes, $4,183.

37. Total interest, $7,674.

38. Total contributions, $609.

40. Total miscellaneous, $237.

41. Total deductions, $12,853.

INTEREST INCOME

7. See data sheet No. 1, $1,074.

8. Total interest income, $1,074.

Data Sheet No. 1

Names of Dependent Children:
John, III, Norman H., Sarah and Mary L.
Interest Income:
U.S. Treasury Bills, $384.
Merrill Lynch, et al.—Texaco debentures, $690.
Other Income:
Honoraria, $4,950.

Data Sheet No. 2

Miscellaneous medical expenses:	
Medical travel	$21
Labs and X-ray	5
Total	26
Miscellaneous deductions:	
Tax service fee	50
Investment counsel	187
Total	237

SCHEDULES E AND R (FORM 1040)

SUPPLEMENTAL INCOME SCHEDULE AND RETIREMENT INCOME CREDIT COMPUTATION

PT. II—RENT AND ROYALTY INCOME

Kind and location of property (if residential, write "R") (a)	Total amount of rents (b)	Total amount of royalties (c)	Deprecia-tion or depletion (d)	Other expenses (e)
Ad valorem taxes				$73
Amoco		$2,295	$505	106
Maurice L. Brown, Jr		1,081	238	88
Barnwell Inc		154	34	4
Rent property, scheduled	$14,482		5,645	10,585
(1) Total	14,482	3,530	6,422	10,856
(2) Net Income or (loss) from rents and royalties	734			

FORM 4831—RENTAL INCOME, 1974

	Property A	Property B
Pt. I.—Rent income:		
(1) Kind and location of property:		
Property A: 716 Chinquapin Rd., Shreveport, La. (residential).		
Property B: Commercial property, Columbus, Miss.		
(2) Rents received	$3,850	$10,632
(3) Total	14,482	
Pt. II.—Expenses:		
(9) Insurance	403	420
(10) Interest	1,426	6,902
(15) Repairs (list):		
Steam room	104	
Septic tank	325	
Air-conditioning	1,005	
(22) Total expenses	3,263	7,322
(23) Total expenses (add line 22)	10,585	

PT. III—INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, SMALL BUSINESS CORPORATIONS

Name (a)	Employer identification number (c)	Income or (loss) (d)
Estate of Sarah Hertzog (partnership)	72-0423752	800
Johnston, Thornton, & Pringle (partnership)	72-0649203	6,184
Sealy WFW Ltd. (partnership)	(1)	(268)
(1) Total		6,716
(2) Income or (loss) (total of pt. II and pt. III)	7,450	7,450

[1] Number applied for.

PT. III.—SCHEDULE FOR DEPRECIATION CLAIMED ON SCHEDULE E, PT. II, COL. (D)

Group and guideline class or description of property (a)	Date acquired (b)	Cost or other basis (c)	Depreciation allowed or allowable in prior years (d)	Method of computing depreciation (e)	Life or rate (percent) (f)	Depreciation for this year (g)
(27) Other depreciation:						
House: 716 Chinquapin, Shreveport, La.; Land: $20,000	Jan. 1, 1973	$54,000	$1,080	SL	4	$2,160
Commercial property: Columbus, Miss.; Land: $41,637	Apr. 18, 1973	46,472	1,307	1½ DB	20	3,485
(28) Total		100,472				5,645

SCHEDULE D (FORM 1040)—CAPITAL GAINS AND LOSSES, 1974

PT. II—LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD MORE THAN 6 MO

Kind of property and description (a)	Date acquired (b)	Date sold (c)	Gross sales price (d)	Cost or other basis as adjusted and expense of sale (e)	Gain or (loss) (d) less (e) (f)
(6) New perspective (mutual fund)	Mar. 9, 1973	Dec. 2, 1974	$4,669	$6,000	($1,331)
(8) Enter gain, if applicable from form 4797, line 4(a) (1)					613
(11) Net gain or (loss), combine lines 6 through 10					(718)
(13) Net long-term gain or (loss), combine lines 11, 12(a) and (b)					(718)

FORM 4797—SUPPLEMENTAL SCHEDULE OF GAINS AND LOSSES, 1974

SEC. B.—SALES OR EXCHANGES OF PROPERTY USED IN TRADE OR BUSINESS AND CERTAIN INVOLUNTARY CONVERSIONS (NOT REPORTABLE IN SEC. A)

Kind of property (if necessary attach additional descriptive details not shown below) (a)	Date acquired (b)	Date sold (c)	Gross sales price (d)	Depreciation allowed or allowable since acquisition (e)	Cost or other basis, cost of subsequent improvements (if not purchased, attach explanation) and expense sale (f)	Gain or loss (d) plus (e) less (f) (g)
(3) Hertzog estate						$613

BUSINESS EXPENSES

12 months expense—U.S. Senate	$3,000.00
2,000 miles at 15 cents per mile	300.00
Total	3,300.00

401 20530-30011—J JOHNSTON—FORM 3468, COMPUTATION OF INVESTMENT CREDIT, 1974

	Col. 2	Col. 3	Col. 4
1. Qualified investments in new and used property:			
(A) New—3 or more but less than 5 yr	0	33⅓	0
(B) New—5 or more but less than 7 yr	1,957	66⅔	1,305
(C) New—7 or more yr	199	100	199
(D) Used—3 or more but less than 5 yr	0	33⅓	0
(E) Used—5 or more but less than 7 yr	137	66⅔	91
(F) Used—7 or more yr	0	100	0
2. Total qualified investment			1,595
3. Tentative investment credit—7 percent × line 2			112
4. Carryback and carryover of unused credits			0
5. Total add lines 3 and 4			112

	Col. 2	Col. 3	Col. 4
IMITATION			
6. Individual—Enter amount from 1040, L16			9,904
7. Less:			
(A) Foreign tax credit		0	
(B) Retirement income credit		0	
(C) Tax on lump sum distribution		0	
8 Total—Add lines 7A, 7B, and 7C			0
9. Line 6 Less Line 8			9,904
10. A. Lesser of line 9 or $25,000			9,904
B. 50 percent of line 9 less line 10A			0
11. Total, line 10A and 10B			9,904
12. Investment credit—Lesser of line 5 or line 11			112

COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX—1974

Name of Self-employed Person: J. Bennett Johnston, Jr.

Social Security No: 454-48-2781.

PART II—COMPUTATION OF NET EARNINGS FROM NONFARM SELF-EMPLOYMENT

Regular method

5. Net Profit or (loss) from: (e) Other . . . Specify: Honoraria, $4,950.00.

8. Adjusted net earnings or (loss) from nonfarm self-employment (line 6 as adjusted by line 7), $4,950.00.

Nonfarm optional method

9. (a) Maximum amount reportable, under both optional methods combined (farm and nonfarm), $1,600.00.

PART III—COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX

12. Net earnings or (loss): (b) from nonfarm (from line 8 or line 11 if you elect to use the Nonfarm Optional Method), $4,950.00.

13. Total net earnings or (loss) from self-employment reported on line 12, $4,950.00.

14. The largest amount of combined wages and self-employment earnings subject to social security tax for 1974 is $13,200.00.

16. Balance (subtract line 15(c) from line 14), $13,200.00.

17. Self-employment income—line 13 or 16, whichever is smaller, $4,950.00.

18. If line 17 is $13,200, enter $1,042.80; if less multiply the amount on line 17 by .079, $391.00.

20. Self-employment tax (subtract line 19 from line 18), $391.00.

COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX

Name of Self-employed Person: Mary G. Johnston.

Social Security No.: 437-94-4598.

Business activities subject to self-employment tax: Farm Partnership.

PART I—COMPUTATION OF NET EARNINGS FROM FARM SELF-EMPLOYMENT

Regular methods

1. Net profit or (loss) from farm partnership, $613.00.

2. Net earnings from farm self-employment, $613.00.

4. Enter here amount on line 2, $613.00.

PART II—COMPUTATION OF NET EARNING FROM NONFARM SELF-EMPLOYMENT

Nonfarm optional method

9. (a) Maximum amount reportable under both optional methods combined (farm and nonfarm), $1,600.00.

PART III—COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX

12. Net earnings of (loss): (a) From farming (line 4) $613.00.

13. Total net earnings or (loss) from self-employment reported on line 12, $613.00.

14. Largest amount of combined wages and self-employment earnings subject to social security tax for 1974 is $13,200.00.

16. Balance (subtract line 15(c) from line 14) $13,200.00.

17. Self-employment—line 13 or 16, whichever is smaller, $613.00.

18. If line 17 is $13,200, enter $1,042.80; if less, multiply the amount on line 17 by .079, $48.00.

20. Self-employment tax (subtract line 19 from line 18) $48.00.

FORM 4136

COMPUTATION OF CREDIT FOR FEDERAL TAX ON GASOLINE, SPECIAL FUELS, AND LUBRICATING OILS

PT. I

	Gasoline, diesel fuel, and special motor fuels			Lubricating oil		
Type of use	Number of gallons used (A)	Rate of tax (B)	Col. A multiplied by col. B (C)	Number of gallons used (D)	Rate of tax (E)	Col. D multiplied by col. E (F)
(1) Nonhighway:						
(a) Farm (for farming purposes)	1,250	{0.02 .04}	$25	58	0.06	$3
(4) Total			25			3
(7) Total income tax credit claimed: $28.						

STRATEGIC IMPORTANCE OF THE INDIAN OCEAN

Mr. GOLDWATER. Mr. President, tied in with the worldwide energy problem is the great strategic importance of the Indian Ocean. Oil from the Persian Gulf is critical to the industrialized world. For 75 percent of western Europe's need and 85 percent of Japan's must be imported from the Middle East. However, the growing might of the Soviet Union in the Mediterranean Sea and the Indian Ocean makes our presence in this area of vital concern.

For this reason the construction of the Diego Garcia facility becomes vital to the national interests of the United States.

Not only is the Indian Ocean important because of oil, it must be remembered that it contains the root for access to the other strategic materials and minerals in Africa. I will not run down the entire list but it includes chrome, absestos, copper, and uranium.

Mr. President, the case for the construction of the Diego Garcia facility was laid out in powerful and unmistakable terms in hearings before the Senate Armed Services Committee on June 10 of this year. Defense Secretary James R. Schlesinger told the committee that augmentation of our limited communications bases on Diego Garcia would provide secure access to logistical support for our forces operating in the Indian Ocean. Otherwise, he declared, our naval forces would have to continue replenishing their supplies by a chain of tankers stretching over 4,000 miles, from the U.S. facilities in the Philippines.

In addition, Gen. George S. Brown, USAF, Chairman of the Joint Chiefs of Staff, reminded us that easy access to the Indian Ocean is needed to provide a counter to adventurism from any source.

Mr. President, because of the enormous challenge to our interests in that part of the world and because I am sure all the Members of Congress wish to be informed of all the facts, I ask unanimous consent that both Secretary Schlesinger's and General Brown's statements to the Armed Services Committee be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF JAMES R. SCHLESINGER

Mr. Chairman and Members of the Committee, I appreciate this opportunity to clarify for you our reasons for proposing all augmentation of facilities on the island of Diego Garcia in the Indian Ocean. As I have indicated in previous appearances before Committee and elsewhere, we believe this project is necessary to provide logistical support for our forces which operate periodically in the Indian Ocean.

Since my last appearance here, the President has signed the Military Construction Act of 1975 (Public Law 93-552), which authorizes the $18.1 million to begin construction of these facilities, subject to certain qualifications. In response to Congressional request, as specified in Section 613(a)(1) of that Bill, the President certified to the Congress on May 12 that he had evaluated all the military and foreign policy implications regarding the need for United States facilities at Diego Garcia and concluded that the construction of such a project is essential to the national interest of the United States. In the absence of any negative action by Congress, it will be possible to commence construction of the support facilities this fall. An additional $13.8 million in military construction funds has been requested in the FY 76 Budget.

At the present time we have a limited communications station on Diego Garcia. The purpose of the new construction would be to expand this station to include certain support functions beyond its present communications role. The proposed expansion would include the following:

The runway would be lengthened to 12,000 feet from its present 8,000 feet to permit the operation of larger cargo aircraft as well as high performance tactical aircraft under a variety of circumstances in the tropical climate;

The fuel storage capacity would be increased from the present 60,000 barrels of aviation fuel to a total of 380,000 barrels of aviation fuel and 320,000 barrels of fuel oil for ships;

An anchorage would be dredged in the shallow coral lagoon which could accommodate the ships of a carrier task group, and a pier would be constructed to provide about 550 feet of berthing primarily for the rapid loading or unloading of fuel;

Various airfield improvements would include additional parking aprons, an arresting gear for emergency use, and limited aircraft maintenance facilities;

Additional quarters for approximately 300 officers and men would be constructed; and

Storage, power, and other ancillary facilities would be expanded proportionate to the intended support functions.

The military construction funds required for this project would be approximately $37.8 million, to be carried out by SEABEE units through FY 79. At the present time, there are approximately 600 SEABEES on the island completing previously authorized work on the communications station and harbor, which is expected to be finished during this calendar year. There are about 430 U.S. military personnel currently assigned to operate the communications station and the airstrip. With the expansion program, this number would rise to approximately 600.

The total cost of the improvements we have requested on Diego Garcia, including the salaries of the construction personnel, their food and fuel, the replacement costs of equipment used in the construction process, the procurement of hardware for the communications station, and all other operating and maintenance costs would be about $108 million, or roughly the cost of a single navy oiler. In view of the flexibility which the proposed installation on Diego Garcia will offer to our forces, and the operational economies it will make possible, we feel that this is a prudent investment.

Our principal objective in requesting this facility is to provide secure access to logistical support for our forces operating in the Indian Ocean. For example, our naval forces operating there today must rely either on local sources of fuel or else must be replenished by a chain of tankers stretching over 4,000 miles from U.S. facilities in the Philipines. The additional fuel storage we have proposed would permit a normal carrier task group to operate for about 30 days independent of other sources of supply. That margin of time could spell the difference between the orderly resupply of our forces and a hasty improvisation which could place unwieldly demands on our support assets in other areas. The same is true of the repair and maintenance which could be performed on ships and aircraft.

In short, the proposed facility would provide the assurance of U.S. capability to deploy and maintain forces in an area which has become increasingly important over the past decade.

Mr. Chairman, for nearly two centuries the Indian Ocean was the military preserve of Great Britain, which exercised control over the vital sea lanes to India and the many outposts of the British Empire. From the early 19th century, Britain opposed Czarist attempts to extend Russian rule into South Asia, just as it later cooperated in countering postwar Stalinist efforts in Azerbaijan to extend Soviet influence in the direction of the Persian Gulf.

In the economic environment of the 1960s the British were forced to reorient their priorities toward Europe and away from Asia and the Indian Ocean. It is an interesting coincidence that 1968—the year the British announced their intention to withdraw—was also the year when the USSR first established what has now become a permanent naval presence in the northwest Indian Ocean.

While this transition from British dominance to a more diffuse power structure has been in progress, the interests of the United States in the Indian Ocean region have been growing. We have become increasingly dependent on the oil which is constantly moving in tankers along the sea lanes in the Indian Ocean, and our allies are even more dependent. We have an immediate stake in the stability and security of this very large body of water where half of the world's seaborne oil is in transit at any given time.

Consequently, we have been concerned at the steady growth of Soviet military activity in the region. I would like to review briefly the sequence of events by which this increase of Soviet military presence has developed.

The first Soviet deployments to the Indian Ocean in 1968 were small and tentative in nature. Lacking any shore facilities, the original contingents of Soviet ships were satisfied to remain mostly quiescent, spending most of their time at anchorages in international waters, with only occasional brief port visits to break what must have been a monotonous existence. This cautious probing of unfamiliar waters is very reminiscent of Soviet initial deployment into the Mediterranean some five years earlier.

When the Soviet Navy began to deploy to the Mediterranean in 1963, following an abortive earlier attempt to introduce submarines into Albania, there were very few ports open to them and they spent most of their time sitting idly at anchor. But the Soviets grew more confident with time, and when Egypt made port and airfield facilities available to them after 1967, they were quick to increase the scope and intensity of their operations. By the time of the Arab-Israel War of October 1973, they were able to introduce and sustain an armada of more than ninety ships, including the most modern in their inventory.

As early as 1962, the Soviets agreed to assist the government of Somalia in constructing port facilities in Berbera, a small port overlooking the entrance to the Red Sea. The harbor was completed in 1969, and by 1971 sixteen Soviet ships paid visits to the port. In 1972, Marshal Grechko visited Somalia for the signing of a Soviet-Somali Agreement, and this was soon followed by an increase in Soviet use of facilities at Berbera, including the establishment of a naval communications site and the arrival of a barracks and repair ship which has remained as a permanent feature even since. In late 1973, the USSR began initial construction of what has subsequently been identified as a missile storage and handling facility at Berbera, suggesting that the Soviets had plans for such a facility even before the events of the October 1973 war and the introduction of a more frequent US presence.

In July of last year, the USSR signed a Treaty of Friendship and Cooperation with Somalia, similar to those signed with Egypt, Iraq and India. Several months later, approximately coincident with a visit by the Commander of the Soviet Navy, Admiral Gorshkov, we noted the beginning of a significant expansion of Soviet facilities at Berbera, including expansion of the POL storage, construction of additional housing ashore, and the beginning of a very long airstrip. The emerging configuration of a missile storage and handling facility became apparent. It is evident that the USSR is in the process of establishing a significant new facility capable of supporting their naval and air activities in the northwest Indian Ocean.

The USSR has also provided assistance to the Government in South Yemen in managing the former British port of Aden, which was the fourth largest bunkering port in the world when the Suez Canal was in operation. This port lies directly across the Gulf of Aden from Berbera and commands the northern side of the entrance to the Red Sea.

In addition, the USSR is assisting Iraq in the construction of a port, Umm Qasr, at the northern tip of the Persian Gulf. However, Soviet development and use of these two facilities has been much more modest than at Berbera.

The Soviet Union has become a major sea power only in the last decade. The first display of Soviet global naval power—the so-called OKEAN Exercise in 1970—was intended to demonstrate Soviet capability to conduct coordinated naval operations in every ocean of the world. A similar worldwide exercise was held in April of this year. For this event, the number of Soviet ships in the Indian Ocean was approximately doubled. Activity was centered in the northern Arabian Sea, at the crossroads of the tanker lanes from the Persian Gulf. The exercise was supported by long range aircraft operating from the Soviet Union, and, for the first time, by maritime patrol aircraft operating from airfields in Somalia.

It is worth remembering that the entire Soviet buildup in the Indian Ocean which now averages approximately 19 ships on a regular basis, has occurred during the period since the Suez Canal closed in 1967. We anticipate that, with the canal once again open as of last week, we will see an increase in the level of Soviet merchant ship traffic and commercial activity with South Asia. We will be watching very carefully for any change in the pattern of their naval deployments. As you know, the opening of the canal reduces the distance from the Black Sea to the Arabian Sea from 11,500 miles to only 2,500 miles—a difference in sailing time of 24 days. It also reopens to the USSR a warm water transit route from European Russia to the Soviet Far East, which will undoubtedly be important for the transfer of naval units between eastern and western fleets. Whether this will mean an increase in Soviet naval presence on a regular basis is not certain, but it will certainly increase Soviet flexibility in supporting or reinforcing its units in the Indian Ocean.

The level of U.S. presence in the Indian Ocean has been prudent. We have had a small permanent presence in the Persian Gulf and Red Sea since 1949, consisting of the command ship and two destroyers of the Middle East Force centered in Bahrain. In addition, since October 1973, we have conducted more frequent and more regular deployments to the area from our Pacific Fleet. Over the past 18 months, there have been seven such deployments, including five visits by carrier task groups and two visits by major surface combatants. Over the past year, we have had an augmented presence in the area approximately one-third of the time.

Although we would strongly prefer to see no Soviet buildup of military presence in this region, it appears that the USSR intends to undertake such a buildup. Since an effective military balance is essential to the preservation of regional security and stability in this area of great importance to the economic well-being of the industrialized world, we feel we should have logistical facilities which will permit us to maintain a credible presence. In a period of historical transition toward a new set of power relationships, only the United States among the Western nations has the stature to insure that the balance is maintained.

Mr. Chairman, that completes my remarks. However, since the question has been raised about the ongoing activities at the port of Berbera, I have here some photos and charts which should illustrate for you the source of our concern.

STATEMENT OF GENERAL GEORGE S. BROWN

Mr. Chairman and Members of the Committee:

I am pleased to respond to the Committee's request for my comments on the issues raised by S. Res. 160 and President Ford's certification that the construction of the Diego Garcia facility "is essential to the national interests of the United States."

STRATEGIC IMPORTANCE

Any rational analysis of this issue must begin with an appraisal of the strategic importance of the area. The strategic importance of the Indian Ocean is derived, not only from its relationship to oil and minerals resources, but also from the air and sea lines of communication running through it.

Oil from the Persian Gulf area is critical to the industrialized world. Seventy-five percent of Western Europe's oil requirements and eighty-five percent of Japan's must be imported from the Middle East. These requirements cannot be met from any other known source. Thus, these major U.S. allies, and to a significant extent the U.S. as well, will continue to be dependent on Middle East oil for the foreseeable future. The energy needs of the industrialized northern hemisphere dictate a profound concern with access to these resources, particularly those of the Persian Gulf, which has more than sixty percent of the world's proven reserves and with the security of the tanker routes through the Gulf and across the Western Indian Ocean in time of war or political crisis.

While the primary emphasis on the Indian Ocean area has to do with oil, it should be remembered that the Indian Ocean Constitutes the principal route for access to other strategic materials and minerals in Africa, including chrome, antimony, asbestos, copper, lead, nickel, and uranium. Access to strategic minerals will be an increasingly serious national concern in the later part of this decade. The same situation applies to the NATO countries since Africa has been a source of crucial minerals for Europe, especially with respect to the movement of copper. Access to the resources of the region is indispensable to the survival of both NATO and Japan, and we must demonstrate to both allies and would-be adversaries U.S. resolve to deter threats to the vital lines of communication in the area and to prevent closure of these lines of communication if deterrence fails.

The United States also has other important interests in the area even beyond the self-evident needs for access to oil and mineral resources. While the Indian Ocean area is remote from major centers of power, it nonetheless has great potential for unrest which could involve the major powers on short notice.

First, we have friends in the area who look to us for support. We are related to Iran and Pakistan, for example, through the committees of the Central Treaty Organization; and we maintain good relations with the moderate regimes in the Arabian Peninsula and along the east coast of Africa. Second, political stability in a number of countries is likely to be a continuing problem during the mid-range period as a result of the increasing popular expectations of economic advancement and the inability of existing governments to satisfy many of these aspirations, and newly emerging states, so subject to turmoil, look to us to assist them.

A moderate U.S. air and naval presence provides a counter to adventurism from any source. Those who would be our adversaries must not question either our resolve or our capability to ensure that our interests are served. We seek to demonstrate our interests in the area and our concern that it not be dominated by any outside power. As you have recently said, Mr. Chairman, "It is clear that, for the present at least, no nation is too new, too small, too weak, or too remote to challenge the United States if the proper opportunity presents itself."

REQUIRED CAPABILITIES

Should any of these special problems require a military presence, U.S. forces other than the small Middle East Force must come from the Atlantic or Western Pacific. Aside from the obvious considerations of distance and cost, two other factors suggest themselves in determining our support requirements. First, if we are obliged to rely totally on long range capabilities such as B52s, airborne divisions on C5s, or an amphibious task force embarked from North Carolina or Hawaii, we will lose the ability to contain our reaction by a measured and discreet application of force. We will be confronted with an all or nothing at all circumstance in which the only available reaction may be in excess of that necessary.

Second, the United States was disappointed, but not surprised when some of our allies did not perceive their national interests as being identical to ours with regard to the most recent Middle East War. Without the cooperation of Portugal, which consented to the use of Lajes, the resupply operation which made Israel's survival possible could not have been conducted without great hazard and almost prohibitive cost. A similar restraint could limit our response to a crisis in the Indian Ocean area.

If we are to be able in the future to respond to a call for help of the nature and magnitude of, say, the Israeli operation, or implement a decision to act in the interests of the U.S., we must continue to develop and invest in secure facilities where we can operate as free of foreign political constraints as possible while still maintaining our alliance system. The best runway, storage facilities, geopolitical location, or deep water port is of little utility if political constraints preclude its use. Thus, the communications facility of political constraints preclude its use. Thus, the communications facility at Diego Garcia, being owned by the United Kingdom, a country with whom the United States has a historical special relationship, offers us the opportunity to construct a modest installation on an unpopulated speck of land under the sovereignty of a nation whose interests are generally, if not almost universally, identical to our own.

The proposed construction on Diego Garcia would enhance our capability to provide support to U.S. Forces operating in the Indian Ocean. However, there is no intent to permanently station operational forces there of any kind, and the installation would not imply an increase in the level of U.S. Forces deployed in that region. The only permanent personnel will be those required for communications and logistics support. As a refueling and resupply facility, Diego Garcia will provide us with the capability of responding to air or naval requirements in the area either in terms of logistics or surveillance. The modest expanded facility of Diego Garcia will give us an enhanced capability to respond to the requirements of U.S. foreign policy. It will not be an operating base nor will it constitute a significant increase in U.S. military presence.

We have seen how the Soviet Union views the increasing importance of the Indian Ocean to them. While we have been debating the modest expansion of our facility at Diego Garcia, the Soviet Union has nearly completed their development at Berbera in the Republic of Somali. Whether or not this installation is called a "base," is of little importance. It is a significant facility. They have pier facilities, a large fuel storage area, a complete missile storage and preparation facility (remarkably similar to those in the USSR), a shore berthing and recreation area, and are now surfacing the airstrip, which is three miles in length. I view this as a clear signal of an increasing Soviet interest in the area; a capability to support such an interest with a military force, if desired or required, and a sign of permanency.

Even after the Diego Garcia expansion, our closest comparable capability to that which the Soviets are building at Berbera will be at Subic Bay. The charter of their naval contingent has hardened into that of a permanently stabilized force with an embarked flag officer commanding a cruiser, two destroyer escorts, two minesweepers, two amphibious ships, a submarine, and six to eight auxiliaries. The Soviets let me emphasize will see to their interests without regard to what we do at Diego Garcia.

Our development of a capability at Diego Garcia to more economically and efficiently support our forces in a contingency does not signify our intent to deploy additional forces. This capability does signify that we have an interest in freedom of the seas and the airways above them, that we have an interest in protecting the vital air and sea lines of communication, and that we have a commitment to ensure that we are able to respond wherever and however our important interests are challenged.

In conclusion, Mr. Chairman, I would simply state that the Indian Ocean area is of major strategic importance, that the United States has significant interests in the area, and that the most feasible and economical way to support those interests is the modest program for expansion of the Diego Garcia facility that the President has proposed. I fervently urge your support for that program.

GENOCIDE CONVENTION: LEGAL CONSIDERATIONS

Mr. PROXMIRE. Mr. President, in the 25 years since the Genocide Convention has been before the Congress, no one has raised serious objections to the purpose of the United Nations' Genocide Treaty. The primary objections which have been raised since the convention was first submitted to the Senate have concerned constitutional and other legal points.

However, these objections have gradually subsided as it became apparent that the Genocide Convention in no way challenges or violates the Constitution or any Federal law. As Supreme Court Justice William Rehnquist said when he was Assistant Attorney General:

> Twenty years ago Solicitor General Perlman provided a detailed and scholarly statement to a subcommittee of the Foreign Relations Committee on the constituitonal and other legal questions surrounding the Genocide Convention. In 1950 some of the questions concerning Federal jurisdiction and the treaty power were considered somewhat novel. However, developments in the intervening years—the extensive use of the treaty power and the growth of Federal criminal jurisdiction—have, it seems, illuminated both these areas to the point where I believe I can safely say that the questions before the Committee and the Senate are more matters of policy than questions of legal power.

It becomes obvious from these and other statements that the only possible objection to the Genocide Convention is one that opposes the policy of outlawing genocide on an international level. There remains no ground for legal objections. Accordingly, if one openly reviews the text of the Genocide Convention, there are no policy objections possible. The Genocide Convention simply outlaws the atrocities associated with the term "genocide." Mr. President, I again call for immediate ratification of this treaty.

A LONG EXPANSION AHEAD?

Mr. FANNIN. Mr. President, it is a pleasure for me to share with my colleagues an informative and well-reasoned article by Dr. Paul W. McCracken entitled "A Long Expansion Ahead?" printed in the Wall Street Journal on June 11, 1975. As former Chairman of the President's Council of Economic Advisers and presently as Edmund Ezra Day university professor of business administration at the University of Michigan, and senior consultant to Secretary Simon, I have gained immense respect for Dr. McCracken's abilities as an economist and public policy spokesman.

It appears to me that Dr. McCracken discusses in his article several essential points regarding the current status of the economy which Congress and the administration should examine and heed.

Despite the Nation's high unemployment rate and dismal decrease in gross national product, there are signs of hope—inconclusive as they may be. Dr. McCracken maintains that employment signs seem to be improving in that unemployment compensation claims have decreased slightly and the unemployment rate appears to have reached a plateau. The sharp rise in durable goods orders on a broad base in April is also encouraging.

Of particular note is the fact that survey evidence indicates an increase in consumer confidence. It is my belief that the health of an economy is directly related to the consumers' confidence in that economy. Therefore, this evidence is the clearest indication of a pending return to prosperity.

Dr. McCracken notes that the "general expectation is that the economy even after it starts expanding will move upward slowly." He maintains, however, that the upturn may be vigorous as, for one thing, "history is on that side of the argument."

What appears to me to be particularly essential for Congress and the administration's attention is the warning that we must avoid mismanagement of the pending expansion. I concur in his observation that this Nation's Government has demonstrated a frightening ability to mismanage prosperity.

Economic stimulus has been signed into law. It appears to me essential that we avoid any further stimulative measures which would race our economy into another inflationary cycle within a short period of time. Despite the political attractiveness of legislating financial assistance to those who have been economically injured by the current recession, I believe we must avoid such measures which would overstimulate the economy and further damage the economic status of these individuals.

Mr. President, I ask unanimous consent that Dr. McCracken's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Long Expansion Ahead?

(By Paul W. McCracken)

Now that the end of the recedence of business activity seems to be near at hand, and may already have been reached, how prompt and vigorous and sustained will the upturn in business activity be? The omens will obviously be watched carefully in the months ahead for any indications about the answer to that question.

There are, of course, skeptics about whether the end of the decline has itself been reached. And they are not without arguments on their side. The turn-about in the economy cannot finally be established until business activity begins to move upward, and there is not yet much evidence in hand that this is occurring. Nonagricultural employment did actually increase in April and again in May but most indicators of economic activity generally have been inconclusive. Moreover, if the economy hit the recession air pocket about October last year, this decline has been running for about six to eight months, and that would be on the short side of such contractions in history.

The signs do seem to be multiplying, however, that the end of the decline is at hand. The employment situation seems to be improving around its outer edges as initial claims for unemployment compensation edge downward and even the unemployment rate seems to be establishing a plateau. The sharp rise in new orders for durable goods in April was also encouraging, but two other characteristics of these data were even more significant. One was that the gain came after a see-saw pattern in the early months of the year which itself seemed to suggest that a floor had been reached. After a sharp and sustained decline beginning last September the volume of incoming orders for durable goods rose in February, slipped again in March, and displayed a strong gain in April. In the language of the stock market, a resistance point seemed to have been reached. An even more impressive aspect of the April gains in new orders was that they were broad-based. They were not to be explained by heavy orders for new aircraft or ships, something which might produce favorable over-all figures but still have limited over-all significance.

The most conclusive evidence suggesting that the end of the decline is at hand comes from the May report of the Purchasing Executives. With their May report the proportion of respondents indicating that both new orders and production were better exceeded those indicating that they were worse, and historically this crossover has usually coincided closely with the turn-about in economic activity itself.

AWAITING MR. MOORE'S RULING

Whether the National Bureau of Economic Research as the Supreme Court on these matters, and specifically Geoffrey Moore as the acknowledged Chief Justice for business cycle cases, rules finally that the specific low month was May or April or June, the evidence is mounting that the low point for the economy is at hand. We are like the sailors of old who after dreary and anxious weeks on the ocean hear birds in the air and see tree limbs floating on the water. Even if land is not yet visible, it cannot be far away.

Attention is, therefore, now turning increasingly to the question posed at the beginning of this article. How vigorous will the upturn be?

The general expectation is that the economy even after it starts expanding will move upward slowly. And this dour expectation reflects more than the usual pessimism at the low point of business activity that tends to be projected into the future. It reflects the extent to which key areas of the economy that have often led the expansion in the past will not apparently be performing this leadership role in the near future. Housing is the obvious case. In 1970, for example, housing starts by the low month of that recession were already more than 50 percent above their own low point earlier in that year, and in 1954 the figure was about 20 percent.

Such a contra-cyclical rise in housing starts clearly has not occurred during the current recession. The most that can be said is that the decline in housing starts itself came to a halt about last December with starts by then down more than 50 percent, and in recent months they have been moving laterally at just under a one million per year pace. While that is better than a continued decline, it is hardly a performance that will lead us out of recession's wilderness.

Moreover, the automobile market, traditionally marked by strong cyclical swings, has been suffering from disarray for reasons beyond the business cycle, and no strong recovery seems to be ahead in these waning months of the 1975 model year. If auto sales remain sluggish in 1975, this would be in strong contrast to the sharp rebounds in consumer purchases of automobiles that coincided with the resumption of general business activity after the last recession in 1970, or its predecessor in 1961.

Moreover, even after sharp inventory liquidation, inventories in the first quarter were heavier relative to sales than has usually prevailed at the bottom of recessions. To be precise the ratio of inventories to what might be called final purchases of output (all expressed in constant prices to wash out the effects of inflation) has ranged from 31.7 percent to 31.9 percent at the low point of recessions during the last three decades. In the first quarter of 1975 this ratio was 32.5 percent. While that difference is only 2½ percent, a liquidation at a $30–35 billion annual rate (in today's prices) in the second quarter would be required to have the volume of stuff in stock bear the same relationship to sales that prevailed just before other upturns historically.

Finally, our trade position could be a drag on our own domestic expansion. Canada seems to be moving into a delayed decline, and Japan's economy has not yet resumed expansion. With our two most important trading partners with sluggish economies, a domestic expansion here might cause an accelerated flow of U.S. imports rather than stepped up domestic production.

With the probability of continuing further declines in business outlays for the expansion and improvement of basic production facilities added to these other weaknesses, the case for an anemic expansion would seem to be strong, and this is a quite pervasive expectation. Alphabetizing has even invaded attempts to describe cyclical profiles, and this one has been variously characterized as V-shaped, L-shaped, U-shaped, or even one that will look like a square root sign.

The vigor of the upturn may, however, be a pleasant surprise. For one thing history is on that side of the argument. In general particularly sharp declines are apt to be followed by a rapid expansion once the upturn gets under way. It was after the sharp 1957–58 recedence in business activity, for example, that gains in real output remained in the 10-percent zone for several quarters, rates that were not matched following the more shallow recessions of 1970 or 1961.

This, of course, is what logically would be expected. Rapid declines in business activity are usually rapid because of heavy inventories that need to be worked down (particularly if financing becomes costly and difficult). While sales and production can be met for a time out of inventory, at some point production must be stepped up, but the resulting increase in employment and incomes then begins to affect sales favorably, which accentuates the need to rebuild stocks, and the cumulative expansion process is under way.

RELATIVE VALUES

While bare shelves are not apt soon to force businesses back into stepping up their orders this time just to service ongoing sales, the fact is that the basic inventory position is not as overly heavy as the figures might seem to imply. If we look at the relationship between the volume of stuff now in stock and sales levels that would represent more normal utilization of our productive resources, inventories are now relatively low by historical standards. In that relative sense they are about comparable to the relationship prevailing at the bottom of the 1958 recession, and lower than in the recessions of 1970, 1961, or 1954. As business activity turns upward this year, the need to avoid further inventory liquidation or even to begin some rebuilding of stocks may, therefore, emerge more quickly than has seemed probable in these early months.

This probability has been enhanced by the strongly expansive economic policies that are now in place. As for monetary policy the money stock (M1) since January has been rising at about a 9 percent per year rate. While there is no mechanically exact relationship between changes in the money supply and changes in economic activity, the trail now being blazed by monetary policy would be broadly consistent with a 10 percent to 12 percent per year rate of expansion in GNP by the final half or third of 1975. Even if the price level were to be rising at something like a 6 percent per year rate, there would still be strong gains in real output. Monetary policy would, in short, seem to be striking about the right balance between the need for expansion and the need to avoid so over-doing it as to sow seeds of future trouble.

Clearly fiscal policy will be playing its part in promoting the expansion also. The Tax Reduction Act of 1975 itself will add about $21 billion of stimulus to the economy, with roughly 60 percent of it coming into effect during the current quarter and the remainder distributed about equally between the third and fourth quarters of 1975. And this is all superimposed on a basic federal expenditure trend that has been rising at about a $70 billion per year pace. This fiscal stimulus itself, directly and indirectly, could be accounting for substantial increments in the demand for output by the latter part of the year if no more than the usual lags prevail between changes in policy and their visible effects in the economy.

Moreover, survey evidence indicates that consumer sentiment is itself now improving. In an affluent economy consumers have some elbowroom for varying their spending, depending on whether they think it is a good time to buy. This survey evidence that consumers are regaining some confidence suggests that they will be spending somewhat more freely in the months ahead.

Finally, we do need to remember that upswings have not always been led by strong increases in housing and automobiles, and that capital outlays of businesses are almost always one of the last sectors of the economy to regain strength. In 1958 and 1961, for example, housing starts did not show any strength until business activity itself turned upward. And though real GNP was rising at a rate in excess of 10% per year in the second half of 1958, the auto industry did not experience strong gains until the final quarter.

A HOPEFUL OUTLOOK

If the economy gets on a rising trend in 1975, the expansion should be long sustained. Output would now need to be roughly 10% above present levels for the economy's productive resources to be at comfortably full rates of utilization. Our capacity to produce is also rising at about a 4% per year rate. Even if, therefore, output in real terms were to be rising at a 6% to 7% per year pace, which characterized the recoveries after 1958 or 1961, the economy would not be pressing the outer limits of its capability to produce until the latter half of 1978.

In short, unles we mismanage this expansion, and during the last decade we have demonstrated an awesome capability to do precisely this, a long rising trend of business activity should now lie ahead. The greatest threats to a stable and orderly expansion are that in these early stages businesses will be too cautious, forced later then to scramble for materials and capacity, and that government will be too impatient and shortsighted, forced later to cool off an economy that should never have been overheated.

THE CONSUMER ADVOCACY AGENCY PROPOSAL—AGAIN

Mr. ALLEN. Mr. President, the current edition of the American Bar Association's Administrative Law Review contains an article on one of this Chamber's favorite subjects—The Consumer Advocacy Agency proposal.

Written by Richard Leighton, one of the acknowledged experts on this legislation, this article contains the most objective history and explanation of these bills that I have read.

Although the main body of this piece was written prior to our passage of an ACA bill last month, an author's printed note at the end of the article brings it up to date with the changes made on this floor.

Due to the importance and immediacy of this subject, I ask unanimous consent that this concise article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[27 Administrative Law Review 149 (American Bar Association, 1975)]

THE CONSUMER ADVOCACY AGENCY PROPOSAL—AGAIN

(By Richard J. Leighton, Member of the Maryland Bar and the District of Columbia Bar)

Now in their seventh year of effort, proponents once again feel confident that they will be successful—that, finally, both chambers of Congress will pass in proper phase a bill to create an independent federal Agency for Consumer Advocacy (ACA). The principal function of the proposed ACA, sometimes called Consumer Protection Agency (CPA), would be to advocate the interests of consumers before the courts, Congress and, especially, other federal agencies. This controversial proposal is, once again, the major consumer protection issue before the Congress, and potentially one of the most significant administrative law developments since passage of the Administrative Procedure Act. As of this writing, an ACA bill has been reported by an 11 to 1 vote in a Senate Committee, with full Senate action expected no later than this summer.—The bill passed the Senate on May 15; see note at end.

Much of the proposal's rich history has been documented in other articles which show its development from the 1920s through the end of the 92d Congress late in 1972.[1] This article will concentrate on developments in 1973 and 1974, during the 93d Congress, whch lend themselves to an understanding of the major issues presented by the bill now before the new Congress. However, because of its unusual political evolution some special emphasis will be given to the past six years.

There probably never was a Congressional proposal which has come so close to enactment so many times. One of the most notable aspects of the legislative progress of the consumer agency proposal is that the zeal of its proponents has been matched by the tenacity of its opponents. The Senate, after dscarding proposals to establish a Cabinet-level Department of Consumer Affairs,

---

Footnotes at end of article.

passed a consumer agency bill in 1970 by an overwhelming margin of 74 to 4; a similar bill, however, was prevented from reaching the floor of the House of Representatives by a tie vote in that body's Rules Committee.[2] Thus, the proposal was dead for the 91st Congress.

In 1971, the House revised and passed its consumer agency bill by a landslide vote of 344 to 4,[3] only to see a threatened 1972 filibuster prevent passage of a new Senate version of the bill.[4] On two of the three cloture votes which were taken during the 92d Congress, proponents of the bill came within three votes of breaking the filibuster.[5]

In 1974, the House once again took the lead. It passed a further revised consumer agency bill by a diminished, but still impressive, majority of 293–94.[6] A filibuster erupted in the Senate when that body's further revised bill came to floor later in the year, and again the tactic was successful in preventing passage.[7] This time, proponents of the bill came within what amounted to one vote of stopping that filibuster, but had to invoke a rare fourth cloture vote to do so.[8] Proponents of a consumer advocacy agency point to these factors to show the inevitability of achieving their goal. Opponents, on the other hand, take heart in what appears to have been a marked decrease in the bill's popularity in the Senate since 1970 and a slightly less spectacular, but still significant, shift in the House during the period.

Never, to paraphrase Abraham Lincoln, have so many words been compressed into such a small idea. And, curiously, just about everyone agrees that the underlying idea is a good one—that the interests of consumers deserve to be represented adequately in federal decisionmaking. The problem arises with the very complex and controversial questions of how and by whom such interests should be represented. Efforts made in attempting to find the answer are impressive, indeed. The following data reflect activities in the 91st, 92d and 93d Congresses alone: 39 days of public hearings were held on consumer agency proposals, producing printed hearing records (which also include submitted material) totaling 4,133 pages.[9] Seven committee reports on consumer agency bills were issued during the period, three each by the Committees on Government Operations of both houses of Congress, and one by the Senate Committee on Commerce; these account for a total of 462 pages of reports, 154 of which were devoted to dissenting or supplemental viewpoints.[10] ACA or CPA bills, all somewhat different in technical detail, were debated on the floor of the Senate three times and in the House twice, passing the House both times and the Senate once within the past five years.[11] These bills were under active floor debate consideration four days in the House and 23 days in the Senate during that period. If the printed debates of these years were run consecutively and all extraneous material omitted from them, they would cover more than 532 full pages of the Congressional *Record*, with the Senate debates accounting for 393 of these pages.[12] During these five debates, 67 votes of substance were taken—29 in the House, 38 in the Senate—of which 29 were record votes (yeas and nays listed by name), with the Senate accounting for 21 of the 29 record votes.

During the 91st Congress, the Senate spent only two days actively considering and passing a CPA bill, with 14 Senators contributing actively to the debate. In the 92d Congress the number of days of active debate on a CPA bill rose from two to ten and the number of actively participating Senators from 14 to 21. During the last Congress, the number of days of active debate stayed almost the same—there were 11 such days devoted to the 1974 ACA bill—but the number of Senators actively contributing to the debate rose to 43.

Paralleling the increase in participation was the number of amendments to the bills requested by Senators to be printed and assigned a number for their possible introduction during the debate. During the 91st Congress, only six amendments were printed, compared to 77 during the following Congress and 195 in the 93d Congress. Perhaps even more interesting is the fact that, of the 31 sponsors and cosponsors of such amendments to alter the 1974 Senate ACA bill, 19 were proponents and only 12 were opponents. The number of actual amendments by the fewer opponents, however, greatly exceeded the number by proponents.

During the 1972 and 1974 Senate debates a total of seven cloture votes were taken on consumer advocacy bills in an effort to stop the ongoing filibusters which were preventing a vote from being taken on the merits of the bill. A rare fourth cloture vote was taken in 1974 on the Senate ACA bill. Only once before, since the first cloture motion was successfully used by Senator Henry Lodge to stop a filibuster on the Versailles Treaty in 1919, had the Senate entertained four cloture motions on the same proposal—and that other time, ironically, was an unsuccessful 1971 attempt to amend Senate Rule 22 to make it easier to stop filbusters.[13] In fact, an unprecedented fifth cloture vote was considered seriously until it became apparent that such a tactic likely would be counterproductive, resulting in the loss of the votes of some Senators who felt that the ACA bill had been on the floor long enough.[14] It may be that time for further debate has long since passed, but some argue that ACA concept "is a bad idea whose time has come and gone." [15]

THE BASIC PROVISIONS

The heart of the consumer advocacy agency concept lies in granting to the new agency powers to represent the interests of consumers, especially before federal regulatory agencies. Consumers and consumer groups, because they lack the time, money and sometimes the expertise, have not been represented adequately before federal agencies which make decisions vital to consumer interests, supporters of the proposal state. "There has been an empty chair for the consumer everywhere," according to one of the leading Congressional proponents.[16] To fill this chair, the ACA would be granted an unchallengeable right to enter into the decisionmaking of virtually any other federal agency to state forcefully the consumers' point of view on any matter which, in the ACA's opinion, might substantially affect an interest of consumers.[17]

The sponsors of the bills recognize that many important decisions affecting consumers are made informally by federal officials at levels of the administrative process well below what could be called a "proceeding." The ACA's advocacy rights, therefore, are made to apply to any decisionmaking of another agency, including unstructured activity where its advocacy rights are renewed in each phase of operations. "The fact that [an ACA advocate] has participated in the investigatory phase of an activity does not impair the right to participate in a later phase of the activity, such as the reaching of a settlement, the decision to initiate formal proceedings, or even a decision to discontinue the investigation." [18]

Within proceedings that have been structured for formalized public participation, the ACA would be given discretion to assign to itself any available status it considered appropriate, including the highest status of advocacy available to anyone for that type of proceeding.[19] For example, in a notice and comment rulemaking proceeding which was limited to written submissions, the ACA would be limited to participation through written comments. But in an agency adjudication where the respondent and the agency are traditionally the parties, the ACA would be given discretion to intervene as a third party if it determined such status were necessary. It could also, however, choose to advocate at a lesser level with other limited intervenors. With respect to the less structured activities of a federal agency, the ACA's participation would be in the form of written or oral submissions which must then be considered by the forum agency before a decision is made; such ACA submissions, however, need not be made simultaneously with those of other persons.[20]

The ACA would be granted standing to seek judicial review of any other agency's decision (or failure to make a decision) arising out of a proceeding or activity in which the consumer unit intervened or otherwise participated.[21] The ACA would be given a right to seek court review as if it were an aggrieved person. Where, however, the ACA had not participated in any manner in the decisionmaking of an agency, its right to seek judicial review would be subject, in the Senate version, to the court determining whether the ACA's suit "would *impede* the interests of justice," [22] or, in the 1974 House version, whether the suit "would be *necessary* to the interests of justice." [23] There exists as well, a right of intervention as a party in court cases brought by others. In the 1974 House version of the bill, this right apparently was limited to judicial review of the actions of other agencies. [24] In the current Senate version, ACA intervention as of right explicitly would extend to civil enforcement actions *of* other agencies as well as actions for review brought against other agencies.[25] The bills state that, whenever the ACA appears in a judicial review of an agency action, the applicable scope of that review would not be altered.[26]

In addition to advocacy, an important function of the ACA would be to gather and publicly disseminate (or use for its advocacy) information of importance to consumers. Generally speaking, the approach taken in the bill is to grant to the ACA very extensive powers to secure, review and develop information, but to attempt to place limitations on the ACA's public disclosure of sensitive information. As to its information-gathering function, several vehicles are provided to the ACA. General powers are granted to conduct conferences, surveys (specifically including economic surveys), research, and investigations.[27] The current Senate bill expressly authorizes product testing by the ACA, while the 1974 House version required the consumer agency to use the product testing facilities and personnel of other agencies.[28] In addition, the ACA would act as a clearing house for consumer complaints.[29]

The ACA is also afforded access to other agency data. *All* federal agencies are "directed to furnish [to the ACA] or allow [it] access to all documents, papers, and records" which the ACA requests.[30] There are five full, but narrow, exceptions to this duty which set forth types of information which an agency may, if it wishes, deny to the ACA—[31]

(1) classified military secrets and other information under proper classification for national defense or national security purposes;

(2) prosecutorial and policy recommendations by another agency's personnel intended only for internal use—further explained in the Committee report as "a narrow exception: a listing of policy options is not a policy recommendation . . . recitation of facts, test results, or expert . . . opinion on which a recommendation is based is not a policy recommendation [even if it appears in the same document as the recommendation]; [32]

(3) information concerning routine executive and administrative functions which is not a matter of public record—explained

---

Footnotes at end of article.

as "matters of internal management . . . such activities as the routing of papers . . .";[33]

(4) personnel and medical and similar files the disclosure of which would constitute a *clearly* unwarranted invasion of personal privacy; and

(5) information which an agency is expressly prohibited from disclosing to *another federal agency*.

In addition to these five full exceptions, there is a partial (and very complicated) limitation put upon the ACA's right to gain access to trade secrets and other confidential commercial or financial information that may be in the hands of another agency.[34] With respect to such trade secrets and other sensitive commercial information that might be obtained by a federal agency *after* the ACA law comes into existence, that federal agency could only withhold the information from the ACA if the federal agency determines, in writing, that—

(1) the information could not have been obtained by use of its subpoena or similar discovery powers.

(2) that is, the *only* way the agency could obtain the information was to agree in writing with its originator to treat the information as privileged or confidential,

(3) the failure of that agency to obtain such information would have seriously impaired it in performing its functions; and of course, the agency holding the trade secret or similar information sought by the ACA must have signed that written agreement to treat it as confidential or privileged prior to being directed by the ACA to disclose it.[35]

It would appear, for example, that the Federal Trade Commission and other federal regulatory agencies with broad subpoena or interrogatory powers could never withhold confidential information given voluntarily to them by businesses, after the ACA comes into being, because those agencies could have obtained it by formal demands.

With respect to trade secrets and similar confidential business information which an agency obtained prior to the ACA being established, a different set of criteria for refusing an ACA access request applies—

(1) The agency holding the information must have agreed, orally or in writing, with its originator to treat it as confidential or privileged;

(2) The information must have been so treated by the agency; and

(3) The agency must state in writing to the ACA that it would constitute a breach of faith to disclose the information to the ASA, taking into account the assurances given, the character of the information, and the purposes for which the ACA states that it needs the information.[36]

It would appear incumbent upon anyone who contemplates seeking the protection of this provision to reaffirm and clarify in writing—before the ACA bill becomes effective—any agreements of confidentiality that such person might have with any federal agency. Before granting the ACA access to trade secrets and other commercially confidential information, the agency holding the information must notify the person who supplied it of that agency's intention to do so, and afford the originator a reasonable opportunity (not to exceed 10 days under the current Senate bill) to comment or seek injunctive relief.[37] Upon what grounds such relief might be granted, in light of the strong statutory language, remains a question.

Finally, the Senate bill has one more exception which did not appear in the 1974 House version. A federal agency may, if it wishes, deny the ACA access to information that would disclose the financial condition of individuals who are customers of financial institutions.[38] This exception would not apply to artificial entities such as corporations.[39]

What happens if the ACA feels that it needs information which is not a matter of public record or obtainable from another agency either because that other agency does not have it or denies the information to the ACA? If that information is in the possession of a person who is engaged in a trade or business, the ACA would order that person to provide the information, under the Senate bill.[40] Under the more limited 1974 House version, the ACA would have had to channel such information demands through the process of other federal agencies which have authority to compel answers.[41]

In either case, there are no exceptions to the subject matter of the information that the ACA could demand. The criteria for that subject matter would appear to be all-encompassing.

Under the present Senate bill, if one of its orders is challenged in court, the ACA must prove (1) that the desired information *may* substantially affect the health or safety of consumers or *may* be necessary in the discovery of consumer fraud or substantial economic injury to consumers, and (2), is relevant to the purposes for which the information is sought. The person who receives the information demand may have it quashed or modified upon proving that compliance would be unnecessarily or excessively burdensome.[42] Under the 1974 House version, the channeling agency initially would have had to make similar determinations before issuing the demands. Instead of determining that the information *may* have one of the stated effects, however, the channeling agency would have had to determine that it *does* have such effect, and an additional ground for refusal was allowed—if to issue the demands would be an unnecessary or excessive burden upon the channeling agency.[43]

The vehicle for this power under the 1975 Senate bill would be ACA interrogatories or demands, for general or special reports from persons, but the ACA could not, technically, subpoena documents.[44]

There is one additional, narrow limitation on the ACA's use of this power—it could not use the power to gather information as part of an ACA intervention in a *pending* proceeding against the person to whom the demands were addressed.[45] With the possible exception of some ratemaking, it would appear that this limitation would not apply to rulemaking, nor would it appear to prohibit the ACA from petitioning another agency to initiate or reopen a proceeding based upon the information discovered by the ACA. Of course, the ACA would have access to available subpoena and other information discovery rights within the pending proceedings to which the limitation applies.

The ACA would be given authority to disseminate to the public, in any way it feels proper, any information which it decides will "inform consumers of matters of interest to them," except information which is subject to any of several narrow limitations.[46]

Indeed, there is no category of information which is totally prohibited from ACA disclosure to the public. For example, trade secrets and other confidential commercial information may be disclosed under both bills if the ACA receives this information in the form of a consumer complaint.[47] The current Senate bill goes much further with regard to the public disclosure of trade secrets and other confidential commercial information—the ACA could release such information immediately upon receiving it from any private person (including a business which is ordered by the ACA to make a disclosure), if the ACA determines that revelation is necessary to protect the health or safety of the public.[48] This explicit authority, of course, would operate to exclude the ACA from existing general prohibitions placed upon even regulatory agencies against public disclosure of trade secrets and similar information.[49] Such authorization also would appear to render inapplicable to trade secrets and confidential commercial information a general prohibition in the bill against releasing information "prohibited from disclosure by law."[50]

With respect to trade secrets and other confidential commercial information received solely from another federal agency, however, both bills provide that the source agency can notify the ACA that it should not publicly disclose the information or may do it only in a certain form or manner; the ACA would have to comply with any such notification.[51] Due to the authority granted other federal agencies to allow the ACA access to such sensitive information,[52] there may be a major modification intended dealing with trade secret protection.[53] An agency which is prohibited by law from disclosing to the public trade secrets or similar confidential information might be able to transfer that information to the ACA for its public dissemination. And, again, any general prohibition in the bill preventing the ACA from disclosing information prohibited by law[54] would not be applicable to something expressly allowable by law (i.e., if enacted).

There was, it should be noted, a prohibition in the 1974 House bill against the ACA's public release of trade secrets and similar confidential information that had been obtained from a private person.[55] This apparently was intended to apply to information procured by the ACA through demands channeled to such persons by other agencies, the only power granted to the ACA to demand such information of private persons outside of an agency or court proceeding. The 1975 Senate bill, which would allow the ACA independently to issue information demands to private persons, contains no similar prohibition; the ACA may disclose such information at its discretion, subject to a notice requirement in most cases.[56]

When the ACA publicly releases the results of product testing or any other information which, directly or indirectly, discloses product names, it would have to make it clear that (1) not all products of a competitive nature have been tested, if such were the case, and (2) that there was no intent or purpose to rate products tested over those not tested or to imply that those tested are superior or preferable in quality to those not tested.[57] Finally, where the release of information is likely to cause substantial injury to the reputation or good will of a company or other person, the ACA would be required to notify that person and afford an opportunity for prior comment.[58] The 1975 Senate bill places a maximum of 10 days for such an opportunity, and would allow the ACA to release information without prior notice if it determines this is necessary to protect public health or safety.[59]

SOME AREAS OF CONFUSION AND CONTROVERSY

A fundamental question remains as to how a proposal supported by a clear majority of Congress could fail to be enacted. Contrary to popular thought, there has been no proposal that was stopped more than once. The bills keep undergoing important changes. Upon introduction each year, sponsors of ACA or CPA bills reinstated provisions that were earlier bargained away. So, too, they have added new provisions to make the bill stronger. This produces controversy and confusion—a state which tends to even the odds for the tenacious minority who oppose the concept of the bills. Then, when that minority is successful in seriously endangering the passage of the proposal, compromises are made that produce more confusion.

This is a bill about which it is easy to generalize. Proponents often cite a 1974 *Business Week* magazine editorial which supported the then current ACA bill, describing the ACA as an "ombudsman."[60]

On the other hand, the 1975 program of the Democratic Steering and Policy Com-

---

Footnotes at end of article.

mittee in the House of Representatives, as set forth by its drafting task force, contains the following ambitious interpretation which implies that the ACA is to be a super-regulatory body:[61]

> "It is manifestly in the interests of the consumer that safeguards be established against inferior goods as well as deceptive advertising and merchandising techniques. Equally important to the long-run health and vibrancy of our economy is insistence that the nation's manpower and material resources be expended to produce durable, high-quality goods and services at prices affordable by the mass market. In pursuit of this goal, the Congress should promptly enact legislation establishing an effective and workable Consumer Protection Agency [Agency for Consumer Advocacy]."

And then there is Ralph Nader who argued that the ACA would be a vehicle to "reform the entire governmental apparatus . . . [it] would revolutionize the Government."[62]

A key issue, of course, is whether creation of another federal agency, albeit specialized, is the best way to solve the problems that consumers have with government decision-making.

Alabama Senator James Allen, who opposes the ACA, has argued instead for regulatory reform. He introduced a bill to create a National Commission on Regulatory Reform. Under that bill, the new commission would be required to study the ACA concept and report back to Congress within 18 months on its viability and on alternative means of making consumer representation in the Government more effective.[63] While Ralph Nader, originally, considered regulatory reform to be a primary function of the consumer advocacy agency, he and many supporters of an ACA wish to see *both* an ACA and a regulatory reform unit, with the view that the ACA will be of assistance in pinpointing areas in need of reform.[64]

Still, if an ACA were to be established, there are serious questions concerning what areas of activities should be foreclosed to the new agency. Chief among these are matters relating to labor-management activity where, under the current bill, not even the Freedom of Information Act could be used by the ACA.[65] Senator Jacob Javits said of the exemption: "If you keep labor stirred up and the [ACA] is going to be in a big contest with it, it [labor] will kill the bill." [66] To this ACA cosponsor, Florida Senator Lawton Chiles, replied: "We should not exclude . . . a segment of power that might kill the bill. . . . We need an advocate to speak for the people [where] we have two big unions in a jurisdictional dispute that will hurt people.[67] The argument was made: "Of all the people who do not need the [ACA], it is big unions and big management before the National Labor Relations Board." [68] To that Senator Allen replied: "We are not trying to protect big labor or big business." [69] The New York *Times*, a strong supporter of the ACA bill, editorialized on this exemption, calling it "politics at its most cynical." [70]

In 1974, an amendment to make the labor exemption less sweeping was defeated in the Senate by a vote of 40–57,[71] and a substitute bill in the House which contained no labor exemption at all was rejected by a vote of 176–223.[72] A move to delete the exemption completely in the Senate Government Operations Committee this year was defeated by a 7 to 6 vote. The Senate Committee did, however, delete another special exemption this year, and a floor fight to reinsert it is expected. Under that provision, which never appeared in the House bill, the ACA would have no authority whatsoever in relation to Federal Communications Commission actions concerning renewal of radio or television broadcasting licenses.[73] An amendment to delete the broadcasters' exemption from the Senate bill last year was defeated by a vote of 17 to 57.[74]

Just as there are areas of activity foreclosed to the ACA that may inhibit its effectiveness, so, too, there is an area of inclusion which would divide agency effort. One of the more unusual developments in the history of the ACA concept occurred in 1974 when supporters of the bill tried to win over enough Senators to invoke cloture against the ongoing filibuster. This effort was made manifest in the "Dole Substitute" filed by Senator Robert Dole of Kansas.[75] The Substitute, *inter alia,* defined professional farmers as "consumers" for the purpose of the bill. The current Senate bill is, in considerable part, the Dole Substitute. (Senator Dole, however, is not a cosponsor of the 1975 bill.) The effect of the agricultural provisions in the Senate bill alters the mission of the ACA, and creates potential intra-ACA conflict.

In many, if not most, cases, it will be impossible to distinguish the interests of incorporated from unincorporated farmers, even though the bill appears to denominate only unincorporated farmers as consumers.[76] Thus, the ACA might be mandated to become an advocate of the interests of the large agribusinesses corporations which are, to be sure, farmers.

The implications of considering farmers as "consumers" can be seen most clearly by referring to the keystone definition of the bill, the one for "interest of consumers." The ACA's role is to protect and promote the "interests of consumers," and the major sections of the bill are related to this phrase. Thus, for example, the ACA is to "represent the interests of consumers before Federal agencies and courts." [77] If, as the ACA sponsors intend, the words "farmers" and "consumers" are interchangeable now, consider the definition of "interests of consumers"—upon which the whole bill rests—with the words interchanged: [78]

> "interest of consumers means any health, safety, or economic concern of farmers involving real or personal property, tangible or intangible goods, services, or credit, or the advertising or other description thereof, which is or may become the subject of any business, trade, commercial, or marketplace offer or transaction affecting commerce, or which may be related to any term or condition of such offer or transaction. Such offer or transaction need not involve the payment or promise of a consideration."

If a special interest loophole cannot be avoided, it would appear far better to exempt farm programs which can drive the price of food up, rather than to force the ACA to use its extensive powers to protect and promote them (or, worse, to put the ACA in a position where it will ignore its own mandate, making it like the agencies it is supposed to correct). The premise of this bill is that consumers are not sufficiently organized to have their interests represented adequately in Washington. Do the sponsors think the same is true of farmers? If consumers do not have the time or money to lobby, say, the Federal Trade Commission, they will not have the time or money to lobby the ACA—but what about the American Farm Bureau, the Grange and a host of other farm organizations who would have their own advocate under this provision? If it is important that farmers get a full supply of propane or tractors, at a fair price, why is it not important that, say, building contractors be treated similarly? Are farmers more important, or are building contractors better represented in Washington?

CONCLUSION

Unless supporters of an ACA make serious tactical errors, there is little question that they will see Congress give birth to such an agency. The big question is whether the offspring will be healthy. If it is, we can hope that it will grow and be useful, at least for a time. If it is not, we may see a veto attempted and, whether or not that fails, further frustration for consumers.

(Author's Note.—The Senate passed S. 200 by a vote of 61 to 28 on May 15. Changes made in the bill relevant to this article are as follows:

(1) The ACA's release of information pursuant to freedom of information access requests (including discretionary release of confidential trade information) would not be subject to the bill's requirement that a prior notice and opportunity to seek injunction be granted to those whose reputation or goodwill might be injured by ACA disclosure of information;

(2) ACA initiation of judicial review of an agency action arising out of a situation where the ACA did not advocate at the agency level would be subject to a prior court determination that such review would "advance the interests of justice"; and

(3) further exemptions from ACA advocacy were added, precluding the ACA from entering agency proceedings or activities affecting (a) livestock, poultry and agricultural crop production (yet the ACA still is mandated to protect and promote the interests of farmers), (b) raw fish products, (c) television and radio broadcast license renewals, (d) the manufacture and sale of firearms and ammunition, and (e) Alaska pipeline routing and construction.)

FOOTNOTES

[1] For the period 1926 through early 1973, including developments and issues in the 92d Congress, *see* Leighton, *Consumer Protection Agency Proposals: The Origin of the Species,* 25 Ad. L. Rev. 269 (American Bar Association, Summer 1973). For a review which emphasizes legislative developments and issues during the 91st and 92d Congresses see Leighton, *The Consumer Protection Agency Bill—Ghosts of Consumerists Past, Present and Future,* 28 Food Drug Cosm. L. J. 21 (1973).

[2] S. Rep. No. 1100, 92d Cong., 2d Sess. 4 (1972).

[3] *Id.*

[4] Cong. Rec., p. 33865 (Oct. 5, 1972).

[5] *Senate Cloture Rule,* Senate Comm. on Rules and Administration (1973), at 51.

[6] 120 Cong. Rec., p. 9612 (April 3, 1974).

[7] 120 Cong. Rec., p. 32376 (Sept. 24, 1974).

[8] According to the record vote, the proponents were two votes short of the two-thirds present and voting necessary to overcome filibuster, but Massachusetts Sen. Edward Kennedy, a strong supporter of the bill, arrived on the floor to late to vote due to a mixup in use of the electric signal system which calls Senators to the floor. 120 Cong. Rec., p. 31923 (Sept. 19, 1974).

[9] Hearings on H.R. 6037 and Related Bills Before a Subcomm. of the House Comm. on Government Operations, Part 1, 91st Cong. 1st. Sess., and Part 2, 91st Cong., 2d Sess.; Hearings on S. 860 and S. 2045 Before the Subcomm. on Executive Reorganization and Government Research of the Senate Comm. on Government Operations, 91st Cong., 1st Sess.; Hearings on S. 2045, S. 3097, S. 3165, and S. 3240 Before the Subcomm. on Executive Reorganization and Government Research of the Senate Comm. on Government Operations, 91st Cong., 2d Sess.; Hearings on H.R. 16, H.R. 3809, H.R. 254, and H.R. 1015 and related bills Before a Subcomm. of the House Comm. on Government Operations, 92d Cong., 1st Sess.; Hearings on S. 1177, and H.R. 10835 Before the Subcomm. on Executive Reorganization and Government Research of the Senate Comm. on Government Operations, 92d Cong., 1st Sess.; Hearings on H.R. 14, H.R. 21,

and H.R. 564 Before a Subcomm. of the House Comm. on Government Operations, 93d Cong., 1st Sess; Joint Hearings on S. 707 and S. 1160 Before the Subcomm. on Reorganization, Research and International Organizations of the Senate Comm. on Government Operations and the Subcomm. on Consumers of the Senate Comm. on Commerce," 93d Cong., 1st Sess.

[10] H.R. Rep. No. 1361, 91st Cong., 2d Sess. (1970); S. Rep. No. 1331, 91st Cong., 2d Sess. (1970); H.R. Rep. No. 542, 92d Cong., 1st Sess. (1971); S. Rep. No. 1100, 92d. Cong., 2d Sess. (1972); H.R. Rep. No. 962, 93d Cong., 2d Sess. (1974); S. Rep. No. 792, 93d Cong., 2d Sess. (1974); S. Rep. No. 883, 93d Cong., 2d Sess. (1974).

[11] See notes 2 through 8, *supra*.

[12] Computed on the basis of 27.75 column inches per page; considerable material on the ACA or CPA bills introduced into the *Record* prior and subsequent to the debates in both houses was not measured or reflected here, nor was material extraneous to the ACA or CPA bills which was considered concurrently with the debates.

[13] *Senate Cloture Rules*, Senate Comm. on Rules and Administration (1973), at 48 *et seq.*

ment Research of the Senate Comm.

[14] 120 CONG. REC. p. 32377 (Sept. 24, 1974).

[15] 120 CONG. REC. p. 41723 (Dec. 20, 1974; Remarks of Senator Allen).

[16] Rep. Benjamin S. Rosenthal, *Hearings on S. 1177 and H.R. 10835 Before the Subcomm. on Executive Reorganization and Government Research of the Senate Comm. on Government Operations*. 92d Cong., 1st Sess., at 19.

[17] S. 200, 94th Cong., 1st Sess., §§ 6(a) and 21(b) (1975) [As reported, hereinafter, the "Senate bill"]; H.R. 13163, 93d Cong., 2d Sess., §6(a) (1974) [the bill passed by the House in 1974, hereinafter the "House bill," which is expected to be reintroduced with little or no change or, if the Senate acts quickly, the House Committee may work from the Senate-passed bill.]

[18] Senate bill, §§6(a) and 14(4), (5); House bill §§6(a); *see also* S. Rep. No. 883, 93d Cong., 2d Sess., at 21–22 (1974).

[19] Senate bill, § 6(a) (1), (2); House bill § 6(a) (1). *See also* § 6(c) of the House bill which contains a limited exception concerning proceedings seeking primarily to impose a fine or forfeiture.

[20] Senate bill, § 6(a)(3); House bill, § 6(a) (2).

[21] "To the extent that any person, *if* aggrieved, *would* by law have such right, the [ACA] Administrator shall have the right" to initiate judicial review. Senate bill, § 6(c) (1) [Emphasis added]; *See also* House bill, § 6(d), and *compare* section 10 of the Administrative Procedure Act, which provides that, "A person . . . aggrieved by agency action . . . is entitled to judicial review thereof." 5 U.S.C. § 702.

[22] § 6(c) (1).

[23] § 6(d).

[24] *Id.*

[25] § 6(c) (2).

[26] Senate bill, § 6(c) (3); House bill, § 6(d).

[27] Senate bill, § 5(b) (2), (6); House bill, § 5(b) (2), (5).

[28] § 5(b) (2) and § 9 in both bills.

[29] § 7 in both bills.

[30] § 10(b) in both bills.

[31] *Id.*

[32] S. Rep. No. 883, 93d Cong., 2d Sess., at 33.

[33] *Id.*, at 33, 34.

[34] Senate bill, § 10(b) (7); and House bill, § 10(b) (6), pertaining to material described in 5 U.S.C. § 552(b) 4.

[35] *Id.*

[36] *Id.*

[37] *Id.*

[38] Senate bill, § 10(b) (6).

[39] The provision applies only to "individuals," a term defined in the bill as meaning human beings. Senate bill, § 14(10).

[40] § 10(a), which includes an exemption for certain small businesses.

[41] § 10(a).

[42] § 10(a) (3).

[43] § 10(a) (1).

[44] Senate bill, § 10(a) (1); House bill § 10 (a) (2).

[45] Senate bill, § 10(a) (2) (C); House bill, § 10(a) (3) (C).

[46] §§ 5(b) (4), 8 and 11 in both bills.

[47] § 11(a) (1) in both bills, referring to material described in 5 U.S.C. § 552(b) (4).

[48] §§ 11(a) (L) and (c) (4).

[49] *See., e.g.*, 18 U.S.C. § 1905, which prohibits such disclosure "to any extent *not authorized by law.*"

[50] *See* Senate bill § 11(c) (1) (B).

[51] Senate bill § 11(b); House bill § 11(a) (2) and (c) (1).

[52] *See e.g.*, § 10(b) in both bills.

[53] *See, e.g.*, 18 U.S.C. § 1905.

[54] *See* § 11(c) (1) (B) in both bills.

[55] § 11(a) (1).

[56] §§ 11 (a) and (c)(4).

[57] § 11(c)(2) in both bills.

[58] § 11(c)(4) in both bills.

[59] § 11(c)(4).

[60] See 120 CONG. REC. p. 23574 (July 16, 1974) for the editorial; compare with the ACA's intended functions the following definition of an ombudsman: "The Ombudsman is an independent government official who receives complaints against government agencies and officials from aggrieved persons, who investigates, and who, if the complaints are justified, makes recommendations to remedy the complaints." *The Ombudsman*, Ombudsman Committee Administrative Law Section, American Bar Association (undated fact sheet), at 1.

[61] 121 CONG. REC. p. 472 (Jan. 16, 1975).

[62] *Hearings on H.R. 6037 and Related Bills Before a Subcomm. of the House Comm. on Government Operations*, 91st Cong., 2d Sess., at 175 and 176; see also, 120 CONG. REC. p. 21520 (June 27, 1975; 120 CONG. REC. p. 23837 (July 16 and 17).

[63] *See* S.J. Res. 7, 94th Cong., 1st Sess. (1975).

[64] *See, e.g.*, Ralph Nader's testimony, *Hearings on S. 200, Before the Senate Comm. on Government Operations*, 94th Cong., 1st Sess., at 24 (unedited transcript for Feb. 24, 1975).

[65] "This Act shall not apply to . . . a labor dispute . . . or to a labor agreement. . . ." Senate bill, § 16(a); House bill, § 17.

[66] 120 CONG. REC. p. 23837 (July 17, 1974).

[67] *Id.*, at p. 23832.

[68] 120 CONG. REC. p. 23573 (July 16, 1974); *Hearings on S. 200, before the Senate Comm. on Government Operations*, 94th Cong., 1st Sess., at 25 (unedited transcript of remarks made by Ralph Nader, Feb. 24, 1975).

[69] 120 CONG. REC. p. 23573 (July 16, 1974).

[70] March 14, 1975, at 38.

[71] 120 CONG. REC. p. 23823 (July 17, 1974).

[72] 120 CONG. REC. p. 9598 (April 3, 1974). This Substitute by Ohio Congressman Clarence Brown also had other major differences from the bill that passed the House, but the absence of a special exemption for labor matters was one of its major selling points.

[73] "This Act shall not apply to . . . any agency action in the Federal Communications Commission with respect to the renewal of any radio or television broadcasting license. . . ." Senate bill, § 16(a). See also, *Hearings on S. 200 before the Sen. Comm. on Government Operations*, 94th Cong., 1st Sess., at 44 (unedited transcript for Feb. 24, 1975).

[74] 120 CONG. REC. p. 25484 (July 29, 1975).

[75] Amdt. No. 1817 to S. 707 (93d Cong., 2d Sess.).

[76] A "consumer" has to be an "individual," that is, a human being. Senate bill, § 14 (7) and (10).

[77] *Id.*, § 5(b) (1).

[78] *Id.*, § 14 (11).

ARIZONA WOMAN AT HELM OF HEALTH GROUP

Mr. GOLDWATER. Mr. President, it is with great pride that I call attention today to one of my accomplished and distinguished constituents, Mrs. Nancy Preuss. This Arizona resident and public servant was installed as President of the American Society for Medical Technology—ASMT—during their 43d annual meeting in San Francisco, an honor bestowed by 24,000 laboratory professionals. Mrs. Preuss will be the first Arizonan to hold this prestigious national office.

Currently the director of Home Health Care Planning for the Comprehensive Health Planning Council of Phoenix, Mrs. Preuss' career in the field of medical technology includes many years as a noted academician with the Maricopa Technical College, Arizona State University, and two of Phoenix's finest health care institutions—the Good Samaritan and St. Joseph's hospitals.

Her dedicated service in the interests of the public health is commendable: Mrs. Preuss has been a member of the Arizona State Department of Health's Advisory Committee on Training and Education in Clinical Laboratories; a member of the State's Department of Vocational Education Committee on Health Career Planning; a member of the Comprehensive Health Planning Council's Health Manpower Task Force, its Ambulatory Care Committee, and chairman of its Education Subcommittee; and, a member of the Arizona Vocational Research Council and its Curriculum Subcommittee.

A past member of the American Society of Training and Development, Mrs. Preuss has also been a member of the Arizona Hospital Association's Educational Coordinating Committee and Patient Care Subcommittee, as well as an invited speaker at their 1969 State convention.

She currently serves her professional society as a member of the Board of Directors, President-Elect, member of their Peer Review and Certification Task Forces, cordinator of their Self-Assessment Program, and delegate to the Annual House of Delegates. Mrs. Preuss has also twice been president of her State society.

Mrs. Preuss holds a B.S. degree in Medical Technology from the University of Minnesota, has done graduate work in business administration at the University of Arizona, and has been a certified MT—ASCP—since 1959. In addition, the Arizona State Society for Medical Technology conferred upon Mrs. Preuss the professional distinction of 1969–70's Outstanding Technologist.

Mr. President, I know that all of my constituents will want to join me in extending heartiest Arizona congratulations to Mrs. Preuss, and wishing her a most productive year as ASMT's President.

RUDY FRANK

Mr. RIBICOFF. Mr. President, Connecticut is most fortunate to have among its citizens a man named Rudy Frank. Rudy has unselfishly given of his time and efforts on behalf of the people of our State.

I am proud to count him as a close friend.

Recently the General Assembly of the State of Connecticut commended him for his many services to the State.

I join with the general assembly in saluting him and I ask unanimous consent that the General Assembly resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION CONGRATULATING RUDY FRANK FOR HIS SERVICES TO THE STATE OF CONNECTICUT

Resolved by this Assembly:

Whereas, Rudy Frank of 79 Lake Street, West Haven, has served sixteen years on the Connecticut Board of Fisheries and Game; and

Whereas, he was chairman of the Fish and Game Commission for five years until 1971 when the commission was abolished; and

Whereas, he was appointed to the Connecticut Council of Environmental Quality in 1972 and will serve until July 30, 1975; and

Whereas, he was appointed chairman of an interim committee to make a comprehensive study of electric power plant siting requirements for Connecticut and the committee's report and recommendations were followed by the General Assembly in the creation of the Power Facility Evaluation Council; and

Whereas, he was elected a Fellow at Timothy Dwight College in Yale University in 1974; Now, therefore, be it

Resolved, That the members of this assembly unite in congratulating Rudy Frank for his dedication to the State of Connecticut. Be it further

Resolved, That the Clerks of the Senate and House cause a copy of this resolution to be sent to Rudy Frank as an expression of the high esteem in which he is held.

STYLE AND SOUL

Mr. BAKER. Mr. President, the New York Times ran an editorial last week discussing a bill of which I am pleased to be a cosponsor. That is S. 865, legislation that the distinguished Senator from New York (Mr. BUCKLEY) has sponsored. This bill would allow the General Services Administration greater flexibility in meeting Federal office space needs.

The editorial discusses the two most significant aspects of the bill—its encouragement to the reuse of older buildings as Federal offices, and its move toward greater public use of existing Federal buildings.

The Times says that the bill "would not only revolutionize Federal architecture, but profoundly alter its impact on cities and neighborhoods."

Because I believe that this is an important bill, and because of the significance of Times endorsement, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 17, 1975]

DEGLACIATING THE FEDS

The image of the Federal Government is monolithic, glacial and dull; it is an image created by Federal buildings, which are monolithic, glacial and dull. In and out of Washington, most of the structures put up by the Federal Government are temples to 9-to-5 bureaucracies, usually devoid of any sign of extra-governmental life. Their distinguishing characteristics are lack of style and soul.

A bill in Congress now would change all that. It would not only revolutionize Federal architecture, but profoundly alter its impact on cities and neighborhoods.

First, this legislation, introduced by Senator Buckley of New York and backed by the General Services Administration, would encourage the Government to utilize the country's existing architectural resources. Instead of automatically producing those still-born monuments, the G.S.A. would be required to explore the use of older buildings and existing spaces, where suitable, including landmark-quality properties. Part of the process would be consultation with the National Trust for Historic Preservation on the local availability of such structures. This is a long way from earlier Federal practice of declaring its own historic buildings Government surplus and knocking them down to the highest parking-lot bidder.

Second, and just as revolutionary, the restrictions that have guaranteed the sterility of Government buildings—the prohibition of all non-Government uses—would be lifted. The rental of space to commercial enterprises would be permitted, with an eye to reinforcing the area's functions. Cultural, educational and recreational uses of a building's facilities would be treated as desirable. This would not be restricted just to the ground floor where Government construction habitually assassinates the street, but would take place in auditoriums, courtyards, rooftops and lobbies as well.

The impact would be far more than architectural. Intead of an after-5 o'clock surreal landscape of locked doors and empty, echoing spaces, Federal construction would promote the health and vitality—and even the safety—of a city. Design dedicated to the social and economic improvement of the environment would be a fine substitute for instant Federal wastelands. We are delighted that the approach of the Bicentennial is bringing out the revolutionary in Senator Buckley.

BIOGRAPHICAL SKETCH OF WILLIAM CRAWFORD GORGAS

Mr. McGEE. Mr. President, one of the most exceptional biomedical research organizations in the Western Hemisphere is the Gorgas Memorial Institute of Tropical and Preventive Medicine of Washington, D.C. The president of Gorgas is Jack W. Millar, M.D. The institute supervises the operation of the Gorgas Memorial Laboratory in Panama City and its field stations in the Republic of Panama.

Incorporated under the laws of Delaware and registered in 1921 in the Republic of Panama as a living memorial to William Crawford Gorgas (1854–1920), the institute is supported by U.S. Federal funds. Its laboratory is located in a three-building complex on land in Panama City donated by the Republic of Panama. The institute's board of directors has included many leaders of outstanding distinction in medicine, law, and other disciplines. Among them was the late Dr. Ricardo J. Alfaro, who was elected to the board in 1925, and served until his death on February 23, 1971, at the age of 88.

A brilliant jurist, diplomat, statesman, and former President of Panama, Dr. Alfaro was an outstanding scholar, with a vast knowledge of history. An authority on international law, Dr. Alfaro, also served his country as Minister of Foreign Affairs and Ambassador to the United States; as chief negotiator, he coauthored the 1936 Hull-Alfaro Treaty between Panama and the United States. He was a member of the International Court of Justice in the Hague and its vice president for a 3-year period.

Among his extensive writings was a brief, but informative, biography of General Gorgas, the celebrated sanitarian whose scientific contributions made the Panama Canal possible. This biographical sketch was published in Dr. Alfaro's "Esbozos Biograficos" in Panama and was recently translated into English.

Mr. President, the biographical sketch of General Gorgas supplies us with much new information on the history of the Panama Canal and the achievements of General Gorgas.

Since it should be of considerable interest to the Congress and educational institutions in the United States, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the biographical sketch was orderd to be printed in the RECORD, as follows:

[From "Esbozos Biograficos" by Richardo J. Alfaro; Published by Editora de la Nación, Panamá 1974]

WILLIAM CRAWFORD GORGAS

The cult of heroes in society is similar to a religion and expresses a noble impulse of human nature. The impulse turns into a duty when we deal with individuals whose names have attracted fame and glory to their country and have benefitted humanity through their science, their industry, or their virtue. There are war heroes and there are heroes in peacetime. The former shine with the brilliance of a steel blade in the sunshine. Their names reverberate with the tragic sound of guns and cannon and reach the ears of the multitudes involved in those great battles in which the art of war and the passions of fighting men dazzle the pages of military glory.

The heroes of peace do not shine in that fashion. Their names do not easily reach the ears of the world. Their accomplishments are known and appreciated by few. But how telling is their intrinsic merit! Those men who in silence and with perseverance struggle and work in the solitude of their laboratories or offices; they who do not fight against their fellow men but against nature, ignorance and prejudice; they who, armed with their microscopes, win from an invisible enemy the intense battles of science against disease; those who sacrifice all to a duty that is self-imposed—those are the men whose memories should be the object of special veneration. Let there be for them always the chisel, the brush, prose and poetry, recognition and gratitude.

William Crawford Gorgas has gone down in history as the man who eradiacted from the civilized world that frightful disease, yellow fever, and also as the executive in charge who, in large measure, made possible the completion of that titanic work—heroic feat of this century—the Panama Canal. Before the North American engineers undertook this work, it had been attempted by French engineers who, headed by Ferdinand de Lesseps, had successfully cut through the Isthmus of Suez. But those who came to Panama found here two formidable enemies unknown to them in Africa—granite rock under the soil and yellow fever in the environment.

Regarding that epidemic in the days of the French endeavor to open the inter-oceanic canal, I heard in Washington in 1921 the following account from a veteran diplomat. Don Federico Alfonso Pezet, the first minister accredited by Peru to our republic and subsequently, Ambassador of Peru to the White House. Pezet, who had also been Consul General of his country in Panama when we were part of Colombia, said:

"In those terrible years of the 80s, man with all his intelligence and knowledge, with all his talent and capabilities, was only a fragile vessel thrown into the fury of the waves, with small chance of safely reaching the distant shore. From 1884 to 1889, I saw energetic men arrive from France, enthusiastic about achieving the impossible, distinguished by the national characteristic of valor which does not recognize fear, proud of their race and nationality, with a long tradition of accomplishments, seemingly legendary but in reality, concrete and practical; I saw those men—young engineers, doctors, administrators—arrive one day and become ill the next, to be carried a few days later to their final resting place. And in spite of the terrible human losses, I saw on each ship the arrival from France of new contingents ready to continue the unfinished work of their hapless comrades. Of my own colleagues in the consular corps I accompanied nearly twenty to the cemetery. Yellow fever, the black vomit—all tropical diseases—took a heavy toll, and no one knew in those days how to fight the terrible, faceless enemy. The scourge of the tropics contributed more than any other cause to the defeat of the French in their effort to construct the canal."

To this dramatic description from an eyewitness may be added the painful recollection of the chief engineer of the work, Monsieur Dingler, who came to the Isthmus with his wife and two daughters and returned to France with three coffins.

It was thus an axiom that to construct the canal it was, above all, essential to provide sanitation to the zone where the work would be conducted, as well as to the cities of Panama and Colon. This necessity brought to Panama the extraordinary man charged with the task.

William Crawford Gorgas was born in Mobile, Alabama, on October 3, 1854. He received his degree of Doctor of Medicine when he was 25 years old, and in 1880 he entered the Army Medical Corps as a second lieutenant. In 1882 he was assigned to Fort Brown, Texas, where an epidemic of yellow fever had broken out. As if destiny wished Gorgas to face the enemy he would meet and conquer in his public life, the young physician was called on at Fort Brown to assist an extremely interesting patient: the gracious Miss Marie Doughty, was gravely ill, a victim of yellow fever. Under the medical care of Doctor Gorgas, the patient regained her health, but before she had completely recovered, Gorgas also contracted the terrible disease. He likewise succeeded in saving himself from the deadly attack, and the simultaneous convalescence of Marie and William turned into a courtship which three years later made Marie Doughty the gentle wife who was to be companion until his death of the one who had been her gallant savior.

The war of 1898 between Spain and the United States, and the subsequent occupation of Cuba by the latter, took Gorgas to Havana, at the time one of the spots most fatally afflicted by the pestilence in tropical and subtropical America. Already promoted to the rank of major in the Army Medical Corps, Gorgas was appointed Chief of Sanitary Service in Havana, and there won his first great battle against yellow fever, making practical application of the discoveries and experiment of Finlay and Reed relating to transmission of the disease. Evidence of the excellence and efficiency of Gorgas' performance in Havana is the letter he received from Washington, dated July 29, 1901, from Dr. Walter Reed who was in command of the sanitation work in Cuba. In that letter, quoted by Pezet, the eminent man of science noted in a significant as well as a familiar tone:

"That you have succeeded in throttling the epidemic appears to be beyond question, and is to your everlasting credit as an energetic Health Officer, who saw his opportunity and grasped it—A man of less discretion, enthusiasm and energy would have made a fiasco of it—whereas, you, my dear Gorgas, availing yourself of the results of the work at Camp Lazear, have rid that pest hole Havana, of her yellow plague! All honor to you, my dear boy."

Owing to his outstanding performance, Gorgas was promoted to colonel and appointed Assistant Surgeon General of the Army by special act of Congress in March 1903.

The resounding success of Gorgas in Cuba marked him as the man indispensable to carrying out the work of sanitation on the Isthmus of Panama, when in 1904 the Government of the United States decisively initiated the construction work of the Panama Canal. Gorgas was appointed Chief Sanitary Officer of the Panama Canal and member of the Isthmian Canal Commission, a position which charged him with the formidable duty of making the areas adjacent to the inter-oceanic waterway healthy. Never was a task placed in more able hands. With such dedication and efficiency was it conducted that in his report of 1908, Col. Gorgas would say:

"For three years not one single case of yellow fever has developed on the Isthmus: the last known case occurred in November 1905."

That encouraging situation was prolonged indefinitely. From 1905 on, there were no patients in Isthmian hospitals to provide an opportunity for new observations, studies or experiments. The tropical plague had been overcome, eradicated, destroyed, and rooted out forever.

Gorgas was immortalized as the man whose scientific and executive action swept yellow fever from the face of the earth, for his work in Cuba and Panama had repercussions which bore fruit throughout the tropical strip of the globe. His methods were followed, with similar results, in tropical countries of various continents. But it is only fair to remember that other experts before him had paved the way, and their successive advances were gradually translated into final victory. A significant early discovery, in 1880, was made of the malaria parasite by the French military medical doctor, Alphonse Laveran; likewise, the more advanced studies of the Italians Marchiafava, Golgi, Celli, and others since 1885; valuable discoveries by the Englishmen Manson and Ross in 1894 regarding the species of mosquito *Anopheles* and its close relationship with malaria; and last, the definitive experiments in yellow fever by the notable Cuban, Carlos J. Finlay, which incontrovertibly established that the mosquito *stegomya fasciata* is the agent of infection. As Gorgas himself expressed it at one time, that discovery was the most important accomplishment of medical science since the days of Jenner, the conqueror of smallpox. Gorgas' merit was in proceeding from mere experiment to a practical means of pursuing, combatting and exterminating the perilous insect. The organization, direction and completion of that campaign was the judicious coup de grace given the subtle, dreaded enemy. Vector eradicated: disease eradicated.

The Republic of Panama was the theater of that outstanding feat, and the memory of William Crawford Gorgas is unforgettable for all Panamanians, especially those of us who had the opportunity of seeing him perform in that arena. During the first years of the Republic, I was a minor official of the Department of Government and Foreign Affairs, and Col. Gorgas often came, in the line of duty, to discuss with the then Secretary, the well remembered General Santiago de la Guardia, the various and delicate matters pertaining to the sanitation work being conducted in the cities of Panama and Colon. Because of the language barrier between those two great men, I was upon occasion called to serve as interpreter, an opportunity which gave me the privilege of personally knowing Colonel Gorgas and of appreciating at firsthand his fine qualities of courtesy and affability, which characterized him as the perfect gentleman.

The sanitation problem required Gorgas' total energy for its successful resolution. In a campaign which had as its basis the eradication of the mosquito in communities infested with the deadly insect, it was necessary to take effective measures to pursue the latter outdoors as well as within houses; to eliminate water deposits in the traditional outdoor basins and "tinajas", large earthen jars used to provide drinking water for homes before we had aquaducts; in roofgutters and patios, to prevent cracks and other structural elements capable of collecting stagnant water and becoming mosquito breeding places; to fumigate dwellings where dangerous conditions existed. In sum, these measures caused unavoidable hardship and inconvenience for the population but were necessary for eliminating habits and prejudices which had existed for generations. Nevertheless, Gorgas was so careful, so considerate and so discreet in his methods and in instructions to his staff that the sanitation operation was conducted under his command without friction or major difficulties. Gentleness was a predominant trait of his character. He did not belong to that group of men who consider it necessary to be rude and harsh in order to undertake an important mission. The fact that he was urbane opened the way for the success of his work. His voice was soft, his manner gentle and dignified, and an affable smile gave a touch of sparkle to the severity of his features. When one looked at his fine head, covered with snow-white hair, and observed in his eyes the reflection of innate kindness, one could not help being attracted by the serene magnetism of his personality.

The last years of Gorgas' life were dedicated to service and filled with worldwide acclaim. Governments, philanthropic foundations and scientific organizations of numerous countries affected by the yellow fever problem called on him, consulted him and paid him tribute for his achievements in public health. In 1914, the year in which the inter-oceanic waterway was opened to world commerce, he was appointed Surgeon General of the Army and concurrently promoted to brigadier general; a year later, he was promoted, by Public Law of March 4, 1915, to major general, the highest rank in the Army Medical Corps. Retired from the army in 1918, he was called back to active duty that same year, and what then happened was that the hero of peace also became a hero of war in the first world conflagration. In fact, that year he accompanied Secretary of War, Newton D. Baker, on an inspection tour of the fighting forces in France and found himself under heavy enemy artillery fire in a battle being waged on the exact date of his 64th birthday. In 1920, the illustrious man who, in 40 years of intense and fruitful living, had accumulated such significant accomplishments for the benefit of science and the progress and welfare of the world, passed away.

In 1921, President Belisario Porras, renowned builder of a Panamanian nationality, initiated the movement that culminated in the establishment in our capital city of a research laboratory. It enjoys worldwide reputation and is known as the Gorgas Memorial Laboratory. The Laboratory is an integral part of the Gorgas Memorial Institute of Tropical and Preventive Medicine, with headquarters in Washington. The scientific work of the Gorgas Laboratory is of invaluable benefit to humanity, and a dynamic monument which perpetuates and honors the name of a wholehearted friend of Panama—an eminent man of science, who was devoted to the most noble manifiestations of human solidarity.

HIGH SPEED OR OZONE?

Mr. MATHIAS. Mr. President, the question of whether SST's should be permitted to land at U.S. airports is complex and troubling. As in the case of most issues related to the SST, there are persuasive arguments and eloquent advocates on both sides of the issue. Under such circumstances it is necessary that the widest spectrum of the public has the broadest possible understanding of the facts.

The New York Times of May 26, 1975, carries a perceptive editorial on the subject and I ask unanimous consent that was ordered to be printed in the Record,

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the New York Times, May 26, 1975]

High Speed or Ozone?

A recent report of the National Research Council gets to the heart of the question of supersonic transportation. That question is not whether a half-dozen Concordes should be allowed to land at American airports, but whether the stratospheric emission of large numbers of jet planes, supersonic or subsonic, are a serious potential threat to the ozone that shields this planet from the lethal ultraviolet rays of the sun. The council, which is the operating arm of the National Academy, finds that they may well be a danger not only to human health but to climate of some areas of the earth as well.

The conclusions of the council are unequivocal on these points. More stratospheric airliners with present engines will diminish the amount of ozone increasing the intensity of ultraviolet light at ground level. "The potential harmful biological effects"—significantly cancer of the skin—"are such that *the burden of proof that these consequences can be accepted must lie with those proposing increased use of such aircraft.*" (italics added) Furthermore, small changes in the amount of ozone could produce small changes in temperature and rainfall—but "with effect on marginal agriculture that are not necessarily small."

To reduce these hazards, either aircraft equipped with present engines must be "severely restricted" at stratospheric heights or engines must be so modified by international agreement, as to reduce the emission of oxides of nitrogen by a factor of ten. To insure against climatic disruption, the sulfur content of fuel used by stratopheric planes must also be greatly reduced.

Present fleets of subsonic commercial airliners are not believed to pose a significant risk, and the addition of a mere half-dozen Concordes to the skies would apparently not make things measurably words. But even sixteen of these supersonic airliners could lead to several thousand additional cases of skin cancer per year throughout the world; and "a large further increase" poses correspondingly more "significant risks."

Scientists at the Massachusetts Institute of Technology who studied the problem on behalf of the Department of Transportation report that "the nature and proliferation of the global SST fleet of the future must be limited if we intend to maintain the environment as we know it today."

Dr. Henry G. Booker, chairman of the N.R.C. panel, suggests that the grant of supersonic landing rights should depend on agreement to develop low-emission engines. His proposal is a reasonable solution to a difficult problem. Landing rights should be conditional on a commitment to redesign engines to the point where there can be no question of a threat to the ozone, which is indispensable to the continuation of life on earth.

Until that objective is achieved, the number of supersonic planes admitted to American airports should be limited, as a maximum, to those for which application has already been made—provided of course that they also fully adhere to acceptable noise standards over populated areas. The grant of landing rights to even these few Concordes could only be justified if predicated on absolute prohibition of SST's in the future unless they meet new and satisfactory emission standards as well as current noise regulations.

FROM RAILS TO TRAILS

Mr. HARTKE. Mr. President, last March the Citizens Advisory Committee on Environmental Quality, a Presidential advisory group, published a comprehensive study on potential recreational use of abandoned railroad rights of way called "From Rails to Trails." That study was instrumental in prompting Senator Magnuson and myself to introduce S. 1879, a bill to provide coordination and assistance to such conversion programs.

I think that the Advisory Committee did an excellent job in putting together the report and in supporting the idea of keeping the railroad rights of way intact by adapting them for recreational use.

Recently it has come to my attention that the report and the idea were very well received in all parts of the country. In recognition of the Advisory Committee's hard work, I would like to include in the Record a few representative editorials from the many that have been printed. These come from large and small newspapers from California to Georgia, from Washington to Indiana. I ask unanimous consent that these editorials be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Los Angeles Times, Mar. 24, 1975]

Rails to Trails: Smoothing the Way

There are thousands of miles of abandoned railroad lines in the United States, and many thousands more will be abandoned soon; the railroads are consolidating their lines and chopping off the uneconomic ones.

These lands have great potential for recreation. Just how they can be turned to that purpose, at relatively little cost but with great public benefit, is the subject of a new report by the Citizens' Advisory Committee on Environmental Quality.

Some abandoned rail routes have already been turned into scenic bike paths and hiking trails. Towpaths along old canals have similarly been converted to recreation trails. In California, a bikeway runs along parts of the state aqueduct system, while in other areas of the state unused rail lines could be available for hiking or bike paths.

Considerable federal aid is available for recycling old transportation corridors. The Land and Water Conservation Fund Act of 1965 provides matching grants to states, and through them to local governments, for acquisition and development of recreation resources. The National Trails Systems Act encourages trail development, especially near urban areas. The Federal Aid Highway Act of 1973 authorizes $40 million a year through 1976 for walkways and bikeways, with special incentives for trains established on abandoned rights-of-way.

Trail development doesn't just happen, however. Considerable citizen participation in identifying potential sites and working with appropriate government agencies to purchase and develop them is needed. A great value of the advisory committee's report is the information it gives on just how abandoned lines can be changed into useful, and inexpensive, recreational facilities.

There are no great barriers to this effort, only the need for some basic know-how. For example, the Interstate Commerce Commission must approve any applications for abandonment of rail lines and discontinuance of rail service. The ICC is required to publish notice of proposed abandonment. The public notice gives citizens the chance to get the machinery moving for buying the abandoned property for use as a trail. But, before that can happen, the public must know what opportunities it has for adding to the nation's open recreation space.

* * * * *

It deserves a broad audience, and the course of action it advocates deserves broad support.

[From the Griffin (Ga.) News, Mar. 18, 1975]

Hiking, Biking

A citizens advisory committee on environmental quality says thousands of miles of abandoned or little-used railroad tracks should be turned into trails for hiking, biking and such activities. In a shrinking nation this seems a good idea. At least it would help preserve the right of way in the event of their future need for transportation, and provide recreation in the meantime.

[From the Crawfordsville (Ind.) Journal and Review, May 5, 1975]

Tracks Into Trails

The hard times that have lately befallen the iron horse, while bad news for the railroad industry, present the nation with a unique opportunity, says a presidential fact-finding body.

There are about 200,000 miles of abandoned railroad lines in the United States, many of them passing through scenic and picturesque landscapes. According to the Citizens Advisory Committee on Environmental Quality, these unused roadbeds could be inexpensively converted into a vast network of backpacking, bicycling, jogging, horseback riding and cross-country skiing trails.

Once a right-of-way is acquired—and they're available at bargain prices—the actual construction of a trail would be a relatively simple matter, the committee says in a recently published booklet, "From Rails to Trails."

All that is needed is the removal of ties and tracks and the laying of a suitable surface. Abandoned station houses could be utilized as hostels or trail headquarters.

[From the Muskegon (Mich.) Chronicle, May 22, 1975]

Of Tracks and Backpacks . . .

Michigan is already criss-crossed with abandoned railroad tracks, and if the new AMTRAK consolidation program goes through, things will be worse.

Or, according to a presidential factfinding body, they could be better.

That's pushing it a bit—Michigan is properly fighting to hold onto all the rail trackage and service it can—but the Citizens Advisory Committee on Environmental Quality has a point in maintaining that the hard times that have lately befallen the iron horse, while bad news for the railroad industry, present the nation with a unique opportunity.

There are about 200,000 miles of abandoned railroad lines in the United States, many of them passing through scenic and picturesque landscapes. According to the presidential committee, these unused roadbeds could be inexpensively converted into a vast network of backpacking, bicycling, jogging, horeback riding and cross-country skiing trails.

Once right-of-way is acquired—and they're available at bargain prices—the actual construction of a trail would be a relatively simple matter, the committee says in a recently published booklet, "From Rails to Trails."

All that is needed is the removal of ties and tracks and the laying of a suitable surface. Abandoned station houses could be utilized as hostels or trail headquarters.

It sounds promising. What say we start with a trackage survey here?

[From the New York Times, May 30, 1975]

Rails to Trails

Of all forms of transportation—except for the bicycle—the railroad is environmentally the most benevolent. Planes, trucks, and automobiles use much higher ratios of fuel to carry comparable amounts of cargo or passengers and they cause more pollution to boot.

To move freight any considerable distance, barges are dependent upon dams, canals, and locks to make rivers navigable; such navigation projects mean the end of free-flowing rivers and the destruction of natural habitat for birds, fish, and animals. Whenever possible, therefore, railroads should be maintained as the nation's preferred mode of transportation.

Where a stretch of track is abandoned, however, it can be converted to recreational use as a trail for hikers and bicyclists. Under the National Environmental Policy Act, the courts have ruled that the Interstate Commerce Commission must determine in advance whether a proposed abandonment of railroad service will have significant environmental consequences and, if so, must prepare an environmental impact statement. In accord with this enlightened approach, the I.C.C. has stated that a public agency or civic group seeking a railroad's right-of-way for use as a public park must be given the first opportunity to acquire it before private interests can bid.

A recent news item in The Times tells how the Western Pennsylvania Conservancy has taken possession of a 60-mile stretch of the Western Maryland Railroad's right-of-way from Connellsville, Pa., to Frostburg, Md., for development into a trail. This route runs through some of the most rugged and scenic Appalachian Mountain territory. Similar conversions have been made in several other states, but much railroad right-of-way has unfortunately fallen into the hands of speculators.

In crowded, modern America, an abandoned railroad and its adjoining land offers exceptional recreational opportunities. The Citizen's Advisory Committee on Environmental Quality has published a pamphlet, "From Rails to Trails," (available for $1.50 at the Government Printing Office) explaining to citizen groups how to acquire such land and how to cope with problems that may arise. As the committee points out, if there is need to use the abandoned track for conveying freight or passengers again, it can readily be restored if it has been preserved as a hiking or bicycle trail. Meanwhile, yesterday's rail lines provide today's city residents easily enjoyable access to the great outdoors.

[From the Longview (Wash.) News, Mar. 20, 1975]

A Hiking System

Thousands of miles of railroad track in this country are abandoned. Thousands more soon will be—the modernization of our inefficient railroad system leaves no choice.

What should we do with these useless tracks? The Citizens Advisory Committee on Environmental Quality has come up with a highly satisfactory answer: Turn the abandoned railroad tracks into trails for for hiking, bicycling, and—in some areas—cross-country skiing.

Many miles of unused track run through beautiful, virtually unspoiled landscape (this is surprisingly true in the Middle West). What is there to prevent Congress and the states from converting these dead tracks into a national hiking system, studded with well-supervised overnight campsites?

With backpack, to be able to walk or bicycle to all sections of the nation on a trail network removed from the noise and danger of the superhighways—what a magnificent prospect it is.

It is precisely the kind of recreational innovation which should greet the arrival of the Bicentennial summer of 1976.

SATELLITE OVER MARYLAND

Mr. MATHIAS. Mr. President, I wish to call the attention of the Senate to a very interesting example of the application of NASA-developed technology for the direct use and benefit of people and local government. The Maryland Department of State Planning and Earth Satellite Corporation have published the results of an expirment entitled "Application of ERTS–1 Data to Integrated State Planning in the State of Maryland." This was a joint public agency-private corporation effort to examine, test, and apply remotely sensed data from satellites and other sensors in the realistic setting of a statewide general land-use plan program. Additional input to the study was procured by the use of high aircraft imagery for more detailed results.

This 200-page document should be very important reading for land-use planners on all levels of Government. It shows that NASA satellite data has a demonstrated capability to produce land-use information on a par with U.S. Geodetic Survey information at a cost substantially lower than the cost to produce similar information by traditional means. Maryland was a most exacting test case for the application of satellite data as it is a small, densely settled, and diversely landscaped State and this study concludes that in environments of less complexity much higher use levels will be realized for satellite-produced data.

We do not today know all of the uses to which satellite-produced data can be put. This is a new field and a growing one. I commend to any interested party that they review this study as it may well serve as a baseline program for other States and regions to look at and to benefit from in the many ways that are portrayed throughout the report. I am sure that Mr. Vladimir Wahbe, secretary of the Maryland Department of State Planning in Baltimore, and others associated with this department in the preparation of this study, would be pleased to receive inquiries and to supply information about it.

DEFENSE DEPARTMENT IMPLEMENTATION OF FISCAL YEAR 1975 STRATEGIC AIRLIFT AMENDMENT

Mr. NUNN. Mr. President, I would like to report to the Senate on the progress the Defense Department is making in implementing the strategic airlift amendment from last year's Defense Authorization Act.

During our consideration of the Defense Department fiscal year 1975 manpower request, I noted that the Air Force sought an additional 8,300 military personnel and 1,800 civilian employees in order to increase the number of crews authorized for their strategic airlift forces from 3.25 to 4 crews per aircraft. I was requested by Chairman Stennis to take a careful look at that proposal and hold hearings on the subject. These hearings showed that the "surge capability" the Air Force proposed would only be needed in a major conventional war.

I concluded that, while the Department of Defense needed the surge capability in war time, this mission could be performed much more cheaply by either the Air Force Reserve or the Air National Guard or by some combination of the two. Therefore, I suggested an amendment—subsequently agreed to by both Houses—which directed the Secretary of Defense to develop a plan to accomplish any increase in the strategic airlift crew ratio by using the resources of the Air Reserve and Air National Guard forces.

Secretary Schlesinger has submitted a study to the Congress which says that the Air Force can recruit and train adequate reserve personnel in "associate units" to implement the congressional intent of increasing strategic airlift crew ratios by additional use of reserve personnel. These associate units will be collocated and use common equipment with the active forces. There will be 2.0 reserve crews for the C–141 aircraft and 1.75 reserve crews for the C–5 aircraft to complement the active forces and thereby achieve a 4.0 crew to aircraft ratio.

The associate unit concept that the Air Force plans to employ in the strategic airlift area is an important part of the total force concept in which active and reserve forces are closely integrated in various missions. It has the potential to strengthen the Armed Services as a whole by strengthening the role of the Reserves. In addition, in a time of increasing manpower costs, it is a cost effective use of manpower and manpower dollars.

The Air Force's program to increase crew ratios by increased use of active personnel would have cost $104 million annually from fiscal year 1976 on. However, the associate unit program will cost an average of $16 million annually from fiscal year 1976 on. Thus, our action last year has resulted in an average annual cost avoidance of $88 million per year.

The Manpower and Personnel Subcommittee and the full Armed Services Committee searched this year's Defense Department manpower request for ways to achieve stronger and more cost-effective use of our defense manpower and dollar resources. I believe this year's authorization bill now in conference represents this careful scrutiny. However, we must continue to look for areas—such as strategic airlift crew ratios in last year's bill—in which we can be more careful with our dollar resources and at the same time strengthen the total force of the armed services, and thus be able to maintain a strong defense at a price we can afford.

I ask unanimous consent that a letter from Secretary Schlesinger summarizing the DOD study on this matter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
April 12, 1975.

HON. NELSON ROCKEFELLER,
President of the U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am forwarding a copy of the study on strategic airlift crew ratio increases as required by Section 403(b), Public Law 93–365.

This study examined alternatives to provide for an enhanced total crew ratio of 4.0, which produces a mobilized lift capability of 10 hours per day per aircraft for sustained operation, and 12.5 hours per day per aircraft for surge operation up to 45 days duration.

I concur in the study recommendation which supports the above utilization rates and achieves the required crew ratio through a phased expansion of the Reserve Associate Units to the maximum extent possible. We believe that by end FY 1978 the Air Force can recruit and train adequate Reserve personnel to achieve up to a 2.0 Reserve crew ratio for the C–141 force and up to a 1.75 Reserve crew ratio for the C–5 force. The crew ratio for the active C–141 aircraft will be held at 2.0 with the C–5 increasing to 2.25. In recognition of the recruiting capability, the Reserve Associate Crew ratio increases will be phased through FY 1978 as follows:

Aircraft	Fiscal year	Crew ratio
C-5	1976	1.25
	1977	1.50
	1978	1.75
C-141	1976	1.5
	1977	1.75
	1978	2.0

In the interim, to provide the required airlift capability until the Reserve forces come up to the desired level, we considered two alternatives: (1) increase active crews immediately and then decrease them as the Reserve crew build up or, (2) make up the crew shortfalls through an auxiliary aircrew concept which utilizes active duty personnel who were formerly qualified C–5/C–141 aircrew members. These crew members, along with supporting maintenance personnel would come from other active Air Force organizations to support a short-term national crisis. We have elected to use the auxiliary crew concept on a temporary basis, in lieu of substantial active force increases until Air Force Reserve is able to assume its mission.

There were three other issues raised in Public Law 93–365, which I would like to report. The first had to do with restructuring the missions of the Air National Guard units so as to retain an effective strategic airlift capabiltiy within the Air National Guard and Air Force Reserve. When the C–124 strategic airlift aircraft were grounded in the summer of 1974, the Air Force reprogrammed the affected Air Guard units with C–130 tactical airlift aircraft.

The second issue dealt with the proposed elimination of five Air National Guard units because of an Air Defense drawdown. All five units have been retained by reequipping with other aircraft and changing to other priority missions required by the Air Force.

The third issue was selective mobilization under conditions less than a national emergency. We are including proposed legislation for this issue in our forthcoming legislative package.

Sincerely,

JAMES R. SCHLESINGER.

LIMITED NUCLEAR WAR—"LIKE BEING A LITTLE BIT PREGNANT"

Mr. McINTYRE. Mr. President, Art Buchwald is a master at using humor to ridicule legislative folly in life or death issues. His recent column on "limited nuclear warfare" is a prime example.

This column points up and underscores the case I tried to make when I offered my counterforce amendment in opposition to Defense Secretary Schlesinger's plot to develop a "limited nuclear warfare" capacity.

Mr. President, I ask unanimous consent to have Mr. Buchwald's column printed in the RECORD so that all who have not read it before can do so now.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the New York Post, June 19, 1975]

THE SKY'S THE LIMIT

WASHINGTON.—The good news from the Pentagon this week is that the Air Force has just announced it will start training its crew to fight a "limited nuclear war" in case the U.S. should want to exercise that option.

While this is an encouraging sign, no one in Washington is quite sure what a limited nuclear war is and unfortunately neither is anyone in Moscow.

"Isn't a limited nuclear war like being a little bit pregnant?" I asked a source high in government circles.

"Certainly not. At the moment small nuclear wars have been considered unthinkable. But we hope that attitude will change, and countries will start thinking about them instead of large nuclear wars that could wipe out a continent."

"Everyone is for small nuclear wars," I said, "as opposed to large ones. But how do you persuade the other side that you're not engaging in a large one? How will we know if we're attacked with nuclear weapons, that the Soviets or even the French have no intention of destroying the entire country?"

"It won't be easy," the source said. "But if we announce a new nuclear strategy which is more flexible, then the Soviets will adjust their strategy accordingly. For example, suppose the Russians launched an attack on Mobile, Ala.; we would retaliate by hitting Minsk. If they then hit White Plains, N.Y., we would drop nuclear weapons on Kiev. That would be considered a limited nuclear war. As long as there weren't attacks on our major cities, both sides could live with it."

"I can see that. But how will we know that they are only engaging in a limited nuclear war?"

The source seemed irritated. "That's what the hot line is for, stupid," he said. "The Soviets would alert us as to what cities they intend to bomb and we would alert them about cities we would hit. If they double-cross us and bomb New Orleans instead of Mobile, we'll just lay a little ol' nuclear bomb on Leningrad. Our insurance is that they don't want their entire country destroyed and neither do we."

"I guess we could all live without Mobile and White Plains," I said. "But by changing our strategy from the deterrent of mutual destruction to limited nuclear war, aren't we encouraging both sides to start seriously thinking about using atomic weapons?"

"Yes and no. The important thing is that we must have more options. Right now the only option we have is to use our weapons for all-out destruction. The Soviets are also stuck with the same options. But, let's face it, if we could use our atomic weapons just to knock out a few Soviet factory towns in the Ukraine, the Russians would only be under an obligation to destroy some place like Detroit."

"Nobody would miss Detroit," I said. "But suppose we had som hawks in Coungress who got mad and said, 'No one can win a limited nuclear war. We have to go all out or nothing'?"

"You'll get some of that. But no President is going to get us involved in an all-out nuclar war. It would wreck the economy and play havoc with inflation. So no matter how much pressure the hawks put on, the President will see that an atomic war doesn't get out of hand."

"Now I know you're going to get mad at me for asking this question," I said. "But suppose one side or the other decides it losing the limited nuclear war and, rather than face disgrace, turns it into mass destruction? What happens to your strategy then?"

"It will never happen."

"How do you know?"

"Because our military people aren't crazy."

"How do you know?"

"Because anyone who comes up with a limited nuclear war plan has to be sane."

"How do you know?"

PEACE STUDIES PROGRAM AT MANCHESTER COLLEGE

Mr. HARTKE. Mr. President, on June 18, I introduced S. 1976, a bill to establish the George Washington Peace Academy to further the study and understanding of the process, state, and art of peace.

The bill was referred to the Committee on Labor and Public Welfare, where I am hopeful that hearings will be held in the near future.

One of the purposes of the George Washington Peace Academy is to bring an interdisciplinary approach to the inquiry into the dimensions of peace. As I pointed out in my introductory statement accompanying S. 1976, "Peace studies have accelerated within existing academic institutions—and the academy and existing institutions—shall not be in conflict, but shall exchange studies and research projects."

One such academic institution is located in my home State. Jim Wasserman, a staff writer for the Fort Wayne Journal-Gazette, has written an informative article on the peace studies currently underway at Manchester College in Indiana.

Mr. President, I ask unanimous consent to have printed in the RECORD Mr. Wasserman's article entitled "Peace Studies Program at Manchester College is a Live, Thriving Course," published in the May 28, Fort Wayne Journal-Gazette.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PEACE STUDIES PROGRAM AT MANCHESTER COLLEGE IS A LIVE, THRIVING COURSE

(By Jim Wasserman)

NORTH MANCHESTER.—Is compromise necessarily a good answer to resolving conflicts? Does Indiana actually pay more for war than most other states? Has religion been used to "sell" wars to the people who must fight them?

Questions like these are just a few of the many philosophical, psychological and moral questions that are raised and discussed in the Peace Studies Program at Manchester College here.

Founded in 1948 by Dr. Gladdys Muir, a classical historian and specialist in the League of Nations operations, the Manchester Peace Studies program was the first to be started in the United States.

Dr. Allen C. Deeter, director of the program and associate dean of the college, said this week there are about 200 U.S. colleges now offering courses in the study of peace. He said only 20 schools, however, have full-scale programs offering majors in peace studies.

At Manchester, Dr. Deeter estimates about one-tenth of the students take one or more courses in peace during the year. He explained Colgate University has a ratio of nearly one-fifth of its students taking at least one course in the study.

The peace studies program offers courses such as Conflict Resolution, which deals with various methods by which conflict is resolved and its aftermath, and Analysis of War and Peace, which examines conditions conducive to peace and the nature, effects and causes of war.

Another is the Philosophy of Civilization, dealing with questions such as why civilizations rise and fall, what can be learned from history and what students have learned from their personal history.

A course in international politics studies causes and motives of statesmen's activities in the international arena and various methods for establishing a world order.

In the field experience and internships with various agencies are also a part of the program, remarked Dr. Deeter.

He said a group of students will be going to England's Tavistock Institute next year to study the resolution of conflict. A class in January studied utopian thought and visited christian and secular communes.

Some students did a two-week internship this year in Dayton, Ohio, with a professional conflict management group, studying violence situations, racial and family conflicts, youth rehabilitation and centers for those who could not function adequately in school. Others worked with the Dayton Police Department in matters of conflict resolution.

Some worked with the American Friends Service Committee and the United Farm Workers to bring about social change. Another group did a recent study of the tax flow in Indiana, concluding the state pays more for war than many others, since the ratio of tax funds pouring back into Indiana is lower.

Dr. Deeter said the program also brings in various speakers for its two major conferences at the college each year; along with speakers for class sessions and minor workshops.

Sen. William Proxmire, the Democratic senator from Wisconsin, spoke last fall at a major conference at Manchester on the military industrial complex. Other past speakers included Gary Hart, the manager of George McGovern's presidential bid and presently a Colorado senator, Ralph Bunche, former U.S. ambassador to the United Nations, and Jean-Pierre Debris, a former South Vietnamese schoolteacher, arrested for initiating a peace rally.

Smaller workships have featured a debate between a former South Vietnamese ambassador to the United States and a U.S. State Department official about U.S. Indochina policy and a former U.S. Army officer leading a workshop on nonviolence and social change.

Dr. Deeter, who said he became interested in peace studies because of a realization of religious pacifism picked up during the Korean War, said most of the peace studies activism," commented Dr. Deeter.

He added many go into such divisions of law, as poverty and international law. Many go into church agencies, he said, though that is not as prevalent now as it used to be. Others work in public service jobs, social and medical agencies. A few have entered the state department and foreign service.

He said during the Vietnam years, Manchester students were concerned with the war, but not with the activism. "Maybe the professors were still concerned you need more academic understanding before you get into majors go on to graduate school.

He explained interest in the program is at its high point now, with seven people seeking majors. Dr. Deeter added the other peak period was during the Korean War. He said interest was low during the 1960's.

The peace studies program has had its ups and downs over its years in existence, he related, but predicts the program will survive because of the school's commitment to it.

Dr. Deeter said the college funds the program, unlike many on other campuses which are funded by foundations. But the professor warned, when the money in these foundations is low the programs have to be cut back.

ADMINISTRATION POLICIES WILL MEAN DEEP, EXTENDED RECESSION

Mr. BENTSEN. Mr. President, yesterday on Face the Nation, Council of Economic Advisers Chairman Alan Greenspan told the American people that the recession had come to an end. In his words, the economy has "bottomed out."

His claim is no more reassuring than his claims last summer that there would be no recession. It is like a weather forecaster hailing the end of a blizzard as the arrival of spring.

One could argue, of course, along with Sir Isaac Newton and Alan Greenspan that what falls down fast will bounce back equally fast. I wish this were true. But our economy has suffered such a precipitous erosion of real income, financial wealth, jobs, and confidence that a swift recovery is merely wishful thinking.

Chairman Greenspan would have given the American people a much better flavor of our economic prospects if he had said that the economy is "on the bottom" rather than "bottoming out." We have fallen off a cliff and face a long, difficult, uncertain journey back to the top. In many respects our troubles are just beginning.

Some people use alphabet soup jargon to describe our prospects for recovery. The "V" shaped recovery wished for by the administration—swiftly down and swiftly back up—is no longer a reasonable prospect. Some of the more optimistic now expect a "U" shape—a recovery which is gradual in getting underway. Some pessimists predict an "L" shape—a period of stagnation before any recovery begins. Finally, there are those who would not be surprised by a "W" shape—a brief partial recovery followed by a second dip before a prolonged recovery begins.

I am afraid that we will have an L- or W-shaped recovery unless Congress and the administration put together a recovery program that is strong and steady enough to produce a swift, continuing decline in unemployment. In this connection, we must remember that output must rise by more than 4 percent each year just to absorb the increase in the labor force and the increased productivity of those already employed. More than 7 percent growth in real output per year is needed to reduce unemployment by just one percentage point. Our past economic experience shows that such a vigorous growth is difficult to achieve over a long period—we may during the next year indeed see a "recovery" in the sense that output begins to rise, but at the same time see too slow a growth to bring down unemployment.

Projections of our economic prospects made with both the Wharton model and the Data Resources model are not very cheery. If we do not move swiftly to spur an economic recovery, we will have 8 to 9 percent unemployment throughout this year and even well into next year. Assuming that the Federal budget will be at the level spelled out in the congressional budget resolution and that money supply growth will even exceed the 5 to 7½ percent limit set by Federal Reserve Board Chairman Arthur Burns, here is what the two models predict for the end of next year, along with the recommendations of the Joint Economic Committee:

RECENT FORECASTS FOR 4TH QUARTER OF 1976

	Real output (billions of 1958 dollars)	Unemployment rate	Inflation rate (Consumer Price Index)
Wharton (May 30)	829	7.9	4.9
Data resources (May 27)	863	7.9	5.6
JEC recommended targets (March 1975)	890–900	6.5–6.8	

The "recovery" projected by these models would be an economic disaster. It would condemn more than 8 million American workers to prolonged joblessness for another year or even longer. It would waste more than $250 billion in potential output. It would cut out business investment in new productive capacity just when we are most in need of it.

The administration's current economic policy dooms a prolonged period of deep economic distress. President Ford has already vetoed the Emergency Employment Appropriation Act which would have provided almost 1 million jobs and is now threatening to veto the Emergency Middle-Income Housing Act that will stimulate 400,000 new homes and almost 800,000 jobs in the construction and consumer durables industries. These vetoes show a callous administration disregard for people and jobs.

It is time for Alan Greenspan and the rest of the administration's high economic officials to stop looking at economic disaster through rose-colored glasses and start working closely with Congress to create an economic program designed to put 8.5 million unemployed Americans back on payrolls and into productive useful jobs.

THE LAW OF THE SEA NEGOTIATIONS

Mr. METCALF. Mr. President, in 1969, the Senator from Washington (Mr. Jackson), chairman of the Committee on Interior and Insular Affairs, ahead of his time as usual, called our attention to the fact that one of these years we will have to answer the question: Who owns—or is responsible for—two-thirds of Earth?

That is the area of the world's oceans—and the land beneath.

Since he created the Special Subcommittee on the Outer Continental Shelf, which I had the honor to chair, the interest of the Congress, the press and the public in the law of the sea has skyrocketed. Where one committee was seriously concerned in 1969, there are at least six today.

Part of the reason for the increased interest was the recent demonstration of what happens in these United States when a group of nations, upon whom we depend for part of a basic resource—oil—band together to increase their economic and political clout. Part of the reason for the increased interest was the realization that, while we import some one-third of the oil we use, we depend on foreigners for almost all of the ingredients we need to make steel. Part of the reason for the increased interest was the statement of the United Nations that the ocean areas were the "common heritage of mankind."

In places, the bottom of the ocean is literally paved with manganese nodules containing minerals basic to our economy which we now import. At the same time American industry assures us it has the ability to discover and recover these minerals with due regard to other uses of the ocean. And there is no question about their right to do so under existing international law.

Since that declaration many bills have been introduced. Some would encourage our nationals to discover and develop the mineral resources we must have—at least exercise some measure of control over them pending international agreement. Some would establish a 200-mile fishery resource zone around the United States pending international agreement. Another would throw a 200-mile pollution control zone around the United States—in the full realization that while it may be difficult to clean up part of a bathtub, someone should start sometime to do the job.

So there are those in Congress who have been concerned with these problems for some time. For example, the original Seabed Mineral Resources Act was introduced in 1971. Ordinarily the executive agencies concerned with legislation submit their recommendation to the Congress. But all we have had since 1971 is advice that we in Congress do nothing.

Meanwhile, however, there have been indications that someone in the executive agencies was doing something—or thinking about it.

As a matter of record before the Interior Committee is a letter of March 1, 1973, to Chairman Jackson from Mr. Charles N. Brower, acting legal adviser to the Department of State and acting chairman of the Interagency Task Force on the Law of the Sea. That letter includes these words:

> We will spare no efforts to ensure that a successful Law of the Sea Conference can be concluded on schedule. However, this does not mean that we intend to focus our efforts exclusively on the Law of the Sea negotiations.
>
> Prudence dictates that we also begin at once to formulate a legislative approach on a contingency basis for two reasons. First, it could conceivably become clear during the negotiations that we have no reasonable basis for expecting a timely and successful Law of Sea Conference. Second, we can prepare for provisional entry into force of some aspects of the international seabed regime once it is signed. While the approach in H.R. 9 (the seabed mining legislation pending at that time) does not appear to us to be satisfactory, we intend to continue the useful discussions we have been having with industry representatives and members of the public on this issue with a view to formulating such an approach within the Administration.

As part of the increased congressional interest in the Law of the Sea, there have been at least four hearings since the most recent U.N. Law of the Sea Conference which ended on May 9 in Geneva, the only agreement to come out of that Conference was to meet again somewhere sometime next year.

The Conference also produced the "Informal Single Negotiating Text," which is part of hearing records in both the Senate and House. From the point of view of the United States, the kindest words about part 1 of that text—the section dealing with the regime and macinery for the seabed beyond national jurisdiction—are that it is an "unmitigated disaster."

The "Single Text" may not be a negotiated document. But it is a measure of sorts of the effectiveness of our negotiators in getting our point of view prominently displayed before the Conference. It would appear that we are in bad trouble. As I read it, the international community owns, and runs, everything beyond 200 miles and can hand the bill to U.S. taxpayers and consumers.

There is going to be a headquarters in Jamaica; branch offices elsewhere. The international agency is going to adopt budgets, make rules, decide on benefit sharing, determine compensation, borrow money, and be exempt from taxes and customs.

It is going to own everything beyond 200 miles—right down to what is referred to as "objects of archeological and historical nature." It may itself conduct research. It regulates fixed installations. It may do its own developing, processing, transportation, and marketing. It can decide, on the basis of its own evaluation, the ocean areas "of commercial interest." It may reserve certain sections for its own development. It may give developing countries access to what is referred to in the draft as "patented and nonpatented technology."

Also, I am concerned about the loss of a word. The word is "resource." In previous hearings there has been a reference to the International Seabed Resource Authority. Now it is the International Seabed Authority. And I wonder if that is an indication that the countries with a vast majority of votes would expand their control over all activities in the international area.

And the draft is shot through with discrimination.

For example: According to the draft I have, the International Seabed Authority is to avoid discrimination. But, and I am quoting now from the draft:

> Special consideration . . . for the interests and needs of the developing countries . . . shall not be deemed to be discrimination.

Geography is to be considered in locating branch offices, and in hiring personnel. There is reference to what is termed "preferential access or favorable terms" to developing countries. And finally, if ISA finds and develops seabed resources, the draft says the products shall be offered for sale at not less than the international market prices—but may be sold at lower prices to developing countries.

And at the end of the line is Uncle Sugar—the reference to what is politely termed:

> Assessment of the contributions of Parties to this Convention as necessary for meeting the Administrative budget.

Also a matter of record before the Senate Interior Committee are countless assurances of those who speak for us at the United Nations that we would reach agreement in just one more session. That was the administration line before Geneva in 1973, before Caracas in 1974, before Geneva in 1975.

We also have been assured over the years that there would be international agreement by the end of 1975. Now that is gone, too.

A principal spokesman for the administration over the years has been Prof. John Norton Moore, Chairman of the National Security Committee's Interagency Task Force on the Law of the Sea. For years he has been expressing what he referred to as "cautious optimism." As late as last March, he was predicting "a good treaty," and one that would be "timely," by the end of 1975 by his own definition.

In hearings this year, he has told the House Committee on Merchant Marine and Fisheries, the Senate Committee on Foreign Relations, the National Ocean Policy Study Committee, and the Subcommittee on Minerals, Materials, and Fuels of the Senate Committee on Interior and Insular Affairs that he was wrong. I quote from his prepared statement to the Subcommittee on Minerals, Materials, and Fuels on June 4, 1975:

> In previous testimony before this Committee, I have indicated that there were reasonable prospects of adhering to the General Assembly schedule and completing the work of the Conference during 1975. Indeed, this timing has been a cornerstone of our interim policy. I regret to report to you that I was wrong and that this schedule was overly optimistic. It is now clear that the negotiations cannot be completed before mid-1976 at the earliest and at this time it is not clear whether or not a treaty can be completed during 1976. The Conference has agreed to recommend to the General Assembly that the next session be held for eight weeks beginning March 29, 1976 and that the Conference then decide whether an additional session is needed during the summer of 1976. Though such a schedule could conclude a treaty during 1976 if there is sufficient will to do so, I would not be frank with this Committee if I did not express my disappointment that a target date to conclude a treaty was not agreed by the Conference despite what seems to be a majority sentiment for conclusion during 1976.

So, Professor Moore tells us he has been wrong for years as he has assured us, on behalf of the administration, that, by the end of 1975 would emerge from the United Nations a Law of the Sea treaty with which we can live.

Having established his credentials as being wrong, he also said:

> The Administration is now conducting a thorough reevaluation of our interim policy to ensure that the necessary balance is found between our broad interest in a multilateral resolution of oceans' problems and our more immediate needs, particularly the protection of coastal fisheries stocks and access to the raw materials on the seabed.

He said he hopes this "reevaluation" can be completed "by, or soon after, the August congressional recess."

So, Congress is now being asked, by an administrative spokesman who says he was wrong, to wait for several more months while the administration "reevaluates its interim position."

Now that the question of the "interim position" has been raised by a spokesman for the administration, we can ask what is, has been, or will be that interim position? I have only been in this business for 6 years, and the only interim position I have been able to determine is opposition to any action by the Congress in this complex area. We have been told many times that any action we might take would be interpreted by other nations as unilateral and would wreck the negotiations for a timely and satisfactory treaty.

Now we are also told that, in Professor Moore's words:

> For our part, we recognize that the formulation of United States oceans' policy is a shared responsibility between Congress and the Executive and we are determined to make the law of the sea a model of cooperative partnership.

I am no longer willing to be a silent partner—at least one who has been told to keep silent for 6 years. The Congress has been told that there will be no international agreement in 1975, and perhaps not in 1976. It is time for all of us who share this responsibility to reevaluate our position.

Mr. FANNIN. Mr. President, the distinguished Senator from Montana (Mr. METCALF) has raised an issue today that this Congress must face. The outcome of the Law of the Sea negotiations will have far-reaching consequences for this country. Mineral resources of the deep seabed, if developed by American companies, could provide supplies of copper, nickel, cobalt, and manganese that would be available to American consumers without the threat of cartel-like actions now being proposed by many mineral producing countries from which we import.

I certainly share the desire of the administration to achieve an international treaty that supports our resource rights and establishes workable rules for all ocean activities. But I do not see that a treaty which denies the right of Americans to exploit deep ocean resources should be considered for ratification by the Senate. Senator METCALF's remarks this morning indicate that the draft treaty produced by the Geneva session of the Law of the Sea Conference does just that—it denies U.S. citizens their existing rights. I know that the document referred to is not a final treaty and is still subject to negotiation. But I also know that what that draft treaty reflects is no different from what the developing nations are demanding in every conceivable area of international economic relations—the right to end the free market system and force economic discrimination in their favor.

In view of the reports that the Department of State has given us concerning the law of the sea talks, I am afraid that the times may not be right for a treaty that would be acceptable to the United States. I hope I am wrong, but, Mr. President, I want to register my support for Senator METCALF's suggestion. He says that he is no longer willing to be a silent partner to the administration. I agree. It is time for Congress, working with the administration, to guide the policy of the United States in this area. Our ocean resource interests are far too important to be neglected by the Congress merely because international negotiations take a long time. We can only be patient for so long. When this country's interests are at stake, Congress should act.

Mr. HANSEN. Mr. President, I want to join my colleagues, Senators METCALF and FANNIN, in emphasizing the need for a careful study of U.S. interests in the Law of the Sea Conference. The range of issues that are being negotiated in that forum is truly overwhelming. A brief glance at the draft Law of the Sea Treaty reveals that there is hardly a single article of the hundreds that are proposed that does not affect some interest of the United States. This is true because we are a major shipping Nation, a great naval power, and we have identified large quantities of hydrocarbons on our Continental Shelf. In addition, many of our people carry on the proud tradition of fishing for the abundant living resources that lie off our coastlines. Furthermore, we have a deep concern for the health of the ocean environment. These interests are shared by many other nations around the world. As a result, we see in the draft treaty articles produced in Geneva that the will of the international community in these areas of interest happily coincides with the needs of this country.

But with respect to the mineral resources of the deep seabed, the situation is different. The United States is dependent on other countries for not insignificant quantities of the minerals found in the deep seabed. Now it appears that pioneering American companies have developed the technology to recover the mineral-laden nodules from the ocean depths. These minerals could be made available not only to the American consumer, but by virtue of the exciting new breakthroughs in technology, new mineral sources would be unlocked for all nations.

I believe that we should have an international agreement to govern the development of deep ocean resources. But I do not think that the American people would want the Senate to agree to a treaty in which, in return for taking the risks of learning how man can make better use of the oceans, our companies could be denied the right to participate in the eventual development of deep ocean resources. We must carefully examine the situation to determine the chances for the achievement of a final treaty that will be fair to American interests in the deep seabed as well as to those of other nations. The reports given to Congress by the U.S. delegation seem to indicate that the prospects for success are not good. The time has come for the Congress as well as the Executive to take a long, hard look at the path we have chosen. If that path will not lead us where we need to go, then it is time to find a new route.

BRIG. GEN. CHARLES E. YEAGER HONORED BY SALEM COLLEGE—DEPARTMENT OF AIR FORCE RECOMMENDS LEGISLATION FOR A SPECIAL MEDAL FOR THIS COURAGEOUS AMERICAN

Mr. RANDOLPH. Mr. President, on Friday, June 20, West Virginia as a State, was 112 years of age. Throughout the hills and valleys of the Mountain State there were appropriate events commemorating the birthday.

At Salem College, in Salem, a particularly significant program was held with honors and Bicentennial wards. Brig. Gen. Charles E. Yeager, a native of Hamlin, just retired from an outstanding career in the U.S. Air Force, was presented with the college's annual Mr. West Virginia Award and an honorary degree, doctor of aeronautical science.

This mountaineer achieved one of the most singular heroic feats in the history of flying. On Otcober 14, 1947, the then

Capt. Charles E. Yeager, an Air Force test pilot, flew a small experimental rocket-powered aircraft, the Bell XS–1, through the sound barrier. He became the first man in history to deliberately fly faster than the speed of sound. His historic flight, following many months of tests and evaluation of the unknown, opened a new era in world aviation. Today, supersonic speeds are commonplace, but on that crucial date in October of 1947, there were many scientific authorities who remained convinced that man could never hope to achieve or survive supersonic speeds.

Charles Yeager crossed unchartered boundaries to explore a new frontier, and in so doing, provided new knowledge that enabled others to follow and expand the limits of man's world of new opportunities.

Mr. President, the noteworthy event to honor Brig. Gen. Yeager was attended by persons active in the development of international and national aviation programs. Some of those in attendance are known throughout the world for their aerospace exploits. Included were Lt. Gen. Pete Quesada, an aviator who participated in the historic inflight refueling mission in 1929, commanded major elements of our Army Air Forces in the World War II, and became the first Administrator of the Federal Aviation Administration; Paul Garber, who witnessed a flight by Orville Wright in 1909, became one of the first air mail pilots, and has been associated with the Air and Space Museum of the Smithsonian Institution since its inception; G. J. King, a retired Marine Corps pilot who participated in the first naval trans-Pacific flight of single jet aircraft, was a combat pilot in World War II and Korea, and now serves as vice president—public affairs, for Allegheny Airlines; and Donald W. Whitehead, Federal Cochairman of the Appalachian Regional Commission, an organization which has been instrumental in the development of airport projects in West Virginia and other States in cooperation with the Federal Aviation Administration.

There were those present who are active in the developmnt of aviation in West Virginia. They included Robert Azinger, president of United Aircraft of West Virginia and Miles Beech, vice president of this organization; David M. Baker, chairman of the West Virginia Aeronautics Commission, and Bill Richards, executive director of the commission, both of whom are diligently working toward the implementation of a strong airways system within our State; W. A. Boyd, a retired Air Force colonel; Gene Brewer, editor of the Lincoln County Journal and a retired Air Force colonel; Clyde Digman, an active pilot of many, many years and a member of the board of trustees of Salem College; and Robert McWhorter, an Air Force Reserve lieutenant colonel.

I was gratified to participate in these ceremonies in which Salem College, my alma mater, provided a deserved and timely tribute to a world-famous American who has demonstrated over the past four decades an outstanding devotion to his country.

Mr. President, on the eve of the presentations of the awards and honors to this aviation pioneer, there was delivered to the Senate a message from the Department of the Air Force recommending legislation "to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager." Last year and earlier this year, I introduced measures to authorize the President to present in the name of Congress a medal of honor to General Yeager. The Air Force recommendation does not specify, as does our legislation, a medal of honor, but it does describe the medal as the "equivalent to a noncombat medal of honor." More importantly, this affirmative action by the Air Force should enable the Armed Services Committee to make an early determination on the most appropriate recognition, through legislation, of this courageous and dedicated American.

Mr. President, I ask unanimous consent that the program of events at Salem College be printed in the RECORD.

There being no objection, the program was ordered to be printed in the RECORD, as follows:

SALEM COLLEGE: WEST VIRGINIA DAY—AMERICAN BICENTENNIAL LUNCHEON

(Friday, June 20, 1975, 12 o'clock noon, Randolph Campus Center)

Toastmaster: John D. Lough, Member, Salem College Board of Trustees.

Invocation: Dr. Joseph P. DeBardi, Pastor, First United Methodist Church, Clarksburg, West Virginia.

Welcome: Dr. Dallas Bailey, President, Salem College.

The West Virginia Day address by the Honorable Jennings Randolph, United States Senator, State of West Virginia.

SALEM COLLEGE MR. WEST VIRGINIA AWARD

Salem College proudly presents the Award for 1975 to

Brigadier General Charles E. Yeager,
United States Air Force, retired

Presenting the award on behalf of Salem College: the Hon. H. Leon Hager, Former Member, West Virginia House of Delegates.

Remarks: Brigadier General Yeager.

Presentation of the Bicentennial Flag to Salem College by Senator Randolph.

The Honors Ceremonies: Dr. Dallas Bailey, presiding.

The Conferring of the Degree: Honoris Causa.

Presentation of the Candidate for Honors: Brigadier General Charles E. Yeager by Professor Randolph Scott; assisted by Col. James H. Brewster, Board of Trustees, and Angelo Koukoulis, Salem College Faculty.

Closing Prayer: Dr. DeBardi.

Reception in honor of General Yeager immediately following in the Lounge.

Mr. RANDOLPH. Mr. President, in connection with the program it is appropriate to note that those who assisted in the presentation of the candidate for honors have aviation or Air Force backgrounds. Col. James H. Brewster is retired from the Air Force; Prof. Randolph Scott is an Air Force Reserve captain; and Angelo Kouloulis is president of Aeromech, Inc., an aviation firm and flying service which cooperates with the college in the teaching of aeronautical science courses.

BUSINESS WEEK MAGAZINE REPORTS ON SMALL BUSINESS PROBLEMS

Mr. NELSON. Mr. President, the cover story in the June 30, 1975, issue of Business Week is entitled "Small Business, the Maddening Struggle To Survive." As chairman of the Select Committee on Small Business, I was pleased that this recognition was accorded to what our committee has long felt is a vital segment of our economy. According to the Internal Revenue Service figures, there are nearly 13 million U.S. enterprises, some 3 million of which are farm and ranch businesses and 1 million are professional enterprises.

According to the definitions developed by the Small Business Administration, small business firms account for about 52 percent of private employment, 43 percent of the business product, and approximately one-third of the gross national product.

Therefore, it is gratifying to see small business and its problems receive national recognition in a publication of this kind.

The article points out that business failures are rising steepy under the impact of the worst recession our country has experienced since the 1930's, and that the interest rate on bank loans for smaller firms has ranged between 16 and 18 percent during the past year. It also explains that medium-sized—or "second tier"—companies also compete in markets dominated by the corporate giants and similarly face many of the same problems of smaller businessmen. Because of this, many of these independent firms are "simply struggling to survive."

I ask unanimous consent that this informative article about small business be printed in the RECORD for the information of all concerned.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SMALL BUSINESS: THE MADDENING STRUGGLE TO SURVIVE—SMALL COMPANIES ARE SQUEEZED BY TIGHT MONEY, RISING COSTS, AND DEPRESSED MARKETS

"I would be nuts to go through this another season," sighs Ben Blanc, president of Calliope, Inc., A Philadelphia manufacturer of children's wear. In the past year his volume has shrunk from $250,000 to $150,000, his material costs have increased 25%, and his labor costs have risen 20%. But pinched by heavy inventories ("I overbought last year when I thought prices were right") and the drop in sales, he has been able to raise his prices only 15%. Blanc complains that only his bigger competitors can survive these days.

"Take Oshkosh B'Gosh, Inc. They can make something that sells for $3.75," he says. "Hell, I can't even start to make it for that." Another big problem is accounts receivable. More than 25% of last years' sales are on collection, a situation Blanc calls "deadly." Says he: "The collection agencies charge you 20% to collect, but my margin is only 16%, so I'm losing money collecting money." Blanc, who has been in business 15 years, concludes: "If we have another bad season, I will shutter down."

Blanc's lament is repeated by small businessmen in virtually every industry in every part of the country. "The small businessman these days is like the guy in Las Vegas who prays, 'Please God, let me break even. I need the money,'" says Oliver O. Ward, head of the Smaller Business Assn. of New England. "Things are tough now, and it looks like they will be tough for a long time coming."

THE TRIBULATIONS OF SMALLNESS

After months of devastating inflation and recession, many of the nation's smaller entrepreneurs are fighting for survival. Squeezed by tight money, rising costs, depressed markets, and uncertain supply sources, they find it tougher to cope with economic adversity than larger, more financially robust competitors. Their problems are compounded by growing government intervention. New occupational safety rules, environmental restrictions, product safety regulations, and increased minimum wages pose costly challenges that are more difficult for the small businessman. Just as significant, the harsh economic climate has created unprecedented barriers for new entrepreneurs eager to enter the marketplace.

These tribulations are vividly pointed up in the steady rise in bankruptcies and the decline in new business incorporation. Dun & Bradstreet's statistics on commerical and industrial failures, which essentially cover small businesses, last year reached a three-year high in numbers—9.915—and a record high in total dollar liabilities. Last March the rate was the highest for any month in eight years.

Dollar liabilities topped $3-billion for the first time in 1974, and included an unprecedented 427 bankruptcies in the million-dollar category. Increasingly affected are larger businesses, not just store-front "mom-and-pop" operations. Especially hard hit are retailers of general merchandise, building contractors, home furnishings retailers, and building materials dealers. Failures are also up in textile and apparel manufacturing and among transportation equipment producers. New business incorporations slumped to 319,149 last year from a record 329,358 in 1973. Early in 1975 the number dropped to the lowest level in four years.

To be sure, economic calamity is not universal among small businessmen. Many continue to thrive, and some even see strategic advantages in their size during a recession. "We can be more flexible, can move more quickly, and concentrate on smaller segments of markets," notes David Bigelow, president of R. C. Bigelow Co., a Norwalk (Conn.)-based specialty foods outfit that grosses about $10-million.

Bigelow's most successful product is a spiced tea, Constant Comment. General Foods had a competitive brand that was abandoned. Now Bigelow is battling GF again in spiced- and fruit-flavored instant coffees. This time, Bigelow concedes, General Foods has "flattened us out a bit."

Nevertheless, Bigelow is bullish about the future of small business. "I feel the large corporations are failing in this country, leaving opportunities for small specialty companies," he says. "Big manufacturers are making such bad products. The big, discount-type retail operators run stores where no one gives a damn about the customer. So there are opportunities for small businessmen. But it takes a strong individual to handle them."

HOW SMALL IS SMALL?

Getting an exact fix on the life and times of small business is complicated by the question of definition. The official definition—employed by the Small Business Administration on loans—ranges all over the lot. In manufacturing, it is based on numbers of employees and the industry. Apparel and textile companies are regarded as "small" if they have no more than 250 employees. For producers of aircraft and ammunition, the number is 1,500. In the service industries, the criterion is dollar volume: a maximum of $5-million for department stores, groceries, and auto dealers, and $1-million for most other retailers; $5-million for general contractors; and $5-million for most wholesalers. To reflect inflation, SBA is now revising the sales figures upward by as much as 90%.

The problem of size, however, are not limited to companies that fit neatly into the government's "small business" pigeonholes. Scores of companies with sales running into nine figures—"second-tier" corporations in industries dominated by billion-dollar giants—suffer the same kinds of disadvantages in a recession. Their difficulties in raising capital, lining up stable supply sources, and remaining competitively strong are likely to result in growing concentration of market shares among the giant companies.

The cost and availability of capital head the list of small business problems. Financing a small business is like a line from Gilbert & Sullivan, quips Oliver Ward. "The small businessman tries his sisters and his cousins and his aunts." Raising money to launch or expand a small enterprise is never easy. But business conditions, the collapse of the new equity market, and a possible nationwide capital drought have made it tougher than ever.

"Small businessmen aren't thinking in terms of survival—getting their houses in order rather than increasing their commitments."

James M. McCarl, president of Perfection Furniture Co. of Claremont, N.C., who now performs janitorial chores in his own plant to cut overhead costs, says that "December and January were the two worst months I have seen in my 20 years in the furniture business. If you look at our balance sheet and P&L statement, if it didn't curl your hair, it would turn it white." He now operates his plant only four days a week, and with other executives, helps clean up on Fridays.

But things are looking up, says McCarl, with the entrepreneur's incurable optimism. "Business has gone from horrible to terrible." Long range, he believes, "the things we are trying to do will eventually turn this company around unless the economy just stays sour." For example, he is offering customers three weeks delivery on his medium-priced, special-order upholstered furniture. "A competitor asked me how I could do it, and I told him it wasn't hard at all with a two-week backlog," he says. "The slump taught me to take every adversity, and try to turn it into an opportunity."

McCarl's bankers helped with a loan extension, but other small businessmen paint a different picture of bank largesse. "The banks don't cooperate as they do with big firms," complains Edwin H. Stern, who operates a suburban Atlanta gift shop. "We pay higher interest rates, and credit is not as easily available."

Financial problems are by no means limited to gift shops, however. Sierracin Corp. of Sylmar, Calif., a $23-million producer of coatings, heating devices, and other highly specialized products, is sandwiched "between billion-dollar customers and billion-dollar vendors," says its president, John P. Endicott. "Many of our vendors will not give us fixed prices for any length of time, and some are strictly on price at time of delivery. At the other end, we have to give our customers firm commitments for much longer than our vendors are willing to give us."

Partly because of his track record with two other ventures, Endicott has been in the enviable position of having a good line of credit and not needing to tap it. Part of his success is sticking to product lines requiring narrow, intense skills, says Endicott, who proves the theory that entrepreneurs succeed less with pure invention than with perseverance.

THE SEARCH FOR FINANCING

Still another headache for small business is its inability to increase prices. Says Richard M. Bailey, an economist at the University of California at Berkeley: "Volume is more steady" for small than for large manufacturers, but "small business may have problems raising prices in inflationary times because it's closer to the consumer, and too substantial price rises might cut them out."

Premix, Inc., of North Kingsville, Ohio, is a case in point. President George H. Kaull started his reinforced plastics business with two partners on borrowed capital of $22,400. Fifteen years later, he does $20-million in sales and declares that "inflation and recession have played hell with us."

Kaull says polyester resin soared from 18 cents per pound to 48 cents in one year, and some raw ingredients for his plastics went up 500%. "But the small supplier has a particularly difficult time passing inflationary costs on to his big customers," says Kaull. "A little guy making knobs for windshield wipers doesn't really know how to go to Ford and tell them that prices are going to have to go up 12½%. When Ford says absolutely no, the little guy often can't tell them to take their business elsewhere. He's caught in a tighter bind than a large corporation."

Kaull is equally bitter about increased government regulation. "OSHA [Occupational Safety & Health Administration] will probably destroy more businesses than lack of financing will," he says. "When OSHA regulations slipped through Congress, there was no coherent body that scrutinized what the effects would be. OSHA is the glaring example of how uncoordinated our government activity can be, and how punitive they can be on small business in a very unintentional manner. If OSHA had passed 10 years earlier, our company wouldn't exist."

Nicholas G. Polydoris, president of ENM Corp., a Chicago manufacturer of electrical counters, says his company has swallowed $100,000 in inventory on occasion when a big customer asked him to take it back. "We could sue, but the customer will remember you down the pike," says Polydoris, who in the meantime has to pacify his own banker's complaints about ENM's high inventories.

"You don't run the business on profit, you run on survival," says Polydoris, who last year netted $375,000 on sales of $7.5-million. Sales are off 15% from last year, and ENM has reduced employment mostly by laying off parttime workers.

Flexibility and tenacity are key ingredients in any small company's success. "The average small businessman has no investments outside of his own business, doesn't read business journals, doesn't understand the economy, and tends to guess wrong," says Henry Warren, head of SBA's management services section. Warren adds, however, that "one of the interesting things about small business is that it is very adaptable."

A classic example is Certron Corp., an Anaheim (Calif.) producer of blank cassette cartridges and precision computer parts. "There was simply no financing available for us," says Edwin R. Gamson, Certron's president, about a $600,000 operating loss reported last year when the oil crisis sent plastics prices soaring. "We stayed alive by trimming operations and keeping on a positive cash basis. The banks have been extremely cooperative with us, except in giving us money."

After its big suppliers, Du Pont and Monsanto, could not fill company orders during the shortage, Certron had to turn elsewhere for 50% of its materials. "Black market was out of the question," Gamson says. "Their prices were out of sight." So Gamson turned to the major airlines, purchasing their used plastic dishes, eating utensils, and cocktail glasses. "With help from the health department we learned to clean them, grind them up, and use them over again," he explains. "We also bought used Kodak Instomatic film cartridges from film processors."

Certron had been selling cassette cartridges to Ford Motor Co. in several different colors, but adding the new materials gave the batches a muddy color. Undaunted, Gamson added black to disguise the polyglot antecedents. "And we convinced Ford they would have any color they wanted as long as it was black," he says with a grin.

Byron L. Godbersen, president of Midwest Industries, Inc., of Ida Grove, Iowa, a manufacturer of farm and marine equipment, solves his financial problems by dealing solely with a factoring firm. Midwest's sales have grown from $600,000 in 1964 to $15.5-million last year, on which it netted more than 6%. To compete with the giants in its field, which offer promotions in the fall on spring items at reduced terms, Midwest sells its invoices to William Iselin & Co., of New York, for ready cash, permitting it to offer customers the same financial terms as its competition.

Other companies, such as Houston-based Big State Pest Control, report that business is still booming, but profits are not sufficient to provide for future expansion. "This company could be two to three times this size if we could get an attractive long-term loan," complains William J. Spitz, who launched the company 25 years ago with a $400 loan. "But we're not big enough to go to insurance companies and other long-term lenders."

Kaull of Premix is even more critical. "Discrimination is practiced in small business financing by financial institutions," he asserts. "It's called 'sound banking practice.'" Loans are smaller, terms shorter, and interest rates higher. A 16% to 18% interest rate on short-term loans was not unusual last year. "Small businesses normally can't withstand that type of interest expense when they invest in new equipment," Kaull complains. "They can't get the return on it to justify that interest. Either they can't grow or they don't survive."

WHY BANKS ARE RELUCTANT

For their part, most bankers insist that their basic lending policies are the same for all businesses regardless of size: They make loans only on the reasonable assurance that they are going to be paid back. But small businesses, which almost inevitably are woefully undercapitalized, do have a harder time than their bigger corporate brethren in convincing banks that they can repay.

For one thing, says Leonard O'Connor at the First National Bank of Boston, most small-business borrowing is term business ranging from 12 months to as long as 10 years, compared with the more common 90-day loans to larger corporations. And that, he explains, makes the small-business loan more risky at the outset. "We look at the cash flow of a small business to see if it will support monthly loan payments," says O'Connor. "In making a loan to a major corporation, we look at the balance sheet and assets and liabilities." In addition, his bank also probes for secondary sources of repayment that the small businessman might have—property, equipment, and even the personal assets of the owners.

Even so, many banks—especially those serving more limited local communities—actively cultivate small-business financing. Such business actually may be more profitable; sharp-pencil treasurers of large corporations can shop around for cut-rate banking deals. But as Luther L. Hodges, Jr., chairman of North Carolina National Bank, explains, the small firm often "has no other credit source" than his local bank.

Kenneth R. Keck, head of Chicago's Harris Trust & Savings Bank's small-business section, claims that "the banking community has become much more interested in small business in the past few years. People who thought that companies like the Penn Central were safe because they were big found out otherwise, and some banks also were badly burned on foreign commitments. Small businesses, other than the mom-and-pop ones, which are basically inefficient, are more stable because they don't have access to other money markets as do big ones."

Government loans are sometimes available, but a problem is that they make it easy for small businesses to fail by building in onerous debt loads, contends Brian Haslett, director of development for the Institute of New Enterprise Development (INED), a private consulting organization funded by both the government and foundations. To help remedy that situation, INED, which is based in Belmont, Mass., has launched a series of screening workshops from Appalachia to Salt Lake City to uncover promising new ventures. Those with the potential to become million-dollar enterprises within two years are recommended to local community development corporations, which can supply badly needed equity capital.

Traditionally, private venture capital companies have been the vehicle for raising seed money for new businesses. But tight money and the current economic slump have drastically shifted their method of operation. Venture capitalists take positions in fledgling companies, nurturing them until the enterprise can be taken public. But while $1.4-billion was raised for companies with less than $5-million sales in the equity markets during 1969 at the peak of the "hot issue" craze, such public financing now has dried up.

Undaunted by the scarcity of money, L. L. Durr, an Indianapolis engineer who has successfully run his own businesses before, started Interdyne, Inc., which designs and produces purification and recycling systems, in early 1974, with four partners and $100,000 equity. "I prefer a tough economic period to start a business," says Durr. "It eliminates the blue-suede-shoe boys, and customers are convinced you probably will last. The major reason most new firms fail is that management doesn't understand its true costs. They see a manufacturing cost of $10 per product, overhead of $5, add 10%, and think they are making money. But you must take the manufacturing cost and multiply it by six. You have to take all you can get, all the market will bear."

SURVIVAL PLOYS

He also cautions entrepreneurs to put up as little as possible of their own money. "You never spend it as wisely as someone else's," says Durr, who in addition to each partner's $25,000 equity, sold $150,000 convertible debentures, borrowed $50,000 from the SBA, and arranged a credit line of $250,000. "Starting a new business these days is no game for amateurs," says Durr, who concedes that his object is capital gains. "We're ready for sale, and have talked to a big technology company, although I'd prefer to go public in a couple of years."

While men such as Durr charge ahead, businesses in fields like construction and retailing are barely hanging on. About 85% of the firms in construction are classed as small, and Frank E. Carroll, president of Deck Industries, in Rolling Meadows, a Chicago suburb, admits, "I'm just not generating any new business." An MIT alumnus who grosses $5-million annually in roofing, Carroll has watched his receivable drop from $1.1-million on Jan. 1 to less than $500,000 on Apr. 30. "It's pretty sad," says Carroll. "I'll probably survive because I've been able to build up a bit of momentum. But those new projects just are not coming in, and my backlog is disappearing." Unless things change quickly, says Carroll, "most small contractors are going to go under. They don't have a backlog, and they don't have the financial resources to stay afloat."

Many retailers face an equally gloomy and frightening future. "There is no question that the small retailer is taking the brunt of the recession," says Barbara Cole, director of New York University's Institute of Retail Management. "The industry today is dominated by large conglomerates that have the resources to ride out the bad times, but the small merchant just doesn't have the same access to capital funds, research, or the management needed to pull him through."

Merrill Douglass, an assistant professor at Emory University's Business School, says: "A typical cycle for a lot of retailers who are only marginally profitable to begin with and have very limited credit of their own is this: Profits disappear and then they got no credit. Inventory starts to decrease, they lack the merchandise they need to sell, and the cycle is downward."

COMING UP FIGHTING

Hard times notwithstanding, most small businessmen stubbornly cling to their way of life. "I'm just as much a businessman as the president of Lockheed or AT&T," says Carl I. Marias, a carpet dealer in West Los Angeles. "We've carved out a niche where price is only a secondary consideration to service and quality." Marias, whose company had sales of $700,000 last year, complains that government paperwork takes up 25% of his firm's time, but says: "I like being a little businessman. We can watch every dime a lot better than the big guys."

Robert G. Cheeseboro, a black engineer, is equally enthusiastic, despite seemingly unbeatable odds. His company makes phonograph record players for use in cars and other moving vehicles, and is located only blocks from the scene of the Watts race riots of 1965, the year before he went into business. Cheeseboro never has turned a profit and he now is suing his bank for breach of contract over a loan he failed to get. Yet, Cheeseboro says, "after Watergate and the recession, it seems that the little guy, no matter how beleaguered, is the only one who isn't jaded. We feel as if we are all that's left of creativity and dogged determination. Up until now, we were always the ones who didn't know what we were doing. Now, we can look out at the giants—the same examples we were supposed to admire—and see them with massive problems. The recession has killed the mystique of big business for the small businessman."

Cheeseboro's exuberance is not shared by Jack Meister, who started his own company, Integrated Electronics Corp. of Rockaway, N.J., in 1961, and built it into a highly profitable manufacturer of electrical parts for the auto industry. With Detroit in a slump, Meister's volume is down sharply. Still, he says, "recession is a blessing in disguise because it makes you clinically analyze your methods. With stringent economies, we have been able to drop our break-even point from $65,000 billing a week to $35,000."

He did this in one week—laying off 25 of his 175 employees, cutting his own salary, and canceling purchase orders. "Our major problem," he says, "has been conserving working capital. And this has been difficult because as the economy changed, we were getting into inventory excesses. In the past, we would carry liberal inventories to meet customer needs. We could afford to carry surpluses. Now we play it close to the vest because of cutbacks in orders. We have to roll with the punches real quick to stay alive."

Now in his late 40s, Meister, an engineer who holds several patents, has become disillusioned despite his success. He wants to go public or sell out. "The rewards are not as great as I anticipated," he complains. "Running your own business takes too much out of you. The difference in the rewards for being in my own business as against working in my own profession has become too small in terms of the personal input that is necessary. It's becoming increasingly rough to be a success in small business. But the country will lose a lot if we lose this entrepreneurship, which big business can't always match."

But the entrepreneurial spirit continues to flourish even while the small business community struggles to survive. Karl H. Vesper, a University of Washington business professor, notes that "the last four years have seen a rapid upswing by the business schools. The demand is by students who want to do their own thing." Prior to 1969, according to a survey made by Vesper, only eight of 631 business schools offered courses on starting new businesses; last year there were 59 and 12 more have plans to begin such courses.

Charles W. Hofer, an assistant professor at Northwestern University, thinks the interest of students in small business is consistent with their search for identity and doubts about institutional bigness. "The typical entrepreneur is acting out what he likes to do," says Hofer. "It's part of the new life style that MBAS are definitely more interested in starting their own businesses."

Concludes Vesper: "Students are continually telling me they didn't realize they could start their own company. This is especially surprising to the revolutionaries who thought the only way they could have an enterprise was to take it away from someone else."

THE BIG CONSUMER-GOODS COMPANIES GET BIGGER

Contrary to popular belief, market concentration in the typical U.S. industry—what economists define as the share of total sales commanded by an industry's top four companies—has changed very little since World War II. But economists, antitrust lawyers, and legislators are now concerned that the current recession—if it stretches out much longer—will sharply increase the market power of the General Electrics, IBMs, and other giants. In short, the recessionary crunch could be as painful to some medium-sized—or "second-tier"—companies that compete in markets dominated by corporate giants as it is to the small businessman simply struggling to survive.

Putting the question in historical perspective, Frederick M. Scherer, the Federal Trade Commission's director of the Bureau of Economics, says: "The Great Depression of the 1930s raised concentration substantially, but the World War II boom was good for smaller businesses. Since the war—or at least until the current recession—our business cycles have been mild, and we haven't seen much trend in concentration. But this recession is much deeper, and it's also combined with tight money, which accentuates the financial advantages of the biggest firms."

Calculations in a recent study by University of Wisconsin economists Willard F. Mueller and Larry G. Hamm demonstrate how little market concentration has changed up to now. The average industry in their sample of 166 manufacturing industries showed that the four leading companies accounted for 40.9% of total shipments in 1947. By 1970 this four-company concentration ratio had risen only slightly to 42.7%. Mueller, a former FTC economics chief, adds that "there's little reason to think that the situation changed much up through 1974, despite the absence of more recent systematic data."

Product differentiation

But even before the recession hit, the apparent calm on the concentration front concealed the fact that the situation differs markedly between producer goods and consumer goods industries. Over the 1947–70 period, concentration in producer goods actually declined, while rising substantially in many consumer-oriented industries. The reason, argues Mueller, is product differentiation—the use of advertising and other promotional methods to build up brand-name loyalty and generate higher profit margins.

Producer goods such as machinery and materials such as steel and petro-chemicals do not lend themselves to differentiation because of the standardized character of the product and technical expertise among the buyers.

But brand loyality has growth in such products as cereals, detergents, coffee, and apparel as TV becomes a preferred method of advertising consumer goods.

The statistics reveal that high levels of product differentiation lead to growing concentration. In Mueller's sample, the average four-company concentration in 16 industries classified as highly differentiated—where advertised costs often exceed 10% of sales—rose from 49.6% in 1947 to 62.3% in 1970. Differentiation feeds concentration, Scherer contends, because large companies have a number of cost advantages in building up consumer loyalty. These include "spreading the costs of advertisement preparation or salesmen's travel over more product volume, quantity discounts in securing media space or time, and less loss of loyal but geographically mobile customers when one's market is nationwide rather than regional."

While the biggest companies have these advantages in good times as well as bad, recessions increase their importance. When total industry sales volume drops, the companies with built-up legions of loyal consumers will be much better prepared to weather the storm. In addition, the larger companies—with superior access to borrowed working capital and larger liquid reserves—may be able to maintain their advertising budgets while smaller companies are forced to cut back sharply.

Two-tier market

Indeed, the differences in the ability of big and medium-sized companies to get needed cash—as well as the prices they have to pay in the capital markets—are the most important factors leading to higher concentration, according to many economists. John M. Blair, a one-time chief economist for the Senate antitrust subcommittee, claims that "smaller firms pay more for money even in the best of times, but inflation has aggravated the difference. Capital market discrimination is leading to heavy disappearance of small and medium firms."

This bias against smaller companies applies not only to corporate bonds and bank lending, but also to the equities markets. Says Scherer: "The securities of large corporations enjoy higher price/earning ratios because they are better known, more widely traded, and, hence, more liquid." Moreover, it costs large companies less in flotation costs per dollar of new capital raised. Blair, who now teaches at the University of South Florida, adds: "Growing concentration in the financial area itself, particularly the increasing role of the giant money-market banks, makes favoritism toward the largest corporations even more likely."

But possibly the most important advantage of large size in a recession comes from the correlation between size and diversification. As Scherer put it: "The company serving many geographic markets with numerous products has a better opportunity to average out random ups and downs in the business fortunes of its units than a smaller enterprise, all else [such as the quality of managerial control and motivation] held equal."

Of course, some of the wildly diversified conglomerates of the late 1960s were so irrationally assembled that they could not survive in that form. But more logical diversification, says Scherer, still "confers financial risk-pooling advantages."

Danger

What makes the current situation particularly unsettling to those worried about concentration is the danger that even a mild economic recovery will bring back inflation and a liquidity crunch. If raw materials shortages reemerge, says Mueller, "vertically integrated firms with guaranteed access to vital materials will have a strong advantage over their smaller competitors." He points to paper and apparel as examples of industries where growing control over materials has led to higher concentration.

A trend toward greater market concentration is clearly in the cards. How great depends on the length of the current recession. A vigorous recovery coming soon will most likely wash out the effects of the recession, but a prolonged economic crisis like that of the 1930s would leave a permanent mark on U.S. industrial structure.

A BOX SCORE ON THE CONTROVERSIAL SBA

It is the official national policy that small business deserves a thumb on the scale to help balance the greater financial muscle and managerial sophistication of the big corporations. But with just over 4,000 employees, a fiscal 1976 budget of $119-million, and a rather hazily defined constituency, the Small Business Administration, which is charged with carrying out that policy, has little hope of being an aid to more than a handful of the close to 10-million small businesses in the country. It generally gets good marks for what it does, but a lot of heated criticism for not doing a lot of other things.

The SBA is generally thought of as a lending agency. Most of its loans, however, now come from private lenders with SBA guarantees of repayment. In a typical year, SBA borrowers range from such small but established companies as Replogle Globes, Inc., of Chicago (which got $650,000) and Intermountain Rubber Industries, of Commerce City, Colo. ($580,000), down to "mom-and-pop" establishments that needed only $1,000: Zapata's Tamale & Burrito Co. in Denver and Shirley's House of Beauty in St. Louis. The loans are supposed to be only for ventures that cannot raise the money, and are riskier than normal bank deals.

SBA-guaranteed loans are not cheap. The current interest ceiling is 10.25%, and the big urban banks tend to charge that. In contrast, the interest rate on direct loans—a rate set by Congress—is a bargain 6.75%. But that money is hard to come by. The SBA saves it for the very riskiest ventures—most often minority-owned businesses—or very special cases where a bank just will not come through, even with a guarantee. The Small Business Committees in Congress constantly lean on the SBA to make more direct loans. But the agency prefers the guarantees because they lessen the fiscal impact of government spending and reduce the subsidy element—a reduction that the agency brass thinks makes the program more politically palatable.

The agency is also criticized for making the wrong kinds of loans. Karl H. Vesper, a University of Washington business professor, for instance, argues that SBA's loans should be oriented more toward fostering high-technology enterprise than toward maintaining small, struggling service establishments. "The government uses its money to immortalize dinosaurs such as Lockheed and Penn Central rather than help a small business that could eventually replace them," he says.

Redtape

Businesses complain about delays in getting SBA O.K.s on their applications. The average processing time is 29 days, even though local offices have authority to act on most loans. Deputy Administrator Louis F. Laun concedes that "our processing has fallen further behind than we thought it had," attributing some of the delays to overcaution in the wake of revelations that some local offices had been making a string of unlawful loans.

The agency's mandate, however, reaches well beyond financing, and its officials are putting increasing emphasis on helping small businesses to improve their managerial techniques and pressuring to get them a fair shake from government. All new loan applications, for instance, are now reviewed by local SBA management experts as well as by financial specialists. The deal is often contingent on the borrower's taking some management training—a proviso that has drawn a lot of flak from black borrowers, who have called such demands racist.

The SBA has recruited thousands of retired executive volunteers and college business students to provide counseling for small enterpreneurs. The agency is now conducting "austerity management" seminars in 80 cities. "Small business is hurt in a recession because it is generally operating with less liquidity," explains Henry Warren, head of the agency's management services. "Where he is hurt, he is hurt very rapidly." The entrepreneurs are given tips on how to drum up new business and how to slice expenses (examples: call suppliers collect, lay off marginal employees, demand rent reductions).

Its charter

The SBA was created in 1953 as an outgrowth of a Korean war program that earmarked certain military supply contracts for small plants. And it is still a major aim of the organization to counter the fact that, as Administrator Thomas S. Kleppe puts it, "a lot of little companies don't know the first doodley-rum-bum about bidding on a government contract."

Kleppe, 55, a two-term Republican congressman from North Dakota, became head of the SBA in January, 1971.

His agency continues to goad other government agencies to set aside contracts for bids only from small companies, and about one-third of all government procurement is now done that way. In addition, close to $300-million worth is bought from minority-owned small businesses with no bidding at all.

But besides trying to see that government helps small business, the SBA is trying to assure that government does not hurt small business. The agency's efforts were underscored this week when President Ford told a small business group in Washington that "I want small business released from the shackles of federal read tape."

The SBA has always tried to be a pressure point for small business in Washington. Kleppe takes credit for persuading Congress to include used equipment in the investment tax credit law, for instance. But a formal organized advocacy effort got off the ground only last fall. Its intent is to plead small business' case before other federal regulators and to see that each agency has some official charged with making sure that rules are not drawn without thinking about the special problems of small business.

A typical case: The Food & Drug Administration recently proposed new food storage regulations that small packers say would be unbearably expensive for them. The SBA found out that the FDA had checked out the proposed rules only with the industry's largest manufacturer. The FDA is now consulting with smaller companies and will rewrite the standards.

Such cases are not uncommon. When Milton Stewart, president of the National Small Business Assn., is asked how government can help small business, he answers, "To start with, get off our backs." Bureaucrat Tom Kleppe's goal is to make sure that other bureaucrats do just that.

THE GOVERNMENT'S ROLE IN SMALL BUSINESS LENDING

	Number of loans	Millions of dollars	
		Total amount	SBA share[1]
Fiscal year:			
1960	3,707	173.5	148.9
1961	5,062	261.3	225.1
1962	6,373	380.6	316.7
1963	6,282	337.6	265.8
1964	6,537	342.1	275.6
1965	14,034	472.4	391.1
1966	12,686	444.7	371.9
1967	11,830	504.5	420.0
1968	13,100	624.3	505.7
1969	14,523	699.3	570.1
1970	15,102	709.6	596.0
1971	21,495	1,122.7	963.2
1972	28,025	1,573.8	1,360.8
1973	33,948	2,196.2	1,915.8
1974	27,485	1,947.8	1,698.6
1975[2]	20,280	1,442.3	1,259.8

[1] Includes both direct loans and guarantees.

[2] BW estimate.

Source: Small Business Administration.

IRS PROBE OF CORPORATIONS

Mr. HASKELL. Mr. President, according to an article in this morning's Washington Post, the Internal Revenue Service has assigned 300 of its best and most experienced investigators to probe allegations about or admissions by approximately 50 large corporations as to illegal domestic political campaign contributions or bribes to agents of foreign governments.

I applaud Commissioner Alexander for undertaking this investigation and am looking forward to its results.

As chairman of the Subcommittee on Administration of the Internal Revenue Code, I was about to announce subcommittee hearings on this subject. It is my intention now, however, to await the conclusion of the IRS investigation—assuming it is done expeditiously—so that this matter is reviewed in the most expeditious and efficient manner.

Again, I am very pleased to see that Commissioner Alexander is undertaking this investigation and I shall await taking any action with our subcommittee until the timely completion of the IRS probe.

I ask unanimous consent that the article from the Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD. as follows:

IRS PROBING 50 TOP FIRMS ON PAYOFFS

(By Brooks Jackson)

The Internal Revenue Service has assigned 300 top-flight examiners to probe about 50 large corporations known to have made or suspected of having made illegal campaign donations or foreign payoffs, officials say.

The tax men are seeking to uncover previously undisclosed corporate contributions, to find whether companies improperly claimed tax deductions on donations or payoffs, and whether they committed criminal tax fraud in doing so.

A well-placed source, who asked not to be identified, said a new criminal case involving a major corporation is now being readied for a federal grand jury.

Those known to be under IRS investigation include United Brands Co., Gulf Oil Corp. and Northrop Corp., which have admitted making illegal U.S. campaign donations.

The IRS investigations are being undertaken by regular field auditors who can call for assistance from a staff of 300 veteran auditors, computer experts, economists, engineers and others in the IRS headquarters in Washington.

The probes are being coordinated through a special Campaign Contribution Compliance Project, which was set up in the wake of the Watergate money scandals. This has recently been expanded to include probes of overseas payoffs.

IRS also has established regular contact with the Securities and Exchange Commission, the stock-market watchdog agency that uncovered some foreign bribes and donations by U.S. companies.

Assistant IRS Commissioner Singleton B. Wolfe said in an interview that the campaign project focuses on corporations whose top policy-making officers have made campaign donations.

He said IRS is sifting through the tax returns of these top officials, usually the highest dozen officials, to see whether the donations came out of their own pockets or were reimbursed through phony expense accounts, travel accounts, travel vouchers, salary bonuses or other corporate payments.

Illegal campaign donations are not allowed as tax deductions. IRS regulations also prohibit deduction of any payment to any foreign official if a similar payment would have been illegal under U.S. law. This means bribes to foreign government officials can't legally be deducted.

So far the government has indicted one company, Minnesota Mining and Manufacturing Co., on tax fraud charges in connection with illegal campaign donations. The 3M Co. and two former top officers have pleaded innocent to charges they conspired to claim $634,000 in political funds as business expenses. Trial is set for July.

Other corporations have disclosed publicly that they are under investigation for possible tax fraud. Phillips told its stockholders in April that the IRS intelligence division, which looks into criminal matters, was questioning whether the company committed fraud in connection with a $495,000 political slush fund. The money came from the company's overseas operations.

Ashland, which has admitted making $633,300 in illegal donations over six years, disclosed that it "inadvertently" claimed a tax deduction for $450,000, which had been hidden on the books of a Libyan subsidiary. The company says that it voluntarily told IRS about this and met the underpaid taxes in 1973. But IRS still is "conducting an investigation of any other possible federal income tax consequences," the company said in a public filing.

Public filings by Northrop Corp. show the IRS began probing it after it admitted making illegal campaign donations in the United States. The company recently acknowledged paying $450,000 in bribe money intended for two Saudi Arabian generals, as well as other overseas payoffs.

SPEECH OF RALPH LAZARUS ON RECEIVING NATIONAL CONFERENCE OF CHRISTIANS AND JEWS BROTHERHOOD AWARD

Mr. GLENN. Mr. President, on April 23, 1975, Ralph Lazarus, chairman, Federated Department Stores, Inc., received the National Conference of Christians and Jews Brotherhood Award. In accepting the award, Mr. Lazarus issued not only a challenge to leaders at all levels, but to all Americans, to reconcile their differences and make a unified attack on the ills of America.

I ask that this speech be printed in the RECORD so that all Americans may benefit from the counsel expressed by this outstanding business leader.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

"NEIGHBOR, HOW STANDS THE UNION?"

(By Ralph Lazarus)

I am delighted to accept the Brotherhood Award of The National Conference of Christians and Jews.

Almost exactly 24 years ago tonight, in this same room, my father, Fred Lazarus, Jr., also received this award. It is most meaningful to me and my family that you feel I am following in his footsteps. I should like to repeat what he said on that earlier occasion. He said that the person honored at this ceremony is chosen, not for his accomplishments, but as a symbol.

It is an annual reminder that it is time to affirm our faith once again in one another. It is in that spirit that I acknowledge the honor you have done me.

Unhappily, I appear before you at a solemn moment in our history. Never in my lifetime has America been so beset by problems as it is today.

The grim roll call is all too familiar. As I speak to you millions of our citizens are unemployed. Millions more—particularly the old, the poor, and the disadvantaged—shiver in the icy grip of inflation. An energy crisis threatens to alter our way of life, perhaps permanently. Hunger is a fact in America and starvation is a ghastly reality in many parts of the world.

The Middle East teeters on the brink of disaster. Ecologists warn that in the long term the very survival of the human race is in jeopardy. And to compound our troubles, confidence in leadership—by business or by labor, by Republican or by Democrat, by press, pulpit or university—is at an all-time low.

Faced with this awesome assortment of problems you'd think that our nation would unite to solve them. But that has not happened. Daily we seem to become more fractionalized. The sorry sound of bickering grows even louder.

Indeed a kind of apathetic numbness—a decisionmaking paralysis seems to have afflicted us.

This lack of decisiveness, this inability to act, is, in my opinion, a far greater threat to our future than the problems themselves.

There is a good reason why I have raised this unhappy subject before this festive gathering. I believe that The National Conference of Christians and Jews may itself have something unique to offer America at this troubled moment in our history.

The National Conference is one of the great, living examples of how people with serious differences can forge themselves into a working consensus capable of achieving worthwhile goals. The key word in that sentence is consensus—group solidarity in sentiment and purpose.

Consensus is not to be confused with agreement on all matters. Nor is consensus to be confused with compromise, for compromise may have in it the element, or at least the suspicion of surrender.

The National Conference definition of consensus will become obvious as we look back briefly at how this organization has come to mean so much to so many. I think it will also be clear as to what it could mean to our nation at this time.

It is not necessary to recall all the anguish, suffering, even bloodshed that led to the founding of The National Conference in 1928. No issue that presently divides our nation is any more difficult to reconcile than were the ancient animosities that separated Catholic, Protestant and Jew.

And yet, today there is a constructive working relationship. We haven't eliminated bigotry and discrimination. However, we can look about us and see that we have come a long way.

Why did The National Conference succeed? For a variety of reasons, of course.

Certainly one of the most important was the genius of leadership by such pioneering giants as Charles Evans Hughes, Newton D. Baker, Dr. S. Parkes Cadman, Carlton J. H. Hayes and Roger Williams Straus. But it also succeeded because it had a set of principles that it lives by.

What were they?

Well, for one thing, the men who headed The National Conference did not permit themselves to indulge in the luxury of name calling. Nobody felt that he had the right to slander his opponents with the current gutter epithets of the time.

Nor did these pioneers make the fatal mistake of demanding all or nothing at all. They were willing to accept small victories. Advances were often painfully slow but there was steady progress year by year.

Above all, the early leaders of the National Conference were able to distinguish between what they did have to agree on, and what they did not have to agree on. They found that they had to agree on just one thing.

That no Jew, no Catholic, no Protestant would commit any act or tolerate any attitude that violated or infringed on the human rights of others. That's all. Take note that no member of the partnership compromised his conscience or abandoned any fraction of his beliefs.

No one was obligated to swear allegiance to another's God or go to temple on Sunday. Catholics were not commanded to eat meat on Friday, nor were Protestants told to wear the Yarmulke to service on the Sabbath.

Perhaps the most important reason why the National Conference succeeded is suggested by the last statement. Far from requiring conformity as the price of consensus, the Conference has glorified difference. Differences of faith. Differences of language. Differences of custom.

And here we may be getting close to the root cause of the decision making crisis in America today.

Looking back, it now seems clear that there has been a revolution in America in the last decade.

A revolution in the status of blacks. In the role of women. In dress. In sexual attitudes. A revolution in the arts. A revolution against the authority of church, school and government.

This revolutionary decade has produced at least three identifiable results.

First, there has been a proliferation of lifestyles which has multiplied and exaggerated the difference among our people. Second, a lot of inequities and flaws were revealed that seemed to demand sudden and sweeping solutions.

Finally, as in most revolutions, everybody is a little on edge, a little uptight, easily annoyed and quick to explode. Some blow up because the pace of change is too slow. Some are opposed to any change at all. Those who have elected new lifestyles are intolerant of those who cling to the old.

Those who cling to the old ways resent the disorder of the new. Thus, diversity—the fact of difference—is no longer celebrated as The National Conference celebrated it. Black is suspicious of white, young of old, woman of man.

We are not only ready to fight about the issues which would really be constructive but about the things that make us different as well. We seem to have forgotten that it is our marvelous diversity that has given America its unique flavor of freedom.

We now spend so much time lamenting each other's differences that the real problems tend to be ignored. And we are no longer willing to accept step by step solutions.

Perhaps because of today's instant communication, the practice of speaking before you think is now widespread.

One indiscreet remark is instantly countered by a second intemperate blast. This process has made us a nation of name-callers and label-users. When we debate, do we test an opponent with calm and reasoned arguments?

Occasionally, we do. But far more often we are likely to attack and we attack not his ideas but seek to defeat him by unfair labelling. How many times has an argument on public issues seemed to consist of code words and phrases of modern life?

Fat-cat, Hawk, Dove. Whitey, never met a payroll. Knee jerk liberal. Male chauvinist pig. They add nothing to the consideration of our problems. What this does do, however, is to create a climate of antagonism in which reason is unlikely to flourish.

Along with its supercharged language, the new revolutionary spirit is also characterized by its absolute refusal to accept small gains. Today, the demands are for total victory and unconditional surrender.

Minorities, blacks for example, having suffered through generations of discrimination, are understandably reluctant to settle for partial but repeated victories.

The environmentalists, having won attention after years of crying in the wilderness, object to the possibility that the energy crisis, coupled with a recession, may require the nation to postpone the effective implementation of environmental safeguards.

Such hard line attitudes as these do deserve both our attention and our concern.

Now, let's see how it all adds up. There is suspicion of leadership at all levels; an intolerance of the new diversity of lifestyles; a widespread use of inflammatory namecalling; an impatience with small gains.

All this adds up to a steadfast refusal to make a start to narrow down huge problems into the core issue on which consensus can and must be reached.

Put these five factors together and the product is a nation bogged down in cynicism and dispute, believing in neither man nor party, fearful of the future, desperately wanting to live up to its bright promise but confused as to how to go about it.

What should we Americans do now?

That may be another lesson we can learn from the organization in whose name we meet here tonight. It is worth remembering that it took Christians and Jews more than nineteen hundred years to reach the reconciliation that is symbolized by this dinner.

We ultimately became reconciled for all the reasons I have mentioned, plus one more. It became obvious that, for those who loved liberty, there was no other way. That's where I think we are in this country now. There is no other way.

There have been other moments in our history such as these—1776, 1861, 1917, 1932, 1941, to name a few. On each of these occasions men who loved liberty found it in their hearts to put aside their prides and their ambitions, their jealousies and their partisanship to unite behind their leaders at every level and to reach consensus in the common good.

That's what we are called upon to do once more.

Can we do it? Of course we can.

Will we do it? Of course we will.

For we, let us remember, are the descendants of Haym Salomon and of Ethan Allen, of Clara Barton and of Moses Franks, of Patrick Henry and of William Paca, of Jacob Mordecai and of Crispus Attucks, of Paul Revere and of Susan B. Anthony—men and women who believed that life is a small price to pay for freedom.

And we, let us never forget, are the spiritual heirs of Benjamin Franklin. He could look disaster in the eye. Then he could rally the fainthearted with that famous promise that "we'll all hang together or assuredly we'll all hang separately."

It is a good time to remember patriots such as these. A little more than a year from now we will commemorate our nation's 200th birthday. Sometimes I wonder what a Washington or a Jefferson, a Hamilton or an Adams might think if he could join us for that celebration.

Surely all of them would be stunned by our affluence, amazed at our numbers, dazzled by our conquests of the atom and of space. But, you know, I think they would ask us just one question.

Maybe you know the question.

It can be found in a short story by the late Stephen Vincent Benet. The story is titled "The Devil and Daniel Webster" and these are its opening lines.

"It's a story they tell in the border country, where Massachusetts joins Vermont and New Hampshire," writes Mr. Benet.

"Yes, Dan'l Webster's dead or, at least, they buried him. But every time there's a thunderstorm around Marshfield, they say you can hear his rolling voice in the hollows of the sky.

"And they say that if you go to his grave and speak loud and clear, 'Dan'l Webster—Dan'l Webster,' the ground'll begin to shiver and the trees begin to shake. And after a while you'll hear a deep voice saying, 'Neighbor, how stands the Union?'

"Then you better answer the Union stands as she stood, rock-bottomed and copper-sheathed, one and indivisible, or he's liable to rear right out of the ground."

Ladies and Gentlemen, our assignment is to answer that question. I say let's get on with it.

NO ONE AT FAULT

Mr. HASKELL. Mr. President, there are times when reading the Sunday morning newspaper is just plain depressing.

Unemployment is up and going higher. The cost of living is up and going higher. People have no faith in government. The President is blaming Congress for not governing effectively and we are not fighting back. The list of problems goes on and on.

But there are times when we can all take heart. Yesterday was one of those days. I have been worried that some of my colleagues have not been taking the energy crisis seriously enough and have felt the President's policies on the subject are seriously misguided. But now I know—courtesy of a column by Art Buchwald and copyrighted by the Los Angeles Times—that no one is at fault.

It is a great relief. And now that I know what the problem is not I can breathe a lot easier and not worry.

Mr. President, so that others may share my relief, I ask unanimous consent that Mr. Buchwald's column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

ESTEEMED LEADERS

(By Art Buchwald)

There has been too much criticism in the country lately as to the lack of action in Washington on the crucial issues of our time.

The fact is that everyone in this town is working as hard as he or she possibly can. The problem is nobody understands how our government operates when the President of the country is of one party and the majority of the Congress is of another.

Let us take a hypothetical example to illustrate the point.

Suppose one of the most pressing needs of the country is a national policy on massage parlors. Futurists would warn that if we continue at the present rate we will run out of rubbing alcohol and steam by 1989.

The President in his message to Congress would urge strong conservation measures, including a tax on turtle oil, as a means of cutting down the number of massages every American has each week.

But the Democratic Congress would claim that a tax on turtle oil would hurt the little man—the truck driver, the airline pilot and the salesman—who needs massages to relax him from his work.

House Majority Leader Carl Albert would then announce that the Democrats would come up with an all-inclusive national massage policy that the people really wanted, instead of the stop-gap measures advocated by the President.

The President would go on television with a calendar, and appeal to the American people. He would tell them that whatever the Democrats came up with on massage parlors would just add to the national deficit and increase inflation. He would warn that no matter what bill Congress proposed, including his own, he would veto it.

The House Subcommittee on Massage Parlors would hold hearings for five months. They will hear from massage parlor owners, masseurs and masseuses, and natural steam producers. Then the committee would vote out the most comprehensive bill ever presented to Congress.

It would call for a federal no-fault parlor agency that would monitor all aspects of the massage industry. A surtax of $2 would be placed on every bottle of rubbing alcohol. No new massage parlors would be built without an environmental impact study as to what effect it would have on the surrounding area. It would also provide for a billion-dollar subsidy for people who could not afford massages, to be paid through Social Security benefits. And it would call for price controls on steam baths, in spite of warnings by the steam industry that unless the price of steam was deregulated there would be a lot of cold shower rooms in the country this winter.

After hot debate, a strip-mining bill would be tacked onto the massage parlor legistion at the last moment.

The Democratically controlled Senate would pass a similar bill with its own amendment prohibiting the CIA by law from operating a massage parlor within the continental limits of the United States.

When the bill finally got to the President's desk he would veto it without reading it, explaining to the press, "I know anything they send down from the Hill is no damn good."

The House and Senate Democratic leadership would immediately swing into action, demanding that every Democrat vote to override the President's veto. Each Democrat could pledge his loyalty to the party and then go out on the floor and allow the President's veto to be sustained.

Thus the country once again would have no national massage parlor policy. The President would blame Congress and Congress would blame the administration for ignoring the crisis. Who was really to blame? No one and everyone. And that, dear citizen, is what Hamlet (of Hamlet's Massage Parlor in Arlington, Va.) would say "is the rub."

COMMISSION ON APPELLATE COURT SYSTEM SUBMITS FINAL REPORT

Mr. HRUSKA. Mr President, last Friday, June 20, in a White House ceremony, formal presentation of its final report was made by the Commission on Revision of the Federal Court Appellate System.

President Ford and Chief Justice Burger accepted the report on behalf of the executive and judicial branches of Government. Senator MCCLELLAN, of Arkansas, and Representatives PETER RODINO, of New Jersey, chairman of the House Judiciary Committee, accepted the report on behalf of the Senate and House of Representatives, respectively.

It was my high privilege and honor to make these official presentations as Chairman of the Commission, which was created by Congress in 1973, and which by the day's presentation concluded its twofold mission, to wit:

First. To study and report its recommendations for changes in the geographic boundaries of the circuit courts of appeal; and

Second. To study and report its recommendations for changes in the structure and internal procedures of the Federal courts of appeal system.

Mr. President, the Commission consists of four members appointed by the President, four appointed by the Chief Justice, four from the Senate, and four from the House. I would like to mention them all at this point and congratulate them for their outstanding cooperation and hard work on this report.

The four appointed by the President are: Mr. Emanuel Celler, of New York, for 50 years a Member of the Congress, half of which time he served as chairman of the House Judiciary Committee; Dean Roger Cramton, of Cornell Law School; Mr. Francis R. Kirkham, a practicing attorney in San Francisco; and the Honorable Alfred Sulmonetti, chief judge of the circuit court of Multnomah County, Portland, Oreg.

The four appointed by the Chief Justice are: Judge J. Edward Lumbard, of the second circuit; Judge Roger Robb, of the Circuit Court of Appeals, District of Columbia; Mr. Bernard G. Segal, a Philadelphia attorney and former president of the American Bar Association, and Prof. Herbert Wechsler, Columbia Law School.

The four appointed from the Senate are: Senator QUENTIN N. BURDICK, of North Dakota; Senator HIRAM FONG, of Hawaii; Senator JOHN L. MCCLELLAN, of Arkansas; and Senator ROMAN L. HRUSKA, of Nebraska.

The four appointed from the House are: Representative JACK BROOKS, of Texas; Representative WALTER FLOWERS, of Alabama; Representative EDWARD HUTCHINSON, of Michigan; and Representative CHARLES E. WIGGINS, of California.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks President Ford's statement upon receiving the report.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

COMMISSION'S REPORT ON PHASE I

Mr. HRUSKA. The Commission's report on phase I was completed and presented officially in December 1973. On that occasion, as well as on last Friday, the document presented was in printed form and submitted within the period prescribed by statute. This first report recommended that two new judicial circuits be created by dividing the present fifth circuit, which now includes six States in the South, and the present ninth circuit, which now extends over nine States in the West. Bills to implement this phase I are pending. Hearings have been completed in the Senate subcommittee, from which a report to its parent Judiciary Committee is expected shortly.

COMMISSION'S REPORT ON PHASE II

It is planned that at an early date yet this year, appropriate bills to implement the phase II report, together with related measures, will be introduced in time to commence processing and consideration in this 94th Congress.

Mr. President, a "Summary of Recommendations" is found in the opening pages of the report. I ask unanimous consent that it be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HRUSKA. A substantial majority of the Commission supports each of the recommendations in this report. Its members were not, however, of one mind on all issues. They neither sought nor achieved unanimity with respect to all of their recommendations nor with respect to the reasoning underlying them. Though they did not attempt to submerge their differences, they did not think it useful to articulate all of them in our report, since they were convinced that the larger purpose of furthering discussion and debate will be adequately served by the recommendations that a substantial majority of the membership approved. They are, moreover, unanimous in their recognition of the serious problems presently besetting the Federal courts and of the need for sustained concern to the end that appropriate and enduring solution be achieved.

The Commission's recommendations are 22 in number. They treat with a wide variety of aspects of the appellate court system's internal workings. They include: oral argument of cases; opinion writing and publication; availability of court documents; central staffing; en banc hearing procedures, inter-circuit assignments; adequate judicial salaries; attainment of senior status; and so on. They are important and should receive prompt and effective attention from pertinent authorities having jurisdiction in each instance.

PROPOSED NATIONAL COURT OF APPEALS

But the most significant change—recommendation No. 1—calls for the establishment of a National Court of Appeals, consisting of seven article III judges, appointed by the President, with the advice and consent of the Senate.

The court would sit only en banc. Its decisions would constitute precedents binding upon all other Federal courts, and as to Federal questions, upon State courts as well, unless modified or overruled by the Supreme Court. It would have jurisdiction to hear cases: First, referred to it by the Supreme Court, reference jurisdiction; or second, transferred to it from the regional courts of appeals, the court of claims, and the court of customs and patent appeals, transfer jurisdiction. The National Court would be empowered to decline to accept transfer jurisdiction cases.

Any case decided by the National Court of Appeals, whether upon reference or by transfer, would be subject to review by the Supreme Court upon petition for certiorari.

Its salient objective would be to meet the need for an increased capacity of the Federal judicial system for definitive adjudication of issues of national law, always subject to Supreme Court review.

Such a tribunal would help assure that difference in legal rules applied by the circuits do not result in unequal treatment of citizens with respect, for example, to their rights under tax laws, social security laws, their liabilities to criminal sanction, or their immunity from discrimination in employment. It is designed to assure consistency and uniformity in larger measure than now prevails, by resolving conflicts between regional circuit courts after they have developed. And it will, by anticipating and avoiding future conflicts, eliminate years of repetitive litigation and uncertainty as to the state of the Federal law. It will, in short, contribute to that stability in law which makes it possible for the courts and the bar to serve society more effectively.

THE NEED FOR A NEW COURT

Mr. President, a national court of appeals is needed today.

As the demands of society continue to grow, it will be indispensable in the years ahead.

There is an unmistakably inadequate appellate capacity to hear and decide cases on a national basis.

The U.S. Supreme Court is today the only court with the power to hand down judgments which constitute binding precedents in all State and Federal courts. It is charged with maintaining a harmonious body of national law through its power of review of the judgments in cases brought before it by way of certiorari and appeal. As the number of cases brought to the Supreme Court for review has burgeoned, the number disposed of on the merits after argument has remained relatively constant. Obviously, the major variable has been in the number of cases not accorded plenary review.

The figures are dramatic. In 1951 about 1,200 cases were filed in the Court. Twenty years later the number had tripled to about 3,600. The volume continues to rise: In the most recent complete term over 4,000 cases were filed.

By contrast, Mr. President, the Supreme Court was hearing about 150 cases a year 50 years ago—in 1925. It was hearing about 150 cases on the merits 25 years ago. It is hearing about 150 cases on the merits today.

These figures come from the testimony and writings among others of Erwin N. Griswold, for many years Solicitor General of the United States. He referred to the 150 oral arguments per year as more or less constant for a number of years, and stated:

> It is, in fact, the maximum number that the Court can be expected to hear on the merits.

The real meaning of these figures was summarized by Dean Griswold as follows:

> Putting it another way, about eighteen percent of paid cases (appeals and certiorari) were heard on the merits twenty years ago, while about six percent of paid cases were heard on the merits during the 1973 Term. What became of the other twelve percent of paid cases? . . . they were lost in the 1973 Term simply because of inadequate appellate capacity to hear cases on a national basis.

It should be clear that while the scope of Federal litigation for many reasons, including massive increases in Federal regulatory legislation, has been increasing, the number of definitive decisions interpreting that legislation has been decreasing.

The consequences of this lack of adequate capacity for declaration of national law are grave, and costly in terms of time, dollar expense, and in social progress and values.

PLAN FAVORED BY MAJORITY OF SUPREME COURT

The idea of a new intermediate court of appeals has been endorsed by five of the present Supreme Court Justices. Chief Justice Burger has said that the creation of a new court would be "imperative" unless the Supreme Court is given other, very substantial relief. Moreover, he has made clear that even all of the other remedies he proposes, taken together, may not be sufficient to obviate the need for a new court.

Mr. Justice White writes that he is "convinced" that there are a substantial number of cases for the National Court of Appeals to entertain and that there are enough of them to warrant creation of the new tribunal. Justice Powell has written to the same effect. Each has emphasized the advantage to the Supreme Court of the creation of a proposed tribunal.

The reasons are readily understood.

There is ample evidence that the workload of the Justices is such that they are already subject, in the words of Mr. Justice Blackmun in his letter to the Commission, to "greater and more constant pressure" than busy practitioners or hard-working appellate judges, pressure which "relents little even during the summer months." The issue is not whether the Justices find it possible to keep abreast of present work. The evidence is that more than one does so by giving up the "normal extracurricular enjoyments of life"; 6 or 7 days of work a week are not unknown to a regular pattern. Given the complexity and significance of the issues which only the Supreme Court can decide, it may be appropriate to reduce the number of cases which the Court must decide. Both Mr. Justice White and Mr. Justice Rehnquist have invited consideration of this alternative.

The major purpose of our proposal, however, is not relief for the Justices. As Mr. Justice Rehnquist puts it:

> The desirability of a National Court of Appeals turns not on the workload of the Supreme Court but rather on the sufficiency of judicial capacity within the federal system to review issues of federal constitutional and statutory law. While the adoption of the Commission's proposal might enable the Supreme Court to make some changes in the way it exercises its discretionary jurisdiction, the principal objective of the proposal is not 'relief' for the Supreme Court but 'relief' for litigants who are left at sea by conflicting decisions on questions of federal law.

Mr. Justice Blackmun has put the matter in another way. He refers to the cases "that almost assuredly would have been taken 20 years ago," but which are now denied review, and to the "worry" occasioned the justices themselves by the need to deny.

A somewhat different problem is underscored by the Chief Justice:

> (O) ne element of the Court's historic function is to give binding resolution to important questions of national law. Under present conditions, filings have almost tripled in the past 20 years; even assuming that levels off, the quality of the Court's work will be eroded over a period of time.

The risk of an erosion of quality must be of particular concern at a time when the importance of the issues presented to the Supreme Court is undiminished and the volume increased. As the Chief Justice states:

> The changes brought on in the 20th century and the new social, political, and economic developments have surely not diminished the importance of the questions presented to the Supreme Court and have vastly increased the volume of important questions which can have an impact of great significance on the country.

It is most instructive to consider carefully the views of those Justices who are opposed to the creation of a new court at this time. Mr. Justice Stewart has stated that he thinks it "likely" that the day will come when a new court would be needed and he has urged that the work of developing and refining a specific proposal continue. Mr. Justice Marshall has stated that creation of a new court which would receive cases referred to it by the Supreme Court might be "a good move," and the plan for such a court "certainly deserves serious consideration." It is particularly noteworthy that Mr. Justice Brennan, who does not think that a need exists at the present time, makes it clear that the proposed reference jurisdiction would impose no added burden on the Supreme Court or on the Justices.

We have solicited the views of each of the members of the Court and have heard from all of the Justices except Mr. Justice Douglas who has been absent from his chambers because of illness. However, in a letter to the Executive Director a year ago, Justice Douglas stated that he saw no need for an additional court. The views of each of the other Justices, as expressly authorized by them, are included in full in the appendix of the Commission's report.

PROPOSAL IS WORKABLE

In short, it appears clear that the proposal which the Commission considers the essence of its recommendations is completely workable, and would impose no burdens on the Justices of the Supreme Court. On the contrary, it would offer much needed and wanted relief to assure that our one Supreme Court is able effectively to serve its important functions in our system of government.

The Commission believes that the new court will also have a beneficent effect on the present courts of appeals. Because the National Court would increase the body of nationally authoritative precedents, it would provide the judges of the regional courts with greater certainty in the law, thus strengthening their ability to decide cases with confidence. Moreover, by anticipating and avoiding possible conflicts, the new court would eliminate years of repetitive litigation as to the state of the Federal law. It is difficult to quantify the relief which the regional courts might be given, and the Commission has thus not relied on that rationale; but it is worth noting that the extent of the relitigation that has been revealed by the Commission's studies is impressive, indeed. Finally, the transfer jurisdiction may ease the burdens of the regional courts of appeals in some cases that may be very difficult and time-consuming.

There have been suggestions that the National Court of Appeals should be established initially as a temporary, experimental tribunal. The ultimate judgment, of course, will be for the Congress to make; but after careful consideration the Commission rejected the temporary court approach.

In one sense, any Federal court, except the Supreme Court, is temporary; it exists subject to the pleasure of the Congress. Thus, if the need for a National Court proves ephemeral, or if the experience proves otherwise disappointing, the Congress would have the power to abolish the tribunal and designate its judges for service elsewhere in the judicial system, as was done with the Commerce Court many years ago.

In this regard, I emphasize that the Commission has recognized the utility of a continuing Commission charged with systematic review of the Federal judicial system and obligated to report to the Congress. It would be most appropriate for such a Commission to study the operation of the National Court of Appeals, to determine whether it is fulfilling the functions envisaged for it, and to make recommendations on whether it should be retained, abolished, or given new functions. The Commission is confident, however, that the need for the National Court exists now and will increase in the future, and that whatever the precise nature of the initial legislation, the utility and value of the new tribunal will become even more strongly apparent in the years to come.

CONGRESS WILL DECIDE

It should be borne in mind, Mr. President, that the document delivered to the President, the Chief Justice and the Congress on Friday is the report of the Commission. It is not a final product in the sense that it is ready for immediate implementation.

As noted earlier, legislation to accomplish the recommendations of the Commission will be introduced later this year. There will be extensive hearings by the appropriate committees of the Congress. There will be time for further discussion, for refinement and for resolution of conflicting points of view.

So I do not ask my colleagues at this point to accept or reject the Commission's recommendations. I do ask that they study them as background against which the congressional hearings will be held.

Given the far-reaching implications of the Commission's recommendations, particularly with regard to the establishment of the National Court, it is appropriate that the Congress give careful thought and study to them. That is its role under the Constitution.

EXHIBIT 1

STATEMENT BY THE PRESIDENT, JUNE 20, 1975

I am pleased to have received today the Final Report of the Commission on Revision of the Federal Court Appellate System. The members of the Commission deserve the appreciation of the country for the care which they have devoted to this report.

One could not ask for a more dedicated chairman than Senator Roman L. Hruska. His able leadership during the entire life of the Commission is to be commended. Also the Commission itself is noteworthy, not only because of the superior quality of each of the members, but because it includes leading members of both Houses of Congress, distinguished judges, practitioners and members of the academic branch of the legal profession.

Certainly, the importance of the Supreme Court, the Circuit Courts, and the Federal judicial system to our society—and to our people—cannot be overestimated. We owe these courts the fullest measure of support to assure that they function effectively.

In the final analysis, our courts function for the well-being of the citizenry. The effective, efficient operation of the judicial system is essential to safeguard our rights and our liberties.

After extensive study, the Commission has published its thoughtful and imaginative recommendations for change.

I will give the Commission's recommendations serious study and I know the Congress and the Chief Justice will do the same. These efforts should go hand in hand with a thorough review of the basic causes for the ever-increasing number of cases being brought in the Federal Courts. We should also strive to fashion ways to reduce the volume of Federal litigation and to expedite the disposition of cases before the Courts.

EXHIBIT 2

SUMMARY OF RECOMMENDATIONS

I. A NATIONAL COURT OF APPEALS

1. The Commission recommends that Congress establish a National Court of Appeals, consisting of seven Article III judges appointed by the President with the advice and consent of the Senate. (P. 69.)

2. The court would sit only en banc and its decisions would constitute precedents binding upon all other federal courts and, as to federal questions, upon state courts as well, unless modified or overruled by the Supreme Court. (P. 69.)

3. The National Court of Appeals would have jurisdiction to hear cases (a) referred to it by the Supreme Court (reference jurisdiction), or (b) transferred to it from the regional courts of appeals, the Court of Claims and the Court of Customs and Patent Appeals (transfer jurisdiction). (Pp. 72–73.)

(a) *Reference jurisdiction.* With respect to any case before it on petition for certiorari, the Supreme Court would be authorized:

(1) to retain the case and render a decision on the merits;

(2) to deny certiorari without more, thus terminating the litigation;

(3) to deny certiorari and refer the case of the National Court of Appeals for that court to decide on the merits;

(4) to deny certiorari and refer the case to the National Court, giving that court discretion either to decide the case on the merits or to deny review and thus terminate the litigation.

The Supreme Court would also be authorized to refer cases within its obligatory jurisdiction, excepting only those which the Constitution requires it to accept. Referral in such cases would always be for decision on the merits. (Pp. 73–77.)

(b) *Transfer jurisdiction.* If a case filed in a court of appeals, the Court of Claims or the Court of Customs and Patent Appeals is one in which an immediate decision by the National Court of Appeals is in the public interest, it may be transferred to the National Court provided it falls within one of the following categories:

(1) the case turns on a rule of federal law and federal courts have reached inconsistent conclusions with respect to it; or

(2) the case turns on a rule of federal law applicable to a recurring factual situation, and a showing is made that the advantages of prompt and definitive determination of that rule by the National Court of Appeals outweigh any potential disadvantages of transfer; or

(3) the case turns on a rule of federal law which has theretofore been announced by the National Court of Appeals, and there is a substantial question about the proper interpretation or application of that rule in the pending case.

The National Court would be empowered to decline to accept the transfer of any case. Decisions granting or denying transfer, and decisions by the National Court accepting or rejecting cases, would not be reviewable under any circumstances, by extraordinary writ or otherwise. (Pp. 77–87.)

4. Any case decided by the National Court of Appeals, whether upon reference or after transfer, would be subject to review by the Supreme Court upon petition for certiorari. (Pp. 87–89.)

II. INTERNAL OPERATING PROCEDURES

5. *Mechanism for circuit procedures.* Each circuit court of appeals should establish a mechanism for formulating, implementing, monitoring, and revising circuit procedures. The mechanism should include three essential elements:

(a) publication of the court's internal operating procedures;

(b) notice-and-comment rule-making as the normal instrument of procedural change; and

(c) an advisory committee, representative of bench and bar. (Pp. 96–102.)

6. *Oral argument.* Standards for the grant or denial of oral argument, and the procedures by which those standards are implemented, are appropriately dealt with through the rule-making process. We recommend the following as an appropriate minimum national standard for inclusion in the Federal Rules of Appellate Procedure:

(1) In any appeal in a civil or criminal case, the appellant should be entitled as a matter of right to present oral argument, unless:

(a) the appeal is frivolous;

(b) the dispositive issue or set of issues has been recently authoritatively decided; or

(c) the facts are simple, the determination of the appeal rests on the application of settled rules of law, and no useful purpose could be served by oral argument.

(2) Oral argument is appropriately shortened in cases in which the dispositive points can be adequately presented in less than the usual time allowable.

Because conditions vary substantially from circuit to circuit, each court of appeals should have the authority to establish its own standards, so long as the national minimum is satisfied, and to provide procedures for implementation which are particularly suited to local needs. (Pp. 103–08)

7. *Opinion writing and publication.* The Commission recommends that the Federal Rules of Appellate Procedure require that in every case there be some record, however brief and whatever the form, of the reasoning which underlies the decision.

The Commission strongly encourages the use of memoranda, brief per curiam opinions, and other alternatives to the traditional, signed opinion in cases where they are appropriate.

The Commission strongly encourages a program of selective publication of opinions. (Pp. 108–17.)

8. *Central staff.* The Commission, recognizing the contribution which central staff can make to the effective functioning of the courts of appeals, recommends that Congress provide funds adequate for optimal utilization of such staff. Duties appropriate for central staff include research, preparation of memoranda, and the management and monitoring of appeals to assure that cases move toward disposition with minimum delay. Central staff attorneys should not draft opinions, nor should they screen cases for denial of oral argument. To minimize the risk of undue delegation of judicial authority, or even the appearance thereof, the published internal operating procedures of each court should carefully define the responsibilities assigned to central staff attorneys. (Pp. 117–21.)

III. ACCOMMODATING MOUNTING CASELOADS: JUDGESHIPS, JUDGES AND STRUCTURE

9. *Creation of needed judgeships.* The creation of additional appellate judgeships is the only method of accommodating mounting caseloads without introducing undesirable structural change or impairing the appellate process. Accordingly, the Commission recommends that Congress create new appellate judgeships wherever caseloads require them.

As the Commission recognized in its report on circuit realignment, an appellate court composed of more than nine judgeships loses in efficiency and in the collegiality essential to the optimum functioning of the judicial process; the principles stated in that report should guide the Congress in considering circuit realignment. (Pp. 122–25; 131–32.)

A. Managing a large circuit

10. *En banc hearings in large circuits.* In order to make possible the effective functioning of large circuits, the Commission recommends that participation in en banc hearings and determinations should be limited to the chief judge and the eight other active judges of the circuit who are senior in commission but not eligible for senior status, subject to the following qualifications:

(a) Judges eligible for senior status may continue to participate so long as, and to the extent that, the total number of participants does not exceed nine.

(b) When the nine-judge en banc court becomes a minority of the authorized judgeships on any court of appeals, the method of selecting judges for the en banc court should be reconsidered by the Congress.

Regardless of the size of the en banc court, all of the active judges of the circuit would be eligible to vote on whether to grant hearing or rehearing en banc. (Pp. 134–38.)

11. *Amendments to the en banc statute.* Section 46(c) of the Judicial Code should be revisd to provide that:

(a) En banc consideration would be granted upon the affirmative vote of a majority of the active judges of the circuit who are not disqualified from sitting in the matter, rather than a majority of all active judges; and

(b) Judges who sit on a panel should not be eligible, for that reason alone, to sit on the en banc court in the rehearing of the case. (Pp. 135; 138–39.)

B. Assuring judges of superior quality in adequate numbers

12. *Filling of vacancies.* The Executive and Legislative branches should act expeditiously to fill all judicial vacancies. (Pp. 139–41.)

13. *Inter-circuit assignments.* The procedure for making inter-circuit assignments of active judges should be simplified. While assignments should be consistent with needs of the lending court, the judiciary should return to the simple procedure established by Congress: certification of necessity by the borrowing court and designation by the Chief Justice. (Pp. 141–42.)

14. *Easing of senior status requirements.* The requirements for taking senior status should be eased; a judge should be eligible for retirement when the number of years he has served on the bench, added to his age, equals eighty, as long as the judge has served a minimum period of ten years and has attained age sixty. (Pp. 142–44.)

15. *Adequate judicial salaries.* Federal judicial salaries should be raised to a level that will make it possible for outstanding individuals to accept appointment to the bench and adequately compensate those now serving. (P. 144.)

IV. OTHER RECOMMENDATIONS

16. *Commission on the federal judicial system.* The Commission recommends that Congress consider the desirability of creating a standing commission to study and to make recommendations with respect to problems of the federal courts. (Pp. 145–46.)

17. *District court judges of high quality in adequate numbers.* The Commission recommends that the Congress assure to each of the district courts judges of superior quality in sufficient numbers and with adequate support facilities, not only because of the importance of their function, but because of the resultant significant impact on the work of the appellate courts. (Pp. 146–47.)

18. *Tenure of chief judges.* The Judicial Code should be amended to provide for a maximum term of seven years for the chief judge of a circuit, who would continue to be selected on the basis of seniority. (Pp. 147–48.)

19. *Selection of the presiding judge of a panel.* Congress should amend section 45(b) of the Judicial Code to provide that the presiding judge on a panel shall be the active judge of the circuit who is senior in commission. (P. 148.)

20. *Adequate staffing and support.* Congress should provide adequate staff and support facilities for each of the courts of appeals as well as for all of the judges. (Pp. 148–49.)

21. *Discipline of judges.* The Commission recognizes that a mechanism for handling allegations of judicial misconduct and incapacity is an important matter and recommends that Congress turn its attention to this subject. (P. 149.)

22. *Availability of court of appeals documents.* The Library of Congress should serve as a national depository for briefs and other appropriate documents in cases in the federal intermediate appellate courts. The Library of Congress should micro-copy such materials and make them available to the public at cost. (Pp. 149–50.)

CONGRESS HELPS SMALL BUSINESSES IN ECONOMIC STRUGGLE

Mr. McINTYRE. Mr. President, I associate myself with the remarks of the chairman of the Select Committee on Small Business (Mr. Nelson) regarding the Business Week cover story on the difficulties of small business during the recession and inflation of the past year.

Smaller firms in New Hampshire, and throughout the Nation, truly are finding it a struggle to survive under the Nation's current economic policies.

Our committee's research has revealed that, of the nearly 13 million enterprises in the United States, about 97 percent are small business. These new, small, and independent firms provide more than one-half of all private employment and about a third of the entire gross national product. Because of this the troubles of small business directly affect the fortunes of the consumer and the health of our economic system.

I note that the article has quoted Mr. Thomas Kleppe, the Administrator of the

Small Business Administration, and that is all well and good, for that is the executive agency primarily concerned with the small business community.

However, I feel that it is also desirable that the efforts of those in Congress, which is a coordinate branch of the Government, also be recognized.

The Select Committee on Small Business, of which the Senator from Wisconsin (Mr. NELSON) is chairman, has a long and distinguished record of extraordinary initiatives in behalf of smaller business.

For example, in the tax field the 3 days of hearings which the committee conducted in February 1975 were the foundation for provisions in the Emergency Tax Reduction Act of 1975 which:

Lowered the tax rate for corporations under $25,000 from 22 to 20 percent;

Reduced the rate on the next $25,000 from 48 to 22 percent, the first tax decrease for medium-sized corporations since 1950;

Increased the amount of used machinery eligible for the investment credit from $50,000 to $100,000; and,

Raised the permissible amount of accumulated earnings from $100,000 to $150,000.

I submit, Mr. President, that this is meaningful relief, particularly during the worst recession since the 1930's when every dollar earned by small business is precious.

In the field of paperwork, my own hearings in the select committee over several years finally resulted in the enactment of legislation to create a Federal Commission on Paperwork, on which I will be serving as a congressional member. Only last week the President appointed the remaining members to this body, and I am hopeful that the Commission will be an effective means of substantially reducing Federal paperwork.

The select committee additionally has in progress inquiries on the family farm, problems of retailers, the burdens of occupational health and safety regulations, and field hearings to gain firsthand knowledge of varied smaller business problems around the country. There is doubtless much other worthy work going on in the Senate and the House that could be cited. So, it is my hope that in the next report on small business matters, that Congress can be given "equal time," or at least some time.

A POSITIVE LOOK AT SOLAR ENERGY

Mr. FANNIN. Mr. President, an article appearel this morning in the Washington Post, which explored the problems of solar energy use and development. I was most discouraged to see such a negative attitude taken by this particular author, because major strides have been made over the past few years in the field of solar energy utilization.

Yet Jane Bryant Quinn, in her article "Knotty Problems Stand in Way of Wide Use of Home Solar Energy," would have us believe that hustlers and monopolistic utilities are simply waiting for their chance to rip off unsuspecting homeowners who attempt to use this renewable energy source. Though the author points out some concerns that we should certainly not overlook, I contend that we have already addressed the bulk of her "problems" and are well on our way to launching this promising industry and providing homeowners with a clean and abundant fuel source.

Partially to combat this misleading article and additionally to continue my series on the readiness of solar energy for immediate application, I wish to share information with my colleagues on two public buildings in Arizona which are to be solar heated and possibly solar cooled. The article I include, from the Tucson Daily Citizen, describes a proposed high school to be completed by the Fall of 1976 which will have solar energy incorporated. My second insert is a letter from the Regional Administrator of the General Services Administration in Region 9, which explains their plan to utilize solar energy in the new construction of a Kaibab National Forest Supervisor's Office in Williams, Ariz.

Mr. President, I could not be more delighted with Arizona's readiness to accept and utilize one of our most abundant resources. Be assured that we who support the development of this vital energy source will not let it fall to consumer hustlers, but intend to see broad commercial realization a fact, in the very near future.

I ask unanimous consent that the Tucson Daily Citizen article and the T. E. Hannon's letter from the General Services Administration be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEW SPECIAL HIGH SCHOOL TO INCLUDE SOLAR HEATING

Preliminary plans have been approved for Tucson's first solar-heated public school. The new Howenstine School, an adaptive educational high school for Tucson District 1, is scheduled for completion by the fall of 1976. The 29,000 square-foot complex will be built in the 400 block of South Tucson Boulevard, about a half mile from the current school at 2131 E. Winsett. A solar screen, which is not in the drawing, will be on the building at top right. The heating system will have a power backup and conventional cooling. Total cost of the school will be about $900,000. Architect is H. R. Jernigan.

The new Howenstine School, to be built by the fall of 1976, will be heated by solar energy, Tucson District 1 school board members were told last night.

The adaptive education high school will be built in the 400 block of South Tucson Boulevard, across the street from the Shrine Temple and about a half mile from the current school at 2131 E. Winsett.

The solar heating system will sit on top of the east wing and will be screened so it will not be visible from the grounds. It will carry a power backup.

Plans call for only the heating by solar energy, but methods of cooling by solar energy are also being explored, said John Tsaguris, head of the district's engineering department.

The present school is too small for the 100 students currently in its programs for the emotionally and physically handicapped. The new school is designed for 138 students and allows for expansion.

The district's mandatory special education plan, also adopted by the board last night, calls for expansion of the special high school program by the fall of 1976.

The new school will feature a central, circular multipurpose learning and administrative area, with classroom wings and special facilities for cerebral palsy and muscular dystrophy victims. The plan is designed to reduce walking and wheelchair distances and increase visual supervision.

GENERAL SERVICES ADMINISTRATION,
San Francisco, Calif., June 17, 1975.

Hon. PAUL J. FANNIN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FANNIN: The General Services Administration is planning a lease construction project to house the Kaibab National Forest Supervisor's Office on a tract of Government-owned land within the city limits of Williams, Arizona.

The proposed single-story building will contain approximately 14,403 net usable square feet with 25,500 square feet of asphalt-paved parking and truck maneuvering area contiguous to the building. An access road, meeting local standards, will connect the facility to the existing street system.

The building will utilize solar energy for domestic hot water and/or space heating, and/or cooling. The exact combination will be determined by a solar energy feasibility study.

The building will contain 8,504 net usable square feet of office space, a 684 square foot conference/training room, a soils testing laboratory, and an engineering materials laboratory, together totaling 1,115 square feet, plus 4,100 additional square feet to be used for storage, radio repair shop, and warehouse space.

Following a fire in July 1974 which destroyed the former office of the Supervisor, the staff was temporarily housed in seven different locations. The proposed project would once again collocate the offices of the Supervisor and his staff, thus providing for a more efficient operation. The project will not result in an increase in personnel.

You are being advised of this proposed lease construction project in accordance with the Intergovernmental Cooperation Act of 1968, Executive Order 11512, and the Office of Management and Budget Circular A-95. We will be assessing any environmental and socioeconomic impacts which may result from this project and welcome any information you feel would assist us in making accurate evaluations. We would appreciate having your response within 30 days. Please address it to Mr. Eldon L. Kirby, Regional Facilities Planner, Public Buildings Service, at the above address. If you have any questions regarding this proposed project, please call Tim Timberlake or Kerry O'Banion of our Operational Planning Staff at (415) 556-2532.

Sincerely,

T. E. HANNON,
Regional Administrator.

ENERGY, MINERAL, AND CAPITAL SHORTAGES

Mr. HASKELL. Mr. President, an article by Gov. Richard Lamm of Colorado recently appeared in the Rocky Mountain News discussing the inapplicability of conventional solutions to the Nation's impending energy, mineral, and capital shortages. Governor Lamm assesses the nature and degree of our current and future shortages and calls for consideration of new directions in our public policies to effectively deal with these problems. I would like to share this article with my colleagues and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Rocky Mountain News, June 6, 1975]

TODAY'S SOLUTIONS ARE NO MATCH FOR TOMORROW'S REALITIES

(By Richard D. Lamm)

Noel Mostert, in his new book "Supership," describes how hard it is to turn or stop one of the new 500,000-barrel supertankers now plying the oceans in increasing numbers. Mostert tells us that it takes 20 minutes or three nautical miles to halt a supertanker—in many instances not near enough to avoid a collision.

Public policy is much like the supertankers; it has a momentum of its own which can lead us into collision with the future if we are not careful. The world is now moving at increasing speed— change is upon us—and we must take great care that proper public policy changes be made to avoid future chaos.

Time magazine recently put it well in an editorial on the energy crisis:

"Had the U.S. moved soon enough, much could have been done to avert the crisis. Mass transit could have been encouraged over highway building, bringing great savings in fuel as well as comfort. Research into ways to remove pollutants from coal or to turn it into gas or oil could have been pushed harder; that would have enabled the country to make greater use of the abundant fuel. Building codes could have been changed to require more effective heat-conserving insulation of houses.

"Instead, with remarkable consistency and perverse ingenuity, the nation kept doing the exact opposite of what was required. For almost two decades, Washington has been spending tens of billions of dollars to subsidize highway building. Almost every American office building has been constructed with closed air systems that require air conditioning no matter what the outside temperature."

We are not the only age, of course, which has had to adapt to new ideas and conditions (e.g. Abraham Lincoln's "As our case is new, so must we think and act anew. We must disenthrall ourselves.") But we are likely to be the recipients of the most massive amount of change of any age.

We are clearly entering a new age of scarcity. The energy shortages of 1972 were, in my opinion, a sneak preview of the future. Oil was $1.99 per barrel in 1972—it is over $10 now, predicted to go up $2 more this September; the U.S. bill for foreign oil was $3.9 billion in 1972—it was $24 billion in 1974 and is expected to rise to $35 billion in the not-too-distant future.

The domestic oil we have—and there is clearly more remaining—will be much more expensive. We must now drill deeper, pump farther, look harder, all of which adds clearly to the cost of oil. Everywhere we are told to get over the idea of inexhaustible cheap oil; we hear but we don't seem to understand. We continue our old habits and old ways, with the momentum of a supertanker.

The same can be said for most natural resources. And we must be saying it soon. The National Commission on Materials Policy, made up of resource experts and businessmen, recommended last year that all industrial nations slow down their consumption of highly depletable resources, design all products for recycling and move rapidly toward greater use of our more abundant resources.

Ominously, the Interior Department's Geological Survey informs us that the U.S. presently imports at least an important percentage of 69 of the 72 raw materials needed to maintain our present standard of living. Of the 13 minerals identified by the Department of Interior as the most essential to our economy, we are already importing more than 50 per cent of six of them—aluminum, manganese, nickel, tin, zinc and chromium—and by 1985 we shall add to that list iron, lead and tungsten, with copper, sulfur and potassium joining the list by 2000.

Thus by the year 2000 we will be dependent on foreign imports for over 50 per cent of our most important minerals except phosphate. The price of the vast majority of these minerals will be set by nations other than the United States. Our economic base, therefore, will be at the mercy of foreign nations.

It thus seems clear that we are not going to be able to supply the same supply of minerals, materials or energy through the American economy 10 years from now as we do today. This in no way should degrade the talent of our industrial society or our capitalistic structure—it is simply the fact of living on a limited earth. We have not adjusted our habits, expectations and national policies to the realities of the new age in which we live.

Take energy, for example. Instead of arguing over I-470, which assumes that the solutions of the past (interstate highways) are the solutions of the future, we should start now finding new housing, transportation and building patterns more energy-intensive than low-density sprawl, which is inefficient in both energy and capital. We must understand that energy conservation is far more than just a matter of driving more slowly, and turning down our thermostats. It means moving with foresight to new institutional arrangements: to recycling metals, mass transit when practical, new designs for buildings, living closer to work, more insulation, reducing our gluttonous appetite for energy.

Another shortage is interrelated and equally underrated in terms of its potential impact on our life styles—the shortage of capital. The capital-needs projects of our future are so immense that we must recognize that it will be impossible to meet them and we will have to prioritize our needs better than ever before. We are told it will cost $1.2 trillion to supply us with the oil we need for the next 15 years; that it will cost $430 billion to enable everyone to live in a satisfactory neighborhood; $405 billion to significantly improve the index of performance in education; $145 billion to reduce the number of violent crimes per 100,000 persons from 620 to 188 per year; $190 billion to increase the average life expectancy from 71 years to 80 years and $45 billion to reduce from 21 million to zero the number of persons in poverty.

Adding up the projected capital needs of our country one comes fast to the conclusion: There is not enough new capital to begin to solve our agenda of problems in conventional ways. We are going to have to start turning some public policies in different directions.

The effectiveness of our solutions depends on the correctness which we gauge the scope and seriousness of our problems. To misjudge the depth of the problem of energy shortages, minerals shortages, or capital shortages run a serious risk—not only to our standard of living—but to our whole political, economic and social structure. A serious energy shortage, or an astronomical increase in minerals without taking proper adjustments to our public policy, runs the risk of an economic Dunkirk.

America—like a supertanker—is moving fast: and we must ascertain clearly and exactly where we are going and make our adjustments now, before we myopically collide with the future.

SENATOR RANDOLPH ADDRESSES BUSINESS AND INDUSTRY LEADERS ON GREATER COAL UTILIZATION

Mr. RANDOLPH. Mr. President, the future of the United States is inextricably intertwined in the successful achievement of greater coal utilization.

If our country is to approach or even achieve energy self-sufficiency, industry leadership and initiative is needed. At stake is the capacity and the capability of the United States to determine its future economic stability.

We must construct a system for coal production, distribution and use, on granite pillars—rather than on quick sand. This effort will require leadership, and initiative. This was the theme of my remarks last Thursday, June 19, to the Eliot Janeway Seminar on Energy in New York City.

Business and industry leaders from all sectors of our economy and many sections of the country were present. Represented were financial and investment institutions, manufacturing industries, the oil and gas industries, and other sectors of our economy. The seminar was convened by the respected international economist, Eliot Janeway, who also is president of the Janeway Publishing & Research Corp. All in attendance were concerned for the energy future of the United States.

Mr. President, I ask unanimous consent that my address be printed in the Record for the information of my colleagues.

There being no objection, the address was ordered to be printed in the Record, as follows:

INDUSTRY LEADERSHIP AND INITIATIVE IS NEEDED TO ACHIEVE ENERGY SELF-SUFFICIENCY

Coal is our most abundant energy resource. In coal the United States has the equivalent of four times the oil reserves of the Middle East. Conversion of our coal—3 trillion tons—into oil would produce seven times the world's proven oil reserves.

Coal also is our most versatile energy resource. It can be used directly as a boiler fuel to produce steam and electricity. Coal can be synthesized into many liquid and gaseous forms to serve utility markets and even transportation uses.

Coal offers us the means to free ourselves from the vagaries of foreign energy producers; to free our economy from major balance-of-payments deficits; and coal offers us the freedom to exercise our rights of individual choice as American citizens.

At stake is the capability of the United States to determine its own future. The Congress, industry, and the American people must support the long-term development of sufficient domestic energy supplies to assure our country's future economic stability.

In this regard, our national track record leaves much to be desired. Some thirty-six years ago President Roosevelt declared that—"Our energy resources are not inexhaustible, yet we are permitting waste in their use and production . . ." In response in 1939 the President advocated a National Energy Resources Policy.

General opposition to national planning even today retards the formulation of a comprehensive National Energy Policy. Were it not for the oil embargo of the winter of 1973, even now there would not be a general public awareness of our country's energy crisis.

In response in November 1973 the President initiated Project Independence.

The 93rd Congress witnessed introduction of over 2,000 legislative initiatives. Some 30 standing Congressional committees held over 1,000 days of hearings on nearly every aspect of energy policy, programs, and problems.

Not without controversy, 43 public laws were enacted, 5 bills were vetoed by the

President, and another 21 bills received active Senate or House consideration.

In the process, we saw creation of the Federal Energy Administration, the Energy Research and Development Administration, and the Nuclear Regulatory Commission.

There now remains the possible establishment of a Department of Energy and Natural Resources and a consolidation in whole or in part of Federal regulatory functions concerning energy.

Measures enacted in the 93rd Congress to encourage energy conservation included the Emergency Petroleum Allocation Act and establishment of 55 miles per hour speed limit.

Measures to expand energy production included enactment of the "coal conversion" provisions of the Energy Supply and Environmental Coordination Act of 1974.

The first energy action this year was Senate approval of a voluntary national energy conservation crusade. While endorsed by the President, this energy initiative was never implemented by the Administration.

Following approval of the Congressional Program on the Economy and Energy legislative programs were initiated on coal conversion, surface mining, natural gas regulation, energy conservation, land use planning, and amendments to the Federal Clean Air Act.

Last week, one week ago today, the Committee on Public Works, in conjunction with the Senate's National Fuels and Energy Policy Study, began an investigation of national policies affecting a doubling in coal utilization over the next 10 years—I repeat—a doubling in coal utilization by 1985. These hearings also are evaluating the necessary infrastructures to support implementation of this goal in compliance with national requirements:

For coal mine health and safety;

For surface mine reclamation; and

For environmental quality.

The Congressional Program also envisions the commercial production by 1985 of synthetic fuels from coal equivalent to 500,000 barrels of oil per day.

Similarly, President Ford in his 1975 State of the Union Message advocated expanding America's energy capabilities over the next ten years to support:

250 major new coal mines;

150 major coal-fired power plants; and

20 major new synthetic fuel plants.

Both the Congressional and Administration programs advocate that coal be substituted for oil and natural gas as our country's principal boiler fuel in electric utility and industrial applications.

In my judgment none of these goals will materialize if we depend on the so called "free market" which does not reflect the long-term energy issues.

Already it is clear that the Congress must formulate a definitive National Coal Policy which assures an economic coal system from the mine-face through the transportation system to the ultimate energy user.

For two many years we have all acted as though the economics of the electric utility industry were synonymous with those of the coal industry. For too long the public positions of coal users have been indistinguishable from those of the electric utilities. However, the coal industry depends on other users and the economic realities of the utilities can no longer be allowed to dictate the future of the coal industry. Each segment of our coal supply system must be economically sound. The present system while dominated by electric utility economics will not support a doubling in coal utilization by 1985.

The first step is coal substitution for oil and natural gas as our nation's principal boiler fuel in electric utility and industrial applications. I introduced legislation, S. 1777, to accomplish this goal. This measure is cosponsored by Senators Jackson, Magnuson, Huddleston, Humphrey, McGovern, Moss, Pell, and Symington. The bill requires that—

(1) By 1979, new fossil-fuel power plants and major installations must be capable of using coal as their primary boiler fuel;

(2) By 1980, existing plants, except those scheduled for near-term retirement, must be capable of using coal; and

(3) By 1985, all fossil-fuel plants must use coal as their primary boiler fuel, to the extent practicable.

The United Mine Workers estimate that if the mandate of S. 1777 were adopted and implemented, total coal production by 1985—allowing for total domestic use including steel production and for export—would be about 2.5 billion tons per year. Such an annual production level would be roughly equal to the *total* production of the past *five* years. Clearly, S. 1777 is a very tall order.

In my judgment even a doubling in coal production will not be achieved as long as coal prices are linked to international oil prices and adequate manpower is not available.

Manpower is the key to achieving greater coal utilization. During the next decade over 150 thousand new people will be required. The total labor force by 1985 will have to be between 300 and 330 thousand miners.

Vigorous recruitment drives will be undertaken by industry. But they must not stop there. Vigorous training programs also must be supported. There is conclusive evidence that on-the-job training often is at the expense of production as well as safety. Training must be prior to entry into an actual work environment.

There also must be a commitment to productivity. Increased productivity is of mutual interest to labor and management.

The coal industry is entering a period of potential growth without parallel in its history. However, this growth is unlikely to be realized as long as coal prices are established in the interest of short-term profits rather than growth. The outcome might very well be price controls, as we now have for oil and gas. What is needed is long-term coal prices which reflect production costs.

In the near future, I will introduce an amendment to the authorization for the Energy Research and Development Administration. The measure will provide for a loan guarantee program to support the development of a synthetic fuels program capable of producing by 1985 the equivalent of 500,000 barrels of oil per day. However, this potential is unlikely to be achieved as long as coal prices are tied to oil prices rather than production costs.

Since 1960 there has been a decline in the percentage of electricity produced from coal. This has been in part due to the decision by the electric utilities to meet air pollution control requirements by the use of oil—frequently imported oil. There also has been a failure by coal producers as well as the users of coal, to seriously promote the development of environmentally acceptable means for coal usage.

Continuous emission control systems for sulfur oxides are now commercially available for electric power plants. The principal remaining constraint is the lead-time necessary for industry-wide deployment.

Moreover, stack gas cleanup is the only technology which can be developed and applied on any significant scale in the near term, that is the next five years. This is true even though present cleanup systems are not fully satisfactory. Therefore, it is requisite that new systems also be tested promptly in order to develop lower cost solutions.

The optimum short-term strategy between now and 1980 should be to require the utility industry to do everything necessary to assure attainment of present ambient air quality standards for sulfur oxides and particulates. In addition, new plants should be required to meet New Source Performance Standards.

Industry is rightly concerned that the objectives of a national coal substitution policy should be reached so as to maximize the social benefits and minimize the unavoidable social costs.

Experience exists under the Energy Supply and Environmental Coordination Act which was enacted last June—11 months ago. The coal conversion provisions, which I sponsored, enabled electric power plants and major industrial facilities with the capability to utilize coal to convert from oil and natural gas to our nation's most aboundant fossil fuel. Unfortunately, it took 9 months for the Administration to begin the implementation of this legislation.

Using this authority we can achieve oil savings by 1980 in excess of 850 thousand barrels of oil per day. Even greater oil savings are possible by requiring new electric powerplants and major industrial facilities to utilize coal. For example, were new electric powerplants scheduled for completion between 1980 and 1985 required to utilize coal the resultant oil savings would be from 1 to 3 million barrels per day. These savings dwarf those from the present coal conversion program.

The future of greater coal utilization is inextricably intertwined with the entire future of the United States.

Energy self-sufficiency will require construction of a system for coal production, distribution and use, on granite pillars—rather than on quick-sand.

This effort will require leadership and initiative.

HOLIFIELD HEAVY ION RESEARCH FACILITY

Mr. BAKER. Mr. President, last week, during House of Representatives consideration of the ERDA authorization bill, an amendment was offered and accepted that was doubly noteworthy. I am referring to the amendment offered by Congresswoman Marilyn Lloyd of the Tennessee House delegation to restore the historic designation of Oak Ridge to the world-famous national laboratory located at Oak Ridge, Tenn. This amendment, which is reflective of the substantial concerns voiced by residents of the Oak Ridge area, reaches a wise balance between the understandable desire of the colleagues of Congressman Chet Holifield in both the House and the Joint Committee on Atomic Energy, and I am one of those colleagues, to pay tribute to Chet Holifield's distinguished service in the field of atomic energy, and the substantial pride of Oak Ridge and all Tennesseeans in the historic role played by the Oak Ridge National Laboratory in the nuclear era.

During markup of the ERDA authorization bill in the Joint Committee on Atomic Energy, I offered an amendment, which was accepted, to partially restore the Laboratory's traditional name by designating this facility the "Oak Ridge-Holifield Laboratory" and, thereby partially ameliorate the feeling of my constituents in the Oak Ridge area that the past and future contributions of Oak Ridge to the development of atomic energy would be significantly obscured by renaming the facility after Congressman Holifield. Congresswoman Lloyd's amendment, in my opinion, is an improvement over the committee's acknowledged compromise recommendation in that it, on the one hand, preserves the traditional designation of the Oak Ridge National Laboratory, while, on the other, pays tribute to Chet Holifield by renaming the heavy ion research facility in Oak Ridge as the "Holifield Heavy Ion Research Facility."

Furthermore, this amendment is an important one as it represents, I believe, Marilyn Lloyd's first effort as a new Member of Congress in offering a floor amendment; and I commend her for her leadership and forethought in this endeavor.

Previously, on January 21 of this year, Senator Brock and I introduced S. 272, a bill to restore the designation "Oak Ridge National Laboratory;" and I wish to announce that we intend to offer an amendment to the ERDA authorization bill in the Senate identical to that approved last week by the House. I hope that my distinguished colleague from Tennessee and I are able to prevail in offering this amendment, as I believe that it pays tribute to those many citizens of Oak Ridge who have, through the years, promoted the development of atomic energy, as well as honoring Chet Holifield, under whose chairmanship I have had the privilege of serving, for his truly important leadership in this field.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

ORDER FOR SENATE TO CONVENE AT 8:45 A.M. TOMORROW AND FOR RECOGNITION OF SENATOR BARTLETT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate come in at 8:45 tomorrow morning so that Mr. Bartlett may have his 15 minutes prior to the hour of 9 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WEICKER. Parliamentary inquiry, Mr. President.

What is the pending business? What is the status of it?

The ACTING PRESIDENT pro tempore. The Chair has just closed morning business, and, if the Senator will permit, the Chair will lay before the Senate the pending business.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume the consideration of Senate Resolution 166, which the clerk will state by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

The ACTING PRESIDENT pro tempore. The pending amendment is amendment No. 604 of the Senator from Connecticut (Mr. Weicker).

QUORUM CALL

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 38 Leg.]

Allen
Burdick
Byrd, Robert C.
Cannon
Cranston
Helms
Johnston
Mansfield
McGee
Metcalf
Pearson
Pell
Scott, Hugh
Scott, William L.
Stone
Weicker

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bartlett
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Case
Church
Clark
Culver
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Hruska
Huddleston
Inouye
Jackson
Laxalt
Leahy
Magnuson
Mathias
McClellan
McClure
McGovern
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Williams
Young

The PRESIDING OFFICER. A quorum is present.

ORDER THAT NO ROLLCALL VOTES OCCUR TODAY PRIOR TO 12:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. WEICKER. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, in view of the fact that this is a Monday, and some Senators may have to come from some distance to be here for the first vote, I ask unanimous consent that no rollcall votes occur today until the hour of 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 604

The PRESIDING OFFICER. The question is on amendment No. 604 by the Senator from Connecticut (Mr. Weicker).

Mr. WEICKER. Mr. President, I ask that the clerk read the amendment. It is short.

The PRESIDING OFFICER. The clerk will read the amendment.

Mr. WEICKER. This is so that we understand what point is being raised.

The PRESIDING OFFICER. The clerk will suspend until the Senate is in order. The Senate will come to order.

The legislative clerk read as follows:

> On page 1, line 7, insert the following in advance of (1) and renumber the remaining sections accordingly:
>
> It is the sense of the Senate that the Committeee on Rules and Administration shall retrieve, separate, and review all of the ballots in its custody of a "skip-candidate type".

Mr. WEICKER. Mr. President, in a few minutes I think the distinguished Senator from Pennsylvania (Mr. Hugh Scott), the distinguished minority leader, will speak to this point as this was the proposition which he laid before the Rules Committee as a member of that committee.

But, in essence, what is involved is whether or not there is going to be uniformity, consistency, in the way we treat the skip-candidate type of ballot as it relates to either Mr. Wyman or Mr. Durkin.

The proposition before the Senate right now is that all skip-candidate ballots should be retrieved and they should all be counted according to law and, specifically, New Hampshire law.

Very briefly what does the law of New Hampshire say in relation to this type of vote? In essence, when it comes to the straight party ticket circle it states as follows:

Above the party candidate column—this is not reading from the statutes but it is rather, my interpretation of them—the ballot presents a circle and a party emblem. The statutory instruction, carried to the ballot in small print, and to the instructions, in large print, prescribes only that the voter mark an X inside the circle; such a marking is a vote for every candidate in that party circle.

By case law decisions, however, it is settled New Hampshire law that: First, any other marking within the circle which evidence the voters' intent to vote by this method, is an effective straight ticket vote for all candidates in the column; and second, any X above the party column and overlapping or near the circle is similarly evidence of intention to vote by straight ticket.

The ballot law commission extended this concept and construed an X to the right of the party name and above the candidate column, but nowhere near the party circle, to also constitute a straight ticket vote.

The only portion of the ballot that it is necessary to inspect or review to determine whether the voter intended to vote a straight ticket is the portion above the party column line. But as to any particular race, such as the Senate race, it is necessary, even if an intention to vote in the circle is found, to inspect the balance of the ballot to determine whether a double vote is expressed, which is then counted for neither candidate in that race.

Now then, in effect, Mr. President, as I stated before, what I have recommended to the Senate is that the "skip-candidate" ballots in the possession of the committee be retrieved, and that a uniform procedure be applied to all of them.

I now yield to the distinguished Senator from Pennsylvania who originated this argument within the committee, and I hope, since this is really one of the dominant issues of the Wyman-Durkin contest, that my colleagues will give some attention because, as I understand it, there is also a pending amendment by the distinguished Senator from Alabama who will present his position which, again, was raised within the committee itself, that an equal number of "skip-Durkin" ballots should be brought forward, thus canceling the other out so, in essence, we are going to hear or be privy to hearing that which went on in the Rules Committee and, certainly, I think, we would all agree becomes one of the dominant issues in this contest.

I yield to the distinguished Senator from Pennsylvania.

Mr. **HUGH SCOTT**. I thank the distinguished Senator from Connecticut.

Before entering into a discussion of certain other aspects of the Weicker motion, which is the same motion I made in the committee, I shall address myself first to another aspect.

For example, we read over the weekend that members of my party are blocking the Senate. On the contrary, we have not yet reached but one of the 35 issues, and it is the action of the majority which seeks to invoke cloture not on the issue which we are debating but on all 35 issues.

Now, if that is not blocking careful consideration of the contest, I do not know what is.

If cloture were to be adopted, we would be confronted with the totally ridiculous situation where every Senator would be limited to 1 hour on the discussion of 35 separate tied issues referred to the Senate by the Rules Committee.

That would allow each Senator the total maximum sum of 102 seconds, or 1.7 minutes, I believe it is, to discuss each of these issues.

Any attempt to cutoff debate and limit us to 102 seconds an issue is arbitrary and contrary to the traditions of this body.

I have not always been against cloture, but I suppose nothing could affect my thinking about it more than the abuse of the privilege and I suggest that the time is coming when I may be able to give my friends on the other side who have argued so strongly against cloture a little more aid and comfort.

This is one thing I cannot help on because it is mine, but on some others, in view of the fact that cloture is now being abused, I may be able to be of some help to Senators, and I think other Senators, including some on the other side of the aisle who normally vote for cloture will be strongly tempted to vote against it.

In the concept of the Founding Fathers, under the Jefferson compromise, the House being elected directly by the people—or as the saying goes, springing from the people and then springing back at them every 2 years for their approval—Senators, were conceived as ambassadors from their States.

The State of New Hampshire has only one of its two ambassadors. The most sacred right, perhaps, of a Senator, is to defend the sovereignty of the Federal Government as expressed by the collective partnership with the States and as involved in the reserve sovereignty of the States.

The State of New Hampshire is being deprived of its rights and, in my judgment, every other Senator ought to think very carefully as to what this does to his State. As I have said before, if this Senate can take a seat away from New Hampshire, it can take a seat away from Delaware, it can take a seat away from New York, a seat away from Alabama, and a seat away from any other State, simply on the argument that they have a chance to do it, because this procedure has been illegal from the beginning, ab initio.

This procedure is one where for the first in its history the Senate has ignored the certificate of a lawfully elected Senator, absent fraud or deceit or approvable error, and absent the excessive expenditure of campaign funds, and those are the precedents.

Here, the only thing that happened is that the Republicans won a seat and the Democrats want it. We are saying we are entitled to the seat, and they are saying "we are not even going to argue that, the Senate has a right to do what it wants and under the Constitution we are going to take it away from you." We say, "you are not going to take it away from us as long as we have the strength to oppose you."

We are not handing down any ultimatums a la General Grant, and we are not relying entirely upon the goodwill of a majority of the Senate, although we solicit it.

What we are relying upon is justice, what we are relying upon is the right of a sovereign State to choose its Senator, and the sovereign State of New Hampshire did just that and its Governor, its council, its legislature, have urged us, if we do not believe that, to send it back.

In an act of generosity, Senator-elect Wyman has said, "I was elected, I am entitled to sit, but the majority is close, two votes, there are 27 tied issues, that is 13½ times as many issues as there is an electoral margin, and, therefore, I am willing to let it go back to the voters of New Hampshire."

Now, the other side is not willing to do that. Everybody knows why.

The NBC network the other day sent the inquiring reporter along the streets of a New Hampshire city, and asked: "How do you want the New Hampshire contest to be settled?" And the first voter said, "Send it back to New Hampshire."

So they kept looking, they kept looking, and they kept looking, because, generally speaking, the network theory is that they balance the news and give an answer to both sides.

They could not find anybody. I say, generally speaking, they could not find anybody who would say anything else but send the election back to New Hampshire.

Now, what is the Senate doing, what does it think it is doing when it defies the will of a sovereign State and the will of their people?

What it is doing is the hijacking of a principle and that principle is the right to be represented in this body by two ambassadors from their State.

On the issue before us, this was my motion in the Rules Committee. It did not prevail. A substitute motion offered by the Senator from Alabama to retrieve an equal number of ballots, which was an equal justice amendment if ever there was one, was adopted by a vote of 5 to 3.

Some claimed in the committee a misconception. Some said, "Oh, if we had known that meant you actually went back and looked real hard, we didn't mean it, if you actually went back through 185,000 ballots, we didn't mean it. We thought you were only going to the 3,500 ballots."

Although, as has been pointed out here, we did go beyond the 3,500 ballots on several occasions.

Now, why the generosity, why the 5-to-3 vote, if that is the case?

It could only be because those who voted to retrieve the ballots thought it was limited to the 3,500, and how well they knew, as did everybody else, that there were not any of these "skip-candidate" ballots remaining in the 3,500. They had been well culled. Therefore, the motion itself had no meaning unless it referred to all the ballots.

Then there was a motion to reconsider which resulted in a tie.

So, notwithstanding the majority's decision of the Senate to retrieve an equal number of ballots, we were frustrated by the ruling of the Chair that the motion to reconsider by a tie would itself be sent to the Senate.

So a motion to reconsider a tie, which was itself tied, was held by four Senators to be a disfranchisement of the other four and all 35 4-to-4 votes, it is argued on the other side, should now be considered to be 35 8-to-0 votes.

Even without the presence of these new electronic calculators, I do not believe the outside world, the real world outside of the Senate, would accept that kind of non-Euclidian mathematics. In any event, it ought to be seen for what it is, a fraud against reason and a betrayal of justice.

What does the law of New Hampshire say about how a voter shall cast his ballot?

> N.H. RSA 59:58 Marking. On receipt of his ballot the voter shall forthwith, and without leaving the enclosed space, retire alone to one of the voting shelves or compartments, and shall prepare his ballot by marking a cross (x) in the circle if he desires to vote a straight ticket. If he desires to vote for a candidate whose name is not printed under the circle in which he has marked *he shall erase or cancel the name of the candidate in such column for whom he refuses to vote,* and may vote for the candidate of his choice by marking a cross (x) in the square opposite the name of such candidate, or by writing in the name of the person whom he desires to vote in the right-hand column prepared for the purpose. In such case the vote so marked in the square, or so inserted in the right-hand column, shall be counted, and such ballot shall not be counted for the candidate for the same office whose name is erased (Emphasis supplied.)

That is the relevant part of the section.

Above the party candidate columns is the circle of party sometimes called the bull's-eye. The statutory instruction is carried to the ballot in small print and to the instructions in large print and prescribes only that the voter mark an X inside the circle. Such a marking is a vote for every candidate in that party column.

By case law, however, it is settled New Hampshire law that; one, any other markings within the circle which evidences the voter's intention to vote by this method is, in effect, a straight ticket vote for all candidates in the column, and, two, any X above the party column and overlapping or near the circle is similarly evidence of intention to vote by straight ticket.

The only portion of the ballot that is necessary to inspect or review to determine the voter's intent to vote a straight ticket is the portion above the party column line. One, however, has to inspect the entire ballot to determine whether or not a double vote was expressed. If there is a double vote, it cannot be counted for either candidate.

If the voter does not want to vote a straight ticket by use of the circle he can ignore the area above and make an X in the square opposite the candidate's name in whatever column the name appears.

Again by case law decisions, if there is any other marking within the square—checkmarks, diagonals, straight lines, circles, stars, squiggles, dots—if the mark evidences an intention to vote in that square, it is sufficient to permit the vote to be counted. Two, an X marked outside the box but beside the candidate's name either to the left or the right may be sufficient evidence of an intention to vote for that candidate.

To determine whether a voter effectively voted by the squares, it is necessary to inspect not only the portion of the ballot where the squares exist, but the areas above where the party circle appears because if there is evidence of an intention to vote in the circle in the opposite party column, then a split or double-marked ballot results which, by settled New Hampshire law, being votes for both candidates, can be counted for neither.

Votes by write-in are provided, as I have said, and in Stearns against O'Dowd it was held that the double-marked ballots cannot be counted.

Multiple or cancelling votes arise in various ways on the New Hampshire paper ballot. For example, A, if the voter marks both party circles the result is a defective ballot that can be counted for no one. If he marks one party circle and additionally votes for a candidate in the square in another column or by write-in, the result is a defective ballot and cannot be counted in that race, although it may be an effective straight ticket in other races.

We had three candidates for the Senate. It is not essential that there be an expression of more than one intention to vote for a single candidate. Let us look at the ballot which is displayed here in the Chamber.

Let us take this ballot because only one was found in the 3,500. We have testimony as to the fact that there are hundreds and hundreds of these ballots down in the basement of the Senate Office Building, easily retrievable, which could be counted in 2 or 3 days if the Senate really wants to know how the election came out.

This is the only ballot of its kind because the challenges for Senator-elect Durkin were specifically instructed that this is a straight ballot vote. When a dozen ballots were challenged, however, as against Mr. Wyman's, someone decided if that happened they would challenge one of the Durkin ones, although they knew that this was a straight ballot for Durkin.

Here you have the voter's intent in the party circle with a big X. That man says, "I want to vote for everybody on the Democratic ticket and if I do not I will tell you."

He does not tell you, because the law says there is only one way he can tell you. He has to erase over here the people he does not want to vote for, the person for that office—right there—and if he does not erase the opposing candidate there are not only to be counted the X's marked for various candidates, but a constructive X under New Hampshire law appears right there for John Durkin. The three Republicans and one Democrat voted to cast that ballot for Mr. Durkin on the ground that it was a straight ballot vote for him. The voter did not need to go twice to express his vote. He has done it once up there and that was a sufficient and altogether total expression of the voter's intention.

That is all the law says.

What is the answer to it? The answer from the other side is simply this, and I will continue from my desk. The answer offered by the other side is that we must consider above everything else the intent of the voter. What they do not tell you clearly is what is meant by that. The case law decisions hold that intent must be a legally expressed intent under the law of New Hampshire.

Before I go to legally expressed intent, let me say that there is no way of telling from that ballot whether the voter marked a cross in the circle first or the boxes of individual candidates first. If he voted the boxes in the individual candidates first, which happens to be the way I often vote in my State, and then went up and put a square in the bull's eye for the Democratic Party, he voted for the whole party ticket and he voted for Mr. Durkin.

And those of us who were not of the belief that the law of New Hampshire ought to be ignored voted to cast that vote for Mr. Durkin. Others who would have liked to give the vote to Mr. Durkin felt compelled to vote "no," because of their votes on the 12 other ballots.

The legally expressed intent of the parties is what does it.

Mr. WEICKER. Mr. President, will the distinguished Senator yield?

Mr. HUGH SCOTT. I am glad to yield.

Mr. WEICKER. I would like to ask the distinguished Senator at this point, what, then, basically is the issue? Is this not the way it was counted for both Mr. Durkin and Mr. Wyman? What happened?

Mr. HUGH SCOTT. What happened in New Hampshire—we are now aware of what happened in New Hampshire with the secretary of state and the ballot law commission both.

This ballot was voted for Mr. Durkin. The other 12 ballots were voted for Mr. Wyman. Over here, we have the effect of all of these ballots being denied by a 4-to-4 vote, because there were four Senators who were unwilling to give effect to the legally expressed intent of the voters. That ballot went to Mr. Durkin in New Hampshire; the other 12 ballots went to Mr. Wyman in New Hampshire.

Mr. WEICKER. Is the distinguished Senator, then, telling me that in the Rules Committee this type of ballot, which had the X in the circle, was thrown out?

Mr. HUGH SCOTT. Well, it was thrown out, although Senators HATFIELD, GRIFFIN, ALLEN, and myself voted that it was a valid ballot for Mr. Durkin.

Mr. WEICKER. As I understand it, then, there were 12 ballots for Mr. Wyman that had the X in the Republican circle where Mr. Wyman's name was not checked, and the Rules Committee threw those ballots out?

Mr. HUGH SCOTT. That is right, although they went farther in some places; where there had been only one vacancy in the candidate sections in some ballots, there were two or more in some of the ballots, and they nevertheless threw that out also, although that was harder to justify, as I shall develop in a minute.

Mr. NELSON. Mr. President, will the Senator yield for a question?

Mr. HUGH SCOTT. I yield.

Mr. NELSON. Do I correctly understand the distinguished Senator from Pennsylvania to say that the ballot law commission counted all the ballots of that kind for either Durkin or Wyman?

Mr. HUGH SCOTT. That is right.

Mr. NELSON. What did the secretary of state do on the first recount? How did he assign those ballots?

Mr. HUGH SCOTT. The secretary of state counted these, as I have said, as straight ticket votes, and so also did the ballot law commission. Because there was no challenge, the ballot law commission simply accepted the earlier count. So it has been twice approved in New Hampshire, and in the past this has always been the case.

Mr. NELSON. So when the secretary of state made his count, with all of these "skip-Durkin" or "skip-Wyman" ballots with the X's in the circle at the top, they were all counted either for Durkin or Wyman?

Mr. HUGH SCOTT. In every case they were counted as I have described them, except that under the New Hampshire law there were other ballots where there were erasures or cancellations. Those were given effect under the New Hampshire law. But these which we see here were all counted as I have indicated, one for Durkin and 12 for Wyman.

Mr. NELSON. In both recounts?

Mr. HUGH SCOTT. In both recounts. In the secretary of state's recount, and there was no challenge before the ballot law commission, so the ballot law commission accepted the decision of the secretary of state, that is right.

And also in the precincts this is the way the precinct challengers counted them, no matter whether someone else counted them differently or not. Under the New Hampshire law that is a straight ticket, with a vote for the candidate for whom the ballot was cast in the bull's-eye, and we so issued instructions to our precinct challengers.

The following conversation occurred in the committee on March 26 last, in talking about the "skip-candidate" ballots:

> Senator HATFIELD. What do they do up in your State of New Hampshire in those voting booths when they have that kind of a circumstance? Do the talliers and the people who work on those panels, or whatever you call them in your State, count that ballot for the county clerk or the county coroner when it is left blank in this hypothetical situation I outlined?

That is the same situation as with the 12 left blank here.

> Mr. DURKIN. You mean, it is the only one left blank?
>
> Senator HATFIELD. Yes. Straight party ticket in the circle and an X in all the boxes except county clerk at the bottom which was left blank.
>
> What do the precinct people up there do in the counting of that ballot? Do they count it for the county clerk or not?
>
> Mr. DURKIN. I honestly don't know. And if you saw Mr. Birvey's markings on the ballot yesterday, those 8 or 10 ballots, I don't think it is clear. I can tell you what John Durkin would do if he were the moderator in that particular ward. Because there is less concern with the bottom of the ticket, I think the X would have more weight at the bottom of the ticket—I would count it for the county clerk or coroner or what have you.

What he is saying is that if a box shows a blank space in the bottom part of the ticket, and they have the X in the target, he would count it as a vote for the County Clerk, notwithstanding the fact that there is a blank space.

"But up here," he says, referring to the top part of the ticket, "I would not."

> Senator GRIFFIN. Where would you stop counting, at what point?

In other words, if there is a hole in the bottom of the ballot, why is it a straight party, if it is not if there is a hole at the top, where would you stop counting?

I asked:

> Yes; that is the question, where would you stop?
>
> Senator HATFIELD. How far down the ballot, how many blanks do you need to have the straight party ticket not count?

Mr. Durkin said—and I am reading his answer because I want to show there were some Senators on the committee who disregarded Mr. Durkin's own statement, and voted to the contrary—

> Mr. DURKIN. I would say—and there are ballots that we did not bring before you—I think I stated on the record this morning, if there were two blanks up here, two blanks anywhere in the top part of the ballot, my argument comes down in my lap.

Now, I want Senators to know that as to some of these issues there were two blanks, where Mr. Durkin admitted he had no case, and four Senators on the committee voted to give it to him anyway, by voting for him.

> Senator HATFIELD. How far down would you count the important votes?
>
> Mr. DURKIN. Well, I think you can go down to the bottom line.
>
> Senator HATFIELD. What about the third line down from the bottom?
>
> Mr. DURKIN. If they leave these three blank?
>
> Senator HATFIELD. If they left the third one blank up. My point is simply, how far up would you go to the important races or how far down from the top would you come before you would not count a void or a blank box, where all of the others had been filled in?
>
> Mr. DURKIN. It wouldn't disturb me on the bottom one. It would disturb me more on the second from the bottom. I would say if you had three blanks down here, then my argument fails.
>
> I think the impact of this argument—where Senator Byrd—ascertained the voter intent—and Senator Cannon and others and Senator Griffin, I think, mentioned—ascertain the intent from the four corners of the ballot.
>
> And every open space in that Republican column, my argument gets that much weaker.

They were talking about the "skip-Louie" ballot.

> And where it blows up entirely, why, that is a factual question.

That is the proposed rule of those who would go beyond Mr. Durkin's argument and of those who, in fact, did go beyond his own admission, because when he brought down his celebrated attorney from New Hampshire—and, as I said before, this man was good—he proceeded to change all the colors of the rainbow and reverse the spectrum, and he proceeded to establish that bottom was top, top was bottom, right was left, and back was front.

He argued to those who were so anxious to hear his argument that his own client was wrong and he ought to disregard it and go ahead and count them anyway.

So, they voted to count them anyway or not to count the Wyman one, as the case may be.

Mr. Durkin's proposed rule proposes a grave danger of contravening the actual intent of the voter as well as the expressed legal intent of the voter.

Do not be misled by this one case constantly cited here that it is the intent of the voter that counts. It is not. It is the legally expressed intent of the voter that counts.

In that very case where the words are used, "The intent of the voter counts," there was a decision made which upheld the argument here; namely, that since there were no erasures on certain lines for marking out of candidates' names they had to be counted if there was a prevailing or superior mark in the bull's eye.

But the theory of interpretation advanced by Mr. Durkin assumes that the voter first made a mark in the voter circle and then made marks in the candidate circles, and then, according to this view, the voter deliberately skipped the box of the senatorial candidate for the reason that he did not wish to cast a vote for a candidate.

The theory is based upon speculation. It should be noted, however, that the same underlying facts support other plausible theories that produce a different result.

Senator GRIFFIN noted one such theory on the 26th of March, saying do not suppose that it is just as logical and just as reasonable to assume that maybe he, the voter, went down and made checks in various squares, and then at the last minute said: "Oh, hell, I will vote the whole ticket just like that."

Is that not just as logical?

Mr. Durkin replied:

> That is possible. I do not think it is just as logical, but it is possible.

Mr. HANSEN. Mr. President, will the minority leader yield?

Mr. HUGH SCOTT. I am glad to yield.

Mr. HANSEN. Mr. President, with specific reference to the excellent point that is being made by the minority leader, I think Senators will be interested, and of right they should be indeed concerned, with the point that seems to be significant here in this debate: should the intent of the voter prevail or should the legal or constitutional interpretation of that point prevail?

I call attention to miscellaneous materials that are included in part 3 and refer my good friend to pages 2095 and 2096.

In the case before the court, Shannon & Tilton—Mr. Tilton orally—for the relator, Stephens & Jewett—by brief and orally—for the defendant, these points were made.

Next I turn to page 2096, and I call attention to the first full paragraph in the middle of that page:

> While there may be little doubt that the voters who pasted the name of the relator over that of the defendant thereby expressed a decided preference for the former for the office of selectman, if the way they adopted of indicating that preference is not a substantial compliance with the way prescribed by the statute, their attempt to vote for the relator is a failure.

That is the Attorney General against Bartlett, 75 N.H. 388.

> The voter must furnish the kind of evidence of his intention which the statute requires, in order to have his vote counted.

That is precisely the point that is being made by the distinguished minority leader, and I think needs to be considered, because it throws out, rejects, and disavows the whole case that the distinguished floor manager of this bill is trying to make, that when they go through this thing and discuss these 27 contested issues, when they vote as they did a number of times, and it is a tie vote 4 to 4, the Committee on Rules and Administration of the Senate of the United States, I contend and submit, is rejecting what has been established by law here, and I think that Senators will be keenly interested in the point being made by the distinguished minority leader.

I thank the Senator for yielding.

Mr. HUGH SCOTT. I thank the distinguished Senator from Wyoming for having raised this point.

It is perfectly clear that intent of the voter must be expressed within the law, within the statutes, and within the interpretation.

It is perfectly clear that a voter's intent must comply with the law; otherwise, he cannot have his way.

Here was a voter in the case cited by the Senator from Wyoming, who obviously did not want the candidates whose names were on the ballot. He resorted to a sticker campaign. He went to the trouble of having stickers made. He pasted them over the name of the candidate. He showed who he wanted. But he did not comply with the law. He did not do what the instructions on ballots currently tell him. Whether he did at the time of that case I do not know. He chose his own method of expressing his interest.

Let us cite some other ways in which a voter might have an intent to do things which are voter intent but not legally expressed intent.

Suppose a voter were to vote seven times. That would be his intent, but it would not be legally expressed.

Suppose he wanted to vote for a Governor in a race where no Governor was running and only a Senator was running. He had an intent to vote, but not legally expressed.

Suppose she wanted to vote for a dead sister or a dying sister. She had an intent to do it because she thought her dying sister would vote a certain way, but it was not a legally expressed intent, although there were at least four Senators on the Committee on Rules and Administration who wanted to do it anyway, I suppose out of compassion, or perhaps out of the desire to gain a vote. One does not know whether to ascribe the materialistic or the humanistic motive in a case like that.

That is one of the issues one has to decide here. One has to decide whether someone can vote for someone else, even though the someone else did not indicate an intent.

But the argument goes, that means the sister had an intent and her dying sister had an intent; while they never got together on it, if one has zero plus zero, one gets two votes, and there again is the non-Euclidian mathematics, which I spoke about, which pervades this case, because one cannot decide this case on one plus one equals two, which is the voter decision here; Senator-elect Wyman was chosen by two votes; one can only select it by plus two minus anything one can grab, which is hardly what we intend to permit if we can prevent it.

The case cited of Attorney General (ex rel Lang) against Duncan is very clear—that it is up to the voter. The voter takes the burden with him. He must furnish the kind of evidence which the statute requires——

Mr. STONE. Mr. President, will the Senator yield for a question?

Mr. HUGH SCOTT. I yield.

Mr. STONE. Did not the distinguished Senator from Tennessee say that all we had here was a problem of one plus one, and even this body was capable of making that addition?

Mr. HUGH SCOTT. I say to the distinguished Senator from Florida that the Senator said that in another context. But the Senate on Saturday was not capable of adding 38 and 61 and coming up with 50, I notice, so there still are complications. Yes, we occasionally can add one plus one. It is the subtraction that gives me the greatest trouble.

Mr. STONE. I thank the Senator.

Mr. HUGH SCOTT. The voter then is told in this ballot:

> If you don't want to vote for Mr. Durkin, you simply erase his name—you strike a line through his name. You cancel his name. If you do't do that, you have voted for Mr. Durkin, and the instructions on the ballot will tell you how to do it. If you don't do it, you haven't done it.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I will yield after I have read the instructions given to Mr. Wyman's challengers. It reads:

> A cross in party circle and a cross in some boxes, *but not all*, under the same party column, is still to be counted as a straight ticket, because no names in the party column have been crossed out or erased.

I yield to the Senator.

Mr. NELSON. Did I correctly understand the Senator to say that the instruction on the ballot notifies the voter as to how to strike a candidate for whom he does not want to vote?

Mr. HUGH SCOTT. Yes.

Mr. NELSON. It is not on the ballot.

Mr. HUGH SCOTT. The instructions are posted. In some States, the instruction is handed to the voter. In New Hampshire, this instruction to voters is posed in the voting place.

Mr. NELSON. Where is the instruction applicable to the point the Senator has just raised?

Mr. HUGH SCOTT. First of all, they are told to give the name and address, go to the voting booth. Then they are told:

> To vote a straight ticket, make a cross (X) within the circle of your political party.
>
> If you do not wish to vote in any party circle, make a cross in the square opposite the name of the candidate you wish to vote for, in whatever column such name appears. It is not necessary in doing this to cancel any names.

That instruction said "if you do not use the party circle."

> If you wish to vote for a candidate whose name does not appear at all on the ballot, write the name in on the blank column at the right of the ballot. (No cross is necessary after the name written in.)

Then it explains what happens if you spoil a ballot and how you fold the ballot.

Those are the instructions. In other words, the instruction is that if you vote a straight party ticket, you are voting for everybody in that ticket, because of the very wording. But if you do not want to vote a straight party ticket, you make a cross in the square opposite the name of the candidate.

Here we had the opposite. If everything was blank on the Democratic ballot, and on the Republican ballot the circle was blank, and there was only one cross on the ballot, and that was for the Governor, that is the only vote that would be cast. If there were two crosses for the Governor and for Mr. Wyman, that is all that would be cast. If the cross for Mr. Wyman had been stricken out together with his name, and a cross put in for Mr. Durkin, that vote would have been cast for Mr. Durkin, because no party line vote was involved. The instructions I read, used by the Wyman challengers, followed the law.

On the question of whether or not these votes can be retrieved from the ballots which are in the basement, in the Senate complex, we have a number of affidavits from persons who will say that they are there. In fact, I just read testimony from the hearings of the 26th of March, in which Mr. Durkin refers to the fact that there were a number of such ballots.

Here are some affidavits. There is one on April 2 by Mr. Ward Brown. He watched the counting of the ballots. He says:

> There were many ballots for Durkin that were marked with a cross or a check in the Democrat column in the straight ticket circle and also with a cross or check in all boxes below the circle except the Durkin box. This type of ballot was not protested upon instruction from our attorneys that the mark in the circle was a vote in every box below the circle and that a ballot marked in this way was a legal vote for Durkin.
>
> I observed many ballots of this type counted for Durkin and there must be hundreds of such ballots in the total paper ballot count from New Hampshire in the November 5th election.

Here is an affidavit from Shirley L. Hodgdon, of Portsmouth, N.H. She makes the same statement about how such ballots were marked, that there were a number of them, that she observed many ballots of this type counted for Mr. Durkin. She said, "there must be hundreds of such ballots in the total paper ballot count." She was an observer.

Here is an affidavit from Paul Giddis. He says:

> There were many ballots for Mr. Durkin that were marked with a cross or check in the Democrat column in the straight ticket circle and also with a cross or a check in all boxes below the circle except the Durkin box. This type of ballot was not protested upon instruction from our attorneys that the mark in the circle was a vote in every box below the circle and that a ballot marked in this way was a legal vote for Mr. Durkin.
>
> I viewed many ballots of this type counted for Mr. Durkin and believe that with the many counters involved there were many hundreds of such ballots in the total paper ballot count from New Hampshire in the November 5th, 1974 election.
>
> My own personal feeling in the above was that we should not protest just for the sake of protesting, but only where protest was justly due.

Here is an affidavit by the secretary of state of New Hampshire, who has been in that job for 15 years. He states that his job, among other duties, is to furnish a compilation of the election laws. This is what the secretary of state says is the law of New Hampshire:

> The law of the State of New Hampshire is well settled that a cross or check in the straight ticket circle is by operation of law the equivalent of a similar voting mark in each individual candidate box below the circle in the same column. It is not necessary that the voter in N.H. should also mark in the candidate boxes if he has marked in the straight ticket circle, and the failure of a voter to mark a single box in such a

> column is meaningless if he has marked the straight circle at the head of that column since by so doing the law says he has voted in that candidate box.
>
> To vote a straight ticket in New Hampshire the law requires that the voter shall mark in, near or touching the straight ticket circle. A cross at the very bottom of a ballot, below all lines, cannot constitute a compliance with the requirements of New Hampshire law for straight ticket voting, and is not recognized as a lawful vote in New Hampshire.

Notwithstanding, four members of the committee voted to ignore the affidavit of the secretary of state of New Hampshire and go ahead and insist that these ballots be counted. There was disagreement by four other Senators.

Here is an affidavit from the former Governor of New Hampshire, a man well-known in this city and highly regarded for his integrity and his experience—Hugh Gregg. He was asked to serve as chief of observers for Senator-elect Wyman by the secretary of state. He says:

> The function of the Wyman observers was to watch the counting of ballots by representatives of the Secretary of State and to protect ballots believed to have been improperly counted for Durkin.
>
> Many ballots for Durkin marked with a cross or check in the straight party circle and in all boxes below the circle, except Durkin's, were brought to my attention or observed by me as I went from counting table to counting table. We were advised by our attorneys that this type of ballot, when there was no other mark of any kind in any other column, constituted a lawful vote for Durkin; because a mark in the straight party circle, under New Hampshire law, is a vote in every other box below the circle whether or not the boxes were also marked, in whole or in part. Thus, such ballots were not protested at the recount by the Wyman observers.
>
> There were a substantial number of such ballots counted for Durkin by the Secretary of State in the total paper ballot count from New Hampshire in the November 5, 1974, U.S. Senate election.

This was signed and sworn to by Hugh Gregg on April 2, 1975.

Obviously, the argument here is an argument of fairness. The argument is if you did not challenge these votes in New Hampshire because the secretary of state says they are straight party tickets, you cannot challenge them, if they were not protested in New Hampshire, because that is what the law said, that is what the observers were instructed, that is what a former Governor, the chief observer, said and he was familiar with the law. Everybody acted in good faith here on the Wyman side. None of these challenges was made, with one random exception, which apparently occurred at a time when somebody was challenging a group of these ballots for Mr. Durkin.

In all fairness, then, if the challenges of Mr. Durkin are to be treated with such seriousness as to be debated at length in the Committee on Rules and on the floor, should not the challenges of Mr. Wyman receive equal seriousness? Indeed, that is what the Committee on Rules at one point decided, by a vote of 5 to 3, that it would only be fair to go back to the votes in the basement here and pick out similar votes of Mr. Durkin and count them, too.

In view of the affidavits of observers of Mr. Wyman that there are hundreds of such ballots, it is obvious that if we go back and count them and, if they are right, there will be hundreds of votes, which would be canceled out, for Mr. Durkin. They would not be counted for Mr. Wyman, they would be canceled out.

Mr. NELSON. Will the Senator yield for a question?

Mr. HUGH SCOTT. Yes.

Mr NELSON. I am puzzled about the fact situation. On the recount by the secretary of state, the Senator responded a few moments ago, all of the so-called "skip-Wyman" and "skip-Durkin" votes, where the circle was at the head, were counted in behalf of the candidate who was skipped?

Mr. HUGH SCOTT. Yes, and that is always the fact.

Mr. NELSON. And on the appeal to the ballot law commission it was the same?

Mr. HUGH SCOTT. The ballot law commission accepted what was presented to it without argument on either side. It was not raised at the ballot law commission, so the ruling of the secretary of state was affirmed.

Mr. NELSON. I am puzzled about the ballots the Senator from Pennsylvania is suggesting we go back and count now. If they were all counted twice and on those two recounts these "skip-Wyman" and "skip-Durkin" ballots were counted for the candidate who was skipped, what is left for a recount when we go back?

Mr. HUGH SCOTT. Well, the answer, of course, lies in the hidden ingredient here. That is, when the secretary of state was counting, he did not know that once they get down to the Senate, a number of Senators are going to impose a different rule and are going to actually argue that the law of the State of New Hampshire does not count, the law of the State of New Hampshire does not apply. The same Senators argue with almost equal urgency that the voters' intent applies according to the State law of New Hampshire. So they want to have it both ways.

What happened with the secretary of state on this was that he counted the ballots as lawfully cast, that the Wyman challenges did not challenge any of these ballots except, as I said, one by some random circumstance that nobody can explain. When they reached the Senate, some of the Wyman forces were very much surprised to find that a pattern existed in 12 cases.

Remember, now, we were counting 3,500 and were finally down to 950. So the pattern emerged for the first time, as far as I know, in the Senate Committee on Rules. At that point, Mr. Brown, counsel for Mr. Wyman, got up and said:

> I can see what is happening here now. Some of the Durkin challengers have decided to make a case on one of these ballots, which we believe to be a straight ticket for Wyman. But if they can win that case on this one straight ticket for Wyman by throwing it out, it now appears that they have 11 others, since they asked that certain ballots be set aside to be argued in a group.

He said:

> I see what is going on now. What is going on now is, you are going to ignore the law of New Hampshire, you are going to ignore the fact that the secretary of state and the Ballot Law Commission applied the law of New Hampshire. You are going to ask for a new law down here and we are caught abiding by the law. We are being penalized because we abided by the law and the other people didn't.

Mr. NELSON. I understand the two viewpoints represented on the "skip-Wyman" and "skip-Durkin" vote. One, if it is in the circle, you always count it straight regardless of whether it is skipped or not. The other side of the argument is this. If you can determine the specific intent of the voter, you ought to determine that intent, and half the members of the Committee on Rules voted that they could not determine the intent. The other half said, that is not he way that the New Hampshire law applies. I am still missing something.

The Senator said the Rules Committee, as I understand it, recounted 950 of the 3,500.

Mr. HUGH SCOTT. Recounted approximately 950.

Mr. NELSON. I am still puzzled. I still do not understand the issue. The Senator from Pennsylvania thinks the Committee on Rules, or somebody, should go back and recount what ballots? All 3,500 or just the 950?

Mr. HUGH SCOTT. I understand what the Senator is asking. I understand that.

First of all, I want to say the ballot law commission only counted 400 ballots, because both sides agreed that the 400 were symbolic and representative and if they prevailed on this, that, or the other point, they would be back. They eliminated there. When they got here, they had reserved their right of protest.

The Senator is asking me another question. They reserved the right to protest the entire election, or protest 3,500 or 900 or whatever, on both sides. But the Senator is asking me what we propose to do here. What I am saying is that the Committee on Rules voted 5 to 3 to go back on the 3,500—the Committee on Rules rejected, first of all, I think it was by 5 to 3, my motion to go back to the 185,000 ballots and retrieve therein all of the "skip-candidate" ballots, be they "skip-Louie" or "skip-John" ballots—that they be retrieved. That did not pass.

Then there was a motion by the Senator from Alabama (Mr. ALLEN) that the committee go back to the vote, or the ballots—I want to be careful, because it is the phrase "the ballots" that led to a further argument shortly after lunch. The amendment was that the committee go back to retrieve those ballots which would involve a "skip-Durkin" situation to a number equal to those that the committee had tried to count, had refused to count for Wyman. In other words, there were 12 cases where the committee divided 4 for Wyman and 4 no vote. Those were the "skip-Wyman" ballots.

The committee tied on those, 4 and 4. So that deprived Mr. Wyman of 12 votes, which he had received and which had been counted for him by the secretary of state and the ballot law commission. So the substitute to my amendment was, in order to work justice, let us go back to the ballots and retrieve an equal number—retrieve 12 "skip-Wyman" ballots—rather, 12 "skip-Durkin" ballots. I am sorry; I made a mistake.

The committee voted that way 5 to 3. But after lunch, some Senators made the point that they felt that the retrieval of an equal number, to work justice, was applicable only to the 3,500 ballots which were, in the first instance, immediately before us, reservation having been made to go to the others if we could persuade the committee.

Senator Allen made the point that that was not his motion. His motion intended to go wherever the ballots were in the 3,500 or the 185,000 because it is my judgment that most of us on the committee knew there were not any more "skip" ballots in the 3,500. We had to go the 185,000.

That motion carried 5 to 3. Then there was a motion to reconsider which was tied 4 to 4, and that is where we are.

Mr. NELSON. May I ask another question for clarification? The motion was to go back to all ballots until——

Mr. HUGH SCOTT. That was what Senator Allen argued.

Mr. NELSON (continuing). We are able to achieve an equal number of "skip-Durkin."

Mr. HUGH SCOTT. That is correct.

Mr. NELSON. That puzzled me because it does not seem to me that you achieve equity that way. Maybe I am missing something again.

But let us assume that there is no question that you could probably go through 180,000 ballots and find 12 "skip Durkin" or 12 more "skip-Wyman" or anything you please. But in order to determine who won the election, it seems to me, then you would have to count all "skips" on both sides because, let us say, that the ratio of "skips" was 5 Durkin to 4 Wyman or vice versa.

Mr. HUGH SCOTT. No one knows.

Mr. NELSON. Then you would not achieve the correct ballot result by just going back to drop an equal number of Durkin and Wyman.

Mr. HUGH SCOTT. The Senator is reasoning correctly because that is exactly what my motion was. But it did not prevail.

Mr. NELSON. Let me interrupt. I do not have a judgment whether that is the right result, but it is obvious to me that you would not achieve a fair result by going back and just selecting until you found an equal number of "skip-Durkin" because there might have been more "skip-Wyman" than "skip-Durkin" or vice versa, because certainly no one knows. But you certainly could find 12 out of 180,000.

Mr. HUGH SCOTT. No question about it.

Mr. NELSON. So then that would not make good sense.

When we are all through with that, let us assume we count them all, we are through with that, what do we do? Then you have a determination whether you count them all, whether they are skipped or not in behalf of the candidate or whether you disqualify all of them. That would be the next question to decide.

Mr. HUGH SCOTT. Yes.

Let me say to the Senator from Wisconsin I said my motion was defeated. It was not. It was tied. My motion is to go back and retrieve all of the "skip" ballots, which is what the Senator says would be the just way to find out, a good way to find out. I think so, too.

Mr. NELSON. I do not know. All I am saying is this. If you are going to count the "skip" ballots, you would have to count them all. You cannot just count until you find 12 on one side, it seems to me.

Mr. HUGH SCOTT. Well, here is what we were trying to do, respectively. Following what the Senator from Rhode Island (Mr. Pell) had said, justice must not only be done, but it must be seen to be done. We made that point time and again on both sides.

The Senator's reasoning is correct. It was my motion. It failed on a tie vote. My motion was to go back and retrieve all of those not at all knowing whether there were more "skip-Wyman" or more "skip-Durkin," but it seemed to me proper to go back and get them all since the committee was passing judgment on something which the officials of New Hampshire had long held could not possibly be applied to their election laws.

So when my motion failed on a tie, the point I am making is that the Senator from Alabama—and if I can attempt to reason with myself as to why he did it—was probably motivated by the feeling that the committee had arbitrarily taken away 12 votes which it had no right to take away, and was seeking perhaps to try to decide the election by this arbitrary rule whereby 12 ballots for Wyman were destroyed on tie votes, meaning in each case for Wyman, 4 no vote. He therefore proposed that we seek to retrieve an equal number.

The committee voted for that 5 to 3, that is my point. But after lunch they came back, and some of the committee members said, "Oh, we thought you meant only the 3,500."

But at that time they had to know there were no more "skip-candidate" ballots in the 3,500. Therefore, the motion could only have applied to hunt where the rabbits were outside of the 3,500. However, the motion to reconsider was tied also.

Mr. NELSON. Mr. President, will the Senator yield for another question?

Mr. HUGH SCOTT. Yes.

Mr. NELSON. Since the secretary of state and the ballot law commission did count them twice—they were counted once and then recounted by the ballot law commission—is the Senator saying that since all of these ballots were counted and treated in the same way by the secretary of state and the ballot law commission that these 12 "skip-Wyman" votes got into these 3,500 ultimately because they were protested at some stage, whereas the "skip-Durkin" votes were not protested by the Wyman side? How did they get in there?

Mr. HUGH SCOTT. I have to say to the Senator I agree with him that is how they got in.

Mr. NELSON. I am not saying, I am asking the Senator. I do not know. In other words, if all the ballots had been counted——

Mr. HUGH SCOTT. I would say it occurred because there were challenges made by both sides. The nature of these challenges was only partly resolved in the secretary of state's count because then the contestants went to court and the court said a limitation existed on the secretary of state. Other limitations existed on the ballot law commission. So when they got to the ballot law commission a number of these protests were not aired before them but only selected protests were picked out by both sides, and the ballot law commission agreed to hear 400. Those 400 were heard and the ballot law commission made its findings.

Now then, all of the protests which had been heard, plus all of the protests which had not been heard by the challenges on both sides were carted down here to the Senate and argued, as they could contend, I think, de novo, at least as far as the argument was concerned, and the Senate Rules Committee then heard the petitions.

Out of those petitions there emerged, I think somewhat to the surprise of the people of New Hampshire, a pattern in 12 cases whereby nobody in New Hampshire ever before had anticipated that that question could arise. It had never been so upheld. The people who argue that cannot cite a single case for it. There is not a case supporting it. There is nothing except an overture in the Murchie case that the intent of the voter prevailed. But in the Langer case it was said that the voter must find a means of giving expression to his intent within the law. That is the only argument. No one argues that is the law of New Hampshire. Unless you argue that you ignore the law of New Hampshire to get at it.

Mr. NELSON. What puzzles me about it is that, as I understand it, you have the two candidates and counsel for the two candidates, and they are appropriately protesting, as is the practice, any doubtful ballot. Each side is protesting any conceivably doubtful ballot in behalf of the other side.

If there are a lot more of those "skip" votes in there, why are they not here? I am sure the lawyers advising each side knew that the Constitution provided that the Senate shall determine the qualifications of its Members to sit and that the Senate is not bound by any arbitrariness in any State law. But what I do not understand is why, if there are a whole lot of these "skip" ones, they are not all here?

Mr. HUGH SCOTT. Of course, that was one of our motions, too, and that was denied.

Mr. NELSON. I am assuming that each party was represented, each party made its challenges, raised its issues to the secretary of state and the ballot law commission. So, why, if there are more, were not these issues raised in a timely fashion back in New Hampshire? That is what I cannot get through my head.

Mr. HUGH SCOTT. First of all, what we think happened was that in some instances, as the Senator said, they challenged. Some people did, they say that. But we have to remember that in New Hampshire, the Wyman challenges then, so far as we know, except for one or two people acting on their own, more or less, those one or two who dug up the 12 cases, the Wyman people were not challenging this type of ballot, nor does it appear the Durkin people were challenging this type of ballot wholesale, or in large numbers, but somewhere they turned up 12.

Now, Wyman obeyed the law of New Hampshire. Wyman followed the law of New Hampshire, and in his instructions points out that this type of ballot could not be challenged under the law of New Hampshire.

When this was argued by the secretary of state, and the ballot law commission, the Senator spoke of lawyers, the lawyers did not argue this point, so well settled is the law of New Hampshire. There was no issue raised in New Hampshire about "skip-Louie" or "skip-John" ballots. On the contrary, the assumption was up there that there could be no merit in these ballots at all and I do not believe anybody was aware until we got down here that there were as many as 13 such ballots because nobody could see any reason for having such ballots.

The lawyers did not believe it, the lawyers did not argue it, the court did not hear it, the secretary of state did not hear it, the ballot law commission did not hear it, and not until it emerged as a happy little device by which this election could be set aside was a whole lot made of it.

That, I think, is the basis of the Allen amendment. Let us do justice. If we are going to take 12 ballots away from this, let us find 12 similar ballots, because this is not the law of New Hampshire, it was not raised in New Hampshire, the lawyers did not contend for it in New Hampshire, and that was why he sought to do equal justice.

My view was the same as that which the Senator from Wisconsin was probing, if we are going to look into this election and if we really want to know who won, count them all, and in my judgment, we are never going to know who won this election, never, because there are 27 ties and plus-2 margin.

The only ultimately just thing to do in this matter, and I think the Senate is going to end up doing it, is send it back to New Hampshire because, believe me, a lot of us feel very strongly on this. I feel very strongly on it, more than anything I ever supported, except the bill the Senator from Michigan and I happened to have a heartfelt interest in.

Mr. NELSON. I might just say, I have not reached a conclusion in my own mind, but, personally, I do not think it would be the correct or the right result to simply go back and just seek to find 12 to match. It is either correct or incorrect to include them or exclude them. But it would just compound the error to decide, well, we know somehow or another there were 12 "skip-Wyman" votes thrown out, and one Durkin, we will go back and exactly match it.

Mr. HUGH SCOTT. Yes.

Mr. NELSON. In my judgment, we have to count them all, or something else, but not just seek to match them. That would not solve anything, in my judgment.

Mr. HUGH SCOTT. I have two points to make before I sit down.

One, by arguing this matter of the "skip-candidate" issue, I do not want it to be understood in this Chamber or elsewhere that I am abandoning any of the other 34 arguments, that we believe this election is difficult to determine, if not impossible, that all 34 of these issues are important. We want them voted on and more than 102 seconds per issue, which is what cloture would give us, 102 seconds to vote on, per Senator, and that is arbitrary. It is changing my mind about some of the rules of the Senate, if that is attempted to be invoked.

On the other point, I say, if it helps clarify the thinking of the Senator from Wisconsin, that there are four basic points of view on this issue of "skip candidate."

One, the Weicker point of view which would return the election to New Hampshire. I think most of us share in this, generally, on this side of the aisle.

Two, the Griffin proposal, which would count all of the ballots.

Three, the Scott proposal, which would count all of the "skip-candidate" ballots.

Four, the Allen proposal, which would at least retrieve a sufficient number of ballots where the opposite effect is involved, to work equal justice between the parties.

I am going to yield the floor to the Senator from Wyoming, I may——

Mr. JOHNSTON. Is the Senator yielding the floor?

Mr. HUGH SCOTT. I was about to yield the floor. I understood the Senator from Wyoming was seeking recognition, but I will——

Mr. JOHNSTON and Mr. HANSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I have an amendment which I send to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. HANSEN. Mr. President, I am waiting. I thought the Senator from Pennsylvania was going to yield to me. I will be happy to yield to the Senator from Louisiana.

Mr. HUGH SCOTT. Would the Senator from Louisiana——

The PRESIDING OFFICER. It was the Chair's understanding that the Senator from Pennsylvania yielded the floor.

Mr. HUGH SCOTT. Mr. President, would the Senator allow me to amend my request by stating that I would like to yield to the Senator from Wyoming so that he may yield, in turn, to the Senator from Louisiana for such other reasons as he may have?

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSTON. Mr. President, I shall not speak too long and I will be happy to yield to my colleague and friend from Wyoming.

Mr. HUGH SCOTT. Is that all right?

Mr. HANSEN. Fine.

The PRESIDING OFFICER. The Senator from Louisiana.

The clerk will state the amendment.

The assistant legislative clerk read as follows:

> Before the period at the end of the matter proposed to be inserted, insert the following: ": *Provided, however*, That the Committee shall not consider any such ballot which is not included among those ballots (numbering approximately 3,500) which the Committee has previously considered".

Mr. JOHNSTON. Mr. President, this amendment is very simple. It seeks to limit the consideration of those ballots, which are 3,500 here, ballots which were protested validly and timely before, first, the secretary of state, and the ballot law commission in New Hampshire.

What the amendment seeks to do is to continue to drag this case out by trying to find any ballots which were not timely protested.

Mr. President, this amendment pertains not only to the so-called skip-Louie ballots, but really pertains as well to issues Nos. 1, 2, 3, 6, and 7, in that in each of these issues it is sought to go back and rehash area and ground that has already been covered.

Mr. President, in a rule of law society, in a system of laws, there is always a time to act. We have times set up in our legal system for filing petitions, for answering complaints, for making protests, for filing claims on an open account, for being able to exercise any right under the law.

There are times prescribed. That is part and parcel of the law. It has been since Roman times and throughout history.

The State of New Hampshire also has time for protest. Under the law of the State of New Hampshire, if a recount is requested, you first go to the secretary of state and make your first protest there and only those ballots which are protested before the secretary of state may later be protested and ruled upon by the ballot law commission.

So it is that in the instant case, when a recount became obvious, both candidates went to the secretary of state and protested some 3,500 ballots.

Mr. NELSON. Will the Senator yield at that point?

Mr. JOHNSTON. Yes.

Mr. NELSON. At what stage was there the protest of the 3,500, on the first recount to the secretary of state or on the ballot law commission?

Mr. JOHNSTON. On the first recount with the secretary of state, as I understand it, and also with the ballot law commission.

Mr. NELSON. So at the time of the request for a recount by Mr. Durkin, the two contending parties had open to them the right to challenge all 200,000-plus ballots?

Mr. JOHNSTON. Precisely.

Let me make this point in that connection: both candidates or representatives of both candidates were in the same room, as I understand it, at one long table—in any event in the same room—and both had the opportunity and both in fact did monitor the activities of the other. So when a skip-Louie ballot was challenged, then the Wyman forces would know that ballot was being challenged.

Mr. NELSON. That begins to clarify something for me. The distinguished Senator from Louisiana is saying that sitting in the same room with counsel at hand and the candidates present, and appropriate observers, all of the ballots were recounted in their presence.

Mr. JOHNSTON. Precisely.

Mr. NELSON. And that these 12 skip-Wyman votes in contention here and the 1 skip-Durkin vote were challenged at that original recount which was conducted under the supervision and direction of the secretary of state?

Mr. JOHNSTON. Exactly.

Mr. NELSON. So, during that process, as the Senator said, each challenge was noted and observed and made in the presence of the other side, with their counsel present?

Mr. JOHNSTON. That is exactly right. I might also point out that either candidate was given the right to go back and rechallenge votes that were already counted by the secretary of state.

Mr. NELSON. Does the Senator mean after the secretary of state?

Mr. JOHNSTON. During the recount process by the secretary of state. For example, if it became obvious to the Wyman forces that the Durkin people were challenging a check as opposed to an X, the Wyman people went back through ballots which had already been counted and were able to resurrect their protest in that respect. I understand that protest was agreed to later on not to be a protest. But the point is that being able to observe and make what you might call defensive protests, they were able to monitor the activities of the other candidate and to make the same kind of objections which the other candidate was making. In the process, I might say there was a skip-Durkin ballot that also was challenged.

Mr. HUGH SCOTT. Will the Senator yield there?

Mr. JOHNSTON. Yes.

Mr. HUGH SCOTT. What we do not want to lose sight of here is that there were only 400 ballots challenged by the ballot law commission. As regards the so-called skip-candidate ballots, the issue before the secretary of state did not disturb the Wyman people because the secretary decided it in their favor. He threw out these challenges. These were not counted. These did not go for Mr. Durkin. They were invalidated as no vote. These were simply a decision in favor of the New Hampshire law. So no argument lies that the Wyman forces should have been alerted by the existence of this unless the argument is that the Wyman forces should have expected the Senate of the United States to try to ignore the law of the State of New Hampshire.

How could they ever believe that this body would take an election away from a man duly elected? There were no challenges on the skip-candidate votes in the New Hampshire proceeding. When they came here, they were a great surprise to those of us on the bench because they had been given random numbers and they lay all the way around in these 950 ballots. Then Mr. Durkin's counsel would ask, "Let us pass this ballot for a while," and then, "Let us pass that one." Lo and behold—there were suddenly 12. Not until they put these 12 ballots together did we become aware of the pattern which was to take 12 ballots away from Wyman which had been counted for him in the New Hampshire process.

Mr. JOHNSTON. My answer to the Senator's question is, first of all, the law of New Hampshire, I believe, is clear, but I believe clear in precisely the other direction than that suggested by the able Senator from Pennsylvania. The Barr case, for example, stands for two very clear propositions. First, that the intent of the voter is to be made manifest, and, second, if that intent cannot be ascertained because of conflicting indicia of intention, then the ballot is thrown out, precisely what was done here.

There is some dicta in that case which would suggest a confusing result. Indeed, the Barr case can be used and is being used by both sides in this case. But for someone to say that in the face of the protests being made by Mr. Durkin, that the law of New Hampshire is so clear in the way that the Senator from Pennsylvania suggests so as to waive objections, I think is much too much to say.

Mr. McCLURE. Will the Senator yield on that point?

Mr. JOHNSTON. Yes.

Mr. McCLURE. The Senator indicates that the Barr case stands for clear propositions. One is if there is any doubt about the intent of the voter, it should be thrown out. Is that what the Senator said?

Mr. JOHNSTON. First that the intention of the voter prevails. Second, if that intent is conflicting and the intent cannot be ascertained, the ballot will be thrown out.

Mr. McCLURE. And what did they determine in that case was the intention of the voter?

Mr. JOHNSTON. In that case you had a different ballot. We do not know precisely what the ballot looked like because they have not been able to retrieve the ballot.

Mr. McCLURE. In the Barr case they have not been able to retrieve the ballot?

Mr. JOHNSTON. That is my understanding.

Mr. McCLURE. I would suggest that the Senator read my remarks in the record as he said he would do after every day's proceedings. He will find I put a copy in the record and it appears on page 1247 of volume 2 of the proceedings of the committee.

Mr. JOHNSTON. That was my colleague who promised to read the record every day. I made no such promise.

Mr. McCLURE. The Senator did not make that promise?

Mr. JOHNSTON. No, and I do not make that promise now, as a matter of fact.

The point is whether we know what the ballot looks like or not, and it may be in the record, it was described in the Barr case. There you had, in effect, four candidates voted for for three spots. Two candidates, as I recall, were voted for by write-ins. one was voted for, and the court said, and this is the comfort which the Senator would take from that case, one was voted for simply having his name under the target or bull's-eye, whatever you want to call it; and another was both under the bull's-eye and had an X in the column. The court said you just could not tell what the voter wanted to do, that there was some indication of voting for four people so they threw the ballot out.

Mr. McCLURE. If I would state the case differently than the Senator has done, perhaps the Senator might take another look and change his mind as to what the Barr case says.

The facts are that in that particular instance the voter was supposed to vote for three candidates for county commissioner, as I recall, for a local office. He voted a straight Democrat ticket. In that straight Democrat ticket he skipped two candidates who were candidates for that local office. He voted for none on the Republican ticket, although in the third column, which was not a designated party ticket, he wrote in the name and marked an X for one of the Republican candidates, and also wrote in the name and marked the X for a fourth candidate, one of the Democrats he had skipped. The reason the court threw that particular ballot out in that particular case was because the court found that the skip on the Democrat ticket was a valid vote for the two who were skipped on the Democrat ticket.

That is precisely the case here. The court had to make that finding in order to invalidate it because they said, by virtue of the two skips in the Democrat column and the two write-ins in the write-in column, the voter had voted for four candidates. Since he could only vote for three, the ballot was invalid.

Nothing could be clearer than that.

Mr. JOHNSTON. I think both of our factual descriptions are the same. I simply draw a different conclusion. I wish I had the case here before me. The case very clearly says that the intention of the voter prevails.

In that case, since they voted for four people, the court simply said you cannot tell what the intention of the voter is.

Mr. McCLURE. But in that case they also said that the skip was a vote for the party skipped when they had voted for a straight party ticket; that that, under the law, showed the intention of the voter, and they gave effect to the intention of the voter in that straight party ballot, by skipping. They said that was the voter's intention, to vote for the party skipped, in spite of the fact that he skipped him, when he marked the straight party ticket. Is that not what the Barr case said?

Mr. JOHNSTON. It said, in effect, that this is one way to vote for the candidate who has his name under the bull's eye.

Mr. HANSEN. Mr. President, if the Senator will yield, let me observe that the Senator from Louisiana, I believe, may be under some misapprehension. I say that with no little misgiving, because he is a lawyer and I am not; but I call his attention to the case of attorney general versus Duncan.

That case establishes this point: that the intention of the voter, insofar as that may be determined by the Rules Committee of the Senate of the United States or anyone else, does not necessarily prevail but is still subject to legal requirements. The prevailing point in the law is this—and I quote from that decision:

> While there may be little doubt that the voters who pasted the name of the relator over that of the defendant thereby expressed a decided preference for the former for the office of selectman, if the way they adopted of indicating that preference is not a substantial compliance with the way prescribed by the statute, their attempt to vote for the relator is a failure. . . . The voter must furnish the kind of evidence of his intention which the statute requires, in order to have his vote counted.

Mr. JOHNSTON. Was the Senator reading from Murchie against Clifford?

Mr. HANSEN. I beg the Senator's pardon.

Mr. JOHNSTON. The Senator was reading from some legal document. Will he state what that is?

Mr. HANSEN. Yes; this volume is entitled "Open Sessions of the Committee on Rules and Administration, United States Senate, Part 3, Miscellaneous Materials," and *Attorney General* versus *Duncan* (76 N.H. II) begins on page 2095 of that document. I read from page 2096, the beginning of the first full paragraph.

Mr. JOHNSTON. The New Hampshire law, I think, is quite clear in establishing one point: The Barr case stands for it, the Murchie case stands for it, and all of these cases, indeed, uphold one basic issue, which is that the intent of the voter predominates.

Mr. HANSEN. If the Senator will yield, what he is saying does not square with the laws as cited. I have read the laws.

Mr. JOHNSTON. Has the Senator read the Murchie case? This is at page 571 of part I of the hearings record. It states as follows:

> But the statute and ballot are not used entirely by those whose minds are trained to such a nicety of reasoning. They are for the use of the masses. They must be given a construction capable of being understood by ordinary men. The intent expressed by them is only such as those expressing it could entertain. In construing action taken by electors, the court takes into consideration that most voters are neither lawyers nor casuists. Any provision which seeks to deprive the court of this power must be disregarded. Undoubtedly the legislature may enact fully and precisely how the voter shall express his intent; but when this has been done and the voter has marked his ballot, the construction of the ballot, read in the light of the surrounding circumstances (including the statutory provisions), must be left to the court.

What the court was saying there, if the Senator will let me continue, and what the Barr case as well says, is that it is the intent of the voter that predominates, and where that intent cannot be ascertained, the ballot is thrown out. That is what the Barr case says.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. JOHNSTON. For a question.

Mr. McCLURE. The Murchie case did state as the Senator has read. The Barr case said, however, under the statutes of New Hampshire, that the failure to mark an X in the column under the straight party ticket was not such an evidence of the intention of the voter as would justify invalidating his vote for that particular office. That is precisely what the Barr case said.

In that case, they refer to the fact that the voter wrote in the name of one of the Republican candidates, he wrote in one of the names of the Democratic candidates, and he put an X in the column for the third Democratic candidate, and left one of the Democratic candidates unmarked and unwritten in.

The court said that that was a valid vote for all four, including the one that was neither written in nor with an X after his name in the party column—a very clear case in which the court said they would follow the statute in New Hampshire which said that the failure to mark in would invalidate only if the voter had indicated his intention not to vote by an erasure or a cancellation, and that a failure to mark an X in the box is not such an erasure or cancellation as would invalidate the vote from being counted.

Mr. JOHNSTON. I think if the Senator will read the Barr case a little more closely, it does not say that is a valid vote. It says it is an evidence of intention.

Mr. HANSEN. Mr. President, if the Senator will yield on that point, I could not agree with him more. He has just said that whether it is a valid vote or not depends upon other criteria, not exclusively the intention of the voter, and I agree with him, because that is exactly what the case refers to that I just read.

The courts have laid down some principles that are to determine the actions of the New Hampshire Ballot Law Commission and those other regulatory and review authorities of the State of New Hampshire in order best to determine what the voters intended to do, as squared with legal requirements of the State.

Mr. JOHNSTON. If I may ask the Senator a question——

Mr. HANSEN. If the Senator prefers not to hear me, I will yield.

Mr. JOHNSTON. I yielded to the Senator, actually, but I am always glad to hear him.

Mr. HANSEN. I was trying to make a point, Mr. President.

The issue is clear. It is precise. I think what we are saying is obvious: If we want to leave it to any group of people, individuals, commission, or whatever it may be, if we want to impose upon them the obligation of trying to determine what a particular voter intended to do, we get into a very terrible fix, and it is precisely because of that, for those exact reasons that the courts laid down the principles cited.

If three people are running for selectman, one cannot obviously vote for four.

If the Governor is not on the ballot of the State of New Hampshire, obviously, despite the voter's intention to vote for a Governor in the year whatever it may be, if the Governor's race is not open that year, that is not a valid vote.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point?

Mr. HANSEN. I am happy to.

Mr. JOHNSTON. Is the Senator saying, in effect, with the skip-Louie ballot there is no way to tell what the real intention of the voter was and resort must, therefore, be had to the New Hampshire statutes?

Mr. HANSEN. I do not agree with that. I think that the courts have to define the guidelines within which the voters' intentions shall be assessed and shall be counted as legal votes, and it is on that point, Mr. President, on the basis of what are legal votes.

Mr. JOHNSTON. I understand that. But I am simply asking the Senator, aside from the legal intention and legalisms, can the Senator tell me what the intention of the voter was in the skip-Louie ballots?

Mr. HANSEN. I wish I could. If I were smart enough to do that King Solomon would soon be forgotten.

Mr. JOHNSTON. The Senator is candid and honest and I appreciate that. I thought that would be the answer because the fact is that no one, not even King Solomon, can look at a skipped Louie ballot and tell what the intention of the voter is.

Mr. HANSEN. I am sure my good friend from Louisiana was not in the Chamber earlier when the distinguished minority leader was speaking, because he addressed this point. He addressed several others that I think would be of real interest to my good friend from Louisiana. He spoke, Mr. President, about the hijacking of a principle, as one of the major issues in this debate here. Why was it attempted? The Senator from Pennsylvania raised that question, and then he answered: "Only because the opportunity afforded by a lopsided majority in the Senate of the United States made it possible."

He said when NBC went up into New Hampshire to find out and make an on-the-ground inspection of what the people up there thought about this, with our assuming the right to try to determine what they wanted to have done, they interviewed people, and then in order to be fair, in order to be sure that both sides of the issue were presented and, having no yet encountered one person who said this election should not be sent back to New Hampshire, they went on further, and——

Mr. JOHNSTON. I do not want to interrupt my good friend from Wyoming, but I thought I was yielding for a question.

Mr. HANSEN. I would say to my good friend from Louisiana maybe I have intruded on his time. I have been here since 9 o'clock this morning. I listened with great interest to what the Senator from Pennsylvania said. I was under the impression that I would be recognized, and I did not want to differ with my good friend from Louisiana, and I apologize. I will be happy to sit down.

Mr. McCLURE. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON. Yes.

Mr. McCLURE. The Senator has indicated that the Barr case somehow establishes a principle which is somewhat different from my construction of the case. As I understand what he is saying is that the Barr case stands for the principle that the intention of the voter shall control. I agree.

Mr. JOHNSTON. That is correct.

Mr. McCLURE. I agree with that contention.

The court however, makes this statement:

> The voter being supplied with a printed ballot, bearing the names of the candidates for the several offices, is required to indicate his choice between them by marking across in the circle at the head of a column, or by marking a cross in the square at the right of a name printed on the ballot, or by writing in the name of the candidate for whom he wishes to vote in the blank space provided therefor upon the ballot under the designation of each office to be voted for.
>
> In this case he skipped two names in the column which was marked with an X, the straight party ballot. And then he wrote two other names, two names in the third or in the write-in column. One of those names, that he wrote in that third column, was one of the names that he had failed to mark with an X in the straight ticket. The other name, however, was the name of one of the Republican candidates. He had voted straight Democrat.

So the court, in looking at that, had said, all right, on the Democratic ticket, the one that is marked after Baker, the straight Democrat ticket, his name appears in the Democrat column, it is checked in the Democratic column that is a vote for Baker. He skipped the name of Gingras. He did not mark an X after that name; however, he did mark an X, he did write the name in the write-in column and marked it with and X; and the court said that is a vote for Gingras.

He skipped the name Gould, no X in it, although it is under the straight party Democratic ticket in that same column; and the court said that is a vote for Gould. He wrote in in the third party in the write-in list the name of one of the Republican candidates by the name of Barr, and marked an X; and they said that is a vote for Barr.

That is a vote for all four persons thus indicated. Is that not what the court said?

Mr. JOHNSTON. I think the court said that the ballot indicates an intention to vote for four candidates for county commissioner and that the question cannot be resolved upon the evidence of the purpose furnished by the ballot. In other words, the ballot, according to the court, contained four different expressions of intention.

Mr. McCLURE. Yes.,

Mr. JOHNSTON. When only three expressions were allowed, only three candidates would be voted for.

Mr. McCLURE. Right.

Mr. JOHNSTON. The key point about this is that the court decided not to count the ballot.

Mr. McCLURE. But would not the Senator agree that the court in arriving at this conclusion had to give full effect to the vote cast for Gould, a person on the Democratic ticket and who was not marked on the Democratic ticket?

Mr. JOHNSTON. No; the court simply had to do in that case what I am suggesting ought to be done in this case, and that is, where there are two differing expressions of intention, an X in the bull's-eye and a skip over on the other side, that those differing expressions of intention should, in effect, erase one another, and the ballot ought to be thrown out.

Mr. McCLURE. All right.

Mr. JOHNSTON. Because my good friend from Wyoming so candidly said, and I think it is an obvious conclusion, one cannot tell on skip-Louie.

Mr. HANSEN. I hope the Senator from Louisiana will not put words in my mouth. Mr. President, will the Senator yield further?

Mr. JOHNSTON. I thought that my good friend from Wyoming said that, on a skip-Louie ballot, not even Solomon could tell what the intention of the voter was.

Mr. HANSEN. The point I was trying to make, Mr. President, since my name has been mentioned, is that the New Hampshire Supreme Court has already held the skip-type ballot is a straight ticket. This is what the New Hampshire court has held. The New Hampshire Supreme Court specifically held, and I think it is entirely right, that you cannot tell from such ballots whether the voter marked the cross in the circle first, or the candidate boxes below first. Having recognized its inability or the inability of anyone else to make such a determination, the rule of law applies, that if you have voted in the big bull's-eye on top you have voted for everyone in that column. If it is in the Republican bull's-eye, it is a vote for every candidate on the Republican ticket; if you have voted the Democratic bull's-eye, it becomes, accordingly, a vote for everyone on the Democratic ticket.

Mr. JOHNSTON. Right. My question to the Senator from Wyoming was aside from the legality, aside from the actual rule of law, can the Senator say who the voter intended to vote for on the skip-Louie ballot?

Mr. HANSEN. My response to my good friend from Louisiana is, and it was in that context that I referred to King Solomon, who is to say, and it is precisely, Mr. President, because of that sort of a dilemma that the Supreme Court of New Hampshire steps in and says this is the law, this is how the ballot review commission is to tally up the votes, and this is to determine what the legal votes are. It has been pointed out by our good friend from Nevada, the chairman of the Rules Committee (Mr. CANNON), that there are all sorts of discrepancies.

So the wisdom, the necessity, the great desirability in having the court say what constitutes a legal ballot comes into focus.

On that point, I do not argue at all that I could look at a particular ballot, if it were voted in an irregular manner, and say what that voter had intended. I think that the only way—the only way, I repeat—that this body can treat this matter fairly, in order to satisfy not only the people of New Hampshire but those of the other 49 States as well, is to let the people of the State of New Hampshire decide what they intended. The State legislature has already taken steps to make that possible. My prediction is that, sooner or later, we are going to find out that that makes pretty good sense and is pretty smart politics.

Mr. JOHNSTON. If my good friends on the other side of the aisle will let me speak for about 10 minutes, I want to cover some points that have not been covered, and then I will be glad to yield for questioning.

Mr. HANSEN. Mr. President, will the Senator from Louisiana ask for a quorum call? What is being said is important. I am keenly interested, as I always am, in what my good friend from Louisiana says. Would it be his intention, when he concludes—say, at the end of 10 minutes—to suggest the absence of a quorum?

Mr. JOHNSTON. If the Senator so desires, I will be happy to do so.

Mr. HANSEN. I wish the Senator would.

Mr. JOHNSTON. Mr. President, the point I was making, which served as the stepping-off point to determine what the "skip-Louie" ballots mean, is that there is a time to act, a time to protest; and, according to the law of New Hampshire, that time is before the secretary of state. Both candidates were present before the secretary of state. The counsel for both candidates were present, together with their staffs, in the same room, and were given the opportunity to protest each of the approximately 200,000 ballots. Each candidate was given that opportunity. Each candidate was able to see what ballots were protested by the other candidate and to make the same kind of protest.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a unanimous consent request, with the understanding that he will not lose his right to the floor?

Mr. JOHNSTON. I yield.

ONE HOUR DEBATE UNDER CLOTURE RULE TO BEGIN AT 3 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the 1 hour under the cloture rule begin running tomorrow afternoon, at 3 p.m.

The PRESIDING OFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator for yielding.

Mr. JOHNSTON. Mr. President, I believe that the law of New Hampshire, as indicated by the Barr Case, the Murchie case, and other cases we have discussed here, stands for the proposition that the intention of the voter must be respected; and if that intention, according to the four corners of the ballot, cannot be ascertained, that ballot must be thrown out. I believe that is what New Hampshire law states.

I can guarantee that Mr. Wyman and

his attorneys are good enough in the research of law so that they could at least know that they had a very serious protest on their hands with the "skip-Louie" ballots. At least, they are that good and competent and lawyers—indeed, Mr. Wyman is a former attorney general of the great State of New Hampshire.

So I think it was not only a waiver, not only an acquiescence, but also a knowing waiver and a knowing acquiescence, if in fact there were any "skip-John" ballots in this collection of ballots.

Mr. PELL. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON. I yield.

Mr. PELL. I am wondering whether the Senator is aware that the point was raised at the hearings of the Ballot Law Commission on December 10, and Mr. Millimet, who was the attorney for Mr. Durkin said:

> Now, here is a ballot with a mark in the Republican circle and an X opposite every Republican candidate, very clear, in ink, except Mr. Wyman. I think it indicates an intent to demonstrate that the voter is a Republican but does not want to vote for Wyman in the context of this election.

He was not sustained in that appeal by the ballot law commission, but he did raise the point, and it is being alleged here that the point was not raised back in New Hampshire.

Mr. JOHNSTON. The point was raised both before the Secretary of State and the ballot law commission.

Mr. PELL. Exactly.

Mr. JOHNSTON. For that reason, Mr. Wyman, if he had the same point to raise against Mr. Durkin, would have, should have, and could have; and in not so doing, he waived that right.

Mr. PELL. He obviously did raise it on occasion, as in the resolution, where we have "skip-Durkin" ballot No. 24, which was raised by Wyman.

Mr. JOHNSTON. Exactly.

Mr. President, there is a very good reason for having a time to make protests. One of the best reasons for that is the problem of ballot security. As soon as these 3,500 ballots were protested, they were put aside with the State police, in their criminal evidence vault, very carefully safeguarded. The remainder of the ballots, through all this process, which were not protested, were delivered to the National Guard unit, where they were not kept under close surveillance and close security. No one knows whether any of those ballots have been altered or in any way changed—the 180,000 ballots. The point is that there was opportunity to do so, because they were not kept under the requisite kind of security.

The same argument goes to issues 1, 2, 3, 6, and 7—all of which seek to send it back to New Hampshire for various protests, a recount, or reexamination of the election results, and the issue of security is all important, together with the issue of waiver.

Mr. President, it is quite clear that the protest, the reexamination, if there is to be one, for the purpose of looking at the "skip-Louie" ballots, be restricted to those ballots which were timely protested—the 3,500 ballots which are here on file.

Mr. President, at this point I was going to suggest the absence of a quorum. I see the distinguished Senator from Wyoming is still in the Chamber. I ask the Senator whether he has a question to ask me.

Mr. WEICKER. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. JOHNSTON. I had asked not to be interrupted for 10 minutes, after which I was going to allow a question or a quorum call.

Does the Senator have a question?

Mr. HANSEN. No.

Mr. JOHNSTON. Does the Senator wish to suggest the absence of a quorum?

Mr. HANSEN. When the Senator from Louisiana has finished.

Mr. CANNON. Mr. President, the Senator has just stated that if his substitute were approved, this would solve four of the issues in the resolution. Is that what he said?

Mr. JOHNSTON. Actually, it relates to issues 1, 2, 3, 6, and 7—five issues all together.

Mr. CANNON. As the Senator knows, as to issue No. 1, although we have been on it for a number of days and have voted on many other things, we have as yet failed to vote on it. I have pointed out on numerous occasions why issue No. 1 should be disregarded, which certainly tends to support the Senator's position.

I pointed out in the Record on at least 2 and possibly 3 days the fact that Mr. Brown, who was Mr. Wyman's attorney before the ballot law commission, first advised the commission that he did not intend to raise the issue on six of the precincts listed in issue No. 1 because he had satisfied himself in that regard.

Those 10 precincts covered in issue No. 1 were the issues raised in Dort Bigg's letter of November 27 on behalf of Mr. Wyman, which was the day after the recount, the recount having resulted in Mr. Durkin winning by 10 votes. So at that time, Mr. Brown then waived his request for a review of six of the issues, thus resolving those particular ones.

That was December 4, I may say, before the ballot law commission.

On December 20, before the ballot law commission, he having said on December 4 that there were four of these precincts that he wanted to consider further, having some things to check with them, then on December 20 he came back and said that he was satisfied with those four particular precincts. The chairman of the commission at that time said, restate the four precincts. He said, are those the four precincts? And Mr. Brown said they were.

As a matter of fact, I think I should refer to it precisely. Again Mr. Brown on December 20:

> Mr. Brown. So far as the precinct recount requests—and I had four of them—

Now, this is 4 of the original 10 in issue No. 1.

> Chairman Snow. Gilford, Bedford, Somersworth Ward 1 in Gorham.
>
> Mr. Millimet. You didn't mention Somersworth.
>
> Chairman Snow. I was going to ask you about it.
>
> Mr. Brown. I am not pressing on any of those, but I may have some live testimony with regard to the Somersworth situation, depending upon how my brother's case develops, and I withdraw the request for the precinct reviews.
>
> Chairman Snow. Gilford, Bedford, Somersworth Ward 1 and Gorham?
>
> Mr. Brown. Yes.
>
> Chairman Snow. Did you get that?
>
> Commissioner Rudman. Yes, I did.
>
> Commissioner Crowley. I got it.

Commissioner Rudman is one member of the commission, who was the attorney general, Commissioner Crowley was the other member.

So that disposed of all 10 of the precincts that were covered in issue No. 1.

Then, if we can go on to issue No. 2, which the Senator says would be disposed of as well in his amendment, during the ballot law commission proceedings, Mr. Wyman contended that there was an arithmetic error on the three precinct tally sheets, those being the precincts of Merrimack, Meredith, and Lancaster. He requested that the ballot law commission recount those three towns.

The commission, stating that they were satisfied with the accuracy of the tally sheet, refused his request. In the ballot law commission transcript of December 20, 1974, at page 133, Chairman Snow, the chairman of the ballot law commission, says:

> Next we have the motion to recount ballots in the following towns: Lancaster, Meredith, and Merrimack. I move that we deny the motion.
>
> Commissioner Crowley. Concur.
>
> Commissioner Rudman. Concur.

Mr. JOHNSTON. That was unanimous?

Mr. CANNON. That was unanimous for the commission to deny the request on these three precincts.

Then Chairman Snow makes an explanation on page 134. He says:

> Now, let me state for the record that during the extended executive session which we had in the last hour, we have discussed the specific tally sheets for our own information with the secretary of state and the deputy secretary of state, considering specifically Lancaster, Meredith, and Merrimack, and we are satisfied that the way the tally sheets were put together and constructed in those three specific towns, that there is no—and, I repeat, no—relationship between the so-called protested numbers at the bottom of the tally sheets and the specific number tallied at the top of the sheet.

Now, when I said "and I repeat, no"—that was not my repeating it. That was the chairman of the ballot law commission. I was reading his entire quote.

Then, going on again:

> It was explained to us that in each of these towns, the top numbers were put down on the tally sheet first, and then from each of those party columns were extracted the specific protests from the large number and those, in each instance that there is no—and I repeat no—relationship between the so-called protested numbers at the bottom of the tally sheets and the specific number tallied at the top of the sheets.

Now, those are two of the issues that we see were completely resolved to Mr. Brown's, who was Mr. Wyman's attorney, to his statisfaction——

Mr. JOHNSTON. Not only were these two issues resolved to his satisfaction, but we also have that same problem of ballot security on issue No. 2 that we did on issue No. 1.

Mr. CANNON. Yes, there is no question. Any time we start to go outside of the 3,500 ballots, then we get into the issue of the security. Of course, there are some who say that the security was adequate, but I think that the Attorney General covered it quite thoroughly with respect to the situation on those 180,000 ballots when he said:

> There were criticisms of the way these ballots have been stored in Washington yesterday—

That was down here—

> I think from both sides. Now, you have to understand there were two classifications of ballots. The ballots you see here, about 180,000, were never protested by anyone. There were roughly 3,500 ballots that were in fact protested and those ballots are under very tight security, the tightest security imaginable, at the State Police Laboratory in the evidence safe. Now, at the conclusion of the Ballot Law Commission hearings, it was stated on the record and agreed to by the parties that these ballots would be placed in a safe, warm, secure place where they wouldn't get wet or spoiled or what have you if there were any reason ever to look at them in the future. But they—

Meaning the 180,000—

> have never protested by anyone, and I think for anyone to come and say, "Well, we have got some problems with these ballots," that is just confusing the public and confusing the issues.

The ballots that are referred to in issue No. 1 are outside of the 3,500. The ballots that are referred to in issue No. 2 are outside of the 3,500. And the ballots that are at issue in No. 3 are outside of the 3,500.

Mr. President, this issue on No. 3 was a bare allegation of missing ballots in Dover ward 3 and the town of Troy, and the request was for another complete recount of these precincts. I think that is without foundation. Certainly, there is nothing presented to support it.

First, it should be denied because there is absolutely no basis whatsoever to believe that there are any missing ballots, as there is no evidence to support such a bald assertion. Wyman did not make or pursue these before the New Hampshire Ballot Law Commission, even though his attorneys were fully cognizant of all the circumstances surrounding Dover ward 3 and Troy. That issue was never raised, was not pursued at the ballot law commission.

The only relevant material part of the secretary of state's precinct talley sheets is the top line, where the candidate's vote totals were recorded. We went into that with the chairman of the commission, Chairman Snow's statement as to why they ruled as they did on the three precincts covered in issue No. 2.

Mr. President, I say again that there was nothing presented to substantiate any support for the request that is made on Dover ward 3 and Troy other than the count came out differently, and I pointed out the other day that the secretary of state's recount resulted in some minor differences in some 234 of 299 precincts.

Mr. JOHNSTON. There are always those minor differences in any election, are there not?

Mr. CANNON. Always, yes.

Those are three of the issues the Senator said would be disposed of. What were the others?

Mr. JOHNSTON. Those are the issues 1, 2, 3, and also issues Nos. 6 and 7. Issue No. 6 is shall the committee retrieve, separate and review——

Mr. CANNON. All right.

Issues Nos. 6 and 7, we went into those quite thoroughly the other day. That is the issue where Senator SCOTT earlier mentioned that he moved to go back and go through all of the 180,000 ballots and to retrieve the so-called skip-Durkin ballots. That issue was resolved on a tie vote, or I should say unresolved on a tie vote, and is here before the Senate.

Then Senator ALLEN, as I explained the other day, made his motion that we go back and retrieve an equal number of "skip-Durkin" equal to the number of "skip-Wyman" votes. We had a vote here on the floor of the Senate in process at that time and we hurriedly voted in committee to get that out of the way and come over. We asked—we got consent—that the rollcall be extended so that we could vote on it. We voted, and I voted for that because I thought his motion related only to the 3,500 ballots because I had consistently taken the position that I would not go outside the 3,500.

We came over and voted, went back and on the way back I mentioned to Senator Allen, I said, "You confined that only to the 3,500, did you not?" He said, "I did not confine it to any number. I thought we should try to go back and find an equal number wherever we had to go back."

So that, going beyond what my intent was, I asked unanimous consent that I be permitted to change my vote. In the 17 years I have been in the Senate I never have seen any colleague object to that kind of a request on the part of another Senator. That is just done as a matter of courtesy.

Well, to make a long story short, objection was made later when we got to that issue and, therefore, I was not permitted to change my vote because I would have voted "No" on it if it involved going beyond the 3,500.

Then a motion to reconsider was made, and that motion ended up in a 4-to-4 tie, and that issue is here before us.

So the Senator is correct if his motion is adopted that would, in effect, resolve issues six and seven. So we have one, two, three, six, and seven that would be resolved by an affirmative vote on the Senator's motion.

Was there any other one here that the Senator stated would be resolved or is that all?

Mr. JOHNSTON. I think precisely issues one, two, three, six, and seven because some of these same arguments can be made and have been made with respect to other issues, but primarily those issues are more or less directly put at issue five by this amendment.

I think, Mr. President, they have been rather thoroughly discussed, so I think it may be an appropriate time to accede to the request of my friend from Wyoming for a quorum call unless the Senator from Connecticut desires to be heard on this issue.

Mr. WEICKER. I desire to be heard to the extent that I am not flying under false colors, and I intend to offer a motion to table the amendment of the Senator from Louisiana.

Mr. CRANSTON. Mr. President, may I ask the Senator what was the purpose of his request for a quorum call?

Mr. JOHNSTON. The Senator from Wyoming said it was an important issue and asked that I ask for a quorum call, and I agreed to do so. I do not know what he had in mind, but the Senator from Wyoming asked me to do so, and I agreed to do so.

Mr. CRANSTON. Mr. President, will the Senator from Connecticut withhold his tabling motion until we have had an opportunity to discuss the issues?

Mr. WEICKER. I find it difficult to respond. I have said nothing since the Senator from Louisiana and the Senator from Nevada have had the floor, so nobody can discuss anything. So far as I am concerned, I would like to have an up or down vote on the motion of the distinguished Senator from Louisiana.

Mr. CRANSTON. Mr. President, I think it would be helpful to have a little discussion before we have a tabling motion so that we can adequately discuss a few matters that have not been discussed adequately.

Mr. WEICKER. I could not agree more. If the Republicans discuss it it is called a filibuster. If the Democrats do so it is a discussion. I would be glad to discuss the entire matter of "skip-Durkin" or "skip-Wyman." It is one of the most important issues to come before us. What the Senator from Louisiana has done up to now is to throw in a parliamentary maneuver, to submit an amendment instead of the Weicker amendment. The Senator from Alabama obviously has another amendment following this one, and we can get the issue out in the open. But, at the present time, I have never seen such a series of misstatements made in my life here in the course of debate. Senators have not been on the floor, so I am perfectly willing, if we can have an open debate, that we have one, otherwise we should just go ahead and vote on the motion to table. Who intends to hold the floor? If, indeed, the Senator from Louisiana intends to hold the floor for the afternoon, so be it. I would just like to have an idea of what the Senators intend to do.

Mr. CRANSTON. I do not believe the Senator has any intention of holding the floor. But if the Senator wishes to make a motion to table, of course, he can do it.

Mr. WEICKER. I would be glad to withhold it. If the intention is to speak now we ought to discuss it on the Democratic side and give the Republicans an opportunity to reply.

Mr. JOHNSTON. I, of course, have no intention of holding the floor. As a matter of fact, I was just going to suggest the absence of a quorum at the request of my friend, the Senator from Wyoming. If the Senator, in place of that, wishes to make a tabling motion at this time I would be glad to yield for that purpose.

Mr. WEICKER. I am not in position to respond for the Senator from Wyoming, so I think the Senator from Louisiana has to make his own determination.

Mr. JOHNSTON. I suggest, Mr. President, the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JOHNSTON. Mr. President, if a motion to table is not going to be made then I would ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on——

Mr. McCLURE and Mr. HUGH SCOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. WEICKER. Mr. President, I move to lay on the table the motion of the Senator from——

Mr. PASTORE. I ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield the floor to the Senator from Connecticut?

Mr. HUGH SCOTT. Yes, I yield for that purpose to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, I move to lay on the table the amendment of the Senator from Louisiana and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

Mr. HUGH SCOTT. Mr. President, a parliamentary inquiry. The rollcall had already started.

Mr. ROBERT C. BYRD. No Senator had responded.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 39 Leg.]

Allen
Bentsen
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cranston
Dole
Fong
Garn
Griffin
Hart, Philip A.
Hathaway
Huddleston
Johnston
Mansfield
McClure
Morgan
Pastore
Pearson
Scott, Hugh
Scott, William L.
Stevens
Weicker

The PRESIDING OFFICER (Mr. MORGAN). A quorum is not present.

Mr. CANNON. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bartlett
Beall
Bellmon
Biden
Brock
Brooke
Burdick
Case
Church
Clark
Culver
Domenici
Eagleton
Eastland
Ford
Glenn
Goldwater
Gravel
Hansen
Hartke
Haskell
Helms
Hollings
Hruska
Inouye
Jackson
Laxalt
Leahy
Magnuson
Mathias
McClellan
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stennis
Stevenson
Stone
Symington
Talmadge
Thurmond
Tower
Tunney
Williams
Young

The PRESIDING OFFICER. A quorum is present.

The question is on the motion to table the amendment of the Senator from Louisiana. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce the Senator from Indiana (Mr. BAYH), the Senator from Arkansas (Mr. BUMPERS), the Senator from Forida (Mr. CHILES), the Senator from Colorado (Mr. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. McGEE) are necessarily absent.

I further announce that, if present and voting, the Senator from Arkansas (Mr. BUMPERS) would vote "yea."

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. FANNIN), the Senator from Oregon (Mr. HATFIELD), the Senator from New York (Mr. JAVITS), the Senator from Idaho (Mr. McCLURE), the Senator from Illinois (Mr. PERCY), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

The result was announced—yeas 33, nays 51, as follows:

[Rollcall Vote No. 247 Leg.]

YEAS—33

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Case
Dole
Domenici
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Laxalt
Mathias
Packwood
Pearson
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stevens
Thurmond
Tower
Weicker
Young

NAYS—51

Abourezk
Bentsen
Biden
Burdick
Byrd, Robert C.
Cannon
Church
Clark
Cranston
Culver
Eagleton
Eastland
Ford
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Inouye
Jackson
Johnston
Leahy
Magnuson
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stennis
Stevenson
Stone
Symington
Talmadge
Tunney
Williams

NOT VOTING—15

Bayh
Bumpers
Chiles
Curtis
Fannin
Hart, Gary W.
Hatfield
Humphrey
Javits
Kennedy
Long
McClure
McGee
Percy
Taft

So the motion to lay Mr. JOHNSTON's amendment on the table was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

Mr. GRIFFIN. Mr. President, there is no time limit at the present time, is there?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRIFFIN. I take this time to make some inquiries of the distinguished Senator from Louisiana, the author of the pending amendment. I apologize that I was not here when he made his argument earlier.

The PRESIDING OFFICER. May we have order in the Senate so the Senator from Louisiana can hear the Senator from Michigan?

Mr. GRIFFIN. It is my understanding that, if the pending amendment is adopted, only "skip-type" ballots within the so-called 3,500 category would be considered by the Senate. I wonder if the Senator from Louisiana realizes that a panel headed by Dr. Riddick and, in addition to Dr. Riddick, composed of Mr. Duffy and Judge Schoener, along with counsel of the two parties, have already gone through the 3,500 ballots. At one stage they went through 3,500 ballots to see whether or not they could mutually agree to eliminate as many questions as possible. This was a very successful proceeding. I think that from that group of 3,500 it was narrowed down to about 800.

For example, there was a question of whether checkmarks should be disqualified as a way of marking the ballot. They agreed that they would put aside all the protests relating to checkmarks, and so on, and as a result of this, and other matters that they agreed on, a lot of these questions were resolved.

So, as far as the committee is concerned and as far as the counsel is concerned, we already know that there are no more skipped type ballots in the 3,500 group.

It seems to me that the amendment of the Senator from Louisiana really begs the question altogether. I do not know whether he did not realize that or whether he really intends that we are just not going to do anything about the skip-type issue because that is the effect of his amendment.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am glad to yield.

Mr. JOHNSTON. I had been informed that there probably were no "skip-John" type ballots in the 3,500. I did not realize that it was a panel composed of those whose names the Senator just quoted.

At the same time, all of the 200-something thousand ballots have also been gone through, first by the secretary of state, and then, for all of those protested, by the ballot law commission. So, there may have been another layer of going through ballots with respect to the 3,500.

Mr. GRIFFIN. When the Senator says the rest of them had been gone through, may I ask him by whom?

Mr. JOHNSTON. By the secretary of state, by representatives of each candidate, including their counsel, and I think both candidates were present. In other words, they were present in one big room, as I understand it, where the recount took place. Each was given the opportunity not only to protest each ballot that he wanted to but also to observe and listen to and monitor the checking by the other candidate. So, whereas there may have been no "skip-John" ballots among the 3,500, I think there is a good chance that we have already discovered all the "skip-John" ballots among the 200,000; namely, one.

Mr. GRIFFIN. That is the question right there, I think. The Senator from Louisiana, I say respectfully, is in error when he assumes that no skip-type ballots would be found in the other 180,000 if they were examined. If that is the case, why do we not go ahead and do it? It is not going to take that much time to go through them physically. It could be done by GSA people or by staff people. It would be done rather quickly, to search out and bring out all the skip-type ballots.

Mr. JOHNSTON. The reason is very clear. First of all, there was a waiver, a knowing waiver, of that issue, if in fact any of those ballots were there. I do not know whether or not there are.

I recognize that there is conflicting evidence. Some affidavits say hundreds of those kinds of ballots; others say none. But whether there are or not, I do know that Mr. Wyman, himself a former attorney general and an able lawyer, represented as well by able lawyers and assisted by assistants, had the opportunity to go through these ballots, every one of them.

Then, having observed the Durkin forces objecting to the "skip-Louie" ballots, they had every opportunity, every justification, to do so themselves. By objecting to those ballots or by asking that they be segregated, they were not making any concession at all relative to the "skip-John" or "skip-Louie" ballots. They were simply exercising their rights at the time and place and according to the method provided for by New Hampshire law. I say that, having failed to do so, and having knowingly failed to do so, that is as informed a waiver as one could possibly have.

Mr. GRIFFIN. The Senator from Louisiana is basing his argument on the supposed waiver by Mr. Wyman and his counsel. I find it difficult to understand why he recognizes the issue at all. Why is the Senator willing to have 3,500 ballots examined?

Mr. JOHNSTON. Because as to the 3,500, each of those ballots was protested in some kind of way at a timely time and place; and because of that protest, they were segregated.

Quite frankly, if the Senator asks me whether I think the 3,500 should be reexamined, my answer to him is that I really do not think they should be, because all of that has been done, just as the 200,000 have been done.

Really, the purpose of my amendment, so far as I am concerned, is to draw a very sharp contrast on this issue, this demarcation point, between the 3,500 ballots on the one hand and the 200,000 ballots on the other hand, and it is this: As to the former, the 3,500 ballots, the issue was raised and the ballots segregated, and the ballots were kept under very secure conditions. With respect to the other, the issues were not raised, the waiver was informed and the security, accordingly, was far less than the level of security that we ought to expect. That is really the purpose of my amendment: to draw that issue into sharp contrast.

If the Senator asks me whether I think we should check the 3,500 ballots, if it were left to me, I would say no. I think they have been checked. If we are going to check anything, I say check only those as to which there was no waiver and those as to which there was valid security.

Mr. GRIFFIN. I appreciate the response of the Senator from Louisiana, although I disagree completely with his logic and his conclusion.

I just want to be sure that Senators understand what is involved in this amendment. It really does nothing whatsoever of any substance in terms of recognizing the skip-type issue.

I read, for the benefit of the Senate, an affidavit from the record:

> My name is Hugh Gregg. I reside on Gregg Road, Nashua, New Hampshire. I am a former Governor of New Hampshire and was Chief of Observers for Senator-elect Louis C. Wyman at the recount conducted in November 1974, by the Secretary of State at the request of John Durkin. The function of the Wyman observers was to watch the counting of ballots by representatives of the Secretary of State and to protest ballots believed to have been improperly counted for Durkin.
>
> Many ballots for Durkin marked with a cross or check in the straight party circle and in all boxes below the circle, except Durkin's, were brought to my attention or observed by me as I went from counting table to counting table. We were advised by our attorneys that this type of ballot, when there was no other mark of any kind in any other column, constituted a lawful vote for Durkin; because a mark in the straight party circle, under New Hampshire law, is a vote in every other box below the circle whether or not the boxes were also marked, in whole or in part. Thus, such ballots were not protested at the recount by the Wyman observers.
>
> There were a substantial number of such ballots counted for Durkin by the Secretary of State in the total paper ballot count from New Hampshire in the November 5, 1974, U.S. Senate election.

It is signed "Hugh Gregg" and is sworn to. This is an affidavit by a former Governor of the State of New Hampshire.

There is other affidavit evidence in the record—one indicating that there are "hundreds" of "skip-type" ballots that were counted for Mr. Durkin. Presumably, those ballots are among the same 180,000 that the amendment of the Senator from Louisiana would preclude us from looking at.

Mr. HASKELL. Mr. President, will the Senator yield for a question?

Mr. GRIFFIN. I yield.

Mr. HASKELL. The Senator from Michigan referred to the so-called "skip-Durkin" ballots. Concurrently, were the Durkin forces objecting to the "skip-Wyman" ballots, does the Senator know, as a matter of fact?

Mr. GRIFFIN. It is my understanding that the fact that there were 12 ballots of the "skip-Wyman" type that had been protested really came to light after the recount was over. I do not really know. I cannot answer the question that the Senator from Colorado is posing.

The Senator is a good lawyer. Let me ask him this question: I do not think that the Wyman forces could have been so far out of line in their instructions to their challenges, when we take into account that their interpretation of New Hampshire law was concurred in by those who counted the ballots at the precinct level, by the secretary of state, and by the ballot law commission.

It seems to be generally agreed that Mr. Wyman and his attorneys knew what the law of New Hampshire was. Now the suggestion is made by the Senator from Louisiana and others that they should be penalized because they knew what the law of New Hampshire was and because they told their challengers to apply it, which they did. In applying it, they did not challenge the votes that were awarded to Mr. Durkin.

It may be that in some very technical way we can reach the result that the Senator from Louisiana seeks. But I cannot imagine how the Senate could do justice in this situation, how we could claim to be objective in this situation, if we did not see that the same standard, the same rule, was applied to all the same kinds of ballots, whether in the 3,500 or in the 180,000. If the Senator from Colorado can enlighten me on how he can take the contrary position, I shall certainly be glad to listen.

Mr. HASKELL. Mr. President, the Senator from Colorado got on his feet seeking enlightenment. I am not sure I can enlighten the Senator from Michigan.

It would seem to me most material if the so-called "skip-Wyman" ballots were being protested at the time of the recount. It seems to me that would be a very material fact, but I gather that the Senator from Michigan does not have the information at hand with which to respond.

I ask the Senator if I am correct.

Mr. GRIFFIN. I cannot really tell the Senator. Those are facts that, if they are in the record, I cannot recall. I am not sure that they are.

Mr. HASKELL. I shall look at the record and see if I can find them.

Mr. GRIFFIN. If the Senator follows that line of argument and is relying on some technical waiver provision, that does not decide how the people of New Hampshire voted. Is that not what we really want to do, find out whom the people of New Hampshire wanted for their Senator? There is no problem, as far as the Senate is concerned, in not foreclosing one side or the other on a technical basis. It seems to me that is a very unfortunate result, if we try to count one group of ballots applying one rule and another group of ballots applying a different rule. On the face of it, that is unfair and reaches a wrong result.

Mr. HASKELL. Mr. President, I think if I continue this with the Senator from Michigan, we will be going reasonably far afield.

Mr. GRIFFIN. I shall be glad to answer that if the Senator wants to address himself to that.

Mr. HASKELL. We do not want to go too far afield, because we have all the problems of security on the other ballots. I was trying to get the one simple fact. Perhaps I can ask some of our other colleagues.

Mr. GRIFFIN. I shall see what I can find and if I find some factual information on the point, I shall inform the Senator.

Mr. HASKELL. I thank the Senator.

Mr. GRIFFIN. The Senator from Colorado and the Senator from Louisiana have both referred to the security of the ballots in the 185,000 category as being grounds for not looking at them because there is some question of security.

First of all, I do not think there is a valid question of security, and I am going to read a letter here in a moment to make that point. But if there were a question of security, if the New Hampshire officials did not handle the ballots properly in some way or other and they were going to use that as an excuse not to go into them, then the answer is not to confine our attention to 3,500 and count the winner of the New Hampshire election out. The real answer, if we find that the 180,000 ballots have not been secured, is to have an election. That is the real answer.

Mr. JOHNSTON. If the Senator will yield.

Mr. GRIFFIN. I am glad to yield.

Mr. JOHNSTON. Mr. Wyman and his attorneys, his aides, his helpers, had the opportunity to protest any ballots they wanted to and to see that they were kept under proper security. I would strongly agree with the distinguished Senator if he had protested some ballots and those ballots which were protested were put at issue at the timely and proper time, if those ballots had not been put under proper security, I would think he is entirely correct. There has to be a time for doing everything, and the time for making a protest is during the recount by the secretary of state. Why would it be that Mr. Wyman would not protest these ballots when he knew the Durkin forces were protesting the "skip-Louie"? I think there is only one answer to that and it is the form of waiver if, in fact, there were any tallies.

Mr. STEVENS. Will the Senator from Michigan yield on that point?

Mr. GRIFFIN. I shall in just a moment. First, let me tell the Senator from Louisiana that if he would check the precedents, he would find that two times before this, when the Senate has had a recount, the Senate did not recount just a small fraction of the number of ballots. The Senate recounted all the ballots.

It seems to me that, regardless of who protested what, at what time, or who waived what, if the Senate really wanted to find out how the people of New Hampshire voted on November 5, we would go ahead and recount all the ballots. That is the next best thing to having a new election. A new election would be the best thing to do. But if we are not going to do that, we should recount all the ballots. It seems to me that is what the people of this country should expect the Senate to do.

Mr. STEVENS. I wonder if I could get into this and mention to the Senator from Louisiana that Mr. Wyman did in fact protest the counting of at least 10 cities and asked for a recount of all of the precincts in those cities.

Mr. GRIFFIN. That is the first issue.

Mr. STEVENS. Those are ballots that were challenged. They are not in the 3,500. They did not waive any challenge to those ballots. He is preserving all the way through. Yet the committee has not included those in these ballots that are subject to the search now, and they would not be included in the search of the Senator from Louisiana. If the Senator is talking about a technical waiver, there is a protest that was preserved all the way through this matter.

In the secretary of state's affidavit—I read the affidavit and the testimony of the chairman of the ballot law commission the other day. They did not rule on those because they thought they were subject to a ruling by the court in New Hampshire, and the court of New Hampshire said, no, in the Senate case you cannot do it. And the Senate committee has not looked at it.

The Senator from Louisiana says, let us go on the technical basis of those that have been protested, and those that have been waived are excluded. But if we are going to be consistent, look to all of the ballots Mr. Wyman has protested. There are a great deal more than 3,500.

Mr. JOHNSTON. If the Senator will yield, it is my understanding that there were ballots protested in the counties of Gorham, Bedford, Somersworth Ward 1, Claremont Ward 2, Concord Ward 1, Hanover, New Market, Pelham, Salem, and Gilford, but that at a later stage in the proceeding, Mr. Wyman's attorney, Stanley Brown, waived the recounting of those ballots.

Mr. STEVENS. At the level they were at, because of the interpretation of the law that they were subject to review in court. The court said they are not subject to review. So the matter comes down here being subject to complete review by the Senate.

I have asked this repeatedly. I know of no case in which the Senate has taken on the subject of review that the ballots themselves have not been recounted. On Friday, I tried to get all the ballots recounted. In the one significant case that the Senator from New York mentioned, Steck against Brookhart, they did in fact, completely recount all ballots in issue. There was, in fact, this so-called skip-candidate ballot. And they threw out 1,300 of them in the total recount. If we are going to include them, does the Senator not think we should recount all of them, especially with respect to the ones he protested against?

Mr. JOHNSTON. With respect to those ballots not included in the 3,500, and particularly with respect to those counties I just named, do we have a meeting of minds that there was a waiver of request for that recount—albeit that, according to the Senator's interpretation, it was a waiver for reasons other than that they wanted to waive? But they did in fact, Mr. Stanley Brown did, in fact, waive that request, did he not?

Mr. STEVENS. It is my understanding that there was agreement that the matter was not before the ballot law commission and would be raised before the court. If the Senator from Louisiana wants to interpret that as a waiver, this Senator does not. It is an acknowledgement as to where the proper place was to raise the issue and it was, in fact, raised before the court. The court ruled, as I understand it, that they could not take it up.

If the question is to be raised, if this in fact is a review, is this a trial de novo, or are we limited to the record from below? If we are limited to the record from below, we have already counted a number of ballots for Mr. Durkin that they did not count. All of the X's below the line were counted for Mr. Durkin with, as I understand it, a net of three votes for Mr. Durkin. Those had not been counted before and, as I understand it, Mr. Durkin's attorneys had agreed to the ruling before, before the secretary of state and the ballot law review commission. Here the issue was raised again and it was in fact ruled in favor of Mr. Durkin.

The inconsistency in the approach of the Senate to this is the thing that disturbs us on this side. As a lawyer, I just cannot understand my good friend from Louisiana saying that Mr. Wyman has waived as to all of the 3,500 ballots, when the issue before the Senate, as I understand it, is really, when we get down to disposing of these amendments, should we recount these precincts because of inaccuracies? Those protests were preserved all the way through and are still before the Senate. Yet they are not in the 3,500. I think that if we went beyond the 3,500, the issue of the skip-candidate ballots would in fact be valid issues.

I agree wholeheartedly with the Senator from Michigan that there can be, by definition, no "skip" ballots without our knowing about it now because Dr. Riddick examined that in depth.

Mr. GRIFFIN. Mr. President, earlier I said I was going to address myself to the matter of the security of the 180,000-odd ballots which are being ignored and, as a result, would be ignored under the amendment of the Senator from Louisiana.

This is a letter dated June 6, 1975, addressed to the Honorable Howard Cannon, chairman, U.S. Senate Committee on Rules and Administration. It is a letter on the letterhead of the attorney general of the State of New Hampshire.

The State of New Hampshire,
Concord, N.H., June 6, 1975.

Hon. Howard W. Cannon,
Chairman, U.S. Senate Committee on Rules and Administration, Russell Senate Office Building, Washington, D.C.

Re: November 5, 1974 United States Senate Election.

Dear Senator Cannon: I have been informed that various remarks that I have made to the press concerning the security of those ballots which did not come before the Ballot Law Commission for that body's review have been misinterpreted and have been used as a basis for an argument that these ballots should not be reviewed. I am writing to you at this time so that I might set any fears that you or any member of the Committee might have to rest concerning the security and integrity of these ballots.

As you know, those ballots that were the subject of the hearing before the Ballot Law Commission were kept in a locked vault in the New Hampshire State Police Headquarters. There were approximately 3,500 ballots in this category. The remaining ballots from the general election were placed in a locked equipment garage at the New Hampshire National Guard Armory in Concord. At the time these ballots were placed at their respective locations, it was unclear as to which ballots you would be considering. Subsequently, all ballots were turned over to the Senate.

It is true that the ballots at the National Guard Armory were not held in a vault. Quite simply, as is apparent from the vast number of the same, there was no vault large enough to hold all these ballots. However, this should not lead you or anyone to the erroneous conclusion that the integrity of these ballots has in any way been compromised. In fact, quite the opposite is true.

As I noted in my remarks to the press and in subsequent conversations with members of your staff, I am completely satisfied that those ballots housed at the Armory were in the same condition when they were handed over to the officers of the United States Senate staff on February 10, 1975, as when they were placed into the storage area at the Armory. I continue to be distressed that various individuals have seen fit to make unfounded and baseless allegations concerning these ballots. I challenge anyone to show one ballot that has in any way been altered or destroyed because of the method of storage employed by New Hampshire officials. I submit that this cannot be done because these ballots, as I noted earlier, have been carefully and dutifully maintained in their original state.

So that I might make myself completely clear on this subject, let me state again my position concerning these ballots. It is my belief that the method of storage of these ballots should in no way mitigate against their review by you or your Committee. It is becoming tedious to have to explain a method of storage that was agreed upon by all parties in this matter prior to its use. At all times during the storage of these ballots, they were available for inspection by anyone interested in this matter, although no one bothered to take advantage of this opportunity. I confess that they were not locked behind special doors. However, this does not mean that these ballots are now somehow different than they were prior to going into storage. If someone is arguing that because these ballots were stored as they were, they cannot now be reviewed by you, I regard that argument as without basis in fact and not worthy of your consideration.

As you may gather, I feel most strongly about this. I have written to you at this time so as to answer any argument of this sort. I realize that your task in this matter is a difficult one and I do not wish to make it any more difficult than is necessary. However, this sort of specious argument does not contribute to the resolution of this election, a resolution which has already been too long in coming. I stand ready to provide you with any further information or assistance.

Sincerely,

Warren B. Rudman,
Attorney General.

So I say again, Mr. President, that, first of all, there is no real basis at all for challenging the security or integrity of those 180,000 ballots. Here is the very, very clear documentation of the official of New Hampshire whose responsibility it was to preserve the integrity of those ballots.

But even if you do not believe him, even if you say that the attorney general is somehow distorting the facts, surely the answer is not to count in a different manner on the basis of that. The answer would be to have a new election. The answer would be, let me repeat, to have a new election.

If the position is that the ballots that should be recounted cannot be recounted because there was not adequate security, if that is the position a Senator wants to take, all right. But then we should have a new election.

In Louisiana, not very long ago, it was found that in a very close election for the House of Representatives there was one voting machine that malfunctioned. It was determined upon adequate and thorough investigation that the voting machine malfunctioned, and there was no way that an adequate and fair recount of that election could be held. So what was done in that particular situation? There was a new election.

Mr. STONE. Mr. President, will the Senator yield?

Mr. GRIFFIN. I will be glad to yield to the Senator from Florida.

Mr. STONE. Is the Senator maintaining that after a recount the unprotested ballots were burned up, would that require a new election even if the unprotested ballots are properly counted at the U.S. Senate level?

In other words, I can go along with the Senator from Michigan's analysis up to the point of saying that logic requires a new election if you cannot validly recount unprotested ballots. At that point the Senator loses me.

Mr. GRIFFIN. Well, let me see if I can——

Mr. STONE. In other words, assume for the sake of this discussion that instead of having requisite security—if we can assume that—that the ballots unprotested had been burned up. Is the Senator saying in every such circumstance we have to have a new election?

Mr. GRIFFIN. Let me ask the Senator from Florida this question: Were both candidates in this election expected and required to assume that the Senate would disregard New Hampshire law in determining who should be awarded ballots, in awarding ballots?

Mr. STONE. No.

Mr. GRIFFIN. Well, if that is the case——

Mr. STONE. I do not think the Senate has.

Mr. GRIFFIN. Why would the Senator suggest penalizing Mr. Wyman and his attorney because they did not protest "skip-type" ballots which, under New Hampshire law, were to be counted as straight ballots?

Mr. STONE. I have not made that suggestion. I have not made up my mind.

Mr. GRIFFIN. I see.

Mr. STONE. If the Senator will recall, I voted with Senator Weicker's amendment on Saturday because when I had heard all the debate I made up my mind that the Senator from Connecticut was right. But all I am suggesting is that when the Senator from Michigan suggests that if those in the Senate do not believe security was sufficient to warrant retallying unprotested ballots their only recourse is to call for a new election, I think the Senator is straining logic at that point.

I think this evidence or letter from the attorney general is very persuasive. But I also think there was so much evidence before the committee that was persuasive to some extent, too, and I want to hear that.

All I am suggesting is that the Senator's argument and evidence in favor of the sufficient security recount is a lot more persuasive than his suggestion that if we believed the security was insufficient our recourse must only be for a new election. That does not persuade the Senator from Florida. The first part is persuasive; the second part is not to me.

Mr. GRIFFIN. The reason I take that position is this I feel very strongly that if the Senate is going to review this election and is going to recount at all—and maybe the Senator from Florida does not share my conviction in this respect—I think we ought to recount the whole election.

I do not think we should take some arbitrary group of ballots on the basis that so-and-so protested and so-and-so did not protest. I do not think that, really, is the question. That sounds like a lawsuit and one is penalizing, in this case, the people of New Hampshire because under the Senator's assumption or interpretation perhaps a lawyer made a mistake.

I do not know whether he did or not but I do not think that really ought to make any difference to the Senate.

Mr. STONE. That makes sense.

Mr. GRIFFIN. If we are going to get our noses in this thing and recount it, I think we ought to recount the whole thing. It would not be the first time the Senate ever did this. In fact, the only other time the Senate has gone this route we recounted the whole election.

Mr. STONE. The Senator from Michigan makes a lot of sense in that statement.

What disturbs the Senator from Florida, and I may remove that doubt from my mind in these discussions is the old Dr. Dooley nostrum which the Senator from Michigan will remember:

> One on the tally sheet is worth two in the box.

The point is, if the access was properly recorded to that 180,000 ballots, that is to say, they were under the kind of security so that if anyone did go in to look at them his access was recorded on a log, and if with proper notations on that log partisans went in, unmonitored by the opposite side or neutral officials, then that might give some doubt to the mind of the Senator from Florida.

What would give even more doubt is if the access were not monitored by any log.

I have heard rumors, and I have not yet heard it in any discussion here on the floor, that the back door to the so-called locked room was not locked, in fact, and was stuck a little bit, either from paint or just from being swollen shut because of moisture.

Mr. GRIFFIN. I understand it was frozen shut.

Mr. STONE. Frozen shut.

Well, if that is the kind of locked security, frozen shut, the Senator from Florida again gets a little doubtful as to how frozen it was.

Mr. GRIFFIN. But there is no record of any thaw in New Hampshire at that period of time.

Mr. STONE. Well, the thaw is occurring in the heat of this discussion, I submit.

What the Senator from Florida is saying is that his mind, on whether to recount or not count, will be greatly persuaded by the regularity and orderliness of the custodianship of the unprotected ballots.

If the custodianship was orderly, correct, neutral, then the Senator from Florida really does not see any harm in recounting the 180,000 ballots.

If, on the other hand, the custodianship was not orderly, was not regular, was not properly monitored, was not properly locked up, then the Senator from Florida can see an awful lot of harm, when in fact we had one total recount, not by one man, not in a cursory manner, but by a full team with representation from both sides, and while the ballots had been kept in their purified state.

That is the Senator's situation.

Mr. GRIFFIN. I think the Senator from Florida is going around my principle again or else, obviously, just does not agree with it.

One can see, if the Senate has an obligation, moral or otherwise, to recount the whole election, then my point was that even if some official in New Hampshire made a mistake—and I do not concede that—and some portion of those ballots are not able to be recounted, one does not penalize the people of New Hampshire for that. We have a new election.

Mr. STONE. The Senator from Florida has not made up his mind on that.

Mr. GRIFFIN. Good, I appreciate that.

Mr. STONE. And the Senator from Florida is listening closely, particularly to the description of how the unprotested ballots were kept.

But for the Senator from Florida to give any weight at all to a recount of ballots not kept in a proper purified state would be a travesty on the people of New Hampshire because it is not once that it has happened that ballots have been tampered with or lost or defaced in some way and, particularly, where the ballots were not protested, the first recount would be the best evidence.

Mr. GRIFFIN. I thank the Senator from Florida.

Mr. STONE. I thank the Senator.

Mr. GRIFFIN. Let me just make this point and I am sorry that the Senator from Louisiana who is the author of the pending amendment does not happen to be on the floor at the moment. But a major part of his amendment went to the claim that at some point or other Mr. Wyman waived his rights.

I want to keep bringing the Senate back to what the committee sought to do in its resolution. Even in the committee proceedings we adopted a resolution which included this language:

> A consideration by the committee of all the protests made by either party at any stage of the proceedings.

At any stage of the proceedings. Now, if that language means anything, it seems to me that we ought to get away from all of this technical argument unless we can say that at no stage of the proceedings, at any time, did they ever raise this question. There are not any arguments being made here where there was not a protest made at some stage of the proceedings, and this is what we were talking about.

So it is very disturbing to have the argument go off on this business of, well, he waived his rights.

Not only did the committee decide that, but the Senate decided it. Some of the people who are making this argument voted for an amendment that I proposed the other day, and the resolution which is before us makes the resolving language read:

> *Resolved*, That the Senate, applying the law of the State of New Hampshire, including statutory law, common law, and New Hampshire case law, as of January 6, 1975, without prejudice to consideration of all the protests made by either party at any stage of the proceedings.

Now, why do we keep talking and arguing about somebody waived his rights?

We have tried in both of these resolutions, one by the committee and one by the Senate, to make it clear we are talking about protests made at any stage of the proceeding.

So I just find it very, very difficult to think that some Senators believe that we should then resolve this matter against the interests of the people of New Hampshire on some technical point.

Mr. WILLIAM L. SCOTT. Will the Senator yield?

Mr. GRIFFIN. Yes, I yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator yielding.

In all candor, I believe the best time to count ballots is on election day. It just seems to me that on election day we have representatives, we have a judge of each of the major parties, we may well have a judge of the Independent candidate, we have people facing one another in each of the precincts in which they are trying to protect the interests of their candidate, they are attempting to protect the interests of their party.

As I understand it, on election day Mr. Wyman won the Senate seat. To me, this is the best test in the absence of some charge of irregularity or fraud and proof of irregularity or proof of fraud.

The election, I believe, was won by something over 350 votes. To me, that is the best evidence that the election was won by the candidate certified to the Senate as being the winner of the New Hampshire contest.

Then you have a recount of the election. I am always suspicious of recounts. As I may have mentioned, I was the victim of a recount once myself, but there was not any recount the next time that my name was on the ballot, and it was not any close election. I do not believe the people of Virginia or the people of the country like recounts of election.

We had a recount in New Hampshire and the results were reversed. Then we had another recount and the election day results prevailed.

Then we had the Rules Committee divided on what to do with the election. So we are, in effect, having a fifth contest here in the Senate. If we are going to have any further recount it would seem reasonable to me that we would recount all of the ballots, that we would not attempt to just count part of the ballots. Frankly, my second choice would be a recount of all of the ballots, but my first choice would be that we send this election back to New Hampshire. Let the people of New Hampshire decide who is to be their Senator. They have decided once on election day that they wanted Congressman Wyman to be their U.S. Senator. If we have any kind of a recount, we are making a decision for the people of New Hampshire contrary to the decision that they made when the matter was before them on election day.

So when the matter comes up I am going to vote against a partial recount of the election ballots. We ought to recount all of them again.

I do not think we have any real assurance. There seems to be a difference of opinion as to whether the door was completely closed or not. I do not know anything about the frozen weather up in New Hampshire, whether there was a thaw in the weather some time after the election so that the door was open or not, but I do say the best evidence is what happened on election day. If we are not willing to accept the election day result in the absence of proof of fraud or irregularities, it seems reasonable to me that we should go back to the people of New Hampshire and say:

We are uncertain about these things. Let us have another general election. You decide who you want to represent your State in the United States Senate.

I am glad to yield to the distinguished Senator from Wyoming.

Mr. HANSEN. Mr. President, I thank my distinguished colleague from Virginia for his courtesy in yielding to me.

I have been on hand during most of the day and I was greatly impressed by the observations earlier this morning made by the distinguished minority leader (Mr. Hugh Scott).

Before trying to recap a few of the excellent points he made, I ask unanimous consent that Jerome Statkus of my staff be granted the privilege of the floor during the debate and all votes on this issue.

The PRESIDING OFFICER (Mr. Garn). Without objection, it is so ordered.

Mr. HANSEN. Mr. President, earlier today the Senator from Pennsylvania (Mr. Scott) made some observations which I suspect will ring true with people all over the United States. He pointed out that at issue here is the hijacking of a principle—the hijacking or a principle. What does he mean by that?

Before trying to explain what he means, let me ask why was it attempted?

I guess we could conclude on this side with seeming support of logic that given the situation in New Hampshire, given the fact that it was a close election, given the fact that the Republican candidate, Mr. Wyman, was declared winner by in excess of 350 votes, and then a recount was called for by Mr. Durkin which resulted in a reversal of that situation insofar as the count by the secretary of state is concerned, and an appeal, as is provided by law, from that decision of the secretary of state to the State ballot law commission resulting in a rereversal, with the State ballot law commission duly certifying that Mr. Wyman had won the election by 2 votes. On the basis of that recount Mr. Wyman then became the elected candidate to the U.S. Senate from the great State of New Hampshire.

Senator Scott speaks about the hijacking of a principle. I believe he has in mind that the principle seems to be well established in each of the 50 States through statutes passed, through constitutional provisions which may be in the respective State constitutions, modified or fortified, buttressed or reinforced by court decisions—and in the case of the State of New Hampshire by a decision by the supreme court of that State—the hijacking of a principle.

The Senate of the United States, I make the charge, simply because there is a lopsided majority on one side of the aisle and not so many on this side of the aisle, has sought to seize upon that particular situation to hijack a principle.

The principle is well established in the State of New Hampshire. I think it is supported by people throughout the United States that the States shall determine who are elected to the various offices that are within power of the people of the State to elect.

I can understand why Mr. Durkin would come to the Senate. Really, we can argue about voter intent, and it has been argued about. I was engaged earlier this morning in a colloquy with the distinguished junior Senator from Louisiana. He was talking about the purpose of the Senate to be to determine as best it could what the intention of the voter was. That has great appeal. I am certain that on the basis of it, without having scratched more deeply, most people would say that is what we should do.

Who is to know what the intention of the voter was? Precisely because voters have displayed over the years, not only in the great State of New Hampshire but throughout the other States as well all sorts of eccentricities, failure to recognize clearly spelled out instructions, it has become necessary for the States to enact laws and for courts to interpret those laws and to reach certain decisions. In this case, in the State of New Hampshire, the decision has been reached by the court that the important consideration is to determine what the legal votes are. Not to try to explain what may have been in the minds of each one of the 180,000-some-odd voters in that State, but rather to define by statute and clarify by action of the court what is a legal vote.

There were a number of issues that had not been resolved by the Rules Committee because they split evenly on a numerical basis, voting 4 to 4. We have talked about the "skip-Louie" ballots and the "skip-John" ballots. One of the issues that was faced up to by the courts, which I discussed earlier this morning, was to make the pronouncement that it was absolutely impossible for polling authorities, for the secretary of state, for the ballot law commission, or for whoever might have been called upon to examine these ballots, to look at a ballot such as the one displayed on the big board behind me and say with certainty and finality and the intention of the voter was.

How do we know? This ballot has the big bull's-eye directly above the word "Democratic" plainly marked with an X. As you look down the column, the first square is crossed. and then the next square is left blank. So the problem posed in trying to determine what the voter intended to do must first be resolved by asking some of these questions: Did the voter start down through the long list of names of candidates and mark those for whom he desired to vote, leaving unmarked those from which he withheld his support and do it that way, finally concluding, when he got near the bottom or when he had gotten to the bottom of the long column, that he would go back and put the big X in the bull's-eye at the top of the column?

Certainly that is a very legitimate question. Or could it be inferred with certainty that the voter decided first to vote a straight Democratic ballot? By New Hampshire statute the law is specific and precise: If there is an X in the big circle or the big bull's-eye at the top, then, by definition, that voter has cast a legal ballot for everyone in the column, even though he may, indeed, have followed through later, or earlier, and indicated his individual preferences for each of the candidates. That is a dilemma that no one—no one—can resolve.

I was asked earlier today by the distinguished junior Senator from Louisiana how we would determine it, could I determine what the intention of the voter was, for each of the 180,000 some odd voters.

I said, "Indeed, not." If I were able to do that, I would expect that the wisdom of King Solomon would certainly have passed from history, and others would have come along who were certainly smarter than he, because if I were able to say with certainty what the intention of each voter in the State of New Hampshire was, in looking at evidence which we have to assume reflected his intentions at the time of the casting of his ballot, I would indeed be in the league with King Solomon.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. HANSEN. I am happy to. For a question.

Mr. JOHNSTON. Yes. Actually, the question I asked was not with respect to all the 100,000 or 200,000 votes cast, but with respect to the "skip-Louie" votes. So let me restate the question.

Can the Senator tell me, with respect to the "skip-Louie" ballots, what the intention of the voter is with respect to the "skip-Louie" ballots?

Mr. HANSEN. I could not tell the Senator what the intention of the voter was on any "skip-Louie" ballot. I think the point has already been made that it is not fair or equitable to say that because the Wyman entourage or forces failed to object to some of the rulings made at the time, or failed to follow through and say, "Let us count them," it does not confer the authority on the Senate of the United States to make that determination.

There was no reason at all why Mr. Wyman should not have concluded, as indeed I am certain he did, that this determination would be made according to State law, that the statutes of the State of New Hampshire would be followed scrupulously, and that those statutes would be subject to interpretation by the courts of the State of New Hampshire. So my point remains—and I am pleased that my good friend from Louisiana is on the floor—that this is the situation.

Really, what we are talking about is not to try, though we were given the patience to do so, to look into the minds of all of those persons who voted in New Hampshire. Some of those voters are now dead, including a sister who voted for her dying sister, registered Democratic, and cast two ballots, as I recall, certainly having no right at all under any possible stretch of imagination under New Hampshire law to vote for her sister. But she did that, and she also voted for herself.

I do not think the question is, Should we try to determine what the intention of the voter was, but rather should we not look at New Hampshire law, read the statutes, read the court cases, and then ask ourselves this question: Who won the greatest number of legal votes cast in the State of New Hampshire?

Mr. JOHNSTON. Will the Senator yield further?

Mr. HANSEN. I am happy to.

Mr. JOHNSTON. I have a 2:30 meeting, and it is my amendment that is before the Senate for discussion. I wonder if I might safely go to that meeting and come back and still be able to join in the discussion, or whether we can agree to——

Mr. HANSEN. I would ask my good friend, is he going to a committee meeting?

Mr. JOHNSTON. No.

Mr. MANSFIELD. If the Senator will yield, just an informal discussion; no business.

Mr. HANSEN. Let me say this to my good friend from Louisiana: Was he concerned that I might move to table his amendment or something, while he was away, or what was his concern?

Mr. JOHNSTON. I would like to bring the amendment to a vote as soon as we can, and if that opportunity is going to come up soon, I would stay on the floor. But if this is—I shall not use the word "filibuster"—to be an extended discussion, if there are more points to be covered than we have time, in other words, if the Senator is going to talk for a good while, I would like to leave and go to my meeting. Otherwise I would like to bring the amendment to a vote as quickly as we can.

Mr. HANSEN. Let me say to my good friend from Louisiana that I greatly value and cherish his friendship, and I will do what I can to accommodate him. I do not want to take more time than I would otherwise have taken.

I remind my good friend that I have been in the Chamber since 9 this morning. I asked permission to follow the Senator from Pennsylvania. I would hope that the Senator might not infer that I am intruding on his time or delaying a vote on his amendment, because I believe, as a matter of fact, I might have been here about as long this morning as were most of the Senators. I do not propose to carry on for an undue length of time at all. I think what Senator Hugh Scott, the minority leader, said was important. I would like, because there were not too many of us here this morning, to review some of the points that he made. I am certain that, with the representation that the Senator from Louisiana sees in the Chamber on his side, his rights will be fully protected. I would not presume to say how quickly we might get to a vote. The Senator from Pennsylvania pointed out this morning if we were to vote cloture on the issues yet unresolved, in this debate, we would have a total of 104 or 102, I believe 102 seconds per issue.

Mr. JOHNSTON. If the Senator will yield, though, that 120 seconds are added to the debate which has already taken place. It would consume a considerable amounts of time because this very amendment we are——

Mr. HANSEN. It would be 102 seconds per issue more I would agree with that. That is my mathematics. The Senator may figure his as he chooses, but I would say less than 2 minutes per issue.

Mr. JOHNSTON. I think this debate has been very elevating and enlightening.

Mr. HANSEN. And not yet concluded.

Mr. JOHNSTON. I think it has been thoroughly gone into. Each Senator I think, because of the high quality of debate, will consider himself now enlightened.

I hope with this attitude of enlightenment we may now proceed to express ourselves with our new-found education on these issues, and that Senators will not be too worn out from hearing some of us, who have been debating a bit too long. I would hope we can move on and cast some votes particularly on my amendment.

Mr. HANSEN. I will say to my good friend from Louisiana that I hope the people of America will not become too worn out with what is taking place in this Chamber, with the reins so firmly in the hands of those on the other side of the aisle, that they will despair of the wisdom and the fairness of the Senate.

That is the point I think really is at issue, Mr. President, because, as was pointed out by the Senator from Pennsylvania this morning, when NBC sent newsreel teams up into New Hampshire to find out what was taking place, given their objectivity, given their sense of fairness, and their sense of seeing that both sides of the issue were duly explored and reflected on tape and on audio, what happened? They went up and down the streets, and they interviewed people, and they heard from many, many people. What were these people saying? They were saying, whoever represents New Hampshire in the U.S. Senate ought to be chosen by the voters of New Hampshire. They were saying that, "If there is an issue here, let us decide that issue," and the State legislature went so far as to provide the mechanism that would make that possible.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. HANSEN. If I may finish, I will be happy to yield to my friend in a moment. I will. But I just wanted to carry out what happened.

NBC was up there for more than a day, and the surprising thing about it was that they could not find anyone, and they were unable to find anyone in that great State of New Hampshire from more than 180,000 who had voted last November who said the Senate ought to decide it. So they went on longer and finally—I guess finally—I do not know where they dug them out—finally they found one or two or maybe a few people who said, "Let the Senate decide for us."

By and large, Mr. President, the overwhelming consensus, without any question of a doubt at all, was that the people of New Hampshire should decide that issue.

I think what America is going to be saying to us, and I am getting the word, and I cannot think the people of the great State of Louisiana, having the wisdom to send Russell Long and Bennie Johnston to this body, will feel any different than they do in Wyoming—I do not think they will. I think they are going to say the very same thing. If we want to decide issues here, if we want to decide legislative matters, which by law, statute, and Constitution we have a right to do, that is one thing. But if we are going to decide who is going to represent New Hampshire in the Senate of the United States, the people of New Hampshire are going to say to us, as they have indeed said to us: "We don't like it. Whoever represents us in the U.S. Senate should be chosen by the people of New Hampshire." And they say, further, sure it is fine, it is fine.

And who can answer the rhetorical question posed by my good friend, the Senator from Nevada, time after time: How do you determine what the intention of the voter was? I do not know.

I do know this: that the Statutes of the State of New Hampshire have spelled out in the law how an issue of this kind is to be resolved. If there is any doubt about that at all, the courts have underscored the guidelines that are to be used in doing that, and it comes down not to what the intention of the voter was, but how many legal votes were cast.

Mr. DOMENICI. Mr. President, will the Senator yield for a moment? He is right in the middle—excuse me—he may finish.

Mr. HANSEN. If I could make this add-on.

Mr. DOMENICI. Yes.

Mr. HANSEN. Let me say this: On that basis, using that criterion, who won the most legal votes?

My response is Louis Wyman did. Every administrative appeal relief that is provided by New Hampshire law was followed through. As I said earlier, Mr. Wyman won the first round. Mr. Durkin challenged the election. The secretary of state recounted, and then issued a certificate of election to Mr. Durkin which, according to New Hampshire law, was appealable.

I want to quote from a colloquy that took place in the Chamber of the Senate, June 16, Monday, between Senator Pastore and Senator Javits:

Senator Pastore said:

> The Senator would be absolutely right if only one had a certificate. But the fact remains that one man is first certified and then that same body took it upon itself after some secret strategy, as I understand it, and some other maneuvering was indulged in, and they sent up a new certificate. Now we are confronted with two certificates. The same body that validated the first time invalidates the second time, which raises a very serious question as to whom did the people of New Hampshire actually elect. Is that not the question?

That is asked by Senator Pastore. And Senator Javits replies:

> I am constrained to disagree with the Senator for this reason: The certification of Mr. Durkin came on a survey of the ballots by the secretary of state and was subject to the right to appeal to the State ballot commission. That is the final authority. That certificate, hence, the one that was first issued, was simply invalidated.

And that sets forth very clearly and succinctly, I think, by Senator Javits, what took place in New Hampshire. On that basis, and on that basis alone, I submit that the people of New Hampshire have spoken clearly, convincingly and persuasively, that Senator, and I could say Senator Wyman—he has not yet been seated, but he should be—and the people of this country are going to know that, unless he is, he has failed to be seated for just one reason; that is, that they have got the votes over there and we do not have them here. But there is no doubt at all, there is no doubt at all, Mr. President, over the feelings of the people of the State of New Hampshire.

So my contention is that what we are really talking about is who won the greatest number of legal votes cast? King Solomon indeed, were he alive today, would be baffled in trying to say with certainty and finality what each one of the more than 180,000 voters had in mind. God only knows. I certainly do not know.

Mr. **JOHNSTON.** Mr. President, will the Senator yield for a question?

Mr. **HANSEN.** I am happy to yield.

Mr. **JOHNSTON.** I am wondering if it would be possible to set a time limitation on my amendment.

Mr. **HANSEN.** I would not want to. I do not want to cut off the right of a Senator to debate an issue as long as he chooses. I would not want to propose any. If he were inclined to suggest any, I probably would have to object.

Mr. **JOHNSTON.** Is that a probability or a certainty?

Mr. **HANSEN.** What is that?

Mr. **JOHNSTON.** If I were to propose a time limitation, the Senator would object or probably would object?

Mr. **HANSEN.** I would have to see how I react. I am a little unpredictable. I am like the voters. I am not always sure what I might do.

Mr. **JOHNSTON.** Hope always springs eternal, so I will make the request.

Mr. President, I ask unanimous consent that the debate on the pending motion last for 30 minutes, 15 minutes on each side.

The **PRESIDING OFFICER.** Is there objection?

Mr. **HANSEN.** I object.

The **PRESIDING OFFICER.** Objection is heard.

Mr. **HANSEN.** Sometimes I make up my mind very quickly, I say to the Senator from Louisiana.

[Laughter.]

I say this to the Senator: The vote will not occur sooner than that.

Mr. **JOHNSTON.** I thank the Senator.

Mr. **HANSEN.** Mr. President, I am happy to yield to the Senator from New York.

Mr. **BUCKLEY.** I thank the Senator from Wyoming.

I am concerned about the specific nature of the amendment now under debate. What it would attempt to do, as I understand it, is to limit our ability to examine into the existence of "skip-Durkin" ballots. If I am correct, I believe that the effect of the amendment offered by the Senator from Louisiana—which is, after all, the subject of the matter before us at the present time—would be to attempt to restrict the ability of the Senate to go into and examine the "skip-candidate" ballots, those ballots that were in fact challenged.

In this one issue, we see the extraordinary inequity of what is proposed that the Senate should do. We have it clearly in the record that, on the one hand, Mr. Durkin authorized his challengers to challenge "skip-Wyman" ballots and found, I think, 12 of them. On the other hand, Mr. Wyman, relying entirely on the clear law of New Hampshire, ordered his challengers not to challenge the "skip-Durkin" ballots. Somewhere along the line, one of them, despite those clear instructions, nevertheless challenged the one ballot that we have among the 3,500.

The fact is that the record makes plain that there are a number of "skip-Durkin" ballots. There are affidavits to that effect.

It seems to me absolute derogation of elementary due process for this body to say that, because one candidate was persuaded that the law of his State would be binding, he ordered that all ballots were considered validly cast for his opponent under the law of the State not be challenged and that should be precluded at this stage because the Senate should so surprisingly determine that the law of the State of New Hampshire is irrelevant.

For the election to depend on this arbitrary decision by the Senate of the United States, in my judgment, would be shocking for the public. I suspect it would raise grave grounds that the Supreme Court might wish to look into. We know that the decisions over the years suggest that the Senate, without any kind of supervision or interference from the Supreme Court, will do whatever it will, however outrageous, however outlandish. But I suggest that we no longer can afford to take such a view, in light of the Powell decision, in which the Supreme Court did study action taken in the House of Representatives and decided that the action was so beyond the purview of fair treatment, due process—or whatever the exact grounds were—that it intervened; and this was an historic first in our constitutional history.

I suggest that the way we are proceeding in this issue, it may very well take the Supreme Court to intervene; because it seems that, in the plain sense of justice, we cannot treat one set of ballots one way and another equivalent set of ballots another way.

The amendment before the Senate is perhaps one of the most important that will come before this body on this matter. It goes to the heart of whether the Senate is in fact going to be evenhanded, is in fact going to act as impartial judge, in trying to determine what was the will of the people of the State of New Hampshire.

I do not see how we can possibly say that we will set aside the law of New Hampshire with respect to 12 "skip-Wyman" ballots and determine unilaterally what was the real intent of the individual voters casting those ballots and then, at the same time, say that we refuse to look at those ballots that we know to be in existence, which are hidden away among the 180,000 ballots that the chairman of the Rules Committee is urging that we consider outside of our investigation.

I do not see how we can do that without depriving the people of the State of New Hampshire of the right to make their own determination. I do not see how we can do that without establishing some precedents that are dangerous to the future, which will encourage people in any closely decided election, where there are no charges of fraud or illegality, to turn to the Senate, in the hope that similar distinctions, which are arbitrary in nature, will have the result of upsetting the decision of the voters.

Mr. **HANSEN.** I thank the distinguished Senator from New York—a very learned lawyer and a man known and recognized and admired for his sense of fair play and equity—for making the observations that I have just been privileged to hear. He is exactly right.

There is no question in my mind that Americans in each of the 50 States, in overwhelming numbers, agree with the Senator from New York. To cut this thing off, as has been proposed by the particular treatment that we seem to be deluged with now, is frightening, indeed.

It should be observed that if all that is required to set aside an election—the expressed, manifested will of the people of any State—is simply to appeal to the Senate of the United States as the final arbiter of an election, we are going to open this body to all kinds of charges. We will find that the issue before the Senate of the United States, in this year of 1975, is not who won the election in New Hampshire but, rather, to ask, "Is the Senate of the United States so filled with caprice and mischief as to be willing to inject itself into this kind of issue and to deny the people of any State the right to determine who represents that State in the U.S. Senate?"

Earlier today, the Senator from Pennsylvania (Mr. Hugh Scott) said that if they can do it in New Hampshire, they can do it in Delaware; they can do it in New York; they can do it in any other State.

I hope very much that if we believe, as I am certain the Members of the Senate do, that this is a worthwhile institution, that it is an institution deserving of the respect and the admiration that the people so far have given to it, we would not fall into this trap that has been posed for us and set by us through this issue to override. The fact is that the person who won the New Hampshire race for the U.S. Senate in 1974 was Louis Wyman. He won it by having two more legally-cast votes than did Mr. Durkin, and it would not matter if it were two or 200 or 2,000. The fact is he still won it. It is just like a horse race.

Mr. **BUCKLEY.** Mr. President, if the Senator will yield.

Mr. **HANSEN.** I am happy to yield.

Mr. **BUCKLEY.** I think that, first of all, I am persuaded that we ought to have finality in elections. I am also persuaded that where there are no allegations of impropriety, the State machinery ought to be respected and honored by this body. But I should like to get to one other aspect of the situation than that which has been touched upon by my distinguished colleague from Wyoming. That is that, even assuming—I do not doubt the good faith of all of the members of the Committee on Rules, but even assuming that we were to conclude that the law of New Hampshire was arbitrary in this business of having the party designation override any other indication that might suggest that of a contrary point of view by a given elector, at the very least, we have the right to expect the Senate to be consistent, to apply the identical rules.

What I fear is that if the public perceives this inconsistency, if the public sees that one set of rules is being applied in the case of Mr. Wyman to his disadvantage and that the same rule is not applied to Mr. Durkin, to his potential disadvantage, we may encourage the kind of cynicism about the political processes that is so rampant today. I think that we ought to recognize this fact in America. We ought to recognize how deep this feeling is on the part of some Americans that, somehow, the political process is corrupt. We ought to be doing everything within our power to restore the respect and belief of the American people for their political processes.

I know that over the period of the past 2 weeks, I have been trying to explain this "skip-candidate" phenomenon to various people in New York State, to interns working in my office, and to others with whom I have come in contact. I have yet to find anyone who feels that it was appropriate to change the ground rules applicable to the counting of a New Hampshire vote for one candidate and not to make certain that the same changed rules are applied to all the other votes for the other candidate, irrespective of whether or not those particular ballots happened to be challenged. They all say, what is the purpose of the exercise but to determine the true intentions of the people of New Hampshire?

I sincerely believe that if we were to adopt the Johnston amendment, we would cause and we would encourage the cynicism now being felt by Americans about the political processes in general and this body in particular.

Mr. HANSEN. I thank my distinguished colleague from New York very much.

Mr. President, I ask unanimous consent that I may yield to my good friend from Connecticut.

Mr. WEICKER. Mr. President, will the distinguished Senator from Wyoming yield?

Mr. HANSEN. On the basis that I do not lose my right to the floor, I am happy to yield.

Mr. WEICKER. Mr. President, I withdraw my amendment No. 604.

The PRESIDING OFFICER (Mr. GARN). The amendment is withdrawn.

The amendment (No. 604) was withdrawn.

Mr. WEICKER. I yield back to the distinguished Senator from Wyoming.

Mr. HANSEN. Mr. President, without losing my right to the floor, I yield to the distinguished Senator from New Mexico.

Mr. DOMENICI. As I understand it, the Senator has withdrawn his amendment. I was going to engage in a discussion with the Senator as to the true effect of the amendment by the Senator from Louisiana. I think that argument is rendered moot. However, just a few words to follow on Senator BUCKLEY's statement.

If we were really to consider the amendment, which states, let us look at the potential "skip-Durkin" ones, and at the same time, turn around and say, however, only as to the 3,500, there is just no question that everybody on the committee knows there are not any there. The process prohibited any being there.

It appears to me that we either face up to the issue or we are going to a point where we are already beginning to look like we are dealing with this in some kind of partisan arena, some kind of gimmick-laden arena. This one is full blush. What else could we be doing but, out of one side of our mouths, saying, let us vote up or down on whether we are going to count "skip-Durkin" ballots, and out of the other, saying, well, if we are going to count them, count them where there are not any. It seems to me the issue is too serious to play that kind of game.

I wish the Senator from Louisiana were here. I should like to ask him if he knew that there were none there when he made the proposal. I know he made the statement about secure ballots and insecure ballots. But that is not an answer, to turn a very valid consideration in the U.S. Senate to something that is a sham. Why propose an amendment to give a scope that will yield nothing? That is really turning this debate into an absolute waste of time. If that were to pass, there is no reason to have the first amendment, the one that says we should look at it.

It appears to me the Senator from Wyoming does have an answer to the Senator from Louisiana. I say to my distinguished friend from Wyoming when he says, what is the intention, and says, do you know?

I think almost all of us who have practiced law and been in the legal arena know that intention by State law, whether it be statutory or case law, when the highest court of the land has interpreted a statute or interpreted the common law and said, in this situation, this will be determined to be the intent, that is assumed to be the intent for all legal purposes. We do not go out and try to find the witnesses again and the people again and perhaps put them to sleep and, under some kind of a drug, say, "What was your real intention?"

The purpose for the Court's determination as to what legal intent is is just that, that they have determined, as a policy for that State, that it is best to intepret intent in that way, for it served the public good in more times on the right side than not.

So there is an answer to that on the "skip-Louie" or "skip-Durkin" ballots. We can answer quite forthrightly: If we are going to follow New Hampshire law, we know what the intention is. If we are talking about going and finding each voter and asking, "What was your intention," there is no need for legal intention. That is the distinction we ought to be making.

In this particular case, what some are saying is that if that was the defined law of their State, then one person relying upon it and saying we will assume that is so, through the process that we regularly follow in the States—commissions, courts, final commission hearing—we will assume it is right there. But when it comes to the Senate, we want to take a broader interpretation of our prerogative. If that is what the Senator wants to say, that we shall determine intent all over again, it seems to me that what the distinguished Senator from Wyoming is saying, and the distinguished Senator from New York, is, "All well and good; if you want to do that, let us be fair about it." Let us also say that the other candidate should be given an opportunity to see what the intention, as defined anew here by us, is on the potential "skip-Durkin" ballots. I do not see how that is a very difficult concept, in fairness and equity, to understand.

The Senator speaks of a bona fide waiver. How can there be a waiver when we are acting in accordance with the law of the State? We cannot expect a waiver without knowledge. The very concept of waiver, the doctrine of equity, is that there be knowledge. If there were any knowledge here, it was knowledge on the side of Mr. Wyman that the law in that State was well-defined. We may not like the law. We may not like the straight ballot, skipping some, if you like, and determining them all to be under the banner of where they struck their first X. We may not like that. Many States have changed it, as the distinguished Senator knows. In my State, we have all machines. We still honor it, but we make it very easy to skip back and forth in the column. It is not very difficult. Yet we honor it, for once you pull the straight lever, all the others are pulled; once you have not to the contrary, on the other side, pulled the lever. In that kind, we do not really know whether the voters skipped any or not intentionally. We just make the machine do that. The machine would have voted Mr. Wyman in this one because they would not have pulled the contrary lever. That is the way we do it. That is the intent.

What are we going to do, go into those other States and say, we are going to call 50 voters when there is confusion, and see if they skipped it when the machine recorded it anyway?

If we are going to follow the State law, it is determined on those "skip-Wyman" ballots, there can be no waiver without knowledge. Quite to the contrary. It appears that he should be entitled.

The Senator from Alaska has clearly shown again that, even if we want to talk about his not calling it to anyone's attention, to adopt this amendment would mean that we will not even do it in those other boxes, those other areas where we have challenges, all of those voting, and there again, there would be ample opportunity to look at those in terms of the "skip-Durkin."

So while it is no longer an issue, I thought I might just contribute in terms of distinguishing between the true intent and the legal intent. What we are talking about here ought to be the legal intent, as interpreted by their statutes in their courts. If we are going to do anything to the contrary, we ought to go back and give them all an opportunity to work under the same set of rules. That is the basic issue.

I thank the Senator for yielding.

Mr. HANSEN. I thank my colleague from New Mexico very much for his very enlightening and incisive remarks.

It seems to me he has focused—and I am pleased indeed that he has—upon the issue, and I do not think that his observations are lost at all because of the withdrawal of the motion by the distinguished Senator from Connecticut, which may indeed make the amendment proposed by our good friend from Louisiana a nullity at this time because I suspect that this same argument may be raised again. For all I know, there seems to be no reason at all to suspect that it will not be.

What we come down to is to try to find out who legally won the election in the State of New Hampshire. I do not think there needs to be any embellishment, any spelling out of the precise manner in which that determination shall be made, excepting to say it shall be according to New Hampshire law.

As my good friend from New Mexico has pointed out, maybe the State of New Hampshire provides one way in which you can vote for all of the candidates in a particular political column, and New Mexico may do it another way. But the point should hold and should prevail here is what does New Hampshire law say and what have the courts of New Hampshire said. And what they have said stands uncontroverted. All of the rhetoric we have heard from the other side, all of the arguments, all of the 6 months of time practically that the Rules Committee has been examining this issue, they have failed to face up to that one basic final question: Who legally won the election in New Hampshire?

I quoted earlier what the distinguished Senator from New York (Mr. JAVITS) had said. First, according to the unofficial count or the official count, Mr. Wyman won the election by some 350-odd votes. Then an appeal was taken to the secretary of state. He made a count. He declared Mr. Durkin the winner and issued a provisional certificate that would have stood had there not been an appeal under New Hampshire law from that particular provisional decision. But such an appeal was taken, such a recount was gone into by the State ballot law commission, and that State ballot law commission happens to be the final authority. What did the final authority say? The final authority said that not Mr. Durkin but Mr. Wyman had won the New Hampshire election by two votes and, on that basis, a certificate was duly issued, was given by the sovereign State of New Hampshire, transmitted to the U.S. Senate saying, "Seat Lou Wyman. He has been duly elected a Senator from the State of New Hampshire."

Now, the mischief in this, and really what is at trial here today, and has been at trial ever since this whole thing was brought into controversy, is not for us to try to go back and read the minds of some people who are no longer here, those who have died, those who have moved, those who have gone, those who may have voted illegally as well as those who voted legally. That is not our job.

Our job rather is to see that what we do here conforms with the high standards of principle and morality and law in a way as to inspire confidence in the Senate of the United States, and to reassure people this constitutional form of government we have is set up in a way that deserves their support and deserves their best efforts. That is the issue.

It would be an easy thing for us to roll over and play dead and say, "We will agree to a time limitation."

There will not be any doubt in mind—maybe there will be in some—there would be no doubt in my mind as to how that would be resolved. But more importantly than how it might be resolved is this question: What business has the Senate of the United States taking over, usurping, seizing from the people of New Hampshire the right to determine who is to represent them? They have gone through the election process. Every appeal that can be taken has been taken. The final bottom line, the end result, says, "Lou Wyman won the election by two votes."

That is the point. I, for one, am not going to be party to a ploy or a mechanism that will say, "We are going to let the Senate of the United States decide," not because I am fearful—as indeed I am—of how it would be resolved, but, rather, because I respect this institution, as I am certain Members on the other side do just as much as I do. Yet I think it is easy sometimes for us to become a little confused, for us to fail to perceive what the sentiment of the people of the United States might be.

There is no doubt at all in my mind, Mr. President, that if NBC were to go up and down the streets of Baltimore or up and down the streets of Reno, Nev., or Cheyenne, Wyo., or any other town in America and ask how should this be resolved, they would say, just as they have said in the Granite State, "It should be resolved by the people of that State." They have resolved it.

There really is not all that much for us to be arguing about. The only reason it is here, the only reason, in the opinion of the junior Senator from Wyoming, is that having gone through all of the administrative appeal procedure afforded by New Hampshire law, and interpreted by New Hampshire courts, their belief is that this was the one place where Mr. Durkin could negate the will of the people of New Hampshire and, despite the fact that he lost that election by two votes, come here before the Senate of the United States fully aware that the majority is over there and say, "Give it to me."

I think that is the issue, and I am not going to be a party to that sort of thing because I want to be able to say, insofar as I am able, that I have done my best to comport myself in a fashion that will at least persuade my grandchildren, hopefully, that I did the best I knew how.

I am not a lawyer, I am not trained in the law. I need to make that observation to those members of the bar here present. They are fully aware of that. But I do not think that any legal mechanism, any legal intrigue or device we can conjure up here can go very far in persuading the basic human, innate decency, and fairness of the people in this country to think that we have any business at all trying to tell the people of New Hampshire who won the election. They know who won the election.

There has been a duly authorized certificate issued saying who won the election. Yet, simply because there are some who believe that the power is on the other side, they say, "Let us look at this a second time."

Well, if I were to be inclined to be political, and I am not, I would say that judging by what has gone on in the other body, I am not sure one more Democrat would be particularly helpful in trying to make possible the construction of an energy policy, the construction of a foreign policy, or the construction of domestic policy.

It seems to me, as I learned when I was Governor of Wyoming, sometimes we can get too much help, sometimes we do not need that many on our side. Because instead of being reasonable, instead of trying to listen to fairness and to hear both sides, if we get too much power over there, the voices of those of us on this side become too weakened, and the strident voices over there will dominate those over here, and we do not get the balanced legislation that normally should prevail and which obviously always is in the public interest.

Mr. DOMENICI. Will the Senator yield?

Mr. HANSEN. I am happy to yield to the Senator without losing my right to the floor.

Mr. DOMENICI. I would like to pose a couple of questions generally to those Senators who are going to have to pass on this proposition.

I will be delighted if the Senator from Wyoming cares to respond to them, but I pose them generally to those who will be reading the RECORD on this issue.

Mr. HANSEN. I beg the Senator's pardon. Will he restate that, please?

Mr. DOMENICI. I am going to post some questions based upon some hypotheticals, things that I think are going to happen in this skip ballot situation. Whether the Senator from Wyoming wants to answer them or not is not terribly relevant. I would like those Senators who are wondering, to ponder them for a bit.

First of all, I think the issue on the "skip-Louie," "skip-Durkin" ballots is this, and everyone must determine it. Is it clear that the law of New Hampshire says that if one puts on X in the top, that one indicates his desire not to vote for someone in that column by both an affirmative act indicating he does not and on the other side in the Democrat one by indicating his preference there.

Now, every Senator is going to have to answer that in his own mind. As I understand it, that is clearly the law in New Hampshire.

That is the first thing to be answered and everyone is going to have to answer that for himself.

We have already said, second, we are going to follow the law of New Hampshire and every Senator that determines that law and looks at these eight, one skip and the other five, and two or three other skipped, will have to answer that.

Mr. HANSEN. If the Senator will permit me, because I have a one-track mind, I will try as best I can to answer that question.

It probably is in the nature of a rhetorical question, but insofar as I understand the law of New Hampshire, in order not to count a vote for every member of the party whose name follows under the big bullseye at the top and to which an X has been placed by the voter, an affirmative action by that voter is required, either by striking through the line, not X-ing it out, but striking through it with a pencil mark or pen, or whatever, or by an erasure, so as to leave no doubt at all that in the intention of that voter he took an affirmative action, a positive action that cannot be debated or argued about. He is clearly signifying his intention not to vote for a particular man.

Does that respond to the first question?

Mr. DOMENICI. Indeed, it does.

Mr. HANSEN. That is my understanding.

Mr. DOMENICI. The remainder of my questions will be addressed to the Senators who want to consider the seriousness of the decision and I do not expect the Senator to respond.

But I am going to assume what the Senators are going to say. I do not like that law. I do not think that reflects the intentions, as I understand it as a Senator, and I assume there are people on the Rules Committee that are saying that; that that may be the law in New Hampshire at that time, but I do not like it, I do not think it depicts the true, legal intent issue we were talking about a while ago.

Now, I am asking those who want to do that, on the issue of what they ought to do with these 13 and what they ought to do with the proposition of whether or not we are going out to look for the "skip-Durkins" to make the same kind of decision on, I am asking them what is fair. If we are going to change our minds because some of us are conventional, they do not like that New Hampshire law and they are going to determine a new definition of intention, and if they really think that is their conscious obligation because they do not like the law we have just described, then it seems to me they have to ask themselves the next question. What do we do about it in fairness to who won the election? Because we are deciding here to change that ruling. That is not the ruling in New Hampshire.

Anyone who talks about waiver or equity and says we can change that rule here because we in good conscience do not think that New Hampshire law is good—and I am going so far as to say maybe, maybe there are an awful lot of Senators that would agree with that proposition and say that we do not understand why New Hampshire did that when there is only one skip, in our mind that did not mean what New Hampshire said, but nonetheless it was there, we are going to decide it differently—I say to those who are going that route, they better clearly analyze what the procedural effects of acting that way are on the voters of New Hampshire and who we are going to give them as a Senator and the very basic right of two candidates, for we are making that decision as part of our conscience, as part of our concern, in spite of a New Hampshire law to the contrary which people relied upon for many years, including the candidates.

We do not just end by saying that we can make it and decide in conscience what we think the appropriate intent is. If we are going to do that, we have to ask the next question, what are the true repercussions of that on this count which occurred, and that is what makes it so relevant that we be consistent.

If we are going to go with New Hampshire law, we have got to give all these "skip" ones to Wyman, as they would have.

For those in this body who would do the contrary, they have got to understand that that is not just a procedural decision we are making for, as a matter of fact, there were people who relied upon that, to their detriment, one of which is the Republican candidate. Then we are saying to the people of that State, we are going to use our own interpretation of intent on these because someone challenged them and on that issue we may very well determine who is elected, we may very well determine who we are going to seat.

I am suggesting that Senators ought to consider the repercussions of that one which, indeed, even though we have the authority, as has been cited over and over again, constitutional authority, that we not follow a procedural system which is basically calculated to cause one set of ballots to be treated one way and another another way.

That is the basic issue and I am pleased that the Senator raised it again today.

I am delighted it is not an issue with the Senator from Louisiana's amendment on it for I think it would have made a sham out of one of the most serious issues we have got, because that issue would not have been determined in the 3,500 ballots.

I thank the Senator again for yielding to me.

Mr. HANSEN. Mr. President, I thank my good friend from New Mexico for his very enlightened and limited remarks.

I would say this, that one of the unique things about America is, first, that we have a written Constitution.

I am told, as I read periodicals and newspaper articles these days, that ours is the oldest Government in existence today operating under a written Constitution, and part and parcel of that, of course, has been our willingness to accept the power of law in this country.

We have heard lots about law and order in the last several years, and if there had been any doubt at all about America's commitment to a rule of law, I think we will all have to agree that that illusion was pretty well removed from our minds in recent months no matter who it is, and it may be the most powerful man in our Nation, as in the case of the President, they are answerable to the rule of law. That is what we are talking about here.

We can speak to anyone we want to and they can always explain their good intentions, a criminal, one who snuffs out the life of another. If one is to sit down with him and try to empathize with him, he can tell you why there was justification for his doing what he did. But that is not the point. If people are going to live together in peace and tranquillity, if we are going to get along, if we are going to make allowances and give adequate consideration for persons with whom we do not agree at all, I think we have to do it on the basis that has proven so well adapted to that sort of society here in America.

I am proud it is that way.

What the Senator from New Hampshire is saying seems to me to underscore that point. We are talking about the law. It is not enough for us to say what I may have intended or what someone else may have intended, any more than it is to go to the man who murdered his neighbor and ask, "What did you intend?" Rather, the relevant question is, "How does that act conform with the law?"

If they do not answer that first question satisfactorily, then, indeed, you have to look more deeply into the issue.

In this instance, Mr. President, there seems no doubt at all as to what the law of the sovereign State of New Hampshire says. It is spelled out in statute. It has been confirmed by opinions of various attorneys general. It has been revalidated and reinforced by court decisions, including the highest court of the State of New Hampshire. On that basis, there is only one man who won the election. It did not result in a tie vote. Lou Wyman won the election. He won the election by two votes. That is a close election.

In Wyoming I do not mind winning by one vote, so long as I am on the winning side. I would prefer to be on that side, because, as a consequence, that is where the action is, if you have won. If you have lost, you may have run a great race but you are not where the action is. I do find being where the action is of some interest, particularly at this time.

But above and beyond that, the point remains that the State of New Hampshire offered its voters an opportunity last November to choose a number of people for public office. I stress legal votes. I pointed out earlier today that it is a relevant question.

Three members on the ballot were to be chosen for county commissioner. In one of the races they found that an elector had voted for four persons for county commissioner. One could argue that there was not much doubt about what that voter intended to do. He just thought "Here are four good guys. I am going to vote for them." The only problem is that three only were to be elected. As a consequence, they threw his ballot out. They threw it out, because he had not legally voted for only three candidates running for county commissioner.

Another example was given. Suppose in an off election year for the governorship someone decides he does not like the Governor, so he writes in for the office of

Governor his good friend Joe Doaks. Well, that is all well and good. There is do doubt at all what the voter intended to do. We wanted to cast a ballot for Joe Doaks for Governor. But you do not count it. You do not count it for a very simple reason. There is no election that year for the office of Governor, so it is not a legal vote.

When we get down to it, it is a case of counting the legal votes. They have been counted. The people of New Hampshire have spoken. If there was any doubt about that in anyone's mind, NBC certainly removed all evidence of doubt when it sent film crews up there to interview the man on the street.

I guess there is nothing unique about that, because I predict that they could send their same crews, CBS or NBC, into any place in America and they would find exactly the same reaction. Not everyone attributes too much omniscience or even intelligence at times to this body. I would hope they unnecessarily denigrate us. Maybe they do not.

One thing is true. That is that insofar as the average American is concerned there is no doubt at all as to who he believes deserves to be heard in deciding who will represent the people of New Hampshire in the Senate of the United States. And that is not the Senate of the United States; that is the people of the State of New Hampshire. They have spoken.

Before yielding the floor, I would like to say that it is going to be my purpose to try to see that the wishes and the expressed intent of the people of the great State of New Hampshire are scrupulously followed by the Senate of the United States.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 605

Mr. ALLEN. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Between lines 6 and 7 on page 1 add the following:

1(a) It is the sense of the Senate that the Committee on Rules and Administration retrieve from the ballots of a skip-candidate type a number of skip-Durkin votes equal to the number of skip-Wyman votes before the committee, and that all such skip-candidate votes be considered by the committee.

And on line 7, renumber section 1 as section 1(b).

Mr. ALLEN. Mr. President, I am ready to discuss this amendment. In the hope that more Senators may be prevailed upon to come into the Chamber, I am going to suggest the absence of a quorum and let it run for a few minutes.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll, and the following Senators answered to their names:

[Quorum No. 40 Leg.]

Allen
Baker
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Cranston
Culver
Dole
Domenici
Eastland
Garn
Hansen
Hart, Philip A.
Huddleston
Jackson
Johnston
Kennedy
Mansfield
Mathias
McClure
McGee
Mondale
Morgan
Randolph
Schweiker
Scott, Hugh
Sparkman
Stevens
Taft
Talmadge
Young

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the presence of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Case
Church
Clark
Eagleton
Fannin
Fong
Ford
Glenn
Goldwater
Gravel
Griffin
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Inouye
Laxalt
Leahy
Magnuson
McClellan
McGovern
McIntyre
Metcalf
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Proxmire
Ribicoff
Roth
Scott,
William L.
Stafford
Stennis
Stevenson
Stone
Symington
Thurmond
Tower
Tunney
Weicker
Williams

The PRESIDING OFFICER (Mr. GARN). A quorum is present.

Mr. BROCK. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. GARN). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Tennessee (Mr. BROCK) proposes an amendment to amendment No. 605, as modified, proposed by Mr. ALLEN, in the nature of a substitution therefor: In lieu of the language to be inserted, insert the following: "1(a) It is the sense of the Senate that all skip-candidate ballots presently before the Senate for consideration be declared to be straight party votes for the candidate involved."

On line 7 renumber Section 1 as Section 1(a).

Mr. CANNON. Mr. President, will the Senator yield to me for 1 minute, to consider another matter?

Mr. BROCK. Without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 191—CONTINUING AUTHORITY OF SENATE COMMITTEES TO PAY COMPENSATION AND MAKE EXPENDITURES

Mr. CANNON. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 191) continuing through July 15, 1975, the authority of Senate committees to pay compensation and make expenditures for inquiries and investigations, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CANNON. Mr. President, this is a simple resolution extending the continuing resolution to permit the payment of salaries of staff people. We now have a continuing resolution to July 1, but the time for the certification of committees, of staff members, has been extended by the Senate. So we will need an extension to July 15, pursuant to this resolution, in order that we can act on the committee resolutions prior to that time.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 191) was agreed to, as follows:

Resolved, That Senate Resolution 111, 94th Congress, agreed to March 17 (legislative day, March 12), 1975, as amended, is further amended—

(1) by striking out "June 30, 1975" each place it appears therein and inserting in lieu thereof "July 15, 1975", and

(2) by striking out "four-twelfths" in section 3 and inserting in lieu thereof "five-twelfths".

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. BROCK. Mr. President, the purpose of this amendment is to cast the Allen amendment in a positive light. The Senator from Alabama offered his motion in committee, and the motion failed to carry by a 5 to 3 vote, if I recall correctly. In his amendment, as written, he would require the Rules Committee to search the records and find the same number of "skip-Durkin" ballots as there are "skip-Wyman" ballots and, in effect, to cancel both, so that there is a fair offset on the part of each candidate.

The problem I have with that is that is does not address the fundamental question that I think is before the Senate on the so-called "skip-Louie" question, which is this: How can you apply one law to one candidate and another law to another candidate? If you are going to count the skip ballot, then you should count them all. If you are not going to count them, then you should not count any.

My problem with the Senator from Alabama's approach is, in my opinion, that he has 12 errors made by the Rules Committee; and he says, "Let us make 12 errors on the other side, so that we balance the thing out."

That does not really fit into any consonance so far as I am concerned. What I try to do is to place it on a positive basis which says, in effect, that all skip ballots shall be voted by the Rules Committee and by the Senate in conformance with New Hampshire law, which says that if you mark the top box of the ballot for a party, the vote is cast automatically for all the candidates on that ballot.

As I have said several times in this debate, I do not care if the Rules Committee wants, as its chairman has said several times, to disregard New Hampshire law and to try to determine voter intent. I do not object to that, if that is the will of this body.

I find it somewhat strange that we throw out the New Hampshire law, but this body has that authority under this constitutional authority. The Senator from Nevada is absolutely right in that regard. We can make a judgment based upon our own decision process.

The fault I find is that the Senate applies, under the Rules Committee approach, a double standard. We are going to count one candidate's ballots under New Hampshire law, and we are going to count the other candidate's ballots under the law of the Senate. I find that utterly incredible.

Mr. President, I have participated as consistently as I could, during the past 9 days of debate on this subject, and I, as many others who have been here throughout the debate, have gone through peaks and valleys. I went through a couple of peaks and valleys this past weekend. We came in here on Saturday, and we had a couple of issues before the Senate that I thought were fundamental. One issue was the so-called Michaud ballot, concerning which a man testified under oath that he had not voted and his wife had not voted. Yet, the Rules Committee counted the ballots for the Democratic candidate, Mr. Durkin. I thought that was about as clear-cut an issue as this body could face.

Really and truly, I did not think there was any reason to debate the matter, because it was so open and so obvious that the Senate should proceed to investigate the circumstances surrounding that case that I could not believe anybody would oppose that effort, just to investigate the facts behind the matter. Well, they did. They offered an amendment to try to find out what happened—how two ballots were cast when the individuals did not cast them. The Senate voted by a majority vote—with a very limited majority, I grant—not to find out how votes can be cast when people did not cast them.

I will admit to a rather sizable degree of frustration, and perhaps even just plain anger. Then I got to thinking about it. I do not know what the difference was. We had earlier debated an amendment in which 10 voting machines malfunctioned, or something happened to them, and it was not two votes but 1,061 votes which were cast more than the number of people who cast votes, and the Senate voted not to find out what happened there.

As a matter of fact, the Senate sent a team of investigators up to look at the voting machines in Manchester, N.H., and to check them. They said, "Well, we did." One has to look pretty hard to find out what they found, that they checked. They did not even go into the back of the machine. They did not retally the numbers. They just cast 11 votes for each candidate on the machine, and they found out that the machines were accurate. Is that not wonderful? Nine of the twelve machines were accurate. They did not go back and check the other three machines. That is remarkable. Seventy-five percent of the machines were OK, so they guess the whole record was all right.

I did not hear the chairman or any other member of the Rules Committee explain that on one of the machines they checked, they cast 11 votes for the Democratic candidates and 12 votes were registered. I did not hear anybody talk about that. I suppose it was not the will of the Senate. There was a direct case of a machine counting more ballots than were cast by the experts, not by the voters. However, it was not the will of the Senate to find out why. Why it was not the will of the Senate, I do not know. I wish I did.

We went through the debate on Saturday, and some of my colleagues stood on the floor of the Senate and argued that the Republicans were conducting a filibuster. Saints preserve us! Is it not tragic and horrible for the Republicans to be talking about the issues of integrity, of ethics, of morality, of constitutional law, of State laws? Is that not terrible? What incredible thing are we going through? We sit here and debate, as we did on Saturday. One of the Members, in the course of the debate, in fiery rhetoric, starts throwing all kinds of charges and questions at the Senator from Connecticut and myself.

Unfortunately, we did not have the floor, so we were not able to answer. We asked for an opportunity to answer, but we were not given the opportunity. Some few minutes later, we did have a chance to get the floor, and we started giving some answers. But what happened? The man who had asked the questions had left, along with everybody else on this side.

Does nobody really care? Is nobody really just plain, downright mad and indignant over what is happening?

Mr. HELMS. Will the Senator yield?

Mr. BROCK. I do not understand.

I am delighted to yield.

Mr. HELMS. What is the distinguished Senator's information as to the feeling of the people of New Hampshire on this question?

Mr. BROCK. Well, I have had the privilege of going to that State. I think it is one of the prettiest States in the Union, with some of the finest people I have ever met in my life. I have remarked to my wife, I think, after one of my visits up there, that I think one of the reasons that I am so partial to that State is that the people seem to be about as independent-minded as the people of the State of Tennessee, and I respect that. I have great affection for those I have met. I have never known whether they are Republicans or Democrats, but, by golly, they are Americans. They are honest and they are decent. They have a great faith in this constitutional process of ours.

I do not know, because I have not been there and I cannot speak from direct personal knowledge of what the State of New Hampshire's reaction is, but I can make a pretty good guess. I bet there are some people up there just as mad as wet hens—just spitting mad over being abused, as they are: No Senator and little prospect. If they get a Senator, they are not sure it will be the one that the majority of the people voted for.

Mr. HELMS. If the Senator will yield further, that is precisely the point, is it not? We have here a situation, in which, as somebody said, there is doubt on both sides. The Republicans doubt that Mr. Durkin won and the Democrats doubt that Mr. Wyman won. That being the case, if the Senate ever gets around to deciding this issue—and apparently, if one is to judge by the scant progress we have made thus far, the Senate is unlikely to get around to it any time soon—at least half of the New Hampshire citizens who voted last November are not going to be satisfied with the results.

Half of them are going to feel that the U.S. Senate has acted unfairly. I presume that one thing we are all striving for is fair play. In the judgment of the Senator from North Carolina, the only way, under the prevailing circumstances, to achieve fair play is to send this decision back to the people who are supposed to have elected the Senator in the first place and let them decide it. Any other resolution of all of these picayune, nit-picking divisions of opinion is going to be unsatisfactory.

I say to the Senator from Tennessee, if he will yield further, that the great concern of the Senator from North Carolina is the rising hostility so evident in this Chamber. If ever there was a time in the history of this country when unity is imperative, it is now, so that we can get on with the business at hand.

We have inflation, we have unemployment, we have energy problems. What do we do? We sit around and fiddle while this modern-day Rome burns. I hope that somewhere along the line, all of us will pull up the traces and see ourselves as the people of the United States are seeing us. They think we are a laughing stock, to spend so much time on a matter that could and should be immediately resolved, fairly and squarely, lawfully and constitutionally, by the people who have a right, and the clear desire, to resolve it—that is to say, the people of New Hampshire.

I thank the Senator for yielding.

Mr. BROCK. I thank the Senator for his comments. For myself, as I say, I have a great affection and respect for New Hampshire. I cannot speak for them. But I can surely speak for the Senator from Tennessee and how he is reacting to this so-called debate that is going on.

Back in January, when the matter was presented to the Senate for some decision, we were acting under the historical precedents of almost 200 years. The precedents in those 200 years were that, unless there was a charge of fraud or some criminal action, the duly certified Senator of the State would be seated pending the outcome of the challenge so that the State would have representation throughout the protest. The Senate decided not to accept that precedent, so we went into the Commitee on Rules to hear the case. Now, of late, there have been made some charges of fraud—not against the certified Senator, but on the part of some people in the State of New Hampshire with regard to absentee ballots, and perhaps machine ballots as well. The Senate, so far, has said, by a majority vote, that we do not want to investigate the allegation of fraud; we really do not want to know about it, I guess. We just want to say, "Well, we are capable of reading the voter's mind, so we are going to go ahead and just do that; we are going to read his mind whether he likes it or not."

If we look at the specific matters on which this body has taken a stand in the last week or 10 days, I challenge anyone to find a sense of equity in these issues. I mentioned the Michaud case. Mr. Michaud is the 77-year-old gentleman who is married to an ailing wife. He got two absentee ballots—filled out the application for absentee ballots, and he says, under oath, twice, that he never got the ballots. He was sort of surprised, then, when the votes were cast in his name. I think we should be sort of surprised that the signatures do not match between the ballot and the application. Somebody cast these votes. Who?

I do not know. I do not even know how they cast them. All I know is that we do not know who cast them, but if Mr. Michaud did not cast the ballots, then somebody committed a criminal act. There was fraud involved in the process of the election, and the Senate, in its wisdom and by a majority vote, on a party basis, by and large, says, "We do not want to know. We do not care. We are not interested. We are just going to walk away and wash our hands and say that is not our problem."

One thousand sixty-one more votes were cast in Manchester on 10 voting machines than there were people casting votes. What does the Senate do, by majority vote, largely upon party lines? The Senate says, "We do not care. We really and truly do not care. We are just going to wash our hands of the whole matter and walk away and reach our conclusion—not on the basis of merit, but on the basis of party."

The Senate sent some investigators up there to check a machine, and they did, and they cast 11 votes on that machine for each of the candidates. The Republican tally was 11 votes. The Democratic candidate got 12. What does the Senate do? They said, "Well, we have checked the machine. This is all we were sent up there to do, and we are not going to do anything else. We are not going to find out why it mistallied. We are not even going to open the darned thing up and look at it. We are just going to walk away, because we do not care. We are not interested. We are going to wash our hands of the whole process, and make a decision."

I just do not understand. Now we are in to the so-called skip-candidate question. Now we have another issue to find out whether we care about constitutional rights and civil rights and the American peoples' privilege of participation in the political process. It is a very, very fundamental and clear issue. The committee has determined to count all of the "skip-Durkin" ballots for Mr. Durkin, because that is the way the law reads in New Hampshire—all except one. One—all that it looked at, and that was only one. It will not look any further. It will not check. It will not count.

But, you see, it sets a different standard for Mr. Wyman. For Mr. Wyman, it is going to throw out all the ballots that skipped his name. That is in direct contravention of New Hampshire law.

I guess the same magnificent argument will be made again: "So we do not know and we do not care. We do not want to know because we are going to wash our hands of this matter. We are going to get it over with. We do not want to hear. We do not want to investigate. We do not want to see. We do not want to look. We do not want to listen. We want to vote right now."

This is the greatest deliberative body in the world speaking: "Let us vote. Let us get it over with. Let us do it whatever it happens to be."

How do you apply one law to one person and another law to another? Is that not what the civil rights fight of the last 20 years has been about in this country? Is that not what we decided a hundred years ago, 110, 115?

My party was faced with the fundamental question: Can the country be half free and half slave, can you have two laws, one for one group and one for another? The Republican Party was not even in existence. We had the Whigs in the White House in 1852 because they would not face up to that issue of fundamental human rights. The Whigs did not even have a candidate 4 years later and, as far as I am concerned, they did not deserve one. But we had a candidate, a man named Abraham Lincoln, and he proposed to the American people a choice as to whether or not we could maintain a society that was half free and half slave.

We had to make a tough choice. I believe it was the most difficult battle this country has ever engaged in, but we made that choice. I thank the good Lord we made that choice. We are here today a living testament to the fact that we do not believe we can apply two standards to two different people based on the color of their skin, the slant of their eyes, their sex or even their politics, their political designations, their labels.

That is where we are now. That is the issue on the "skip-candidate" question. We have two candidates and two laws; two standards of justice, two standards of ethics, two standards of values.

I do not know how the Senate is going to vote on this issue. I would have wagered an awful lot 10 days ago that the Senate would have voted to investigate those machines that were wrong. I would have wagered almost everything I had that the Senate would have voted to investigate the Michaud case where the voter himself testified that he did not vote, and the ballots were cast. Nobody seemed to care. I just would have wagered anything that the Senate would have investigated that matter, but it did not. So I do not know how the Senate is going to act on this question.

I do know what is right. I do know that fundamentally all the time anywhere the law is the law is the law is the law and any government that tries to impose one law on one person and another law on another does so at its imminent peril in a free society because it cannot sustain the support of the people with those criteria. Sooner or later those who are disadvantaged will refuse to accept the process which is so burdening them.

Mr. HUGH SCOTT. Mr. President, will the distinguished Senator yield?

Mr. BROCK. I yield to the Senator.

Mr. HUGH SCOTT. As I understand the Senator's amendment he simply asks as to this part of the resolution only that the Senate abide by the law of New Hampshire; is that not correct?

Mr. BROCK. That is correct.

Mr. HUGH SCOTT. Is not the Senator also in his resolution, therefore, asking that the Senate count these ballots as they were counted in New Hampshire?

Mr. BROCK. That is correct.

Mr. HUGH SCOTT. As I understand it, as to the protests made, the written and oral protests made, during the recount by the secretary of state which challenged the physical counting of paper ballots by the recount personnel, that all those protests were merely acknowledged by the secretary of state and no second recount was permitted. The only protest ruled on by the ballot law commission on recount was Mr. Durkin's, which was rejected on jurisdictional grounds. Mr. Wyman raised similar protests, but in view of the later ballot law commission's decision on the Durkin protests, the ultimate rulings were not pressed, and all rights were reserved.

Therefore, we have not really had a debate in New Hampshire where they counted these ballots for Mr. Wyman——

Mr. BROCK. And Mr. Durkin.

Mr. HUGH SCOTT. And Mr. Durkin.

Mr. BROCK. For both, right.

Mr. HUGH SCOTT. For both and, therefore, we are for the first time considering what is just, right, and fair, as I understand it, and since the New Hampshire law allows straight ballot votes to be cast, all we are asking the Senate to do in the Senator's amendment, as I see it, is to allow straight ballot votes to be cast and not to have some so distorted as to read into them something which nowhere in the State of New Hampshire is there any provision to permit such extra-ballot interpretation, that is, outside of the ballot you cannot read into it anything except what the ballot itself says.

Mr. BROCK. That is right.

Mr. HUGH SCOTT. Except, of course, the law of the State.

Now, is it not the Senator's opinion that the legally expressed intent of the voters in these cases should be governed?

Mr. BROCK. Under the law, the law is abundantly clear.

Mr. HUGH SCOTT. I assume the Senator is as puzzled as I am as to why we have to debate this.

Mr. BROCK. The word is not "puzzled" for me, Senator. It is something more, but that is another matter.

Mr. HUGH SCOTT. I take it the Senator feels then this is a highly substantive proposal of his and, therefore, I would hope that we eventually will get to a vote on the merits rather than a tabling motion. Would the Senator prefer that?

Mr. BROCK. Of course.

Mr. HUGH SCOTT. I would hope that we could dispose of this matter in the reasonably near future, and that then we can dispose of the matter of the Senator from Alabama. My own feeling is that once we have determined the will of the Senate in the cloture motion tomorrow, once we are assured we are not going to be limited to 102 seconds for each of the 35 issues per Senator, that then perhaps we can move on and debate and vote on issue 1, then issue 2, issue 3, and so forth.

I would like to see some situation which would permit us to do that. But I am not moved toward expedition by the majority simply resorting to the use of the domination or control of the time through the early hour of meeting.

What I am suggesting to the Senator is that we ought to be agreeable here to allow other matters to be taken up as part of the leadership on this side, to consider a two-track system from time to time to make it possible for the Senate to legislate, to respond to the necessary pressures of pending legislation en route to and from the other body. All these things we can do.

We can also let committees meet, if we are not meeting ourselves so early in the morning, because if this keeps up committees are going to have to meet at 6 a.m., which, I think, is just a bit in advance of cockcrowing, and I would submit, of course, that would help to wake the Senators, but it might not be advancing the cause of good legislation.

So I would appreciate the Senator's reaction.

My question is, Is the Senator willing to see us move ahead, under some reasonable ground rules, with necessary legislation from time to time?

Mr. BROCK. This Senator would be absolutely delighted to see us do that.

I have been in this body for 4½ years now, and I understand the parliamentary rules. I have been in what other people described as extended debate when I wanted that debate to end, and I have seen the Senate decide on a triple track where we considered general legislation up to a certain hour and then went back to the pending question.

There is no reason we cannot do that now except that we seem to have taken on all kinds of political overtones in this debate which I very much regret.

I was dead sincere when I said earlier that I really and truly believed this Senate would resolve these questions expeditiously, forthrightly, and on the merits of the case when it started this debate. The fact that it has not so far, in my judgment, leads me to one conclusion, that is, there are not enough people who have listened and participated to reach an independent conclusion.

I do not know; maybe I am just wrong. I have been before. I have that talent. But I just cannot help but believe that the questions before this body are so absolutely fundamental in terms of human rights and ethics and values that it is beyond me to think we could take this long and accomplish so little.

Mr. HUGH SCOTT. I think the Senator is correct in his sense of frustration and disappointment.

I have heard it said that we on this side of the aisle are delaying the proceedings and I am suggesting that that is far from the case.

If Senators who control the calendar wish to have committee meetings, let them arrange those committee meetings so that we can meet following the committee meetings.

If Senators in the leadership on the other side wish to call up other matters, let them consult with us and we will gladly cooperate so that these other important matters—I do not think anything is quite as important as this—can be brought up.

So we are not blocking legislation, we are not delaying the onward process of the Senate. We would be glad to see the Senate do something as long as they do something good, but above everything else, we would like to see the Senate do justice and I think we have got to stay here until we see justice done on this issue.

I thank the Senator.

Mr. BROCK. I thank the Senator.

May I say for this particular Member, I intend to do that, and if it takes a while, so be it. But I am going to be here as long as it takes to achieve the maximum degree of equity to the people of New Hampshire and the respective candidates of that State.

Mr. HUGH SCOTT. There were two great generals in the war between the States and their comments apply here.

Gen. Robert E. Lee, to whom we recently, belatedly and justified in my opinion, voted citizenship nunc pro tunc, said on one occasion:

> There is a true glory and a true honor. The glory of beauty done and the honor of integrity of purpose.

The somewhat more earthy Ulysses S. Grant also said something I suggest may be applicable here. He said:

> I intend to fight on this line if it takes all summer.

I am glad to hear the Senator's expression of purpose.

Mr. BROCK. The Senator has stated my view.

Mr. President, I withdraw the amendment.

The amendment was withdrawn.

Mr. BROCK. Mr. President, I send another amendment to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

> The Senator from Tennessee (Mr. BROCK) proposes an amendment to Mr. Allen's amendment to strike all after the word "that" in line 1 to the end and insert thereafter "all of the so-called skip candidate ballots presently before the Senate shall be declared to be straight party votes for the candidate involved."

Mr. BROCK. Mr. President, that simply is a technical change. It is the same wording, in essence, as the previous one. But this is an amendment to the Allen amendment, not a substitute. This is an amendment to the Allen amendment.

As the Senator from Pennsylvania correctly pointed out, all it says is that when the Rules Committees acts, it shall act under New Hampshire law.

One plus one equals two. It is simple, it is direct, and yet I think it represents the most fundamental issue before this particular body, and that is a standard of justice for all.

I very much hope that we can avoid the partisan debate and come to a resolution of this matter on the merit of the case itself.

Mr. ALLEN. Is the Senator yielding the floor?

Mr. BROCK. I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Mr. President, I called up my amendment. I put in a quorum call to hear the discussion of this amendment, but it would seem that the Senators would come in and establish their presence here for the quorum call, but they depart from the Senate Chamber.

I do not believe we have any more Senators present at this time then we had when I first offered the amendment.

The situation has changed somewhat now. There is now an amendment to the amendment which I have offered.

I shall try to discuss my amendment and possibly, incidentally, the amendment that has been offered by the distinguished Senator from Tennessee (Mr. BROCK).

Mr. President, no Member of the Senate has approached this contest with more objectivity than has the Senator from Alabama. He has tried to cast nonpartisan votes based upon principles in which he believes. His votes have not always been votes that were the votes cast by a majority of his colleagues on this side. That has not disturbed the Senator from Alabama as long as he believes that he is acting on the basis of principle.

I might say that when the issue first came before the Senate, I took the position that the holder of the certificate of election issued by the duly constituted authorities of the State of New Hampshire entitled the person holding that certificate to be seated at least provisionally until such time as the contest could be made and the Senate had had an opportunity to judge the merits of the contest.

In retrospect I would say that it seems to the Senator from Alabama that it would have been the better part of wisdom to have done that back in January because the State of New Hampshire and the people of New Hampshire would then have had two Senators in this Chamber representing the interests of the people of New Hampshire and the interests of the people of the United States.

The second principle that the Senator from Alabama adhered to was that under article I, section 5, the Senate had the duty and has the duty of judging elections and returns and qualifications of its Members. Therefore, Mr. President, I felt that it was the duty and responsibility of the Senate to act on this issue if it could do so with certainty and with a degree of definiteness that would enable the Senate to say without reservation that one or the other of these candidates had been elected to the U.S. Senate by the people of the State of New Hampshire in the general election held on November 5, 1974.

Mr. President, I feel that we owe it to these contestants, Mr. Durkin and Mr. Wyman, to resolve this issue, and to resolve it expeditiously. The Senator from Alabama has refrained from discussing this issue any more than was absolutely necessary. He did speak for some 15 or 20 minutes with respect to an amendment which he offered which would have declared the seat vacant at this time, effective August 1, unless prior to that time the Senate had acted and had seated either Mr. Durkin or Mr. Wyman.

The Senate has chosen to retain jurisdiction of this matter; not to send the issue back to the people of New Hampshire. So we have the responsibility to the contestants, we have the responsibility to the people of New Hampshire, we have the responsibility to the people of the country, we have the responsibility, under the U.S. Constitution, to act in this matter.

Having acted once in the committee and twice here on the floor to retain jurisdiction of this matter within the Senate, should we not feel that the Members of the Senate would be in their seats, listening to the discussion, listening to the debate?

I say, Mr. President, that one of the things that is prolonging this issue in the Senate is the poor attendance in the Chamber. I believe if every Senator were in his seat, at his desk listening to this issue, it would be resolved in a matter of days. I believe public opinion throughout the country would demand it.

If all the Members of the Senate were here, I do not believe any Member would feel free to discuss this matter at length.

I believe that having voted to retain jurisdiction in this matter, the Senate owes it to itself, to its duty under the Constitution, to the people of New Hampshire, to the people of the United States, and to individuals involved to resolve this matter.

The Constitution forbids cruel and unusual punishment for those convicted of a crime. Yet it seems we are inflicting on both Mr. Durkin and Mr. Wyman cruel and unusual punishment in this matter because they are under great pressure.

I have talked casually to both Mr. Durkin and Mr. Wyman. I know they are operating under great pressure. They are impoverishing themselves in financing this contest. Neither one of them is drawing any compensation from the Federal Treasury. The strain that is on these gentlemen should not be allowed to go on for an undue length of time.

Now, Mr. President, coming to the nature of the amendment offered by the Senator from Alabama, I might state that this is not something that just occurred to me here on the floor, for me to say, "Well, I believe I will offer an amendment on this matter."

This is an issue that came up in the Rules Committee. I might say, Mr. President, that a vote on this amendment offered by the Senator from Alabama could resolve 15 of the 35 issues contained in Senate Resolution 166. So it is worthy of consideration because it would, certain facts existing, resolve 15 issues.

If we take paragraph 7 which has an A and a B to it, both to be voted on by the Senate, it would resolve 16 issues.

What is involved?

I might state that in the Rules Committee some 30 or possibly 31 of these issues that resulted in a tie vote came about by the fact that the Senator from Alabama did not see these issues in the same manner that his four Democratic colleagues on the committee saw these issues. Therefore, a tie vote resulted.

Mr. President, it would have been mighty fine if the Rules Committee had consisted of nine Senators rather than eight, because unless one Senator had refused or declined to vote, we would have had a definite decision on every one of these questions. But with an eight-member committee, we have ended up with a tie on about 3 percent of the issues that came before the Rules Committee. There are some 35 issues before the Senate at this time.

The issues that will be resolved by the amendment of the Senator from Alabama are questions 6, 7, and then questions 12 through 24, both inclusive. I say those questions will be resolved under certain conditions. I will allude to that later.

There were eight ballots on questions numbered 12 through 19, both inclusive, that were the so-called single square "skip-Wyman" ballots.

All of these eight were the straight party Republican votes. As has been stated on this floor a number of times, New Hampshire does allow a straight party ticket vote, whether it be Republican or Democrat. That is accomplished by marking an X in the circle under the party emblem.

That action on the part of a voter constructively places an X in every square in that party column, opposite each name. We have that system in Alabama, and I am quite familiar with it. On inquiry of a number of Senators, I find some States do not have a straight party ticket, but obviously we are operating under New Hampshire law, and since a straight party vote is permitted there, that is what we would be governed by.

In these items here from 12 through 19, both inclusive, in addition to marking a straight party vote by marking a cross or X in the circle under the Republican emblem, an X was placed in every square opposite every Republican candidate except Mr. Wyman. In the next four straight party Republican ballots, Mr. Wyman's name was left off and then either two or three Republicans did not have a cross or an X marked in the square opposite their names, two or three additional candidates other than Mr. Wyman.

By a 4-to-4 vote, the committee voted that all 12 of these ballots would be no-votes as to Wyman, even though the New Hampshire law states that, having voted a straight party ticket, if you wanted to exclude any candidate you would mark through or erase the name of that candidate.

These ballots were counted by the secretary of state and by the ballot law commission as Wyman ballots. During the recount of the votes in New Hampshire by the secretary of state, and the subsequent review by the ballot law commission, Mr. Wyman's people observing the counting of the ballots were instructed, according to the testimony, not to make protest of this type of ballot where Mr. Durkin had been skipped in like fashion, and the secretary of state and the ballot law commission allowed all of these "skip-Wyman" votes to be counted for Mr. Wyman, therefore not, as the Senator from Alabama sees it, putting Mr. Wyman on guard that he should protest this type of vote, when he realized that the law of New Hampshire required that ballot to be cast for the candidate or candidates in that particular column.

Now, Mr. President, we turn to the charter, you might say, of the Rules Committee, the guidelines set by the committee in considering the issues raised in the contest.

By a unanimous vote in the committee, the committee voted to extend the scope of its investigation to—and I quote from the Rules Committee's report, on page 2—

> (1) A recount of the approximately 3,500 ballots before the Ballot Law Commission in relation to the final results certified by the Ballot Law Commission.

In other words, we do not know, in the Rules Committee or anywhere else—and this is one of the questions that I asked at the outset—what was the vote for each candidate going into the contest of the 3,500 ballots.

The answer was that no one knows. So we had to take the ballot law commission findings, which gave Mr. Wyman a two-vote margin, and then, to the extent that the Rules Committee investigation and the counting of ballots has varied from the ballot law commission finding of the two-vote margin for Mr. Wyman, that outcome would be adjusted. But we have got to turn the ballots over and see how the ballot law commission ruled on those particular ballots, and whatever variation there is between the ballot law commission findings and the committee findings will determine the election.

So we would take the ballot law commission findings as a basis, and then:

> (2) A consideration by the Committee of all of the protests made by either party at any stage of the proceedings contemplating that the Committee will take the appropriate steps on each protest to ascertain the validity of such protest and the accuracy of the count of the matter protested.

Mr. President, the statement was made before the committee that there were several hundred of the so-called skip-Durkin ballots in the 185,000 ballots that had not been protested. So Senator SCOTT moved that all of the skip-candidate ballots, skipping as against either of the candidates, be taken out of the 185,000 and considered by the Rules Committee. That was the basis of the Weicker amendment.

Then it was ascertained that in the 3,500 ballots there were no skip-Durkin ballots other than the one that was before the committee and is listed here as item No. 24.

So, then, the distinguished Senator from Louisiana (Mr. JOHNSTON) offered an amendment that would have confined the search for skip-Durkin ballots to the 3,500 ballots that had been specifically protested. The motion to table failed.

What that would have done would have been to leave no area of operation whatsoever for the Weicker amendment. There would have been nothing there. The Weicker amendment would have been a nullity, the Johnston amendment would have created a nullity, and it would have been a nullity itself.

So, I am glad the distinguished Senator from Connecticut withdrew his amendment, so we ended up with just a great big cipher for our efforts on those two amendments.

The amendment offered by the Senator from Alabama is right in the middle, between the Weicker amendment and the Johnston amendment, because it does have a field of operations.

It says, in effect, that there are 12 so-called "skip-Wyman" ballots. While they were counted by the secretary of state for Wyman, they are not counted by the ballot law commission for Wyman; the Rules Committee by a 4-to-4 vote declined to count them for Mr. Wyman.

I might say, Mr. President, I spoke of some 31 or 32 issues where I disagreed with my Democratic colleagues. I believe this is the one issue where I differed most strenuously with my Democratic colleagues, this disallowance of a straight ticket vote for Mr. Wyman cast under the laws of the State of New Hampshire.

Mr. President, if the straight ticket is voted, everyone in that column gets a vote, unless his name is erased or stricken out. Whether you mark in the boxes of all but one candidate or all but two or all but three, makes no difference. You have not erased that cross mark that was constructively put there by voting the straight ticket.

Mr. President, I do not know how many, if any, "skip-Durkin" ballots there are in the 185,000. They say, well, maybe they would have enough security. Who in the world would have thought of going into the boxes and dreaming up a "skip-candidate" type of ballot.

There would have been a whole lot easier ways to change the result than going to the trouble of having a "skip-candidate" type of ballot, and by the way, Mr. President, the ballots were in the custody of the Senate long before this issue was ever raised there before the committee. So no one knew to get up some "skip-candidate" type of ballots.

The Scott motion in the Rules Committee and the Weicker amendment would have required every one of those "skip-candidate" ballots to be brought before the Rules Committee, and in retrospect that is not the best way of getting at this issue because suppose we brought all of the "skip-candidate" ballots in. Under the law of the State of New Hampshire they would have been cast and counted for the person whose name was skipped where a straight party vote had been cast.

If the contrary were true, and they threw out all of those ballots as being no votes, I do not think any Member of the Senate is going to decide this on which candidate had more or less "skip-candidate" ballots cast for him.

But there is logic, Mr. President, in equalizing the matter and doing equity and seeing that justice is done. If there are in fact several hundred "skip-Durkin" ballots in the 185,000, one would find 11 or 13, or whatever number, would be required, before one had examined more than 15,000 or 20,000 of the ballots, if the law of averages prevailed and there were in fact that many there.

The amendment that I have offered is based on issue No. 7 of Senate Resolution 166. It provides for taking from the 185,000 ballots sufficient "skip-Durkin" ballots to offset or counterbalance the "skip-Wyman" ballots that are before the committee, so if one is going to rule, whichever way he rules, rule the same as to both sets of ballots.

There are 12 of the "skip-Wyman" ballots; one "skip-Durkin." So, all that would have to be done would be to bring in 11 "skip-Durkin" ballots to then apply whatever rule the committee or the Senate wants to apply, but apply it equally and equitably as to both candidates.

The distinguished Senator from Louisiana—I do not know where he got his information—said either that there were not or, in his judgment, there were not any "skip-Durkin" ballots in the 185,000 ballots. If there are not any there, well, they could not be found, and there should be nothing to worry about seeking them. But if they are there and they were not protested because New Hampshire law says that they shall be cast for the candidate under the straight ticket marking, then it is only fair under our charter, Mr. President, for consideration by the committee of all of the protests made by either party at any stage of the proceedings, contemplating that the committee will take appropriate steps on each protest to ascertain the validity of such a protest and the accuracy of the count of the matter protested.

Mr. President, the adoption of this amendment, assuming that 11 "skip-Durkin" ballots are in the 185,000 and that contention was made at the comittee hearing by the Wyman position, if they are there to be brought out and a ruling made on both sets of "skip-candidate" ballots, a uniform ruling will be made. I rather imagine this proceeding is going to last several more days. The Rules Committee staff could start work immediately getting these "skip-candidate" ballots before the committee. Long before we finish this proceeding, we would have or not have these "skip-candidate" ballots.

So, Mr. President, it seems to me that if we want to make headway, the way to make headway is to resolve 15 issues with one vote.

I believe, Mr. President, that, if this amendment should be adopted, it might wel break the logjam that exists here in the Senate with respect to this resolution. I would hope even that a time limit could be obtained. I am ready for a time limit any time. I would hope that if this issue is resolved, and it be resolved according to New Hampshire law, then we can start making real progress with respect to the whole issue. It would put an entirely different light on this proceeding, it seems to me. It would give some indication that the Senate is going to decide this matter according to the law, in an impartial, nonpolitical fashion. I have that opinion of the Senate. As I say, the one issue that I disagreed most with my Democratic colleagues on the committee was this one issue of the "skip-Wyman" ballots, where the Secretary of State, operating under New Hampshire law, had given these ballots to Mr. Wyman, the ballot law commission, operating under its conception of New Hampshire law, gave the ballots to Mr. Wyman, and I would hate for this Senate to decide this issue other than on the basis of New Hampshire law.

The amendment offered by the distinguished Senator from Tennessee (Mr. BROCK) would answer one possible criticism of the amendment that I have offered. Under the Brock amendment you would not have to go back into the 185,000 ballots. It would decide the question on the basis of the ballots before the committee and say that the "skip-Wyman" ballots under a straight ticket vote should be given to Mr. Wyman, and we would not have to go back into the other ballots.

There is an area of operation, however, within the charter of the Rules Committee assignment to take the action which my amendment provides, and that is to go into the ballots to obtain a like number of "skip-Durkin" votes to match against the "skip-Wyman" votes.

I might say, Mr. President, it has been said here in the Chamber, that the motion that I offered in the Rules Committee, that would have accomplished the very same thing that this amendment accomplishes, was originally passed by a 5-to-3 vote of the committee. Two of the members later in the afternoon and again the next morning made a motion to reconsider that vote with the statement, which I certainly accept as being accurate, that they misunderstood the question involved, that they thought we were talking about the 3,500 rather than the 185,000. Of course, this came right on the heels of the Scott motion, and we already knew that there were not any other type of ballots in the 3,500, so that would have been in effect a nullity if it had been confined to the 3,500.

Mr. President, I do not care to discuss this matter at length, but I do feel that we have an opportunity here to decide 15 issues, provided the "skip-Durkin" ballots actually exist among the 185,000 ballots that are in the Old Senate Office Building under guard. If they do not exist, they cannot be brought in. It would not be decisive of the matter, because the issue still would be there as to whether or not the so-called skip-candidate ballots should be counted for the person whose name was skipped or who did not have a cross in the square opposite his name. That issue still would be before the Senate and would not be decisive of all the questions. But if the "skip-Durkin" ballots are there, it would be decisive of 15 of the 35 issues before the Senate.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. ALLEN. I yield for a question.

Mr. BROCK. I am completely sympathetic with what the Senator is saying, and I think he knows that from the nature of my amendment to his amendment.

The problem, though, is that it is a little hard for me to understand how we can only go in and find 12 "skip-Durkin" ballots so as to match up with the "skip-Wyman" ballots. Just as a matter of logic, if the protests should apply, I would think they should apply across the board. The four members of the Rules Committee who voted against the Wyman position, in effect, said, if I recall correctly, that protests were not made in a timely fashion. Is that not so?

Mr. ALLEN. Yes.

Mr. BROCK. The logic of the Rules Committee position, or the four who voted this way, was that they would not go back, as the Senator from Alabama moved, because Mr. Wyman had not filed a protest to the so-called skip-Durkin ballots during the recount. Was that not the logic?

Mr. ALLEN. I believe it was. If not, I am certain that the Senator will be corrected by those who are involved.

Mr. BROCK. If that is the case, for myself, I have difficulty limiting our search of the ballots to just 12 "skip-Durkin" ballots. What if there were 18?

Mr. ALLEN. What difference would 18 or 180 make, if they all go to the person whose name is skipped? I do not see the justification for the Senator's fear.

Mr. BROCK. My amendment would operate under State law in the instance of both candidates and would require that if there were a mark at the top of the ballot for the party, then those ballots would, without any further discussion, be cast affirmatively for all the candidates on that ballot—to wit, Mr. Durkin and Mr. Wyman.

The thing that bothers me about the Senator's amendment is that there may have been only 8 "skip-Durkin" ballots, there may have been 12, there may have been 18 or 20 or a hundred. I just do not know. But it seems to me that equity would require that either we cast them all as my amendment proposes to do or we do not cast any of them, which would require us to eliminate all the Durkin ballots. In the amendment of the Senator from Alabama, they amount to 12, so as to keep it equal, and I wonder whether the Senator would tell me why he holds it just to 12, if we are going to do a search.

Mr. ALLEN. The reason is that if the committee takes the position that this is a "no" vote for that particular person, the Senator from Alabama felt that it would be fair to offset that number with an equal number. If we bring in even more, we run the risk of deciding the thing entirely outside of the law involved, because the Senator from Tennessee does not feel that if we brought in 18 they should be counted as 18 "skip-Durkin" ballots and they should be counted other than for Durkin.

So I do not see why he would be concerned too much about bringing in more than 12. Actually it would be only 11, because there is one "skip-Durkin" vote already before the committee.

Mr. BROCK. I did not know how to amend the Senator's resolution to achieve the greatest degree of equity. My original temptation was to amend his resolution to require a search of all ballots and to throw out all "skip-candidate" ballots, be they for Durkin or for Wyman.

Mr. ALLEN. That is something the Senator would not want to do, I should think. That would certainly not be an equitable solution.

Mr. BROCK. That would have applied the same law to both candidates, if we are going to write new law on floor of the Senate, as we are wanting to do. The Senator's amendment just maintains equity, but still there is a difference in the application of law.

What I am reaching for is, it seems to me, that under my amendment, what we do is say that if the law of New Hampshire was applied in the instance of Mr. Durkin—because all the "skip-candidate" ballots were counted for him except one—all I am asking is that the same law apply to Mr. Wyman and we count affirmatively, under New Hampshire law, as the law requires, all the ballots for Mr. Wyman as well. It seems to me that that is a more consistent amendment with our search for equal application.

Mr. ALLEN. Yes, but the Senator would have to realize that in this committee, this is moving item 7, is implementing item 7; that, the committee having voted 4-to-4, in a tie vote, against giving these to Mr. Wyman, then to have tried to do what the Senator was trying to do there would have been reconsidering those votes, which would have gotten a 4-to-4 vote also. So it may look like the thing to do is offset one against the other to be fair; because the committee, by 4-to-4, has denied the votes to Mr. Wyman. Then a motion to give them to Mr. Wyman would have been out of order, as a matter of fact.

Mr. BROCK. I understand. I hope that the Senator understands what I am trying to do. I am enormously grateful to him for the balance of his position, the bipartisanship of it, and the decency of his approach to this entire matter. I think he has exhibited great political integrity and courage. I am grateful for that fact. I do not argue with the equity of the amendment. It is this aproach that——

Mr. ALLEN. I do concur with the Senator's amendment, that it would resolve the matter without going back into the 185,000. Certainly, that is a desirable circumstance.

Mr. BROCK. I thank the Senator, very much.

Mr. RANDOLPH. Will my able colleague from Alabama (Mr. ALLEN) yield to me, not to discuss the pending amendment or any amendment thereto?

Mr. ALLEN. Yes.

Mr. RANDOLPH. I wish to ask a question with reference to the general subject.

Mr. ALLEN. I am delighted to respond.

Mr. RANDOLPH. Mr. President, there are many Members of the Senate—and I am one of them—who, regardless of the positions they have taken or will take on the issues in this complex problem, are concerned with the timing of possible final action as they listen and as they study the new Hampshire case each day. The days grow long and the settlement seems far off.

If we pass the cloture motion tomorrow, how long does the Senator from Alabama (Mr. ALLEN) anticipate that this matter will remain for debate and determination in the Senate of the United States?

Mr. ALLEN. Responding to the distinguished Senator from West Virginia (Mr. RANDOLPH) I must say that I do not know. The Senator from Alabama is definitely not engaging in any extended debate in this matter. As I have stated, he spoke for 20 minutes once before and possibly spoke for 30 minutes now. He planned to yield the floor just about now.

I have no idea how long it would take. I imagine it could be continued for a number of weeks, if there is resolution to do so. The Senator from Alabama has no intention of filibustering the issue, but he does wish to discuss this issue, because it is based on a motion which he made in the Committee on Rules and it deserves his support here, on the floor.

Mr. RANDOLPH. I admire the Senator for his convictions in all the matters brought to the Senate. The Senator from Alabama is well-reasoned and fair. Be assured that the Senator now speaking was not attempting to criticize his colleague as we work our way to a finalization of this subject.

I am suggesting at this time, with the approaching cloture vote and the possible limitation for debate that we might have an estimate of the amount of future time that will be needed to decide this issue. I believe that the American people, regardless of how they feel in reference to the two candidates from New Hampshire, and Mr. Wyman and Mr. Durkin, and who are having their case, in a sense, determined by the Senate, feel that this subject matter should not go on and on, as it has been going on and on, in the Senate of the United States—for months in the Rules Committee and now weeks in the Senate.

Mr. ALLEN. I certainly agree with the Senator. I wish he had been here earlier for some remarks I made about the necessity of bringing it to a close. I suggested that if each Senator were in his seat, listening to this debate, rather than as the situation exists now, I think public opinion would force an early decision in the matter. With Senators straggling in every now and then and hearing some little fragments of the discussion, I do not know what the attitude is going to be on the part of other people.

Mr. RANDOLPH. I suggest it is not a matter of the Senators straggling in or walking out. The Members of the Senate are engaged and properly so in other matters very important to the body politic. We are, for example, in a serious energy problem in this country.

Mr. ALLEN. Yes.

Mr. RANDOLPH. We are attempting, as we did this morning, to hear the testimony needed in connection with further production of coal, its marketing, and its utilization. Coal is in abundant supply and should be used. The conversion to coal of the electric generating plants that are now using oil and natural gas must be made. This is a very vital subject to the citizens of the United States of America.

Mr. ALLEN. I certainly agree with the Senator.

Mr. RANDOLPH. I repeat, I am not attempting to place the blame on anyone on either side of the aisle; that is not my purpose. But there are important concerns, very pressing legislative proposals, that are highly necessary to the country's well-being that are being delayed; they are being delayed not 1 day, 2 days, but weeks and weeks.

The Senator from Alabama is a reasonable man. He thinks these matters through as do the other members of the Rules Committee, especially the chairman (Mr. CANNON) who is managing the resolution on the floor.

I am loud about this unsatisfactory condition but I am very earnest because I think the American people expect a decision to be made in the Senate in a timely way and not weeks and weeks from this day.

Mr. ALLEN. I certainly agree with the Senator.

I might say that this amendment before the Senate now would resolve 15 of the 35 issues, so the Senator from Alabama is trying to bring it to an early conclusion.

I commend the distinguished Senator (Mr. RANDOLPH).

Mr. RANDOLPH. I thank my diligent friend from Alabama (Mr. ALLEN).

Mr. ALLEN. I yield the floor.

Mr. CANNON. Mr. President, may I say to my distinguished colleague from West Virginia (Mr. RANDOLPH) who has brought up a very important point, and this is exactly what we have been trying to do for some 8 days or thereabouts, to get a vote on some of these issues.

We have heard discussions on everything under the sun, including some issues that are not even in the resolution. We voted on a number of things that are not within the resolution.

We have thoroughly discussed, for example, subsection (1) of the resolution, and we still have not even voted on it. We still have got an amendment to it.

I may say to the distinguished Senator from Alabama he has been very cooperative and has volunteered to agree to a time limit; he is willing to push this along and get votes on it.

But I say to my colleague we have thoroughly discussed issue No. 1; we have thoroughly discussed issue No. 2; we thoroughly discussed issue No. 3.

Issue No. 4 has been discussed at some length but would need some further discussion. Issue No. 5 has been discussed somewhat but would need some further discussion. Issue No. 6 and issue No. 7 have been very thoroughly discussed and are covered, in essence, in the amendment of the Senator from Alabama here now that is up. Issue No. 8 has been discussed at some length. Perhaps it needs some additional discussion.

Now, that is of the first section, section 1.

With respect to section 2, the ballots there, 11 miscellaneous ballots, they have been referred to. I have referred to ballot No. 22 on numerous occasions and told what the results should be and why, and the Senate voted on an almost identical ballot to give that to Mr. Wyman. But in this case we have a 4-to-4 vote. Either give it to Mr. Durkin or have a no vote.

We have discussed several of the other ballots in that first grouping.

Then the general question of the so-called skip-Louie ballots has been discussed at some length, but not the precise ballots themselves, which I would hope we would be able to do sometime fairly soon. There are eight of those that have the X or the check at the top, and then a single square skipped.

Then there are four of those that have more than a single square skip, but some of which have other evidence on the ballot which the Senate should consider.

Then, of course, there is the ballot, the "skip-Durkin" ballot No. 322, which is in the same category as several of the "skip-Wyman" ballots.

Then we have the question of the three masked ballots, of course, which have not been discussed at all.

But the Senator asked what the time frame might be. Obviously, if cloture were to be invoked tomorrow there would be 1 hour per Senator on these respective issues, and I would hope that the issues could obviously be under limited time constraint then discussed and voted on after discussion.

We had a time limit in the committee. We limited the attorneys for the respective parties to 2 minutes for a discussion of a lot of these ballots. Here we are going on 2 weeks and have not even gotten to discussing some of them. But we did give them longer time where it involved basic issues. For example, the "skip-Durkin" ones, the "skip-Wyman" ones, we gave them a longer period of time. We gave them longer time on some of the others. But it would be my hope that if we do get cloture invoked in the course of 5 or 6 days we could then get to the issues on the ballots themselves, and on these precise issues that are raised by the resolution, and vote on them up or down. That is all I want to do.

We have heard a lot of talk about depriving the citizens of New Hampshire of determining the election. They determined this election. Unless we find out it is a tie vote. They determined it on election day, and all we are trying to do now is, under the Constitution, find out what that determination was, because there is a dispute as to how some of those ballots were counted. That is the basic difference here.

On the secretary of state's recount, as provided by law, they recounted all the ballots in the State and, after that, in the course of that recount the two parties together only protested 3,500, roughly 3,500 ballots, and those protests, those ballots, went to the ballot law commission for their consideration.

When they got there the parties only presented for decision some 400 ballots for decision by the ballot law commission, in effect, saying "these 3,100 were defensive type protests or have been settled by ruling of the commission and, therefore, you do not have to go into these." So the ballot law commission only considered some 400 ballots.

When they came down here with the ballots, the committee then had the parties, with a team from our staff, go through and try to resolve all of the ballots of those 3,500 that they could, so that they would not have to come to the Senate, to the committee, for its consideration.

Well, at this time they ended up with some 900 and some odd that the two of them protested and wanted the committee to consider, and those are the 900 odd that we have been over.

Most of those were unanimous votes, or overwhelming votes, in making a determination on this.

We ruled on a lot of issues that are not precisely spelled out in New Hampshire law. We ruled on the so-called big X, we ruled on the little and big X, we ruled on the checks, we ruled on the slash marks, we ruled on the colored ink.

We took the position that we do not care what color ink a man uses when he votes. That, we consider a good vote.

So some of those general rulings eliminated many of the votes under consideration, and what we would like to do is to get down to the ballots that are in dispute and try to decide. Maybe the ballot law commission ruled exactly right, but all we have to do is vote on them and put them back in the ballot box and have the Rules Committee or the Senate itself get a team from GAO, or someone, to tabulate them and apply those results to the base of the ballot law commission. That is the base the committee decided it would use, and that has Mr. Wyman ahead by two votes.

It may be when we count it, he will still be ahead by two votes and, if so, I will personally move to the Senate we seat him, and that he be approved and seated.

If, on the other hand, Mr. Durkin is ahead, there is a debate after which the result of these are considered by the ballot law commission, I will make the same motion for him.

On the other hand, if they come out in a dead heat, as a tie, I will support a motion to send this back to the State of New Hampshire and say that the Senate cannot determine who won this election.

But all we are trying to do now, Mr. President, is to find out what the count is and find out who won it based on the election that has been held and not go through this exercise in futility which we have heard go on for hours here about, "Well, we will not let the people of New Hampshire decide." They made their decision and we are trying to find out what it is.

Mr. RANDOLPH. Mr. President, I appreciate the comments of the chairman of the Rules Committee (Mr. CANNON) in reference to the question that I asked of the Senator from Alabama (Mr. ALLEN) as to a possible time when the disposition of the election contest of the second Senator from New Hampshire could be anticipated.

I have not in any wise pointed to certain parties in this matter, or to personalities in this matter. I reiterate that the Senate, with important business on many fronts, cannot now proceed with committee meetings and hearings, to do other work which is necessary. We cannot move forward as long as we have the seemingly all-pervasive problem that presents itself each day in the Senate.

What I am saying is not in carping criticism. It is not so intended.

I am not a member of the committee, as, of course, most of the Senators are not members. We are studying this material very carfully.

I have had conferences with Mr. Wyman who came to my office and discussed this issue with me several months ago. It was not a hurried conference. I gave him the time he desired to present his viewpoint. I am sure that he has done that in other cases. I presume Mr. Durkin has also done it in instances, expressing his belief that he should be seated.

I am reiterating—perhaps repeating too often—that this matter, as important as it is, should not cause the business of the Senate to be set aside for weeks on many matters that are of compelling concern to the American people. We must address ourselves to legislation that has the approval of committees and we must allow committees to do their work, if we are to carry forward our job.

Mr. CANNON. Will the Senator yield?

Mr. RANDOLPH. Yes.

Mr. CANNON. I would like to point out to the Senator that I have stated right from the start, and I repeat again now, that I am willing to agree to a reasonable time limit. I would let my colleagues on the other side of the aisle fix the time. But I suggested any kind of a time limit from 30 minutes on an issue on up to try to get some kind of a resolution of this matter, because I agree with the Senator. I think we ought to resolve it. I think we need to vote on the issues within a reasonable time limit. Both sides ought to be able to explain their position.

We have heard the argument this afternoon that it is very clear under the law, all these so-called skip-Louies should be counted for Louie. It is not clear. The Barr case has been cited; this is the law of New Hampshire. The Barr case is the law of New Hampshire, but it has got to be taken into consideration with the Murchie case, which is also the law of New Hampshire, and it is not clear at all. That is what makes lawsuits. The Senate itself needs to hear the arguments pro and con and I am ready to give the other side of the argument when it is the proper time.

But I have listened for hours, and it seems like days, on this issue before we have really gotten on it.

I am prepared at the proper time—right now, or any other time—to give the argument on the other side, to do it under a reasonable time limitation, and say let us vote on the issues and let the Senate decide; then we can get on about our work.

Mr. RANDOLPH. In asking the question I really am asking it, in a sense, for the constituency which I represent.

I am not referring, as I have indicated, to either side of the aisle or to those who are speaking. I am convinced that the people of this country are more aware than we sometimes think of the time that is being consumed on this subject. They desire that other matters of importance be pursued by committees, through hearings and executive meetings so that vital programs move ahead.

I have advocated for years that we have legislative days and that we have committee days, so that the work of the Senate and committees can be scheduled and completed in a more orderly and timely manner. I hope, somehow or other, this will be brought about. I know the attention which many people—including this Senator—are giving to it.

I return to my first premise, however. If this matter is to continue for weeks and weeks, it will be wrong. I do not think it is either in the best interest of the Senate or the best interest of the people of this country. They expect this matter to be decided.

I yield the floor.

Mr. HUGH SCOTT. Will the Senator from Nevada yield so I may comment on what the distinguished Senator from West Virginia said?

Mr. CANNON. Yes.

Mr. HUGH SCOTT. I think it would reassure the distinguished Senator from West Virginia if I repeated what I said earlier today. That is that we on this side of the aisle are perfectly willing for the business of the Senate to go on. We are perfectly willing for committee hearings to be set. We do not fix the time when the Senate convenes. That is done by the majority. If the majority wants the committees to meet, they can fix the time a little later in the day for the Senate to meet and let the committees go back to meeting. We are not preventing it. We are not preventing other business from coming up.

This Senate has operated for some years on a two-track and even a three-track system. We are willing to step aside so that important legislation can be brought up. We would like to see the education bill brought up. We are willing to have all of these things done. But as the distinguished Senator from Nevada pointed out, he said he has waited patiently to present what he refers to as the other side of the question. The irony of that is that tomorrow we have to vote on cloture offered from the majority side, an attempt to cut off debate and not to give a Senator 1 hour on each of these 35 issues, but to give a Senator 1 hour on all of the 35 issues or a total of 102 seconds per issue. This attempt to cut off debate occurs before the other side has been heard, according to what the Senator from Nevada just said.

I thought both sides had done a good deal of talking. If the Senator thinks they have not made their case yet, why are they trying to shut off debate while we are still trying to make our case? That seems to me to have been lost sight of.

Eighty percent of the Senators have not heard 95 percent of the discussion. When they come in here, I do not care how earnestly one reads the documentation, they still will not have heard the debate. This is a forum for debate. They will not have heard. I am speaking to the empty pews now like so many preachers.

To those who are not here, let me say to you earnestly that you have not heard what we have been saying. There is a stillness as far as you are concerned, and as far as you are concerned nothing is going on.

As far as we are concerned, a great deal is going on.

Mr. CANNON. If the Senator will permit me on my time that I yelded to him, I may say that for the 2½ hours that I spent here this afternoon I must say that I am very sympathetic to our colleagues who are not here because there was not much going on in the way of a meaningful debate on these issues. The Senator has suggested that we are trying to cut off on cloture without discussing the issues. I can discuss each one of these issues myself to present my side of it in 15 minutes on every issue, and I can do that between now and the time the cloture vote comes up tomorrow afternoon.

Mr. HUGH SCOTT. If the Senator will yield, granted that he alone could do it, what happens to the other 98 Senators? Every one of them is entitled to half a chance to discuss each of the 35 issues. If he only has 102 seconds or 1.7 minutes to discuss these matters, I say that is cutting off debate which is, to my mind, unseemly. It seems to me that we ought to be able to discuss these more freely.

Nothing is more important to the Senate than to do the right thing in seating the right Senator from New Hampshire according to the laws of New Hampshire and according to the Constitution of New Hampshire, or a decision to send it back. Some of us feel that we have not penetrated some of the other Senators with our cogent reasoning, and perhaps we never will. But we are willing to keep trying. We believe that the more we keep trying—and we may prove to be quite trying to some of our friends and colleagues—the more we keep trying, the more I notice that the newspapers are paying attention to this fight for justice.

I noticed the Ohio papers have now joined this increasing group of newspapers who are advocating that this go back to New Hampshire. One of the Washington papers, papers in my State, and papers in most of the States are now saying, "The Senate ought not to waste its time deciding a matter which has already once been decided by the people of New Hampshire, but if you do not like the result, give them another chance."

We ask the Senate to make one of two decisions: Either abide by the certificate sent here by the State of New Hampshire, a lawful certificate in the absence of fraud or deceit, and there was none alleged, or send it back. But do not try to recount something that the Rules

Committee utterly failed to recount and ended in a tie several times.

I yield.

Mr. CANNON. Mr. President, if I may, I would just say that the distinguished Senators who complained about only having 102 seconds on each of the issues spent something over 180 minutes today wasting their time when they could have been talking about those issues.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. CANNON. I yield.

Mr. ROBERT C. BYRD. Mr. President, for the record, I wish to state that the Senate has now been on this matter we are debating, the resolution that was reported to the Senate unanimously by the Senate Committee on Rules and Administration, 9 days. The Senate has spent 44½ hours on the resolution. There have been 15 rollcall votes. There have been 15 live quorums. The Senate has not yet voted on one of the 35 issues.

Mr. CANNON. I thank the Senator for his observation.

I think the Senator from California indicated that he wanted me to yield to him.

I yield to the Senator for a question.

Mr. CRANSTON. I thank the Senator.

I would like to ask a number of questions, if I may, about some of the individual ballots that we are going to have to look at in the course of our deliberations.

I have heard this talk about only so many seconds to discuss various important decisions we must make if it comes to cloture. I have also been in the Chamber throughout most of this debate, feeling that it is my responsibility to understand the ins and outs before I cast my vote.

I know that we have spent a great deal of time discussing a great many of the major issues that were presented to us for our consideration by the Committee on Rules and Administration.

We have discussed at great length issues numbered 1, 2, 3, 6, and 7, and we have discussed, at great length, certain of the ballots, particularly those loosely grouped together under what might be called issue No. 20, the so-called skip-Louie and skip-John ballots, ballots Nos. 252, 267, and 280, 281, 285, 310, 311, 324, and 322, the latter being a skip-John ballot.

For those who were not present during those discussions, deliberations, and debates, there is an ample record now set forth in the RECORD as regards those particular matters.

We have also discussed issue No. 8 at great length relating to the 12 Manchester voting machines.

We have not had time yet to talk about some of the individual ballots. I have some questions in my own mind about certain of them in relationship to the decisions of the Rules Committee in some cases and deadlocks in other cases.

Since it has been pointed out today that we have not had any discussion of those individual ballots, I think it would be useful to have such a discussion for whatever Senators are present or will look at the RECORD hereafter.

I would like to start with the first ballot that we will consider, which is ballot No. 22, which might be called issue No. 9. I would like to ask the distinguished chairman if starting with that one—and I would like to go on to others—he would explain just what the issue is as he sees it and as it was seen by the Rules Committee when it spent all that lengthy time, weeks and months, considering all these matters and those particular ballots and the other ballots.

Mr. CANNON. I would be happy to go through these for my distinguished colleague.

The PRESIDING OFFICER. The Senate will be in order.

Will the Senators take their seats?

Mr. CANNON. Ballot No. 22, in my judgment, is properly called a valid Durkin vote. The committee tied 4 to 4, 4 votes for Durkin and 4 for no vote. In this ballot there was a clear X in the square of Mr. Durkin. In the fourth column, outside of the American Party, on the second line, which happened to be the line that Mr. Durkin's name was on, was written in the name of Victor DeSchuytner. Victor DeSchuytner was a well-known write-in candidate for the office of sheriff. He was not on the ballot, and the voter in this case did not vote for either of the candidates in the sheriff's race but had simply written in the column on the right-hand side Victor DeSchuytner.

Now, the voter cast a vote in every race except in the race for sheriff by making a cross in the candidate squares.

The basis of the argument that it should be a no-vote is that by putting it on the same column as Mr. Durkin's name, even though there was a big bold X in Mr. Durkin's square, it meant that his was a double vote and could not be counted.

The instructions that are provided to the voters as well as the new law with respect to write-ins are quite ambiguous. They do not cover the precise situation. This is what the instruction says:

> If you wish to vote for a candidate whose name does not appear on the ballot, write the name in on the blank column at the right of the ballot.

It does not say on the corresponding line.

Prior to 1967, the statute required the name of the officer to be written in in the column for write-ins. But at that time the statute was changed, and the statute is now equally misleading. It reads as follows with respect to write-ins:

> * * * or by writing in the name of the person for whom he desires to vote in the right-hand column prepared for that purpose.

Once again, there is no reference there to the corresponding line. That is the case both by statute and by instruction.

Of course, the legislature was certainly remiss and the instructions to the voters are not adequate on it. But New Hampshire case law has clearly circumscribed the power of the legislature and the Justices wrote, in their November 4, 1974, opinion, as follows:

> Statutes regulating the forms of a ballot are generally regarded as directive rather than mandatory—they provide a general and uniform method for voting but should not be applied to disenfranchise voters because of technical irregularities.

Again, in Murchie this is Clifford, page 105, the Justices wrote:

> * * * the Legislature may enact the method by which a man shall vote but cannot direct how the ballot he casts shall be counted.

The unfortunate situation here, Mr. President, is that on ballot No. 136, which involved almost precisely the same situation, the committee voted to give that ballot to Mr. Wyman. That was the only difference: It was a Wyman ballot, and we voted to give it to Mr. Wyman.

So No. 136, on almost the identical ballot construction, was given to Mr. Wyman. That was by a vote of 6-to-2, I might add. And on this ballot here, No. 22, we did not give it to Mr. Durkin by a 4-to-4 vote.

If I might show my colleagues here, the only distinction in the Durkin ballot was that there was a big X here by Mr. Durkin's name, and over here in the right-hand column was written in "Victor De Schuytner."

Then all of the other offices were voted for in the Democratic column except those for the office of sheriff, and these two for the office of sheriff were left blank.

As I say, Victor De Schuytner was a well-known write-in candidate for the office of sheriff.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. PASTORE. You mean in that particular instance they took that vote away from Durkin?

Mr. CANNON. In this instance the committee voted 4-to-4. Four votes were to give it to Mr. Durkin, and four were for a no-vote, taking the position that this was a double vote.

Mr. PASTORE. How did the secretary of state and the ballot law commission decide that?

Mr. CANNON. That I cannot say, because when we saw those ballots, the certificate of the secretary of state and the ballot law commission had been removed.

But I would say this: Mr. Brown, Mr. Wyman's attorney, argued that this should be a no-vote, because it was a double vote.

Let me show the Senator again what happened——

Mr. PASTORE. By what right did he say that? What was his logic?

Mr. HUGH SCOTT. Mr. President, if the Senator will yield, in the case of Stearns against O'Dowd it says double-marked ballots cannot be counted.

Mr. PASTORE. But I understand here the statute itself says you can write the name in the column, but it did not say opposite the name you did not want.

Mr. CANNON. The Senator is correct.

Mr. PASTORE. The man, as I understand, was running for sheriff, and they left out the mark opposite the name for sheriff on the legitimate column, and wrote it up on the top. Had they taken this name and stuck it down here, it would have been a legitimate vote.

Mr. HUGH SCOTT. The Senator is quite right, but it is on the Senator line, and the statute says you cannot double vote.

Mr. PASTORE. But the statute says in

the column, not on the line. That is very misleading.

No, what is the intent? You mean to tell me when that voter went in there and voted for the sheriff, that he was voting for sheriff against Durkin, who was running for the Senate? That is ridiculous. Absolutely ridiculous.

Mr. HUGH SCOTT. The law says you cannot write on the same line.

Mr. CANNON. Mr. President, if my distinguished colleague from Rhode Island will just listen to this one, I want to give the rest of that story.

Mr. PASTORE. You mean the next one is a beaut?

Mr. CANNON. The next one is a beaut, because we have just heard the Senator from Pennsylvania argue that this is a double vote. I want the Senator to ask him how he voted on ballot No. 136. And I will show the Senator what ballot No. 136 was.

It was the same situation, only over here on the other side of the aisle. The voter came down and voted in all the squares down here except for the office of sheriff he did not vote, but he drew lines through the names of these two gentlemen here in the sheriff's race, and then he came over here and he wrote over here, again oppose Mr. Wyman's column, "Victor DeSchuytner," the well-known write-in candidate for sheriff, of course.

The committee voted 6 to 2 to give that ballot to Mr. Wyman. The only difference was that in this case the voter lined out the two candidates for sheriff. In the first case he did not line through them, he just did not do anything, and the distinguishing difference was that the X was opposite Mr. Durkin's name. Yet the distinguished Senator from Pennsylvania voted to give this one to Mr. Wyman, but on the first one he voted that it was a "No" vote.

Mr. HUGH SCOTT. Now, Mr. President, will the Senator yield? Since he has mentioned my name, will the Senator yield to me?

Mr. CANNON. Yes.

The PRESIDING OFFICER. Does the Senator from Nevada yield?

Mr. CANNON. I yield.

Mr. PASTORE. This is the most interesting part of the day. Let us proceed.

Mr. HUGH SCOTT. I am glad we are keeping the Senator from Rhode Island awake.

Mr. PASTORE. No; you are not keeping me awake. I get up at 5:30 in the morning, and I go to bed at 10 at night, and after 5:30 in the morning I am absolutely awake. I will be delighted if the Senator from Pennsylvania wishes to take a run around the block with me.

Mr. HUGH SCOTT. If the Senator from Rhode Island wishes to divert me, I will give him whatever time he needs, after which I will return to my question.

Mr. PASTORE. You may be asleep, but I am not.

Mr. HUGH SCOTT. I assure the Senator I was not asleep when I voted on this ballot.

Mr. PASTORE. I know, but I think you are asleep now. Go ahead.

Mr. HUGH SCOTT. Will the Senator allow me to proceed on the time that has been ruled to me?

Mr. PASTORE. That is right, provided you are awake.

Mr. HUGH SCOTT. If the Senator will restrain himself for a moment.

Mr. PASTORE. I do not have to restrain myself, but I think it is very discourteous on the part of the Senator from Pennsylvania——

Mr. HUGH SCOTT. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Nevada has the floor, having yielded to the Senator from Pennsylvania.

Mr. HUGH SCOTT. Will the Presiding Officer preserve order?

Mr. PASTORE. That is right; you better do it, Mr. President.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Nevada has the floor, having yielded for a question to the Senator from Pennsylvania.

Mr. CANNON. I have yielded for a question to the Senator from Pennsylvania.

Mr. HUGH SCOTT. If the Senator from Nevada has yielded, and I have an opportunity to proceed, I would like to point out that on ballot No. 22, I believe it was, that being the first DeSchuytner ballot——

Mr. CANNON. 22 and 136.

Mr. HUGH SCOTT. On 22, a number of Senators, including myself, concluded that the only evidence in that case on that ballot was that there was a vote for Mr. Durkin for the Senate, and a vote on the same line for Mr. DeSchuytner.

We were furnished outside statements, and no evidence on the ballot but a simple statement was made and repeated several times. Everyone in New Hampshire knew Mr. DeSchuytner; therefore, since everybody was aware that Mr. DeSchuytner wanted to be sheriff and had gotten some other people to write in his name, it was obvious that here this was a vote for Mr. DeSchuytner for another place on the ballot, which is sheriff rather than for Senator. We divided 4 to 4. As I recall it was a 4 to 4 vote.

Mr. CANNON. Yes, it was.

Mr. HUGH SCOTT. Having done that, we came to a later ballot, and then those of us, who had lost on the argument that Mr. DeSchuytner was actually a candidate for sheriff, were confronted with a ballot where there was an X in the square of Mr. Wyman.

We said to those people, who argued that everyone knows we do not count the DeSchuytner vote because he is running for something else: "Then be consistent about it. If you are not going to count DeSchuytner on ballot 22, do not count DeSchuytner on ballot 136," or whatever it was. We were so remarkably persuasive that six out of the eight of the Senators voted that way; and, having refused to count DeSchuytner the first time, they refused to count DeSchuytner the second time, in spite of all——

Mr. PASTORE. Wait a minute.

Mr. CANNON. I yield for a question but not an erroneous statement.

Mr. PASTORE. Absolutely.

Mr. CANNON. That is not correct. That is not the way I heard it.

Mr. HUGH SCOTT. Let me correct it. Is that not right?

The PRESIDING OFFICER. The Senator from Nevada has been recognized.

Mr. HUGH SCOTT. On the second time I said refused. I see what the Senator is concerned about. We actually decided on the second count, and the argument which we were advancing that if you felt LeSchuytner was running for sheriff on one ballot he was running for sheriff on the other ballot, and on the second ballot some of the Senators, who had voted for Durkin on ballot 22, joined some of the other Senators who disagreed and voted for Wyman's position on ballot 136.

I believe that states it correctly, does it not?

Mr. CANNON. Yes, the last statement is correct.

The vote originally in ballot 22 was four for Durkin, four no-vote on ballot 136, and the same set of circumstances, except for the one difference that I marked out where the line had been drawn through the two sheriff candidates, but still DeSchuytner's name was written up here opposite Mr. Wyman. In that one, the vote was 6 to 2 to give the ballot to Mr. Wyman, and the ballot is now in the box vote for Wyman, according to the committee.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CANNON. Yes.

Mr. PASTORE. Is the Senator telling us that under the two examples, that he has just given, that he gave the vote to Wyman when DeSchuytner's name appeared in the column right opposite him, and he did the same for Durkin when the same thing happened to Durkin? Is that correct?

Mr. CANNON. No, we did not. Wyman got the vote.

Mr. PASTORE. In this particular case?

Mr. CANNON. His name was opposite his name.

Mr. PASTORE. That is right.

Mr. CANNON. Durkin did not get the vote. That is here on a tie when DeSchuytner's name was opposite him.

Mr. PASTORE. The argument of the Senator is it should be given to Durkin under the same circumstances.

Mr. CANNON. They should be exactly the same.

Mr. PASTORE. That is right.

Mr. CANNON. If the one goes to Wyman, the other should go to Durkin.

If there are no votes, they should both be no votes because the circumstances are the same. The statute is unclear, as I said, and the instruction to voters is unclear, because it does not say where you use a write-in candidate that you write-in opposite the office for which he is running, and that is the thing that created the problem.

Mr. PASTORE. In other words, the Senator was being fair in both cases?

Mr. CANNON. Speaking about this Senator, I voted not to give the second one to Wyman, having seen the first one not being given to Durkin.

Mr. HUGH SCOTT. Mr. President, will the Senator yield for a further question?

Mr. CANNON. I feel that was in fairness.

Mr. PASTORE. In other words, the Senator was treating both of them the same way.

Mr. CANNON. That is correct.

Mr. HUGH SCOTT. Mr. President, will the Senator yield further?

Mr. CANNON. Yes.

Mr. HUGH SCOTT. Will the Senator address himself to ballot No. 64, where there was no X in the Wyman square, there was an X in the Durkin square, no X in the Chimento square, and a write-in on the same line of a Mr. Sununu? On that one cannot the Senator from Nevada, along with the rest of the committee by an 8 to nothing vote, decide that this was a no vote, notwithstanding the fact that John Sununu was a well-known write-in candidate for State senator, and yet the committee ruled this to be a double vote—6 to 4? Is that not a fact?

Mr. CANNON. I am sorry. I will have to check. Can the Senator refer me to the record so I can check?

Mr. HUGH SCOTT. Page 638 of the record.

It has been suggested to me that was not one of the examples the Senator from Nevada was going to use. I agree, while the Senator is looking it up, that what appears to be consistency at times on the part of the members of the committee has to be decided in chronological order.

Mr. CANNON. The distinction in ballot No. 62——

Mr. HUGH SCOTT. Sixty-four.

Mr. GRIFFIN. While the Senator from Nevada is checking that out, I should like to observe that one of the reasons why Mr. Durkin came to the Senate is that he claimed that the ballot law commission in New Hampshire was inconsistent.

The **PRESIDING OFFICER.** Does the Senator from Nevada yield to the Senator from Michigan?

Mr. CANNON. I yield.

Mr. GRIFFIN. That the ballot law commission in New Hampshire was not consistent in its ruling. I think that one of the things that is being demonstrated here quite clearly is that a Senate committee or the Senate may not be consistent either. It seems to me that what this really does is to reinforce the argument that this should go back for a new election.

Mr. CANNON. It is not ballot 64. It is ballot 63, I say to my colleague.

The distinction is that in this ballot the man had put a mark in Mr. Wyman's square, and then he had erased it. Then he wrote in the name of Sununu, and we voted 8 to 0 that it was a no-vote for Mr. Wyman. He had had his mark in here, and Sununu's name written on the same line, and then Wyman's had been erased.

So that is not anywhere nearly comparable to the cases we are talking about.

Mr. PASTORE. And the decision on that was unanimous?

Mr. CANNON. The decision on that was unanimous, that it was no vote.

Mr. HUGH SCOTT. If the Senator will yield for a possible correction, I think that his counsel will indicate that he has looked at the page before to that one, ballot 63. The man's name, Sununu, occurs in both places. We are talking about ballot 64, on page 638, where a question was asked as to what the distinction was on the sheriff vote and this one, and Mr. Brown said:

> But the one that we have coming up, again, John Sununu being voted for U.S. Senate. And this time it is goring the other man's ox. This time it is Mr. Durkin whose good X is countermanded by Sununu and there is a beautiful X for Mr. Downing for State Senator.

That is the one where the full committee voted 8 to 0 that it was a no-vote, as I recall.

Mr. CANNON. They did, on the previous one. As a matter of fact, Mr. Durkin's lawyer stipulated that it was a no-vote.

This had another name involved, a man by the name of Downing, who was written in, who was running for State senate, and we distinguished it, according to Mr. Durkin's lawyer, from the one we had talked about earlier.

Mr. HUGH SCOTT. I think we have made the point.

Mr. CANNON. The Senator's point is absolutely wrong, so I am glad he has made it.

Mr. HUGH SCOTT. That is a matter of opinion.

Mr. CANNON. The distinguished Senator from California had asked me a question. Does he have any other questions on ballot 22? I am prepared to respond on that. Does the Senator have any other questions with respect to ballot No. 22?

Mr. CRANSTON. No, I do not, on that ballot; but I have on another one.

I should like to ask about ballot No. 88, which also has been in controversy. There has been no discussion of that on the floor, up to this point. I suggest, also, that after this, we might take up ballot 245 in conjunction with it. There are somewhat similar circumstances in the two.

Mr. CANNON. On ballot 88 there was a mark in Mr. Wyman's square. Then there was an X down in the office for State senator and an office on the Democratic side voted on. Then, over in Mr. Chimento's square there was a slash mark, a diagonal slash mark. The committee voted again on that one—4 for Mr. Wyman and 4 no-vote.

The statute, as the Senator knows, as I referred to it earlier, says to put a cross within the box. But the New Hampshire case law recognizes a single line as a valid voting mark, and we have on numerous ballots recognized the single slash line like that as a valid voting mark.

The committee, recognizing the precedent in Barr against Stevens, has repeatedly recognized a straight line as a voting mark.

Also, in Stearns against O'Dowd, page 360, the court says the decision in Murchie against Clifford, which was followed in the Dinsmore against Mayor, settled the proper construction of the split or double marked ballots—being votes for both candidates, they can be counted for neither.

This ballot had the cross within Mr. Wyman's square and a countervailing slash mark in Chimento's square. Both are valid voting marks under New Hampshire law, and therefore it is a double-marked ballot and cannot be counted for either.

The committee split, 4 to 4. Four voted to give it to Mr. Wyman, and four voted to say it was a no-vote, because it was a double-marked ballot.

Mr. HUGH SCOTT. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The Senator from Nevada has the floor.

Mr. CANNON. I do not yield for that purpose, Mr. President.

Did the Senator ask about another one in connection with that?

Mr. CRANSTON. Yes. I believe No. 245 is quite similar.

Mr. HUGH SCOTT. Mr. President, will the Senator from Nevada yield for the purpose of permitting me to put in the RECORD a copy of ballot No. 90, in which the committee made an opposite decision? Does the Senator have any objection to my offering this in the RECORD?

Mr. CANNON. I will permit the Senator to do it a little later.

Mr. HUGH SCOTT. All right.

Mr. CANNON. The Senator asked about ballot 245.

Mr. CRANSTON. Yes; it is quite similar to the other one.

Mr. CANNON. In ballot 245, there was an X in Mr. Wyman's square and an imperfectly executed X in Mr. Chimento's square. If I can draw it adequately, it was something like this—as though he made a shot at it and did not get a perfectly executed X in that instance.

There is no question that there are two separate lines in the Chimento square that form a clear intersection. There is no evidence of an attempt either to erase or to obliterate the mark in Mr. Chimento's square and the X over here in Mr. Wyman's square.

Again, the committee voted four that it was a vote for Mr. Wyman and four no-vote because it was a double-marked ballot for the two candidates for the office of U.S. Senator.

Mr. CRANSTON. What was the action of the committee in each of these cases?

Mr. CANNON. The action of the committee was that it was four for Wyman and four for a double-marked ballot, and therefore no-vote. It was a tie vote. That is one of the issues that is before the Senate to determine.

Mr. CRANSTON. I should like to ask now about ballot No. 120.

Mr. CANNON. This is a very interesting one. In this particular ballot, the voter came in and made a slash across like this in every box down in the Democratic column, every race on the ballot. This is what we referred to as the "lazy voter."

The slash itself would be a valid mark. The slashes have been held to be valid marks. He then came here, and he wanted to make this with one X, with one big line, and came all the way down. So an X was formed in every square as a result of this long cross line.

The question to be decided is, Is that a valid vote for each of these people, or is it an attempt to obliterate? If it is said that it is an attempt to obliterate, this voter just went to the polls for nothing, just wasted his time, because there was no other vote on there, that he put on there, other than these slashes and then the long line down there, I suppose, to expedite it.

The committee, I say to my colleagues, voted four votes to give that to Mr. Durkin, that that was a valid vote, and four votes that it was a no-vote, that this long line down there was an attempt to cancel the vote, and therefore the voter just went out to go to the polls that day and had been spinning his wheels. There was not any attempted erasure on anything; there was no scribbling; just a long line that went all the way down the ballot through those slashes. As I say, each of those slashes alone, had there not been this added line, under New Hampshire law and under the interpretation we have given it in the committee, would have been a valid vote.

Mr. CRANSTON. In that instance, what did the committee do?

Mr. CANNON. The committee tied, 4 to 4. Four members of the committee voted that that was a valid vote for Mr. Durkin, and four of them voted that it was a no-vote.

Mr. CRANSTON. If that counted as a no-vote for Durkin, it should have been counted similarly for all the other candidates, presumably, and the substance would be that the man or woman went there to vote for no purpose at all.

Mr. CANNON. That is absolutely correct. If it is a no-vote for Durkin, it is a no-vote for every other person on that list, and therefore the voter just went to the polls that day for the exercise, because he did not cast a valid ballot if that is a no-vote for Mr. Durkin.

Mr. CRANSTON. There is no other mark on that ballot?

Mr. CANNON. There is no other mark on that ballot, other than the slashes across in every race down, and then the long line through it, to make the squares. As I said, you did not even have to have the long line, because the slashes themselves would have been adequate to constitute a valid vote.

Mr. CRANSTON. Is it not true that under New Hampshire case law, disenfranchisement of the voter is a prevailing factor? In the case of Stearns against O'Dowd, the court stated:

> [There is a] presumption that the voter intended the paper prepared by him as a ballot; and, to prevent loss of his vote, his main purpose would be carried out by giving to the mark made by him the only interpretation possible.

Mr. CANNON. Yes, that is the New Hampshire case law that I think is governing in that case.

Mr. CRANSTON. Then there is RSA 59:66, which states:

> Only when it is impossible to determine the voter's choice should the ballot be regarded as defective.

Mr. CANNON. The Senator is correct.

Mr. CRANSTON. It seems to me that that is a very clearcut matter.

What about ballot No. 127?

Mr. CANNON. Ballot 127 is a case where the voter came over here and lined all the way through Mr. Thomson, who was the candidate for Governor. He went down, skipping Mr. Wyman, although this is not a skip-Louie category, as we have been talking about. He skipped Mr. Wyman and made an X for Mr. Banks. He went on down—this is not the precise precinct involved, but he voted down here, an X for Elizabeth Greene. He went on down for county treasurer and voted for Winston Lothrop on the Republican side, and went down and voted for moderator in the Republican side.

Then he went over here in Mr. Durkin's box and made a big X. Then it looks like he went over it two or three times to reinforce his position.

He went down and voted for State senator, for Eileen Foley, in Portsmouth, with an X, and down for sheriff, and voted in the sheriff's race with an X, and down to county commissioner and voted in the county commissioner race, with an X.

The only question here is, did he try to erase that X that he put in the square for Mr. Durkin? All that it appears—it appears to me, anyway—is that he simply marked over it. He was trying to reinforce his position. There is a much heavier X in that particular square than there is in any of the others.

The committee vote on that was four votes for Mr. Durkin and four for a no-vote.

Ballot No. 168 was quite similar to that and the committee, when that came up—quite similar to it except the question was Mr. Wyman—and the committee gave that ballot to Mr. Wyman, in that particular instance.

Mr. CRANSTON. What was the argument against the position taken by the chairman? Was the argument made that it was an effort to eliminate the vote for Mr. Durkin?

Mr. CANNON. Yes; the argument has to be that the marking over of the X indicated an intention to eliminate the vote that was put on there for Mr. Durkin. But I point out to my colleague that it would have been very simple, for example, to have crossed it out like this (indicating). Or it would have been simple to erase it. But that was not done.

Mr. CRANSTON. Or he could have crossed out the name, as he crossed out the name of Meldrin Thomson.

Mr. CANNON. He could have crossed out the name, right.

Mr. CRANSTON. I have a photocopy of the ballot in my hands, and it certainly looks to me like it was an effort to emphasize that cross.

Mr. CANNON. That is what it looks like to me. That is something the Senators will have to decide when they see it. But I think that in light of the action taken on other, similar ballots—for example, ballot 168, where it was given to Mr. Wyman—it seems to me that the markings there on the Wyman ballot were not nearly as clear an X as they were on this particular ballot.

Mr. CRANSTON. It seems to me that that is another one that is very, very clear, unlike some others that are not that easy to determine. What about ballot No. 128?

Mr. CANNON. In ballot 128, this ballot has a cross in the Republican party circle and a cross in the Democratic party circle. Additionally, there is a cross in the individual candidate squares for every office on the ballot, including a cross in the box for Durkin. Here is what the voter did.

He came up here and marked an X up here and an X in here (indicating). Then he went on and voted for the Governor over here in the Republican side, voted for Durkin over here, came back here and voted for a Republican, another Republican, another one, another one, another one—five of them in a row.

Then he came down and voted for two Democrats over here, and a Republican back over here, a Democrat back over here, a Republican back down here, and a Democrat back down here.

Now, the committee, in that instance, felt that there is more than one way of expressing a person's vote. Obviously, the gentleman or lady, whichever it was, put the two X's up there, thinking that he had to do that to vote in both sides, because he went ahead and voted in all of the races, but split across, one side to the other. There were no votes on there that were double votes; that is, a vote for a Democrat and a Republican for the same office. They voted on the one side and voted on the other for various people.

Now, the Murchie case seems to support the position that that could be that you try to determine the specific intent of the voter. The statute itself says:

> Only when it is impossible to determine the voter's choice should the ballot be regarded as defective.

In that case, the committee voted 4 to 4, it was 4 votes for Mr. Durkin and 4 for a no-vote.

On ballot 329, that had precisely the same construction as this ballot. There was a cross in both the Republican and the Democratic party circles, and a vote in every race on the ballot. However, in that instance, on ballot 329, there was a cross in Wyman's candidate square and the committee voted, 5 to 3, to count ballot 329 as a vote for Mr. Wyman. So the situation was just reversed.

In this case, it was a 4-to-4 tie, 4 for Durkin and 4 for a no-vote. In the other situation, where it happened to be Mr. Wyman instead of Mr. Durkin, the vote was 5 to 3 on the committee to give the ballot to Mr. Wyman. In fairness, we either have to say that this is a vote for Durkin or else we have to say they are both no-votes, because we disregarded the double X's up here at the top. The voter had evidenced a specific intent of voting for all candidates for every race that was on the ticket.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Nevada yield to me on condition that he not lose the floor?

Mr. CANNON. Yes, I yield, if I can be sure not to lose my right to the floor.

Mr. ROBERT C. BYRD. Can Senators be informed as to whether or not there will be a tabling motion this evening? Several Senators need very urgently to know this at the moment.

Mr. HUGH SCOTT. If the Senator will yield, before the Senator's reply.

Mr. ROBERT C. BYRD. Yes, I yield.

Mr. HUGH SCOTT. The Senator from Tennessee has found it necessary to leave the Chamber and we shall be unable to reach him. I should regret very much if we have a tabling motion on a Senator who is not here. Of course, as usual, we are in the minority and we cannot control anything around here. I hope it will go over until tomorrow, but if the Senator insists on a motion to table, we will suffer that, as we have suffered for so long.

Mr. CANNON. Mr. President, may I ask my majority whip if it would be possible to get a time limit on this issue in the morning and resolve it at that time? I certainly would not want to take any undue advantage here.

Mr. HUGH SCOTT. I think we ought to agree on a time limit. We are constantly being accused of not agreeing, but we have sometimes voted in 10 minutes or a half hour. I would be willing to vote, if the Senator wants to make an agreement to vote, at 10 or 11 o'clock.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a vote occur on the amendment by Mr. BROCK at the hour of 10 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. Reserving the right to object, that does not preclude a motion to lay on the table.

Mr. ROBERT C. BYRD. No.

Mr. HUGH SCOTT. If the Senator reserves the right to object, I will not. I do not want it to affect the right of the distinguished Senator from Alabama, whose amendment was amended.

Mr. ROBERT C. BYRD. The Senator from Alabama's amendment would not be affected by this request.

Mr. HUGH SCOTT. Then I have no objection.

ORDER TO VOTE ON SENATOR BROCK'S AMENDMENT AT 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a vote occur on the amendment by Mr. BROCK at the hour of 10 a.m. tomorrow, with a motion to table being in order.

Mr. PASTORE. Mr. President, will the Senator yield on that point?

Mr. ROBERT C. BYRD. If the distinguished Senator from Nevada would allow me.

The PRESIDING OFFICER. Is there objection?

Mr. PASTORE. Does a motion to lay on the table take care of the amendment being proposed by the Senator from Alabama?

Mr. ROBERT C. BYRD. A motion to table the Brock amendment would not affect the amendment by the Senator from Alabama. But a motion to table the Allen amendment in the morning would, per force, have the effect of laying the Brock amendment also on the table.

Mr. PASTORE. May I direct another question then: What does the Senator propose to do, just limit his motion to lay on the table to the Brock amendment or to the whole amendment?

Mr. CANNON. I was thinking in terms of the Brock amendment. But I would not want to preclude myself from being able to move to table the entire amendment.

Mr. HUGH SCOTT. Mr. President, if the Senator will yield, I would not be willing to make an agreement on a time limitation affecting the Allen amendment. But if we can understand the motion is either to vote on or table the Brock amendment as to what we are agreeing on, I would have no objection. But I do not want to prejudice the rights of a Senator who left here believing that he would not have his amendment called up.

Mr. PASTORE. I just wanted to clarify the record, that is all.

Mr. ROBERT C. BYRD. Mr. President, has the order been agreed to?

The PRESIDING OFFICER. The Chair hears no objection, and it is so ordered.

Mr. ROBERT C. BYRD. Then, Mr. President, Senators may be assured there will be no rollcall votes tonight.

Mr. McINTYRE. Mr. President, for the information and study of my colleagues I place in the RECORD a legal opinion the New Hampshire case of *Barr* v. *Stevens* (79 N.H. 192). This case has been referred to frequently on the issue of the so-called skip-Louie and skip-John ballots. The author of the opinion is an outstanding member of the New Hampshire Bar. Mr. Joseph Millimett who represented Mr. Durkin in the recount and ballot law commission proceedings in New Hampshire and appeared for Mr. Durkin on a number of issues before the Rules Committee.

This opinion was forwarded to me at my request since I have been studying this important issue very carefully.

I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEVINE, MILLIMET, STAHL & BRANCH,
Manchester, N.H., June 23, 1975.

Senator THOMAS MCINTYRE,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR MCINTYRE: We have been asked for our opinion concerning the effect of the New Hampshire case of *Barr* v. *Stevens*, 79 N.H. 192 (1919), on the construction of so-called "Skip Louie" ballots. It is our opinion that *Barr* cannot dictate a rule of construction for Skip Louie ballots, primarily because the ballot in *Barr* is not comparable to Skip Louie ballots. Mr. Wyman's attempts to rely on *Barr* for the proposition that the voter's intent to omit Mr. Wyman must be ignored in favor of a statutory rule of construction, are misguided—evidencing Mr. Wyman's failure to understand or appreciate the posture of the election contest in *Barr* and the significance of the Court's remarks.

The election contest in *Barr* was between Albert Barr and Charles Stevens, both Republicans, each of whom had received 8,189 votes for county commissioner, a race in which three persons were to be elected, so that voters were entitled to vote for three. The Court's sole task consisted in ascertaining whether Barr or Stevens had obtained more votes. Eight disputed ballots were before the Court for decision.

Ballot No. 1 in *Barr* is erroneously claimed by Mr. Wyman to be legally similar to Skip Louie ballots. It is not. Skip Louie ballots contain an X in the Republican party circle, and an X in each and every candidate box except Mr. Wyman's and that is all, there are no other marks. On Skip Louie ballots, only Mr. Wyman's name is skipped—clearly evidencing the intent of a Republican voter in a Republican state to omit to vote for Mr. Wyman.

Ballot No. 1 in *Barr*, on the other hand (a reconstruction of which is appended to this letter), is an ambiguous, confusing medley of marks. For whom the voter intended to vote is hopelessly unclear. He placed an X in the Democratic party circle, and in each Democratic candidate's box except for two of the three boxes in the county commissioner race: those of Gingras and Gould. In addition, in the blank column the voter wrote in the names of Barr and Gingras—even though both of those names were printed on the ballot, Barr's in the Republican column and Gingras' in the Democratic column. The ballot in Barr is patently distinguishable from the Skip Louies. On the Skip Louies, only Mr. Wyman's name is skipped; on the ballot in *Barr*, not one but two names were skipped. On the Skip Louies, no marks appear other than the X in the party circle and in each candidate box except Mr. Wyman's; on the ballot in *Barr*, the names of Barr and Gingras were written in. In addition to these rather obvious distinctions, the situation in *Barr* is irretrievably complicated by the fact that Gingras' name, which was written in, was one of the very names in the Democratic column which was skipped.

By placing his X in the Democratic party circle, the voter in *Barr* evidenced an intent to vote the straight ticket which by statutory construction included the three Democratic candidates for county commissioner: Baker, Gingras and Gould. By writing in Barr's and Gingras' names, he evidenced an intent to vote for a Gingras. By voting for four, the voter made it impossible for the court to tell which name he intended to omit, if any. In such a situation, the court could count it for none. Barr argued that the ballot should count for him in spite of the voter's attempt to vote for four persons, because, it was claimed, "the failure to make crosses opposite the names of Gingras and Gould indicates an intention not to vote for them." *Barr, supra*, at 193. It was only in this way that Barr could argue that the voter had really only voted for three, not four.

Mr. Wyman observes the similarity between the above-quoted statement of Barr's argument and the argument in the Skip Louie situation, and then tries to emphasize the court's observation that a ruling of no vote would require the rejection of the "cross at the head of the column, which the statute makes a vote for all the names therein not cancelled or erased." *Barr, supra*, at 194. Mr. Wyman wants to raise this perfunctory observation into the rule of law in the *Barr* case: that whenever the party circle is marked, the failure to mark a candidate's box (even if every other candidate's box is marked) can *never* be ruled as no vote for the skipped candidate.

What Mr. Wyman fails to realize, apparently, is that the decision on Ballot No. 1 in *Barr*—the Court's refusal to rule that the ballot was an attempt to omit to vote for the skipped candidates, Gould and Gingras—was dictated by the ballot itself. The rule contended for by Barr, that no vote should be counted for skipped candidates below a marked party circle, was obviously impossible in a situation where the name of one of the skipped candidates had been written in. The *voter* was clearly not operating under such a rule.

Mr. Wyman wants the Senate to read *Barr* as establishing the rule that in every ballot where the party circle is marked, the ballot must be counted as a vote for every candidate in the party column, irrespective of the otherwise clear voter intent to omit to vote for a candidate by skipping his box while marking all others. Although, obviously, the result in *Barr* did not theoretically preclude it, the *Barr* court certainly did not state any such rule. The court, in analyzing the ballot, simply referred in passing to the straight ticket rule of construction. The court did *not* say that the cross at the head of the column could never be rejected. It did not need to. Even if the *Barr* court had *wanted* to adopt the rule that Mr. Durkin has argued for—that the evident voter intent in the Skip Louie situation must be given effect and counted as no vote for the skipped candidate—it could not have done so. The ballot itself in *Barr* precluded the establishment of the rule. It was clear from the ballot in *Barr* that the voter did not intend his failure to mark the two candidate boxes to be construed as no votes for the skipped candidates, because the name of one of the skipped candidates had been written in.

The court in *Barr* not only did not establish Mr. Wyman's rule, but it explicitly recognized that the statutorily created rule of construction, which makes a mark in the party circle a vote for those below, *cannot* control a judicial inquiry into the voter's intent.

"It has been held in several cases that the requirement of the statute, that where a cross has been made in the circle at the head of the column the ballot shall be counted for all names in the column not canceled or erased to the exclusion of all others, cannot be followed in a judicial inquiry as to the result of the election. *Stearns v. Dowd*, 78 N.H. 258; *Dinsmore v. Mayor*, 76 N.H. 187, *Hurchie v. Clifford*, 76 N.H. 99." *Barr, supra,* at 193.

Barr clearly recognized this New Hampshire rule that a statutory rule of construction cannot be followed when such construction violates the clear expression of voter intent.

"Undoubtedly the legislature may enact fully and precisely how the voter shall express his intent; but when this has been done and the voter has marked his ballot, the construction of the ballot, read in the light of the surrounding circumstances (including the statutory provisions), must be left to the Court. . . . In other words, the legislature may enact the method by which a man shall vote, but cannot direct how the ballot he casts shall be counted." *Murchie, supra,* at 104, 105.

Barr fully approved this rule, so well stated in *Murchie*. The simple fact, however, is that the court in *Barr* was not called upon to apply it, because the ballot in *Barr* was inherently ambiguous.

In the Skip Louie situation, on the other hand, the sole ambiguity is created not by contradictory marks put on his ballot by the voter, but by a statutory rule of construction which is at odds with the evident voter intent. That the voter intended to skip Mr. Wyman is the compelling conclusion. The straight ticket rule of construction cannot force the Senate to ignore a Republican voter's intent to avoid voting for Mr. Wyman while expressing his Republic loyalty at the same time.

The simple fact, and ultimately the answer to Mr. Wyman's claim that *Barr* controls in the Skip Louie situation, is that the court in *Barr* only decided with respect to Ballot No. 1 that it could not be counted for Barr. In order to reach this conclusion it was not necessary to establish the rule Mr. Wyman contends for. All the court had to do in *Barr* was decide that the voter had created a hopelessly ambiguous ballot, voting for four persons in a three person race. The Skip Louie situation compels the conclusion that the failure to mark Mr. Wyman's box evidenced the voter's intent not to vote for him. *Barr* does not preclude the Senate from reaching that conclusion. *Barr* is a difficult case involving a complicated ballot and it cannot control the interpretation of Skip Louie ballots.

Very truly yours,
By: JOSEPH A. MILLIMET
By: NEWTON H. KERSHAW, Jr.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Nevada yield to me for the purpose of offering a cloture motion?

Mr. CANNON. Yes, I yield.

Mr. ROBERT C. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. A cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon Senate Resolution 166, relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mike Mansfield, Robert C. Byrd, Jennings Randolph, Gaylord Nelson, Abraham Ribicoff, Floyd K. Haskell, John Glenn, Harrison A. Williams, Alan Cranston, Walter D. Huddleston, John O. Pastore, Patrick J. Leahy, Richard (Dick) Stone, Quentin N. Burdick, Claiborne Pell, William D. Hathaway, and Walter F. Mondale.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. ROBERT C. BYRD. I thank the Senator for yielding.

Mr. CRANSTON. Mr. President, will the Senator from Nevada yield?

Mr. CANNON. Yes, I yield.

Mr. CRANSTON. I would like to point out to the Senators present on the floor that while we have not been able to get to a vote on any one of the issues reported by the Rules Committee we are now having an opportunity to go through the various ballots that we will have to consider sooner or later, to discuss them and to hear the views of the chairman of the committee, and anyone else who wishes to express his views or to ask questions.

In the event that cloture is voted, we will thus have had an opportunity to fully discuss these matters and look at these matters before we get to the time limitations that would be imposed when cloture is voted.

I also would like to point out that we had a spirited discussion with contrasting views presented on ballot No. 22. But on all the others that we have discussed here has been no dissent stated from the views and opinions expressed by the chairman of the committee, which would indicate since there were a number of Members of the minority party, including two members of the Rules Committee present through most of this, that the views of the distinguished chairman of the committee are not easily challenged or, perhaps, not to be challenged at all.

I would now like to ask one question in relation to the ballot we are talking about, ballot No. 128. If that ballot was not counted, is it not quite similar to ballot 120 in that it would mean that the voter presumably cast no vote at all for any office and went to the polls and so carefully marked his ballot for the purpose of being disenfranchised, which is obviously ludicrous.

The reasons are different, but in both cases the effect of not counting the vote would be to disenfranchise the voter and would, in effect, suggest that he did not intend to vote for anybody for any office.

Mr. CANNON. Yes, the Senator is correct, because if you say the two X's cancel each other out, because it is a "no" vote for anyone, obviously he just disenfrancised himself. There were no valid votes on there if you consider the two X's as both being valid votes.

Mr. CRANSTON. Having done a lot of precinct work in my day, and knowing how difficult it is to persuade some people to go to the polls, I find it impossible to believe somebody would go to the trouble of going to the polls on election day, go to the trouble of marking up as carefully as was done in the case of this ballot and 120 for the purpose of having none of his votes counted for any candidate. Rather obviously it would be better to do anything else than that on election day or at any other time.

I would now like to, if there are no challenges to what the chairman has said——

Mr. CANNON. I may say that ballot No. 329—I do not know if I commented on the fact that that was exactly the same situation.

Mr. CRANSTON. 329?

Mr. CANNON. 329, except that the X was in Mr. Wyman's square over here, and the committee voted 5 to 3 to give that ballot, 329, to Mr. Wyman. We did give it to him.

Mr. HUGH SCOTT. Mr. President, will the Senator yield so that I may comment on a statement made by my friend from California?

Mr. CANNON. Certainly.

Mr. HUGH SCOTT. I did not hear him entirely, but I thought he said there were two members of the minority of the Rules Committee on the floor, and that because we had not objected to some statements made by the distinguished chairman of the committee we were in agreement.

I want to assure the Senator he must never make that assumption. We simply have not had our time at bat on this round.

Mr. CRANSTON. I would suggest this is an appropriate time to discuss these ballots since there have been complaints from the distinguished minority leader and others that there will not be time when we vote cloture. Now is a good time to discuss these ballots.

Mr. HUGH SCOTT. If the distinguished Senator will yield further, I would point out that there are six Senators on the floor. This suggestion is made at 6:28 p.m.; that the Senator knows many Senators are absent on various types of official business, and some are absent for the opening of LaBoheme at Wolf Trap, where it also takes a long time to die; that others, I believe, are on a vessel, aboard a vessel, on the Potomac; that numerous Senators are absent; that if a live quorum were called we would be an hour, an hour and a half, getting a quorum here if we did and, therefore, the Senator must not, in my judgment, take too seriously his assumption that because he and the chairman are explaining certain ballots to their mutual satisfaction that it amounts to an education of the Senate. On the contrary, it is an exercise in isolationism.

Mr. CRANSTON. The present attendance on the floor on both sides of the aisle is not appreciably below what has been the average through most of this extended debate.

Mr. HUGH SCOTT. That is the point I have been making, 80 percent of the Senators have been absent 95 percent of the time.

Mr. CRANSTON. As the Senator well knows, Senators and their staffs often look at the record with care, and we are compiling a record they can look at at one time or another if they wish in regard to what just is concerning these ballots.

Now, if we could I would like to ask the distinguished chairman if we could go to ballot 205.

Mr. CANNON. Yes.

Ballot No. 205, there were two valid marks on that ballot. One was the vote for Governor Thompson up here, the Republican candidate for Governor, and then the other was down here. That ballot was one that had an independent candidate down here for register of deeds, and he was also voted for by means of something on this order.

Now, the voter up here had a series of scratches. Up here, something on the order that I have drawn.

It certainly was not an X. It looks like he might have had an X at one time and then made a couple of lines through it, but he did go down then and specifically voted for Meldrim Thomson and the independent candidate over here for register of deeds.

The question there was whether this series of scratching constituted an X to indicate a party vote all the way down the line, or was it a "no" vote. The committee split 4 to 4 saying that it was a "no" vote, 4 for Wyman—there was no mark in Wyman's box at all, just this series of scratchings at the top and the question was whether it was a vote for Wyman or whether it was a "no" vote.

Mr. CRANSTON. This ballot, I should think, should be looked at in conjunction with ballot No. 127, which we already reviewed, where the Wyman force allege that the Durkin X was X'd out.

However, it is very clear, it seems to me, that on that ballot the effort was to emphasize the vote for Mr. Durkin, because it simply is a heavier X, whereas on this ballot No. 205, there are scratch marks going in a lot of different directions, not emphasizing the X, but sort of obliterating the X.

Mr. CANNON. Well, the Senator is correct, it is very difficult to find an X on that mark.

Mr. CRANSTON Could we now take a look at No. 244?

Mr. CANNON. No. 244 was a ballot in which the voter expressed his intent by checkmarks and we have already said, of course, that that is a proper method of voting.

There were 12 good checkmarks on this ballot that were very clear and very precise. In Mr. Wyman's square, there was a very slight line which appeared to be the initial vertical line of a checkmark.

The only inference that could be drawn is that although the voter began to make a mark in Mr. Wyman's square, he changed his mind and did not intend to vote for Wyman. Therefore, he did not complete the check.

The inference is supported by the fact that the voter provided ample evidence he knew how to construct a valid voting mark in those 12 checkmarks, very firm, strong checkmarks.

The Wyman mark is something, if the Senator can see it, something like a vertical mark, not even covering a quarter, up a quarter of the way on the square, but the check for Governor Thomson was a bold good check, the check down below was also a bold good check, the next one was a good check, and the next one was a solid check. Then there were two skipped and then another check, another check, another check, another check, and then one down at the bottom, another check, and one checkmark over on the Democratic side for representative to the general court that said vote for three. That was the only Democrat voted for.

The question there is whether it was a valid Wyman vote or whether it was "no" vote. There is no way that a person could contend it was either a slash mark or a check in the terms of the slash marks and checks that we have been discussing and which we have given credit to, and the vote was four for Wyman and four for "no" vote.

Mr. CRANSTON. I thank the Senator very much.

Could we take a look at ballot No. 288?

I would like to point out, we did discuss No. 245 already, so I passed over that one.

Mr. CANNON. Yes.

Well, this ballot is rather interesting. This ballot had five crosses in the Republican column in the candidate squares and there were crosses in the Democratic column in the candidate squares and there was no cross in the square of either of the Senate candidates.

There was, however, to the right and a little below the Republican Party straight party circle, a stray mark which was not an X, but actually resembles an H, sort of on its side.

As a matter of fact, I wondered if maybe it was the man's initials, like mine, but I have drawn it on here. It certainly was not a checkmark, it certainly was not an X. As I said, it looks like an H on its side.

The voter, obviously, intended to vote for eight people there, eight candidates, because he voted five times in the Republican race, as I said, and three times in the various Democratic races.

There was no cross in either of the Senate candidates and the question is, is this little figure outside of the circle, not very close to the circle, as a matter of fact it was not within half an inch of the circle—or it might be within half an inch or about that—and the question is, does that constitute a straight party vote or is it a "no" vote for anyone in the Senate race, and the committee voted 4 to 4, 4 for Wyman and 4 that it was "no" vote.

Mr. CRANSTON. Were any views expressed as to what that mark was, how it got there?

Mr. CANNON. Well, there was speculation, of course, but no one knows what the purpose of the mark was.

As the Senator will see when the ballot is up here to be examined, it is very difficult for one to know just what it is, but, certainly, it is not any kind of mark within the circle.

Now, we have held, however, I want to make it clear, that a clear check or an X outside the circle, but reasonably close to it, is valid.

We have also held, we went so far as to say that an X, where it was the only mark on the ballot, an X even down at the bottom of the column, was a valid vote where it is the only mark on the ballot.

Here, there were eight specific vote marks, five for Mr. Durkin and three for Republicans on that particular ballot.

Mr. CRANSTON. The other point is, it is not an X, but a sort of indiscriminate mark.

Mr. CANNON. That is right, it looks like an H on its side.

Mr. President, on ballot 308 there was an X in the Republican circle. Then the voter came down and voted 11 times for Republican races with very good X's. He did not vote for Mr. Wyman. He went over and an X or a splotch mark, marked over or a splotch, whatever one could call it, in Dr. Durkin's box, and also down in the box of Laura D. Carey, from Dover, who was running for registrar of deeds.

The question there is whether the Durkin vote constituted a marking out, an erasure or an elimination of the vote, or whether it was a valid vote.

If it was a valid vote, then it would cancel the purported vote for Mr. Wyman as a result of the X in the circle at the top.

There was no vote in Mr. Wyman's square at all. The committee voted 4 to 4 on that, four voting that it was a Mr. Wyman vote and four saying that it was a "no" vote, that it was a double vote.

Mr. CRANSTON. There was no effort on the part of the committee to give the vote to Mr. Durkin, because of that mark in his square?

Mr. CANNON. No. The question was it was either a Wyman vote or a "no" vote, and there was no suggestion that it would be for Mr. Durkin.

Mr. CRANSTON. May I ask now about ballot 342?

Mr. CANNON. Ballot 342 had a number of votes down the Democratic side. The first was an X in the Democratic candidate for Governor; an X in Mr. Durkin's square; an X in Helen Bliss as the next one; an X in Romeo Theriault, the next one; an X in Roger Duhaime the next one; a rather imperfect X in the next one, in Henry Gallien; the next one was skipped; an X in Joanne Symons; the next one was skipped; then two more X's; another X down in the next space, and then it looks like an X with an added line in the next two.

The problem arose, because the X in Mr. Durkin's square seems to be smudged. It is not an erasure. It is not a crossing out. It is not a lining out. His name is not lined out. But it is just as if one took their thumb and held a piece of paper with a soft lead mark under it. It would constitute just about that kind of a smudge. The question was, was it a valid Durkin vote or was it the voter's intent to eliminate that vote and, therefore, no vote?

The vote was four votes for Mr. Durkin and four for "no" vote.

Mr. CRANSTON. I have a copy of that ballot in my hand. It appears to me that the X in the Durkin box is the only clearcut X on the ballot. The others are checkmarks and just not as clear. So despite the smudge, it appears to me that the X is the one vote that certainly is the clearest of all on the ballot. All of them are, incidentally, cast in the Democratic column, although there were two Democratic candidates that were passed over. Of course, there is no mark in the straight party line circle.

Mr. CANNON. The Senator is correct.

Mr. CRANSTON. I would like to now turn to four of the "skip-Louie" ballots. That will mean passing over some "skip-Louie" ballots that I think have been debated and discussed ad nauseam in the Chamber in the last 9 days, with clashing and contrasting viewpoints presented very clearly by opposing Senators on the clear-cut and simple "skip-Louie" and "skip-John" ballots, which are Nos. 252, 256, 267, 279, 280, 285, 304, 310, 311, 314, 322, and 324. I see no reason for further discussion of those ballots at this point.

I would like to mention that Senator McINTYRE placed in the RECORD this afternoon a legal opinion that he got on the matter of the "skip-Louie" ballots that I think should be considered by all Senators.

One of the aspects of the "skip-Louie" siuation that has not been really aired in the Chamber to any particular degree up to now is the "skip-Louie" ballots are not all the same. There are some diverse characteristics that lead to differing opportunities for interpreting some of those ballots. I am referring now to four, and these are the final four that I suggest we discuss today in the Senate. They might be discussed somewhat in conjunction because they bring out the point that it is not quite that simple as some have thought, that there are simply X's in the party circle and then a "skip-Louie" or a "skip-John" down the way.

The four ballots I referred to where there are variations of the skipping practice are ballots 256, 279, 305, and 314. It would be very helpful, I think, if the chairman would briefly discuss those ballots.

Mr. CANNON. All right. Ballot 256 is a ballot where the voter put an X in the Republican circle at the top. Then he voted for Governor Thomson in the first place. Then in the second one at one time he had had an X in there for Louis Wyman before he had gone back and erased it, I say to my colleague. So just the faint place of where X had been showed.

Then he went on and voted with X's down in a number of the other Republican races. He did not vote in any Democratic race, but he voted 12 times for Republicans, with 12 X's down the line. That is exclusive of Mr. Wyman. On Mr. Wyman, it clearly shows that he had an X there at one time and the voter went back and erased it.

Mr. President, if someone can tell me if New Hampshire's law gives full weight to the intent of the voter, that that should be counted as a valid vote for Louis Wyman when it is a clear erasure that once was in that square, simply because there is an X at the top, then I think we are really stretching the credulity of a lot of people. We are certainly not determining the intent of the voter in a situation like that. That was a vote, I may say, with four votes for Mr. Wyman and four "no" votes.

I think it should be a "no" vote, because the voter could not have expressed his intent any more clearly than when he put an X in there, and then went back and erased it.

Mr. CRANSTON. I agree with the chairman. I do not see how it could possibly be called a Wyman vote.

Can we look at the last one of these different types of "skip-candidate" ballots?

Mr. CANNON. Which one?

Mr. CRANSTON. No. 279.

Mr. CANNON. No. 279 was a case where the voter used a checkmark. He had a check at the top in Republican circle; he had a check for Meldrim Thomson. He skipped Mr. Wyman. He had a check in James C. Cleveland, a check for Lyle Hersom, a check in Steven Smith, and then he checked Cynthia Clark.

Now, Cynthia Clark, if Senators will look up at the board, was running on both the Republican and Democratic tickets for that race. That was for representative to the general court.

He did not vote for her in either race. We were told before the committee that she was a well-known Democrat, and I suppose, since this was a strong Republican voter, he did not want to vote for any Democrat. Not a solitary Democrat, including Cynthia Clark, whose name appeared both on the Republican and Democratic tickets.

Other than that Cynthia Clark box and the Wyman box, the voter voted by a strong checkmark for every Republican candidate all the way down that list.

In that case, the committee voted four for Mr. Wyman and four "no" votes.

Mr. CRANSTON. Could we now look at No. 305?

Mr. CANNON. In ballot 305, Mr. President, the voter had the X in the Republican circle at the top. Then he had put an X in Meldrim Thomson's square, and changed his mind, I guess, and scratched it out completely. Then I guess he thought better of it, and he rewrote the X, not in the square, but over at the side by Meldrim Thomson's name for Governor.

He went down and voted, then, for David Banks, for Leon Yeaton, he skipped Walworth Johnson, he voted for William Chamberlin, he skipped Shirley Clark, he voted for William Prince, Everett Sackett, Harold Knight, Casey Moher, Leo Cormier, Marjorie Holmes, he skipped Margaret Waldron Ogden—again, this was a person who was running on both tickets, and he did not vote for her on either one.

He voted for Neil Robinson, Richard Smith, George Young, William Lockhardt, and Joseph Michael, Jr.—all of those strong X's except the ones I mentioned, but he obviously thought he had to vote with an X to vote for anyone in that Republican column, because in the Thomson case, as I mentioned, he wrote the X in, then he scratched it out, and then decided he did want to vote for Governor Thomson, and so he wrote the X in over by Governor Thomson's name, but not in the square.

Mr. CRANSTON. Finally, on "skip-voting" types, there is ballot No. 314.

Mr. CANNON. Ballot 314 had the X in the Republican circle at the top. The voter voted for Meldrim Thomson, skipped Louis Wyman, voted next for James Cleveland, skipped James Hayes, voted for Alf E. Jacobson, Joseph M. Eaton, Howard S. Humphrey, Sr., Richard W. Withington, Sr., Lawrence J. Shea, Edward T. Moran, Jr., Guy I. Granger, Jr., Joseph G. Maltais, Edward Bourassa, Edward J. Lobacki, David C. Traxler, and James G. Dodge.

Now, in this case, Mr. President, Mr. Durkin stated that he would be willing to stipulate that this was a valid Wyman vote, because he contended before the committee that where there was more than one skip, absent any other evidence in connection with the ballot, he felt that the committee, then, should award that ballot to Mr. Wyman.

Four members of the committee did not agree with him in this instance, and we split on that in a 4-to-4 tie, with four saying it was a valid Wyman vote and four saying it was "no" vote.

Mind you, there were two skips here, but no other independent evidence on the ballot, other than the X in the top circle and the X's, then, for 14 candidates, with Mr. Wyman and Mr. Hayes being skipped, being not voted for by X's in the square.

Mr. CRANSTON. I thank the chairman very much. It has been extremely helpful, I think, to go over these ballots.

I would like to point out that we have now covered not only six of the eight fundamental issues that we will first deal with when we are permitted to, but we have covered 24 out of the 27 ballots in considerable detail, particularly the skip-voting ballots, leaving only the three masked ballots. I presume the chairman is not prepared to proceed to the masked ballots at this point, and I presume we could not, therefore, at this point go over the masked ballots. If that is the case, I have completed all the questions I have.

Mr. CANNON. As to the masked ballots, I cannot argue a position. I think it is a question of Senators having to see them and try to decide what the intent of the voters was on those.

There are some of these other skip-ballots that I think have some explanations that I will bring out at the proper time, but I think we do not have to go into those tonight.

Mr. CRANSTON. Yes. We have gone over those in general principle a number of times in the debate, in great detail.

I thank the chairman for his patience, for the very clear responses he gave to my questions, and for the detailed and concise descriptions he has given on the problems we face on individual ballots.

Mr. CANNON. I thank the Senator for his comments.

I would say that in my judgment, under the Murchie case, we are obligated to try to determine as a judicial body what the intent of the voter was. We cannot simply say, as some have argued, that the Barr case is clear on the subject and there is only one way you can count those. The Murchie case says the legislature cannot decide how to count them, that is the function of the judicial body trying to make the determination. Particularly where you have other things on the ballot, you have to look at that complete ballot as a completed paper, and then make your judgment on it, just as on the one I pointed out, when Mr. Wyman had an X in there and then the X was erased.

How can one contend that a court, in a particular case, can say he is bound in this way? The court says the legislature cannot prescribe how that ballot shall be counted.

I thank the Senator.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. BARTLETT is recognized tomorrow under the order previously entered, there be a period for the transaction of routine morning business for the purpose of the introduction of bills, resolutions, petitions, memorials, and statements into the RECORD only, and with such statements limited to 5 minutes each, such period not to extend beyond 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSIONS

Mr. MANSFIELD. Mr. President, because there has been some confusion recently about which committees can and which committees cannot sit while the Senate is in session, I thought it might be useful to state that rule XXV, 7a, provides that—

> No standing committee shall sit without special leave while the Senate is in session after (1) the conclusion of the morning hour, or (2) the Senate has proceeded to the consideration of unfinished business, pending business, or any other business except private bills and the routine morning business, whichever is earlier.

Pursuant to the Legislative Reorganization Act of 1970, the Committee on Appropriations is exempted and may meet at any time, and the rule does not apply to the other standing committees if the majority and minority leaders, or their designees, jointly waive the requirements of the rule.

The prohibition, of course, also applies to subcommittees of the standing committees.

The rule does not apply to joint, special, select, and conference committees, et cetera.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow the Senate will convene at the hour of 8:45 a.m. following a recess.

After the two leaders or their designees have been recognized under the standing order, Mr. BARTLETT will be recognized for not to exceed 15 minutes, after which there will be a brief period for the transaction of routine morning business with Senators permitted to speak not in excess of 5 minutes each during that period of 15 minutes, at the conclusion of which period the Senate will resume consideration of the New Hampshire election dispute.

The pending question at that time will be on the adoption of the amendment by Mr. BROCK to the amendment by Mr. ALLEN.

There will be surely a rollcall vote on the amendment by Mr. BROCK or on a tabling motion thereof at the hour of 10 a.m., with the time following routine morning business and prior to the hour of 10 a.m. divided equally between Mr. BROCK and Mr. CANNON by unanimous consent.

At the hour of 3 p.m., the 1 hour under rule XXII on the motion to invoke cloture will begin running. At the hour of 4 p.m. the automatic quorum call will occur. Immediately upon the establishment of a quorum the automatic rollcall vote on the motion to invoke cloture on Senate Resolution 166 will occur. In other words, at about the hour of 4:15 p.m. the rollcall vote on the motion to invoke cloture will occur.

Rollcall votes may occur throughout the morning and afternoon prior to the vote on the motion to invoke cloture. What happens after the cloture vote will depend, of course, upon the outcome of that cloture vote.

RECESS UNTIL 8:45 A.M. TOMORROW

Mr. CANNON. Mr. President, pursuant to the order heretofore entered, I move that the Senate stand in recess until 8:45 a.m.

The motion was agreed to, and at 6:59 p.m. the Senate recessed until tomorrow, Tuesday, June 24, 1975, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate June 23, 1975:

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

Frank R. Barnako, of Pennsylvania, to be a member of the Occupational Safety and Health Review Commission for a term expiring April 27, 1981, vice James F. Van Namee, term expired.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. James George Kalergis, [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a) in grade as follows:

To be lieutenant general

Maj. Gen. Jeffrey Greenwood Smith, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. William Robertson Desobry [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a) in grade as follows:

To be lieutenant general

Maj. Gen. Robert Leahy Fair, [redacted] U.S. Army.

IN THE NAVY

Vice Adm. Oliver H. Perry, Jr., U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

EXTENSIONS OF REMARKS

THE ROLE OF PROFITS IN A MARKET ECONOMY

HON. JAKE GARN

OF UTAH

IN THE SENATE OF THE UNITED STATES

Monday, June 23, 1975

Mr. GARN. Mr. President, I have long been concerned about the state of economic knowledge in this country. By that I mean not how much or how little the professional economist knows, although there may be ample reason to worry on that score as well, but how little the average person undertands about what makes a free economy work to produce the things we all want.

When economic problems are cast in personal terms, we all understand them. For instance, if a man employed workers for $1.50 per hour because that was all they were worth, and you told him that he now had to begin to pay them $2 per hour, he would understand why unemployment among young people goes up when the minimum wage is raised arbitrarily.

Similarly, if you told a man that he could continue to produce a certain article, but could only earn half of what he is presently earning for doing it, he would be quick to point out to you that there would be little reason for him to continue to produce it.

But when you cast that last problem in abstract, impersonal terms, employing such colored terms as "obscene" or "skyrocketing" or "bloated" profits, many individuals lose track of the principle involved, and will support harmful Government actions to curb "obscene" profits. The situation is not helped by politicians and quasi-economists who have an interest in obscuring the issue, but that again is a different problem.

Consequently, we have a tremendous lack of understanding of the role of profits in a market economy. We also have a lack of understanding of the nature of profits, in terms of their present and historical levels, and their distribution through society. For that reason, we should be grateful when a professional economist devotes his attention to profits, in an attempt to explain clearly what they are and how they work.

Prof. Joseph S. Peery, acting dean of the College of Business at the University of Utah has recently done just that, and I would like to share his comments with my colleagues. His remarks were published by the Tracy-Collins Bank of Salt Lake City, in June, 1975 Trendletter. Professor Peery demonstrates a capacity for making abstract economic theory available to the average person. He has marshaled a great deal of information, all of which is backed up, in my opinion, with overwhelming evidence.

I invite the attention of my colleagues to Dr. Peery's article, and hope that it will be widely read and heeded. Unless these truths are made clearer to our constituents, we stand a good chance of killing the goose as we sell off the golden eggs. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOW CORPORATE PROFITS ARE A THREAT TO US ALL

The theme of this letter is that corporate profits have eroded away so rapidly that, unless this is changed, there will not be enough capital in place to maintain our standard of living or to provide the jobs needed by our growing labor force. We are also likely to begin to see this happen within the next two or three years. This will sound strange to most of you reading this letter, but if you read it through I believe you will see the case is convincing.

ANTIPROFIT BIAS IS COMMON

Marxists believe that corporate profits are evil. Liberals really don't like them and try to find examples of firms or industries making excessive profits so they can attack the thing they really hate. Workers view profits as providing too much income to the owners and as an area they can raid to improve their own income. Housewives know that prices are too high because profits are too high. Most professors have a gut dislike and mistrust of profits. Politicians make points with voters by attacking profits and are continually tempted to pass laws to curtail them.

The plain fact is that profits have gradually been reduced for 25 years and are now too low for our own good as consumers.

THE ROLE THAT PROFITS PLAY IN OUR ECONOMY

Profits are probably misnamed. They really represent the costs of obtaining capital for the investment necessary to maintain our high standard of living. Part of the total income in any country must be diverted from personal consumption back into investment. In Russia the planners take income away from consumers through high hidden sales taxes and then use part of this tax income for investment owned by the state. In capitalist countries the owners of the invested capital take part of the total income generated in the form of profit which is then invested to ultimately increase the standard of living for all of us.

No one is forced to invest their savings or profits in a business as an owner. You may, if you wish, lend your money to another person to spend in his business. The person borrowing will expect, however, to earn at least as much on his investment as he pays you in interest, and hopefully something more because of his management skills and willingness to assume risk.

We should expect then that the rate of corporate profit would be greater than the cost of borrowing. Such is not now the case. The true rate of return on investment last year was less than the cost of borrowed investment funds.

The following is an important idea. Calling corporate earnings "profit" is a mistake. Earnings up to the interest rate a business would have to pay to borrow long term capital is really the cost of capital to that business. If a business is earning 9 percent on its stockholders' investment and would have to pay 9 percent to borrow long term funds, then "profits" are zero. On this basis, there were no profits for the total of American business last year.

Facts showing the sad state of business profits will now follow.

Hold it! The critics of profits will now say, "You haven't said anything about the huge profits the owners take for their own use in the form of dividends and capital gains".

THE COMMON DISTORTED VIEW OF THE SIZE OF PROFITS

First, let's take a look at the total size and growth of dividends. Anti-profit bias has resulted in the common myth that dividends are not only high, but are a large part of total income. This is not true. Let's look at the facts.

The 500 largest industrial corporations in the U.S. produce more than one-half of all corporate profit. How have the owners done the past 10 years? Stockholders get the benefit of both the dividends paid on the stock and the increase in the value of the stock through time. This combined income produced less than a 6 percent average yearly rate of return for the stockholders of these 500 corporations over the 10 year period 1964–1974. Is this high? If anyone thinks so, all you have to do is take your savings out of the bank and go buy a few shares of stock so you can participate in the lucrative income of the owners.

One way to measure our total income is to add up all income earned by all of us in the form of profit, wages, interest and rent. This is the National Income published in our "National Income" accounts. An interesting question would be, "What percent of total national income is represented by dividends," because this is the income that actually goes to the owners for their own use. The rest of corporate profit is either paid in Federal and State taxes or is reinvested in the business. The table below shows both wages and dividends as a percent of national income over the past 10 years.

PERCENT OF NATIONAL INCOME

	Wages	Dividends
1965	70.0	3.5
1966	67.0	3.4
1967	71.4	3.3
1968	72.4	3.3
1969	73.9	3.2
1970	75.4	3.1
1971	74.9	2.9
1972	74.7	2.9
1973	73.7	2.8
1974	74.0	2.9

When we look at the facts, several things stand out clearly. Most of the total income earned by the American people every year is paid in the form of wages. Only a very small part goes to the owners in the form of dividends. The data also show that the share going to wage earners is holding up pretty well and the share going to dividend receivers is shrinking.

More of us are dividend receivers than most people think. Any person building an interest in a private pension plan probably is receiving dividends indirectly, because chances are that part of the assets of that pension plan are invested in common stock.

HOW BIG ARE TOTAL PROFITS?

Public opinion surveys show that most Americans believe that corporate profits make up more than one-quarter of total American income. This is not true, but before we look at the facts it is necessary to explain how inflation hurts profits under our current tax laws. Business firms make what economists call "windfall profits" from inflation because of the increased value of their inventories as inflation occurs. Last year 35 billion dollars of these inventory profits were reported to the Federal government as part of the total profit that corporations earned. These inventory profits, however, do not become available to corporations for other use, such as new investment in equipment or for dividends. These profits will have to be used to replace lower cost goods bought previously with higher priced goods as sales occur. Federal and State governments, however, take almost one-half of these inventory profits in the form of taxes, which then forces the business firm to find capital some place else just to carry the same level of inventory as before.

The way profit is reported in the national income accounts is after an adjustment is made for windfall inventory profits. These inventory profits are deducted from the total profit reported in the national income accounts.

The table below shows total corporate profit (net of inventory windfall profits); corporate taxes; and corporate retained earnings (net of inventory profits) as a percent of total national income. Retained earnings are what is left for investment after taxes and dividends are paid.

PERCENT OF NATIONAL INCOME

	Total profits	Corporate taxes	Retained earnings
1965	7.9	5.5	4.4
1966	7.7	5.5	4.3
1967	7.0	5.1	3.7
1968	6.2	5.6	2.9
1969	5.1	5.2	1.9
1970	4.3	4.3	1.2
1971	4.8	4.4	1.8
1972	5.4	4.4	2.5
1973	4.6	4.7	1.8
1974	4.4	4.9	1.6

These numbers clearly show that total corporate profits are only a small part of total national income. The share of profits is declining. They are now at the lowest level in our history. Retained earnings (adjusted for inventory windfall profits) have fallen by more than one-half the past ten years. Last year total retained earnings were only 17 billion dollars, barely enough to replace the 17 billion dollars in extra taxes the Federal government took in taxing inventory profits. No retained profits were left for other kinds of investment. No wonder stock prices have been depressed.

The critics of profits will still not be satisfied. Profits alone do not show the true amount of funds that corporations have available for investment. Business is permitted to deduct part of the money they make each year as depreciation. These funds are available for investment. When depreciation is added to retained earnings, all of this is available for investment. Why isn't this enough?

ALL CORPORATE INVESTMENT FUNDS ARE FALLING

The government permits depreciation to be deducted from earnings so that capital can be replaced as it is worn out; otherwise we would gradually use up our invested capital. In normal times this works. When inflation strikes, it doesn't. Depreciation writeoffs are normally based on the original cost of the factory building, the machine tools, and other durable equipment. But funds provided to the business in this way will be insufficient to replace that which is worn out because the price of the new is inflated. Profits are thus overstated, and taxed. Business is now being forced to become self-liquidating. Reported profits are now overstated in real terms.

As would be expected from the above analysis, the total internal cash available for investment in corporations is declining as a percent of total national income. The table below shows this.

Percent of national income

	Retained earnings plus depreciation
1965	10.9
1966	10.8
1967	10.3
1968	9.5
1969	8.8
1970	8.2
1971	8.9
1972	9.5
1973	9.1
1974	8.2

These are the funds that are generated by corporations on which the growth of our capital stock is based. Two things are apparent: one, the part business takes from total income for investment has declined; and two, this is not a very large part of our total income that we make available for investment through business itself. In fact, this is the smallest percent of national income used for this purpose of any free market economy, and is now the smallest in our modern history.

THE NEED FOR INVESTMENT WILL RISE

The ability of business to finance the investment needs of the economy is declining right at the time the need for additional investment is growing. In addition to the new investment needed to carry on the growth of the economy, we will need, in the next 10 years, additional investment to reduce industrial pollution, like the 200 million dollars Kennecott is now investing in the Salt Lake Valley to reduce air pollution. New, additional investment will be needed to meet the requirements of the new safety and health laws. Massive new, additional investment will be needed as we shift our energy base from a growing reliance on imported oil. A large number of marginally efficient production facilities have been closed because of the great amount of additional investment that would be required to conform to the new health and pollution laws. More will be shut down. All of this lost capacity will have to be replaced. Where will the money come from? If it cannot come from profits it will have to be obtained from the public by the sale of new corporate debt securities or stock.

THE GROWTH OF CORPORATE DEBT CANNOT CONTINUE AS BEFORE

Since World War II the growth of corporate debt to finance investment has been more rapid than the growth of corporate assets or the growth of corporate sales. Data show that the ratio of investment to output has remained rather constant for the past 25 years. The growth of corporate sales is shown in the national income accounts. The table below shows the ratio of corporate sales to corporate debt in the post war period.

Corporate Debt as a Percentage of Corporate Sales

1950	55
1955	60
1960	68
1965	76
1970	96
1974	105

Many major corporations have now reached the point where the debt they owe is more than one-half of their total assets. To permit debt to continue to grow in this way would be foolhardly. Interest on borrowed money must be paid; if it is not, the firm is bankrupt. Heavy growing interest charges make a firm more and more vulnerable.

The overly rapid growth of corporate debt cannot continue in the future as it has in the past.

WHY CORPORATIONS DO NOT SELL MORE STOCK

Normally less than 10 percent of new, private, fixed investment is financed through the sale of stock. Last year less than 5 percent was so financed. The reason for this is that the price-earnings ratios of most stocks are so low. If a price-earnings ratio is 4, this means that the past year's earnings of the company are equal to one-fourth of the total value of all of the common stock. It also probably means that the total value of the stock at current prices is less than the dollar value of the stockholders' equity as shown on the corporation's own books. Under these conditions the sale of new stock would reduce the real value of the stock already owned. So it would be foolish to sell new stock. It would make more sense for the corporation to use its earnings to buy its own stock in the stock market, and this is, of course, what happens.

It's a trap. When expected earnings are low then stock prices are low. When stock prices are low, new stock will not be sold to obtain investment capital.

EVEN OIL PROFITS ARE NOT HIGH

In the table below is shown the average yearly return to stockholders in the form of combined capital gains and dividends for the six major oil companies. Also is shown current price-earnings ratios and dividend yields.

	Total return to investors average yearly 1963-73	Current P/E	Current dividend yield percent
Exxon	7.03	6	6
Texaco	2.73	5	8
Mobil	8.06	4	8
Gulf	4.32	4	9
Standard Oil of California	7.63	4	8
Shell	7.84	5	6

It is true profits were up sharply last year, but they will be down sharply this year. Price-earnings ratios are low. If you still think oil profits are high, go see your broker, buy some stock, and participate in this golden flood. Oil stocks are depressed because the future of oil profits is in doubt.

SUMMARY

The data below show the growth of corporate profit over the past 25 years compared to other sectors of the economy. Profit is shown before taxes but after inventory profit adjustment.

Percent Increase from 1950 Through 1974

[Percent]

All Corporate Profits Up	179
Profit Manufacturing Corporates Up	124
Durable Goods Industries Up	33
Corporate Debt Up	773
All Taxes Up	759
GNP Up	390
Wages Up	452

It is obvious that the growth of profits has lagged the growth of the economy, but the growth of corporate debt has been high indeed.

WHAT THIS MEANS TO ALL OF US

Raw material producing and fabricating industries are capital intensive. Huge amounts of capital have been and will be needed to produce the basic inputs behind our high standard of living.

Much of our inflation the last two years was caused by shortages in basic commodity and fabricating industries. These shortages were caused by insufficient investment in these industries.

These shortages have temporarily disappeared because the current recession has sharply reduced our real standard of living. Later this year we will begin to grow again. This will mean that our demands on the basic commodity and processing industries will rapidly increase. In the three years, 1974 through 1977, our work force will grow by 5 million people. Unless profits rise sharply the necessary investment will not be made to provide jobs for all of us.

Investment in real terms is down 6 percent this year. If investment does not turn sharply upward we will begin to run into shortages of basic commodities while we still have 8 million or more people unemployed. Shortages will in turn cause prices to rise. Higher inflation will tempt the Fed to tighten money and the lack of credit will then once again choke off investment as it did last year. To stop this unhappy scenario, profits must be encouraged to rise to provide the necessary funds for investment. Think about this the next time you are tempted to make a nasty crack about those dirty profits.

A NEW LOOK AT RACES AND SCHOOLS

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mrs. **HOLT**. Mr. Speaker, the Federal courts and HEW have spent some years imposing racial balancing schemes on local school systems, at great cost to the people and contrary to their will.

Education has been disrupted and racial animosity has been increased instead of diminished. Children are sorted, mixed, and herded as so many black and white cattle.

This, of course, has no connection with civil rights, which require that every public school be open to all children regardless of race.

Many of the original supporters of forced racial balancing are now having second thoughts about the matter, and I believe it is time for the courts and HEW to take notice of some of this revised thinking and start trying to come up with good alternatives to provide a good education for all our children.

WJZ-TV, channel 13 of Baltimore, recently offered editorial comment on this subject, and I offer it here for the RECORD:

A NEW LOOK AT RACES AND SCHOOLS

(Presented by Joel A. Segall, General Manager)

Yesterday we discussed how Dr. James S. Coleman, author of the famous Coleman Report in 1966, was now questioning some of the school desegregation policies that stemmed from his own findings. What he said in 1966 was that black students from disadvantaged backgrounds tend to do better in school when mixed in with more highly motivated middle class students. Basically this is still true, but in large cities like Baltimore, good intentions have often backfired.

Dr. Coleman told The National Observer, in an interview this week, that desegregation orders have worked well in small school systems. But in large cities white families often move to the suburbs or send their children to private schools. Then there can be no integration in nearly all-black city schools or nearly all white suburban schools. In the cities, Dr. Coleman says, middle class parents, both white and black, think there is too much disorder and not enough education in classrooms. And they find school systems big and unresponsive.

One of the remedies suggested by Dr. Coleman is that courts should no longer try to force an end to segregation that results from the decisions of individual families to choose another school or another school system. They should deal only with segregation that exists because of official policies of school boards.

Dr. Coleman still believes in school integration—so do we. But the solution, as he sees it, is to find positive reasons to keep children in integrated schools. Present policies, says Dr. Coleman, (quote) "seem to be accelerating the very racial isolation we are trying to overcome," (enquote). The Federal authorities now dealing with Baltimore City should pay careful attention to Dr. Coleman's views.

PRODUCER STRESSES MACHINERY READINESS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. JONES of Tennessee. Mr. Speaker, I have recently had the opportunity to read a newspaper article that focused on one of my constituents in Haywood County, Tenn. This article, which appeared in the Delta Farm Press, takes great pains to emphasize the terrific skill involved on the part of our Nation's farmers to produce food and fiber.

Harris Hughes, Jr., on whom the story is centered, is typical of the American success story. His hard work and ingenuity have paid off for him in a self sustained farming operation that has grown constantly since he first began farming just over 100 acres. He now farms 2,400 acres annually.

Persons who are interested in gaining more insight into the sometimes complex and never ending problems of farming might want to read his story.

At this time I would like to include the text of the article for the RECORD. The article appeared in the Delta Farm Press on June 6, 1975. It was written by Glen Rutz, associate editor and is entitled, "Producer Stresses Machinery Readiness."

The article follows:

PRODUCER STRESSES MACHINERY READINESS

BROWNSVILLE, TENN.—Two years after he was graduated from high school in 1963, Harris Hughes, Jr., got married and began his farming career.

In 1965, he farmed a little over 100 acres, with most of that being planted to beans. He had just a small acreage of cotton. Two-row equipment was used to work his first crops.

Today, the Haywood County grower is farming approximately 2,400 acres, with 400 in cotton, 1,500 in soybeans, 250 in wheat, and another 250 in corn—and he is using eight-row equipment on the rolling hill land.

RAPID ACREAGE INCREASE

The initial farming land was in the family, but since that time Hughes has purchased some on his own, and rents the remainder, mostly on a share basis.

In addition to himself, three full-time men are employed on the place and are kept busy year-round. "If it rains, some people knock it off until it dries up, but here we work six days a week almost every week," Hughes says.

Part of the reason employment is full-time for the hired help is due to the young grower's emphasis on machinery care and readiness.

Hughes himself has a full background in mechanics, and likes to make sure equipment is ready to go when the time is right.

MACHINERY WORK

Located at the farm headquarters is a fully-equipped shop, storage shed, and a special washing and painting building. Through the use of those facilities, Hughes keeps much of his equipment out of the weather and is able to maintain it in top-notch shape year-round.

So, when the weather is bad, or during the winter, he and his hired help are able to stay busy making repairs or cleaning up the machinery.

According to county agent James Pettigrew, a good example of equipment care is the fact that only one combine is used to cut the grain crops.

"Harris cuts his acreage with only that one combine and is usually through and doing custom cutting before others have finished," Pettigrew says.

STORES FERTILIZER

Another example of how he keeps labor busy is shown in his fertilizer application techniques. Since converting an old cow barn to a storage building, Hughes has been buying fertilizer during the winter months and placing it in the old barn.

Once it is on the place, a truck can be used to spread one load a day, or cover 100 acres with fertilizer, as the situation warrants.

The total farming operation is spread out over several miles and takes in about four soil types, with predominant soils in the Memphis and Grenada classes.

Hughes attempts to rotate crops to a certain degree, but keeps his cotton on the best soils.

PREPARATION PRACTICES

For cotton, preparation begins in the fall with stalk cutting and a disking to knock the old rows down. That is followed by a chisel or sub-moisture plow, with a do-all or hipping ridger later.

In front of the bedder, Hughes likes to apply fertilizer in an attempt to throw the nutrients up into the bed. A normal fertilizer rate might be roughly 600 pounds of triple-13.

He likes to begin planting around the 20th of April and utilizes Stoneville 213, Dixie King 3—and, this year, some Stoneville 603.

SEEDING RATE

Planting is on 38-inch rows and acid-delinted triple-treated seed is drilled at about a 16 pound rate.

Cotoran is broadcast with the planting operation, so if Hughes gets tied up, or the weather is bad, weeds can be held back, both in the drill and middles.

Usually, after the cotton is up to a stand, he will apply an MSMA-Bidrin mixture to knock down the johnsongrass that has escaped and for early insect control. He says that, at the three-inch cotton stage, the grass is liable to be a foot tall, so a directed spray wouldn't do the job properly.

* * * usually has a fairly clean crop, but he will go back for spot spraying operations and uses cultivators extensively.

DOES OWN SCOUTING

Although insects in the area are not a severe problem with cotton, as a general rule, Hughes does his own scouting with the help of the Extension Service. He notes that insecticide applications must be watched carefully to avoid knocking out a beneficial population.

The last two years—when weather has been unfavorable—Hughes has managed to get his cotton crop out by December 1, and has averaged yields in the bale and a half range.

For soybeans, a disk is used to knock down the old rows during the fall, followed by a chisel plow operation and an incorporation of Treflan through the use of a double disking in a crossing pattern. Liming is also a standard practice.

Some of the bean acreage is planted flat, but some of the land is so cloddy Hughes likes to get the seed up onto a bed and into moisture.

VARIETIES UTILIZED

Varieties planted are Hill, Forrest, York, Pickett 71-and this year, a few acres of Essex.

A cyst nematode problem exists on the place, and the Picket 71 beans are planted where Race 3 is present. Corn is being used where Race 4 has shown up.

For weed control after the 45 to 50 pounds of seed has been put in the ground, herbicides used are Lorox, Sencor, Dyanap, Butyrac, and Ancrack. This year, Basagran on a band will be added to a portion of the acreage and will be applied, hopefully, when cockleburs are small.

LIKES TO CULTIVATE

Hughes also cultivates quite a bit, and likes to do so on a weekly basis, if possible. This year, he has purchased a new eight-row cultivator—which gives him a total of three—and he believes he can begin in one area on a Monday and be back around to the same spot the following Monday.

"I believe mechanical cultivation is the cheapest form of weed control, and I'll do it even if weeds or grass are not visible," Hughes says.

Farm storage is available for 12,000 bushels of grain and he utilizes forward booking and storage for marketing procedures, even though he can't hold all his crop.

Over thee years, he has been cutting 32 to 35 bushels per acre, and uses the different varieties to spread out the harvest season. He operates the one combine himself, and puts in some long hours. When harvest time comes around, the machine is ready to go, he notes.

"Operating the way we do, a breakdown of any consequence could be disastrous, so we keep the equipment up," Hughes says. "If it looks as if something is about ready to blow, we'll shut down and correct the situation, rather than keeping on and having something major go out."

Faced with the Race 4 problem, Hughes has gone to corn as a cash crop and as a means of holding back the nematode trouble.

His plans are to grow corn on the infested acreage for two years and then go back into bean production on a rotational basis.

DICKEY-LINCOLN: BENEFIT/COST RATIO

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. HARRINGTON. Mr. Speaker, New England has historically had among the highest electric rates in the United States. New England is also the only region of the country without a major Federal hydroelectric presence.

In my opinion, these two facts are related. Without the yardstick of a major public power presence, New England's private utilities—who generate over 97 percent of the region's power—have been able to charge rates higher than they would in a more competitive situation.

Dickey-Lincoln, a major hydroelectric project to be located in Maine, has been debated in 9 of the last 10 years. Each year, the economic justification has been the major issue.

Opponents have charged that Dickey-Lincoln is not cost justified. However, the GAO has now confirmed that, under accepted accounting procedures applied to all Corps of Engineers projects, Dickey-Lincoln's benefit/cost ratio is now 2.6–1. That is over 70 percent of the projects. In addition, a number of corps projects have been completed or are under construction with benefit/cost ratios lower than 2.6–1. They, too, are located in every region of the country.

There are environmental questions about Dickey-Lincoln. But these questions should be addressed after the required environmental impact statement has been completed. Half of this year's appropriation is being earmarked for environmental studies.

Below is a partial list of completed or partially completed corps' projects. They include just about every region of the country. I would hope that, in considering the economic arguments against Dickey-Lincoln, Members will bear in mind how the New England project compares with other projects being constructed elsewhere around the Nation.

Mr. Speaker, the list follows:

COMPLETED AND PARTIALLY COMPLETE PROJECTS

PROJECT, STATES, AND B/C RATIO

Dickey-Lincoln, Maine, 2.6–1.
Garrison Dam, North Dakota, 2.1–1.
Oahe Dam, North Dakota/South Dakota, 2.4–1.
Tenn-Tom Waterway, Alabama/Georgia, 1.4.–1.
McClellan-Kerr Arkansas River Waterway, Arkansas/Oklahoma, 1.5–1.
New Melonas Dam, California, 1.7–1.
H.S. Truman Dam, Missouri, 1.3–1.
Cochiti Dam, New Mexico, 2.4–1.
Kaw Lake Project, Oklahoma, 1.4–1.
Lakeview Lake Dam, Texas, 2.5–1.
San Gabriel River Project, Texas, 1.8–1.

THE QUESTION OF THE ABUSE OF POWER

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. ZEFERETTI. Mr. Speaker, throughout the past several years, we have been faced with a series of revelations dealing with Government infringement on the individual's right to privacy. The entire country, across the political spectrum, has been shocked and horrified to be confronted by the allegations that the Federal Government itself has been the main perpetrator of these violations of the most elementary rights guaranteed to every citizen.

It has now been alleged that a number of Federal agencies have engaged in illegal wiretapping of American citizens. We also have been told that a large number of Federal agencies have indulged in the bugging of Americans in their homes and their businesses. We have further been informed that mail covers have been used and abused by agencies over a period of years with a fine disregard for these rights of the people involved. In addition, it is alleged that burglaries and surveillance have become constant tools relied upon by certain elements within the executive branch whenever they felt they were needed.

We are also now confronted with the gradual realization that agencies of the Federal Government are engaged in procuring and installing vast automatic data-processing systems. This ultra-sophisticated technology poses an imminent menace to the privacy and liberties of all our people if not closely monitored and controlled. A new computer generation emerges every 6 years. Every generation of computers sees the following improvements made: First, computing speed increased 10 times. Second, memory capabilities improved 20 times. Third, reliability improved 10 times. Fourth, component costs dropped 10 times. Fifth, equivalent system costs reduced by a factor of 2.5 percent.

What this all boils down to is that these machines are gulping down vast quantities of data on Americans and their lives—that they are being procured at a rate of some $7 billion annually—and that they are not being closely monitored by either the executive branch or the Congress.

This situation has the potential of posing a serious threat to our movements and our lives in the future. If, in the name of safeguarding or serving us, this syndrome continues, "Big Brother" will arrive right on time. And, what is worse, many of the agencies who have been alleged to be the worst perpetrators of the aforementioned violations turn out to be the major potential customers for these computer systems.

I believe that America is at a crossroad and possibly a watershed in her history. At this juncture, we will have to decide what direction our society will take. Shall we not institutionalize certain protections to prevent another Watergate? Shall we not take a close look at the agencies who have been found to be remiss in their behavior? Or, shall we just go about our business as ususal, allowing these questions to slip into limbo, from which they shall return, inevitably, to haunt our children?

I am raising these questions only in regard to the abuses of power of our Federal agencies. I do strongly believe in the basic philosophy of the protection of our national security and the welfare of our citizens. The overall need for surveillance has not been reduced; it is still a necessary tool for national survival. However, the time has come for a rethinking of the phrase "national security." We must reevaluate our role as a guardian of all our citizens. Americans must not be subject to the overuse or abuse of surveillance technology and other systems used to monitor their daily lives. They do retain certain rights guaranteed under law. Their rights must be preserved, not destroyed.

FEDERAL REGULATIONS—A DRAIN ON THE ECONOMY

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. ROUSSELOT. Mr. Speaker, this week's issue of U.S. News & World Report—June 30, 1975—features on the cover an article entitled, "The 'Regulators' They cost $30 Billion A Year." Several of us in this U.S. House of Representatives have warned our colleagues that they should express active concern about the ever-increasing power of the regulators, their bureaucratic control of the free market, invasion of individual businessmen's right of privacy, and the general impact on our Nation's economy. While I urge my colleagues to read the entire article which lists the Federal regulatory agencies and describes the regulators—who they are and what they do—I am inserting at this time just one excerpt from the article which is subtitled, "The Power to Ruin: One Company's Harrowing Experience"—with the Consumer Product Safety Commission:

ONE COMPANY'S HARROWING EXPERIENCE

Ed Sohmers knows what it's like to run into the federal regulatory buzz saw.

Mr. Sohmers is general manager of Marlin Toy Products, Inc., a small manufacturer of a line of toys for infants and preschool children located in Horicon, Wis., a farming community of about 3,500 persons.

Two years ago, the company employed 85 persons and was a thriving enterprise. Today, after a bitter encounter with the bureaucracy, it is teetering on the edge of bankruptcy.

"Most powerful ever"? The story involves the Consumer Product Safety Commission, once termed "the most powerful independent regulatory agency ever created."

In November, 1972, the Food and Drug Administration informed Marlin that the toy plastic balls it manufactured were unsafe because they contained plastic butterflies and colored pellets that could be swallowed by a child if the toys broke open. The company had never received a complaint of any harm being caused by the toys since they were first marketed in 1962.

At a cost of $96,000, the company recalled the balls and removed the pellets with the approval of the FDA.

In 1973, anticipating big holiday sales, Marlin produced hundreds of thousands of the toys, hoping to recover losses.

In the meantime, however, the Consumer Product Safety Commission, which had taken over regulation of toys, published a banned-products list—including the toys Marlin had redesigned months before.

Error admitted, but—. The Commission acknowledge a "printing error," but by that time stores all across the country had canceled orders. Marlin lost a total of 1.2 million dollars, and had to sell its toy lines that had accounted for 85 per cent of its income.

Congress passed a resolution to award the company damages, but the amount has yet to be set by a claims court.

Now, Marlin has laid off all but 10 employes.

"I feel like the captain of a lifeboat," says Mr. Sohmers, "I don't know who to kick out next. We are just emotionally drained and demoralized by this experience. We're staying afloat through small contract jobs, but if we don't get a court settlement by the middle of July, we'll just collapse.

"I was just a virgin in the woods in Washington's bureaucracy when this hit us," says Mr. Sohmers. "We have been badgered, intimidated, stonewalled and ignored by Government."

Snared in bureaucracy. "Strangely," he adds, "we aren't bitter. People in Government aren't malicious and they don't have evil motives. We found lots of Government officials sympathetic. But we just got snared in a bureaucratic mistake, and the system just seemed to be rigged against us."

Now, says Mr. Sohmers, he's glad the company fought for its rights.

"I think we will serve as an example to other businesses not to let big Government beat them down."

FAIR CREDIT REPORTING AMENDMENTS OF 1975

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. DOWNEY of New York. Mr. Speaker, today I am introducing legislation calling for stronger and stricter regulation of credit reporting agencies. This bill is intended to close gaps that have appeared in the Fair Credit Reporting Act since its enactment in 1970.

The Fair Credit Reporting Act was designed to enable consumers to learn what information is on file about them, to correct inaccurate and misleading files, to preserve necessary confidentiality of credit report information, and to protect the individuals right to privacy. Despite the progress which has been achieved by the enactment of the Fair Credit Reporting Act, the privacy of millions of Americans has still been systematically invaded by large investigative reporting agencies which amass huge banks of anecdotal records about the lives of potential borrowers.

It is known that major reporting agencies now maintain over 100 million files and supply more than 100 million reports annually concerning consumer applications for credit, insurance, employment, and other benefits. Testimony from former employees of these firms reveals that the reports are often hastily put together, with very little regard for accuracy. In many cases these reports have been complete fabrications or have contained irrelevant material. The loophopes that exist in the original act have allowed blatant invasions of privacy to occur without the consumer's knowledge or permission.

I am sure that many of my colleagues have received mail, as I have, expressing disatisfaction with some of the provisions presently in the act. The Federal Trade Commission has received more than 20,000 consumer complaints since the original act went into effect in 1971.

Many have complained that the credit reporting agency refused to give them, or even show them a copy of their credit report.

Others have pointed out that credit bureaus frequently refused to provide information about a consumer's credit rating by mail.

Thousands of letters have reported that the anecdotal data amassed by these credit bureaus is unfair, erroneous or incomplete.

Apparently, many consumers who have attempted to correct erroneous or incomplete information in their file have found many credit bureaus to be extremely uncooperative.

Many consumers have also expressed outrage over investigations conducted by credit reporting agencies into their personal character, morals, drinking habits, and lifestyles. Frequently, this information is amassed through interviews with neighbors and business associates of the person investigated. Agency reports are frequently fraught with rumor and fabrication.

The legislation that I am introducing today, which is identical to S. 1840, introduced recently by Senator PROXMIRE, would strengthen the Fair Credit Reporting Act in the following ways:

The bill would outlaw the use of quota systems which require reporting agency investigators to produce a large number of reports and a minimum percentage of derogatory information. It would also forbid the use of deceit and trickery in the gathering of information for a report.

The bill would give consumers more control over investigative reports and their character and habits. Those who order these investigative type of reports would be required to first obtain written permission from the consumer after having made a full and complete disclosure of the nature of a planned investigation. The present law does not require advance permission from the consumer but provides only for a general and vague advance disclosure about the nature of the investigation.

The bill also entitles consumers to complete access to all the information in their credit file, including the right to actually read their file, obtain written copies of items in the file, and to have medical information disclosed through a physician of their choice. Consumers will be able to learn the contents of their file by mail as well as by personal visit and by phone.

Another aspect of the bill is a requirement that whenever prospective employers orders a report on a consumer, the reporting agency must first send a copy of the report to the consumer himself. The present law only entitles consumers to an oral disclosure of the "nature and substance" of the information on file.

This bill would bring the Medical Information Bureau—MIB—under the provisions of the Fair Credit Reporting Act. Up until now, through a loophole the MIB has been able to avoid regulation despite the fact that it maintains computerized medical records on 11 million citizens and responds to over 19 million inquiries a year from nearly 800 member insurance companies. These facts were revealed in hearings in the last Congress. Not only would MIB's records be accessible to the consumer—or a physician of his choice, but the consumer's permission would be necessary before any insurance company could transmit that consumer's medical records to MIB without permission or notification, invade their privacy. Disbelief was exhibited over the investigation into personal character, morals, drinking habits, reputations, and lifestyles.

Most importantly, this bill will assure that consumers have a great deal more information about the collection and uses of consumer reports and about their legal rights with respect to these reports. The bill requires that consumers be notified when a file is first opened on them. It also requires that the consumer be fully informed of their right to fully inspect and get copies of their files and to have disputed information reinvestigated.

In sum, this legislation will substantially strengthen the original Fair Credit Reporting Act in ways desperately needed by American citizens who are otherwise helpless to prevent manipulation of their lives by this largely unknown credit reporting industry. It will go a long way toward eliminating the abuses of credit reporting agencies and amassing of huge anecdotal files containing information either inaccurate or completely irrelevant to a consumer's financial transactions.

This legislation addresses a problem which is serious not only because it represents an ingrievous invasion of privacy but also because of its potentially severe financial impact upon families who cannot obtain credit.

I ask my colleagues in the House of Representatives to support this legislation and insert a copy of the bill in the RECORD for their reference.

PUBLIC SERVICE JOBS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. COLLINS of Texas. Mr. Speaker, in our Nation's efforts to get back on the track, we have started down one dead end road. This regards the fallacy of creating more public service jobs. The Dallas Morning News has a commonsense editorial page. The News took direct aim at this public service jobs bill.

They also mentioned the bill's relationship to minimum wages. Instead of gaining temporary advantage, we are creating some permanent limitations to progress and employment.

I think you will be interested in the practical observations from the editorial page of the Dallas Morning News:

PUBLIC SERVICE JOBS

A public service job creates no new goods or services—nothing, in short, that can be sold. So for all the billions we pour into such jobs there is no increase in net national wealth.

Far more sense would it have made for Congress, instead of voting public service jobs, to have adopted the suggestion of the National Small Business Association—tax credits for the creation of jobs by private business. Such jobs would not only have put people to work—they would have created goods and services. The small business group's idea was imaginative, creative; the Congress' alternative was stale, barren.

It would have made sense, additionally, for Congress to have lowered the minimum wage, which presently stands at $2 an hour and is scheduled to reach $2.20 next Jan. 1.

The New York Times' Tom Wicker, in a recent Showcase Page feature, laments that black teen-age unemployment is 40 per cent and that "black teen-agers and young adults have dropped out of the labor force at an alarming rate." There is a reason for it: The government, through the minimum wage laws, has priced these teen-agers' services out of the market.

Often teen-agers are people of marginal skills; an employer might take them on at a lower rate, but not at the government rate. Statistics show that each time the minimum wage goes up * * *.

IZRAIL ZALMANSON—PRISONER OF CONSCIENCE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. ROSENTHAL. Mr. Speaker, Izrail Zalmanson, 26, had been a full-time student at the Riga Polytechnic Institute in the Soviet Union when he was arrested 5 years ago. Earlier, he had applied for an exit visa to Israel but withdrew his application when he learned that he would be expelled from the Institute and subject to mandatory military service. He was subsequently arrested, along with 15 other Soviet Jews including his brother and sister, for allegedly thinking about leaving the Soviet Union. He was charged with treason, anti-Soviet agitation and propaganda and anti-Soviet organization. Tried at the now infamous First Leningrad trial, Zolmanson was convicted of these trumped-up charges and sentenced to 8 years at hard labor in the Potma Labor Camp.

Since his incarceration, Izrail Zalmanson, along with the other Jewish prisoners, has been singled out for special attention. The slightest misstep, such as leaving his shoes untied or tripping over a rock causing him to fall out of line, has caused him to be punished by up to a month at a time in solitary confinement. Mr. Zalmanson has been subjected to this cruel treatment on numerous occasions.

To further add insult to injury, Mr. Zalmanson's visitation privileges have been revoked by Soviet prison officials. His father and brother have expressed concern that this move is a reaction to a deterioration of Mr. Zalmanson's general well-being as a result of the treatment he has been receiving. Experience has shown that the cutoff of visitors is used by Soviet officials to conceal the cruel treatment and unsanitary conditions which exist in the Soviet Labor camps.

Like many other Soviet Jews, Mr. Zalmanson's persecution and prosecution stem from his deep desire to emigrate to Israel, his spiritual homeland. The Soviet Union, despite its being a signator of the United Nations Declaration of Human Rights, has consistently refused to grant the right of free emigration to its citizens regardless of their nationality or religion, but particularly if they are Jewish. The United States must reach out to help those individuals who are suffering because of the Soviets' consistent violations of human rights. Mr. Zalmanson is by no means the first Soviet citizen to be punished because of his Jewish heritage, nor will be be the last.

I wish strongly to protest the treatment to which Mr. Zalmanson has been subjected. I urge my colleagues to do the same. I have called upon the Secretary of State to use all the resources of his office to influence the Government of the Soviet Union to annul the harsh sentences imposed on persons who are imprisoned because they are Jews who desire to emigrate to Israel.

I am inserting in the RECORD at this point a copy of the letter I am sending today to Secretary of State Kissinger on behalf of Izrail Zalmanson:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 23, 1975.

Hon. HENRY A. KISSINGER,
Secretary of State, Department of State,
Washington, D.C.

DEAR MR. SECRETARY: Izrail Zalmanson, 26, is serving the sixth year of an eight year sentence at hard labor at the Potma Labor Camp in the Soviet Union as a result of his desire as a Jew to emigrate to Israel.

Together with his fellow Jewish prisoners, Mr. Zalmanson has been repeatedly singled out for special attention. His slightest misstep, such as his leaving his shoes untied or his tripping over a rock causing him to fall out of line, has caused him to be sentenced to long stretches in solitary confinement.

Now Soviet officials have cancelled Mr. Zalmanson's visitation privileges. His father and brother have expressed concern that this move is a reaction to the deterioration of Mr. Zalmanson's general well-being. Experience has shown that this practice is used by Soviet officials to conceal the cruel treatment and unsanitary conditions which exist within the Soviet labor camps.

Izrail Zalmanson was a full-time student at the Riga Polytechnic Institute at the time of his arrest five years ago. He had applied for an exit visa to Israel but withdrew his application when he learned that he was being considered for expulsion from the Institute and induction into the Army. He was then arrested, along with 15 other Soviet Jews, for thinking about leaving the Soviet Union. He was charged with treason, anti-Soviet agitation and propaganda and anti-Soviet organization. He was tried at the now infamous First Leningrad trial, convicted and sentenced.

Like many other Soviet Jews, Mr. Zalmanson's persecution and prosecution stem from his deep desire to emigrate to Israel, his spiritual homeland. The Soviet Union, despite its being a signator of the United Nations Declaration of Human Rights, has consistently refused to grant the right of free emigration to its citizens, regardless of their nationality or religion but particularly if they are Jewish. The United States must reach out to help those individuals who are suffering because of the Soviets' consistent violations of human rights. Mr. Zalmanson is by no means the first Soviet citizen to be punished which Mr. Zalmanson has been subjected and because of his Jewish heritage, nor will he be the last.

I wish strongly to protest the treatment to request that you use all the resources of your high office to intercede with the Soviet government on his behalf to allow him to emigrate to Israel. This situation is of particular urgency because of the questions surrounding his health.

Sincerely,
BENJAMIN S. ROSENTHAL.

A MESSAGE FROM YOUTH—"GIVE ME YOUR HAND"

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. PICKLE. Mr. Speaker, recently an Austin, Tex., youth delivered an oration equal to the depth and understanding of many important speeches delivered in this great Hall. The ninth-grade youth is Mr. James Brian Reeves, son of Dr. and Mrs. James Reeves of Austin. The speech was his entry in the International Optimist Club oratory contest.

I would like to reprint Brian's speech in the RECORD at this time for the benefit of my colleagues:

GIVE ME YOUR HAND

(By Brian Reeves)

America's Youth has inherited a topsy-turvey world. As we stand today on the brink of the problems and uncertainties which confront us, we are troubled by the magnitude of the difficulties which we must face.

Too many of us are growing up today without the proper education, leadership, and friendship we need. We, as the young people of today, need so very much the help and advice of you, our elders. We must have your assistance in order to live full, and worthwhile lives. For these reasons I ask you to give me your hand.

First, give me your hand in friendship. As I face tomorrow's problems, I will have the companionship of those who are my own age, but that is not enough. I need them, but I need your friendship too, before I can be of service to others. Together we can accomplish far more than any of us can do alone. It has been said, "Friendship is to be purchased only through friendship." Of course I cannot pay you to be my friend; you must offer your hand willingly just as I must offer mine. When I make a mistake I need a friend to stand beside me. Only through such friendship will I be ready to face the problems and the disappointments as well as the joys of the future. It is certainly true that friendship is the medicine of life.

Second, give me your hand in understanding. I need to be heard, understood, and recognized. Without the basic understanding of the problems that face us all I cannot realize what happens and why. I also need your talent, and capacity for understanding. Help me to more fully realize why we do the things we do, and help me learn to cope with the situations that arise. You can do this well, and I cannot.

Third, give me your hand in leadership. Lead me to a meaningful and good life. Whether it is on the baseball diamond, or in an oratorical contest, your leadership counts. The boy who can look to an interested adult for guidance is already a step ahead. Ralph Waldo Emerson, the well known American essayist has said, "If we live truly, we shall see truly." And certainly he is right. But do you know how hard it is for me and for my friends to decide how to live truly? Only through the help and advice of those who have sought the truth themselves can we determine truth.

You are learned, and you know much about the world. My education is limited. I know little, and should know more. I need your hand in education. My background is small, my resources lacking, and I need to gain more knowledge of the world about us, what happens and why, and how to understand these changes. Without you to teach me what you know, and what you've gained, I will have a hollow head; an outer shell stuffed with paper. T. S. Elliot once wrote, "We are the hollow men, stuffed men." I certainly do not want to develop into this type of person. By having been taught, I will be better able to lead my family, my town, and my country.

And finally, I need you to help me develop well in the eyes of God. I need the basic morals and differences between right and wrong lodged in my heart before I can become a complete person. I must be aware of our community and the responsibilities I owe to it. I too am a part of that society, so it is my responsibility to give my hand and my help, and to become an active partner to it, while striving to maintain and better the community in the sight of God.

We, the youth of today, the adults of tomorrow, need you, the adults of today, to give us your hands in friendship, leadership, education, understanding, and in reverence to God. If you will give us your help, we will become responsible, full, human beings in the fast-moving world of tomorrow. With our hands joined together in full cooperation, we can make the world a better place to live.

SOLAR AUTHORIZATION AND THE ERDA BUDGET

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. RICHMOND. Mr. Speaker, on Friday I offered an amendment to the ERDA authorization bill, H.R. 3474. That amendment increased solar authorizations for research and development from the committee figure of $140.7 million to $194.8 million. I am pleased to see that the House adopted this new level of funding since I strongly believe that solar energy will enhance our energy production and independence.

At that time, I also offered an amendment which would proportionately increase the authorization for the transition period from $38.8 million to $48.7 million. These increased funds would be used to continue this worthwhile commitment.

During the course of debate, I was asked how this increase of $54.1 million could best be used by ERDA. Even though I believe that ERDA should remain responsible for these expenditures, subject to the normal congressional oversight, I would be most pleased to offer my feelings about how these increased authorizations could be allocated:

[In thousands]

Solar engery for buildings and facilities	$55,242
Solar thermal	38,420
Photovoltaic	39,458
Wind-energy conservsion	24,367
Bioconversion to fuels	8,999
Ocean engery-thermal conversion	15,506
Resource analysis	4,154
Solar storage	4,154
Solar institute	4,500
Total	194,800

There are obviously many alternative ways to spend solar energy funds since there are so many different programs which deserve our attention. I believe that this determination should depend on the chances for a productive outcome as determined after research has been completed on each program. The Committee on Science and Technology and the Joint Committee on Atomic Energy outlined their priorities in their report to accompany H.R. 3474. The Mitre Corp. submitted its recommendations before the Subcommittee on Energy and the Environment along with suggestions from the subpanel IX report to the AEC. At this time, I would like to offer their suggestions:

MITRE CORPORATION SUGGESTIONS

[In millions]

Heating and cooling of buildings	$79.79
Process heat	14.08
Solar thermal electric energy conversion	16.72
Photovoltaic energy conversion	12.65
Ocean thermal systems	11.99
Wind energy conversion	20.79
Production or organic materials to fuel or energy	15.07
Conversion of energy materials	12.43
Common applications	8.25
Dissemination and utilization	6.93
Total	194.70

SUBPANEL IX

[In millions]

Heating and cooling	$39.27
Solar thermal	56.21
Wind energy	19.03
Bioconversion	19.03
Ocean thermal	21.12
Photovoltaic	53.13
Total	207.79

These are only a few of many suggestions which deal with solar energy funding and expenditures. We can utilize these valuable sources of information to achieve the best possible end. No Member of Congress can foresee at this time what the day to day results of this research and development will be, and what if any, changes should be made in these allocations. The final decision therefore, should be up to ERDA, which was established to help the Nation reach a position of energy independence.

U.S. SAVINGS BOND DRIVE

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. RHODES. Mr. Speaker, the week of June 23–27 has been designated for a special U.S. savings bonds campaign in the U.S. Congress. As honorary cochairman of the drive in the House of Representatives, I urge my colleagues to participate by signing up for regular bond purchases and to encourage all staff members to do likewise.

Buying bonds is more than a patriotic gesture; it is a safe and proven method of saving for the future in an instrument which offers an attractive return and is fully guaranteed. Aside from the benefits to the individual, the savings bonds program plays a key part in the noninflationary financing of the public debt—a matter which is of special significance today in the light of the huge deficits which our country faces.

I am happy to support this important campaign, and urge all of my colleagues to lend their influence and personal participation to insure its success.

PENELOPE McMILLAN AND "THE CHANDLERS"

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. KOCH. Mr. Speaker, I am pleased today to insert into the RECORD an interesting and well-written story by prize-winning writer Penelope McMillan. The timely story, blending the romance of the sea with the harsh realities of the 1975 economy, appeared in the New York News Sunday magazine of June 22, 1975. Miss McMillan has won four consecutive major journalism awards, most recently the Newspaper Guild's 1975 Page One Award for Local Reporting. In 1974, she was honored by Columbia University as winner of the highly regarded Meyer Berger Memorial Award, for "sensitive, alert, and accurate reporting on New York City and its millions of residents." In 1973 she won a Silarian's Award and the Front Page Award of the Women's Reporters' Association in 1972.

Mr. Speaker, I am proud to say that Penelope McMillan, a native New Yorker, is a resident in my district. I thought that "The Chandlers" would be of interest to my colleagues, and therefore am appending the story for the information of my colleagues.

The article follows:

THE CHANDLERS

Every morning trucks from William H. Swan and Sons, Inc. rumble down cobblestoned North Moore St. to get deliveries to one dock or another as quickly as possible, before the "turnaround" time—when a ship leaves—has passed. The Swans started as ship chandlers over on South St. in 1874, when they used to have two or three days to fill a ship's "shopping list," which is what chandlers do.

Now that ships are so much bigger and more expensive, costing perhaps $20,000 a day or more when idle, they "turnaround" in a few hours if they can. Despite the changes in shipping, chandlers incongruously provide their services as they have for nearly 150 years.

A Greek tanker was due to arrive Saturday noon from Kuwait, so the Tuesday before

Edward Swan Jr., third generation in the family business, made sure someone had started assembling its shopping list, mailed ahead from the Persian Gulf. It was midafternoon, when things slow up for chandlers; in the morning, they had had to deliver to four freighters and three tankers, docked at Brooklyn or Staten Island.

When this pofession served schoolers and barkentines in New York Harbor, shipmasters usually asked for large quantities of salt beef, pork fat, brown sugar and rum. The crew of the Greek tanker wants baklava leaves (40 pounds), ox tripe (80 pounds), lamb (500 pounds), yoghurt, gouda cheese, toothpicks and whisky, as well as hundreds of other items neatly typed on long white sheets, separated into food, engine and deck orders. "We'll put about 15,000 pounds on this ship," Swan says, and it'll be expected almost as soon as the ship docks. One hundred pounds alone of it will be just rags.

"Rags are a big part of our business," Swan adds. "We buy 5,000 pounds at a time, perhaps more. You get them over in Brooklyn."

"Your time is the ship's time," the slim 45-year-old chandler likes to say, and that of course is the essence of chandlery. Whether its' ashtrays, live chickens, plywood or paint, a chandler is supposed to produce it. Swan's sturdily built, 83-year-old father, Edward Swan Sr., who is president of the firm, agrees and adds that not long ago, "we had a case where a ship was sailing that night and was short oarlocks on its lifeboats. I don't know how much time we spent looking for them. We finally found some from a second-hand guy in Brooklyn. By the time we paid overtime to our men, it was a joke. We lost money but we had to do it." As another chandler notes, "You can't refuse to do something because its uneconomical; in this business, you only get one chance to say no to somebody."

A Moslem crew sometimes requires special treatment. Often such a ship "has its own priest on board," the son notes and when the ship chandlers go to buy mutton, "the priest goes along and witnesses the slaughtering. Then it's called M. K. Mutton, for Moslem-killed mutton."

There are about seven true ship chandlers' firms left in New York City, several more having gone out of business during the last few years. Because large companies like Cunard Lines have their own purchasing departments, chandlers are needed by fewer and fewer shippers; those very small or owned by foreign companies without offices in New York, or those with very short turnarounds which chandlers can best handle. Containerization has hurt chandlery too, since such ships as a rule don't have maintenance done on them at sea, as the old ships did, and don't need to buy cargo gear since loading and unloading is a mechanized process. So there isn't as much to sell to those ships as there is to conventional cargo ships, which are becoming fewer and fewer.

"The function of the ship chandler is changing," says John Norrgard, general manager of Baker, Carver and Morrell, the oldest (148 years) chandler firm left in New York Harbor. It stands across the street from South Street Seaport, whose research shows the company once bought stores for the squarerigger Wavertree, now part of the museum's ship collection. Basically, Norrgard says chandlers are supplying goods for shorter voyages "and the supply is much more standardized." His company has adapted by diversifying into the wire rope business.

The Swans say business is down from last year; the number of ships coming into the harbor dropped by 144 during the first four months of 1975, to 2579. Most of the drop is apparently due to a slump in the oil tanker business, they say, but a lot is due to other effects of the recession. "I was told this as a little boy," Swan Jr. says, "that our business runs about six months behind the economy. Up till the end of January we were very busy." Still the company hasn't laid off any of its 23-member staff.

"When I started in 1909, there were three of us—my father, me and a helper," says Swan Sr. His grandfather had been a ship broker, and there's a long line of seafaring people on both sides of his family. Seated in his office, with its paneled walls hung with paintings of vessels the family once owned, the old man recalls: "I got $7 a week, and I was happy. That was for six days. We didn't have even one truck. You walked, or rented a truck." It used to be common for chandlers to take shares in the ships they served, he adds; when his father died in 1918 the family had a piece of 36 vessels. Many flew the S-S flag (for Swan and Sons), but the old man gave up the tradition in 1941, when the last one he partly owned was wrecked in a storm.

The old man, whose son and two daughters have moved out of the city, lives in Brooklyn and always has. He drives over from Flatbush each morning. Back in the early days "I came over on the Wall St. ferry," he says. "In the rush hour that was two cents."

Now he doesn't love the city the way he once did. The downtown area was once a merchants' paradise, and, his son says, "probably was grossly inefficient but somehow it all worked. It's all been broken up now and that's too bad." Most of it has been replaced by big office buildings. Swan and Sons have moved three times for that reason, and like everything else, North Moore St. is changing. The spice house across the street from the chandler has gone to Jersey, and beyond the end of this lower West Side block, a monster renewal project has replaced Washington Market's fruit and vegetable stands. Artists on the move again since SoHo became too in, have begun to move there.

"I've been here too long," Swan Sr. says. "I guess 65 years working is sort of ridiculous." Most of the people he knew in the business have retired, which is what he plans to do before the end of the year. He won't stay in the city, he says. Perhaps he'll go to Maine, which he thinks is a wonderful place where "you see no crime." This city has gotten too dangerous and deteriorated for him. He sighs a little, staring abstractly at the receipts piled on his cluttered desk. The chairs are filled with boxes and a suitcase containing still more papers. "I'm always telling the children here," as he refers to his son and the others working for him, "what can they do if a mugg comes in here? I'm pessimistic."

But the old man is not a complete pessimist, because he claims his profession won't disappear. "We're necessary evils," he grins. "Of course, any well-run steamship company buys everything it can directly, but the advantage of a ship chandler is that he brings everything in one delivery. That can mean a lot." For this reason, most of the supplies commonly needed like sawdust, tools, detergents and even Coca Cola, are stored for quick access in their six-story building, which was built around 1850.

"When a ship needs something, you've got to have it," Swan Jr. says. One of the small items ships always need, Baker Carver's Norrgard says, is light bulbs. Ships built in other countries use completely different kinds. "I shudder to think how many various light bulbs are required on these vessels," he says. But as Swan Jr. says, bulbs and just about anything else are obtainable in New York City. "Our branch in Norfolk is on the phone two, three times a day saying a ship ordered something and they can't get it," he laughs. "Anything a person wants you can get here, if you're willing to pay."

The son walks through his sixth floor, which he calls "our antique department." It has luggage held for claiming by sailors who didn't make it back to a ship before sailing, and several dozen old boxes, containing records of schooner voyages made in the 1800s. One set shows a bill from 1906 of $5 paid for 1,000 gallons of water taken on board, and a $5.52 grocery bill for steak and eggs. Swan says the company wants to give them to Mystic Seaport before the papers disintegrate. He flips through some dusty books. "I keep saying I'm going to read through them but I never have time."

FALTERING FARM POLICY

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. PICKLE. Mr. Speaker, we have not had a stable agriculture policy in this country since before 1969. During this 6-year period, consumers and agricultural producers alike have been subjected to the ill-effects of a boom and bust cycle which really aids only those who would wish to see the family farm go under.

The Washington Post ran an excellent editorial, June 21, which explains exactly how this nonpolicy has affected the meat price situation. I insert this edifying article:

THE PRICE OF MEAT

The price of meat has shot upwards again over the past two months, and will probably go higher this summer. The amount of meat that the average American eats has declined significantly in recent years, and may well drop even farther. This shift away from meat, in the American diet, is one important indication of the degree to which the people of this country are already changing their habits in response to a new economic climate, one that no longer promises steady growth. It is another item in the slight but perceptible decline in the American standard of living over the past several years.

Meat consumption per capita went to a peak in late 1970, and never again has been quite so high. In 1971, with the arrival of the last recession before the present one, consumption dropped. With the recovery and boom, it rose again—but then came the massive sale of wheat to the Russians. That brought high grain prices here at home, which by early 1973 translated themselves into sharply higher meat prices. The consumers' reaction was immediate and angry. That spring the housewives' strike started, and families began cutting back on beef as a deliberate protest. Then the Nixon administration tried to apply price controls to meat, a disastrous mistake. When the controls were dropped, after a summer of shortages, meat prices hit astounding heights—which, incidentally, they are now once again approaching.

The explanation of the current surge of prices is clear. Over the past several years, the Nixon and Ford administrations have largely dismantled the price stabilization structure that traditionally held down the fluctuations in grain prices. At the same time the rest of the world, growing steadily richer, has begun to buy unprecedentedly large quantities of American food. But some of the biggest customers, like the Russians, buy very irregularly depending on the value of their own harvests. The result is a pattern of great turbulence that keep bringing sudden and unexpected swings in prices at the grocery store.

Because last year's grain crops were damaged by weather, grain prices went up in the autumn. That hurt the meat producers, who began to send animals to market in unusual numbers to avoid having to feed them. That kept meat prices down—but only temporarily. Next, grain prices began to fall because foreign purchases were down and the coming crop will apparently be huge. Now the meat producers again find it profitable to keep their animals and feed them. With fewer of them currently coming to market, the wholesale prices of beef and pork have risen by one third since early April.

Since late last year, Americans have been buying less meat—the combined effect first of another recession and now rising prices. At that peak in late 1970, we were eating meat at a rate of 160 pounds a year per person. The present figure is just about 10 per cent lower. This decline hardly suggests the average family is going hungry. On the contrary, it is probably true that a little less meat would be good for most people in this country. But at the dinner table, as in a good many other places, people find themselves getting along with a little less of those pleasant things that they once took for granted.

Unfortunately, the consequences of the present price rises go well beyond a mild and salutary trimming of the rich American diet. They are inflationary for everyone, and they are a particular danger and hardship for the poor, many of whom already live well below adequate nutritional standards. Overseas, many nations now depend upon a sustained high level of American agricultural production to feed their own people. But the present experience is only adding additional evidence to the old lesson that agricultural markets are basically unstable unless governments step in to buy reserves and dampen the swings in prices. The American government filled this responsibility for a generation, from the Depression until several years ago. But now, partly to save money and partly out of blind faith in a crude version of free market theories that, in this case, are inapplicable, two presidents have largely abandoned the stabilizers. The result is that American agriculture has now fallen into a period of great instability, in which both prices and supplies are continuously unpredictable. The administration appears not to have given much thought to the somber and dangerous implications of this kind of instability in the nation's food supply. But the latest effects of it are now visible at the meat counter of your supermarket.

THE USELESSNESS OF THE SELECTIVE SERVICE SYSTEM

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. RYAN. Mr. Speaker, on Tuesday the House will vote on the fiscal year 1976 HUD-independent agencies appropriations bill. Included in this bill is an authorization for $40 million for the Selective Service. This is a reduction from the $47.8 million which the administration requested. I find it very difficult, Mr. Speaker, to support this authorization when the President, himself, in a recent address to the West Point graduates pointed out with pride that the Volunteer Army is the real answer and it is a workable answer.

Apparently there is not anybody who wants the Selective Service and yet, we are still supporting a Federal operation where there is some serious question about its value. It is estimated that the taxpayers are putting out $40 to $50 million each year for what is undoubtedly a defunct system.

I am, therefore, offering an amendment to H.R. 8070 which will completely cut all appropriations for the Selective Service System for fiscal year 1976.

It is time, Mr. Speaker, that we begin ridding ourselves of costly and functionless agencies that are in no way serving the people of the United States.

GARRISON DIVERSION UNIT

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, last week I made public several internal Department of the Interior memorandums which indicated that the Department had been withholding information from the State Department, the public, and the Canadian Government concerning alternatives to the Garrison diversion unit in North Dakota.

In apparent response to this development, the Canadian Government has forwarded a note to the State Department reiterating its objection to the Garrison project as presently planned and noting that its position had been incorrectly stated in recent Department of the Interior testimony before the Public Works Appropriations Subcommittee.

This document was made available to me by the State Department in my capacity as chairman of the Conservation, Energy, and Natural Resource Subcommittee in light of the subcommittee's investigation of the Garrison project.

I think it would be useful for all the Members of the House to be fully informed of Canada's position on Garrison in view of the upcoming consideration of the public works appropriations bill, scheduled for House consideration tomorrow. Therefore, this document be reproduced in its entirety in the Record at this point:

Compliments

The Embassy of Canada presents its compliments to the Department of State and has the honour to inform the Department that, in view of recent developments relating to the Garrison Diversion Unit as it affects Canada, the Embassy has been instructed to transmit an *Outline of the Canadian Position on the Garrison Diversion Unit.* The Embassy would be grateful if the Department of State would bring this position outline to the attention of the appropriate Committees of the United States Congress and other relevant Departments and Agencies of the United States Government.

The Embassy of Canada avails itself of this opportunity to renew to the Department of State the assurance of its highest consideration.

Outline of the Canadian Position on the Garrison Diversion Unit

During the course of recent testimony before the Subcommittee on Public Works of the House of Representatives Committee on Appropriations, it was stated that the issue with Canada over the Garrison Diversion Unit relates only to the return flows from the Souris Loop division. It was also suggested that alternatives to the Garrison Project are being discussed with Canada.

In this context, it seems desirable to reiterate Canada's concern about the potential adverse effects of the Garrison Diversion Unit, as currently envisaged, on waters crossing the boundary into Canada. The Government of Canada has concluded, on the basis of studies conducted in the United States and Canada, and on the basis of information provided by the United States in response to questions raised in Canada, that the Garrison Diversion Unit, as currently envisaged, would have adverse effects on the Souris, Assiniboine and Red Rivers, and ultimately Lake Winnipeg, which would cause injury to health and property in Canada.

The Government of Canada, therefore, is pleased to learn that consideration is being given to alternatives to the current garrison Diversion Unit which would not adversely affect Canada. The Government of Canada has not yet been officially informed of these alternatives, however, nor have these alternatives been discussed with Canadian officials.

Since 1969, by means of a series of Diplomatic Notes and meetings, the Government of Canada has been in continuing consultation with the Government of the United States on the Garrison Diversion Unit as it affects Canada. An important stage in this consultative process was reached on October 23, 1973, with the presentation of a Note to the United States Government in which the Government of Canada concluded, based on studies conducted in both countries, that the proposal would run counter to the obligations assumed by the United States under Article IV of the Boundary Waters Treaty of 1909. Accordingly, the Note requested the Government of the United States to "establish a moratorium on all further construction of the Garrison Diversion Unit until such time as the United States and Canadian Governments can reach an understanding that Canadian rights and interests have been fully protected in accordance with the provisions of the Boundary Waters Treaty".

The Government of the United States gave its assurances in a reply Note dated February 5, 1974, that "the United States will comply with its obligation to Canada not to pollute water crossing the boundary to the injury of health or property within Canada". The Note further stated that "no construction potentially affecting waters flowing into Canada will be undertaken unless it is clear that this obligation be met".

The Government of the United States has since repeated these assurances in response to further expressions of concern by Canada in meetings of Canadian and United States officials on the subject, including the January 16, 1975 meeting in Washington where it was agreed to recommend to the respective Governments that they select an appropriate mechanism to undertake a joint examination of certain aspects of or adjustments to the project, to ensure that the provisions of Article IV of the Boundary Waters Treaty are honoured.

That this subject is a matter of considerable concern in Canada is evident from the continuing discussion in the Canadian House of Commons and the Manitoba Legislature, and the fact that Prime Minister Trudeau raised the issue during his discussions with President Ford in Washington in December, 1974.

MISSING IN INDOCHINA

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mrs. COLLINS of Illinois. Mr. Speaker, the war in Vietnam is over for Americans, President Ford has declared. True, there are no more fighting men in Indochina. There are no more bombing raids. But, we still do not know for certain what happened to some 2,000 Americans and we have not been able to get that information since the Paris Peace Agreements of 1973.

The Pentagon lists 900 of these 2,300 Americans as missing, their fate unknown. Included in the 900 are 30 civilians. The others are listed as killed in action. The peace agreement has two provisions on this humanitarian question. The first is that the other side was to cooperate in a search for and return of the bodies of those who had been killed in action. The second is that they were to supply us with whatever information they had on our people who are listed as missing and help our forces to try and learn what happened to them.

The North Vietnamese and the Provisional Revolutionary Government have not and still are not carrying out their end of the bargain. They never have cooperated fully with our Government and until they do we cannot write finis to this chapter in American history, despite what the President says. They themselves have admitted they can do more as shown by the fact that in April the Provisional Revolutionary Government announced on behalf of the North Vietnamese that three pilots listed as missing had in fact been killed.

I have cosponsored House Resolution 278, which directs the Government to take all possible steps to determine the fate of those missing in Indochina.

BALANCE ENVIRONMENT CONTROLS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. COLLINS of Texas. Mr. Speaker, America needs to pace itself in its transition to environment stability. This is essential today as we stress employment and relating jobs in industry.

I read a report in a business bulletin. The environmentalists insist on eliminating 28 pounds of particulate emissions an hour. In establishing the machinery to do this, they have released 129 pounds of pollutants an hour. Somewhere along the line, the bureaucrats need to find someone with the commonsense to leave business alone.

Here is the situation as described in the business bulletin:

> To illustrate this point, a Midwest steel company is being asked to control fugitive emissions that escape collection by an already existing and efficient air cleaning system employed by the plant to control major furnace emissions. Collecting these fugitive emissions, amounting to 28 pounds of particulates per hour, will require a baghouse large enough to clean 1,450,000 cubic feet of air per minute. The baghouse will require the equivalent of 65 million BTU's per hour of electrical energy. To produce this energy, a power plant meeting EPA New Source Standards would be permitted to release 129 pounds of pollutants per hour—or more than four times the weight of the steel plant fugitive emissions that the state wants to control.

GAS ALLOCATION NOT TAXATION

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. AMBRO. Mr. Speaker, as you know, for some time, I have voiced the opinion that the correct course for the United States in the area of energy policy is for a mandatory allocation program rather than rationing through price either directly or by means of higher gasoline taxes.

Last week, one of the major local radio stations in my district, WGSM, broadcast the following editorial echoing these views. I believe that WGSM and its general manager, Richard J. Scholem, should be congratulated for this carefully considered expression of opinion.

Beyond this, Mr. Scholem exhibits an understanding of the complicated nature of a comprehensive energy package, of the interrelationships between alternatives and of the structural problem that exists in the Congress with respect to varying committee jurisdictions.

The bottom line answer to the editorial's demand that "The Congress come up with an energy program" lies in the Dingell subcommittee bill which should contain both mandatory Federal allocations, even-handedly administered—leaving the day-by-day implementation to the States—and the Eckhardt amendment which regulates both old and new oil and rolls back the price on the latter. The passage of such a bill would go far toward formulating an energy package which would be in the interest of the Nation as a whole generally and the consumer in particular which is the antithesis of the nonprogram of the President.

Furthermore, this sort of bill would deal far more effectively with the problems this Nation faces in regard to energy in a far more relevant fashion than did the bill introduced by the Ways and Means Committee—which could only utilize the tax mechanism as a method of developing energy-related legislation.

The public did not recognize this, because most members of the press and media still do not understand this. It is, therefore, gratifying to note that general manager Richard Scholem of WGSM does.

The editorial follows:

GAS ALLOCATION NOT TAXATION

> Until now, the only idea either President Ford or the Democratic Congressional leadership could come up with on gasoline consumption was to raise the price of gas. But now the Democrats in Congress have rebelled against their own inept leadership and defeated proposals that would have added increased taxation to gasoline purchases. Of course, President Ford is still determined to raise the price of gasoline through taxes on imported oil. While the administration complains about how expensive O.P.E.C. oil is and warns Arab nations about raising prices any further, that same administration decides that the way to conserve fuel is to raise prices.
>
> But the Democratic rebellion is significant for it opens up the possibility for more rational and less costly methods of conserving gas. The United States isn't the only country in this dilemma. Western Europe has done a much better job of conserving their fuel than we have and they've done it by putting quotas on the amount of foreign oil they import, then allocating their total supply and by so doing, effecting cuts in what they consume. France has done this especially successfully. The United States can and should do the same thing. After we set a quota as a nation as to how much foreign oil we'll let in, we can then allocate state by state so that the total supply of oil is equally disributed and areas like the Northeast, that depend mainly on foreign oil, are not discriminated against. At that point the Federal Government could leave it up to the states to initiate their own conservation programs—gasless Sundays, alternate days, whatever. A reduction of five to ten percent below 1974 consumption levels could be achieved with little disruption, hardship or expense.
>
> The Congress has happily put behind them the ill-advised idea that only those who can afford to, should have unlimited gas and that we should try a form of economic rationing by denying gasoline to those who can't afford higher prices. Now it's up to Congress to come up with an energy program that distributes gasoline and fuel on the basis of import quotas, allocations and even-handed distribution. In other words, it's bad enough that we're not going to have as such fuel as we did before without paying more for it as well. The rejection of new gasoline taxes is a beginning.

DIEGO GARCIA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. LAGOMARSINO. Mr. Speaker, I am pleased to present the following article for the information of my colleagues.

DIEGO GARCIA: NEW INDIAN OCEAN BASE

(By Henry Huglin)

> Diego Garcia, a five by fourteen mile British atoll in the middle of the Indian Ocean, is a matter of protracted controversy between the Administration and critics at home and abroad.
>
> Why the controversy? Because we are building a military base on this small island and the facilities to be built and their use relate directly to the on-going debate as to how dynamic a role America is to play in the world in coming years.
>
> Congress approved several years ago the installation on Diego Garcia of a communications station and last year the construction of an 8,000 foot runway and some petroleum storage. Now the Administration wants to proceed with the further development of a naval and air "limited support facility." This is to entail extending the runway to 12,000 feet, enlarging petroleum storage, and dredging an anchorage to accommodate ships of a carrier task force.
>
> Proponents base the case for these facilities on geopolitics: the withdrawal of British forces which used to dominate the area; the increasing importance of the sea lanes in the Indian Ocean, along which are transported half of the world's seaborne oil from the Persian Gulf area to Europe, Japan, and this country; and the need to counter-

balance the increasing Soviet military presence in that area.

Critics claim that our setting up such a base will promote an arms race in the area. And they cite a 1971 UN resolution—sponsored by India and Sri Lanka (Ceylon), and given lip service by the Soviets—calling for an Indian Ocean "zone of peace."

But the domestic critics—and the critical elite abroad, particularly in India, Sri Lanka, and Bangladesh—disregard or rationalize away what the Soviets are doing.

Other Asian nations—Pakistan, Iran, and Singapore—have spoken out in support of our military presence in the Indian Ocean as a counterweight to the Soviets'. The concern of these nations, and apparently of others like China, is that, if not countered by U.S. forces, the Soviets' growing naval strength in that ocean could become so dominant that they could exercise control over the energy jugular of much of the world and also influence political alignments of the nations bordering that ocean.

The Soviets seem to be seeking such dominance. They have increased their naval activity in the Indian Ocean four-fold since 1969. With the opening of the Suez Canal early this month, they can readily increase their activity further. Their naval bases in the Black Sea are now only 2,500 miles from the Indian Ocean, compared with 11,000 miles when the Suez Canal was closed. (Our nearest large naval base, Subic Bay in the Philippines, is 4,500 miles away from the western Indian Ocean.)

And the Soviets have acquired some bases in the area and are seeking others.

In connection with the administration's bid to expand the Diego Garcia base, Secretary of Defense Schlesinger on June 10th released aerial photos of a nearly completed Soviet naval and air base in Somalia—on the eastern edge of Africa, overseeing the western Indian Ocean and the southern entrance to the Suez Canal. These photos showed new docks, communications facilities, barracks, petroleum storage tanks, a 15,000 foot runway, and a missile storage and handling facility.

Both Somalia and Soviet Russia have denied that a Soviet base was under development in Somalia. But these denials are as believable as the Cuban and Russian denials in 1962 that Soviet nuclear missiles were being emplaced in Cuba.

In addition to the Somalia base, the Soviets have use of base facilities in Yemen, on the south side of the Arabian peninsula; in Iraq, at the head of the Persian Gulf; on Mauritius Island; and in Bangladesh. They have bid for access to Indian ports and are establishing links with the new government of Mozambique, which just has become independent of Portugal; likely they will seek use of the port of Lourneco Marques, a major port of southeast Africa.

So, Diego Garcia seems to be another case of our taking the least bad of the alternative courses of action open to us. Obviously, we would prefer not extending our bases and military forces into another area of the world. But, if we don't do it—and thereby counterbalance the Soviets moves—there is no other nation that can.

And the Soviets' moves seem to have the objective of unbalancing, to their advantage, the power in the Indian Ocean—as in the other areas of the world they move into—for their ideological and geopolitical expansionist goals.

We are again facing the reality that—as a superpower, which we cannot avoid being—there is no relief for us from burdens in the world, hard decisions, and steps to counter those of the Soviets'.

The Diego Garcia base is neither a large nor an entangling commitment. It is a prudent, wise, and necessary step in the grim game of global power politics—which we cannot afford to lose for our future security and well being and for the security and well being of much of the rest of the world as well.

VOTER EDUCATION PROJECT EXPANDS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. RANGEL. Mr. Speaker, I was pleased to learn that the Voter Education Project is expanding its activities to increase minority participation in the political process. The Voter Education Project has earned a national reputation for its effective nonpartisan mobilization of previously disenfranchised citizens to register and vote.

The Shreveport, La. Sun, has just reported on a new VEP advisory committee set up in Louisiana to further the goal of full and effective political participation of blacks in the State.

The work of the Voter Education Project has inspired community organizations across the country to work in citizen registration drives. Millions of Americans have exercised their constitutional right to vote for the first time due to the success of VEP. This new expansion of VEP's activities comes at an auspicious time since the House of Representatives just passed legislation by an overwhelming margin to strengthen and extend the Voting Rights Act. I am confident that the Senate will quickly follow the House's lead and act on the Voting Rights Act of 1975.

At this time, I am pleased to insert in the CONGRESSIONAL RECORD the Shreveport Sun's article on the Voter Education Project.

[From the Shreveport (La.) Sun, June 5, 1975]

VOTER EDUCATION PROJECT OPENS COMMITTEE IN LOUISIANA

ATLANTA, GEORGIA.—The Voter Education Project, Inc. (VEP) has organized an advisory committee in the state of Louisiana to assist in developing its nonpartisan political programs for increasing minority political participation. The Voter Education Project, since its conception in the early '60's, has worked throughout the 11 southern states.

John Lewis, executive director of the Voter Education Project stated, "This is a precarious period for the minority political development in the South. It is essential that Blacks across the country continue to become involved in the political process."

The Louisiana Advisory Committee will function as an advisory group on VEP activities in the state. It will be composed of 20 persons representing various organizations and congressional districts.

Stan Alexander, VEP research director, will be the staff coordinator assigned to work with the committee. Alexander stated, "The organizing of an advisory committee is a positive step toward developing political programs which are reflective of the needs of local blacks. We, the staff of VEP, are looking forward to a successful year in the state."

Attorney Weldon Rougeau of New Orleans, chairman of the committee and former VEP Field Director, emphasized that the advisory group has an important role to play: "Black involvement in the political process is more serious today than ever before. We are facing sensitive issues, and political decisions are being made which will have a direct impact on blacks in the country." Atty. Rougeau is calling for the support of all local community in the state of Louisiana to help make this program a success.

OUR VIETNAM TRAGEDY

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. BRADEMAS. Mr. Speaker, I believe that every Member of Congress will read with interest the following analysis, "Our Vietnam Tragedy," by John K. Fairbank, Francis Lee Higginson Professor of History and chairman of the Council on East Asian studies, Harvard University.

Professor Fairbank is widely recognized as an outstanding American authority on the history of Asia.

I insert the text of his article, which appeared in the June 1975 issue of Newsletter of the Harvard Graduate Society for Advanced Study and Research:

OUR VIETNAM TRAGEDY

(By John K. Fairbank, Francis Lee Higginson Professor of History and chairman of the Council on East Asian Studies)

By the time you can study it, almost everything is history. Historical studies are conducted in many parts of Harvard. Our Vietnam tragedy should be at the top of the list.

Historians are trained to explain why something happened, no matter what it was. On this basis they have sometimes explained even things that did not happen, under a misapprehension that they did. Explaining Vietnam is not going to be easy.

HISTORICAL TRAGEDY BEGINS WITH IGNORANCE?

How could we spend 50,000 lives and $150 billion in a country almost exactly on the opposite side of the earth about which we had never heard before 1945? Perhaps this extreme remoteness of Vietnam is part of the explanation. Being almost completely ignorant about it, we could easily fill our minds with many non-facts. The tragedy begins with this factor of ignorance.

VIETNAM LEAST KNOWN OF CHINESE CULTURES

Of all the various parts of the ancient Chinese-culture area, Vietnam was the least known to us. With China we had had trading relations since 1785 and Christian missionary relations since 1830. Some 30,000 Chinese scholars had come to the United States to study on government scholarships and many thousands more on private resources. At the height of our missionary movement there, we had more than 5,000 Christian workers representing American constituencies in evangelism, education, and medical work in China. Ever since 1900 the Open Door policy—to maintain China's administrative integrity so that we could trade there and China could develop as an independent nation—had been hailed as our enlightened policy for that region. Years before Pearl Harbor we had taken the Chinese side against Japanese aggression because so many Americans felt common bonds with Chinese businessmen or students or social workers.

AMERICAN FORMED EARLY BONDS WITH CHINA, KOREA, JAPAN

In Korea, meanwhile, American missionaries became very active in the 1880's and continued to maintain their outposts even during the forty years of Japanese colonial rule after 1905. When we went to the defense of South Korea in 1950, we had an important nucleus of Americans, some of them sons of missionary educators who could speak and read Korean. We were also aware of our long relationship with modernizing elements in Korea, where we felt we had had an historical role even if a minor one.

Similarly, with Japan the bonds of friendship, business, and Christian education were very extensive at both ends of the Japanese-American relationship. For example, Commodore Perry had brought Japan into modern times. The cause of Japanese art had been taken up avidly in American circles from the 1890's. Warfare between us was a terrible blow, but it was superimposed on two generations of thoughtful friendship and interchange, and all this lay behind the successful American tutelage of a new Japan during the Occupation.

BUT WHY NOT VIETNAM?

One could go on pointing out the range and extent of American contact with China, Korea, and Japan. But what of Vietnam? The story was very different indeed. First of all, the country was known to us as French Indochina, a congeries of people and areas put together by the French empire. Cambodia was vaguely known to students of art for its imposing medieval monuments. Laos was out-of-bounds for almost anyone. Meanwhile, we spoke of the Vietnamese people as Annamites (a term rather reminiscent of termites), which was derived from the Chinese name, Annam, given to the Hanoi region when it was ruled by the T'ang Chinese in the 7th century. "Annam" means "the pacified south." We could not even call the Vietnamese by their proper name. The Western missionaries there had been French Catholic almost entirely; Anglo-Saxon Protestants had had practically no opportunity. French colonialism developed modern plantations and export trade, but the American business community did not share in this. Vietnamese scholars and businessmen went to Paris but, as French subjects and French-speaking, they had minimal contact with the rest of the Atlantic community.

CULTURAL AND NATIONAL IDENTITY ELUDED US

In short, French Indochina shut us out effectively, and we did not even realize that Vietnam was a legitimate part of the Chinese culture area which used the Chinese writing system until very recently in the same way that the Koreans and Japanese had done. There was simply no study of this region in American universities, and there were very few books in English that one could read on the subject at all. Vietnam crept into our literature only as an example of French colonialism during the past hundred years. Its long background, first, for a thousand years as a province of China, and, second, for a thousand years as an independent country in China's orbit, remained quite unknown to us. We were lacking both in key area-specialized personnel and in the kind of literature that could produce such people. One could not study Vietnamese in this country until after World War II, and then at only one or two places.

IDEOLOGY NO SUBSTITUTE FOR INSIGHT

Some shortcomings can be overcome by organized effort and by that American specialty, the appropriation of funds. Once we got into the Vietnam war, we did indeed train some thousands of Americans to speak Vietnamese. However, historical understanding cannot be so easily acquired in response to emergency effort and money. Our self-image in Vietnam was derived from extra-Vietnamese sources, not from any role that we understood for ourselves on the local scene. Judging by pronouncements of our statesmen, our troops were in Saigon and other strange places to defeat "communist aggression" coming from a North Vietnam which we had never seen. Our role in defending the South after 1965 was first seen as an equivalent of our defense of South Korea fifteen years before. It was also aimed at forestalling a southward expansion of Chinese communism (which the Chinese evidently never had in mind) as an expanding arm of "monolithic, atheistic, international communism" (which had ceased to exist in East Asia by at least 1960, five years before). Having so inadequate a picture of our role on the scene, we had great trouble in convincing ourselves that it had a purpose worthy of the effort.

MILITARY INVOLVEMENT: STEADY INCREASED MOMENTUM FOR PERPETRATION

Here, perhaps, we were further undone by our excellent tradition that the military take orders from the civil government and have themselves no political aims. Once the White House provided the sanction, the Pentagon could concern itself with logistics and fire power without questioning our purposes. Yet once the battle was joined, the civilian tail on our military dog could hardly control its operations in detail.

PHYSICAL DESTRUCTION BROUGHT BREAKDOWN OF SOCIETY, ACCELERATING HANOI'S GAINS

To say that we lacked an image of our role in South Vietnamese society is another way of saying that we were basically willing to use Vietnam for our own strategic purposes. To "defend" an allied regime is only a very pale expression for what happens when half a million American troops bring guns that bombard rural areas and bring PX's that corrupt our urban auxiliaries. The observation that we were greatly accelerating the urbanization of Vietnam as millions of refugees fled to the cities was true enough, but not necessarily to our credit or to the benefit of the South Vietnamese. In short, our war effort brought not only physical destruction but a social disaster. Like the Japanese in their eight-year war in China in the 1930's and '40's, we thoroughly softened up the old society and in fact probably brought it into a suspension from which Hanoi can now precipitate a new social order with greater ease than would otherwise have been the case. However one looks at it, our function was more on the negative than on the constructive side.

UNRECONSTRUCTABLE REMNANTS OF PREVIOUS DISASTER

The reason for our failure, in short, was essentially that we were on the wrong side of a civil conflict. The anti-communist generals whom we supported in most cases had been part of the French colonial forces that had already been defeated by the native Viet Minh in 1954. The patriots who we hoped would form a strong South Vietnamese anti-communist regime were for the most part unconnected with the grass roots where popular mobilization can be achieved and political power developed. In other words, we picked up the remnants to the French disaster and tried to use them to shape an American success. The outcome was a foregone conclusion.

HISTORIC MISUNDERSTANDING OF REVOLUTIONARY PROPORTIONS

One chief factor that made this possible was the absence in our minds of an historical understanding of the modern Vietnamese revolution. By degrees, when it was too late, we began to realize that it was a revolution inspired by the sentiment of nationalism while clothed in the ideology of communism as applied to Vietnam's needs. Of all the early anti-French revolutionary movements, the Vietnamese Communist Party had shown the highest survival capacity, partly because of its secret methods and international contacts. By 1945 the movement led by Ho Chi-Minh and its United Front, the Viet Minh, had inherited the leadership of a national revolution. A few studies of this development were available, but we did not heed them. The result was that in the name of being anti-communist, vague though that term had become by 1965, we embarked on an anti-nationalist effort.

PROCEEDING FROM ANTICOMMUNISM TO ANTINATIONALISM

This kind of error, and there were many others like it, was facilitated by our lack of background contact with the Vietnamese people. In Japan we had from an earlier generation many liberal friends through whom we understood the rise of Japanese militarism. In China we had a long background of many personal contacts, not only with the many excellent people in the Nationalist regime, but also with the Communists at Yenan. In the early 1940's, in fact, Yenan was a way-station on a Westerner's escape route from north China. Thus the Peking manager of the National City Bank escaped from the Japanese by way of Yenan and by the time he reached Chunking proved to be one capitalist with nothing but the highest praise for the Chinese Communists. Later, both journalists and Foreign Service officers were able to report in first-hand terms on the motives and aims of Mao Tse-tung's movement. By the late 1940's we knew that there was a revolution in China and our national disputation about the merits of the Chinese Communists and the Nationalist government was generally based on knowledge even if fragmentary. By the time General Marshall came back from China to be Secretary of State in January of 1974, he knew enough to prevent our intervening in the Chinese civil war. The repercussions of the "loss of China" in American politics, though severe at the time, were only a pale reflection of what intervention in the Chinese civil war would have cost us.

FORGOTTEN LESSONS

Yet our historical sense was so undeveloped that in looking back at the "fall" of China to communism, we did not think in the 1960's of the major fact that we had learned enough about the Chinese civil war to have the good sense to stay out of it. Instead of this obvious positive fact, the minds of our leaders were filled with the fear that a manufactured "loss of Vietnam" could be used in American politics as the "loss of China" had been used. This subjective consideration about the fortunes of candidates in American politics is an index to the myopia of the American public mind concerning our East Asian experience.

Suppose a child playing by the roadside sees a truck coming and steps back but is spattered by it, and receives punishment from his mother for having got his clothes dirty. So the next time he sees a truck coming, he avoids the roadside and spattering that led to his discomfiture, and instead is run over by the truck. Even a dog would have more sense than that, you may say, yet historians are likely to judge that that is about the level at which our historical understanding of revolutionary East Asia has operated.

REASON HANDGUN CONTROL IS NECESSARY

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. FAUNTROY. Mr. Speaker, three times in the last 7 years I have had to travel to Atlanta, Ga., for the burial of a King; members of the family of Martin Luther King, Jr. Two of those funerals were the result of the easy access to and senseless use of deadly firearms. The death of Mrs. Alberta Williams King, the mother of Dr. Martin Luther King, Jr., in June of last year is still painfully fresh in my mind. She and a cherished trustee of her church were gunned down as she sat playing the organ at a Sunday morning worship service by a demented young man who had gained easy access to a deadly handgun.

This kind of funeral was not new to me. As a minister and activist in the civil rights movement, I have officiated at the funerals of numerous citizens who would be alive today had we a law banning the manufacture, sale, and possession of handguns. As a minister, I have buried children who have been the innocent victims of firearms accidents because handguns were in the home. I have buried sorely missed wives and mothers, husbands and fathers whose lives were snuffed out at the tragic end of family quarrels because handguns were in the home. I have buried law-abiding citizens who were the victims of handguns used in the commission of crimes, and a very fine law enforcement officer in my church who was senselessly gunned down while handling a routine traffic violation.

I am tired of handgun funerals. In the District of Columbia, which I represent in this Congress, the leading cause of death for males under the age of 40 is firearms. Last year we had a record 295 homicides in our Nation's Capital, 158 of them by handguns.

These people died, as people continue to die every day, because handguns are as accessible as they are deadly. Anyone, from the hardened criminal, to the frightened teenager committing his first crime, can easily obtain a gun, not only here in the District of Columbia, but virtually anywhere in the country. Some have estimated that there are some 200,000 handguns on the streets of the District of Columbia, and I am tired of handgun funerals.

If my remarks thus far have sounded morbid, believe me I have intended it so. I have a deep personal aversion to the private ownership of handguns that I share with the vast majority of American citizens today.

Lest anyone think that handgun deaths are just a problem to me personally or unique to the District of Columbia, let me remind you that every city in the United States has this problem.

Guns are responsible for an average of 69 deaths each day in America. Of the 25,000 gun deaths occurring each year, 12,000 are homicides, 10,000 are suicides, and 3,000 are accidents. One out of every hundred deaths in the United States is caused by a gun. Forty percent of the victims are 19 years old or less. In addition, some 200,000 people are wounded by firearms each year, resulting in paralyzation, sterilization, dismemberment, blindness, deafness, and other disabling effects.

In 1972, 54 percent of all murders committed were carried out by handguns.

Between 1969 and 1974, armed robbery increased 75 percent, and both aggravated assault and gun murder were up 50 percent. Our population did not increase in such vast proportions.

Most murders are committed by previously law-abiding citizens where the killer and victim are acquainted—approximately 25 percent occur within families. These are murders which could well have been prevented by gun control.

The fact is that guns in the home do not prevent lawlessness, violence, and death; they cause it. For every intruder stopped by a homeowner with a gun, there are four accidents in the home. Close to 3,000 accidental deaths are caused by firearms each year. One-fourth of the victims are under 14 years old.

Handguns are involved in a majority of all police killings. During the period of 1967–73, firearms were used by felons to commit 95 percent of the police killings. During this period, 858 law enforcement officers were slain: 613 were killed with handguns, 104 with rifles, 101 with shotguns, the remaining 40 were killed with weapons other than guns.

The three Federal law enforcement officers killed in 1973 were killed by the use of handguns.

It is impossible to measure the full impact of handguns in homicide statistics alone. There are countless rapes, robberies, assaults carried out with handguns. A gun gives the criminal the God-like power of life and death over ordinary citizens. We must get guns out of the hands of criminals, and my legislation will set the framework for doing it.

The shape of our history over the last decade has been distorted by firearms in the hands of paranoid little men. First, John F. Kennedy, then Malcolm X, Martin Luther King, Jr., and Robert Kennedy. All of this tragedy because we, as a nation, are unwilling to see a simple fact: the only purpose of a gun is to kill.

The number of handguns in the United States is estimated as high as 40 million—or about 1 gun for every 5 persons. In recent years there has been a great increase in the number of such weapons. The incredible proliferation of firearms in the United States, however, is not part of a worldwide trend. The total number of gun deaths in all other free nations is exceeded by the number of gun deaths in the United States alone. The following is a list of rates of accidental deaths and homicides by firearms in various countries of the world. The most recent years for which figures are available are represented:

Country	Homicides (per 100,000)	Accidents (per 100,000)
United States, 1971	5.50	1.18
United States, 1968	4.42	
Costa Rica, 1967	1.07	.94
Australia, 1970	.57	.42
Canada, 1963	.52	.80
Italy, 1968	.47	.25
New Zealand, 1969	.32	.32
France, 1969	.30	.24
Germany, Federal Republic of, 1970	.28	.13
Switzerland, 1970	.19	.08
Denmark, 1969	.18	.08
Netherlands, 1970	.08	.02
Scotland, 1970	.08	.10
England and Wales, 1970	.04	.06
Japan, 1968	.02	.04

With proper gun control laws, the gun death rates of the United States could someday favorably compare with those of the rest of the world.

State and local laws cannot be effective in controlling this menace. There is demonstrated need for immediate strong and comprehensive national legislation.

I believe that the type of legislation which I have introduced, H.R. 2313, is a fair and workable way to begin to come to grips with this plague of guns which has swept our land.

The primary provisions of my bill are as follows:

First, it would be unlawful for any person to import, manufacture, sell, buy, transfer, receive, or transport any handgun or handgun ammunition.

Second, exceptions to the overall prohibition would be granted:

For licensed gun clubs which keep possession and control of guns on their premises;

For police and other law enforcement officials;

For professional security guard services licensed under State law;

And for guns that are collectors items.

Third, the penalty for manufacturing, selling, or trading in handguns would be $5,000 or imprisonment of not more than 5 years, or both. The penalty for possession of a handgun would be $2,000 or imprisonment for not more than 2 years, or both.

Fourth, the law would require that handguns be turned in within a 6-month period after the effective date of the act.

Fifth, persons turning in their handguns would receive a tax credit equal to the fair market value of the handgun or $25, whichever is greater. This is an added inducement to turn in guns.

I am not necessarily wed to the tax credit idea. I do feel that this is an easy and useful administrative mechanism for dealing with the "bounty" provision which will be essential to any effective handgun legislation.

It is my fervent hope that as handguns disappear from the national scene, this Nation may approach an era of domestic tranquility which will allow us to implement a system similar to that now existing in many European countries, where even the police do not carry guns except in emergency situations. I believe that this legislation is the only way for us to begin to bring an end to America's longest national nightmare, the nightmare of death and destruction brought on by the use of handguns.

In the time in which I have been speaking with you, approximately 15 crimes have been committed with a gun. Most likely, at least one person has been needlessly killed.

I respectfully urge, plead, with you that the House get on with the task of meeting this nightmare. The country is in danger of becoming one great armed battleground. The time has long since come for us to wipe this stain of armed violence from our land.

How many more deaths will it take before we know that too many people have already died?

H.R. 5450—ASSISTANCE FOR GUAM

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. WON PAT. Mr. Speaker, on June 16, 1975, I testified before the House Subcommittee on Territories, of which I am a member, in support of my bill, H.R. 5450, which authorizes $56 million in Federal loans, loan guarantees, and grants to be used for economic development on Guam. Since I believe that my statement may be of interest to many of my colleagues, I hereby include it in the RECORD at this time:

STATEMENT OF ANTONIO B. WON PAT

Mr. Chairman and my distinguished colleagues. On behalf of the people of Guam, I want to thank you, Mr. Chairman, for scheduling these hearings today. I know how busy you and the other members are with pressing Congressional business and other important matter elsewhere, so I shall endeavor to keep my testimony brief and to the point. The purpose of my bill is to authorize $56 million in federal loans, loan guarantees and grants, subject to an annual cost of living adjustment which is intended to insure that the purchasing power of the funds authorized by the bill remains constant. My intention is to obtain only a one-time authorization of $56 million, and not the annual authorizations of $56 million which are authorized by the bill's present language. At the appropriate time I shall offer a corrective amendment to achieve the desired purpose.

Mr. Chairman, the arrival of several thousand Vietnamese on Guam has demonstrated the inadequacy of the Territory's infrastructure, and in fact placed considerable burden on the already overtaxed public facilities. All basic public facilities on Guam, both civilian and military owned, are all tied into one system. Parenthetically, let me add that we recently experienced a water shortage in some villages near the refugee camps due to the inadequate filtering capability. The supply of water was available, but the pipes and sedimentation and filtering capacity was simply not adequate to handle any increase in population.

I might also add that while school plants can be measured in dollars and cents the lack of these educational facilities in Guam's future is beyond measure. Student enrollment in our schools in the last 10 years has increased a phenomenal 79%, from 15,033 in 1963 to 26,922 in 1972. Annual enrollment is expected to increase at an average of 6% per year over the next decade, requiring educational facilities for approximately 48,200 students by the 1984 school year. An additional burden on our educational system was revealed by Mr. Joseph Crisostomo in his testimony last week at an oversight hearing before the Subcommittee on Elementary, Secondary and Vocational Education. The Guam Department of Education estimates that the per capita cost of educating one child on Guam is $1,750 a year. But Federal impact aid funds only provide Guam with $510.17 for students whose parents live and work on federal property and only $255.08 for students whose parents work but do not reside on federal property. The inadequacy of federal impact aid funding has a very detrimental impact on our public school system, particularly because military dependents comprise 40% of the pupils enrolled in Guam's public schools.

As if our own problems were not sufficient, there is a possibility that school rooms may be needed in unknown quantities for Vietnamese children whose parents either choose to remain on Guam or find themselves living there longer than expected, a distinct possibility indeed.

At the present time, Mr. Chairman, no one seems to have a precise time table when the processing and resettlement of refugees will be completed. It appears certain that substantial numbers of them will be remaining on Guam beyond the original 90 days. Many with family ties on the island, relatives of military dependents and dependents of former military personnel residing on Guam may choose to make Guam their permanent residence. Additionally, Federal immigration law permits a large influx of aliens into the island—people and V–2 visas (businessmen and family), temporary workers and those seeking permanent resident status.

Guam is an American territory and the people are American citizens. I want to make that emphatically clear because still some of our colleagues in Congress are unaware of that fact. Because of Guam's geographic location in the Western Pacific, it has been and continues to be vital to our defense in the Pacific. More so since the demise of South Viet Nam and the diminution of American presence in Southeast Asia. The public declaration of President Marcos and his recent overture to the Peoples Republic of China certainly cast doubt on our ability to maintain a creditable defense posture in that area. Thus the need to maintain adequate military support bases in Guam is not only apparent but imperative. Coupled with the necessity to maintain military capabilities is the need to augment our public facilities, such as water, sewage and school plants to complement and accommodate the impact inevitably associated with a large defense establishment. Our schools, highways, telephone and water facilities are jointly used by civilians and by the military. Hence, our community infrastructures are being burdened by a large amalgamation of users including aliens, military, their dependents and of course the local population.

Mr. Chairman, Guam has also made efforts toward obtaining capital funds from outside the Federal Government. In spite of our valiant attempts to join the Economic Social Commission for Asia and the Pacific (formerly ESCAPE), and the Asian Development Bank, Guam overtures for membership have been thwarted by State Department policy over which we have no control.

My friends, that Guam should come to the Congress for assistance should surprise no one in these trying times. Inflation has taken its ill-gotten toll on all of us and from our constituents. Each of us here today has been forced to reckon with inflation and each of us has heard our own jurisdictions complain bitterly about the burden of making ends meet while costs escalate at a disastrous rate.

The $56 million which we seek from the Congress has been earmarked purely for Guam's most crucial needs, schools, water and sewer treatment facilities. There are no hidden frills; we plan to use this amount just to meet our current and projected needs.

If the money we seek were made available to Guam, it would not only increase our ability to satisfy urgently needed requirements for public services, but would also provide a number of new jobs. Jobs, which are sorely needed on an island whose economy is lagging.

Unless we who are responsible to the people of Guam are willing to allow their standard of living to decline even further, I believe it is our duty to solicit assistance from our only remaining source—the Federal Government. Washington has come to Guam's aid before, of course, after the devastating Typhoon of 1962.

Frankly, the lack of concern Washington has shown for Guam's developmental requirements is frustrating to your fellow Americans in the Pacific. We have always been proud of our loyalty and sacrifices to the United States and our contributions to American defense plans in that part of the globe. But we watched in absolute amazement when foreign aid to other developing areas reached incredible limits. Just consider these figures of AID economic loan/grants in 1973: Korea—$188.5 million; Bangladesh—$161.3 million; Pakistan—$177.9 million; Israel—$110.3 million; Jordan—$70.6 million; Cambodia—$93.1 million; Bolivia—$27.3 million; Colombia—$96.6 million; Taiwan—$1.8 million; Indonesia—$240.6 million; the Philippines—$124 million; Guam—only approximately less than $12 million in direct development areas. I understand the U.S. is also committed to provide economic aid to both North and South Viet Nam.

I mentioned these figures not to belittle American generosity abroad, but to draw attention to the fact taht there are some Americans who wish that kind of largess could be spread around here at home.

The other witnesses who will follow me will provide you with the details and further justification of our need and I hope that our testimony will enlighten and convince you of the urgency of our request for assistance.

Thank you for listening and I will be pleased to answer any questions you wish to ask.

UNITED STATES–CANADA TREATY OBLIGATIONS CALL FOR DEFERMENT OF GARRISON DIVERSION PROJECT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. FRASER. Mr. Speaker, when the House considers the public works appropriations bill this week, H.R. 8122, I will offer an amendment to delete funds for construction and land acquisition for the Garrison Diversion project in North Dakota.

In addition to potentially harmful effects on rivers and wetlands in North Dakota and Minnesota, the project would have an adverse impact on the water quality of the Souris River flowing into Canada.

Under article IV of the Boundary Waters Treaty of 1909, the United States and Canada agreed that neither country would pollute "boundary waters and waters flowing across the boundary," so as to injure the other.

In July 1972, the United States and Canada reaffirmed their adherence to Principle 21 of the UN Declaration on Human Environment that States are responsible for assuring that "activities within their jurisdiction or control" do not harm "the environment of other States or of areas beyond national jurisdiction."

I include in the RECORD at this point a State Department letter and a Canadian Government note of October 23, 1973. I also include a news article from the December 5, 1973, North Dakota Morning Pioneer, describing unanimous passage of a Canadian House of Commons resolution asking for a moratorium on further construction of the Garrison Diversion project until an agreement could be reached protecting Canadian rights and interests under the 1909 Boundary Waters Treaty.

The official correspondence and news article follow:

DEPARTMENT OF STATE,
Washington, D.C., November 5, 1973.

Hon. ROGERS C. B. MORTON,
Secretary of Interior.

DEAR ROG: The Canadian Embassy has delivered to the Department of State its enclosed Note, No. 432, dated October 23, 1973. This Note reiterates Canada's strong and consistent objection to any further development of the Garrison Diversion Unit in North Dakota which could result in degradation of waters flowing into Canada. This Note goes beyond Canada's prior expressions on the subject, and urgently requests that the United States Government establish "a moratorium on all further construction of the Garrison Diversion Unit until such time as the United States and Canadian Governments can reach an understanding that Canadian rights and interests have been fully protected in accordance with the provisions of the Boundary Waters Treaty" between the United States and Canada.

Canada's position is consistent with that which the Department of State has taken in its communications and discussions of the Garrison project with the Bureau of Reclamation. We think that the obligation of the United States under the 1909 Boundary Waters Treaty should be very carefully weighed before further funds are expended on this project. The documentation delivered by Canada in support of its Note suggests that continuation of the Souris section of the project could result in pollution of waters crossing the boundary "to the injury of health and property" in Canada in contravention of our obligation under Article IV of the Boundary Waters Treaty.

I am aware that the Garrison Division Unit is a very large project and that substantial expenditures have already been made in connection with its construction. In view of Canada's protest, however, and the potential harm of continuation of the Souris portion of the project to our relations with Canada, we must give serious consideration to the Canadian request and to the circumstances and concerns which underlie it. To resolve this matter, I would like to suggest that officials of our departments meet, along with other interested U.S. agencies, as soon as possible in order to determine what action should be taken in response to the Canadian Note.

Sincerely,

KENNETH RUSH,
Acting Secretary.

NOTE No. 432

The Canadian Embassy presents its compliments to the Department of State and has the honour to refer its Notes No. 313 of October 19, 1971 and No. 35 of January 25, 1973, concerning the effect on water quality in the Souris River of the proposed Garrison Diversion Project in the State of North Dakota.

The Embassy reaffirms that the Government of Canada continues to be gravely concerned that return flows from the irrigation of land in the Souris Loop and areas adjacent to tributaries of the Red River will significantly and seriously degrade water quality in these two Rivers. The Government of Canada has concluded that based on studies conducted in both countries the proposal would run counter to the obligations assumed by the United States under Article IV of the Boundary Waters Treaty of 1909 that:

". . . waters herein defined as boundary waters and waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other."

Studies have been undertaken in Canada that indicate that communities, such as Souris and Portage la Prairie, would be required either to seek alternative sources of water supply or undertake additional treatment of present water supplies drawn from the Souris and Assiniboine Rivers. The attachments to this Note contain more detailed explanations of the injury to property resulting from transboundary pollution likely to be incurred by these two Canadian municipalities. The Department of State will understand that the property damage values listed are indicative and minimum values and do not represent other injury to health or property that might be incurred. Such other injury by way of example would include: the unsuitability of the Souris return flows for irrigation purposes, and for various industrial uses including food processing; and adverse effects that may accrue to other downstream interests on both rivers from the boundary to Lake Winnipeg. In short, options available to Canada for the use of the flows of these Rivers will be severely limited by the Garrison Diversion.

The Government of Canada is also mindful that on July 13, 1972 the Canadian Minister of Environment and the Chairman of the United States President's Council on Environmental Quality jointly reaffirmed their support for Principle 21 of the Declaration on Human Environment that:

"States have, in accordance with the charter of the United Nations and the principles of international law, responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or of areas beyond national jurisdiction."

The Department of State will recall that the group of Canadian and U.S. officials which was to consider alternatives to the present plans for the Garrison Diversion so as to protect Canadian interests, has met only once. No agreement could be reached as to the terms of reference for the group and thus no progress has been achieved through this mechanism.

The Government of Canada is confident the United States Government will recognize the need to avoid degradation of the water of the Souris River passing into Canada. Accordingly, the Government of Canada requests urgently that the Government of the United States establish a moratorium on all further construction of the Garrison Diversion Unit until such time as the United States and Canadian Governments can reach an understanding that Canadian rights and interests have been fully protected in accordance with the provisions of the Boundary Water Treaty.

The Government of Canada looks forward to an early reply to this request. Further, the Government of Canada suggests that senior officials from both sides representing all interests meet quickly, following the establishment of a moratorium, to reach the understanding described above.

The Canadian Embassy avails itself of this opportunity to renew to the Department of State the assurances of its highest considerations.

Washington, D.C., October 23, 1973.

[From the Mandan (S.D.) Morning Pioneer, Dec. 5, 1973]

COMMONS ASK DIVERSION HALT

(By Mike Jacobs)

The Canadian House of Commons has unanimously passed a resolution seeking a moratorium on "all further construction of the Garrison Diversion Unit."

The motion "backs up" a diplomatic note delivered to the U.S. State Department by the Canadian government asking the moratorium according to Bill Knight who sponsored the motion.

Knight is a Member of Parliament for Assiniboia in southeastern Saskatchewan.

He described unanimous passage of the resolution as "very unusual" and said odds against it were "100 to 1."

Passage come on a "standing order 43," a parliamentary maneuver requiring consent of every member in Canada's usually partisan House of Commons.

Knight is a member of the New Democratic Party but he said his action come "as an independent member of Parliament."

"My main reason for supporting the motion was the effect the Diversion Project would have on the Souris and the Red River," Knight said.

"I hope the two countries can come to mutual agreements on the issue," he said. "That means we should have a moratorium at least for the time being."

The U.S. Department of Interior announced last week that construction on the project would be limited to the McClusky Canal, the unit's major supply works.

Knight said he felt a complete moratorium on construction should continue until "We are assured that Canadian rights and interests have been fullly protected under the Boundary Waters Treaty."

That treaty, cited by Canadian diplomats in their note, prohibits the pollution of any stream or lake in one country to the injury of health or property in the other.

"Relationships between our two countries affect my area," Knight said.

Knight represents an area adjoining the North Dakota border and including the Saskatchewan cities of Weyburn and Assiniboia. The district begins seven miles west of Estevan and reaches within two miles of Regina, Saskatchewan's capital.

The Souris River runs through the district before it enters the United States.

Knight said he had not been approached by any American politician or group to introduce the motion, but he expressed admiration for U.S. Rep. Charles Vanik, an Ohio Democrat who has been critical of the project in the U.S. House of Representatives. Vanik is from Cleveland.

NATIONAL SCIENCE POLICY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. TEAGUE. Mr. Speaker, today the Science and Technology Committee completed hearings on H.R. 4461 and its companion bills that deal with the United States approach to an effective science policy. Our committee was, prior to the hearings, in conference with Vice President Nelson Rockefeller concerning the administration's view of the proposed legislation.

Mr. Rockefeller, both as Governor of New York and as Vice President, has had a strong and perceptive interest in science and technology and a gift for mobilizing it to the benefit of the public. He made a brief presentation to the committee and fielded many questions put to him by members of the committee.

I would like, at this time to insert his remarks in the Record.

The Vice President's remarks follow:

Remarks of the Vice President Before the House Science and Technology Committee

I want to thank your distinguished Chairman, Congressman Teague, for inviting me to present the Administration's position on the vital subject of scientific and technological expertise in the White House.

Today's meeting is the latest evidence of the outstanding initiative and leadership Congressman Teague has provided in this most important area.

Through his Chairmanship and long membership on the Committee on Science and Technology, Congressman Teague has played a crucial role in the formulation of policies and programs which have sustained America's edge in the sciences and in technology.

I also want to express by admiration for the leading role played on the Committee by your ranking minority member, Congressman Mosher.

And to all the members, I would like to express my opinion that you could not be serving on a committee with greater impact on America's future.

The progress that this country achieves in the months and years ahead will be influenced in no small measure by the work accomplished by this Committee.

America's preeminence in science and technology has long been the key to our strength as a nation and our unsurpassed standard of living as a people.

Through American technology, pure science is converted into industrial growth, a strong defense, better health care, agricultural plenty and expanding opportunity for our people.

As a society, we are dedicated to freedom, equality and justice.

But achievement of these goals depends, in turn, on a society that continues to offer expanding opportunity to all its people.

And providing this opportunity requires that we continue to progress, scientifically and technologically.

I am aware that in some quarters the concept of growth is being questioned today.

But in a naiton where so many are rightfully striving to better their lot, for themselves and their families, this no-growth outlook amounts to someone saying, "You can pull up the ladder, now. I'm on board".

This is not the American way. Ours is the land of opportunity.

Throughout our history, whether we look to the cotton gin, the telephone, the internal combustion engine, or the laser beam; we have applied science to the solution of practical problems, to a degree that has made America the strongest and freest nation, while serving the needs of all mankind.

The case for our technical and scientific leadership has surely not abated.

It has grown stronger with the increasing complexity and interdependency of the world in which we live.

A brief look at the problems we face tells us that scientific and technological progress is indispensable.

Energy, the environment, food production, defense developments and disarmament agreements—just to name a few—all have a scientific dimension.

We cannot turn away from these challenges.

We must apply our science to their solution in the construction of a better nation and a better world.

And the perpetuation of our scientific leadership must involve the highest level of government policy-making.

The President of the United States must have direct access to the best scientific knowledge and guidance available in this country.

I am delighted with this opportunity to meet with you today to discuss the establishment, by act of Congress, of an Office of Science and Technology Policy in the Executive Office of the President.

Here is a need which we can all agree ought to be met.

Here is an action on which we can be united, whatever our party, whatever branch of government we serve.

We must maintain America's preeminent place in science and technology.

And the creation of an Office of Science and Technology Policy will help the President to keep America first in science.

As you well know, the concept of direct high-level, independent scientific counsel for the President is not new.

This function has been enormously helpful to past Administrations and, in turn, beneficial to the nation.

In 1951, President Truman initiated a Scientific Advisory Committee in the Office of Defense Mobilization which met with the President, from time to time, even though the Office was part of the Department of Defense.

When Sputnik went into orbit in 1957, it became clear that a source of scientific advice was needed directly by the nation's Chief Executive.

President Eisenhower, therefore, transferred the function into the White House, greatly expanded its role and established a Science Adviser to the President.

In 1961, in reorganizing the Executive Branch, President Kennedy created an Office of Science and Technology, under a science adviser, served by a fairly large staff.

Throughout much of the 1960's, the Office of Science and Technology played a vital role in the White House, particularly in the development of space and military policies.

Then, during the late Sixties, a good deal of national attention shifted to social and economic policy-making.

The role expected of an Office of Science and Technology became less clear and the involvement of the Office in White House policy formation declined.

In July of 1973, President Nixon abolished the role of Science Adviser, the OST and the President's Science Advisory Committee.

These functions were transferred to other agencies.

Removal of the science advisory function from the White House was strongly opposed by the scientific community.

Since then, there has been a substantial effort, both by the scientific community and those who recognize the indispensability of science to sound policy planning, to get a science role reestablished in the White House.

The National Academy of Sciences vigorously recommended the creation of a Council on Science and Technology in the President's Office in its report of June 1974.

In December of 1974, the President asked me to examine whether a science advisory organization in the White House would strengthen the Presidential Staff mechanism.

After several months of study, I recommended creation of an Office of Science and Technology Policy.

The President approved the recommendation and has proposed appropriate legislation.

I would now like to review for you the principal elements of the Administration's proposal.

II. FUNCTION AND ORGANIZATION OF THE NEW OFFICE

The proposed legislation would create in the Executive Office of the President an Office of Science and Technology Policy headed by a Director at Executive Level II and a Deputy Director at Executive Level IV.

The Director would be the President's chief policy adviser with respect to scientific and technical matters and would advise the President with respect to.

A. The scientific and technological aspects of major national policies, programs and issues;

B. The adequacy and effectiveness of Federal scientific and technological policies, programs, and plans for meeting national goals;

C. The utilization of new ideas and discoveries in science and technology in addressing important national problems;

D. The coordination of scientific and technical activities of the Federal government;

E. And such other matters as the President may direct.

In performing his duties, the Director will work closely with and advise the senior staff in the White House and Executive Office of the President.

The Director will be involved in the review of military as well as civilian scientific and technical programs and work closely with the National Security Council, the Domestic Council and the Office of Management and Budget.

III. RESOURCES FOR THE NEW OFFICE

The Director and Deputy Director would be assisted by a staff of up to 15 professionals.

The President intends to request appropriations of up to $1.5 million for support of the organization during its first year.

In addition, the Director of the Office is expected to draw upon the extensive resources available in:

A. the academic, industrial and private research community to obtain expert advice, on an ad hoc basis, on scientific and technological matters of national concern;

B. and in Federal departments and agencies.

The Director would also assume chairmanship of the interagency Federal Council for Science and Technology.

I thank Chairman Teague and all the members for this opportunity to discuss with you a vital issue that bears directly on the future progress of this nation and our hopes for fulfilling the rightful aspirations of our people.

PAYROLL DEDUCTION FOR CONGRESSIONAL EMPLOYEES

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mrs. SPELLMAN. Mr. Speaker, I would like to express my support for H.R. 7405, recently passed by the House, allowing House and Senate employees to have money deducted from their paychecks, and deposited to their accounts in qualified financial institutions. It was in 1968 that the Congress first passed legislation allowing Federal employees to make use of credit unions. At that time, House of Representative and Senate employees were excluded. For the past 7 years, our congressional employees have been unable to have deductions taken from their pay. Now, through this legislation which imposes no burden on the taxpayers of our Nation, Federal employees will be able to have regular deductions taken from their pay by credit unions or similar financial corporations.

I am most pleased to have been able to vote to have this privilege accorded to our employees, without whose dedicated and unselfish efforts we would be unable to perform our duties. This measure will also contribute, if only in a small way, to a more healthy economic situation by promoting wiser and more thrifty monetary vales and habits.

Any bill which, like this one, assists our employees without imposing a burden on the electorate, certainly deserves my support.

REMARKS OF HON. JERRY VOORHIS—ENERGY SUPPLY

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. ROYBAL. Mr. Speaker, the following remarks are excerpted from testimony prepared by our former colleague, the Honorable Jerry Voorhis, at the request of the Joint Economic Committee. Mr. Voorhis addresses himself to the need for an alternative energy supply and the problem of energy development as expressed in H.R. 4971:

Almost all the emphasis of the Administration's proposals for solving the energy problem has been on a most rapid using up of the supply of fossil fuels—coal and oil—together with the fantastic proposal for hundreds of fast-breeder nuclear reactors.

There is a far, far better way. It may take a few years longer. But its results would save the Earth as a home for man and would have additional incalculable benefits. This better way is a crash program for the development of clean, non-polluting energy sources. First and foremost should come full development of hydroelectric power. Here is a proven source whose benefits have been almost incalculable. Yet it has been almost completely neglected in the past several years. Exactly what its remaining potential is may not be known. Certainly it is that if all feasible sites were exploited, a very considerable dent could be made in the nation's energy needs. And falling water is an inexhaustible resource.

As for power from the mighty ocean tides, we have done nothing. But France has a highly successful project that harnesses tidal power. Why not copy it?

We do know that geothermal power can practically be developed, for this has been done in one or two places in our own country and also just across the California border in Mexico. The trouble here is that many of the best potential sites have been leased to oil companies which are almost the last people who will make an honest effort to develop them.

Anyone who has lived on the Great Plains can testify to the mighty power of wind. And competent scientists have estimated that as much as half the power needs of west-central America could be supplied from the winds if their power were harnessed. Windmills have been producing power for a good many centuries—always in a primitive manner. Surely modern technology could make some vast improvements on their efficiency.

The point is that we have not really begun to try to develop energy from clean inexhaustible resources. And that there could be no better way to revive the economy than to mount a massive drive so to do.

The way in which the energy crisis is resolved will decide two ultimate questions. The first is whether major nuclear wars over dwindling resources of fossil fuels and uranium supplies will or will not sooner or later become inevitable. The second is whether the Earth is to be a safe home for life, including human life.

If reliance is placed on fossil fuels, not only will the cost of energy skyrocket to untold levels, but in the course of the foreseeabe future, there will loom the distinct possibility of actual war over access to dwindling supplies.

If we depend on proliferation of nuclear power plants, there is, in addition to those already mentioned, another danger. The supply of uranium is decidedly limited and the time will come when international conflict will almost certainly arise over control of uranium supplies.

On the other hand, there have been bestowed upon mankind by our Creator, sources of energy which are limitless, completely non-polluting, and which await only the application of the best of available technology for their development.

To fail to develop these sources will be the most unforgivable act of neglect in the long history of man.

The mother source of all the energy of the Earth of every kind is the sun.

It is to be borne in mind that scientists employed by the Atomic Energy Commission itself prepared a report which stated that if sufficient resources were devoted to the project, 30 percent of the nation's energy needs could be supplied by solar energy within five years.

That report was suppressed by the Atomic Energy Commission and the Nixon Administration.

Why? Did oil money "talk"?

The sun provides the Earth with energy each day that is so far in excess of any other source as to defy comparison. Furthermore, the sun spreads its light and heat upon all nations and all regions and—significantly—most of all upon the most impoverished parts of the world. No nation could possibly monopolize solar energy for this reason. Wars could never be caused by an attempt of any power or powers to control it. Its price could never be rigged by any monopolist or group of monopolists.

It is not too religious an emphasis to speculate that this—the energy of the sun—is the source the Creator intended to be man's principal reliance.

The Bulletin of the Atomic Scientists for November 1974 reproduces a cartoon from the Chicago Sun-Times. It shows the sun shining down on three distressed human figures. One is feverishly digging coal, another plunging for oil, a third tinkering with a nuclear reactor. The sun is saying "Look up, you fools."

This witness is no scientist. But I have studied enough of scientific treatises and findings to be convinced that if a crash program comparable to the Manhattan project, which developed the atomic bomb, were launched to develop solar energy, it could become a major source of energy for the nation within a few years time.

Congress has enacted excellent preliminary legislation aimed at bringing about such a result. But a crash program of the magnitude which the needs of the time demand we do not yet have.

It should be the number one priority.

Were such a project undertaken, it should be regarded as an investment of the government—not as outright expense. For it should not be entrusted to any of the agencies—such as major oil companies or utilities which have fought development of every alternative source of energy all their lives. Such a grand-scale attempt to save the Earth for mankind MUST be an undertaking of the United States government, and all benefits from the development of solar energy MUST be preserved for all the people through ownership of all rights, properties, patents, and the like by the government of our country.

The question that must long since have arisen is of course, "How could such a massive program be paid for"? But a more pertinent question would be "How badly do we want to save the Earth and solve the energy problem and break the back of the recession"?

For the money can be had if there is the will on the part of Congress to get it.

For example:

1. The military budget could be reduced by at least $15 or $20 billion without harming national security one bit. There is that much waste in excess profits of military contractors, careless contracting by procurement offices, and the development of fantastic "overkill" weaponry that only escalates the arms race and renders our nation even less secure than it was before.
2. The oil companies could be required to pay their just share of taxes. This should yield from $2 to $3 billion of added revenue.
3. If unearned income—capital gains for example—were taxed at the same rates as earned income, there would be some $5.6 billion of added revenue.
4. If capital gains passed on at death were taxed—as they now are not at all—there could be another $4 or $5 billion added to government revenue.
5. If we just quit dishing out arms to foreign dictators to enable them to continue to oppress their people, we could have some $2 or $3 billion for the crash program here proposed.

We have talked and talked about "tax reform" and "tax justice". It is time we did some of it. And if Congress were to pass even some of the most needed reforms and require the rich and the corporations to pay their share of taxes, the spirit of the heavily-burdened middle-income Americans would be a very different and far more hopeful one than it now is.

Especially if the unemployed among them went to work at developing clean sources of energy and a national transportation system for the nation.

The choice can still be made between development of solar, hydro, and other clean inexhaustible sources or exposing humanity to a proliferation of plutonium producing nuclear reactors.

That choice is being made now.

If the choice is for development of clean energy primarily from the sun, then mankind can look forward—if at a temporarily lowered material living standard—to a future of a safe and unpolluted Earth, an era of peace, and a freedom from lethal poisoning.

If the choice is for plutonium producing nuclear power, tehn our generation will have condemned our children to a life of certain international conflict and ever-increasing danger of a permanently poisoned Earth.

Such a choice would brand our generation as guilty of the greatest crime against God's creation ever committed at any age or time."

TRIBUTE TO ANDREW "RED" SIMKO

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. HELSTOSKI. Mr. Speaker, one of New Jersey's outstanding citizens, Mr.

Andrew "Red" Simko, of Garfield, was honored recently at a plaque unveiling and dedication commemorating the countless contributions he has made to the citizens of his community.

For years, Mr. Simko has been a leading supporter of youth activities in Garfield and has helped many young people grow up to be outstanding citizens and community leaders. He has served as water boy, scorekeeper, ticket seller, referee, umpire, field custodian, manager, and announcer for the sports teams of Garfield High School, all without compensation.

His activities, however, extend beyond the sports arena. Mr. Simko has played an important role in many civic activities and causes and has been particularly instrumental in the success of the Garfield Day Nursery, Camp Garfield, and the Garfield Golden Age Club.

Mr. Speaker, to provide my colleagues with further insight into the life of "Red" Simko, I would like to take this opportunity to share with them an article which appeared recently in the Garfield Messenger. The article follows:

ANDREW "RED" SIMKO RECEIVES TRIBUTE FROM CITY OF CHAMPIONS

They called him a Man of All Seasons, a Christian Gentleman, an unsung hero, a decent, hardworking individual. Mr. Andrew "Red" Simko was so honored at a plaque unveiling and dedication at the Garfield Library June 1, followed by a testimonial dinner-dance at the Cotillion.

The Garfield Cadets saluted Simko with a concert before the ceremonies at the Library, which was attended by many dignitaries and citizens of Garfield. The governing body and the people of Garfield joined together to name the day "Red" Simko Day in Garfield.

Master of ceremonies at the Library was Rev. George D. Pivan, from Holy Trinity Church. The invocation was given by Rev. Vincent Garoffalo of Our Lady of Sorrows R.C. Church.

Mayor John Wisniewski presented Simko with a Certificate of Appreciation from the people of Garfield and officially proclaimed that day in his honor. The mayor said, "We must all recognize the outstanding service Mr. Simko has done for the people in the city."

Sheriff Joseph Job and Augie Lio, sports editor of the Herald-News, were guest speakers and praised Simko as a great source of inspiration for the youth throughout the country. They spoke of his pride in athletics and sports and commended his endeavers throughout the years to make Garfield, a City of Champions. They called him a guiding light to the youngsters he helped in his lifetime, who grew up to be responsible citizens of the community.

The unveiling of the sculptured plaque was handled by the Garfield Golden Agers, Miss Josephine De Nigris and Joseph Galimi. The plaque, designed by Patrick Ficarra, had these words written under the aluminized profile of Red Simko: "In grateful recognition and sincere appreciation for his tireless devotion and unselfish service to all the citizens of Garfield, regardless of race, color or creed."

Mr. Simko accepted the plaque with glowing words. He said, "I should be the one honoring you the people and the community. Your help and fellowship during my career was enough. This tribute to me today makes me the most fortunate person alive. God bless you all."

The ceremonies at the Library were then followed by a dinner-dance at the Cotillion with more than 40 people present to honor Simko. Mr. Arthur Argauer, retired director of athletics, introduced the toastmaster, Joseph Smith, who is a past president of the Garfield Board of Education. The invocation was given by Red's brother, John Simko. Commander Vincent Szatynski, commander of the American Legion Post, led the Pledge To Allegiance.

Mr. Charles Duess gave a complete biography of Red. He recalled when Red was a water boy, scorekeeper, ticket seller, referee-umpire, field custodian, manager, announcer for the sports teams of Garfield High School, all without compensation. He talked about Red's career in the Air Force where he served as a flight engineer and flew 51 combat missions and 18 cargo missions over Italy during World War II.

He mentioned that Red was one of the founders of the Garfield Day Nursery, Camp Garfield, superintendent of recreation in Garfield, founder of the Golden Age Club in the city, leader in many civic activities and friend of the youth and senior citizens for many years. He belonged to Fire Co. No. 2, and all the veterans' clubs in the city.

Mr. Joseph Lovas, sports editor of the Bergen Record also was guest speaker as was Walter Fabrici, member of the Garfield Board of Education.

Presentations to Simko began with a scrapbook of his career presented to him by the president of the Garfield Woman's Club, Ceil Kropinack. The scrapbook had news clippings, a letter from President Gerald Ford, and many other mementos of Simko's long career.

The Garfield Rotary Club presented him with a plaque called the Andrew "Red" Simko Perpetual Achievement Award. This plaque had the names of all those whom the Rotary has honored over the past years. Added to the plaque that evening was the name of Mrs. Joseph Elekes who was also given a plaque. Mrs. Elekes' plaque stated, "Presented to Mrs. Joseph Elekes whose efforts and deeds have helped to make Garfield a fine community."

The Garfield Unico, the Ambulance Corps, the Garfield Boys' Club, the Kiwanis, the Fire Department Co. No. 2 and various other civic groups presented Simko with awards and plaques. Assemblyman Richard Visotcky read a resolution from the New Jersey State Assembly naming Red Simko as an outstanding citizen.

Mr. Simko was then presented with a color television set by the Rotarians and a $100 check from the Garfield Messenger made out to the Garfield Library in honor of Simko.

Andrew "Red" Simko then received a standing ovation from the 400 persons present. Mr. Simko, visibly moved, then thanked everyone for all the honors shown to him on his day. He stated, "With deep humility I stand here before you and thank you for everything said and done here today. I always tried to fulfill by obligations to the best of my ability to the people of Garfield." He then went on to thank a long list of friends who helped him over the years.

Closing remarks were made by Walter Fabrici, who thanked the members of the committee who helped make the Red Simko day a success. Fabrici stated "He hoped that the plaque designed by Pat Ficarra would find a perpetual home at the library for all to see."

Members of the committee were Arthur Argauer, John Ciano, Josephine De Nigris, Charles Deuss, Helen Elekes, Walter Fabrici, Pat Ficarra, John Glover, Rev. Gordon Jewett, chairman, Rev. Walter Louth, Verona Murphy, Rev. George Pivan, Arthur Ringele, Vincent Szatynski, Dorothy Veleber and Louis Wiedling.

The Messenger salutes this fine man and truly he is a Champion in the City of Garfield.

MINNESOTA AND THE GARRISON PROJECT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. FRASER. Mr. Speaker, on June 24 I will offer an amendment to the Public Works appropriations bill, H.R. 8122 to defer funding for construction and land acquisition for the Garrison diversion project in North Dakota.

The State of Minnesota has announced their intention to seek an injunction against further construction of the project because of potential adverse impacts upon the Red River which forms the boundary between North Dakota and Minnesota.

I include in the RECORD at this point correspondence from Grant Merritt, executive director of the Minnesota Pollution Control Agency which outlines the agency's concern over the implications on water use and water quality degradation over large portions of northwestern Minnesota. I also include an editorial from the April 21, 1975, Minneapolis Tribune supportive of the MPCA's decision to file suit against the Bureau of Reclamation diversion project.

The correspondence and editorial follow:

MINNESOTA POLLUTION
CONTROL AGENCY,
June 19, 1975.

Hon. DONALD M. FRASER,
Longworth House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE FRASER: As you know, the Minnesota Pollution Control Agency has authorized legal action against the U.S. Bureau of Reclamation to prevent what we regard as being potentially severe impacts on Minnesota's environment resulting from construction and operation of the Garrison Diversion Unit of the Pick-Sloan Missouri River Basin Project in North Dakota. Among other things, we are deeply concerned over the implications on water use and water quality degradation over large portions of northwestern Minnesota. These concerns are reflected in the pages attached. In reading through the attached, I think you will agree that the Garrison Diversion Unit is being constructed contrary to Federal law with impacts on the environment not adequately determined.

In view of this, the Minnesota Pollution Control Agency strongly recommends that you support an amendment to the current funding bill before the House Appropriations Committee which would halt further funding of this project. Such action would be consistent with the National Environmental Policy Act of 1969 and the Minnesota Pollution Control Agency's paramount concern for the protection of our air, water, land and other natural resources. The strong objections to the Garrison Diversion Project voiced by International, Federal and State governmental units as well as a host of public citizens represented by environmental groups indicate the necessity for effective and immediate action.

Your assistance in this matter is deeply appreciated.

Sincerely,

GRANT J. MERRITT,
Executive Director.

Minnesota Pollution Control Agency's Concerns With the Garrison Diversion Unit, Pick-Sloan Missouri River Basin Program

1. Violation of NEPA; post construction identification of environmental impacts. The Minnesota Pollution Control Agency has requested specific information from the Bureau pertaining to potential impacts which the Garrison Diversion Unit will have on the Red River in Minnosota. These requests have been pursuant to Minnesota law governing the control and abatement of pollution. The Bureau has not responded with specific information, only general assurances. The Agency cannot properly determine whether the Garrison Diversion Unit will or will not violate Minnesota law. Project construction continues even though environmental impacts have not been adequately identified as required by NEPA. This blatant violation of Federal law alone justifies a moratorium on further funding for this project.

2. Violation of NEPA; segmentation of environmental impacts. The Final Environmental Statement of the Bureau covers only the principal supply works and does not cover environmental impacts of the entire project. The Bureau has indicated that three supplemental environmental impact statements will be prepared and cover three geographical subdivisions of the Garrison Diversion Unit. The first of these was to be available January 1, 1975, however, is not out to date. Segmentation of environmental impacts is contrary to NEPA. All too often, environmental impacts of massive projects are segmented. The segmented impacts are then weighed against economic benefits of the entire project. I am doubtful that an adequate and overall EIS for this project will ever be prepared. This violates the fundamental intent of NEPA.

3. Freedom of Information Act violations. The Agency is presently considering legal action against the Bureau for violations of the Freedom of Information Act. On May 16, 1974 a Bureau official openly admitted to me that they purposely withheld public information from the Agency and general public. In that instance, the Bureau intentionally withheld public information for the purpose of allowing Canadian interests the opportunity for initial review. Recent newspaper publicity of this project indicated that the Bureau has actively prevented local interests from receiving pertinent information regarding impacts and alternatives. This action by the Bureau is intolerable and demans close Congressional scrutiny.

4. Indirect and direct impacts on Minnesota's water resources. Reports by the Bureau predict that the total annual salinity load will double and the total annual nutrient load will increase by 50 percent over historic averages in the Souris River of North Dakota from the Garrison Diversion Unit. Our best information indicates that the Red River of Minnesota may similarly contain excessive amounts of salinity, nutrients and other water pollutants. These concerns have been expressed at length in recent documents produced by Environment Canada and the Institute of Ecology. (*Some Effects of the Garrison Diversion Unit on the Souris River in Canada,* November, 1974, Environment Canada; *A Scientific and Policy Review of the Final Environmental Statement for the Initial Stage, Garrison Diversion Unit,* January, 1975, Institute of Ecology). The following is the Canadians' summary of water quality impacts from their November, 1974 document:

"The proposed Garrison Diversion Unit as proposed would result in an increase in dissolved solids reflected in the main by magnesium sulphate and calcium sulphate in the Souris River, the Assiniboine River and the Red River. The effect would be most pronounced during periods of low flow. The result would be increased water processing costs in order to produce water of acceptable quality for domestic and industrial use. Where processes would be inadequate for the task municipalities and industries would face less than satisfactory finished water.

There would be an expected increase in nitrate nitrogen in the whole system—the Souris, Assiniboine and the Red Rivers and in Lake Winnipeg. The result would be additional algae growth, with attendant water conditioning problems, restricted recreational opportunities and potential harm to fish.

At a time when efforts and plans are being directed towards a halt of the eutrophication tendency and hopefully a reduction of this tendency, the added nitrate burden looms significantly. It is already difficult to realize water of acceptable quality in this system of Manitoba waterways."

I feel that there is a high probability that the Garrison Diversion Unit will cause violations of the 1909 International Treaty between Canada and the United States. The Treaty states (Article IV):

". . . It is further agreed that the waters herein defined as boundary waters and waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other."

If violations of the Treaty occur, remedies could include an expensive desalinization plant near Breckenridge or diversion of water from the Rainy River to dilute pollutants in the Red River before they reach the Canadian border. A plan to divert water from the Rainy River has been discussed by the Bureau and appears in the Souris-Red-Rainy River Basins Comprehensive Study of 1972 (Appendix F, Chapter 5). The Comprehensive Study states:

"A complex system (Figure F–8) of major canals and regulating structures would be required to divert water from Rainy River to provide the principal water supply. In addition, a comprehensive system of storage and diversion works to control local natural flow in the Red River Valley or irrigation return flows in central North Dakota should be an integral part of any such long-range irrigation plan. The engineering plan presents one method for utilizing the Rainy River water source for large-scale irrigation of the Red River Basin lands in Minnesota and North Dakota."

Minnesota's water resources should not be exploited to counteract adverse impacts which the Garrison Diversion Unit will have on the Red River in Minnesota. Direct and indirect impacts which this project will have on Minnesota must be addressed adequately before any further funding is authorized by Congress. Minnesota cannot afford to let this project proceed beyond the economic point of no return. Each day of continued construction dangerously tilts the economic scale more in the favor of this project's completion.

5. Conflicts with the Souris-Red-Rainy River Basins Comprehensive Study of 1973. The Souris-Red-Rainy River Basins Comprehensive Study of 1972 (Appendix F, Chapter 1) also states the following regarding the Garrison Diversion Unit:

"Although the plan of study for the Souris-Red-Rainy Region expressly prohibits consideration of interbasin water transfers an exception was made in the case of the importation of Missouri River water to the Souris and Red River Basins. This exception was made because Congress has approved the over-all Garrison Diversion Unit plan for development (1,007,000 acres) which include interbasin transfer of Missouri River water to develop about 770,000 acres in the Souris and Red River Basins."

The Bureau's Garrison Diversion Unit is in direct conflict with wise water management plans. The impacts of interbasin transfers of Missouri River water to the Souris and Red Rivers as well as Lake Winnipeg have not been adequately addressed to date. It is doubtful that Congress was aware of this conflict when previous funding was requested for this project. Lake Winnipeg should not become a repository for pollution resulting from the Garrison Diversion Unit.

6. Denial of Agency participation in negotiations important to Minneapolis. As you know, I have repeatedly requested that Minnesota be represented in negotiations conducted by the U.S. Department of State with representatives of the Canadian government. I have deeply appreciated efforts of the Minnesota Congressional Delegation to secure Minnesota a voice in these important discussions. The Minnesota Pollution Control Agency must have a voice in those decisions which pertain to the Garrison Diversion and greatly influence the future quality of Minnesota's environment.

Grant J. Merritt,
Executive Director.

[From the Minneapolis Tribune, April 21, 1975]

Minnesota and the Garrison Project

For over a year the Minnesota Pollution Control Agency has unsuccessfully sought information from the U.S. Bureau of Reclamation about the impact of North Dakota's Garrison Diversion project on the water quality of the Red River. The MPCA fears that chemicals, salts and pesticides discharged from the project could add new dangers to a river about which the MPCA already is concerned.

The MPCA has also sought to participate in U.S. talks with Canada on the Garrison project's impact on the Red River, which not only constitutes the boundary between Minnesota and North Dakota, but also flows into Canada. The MPCA has also been rebuffed on this count, so last Tuesday its citizen's board authorized it to sue the federal government in an attempt to delay further work on the project.

The Garrison project, when completed, would divert waters from the Missouri River through a system of canals and reservoirs to irrigate 250,000 acres of North Dakota farmland and provide new sources of water for the state's towns and industries. In recent years, however, the project has become controversial because of its potentially damaging impact on the land and waterways of the region.

Calls for delay have been made by a wide variety of groups, including the president's council on Environmental Quality, the chairman of a House conservation subcommittee and environmental groups in North Dakota and Canada. Now MPCA has swelled the chorus. Despite all this, the Bureau of Reclamation—an agency of the U.S. Interior Department—continues to push ahead with the project, on which a great deal of money (possibly as much as $400 million) will be spent.

"As more and more money is expended and more and more of the project completed," said U.S. Rep. William Moorhead of Pennsylvania last month, "it will become increasingly difficult from a political point of view in the United States to halt the project if the International Joint Commission finds that no viable alternative exists, or if eiher nation disagrees with the IJC's findings." Moorhead, chairman of the House Government Operations Committee's conservation, energy and natural resources subcommittee, was referring to a recent U.S.-Canada decision to have IJC, which regulates problems along waterways between the two countries, scrutinize the impact of the project on Canadian rivers.

Pursuing environmental matters through the courts is often a long and expensive business—as the Reserve Mining Co. case has demonstrated. But it might be the only way to get a determination on how damaging the Garrison project may be. We think the MPCA board was right to take that course.

CONSUMERS AND FARMERS HURT BY REMOVAL OF AGRICULTURAL STABILIZERS

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. KASTENMEIER. Mr. Speaker, I would like to draw the attention of my colleagues to a recent comment in the Washington Post, titled, "The Price of Meat." The article accurately outlines the result of recent efforts to destabilize control of agricultural production in this country.

Dismantling of price stabilizers for grain coupled with irregular foreign purchases and unpredictable weather conditions has resulted in hard times for both farmers and high prices for the American consumer. We in Congress must acknowledge that agricultural production and markets are unstable and removal of stabilizers will only exacerbate that situation, to the detriment of us all.

For the last couple of years, our agricultural exports have paid the increased bill for imported oil. There is tremendous potential for our agricultural exports in the future—if we act so as to establish the basic stability that is necessary for export production.

I commend the following article as a sketch of the problems we will face if we fail to once again insure stability in our agricultural production:

[From the Washington Post, June 21, 1975]

THE PRICE OF MEAT

The price of meat has shot upward again over the past two months, and will probably go higher this summer. The amount of meat that the average American eats has declined significantly in recent years, and may well drop even farther. This shift away from meat, in the American diet, is one important indication of the degree to which the people of this country are already changing their habits in response to a new economic climate, one that no longer promises steady growth. It is another item in the slight but perceptible decline in the American standard of living over the past several years.

Meat consumption per capita went to a peak in late 1970, and never again has been quite so high. In 1971, with the arrival of the last recession before the present one, consumption dropped. With the recovery and boom, it rose again—but then came the massive sale of wheat to the Russians. That brought high grain prices here at home, which by early 1973 translated themselves into sharply higher meat prices. The consumers' reaction was immediate and angry. That spring the housewifes' strike started, and families began cutting back on beef as a deliberate protest. Then the Nixon administration tried to apply price controls to meat, a disastrous mistake. When the controls were dropped, after a summer of shortages, meat prices hit astounding heights—which, incidentally, they are now once again approaching.

The explanation of the current surge of prices is clear. Over the past several years, the Nixon and Ford administrations have largely dismantled the price stabilization structure that traditionally held down the fluctuations in grain prices.

At the same time the rest of the world, growing steadily richer, has begun to buy unprecedentedly large quantities of American food. But some of the biggest customers, like the Russians, buy very irregularly depending on the value of their own harvests. The result is a pattern of great turbulence that keeps bringing sudden and unexpected swings in prices at the grocery store.

Because last year's grain crops were damaged by weather, grain prices went up in the autumn. That hurt the meat producers, who began to send animals to market in unusual numbers to avoid having to feed them. That kept meat prices down—but only temporarily. Next, grain prices began to fall because foreign purchases were down and the coming crop will apparently be huge. Now the meat producers again find it profitable to keep their animals and feed them. With fewer of them currently coming to market, the wholesale prices of beef and pork have risen by one third since April.

Since late last year, Americans have been buying less meat—the combined effect first of another recession and now rising prices. At that peak in late 1970, we were eating meat at a rate of 160 pounds a year per person. The present figure is just about 10 per cent lower. This decline hardly suggests that the average family is going hungry. On the contrary, it is probably true that a little less meat would be good for most people in this country. But at the dinner table, as in a good many other places, people find themselves getting along with a little less of those pleasant things that they once took for granted.

Unfortunately, the consequences of the present price rises go well beyond a mild and salutary trimming of the rich American diet. They are inflationary for everyone, and they are a particular danger and hardship for the poor, many of whom already live well below adequate nutritional standards. Overseas, many nations now depend upon a sustained high level of American agricultural production to feed their own people. But the present experience is only adding additional evidence to the old lesson that agricultural markets are basically unstable unless governments step in to buy reserves and dampen the swings in prices. The American government filled this responsibility for a generation, from the Depression until several years ago. But now, partly to save money and partly out of blind faith in a crude version of free market theories that, in this case, are inapplicable, two presidents have largely abandoned the stabilizers. The result is that American agriculture has now fallen into a period of great instability, in which both prices and supplies are continuously unpredictable. The administration appears not to have given much thought to the somber and dangerous implications of this kind of instability in the nation's food supply. But the latest effects of it are now visible at the meat counter of your supermarket.

TWO-CENT BICENTENNIAL COIN

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. SCHULZE. Mr. Speaker, today I am introducing legislation authorizing and directing the Secretary of the Treasury to coin and issue a 2-cent piece emblematic of the Bicentennial of the American Revolution.

At the time we are celebrating our 200th anniversary in the United States, and preparing to issue bicentennial coins of other denominations, it is appropriate that we should introduce a special denomination.

The 2-cent coin has a rich history. Authorized by Congress in the midst of the Civil War, it was first struck in 1864. The national motto, "In God We Trust," first appeared on our coinage of this denomination.

There are many reasons, other than celebrating our Bicentennial, for creation of a 2-cent piece. There is an obvious need for such a coin. Director of the Mint Mary Brooks has stated that—

> There is a need for a smaller coin somewhere between a nickel and a penny or a dime and a penny, so that if they want to raise the price of a cup of coffee they don't have to go a full nickel.

In addition, Secretary of the Treasury Simon said in discussing in March of this year the possibility of a 2-cent denomination:

> We could save money in coinage processing and printing, but it would also save our natural resources.

Although the price of copper has dropped dramatically since the penny shortage, a 2-cent piece could save our precious natural resources. Another representative of the Treasury Department has commented that—

> We are about to embark on a major comprehensive coinage study which will take into account not only the question of a 2-cent piece but it will take into account alternative alloys.

Since 1940, money in circulation outside the Treasury and Federal Reserve banks has grown by nearly 10 times. The coin in greatest demand is the penny, and of 13.9 billion coins planned for 1976, over 10 percent will be the 1-cent denomination. This is nearly 10 billion pieces.

With introduction of a 2-cent piece, within several years coin production at the Mint could be substantially reduced. This would realize a savings in coinage processing as well as seigniorage for the Treasury.

There is also the important question of savings for the American consumer during a period of serious inflation. For example, there are approximately 84 million vending machine transactions in the United States per day. At present, in order to increase prices without making change in pennies, the only alternate is to increase prices in 5 cent increments. The 2-cent piece would allow more realistic, and less inflationary, increases in the amount of 2 cents. Instead of raising prices from 5 cents to 10 cents or from 10 cents to 15 cents, there would be the option of raising prices from 5 cents to 7 cents and from 10 cents to 12 cents. At 84 million transactions per day, and at a savings of 3 cents per sale, the consumer could save $2.5 million per day in vending machine sales alone. There is no reason to believe that these savings on smaller sales would not carry over into other sectors of the economy.

This prospect of a special coin for the Bicentennial of the American Revolution, and of substantial savings for the consumer and the Treasury Department, has prompted me to introduce this legislation and I am hopeful of the support of my colleagues in the House of Representatives.

Mr. Speaker, an interesting and informative article on the possibility of a 2 cent piece appeared in the May 17, 1975, issue of Numismatic News Weekly. The article was written by Mr. David L. Ganz, a member of our preiodical press gallery and a respected commentator on matters pertaining to coinage. I ask permission to include this article in the RECORD at this point.

Reduced Cent Production Possible With 2 Cent Piece

(By David L. Ganz)

Inflation, the national bugaboo that has made the dollar buy less and less, has now struck home at the U.S. Mint, the nation's money factory that annually produces in excess of 10 billion coins. The chief victim, it appears, is the one-cent piece, which currently accounts for more than three-fourths of the mint's production.

Inevitably arising is a key question as to whether or not the one-cent piece as we now know it can survive this decade and, in the longer term, whether the denomination—struck since the founding of the Mint in 1793—will last until it celebrates its own Bicentennial near the end of this century.

In the long term, no one doubts that the cent as we now know it will not survive. Too many factors are working against it: Its metal content, high production cost (which continues to rise), and most important, the fact that it is the lowest denomination currently used as circulating legal tender.

Metal content of the coin almost forced a change in the cent's composition in 1974. In late December, 1973, after months of secret study, the Bureau of the Mint concluded that it would soon cost more than it was worth to make the one-cent piece. It recommended, formally, that Congress authorize an aluminum substitute.

For a variety of reasons, notably the opposition of the vending machine industry, the Mint's suggestion was ignored. In its stead, Congress authorized the Treasury Secretary to reduce the copper content of the cent at any time he felt it was necessary. When the price of copper receded on world markets, the mint's fear of a negative seigniorage (or loss on the production of each coin) evaporated—temporarily.

Little noted in the legislation is an alternative provision, one that would permit the Treasury chief to alter the composition of the coin entirely—subject only to the consideration or limitation that Congress not declare within 60 days of such action that it is opposed to its undertaking. This, however, expires in 1977, and after such point, legislation would be required to alter composition entirely.

Examining current mint statistics, we are afforded an opportunity of visually seeing precisely what has happened to the Bureau of the Mint and its production of one-cent pieces. It chronicles a savage inflation that ultimately spells the end for the denomination as we now know it, and, some say, for the one-cent piece altogether.

During fiscal year 1973, the salary and expenses associated with Lincoln cent production was $1.35 per 1,000 pieces. The breakdown for this was $2.08 for coins produced from mint stripping, but just 86 cents in salary and expenses for those produced with outside strip. To the latter, a 90 cent outside fabrication charge was added. Metal costs of $3.71 being identical, it cost the mint in fiscal 1973 $5.79 to produce 1,000 cents by full in-house production, $5.47 by utilizing partial outside aid.

Estimated 1975 fiscal year expenses show decreases in mint salary and expenses, and also outside expenditures of comparable nature. Nonetheless, the initial estimates still showed a $7.75 production cost from purchases stripping weighed in better than the mint's projected cost of nearly $8 per 1,000 pieces.

One consequence of this is that at the Denver Mint, plans are already under way for a curtailing of strip production. Granting that the cessation is in part due to a need for expansion within the facility (largely because of Congress's recalcitrance in authorizing funding for construction of a new mint), the savings might help prolong the life of the one-cent piece as currently produced in the 95 per cent copper base.

It also seems clear that even if the price of copper continues a decline, cost of living increases to government workers—calculated at just a 5.5 per cent annual rate—would more than make up for the decrease and eat into the tenth of a cent seigniorage now left in producing the penny.

By 1980, if not sooner, using mere extensions of current cost curves, it is the inevitable conclusion that the copper cent will have to either have its composition altered in part, or whole, or find itself gradually eliminated from the system of American coinage.

Mint personnel are already preparing for this latter eventuality. In the study now under way of all mint procedure and policy, one of the proposals receiving active consideration is the novel suggestion of dropping the denomination in its entirety and substituting a two-cent piece in its place.

There are indications from Washington that within the Mint, such a step might be favored. The reasons are plain: An overall decrease in total production (because a two-cent piece would necessarily cover a good portion—though not half—of current cent production), lower cost and long-term seigniorage protection.

Were it to be acted upon, it seems probable that the two-cent piece could initially be produced in quantities equal to current cent production levels, but by its second or third year of manufacture at levels of between 60 and 70 percent of the expected quantities of one-cent pieces needed for commerce.

Such a savings could be considerable, particularly if the coin were made a size that could accommodate the double-striking presses. If the Mint could reduce its cent production rate by 30 per cent, the annual reduction would be nearly three billion pieces.

Pragmatically, however, there are other considerations besides production costs that may prevent an abandonment of the denomination. One is the concern of Congress that any move be considered inflationary, a second is a similar fear of resultant rising prices, plus an inability to make proper change.

The latter argument seems readily dispensed with by considering that at the present time, the basic purpose of the cent is to pay sales taxes in whatever amount each city, county or state requires. An obvious solution would be to adopt a "valued added tax" (or VAT) method whereby the sales price reflected the total tax. With a two-cent coin, the final price would simply have to be "even."

When director of the Bureau of Engraving and Printing, James A. Conlon, first proposed the reintroduction of a $2 bill, his arguments were essentially economical. The savings to the government would be several million dollars a year because of the proportional reduction of $1 notes that had to be printed.

This is the other alternative that might jell, one that blends political experience with practicality. It would involve a reduction in the copper content of the cent (or perhaps even a change to another metal), coupled with a production decrease and the introduction of a two-cent piece.

One suggested ratio for this might be as follows, assuming that at the present time, the Mint produces exactly 100 cents. New cent production would encompass 35, two-cent production (initially) 40. The savings is 25. By merely adding the word "per cent" after each, the savings is immediately apparent.

It is equally possible for the new cent issue to be even more minimal—perhaps 25 per cent of current estimated production—with whatever balance the mint decides necessary made up of the new two-cent denomination. Statisticiants within the Federal Reserve (which is responsible for coinage distribution) could provide the essential details in time projections.

Clearly, something has to be done—both from the sense of cost to the mint, and in terms of production burden. Congress's failure to authorize the funds needed to build a new Denver Mint now jeopardizes our coinage circulation. If the current mint projections hold, working at their maximum capacity, the three facilities at Philadelphia, Denver and San Francisco (coupled with the use of the West Point Depository) will be able to meet the nation's coinage needs—barely.

It is important to remember, however, that mint projected estimates are not reliable, a fact that is not only evident from their statistical reports, but is conceded by top officers within the bureau. In January, 1974, for example, the mint estimated its total 1974 production would be 9.17 million pieces. The figure turned out to be low by nearly 20 per cent.

Were something similar to occur as we approach 1980, there simply would not be enough coins to go around in the one-cent denomination—the most heavily produced of all the coinages. Memories of the 1965 coin shortage are simply too powerful to permit commerce to again be crippled in that way.

Can the cent survive? Only time, and the Congress, can tell. Its production costs, and quantity produced, rise each year, with no end in sight. An alternative offered is a two-cent coin and possibly a cent metal change. The time for action is now, before a new crippling coin shortage returns.

THE ARMY'S 200TH BIRTHDAY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. DOWNEY of New York. Mr. Speaker, the U.S. Army is an honored institution that is older than the country itself. It celebrated its bicentennial birthday on June 14, 1975. The most impressive testimonial to the accomplishments of the men and women who served our country in the service of the Army in our great Nation. "Their sweat and blood made it possible and sustained it against all enemies."

On June 14, 1775, the Second Continental Congress passed a resolution establishing an army. This Continental Army with its 14,000 men bore little resemblance to today's force of over 750,000 men and women. The Continental soldier was poorly uniformed, with no distinguishing color or style. Tradition, however, dies hard. One tradition that has been held over from the Revolution is the stripe of white tape worn by every noncommissioned officer and private who has served at least 4 years. The common musket was utilized as the firearm in the early days. Often the Continental in-

fantryman had to use his own hunting musket from home in the service of his country. The soldier of today however is equipped with the most modern and best weapons available.

The original Army was just a few companies of light infantry. Today, the U.S. Army is working toward a force of 16 combat divisions, including infantry, armored, mechanized, air assault, and airborne divisions.

The major change in the Army over the past 200 years is its expanded role in the development of the Nation. The most important mission of the Army has always been the protection of those rights and freedoms that the American so dearly cherishes. The Army has kept pace with not only America's growth in the world power structure, but also in the age of technology, the increased standard of living, the development of natural resources and the changing moods of the Nation.

From the Revolutionary War to the present, the Army has kept pace with changes in weapons, in organization, and in tactics, as the modernization process continues, for change is a necessity for preparedness.

Time devoted purely to combat has been only a small percentage of the Army's total history. Few people are aware of the capabilities of the Army other than fighting. An army is a unique organization for it has certain inherent capabilities and resources which are often used during peacetime for the betterment of mankind. The U.S. Army through its efforts in such fields as medicine, disaster relief, flood control, and research and development has saved and bettered far more lives than there have been casualties in all American wars to date.

In such areas as disaster relief, flood control, and construction the Army has used its organization, equipment, and know-how to perform promptly and efficiently for the benefit of the Nation. In other areas such as medicine and research and development, the benefits derived represent valuable contributions to the American way of life.

Mr. Speaker, the 200th anniversary of the U.S. Army is an appropriate time for all of us to give special consideration to the men and women who have served in the past, and to those who now serve. The commemorative ceremonies we witness should be followed up with legislation to improve veterans benefits, to improve health care for disabled veterans, to improve employment prospects for all veterans, and to do what we think is necessary for the continued good morale of the men and women serving at home and abroad.

VOTER REGISTRATION BY MAIL

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. BONKER. Mr. Speaker, I am pleased to be able to insert into the RECORD a thorough and well written article on "Voter Registration by Mail." The author, Richard E. Murphy, is the legislative/COPE director of the Service Employees International Union and an expert on this subject.

Sometime after the 4th of July recess the House will be considering a bill on post card registration. Several States already have some form of a mail registration system, including Maryland, Texas, New Jersey, Minnesota, Kentucky, Utah, Montana, Alaska, and Idaho. As Mr. Murphy notes, "These States experience proves that registration by mail can produce the fullest possible citizen participation in the electoral process."

The article, which follows, provides a detailed discussion of the issues involved in voter registration and should be read as background for this important upcoming legislation.

The article follows:

Mail Registration a New Opportunity

A voter registration study done by Daniel Yankelovich Inc. found that the most voters who did not vote in 1972 were those who were lost to the electorate because they were not registered.

The magnitude and scope of the non-registration problem proves to be a cause for real concern; for in addition to the large numbers of people who failed to register, a review of the national registration picture reveals it is the less fortunate citizens who are more likely to be unregistered and hence unqualified to vote. The average registered voter is middle class, educated and relatively affluent. The average nonregistered voter is working class, less advantaged and poor. The registration picture also becomes distorted along racial lines. A considerably higher percentage of white citizens (73 percent) are registered, compared to the nation's black, Puerto Rican, Mexican-American, and American Indian citizenry, which stands at 52 percent, the Yankelovich study for the National Student Vote Organization found.

The Yankelovich survey found that while the general public explains away nonregistration as the result of apathy on the part of many men and women, the situation is far more complicated than that. First, there are the two distinctly different groups of nonregistered voters: those who don't register because they don't want to vote, and those who want to vote, yet fail to register.

The nonregistered are generally less confident about how things are going in the United States, less assured that they will receive a fair and equal break, less committed to the idea that America is the most democratic country in the world, more convinced that people in government are only interested in knowing their views at election time, more questioning about the value of their vote and less certain that more qualified candidates will be elected if more people vote.

A sense of second-class citizenship prevails in this group, not strong enough to negate the desire to vote, but diminishing the motivation to register. To put it another way, for this group of potential voters, any inconvenience can be a major stumbling block.

Richard M. Scammon, a former director of the census and one of the nation's foremost political observers, has said the single biggest step we could take to improve voter turnout would be to abolish registration as such.

And one state gets along nicely with no registration whatsoever. In North Dakota, the voter simply walks into the polling place and asks for a ballot. Signing the book provides the affidavit that the voter is legitimate.

Short of abolishing registration, the nation could at least look to easing some of the obstructions to registration.

The American ideal says that everyone has a right to cast a ballot; but the barriers that have been placed in the voter's way through the years indicate that some political leaders believe voting is a privilege, not a right.

Registration laws have been used to prevent and control people in the exercise of their right to vote. A prime example of controlling a segment of the population were the poll taxes used by southern states to limit the registration of blacks. But even with the poll tax and other devices repealed, a wide variety of practices and barriers exist that are equivalent of poll taxes—the restrictions and regulations which discourage people, primarily blue-collar workers, from registering.

When registration is limited to a central point, like the City Hall or a courthouse, between the hours of 9 a.m. and 4:30 p.m. Monday through Friday, the ordinary working people must take time off from work, possibly without pay, and encounter other expenses in getting registered.

Union contracts often provide reasonable time off to vote in general elections, but very few provide time off for registration, so having to take time off from work without pay is still a major impediment to voter registration.

There are 40 million men and women in the United States who cannot vote because they are not registered. In the 1974 elections, 38 percent of the U.S. eligible voters actually voted. National figures show that approximately 62 percent of the eligible voters are registered to vote, so the obvious conclusion is that in order to increase the number of voters, there must be an increase in the number registered.

Voter registration by mail would go a long way toward solving this problem. States that have adopted such a mail registration system have experienced a dramatic increase in registration.

But there is strong opposition to registration by mail and despite liberal support, Congress has been unable to pass a national mail registration bill. Even in the 93rd Congress, reputed to be a liberal Congress, it took considerable effort to move the bill through the Senate and it died in the House, victim of a 204–197 vote in which conservatives managed a parliamentary maneuver to block routine consideration of the rule under which the bill would be debated. And it passed the Senate only after a filibuster was broken on the third try—a monumental event in itself, since it was the first time since 1917 that a filibuster had been broken after two unsuccessful tries.

Ironically, Congress has already passed one register-by-mail bill, for our men and women in the armed services. So the principle of mail registration has been agreed to by Congress.

A national mail registration bill has been re-introduced in the 94th Congress and proponents have hopes of success. It is pending a final committee vote in both the House and Senate—so final action in both houses could come by the end of summer 1975.

Meanwhile, several states have taken the lead in trying to make registration systems equitable. They have provided mobile registration, door-to-door registration and several other methods. And Maryland, Texas, New Jersey, Minnesota, Kentucky, Utah, Montana, Alaska, and Idaho have adopted mail registration—in one form or another.

These states' experience proves that registration by mail can produce the fullest possible citizen participation in the electoral process. Wider use of the method could open the door for those 40 million new voters who have never expressed themselves at the polls—undoubtedly for many reasons. Voter apathy does play a part. But the most important reason is that registration has been difficult and inconvenient—made so, perhaps unknowingly, by state governments.

In New Jersey, it was estimated that as many as 1.6 million eligible citizens were not registered to vote. A few months after the state's new registration by mail law was enacted, Gov. Brendan Byrne termed the new postcard registration system a success. He said a preliminary survey showed that two of every three new voters preferred using the mail forms rather than in-person registration. Between the start of the mail registration program on Aug. 28 and the Nov. 5 election day, 120,888 persons enrolled to vote—78,000 of them via the postcard system and less than 43,000 by showing up in front of a registrar. In reporting that "postcard registration more than doubled new registrations this year," Gov. Byrne pointed out that traditionally voter registration sharply decreases between presidential elections. Thus he said preliminary figures indicated that postcard registration would help stabilize the voter rolls in New Jersey between presidential elections. And New Jersey, which has already restored the voting franchise for 120,000 people, can expect the total to increase as more people become aware of the new registration procedure and more registration forms are circulated.

The postcard registration system also helped New Jersey turn out a higher percentage of voters in 1974 than in the 1973 gubernatorial election.

A key factor to the success of the New Jersey program was a 50-cent rebate the state pays to the county for each voter added to the registration rolls. Additionally, the state pays 12 cents return postage on the mail registration forms. The success of the postcard registration system has enabled the state to reduce the number of mandated registration hours, which resulted in a payroll savings of $250,000 for the counties and municipalities of New Jersey. The easy availability of postcard forms alleviated the necessity for New Jersey communities to keep their offices open for evening registration as was previously required by law. This refutes the claim that the post-card registration system will increase the cost of registering voters. In New Jersey it actually reduced the cost. The national law would also provide comparable savings to states.

Like other states, New Jersey faced the charge that the new system increased the possibility of fraud. At the request of Byrne, the Secretary of State's office conducted a random survey on this issue. In nine counties checked, there was no violation, and all samplings appeared to be in order. In fact the Secretary of State said there are more safeguards against fraud in mail registration than in in-person registration.

The Secretary of State of Minnesota recently testified before a House committee that in the first state elections held under that state's new registration law, the voter turnout was up 49.85 percent of the eligible voters in Minnesota voted, while only 38 percent of those eligible voted nationwide. Minnesota has 76.9 percent of its eligible voters registered, which means that two-thirds of Minnesota's registered voters voted in the 1974 off-presidential year.

In 1971, Minneapolis used a prior registration system that required citizens to go to the City Hall to register. On a few occasions, branch registration offices were set up for short times at city libraries.

While Minnesota registrars and state officials are proclaiming the success of the new system, one of Minnesota's congressmen, Rep. Bill Frenzel (D–Minn.), is a vocal opponent of national postcard registration. Frenzel is voicing the Republican policy on registration by mail; the Republicans are dead set against registration by mail.

Inevitably, Frenzel, like other opponents, mentions fraud. The fraud issue is a specious argument. After all, Americans pay income tax, property tax and many bills through the mails. The mail is a vital aspect of U.S. daily life. There's no reason the mail can't also be trusted for voter registration.

Officials in Minnesota who administer the law have been informed about its provisions by the Secretary of State's office and use a uniform postcard designed under guidelines from the Secretary of State.

Marie Garber, registrar for Montgomery County in Maryland, which also has a postcard registration system, points out that the United States has experience in registration by mail. Americans have registered by mail on the Federal Post Card Application (FPAC) since 1955, and there has been no charge of fraud against the many thousands of Americans, mostly the Armed Forces and their families, who have enrolled as voters by the familiar red-and-white postcards.

Similarly, the U.S. has had absentee voting since 1944, and many absentee voters are also absentee registrants, which means registration by mail. In fact, the Federal Voting Rights Amendments Act of 1970 requires that a state provide absentee registration, as well as absentee voting, at least in elections for President.

The Supreme Court, in its review of the Voting Rights Amendments law, was unanimous in upholding the constitutionality of that particular provision. There has been no charge or evidence of fraud in these registrations by mail.

Under the Maryland law, the voters' notifications of registration must be mailed to them by non-forwardable mail. Thus Marie Garber points out that a fictitious address will be undeliverable and will be returned to the elections office. The application also bears a signature under oath, which carries the penalties of perjury and provides a documentary basis for investigation and prosecution if indicated.

The traditional system of voter registration, on the other hand, usually is completed with a personal appearance before the registrar and there is no automatic check of authenticity of the address. Besides those protections against fraud which are peculiar to mail registration, states and their elections officials will continue to use the safeguards they have been using to protect the integrity of the electoral process. It is in the voting process that fraud takes place, not in the registration. If a person does register on several postcards, it does not mean that he is able to vote several times. He cannot appear at the same polling place to vote a second or a third time. Experienced election officials have for many years exercised vigilance to prevent election corruption.

The Maryland experience shows that the postcard registration system will expand participation. Like New Jersey, Maryland has also found that the new system cut the cost of registration as well.

Experience also shows that the postcard registration system enables officials to cope with the enormous workload that builds up as registration deadlines approach. No matter what the process, many people wait until the last minute to take any required action. Registration by mail has become a useful tool to enable citizens to register ahead of deadlines.

Maryland has also found that it was not cluttered with duplicate registrations. Of the 29,000 new registrations from Jan. 1 thru Dec. 21, 1974, in Montgomery County, only about 300 were duplicates and easily identified as such. That rate was no higher than they had in the in-person registration system. Some people will always register just to be sure, or because they don't realize that they are already registered. Illegibility did not play a significant role in the processing of applications. In Maryland, registrars were able to read every single one of them.

Maryland's mail registration system has fraud protections that were never in existence under the previous system. Maryland has the same notification by first-class, non-forwardable mail to complete the registration as in New Jersey and Minnesota and this provides an immediate check on a fictitious address, and to some extent, on a fictitious name. The second fraud protection in Maryland is that the new registrant must provide information on any prior registration, whether in Montgomery County, somewhere else in the state, or in another of the 50 states. If prior registration is indicated, that part of the application is forwarded through the Maryland State Board to registration authorities in the former residence, where it constitutes specific authorization for cancellation.

Sen. Lloyd M. Bentsen (D-Tex.) said in a letter to his colleagues in January 1974 that Texas voters could register by merely clipping a coupon from a newspaper, completing the form and mailing it to the county clerk. There was no evidence indicated in Texas that they had experienced any increase in fraudulent registration. Randall Wood of the Texas Secretary of State's office testified before a Senate Committee hearing on this in 1973 that: "Texas has had experience from 1941 to 1971 with registration by mail systems, and the old bugaboo of fraud simply could not be raised in Texas very well, because the experience over those 30 years has generally disproved that registration by mail was any more susceptible to fraud than any other registration system."

It has been noted that since Texas began its mail registration procedure, the registration has jumped from 3 million to 5 million voters.

In sum, fraud is an exaggerated, if not invalid, objection to registration by mail.

Another objection—that of administrative difficulties—has been used to try to persuade congressmen and senators to vote against postcard registration. The states with experience with postcard registration have found that these difficulties simply do not occur. Thousands upon thousands of applications under the mail registration have been handled in an orderly process without incident. The registration process is in fact streamlined because it enables workers in registration offices to handle the burden more easily. In both Maryland and Minnesota, election officials planned and designed systems to obviate administrative problems.

A veteran congressman from Pennsylvania may have tapped a more pertinent objection of lawmakers to mail registration when he said, "Do you think that I don't know what will happen to my constituency if the postcard registration bill is passed? There'll be a whole new group of voters that will be able to vote for or against me. I've been in office many years, and although I fear that the new voters might even turn against me, I am willing to open up the registration process." Obviously not all incumbents are willing to take that chance.

A letter mailed to all Republican congressmen by Republican National Committee Chairman George Bush in February 1974 said: "I am greatly disturbed that in a currently highly charged political climate, a piece of legislation that can do more damage to our Republican Party and our precious two-party system than any element of the Watergate problem, is dangerously close to passing in the House.

"As you no doubt are aware, H.R. 8053 has been reported out of the House Administration Committee and will likely be on the floor soon. As you know, as well, a similar bill, S. 352, passed the Senate last year.

"The proponents of this legislation—it is strongly supported for obvious reasons by organized labor political committees—argue that it would increase the number of eligible voters who actually register and go to the polls on election day."

Bush is right. Labor political committees are interested in this legislation because union members would become more heavily registered and would vote more heavily—hopefully producing more liberal congressmen and senators or a President who would understand the needs and hopes of workers.

The national system that is envisioned is dependent upon each state in the United States. The postcard itself that will be used must reflect the requirements that each state has for registration in its state.

In recent years, some giant steps have been taken toward opening the polls to more people, including the right of 18-year-olds to vote under the 26th Amendment, the protections of the Voting Rights Act of 1965 and various court decisions.

But millions of people are still disenfranchised.

While the mail registration will not guarantee that people will turn out to vote, it will at least insure that they are able to vote—paving the way for 40 million disenfranchised Americans to begin to participate in the electoral process.

RESOLUTIONS OF THE CAPE VERDIAN CONFERENCE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. HARRINGTON. Mr. Speaker, on February 22 and 23 of this year, members of the Juridical Congress of the World Cape Verdian Communities convened in Boston to voice strong opposition to the impending one-party rule of their homeland, formerly controlled by Portugal. Dr. Aguinaldo Veiga and Secretary General Roy J. Tiexiera of the Congress have met with my staff and discussed their meeting, and I have found the record of their proceedings and the resolutions they adopted a valuable insight into the passing of Portuguese colonialism and the prospects for genuine freedom in the new nation states now emerging. I urge my colleagues, who surely share my hope that a true democracy will develop in this former colony, to take note of the following resolutions adopted by the Cape Verdian Congress and to support efforts to promote formation and recognition of the independent state of the Cape Verde Islands:

Juridical Congress of World Capeverdian Communities, February 22 and 23, 1975, Resolutions

Whereas the islands of the Cape Verde Archipelago, discovered by Portuguese navigators in the year 1460 were then uninhabited;

Whereas those islands were peopled with Portuguese, Genoese, Judeans, Moors, Spaniards, Dutch, English, French Indians and with Africans from the coasts of the Gulf of Guinea;

Whereas from the miscegenation of the various races there resulted a Crioulo people with its own culture, integrated in Western civilization, professing a Christian religion, speaking the Portuguese language and the Crioulo dialect;

Whereas the Capeverdian people are neither European nor African, but rather the product of the link between the two ethnically, culturally and socially differentiated continents;

Whereas after five centuries of continuous colonial domination, the Capeverdian has been vegetating in a state of underdevelopment, scourged by malnutrition and struggling with flagrant problems of drought, water, health, education, social injustice, aid, emigration and communication, especially lacking in the most elementary economic structures, indispensable for the progress of any people;

Whereas the Portuguese Government never allowed industrialization in the Archipelago, the only means by which the Capeverdian people could combat the scourge of drought, the recurring famines that killed more than half the population of the islands, improve their moral and material plight, raise their level of life, and reinforce their fundamental liberties and their dignity;

Whereas during the colonial period, Portugal, either because it did not wish to, could not, or was not interested, never endowed Cape Verde with an economic support, duly structured in the light of the socio-economic panorama of the Archipelago;

Whereas, in order to maintain the economic and social stagnation of the Archipelago, the colonial Government systematically rejected the development of a tourist industry in Cape Verde, which would have provided the foreign exchange credits needed, to balance the financial administration and for the economic development of the territory;

Whereas the Portuguese Government systematically diverted from Cape Verde to Portugal all flow of tourism from Europe and America, impeding, in this fashion, the combating of hunger and the economic and moral misery to which the people were reduced;

Whereas, despite the droughts and periodic famines and the fact that Portugual was a member of the United Nations it never solicited nor consented that international organizations, created for the purpose, should give aid to the underdeveloped people of Cape Verde, namely in the sector of economic infrastructures, of agriculture and nutrition, in matters of health and education, and in the area of foreign capital investments, socially useful to the community and directly linked to industrialization of the islands, in the development of tourism, fishing, naval construction and oil refinery on a competitive basis, given the Atlantic situation of the Archipelago;

Whereas the colonialism of 500 years never consented to the formation of institutions of credit genuinely Capeverdian, aimed at promoting the formation of capital in sufficient volume for socio-economic development, the internal financing of reproductive initiatives, external financing directly to the territory, the channeling of financial resources of new enterprises or for the expansion of those already existing, the use of money sent by Capeverdian emigrants abroad for investment in the islands and for the development of operations of commercial, agricultural, live-stock, property, and industrial credit, the defining and reformation of a credit policy aimed at increasing production in terms of generating new exports and satisfying internal demand, and the planning of a realistic policy of financing as a means of support for small and medium-sized industries and for enterprises considered of special interest for the economy of the Archipelago;

Whereas the colonialist Government never attended to the requests of the Capeverdian population in the sense of creating free zones and ports, indispensable for local development of internal and external commerce, which practically died in atrophy;

Whereas Portugal, during five centuries, condemned the Capeverdian people to total abandonment, limiting her action to colonial exploitation, taking advantage of and channeling the monies sent by emigrants to their families in the islands to increase the reserve funds of the Bank of Portugal, while the people for whom the strong monies were intended received in exchange monies of little official worth since they could circulate only from one island to another;

Whereas the absence of adequate measures to combat drought, famine and poverty made life in the islands of the Archipelago practically impossibe, transforming Cape Verde into a "land of emigrants";

Whereas at present the number of Capeverdian emigrants in foreign soil is perceptibly three times the number of those inhabiting the islands (180,000);

Whereas for more than two centuries the economy of the Archipelago has centered around the savings and remittances of Capeverdian emigrants;

Whereas Capeverdian emigrants have been and continue being the greatest and most powerful economic force of Cape Verde, with rights equal to those of the inhabitants of the islands, to decide the historic and political destiny of the people of whom they too, are sons and daughters;

Whereas it is not morally or legally possibe to deny to the Capeverdian residing outside the islands, without violating the most elementary rules of democracy, the right to declare himself in regard to the future of the people of whom he is a son or daughter and for the nation that is to be built;

Whereas, in both public international law and the spirit of the United Nations Charter and in the majority of the constitutions of the western world, it is an accepted point that in a question of such importance as the independence of a people, only the popular will of all the members of the community can validly manifest itself through a referendum in which the vote may be given freely, without pressures and without manipulation of public opinion;

Whereas the provisional Portuguese Government has refused to the Capeverdian people, against all democratic rules and against the most elementary principles of international law that govern civilized peoples, the right to the referendum;

Whereas, the independence of the Capeverdian people is a right, and not a favor of the colonizers, as is expressed in the principles of the Charter of the Atlantic of 1941, in the Declaration of the United Nations of January 1, 1942, in the Charter of the United Nations and in the Resolutions of the General Assembly of the UN, interpretative of the doctrine of the Charter;

Whereas neither the Charter of the United Nations nor the rules of international law authorize the UN or Portugal or any other organization to choose and impose a foreign political group as representative of the Capeverdian people arbitrarily, without previous popular consultation;

Whereas neither the UN nor Portgual took any steps to consult the Capeverdian people on the matter of a true and legitimate representative for the people to exercise freely their right to independence;

Whereas the referendum or popular consultations is the only legitimate democratic process through which the Capeverdian people may express their true will;

Whereas in the Treaty of Algiers the right to total independence of Cape Verde was expressly recognized, nor was the PAIGC considered the legitimate representative of the Capeverdian people;

Whereas, in the terms of the Political Constitution of the Republic of Guinea-Bisseau, the PAIGC is juridically and for all legal effects, a totalitarian and extremist political party of that foreign country;

Whereas the Treaty of Lisbon of December 18, 1974 was made between the provisional Portuguese Government and a foreign political group that never was elected, chosen, or accepted by the Capeverdian people;

Whereas for the celebration of that treaty, no vote was requested and no vote was given by the Capeverdian people, the most elementary principles of democracy were forgotten and the Capeverdian people were delivered to a determined extremist revolutionary movement without having the least possibility of expressing its true will;

Whereas following the Portuguese revolution of April 25, 1974, that reestablished the liberty of political associations, there were founded in Cape Verde two political parties, genuinely Capeverdian, namely, Union of the People of the Cape Verde Islands and the Democratic Union of Cape Verde, both defending the independence of the Capeverdian people;

Whereas both parties were immediately legalized and recognized by local authorities as legitimate representatives of the people, who had given them total and unconditional support, adhering to their programs for the Independent State of Cape Verde;

Whereas it was the provisional Portuguese Government that, adhering to the proposals of annexation by Guinea-Bissau, permitted the entry into Cape Verde of extremist elements and revolutionary leaders of PAIGC, who were transported to the Archipelago in Portuguese military planes;

Whereas it was the provisional Portuguese Government that collaborated with the PAIGC in the elimination of both Capeverdian political parties through processes of physical violence and of imprisonment in the Cape Verde penal colony of all leaders and active militants and also of active elements of the majority of the population that made manifestations against the presence of the PAIGC in the islands and against the terrorism, the violence, the disorder, and the threats of death that became prevalent in the Archipelago;

Whereas it was after thousands of protests directed to the Government of Portugal and the Secretary General of the United Nations by the Capeverdian people, that the provisional Portuguese Government, with total disregard for the just claims of the colonized people and with the most flagrant negation of universally accepted democratic ideas, made the delivery of the cultured, civilized, Christian people, capable of self-determination to a foreign political group in the service of the communist Republic of Guinea-Bissau;

Whereas, there having been no armed struggle in Cape Verde, the act of delivery of the Capeverdian people to a foreign country is profoundly antidemocratic because it is a decision taken without consulting the will of the people affected to prevent these people from determining their own destiny;

Whereas decolonization stems from the fundamental rights of the human beings who inhabit a determined community, the Lisbon Treaty with the PAIGC is reduced to the most glaring incoherence of the process of decolonization adopted for Capeverdians, and in which with premeditation, the colonizer ignored popular suffrage, and thereby the free manifestation of the will of the colonized people;

Whereas the Lisbon Treaty is politically a gross farce, which cannot lead to the independence of the Capeverdian people, and independence to which they have an inalienable right;

Whereas the Portuguese Government cannot legitimately dispose of the destiny of the Capeverdian people;

Whereas the Lisbon Treaty is unconstitutional, and therefore, absolutely null since it was made with utter disregard of the principles of the Universal Declaration of the Rights of Man, of the UN Charter, in the Resolutions and Recommendations of the General Assembly of the UN, in the Declaration of the United Nations of 1942, in the Atlantic Charter of 1941, and furthermore, in the constitutional Portuguese degree-law No. 203/74 of May 15, all acknowledging the right of the Capeverdian people to independence, the same as the other Portuguese colonies;

Whereas in light of what has been exposed, the Treaty of Lisbon is a null act and of no juridical effect for the Capeverdian people, still masters of their destiny;

Whereas with the celebration of the Lisbon Treaty, Portugal abdicated her supposed right of sovereignty over the Cape Verde Archipelago;

Whereas the Portuguese military forces stationed in the Archipelago have acted in an unfriendly manner toward the Capeverdian people, for which reason they are considered invading forces;

Whereas the PAIGC, a foreign party in the service of Guinea-Bissau, a foreign country, constitutes likewise a foreign power that, through force and violence, maintains itself in the Archipelago, spreading terror, crime, hunger and misery among the Capeverdian people:

Now therefore: the Congress of World Capeverdian Communities convened in the city of Boston on the 22nd and 23rd days of February, in the year of our Lord, nineteen-hundred and seventy-five, for the analysis, discussion and possible solutions regarding the independence of the Cape Verde Islands, voted unanimously and by acclamation, the following resolutions to have immediate full force and effect:

1. To solemnly proclaim and herewith effectively do declare, the total and immediate independence of the Archipelago of the Cape Verde, comprised of the islands of Maio, Santiago, Fogo and Brava (windward group) and by the islands of Santo Antao, Sao Vicente, Sao Nicolau, Sal, Boa Vista, and Santa Luzia (leeward group) and by the islets of Branco, Raso, Grande, Luis Carneiro and Sapado, all located in the Atlantic ocean, off the West African coast, one thousand five hundred miles from Lisbon and three hundred miles from Senegal;

II. To appeal to the International Court of Justice for trial and judgment with respect to the unconstitutional and anti-democratic agreement executed between the Portuguese provisional government and the foreign revolutionary group, the PAIGC, on the 18th day of December in the year 1974, by which agreement the people of the Cape Verde were abandoned and delivered to a foreign state;

III. To declare the referred to agreement vitiated with unconstitutionalities to be null and void with no effect with respect to the Capeverdian people;

IV. To deny to Portugal any exercise of right or sovereignty over the Archipelago of Cape Verde;

V. To consider and declare the Portuguese armed forces stationed on the Archipelago of Cape Verde an invasionary force and enemy of the Cape Verdian people;

VI. To consider and declare the revolutionary foreign group, and the PAIGC, an invasionary force and enemy of the people of Cape Verde;

VII. To consider and declare the Republic of Guinea-Bissau an enemy of the Cape Verdian people and against the independent state of the Cape Verde;

VIII. To consider and declare the present foreign government imposed upon the Cape Verdian people illegitimate and non-existant for all effects;

IX. To confirm the mandate given by the Cape Verdian community in the United States of America to the jurists doctors Roy F. Teixeira, Antonio de J. Cardoso, Edmund Ramos, Harry I. Fernandes, Roy J. Teixeira, Jr., and Aguinaldo Veiga to pursue and promote the independence of the Cape Verde governed by Cape Verdians;

X. To ratify all of the acts heretofore performed by the referred to jurists in the exercise of the popular mandate conferred upon them; to delegate and confer all the necessary powers upon the Cape Verdian jurists Roy F. Teixeira, Antonio de J. Cardoso, Harry I. Fernandes, Roy J. Teixeira, Jr., and Aguinaldo Veiga to after prior and obligatory consultation with the emigrants elected by the Congress (see list attached).

(a) Promote the recognition of the independent state of the Cape Verde Islands by states friendly to the people of Cape Verde;

(b) Promote and take acts towards the constitution and installation in the Cape Verde of a Government of Cape Verdians, in the shortest period possible, which shall administer the territory under democratic regime, promoting free elections in which only Cape Verdian political parties shall participate;

(c) Notify, for all legal effects, the United Nations organization of this declaration of independence.

MILITARY EXPENDITURES AND ECONOMIC GROWTH

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. DOWNEY of New York. Mr. Speaker, the relationship between military expenditures and economic growth has spurred considerable debate. Prof. Seymour Melman, in the spring 1975 issue of Challenge, presents what I find to be an excellent analysis of the central effects of military expenditures upon the processes that control productivity and growth.

The article follows:

Twelve Propositions on Productivity and the War Economy

(By Seymour Melman)

Until the 1960s both the general level of U.S. industrial productivity and the growth rate of the economy as a whole were acceptable to Americans. Historically, productivity in manufacturing had grown at about 3 percent annually, and the gross national product per employed person had expanded at about 2.5 percent yearly. After 1965, the rates of both productivity and general growth dropped sharply relative to both the U.S. record and the performance of other countries. Obviously, broad trends in productivity and national economic growth are determined by cumulative processes of investment in both physical and "human" capital, and allied applications of new, productive technologies.

The purpose of this article is to define several central effects of the war economy on the processes that control productivity and growth. These processes were in motion for the twenty years prior to 1965. The turn that took place at that time is therefore not explicable in terms of the major escalation of the U.S. government's military operations in Vietnam.

Productivity, the average physical output per hour of work, is a vital aspect of any economy. It defines the maximum stock of newly produced goods and services that is available for distribution by the community. Studies of labor productivity in manufacturing have linked its growth to mechanization and allied organization of work, which, in turn, are dependent on the relative cost of labor to machinery, the presence of widening technological options and markets, and the availability of capital.

A war economy contains a continuing and important set of operations whose products are treated as ordinary economic end products. That consideration is crucial. Military goods and services, though they have political utility in many circumstances, are devoid of economic use value: They are not useful for current consumption or as inputs for future production.

This lack is characteristically overlooked by economists who prefer to note that in a given year of "peace" military budgets have not drawn much more than 10 percent of the money-valued gross national product of the United States. This view of the matter neglects the cumulative effect of a permanent war economy in drawing heavily on the finite stock of capital and technological manpower, and it therefore disregards the consequences for productivity in the industrial system as a whole. Thus, the 7 to 10 percent of U.S. GNP consumed by the military during the last twenty-five years has included a major part of the fresh capital and technological resources of the society. If we focus attention on these factors, we can discern the unique consequences for productivity that have resulted from the operation of a permanent war economy.

The following twelve propositions summarize a set of key characteristics of America's "permanent" war economy.

1. *The annual fund made available for the operation of the Department of Defense has been exceeding, year by year, the after-tax profits available to the managements of all American corporations.* Since funds of this size represent capital funds, it is reasonable to infer that, through this system of allocation of the nation's resources by means of the tax process, the military enterprise of the United States government is now the focal point for control of capital in the American economy. Obviously, in a capitalist economy the control of capital is vital, for it defines both the character of major investment and the location of control.

2. *During the twenty-five-year existence of the American war economy, research and development manpower has been concentrated on the military economy.* While the government has become an increasingly important sponsor of research and development activity, dominating the field, 80 percent of its activity has been in military and allied areas. Within manufacturing, a major differentiation has developed between the military-serving industries and the rest. In 1970, in the industries that are concentration points of military activity, there were, on the average, 7.4 scientists, engineers, and technicians in research and development for every 100 production workers. In the rest of manufacturing, there was 1 technical person for every 100 production workers. Military research produces military technology. Independent studies made at the Department of Commerce and several American universities have shown that the oft-claimed "spillover" efforts to the civilian economy do not extend beyond 5 to 10 percent of the military outlay, at most. The consequences of this lopsided research activity are visible in the impoverished condition of many American industries, in manufacturing and elsewhere.

3. *In cost-minimizing enterprises, industrial managers mechanize production operations in response to the rising relative cost of labor to machinery. This productivity-inducing dynamic has been eroded as a consequence of the permanent war economy.* The rise of alternative cost is the motive force that has brought mechanization to a very high level in industries in the United States and other countries. A crucial element in this process is the ability of the machinery-producing industries to offset increases in their own costs so that the prices of machinery need not rise in proportion to the increase of, say, wages to workers. Mechanization has continued for more than a century as new machinery has become an increasingly attractive alternative to ever more costly human labor. Obviously, a critical feature of this process is the continuance of a cost-minimizing pattern within the machinery-producing industries themselves. This traditional mode of operation has been significantly abridged by the appearance and sustained operation of the largest machinery buyer of all—the Department of Defense and its associated agencies. Under their auspices, cost and price need not be minimized. From their standpoint, higher prices to vendors are considered mainly as justification for requesting further budget increases. Hence, cost and subsidy maximization have become the main microeconomic characteristics of the military economy. These, in turn, have been justified as a boon to the entire economy insofar as military spending generates employment and purchasing power.

As traditional pressures for cost offsetting and price restraint by the machinery-producing industries were replaced by those for cost and subsidy maximization, the prices of many classes of machinery for the first time began to increase as much as or more than the wages of industrial workers. Rising machinery prices meant the breakdown of the traditional economic mechanism that has induced progressive mechanization of work.

4. *As technological development in the power-generating industries lagged, prices of electric power to American industrial users began to rise for the first time in the twentieth century.* While the prices of fuel, generating equipment, and transmission facilities rose with other prices during the twentieth century, technical research in all these fields made possible substantial improvements in the efficiency of conversion from fuel to delivered electric power. By this means, the rising costs of all major input factors to the power-generating industries were offset, making it possible to reduce the average price of electricity to industrial users year by year from 1909 to 1967. This spectacular performance was significant in its own right, and is a further indication of the ability of U.S. capital goods manufacturers to deliver quality products at attractive prices when they operate under cost-minimizing production systems. But the operation of the permanent war economy drew capital and technical research away from civilian industry. As a result, the long cost-offsetting record of the power-generating industry was abridged.

As in the case of the machinery industries, a diminution of civilian technological capability became apparent.

5. *The manufacturing industries of the United States now operate the oldest stock of metalworking machinery of any industrial country in the world.* By 1973, the McGraw-Hill Company reported that 67 percent of the metalworking machine tools in use in American industry were ten years old or older. The steady aging of machinery stock since the end of World War II is in sharp contrast to the experience of other countries with growing output of efficient machine tools and strong incentives to replace older machinery. In countries of rapid industrial growth, the purchase of new machine tools is made more attractive by the steady improvement of the technical capability of the machinery-producing industries themselves. Since the basic metalworking machinery of a metal-using system is the core means of production, the aging of the U.S. machine tool stock reflects a deterioration that feeds into every civilian industry. Probably the only set of industries that are relatively exempt from this pattern are the military-serving organizations that have been lavishly equipped and reequipped under conditions where price hardly matters and where indefinitely large capital funds have been available year by year from the national treasury.

6. *Following the government's own example, and encouraged by higher growth rates outside the United States, private American wealth-holders have exported capital—and therefore employment opportunity and production—from the United States.* From 1960 to 1970, $31 billion of United States capital was directly invested abroad in manufacturing and other industries (excluding mining and petroleum). Various estimates indicate that this was equivalent to exporting 3 to 4 million jobs from the United States. This export of capital corresponded with the closing of U.S. factories in many industries. New productive investment invariably means new plant and equipment in the affected industries.

7. *University curricula, especially in technology institutes and engineering schools, have been oriented toward the service of military institutions of the permanent war economy.* In the past, American engineers have been trained for economic design of products and economic design of production systems within the framework of cost-minimizing traditions. This pattern was substantially altered as the military-serving institutions became the focal points of new employment opportunity for young engineers and the obvious places of choice for rapid professional advancement. Subjects like engineering economy and production engineering, in all phases, became less important parts of technological training and research as funds were lavished on the technologies required for expansion of the military economy.

8. *The twenty-five-year U.S. investment in training the technical manpower needed by the military economy must be treated as a sunk cost from the standpoint of the civilian economy.* Since the end of the Second World War, several hundred thousand engineers have been trained in technological specialties required for the operation of military industry, military research laboratories and the military establishment itself. From time to time, fluctuations in employment opportunities, especially in military industries, have caused layoffs of groups of military industry engineers and technicians who are no longer required in particular locations. When other military employment has been unavailable, unemployed specialists have frequently abandoned technical occupations altogether. Repeatedly, military industry engineers and technicians have encountered grave difficulties in adjusting to civilian industry employment. Fundamentally, this has been the result of their long indoctrination in work practices that were specifically suited to a cost-maximizing environment. These same practices have been noted by employers and colleagues as eminently unsuited for cost-minimizing industrial operations. In the absence of a major effort to retrain military engineers and technicians, the investment in military technological training and experience must be treated as a sunk cost and written off.

9. *The cost- and subsidy-maximizing patterns of the military economy have infected parts of the civilian economy.* Since the Department of Defense is the largest purchaser of many classes of goods, its practices and requirements penetrate even firms that are minor participants in the military industry network. For example, the Department of Defense has specified many practices for cost accounting and cost estimating. Many managements have deemed it appropriate to follow these practices elsewhere in their enterprises once they were required in the divisions that served the Pentagon customer. Many managers have moved in and out of the military industry system and have carried with them the practices that were valued in that sphere. Furthermore, men from military industries and from the Pentagon are, characteristically, active participants in technical and management societies. Therefore, an important part of the tone, style, and specifics of what is discussed as "modern management" has tended to be unusually influenced by the operators of the military economy.

10. *Although the military economy itself operates in high gear, the impact on the rest of the system is to generate surplus (uninvestible) capital and surplus (unemployable) labor.* Accordingly, the economy operates as though it had two discrete parts: There is prosperity and growth in the military economy but stagnation in the civilian. A permanent war economy is therefore an economy laden with contradictions. The military segment is the state's own economy and is operated without regard to the shortages and price upheavals that are so troublesome in the civilian economy. Thus the military economy is not disrupted by inflation as

long as the government is prepared to vote the constantly rising budgets for meeting its requirements.

11. *The cumulative effects of a permanent war economy include a reduction of the cost-offsetting capability within the civilian industry system.* American industry has been able to offset the highest wages per hour in the world by steady improvement in mechanization and organization of work. This capability was at the core of the productivity process which kept changes in American labor costs per unit of output modest even while wages were high and kept rising. As this capability within U.S. industry has diminished, sharp price increases have been the necessary consequence. If costs cannot be offset by productivity growth, then the managements of firms may be expected to seek increases in price, entirely apart from profit taking.

Using basic data on U.S. wages and productivity in manufacturing, I calculated the deficit in productivity growth during the 1960s which resulted in an increase in the unit labor costs.

From 1960 to 1965, U.S. output per hour worked in manufacturing increased more rapidly than compensation per hour worked. Thus, price increases during that period were not due to higher labor cost per unit of output. After 1965, however, unit labor cost rose sharply because productivity did not increase enough to offset the rise in hourly pay. The accompanying table shows the actual increases in productivity for 1966–71 along with the *additional* increases that would have been necessary to offset the increases in hourly pay.

Growth in output per hour worked

	Actual	*Additional needed*
1966	1.22	3.16
1967	0.10	4.83
1968	4.70	2.50
1969	1.43	5.01
1970	1.51	5.06
1971	3.43	2.74

The productivity growth that was forgone was a price this country paid for assigning essential technological resources to the military economy. For this crucial period, the total U.S. productivity gap was 28 percent. Moreover, the productivity changes that would have been required year by year to achieve a stable unit labor cost (the sum of the two figures for each year) are well within the range of performance of other economies during the same period. The nations of Western Europe showed yearly productivity increases of 5.5 to 7.5 percent from 1966 to 1971, and in Japan the productivity growth was 7 to 16 percent per year.

Cost pressures played an important role in the U.S. inflation and its noncompetitiveness in the 1960s. There is little doubt that in the manufacturing industries these pressures resulted from the new technological incapacity that was a by-product of the permanent war economy.

12. *The effects of the permanent war economy in eroding the productivity process are a function of sustained military preemption of capital and technological resources and the erosion of cost-minimizing traditions, and are independent of major variations in the social organization of production.* In the analysis outlined above, the controlling factors are the massive allocations of capital and technological manpower to the economically nonproductive military system, and the destruction of the self-correcting mechanisms of cost-minimizing enterprises and their replacement by systems of cost- and subsidy-maximization. Accordingly, similar consequences for productivity may be expected whether the economy is private or public, capitalist or socialist. The relation of productivity to war economy is controlled primarily by the way a prevailing social system allocates resources to a military economy.

LAFAYETTE LAKE AND THE NEED TO PROTECT THE PROPERTY RIGHTS OF THE LANDOWNERS AND HOMEOWNERS

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. FITHIAN. Mr. Speaker, the construction of Lafayette Lake will utilize several thousand acres. It is absolutely necessary to protect the rights of the property owners and homeowners within the lake area.

The U.S. Constitution specifically states that no one can be deprived of property without due process of law, "nor shall private property be taken for public use without just compensation." Strict Federal laws have been enacted to protect these rights.

Property owners should know that—

The Federal Government is forbidden by law—Public Law 91-646—to acquire property at less than its fair market price. Landowners have the right to negotiate for a higher price—but the Government cannot offer less than the fair market price of the property.

Appraisals of all property are made by qualified real estate appraisers. Landowners or their representatives have the right to accompany appraisers during all inspections of their property.

The results of the appraisal, a statement of fair market value, and an explanation of how the fair market value was established must be sent to each landowner before negotiations on a final price begin.

The Government is required to negotiate with each individual property owner for a fair price. The agreed-upon price may be higher than the assessment, but the law states that it can never be lower.

If condemnation proceedings must be started, the Government must deposit the full amount of the approved appraised value of the property in escrow, pending the decision of the court.

No landowner will be required to surrender his property until after he has received payment for it or until such payment has been made available to him.

In some cases farmers can continue to farm the land purchased by the Government until it is needed. Farmers can negotiate for this with the government prior to transferring the land title.

The Government is required to provide complete information and assistance in applying for all supplemental payments available to landowners and tenants in the area affected by the project. Among the services the Government must provide are:

For homeowners in the affected area: The full cost of all moving expenses including packing, temporary storage, insurance, reinstallation and reconnection of equipment and appliances, compensation for time spent supervising movers, and for all property lost, stolen, or damaged while moving not covered by insurance must be paid by the Government. Homeowners may be eligible for additional payments of up to $15,000 to be applied to the purchase price of comparable replacement housing in the area, if comparable replacement housing is not available at the price paid by the Government for the homeowner's original house.

For farmers and businessmen in the affected area: The full cost of all actual moving expenses including those mentioned above must be paid by the Government. The full replacement cost of personal property used in connection with a business or farming operation which cannot be moved must also be paid. In addition, all farmers and businessmen are eligible for a payment of up to $500 to pay for the cost of searching for a replacement business or farm in the area. Or farmers and businessmen have the option to choose a fixed payment of between $2,500 and $10,000 as a relocation payment instead of itemized moving expenses. If the purchase of part of a property owner's land would leave the owner with an uneconomic remnant, an offer must be made to purchase the entire property.

For tenants in the affected area: The full cost of all moving expenses including those mentioned above must be paid by the Government. An additional payment of up to $4,000 to cover the increased cost of rent, if any, at a comparable new location is available to qualified tenants. In most cases this payment may be applied to the down payment on a home if the tenant chooses to purchase another house instead of renting. In this event, the Government will pay the first $2,000 of the required down payment and will match the tenant's investment up to an additional $2,000.

For all property owners and tenants: The Government must provide information on available replacement homes and land in the area. Supplemental relocation benefits are not counted as taxable income for Federal tax purposes.

Final plans for the project have not yet been completed and no final map of the lake yet exists. Changes in Environmental Protection Agency regulations have made it necessary to redesign the lake. The Army Corps of Engineers has, however, indicated that these changes will probably result in a lake slightly smaller than previously planned. No land purchases can be made until complete plans have been approved, probably late next year.

When land purchases do begin, the area immediately surrounding the dam construction site will be purchased first, with purchases upstream at a later date. The entire land-purchase process may take up to 3 years.

More complete details on Government land purchase policy and relocation payments are available from my office.

Some people feel that just having laws to protect property owners' rights is enough. Sometimes it is not. Property owners need assurance that they will not get the runaround on land appraisals and relocation payments from the Government. Someone needs to keep a close eye on assessors and land buyers.

I will do it.

COMMENDATION OF VOLUNTEERS AT THE ROYAL OAKS MANOR IN DUARTE, CALIF.

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. ROUSSELOT. Mr. Speaker, on a recent visit to the Royal Oaks Manor Presbyterian Home in Duarte, Calif., I was very impressed by the good works the citizens of that community were performing for the benefit of schools, hospitals, and nursing homes in the area. I am pleased to be able to insert in the RECORD for the attention of my colleagues a list of the areas of volunteer work and hours given. This list was provided by the executive director of the Southern California Presbyterian Homes, Mr. Frederick J. Gross, and describes work done by my constituents who are active retired persons for those who are in need.

The list follows:

Areas of volunteer work:	*Hours*
Hospitality and orientation	324
Sewing and knitting	4,380
Health and welfare	100
Library	2,920
Religious life	1,000
Programs for entertainment	450
Grounds	1,300
Outdoor and indoor games	2,700
Creative arts	450
Flowers and decor, lounges, dining room	4,700
Food and service	260
Birthday dinners	200
Bulletin boards	300
Calendars	200
Duarte Garden Club	240
Lounge music	400
Braille, transportation	400
Mail distribution	1,220
News letters	300
Parties	180
Reading group	450
Transportation, shopping and trips	600
Stamps (collection of cancelled stamps for Church World Service)	300
Booklets for patients of Children's Hospitals; acute hospitals; and nursing homes	2,000
Gideon Society	40
United Crusade	40
Red Cross	40
Heart Fund	40
Cancer Society	40
Laundry	500
Visiting and assisting ill—in personal care section	400
Church services	416
Bible study	468
City of Hope Hospital	160
ASSISTING PATIENTS IN NURSING HOMES	
Feeding, walking patients; listening to and conversing with patients; distributing, reading, answering mail, reading newspapers, magazines, books; telephoning families and interested friends; fresh flowers in patients' rooms; birthday parties; mending patients' clothing; decorating for special occasions	2,179
Total volunteer hours for 1 year	29,867

GARRISON DIVERSION UNIT AMENDMENT

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. VANIK. Mr. Speaker, an amendment will be offered tomorrow to the Public Works appropriation's bill to at least temporarily halt funding for the Bureau of Reclamation's Garrison Diversion Unit. The Garrison Diversion Unit is a monster irrigation project, started in 1965, that will irrigate 250,000 acres of land that is for the most part productive already.

Mr. Speaker, there are compelling reasons that the Garrison diversion project should be ended, but I would like to address one specifically: economics.

Mr. Speaker, when the Garrison Diversion Unit was originally authorized, its cost was estimated to be $707 million. This expense would irrigate 250,000 acres of land that, although a grim victim of the 1930's dust bowl, was and is currently, a food-producing and arable region.

The Department of the Interior, in February of this year, estimated that the Garrison diversion project costs had risen to $500 million, more than twice the original estimate.

And what will farmers get for $500 million in public subsidization? Mr. Speaker, it has not even been conclusively proven at this stage that a farming family will be able to afford the tens of thousands of dollars in personal expenses that will be required to purchase the irrigating machinery necessary to actually use the water that Garrison will bring. After hundreds of millions of dollars in constructing funds, the Garrison project actually stands some chance of not being completely used. I wonder if perhaps the lifeless canals we see on Mars may not have been an earlier, still unmentioned, project by the Bureau of Reclamation.

Mr. Speaker, there are dozens of compelling reasons we should pass the funding halt offered today. Costs have skyrocketed; farmers to be served—including the 32,000 members of the North Dakota Farmer's Union—have questioned the need and method of the project; our best international neighbor, Canada, has protested the amount of dissolved salt pollution likely to occur in at least two rivers that flow into their country from North Dakota; American officials in the Bureau of Reclamation and the Secretary's office of the Department of Interior have aparently deliberately misled the Department of State, congressional committees, and individual Members of Congress; the Bureau of Reclamation has brought terror and fear and disruption to many farmers whose farm lands or homes stand in the path of the Garrison facilities; environmental considerations have received only secondary significance, at most.

Mr. Speaker, I urge my colleagues to vote for the Fraser amendment.

TECHNOLOGY DEVELOPMENT BANK

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. DOWNEY of New York. Mr. Speaker, on the 12th of June, 1975, I introduced a bill, H.R. 7841, titled the "Scientific and Technological Research Act," which would establish a national technology development corporation. It would be designed to help meet the Nation's long-range energy and environmental needs.

The substance of this bill is vital to the Nation in terms of developing new sources of energy. I must emphasize that we must not wait for a real crisis to occur before we take affirmative action on long-term energy alternatives.

The Association of the Bar of the city of New York has prepared a report on the concept of a Technology Development Bank such as the one I have proposed in H.R. 7841.

I believe that this concept is a new way of approaching an old problem and I include this report in the RECORD for my colleagues' review. The report follows:

A NATIONAL ENERGY OR TECHNOLOGY DEVELOPMENT BANK

(By the Special Committee on Consumer Affairs)

No one familiar with energy resources and requirements believes that the shortage of energy which reached serious proportions during the winter of 1974 is over for good. Apart from actual shortages, dramatic increases in the price of fuel have hit the consumer both directly, and indirectly in the form of rises in prices of the goods and services of every industry which uses fuel. These indirect price increases are perhaps only beginning to be felt.

And apart from these problems of supply and money price, we pay an enormous environmental price for our use of fossil fuels to provide power. This environmental cost threatens to be increased if demands multiply for the use of dirtier fuels to meet scarce supplies.

Increased research and development in the energy field has been much discussed and some steps have been taken by government and industry.[1] But long-term high-risk research efforts may not be attractive to industry, nor do they readily draw funds which must derive from annual appropriations that are charged to the Government's current expense budget and compete with other short-term demands. On the other hand, research cannot be budgeted effectively on a short-term year-to-year basis and yield favorable results.

In other instances where investments have been needed for the benefit of society, which may provide economic returns and where long-term commitments have been needed, Congress has utilized its banking and currency power under the Constitution[2] to create financial institutions to accomplish national purposes.[3] These have included in the recent past the Export-Import Bank, the Reconstruction Finance Corporation, the Home Owners Loan Corporation and numerous other institutions.

Representative Wright Patman, Chairman of the House Committee on Banking & Cur-

---

Footnotes at end of article.

rency, has proposed H.R. 11860 of the 93d Congress to create a National Energy Development Bank. Senator Jacob K. Javits has also introduced S. 2050, 93d Congress, to create a Domestic Enterprise Bank, one of the purposes of which would be to make loans to deal with technological obsolescence.

We examined the bills from the standpoint of consumer protection. Unless further steps are taken to see to it that goods and services are available in ways which do not rely on rapidly depletable resources or seriously endanger the environment, all of our other efforts to protect the consumer may turn out to be little more than efforts to secure fairness in the allocation of deck chairs on the Titanic after it hit the iceberg. We approve the concept of use of a banking institution as proposed by H.R. 11860 and S. 2050 as one way to achieve this purpose. At the same time, we believe that strong safeguards are needed to see to it that such legislation in fact benefits the consumer and the public.

Such institutions could help to develop environmentally sound new technologies so as to avoid some of the catastrophic consequences for the consumer which will otherwise flow from the combination of resource scarcities due to exhaustion of scarce materials and environmental degradation.

Positive efforts to develop environmentally sound technologies would also be a natural outgrowth of the technology assessment movement aimed at greater planning to see that technology advances rather than injures social objectives, a movement given congressional recognition in the recent creation of a Technology Assessment Board.[4]

The approach of these proposals has the great advantage that long-range commitments are possible, since the funds are not limited to one-year appropriations usually utilized in government programs. Funding a year at a time is obviously unworkable for long-term programs, especially those involving research. The Federal highway program, for example, has involved long-term funding,[5] and so must efforts to protect the environment on our planet.

The proposals also have the advantage of treating investments *as* investments rather than as current expenditures. This makes sense, just as it makes sense to charge the cost of a house over its useful life and not entirely in the year it is bought.

Outdated accounting can lead to penny-wise and pound-foolish evaluations where investments for the future are involved. Erroneous treatment as current expenses of investments which are needed to provide long-term future benefits has the effect of discouraging these investments.

Without new methods—especially new power sources—we will continue to be confronted with the agonizing dilemma of giving up needed economic activities (such as production of electric power) or suffering the consequences of pollution. Positive investment in environmentally sound technologies is thus imperative for the future of economic activity as well as for the prevention of pollution.

In order to see that funds from such a bank are not used for purposes for which they are not necessary, a clear requirement should be included that adequate financing from private sources be unavailable for the project involved. On the other hand, in order to obtain the greatest leverage for investments under the legislation, it should be emphasized in the legislative history that the bank should, when possible, enter into consortiums with private sources of capital. Likewise, to encourage the bank to undertake long-term high-risk investments critical to consumers and to the environment but financially risky, the bank should be encouraged to obtain agreements for royalties to be paid to it if it assists in developing an economically profitable new technology.

It is critically important that use of funds to develop new technologies in fast foster technologies which are in the interest of society, and not merely the interest of the applicant. For this purpose, the Committee recommends:

1. Extensive public hearings should be held on the types of technology in the energy field which are in the consumer interest and environmentally sound, and a clear mandate to the development of technologies which meet these tests should be written into the committee reports on the legislation and made part of the legislative history. The advantages of power sources such as controlled nuclear fusion,[6] geothermal, solar, wind and like sources (including temperature differentials in the oceans) over fossil fuels and nuclear fission with its long-term environmental dangers, should be explored. It may well be that petroleum will be even more valuable for chemical purposes if other large-scale energy sources can be developed.

2. The legislation should provide for a broadly based policy-making body including consumer representation and a wide spectrum of the scientific community.

3. The policy-making body—which need not be the board of directors handling financial details of the work of the bank—should set forth an agenda of socially urgent technologies and invite applications, rather than leave the initiative solely to the applicants. Each proposed loan or guarantee should be placed on public record in advance of final action in order to secure consumer and other comment. Such notice should also be sent to Congress with the provision that either House might disapprove a proposed loan or guarantee within a specified period, as is now permitted in the case of executive reorganization plans.[7]

4. The same procedure involving notice to Congress should apply to the agenda of eligible technologies established by the policy-making board. This would permit flexibility in that the board could deal with changing requirements without the need to go back for new authorizing legislation, while at the same time preserving ultimate congressional authority over the directions taken.

Because of the immense task of reorienting our technology along environmentally sound lines, and the tremendous economic as well as environmental necessity for such efforts, we believe that specific dollar limits on the activity of such a bank would be short-sighted. We recommend that the bill be amended to delete such limits and provide instead that Congress be notified in advance of the terms and amounts of issuances of obligations by the bank to the Secretary of the Treasury or others to raise funds, and that either House of Congress be empowered to veto the issuance within such period by passing a negative resolution.

5. As a condition of benefiting from a loan or grant an applicant should be required to consent that any information developed by the applicant (which might be a subsidiary of another firm) be available to the bank and to interested governmental agencies. If patents are issued as a result of the research funding, provisions should be included in the agreement providing for non-exclusionary licensing of the patent to others based upon a reasonable royalty. It is common for private financial institutions making loans to businesses to insist that a representative of the institution sit on the board of the borrower. Such a requirement could be imposed by the bank in appropriate cases. Public as well as private enterprises should be eligible as borrowers.

6. We believe that it would be most important to assure repayment to the bank of the results of its investments by including a portion of any profits derived from investments financed by the bank, in addition to repayment of the loan, as a condition of loans where the investment is successful.

7. In order to encourage maximum diversity among applicants and to encourage completion, a clear preference should be accorded to applicants which do not have relevant antitrust judgments against them, as was the case under the surplus property legislation covering disposition of excess assets at the end of World War II.[8] We believe that it is important to avoid diversion of the resources of such a bank into energy production efforts which would take place anyway, and to avoid its use to consolidate the position of firms which may have a dominant market share.

8. It should be made clear that it is contrary to Congressional intent for a borrower to utilize funds obtained from such a bank to do research which it might have done anyway and then use monies thereby freed for acquisiton of competitors or unrelated businesses.

9. It should be made clear that the main purpose of the funding to be provided is to conduct research to develop new technologies. Construction of prototype facilities to demonstrate the viability of new technology should be included within this concept and should be permitted. On the other hand, construction of new facilities using existing technologies could eat up much of the resources of such a bank and engender controversies which could be extremely difficult to resolve as to which competing members of an industry should get money to expand their facilities. Consequently, we believe that loans for families other than prototype should not be provided by such a bank.

10. It should be made clear that in addition to private institutions, public institutions such as TVA and others should participate in research assisted by the bank. Further, the approach discussed here should not be the only method considered for support of long-range research. It may also be desirable to create and fund a new federal agency, modelled after NASA or the TVA, that would itself conduct research efforts.

It should further be noted that obviously, the proposals here would not alter the need for "basic" research without specific applications known in advance,[9] best supported by the National Science Foundation or other means.

For the above reasons we recommend legislation along the lines of H.R. 11860 or that aspect of S. 2050 concerning technological obsolescence, with the amendments discussed above.[10]

SPECIAL COMMMITTEE ON CONSUMER AFFAIRS

Rhoda H. Karpatkin, *Chairperson*; Douglas V. Ackerman, George B. Adams, Jr., Evans A. Davis, James D. Dougherty, Albert W. Driver, Jr., Robert J. Egan, Carl Felsenfeld, Richard A. Givens, Joseph Good, Leon I. Jackson, James J. Lack.

Richard S. Lane, Michael B. Maw, Sheila Rush Okpaku, Barbara Opotowsky, David Paget, James T. Prendergast, Don Allen Resnikoff, Irving Scher, Philip Shrag, Andrew B. Schultz, Randolph J. Seifert.

FOOTNOTES

[1] *Energy Research Policy Alternatives, Hearing Before the Senate Committee on Interior & Insular Affairs Pursuant to S. Res. 45, 92d Cong., 2d Sess.* (1972). Serial No. 92–30; and e.g., U.S. Atomic Energy Commission, Division of Research, Why Fusion? Controlled Thermonuclear Research Program (1970); Starr & Rudman, "Parameters of Technological Growth," SCIENCE, 10/26/73, p. 358; Scientists Examine Fusion Power Role, *N.Y. Times*, section 1, p. 33, 11/11/73.

[2] Congressional power appears to be plenary in regard to the types of financing it may choose to employ. See *Norman* v. *B. & O. R.R. Co.*, 294 U.S. 240, 303 (1935); *Knox* v. *Lee*, 79 U.S. (12 Wall.) 457 (1870); *Veazie Bank* v. *Fenno*, 75 U.S. 533 (1869); compare *Guaranty Trust Co.* v. *Henwood*, 307 U.S. 247 (1939); *McCulloch* v. *Maryland*, 17 U.S. (Wheat.) 316 (1819); and see Thayer, "Legal Tender," 1 HARV. L. REV. 73 (1887).

[3] See First National Bank of the United States (1 Stat. 191 (1791)); Second Bank of the United States (3 Stat. 266 (1816)); National Bank Act of 1864 (13 Stat. 99 (1864)); Federal Farm Loan Act (39 Stat. 360 (1916)); Federal Home Loan Bank Act (47 Stat. 725 (July 22, 1932)); Home Owners Loan Act of 1933 (48 Stat. 128 (1933)); Federal Farm Mortgage Corporation Act (48 Stat. 344 (1934)); Export-Import Bank Act of 1945 (59 Stat. 526 (1945)); for origin of the Reconstruction Finance Corporation see 47 Stat. 5 (January 22, 1932); for use of the Corporation in connection with aid at the end of World War II, see 61 Stat. 105 (1947); 61 Stat. 134 (1947); concerning creation of new communities, see Housing & Urban Development Act of 1970, Public Law 91–609, 84 Stat. 1793. (12/31/70); see also *National Housing Goals, Hearings before the Subcommittee on Housing, House Committee on Banking & Currency, 91st Cong., 1st Sess.* 595–598 (1969); Staff Report, New York Regional Office, FTC, Inquiry into the Challenge of Expansion of the Building and Construction Industry (placed on public record by the Federal Trade Commission in May 1973). Methods of funding used in the past have included permitting obligations of an institution to be used in making payments due to the United States, First Bank of the United States, Section 10, 1 Stat. 191 (1791); National Bank Act of 1864, Section 23 (except duties on imports), 13 Stat. 99 (1864). Another method has been authorizing bonds issued by institutions to be guaranteed by the United States Reconstruction Finance Corporation Act, 47 Stat. 5 (1932); Federal Farm Mortgage Corporation Act, 48 Stat. 344 (1934). Such obligations can be non-interest bearing. Reconstruction Finance Corporation Act, Section 9, 47 Stat. 5 (1932); Another financing method is to provide that the Secretary of the Treasury purchase the obligations of the institution. RFC Act, Section 9, *supra;* Federal Home Loan Bank Act, Section 6(f); 47 Stat. 725 (1932); Home Owners Loan Act of 1933. Section 4, 48 Stat. 128 (1933); Export-Import Bank Act, Section 6, 59 Stat. 526 (1945).

[4] Technology Assessment Act of 1972, 86 Stat. 797 (1972), 2 U.S.C. § 471 (1972); compare Givens, "The Future of 'Consumerism,'" 29 RECORD OF THE ASS'N OF THE BAR OF THE CITY OF NEW YORK 376, 385–87 (1974).

[5] See 23 U.S.C. § 101, note.

[6] See e.g., Gough & Eastlund. "The Prospects of Fusion Power," 224 SCIENTIFIC AMERICAN No. 2, p. 50 (1971).

[7] 5 U.S.C. § 901 et seq.

[8] On the advantages of competition and even "overlapping" in the development of new techniques, see JANE JACOBS, THE ECONOMY OF CITIES (1969); *Science, Technology and the Economy, Hearings before the Subcommittee on Science, Research & Development, House Committee on Science & Astronautics*, 92d Cong., 2d Sess. 111–113 (1972).

[9] Cf. Katz, "Harvey and Medical Research," 160 J. AM. MED. ASS'N 1137 (3/31/56).

[10] See also S. 1699, 92d Cong., 1st Sess. (1971), a bill to create an environmental bank, and New York County Lawyers Ass'n, Committee on Federal Legislation, Reports F–9 (1973) and F–5 (1972), some of the language of which is adapted here.

The following drafting suggestions may be noted in regard to H.R. 11860: The purposes set forth in § 2 should include demonstration or prototype facilities but not others. The eligible borrowers under § 4(a)(4) should include "organizations" as well as corporations (there appears to be an inconsistency between § 4(a)(4) and § 4(a)(5) in this respect). There would seem to be no reason why any loan must be in the full amount requested, as appears to be provided by § 15(b)(1). Under § 11, purchases of bank obligations might be considered public debt transactions as is permitted under many similar laws (see n. 1 *supra*).

Finally the purposes and prerequisites of loans should be set forth more fully in § 16, as indicated in this report.

EXPEDITE ENVIRONMENTAL IMPACT ASSESSMENT STATEMENTS ON PROPOSED VIRGIN ISLANDS OIL REFINERY

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. DE LUGO. Mr. Speaker, I am deeply concerned about the revitalization of the Virgin Islands economy and I support recent legislation by the 11th Legislature of the Virgin Islands that petitions the concerned agencies to expedite environmental impact assessment statements for construction of a proposed oil refinery in St. Croix. This would provide many desperately needed jobs during the construction phase and many permanent jobs when completed.

I would like to share with my colleagues the following resolution as passed by the legislature:

RESOLUTION NO. 753—ELEVENTH LEGISLATURE OF THE VIRGIN ISLANDS OF THE UNITED STATES, 1975

To Petition the U.S. Army Corps of Engineers and Other Federal as well as Territorial Agencies to Expedite their Review of an Environmental Impact Assessment Statement on a Proposed 200,000 BPCD Refinery on the South Shore of St. Croix, Prepared and Submitted by the Virgin Islands Refinery Corporation, and to Expedite their Decision on Applications for Permits Necessary for the Construction of Said Refinery.

Whereas by Act No. 3359, approved January 10, 1973, the Government of the Virgin Islands entered into a contract with the Virgin Islands Refinery Corporation providing certain benefits for the construction of an oil refinery on St. Croix by said corporation; and

Whereas the construction and subsequent operation of this refinery (200,000 BPCD (barrels per calendar day) will bring about many new employment opportunities for residents of the Virginia Islands, approximately 1,500 for its construction and 500 for its subsequent operation; and

Whereas there is substantial unemployment in the Virgin Islands, a condition which has caused a net loss of approximately $300,000 per month from the Virgin Islands Unemployment Insurance Fund for several successive months; and

Whereas the largest percentage of unemployment in the Virgin Islands is in construction occupations, 899 persons having filed for unemployment benefits in this category during the first quarter of calendar year 1975; and

Whereas there are indications that this will increase in the months ahead as two large construction firms will be completing projects at the existing refinery on St. Croix and terminating approximately 2300 employees, many of whom are legal residents of the Virgin Islands and U.S. citizens; and

Whereas in order to prevent additional drain on the now almost depleted Unemployment Insurance Fund and a noticeable decline in the economy of St. Croix in particular, it is imperative that new employment opportunities be developed in the very near future; and

Whereas the construction of the abovementioned refinery can provide employment opportunities to absorb a large number of those who are and will in the near future become unemployed in construction occupations; and

Whereas the corporate expenditures anticipated in the construction of this refinery can increase the circulation of money in the local economy and stimulate our economy at a time when it appears to be approaching a sharp decline; and

Whereas construction of this refinery cannot begin until an environmental impact assessment statement prepared at the direction of the Virgin Islands Refinery Corporation is reviewed and approved by the U.S. Army Corps of Engineers and other federal and territorial agencies and until federal and local permits are issued to said corporation for the construction of the refinery and the erection of auxiliary installations; and

Whereas it is in the interest of the people of the Virgin Islands that decisions on the environmental impact assessment statement and applications for permits be expedited by the Army Corps of Engineers and other federal and territorial agencies so that the length and magnitude of local unemployment may be minimized; Now, Therefore, be it

Resolved by the Legislature of the Virgin Islands:

Section 1. The Army Corps of Engineers and all other federal and territorial agencies are hereby urgently and respectfully petitioned to expedite their review and their decisions on the Environmental Impact Assessment Statement prepared and submitted at the direction of the Virgin Islands Refinery Corporation for a proposed 200,000 BPCD refinery on the south shore of St. Croix. In making this petition, it is the sense of this body that normal environmental standards and requirements, designed to protect the ecology of the Virgin Islands and the health of its residents, should not be lowered or waived but that priority should be given to the review of this proposal because of the employment benefits that the refinery can bring to the Virgin Islands at a time when unemployment, particularly in construction occupations, is spiraling and because of the stimulant the refinery can be to our declining economy. Said agencies are further urgently and respectfully petitioned to expedite all steps preliminary to the granting of permits necessary for the construction of the proposed refinery and the erection of auxiliary installations.

Section 2. This resolution and copies thereof shall be forthwith transmitted to the headquarters of the Army Corps of Engineers and to its district office in Jacksonville, Florida, and to all other federal and territorial agencies having a major part in the review of documents preliminary to the granting of permits necessary for the construction of the abovementioned refinery.

Thus passed by the Legislature of the Virgin Islands on June 4, 1975.

CHILD CARE SCANDAL IN NEW YORK EXPOSED—PART III

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. BIAGGI. Mr. Speaker, today I will insert for the RECORD the third in a seven-part series conducted by the New York Daily News investigating the abuses in the private child care agencies in New York City. Today's exposé deals with the enormous profiteering by the city's 77 private child care agencies despite their claims to be "struggling charitable organizations totally bereft of funds."

The article paints an entirely different picture, actually it resembles a modern-day "Oliver Twist," the novel by Charles Dickens written in the 19th century which related a tale of exploitation of children similar to what has been uncovered in New York City. In this instance, we find these agencies making enormous profits through investing funds designed to provide care and referrals of children to adoption homes instead of being invested into stocks, real estates, and savings accounts. The shocking sum total of the 77 agencies' assets, according to the News, was between $300 and $500 million.

Mr. Speaker, as this series progresses, the exposés grow more horrifying and shocking. One could easily make an analogy between the situation existing today in child care agencies and the current scandals in our private nursing homes. In each case, we are talking about scandalous profiteering through exploitation of those in need. I urge my colleagues to read these materials carefully and begin to investigate to see whether this situation exists elsewhere besides New York City. This matter deserves our close and immediate attention.

I now insert the third article entitled "Bullish on Holdings—Bearish on Kids":

BULLISH ON HOLDINGS, BEARISH ON KIDS

(By William Heffernan and Stewart Ain)

New York's 77 private child care agencies regularly depict themselves as struggling, charitable organizations totally bereft of funds. But a glance at the stock portfolios of many give an entirely different picture—one of vast resources that do not benefit the children in their care.

In a three-month investigation by The News, the financial holdings of 40 private agencies were reviewed. That study uncovered resources in stocks, bonds, real estate and savings accounts in excess of $174 million.

Since that time, spokesmen for the agencies have acknowledged that the combined holdings of all agencies are between $300 and $500 million.

The News recently obtained a number of agency financial statements filed last December with the Internal Revenue Service. Those statements were then reviewed by an independent certified public accountant, who found that in some agencies only a small portion of their private resources was spent on child care.

In most agencies, no income from their capital assets was spent on child care. Instead, it was reinvested in their stock portfolios to increase their capital worth.

It appeared to the CPA that the agencies were building a financial empire independent of their child care operations.

The CPA said it was possible, of course, that some agencies might be underpaid by the city in a given year for the purchase of child care services. (Those payments presently cover between 90 percent and 95 percent of agency expenses.) In addition, the amount of private funding received by an agency might be less than expected. In either of these cases, the CPA said, an agency might be forced to tap its assets. Thus it would be prudent to protect those assets.

But a check with the city controller's office revealed that of the 32 agencies audited within the last three years, only four had been underpaid. The others were overpaid by as much as $1 million and most of them had the money on hand to repay the city in one lump sum. The Catholic Guardian Society of New York, for instance, repaid the city $992,574 last year.

The News questioned a number of agencies about their private resources and asked if those financial holdings, which in many cases total millions of dollars, are actually needed to cover child care expenses.

The agencies openly admitted that all child care expenses were actually covered by a combination of city payments and contributions received from the public.

Jane Edwards, director of Spence-Chapin Services for Children, conceded that the agency's assets, which exceed $8 million, were not actually used for child care.

Those funds and the earnings from them are constantly re-invested, she said, "and do little more than perpetuate themselves." Asked why those funds were not used for additional child care work, especially in the area of finding adoptive homes for children in care, Ms. Edwards said enough was being done in that area with city funds and private contributions.

"NONE OUT THERE TO FIND"

"I don't believe any good would be done by using those resources for adoptions," she said. "There is no sense in putting this money into finding adoptive homes if there are none out there to find.

"I don't believe there are any more adoptive homes out there," she added. "I believe the recruitment efforts being made now are satisfactory."

Her remarks seem strange in the face of the tremendous demand for Vietnamese children. Indeed, according to refugee officials, the number of prospective adoptive parents exceed the available Vietnamese youngsters.

Severin Laliberte, director of the Ottilie Home for Children in Jamaica, Queens, said the resources of his agency were not applied to seeking adoptive homes because "adoption is just the latest fad in children's services."

"THE LATEST FAD"

"We went through a period when institutionalization was considered the best thing for children," he said, "and then foster care was considered best. Now it's adoption."

Laliberte said his agency was "beginning to refer some children for adoption" but still considered "good long and short term care" as its primary function.

A different view was taken by Eve Smith, director of LCS-Spaulding for Children, an agency that provides only adoption services.

"The problem with the private agencies as they are now constituted," Ms. Smith said, "is that they have lost the altruism they had years ago when they started out.

"They are no longer just concerned with the welfare of the children," she added. "They are concerned with maintaining themselves in business and perpetuating their investments. And I'm afraid that has become much more important than how the children are cared for, or what the system does to their lives."

SUPPORT PAYMENTS CUT

In its investigation The News discovered also that some agencies regularly cut back on child support payments to foster parents. The agencies receive a fixed monthly amount from the city for that support, but many foster parents, it was found, receive only part of those city funds.

Other agencies—including some of the wealthiest—also regularly skimp on food and clothing in agency institutions.

The News recently surveyed the spending practices of 35 agencies and found that most spend as little as $2 a day per child on food. Some spend even less.

Most of those agencies, it was found, also spend less than 50 cents a day per child for clothing, an amount far below the 88 cents a day minimum average recommended by the State Department of Social Services for children in foster care. Only two of the agencies surveyed, in fact, met that state average.

Directors of several agencies visited by The News explained that the low costs were directly attributable to mass buying practices.

RUMMAGE SALE PRICES

But some said also that savings in clothing expenses were realized through "purchases at rummage sales."

In most instances, agency directors questioned by The News described the food and clothing received by children as good to excellent.

Caseworkers employed in private agencies, however, said the food and clothing ran the gamut from "mediocre" to "the level one would expect to find in a poor family."

According to financial information filed in Federal Court as a result of two recent class action lawsuits, there is nothing "poor family" about the agencies themselves.

One of those agencies, the Jennie Clarkson Home for Children in Valhalla, has assets in excess of $1.2 million, including more than $1 million invested in stocks, bonds and real estate according to their financial reports.

That same agency is spending $2 a day per child for food and 43 cents for clothing.

A representative menu obtained at that agency showed that the 38 young girls in its care were fed the following on Jan. 5:

Breakfast: "Bananas, sweet goods, Rice Chex and milk." Lunch: "Hamburgers & rolls, potato chips, pickles, salad and vanilla pudding." Dinner: "French toast & syrup, cheese, milk and pears."

When questioned about the menu, William H. Bennington, the Jennie Clarkson Home director, said he "hoped to correct that problem very soon" by hiring a new head of food services. The person presently in charge of those services has been employed by the agency for the last 29 years.

But the findings at Jennie Clarkson were not unique. Other agencies surveyed included:

St. Vincent's Hall, in Brooklyn, which spends $2.39 a day per child on food and 57 cents a day on clothing, while holding $1.5 million in stocks and bonds and $800,000 in savings accounts. The agency also acknowledges spending $4,000 a year at the prestigious Brooklyn Club "to entertain prospective contributors."

St. Mary's in the Field, in Valhalla, which spends $1.45 a day for food and 42 cents for clothing, while holding $1.3 million in stocks, real estate and savings accounts. Children at the agency are also forced to eat with plastic eating utensils, that are washed and reused, in direct violation of state health laws.

The Ottilie Home for Children, in Jamaica, which spends $1.46 a day for food and 62 cents on clothing, while possessing endowments which, in the words of its director, "could support us for the next five to 10 years if necessary."

And although many agencies find themselves in financial positions similar to the Ottilie Home, The News has found that the vast majority consistently present a public image of impending poverty.

One of the better known agencies, The Spence-Chapin Services for Children, recently sent a letter to its regular contributors, expressing great concern about the state of the economy and asking for financial support "within the limits of today's (economic) realities."

CUTS ACKNOWLEDGED

A study of that agency's economic realities, however, shows that it is worth over $8 million, including:

Certificates of deposit totaling $600,000; bonds, $836,590; stocks, $3,468,086; endowments, $2,611,479; savings accounts, $383,717, and real estate, $968,694.

In a recent interview, Joseph Gavrin, executive director of the New York State Council of Voluntary Child Care Agencies, which represents 72 of the city's 77 private agencies, conceded that many agencies "are very healthy financially."

He insisted, however, that some "are in desperate straits," but said he did not know how many or which ones were experiencing financial difficulty.

Gavrin denied that agencies were skimping on food and clothing for children in their institutions.

"I have seen these children," he said, "and they are all well fed and well clothed."

Gavrin did acknowledge that many agencies pay reduced monthly support payments to some foster parents, even though they all receive a fixed amount from the city. "The agencies pay less to some and more to others, depending on their needs," he said, adding that those needs were determined by the agencies.

Gavrin pointed out that the city has not set regulations governing how much agencies had to pay their foster parents.

He said agency foster parents were, in effect, "employed by the agencies" and that the agencies were "well qualified to determine how much money is needed for food, clothing, etc., to properly care for the children in their foster homes."

UNDERFED AND ILL-CLOTHED

In the course of its investigation, The News found instances of children who were underfed and ill-clothed in agency foster homes.

Asked about that, Gavrin said he knew of no such instances and insisted that if some did exist they were not the result of reduced support payments.

Gavrin said the private agencies had "never experienced even a breath of scandal" involving the physical abuse of children.

"The practice of reduced payments has gone on for years," he said, "and we do not feel it has caused a problem."

At present the city pays each private agency $175 a month for the support of children in foster homes. In city-operated foster homes, parents receive that amount in full.

Yet the News has found that some parents operating foster homes for private agencies receive as little as $150 a month, plus additional reductions in city-paid clothing allowances.

Carol Parry, who heads the city's Division of Children's Services, which has over-all responsibility for city children in foster care, claims the city is attempting to change the practice of reduced payments.

"We set our allowances at a specific rate because we believe that amount is needed to properly support these children," she said, adding that the agencies have now been advised to begin making full support payments no later than July of this year.

Ms. Parry said she had no knowledge about the amount of money spent on food and clothing for children held in agency institutions, or whether the amounts spent were adequate.

She said the number of employes working in Children's Services made it impossible to regularly monitor institution practices.

"At present we only get to those institutions once each year," she said.

IN MEMORIAM: EISAKU SATO

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. MORGAN. Mr. Speaker, in the death of Mr. Eisaku Sato, the world has lost a great statesman, and our country has lost a good friend.

Mr. Sato, who died of the aftermath of a stroke earlier this month, held the post of Premier of Japan longer than any other man.

During that period, 1964–72, he helped transform Japan into an important world economic power, while strengthening the domestic institutions of the nation.

A recognized world statesman, Mr. Sato won the Nobel peace prize for his policies which led to the signing of the nuclear nonproliferation pact by Japan.

An advocate of close relations with the United States, he made several visits to Washington during his tenure, and it was my pleasure to have met him then.

I know that the people of Japan have a deep grief at the passing of Mr. Sato. Their feelings are shared by Americans, both those who have met Mr. Sato and many more who have known him only by his excellent reputation.

We join in condolences to the Sato family and to the Japanese people.

At this point, I wish to insert into the Record the obituaries of Mr. Sato which appeared in the Washington Post and the New York Times:

[From the Washington Post, June 3, 1975]

Ex-Premier Sato of Japan Dies at 74

(By John Saar)

Eisaku Sato, former premier of Japan and winner of the Nobel Peace Prize, died yesterday in a Tokyo hospital. He was 74.

Sato had been in serious condition since he suffered a stroke and fell into a coma May 19 at a Tokyo restaurant.

A four-term premier of Japan, Sato was one of the country's dominant political figures. He was known for a subdued and colorless style and a cautiously conservative leadership.

He was chosen premier by colleagues of the ruling Liberal-Democratic Party in 1964 and guided Japan through an era of immense economic growth until he resigned under pressure in mid-1972.

He capped his career in May of that year by negotiating the return of Okinawa by the United States. A month later he announced his decision to retire.

In 1974 he was awarded a half-share in the Nobel Peace Prize for "reconciliatory policies" in the Pacific and his steadfast position that Japan should not acquire nuclear weapons.

Sato was an adroit politician who survived a personal scandal, the bitter intraparty tussles of Japanese politics and turbulent leftist pressures for 23 years. The dwindling popularity of his last few years in office and his eventual downfall stemmed from a failing in his key policy—reliance on and close cooperation with the United States. Sato made several official visits to Washington and was always identified with strong pro-U.S. and anti-Communist policies.

In 1971, after ultra-secret negotiations conducted by Henry Kissinger, former President Richard Nixon announced his intention to visit the People's Republic of China. It was the first of the "Nixon shocks" which rocked Japan's trade and diplomatic alliance with Washington. Nixon later imposed a 10 percent surcharge on Japanese imports in a bid to correct the massive deficit the United States was running up in its trade with Japan.

The Nixon shocks were widely viewed in Japan as a betrayal of trust, and Sato, the leading protagonist of the alliance was severely embarrassed.

Over the preceding years Sato had met mounting domestic opposition for favoring Taiwan at the expense of relations with China. The American approach to Peking left the Japanese feeling bypassed and isolated.

Sato was blamed, and support within his party eroded swiftly as conservative businessmen and politicians lobbied for new ties with Peking. Sato put out feelers to Communist China but was rejected for what Peking termed his traditional "hostility."

Though he fell from favor as an obsolescent obstacle to the need for a new Sino-Japanese relationship, Sato is credited with a generally successful stewardship of Japan in a critical era. His economic policies and studious encouragement of big business gave Japan the fastest growth rate of any major nation and made her the world's third economic power, behind only the United States and the Soviet Union.

Sato also restored Japan's relations with South Korea, gradually expanded her self-defense forces in the face of charges of 'militarism,' and widened the country's influence in the Pacific region with trade treaties. Observers noted that Sato's caution—it was being said that he would tap his way across a stone bridge to make sure it was safe—and his consummate skills in building a consensus support for his policies were needed to draw Japan from her post-war reticence.

As the third son in an eminent family of samurai lineage, Sato was in the classic mold of aristocratic Japanese politicians. His eldest brother Ichior served in the Imperial Navy as a vice admiral. Another brother, Nobusuke Kishi preceded him in the premiership.

Sato was born in Yamaguchi Prefecture on Japan's main island, Honshu, and brought up by a dominant mother who continually stressed discipline and the family's leadership responsibilities. He attended an exclusive prep school and took a law degree at Tokyo University which was then virtually a club for the future leaders of Japan.

Sato nevertheless failed to win a post in the elite finance ministry and elected instead to join the ministry of railways as a stationmaster. He stayed 24 years, working his way through the ranks of the civil service, and was head of the national railway system by 1945.

He entered politics in 1947 when he joined the Liberal Democratic Party and became chief secretary in the Cabinet. He was elected to the lower house of the Diet in 1949 and held a number of important party and cabinet posts as a close associate of then Premier Shigeru Yoshida.

In 1954, Sato was directly implicated in the scandal which wrecked Yoshida's party. With other politicians he was accused of accepting bribes from shipowners. He stood trial on a lesser charge of failing to record $140,000 in political contributions and was acquitted during a general amnesty celebrating Japan's admission to the United Nations.

The Sato resilience which later became a byword in Japanese politics was demonstrated when he came back into the public eye two years later to join the reorganized Liberal-Democratic Party. Soon after, his brother Kishi became premier and the rehabilitated Sato joined his second cabinet as finance minister.

By 1961 he was serving a lifetime friend, Premier Hayato Ikeda as Minister of International Trade and Industry. A year later he resigned, and during a protracted tour of the United States and Europe he did nothing to discourage talk of his becoming the next premier of Japan.

He was to rejoin the Ikeda cabinet and hold key positions, including that of organizer for the 1964 Olympic Games in Tokyo before resigning again and finally succeeding Ikeda as Japan's tenth post-war premier.

Sato's initial press conference opened a dispute with his leftist opposition which was to continue in a pattern of occasional violent and bloody demonstrations throughout his premiership. Sato stated he favored the continued exclusion of nuclear weapons from Japan but had no objection to visits by American nuclear-powered submarines.

Riots broke out the next day, but were short-lived and left Sato the clear victor. The struggle was often renewed over the next few years and the demonstrations were frequently sparked by Sato's unflinching pro-U.S. stance. Demonstrators took to the streets on the issue of U.S. bases in Japan and Sato's visit to South Vietnam. In one incident radical students hurled gasoline bombs at Sato's home in the Tokyo suburbs.

Even Sato's greatest triumph, negotiating the return of Okinawa to Japanese rule, was accompanied by bitter criticism. Pacifist-minded opponents rebuked Sato for provisions of the reversion agreement allowing the United States to maintain air and land bases on Okinawa.

Sato wept during the reversion ceremonies attended by Emperor Hirohito and former U.S. Vice President Spiro Agnew. He led the crowd in roaring cries of "banzai," nationalistic tributes to the Emperor, and cries of "Long live Japan."

Sato's tact in achieving the reversion of Okinawa and in solving an acrimonious dispute over Japanese textile exports to the United States preserved a vital trading relationship for Japan. The eventual cost to Sato was his credibility and domestic power.

In 1969, at a time when many Japanese were clamouring for diplomatic moves toward the People's Republic of China, Sato conferred in Washington with President Nixon. Their communique promised the closest cooperation between the two nations.

Nixon's surprise announcement in 1971 of his upcoming visit to Peking delivered a stunning blow to Sato's government.

Sato, whose first name Eisaku means "prosperity maker," married Hiroko Sato, the daughter of an uncle, in 1926. The couple have two adult sons, both businessmen. A robust and youthful-looking man, Sato coupled a love of outdoor activities such as fishing and golfing with an expert interest in movies, the Japanese tea ceremony chanoyu, and judo in which he held a black belt.

[From The New York Times, June 3, 1975]

Ex-Premier Eisaku Sato, Peace Prize Winner, Dies

(By Albin Krebs)

Eisaku Sato, who served a record tenure of almost eight years as Premier of Japan and won a Nobel Peace Prize, died yesterday in a Tokyo hospital at the age of 74.

Mr. Sato suffered a stroke and lapsed into a coma in a Tokyo restaurant on May 19, and his condition was so tenuous that he had to be treated at the restaurant for a week before his removal to a hospital.

Death followed development of bronchial pneumonia and kidney troubles. Mr. Sato never regained consciousness after the stroke.

Despite the fact that he was a consensus politician who preferred to move cautiously behind the scenes rather than flamboyantly in the open, Mr. Sato was a shrewd leader who, during his years in office from late 1964 until mid-1972, continued the policies of former Premier Hayato Ikeda to help transform Japan into an economic giant paced only by the United States and the Soviet Union.

Under his regime, Japan also achieved her long-cherished goal of regaining sovereignty over Okinawa and the Bonin Islands, lost to the Americans in World War II.

Mr. Sato won the prize for his policies that led to Japan's signing the treaty to stop the spread of nuclear weapons. But Japan, the only nation ever to be bombed with an atomic weapon, has still not ratified the treaty and is thus not bound by its provisions. Under Mr. Sato's administration, the Japanese Government maintained a policy of not acquiring its own nuclear weapons. Mr. Sato was also cited for his efforts to stabilize the situation in the Pacific.

A COMPETENT ADMINISTRATOR

Mr. Sato was never considered a particularly popular politician, but was considered a competent administrator. His selection for a Nobel Prize, however, produced a mild sensation in Japan where a common reaction was, "What did he do to deserve it?"

The prize came two years after he resigned following a series of political setbacks, including what were termed "shocks" from President Richard M. Nixon in abrupt changes of China policy and economic policy.

The Chinese Government in Peking, responding to a popular Japanese demand for opening of diplomatic relations, made it clear that this would not come as long as Mr. Sato or one of his followers was the Premier. Mr. Sato hung on until the return of Okinawa, which he considered his greatest accomplishment, was achieved on May 15, 1972.

Nevertheless, the Nobel committee concluded that as Premier he had been "the main exponent of a reconciliation policy that contributed to a stabilization of conditions in the Pacific area" and that he had kept his promise that "Japan should not get nuclear weapons of her own."

As leader of the most powerful non-Communist nation in Asia, Mr. Sato had walked a political tightrope designed to keep Japan an independent power. He once alluded to that ticklish task with the remark: "Better to be the head of a chicken than the south end of an ox."

Dignified on state occasions, Mr. Sato possessed a politician's ready grin, and he enjoyed elaborate parties at which he sometimes would break into a rich baritone. It was at such a party that he was stricken on May 19.

To some of his critics, Mr. Sato was an overcautious Premier and an unimaginative plodder on many issues. A joke circulated that Mr. Sato was the sort of leader who would tap his way across a stone bridge to make sure it was safe.

But to his admirers, Mr. Sato was a politician who quite deliberately and successfully chose the middle road. He encouraged and promoted the growth of Japan as an industrial power. By 1970, she had the third greatest economy in the world. Per capita annual income had risen from $50 just after her disastrous defeat in World War II to $1,515 in 1970.

Mr. Sato was a master of an old Japanese art: Attaining a consensus of a small group, a political party or an entire nation, whatever was necessary to proceed on a course. He was also a master at factional infighting in which many of Japan's political decisions are made, and he won grudging but admiring applause even from his critics for the way he could balance a Cabinet to reflect the power structure within the party—and keep himself in the Premier's seat.

TEARS SHED IN OKINAWA

Like politicians everywhere, Mr. Sato had his public mask, but associates said that underneath it was a man of emotion. When he went to Okinawa in 1965—the first visit by a postwar Premier—he was profoundly moved and shed tears. He wept when he visited memorials to the war dead and when he saw schoolchildren waving flags and shouting "Please don't forget that we are Japanese, too!"

Mr. Sato achieved his greatest diplomatic triumph in 1969, when, as champion of a Pacific partnership with the United States, he won President Nixon's agreement to the return of Okinawa, the island seized by American forces at the close of World War II and built into a major military base. The Japanese flag was raised there in 1972.

But the meeting with Mr. Nixon also gave rise to a misunderstanding that caused serious friction between the two leaders and the two Governments for several years. Mr. Nixon expressed hope that Mr. Sato, as his part of the bargain, would take action to resolve American complaints over what American textile interests and Southern politicians maintained were excessive Japanese imports into the United States.

Mr. Sato made what was apparently intended to be a noncommittal answer but Mr. Nixon is said to have understood it as an affirmative reply. When the Premier returned to Japan, he was unsuccessful in efforts to impose restraints on Japan's powerful textile companies, and the issue long rankled the Nixon Administration.

Mr. Sato had already normalized Japan's relations with South Korea, which had been a Japanese colony prior to 1945, by committing Japan to an $800-million program of gifts, loans, and investment to build up Seoul's economy.

Mr. Sato was born on March 27, 1901, in the village of Tabuse on Japan's Inland Sea. He was a descendant of a famous samurai warrior, Nobuaki Sato (pronounced SAH-toe). One of 10 children, he was the youngest of three boys.

Mr. Sato's father was a brewer of sake, Japanese rice wine, who it is said bowed to the wishes of his strong-willed, family-proud wife, Moyo, in raising the children.

His mother drilled into her sons' heads the repeated admonition: "Never forget that you are of samurai lineage, that the Sato family can never suffer a failure." The family did enjoy many successes.

The oldest son, Ichino, was to serve as a vice admiral in the Navy in World War II. The second, Nobusuke—who took his wife's family name, Kishi, in keeping with a Japanese custom under which some men who marry women who have no brothers are formally adopted into the wife's family—was also a Japanese Premier.

An uncle, Yosuke Matsuoka, who was Foreign Minister in 1940–41, said of the three brothers: "As for intelligence, the eldest ranks the highest, and so on down the line according to seniority. But as for character, the order is in reverse."

Eisaku Sato attended local schools in the southern Honshu prefecture of Yamaguchi and in Kumamoto, on the southern island, Kyushu, and then Tokyo Imperial University, from which he received a law degree in 1924.

BEGAN AS STATIONMASTER

He wanted a job in the Finance Ministry and passed its entrance examination, but wound up in the Ministry of Railways instead—as a stationmaster at Futukaichi in Kyushu.

During a 24-year career as a civil servant, Mr. Sato developed broad knowledge of communications. He had studied in China and visited the United States in the nineteen-thirties. By the end of World War II he was chief officer of the national railway system, today one of the best in the world.

His administrative abilities brought him to the attention of Shigeru Yoshida, the post-war Premier who had the job of making the new democratic constitutional Government devised by the United States occupation administration work for Japan.

Mr. Yoshida wanted Mr. Sato to become his chief Cabinet secretary, roughly the equivalent of a chief of staff. But his appointment was prevented by occupation authorities because Mr. Sato's brother, Mr. Kishi, who had been a member of a wartime Cabinet, was in prison as a war crimes suspect. Mr. Kishi was later released without trial.

In October, 1948, when Mr. Yoshida formed his second Cabinet, Mr. Sato was appointed the first Chief Cabinet Secretary who was not a member of Parliament. Mr. Sato ran for and won a seat in the lower house in 1949. He still held it at his death.

Mr. Sato served during his political career as Minister of Posts and Telecommunications and as Minister of Construction. In 1953 he became secretary general of the governing conservative Liberal party, a position of some political importance.

Mr. Sato's career suffered a devastating setback in 1954, when he was accused with other politicians of accepting large bribes from a shipbuilding association. He was tried on lesser charges and testified that his only sin was raising party funds without assuring that they were properly reported to the Government as required by law. He was acquitted in 1956 in a general amnesty celebrating Japan's admission to the United Nations.

Nevertheless, the bribery scandal, which damaged Mr. Yoshida's party, forced Mr. Sato's resignation as a party official and he remained out of public life for the next two years. When his brother, Mr. Kishi, became president of a merged Liberal-Democratic party, and then Premier, Mr. Sato resumed public life.

In June, 1958, Mr. Kishi named his brother Finance Minister, a post in which Mr. Sato remained until the collapse of Mr. Kishi's Government in 1960 when leftists rioted to protest the revised United States-Japanese security treaty.

By then, Mr. Sato had become close to Hayato Ikeda, with whom he had gone to high school in Kumamoto. Mr. Ikeda succeeded Mr. Kishi as Premier, and named Mr. Sato to the important post of Minister of International Trade and Industry.

BECOMES CRITIC OF IKEDA

In 1962 Mr. Sato resigned from the Cabinet of his lifelong friend, complaining that Mr. Ikeda's program lacked backbone, but he returned in 1963 as Minister in Charge of the 1964 Tokyo Olympic Games. Later that year, in an unsuccessful bid to wrest the party leadership from Mr. Ikeda, Mr. Sato explained pragmatically:

"Friendship should not be permitted to interfere with a person's decision when it has any bearing on his course of action in public life."

Mr. Ikeda fell ill with terminal cancer a few months later and party leaders, with Mr. Ikeda's blessing, chose Mr. Sato to succeed him as party president. Because the party held a majority he automatically became Premier. He was to hold the post longer than any other person since since Japan elected her first Premier in 1885.

Mr. Sato's wife of more than 40 years, a first cousin named Hiroko to whom he was betrothed by family arrangement when he was 16 years old, got the seeemingly serious-minded Premier into international headlines with an interview she gave a humor writer for a Japanese magazine.

Mrs. Sato was quoted as saying that earlier in their marriage, Mr. Sato gave wild geisha parties, and was wont to "beat" her on occasion. Later she explained in embarrassment that Westerners did not understand that geisha were entertainers, not prostitutes, and that her husband never "beat" her in the English sense of the word, but occasionally struck her when he became irritated.

EMBARRASSED BY NIXON

Mr. Sato's retirement in 1972 followed Mr. Nixon's trip to China and the great leap forward in American relations with Peking. Until then, Mr. Sato had faithfully followed the American line on China policy, despite growing political and economic demands that Chinese-Japanese relations be normalized.

He made it clear that he, too, would like to visit China, and publicly lamented the Chinese attitude toward him. His successor, Kakuei Tanaka, did go to Peking, and established diplomatic relations with China on Sept. 29, 1972—less than three months after Mr. Sato left office.

SOLAR ENERGY

HON. SHIRLEY N. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mrs. PETTIS. Mr. Speaker, I am particularly pleased that Congress has acted so wisely in approving an increase in the amount of authorizations for solar energy research and development, under the Energy Research and Development Administration authorization for fiscal year 1976.

The latest U.S. Geological Survey estimates of remaining domestic oil and gas reserves clearly illustrate that our fossil fuel energy resources are finite and are quickly being depleted.

As this country talks of moving toward reducing energy shortages and American dependence on fossil fuels of foreign nations, Saudi Arabia, which owns one of the largest oil reserves in the world, announces that it will also attempt to shift to solar energy in order to save its petroleum resources for more productive areas of food, fertilizer, and medicine manufacturing.

Solar energy, when compared to other potential or existing sources of energy, is cleaner, more abundant, and is infinitely renewable. It is estimated that solar energy could supply more than 25 percent of the Nation's annual energy needs within the next 50 years; 20 to 60 percent of new energy used to heat and cool residential buildings could be saved with full-scale implementation of solar heating and cooling units in the majority of such buildings.

My own district—the 37th of California—is at the North American apex of available hours and amount of solar energy. The only other area in the world to receive 4,000 average hours of sunshine per year is the Sahara Desert in North Africa. The 37th District's abundance of sun offers an exciting potential for demonstration projects utilizing solar power, and I am very pleased to inform my colleagues that several communities in my district have developed plans for such projects.

The most comprehensive of these plans is one entitled, "Solar Energy Park, Palm Springs, U.S.A." This plan has been developed in order to involve the entire community of Palm Springs in exploring the local and national potentials in solar energy research.

At present, the Desert Water Agency in Palm Springs, in conjunction with the solar park plan, will install two solar cell arrays in order to generate power to operate water pumping systems. It is the hope of the Palm Springs community that this program will be expanded to include solar water heating for pools, domestic hot water, water distillation, and steam generation; building climate control; and solar electric energy. Additionally, this comprehensive program has provisions for establishing a solar energy museum; a solar energy information program; a solar technical institute; solar energy week, and informational and education programs to develop and encourage solar energy careers.

Success in the 37th District projects will have significant impact on the popularization of solar energy throughout the Nation and will provide encouragement for Florida and the Southwest United States to pursue similar projects. Other States not having large periods of intense solar radiation will be encouraged to develop indirect forms of solar energy such as use of wind and ocean thermal gradients; photosynthesis and other bioconversion processes which produce fuels directly from solar energy; and utilization of organic materials to produce fuels or electricity.

In the past, alternatives to fossil fuels were simply higher than that for existing oil, coal, and gas technologies. Today, we have reached the point where the balance between availability of existing energy sources and economic motivation for developing new ones is shifting, favoring development of new technologies and commercial applications, particularly in the solar field.

Until the marketability and practicality of solar heating and cooling systems have been demonstrated, the Federal Government must be the catalyst to commercial exploitation of solar energy technologies. I would therefore like to insert an article which outlines many of the problems we must solve before solar energy can be used fully in the home:

[From the Washington Post, June 23, 1975]

KNOTTY PROBLEMS STAND IN WAY OF WIDE USE OF HOME SOLAR ENERGY

(By Jane Bryant Quinn)

NEW YORK.—Solar energy stands today at the threshold of broad commercial development. But how soon you and I can have inexpensive collectors on our roofs depends on how fast a number of pressing problems can be solved. Here's the solar agenda for policymakers:

(1) Performance. Consumers everywhere can understand what a one-ton airconditioner is, and how much space it cools. But what is—or should be—the heating capacity of one solar panel? What should a system be minimally able to deliver and how can this be measured? What are the safety problems? What standards can consumers use to compare competing systems?

Both government and industry know that without answers to these questions, rapid commercial development will be handicapped. The National Bureau of Standards has established some interim criteria for testing purposes. And the Housing and Urban Development Department has a five-year testing program for residential systems underway. But Frank Zarb, head of the Federal Energy Administration, wants commercial standards for hot water systems within 12 months, so the industry can get moving.

(2) Cost. Initially, solar heating systems will cost more than most people can afford. What's more, to the extent that they add value to a house, they penalize owners by adding to their property taxes. Insurance costs may go up, too.

A few states recently legislated small tax credits for people who install solar systems, and removed the property-tax penalty. Similar bills are pending elsewhere. The federal government is considering a solar tax-credit as part of the 1976 tax bill.

Another idea, now being advocated by the President's Office of Consumer Affairs, is to let the electric utilities into the solar business. They would lease systems to subscribers, offering them a package of electric and solar heat for something less than their present heating bill. This would eliminate the homeowner's big up-front investment (but he'd probably pay more for heat than if he owned the solar system himself).

The big risk here is that utilities soon would monopolize the business through such methods as charging high connection fees for solar units sold by independent manufacturers.

(3) Legal problems. Dependence on solar energy will require a concept of "sun rights," so as to prevent a neighbor from building structures that would diminish the efficiency of a heating system. Buildings in some commercial areas might have severe limits placed on their heights. Some adjustments in building codes may be needed—for example, in roofing standards. In areas where the neighbors have to approve housing designs, it's also possible that some might object to solar units as eyesores. Rooftop collectors are definitely going to be a challenge to architects.

(4) Consumer Information. Until consumers learn more about solar systems, they risk falling prey to exaggerated claims.

Sellers might understate costs to get you hooked, or overstate your potential heat savings. Heating bills might be better cut with good insulation than solar units—something the salesman may neglect to tell you. And older houses not really suitable for solar units might be fitted with them anyway.

Inevitably, hustlers will enter the field—promising bargains and disappearing after doing a lousy job. To try to help consumers distinguish the good from the bad, Virginia Knauer, the President's advisor on consumer affairs, is preparing an information booklet on solar energy.

(5) Technical Competence. Plumbers and heating system designers will have to take courses in solar energy to be able to advise people on a local basis. The technology isn't complex and the installation isn't difficult, but they have to familiarize themselves with the operation of the working parts. Not until expertise percolates to the local level will solar energy really start to enter our national life.

PERSONAL EXPLANATION

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. PRESSLER. Mr. Speaker, I wish to explain my "no" vote on the State Department authorization. I have a great admiration for our career diplomatic corps—but I have also frequently spoken out for the need to reduce expenditures in our Federal agencies. I object to the size of the Department's budget increases because I believe many of our foreign embassies and domestic operations could be run at a lower cost. Also I would like to see our Nation utilize the concept of the regional embassy—especially in Africa where so many other major countries do so. We seem obsessed with a grandiose presence in foreign lands. I believe a more modest presence would be more helpful.

Mr. Speaker, I cannot vote for this budget increase. I support our State Department, and the many fine people who work there, but I believe the Department could continue to operate at its present budgetary level.

Finally, Mr. Speaker, I am troubled by the fact that in the Education and Labor Committee we have been struggling to refund the student loan program for our own students.

We are having great difficulty in finding enough money to loan—not to give—our own students. I do not think our own students or the taxpayer will understand why this bill wants to authorize $20 million for the partial endowment of a United Nations University. We should have it in a separate bill so we can consider it separately. This $20 million should not be in the State Department authorization.

ROLL CALL ANNIVERSARY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1975

Mr. CONTE. Mr. Speaker, I am delighted to join my colleagues in extending best wishes to my good friend Sid Yudain and his hard-working staff at Roll Call on the occasion of that newspaper's 20th anniversary. I thank the distinguished Member from Illinois (Mr. MICHEL) for arranging for this special order.

For two decades, Members of Congress and their staffs have looked forward to receiving their copies of this informative weekly, not only for the "inside scoop" on Capitol Hill activities, but also for in-depth stories on issues of vital interest to Members and staffers alike.

Through the years, it has done much to foster a spirit of community on the Hill. As the coach and manager of the Republican Baseball Team, I am most appreciative of the sponsorship, all-out support and fine coverage Roll Call gives our annual partisan outings on the diamond.

Truly, it would not be the same contest without Roll Call to provide the enthusiastic pregame publicity that never fails to bring the fans to the stadium and the fine postgame wrap-up that allows us to hash over the results of this classic congressional confrontation.

Needless to say, I look forward to this year's edition of the congressional baseball game and many, many more prosperous years of community service for Roll Call.

NATIONAL FOOD STAMP REFORM ACT OF 1975

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. MICHEL. Mr. Speaker, today I am introducing legislation to effect a sweeping reform of the food stamp program. Over 50 of my colleagues have already indicated their support of this measure and have joined me in cosponsoring it. It is a good and workable bill, and I am confident that many other Members will wish to join the current cosponsors in backing this much needed reform.

Any proposed reform of the food stamp program ought, it seems to me, to be guided by three goals:

First, it should be designed to preserve the public's commitment to provide an adequately nutritious diet for those who cannot otherwise afford one.

Second, it should reduce the cost of such a commitment to levels that can reasonably be borne by the taxpayers.

Third, it should be designed in such a way as to make its administration as efficient as possible, keeping in mind the need to have sufficient administrative capacity to guard against fraud and to keep to a minimum procedural delays to recipients.

Clearly the present program fails both the second and third objectives. The cost of the food stamp program is out of control. It has grown by a staggering 14,203 percent in the last decade, a growth rate than can in no way be attributed to economic conditions. In terms of numbers of recipients we have gone from less than 500,000 in 1965 to about 20 million today. In addition, the administration of the program does not serve to guard against fraud, and subjects legitimate recipients to intolerable delays and frustrations in qualifying for their coupons.

The situation is so bad that I regard reform as not just desirable, but essential. The question then, is not whether we shall have reform, but when, and what kind.

If there is no reform, we will have, by the best estimates, a $20 billion program in just a few years. The Federal budget cannot stand that. The Congress must act.

We are impelled to act, in addition, by the recent appeals court decision which invalidated the current formula upon which food stamp allotments are based.

The bill which is being introduced today meets the goals I have identified, and would in my judgment satisfy the courts that a nutritionally adequate diet is being provided for recipients.

It is a comprehensive and exhaustive reform. It changes everything from the Department which will administer the program to the appearance of the coupons themselves. But it changes nothing for the sake of change itself. Each section has been carefully drawn so as to do a specific job: to help the truly needy, who will find their allotments increased by 29 percent; to close loopholes, such as those which allow financial manipulations by persons desiring to qualify in spite of high incomes; and to tighten administrative procedures to the benefit of legitimate recipients and the taxpayers alike.

In the end, we estimate that it will save approximately $2 billion at current spending levels, and I emphasize that it will do this at the same time that it provides for more food for the needy, and some special assistance for the elderly as well.

It is our best chance at this time to take a program that is barreling full-tilt down the road to catastrophe and put it back on the track so it can do the important job of providing nutrition for the poor.

Let me mention just a few of the key areas which are covered in the bill.

First. It moves the whole program from the Department of Agriculture to the Department of Health, Education and Welfare, food stamps is a welfare program; it belongs in the welfare agency. The Agriculture Department ought to be in the business of promoting programs for the farmers and ranchers of America, and food stamps, currently responsible for 60 percent of the USDA budget, is an intolerable drag on its ability to do so.

Second. For eligible recipients, it changes the standard from the USDA "economy diet plan," to a higher level, the "low cost diet plan." This represents a 29 percent increase in the level of nutrition available under food stamps.

Third. It curtails eligibility of persons with high incomes. Incredibly, there is now no upper income limit for eligibility, and through the manipulation of assets, even families in the upper middle income range may make themselves eligible.

Fourth. It improves the very lax procedures now in effect for the handling of cash and coupons, and in other ways sharply reduces opportunities for fraud and criminal activity.

Fifth. It will result in a net savings of $2 to $2.5 billion to the taxpayers at the current level of funding, a savings which will grow as the years go by.

OPEN HOUSING CAN WORK

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. COTTER. Mr. Speaker, in the recent issue of Fair Housing there was an article by Frank Buntin, which described the work of Harold Rothstein in the city of Hartford. For the benefit of my colleagues and the readers of this RECORD, I wish to place a copy of this article at this point:

OPEN HOUSING CAN WORK

Time was when the standard answer you would get in attempting to convince a builder to try low-or-moderate-income housing was, "No sir, not me."

All that man could see was the strict Federal regulations, occasional over protective town fathers, questionable profit margins, racial balance and affirmative action programs. Conventional housing could be built without all these so-called headaches.

The Hartford Area HUD Office with Director Lawrence L. Thompson supplying the thrust has witnessed a Federally subsidized housing mushroom in recent years. Many of the area's leading construction firms have tried it and have found it a good way to combine profit with justice.

With open housing a major goal of HUD, the HAO has been able to use the moderate income housing programs as a vehicle in making strides toward reaching this goal—an outstanding case of point is Mr. Harold Rothstein.

Coming out of World War II, he started from scratch and built one of Hartford's major trucking and warehouse firms. In the early 60's, Mr. Rothstein went into the construction business and later the subsidized housing field. His success with HUD programs began to escalate in the late 60's and he has devoted most of this time to it since.

Mr. Rothstein has rehabilitated nearly 700 units of delapidated rental housing in Hartford's inner-city and has constructed 818 units of low-and-moderate-income developments in Hartford's predominately white suburbs. This has offered a real choice to minority families living in the inner-city of Hartford. This is reflected in the racial mix found in Mr. Rothstein's suburban developments which are well integrated and far exceed the racial ratio of the suburban towns.

In 1972 as an example, Mr. Rothstein completed an 81 unit low-and-moderate rental development in suburban Simsbury, a town which has a minority population of .5 percent. The development reflects a minority population of nearly 10%.

The important thing is that the white middle-class neighborhood has accepted the development without animosity. This acceptance and cooperation applies to all of Mr. Rothstein's developments that are located in suburbia and is part and parcel of his approach. "The townspeople were amazed with the job we did in Simbury," Mr. Rothstein says with bursting enthusiasm. Many Simsbury residents have their names on the waiting list. State and Federal officials have hailed the design saying that the development shows the right direction for future Federal insured housing.

Mr. Rothstein also has a 374 unit complex in Manchester, a 111 unit development in Bloomfield, and a 106 unit complex in Bristol—all suburbs of Hartford. All of the developments have received recognition for their modern, practical design and their country-like landscaping. The Manchester and Bloomfield developments have minority populations of more than 15%, and the Bristol complex 30%. The minority ratios are significantly higher than the respective town ratios.

Mr. Rothstein is a straight-shooter and refuses to minimize the problems involved in such integration efforts. To insure a minority population in the Simsbury development which is located 15 miles from Hartford's predominately Black Northend, he advertised in a minority newspaper, contacted minority organizations, and provided transportation for prospective tenants.

In Bloomfield, Mr. Rothstein was involved in a prolonged negotiation over tax assessment, but convinced the town that it was going to get housing which the community would be proud of. The tax bill was settled in a manner acceptable to all.

Mr. Rothstein's rehabilitation of housing in the heart of Hartford's Black Community has offered residents there a choice to remain in good inner city housing close to family and friends or pull up stakes and try suburbia. Numerous newspaper articles have been written and TV features aired on Mr. Rothstein's fine inner city housing. One Hartford journalist characterized the rehab effort as, "Having succeeded where others have failed." Besides featuring significant integration levels in all of his developments, Mr. Rothstein also has an A–1 record in involving minority contractors and individuals. The involvement represents over $10 million; or better than 40% of his total building expenditures. E.O. Staff has yet to find a minority contractor who would not praise Mr. Rothstein for his fairness and willingness to involve minorities in all of these endeavors. Mr. Rothstein has worked closely with the HAO and has accepted E.O. and other suggestions which have been beneficial to the community at large. Mr. Rothstein's formula for success? "You need the whole package—the architect, the proper place to build, good construction, and active, active, management."

Following some difficulties with inept management agencies, Mr. Rothstein formed his own management company last year to oversee his developments: Greater Hartford Realty Management Corporation is headed by Mr. Richard Rangoon, a former housing consultant to several inter group agencies. Mr. Rangoon is also responsible for the administration of the construction programs. He works with State, Local, and Federal Agencies to expedite the Company's housing developments and is in charge of preparing new program proposals. A jack of all trades, he also oversees the Firm's community relation activities of the inner city and suburban developments.

At the Manchester project, children of all ages and races take part in organized recreational programs established in conjunction with nearby Manchester Community College. At the 98 unit, Garden Street Rehab located in North Hartford, a social services coordinator was used to help tenants in everything from moving to proper nutrition. Arts and Crafts, Fairs, Sports, Clinics, Holiday Picnics and Educational Programs can be found at all of Mr. Rothstein's developments.

Mr. Rothstein never mentions the appreciation shown by many. On the walls leading to his small office, one gets the message. A plaque from the Anti Poverty Agency, "For bettering employment opportunities for the poor and disadvantaged for the Greater Hartford Area." Another is from the Urban League of Greater Hartford, "For the development of opportunities for all minority individuals." Others came from the Puerto Rican Community, Minority Contractor Organizations, and even from Tenant Groups.

As this is being written, Mr. Rothstein was acting as General Contractor on the rehabilitation of six three-family houses in Hartford's Northend for DEVCO, the development arm of the Greater Hartford Process, Inc., a private agency funded by the Business Community to improve housing in the Greater Hartford Area. Neighborhood organizations welcome Mr. Rothstein for they know that his being there means their involvement. The trust is there and you can feel it when talking to minority workers on site.

Open housing and minority involvement in construction can work with positive effort, commitment, and cooperation between HUD, Community and Contractors like Mr. Harold Rothstein.

CONGRESSMAN ALEXANDER REPORTS ON MAJOR ACTION OF THE 94TH CONGRESS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. ALEXANDER. Mr. Speaker, I am reporting the following major actions of the 94th Congress:

Energy Conservation and Conversion Act: A bill which establishes import quotas on foreign oil; imposes penalties on manufacturers of automobiles which fall below fuel efficiency standards;

creates an energy trust fund; and provides tax incentives for businesses and industries which seek out and use nonpetroleum sources of fuel.

Tax reduction: A $22.8 billion tax cut bill passed the House and Senate on March 26. President signed into law on March 29. Bill includes rebates on 1974 taxes, increase in personal exemption and standard deduction on 1975 taxes, business tax reductions, and an end to the oil and gas depletion allowance for large companies.

First, concurrent budget resolution: Recommends $367 billion target on Federal expenditures in fiscal year 1976 and a $68.8 billion target level on the deficit. Passed House and Senate on May 14. Presidential approval not required.

Emergency employment: A $5.3 billion emergency employment bill. Passed House May 14. Passed Senate May 16. President vetoed May 28. House sustained veto June 4.

Second supplemental appropriations: Bill includes $5 billion for unemployment compensation; $1.75 billion for $50 payments to each social security recipient; $884 million for food stamps; $256 million for veterans benefits, and $5 million for rail improvement and employment. Passed House and Senate May 22. Agreed to railroad provision on June 11. President signed into law June 12.

Emergency farm bill: A bill to adjust target prices and support levels of cotton, corn, wheat, soybeans; set parity price on milk. Passed Senate April 17. Passed House April 22. President vetoed May 1. House sustained veto May 13.

Strip mining: A bill which would establish for the first time a State-Federal program to regulate mining industry access to surface coal deposits. Passed Senate on May 5. Passed House on May 7. President vetoed on May 20. House sustained Presidential veto on June 10.

Local public works and capital development investment: A bill authorizing a $5 billion program to provide 200,000 jobs for workers in the construction and related industries and help State and local governments build needed public facilities. Passed House May 20.

Foreign aid: A bill providing $3.7 billion for foreign assistance. Passed House March 24. Passed Senate March 24. President signed into law March 26.

Middle-income housing: A bill to stimulate the housing industry and help 400,000 middle-income families buy homes. Passed the House on June 5. Passed Senate on June 11. Presidential veto is expected.

Food stamps: A food stamp bill prohibiting increases in charges to recipients passed the House February 4 and the Senate on February 5. Became law without President's signature on February 20.

Education appropriations: A bill providing $7.8 billion for fiscal year 1976 and 1977 for the Education Division of HEW. Passed House April 16. Pending in Senate.

Vietnam refugee assistance: Special assistance for Vietnamese and Cambodian refugees. Passed House May 14. Passed Senate May 16. President signed into law May 23.

Summer youth employment: Urgent $473 million supplemental appropriations to provide an estimated 840,000 summer jobs for youths. Passed House June 10. Passed Senate June 12. President signed into law June 16.

Continuing appropriations: In addition to regular operating expenditures, bill includes $1.6 billion for public service jobs, $30 million for Older Americans programs, $119.8 million for college work-study grants, $70 million for work incentive program, $10 million for youth conservation corps, and $150 million for rural water and sewer grant program. Passed House June 17. Passed Senate June 19.

Emergency livestock credit: A bill to alleviate financial stress on livestock producers and extending termination date of Emergency Livestock Credit Act to December 31, 1976. Passed Senate May 22. Passed House June 3. President signed into law June 16.

Thirteen-week emergency unemployment extension: A $6 billion extension of emergency unemployment programs. Bill would extend maximum 65-week benefit program for insured unemployed to June 30, 1976, reverting to 52 weeks until December 31, 1976. Passed House May 21. Pending in Senate.

Federal share of highway projects: A bill providing for a temporary increase in the Federal matching share for approved Federal highways during the period from February 12, 1975, to September 30, 1975. Passed House and Senate on May 22. President signed into law June 4.

Veterans benefits: A resolution appropriating $638 million in supplemental funds to the Veterans' Administration and $500,000 for expenses and salaries for the Federal Election Commission. Passed House April 15. Passed Senate April 18. President signed into law on April 25.

Emergency homeowners relief: A bill temporarily authorizing the Secretary of HUD to lend emergency mortgage relief payments to out-of-work homeowners. Passed House April 14. Pending in Senate.

School lunch: A bill extending and strengthening child nutrition programs for schools and welfare agencies. Passed House on April 28. Pending in Senate.

Select Committee on Intelligence: Committee created to investigate CIA and all other U.S. Intelligence agencies. Passed House February 19.

Older Americans: A bill authorizing $2.6 billion through fiscal year 1979 to extend and strengthen older Americans programs. Passed House April 8. Pending in Senate.

Small business relief: A bill providing for the granting of increased prices by Federal Government agencies to small business contractors. Small businesses may request and be granted modification or termination of terms of any fixed-price contract, without penalty to contractor. Passed House April 22. Pending in Senate.

Voting Rights Act: A bill to extend provisions of the Voting Rights Act for an additional 10 years and to make permanent the ban against certain prerequisites to voting. Passed House June 4. Pending in Senate.

CHILD CARE SCANDAL IN NEW YORK CITY EXPOSED—PART IV

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. BIAGGI. I insert for the Record the fourth in a seven part series done by the New York Daily News into the multimillion-dollar swindle perpetrated on the city of New York by the private child care agencies under its jurisdiction.

This article deals with the economic ramifications of this scandal on the city which is going through the gravest fiscal crisis in its history. A great deal of the city's problems can be traced to wasteful spending practices, and this article exposes one of the most flagrant examples of this. The article states that while the city will pay out an estimated $200 million to private child care agencies, they will have no idea about how the money will be spent until sometime in the 1980's. The article also shows an incredible pattern of overpayment by the city to these agencies to the tune of millions of dollars annually. This article exposes a consistent and dangerous pattern of fiscal malfeasance which has had a profound effect on the city's financial condition.

Mr. Speaker, I again offer this material for the close consideration of my colleagues. The extent of this problem is enormous and solution to prevent its continued existence must be found immediately, I now insert the fourth article in this series entitled, "City Losing Fortune on Child Care."

The article follows:

City Losing Fortune on Child Care

(By William Hefferan and Stewart Ain)

New York City's child care system has cost the city millions of dollars in lost revenues because of a long-standing failure to demand financial accountability from 77 private child care agencies.

This year the city will pay these private agencies more than $200 million to provide care for 26,000 homeless children. But the city officials responsible for those payments, The News has found will not know exactly how that money has been spent until well into the 1980's.

This lack of accountability, which has quietly existed for more than 15 years, stems from the city's failure to maintain up-to-date audits on the expenditures of these agencies. City officials estimate that additional millions may be lost unless the city upgrades its auditing procedures and makes private agencies financially accountable on a year-to-year basis.

In a three-month investigation of the city's child care system, The News found that many private agencies regularly deny thousands of children the chance of finding permanent homes so that they can continue to collect millions of dollars each year in city child support payments.

That investigation also found that these agencies often overcharge the city for the services they provide and that the city has been able to recover only a portion of those overcharges.

The city's failure to keep track of its child care payments is so severe, in fact, that half of the 77 agencies now doing business with it have not had a complete city audit in the last 10 years.

Eleven other agencies, it was found, have never had a completed city audit in their history, even though they have been receiving city child care payments as far back as 1967.

Because of this lack of accountability, these agencies—which have a combined net worth of more than $300 million—have been able to retain millions of dollars in city overpayments, often for 10 years or longer.

They have also earned millions of dollars in interest on that money—interest that could have gone to the city if the audits had been up to date.

City Controller Harrison J. Goldin, when questioned about child care auditing procedures, candidly admitted that there is no hope of recapturing the millions already lost to private agencies.

Goldin warned that additional millions may be lost in the future if the city does not improve the financial accountability of its child care system.

Spokesmen for the controller's office, which has complete responsibility for child care audits, said the problem has grown constantly over the last 15 years because of a shortage of auditors to keep track of child care payments.

There are now 10 auditors assigned to review the yearly financial records of the 77 agencies receiving payments from the city.

The controlier's office says that that number is five fewer than needed to properly handle the job and reduce the backlog. Hiring of the five could erase the backlog within the next five or six years, while allowing the city to recover $1 million a year in overpayments, it was said.

They quickly point out, however, that even though the city's job freeze has been lifted for the controller's office, no additional money has been allocated for any additions. If that policy remains in force, they say, additional millions may be lost and the backlog of audits will continue on into the 1980s.

A recent study of reports in the controller's office disclosed that the city is trying to collect overpayments from 28 private agencies.

Those overpayments, based on audits completed as far back as 1970, total $5,793,147. Some examples of those overpayments include:

The Angel Guardian Home, $1,050,948.

The Catholic Guardian Society of New York, $992,574.

Greer, a Children's Community, $330,636.

Little Flower Children's Service, $306,002.

Society for Seamen's Children, $117,926.

Windham Child Care, $581,600.

Spence-Chapin Services for Children, $154,511.

Catholic Home Bureau, $484,378.

The controller's office admits it has no way of knowing the amount of overpayments that still remain uncovered because of the extensive auditing backlog.

But spokesmen for the controller say the amount is probably in the many millions of dollars, based on recent findings in partly updated audits.

FIVE FEWER THAN NEEDED

The controller's office says that it often experiences difficulties in collecting those overpayments. Of the $5,793,147 being sought by the city, in fact, the controller's office has been forced to spread agency repayments through 1980 to assure recovery. Such negotiations can drag for years and, even with the spread in payments, the city often has to settle for less than its auditors calculated.

Spokesmen for the controller say that many agencies plead poverty when faced with the need to repay overcharges and others insist they would suffer considerably if forced to sell their investments for this purpose.

The News has found, however, that many agencies are far from poor and actually possess large holdings in stocks, bonds, real estate and endowments.

Some examples of that wealth can be found among the agencies recently asked to repay $5.7 million to the city. Those examples include:

Greer, a Children's Community, with assets of $8.3 million, including $1.5 million in stocks and bonds.

Windham Child Care, with a net worth of $1.6 million, including $1.1 million in stocks and bonds.

Sheltering Arms Children's Service, with a net worth of $3.1 million, with $2.5 million in stocks and bonds.

Spencer-Chapin Services for Children, with a net worth of nearly $8.3 million, including $4.3 million in stocks and bonds.

In an audit recently completed at the Hebrew Children's Home in the Bronx, city auditors reviewed agency financial records dating back to 1961 and found that the city had been overcharged more than $30,000 for services.

Tre agency and the city then negotiated a settlement and, by the time the negotiations ended, the amount the agency was asked to repay had been whittled down to $15,955.

The agency had full use of that city money for 13 years and was allowed to keep any interest earned from it.

In its investigation, The News contacted caseworkers employed by private agencies. Several reported that some agencies overcharge the city by retaining children on their books for payment purposes, even when those children are no longer in their care.

Under their contracts with the city, private agencies are allowed to claim child care payments only while the children are actually in their care. If a child runs away from a foster home or institution, or is temporarily returned to his real parents, the agency is expected to deduct those periods from its payment requests.

Caseworkers interviewed by The News insist, however, that they have often been told to keep children on the agencies' books and to file reports to the city indicating that certain children were still "in care," even when that child had been missing for days.

Some agencies, the caseworkers said, even neglected to report runaways to the police, for fear the city would learn that the child was no longer in their care and thereby force the agency to lose its per diem payment for that child's care.

PROGRESS REPORTS REQUIRED

The city also requires agencies to pay regular visits to children housed in foster homes and to file reports about the progress of each child.

The caseworkers said, however, that many agency employes failed to make regular visits and often wrote their reports "off the top of their heads."

They said some agencies did not report instances of abuse and neglect in foster homes, as required, because that would force them to take the children out of those homes and thereby reduce their revenue.

The agencies are allowed to charge the city for salaries of employes whose work is directly related to child care services purchased by the city. The agencies are not allowed to charge for salaries that are not so related.

Yet caseworkers say some agencies falsify the job titles of some employes to obtain payments for their salaries from the city.

Those employes, the caseworkers said, are in reality performing jobs not covered by their city contracts. By assigning false job titles, the agencies are able to claim otherwise and receive full reimbursement from the city.

AFTERCARE SERVICES

One caseworker told an agency employer whose work was divided between providing aftercare services—a city—and fully reimbursable work with unwed mothers.

The agency, the caseworker explained, listed the employe as working totally with unwed mothers. It then received full reimbursement for the entire salary and the city had to pay for expenses it had not intended to purchase.

Carol Parry, who heads the city's Division of Children's Services, which has overall responsibility for these private agencies, said she had no knowledge of the financial abuses reported by caseworkers.

Ms. Parry adds, however, that her office lacks the staff to adequately inspect the private agencies doing business with the city, or to determine how accurately records are being kept.

"We're only able to visit these agencies once each year," she said, "and for the most part we have to rely on the reports the agencies file each month with our office."

"We lack accountability in many areas," she said. "But we're trying to improve that through new and stronger contracts. Right now I'd have to say that our method of accountability still leaves a great deal to be desired."

FLAWS IN RFK-SIRHAN CASE CRY FOR FRESH LOOK

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. DOWNEY of New York. Mr. Speaker, much has been written on the need to reopen the Robert F. Kennedy assassination case on the basis of new and conflicting evidence.

I would like to include in the RECORD an article that appeared in the May 5, Sunday edition of the Washington Star. Not only are the facts contained within this article informative and highly enlightening, but its author, Allard K. Lowenstein, is a former colleague and a man nationally respected for his integrity and political insight.

Mr. Speaker, I would like to bring this article to the attention of my colleagues:

FLAWS IN RFK-SIRHAN CASE CRY FOR FRESH LOOK

Almost nobody has noticed, but the official theory of the assassination of Sen. Robert F. Kennedy has fallen apart.

These are the most troublesome problems raised by the evidence now available:

1. The autopsy established that Kennedy was shot three times at point-blank range. The bullets entered back to front. The fatal bullets entered Kennedy's head behind his right ear from a distance of 1 to 1½ inches.

These facts are not in dispute, yet no credible witness places the gun of Sirhan Sirhan—the man convicted as Kennedy's killer—in a position to have fired these bullets. The consensus of eyewitnesses to testimony places Sirhan's gun 2 to 3 feet in front of Kennedy. Peter Hamill (the writer), Frank Burns (a Los Angeles attorney) and others who saw the shooting at close range are unequivocal on this point: That Sirhan's gun was never close to the place from which were fired the bullets that inflicted the wounds described in the autopsy.

Karl Uecker and Richard Lubic were two of the people closest to the actual shooting. (Uecker was assistant maitre d' at the hotel where the shooting occurred; Lubic is an independent television produced.) This is what they saw

Uecker. "There was a distance of at least 1½ feet between the muzzle of Sirhan's gun and Kennedy's head . . . there is no no way the shots described in the autopsy could have come from Sirhan's gun."

Lubic. "The muzzle of Sirhan's gun was 2 to 3 feet away from Kennedy's head. It is nonsense to say that he fired bullets into Kennedy from a distance of 1 to 2 inches, since his gun was never anywhere that near to Kennedy."

These witnesses told these facts to the authorities at the time of the original investigation into the assassination.

2. Leading ballistics experts have examined the relatively undamaged bullets (or technically proficient photographs of these bullets) that were removed from Kennedy's neck and William Weisel's stomach. These experts report that it is very unlikely that these two bullets could have been fired from the same gun. William Harper, a leading California criminalist whose findings raised the first serious questions about the ballistics evidence in the case, concluded:

". . . Two guns were being fired concurrently in the kitchen pantry of the Ambassador Hotel at the time of the shooting . . . It is extremely unlikely that any of the bullets fired by the Sirhan gun ever struck the body of Kennedy."

A panel of experts analyzed the ballistic evidence at the convention of the American Academy of Forensic Sciences in Chicago in February. The experts agreed that this evidence required a reopening of the investigation, and that reliable scientific measures could be taken that would help clear up at least some of the confusion.

One member of the panel, Prof. Herbert MacDonell, a world-renowned authority in forensic pathology, stated flatly, "The bullet removed from Kennedy's neck could not have come from Sirhan Sirhan's revolver."

MacDonell based this conclusion on a study of the cannelures on the bullets recovered from Kennedy's neck and Weisel's stomach. "Cannelures" are concentric rings formed in a bullet's surface and running around its circumference. MacDonell reports that the Kennedy bullet, a .22-caliber long-rifle minimag, has one cannelure, while the Weisel bullet has two. The eight empty cartridge cases taken from Sirhan's Iver-Johnson revolver were made by the Cascade Manufacturing Co. of Lewiston, Idaho, which has informed MacDonell that it has never manufactured any .22-caliber long-rifle bullets with one cannelure.

3. Bullets from a gun test fired by the Los Angeles Police Department criminalist, DeWayne Wolfer, were entered into evidence at Sirhan's trial as Exhibit 55. Wolfer testified that these bullets matched the bullet that was recovered from Kennedy's neck, and that therefore the bullets that hit Kennedy could only have been fired by the gun he had test fired. The serial number of that gun, inscribed in Wolfer's handwriting on Exhibit 55, is H18602. The serial number of Sirhan's gun is H53725.

Wolfer says this discrepancy is the result of a "clerical error." Requests to test fire (or refire) H18602 brought the information that that gun had been destroyed by the LAPD. Requests to test fire (or refire) H53725 have been refused.

Thus, at this time, it is impossible to discover whether Sirhan's gun, H53725, has ever been test fired. But the sworn testimony of Wolfer is that the bullets that killed Kennedy were fired by a different gun, H18602, and no other gun in the world.

4. Sirhan's gun could and did fire eight bullets. One bullet was recovered from each of the five bystanders who were shot in the pantry. Two bullets were recovered from Kennedy—one, shattered from his head (the fatal bullet and the other, discussed above, from his neck.) Thus, seven of the eight bullets that Sirhan could have fired have been recovered. An eighth bullet is officially described as lost in the ceiling interspace."

Another bullet exited Kennedy's chest, and still another passed through the right shoulder pad of his jacket. The LAPD removed three panels from the sound-paneling below the ceiling and booked them as evidence because they contained bullet holes.

The official explanations of how eight bullets caused all this damage are varied and confusing. But no matter how many theories are advanced, one fact is inescapable: if only eight bullets were fired, one bullet had to enter one of the ceiling panels, bounce off the floor above, exit through another ceiling panel, and end finally in one of the bystanders.

The official position is that the bullet removed from the head of a bystander, Mrs. Elizabeth Evans, did this. Mrs. Evans had lost her shoe, and was stooped over to retrieve it when she was hit in the forehead by a bullet from the ceiling that then progressed into her scalp. This bullet weighed 39 grains when fired. Thirty-one grains were removed from Mrs. Evans' head, and an additional fragment is still in her scalp.

It should be added that at the time of the assassination at least one more bullet was reliably reported to have been found in the pantry. An AP wirephoto taken on June 5, 1968, shows two policemen examining what the AP caption describes as a "Bullet Found Near Kennedy Shooting Scene." It is located in a door frame that was booked into evidence by the authorities. The LAPD and the office of the district attorney now say this report was inaccurate.

5. The local authorities have tried to reinforce their version of events by continually repeating two statements they know are false:

A. "No one saw any other weapon," as Joseph Busch, now the Los Angeles district attorney, has put it to Stern magazine and others. In fact, Busch knows there was at least one other gun in the pantry, that it was drawn, and that it was located in the area from which the bullets that hit Kennedy were fired.

Richard Lubic is among those who saw that gun: ". . . I saw a man in a guard's uniform standing a couple of feet to my left behind Kennedy. He had a gun in his hand and was pointing it downward."

The man that Lubic saw "in a guard's uniform" was a part-time security guard who had been hired by the Ace Guard Service of Van Nuys, Calif. The guard has subsequently acknowledged that he was standing just behind Kennedy, that he was carrying a gun, and that he drew it "to protect Kennedy." He denies having fired this gun.

B. Busch has repeated on national TV and elsewhere the odd statement that every witness saw Sirhan kill Kennedy—a statement that should be compared with the testimony of eyewitnesses summarized in item 1 above.

Perhaps even more revealing than these general misstatements about the eyewitness testimony is Busch's reply when asked to name one such eyewitness. "Karl Uecker," he said on NBC's Tomorrow show. He told Stern magazine, "We have a witness who saw that Sirhan's weapon was right at Kennedy's head. . . Karl Uecker. He's our man."

I have included an excerpt from Uecker's statement with the general summary of eyewitness testimony. But in view of Busch's description of Uecker as "our man," it may be useful to quote Uecker's statement in full:

"I have told the police and testified during the trial that there was a distance of at least 1½ feet between the muzzle of Sirhan's gun and Kennedy's head. The revolver was directly in front of my nose. After Sirhan's second shot, I pushed his hand that held the revolver down, and pushed him onto the steam table. There is no way that the shots described in the autopsy could have come from Sirhan's gun. When I told this to the authorities, they told me that I was wrong. But I repeat now what I told them then: Sirhan never got close enough for a point-blank shot, never."

It is worth noting that Uecker has raised still another problem. At least four bullets hit Kennedy or his clothing. If Sirhan was "pushed onto the steam table" after firing two shots, it is difficult to see how he could have fired four shots that hit Kennedy. The six other bullets Sirhan fired would have had to hit other targets, since he could hardly have shot Kennedy from behind at point-blank range while he was struggling on the steam table.

II

If the Los Angeles authorities want their theory to regain any credibility with people who know the facts, they will have to deal with this eyewitness and ballistics evidence, which to date they have ignored, concealed or distorted. They seem to believe that repeating misstatements will make them come true, or that awkward questions can be made to go away by impugning the questioners.

Like many others, I tried for a long time afterward to avoid anything connected with the assassination of Kennedy. The loss was too staggering, and it was heard enough to move ahead without making matters even more difficult by picking at a scar too close to the heart. Furthermore, the facts seemed obvious, and in the context of those times there seemed no reason to question the obvious.

During my term in Congress, I continued to refuse to listen to questions about any of the assassinations. I believe we all are indebted to those people who researched these questions and kept them alive during that long period before revelations about other matters finally made some of us realize how closed-minded we had been about the assassinations.

Even when I finally began to look into the evidence, I found myself hoping that the local authorities would provide satisfactory explanations for the troublesome problems that arose.

And I was reluctant to get into a public discussion that I knew would cause more pain for the Kennedy family, which, God knows, had suffered enough.

For these reasons, I met privately with the authorities over the course of a year before I was willing to accept the fact that such private efforts were futile.

It was at that point that I joined with Paul Schrade to raise questions publicly. Schrade, a United Auto Workers official who was working in the Kennedy campaign, almost lost his life during the shooting in the hotel pantry. He is a man of rare quality and spirit. We believed that the force of our questions would arouse enough public concern to encourage official cooperation in a quest for adequate answers.

It is now apparent, however, that no matter who asks them, the officials most directly concerned are determined to stonewall as long as they can. Their misstatements grow more strident, and they are dug in to resist any effort to explore the problems posed by the evidence. They will continue to say that the case is closed because Sirhan was convicted and there is no "new" evidence, as if old evidence becomes irrelevant if one simply suppresses or ignores it until it has aged.

Of course, stonewalling involves the risk that failure compounds one's difficulties. But, by definition, stonewalling does not fail if it succeeds—that is, if aggressively trumpeted falsehoods dissuade further investigation, the falsehoods go generally undetected and no one realizes there has been any stonewalling. So the present policy of the Los Angeles authorities is a gamble, but it is a gamble at reasonable odds. For there will be no outcry for a new investigation if people do not know the facts that warrant an outcry—and they cannot know these facts if there isn't adequate media coverage. If there is no public outcry, few people in positions of influence will risk their reputations to press for reopening the case. (My wife says I am now in transit from "former congressman" to "current kook").

Which takes us full cricle: How can we get a fresh, independent investigation if the facts that demand such an investigation are stonewalled into nonexistence?

The reason most frequently given for the absence of coverage is a variation on the official excuse for inaction: facts about this case, however significant, are not "new." Sometimes this seems to mean that if a newsboy's insomniac grandmother once heard something on a late-night talk show in Dubuque, the rest of the public can't find out about it unless they happen to know her.

But even this reasoning cannot explain why developments that merit front-page treatment in Europe go virtually unreported in the United States. Few Americans have heard, for example, about the conclusions of the panel of ballistics experts cited above, or know about the plea of four of the bystanders who were shot, or have seen the statements of the witnesses closest to the scene of the murder.

Recently, several Stern magazine reporters conducted an extended investigation. Their findings were detailed in a cover story entitled, "The Real Murderer (of Robert Kennedy) Is Still Freed" Those findings were not reported in the United States.

Given these experiences, it's hard to think of anything that will get much media attention, short of someone confessing on the Capitol steps. And meanwhile, the American public has no way to discover that a crime that changed the course of our history is unsolved, with all the potentially enormous significance that fact may hold for the future of the nation.

If the stonewalling succeeds, we will be compounding the tragedy of Robert Kennedy's murder. For what commands the reopening of this case is not curiosity, nor devotion to abstract concepts of justice, nor sentimentalism about Kennedy. What commands the reopening of this case is the grisly question of whether disasters may loom ahead that could be averted if we found out more about disasters already past.

III

Since the weight of the evidence now available conflicts so sharply with the official version of what happened, a number of widely accepted scientific tests have been proposed to help resolve these conflicts. These include the following:

1. Test fire the Sirhan gun (H5372S), and convene an independent panel of ballistic experts to compare the test-fired bullets with the bullets recovered from Kennedy's neck and Weisel's stomach.

2. Administer Neutron Activation Analyses to the seven recovered bullets to help determine if they were all fired from the same gun.

3. Submit the three ceiling panels that have bullet holes to expert examination to determine if the bullet holes are entry or exit holes.

4. Produce the shoulder pad of Kennedy's jacket to determine if the bullet that went through it entered from the front or from behind.

5. Submit the door frames described in the June 5, 1968, AP wirephoto to expert examination to determine if the hole in it was in fact caused by a bullet; and produce the policemen in that wirephoto to explain why they said they were pointing to a bullet, if in fact they were not.

I have been assured by ballistics authorities that the inquiries described above should provide valuable and possibly definitive information if the items to be studied have not been tampered with.

The local authorities refuse to take these steps on the grounds that Sirhan's trial resolved these issues. But that trial, as they well know, did not deal with these issues at all, since Sirhan's attorneys asserted that he alone had killed Kennedy and based his defense solely on Sirhan's mental state. Grant Cooper, Sirhan's chief counsel in the trial, has said he would have conducted a very different defense had he known then what he knows now. Sirhan himself wants a new trial.

But the basic problem is not a narrow legal one. Sirhan was not an innocent bystander improperly imprisoned. He was shooting when Kennedy was killed, and five persons were struck by bullets he fired. Four of these persons, who have special reason to hold no brief for Sirhan, have expressed dissatisfaction with the present state of the case and have asked that it be reopened.

If the problem were simply an individual's innocence or guilt, the judicial process would be the logical and proper way to resolve it. But Sirhan could be found innocent in a trial, and we would still not know who was responsible for the assassination of Kennedy. Or he could be found guilty, and we would not know if he had acted alone.

An independent investigation committed to seeking out all the facts, wherever they may lead, is clearly the best way to proceed at this point. Rep. Henry Gonzalez of Texas has introduced a resolution calling for the creation of a select congressional committee to reopen the investigation into the assassination of President Kennedy, Sen. Kennedy and Dr. Martin Luther King Jr., as well as of the attempted assassination of Gov. George Wallace. It seems to me that this resolution deserves support.

The first steps for a fresh investigation of the assassination of Sen. Kennedy have been outlined above. They are uncomplicated and require very little effort.

These steps might obviate the need for further investigation, or they might show beyond a reasonable doubt that the official theory is defective; one would think the authorities would be as eager as anyone else to find out which. The fact that they are not cannot be allowed to close the matter.

That, if nothing else, the American people should have learned from the events of the last two years.

FINANCIAL STATEMENT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 23, 1975

Mr. MAZZOLI. Mr. Speaker, in keeping with my policy of making a full personal disclosure each year that I serve in the Congress, I am, today, placing into the RECORD a complete statement of financial worth as of December 31, 1974.

This statement includes a list of all assets which are held in my name individually, those which are held jointly with my wife, and all assets held by my wife in her individual name.

Also included in the statement is our income from all sources for calendar year 1974 as developed from our income tax return.

I shall continue this practice of disclosure for each year it is my privilege and honor to serve in the Congress of the United States.

The statement of finances is as follows:

Romano L. and Helen D. Mazzoli, recapitulation of income and expenses for calendar year 1974 [all figures rounded]

INCOME

Interest and dividends:	
Lincoln Federal S&L Association	$402
Liberty National Bank & Trust Co	101
American United Life Insurance Co	34
Government Services S&L Association	166
Northern Virginia S&L Association	210
Law practice:	
Income	0
Miscellaneous:	
Coopers & Lybrand, CPA's, Honorarium for speech	400
Courier Journal-Times, Inc., Honorarium for article	25
U.S. House of Representatives:	
Salary	42,500
Gross income	43,838

EXPENSES, DEDUCTIONS, AND EXEMPTIONS

Congressional expenses in excess of reimbursements	1,424
Miscellaneous congressional deductions	1,368
Miscellaneous deductions	318
Itemized personal deductions	10,094
Personal exemptions	3,000
	16,204
Total taxable income	27,634

Romano L. and Helen D. Mazzoli, statement of financial worth as of December 31, 1974

Cash on deposit:	
Lincoln Federal S&L Assn., Acct. No. 37339	$8,249.32
Liberty National Bank & Trust Co., Acct. No. 09-013390	2,592.81
Liberty National Bank & Trust Co., Acct. No. 08-33-816-7	227.89
Liberty National Bank & Trust Co., Acct. No. 08-33-817-5	213.63
American United Life Insurance Co., Policy No. 1116312	94.70
American United Life Insurance Co., Policy No. 1011729	792.61
Northern Virginia S&L Assn., Cert. of Deposit L50021	1,077.92
Northern Virginia S&L Assn., Cert. of Deposit L80507	1,040.12
Northern Virginia S&L Assn., Acct. No. 6084	2,141.84
Northern Virginia S&L Assn., Acct. No. 034231-9	3,216.64
Securities, stock, and bonds: U.S. Government Bonds, Series E	865.89
Real property residential:	
939 Ardmore Drive, Louisville, Ky., assessed value	22,720.00
Less: Mortgage, Portland Federal S&L	11,572.88
Total	11,147.12
1030 Anderson St., Alexandria, Va. assessed value	56,200.00
Less: Mortgage, Cowger & Miller Co.	53,259.65
Total	2,940.35
Commercial or investment	0
House goods and miscellaneous personalty (estimated)	5,500.00
Cash surrender value of life insurance policies:	
American United Life Ins. Co., Policy No. 1011729	2,718.23
American United Life Ins., Co., Policy No. 1116312	265.71
Federal Employees retirement system: contribution to fund	13,297.77
Automobiles:	
1965 Rambler, fair market value	350.00
1973 Chevrolet:	
Fair market value	3,050.00
Less: Mortgage, GMAC	923.70
Total	2,126.30
Laws books	545.07
Net assets	59,403.92

SENATE—*Tuesday, June 24, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, help us through this day to serve in obedience to Thy law, to do unto others all that we would wish them to do unto us. Bind us together heart to heart, mind to mind, soul to soul that we may be a part of one another.

Help us to forgive others as we would wish them to forgive us; to make the same allowances for others as we would wish them to make for us; to have the same respect for the views and beliefs of others as we would wish them to have for us; to try to understand others as we would wish to be understood. Save us from thinking anything or doing anything which hurts another.

Help us, O Lord, daily to grow stronger, purer, kinder. Help us to shed old faults and to gain new virtues until life becomes altogether new.

Hear our prayer in the Redeemer's name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, June 23, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 209 and 212.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

The Senate proceeded to consider the bill (H.R. 6387) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 3 months.

INTERIM EXTENSION OF FIFRA

Mr. DOLE. Mr. President, I support the passage of H.R. 6387 which would extend the Federal Insecticide, Fungicide, and Rodenticide Act for 3 months until September 30, 1975.

As became apparent in our consideration of this bill in the committee, there are a number of areas that need further consideration by the committee and possible amendment to the original act. This 3-month extension of FIFRA will give the Agriculture Committees in the House and the Senate time to further consider these possible changes.

As many pesticide applicators and farmers from my State of Kansas have indicated, the implementation of FIFRA has caused many problems and potential problems. It is my impression that farmers and pesticide applicators are generally just as concerned about the health and safety of consumers and farmworkers as any Member of Congress. However, the rigid implementation of FIFRA has caused, as I understand, additional costs in the production of food and agricultural commodities. Those costs eventually all add another burden to the budget of every household through higher food expenses. It is my hope that in further committee consideration, we can approach this legislation with the goal in mind of reaching realistic and attainable standards that will not unduly add to the costs of farm production.

In addition, there may be problems with the methods of the Environmental Protection Agency in implementing FIFRA. As indicated in the House Agriculture Committee hearing on this bill, the 3-month extension in this legislation will allow further hearings as appropriate in this area.

Mr. President, I am pleased to support passage of this legislation.

Mr. PHILIP A. HART. Mr. President, the Senate Agriculture Committee has reported a bill calling for a 90-day reauthorization of the Federal Insecticide, Fungicide, and Rodenticide Act. The House passed an identical bill last week. The rationale for this short-term authorization is the committee's desire to study more closely the operation of the present act.

While I would prefer a 2-year reauthorization, I intend to support the committee bill in the hope that both Houses will use the 90-day period to conduct a balanced oversight of EPA's pesticide programs, a task too long neglected.

It is especially important that the committees focus on the benefits as well as the costs of pesticide regulation. As the recent extensive hearings in the House on the Pesticide Act show, it is easy to focus on the costs of regulation—costs which are immediate and can be quantified in dollars and cents—while overlooking benefits, which may be long term in effect and which are not easily measured by a dollar standard.

The debate in the House on the EPA's pesticide hotline program illustrates this point.

The pesticide hotline was created by EPA to provide safety information to pesticide users and to receive complaints—anonymously if the caller desires—about misuse of pesticides. The hotline is one measure EPA has taken to implement the 1972 amendment to FIFRA which for the first time gave EPA authority to prosecute misusers of pesticides. Several House Members attacked this program, alleging that it encouraged harassment of farmers. They demanded that EPA stop the program forthwith.

As chairman of the Environment Subcommittee of the Senate Commerce Committee, I objected to this approach on procedural and substantive grounds. First, the hotline program had been operating only 2½ weeks and, therefore, it was much too soon to judge its effectiveness. Second, while some modifications in the program may be warranted, its goal—to give information on the safe use of chemicals and provide EPA's enforcement branch with data on possible violators of the law—are meritorious and should not be cavalierly abandoned. Farmworkers are among the most defenseless citizens against economic coercion. To deprive them of this means of reporting an illegal use of pesticides which might endanger their health is irresponsible until we have given it a fair trial.

Unfortunately, these potential benefits to farmworkers are difficult to measure and articulate. Farmers and manufacturers, however, have forcefully testified to the real and imagined costs of Federal restrictions on pesticides, and both of these groups are well represented in Washington. I hope that EPA will stand up to these pressures and continue the hotline. If the program is to be canceled, I would hope that the decision would be made on a review of its merits after it has received a fair trial, and not as an exercise in political appeasement.

There is now a chorus of voices in the White House and business community calling for deregulation as a quickie solution for the Nation's economic ills. While some lessening of economic regulation may be warranted, as Senator KENNEDY'S excellent hearings on the CAB suggest, we should not forget that environmental and safety regulations—such as are authorized by the Pesticide Act—were made necessary by the failures of business to police itself and by the failures of the market to provide incentives for business to internalize the social costs of their products.

If EPA's power to regulate pesticides were ended, the externalities of pesticide manufacture in the form of health risks from inadequately tested or regulated pesticides would fall most heavily on the farmworker who, because of nutritional and educational deficiencies, is least able to avoid them. The consumer would pay these social costs as well. We should not forget that unregulated, the pesticide industry permitted thallium sulphate to be used in a paste which proved as effective in killing children as in killing rats; the deadly paraquat to be used in a syrup form which some children and mothers mistook for coca cola; and DDT to be used so profligately that its residues have permanently altered the ecology.

In 1972 Congress put into place a substantially improved pesticides regulatory scheme. The various refinements in the previous law were to be implemented over a 4-year period, with the new system due to be fully in place by October 1976. This is not the time to talk of deregulation of pesticides or dilution of EPA's power over them. The plan which Congress set out so carefully in 1972 has not yet been fully implemented, much less its impacts weighed and its successes measured. Instead, we should strengthen EPA regulation where necessary and reduce its costs and redtape where feasible. But whatever we do, we should keep in mind our responsibility to look at the whole scope of pesticide regulation and weigh objectively the tradeoffs—in compliance costs, health benefits, and equities of risk—which bear on these decisions.

The bill was ordered to a third reading, read the third time, and passed.

ABOLISHMENT OF THE FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

The Senate proceeded to consider the bill (S. 1774) to reorganize the executive branch of the Government by abolishing the Federal Metal and Nonmetallic Mine Safety Board of Review and transferring the functions and powers of such Board to the Secretary of the Interior, which had been reported from the Committee on Government Operations with an amendment to strike all after the enacting clause and insert the following:

That sections 2(e), 10, and 11, of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 772, 778–779; 30 U.S.C. 721(e), 729, 730) are repealed.

SEC. 2. Section 9 of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 777; 30 U.S.C. 728) is amended by adding at the end thereof the following new subsections:

"(d) No temporary relief shall be available for an order issued pursuant to the provisions of section 8(a).

"(e) In carrying out the provisions of this section, there shall be an opportunity for a hearing in accordance with section 554 of title 5.".

SEC. 3. Section 12 of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 781; 30 U.S.C. 731) is amended by striking the word "Board" wherever it appears and inserting in lieu thereof the word "Secretary".

SEC. 4. Section 18 of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 748; 30 U.S.C. 737) is amended by striking out the word "The" and inserting in lieu thereof: "Except as expressly provided in section 9, the."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

HOW THE KOREAN WAR CHANGED U.S. FOREIGN POLICY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an article, which appeared in the U.S. News & World Report, under date of June 30, 1975, entitled "How the Korean War Changed U.S. Foreign Policy," be printed at the conclusion of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, this analysis is made by Prof. Alastair Buchan. It points out, in brief, how the situation caused by the Korean war developed, which changed U.S. foreign policy in not only the Far East but also indirectly and, finally, directly as far as our relations with NATO were concerned.

EXHIBIT 1

HOW THE KOREAN WAR CHANGED U.S. FOREIGN POLICY

(NOTE.—From an unexpected war in a faraway land to unparalleled U.S. global involvements—Prof. Alastair Buchan, in an interview with *U.S. News & World Report*, analyzes the dramatic impact of Korea—then and since.)

Q. Mr. Buchan, as you look at it now, would you say the Korean War that started just 25 years ago marked a watershed in American foreign policy?

A. As I see it, the American containment of Soviet expansion was conceived primarily in political and economic terms prior to the Korean War. Korea changed that. It took the United States into a major shooting war, and that, in turn, accelerated the militarization of U.S. foreign policy.

Look at the American defense budgets and how they grew: held down to 13 billion dollars for fiscal '50 before the Korean War, a jump to 22.5 billion for fiscal '51, to 44 billion for fiscal '52 and to over 50 billion for fiscal '53, by which time you could get money for almost anything related to defense.

In fact, the growth of the CIA dates from the heavy spending period, not from its foundation in 1947. The size of the Air Force was doubled. All kinds of research-and-development programs were started.

Moreover, the Korean War gave the Europeans in the Atlantic Alliance who wanted American forces in Europe some badly needed support. Don't forget that Dean Acheson [Secretary of State under President Truman], in piloting the Atlantic Alliance treaty through the Senate in 1949, had claimed there would be no need for a major commitment of American forces in Europe.

But Korea changed that concept. Between September and December, 1950, Ike [Gen. Dwight D. Eisenhower] was hauled out of the presidency of Columbia University and sent to Europe, and a formal framework was created—the North Atlantic Treaty Organization.

The Atlantic Alliance became converted into a military-command system, not just a collective-security mechanism as it had been originally.

Q. And Vietnam? Did Korea lead to U.S. involvement there?

A. Only obliquely. What Korea did was to destroy the argument of those who said that China's Mao Tse-tung could be treated as Yugoslavia's Marshal Tito was being treated. These people argued that it made sense to have separate policies toward China and the Soviet Union, that the two weren't natural allies and that you could eventually break them apart. The Korean War fixed firmly in the Western mind the image of a Sino-Soviet bloc.

Remember this: In January, 1950—six months before the Korean War—President Truman said that the United States would not get involved in the defense of the Chinese Nationalists on Taiwan. That represented a move toward a U.S. accommodation with Communist China. The war in Korea completely reversed the trend.

Q. Which led to America's war in Indo-China——

A. Well, for one thing, American readiness to provide military assistance to the French in Indo-China increased during and after the Korean War. And then when the French pulled out in 1954, the United States took a unilateral commitment there.

Two points should be made about this period in history:

One is that France's leverage in Washington increased immensely because the war in Korea was conceived as the prelude to increased Soviet pressure on Western Europe and on France's neighbor, West Germany, in particular. That enabled the French to induce the United States to support them in Indo-China.

At the same time, among Americans there was growing fear about the dangers in Southeast Asia.

Q. If Korea was one watershed in American foreign policy, did the commitment of U.S. forces in Vietnam mark another?

A. Yes, but it's rather hard to tell when the watershed came—whether it was President Kennedy's augmentation of the American advisory role in Vietnam and the death of President Ngo Dinh Diem [Nov. 1, 1963], or whether it was the decision to bomb the North, followed by the direct involvement of American forces in 1964 and 1965.

Q. Will the experience in Vietnam deter the U.S. from intervening elsewhere in the future?

A. There will be an enormous reluctance to intervene militarily—as you did, for instance, in the Dominican Republic in '65—unless you have the support of a group of other nations.

Q. Are American military alliances losing importance?

A. The Southeast Asia Treaty Organization is pretty much a dead letter. The attempt to devise a collective-security organization in that region has really been a failure. The fact that the Thai now want you to withdraw your forces from their country really removes the last peg of SEATO.

CENTO [Central Treaty Organization] was really an attempt to rescue a British idea of the mid-'50s for a Middle East defense organization. It has since taken on more of the character of a bilateral relationship between the United States on one hand and Iran and, to a lesser extent, Pakistan on the other.

Q. What about NATO? Is it outdated, too?

A. I think NATO still is an American vital interest. I say that not simply because I come from a NATO country but because it's one aspect of a complicated economic, financial, energy, cultural and strategic relationship.

If the formal political-alliance mechanism was dissolved, then I think it would be extremely difficult for either Europe or the United States to continue to work toward coherent policies on money, energy and world order in general.

Q. Do you see the United States reaching a point where it no longer cares about the rest of the world?

A. Clearly, the last 15 years—ever since President Kennedy's inaugural declaration that "we will go anywhere, do anything in support of freedom"—have witnessed a process of gradual sharpening in the definition of American interests. Yet it's very difficult for a country as large and autonomous as the United States to be quite sure where its vital interests really lie. For example: America has no economic interests in Israel, but obviously Israel represents a very powerful American commitment.

In fact, I have been surprised that the philosophy behind the Nixon Doctrine hasn't led to a greater pull-back than has actually occurred. After all, the whole of the Pacific is still strewn with American troops and warships. So, even though you can trace a gradual sharpening of the American definition of her interests, it still is a very broad one.

IF THERE'S A "VACUUM" IN THE PACIFIC

Q. Is the U.S. overcommitted in the Pacific?

A. "Overcommitment" is a judgment that only Americans can make on the basis of what they can afford and the degree of risks they're prepared to take.

One of the reasons you're still fairly heavily committed in the Pacific is that there has been a basic change in American conceptions. You now believe that your relationship with China gives you significant leverage over the Soviet Union. China, on the other hand does not want a total withdrawal of American power in the Pacific because that would leave a vacuum which the Soviets could fill.

Q. Are you saying that the United States fought wars to contain China in the 1950s and 1960s but is now staying in Asia to support China's security?

A. Yes, China now shoulders an important share of the burden of containing Soviet power and influence.

Q. The U.S. once thought Korea, Vietnam, even the Congo were so important that they had to be defended and given vast amounts of aid. What changed American assessment of the importance of such places?

A. I think there is a much more realistic understanding now the limitations of Soviet and Chinese power. And there has been a fundamental reappraisal of Southeast Asia. The "domino theory" is dead. The vitality of countries like Singapore and Malaysia and the growing stability in countries like Indonesia suggest that Hanoi's victories aren't going to have an automatic effect upon nearby states.

Q. Do you mean that the U.S. no longer needs to worry about its interests when countries go Communist?

A. Not at all. A Communist take-over of a country will always be a matter of concern. But I think that there is much greater sophistication in the U.S. about what going Communist means, plus a growing understanding that right-wing dictators—like [Col. Muammar] Qadhafi in Libya or some in Latin America—may really be as inimical to American interests as Communists.

Q. What do you see ahead in Asia?

A. There is so much to be done in terms of internal reconstruction and tackling social and economic problems that the danger of conflict is nowhere near as great in Asia as in the Middle East.

The outlook would change is Russia and China patched up their quarrel. Closer Chinese-Soviet relations would have a profound effect on Japan and a considerable effect on Western Europe, Whose leaders now are invited to Peking about every six months and told that they ought to be more united and more independent of the Americans in order to contain Soviet power.

If there were serious evidence that China and Russia had overcome their differences and were jointly engaged in an expansionist policy, then I think that we would return to the political climate of the '40s or something close to it. Much of the spirit of the old Western Alliance would have to be revived.

Q. How does the present conflict between the Soviet Union and China affect American foreign policy?

A. I am certain that the triangular U.S.-Soviet-Chinese relationship is the cornerstone of American foreign policy, and clearly that relationship depends on continuation of the Sino-Soviet conflict.

On the other hand, it is not in America's interest to see the level of Sino-Soviet tension increase. That would simply intensify the Russians' hidden phobias about China. The result would be bigger Soviet spending on arms and a more suspicious Soviet attitude toward the world in general.

Q. How do you think the U.S. would react to expansionist policies by Peking at a future time?

A. It would depend on where the Chinese made their moves.

In some places a very active Chinese policy would disorient American interests—for example, if Peking tried to lure the Japanese into some sort of new relationship. That would have to be watched. But if the Chinese appeared to be following a more active Asian policy mainly to contain Soviet power, then I think you would see America giving its blessing to the activity.

If China simply seeks to entrench its influence in countries like Burma or Laos, I don't think the U.S. would regard this as very important.

"OF PRIMARY CONCERN IS THE MIDEAST"

Q. Over all, Mr. Buchan, what danger areas will be most worrisome to the U.S. in the future?

A. I think the region of primary concern is the Middle East. For one thing, events there involve the central balance of power between the United States and the Soviet Union. Also, it is complicated by the interrelationship between the Arab-Israeli conflict on the one hand and oil on the other.

There is clearly a great deal of concern in this country that failure to solve the Arab-Israeli conflict will lead to a gradual alienation of the Arab world and that this in turn will damage the material interests of the United States, Western Europe and Japan.

Beyond the Middle East, I think that American policy may be considered less in terms of security threats and more in terms of establishing revised codes of international conduct. We are really at the start of a very complex process of trying to evolve a web of nonaggression pacts—partly with friends and allies, and partly with adversaries—that will deal with energy, the law of the sea, arms control, capital movements, trade and several other specific areas where the nations interact.

THE ABOLISHMENT OF THE FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

Mr. GRIFFIN. Mr. President, I think the Senate, and indeed both Houses of Congress, ought to take a pat on the back. We have just passed a bill on the calendar to abolish a Federal agency, the Federal Metal and Nonmetallic Mine Safety Board of Review, which has received quite a lot of attention because apparently it has had no functions now for a number of years. Despite that fact, each year the administrations have submitted a budget, and Congress has appropriated money to keep this board in effect.

Too often, Mr. President, I think Congress is judged inappropriately on the basis of how many new programs we pass, which means how many new agencies and bureaus we establish.

I suggest that it would be more appropriate if we would have a score card and find out how many laws Congress has repealed in a particular session, because if there is anything that it seems to me the country has too much of, it is government. I believe that many people would appreciate it if Congress, instead of piling on more and more regulations and more and more government, would repeal and eliminate a lot of it.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma (Mr. BARTLETT) is recognized for not to exceed 15 minutes.

REPEAL OF DEPLETION HAS JEOPARDIZED OUR COUNTRY'S ENERGY FUTURE

Mr. BARTLETT. Mr. President, during the debate on the Tax Reduction Act of 1975 I warned all my colleagues that by repealing and reducing percentage depletion on oil and gas "we are increasing the cost of operation with controlled prices and—are going to reduce the amount of energy we are going to find."

I made those remarks because I had hoped that out of a genuine concern to increase energy supplies and a knowledge of the real consequences of the legislation, more of my colleagues would be persuaded to oppose the repeal and reduction of depletion. They could do this because they desire, as I do, to maximize domestic energy supplies at the lowest possible cost to consumers and not because they support, or do not support, the oil and gas industry. I admit, however, that my chances for success were not great as the depletion amendment in the tax reduction bill proved.

There is a reluctance on the part of many of my colleagues to believe the inevitable when it concerns oil and gas operations. The tendency is to oppose the petroleum industry position even if it could eventually adversely affect their consumer constituents.

Such is the case with depletion. It is ironic that in the same bill that took away percentage depletion for oil and gas producing operations, the Congress upon recognizing the need to encourage manufacturing industry expansion increased the investment tax credit. Manufacturing industries did need a boost, but domestic oil and gas production is far below consumption and the shortage is affecting our economy severely. A massive infusion of capital is required to increase oil and gas exploration levels, not a reduction in available capital. Congress' action on depletion removed from the petroleum industry at least $2.5 billion which would have been available for exploration and development investment. Yet it increased the tax incentives for manufacturing which, in most instances, was in over supply.

There is also a widespread belief that the repeal of depletion would not retard the industry's exploratory effort, because there are excess profits which are not being reinvested. In spite of indisputable financial data from creditable sources, indicating that the industry's 1974 capital expenditures were the largest in history and that all domestic profits and some foreign profits were being reinvested in the United States, Congress still chose to repeal depletion and thus limit the amount of capital available for exploration. Mr. President, I realize the oil and gas percentage depletion allowance is mostly gone but other critical energy issues still face this Congress. I hope my colleagues will learn from past experiences and particularly from what has happened in the oilfield since the depletion allowance was repealed and reduced.

Less than 2 months after the Tax Reduction Act became law, a precipitous reduction in the drilling effort of the petroleum industry is becoming apparent. This was inevitable. On May 19, the Interior Committee held special hearings to ascertain how the loss and reduction of the depletion allowance would effect energy supplies. I know some have charged that the oil companies are trying to prove a point by shutting down their drilling rigs. But sincere honest reasoning disputes this charge. Consider what you would do as an oil producer if you knew your next tax bill would be significantly greater. You have to pay taxes and they come first. Then you must cover the normal operating expenses and the capital expenditure programs to which you have previously committed. The exploration budget is the most flexible and its size depends largely on what is leftover after all other necessary expenditures are made. There is little doubt that an increase in the industry's tax bill of over $2.5 billion would reduce exploratory and development drilling by at least $2.5 billion.

The following are several examples of what is happening in the oilfield:

First—and I am not being facetious—with one piece of legislation the Congress solved the oilfield equipment shortage problem.

Congress did this, not by passing legislation to increase the supply of this equipment, but by enacting legislation which reduced demand for it.

To illustrate, I would like to cite a few of the hard facts brought out at the hearings in testimony from a panel of representatives from the industry which supplies equipment and services to the petroleum industry. These are the rig and tubular goods manufacturers, the drilling contractors, the oilfield equipment manufacturers, and the technical and specialty service suppliers. They are in a position to feel quickly the repercussions of this shortsighted and hostile legislation.

Robert L. Parker, of Parker Drilling Co., one of the largest land drilling contractors in the United States reported:

> As of the morning of May 19, there were 120 potentially active rigs stacked in the United States.
>
> The specific areas where we have been most affected are the Rocky Mountain areas where we have stacked 30% of our available rigs in the last 30 days, West Texas where we have stacked 15% of our available rigs, and Oklahoma where we have stacked 10% of our equipment.
>
> More importantly has been the cancellation of contracts by eleven (11) of our customers for drilling that they had previously scheduled for this summer. We have found both majors and independents curtailing their programs. The reasons they have given us are basically the negative impact of recent legislation on the capital available for their exploration programs and the uncertainty of what lies ahead in future legislation and price decontrols.

Mr. John Wagenhauser, speaking for the Petroleum Equipment Suppliers Association, had just polled the major producing areas in the United States with these very sobering results:

> ARKANSAS–LOUISIANA
>
> *Murphy Oil Corp.*
>
> 1975 capital expenditures reduced to $165 million from $280 million for 1975. Reduction primarily related to repeal of depletion allowance and other government controls. No bidding on offshore properties. All expenditures under study.
>
> ROCKY MOUNTAINS
>
> *Husky Oil Co.*
>
> All allocated tubular goods for third quarter returned to the mill. Will farm out and not drill any of their acreage in Utah, Wyoming and New Mexico.
>
> *Amoco*
>
> 800,000 acres leased under the Great Salt Lake, with drilling program due to commence June 25—cancelled entirely.
>
> 28 well program for Big Horn Basin, Wyoming—cancelled entirely.
>
> Decision made to withhold all exploration and development until stability returns.
>
> *Chevron*
>
> 5 well program in Utah—cancelled.
>
> *Texaco*
>
> Had 16 rigs drilling first quarter—now down to five because of loss of depletion allowance.
>
> New policy instituted, that if producing oil well requires a pulling job, Texaco requires a 15 day pay-out or will shut down the well.
>
> *Cardinal Petroleum Co.*
>
> Have cancelled drill pipe order (drill pipe is still in short supply). Two out of 12 rigs are operating.
>
> There are between 60 and 70 idle drilling rigs stacked in the Rocky Mountain state.
>
> GULF COAST
>
> *Amoco*
>
> Total capital expenditures down to $140 million for 1975. Development wells only—no exploratory work.
>
> *Louisiana Land Exploration Co.*
>
> 1975 first quarter earnings dropped 25% due to depletion allowance loss and therefore 1975 capital expenditures reduced from $88 million to $50 million.
>
> WEST TEXAS
>
> *El Paso Natural Gas Co.*
>
> Have cancelled all third quarter tubular tonnage. Operations being curtailed until their position can be reevaluated in light of depletion allowance loss and air clears on control legislation.
>
> OTHER COMMENTS
>
> *Phillips Petroleum Co.*
>
> 1975 capital investment cut back $200 million and are drilling only on committed projects. No further financial support to independents on dry hole money. Expect this will cut back some independents' activity.

These are just a few examples and I could cite others, but the picture is becoming very clear. What was previously the biggest boom in the oilfield since the 1950's in which the number of active drilling rigs increased in a 3-year period from less than 1,000 to approximately 1,700 has been stopped short by a Congress which would not believe that the repeal of a tried-and-true tax incentive really served a socially desirable function. At a time in our history when increasing domestic oil and gas supplies should be an objective of the highest national priority, Congress increased sharply the income taxes of oil companies, thus causing a sharp curtailment in exploratory drilling activity. Congress has jeopardized our Nation's energy future.

If repealing depletion is a counterproductive energy policy, what is a proper energy policy? All witnesses at the May 19 Interior Committee hearing outlined the essential elements for an energy policy which would work and bring on additional supplies at the maximum pace. These are, first, the removal of price controls on crude oil and natural gas; second, the elimination of arbitrary regulation of U.S. industry; and third, the creation of a climate of economic consistency free from the uncertainty of future hostile Government action. Only if these major elements in an energy program are implemented will our private sector be able to produce at a fair price the resources so desparately needed for the benefit of all consumers.

The following quote from the testimony of Mr. George Austin, vice president, Morgan Guaranty Trust Co., sums up the financial aspects of our energy problem:

> Based on present prices for domestic oil and natural gas, it seems unlikely that the net income and cash flow of the petroleum industry will be sufficient to finance the necessary capital programs . . . to improve the nation's self-sufficiency in energy . . . Therefore, I recommend removal of price controls in the petroleum industry. If the industry doesn't have sufficient incentives, in the form of higher prices, to enable it to realize an adequate return, the companies will have to look to outside investors to supply the necessary capital . . . However, investors are hesitant about making commitments to the petroleum industry because they fear that excessive government regulation will prevent them from realizing an adequate return on their investments . . . I think it is fair to say that investors have a tendency to avoid regulated industries.

Mr. Austin is right, of course. Look what has happened to the electric utility industry, the railroad industry, and the airline industry.

To summarize, Mr. President, Mr. Wallace Wilson of the Continental Illinois National Bank and Trust Co. put the situation very aptly:

> The domestic petroleum industry is caught between the rock and the hammer, the rock being the continued price controls and allocation regulations, and the hammer is the new tax burden imposed by the virtual elimination of percentage depletion. The combined effect of both of these measures is to create massive disincentives for capital investment in new exploration and develop-

ment of petroleum in this country, at a critical time in our history when large inflows of new capital are vitally needed.

By increasing taxes, the Congress removed over $2.5 billion from the petroleum industry. This is already having inevitable but disastrous consequences. To prevent this setback from becoming a permanent catastrophe, Congress should immediately decontrol oil and natural gas prices. This is the only way to regain the ground which has been lost.

To give an idea of how far we have yet to go with our domestic exploration effort, I would like to illustrate using the figures on active drilling rigs.

In 1955, there were 2,687 drilling rigs actively involved in the research for and development of our oil and gas resources. Productive capacity was 9.7 million barrels per day while consumption was about 8.9 million barrels daily. We had a surplus.

Direct and indirect price controls reduced the number of active rigs to less than 1,000 in 1971.

Because of price increases which occurred in the last several years, the number of active rigs has increased from the low of 975 in 1971 to slightly over 1,600 at the current time; but all available rigs are not being used. There are presently 120 rigs stacked in the United States. The problem is that current production and consumption are completely out of proportion compared with 1955. Current production is about 10 million barrels per day with consumption of about 17 million barrels daily.

Multiplying the number of active rigs in 1955 by the ratio of current consumption to the consumption in 1955 gives a good indication of where our exploration effort needs to be today. In order to balance demand and assuming today's discovery rate is the same as in 1955, there should be 5,100 rigs actively drilling in this country. We have only 1,600. We must triple the number of active rigs to duplicate proportionately the effort of 1955. Obviously, we are a long way from achieving this goal. We need a whale of a lot of capital. As I said there are presently 120 rigs stacked in the United States which could be employed in the search for oil and gas, but there is only sufficient capital available to keep 1,600 running.

We have some 1,725 rigs available and are only operating 1,600 at the present time, showing a significant capital shortage.

All financial, technical, and human resources have to be directed at increasing the domestic supply of energy. The most logical way to maximize this effort is the removal of Federal price controls on crude oil and natural gas.

Mr. President, I am prepared to yield the floor.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes.

PART-TIME CAREER OPPORTUNITY ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical, clerical, and other corrections in the engrossment of S. 792, the Part-Time Career Opportunity Act, which passed the Senate yesterday. I understand this has been cleared all around.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. METCALF) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:30 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 3474. An act to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; and

H.R. 6799. An act to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those Rules.

The message also announced that the House has passed the bill (S. 1462) to amend the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Act to authorize additional appropriations, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message further announced that the House has agreed to the concurrent resolution (S. Con. Res. 44) to provide for the appointment of a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America, with an amendment in which it requests the concurrence of the Senate.

At 4:30 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills in which it requests the concurrence of the Senate:

H.R. 6334. An act to amend further the Peace Corps Act; and

H.R. 7500. An act to authorize appropriations for the Department of State, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the message from the House of Representatives on H.R. 6799 and H.R. 3474 be held at the desk until further action is sought.

It is my understanding that this request has been cleared all around.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 41. A bill for the relief of Mr. Angelo B. Cortes (Rept. No. 94–221);

S. 51. A bill for the relief of Mr. Andres B. Paison (Rept. No. 94–222);

S. 55. A bill for the relief of Dino Mendoza Pascua (Rept. No. 94–223);

S. 92. A bill for the relief of Victor Henrique Carlos Gibson (Rept. No. 94–224);

S. 223. A bill for the relief of Angela Garza (Rept. No. 94–225);

S. 447. A bill for the relief of Jesus Cortez Pineda (Rept. No. 94–226);

S. 485. A bill for the relief of Dr. Jesus Fernandez Tirao and his wife, Benylin-Lynda Obiena Tirao (Rept. No. 94–227);

S. 533. A bill for the relief of Jiri Emanuel Huebner (Rept. No. 94–228);

S. 844. A bill for the relief of Dr. Benedicto Principe and his wife, Erlinda Madula Principe (Rept. No. 94–229);

S. 866. A bill for the relief of Patrick Andre Tasselin and his wife, Fabienne Francoise Tasselin (Rept. No. 94–230);

H.R. 1387. A bill for the relief of Raul Alvarez Rodriguez (Rept. No. 94–231);

H.R. 1388. A bill for the relief of Guadalupe Villegas-Cantu (Rept. No. 94–232);

H.R. 1393. A bill for the relief of Jacinta Roque Armstrong-Perez (Rept. No. 94–233);

H.R. 1408. A bill for the relief of Joseph Hoffman (Rept. No. 94–234);

H.R. 1410. A bill for the relief of Samuel T. Ansley (Rept. No. 94–235);

H.R. 1421. A bill for the relief of Stephanie Kahn and Barbara Heyman (Rept. No. 94–236);

H.R. 1510. A bill for the relief of Steve P. Reese (Rept. No. 94–237);

H.R. 1556. A bill for the relief of Hendrika Koenders Lyne (Rept. No. 94–238);

H.R. 1649. A bill for the relief of Howard D. Harden (Rept. No. 94–239);

H.R. 2109. A bill for the relief of Capt. George Moore, Jr., of the U.S. Air Force (Rept. No. 94–240);

H.R. 2119. A bill for the relief of Maria Gilda Haro (Rept. No. 94–241);

H.R. 2946. A bill for the relief of Mrs. Dorthy Hinck (Rept. No. 94–242);

H.R. 3382. A bill for the relief of Raymond Monroe (Rept. No. 94–243); and

H.R. 3526. A bill for the relief of Randall L. Talbot (Rept. No. 94–244).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 52. A bill for the relief of Miss Rosario Y. Quijano, Walter York Quijano, Ramon York Quijano, Tracisus York Quijano, Denis York Quijano, and Paul York Quijano (Rept. No. 94–245);

S. 173. A bill for the relief of Miss Lisa Maria Potter (also known as Lisa Maria Verest, Mary Alice Verest, and Mary Alice Epiphanio) (Rept. No. 94–246);

S. 381. A bill for the relief of Ludwik Kikla (Rept No. 94–247); and

S. 606. A bill for the relief of Mr. Joselito S. Arca and Dr. Corazon I. Arca (Rept. No. 94–248).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 128. A bill for the relief of Lenora Lopez (Rept. No. 94–249).

By Mr. MOSS, from the Committee on Commerce, with an amendment:

S. 644. A bill to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes (Rept. No. 94–251).

By Mr. MOSS, from the Committee on Commerce, with amendments:

S. 670. A bill to regulate commerce and to prohibit unfair or deceptive acts or practices in commerce, and for other purposes (Rept. No. 94–252).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 349. A bill to amend the Federal Trade Commission Act (Rept. No. 94–253).

REPORT ENTITLED "DEVELOPMENTS IN AGING: 1974 AND JANUARY–APRIL 1975"—(S. REPT. NO. 94–250)

Mr. CHURCH. Mr. President, as chairman of the Special Committee on Aging, under authority of Senate Resolution 267, 93d Congress, I submit the report of the committee entitled "Developments in Aging: 1974 and January–April 1975."

The PRESIDING OFFICER. The report will be received and printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service:

L. J. Andolsek, of Maryland, to be a Civil Service Commissioner.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

Philip C. Jackson, Jr., of Alabama, to be a member of the Board of Governors of the Federal Reserve System.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing and Urban Affairs to which was referred the nomination of Philip C. Jackson, Jr., of Alabama, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1968, recommends with no votes opposed that the nomination be confirmed. Mr. Jackson was formerly vice president in charge of the mortgage loan department and director of the Jackson Co. of Birmingham, Ala. He also has served as chairman, advisory committee, Federal National Mortgage Association, and president of the Mortgage Bankers Association of America.

The committee questioned Mr. Jackson on June 9, and again on June 20. The second hearing was called because he did not adequately answer many of the questions asked on June 9. Too often he responded by saying, in effect, that he did not know or did not have enough information to form a judgment. I felt that this put the committee in a very awkward position. If we did not know Mr. Jackson's opinions, judgments, and analytical processes, we could not objectively evaluate his qualifications to serve as Governor of the Federal Reserve, and therefore could not, in good conscience, recommend his confirmation. On the other hand, I wanted to be fair, as did every other member of the committee.

The June 20 hearing was called to give Mr. Jackson another opportunity to publicly air and record his opinions, judgments, and analyses on questions pertinent to the position of a Governor of the Federal Reserve.

Mr. Jackson's answers on June 20 were more satisfactory. We now know where he presently stands on many issues, and perhaps more important, how he approaches problems. Though I am far from full agreement with his opinions and judgments on some questions, I now am confident that Mr. Jackson is a public-minded person who can make a contribution to the deliberations of the Board.

Finally, let me call attention to two widely applicable points brought out by the committee's confirmation proceedings on Mr. Jackson. On June 9, Mr. Jackson apparently feared that he might arouse the committee's anger if, as he put it in a statement prepared for June 20, "my responses at my nomination hearing did not coincide with positions I later adopted as a member of the Board." But Members of the Congress know, and perhaps we know better than any other group, that it is senseless to persist in a bad opinion, wrong judgment, or faulty analysis. Let all future nominees be apprised that the need to remain flexible is no excuse for not revealing presently held opinions and judgments.

Mr. Jackson also apparently feared that because his influence within the Federal Reserve would be "based on the confidence in his judgment" which his Federal Reserve colleagues held, "any public positions I might take now could—at least for a while—limit my effectiveness as a member." I believe his apprehension in this regard is ill founded.

It has been my experience in Washington that the most effective people are generally those with strongly held views who do not hesitate to express those views forcefully. Some of the least effective people are those who never dare to voice an opinion for fear of offending someone. The Federal Reserve plays a crucial role in our economy and we need men of character and independence on the Board. I believe Mr. Jackson's testimony before the committee on June 20 will enhance his reputation in the eyes of his colleagues and add to his effectiveness as a member of the Board.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 6334. An act to amend further the Peace Corps Act; to the Committee on Foreign Relations.

H.R. 7500. An act to authorize appropriations for the Department of State, and for other purposes; to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McGOVERN:

S. 1997. A bill to amend sections 306 and 308 of the Rural Electrification Act of 1936, as amended. Referred to the Committee on Agriculture and Forestry.

By Mr. BAYH (for himself, Mr. Humphrey, and Mr. Talmadge):

S. 1998. A bill to incorporate the Gold Star Wives of America. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself and Mr. Fannin) (by request):

S. 1999. A bill to provide for the administration of oaths and affirmations and for the issuance of subpenas in investigations, hearings, and proceedings in the Department of the Interior. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUGH SCOTT (for himself and Mr. Schweiker):

S. 2000. A bill to provide for the improvement of roads in Raystown Dam area. Referred to the Committee on Public Works.

By Mr. EAGLETON:

S. 2001. A bill to amend title II of the Social Security Act to reduce from 20 to 10 years the period of time that a divorced woman's marriage to an individual must have lasted for her to qualify for wife's or widow's benefits on the basis of the wages and self-employment income of such individual. Referred to the Committee on Finance.

By Mr. HARTKE:

S. 2002. A bill to amend the Internal Revenue Code of 1954 to provide a refundable credit against tax for postsecondary education expenses for tuition and fees paid by the taxpayer attributable to the attendance of a student at an institution of postsecondary education, and for other purposes. Referred to the Committee on Finance.

By Mr. INOUYE (for himself, Mr. Magnuson, Mr. Cannon, Mr. Moss, Mr. Baker, Mr. Javits, Mr. Griffin, Mr. Pastore, and Mr. Goldwater):

S. 2003. A bill to amend the International Travel Act of 1961 to authorize additional appropriations, and for other purposes. Considered and passed.

By Mr. BELLMON:

S. 2004. A bill to eliminate a restriction on use of certain lands patented to the city of

Hobart, Kiowa County, Okla. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McGOVERN:

S. 1997. A bill to amend sections 306 and 308 of the Rural Electrification Act of 1936, as amended. Referred to the Committee on Agriculture and Forestry.

STRENGTHENING THE REA

Mr. McGOVERN. Mr. President, I introduce for appropriate reference a bill to amend sections 306 and 308 of the Rural Electrification Act of 1936, as amended.

This bill would expressly authorize the assignment of REA loan guarantees and clarify the provision of section 308 which provides for incontestability of the Government guarantee "except for fraud or misrepresentation of which the holder has actual knowledge."

The 1973 amendments to the Rural Electrification Act (Public Law 93–32) vested in the Administrator of REA the authority to guarantee loans made to rural electric and telephone systems by lenders other than REA.

The amendment proposed by this bill would contribute significantly to the efficient implementation of the guaranteed loan program by permitting such lenders to utilize REA guarantees to obtain for the rural systems the reasonable interest rates which they require.

These changes in Public Law 93–32 are technical, clarifying amendments which will confirm the original congressional intent and eliminate questions which have arisen concerning the assignability and incontestability of REA loan guarantees.

The first change adds language to section 306 to expressly authorize the assignment of REA guarantees. The assignment or pledge of guarantees is essential if REA-approved lenders are to be able to utilize guarantees to obtain funds at the lowest possible interest rates for the benefit of the rural systems.

To achieve this end, lenders must be able effectively to pledge their REA guarantees, along with the guaranteed loans, to a trustee as security for their bonds, or assign these guarantees to holders of securities representing beneficial ownership in the guaranteed loans.

The absence from section 306 of express provision for assigning or pledging guarantees has caused doubts whether any such assignment or pledge is authorized. Should such doubts ultimately prevail in the financial community, it may prove impossible for REA-approved lenders to borrow in the capital market at favorable rates. The bill furnishes the assignability language required to erase these doubts. It would also leave in the complete control of the REA Administrator the extent and incidents of permissible assignments.

The second technical amendment of the bill would clarify in an important respect section 308, which provides for REA contracts of insurance and guarantee to be supported by the full faith and credit of the United States. Section 308 now stipulates that the Government's full faith and credit obligation shall be "incontestable except for fraud or misrepresentation of which the holder has actual knowledge." Questions have been raised whether this language might be construed to bar enforcement of an REA guarantee held by an assignee, pledgee, or other holder who first learned of fraud or misrepresentation on the part of the original lender after the holder had acquired the guarantee in good faith. The proposed amendment merely makes clear the applicability of the equitable rule that an assignee's vulnerability to defenses of fraud or misrepresentation arises only if the assignee had actual knowledge of the fraud or misrepresentation at the time it became a holder of the guarantee.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1997

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 306 of the Rural Electrification Act of 1936, as amended, is amended—

(a) by adding at the end of said section 306 the following: "A guaranteed loan, including the related guarantee, may be assigned to the extent provided in the contract of guarantee executed by the Administrator under this title; the assignability of such loan and guarantee shall be governed exclusively by said contract of guarantee."; and

(b) by inserting the word "initially" before the words "made, held, and serviced" in the sixth sentence of said section 306.

SEC. 2. Section 308 of the Rural Electrification Act of 1936, as amended, is amended by striking therefrom the words "of which the holder has actual knowledge" and substituting in lieu thereof the words "of which the holder had actual knowledge at the time it became a holder".

By Mr. BAYH (for himself, Mr. HUMPHREY, and Mr. TALMADGE):

S. 1998. A bill to incorporate the Gold Star Wives of America. Referred to the Committee on the Judiciary.

Mr. BAYH. Mr. President, I am today introducing a bill to incorporate the Gold Star Wives of America. This national organization was established in 1945 by the widows of members of the Armed Forces who died while serving our country. Today, it is an active organization with more than 2,000 members in every part of the United States.

This measure is similar to one that I introduced in 1969, 1971 and 1973. Having explained the strong case for favorable consideration on three previous occasions, I believe it is appropriate to repeat what I said here in the Senate on February 22, 1973. The arguments presented at that time are as true today as they were then, and I very much hope there will be no need to introduce this legislation again in 1977.

I know of no other group more deserving of national incorporation than the Gold Star Wives of America. Its membership is composed of women who have experienced the great anguish of losing their husbands because of active duty with the military forces of the United States. They have a common bond of grief that few of us can fully understand but which none of us can forget. Their objectives are both praiseworthy and significant: what more valuable contribution to society can be made than to bolster the fortitude and uplift the spirits, as well as to aid materially, the widows and children of those who paid the supreme sacrifice in the interest of their fellow citizens?

The Gold Star Wives of America has a role to play that is nationwide in scope and worthy of national recognition. The organization has similar noteworthy accomplishments to those made by our veterans' and adjunct organizations which have been granted national charters. In addition, for several years Gold Star Wives of America has been participating actively in the Annual Women's Forum on National Security, which is composed of 16 organizations which have received Federal charters.

I have been informed by the officers of this organization that its goals could be more effectively and easily attained if it were incorporated at the national level. The scope of its membership and business now transcends any one State or group of States. Its declared purposes and activities extend to the widows and children of servicemen killed who live in every section of the country, and the number of chapters doubled in a short time, as hundreds of new widows turned to Gold Star Wives of America for assistance with their financial and emotional problems. Its officers and board members reside in such scattered States as Massachusetts, Washington, California, Colorado, Kansas, Minnesota, Virginia, Missouri, Louisiana, Kentucky, New Jersey, Illinois, Alabama, Florida, and Indiana. In every sense of the term and in all aspects of its operations this is truly a national organization dedicated to significant national purposes.

The Gold Star Wives of America has repeatedly been hindered and prevented from giving assistance to the young widows who desperately need the help that could have been available to them through this organization, solely because of their lack of a Federal charter. Efforts to make the Gold Star Wives of America known through survivor assistance officers at military installations have been refused on the basis that the organization is not recognized as a reputable organization, while in other instances, contacts at military bases have resulted in inquiries to the Department of Defense as to the reliability of Gold Star Wives of America.

Officials of the Veterans' Administration, I am advised, have suggested that a Federal charter should be priority legislation for Gold Star Wives of America, as a means of establishing the status and integrity of this relatively young organization. The organization could thus acquire the respect and stature which come only to those organizations who are so recognized by the Congress.

Mr. President, I have carefully examined the criteria set forth in 1969 in the Standards for the Granting of Federal Charters by subcommittees of the Senate and House Committees on the Judiciary. In every aspect it appears to me that the Gold Star Wives of America, Inc., more than measures up to those required standards. It is clearly a national permanent organization operating in the public interest; the character of this organization is such that chartering by the Congress as a Federal corporation is the only appropriate form of incorporation; it is solely a patriotic, nonprofit, nonpartisan organization devoted to civic and membership betterment; and it aspires to provide nationwide services which cannot be adequately organized without a nationally granted charter.

The objects and purposes of the Gold Star Wives of America are most commendable. In addition to honoring the memory of loved ones who paid the supreme sacrifice while serving in the Armed Forces of the United States, it is committed to assisting their widows and children, both materially and spiritually. One of its stated goals, for example, is to provide the benefits of a happy, healthy, and wholesome life to minor children of persons who died in the service of our country. Another aim is to promote activities and interests designed to foster among its members the proper mental attitude to face the future with courage. Direct aid to the widows and children of former servicemen is likewise an obligation which this organization has assumed.

I am pleased to note also that the Gold Star Wives of America have dedicated themselves to the noble cause of safeguarding and transmitting to posterity the principles of justice, freedom, and democracy for which members of our armed services fought and died. They have likewise pledged themselves to assist in upholding the Constitution and laws of the United States of America, and to inculcate a sense of individual obligation to the community, State, and Nation. In all these respects this organization deserves the treatment which Congress has previously accorded other similar national groups.

Mr. President, on February 22, 1973, I strongly urged prompt consideration of this measure. Today I so urge again. The Gold Star Wives of America deserve the national stature and corporate structure required to achieve its worthwhile goals.

I ask unanimous consent that this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1998

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following-named persons, to wit:

Mrs. Jean T. Eastman, 1112 Rosemary Lane, Ozark, Alabama 36360;

Mrs. Lavone Tueting, 5325 Beard Avenue, South, Minneapolis, Minnesota 55410;

Mrs. Lucy Walker, 145 Foxlair Drive, College Park, Georgia 30349;

Mrs. Bernice E. Dodge, 4431 West Colorado Avenue, Denver, Colorado 80219;

Mrs. Joy Dove, 4224 Chowen Avenue, South, Minneapolis, Minnesota 55410;

Mrs. June Bolich, 29 Dixie Drive, Ozark, Alabama 36360;

Mrs. Mickey Lovell, 862 Pontiac Street, Denver, Colorado 80220;

Mrs. Franc F. Gray, 6901 Penn Avenue South, Minneapolis, Minnesota 55423;

Mrs. Paul T. Bartsch, 9 East Narberth Terrace, Collingswood, New Jersey 08108;

Mrs. Geraldine B. Chittick, P.O. Box 306, Frankfort, Indiana 46041;

Mrs. Jeannette B. Early, 5314 Yorkwood, Houston, Texas 77016;

Mrs. Mary R. Galotta, 117 Pine Street, Lowell, Massachusetts 01851;

Mrs. Marie Gammill, 4330 East 18th Street, Denver, Colorado 80220;

Mrs. Edith V. Knowles, P.O. Box 1703, Albany, Georgia 31702;

Mrs. Darlene McDonald, 842 North Karlow, Chicago, Illinois 60651;

Mrs. Marie B. Palmer, P.O. Box 5636, Orlando, Florida 32805;

Mrs. Lorraine S. Patterson, 320 Penwood Road, Silver Spring, Maryland 20901;

Mrs. Johnnie D. Spillman, 3145 Steele Street, Denver, Colorado 80205;

Mrs. Ingrid G. Stewart, 138 Devonshire Drive, San Antonio, Texas 78209;

Mrs. Joyce Tremayne, 1905 Dee Avenue, Columbus, Georgia 31905;

Mrs. Larue Yessen, 1099 E. 51st Street, Brooklyn, New York 11234;

and their successors, are hereby created and declared to be a body corporate by the name of Gold Star Wives of America (hereinafter called the corporation) and by such name shall be known and have perpetual succession and the powers and limitations contained in this Act.

COMPLETION OF ORGANIZATION

SEC. 2. A majority of the persons named in the first section of this Act is authorized to complete the organization of the corporation by the election of officers and employees, the adoption of a constitution and bylaws, not inconsistent with this Act, and the doing of such other acts as may be necessary for such purpose.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation shall be—

(1) to assist in upholding the Constitution and laws of the United States of America, and to inculcate a sense of individual obligation to the community, State, and Nation;

(2) to honor the memory of those who made the supreme sacrifice in the service of our country;

(3) to safeguard and transmit to posterity the principles of justice, freedom, and democracy for which members of our armed services fought and died;

(4) to provide the benefits of a happy, healthful, and wholesome life to minor children of persons who died in the service of our country;

(5) to promote activities and interests designed to foster among its members the proper mental attitude to face the future with courage; and

(6) to aid, whenever necessary, widows and children of persons who died in the service of our country.

CORPORATE POWERS

SEC. 4. The corporation shall have power—

(1) to sue and be sued, complain, and defend in any court of competent jurisdiction;

(2) to adopt, alter, and use a corporate seal;

(3) to choose such officers, directors, trustees, managers, agents, and employees as the business of the corporation may require;

(4) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(5) to contract and be contracted with;

(6) to charge and collect membership due, subscription fees, and receive contributions or grants of money or property to be devoted to the carrying out of its purposes;

(7) to take and hold by lease, gift, purchase, grant, devise, bequest, or otherwise any property, real or personal, necessary for attaining the objects and carrying into effect the purposes of the corporation, subject to applicable provisions of law in any State (A) governing the amount or kind of real and personal property which may be held by, or (B) otherwise limiting or controlling the ownership of real or personal property by a corporation operating in such State;

(8) to transfer, encumber, and convey real or personal property;

(9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, subject to all applicable provisions of Federal or State law;

(10) to adopt, alter, use, and display such emblems, seals, and badges as it may determine; and

(11) to do any and all acts and things necessary and proper to carry out the objects and purposes of the corporation, and for such purpose the corporation shall also have, in addition to the foregoing in this section and subsection, the rights, powers, duties, and liabilities of the existing corporation referred to in section 18 as far as they are not modified or superseded by this Act.

PRINCIPAL OFFICE; SCOPE OF ACTIVITIES; DISTRICT OF COLUMBIA AGENT

SEC. 5. (a) The principal office of the corporation shall be located in Albany, Georgia, or in such other place as may later be determined by the board of directors, but the activities of the corporation shall not be confined to that place and may be conducted throughout the various States and possessions of the United States.

(b) The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service of process for the corporation, and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

MEMBERSHIP; VOTING RIGHTS

SEC. 6. (a) Eligibility for membership in the corporation and the rights and privileges of members shall, except as provided in this Act, be determined as the constitution and bylaws of the corporation may provide.

(b) Each member of the corporation, other than honorary and associate members, shall have the right to vote in accordance with the constitution and bylaws of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 7. (a) Upon enactment of this Act the membership of the initial board of directors of the corporation shall consist of the following persons—

Mrs. Franc F. Gray, 6901 Penn Avenue South, Minneapolis, Minnesota 55423;

Mrs. Pauline T. Bartsch, 3 East Narberth Terrace, Collingswood, New Jersey 08108;

Mrs. Geraldine B. Chittick, P.O. Box 306, Frankfort, Indiana 46041;

Mrs. Jeanette B. Early, 5314 Yorkwood, Houston, Texas 77016;

Mrs. Mary R. Galotta, 117 Pine Street, Lowell, Massachusetts 08151;

Mrs. Marie Gammill, 4330 East 18th Street, Denver, Colorado 80220;

Mrs. Edith V. Knowles, P.O. Box 1703, Albany, Georgia 31702;

Mrs. Darlene McDonald, 842 North Karlov, Chicago, Illinois 60651;

Mrs. Marie B. Palmer, P.O. Box 5636, Orlando, Florida 32805;
Mrs. Lorraine S. Patterson, 320 Penwood Road, Silver Spring, Maryland 20901;
Mrs. Johnnie D. Spillman, 3145 Steele Street, Denver, Colorado 80205:
Mrs. Ingrid G. Stewart, 138 Devonshire Drive, San Antonio, Texas 78209;
Mrs. Joyce Tremayne, 1905 Dee Avenue, Columbus, Georgia 31903;
Mrs. Lavone Tueting, 5325 Beard Avenue South, Minneapolis, Minnesota 55410;
Mrs. Larue Yessen, 1099 East 51st Street, Brooklyn, New York 11234.

(b) Thereafter, the board of directors of the corporation shall consist of such number (not less than fifteen), shall be selected in such manner (including the filling of vacancies), and shall serve for such term as may be prescribed in the constitution and bylaws of the corporation.

(c) The board of directors shall be the governing board of the corporation and shall, during the intervals between corporation meetings, be responsible for the general policies and program of the corporation. The board shall be responsible for all finance.

OFFICERS; ELECTION OF OFFICERS

SEC. 8. (a) The officers of the corporation shall be a chairman of the board, a president, a vice president, a secretary, and a treasurer. The duties of the officers shall be as prescribed in the constitution and bylaws of the corporation. Other officer positions may be created as prescribed in the constitution and bylaws of the corporation.

(b) Officers shall be elected annually at the annual meeting of the corporation.

USE OF INCOME; LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director, or be distributable to any such person otherwise than upon dissolution or final liquidation of the corporation as provided in section 16 of this Act. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the executive committee of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of such loans shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

NONPOLITICAL NATURE OF CORPORATION

SEC. 10. The corporation, and its officers, directors, and duly appointed agents as such, shall not contribute to or otherwise support or assist any political party or candidate for office.

LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

COMPREHENSIVE PRIVILEGES

SEC. 12. Such provisions, privileges, and prerogatives as have been granted heretofore to other national veterans' organizations by virtue of their being incorporated by Congress are hereby granted and accrue to the Gold Star Wives of America.

PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 13. The corporation shall have no power to issue any shares of stock nor to declare nor pay any dividends.

BOOKS AND RECORDS; INSPECTION

SEC. 14. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors; and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 15. (a) The accounts of the corporation shall be audited annually, in accordance with generally accepted auditing standards, by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be submitted to the Congress not later than six months following the close of the fiscal year for which the audit was made. The report shall set forth the scope of the audit and shall include such statements as are necessary to present fairly the corporation's assets and liabilities, surplus or deficit with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the corporation's income and expenses during the year including the results of any trading, manufacturing, publishing, or other commercial-type endeavor carried on by the corporation, together with the independent auditor's opinion of those statements. The reports shall not be printed as a public document.

LIQUIDATION

SEC. 16. Upon final dissolution or liquidation of the corporation, and after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation may be distributed in accordance with the determination of the board of directors of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

EXCLUSIVE RIGHT TO NAME, EMBLEMS, SEALS, AND BADGES

SEC. 17. The corporation shall have the sole and exclusive right to use the name Gold Star Wives of America. The corporation shall have the exclusive and sole right to use, or to allow or refuse the use of, such emblems, seals, and badges as have heretofore been used by the corporation referred to in section 18 in carrying out its program. Nothing in this Act shall interfere or conflict with established or vested rights.

TRANSFER OF ASSETS

SEC. 18. The corporation may acquire the assets of the Gold Star Wives of America, Incorporated, chartered as a nonprofit organization in the State of New York, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation and upon complying with all laws of the State of New York applicable thereto.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 19. The right to alter, amend, or repeal this Act is hereby expressly reserved.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1999. A bill to provide for the administration of oaths and affirmations and for the issuance of subpenas in investigations, hearings and proceedings in the Department of the Interior. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk, on behalf of myself and the Senator from Arizona (Mr. FANNIN), a bill to provide for the administration of oaths and affirmations and for the issuance of subpenas in investigations, hearings and proceedings in the Department of the Interior.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., June 12, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft bill "To provide for the administration of oaths and affirmations and for the issuance of subpoenas in investigations, hearings, and proceedings in the Department of the Interior."

We recommend that the bill be referred to the appropriate Committee for consideration, and that it be enacted.

The enclosed draft bill would give to the Secretary of the Interior or his delegate, the power to administer oaths and to issue subpoenas for witnesses and for discovery purposes, including subpoenas duces tecum. The subpoenas would run to the Government, to private parties who are non litigants, as well as to parties in administrative proceedings. The proposal is similar to provisions granting the subpoena power to the Interstate Commerce Commission, the Civil Aeronautics Board, and the Federal Power Commission. The bill would apply to any investigation, hearing or proceeding conducted by the Department of the Interior, and any discovery or investigation in regard to such hearing or proceeding. The provision would be applicable anywhere within the United States.

By an amendment issued July 15, 1968, 33 F.R. 10394 (July 20, 1968), the Secretary of the Interior amended § 1850.0–7 of the regulations of the Department governing subpoenas in public land hearings to provide for subpoenas duces tecum and subpoenas to compel witnesses to testify at prehearing depositions for discovery purposes. The Conservation and Natural Resources Subcommittee of the Committee on Government Operations, House of Representatives, subsequently questioned the statutory authority of the Department to issue discovery subpoenas and subpoenas duces tecum, and informed the Secretary of the Interior of its position. A review of the Department's statutory authorization led to the conclusion that our authority to adopt subpoenas duces tecum and discovery subpoena powers by regulation was deficient. The Honorable Henry S. Reuss, Chairman of the Conservation and Natural Resources Subcommittee, was so informed on January 14, 1970.

With respect to the need for such authority, Judge Alexander Holtzoff has stated:

"Broad and liberal discovery has completely revolutionized litigation in the Federal courts. As a result of the wide use of these remedies, most lawyers come into court for the trial thoroughly familiar not only with their own case, but also with the case of the adverse party. Surprise has been reduced to a minimum. Counsel frequently start the trial armed with depositions that either eliminate a great deal of controversial matter, or else with evidence in such shape that it can be introduced much more promptly and efficaciously than otherwise might have been the case. . . . The important consideration is that all of these innovations tend to bring about a just decision on the merits." ("A Judge Looks at the Rules", 1966 Federal Rules of Civil Procedure, page 9.)

Rules of civil procedure in State and Federal judicial systems have permitted pretrial discovery for many years. These rules allow not only pretrial subpoena powers for depositions and production of documents and tangibles; also included are provisions for written interrogatories and requests for admission. Trial by surprise has long been abandoned. Due to the lack of subpoena power, the Department of the Interior is still in the position of the litigant prior to the adoption of reformed rules of civil procedure. The private litigant, however, may avail himself of the Freedom of Information Act (5 U.S.C. 552) to obtain, prior to hearing, with few exceptions, any papers from the Government that would be available under the Federal Rules of Civil Procedure in a civil action. It is patently unfair to deny the Government the same opportunity in presenting its case.

We would also like to emphasize that this proposal would be of great benefit, not only to this Department, but to the private party as well. It would also enable private parties to obtain from third parties evidence which could not be reached under the Freedom of Information Act.

On June 2 and 3, 1970, at its Fourth Plenary Session, the Administrative Conference of the United States adopted the following recommendations concerning discovery in administrative adjudicatory proceedings:

6. PRODUCTION OF DOCUMENTS AND TANGIBLE THINGS

(a) *From non-parties*

A party to the proceeding should be able to obtain in accordance with agency rules a subpoena duces tecum requiring a non-party to produce relevant designated documents and tangible things, not privileged, at a prehearing conference, at the taking of the non-party's deposition, or at any other specific time and place designated by the issuing officer.

(b) *From parties*

A party to the proceeding should be able to apply to the presiding officer for an order requiring any other party to produce and to make available for inspection, copying or photographing, at a prehearing conference or other specific time and place, any designated documents and tangible things, not privileged, which constitute or contain relevant evidence. The party seeking production should serve copies of the application on the other party or parties to the proceeding, who should be given an opportunity to notify the presiding officer of any objections. The presiding officer should order the production of such designated documents and tangible things unless he finds that there is not good cause for doing so.

(c) *From the agency*

For the purposes of [recommendation 6], the agency conducting the proceeding should be considered a party to the proceeding whether or not the agency staff participates as a party to the proceeding.

* * * * *

9. SUBPOENAS

The presiding officer should have the power to issue subpoenas ad testificandum and duces tecum at any time during the course of the proceeding. Agencies affected by the Recommendations that do not have the statutory authority to issue subpoenas should seek to obtain any necessary authority from the Congress.

At their 1970 Convention, the American Bar Association resolved that authority be given ". . . to all agencies to make generally available subpoenas in adjudicatory proceedings . . ." The enclosed draft bill follows the recommendations of the Administrative Conference and the ABA. It is almost universally recognized today that the broad subpoena and discovery powers produce more thorough and equitable hearings by eliminating surprise, narrowing issues, encouraging settlements, and saving time and money.

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the Administration's program.

Sincerely yours,

ROYSTON C. HUGHES,
Assistant Secretary of the Interior.

By Mr. HUGH SCOTT (for himself and Mr. SCHWEIKER):

S. 2000. A bill to provide for the improvement of roads in Raystown Dam area. Referred to the Committee on Public Works.

Mr. HUGH SCOTT. Mr. President, today I am introducing a bill similar to one I advanced in the 93d Congress which would authorize the Army Corps of Engineers to improve and maintain the roads leading to the Raystown Dam project in Huntingdon County, Pa.

During construction of the Raystown Dam, large equipment was used by the Army Corps of Engineers which placed a heavy strain on the roads surrounding the project. Unfortunately, funds were not appropriated in the original legislation which would maintain and upgrade the project's access roads to meet current needs.

The Raystown Dam project when completed will be a major recreation facility for Pennsylvania and its five adjoining States. The lake will also provide needed flood control for the Juniata River Valley. The lake itself is 27 miles long and has 110 miles of shoreline which makes the area excellent for boating, swimming, fishing, camping, hiking, picnicking and nature viewing. Because of its size and the activities offered, the Army Corps of Engineers estimates the lake will attract up to 1.8 million visitors a year. Currently the roads leading to this large project are filled with potholes, and become very hazardous when it rains. This situation is extremely dangerous for it affects the safety of visitors to the lake.

In normal situations, the Juniata Township residents would be responsible for the maintenance of these roads. However, the U.S. Army Corps of Engineers purchased property for the Raystown Dam project which amounted to approximately 63 percent of the township's tax base. Consequently, the Federal Government has reduced the ability of the Juniata Township residents to maintain the access roads leading to the Raystown Dam project.

Mr. President, the legislation I am introducing today would authorize the Army Corps of Engineers to upgrade these access roads to a standard which would safely accommodate the increased visitor traffic. I feel this legislation is mandatory if we are to use Lake Raystown and its accompanying facilities to maximum capacity. For these reasons I urge early passage of this legislation by Congress so that millions of people may be able to enjoy all that Lake Raystown has to offer.

By Mr. EAGLETON:

S. 2001. A bill to amend title II of the Social Security Act to reduce from 20 to 10 years the period of time that a divorced woman's marriage to an individual must have lasted for her to qualify for wife's or widow's benefits on the basis of the wages and self-employment income of such individual. Referred to the Committee on Finance.

SOCIAL SECURITY BENEFITS FOR DIVORCED WOMEN

Mr. EAGLETON. Mr. President, I am reintroducing my bill to reduce from 20 to 10 the number of years a divorced woman must have been married in order to receive social security benefits based on the earnings of her former husband.

In recent years significant improvements have been made in social security resulting in more adequate incomes for millions of the elderly, the disabled, and their dependents and survivors.

Nevertheless, there are certain categories of persons, among them divorced women, who are still inadequately protected by social security.

Under current law, a divorced woman must have been married for at least 20 years in order to receive a wife's or widow's benefits. But a woman who was married for less than 20 years may have spent what would have been her prime working years in the home and, as a result, be left with either no social security protection or a very meager benefit based on her own earnings.

I have received letters from women in Missouri and in other States who were married for as long as 18, 19, or even 19½ years, and who have been left without any social security benefits because of the arbitrary 20-year duration-of-marriage requirement now in the law.

This seems especially inequitable in view of the fact that an undivorced woman may become entitled to a wife's benefit after only 1 year of marriage or to a widow's benefit after having been married for a minimum of 9 months.

Twelve years ago the President's Commission on the Status of Women recommended that the duration-of-marriage requirement for divorced women be reduced to 10 years.

I believe this proposal should be seriously considered by Congress without further delay.

By Mr. HARTKE:

S. 2002. A bill to amend the Internal Revenue Code of 1954 to provide a refundable credit against tax for post-secondary education expenses for tuition and fees paid by the taxpayer attributable to the attendance of a student at an institution of post-secondary education, and for other purposes. Referred to the Committee on Finance.

GUARANTEED POST-SECONDARY EDUCATION FOR AMERICANS ACT

Mr. HARTKE. Mr. President, today I introduce legislation which, when enacted, will guarantee every American a full opportunity to receive as much education as he or she desires. Through a $1,200 tax credit—or a tax refund if there is no tax liability—for tuition and fees, every student can be assured of full educational opportunity.

Mr. President, as I introduce this legislation, I am contemplating its effect on American society not only in the 1970's and 1980's, but also the effect it will have on the direction of our country in the 21st century.

Two hundred years ago, men of vision saw in education the opportunity to build a foundation for democracy. One hundred and fifty years ago, the people of my home State of Indiana translated that vision into the words of their Constitution when they said:

> It shall be the duty of the General Assembly, as soon as circumstances permit, to provide, by law, for a general system of education, ascending in a regular gradation, from township schools to a state university, *wherein tuition shall be gratis, and equally open to all.* (emphasis added)

Mr. President, it is time that circumstances did permit every American to have full access to post-secondary education. That is the purpose of my proposal.

With the establishment of an industrial society by the beginning of the 20th century, our attention has been focused on the need to provide full utilization of our labor force. By the end of this century, only 15 percent of our labor force will be utilized in the production of goods and the cultivation of food. Eighty-five percent of the labor force will be composed of people providing services. The children being born today are the children of the 21st century. It is not idle futurism to think of the world in which they will live, for that world is less than a generation away. We must plan for their education now.

Having said this, it is also worth noting that the direction which an individual takes in life is often dependent on the education opportunities available to him. Likewise, the direction a society takes depends to a large extent on the educational opportunities it affords its people. We cannot afford to ignore the need for individual creativity and productivity when we consider increasing educational opportunities, nor can we ignore the needs of those who are presently unable to pursue their education after high school. In short, any effort to increase educational opportunity must take account of those factors which presently inhibit the fullest possible education within our society. Unless we expand education to its widest horizons, we doom our society to all too narrow goals.

With these thoughts in mind, my legislation encompasses the widest possible participation by all those who are interested in furthering their education. It includes part-time students, professionals, those seeking new skills and proficiencies, and those pursuing advanced study. And because I am convinced that the 21st century will demand both the general and special knowledge which is provided by a wide variety of institutions, my bill gives consideration to community colleges and private schools.

The hard fact is that the cost of a college education these days is pricing more and more young people out of the market. We have adopted legislation to assist those from low-income families to pursue post-secondary education, but it is the children from middle-income backgrounds who now need our attention. Often, it is these people who are being squeezed out of the postsecondary education market by skyrocketing tuition costs.

The cost of postsecondary education is rising at a rapid rate. Between 1973–74 and 1974–75, the increase in public 2-year colleges was an inflationary 15.4 percent. At private 2-year schools, the increase at public 4-year institutions was 17.5 percent, and at private 4-year colleges, it was 16.5 percent. These are increases the poor and middle-income families cannot afford. They are increases that will result in a lessening of educational quality in our society.

In an effort to decrease the impact of inflation on postsecondary education, my legislation limits increased tuition costs over the 1975–76 year allowable under the credit to an adjustment no greater than the annual price index percentage.

In addition, my proposal provides a tax credit of up to $1,200 which may be applied only to actual academic tuition and fee payments; not to room, board, social, and other noneducational costs. A taxpayer may claim a credit against his tax liability for the costs of tuition and academic fees at an accredited postsecondary educational institution. If the taxpayer has no tax liability, he is entitled to a refund. The taxpayer may take this credit for expenses which he has paid toward the education of his or her spouse or dependent children.

The credit allowed is based on a formula of 80 percent of the first $500 of expenses, 60 percent of the expenses between $500 and $1,000, and 40 percent of expenses between $1,000 and $2,250, with a maximum allowable credit of $1,200. The allowable credit can be increased as the Department of Labor's annual price index increases.

Not only may a parent claim the credit, but a student who works while attending a post-secondary educational institution will be allowed to claim the credit against his own tax liability. Either the parent or the dependent will be allowed to claim the credit, but not both.

My bill provides relief when educational expenses are due. Many institutions require payments of tuition prior to enrollment. My proposal, therefore, permits the taxpayer to file an amended return with the Internal Revenue Service and receive the allowed credit prior to the required payment to the institution. Further, provisions are included which provide for the direct payment of the allowable credit by the Treasury to the educational institution. In this way, full educational opportunity is guaranteed.

Mr. President, a June 3, 1973 article in U.S. News & World Report stated:

> Another year of scrimping and scraping to make ends meet is in prospect for hundreds of American colleges and universities. . . . Some hard-pressed schools are wondering whether they will be able to make it through another academic years.

For many of our fine educational institutions, time is growing short. Solutions to their economic plight must be found or we will soon find that the doors to educational opportunity have been shut. Unless we act now, there simply will not be sufficient educational institutions to provide opportunity for our people.

So, Mr. President, we must now preserve the institutions, both public and private, that are providing vital educational services to our country. My legislation provides the long overdue first step of guaranteeing to the student the educational opportunity which was the vision of our Founding Fathers and which was the commitment of States such as Indiana 150 years ago.

In previous years, I have sponsored legislation providing for loans and grants to students in need of financial assistance. In the years since my measures for grants and insured loans have become law, the advantages of these laws have been reduced—both in amounts available in regard to need and numbers requiring such assistance. The bill I offer today recognizes that the vast majority of students are in need of financial assistance. For their sake, and for the sake of the future of our great Nation, we must provide that assistance now.

Mr. President, I ask unanimous consent that the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2002

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Guaranteed Post Secondary Education for Americans Act."

That subpart A of part IV of subchapter 1 of the Internal Revenue Code of 1954 (relating to credits allowed) is amended by renumbering section 42 as 43, and by inserting after section 41 the following new section:

"SEC. 42. POST-SECONDARY EDUCATION EXPENSES.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year, an amount equal to the amount of post-secondary education expenses paid by the taxpayer during the taxable year which are attributable to the attendance of any individual as a student at an institution of post-secondary education.

"(b) LIMITATIONS.—

"(1) ONE TAXPAYER PER STUDENT.—With respect to post-secondary education expenses attributable to the attendance of one individual as a student at an institution of post-secondary education, the credit allowed under subsection (a) shall be allowed to only one taxpayer each taxable year to the extent such taxpayer pays such expenses attributable to such student during that year.

"(2) AMOUNT PER STUDENT.—The credit allowed under subsection (a) for post-secondary education expenses attributable to one student shall not exceed—

"(A) 80 percent of the amount of such expenses which does not exceed $500;

"(B) 60 percent of the amount of such expenses which is greater than $500 but does not exceed $1,000; and

"(C) 40 percent of the amount of such expenses which is greater than $1,000 but does not exceed $2,250. As soon after the end of each calendar year as the necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the percentage difference, if any, between the price index for such calendar year and the price index for calendar year 1975. Each dollar amount in paragraph (2) of this subsection shall be changed by an amount corresponding to the percentage difference in price indices reported to the Secretary or his delegate and, as changed, shall be the limitation in effect for the calendar year during which such report is made. For purposes of this paragraph, the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

"(c) Definitions.—For purposes of this section—

"(1) Post-secondary education expenses.

"(A) General Rule.—The term 'post-secondary education expenses' means amounts paid for tuition and fees for enrollment or attendance at an institution of post-secondary education, or for accredited courses of instruction at such an institution, and

"(B) Limitations.—

"(i) The amount of post-secondary education expenses attributable to the attendance of an individual as a student at an institution of post-secondary education during any taxable year shall be reduced for purposes of computing the credit allowed by subsection (a) by one-half the amount received by such student during such year as a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which, under section 117, is not includable in gross income.

"(ii) The term 'post-secondary education expenses' does not include any amount paid during a calendar year for tuition and fees for enrollment and attendance of a student at an institution of post-secondary education which exceeds the amount such institution charged as tuition and fees during the calendar year 1975 (as adjusted under this clause). The amount to which tuition and fees are limited under the first sentence of this clause shall be changed by an amount corresponding to the percentage difference in price indices reported to the Secretary or his delegate under subsction (b)(2) and, as changed, shall be the limitation in effect for the calendar year for which reported.

"(2) Student.—The term 'student' means an individual who is enrolled on a full or part-time basis in an institution of post-secondary education taking credit courses that lead to a degree, diploma or certificate. Persons who are auditing credit courses or who are enrolled in non-credit courses or activities will not for the purposes of this section be considered to be students.

"(3) Institution of Post-Secondary Education.—The term 'institution of post-secondary education' means those institutions approved by the Commissioner of Education for purposes of this section under rules prescribed by the Commissioner and certified by him to the Secretary or his delegate.

"(4) Accredited Course of Instruction.—The term 'accredited course of instruction' means a course of instruction for which credit is allowed by an institution of post-secondary education.

"(d) Election to Apply Credit to Preceding Year.—

"(1) In General.—At the election of the taxpayer (made at such time and in such manner as the Secretary or his delegate prescribes by regulations), the credit allowable under subsection (a) for any taxable year (based on the post-secondary education expenses which the taxpayer has paid and reasonably expects to pay during the taxable year) shall be allowed as a credit against the tax imposed by this chapter for the preceding taxable year.

"(2) Overestimates.—If the amount of the credit allowed for a preceding taxable year by reason of an election made under paragraph (1) is greater than the amount of credit which is allowable for the taxable year (based on the post-secondary education expenses paid by the taxpayer during the taxable year), such excess shall be treated as an underpayment of tax for the taxable year in which such expenses are paid.

"(3) Underestimates.—If the amount of the credit which is allowable for the taxable year (based on the post-secondary education expenses paid by the taxpayer during the taxable year) is greater than the credit allowed for the preceding taxable year by reason of an election made under paragraph (1), such excess shall be allowed as an additional credit under subsection (a) for the taxable year in which such expenses are paid.

"(e) Disallowance of Expense as Deduction.—No deduction shall be allowed under section 162 (relating to trade or business expenses) for any amount of post-secondary education expenses which (after the application of subsection (b)) is taken into account in determining the amount of any credit allowed under subsection (a). The preceding sentence shall not apply to the post-secondary education expenses of any taxpayer who, under regulations prescribed by the Secretary or his delegate, elects not to apply the provisions of this section with respect to such expenses for the taxable year.

"(f) Regulation.—The Secretary or his delegate shall prescribe such regulations as are necessary to carry out the provisions of this section."

(c) The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Post-Secondary Education Expenses.

"Sec. 43. Overpayment of Tax."

(d) Section 6201(a)(4) of such Code (relating to assessment authority) is amended by—

(1) inserting "or 42" after "section 39" in the caption of such section; and

(2) striking out "oil)," and inserting in lieu thereof "oil) or section 42 (relating to tax credit for post-secondary education expenses),".

(e) Section 6401(b) of such Code (relating to excessive credits) is amended by—

(1) inserting after "lubricating oil)" the following: ", and 42 (relating to tax credit for post-secondary education expenses),"; and

(2) striking out "sections 31 and 39" and inserting in lieu thereof "sections 31, 39, and 42".

(f) Section 6402 of such Code (relating to authority to make credits or refunds) is amended by adding at the end thereof the following new subsection:

"(c) Post-secondary education credit refund.—Subject to the provisions of subsections (a) and (b), any amount of the credit allowed under section 42(d) (relating to post-secondary education expenses) which is considered an overpayment under section 6401(b) shall be paid to the institution of post-secondary education to which the taxpayer intends to pay post-secondary education expenses for which the credit is allowed."

(g) The amendments made by this section apply to taxable years beginning after December 31, 1975.

By Mr. BELLMON:

S. 2004. A bill to eliminate a restriction on use of certain lands patented to the city of Hobart, Kiowa County, Okla. Referred to the Committee on Interior and Insular Affairs.

Mr. BELLMON. Mr. President, the purpose of this bill is to remove the reservation for school purposes in patent No. 1022741 on block 10 in Hobart, Okla., when said city deeds to the board of education of the city of Hobart a parcel of land on the outskirts of said city so that a new high school may be constructed on the edge of Hobart.

The land in question is block 10 which was deeded to the city of Hobart, Okla., on January 23, 1929, with the reservation that it be used for school purposes. The Emerson School building which was located on block 10 was torn down and removed in December 1966. Since that time this block has been vacant of all buildings but is valuable property to the community of Hobart. Hobart desires to use block 10 for other public uses.

The city of Hobart, acting through its duly elected mayor and council, on January 22, 1974, has agreed to convey to the board of education of Hobart, Okla., a certain tract of real estate of comparable value to block 10, which the Hobart school system needs and desires as a building site for a new high school building, parking lot, school auditorium, access streets, and other appropriate improvements.

The conveyance by the city to the board is contingent on block 10 being repatented by the U.S. Government to the city of Hobart without the aforesaid reservation, or otherwise absolutely vested in fee simply to the city of Hobart, Okla.

Mr. President, the town of Hobart is badly in need of a new high school building, parking lot, school auditorium, access streets, and other appropriate improvements. The Hobart School Board does not own an appropriate site for building. The city of Hobart has agreed to convey an acceptable site to the Hobart School Board if the reservation is removed from block 10. I urge the Congress for prompt, favorable action on this bill.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 19

At the request of Mr. Dole, the Senator from Minnesota (Mr. Mondale) and the Senator from Massachusetts (Mr. Kennedy) were added as cosponsors of S. 19, a bill to amend title XVI of the Social Security Act so as to provide for the referral, for appropriate services provided by other State agencies, of blind or disabled children who are receiving supplemental security income benefits.

S. 1009

At the request of Mr. Stone, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of S. 1009, a bill to amend title 13 of the United States Code to require the compilation of current data on total population between censuses and to require the use of such current data in the administration of Federal laws in which population is a factor.

S. 1416

At the request of Mr. Harry F. Byrd, Jr., the Senator from Alabama (Mr. Allen) was added as a cosponsor of S. 1416, a bill relating to the settlement of debts owed the United States by foreign countries.

S. 1475

At the request of Mr. Proxmire, the Senator from Hawaii (Mr. Inouye) was added as a cosponsor of S. 1475, the Credit Union Financial Institutions Act Amendments of 1975.

S. 1906

At the request of Mr. Church, the Senator from South Dakota (Mr. Abourezk), the Senator from Indiana (Mr. Bayh), the Senator from Massachusetts (Mr. Brooke), the Senator from North Dakota (Mr. Burdick), the Senator from Iowa (Mr. Clark), the Senator from Missouri (Mr. Eagleton), the Senator from Alaska (Mr. Gravel), the Senator from Vermont (Mr. Leahy), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), and the Senator from New Jersey (Mr. Williams) were added as cosponsors of S. 1906, a bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program.

S. 1989

At the request of Mr. Stone, the Senator from Washington (Mr. Jackson) and the Senator from Rhode Island (Mr. Pastore) were added as cosponsors of S. 1989, a bill to direct the preparation and submission to the President of information to assist in negotiations with oil-producing countries.

SENATE RESOLUTION 104

At the request of Mr. Brock, the Senator from Utah (Mr. Moss) and the Senator from Pennsylvania (Mr. Schweiker) were added as cosponsors of Senate Resolution 104, a resolution relative to Select Committee on Small Business.

SENATE RESOLUTION 180

Mr. ALLEN. Mr. President, I ask unanimous consent that the names of the distinguished Senator from Georgia (Mr. Talmadge) and the distinguished Senator from Oregon (Mr. Packwood) be added as cosponsors of Senate Resolution 180, the resolution to amend rule XIX of the Senate rules.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that my name be added as a cosponsor of Senate Resolution 180 of the Senator from Alabama (Mr. Allen).

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS SUBMITTED FOR PRINTING

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE—SENATE RESOLUTION 166

AMENDMENT NO. 608

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON submitted an amendment intended to be proposed by him to the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

AMENDMENTS NOS. 609 THROUGH 614

(Ordered to be printed and to lie on the table.)

Mr. FORD submitted six amendments intended to be proposed by him to the resolution (S. Res. 166), supra.

AMENDMENTS NOS. 615 THROUGH 525

(Ordered to be printed and to lie on the table.)

Mr. CANNON submitted 11 amendments intended to be proposed by him to the resolution (S. Res. 166), supra.

AMENDMENT NO. 626

(Ordered to be printed and to lie on the table.)

Mr. BAKER (for himself and Mr. Brock) submitted an amendment intended to be proposed by them jointly to the resolution (S. Res. 166), supra.

ANNOUNCEMENT OF HEARINGS BEFORE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of a public hearing before the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for July 23, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding H.R. 7688, legislation amending section 2 of the act of June 30, 1954, providing for the continuance of civil government for the Trust Territory of the Pacific Islands.

For further information regarding the hearing you may wish to contact Mr. James P. Beirne of the committee staff on extension 47145. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Committee on Interior and Insular Affairs, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARING—COST OF LIVING AND OLDER AMERICANS

Mr. CHURCH. Mr. Chairman, the Senate Special Committee on Aging will continue its hearings on "Future Directions in Social Security" with a field hearing in Newark, N.J., on Monday, June 30.

Senate business permitting, testimony will begin at 10 a.m. in the municipal council chamber, city hall, 920 Broad Street.

As at earlier field hearings in California and Iowa, the New Jersey field hearing will be centered on the cost of living as it affects older Americans and the overall social security system.

Senator Williams, who suggested that the New Jersey field hearing take place, will preside.

NOTICE OF HEARINGS

Mr. ABOUREZK. Mr. President, as chairman of the Judiciary Subcommittee on Separation of Powers, I announced on June 12 that the subcommittee would resume hearings on congressional oversight of executive agreements. I wish to take this opportunity to inform all interested parties of a change in the previously announced hearing date of June 25. The rescheduled date is July 15 at 10 a.m., room 224 in the Russell Senate Office Building. Mr. Monroe Leigh, legal adviser to the State Department, will testify.

ADDITIONAL STATEMENTS

LATEST FIGURES ON FOREIGN MILITARY SALES

Mr. NELSON. Mr. President, I recently received the latest figures on U.S. arms sales for fiscal year 1975. The figures cover sales made through June 11, 1975. This most recent data is of public interest.

Over $6.3 billion worth of arms have already been sold abroad to some 71 different countries. At the present rate of sales, the United States will contract to sell over $6.6 billion worth of weapons in the current fiscal year. This projected figure, although less than the fiscal year 1974 total of $8.2 billion, would still represent a large increase over the totals from recent years. For example, it is seven times greater than the 1970 arms sales and total and almost $3 billion more than the total for 1973.

Mr. President, the continuing high level of arms sales merely serves to emphasize the need for Congress to carefully scrutinize and review the arms sales program. On February 26, 1975, I introduced legislation, S. 854, designed to give Congress a mechanism for effective oversight of foreign military sales. This legislation was recently reintroduced in the form of amendment No. 583 to S. 1816, the Foreign Assistance Act of 1975. Identical legislation (H.R. 7922) has been introduced in the House by Congressman Rosenthal.

This legislation, which has been cosponsored by 13 Members—Senators McGovern, Hatfield, Leahy, Stevenson, Kennedy, Hathaway, Williams, Burdick, Mondale, Haskell, Gary W. Hart, Cranston, and Gravel—would give Congress the opportunity to evaluate in advance and set guidelines for the U.S. foreign military sales program. The bill would require the President to submit to Congress an annual report containing a forecast of the dollar amounts of foreign military sales proposed to be made to each country during the next fiscal year. In addition the forecast would include the types and number of major weapons systems and major defense services proposed to be transferred.

Along with the forecast, the report would contain an explanation of the manner in which the sales would support U.S. policy, strengthen U.S. security, and promote world peace. The report would also outline the impact of the proposed sales on regional power balances and arms races, arms control policies and negotiations, U.S. defense production capability, U.S. forces' preparedness, and war reserve stocks. Congress would review the report and set guidelines for, place restrictions on, and/or make additions to, the administration's proposed plans for the coming fiscal year.

Last year, Congress made a good beginning in asserting its oversight function in this area by enacting into law—as part of the Foreign Assistance Act—a provision based on a bill which I introduced in the Senate in 1973 and again in 1974. This newly enacted law requires that Congress be notified of any proposed foreign military sale in excess of $25 million. Congress then has a period of 20 calendar days in which to veto such a proposed sale by adopting a concurrent resolution expressing disapproval of the transaction. If no resolution is passed in this time period, the sale may be finalized.

I recently introduced two amendments to the current law—amendments No. 581 and No. 582 to S. 1816, the Foreign Assistance Act of 1975—to give Congress a more reasonable period of time—30 calendar days during which Congress is in session—to consider the proposed sales and to require reports to Congress whenever total sales to any one country exceed $50 million in a given year.

Recently the Subcommittee on Foreign Assistance of the Senate Committee on Foreign Relations held 2 days of hearings on U.S. arms sales policy. Among the matters discussed were the three amendments relating to foreign military sales. Senator HUMPHREY, chairman of the subcommittee, is to be commended for the interest he has taken in this important area.

The United States exports more weapons than the rest of the world combined. The recent arms sales figures show that we are unlikely to give up this dubious distinction.

Over $4.6 billion of the arms total for the current year has been sold to countries in the volatile Mideast region. Over $2.3 billion in sales went to one country alone—Iran. No one can say for certain what impact this massive and continuing infusion of arms will have. But one thing is certain. Congress should have the opportunity to consider in advance sales such as these, which have wide-ranging implications for U.S. commitments and U.S. foreign policy.

Mr. President, I ask unanimous consent that a table, prepared by the Defense Security Assistance Agency, outlining the most recent figures on foreign military sales be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FOREIGN MILITARY SALES IN FISCAL YEAR 1975 THROUGH JUNE 11, 1975

[In thousands of dollars]

Country	Cash	Credit	Total
Argentina	3,860	7,892	11,752
Australia	31,538		31,538
Austria	6,328		6,328
Bahrain	18		18
Belgium	29,755		29,755
Bolivia	650		650
Brazil	19,244	1,705	20,948
Burma	24		24
Canada	89,724		89,724
Chile	23,481	5,237	28,718
China (Taipei)	93,718	6,219	99,937
Colombia	536	400	936
Denmark	11,272		11,272
Dominican Republic	2		2
Ecuador	14,822		14,822
Egyptian Arab Republic	5		5
El Salvador	196	77	274
Ethiopia	19,582	2,627	22,208
Finland	1		1
France	3,232		3,232
Gabon	218		218
Germany (Bonn)	273,688		273,688
Ghana	16		16
Greece	167,839	5,053	172,892
Guatemala	362		362
Haiti	34		34
Honduras	277		277
India	3,255		3,255
Indonesia	34,236	2,922	37,158
Iran	2,371,585		2,371,585
Ireland	20		20
Israel	843,859	17,128	860,987
Italy	44,238		44,238
Jamaica	70		70
Japan	26,306		26,306
Jordan	25,474	313	25,787
Korea (Seoul)	178,794	5,312	184,106
Kuwait	364,966		364,966
Lebanon	234	26	260
Liberia	240	9	249
Luxembourg	25		25
Malaysia	4,152	65	4,217
Mali		148	148
Mexico	17		17
Morocco	3,959		3,959
NATO	30,195		30,195
Netherlands	54,059		54,059
New Zealand	3,852		3,852
Nicaragua	598		598
Nigeria	907		907
Norway	15,570		15,570
Oman	1,613		1,613
Pakistan	29,636		29,636
Panama	219		219
Paraguay	32		32
Peru	21,137		21,137
Philippines	24,132		24,132
Portugal	2,422		2,422
Saudi Arabia	1,152,578		1,152,578
SHAPE	8		8
Singapore	1,082		1,082
Spain	42,254		42,254
Sweden	663		663
Switzerland	49,348		49,348
Thailand	9,425		9,425
Tunisia	450		450
Turkey	68,473	495	68,968
United Kingdom	23,341		23,341
Uruguay	6,332	1,509	7,841
Venezuela	25,091	4,572	29,663
Yemen	372		372
Yugoslavia	98		98
Zaire	1,337		1,337
Total	6,257,074	61,709	6,318,783

FDR AS A PROPHET

Mr. GOLDWATER. Mr. President, recently an old and valued friend of mine, Ernest L. Wilkinson, president-emeritus of Brigham Young University, sent me one of the most lucid, down-to-earth descriptions of burgeoning governmental power that I have ever read. It was delivered by W. Allen Wallis, chancellor of the University of Rochester, to the Milwaukee Society early this year. Chancellor Wallis outlined the growth of vast bureaucratic power from the time of President Franklin D. Roosevelt. In fact, he acknowledged FDR as a "prophet." His reference was to a remark made in January of 1936 in which the then-President stated:

> We have built up new instruments of public power. Such power would provide shackles for the liberties of our people.

So accurate was the FDR prophecy, Chancellor Wallis declared, that our welfare state is approaching the point where at least half the people pay out more to support it than they take in as benefits. This means that half the people tend to be disaffected with Government, so it threatens the very existence of free, democratic institutions.

Concluding his remarks, the Chancellor had this frightening comment:

> Just to make sure you don't sleep well: a friend of mine, Henry G. Manne, remarked recently that George Orwell's 1984 may prove to have been remarkably accurate not only in foreseeing what would happen, but when it would happen.

Mr. President, I ask unanimous consent that Chancellor Wallis' speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

FDR AS A PROPHET

(By W. Allen Wallis)

A prophecy by Franklin Delano Roosevelt struck me forcibly when I heard him make it in January 1936. I have been reminded of it many times during the intervening 39 years as I have observed it coming true to an extent that would astonish even the prophet himself.

FDR's prophecy was this: "We have built up new instruments of public power. Such power would provide shackles for the liberties of our people."

I submit that that prophecy has materialized to a degree that scarcely anyone foresaw in 1936. Notice I do not say that no one foresaw it. One reason the prophecy struck me so forcibly when I first heard it was that it exactly fitted in with what I had learned as a graduate student in economics at the University of Chicago from 1933 to 1935, from such faculty members as Henry Simons and Lloyd Mints and above all Frank Knight, and from such fellow graduate students as Milton Friedman, Homer Jones, and George Stigler.

But before I discuss the prophecy, I want to quote it again. What I just read to you consists of phrases from two sentences. They give the central thought of the two sentences, but to avoid any suspicions that I may have twisted the meaning by taking phrases out of context, I will read the two sentences in full: "In 34 months we have built up new instruments of public power in the hands of the people's government. This power is wholesome and proper, but in the hands of political puppets of an economic autocracy, such power would provide shackles for the liberties of our people."

The prophecy was made when the 1936 election was on the horizon. It amounts to saying that the powers of the government had been built up in such a way that there was no choice but to re-elect FDR, since others might misuse the power. That, if true, would have meant that the people had already had their liberty to elect someone else shackled. It meant, as Al Smith put it at the time, "If you are going to have an autocrat take me." Smith added, "We don't want any autocrats. . . . We wouldn't even take a good one."

Smith, I note nostalgically, proceeded to advocate several platform planks on which FDR had been elected in 1932—reduction of federal expenditures by 25 per cent, balancing the budget every year, handling unemployment and old-age insurance through the states, and "removal of Government from all fields of private enterprise." The Democratic platform of 1932, as quoted by Al Smith, makes Barry Goldwater look like a wild-eyed communist. This is a point to keep in mind when you see people rewriting history to say the outcome of the 1932 election represented a "rejection of the old order" and a "deliberate turn to the left and government intervention." On the contrary, the platform attacked President Hoover for the Reconstruction Finance Corporation, the Farm Board, public works programs, excessive cost of government, and deficit spending. Those are the things the voters sought to turn away from, if the rhetoric of the campaign means anything—but, of course, campaign platforms, promises, and rhetoric never mean much and probably have little influence on elections.

In the 39 years since FDR made his remarkably prescient prognostication, American life has changed drastically. We talk a lot about changes in technology, in farming, in urbanization, in standards of living, in health, in education, in communication, and so on. But surely none of these changes is as great as the changes that have come about in the relation between people and government.

When FDR made his prediction, there were innumerable areas of private life into which the Federal government did not intrude, because it was prohibited by the Constitution, and many other areas were left to the states, again because of the Constitution.

In 1935, for example, when the administration was drafting the first social security legislation, there were the gravest doubts within the administration itself that the law could be written in such a way as to be acceptable constitutionally. Frances Perkins, Secretary of Labor, who was in charge of drafting the legislation, tells in her memoirs that she got a tip on how to write the bill so that the Supreme Court would uphold it. Where did she get the tip? Straight from the horse's mouth, from a justice of the Supreme Court, Justice Stone.

Today, in contrast, it is hard to think of any area of private affairs in which the Federal government is reluctant to intervene. There are a few areas where the courts still constrain the government, but these are almost exclusively the domains that are important to the academic-journalistic complex—namely, where their personal and rather commercial interests in free speech are threatened, or where election or law enforcement procedures seem disadvantageous to those who are vaguely described as "disadvantaged." And the courts themselves have thrown off virtually all self-restraint; it is almost inconceivable that a judge today would refuse to intervene in a situation because it is outside the jurisdiction of the courts.

Recently Alexander Solzhenitsyn was quoted as making a statement about the Russian government that is too nearly true of ours, that it hates to allow any relations between individuals which it does not supervise. It is not of course, "the government" as an entity that wants to supervise in this country. Rather, for almost any relations between individuals there is some groups which has a special interest in supervising, and the influence of special interests in our system of government is so strong that generally they get their way. (By "special interests" I refer not only to commercial and economic interests but to such organizations as the Sierra Club, Common Cause, Ralph Nader and his multifarious franchised activities, organized religion, higher education, and so forth.)

We assure each other and our children sanctimoniously that ours is a government of laws, not men. Well, sometime stop and check up on the "laws" that are regulating you, and see whether this is true. You will soon be making out your Federal income tax return. For the most part, you will have to work with an intricate body of rules and regulations handed down by various Internal Revenue officials, Tax Court officials, and Federal judges.

The tax law that Congress enacted made some general statements, but to apply these to the infinite variety of individuals and circumstances requires elaborate interpretations. If you or your business has anything but the simplest kind of return, there is a chance that it may be reviewed. A review involves sitting down across the table from a man—not a law. And the review includes a lot of horse-trading: "I'll give you this if you'll give me that;" "if you hold out on this point I can make it more expensive for you than it's worth."

The taxpayer always feels that it may not be wise to press too hard because if he annoys the Internal Revenue man he can find himself in worse trouble, not only for himself but for others connected with him. Besides, he feels that if he wins this time, they will really be "laying" for him next time.

The ordinary taxpayer is almost without effective recourse from the decisions the IRS agent makes, because of the costs in time, in legal fees, and in the psychological strain that arises because, fortunately, most people still respect (or fear?) the government enough so that it is by no means a matter of indifference to them to be at odds with it, even if they win eventually.

What I have said about the tax laws, namely that the regulations governing you with the force of law are mostly the edicts of officials, applies in almost every field. The Occupational Safety and Health Act is an excellent example—or should I say "horrible" example?—of government by men rather than by law. The Environmental Protection Act is another. As for automobile safety, let me remind you that Congress was never hebephrenic enough to legislate those preposterous squawk-and-balk interlock devices on cars, nor the $100 bumpers, either.

Although Congress passes the basic laws on which the mountains of regulations rest, it would be naive to think that Congress gives every law thorough scrutiny. Look at the 1969 tax law and tell me whether you believe that *your* Congressman studied all of it. Do you think he even read all of it? Do you suppose any single Congressman, even Wilbur Mills himself, studied every bit of it?

How many other equally voluminous bills were enacted at the same session of Congress, and do you suppose that all of them were carefully studied in full? Did your Congressman scrutinize the appropriations for Health, Education, and Welfare or for the Defense Department?

If you know how Congress works—or at least how it has worked in the past—you realize that there has to be, and is, division of labor. Committees and subcommittees control most of the legislation. Within the committees and the subcommittees the staff are sometimes more influential, at least on the bulk of the legislation, than the members themselves. And in the crucial all-night session at which a final bill is actually worded, the staff often is supplemented by outsiders with special interests in the bill.

All of these developments confirm the wisdom of the Founding Fathers in limiting very narrowly the powers of the Federal government. They did this only partly from antipathy to governmental control of private affairs. To be sure, such antipathy was strong at the time, because of direct experience in the preceding hundred years.

But an equally powerful reason for restricting the power of the Federal government was the realization that the form of government they wanted—a democratic government—cannot endure if it intervenes extensively into the affairs of the people. Democratic processes—representative processes, if you prefer—simply cannot handle complex, highly technical matters satisfactorily.

A democratic government cannot design efficient automobiles, it cannot design a sound energy policy, it cannot eliminate prejudice and discrimination, it cannot manage transportation, it cannot assure the soundness of investments or the accuracy of information about them, it cannot guarantee the effectiveness and safety of medicines—it cannot, in short, do most of the things that our government undertakes to do.

(This is not the occasion to prove the point, but it is important at least to assert that all of these problems can be handled far better without a direct governmental role. Scarcely anyone understands this any longer, but it is an exceedingly important truth.)

Congress, perhaps partly in recognition of its own incapacity to do all the things it undertakes to do, has come increasingly during the past forty years not to legislate itself but to delegate to thousands of employees the right to make what are effectively laws, and the right to enforce them.

Another important fact about representative government that the Founding Fathers recognized is that direct election by the people is likely not to produce the most competent representatives to carry on the people's business, and furthermore is likely to promote demagoguery.

Thus, in the Federalist papers one of the features described with pride, as an argument for accepting the proposed constitution, was that the people could not get directly at the government. Only the House of Representatives was to be elected directly by the voters. Senators were to be elected by state legislatures; the President and the Vice President were to be elected by a special electoral college; and judges were to be appointed by the President and Senate.

Perhaps in an unconscious response to the weakness of government by representatives elected directly by the people, there is currently a strong movement toward government by the judiciary, which is now the only part of the Federal government that still is not elected by the people. Whatever the reason, the fact is that a great deal of administrative business is now done by the courts.

It has been recognized for fifty years or more that the courts revise the Constitution through their interpretations and reinterpretations, and it has been recognized for perhaps twenty-five years that in effect the courts legislate in such matters as apportionment of Congress, legislatures, and school districts, and in criminal law and the operation of prisons, but it has not been widely recognized that currently the courts are assuming many functions that formerly were regarded as executive responsibilities.

Much of this shift into direct administration has resulted from the "Litigation Explosion" of recent years, in which almost anyone who is displeased with an administrative procedure or conclusion, whether he is much affected personally or not, can sue and seek to have the court at least upset the administrative result and perhaps issue an administrative ruling of its own.

An even mores dangerous threat to the liberties of our people that has arisen from the new instruments of public power that FDR boasted about comes from the widespread loss of confidence in the government. Public opinion polls show that all branches of government are held in low repute, except the military. (There may be an ominous foreshadowing here of where the people will turn if the loss of confidence in government goes much further; but one note of optimism I can leave with you is that personally I am confident that a South American pattern will not develop here.)

Loss of confidence in government is easily explained by looking at the government's record in almost everything it promises, from delivering the mail to assuring adequate supplies of energy. But it may be done in large part, as Warren Nutter pointed out in a brilliant article in the Wall Street Journal last week, to the welfare state having passed the stage where more people gain than lose by it, and reached a stage where for most people the costs exceed the benefits. "There are, after all," Nutter wrote "two natural equilibriums for the welfare state: one in which the majority benefits at the expense of the minority, and the other in which the minority benefits at the expense of the majority. Once the welfare state reaches a certain relative size, the first is ruled out by the facts of life, and the second by the nature of democracy. That leaves only the borderline situation in which half try to gain from the other half. That circumstance . . . so weakens government as to imperil democracy itself."

This brings to mind a famous letter written by Edmund Burke in 1791: "Men are qualified for civil liberty," he said, "in exact proportion to their disposition to put moral chains on their own appetites; in proportion as their love of justice is above their rapacity."

Going beyond the dangers to liberty that FDR recognized in the new institutions that he created, then, there may be an even more ominous danger in the forces of rapacity that these institutions channeled into government. Rapacity is always present, of course, but it is most menacing when there are governmental institutions whose control can satisfy rapacious appetites through the use of raw power.

The circulars announcing this talk said that I would include a discussion of "affirmative action" in educational institutions. To comply with government regulations on labelling, I will have to say something about that, although I have talked long enough already. You remember the ruling by the Federal Trade Commission that if a package is labelled "chicken salad" it must contain at least some chicken. That led someone to inquire about cottage cheese, and someone else to ask for a ruling on Danish pastry.

Because the hour is so late let me say that affirmative action is a system of quotas for various ethnic groups, depending on which ones have been able to muster enough political attention, and for women.

The purpose of the act, mitigating unjustified discrimination, cannot be given a meaningful operational definition and cannot possibly be achieved by government.

Those who administer the act deny indignantly that what they call "goals" are quotas, but to my mind these denials only illustrate the intellectual degradation and mendacity to which otherwise honorable men sink when they engage in this kind of coercive activity on behalf of special groups, carried on under an Orwellian banner of justice, equity, fairness, morality, and virtue.

The administration of the act has been marked by deception, by methods that verge on extortion or blackmail, and by extensive political intervention. In short, it is a perfect fulfillment of FDR's brilliant prophecy of 1936, that he had launched us on a path that would shackle the liberties of the people—all in a good and virtuous cause, of course.

To recapitulate, like a good college professor, what do I think I have told you?

My major theme has been that government power, however worthy the objectives for which it is established, inevitably forges fetters for freedom.

My second point is that our government in 1975 restricts freedom in innumerable ways. With more time, I would have argued also that these restrictions of freedom are almost never necessary to accomplish the objectives from which they arise, and in fact usually are counterproductive.

A third point is that a government that attempts to control as many and as complex affairs as ours now does cannot succeed by democratic or representative means. With more time, I would have argued that it cannot succeed by authoritarian methods either, though it may be able to create an appearance of success.

A fourth point is that representative government is likely to fail when representatives are chosen through direct election by the people. The people, even more than their elected representatives, certainly cannot grasp the complexities and technicalities with which modern governments deal, so they become easy prey to demagogues.

A fifth point is that we have in fact moved a long way toward a government of men rather than laws, for many regulations that we consider laws are in fact edicts of appointed officials, and many executive functions are carried out by judges.

A sixth point is that the creation of instruments of government power channels forces of selfishness or arrogance into politics and makes the struggle for political power a ruthless, life-or-death—or, at least, jail-or-be-jailed—matter that disrupts the social fabric.

A seventh point, due to Warren Nutter, is that our welfare state is approaching the point where at least half the people pay out more to support it than they take in as benefits. This means that half the people tend to be disaffected with government, so it threatens the very existence of free, democratic institutions.

In short, as Lord Acton said 88 years ago, "Power tends to corrupt and absolute power corrupts absolutely."

A final thought, just to make sure that you don't sleep well: a friend of mine, Henry G. Manne, remarked recently that George Orwell's 1984 may prove to have been remarkably accurate not only in foreseeing what would happen, but when it would happen.

THE NATION'S FLOOD INSURANCE PROGRAM

Mr. HUDDLESTON. Mr. President, the Housing Subcommittee of the Committee on Banking, Housing and Urban Affairs recently conducted 2 days of hearings on our Nation's flood insurance program. The purpose of these meetings was to investigate, on an urgent basis, some of the difficulties which have arisen as we draw near the implementation date of the mandatory insurance program.

I have outlined for the committee my thoughts on the most immediate problems being encountered by communities and individuals in joining this program; and since a number of communities in my State are involved, I would like to bring these matters to the attention of the Senate as a whole.

I have been concerned over possible detrimental effects of this program since Senate passage of the Flood Disaster Protection Act on December 18, 1973, and previously expressed my fears that, with enactment of the program, we could be creating as many problems as we were curing.

In the period since enactment, additional questions have been raised, further problems have surfaced, and conflicting information has abounded over the program. We have heard more and more of the hardships being experienced by individuals and communities. For these reasons, the Senate adopted an amendment to the Emergency Housing Act of 1975 to delay the implementation date of the punitive provisions of the flood insurance program from July 1, 1975, until January 1, 1976, an action I supported. The conference report on the housing measure, containing a compromise version on the delaying amendment, has now been adopted by both Houses of Congress and, unless vetoed by the President, we will have 6 months to review fully the progress and problems involved with implementing this program. I strongly believe this review is warranted.

Furthermore, I believe that by addressing ourselves to the issues raised, the Congress can both correct the inequities of the program as it now stands and evolve a strong viable insurance program.

Many issues have been raised in connection with the program and I would like to address some of them.

Two areas of concern, which I have previously discussed, are the impact of the Flood Disaster Protection Act on Appalachia and similar mountainous areas, and the plight of individuals living on the flood plain.

All areas designated as flood-prone must adopt land-use planning and building codes to either preclude further development of the flood plain or to insure that any building constructed on the flood plain is adequately elevated or flood-proofed as a prerequisite to participating in the insurance program. Failure to participate by a specified date activates the punitive provisions of the law including ineligibility for federal disaster relief assistance.

If a community complies with these requirements, all individuals living in that community are eligible to purchase flood insurance. However, if the local government of that community elects not to institute the required zoning ordinances, for whatever reasons, the punitive provisions of the law come into force. Under these provisions, individuals are not eligible to purchase flood insurance; Federal funds cannot be expended for construction in flood-prone areas; and federally insured financial institutions cannot lend money for a home mortgage or substantial home improvements of structures located on the flood plain. Furthermore, Federal assistance for any disaster is prohibited.

The nature of the Appalachian region, including eastern Kentucky, makes it difficult for that area to comply with the legislation at a reasonable cost. The alternative to building on the flood plain, in most areas of this region, is building on slopes of 14 degrees or more. To chose the alternative location to the flood plain—that is, to build on the slopes—would increase construction costs and expose the structure to the dangers of mudslides.

Furthermore, if Appalachian communities participate in the flood insurance program, new construction on the flood plain would have to be flood-proofed. This, too, would add to contruction costs.

At a time when home mortgage interest rates are still high and our construction industry depressed, it is imperative that we consider carefully any mandated increases in construction costs which might price even more Americans out of the housing market.

Persons living in flood-prone areas—wherever those areas may be—face another problem. Only communities, not individuals, participate in the flood insurance program. And in areas where only a minority of the individuals live in flood-prone sections, that minority may not be able to persuade the community as a whole to participate. The burdens of nonparticipation, however, fall on the individuals.

As HUD pointed out in a letter dated April 23, 1975:

> Of the population residing in these communities [designated as having special flood hazard areas], approximately 10 percent live in the areas which have been identified as being exposed to serious flood hazard.

It is perhaps not unusual that a 10-percent minority would not be able to impose its will upon the entire community. But it is important to remember that that minority will, nevertheless, be subject to severe punitive provisions because the full community—largely unaffected by the program and its punitive provisions—failed to participate.

This minority would be unable, under the law as written, to sell or substantially improve their homes because federally insured financial institutions are prohibited from lending money for mortgages or substantial improvements on structures located on the flood plain unless the owner has a flood insurance policy. And the owner cannot purchase a flood insurance policy unless the community is participating in the flood insurance program. Thus, not only will these individuals suffer from an inability to purchase flood insurance for the protection of their homes and possessions or to receive any Federal disaster assistance—other than food, temporary shelter and clothing—for any disaster in the flood-prone areas, but also they will be restricted constantly in what they can do with their own property.

In addition, the value of that property may decline as a result of the flood insurance program. In order to qualify for Hill-Burton, community development and other Federal funds, communities will have to provide for the construction of such projects outside the flood-prone areas—a requirement that, like the old practice of redlining—could contribute to deterioration of the flood-prone neighborhoods.

Furthermore, I would like to point out that "any disaster" includes a tornado. As a representative of a State which was devastated by tornadoes in April of 1974, I hardly see the linkage between participation in a flood insurance program and Federal aid for other-than-flood disasters.

Within the past week as the original statutory implementation date of the Flood Disaster Protection Act drew near, I contacted the area development districts in Kentucky, who are working closest with communities in aiding their understanding and entrance into the program. We have also had conversations with State government officials and academicians working in the areas of urban and rural studies and government services.

In addition to individual problems, two recurring themes appeared: First, the difficulties encountered across the entire State with the maps designating flood-prone areas; and second, problems with the building permit systems.

The flood insurance program is currently operating in the emergency phase with temporary maps to delineate flood-prone areas until final detailed mapping can be completed. In response to questions I submitted during hearings before the HUD-Independent Agencies Appropriations Subcommittee, the Federal Insurance Administration indicated the target date for completion of the detailed maps is August 1983. Surely, this is a long period to operate with temporary maps which may be revised.

In addition, however, communities complain that their maps are inaccurate and vague. They run from street to street and rural road to rural road with little or no consideration given to the terrain in between. In one county, the rural road numbers were off and the entire county was mismapped. In another instance, everything east of the road was designated flood-prone and everything west was not. In the past when that community has experienced flooding, however, it has occurred west of the road. The community spokesman concluded that HUD had somehow mapped a mirror-image of the area but they do not plan to appeal. They do not have the financial resources to hire surveyors, engineers, topographers, and so forth. Thus, those most in need of flood insurance are not going to be encouraged to purchase it.

I could expound further on other similar problems which communities have confronted with their maps, but the two isolated cases I have cited serve to make the point.

There is no doubt that we need a good, comprehensive flood insurance program, but are currently basing it on temporary data and maps, which may negate efforts to achieve worthwhile protection. Once final mapping is completed, some areas now designated as flood-prone will find they no longer are, while other areas where people thought they were safe and out of the flood plain will find they in fact are flood prone. That means for up to 8 years, there will be building, development and growth in flood hazard areas where the investors have a false sense of security. After all, according to the maps from their Federal Government, they have less than a 1-percent chance per year of experiencing a flood.

Should we not look a little more closely at the entire mapping situation? Could not the detailed mapping progress a little faster? Would it be possible to make the appeals process less stringent and complicated during the emergency phase of the program?

Secondly, there are difficulties with the building permit system. Smaller communities, particularly those with populations of less than 3,000 often do not have an expansive building permit system or building engineers to assume implementation of the provisions of the flood insurance program. These areas have neither the personnel, the financial resources, not the expertise to establish, maintain and enforce a building permit system, as envisioned in the legislation. Yet, somehow they must.

I favor the concept of flood insurance and I realize that efforts to encourage voluntary participation in the insurance program met with something less than success. However, with the questions unanswered and the problems unsolved, we must not forge blindly ahead without reassessing our goals, our precedures and our likely accomplishments.

In my view, Mr. President, a 6-month delay in implementing the punitive provisions of the flood insurance program is imperative. And during that period, Congress must review in detail the feasibility of the mandatory flood insurance program and the implementational difficulties in it.

LOU GRAHAM—U.S. OPEN GOLF CHAMPION

Mr. BROCK. Mr. President, we find ourselves today in somewhat of a void. We have traditionally been a nation of heroes. In every walk of life, there have been men and women who have excelled and won the hearts of Americans. Unfortunately today we suffer from a lack of knowledge of men and women whose character warrants respect and emulation.

However, today in my mind there is one such person and he just happens to be a Tennessean. His name is Lou Graham. Yesterday, he won a playoff to become the U.S. Open golf champion. The feat in itself is certainly deserving of recognition, but today I would like to pay honor to the man himself. Lou is not one of the oldtime money winners on the tour, although he has won his share of prizes and provided very nicely for his family. But, throughout this tournament as in many others, he has shown the sportsmanship, the courtesy and the self-control which has set an example not only for those who constantly travel on the tour and follow golf closely, but for us all. Lou has been very active in his hometown of Nashville and is well known for his unselfish giving of himself and his time.

Lou Graham is a man whose name is on every sports page in the country today and I congratulate him for winning the open. That is quite a feat. But, more than that, we in Tennessee are proud to claim Lou as a Tennessean. We need more like him. It would do us well to seek to develop in ourselves those characteristics of modesty and decency, integrity and community concern which he so typifies.

RECOMMENDATIONS FOR FUTURE INTERNATIONAL INFORMATION, EDUCATION, AND CULTURAL RELATIONS

Mr. GARY W. HART. Mr. President, I commend to my colleagues an excellent study on public diplomacy recently undertaken by a privately funded panel of eminent experts in the field of information and cultural affairs. This long overdue reappraisal was headed by Dr. Frank Stanton, chairman of the American National Red Cross and former president of CBS. Members of this high-level panel included Dr. Peter Krogh, dean of the School of Foreign Service of Georgetown University; the editor-in-chief of Reader's Digest, Hobart Lewis; the author, James Michener; the public opinion analyst, Dr. George Gallup, and more than a dozen equally well-known individuals. The report of the panel has been published as a booklet entitled "International Information Education and Cultural Relations: Recommendations for the Future."

I am particularly impressed that this panel did not just deal with easy organizational rearrangements but rather analyzed conceptually the functions of public diplomacy. I am also pleased that the panel differentiates between the articulation and advocacy of day-to-day U.S. policies and the cultural communications operations supporting long-range objectives. The panel makes an excellent case in outlining the basic differences between policy advocacy and cultural communications by pointing out that overseas audiences accept our political messages as coming from the U.S. Government while our cultural messages are welcomed precisely because they are considered not to be Government-controlled.

The organizational consequences of the panel's analysis make good sense: The articulation and advocacy of current foreign policy requires the closest kind of operational integration with the State Department's policy process and hence should be located in State. The cultural communications operation, however, does not need to be involved in the political vicissitudes of day-to-day policy problems and should be a step removed organizationally.

The Voice of America is a special case. It has three functions—to broadcast accurate, objective, and comprehensive news; to portray American society and to present the policies of the United States. In other words, it is a tactical tool for policy articulation and a strategic tool for cultural communications. In addition, it is a broadcaster of news. Organizationally, the panel felt that the Voice belonged neither in the State Department nor in the cultural program, because in either location its independence as a source of news would be compromised. The panel has come up with an appealing solution: To set VOA up as a separate agency under a Presidentially appointed board of directors reflecting its news, policy, and cultural functions.

I hope that the administration will put our overseas information and cultural program on a sounder basis by promptly acting on this excellent report.

REASSESSING AND REFINING OUR FOREIGN POLICY

Mr. BAKER. Mr. President, as we are embarked upon an effort to reassess and refine the foreign policy of the United States, I think it appropriate to look beyond our recent difficulties in Southeast Asia, beyond the present challenge of the Middle East, and the redeployment of the American defense posture, and to comment upon civil defense and its relationship to our most fundamental foreign policy concern, that is, our relationship with the other superpowers.

The progress made by the United States in its efforts to improve relations wtih the Soviet Union is surely impressive. The agreements which have been made in the last few months include the historic Vladivostok pact; and these agreements have been concluded in an atmosphere of compromise, an atmosphere which renders even the most insoluble problems susceptible to negotiation, if not resolution. We all hope that this atmosphere of détente will lead to a lasting peace, not only to a slackening or easing of the confrontation as the name implies, and that the relaxation of tension will lead to a relaxation of political oppression and to increased freedom for the individual citizens of the Soviet bloc countries. I believe that we should continue to seek these ends.

Notwithstanding its appearance, the Soviet Government is not monolithic. There are, of course, those who proclaim for the "spirit of implacability toward class enemies and ideology," as has been written by Secretary Brezhnev, or those who link, with Lenin, "the destiny of their country with the revolutionary movement as a whole." On the other hand, there exist less rigid views; otherwise, détente could not have been developed, and some of those who advocated implacability yesterday seemingly have been persuaded to adopt a more moderate attitude. We should encourage such a transition in Soviet thought; and it is my judgment that détente can be further extended if we are able to remove, or at least reduce, the temptation presented by the appearance of attainable world domination.

The question which we should pose to ourselves is how we may buttress the peaceful elements and reduce the aggressive tendencies of our potential opponents. There is an old saying that politics is the art of the possible. This tells me that we should discourage any temptation on the part of the Soviets to achieve strategic superiority by making this goal obviously unattainable.

The time-honored rebuttal to those who fear that the United States might one day find itself in a military situation in which the Soviet Union could demand and receive territorial and diplomatic concessions is that the respective offensive nuclear capabilities of the two nations are in a position of rough "parity," that is, each nation possesses a comparable capability to effect the destruction of the other.

Mr. President, the common opinion is, of course, that the United States is not militarily vulnerable and cannot be threatened successfully, because we possess the capability, even after our country is ravaged by a first strike, to destroy the attacker country by a counterstrike, and that we would do this. This concept of assured destruction, though much propounded, has been undermined by civil defense measures of the U.S.S.R., which are based on population evacuation, and those of the People's Republic of China, based on an extensive system of underground shelters.

Not only have these civil defense measures rendered our assured destruction ability questionable, this fact has been so recognized and advertised to the Soviet people.

In his widely read book, "Our Common Task," the Soviet civil defense director, General Chuikov, states:

> Although the discussed means of destruction are called mass means, with knowledge and skillful use of modern protective measures they will not destroy masses of people, but only those who neglect the study, mastery, and use of these measures.

One may well wonder whether the last few words refer to the United States, for, in the U.S.S.R., the study and mastery of civil defense certainly is not neglected. Civil defense is taught in schools, and factories, and it is described in books published in millions of copies.

More importantly, it has been estimated that, after the evacuation of the Soviet people from urban areas, an American strike would result in fatalities hardly amounting to 4 percent of their population; and this 4 percent estimate assumes that we concentrate all our missiles on the evacuees, that a Soviet first strike does not reduce our missile power, and that their ballistic missile defense would be ineffective. Evidently, evacuation of cities, dispersal of population, and the construction of what we call expedient shelters, are very effective defensive measures.

By way of example, the Oak Ridge National Laboratory, located in Tennessee, has constructed civil defense shelters on the basis of designs published in the U.S.S.R. The effectiveness of these shelters has been demonstrated by a test conducted by the Defense Nuclear Agency and found to be surprisingly great—in one case theoretically enabling the survival of the occupants of such a shelter located only 1 mile from a 1 megaton nuclear explosion.

This suggests that retaliatory power of the United States can be reduced by civil defense to such an extent that future Soviet leaders might be tempted to resort to nuclear blackmail. After evacuating its cities, an attack by the U.S.S.R conceivably could result in excess of 10 times more fatalities in the United States than a possible retaliatory strike would cause in the Soviet Union. As a result, Soviet leaders possessing such intentions would have reason to hope that we would succumb to threat of nuclear attack and offer concessions.

How can we best discourage such hopes and how can we best remove the temptation of our potential opponents to engage in nuclear blackmail? Perhaps the foremost effort would be a further elaboration and extension of détente, as is now taking place with the Soviet Union and the People's Republic of China. Second, I believe that we must bring our civil defense capability into rough parity with that of the other world powers and, thereby, reduce the threat of a nuclear attack. As is stated in the Swiss civil defense journal:

> The best thing about a good shelter system is that nobody may ever need it.

It is noteworthy that the Swiss spend about 30 times more per capita on civil defense than does the United States, the U.S.S.R. at least 10 times more.

As my colleagues may know, an elaborate study recently was undertaken to evaluate the cost and potential effectiveness of civil defense; it is called the Ponast II study. Several departments of the Federal Government participated in the study, some of which were not enthusiastic supporters of civil defense. The study was premised upon the estimate that about one-third of the U.S.S.R.'s striking power would be directed against the American people, and the remainder against our retaliatory force. While casualties obviously would be higher if a larger portion of the Soviet nuclear force directed against people rather than installations, the Ponast conclusions remain staggering.

The Ponast II study estimated that at our present state of preparedness, the United States would lose 45 percent of its people in a nuclear attack. If we organized an evacuation of urban areas, to be put into effect as soon as possible after the initiation of any Russian evacuation, the estimated American population loss would fall to 11 percent. The Ponast II appraisal of the cost of preparing such an evacuation was $500 million.

On the other hand, a complete blast shelter program, similar to the one developed by mainland China, would be much more expensive, bearing an estimated cost of nearly $35 billion. A shelter program would, however, reduce population losses, according to Ponast II, to about 5.5 percent, a loss roughly equivalent to the 4 percent estimated Soviet loss. Even a 5.5-percent population loss would be a serious catastrophe; but an essential equalization of the potential American and Soviet losses would render nuclear blackmail unrealistic.

It may be of some interest to observe that the Ponast II estimate of the cost of a shelter program, adjusted for inflation, closely agrees with earlier estimates contained in the harbor, and little harbor studies respectively sponsored by the National Academy of Sciences and the Oak Ridge National Laboratory.

Mr. President, in view of these considerations, I conclude that the United States immediately should undertake the development of an extensive and vigorous civil defense program. I recognize that the creation of a comprehensive civil defense program will strain our resources in view of our current budgetary deficit, which is the largest since World War II; but I hope that within a very few years, our civil defense program would approximate that of the Soviet Union. I believe that such an effort not only will reduce the potential for a nuclear confrontation, but also fulfills the obligation of our Government to protect the American people.

I also think that civil defense will become of increased importance as détente and strategic arms limitations are further developed and extended. In the past, it has been argued that an effort to expand our civil defense efforts to provide additional protection for the American people would only lead to an increase in the offensive strength of the U.S.S.R. and, therefore, would be counterproductive. Recent and future arms control agreements have invalidated this argument against increased civil defense. Once limitations are imposed upon offensive weaponry, effective civil defense is certain to reduce casualties resulting from an attack and, more importantly, to reduce the temptation to resort to nuclear weaponry.

Thus, I believe that an expanded civil defense effort is an important ingredient of the U.S. defense posture, that such an effort would discourage nuclear blackmail and, therefore, contribute to détente, and that civil defense, coupled with arms limitations, would constitute the harbinger of a more realistic peace than any State of "mutually assured destruction" could bring about.

GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, we have come to the basic question, Should the United States ratify the Genocide Convention, or should we not? Three of America's past Presidents and their administrations thought we should.

Beginning with Harry Truman, during whose administration the treaty was originally drafted, up to Richard Nixon more than 20 years later, with John Kennedy in between, U.S. Presidents have called for ratification of the Genocide Convention.

President Truman said when he submitted the convention to the Senate:

> By giving its advice and consent to . . . ratification . . . which I urge, the Senate . . . will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of principles of law and justice.

The Senate took no heed of his advice.

Fifteen years later, President John Kennedy remarked to the Senate:

> The U.S. cannot afford to renounce responsibility for support of the very fundamentals which distinguish our concept of government from all forms of tyranny.

Again the Senate failed to act.

In 1970, President Nixon urged the Senate "to consider anew this important convention and to grant its advice and consent to ratification."

Now, for 26 years the United States has stood aloof from a treaty we assisted in drafting and in whose purpose we fully concur. This situation is virtually incomprehensible to the 87 other nations which have already ratified the convention.

We abhor the crime of genocide, yet by our inaction, we have perplexed our friends around the wrold.

In the glaring absence of Senate ratification of the convention, our delegates to the U.N. have been subject to cynical attacks, which have humiliated our Nation's representatives in the eyes of the world.

The reassertion of America's leadership in human rights is at hand. I urge that we hesitate no longer and ratify the Genocide Convention.

FAIR MARKETING OF PETROLEUM PRODUCTS

Mr. BAYH. Mr. President, as a cosponsor of S. 323, the Fair Marketing of Petroleum Products Act, I would like to take a moment to address this important bill which I am grateful to note was passed last Friday.

This bill is designed to protect the thousands of small businessmen operating retail service stations from unfair practices on the part of the huge, vertically integrated, multinational oil companies. The unfair practices visited on these small businessmen by the oil companies can range from arbitrary termination of a lease, to mandating the sale of certain products, to anticompetitive pricing policies.

The fact is, Mr. President, that approximately 90 percent of the service stations in this country are operated independently by small businessmen who have lease and/or franchise agreements with large oil companies. It is also a fact that these businessmen are too often at the mercy of corporate policy reached in the ivory towers of multinational companies. Too often these companies are totally insensitive to the hard work and good will required to keep a service station business solvent under the combined pressures of an energy crisis and a deep economic recession.

The Fair Marketing of Petroleum Products Act provides those small businessmen with the basic protections they deserve as a leasee or franchisee of a major oil company. It is similar to legislation which I sponsored in the 93d Congress, and which previously had passed the Senate three different times. Once it was dropped in conference with the House, once it was included in a bill vetoed by former President Nixon, and then—when the Senate passed the bill in its own right toward the end of the 93d Congress—the House had too little time to act on companion legislation.

It is unfortunate that despite the clear and unrelenting support for this measure in the Senate that it has not yet been enacted. But that has not lessened our resolve to persist, and I am hopeful that with Senate passage early in this Congress the House will have adequate time to act on the legislation.

The key ingredient in the Senate-passed bill is the provision that prohibits an oil company from terminating a contract with a service station operator unless the operator violates a condition of his franchise, fails to act in good faith to fulfill his responsibilities under the franchise agreement, or the oil company withdraws from the retail sale of petroleum products.

In other words, unless the oil company goes out of the retail business or the franchisee fails to fulfill his obligations, the company may not terminate a franchise agreement with the owner-operator of a service station. In order to make certain these conditions are satisfied, an oil company must give 90 days written notice by certified mail of its intention to terminate a franchise agreement. This, in turn, gives the retailer an opportunity to exercise his right—as provided in the legislation—to bring a civil suit against the oil company. The availability of this judicial remedy—which is why this is known as the Dealer Day in Court bill—is a crucial link in the chain of due process.

Enactment of this legislation will give the thousands of service station dealers across the country the assurance that so long as they conduct their business properly, in accordance with the terms of their franchise agreement, they cannot have that agreement terminated unilaterally by the oil company whose franchise they hold. The only exception would be if the company closed all its retail operations.

Now that this basic protection has passed the Senate for the fourth time I urge the House to give it prompt attention so that it might move speedily to the White House for the President's signature.

While this can be an important first step in restoring equity to the retail end of the oil industry, passage of this bill must be followed up by careful attention to other unfair practices adhered to by the integrated oil companies. This is an important concern, because of its broad implications for the rest of our economy, and it is a subject area that will be receiving increasing attention from the Congress. I, for one, as a member of the Senate Subcommittee on Antitrust and Monopoly am interested in studying further the operations of the oil industry in this country.

Besides those inquiries that will go forward in the Congress, the Federal Trade Commission is continuing to pursue the so-called Exxon case in which it has charged the eight largest oil companies with engaging in anticompetitive practices.

The FTC action, and any further action here in the Congress, are logically connected to the passage of S. 323. In no instance can we tolerate improper or unfair practices on the part of the oil companies. By addressing ourselves to the legitimate grievances of the service station dealers we have begun to restore equity to the production, refining and marketing of oil products. So, as a cosponsor of S. 323, I want to reiterate my pleasure at its passage and again express the hope that the House will see fit to act on this legislation in the near future.

ELECTRICAL ENERGY TAX ACT IN NEW MEXICO

Mr. GOLDWATER. Mr. President, the house of representatives in Arizona recently adopted a concurrent memorial measure which urged New Mexico to reconsider its enactment of an "electrical energy tax act" and urging Congress to pass legislation prohibiting the imposition of such a tax by any State.

I might point out that this whole situation is extremely dangerous in that it would shatter a regional power system that has been developing efficiently and cooperatively over the years for the benefit of power consumers in the Southwest. The point is the tax, which begins on July 1 of this year, will extend to ultimate consumers of the New Mexico generated electricity only outside the State of New Mexico. Estimates are that it would cost Arizona consumers more than $3 million.

It stands to reason, Mr. President, that the imposition of such a tax by one State may well lead to retaliatory actions on the part of other States, thereby resulting in the erection of trade barriers and the establishment of burdens on free and open interstate commerce. In the view of Arizona legislators, the State of Arizona has taken an action which clearly violates the commerce clause, the due process clause and equal protection clause of the U.S. Constitution. I ask unanimous consent that this measure, passed by the House of Representatives of Arizona, be printed in the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[State of Arizona]

HOUSE CONCURRENT MEMORIAL 2004

A concurrent memorial urging New Mexico to reconsider its enactment of its "Electrical Energy Tax Act" and urging Congress to enact legislation prohibiting the imposition of such a tax by any State

To the State of New Mexico and the Congress of the United States of America:

Your memorialist respectfully represents:

Whereas, the State of New Mexico, with the enactment of Senate Bill 258 in the First Session of its Thirty-second Legislature, will impose a "temporary" tax of four-tenths of one mill on each net kilowatt hour of electricity generated in New Mexico beginning on July 1, 1975; and

Whereas, this tax will extend to the ultimate consumers of such electricity only outside the State of New Mexico; and

Whereas, such tax could cost Arizona consumers more than three million dollars; and

Whereas, the regional power system that has been developed cooperatively over the years for the benefit of power consumers in the Southwest is placed in grave danger of being fragmented by this action; and

Whereas, the imposition of such a tax by one state may well lead to retaliatory actions on the part of other states, thereby resulting in the creation of trade barriers and the establishment of burdens on free and open interstate commerce, with the result that power consumers in energy-poor areas could bear the total cost of such tax; and

Whereas, the precipitous action of the State of New Mexico clearly violates the commerce clause, the due process clause and equal protection clause of the United States Constitution.

RED LION MAY BE A PAPER TIGER

Mr. PROXMIRE. Mr. President, when the Supreme Court ruled in the Red Lion Broadcasting Co. case in 1969 that parts of the fairness doctrine were constitutional, it did not give the Government carte blanche to control the content of broadcasting.

Legal scholars know that. But it seems apparent that many who want to control what is seen and heard on television and radio are willing to read more into Red Lion than is there.

But if Red Lion is read along with another major broadcasting case decided in 1973, Columbia Broadcaasting System, Inc., against Democratic National Committee, one can come to the conclusion that Red Lion can be tamed if a clear-cut first amendment case comes along.

P. M. Schenkkan did that reading and came up with that conclusion in a Comment in the Texas Law Review in April 1974 in an article, "Power in the Marketplace of Ideas: The Fairness Doctrine and the First Amendment." Schenkkan was at that time a law student and comment editor of the Texas Law Review. His article covers some 45 pages.

Mr. President, because of the length of the article I will ask later that only the last section, "The Supreme Court and the Power Rationale for Fairness," be printed in the RECORD.

In the early sections of his article, Schenkkan seeks to prove—successfully, I believe—that the courts and other critics of the electronic press fear that the power of broadcasting poses "a clear and present danger to the marketplace of ideas." Even assuming that power for the sake of argument, he says:

> The first amendment does not permit the Government to prevent this danger by fairness content regulation.

Also in an earlier section, Schenkkan makes another telling point:

> Both the Congress and the Supreme Court seem remarkably unconcerned with the quality of evidence of the need for the fairness doctrine. Congress, sensitive to the first amendment questions implicated in regulation of televised violence,[207] appropriated $1.5 million for three years of scientific study of the problem. The Surgeon General testified that the study established "a causative relationship between viewing violence on TV and subsequent antisocial behavior."[208] Neither the Congress nor the FCC found the results sufficiently compelling to institute content regulation.[209] Televised violence has no first amendment value of its own, but the secondary risks to protected expression inherent in any content regulation, even for non-speech purposes, apparently suffice to immunize its admittedly evil consequences.[210] Congressional caution over the regulation of violence contrasts sharply with its willingness to act without evidence against unfairness: unfettered discussion of public issues is the central first amendment concern, but Congress commissioned no studies before concluding that in broadcasting its possible consequences are intolerable.
>
> The Supreme Court has been equally inconsistent. Fearing possible chilling of the press, the Court demanded that public figures who bring libel suits against newspapers pass a constitutionally set minimum level of proof of injury to reputation.[211] Yet the Court approved an entire system of direct government intervention in broadcasting upon a mere hypothesis of public injury and dismissed the possible chilling effect as "mere speculation."[212] A chilling effect is hard enough to prove in any event,[213] and proof has recently been made more difficult,[214] but the Court in *Red Lion* actually threatened broadcasters who could prove it with loss of their licenses![215]

Why is it that Congress and the Supreme Court have required evidence in some instances to protect first amendment rights while allowing abridgment of other rights protected by that amendment without evidence?

Footnotes at end of article.

I suspect the answer is human frailty, to which all of us are subject.

Yet, it is astounding that the basic right of the governed to protection from their governors is the one that has been jeopardized without demanding evidence.

As Schenkkan says:

> But if even society's only options are enforced fairness and laissez-faire, and even if the government finds that enforced fairness would better serve the ends of the first amendment, the first amendment denies the Government the authority to choose that option. The first amendment absolutely prohibits the Government from electing to regulate the press on the basis of a government belief that regulation would promote first amendment goals.

Later, he notes that freedom of the press could be taken out of the Constitution by means of a constitutional amendment:

> But we have not yet amended the first amendment to allow congressional abridgment of the freedom of press for broadcasters.

Schenkkan contends that the fairness doctrine "is no mere adjustment at the margin of constitutional limitation." Rather, he contends, the fairness doctrine is tantamount to a constitutional amendment.

He says that—

> The role in question is that of deciding when the public interest in vigorous discussion would be better served by somewhat more presentation of one viewpoint and somewhat less of some supposedly less responsible or representative viewpoint. . . .

With due respect to Red Lion, he says—

> The first amendment sought to put that role wholly beyond the purview of government, and the power of television adds nothing to the argument for government promotion of the system of freedom of expression by content regulation. In fact, the potential persuasive power of the press is precisely the reason for preventing a democratic government from regulating the use of that power for its effects on public debate.

If the freedom and rights of the public are to be protected from the Government by guaranteeing the freedom of press and of speech, then the power of broadcasting or of the print press to persuade cannot be taken away or diminished by the Government.

Justice Potter Stewart in a concurring opinion to C.B.S. against D.N.C. says that with a question—which Schenkkan quotes in the last section of his article. Justice Stewart asks:

> Since when has the first amendment given government the right to silence all speakers it does not consider "responsible"?

We in Congress must reexamine our consciences of the fairness doctrine. We must decide what is more important: the people's right to broadcast programming uncontrolled by Government or the Government's right to decide what should be seen and heard?

As Justice Stewart says:

> It is a frightening specter.

Mr. President, I ask unanimous consent that the last section of Mr. Schenkkan's Texas Law Review article be printed in the Record.

Footnotes

[207] *See Television Violence Hearings, supra* note 57, 197.

[208] *Id.* at 30.

[209] The only form of regulatory action so far taken is jawboning, of which the *Television Violence Hearings* are a good example. The technique is consciously applied, *id.* at 189–90, and occasionally successful, *id.* at 186–87.

[210] *Id.* at 103, 181.

[211] New York Times Co. v. Sullivan, 376 U.S. 254, 285–92 (1964).

[212] Red Lion Broadcasting Co. v. FCC, 395 U.S. 367, 393 (1969).

[213] The proponent of a chilling effect must prove what would have happened if what did happen had not happened—that constitutionally significant expression would have occurred, or would occur, but for the challenged governmental action or scheme.

[214] The Supreme Court has recently tended to require a demonstration of a substantial probability of chilling. *See* note 71 *supra* & accompanying text.

[215] 395 U.S. at 393.

There being no objection, the material was ordered to be printed in the Record, as follows:

IV. The Supreme Court and the Power Rationale for Fairness

Discussion of the factual and conceptual infirmities of content regulation of broadcaster power would have little more than academic interest if *Red Lion* had equivocally settled the constitutionality of the fairness doctrine, as most observers believe. Reversals of recent unanimous decisions upholding major national regulatory schemes are strong medicine even for serious maladies. But *Red Lion* may be a paper tiger. The narrow issues presented for decision in *Red Lion* did not fully raise the more troublesome aspects of the fairness doctrine, and the Court reserved judgment on them. The membership of the Court has changed since *Red Lion*, as have the opinions of some of those who still serve on the Court, casting doubt on the current vitality of *Red Lion's* broader language. *DNC* and other recent cases contain shards from which an anti-fairness-doctrine majority can be constructed.

Red Lion held only that the application of the personal attack part of the fairness doctrine to Red Lion Broadcasting Company and the promulgation by the FCC of the personal attack and political editorializing rules were within the commission's statutory mandate and were not unconstitutional. It must be conceded that White's opinion deliberately sought to give broad approval to the doctrine. His discursus upon the primacy of the collective right of hearers and the consequent constitutionality of a requirement that broadcasters serve as proxies for representative community views on controversial issues was quite unnecessary to sustain a right-of-reply substitute for traditional libel remedies[251] and a prophylactic against abuses of media power in the one context in which some have taken the danger seriously enough to regulate newspapers as well.[252] The personal attack and editorializing rules could have been justified in a traditional balancing process, setting the private interests of the affected individual or group against the broadcasters' press interests, with less need, or no need at all, to rely on the rights of hearers generally. White glossed over these possible distinctions, stressing that the personal attack, editorializing, and general fairness rules all impose an affirmative obligation to present both sides.[253] He implied that the major distinction between them is the broadcaster's lack of control over the format of the presentation of the other side to a personal attack or political editorial, because this difference can certainly be dismissed as "not a critical distinction."[254]

On the other hand, *Red Lion* also evinced considerable awareness of the real differences between the problems raised by the subject of its holding and the subject of its considered dicta, and carefully fireproofed the bridges of retreat from a position it recognized might prove overextended. Perhaps aware that the danger of censorship through the fairness doctrine of a broadcaster's views on public issues far exceeds the danger of censorship via fraudulent identification of a program as a personal attack, White said: "There is no question here of the Commission's refusal to permit the broadcaster to carry a particular program or to publish his own views; . . . of government censorship of a particular program . . . or of the official government view dominating public broadcasting. *Such questions would raise more serious First Amendment issues.*"[255] The danger of self-censorship of public issue programming also probably surpasses considerably that posed by personal attack and political editorializing regulation. General descriptive standards for determining when there has been a personal attack or political editorial may not be easier to formulate than standards for determining when a program has presented one view of a controversial issue of public importance, but we are far more likely to know a personal attack when we see one than an unfair view of a public issue—or at least far more likely to agree on what we have seen. Thus the broadcaster can estimate the risks of incurring obligations to present other sides much more readily with personal attack programming than with public issue programming, and should less often feel himself in a marginal area where prudence can chill. Moreover, only an impassioned broadcaster would want to make a personal attack, with all its bad-for-business effects on a mass audience.[256] Such hot blood may plausibly be thought far less susceptible to chilling than that faint glow of public-spiritedness that motivates network management to forego a "Bonanza" in profits in order to bring the pensions problem to public attention. Justice White admitted that self-censorship of public issue programming would be a serious matter, but claimed that "the fairness doctrine in the past has had no such overall effect."[257] If future experience indicates the reality of the effect, "there will be time enough to reconsider the constitutional implications."[258] In short, White's words about the support afforded the fairness doctrine by the constitutional right of the public to suitable access to ideas and views on public issues ring loud but, when one listens closely, a little hollow. "We need not approve every aspect of the fairness doctrine to decide these cases. . . ."[259] man mean that the Court does not approve of the fairness doctrine, or at least that it will entertain arguments that it should not.

The unanimous *Red Lion* Court had only seven members. Justice Fortas had resigned shortly before the decision came down. Justice Douglas, not having heard oral argument, did not participate. Of the seven, only Justices White, Stewart, Brennan, and Marshall still serve on the Court.[260] Douglas went out of his way in *DNC*[261] to savage the fairness doctrine with that special ferocity he reserves for speech cases. His opinion merits special attention for its recognition that the ultimate issue raised by the fairness doctrine is the allocation of the power to control content,[262] that the first amendment bars us from implementing a decision that government control is the lesser risk,[263] and that even if we were free to choose, the fear of power should cut strongly against rather than for government control.[264] So the sur-

---

Footnotes at end of article.

viving *Red Lion* majority cannot be greater than 4–1. Ironically, it may be 4–1 against the fairness doctrine.

Stewart's opinion in *DNC* is painful to read, because of the anguish it exposes. His references to *Red Lion* are shamefaced. "This Court was persuaded in *Red Lion* to accept the Commission's view that a 'so-called' Fairness Doctrine was required by the unique electronic limitations of broadcasting, at least in the then-existing state of the art. Rightly or wrongly, we then decided that broadcasters' First Amendment rights were 'abridgeable'."[265] "I agreed with the Court in *Red Lion*, although with considerable doubt, because I thought that that much Government regulation of program content was within the outer limits of First Amendment tolerability."[266] His reasons for rejecting the limited, supervised access that the *DNC* dissenters would predicate upon the first amendment strongly suggest that less sympathetic facts than *Red Lion* offered would stretch his tolerance past the breaking point. His views, he says, most closely approach Justice Douglas', in that if government action were found in broadcasting, the broadcasters would be the government, and the only regime compatible with freedom of speech would be reasonable regulation of time, place, and manner—that is, pure, universal access.[267] He is able to avoid finding government action in *DNC* only because the ban on editorial advertising was a broadcaster practice, not an FCC rule. That alternative will not be available when Stewart has to face the fairness doctrine directly, his weak protests to the contrary notwithstanding.[268] At that time he will have to answers his own question: "Since when has the First Amendment given Government the right to silence all speakers it does not consider 'responsible'?"[269]—or to force an editor to choose "responsible," but only "responsible," contrasting viewpoints to balance his own? Perhaps most revealing is his impassioned repudiation of the dissenters' "'balancing' of First Amendment 'values.'[270] For him, their approach raises the "frightening specter" of "such governmental controls . . . as a majority of this Court at any particular moment might consider First Amendment 'values' to require."[271] On their approach, the first amendment might equally be held to require "limited" access of "responsible" viewpoints to newspapers, or perhaps to require such access only when a newspaper has a local monopoly. "But it would be a close question for me which of these various alternative results would be more grossly violative of the First Amendment's guarantee of a free press."[272]

FREE SPEECH AND THE FAIRNESS DOCTRINE

When Stewart explains why such access would be constitutionally insufferable, he bears witness to a faith no casuistry can reconcile with the fairness doctrine. The freedom that the first amendment guarantees, he says, is freedom "from the intrusive editorial thumb of government."[273] "*Those who wrote our First Amendment . . . believed that 'fairness' was far too fragile to be left for a government bureaucracy to accomplish.*"[274] When we "march forth in blind pursuit" of first amendment values, we lose sight of the amendment itself, and the fundamental balancing of values it embodies, a choice whose wisdom history amply confirms.[275] But the *Red Lion* Court relied every bit as heavily on the balancing of first amendment values that Stewart abhors as does the *DNC* dissent that he condemns. If such balancing cannot support limited access because it fails to accord overwhelming weight to the risk of government control, as demanded by the first amendment, it cannot support the fairness doctrine either.

The next step in the taming of *Red Lion* requires much greater indulgence of speculation. Brennan's dissenting opinion in DNC, joined by Marshall, can be read to leave open the possibility of rejection of the fairness doctrine, but only by dismissing as tactical bouquets repeated references to its desirability.[276] Selective exegesis would emphasize these points. First, inherent in the technique of balancing first amendment interests is the possibility that, on reweighing, the interests of broadcasters in presenting their views, and the viewing public's interest in seeing such presentations and in having them be free of governmental control might be found more substantial than the public's interest in fairness. The Justices' positions in other first amendment cases certainly suggest that they take the dangers of government content control and the chilling effect more seriously than does their brother White.[277] Second, such a reweighing might come easily for Brennan and Marshall because, of the *DNC* Court memebrs, only they recognized that different "constellation[s] of constitutional interests" are presented by access to advertising airtime on the one hand and control of the broadcaster's own programming on the other.[278] If they can argue that the risks of government involvement are acceptable when the broadcaster has already opened the forum to other views, they need not take the Damascus road to reach the conclusion that the same risks are excessive when they arise from regulation of programming the broadcaster has reserved for his own use. Third, of all those who balance first amendment values, Brennan and Marshall appear uniquely enthusiastic about *vigorous* debate on public issues. Brennan seems to have the better of almost every caselaw argument with the Chief Justice in *DNC*, and no impartial referee could deny him the round in which he buried the Chief Justice's "captive audience" contention—that speech may be prohibited because its content creates discomfort in the audience—under an avalanche of counterpunches.[279] But this notion plays a major role in Burger's brief for the fairness doctrine.[280] Justice Brennan's opinion, by contrast, emphasizes that the fairness doctrine encourages blandly balanced, "responsible" speech rather than vigorous advocacy,[281] and unmistakably treats this as a vice. Fourth, the very result in *DNC* might impel Brennan and Marshall to reexamine the fairness doctrine. Justice White's opinion in *Red Lion* ranged atypically far, for him, from the facts in wreathing its holding on personal attacks and political editorials with phrases about the right of the public to obtain suitable access to ideas. Whether this reflected White's own views or adjustment of the opinion to achieve unanimity, what Brennan and Marshall consider "suitable access" has now been barred. Perhaps they had hopes in *Red Lion* that *DNC* has frustrated; if so, fairness regulation of broadcast content may now appear the less desirable of two possibilities, rather than their second choice of three.

The last step in building a majority against the fairness doctrine takes the speculative nerve of an investor in penny stocks. Three members of the Court seem sure to affirm the doctrine. Justice White reaffirms the constitutionality of the fairness doctrine in his concurrence in *DNC*.[282] Chief Justice Burger's opinion, seeking to avoid freezing access into a constitutional requirement,[283] nearly cements the fairness doctrine into the first amendment.[284] Justice Rehnquist joins all four parts of it. But Blackmun and Powell maintain that part four, in which the Chief Justice satisfied himself and them that the first amendment would not require paid access even if governmental action were found, makes it unnecessary to decide the governmental action issue.[285] As a result, they do not join in part three, which discussed it. Part three, though, also contains some of Burger's closest analysis of the implications of government content regulation, arguing that the fairness doctrine threads its way between risks as access could not.[286] Their reluctance to join this part can hardly be rationalized on traditional principles of constitutional adjudication: the usual practice would be to decide the first amendment issue if and only if governmental action were found. It may hint instead at a lack of commitment to Burger's view that fairness regulation successfully walks the tightrope over the abyss of censorship.

The views of Blackmun and Powell can only be guessed at until a fairness doctrine case closes off the no-governmental-action escape. When it does, Justice Blackmun's intense antipathy to uncivil expression, underlined in a number of recent cases,[287] suggests that the Chief Justice's "captive audience" argument for fairness protection against "irresponsible" speech will win him over. The same cases, however, demonstrate Powell's understanding that nuisance harms from political speech cannot justify government action so long as the audience might have anticipated them.[288] It remains to be seen whether Powell will perceive the risks to speech that attend even sensitive application to first amendment cases of the Harlan case-by-case balancing approach.[289] Powell does appreciate that even when nonspeech interests support regulation, the power of government to regulate may pose greater risks of abuse than the power of unregulated speech can justify—especially when the subjects of regulation tend to be critics of government and the regulatory standard facilitates selective enforcement.[290] But we need a sharper break with the Harlan tradition. We need a holding against balancing—a holding that, when all the relevant values are first amendment values, the first amendment itself embodies a recognition that the power of government presents the greater threat, and prohibits the Government from balancing them.

FOOTNOTES

---

[251] The Court's decision in New York Times Co. v. Sullivan, 376 U.S. 254 (1964), limiting those remedies, contributed to the need for a right of reply to a personal attack.

[252] The Florida statute at issue in Miami Herald Publishing Co. v. Tornillo, 94 S. Ct. 2831 (1974), is an example.

[253] 395 U.S. 367, 378 (1969).

[254] *Id.* at 378–79.

[255] *Id.* at 396 (emphasis added).

[256] Columbia Broadcasting Sys., Inc. v. Democratic Nat'l Comm., 412 U.S. 94, 187 (Brennan, J., dissenting).

[257] 395 U.S. at 393. He offered no support for this assertion.

[258] *Id.*

[259] *Id.* at 396.

[260] The other members of the *Red Lion* majority were Chief Justice Warren and Justices Harlan and Black.

[261] Columbia Broadcasting Sys., Inc. v. Democratic Nat'l Comm., 412 U.S. 94, 148 (1973) (concurring opinion).

[262] *Id.* at 161.

[263] *Id.* at 148.

[264] *Id.* at 153–54.

[265] *Id.* at 146 (concurring opinion).

[266] *Id.* at 138.

[267] *Id.* at 132, 139.

[268] *See id.* at 142–43 (attempting to distinguish the statutory and constitutional issues).

[269] *Id.* at 139.

[270] *Id.* at 145.

[271] *Id.* at 133.

[272] *Id.* at 145.

[273] *Id.*

[274] *Id.* at 145–46 (emphasis added).

[275] *Id.* at 145.

[276] The most awkward is *id.* at 192.

[277] *Compare* Branzburg v. Hayes, 408 U.S.

665 (1972) *with Id.* at 725 (Stewart, J., joined by Brennan and Marshall, J.J., dissenting).

[278] *Id.* at 200 n.45.

[279] *See id.* at 194 n.35. There has since been a rematch, which the Chief Justice's side won on points. In Lehman v. City of Shaker Heights, 94 S. Ct. 2714 (1974), five members of the Court voted to affirm a municipal transit authority ban on political advertising, on captive audience grounds.

[280] *See* 412 U.S. at 187.

[281] *Id.* at 187–88.

[282] *Id.* at 146.

[283] *Id.* at 132.

[284] *Cf. id.* at 130–31.

[285] *Id.* at 147–48.

[286] See especially *id.* at 120–121.

[287] Justice Blackmun wrote the prevailing captive audience opinion in Lehman v. City of Shaker Heights, 94 S. Ct. 2714 (1974), and dissented in Lewis v. City of New Orleans, 94 S. Ct. 970, 974 (1974); Brown v. Oklahoma, 408 U.S. 914 (1972); Lewis v. City of New Orleans, 408 U.S. 913 (1972); Rosenfield v. New Jersey, 408 U.S. 901, 902 (1972). *See also* Cohen v. California, 403 U.S. 15, 27 (1971) (dissenting opinion).

[288] Justice Powell joined Justice Brennan's dissenting opinion in Lehman v. City of Shaker Heights, 94 S. Ct. 2714, 2720 (1974), and concurred in Lewis v. City of New Orleans, 94 S. Ct. 970, 973 (1974); Brown v. Oklahoma, 408 U.S. 914 (1972); and Lewis v. Ctiy of New Orleans, 408 U.S. 913 (1972).

[289] Gunther, *In Search of Judicial Quality on a Changing Court: The Case of Justice Powell*, 24 Stan. L. Rev. 1001, 1026–29 (1972).

[290] In a wiretapping case Powell declared: "Though the investigative duty of the executive may be stronger in [national security] cases, so also is there greater jeopardy to constitutionally protected speech. . . . History abundantly documents the tendency of Government—however benevolent and benign its motives—to view with suspicion those who most fervently dispute its policies. . . . The danger to political dissent is acute where the Government attempts to act under so vague a concept as the power to protect "domestic security."

United States v. United States Dist. Court, 407 U.S. 297, 313–4 (1971). Substituting "regulatory" for "investigative," aid "fairness" for "national security" and "domestic security," Powell's argument against warrantless wiretapping could easily be applied to the fairness doctrine.

COMMITTEE JURISDICTION IN THE ENERGY AREA

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent to have printed in the Record a letter and attachments sent to me by H. Hollister Cantus, Director of the Office of Congressional Relations at the Energy Research and Development Administration.

There being no objection, the letter and attachments were ordered to be printed in the Record, as follows:

U.S. Energy Research
and Development Administration,
Washington, D.C., June 3, 1975.

Hon. Hugh Scott,
Minority Leader, U.S. Senate, Washington, D.C.

Dear Senator Scott: I was out of town last week when you indicated your desire to see the Senate reorganize its committee jurisdiction in the energy area. I want to take this opportunity to express my personal support for that recommendation.

For your information, I have attached a list of the Congressional Committees which could make some jurisdictional claims upon the Energy Research and Development Administration. According to our estimates, the list presently totals:

33 Committees.
65 Subcommittees and
1 Panel.

As of this date, ERDA witnesses have testified for 109 hours of formal hearings before 6 Full Committees and 27 Subcommittees of 13 different committees. Also of note is the fact that ERDA is only 135 days old, having been activated on January 19, 1975.

I trust this information is of interest to you. If there is anything I can do to be of assistance to you, please do not hesitate to call.

With sincere best wishes, I remain

H. Hollister Cantus,
Director, Office of Congressional Relations.

Enclosure.

Committees of Congress Having Some Jurisdictional Claim Over ERDA

(*Indicates ERDA witnesses appeared this year)

A. SENATE

1. *Aeronautical and Space Sciencies
2. Agriculture and Forestry
a. Environment, Soil Conservation, and Forestry
3. Appropriations
a. Defense
*b. Interior
c. Public Works
4. Armed Services
a. Arms Control
*b. Research and Development
5. Banking, Housing and Urban Affairs
a. Small Business
b. Housing
6. Budget
7. Commerce
a. Environmental
b. Oceans and Atmosphere
c. Oil and Gas Production and Distribution
*d. Science Technology and Commerce
e. Surface Transportation
8. Finance
a. Energy
b. International Trade
c. International Finance and Resources
9. Foreign Relations
10. Government Operations
*a. Ad Hoc Subcommittee on Export Reorganization
b. Intergovernmental Relations
c. Investigations
*d. Oversight Procedures
11. *Interior and Insular Affairs
*a. Energy Research and Water Resources
b. Environment and Land Resources
c. Minerals, Materials and Fuels
d. Integrated Oil Operations
12. Judiciary
a. Patents, Trademarks and Copyrights
13. Labor and Public Welfare
a. Health
14. Public Works
a. Environmental Pollution
(1) Panel on Environmental Science and Technology
b. Buildings and Grounds
c. Water Resources
15. Select Committee on Intelligence Activities
16. *Select Committee on Small Business
a. Environmental, Rural and Urban Economic Development

B. JOINT COMMITTEES

17. *Atomic Energy
*a. Agreements for Cooperation
*b. Communities
c. ERDA, Environmental and Safety
d. ERDA, Nuclear Energy
*e. Legislation
f. National Security
*g. Ad Hoc Subcommittee on Breeder Reactors
18. *Economic
19. Printing

C. HOUSE COMMITTEES

20. Agriculture
a. Conservation and Credit
21. Appropriations
*a. Defense
*b. Interior
*c. Public Works
22. Armed Services
a. Research and Development
*b. Seapower and Strategic & Critical Materials
23. Budget
24. Government Operations
*a. Conservation, Energy and Natural Resources
b. Intergovernmental Relations and Human Resources
c. Legislation and National Security
25. Interior and Insular Affairs
*a. Energy and the Environment
b. Mines and Mining
c. Water and Power Resources
26. International Relations
a. Future Foreign Policy, Research and Development
b. International Organizations
c. International Resources, Food, and Energy
d. International Trade and Commerce
27. Interstate and Foreign Commerce
a. Energy and Power
b. Health and Environment
*c. Transportation and Commerce
28. Judiciary
a. Administrative Law and Governmental Relations
29. Merchant Marine and Fisheries
a. Fisheries and Wildlife Conservation and the Environment
30. Public Works and Transportation
a. Public Buildings and Grounds
*b. Surface Transportation
31. *Science and Technology
*a. ERDD
*b. ERDD (Fossil Fuels)
*c. Environment and the Atmosphere
d. Science, Research and Technology
32. Small Business
a. Energy and Environment
33. Select Committee on Intelligence

TITLE IX REGULATIONS

Mr. BAYH. Mr. President, yesterday was the third anniversary of the congressional enactment of title IX of the Education Amendments of 1972—landmark legislation banning sex discrimination in all federally assisted education programs. After 3 years of study and evaluation, the Department of Health, Education, and Welfare released final regulations implementing this legislation on June 3, 1975. The release of these regulations has engendered a great deal of attention and potential controversy as to the original congressional intent in enacting title IX.

As the prime sponsor of tile IX, I feel the title IX regulations are consistent with both the spirit and intent of the Congress, and therefore I have testified before the House Postsecondary Education Subcommittee's hearings urging that the Congress accept the guidelines and reject any resolutions of disapproval.

Because of the controversy that has arisen over the guidelines, particularly in relation to their coverage of athletics, I ask unanimous consent that my testimony before the House subcommittee be inserted in the Record. I also ask unanimous consent that a summary of the guidelines, along with editorials from the New York Times, the Washington

Post, and the Washington Star, endorsing the title IX guidelines, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Testimony for House Hearings on Title IX Regulations

(By Senator BIRCH BAYH)

Mr. Chairman, as the Senate sponsor of Title IX, I want to take this opportunity to thank you for allowing me this opportunity to testify before your committee on this, the third anniversary of the Congressional enactment of this landmark legislation. While it is indeed unfortunate, Mr. Chairman, that it has taken three long years for the Department of Health, Education and Welfare to promulgate regulations to enforce Title IX, it is my sincere hope that the Congress not add further to this delay by disapproving the regulations and returning them to the Department of HEW as is our statutory option during this 45 day period.

When I first offered Title IX on the floor of the United States Senate, discrimination against women in all levels of education—elementary through graduate—was rampant. This pernicious discrimination took many forms—quota levels in admissions, inequitable scholarship aid, discriminatory course offerings, and biased counseling to name but a few. In order to rectify these clearly discriminatory conditions, the Congress wisely passed Title IX of the Education Amendments on June 23, 1972.

Unfortunately, in the three years since the Congress enacted Title IX, the situation for women in education has improved only minimally. Current statistics on admissions to professional schools show that in 1972 only 12 percent of all students admitted to law school and only 16.8 percent admitted to medical school were women. I might add, Mr. Chairman, for those who would point out that fewer women than men applied to law and medical schools, that it is a persistent pattern of discrimination from the time a youngster enters nursery school that results in men realizing a higher level of education, on the average, than women.

Schools, Mr. Chairman, continue to be the primary vehicles in our society for socialization and career motivation. To the extent that the school system treats women as second-class citizens, inferior to their male classmates, and less worthy of expenditures of educational resources, women will continue to occupy the lower economic strata of the society.

While homemaking may still be the main occupation of American women, it is no longer the only occupation or source of identity for most of them. A majority of young women today will work—and will work in economically disadvantaged jobs. It has been estimated that over half of today's high school girls will work full time for up to 30 years, and 90 percent of those high school girls will be employed for other significant periods of time. Many of these young women will be the primary breadwinners for their families. Statistics released by the Department of Labor indicate that 40 percent of the 1.8 million families with incomes below the poverty level were headed by women. In the job market these women will be facing an earnings gap between similarly employed men or more than 43 percent. Unless major changes are made in the educational options and opportunities for women, a vast majority of these women will find themselves doomed to limited, low paying and marginal employment.

The Title IX regulations released by the Department of Health, Education and Welfare will not provide a change in the dismal picture of educational opportunities for women overnight, but they will mark an important first step.

As the Senate sponsor of Title IX, I had hoped the regulations might be more demanding of our educational institutions in order that we achieve the equality in education mandated by the Congress. Portions of the regulations that were particularly disappointing to me included the Department's modification of the contact sports requirement which shifts the burden of proof for "substantial interest" onto the shoulders of those young women who would like the opportunity to play basketball, hockey, or any other contact sport.

While the regulations are disappointing in some respects, on balance the regulations do make significant strides in mandating equality for women. The heart of these guidelines is the prohibition or the thwarting of equal opportunity for female students and teachers at any educational level. The Title IX guidelines, as the Congress mandated, call for equality in admissions, financial aid, course offerings, career counseling, and in the case of teachers and other educational personnel, employment, pay and promotions. We have waited three full years already for implementing regulations. Therefore I am urging the Congress to adopt the regulations without any further delay.

Negative reactions to the Title IX regulations—those which would urge a Congressional resolution of disapproval—appear to me to be based on a set of assumptions and myths about the regulations which have no basis in reality.

I. DEFINITION OF PROGRAM

One objection to the Title IX regulations questions the scope of the statutory intent of the Congress in passing Title IX. This objection centers on the interpretation of the enforcement of Title IX with regard to the termination of funds to "an education program or activity". Those who voice this objection feel the current regulations go far beyond the Congressional intent by attempting to regulate or enforce Title IX with respect to an entire educational program or activity of an institution as distinct from the more narrow, and according to these critics, proper definition of program as a particular federal grant program found to be in specific non-compliance with Title IX.

In maintaining that the proper Congressional intent was the narrow definition of program, the critics are making the assumption that the scope of Title IX and its enforcement requirements are distinct from those of Title VI of the Civil Rights Act of 1964, prohibiting discrimination on the basis of race, color, religion or national origin in all federally assisted programs. This assumption is totally inaccurate, and I would point to my statements on the floor of the Senate on August 9, 1971, and February 28, 1972 (CR S. 13550 and CR S. 5807). If I may quote briefly from my statement on the 28th of February.

"Central to my amendment are Sections 1001 and 1005, which would prohibit discrimination on the basis of sex in federally funded education programs. Discrimination against the beneficiaries of federally assisted programs and activities is already prohibited by Title VI of the Civil Rights Act, but unfortunately the prohibition does not apply to discrimination on the basis of sex. In order to close this loophole, my amendment sets forth prohibition and *enforcement* proivsions which generally parallel the provisions of Title VI."

In addition, the setting up of an identical administrative structure and the use of virtually identical statutory language substantiates the intent of the Congress that the interpretation of Title IX was to provide the same coverage as had been provided under Title VI.

Since the Congress intended the same statutory scope for Title IX as for Title VI, we can understand the concept of program and activity by looking to the Court's interpretation of the term "program" under various decision relating to the proper scope of HEW authority under Title VI. In *Bossier Parish School Board* v. *Lemon* [370 F. 2nd 847, 5a, 1967], the Fifth Circuit referred to the scope of Title VI as follows:

"Section 601 states a reasonable condition that the United States may attach to any grant of financial assistance and may enforce by refusal or withdraw of Federal assistance. . . . The Bossier Parrish School Board accepted Federal financial assistance in November 1964, and thereby brought its *school system within the class of programs subject to section 601 prohibition against discrimination*".

More importantly, this interpretation was clearly upheld by the Supreme Court in its recent decision in the case of *Lau* v. *Nichols*, 94 S. Ct. 786 (1974). In its decision the Court held that the San Francisco Unified School District was in violation of section 601 because non-English speaking Chinese students were being denied a "meaningful opportunity to participate in the educational program". The Court held that section 601 was applicable because "that section bans discrimination based 'on the ground of race, color or national origin' in 'any program or activity receiving Federal financial assistance'."

Three Justices concurred, relying not on Title VI itself, but on the scope of HEW's guidelines and regulations promulgated under it. In doing so, they found that the conditioning of federal aid to public schools on circumstances within the education program offered by the school district was within the authority of sections 601 and 602. The guideline used the term "program" in its broadest sense.

"Where inability to speak and understand the English language excludes national origin minority group children from effective participation in the educational program offered by a school district, the district must take affirmative steps to rectify the language deficiency in order to open its instructional program to these students."

The singularly most important case in establishing the definition of "program" under Title VI has been, *Board of Public Instruction of Taylor County, Florida* v. *Finch*, 414 F. 2d 1060 (5th Cir. 1969). Under the decision, the 5th Circuit has held that discrimination should be judged on an individual program oriented basis, however, the Court specifically stated that such a requirement does not mean that each program must be considered in isolation. Specifically the Court held:

"To say that a program in a school is free from discrimination because everyone in the school is at liberty to partake of its benefits may or may not be a tenable position. Clearly the racial composition of its faculty may have an effect upon the particular program in question. But this may not always be the case. In deference to that possibility, the administrative agency seeking to cut off federal funds must make findings of fact indicating either that a particular program is itself administered in a discriminatory manner, or is so affected by discriminatory practices elsewhere in the school system that it thereby becomes discriminatory . . . If the funds provided by the grant are administered in a discriminatory manner, or if they support a program which is infected by a discriminatory environment, the termination of such funds is proper. But there will also be cases from time to time where a particular program within a school (in short, within a political entity, or part thereof) is effectively insulated from otherwise unlawful activities. Congress did not intend that such a program suffer for the sins of others . . . In this way the Act is shielded from a vindictive application."

Title IX, as in the case of Title VI, clearly gives the Department of Health, Education and Welfare the responsibility to enforce its regulations with regard to prohibiting discrimination based on sex in all aspects of the school program and to cut off funds where a program is being administered in a discriminatory manner or where it is so affected by discrimination elsewhere in the school program that it becomes discriminatory.

II. COVERAGE OF ATHLETICS

The second major objection to the proposed regulations concerns the application of Title IX to athletics.

Those maintaining this position argue that 1) the scope of title IX is narrow and defined only to include those education programs that received direct federal financial assistance, and 2) since athletics is not an educational program in direct receipt of federal aid, Title IX cannot and should not apply.

This objection to the coverage of programs which receive indirect benefits from federal support—such as athletics—is directly at odds with the Congressional intent to provide coverage for exactly such types of clear discrimination. For example, although federal money does not go directly to the football program, federal aid to any of the school system's programs frees other money for use in athletics.

Without federal aid a school would have to reduce program offerings or use its resources more efficiently. Title IX refers to federal financial assistance. If federal aid benefits a discriminatory program by freeing funds for that program, the aid assists it. The Court in *Finch* equated "program" with grant stature, but it did not foreclose including within a program all the activities "benefited by the grant statute through the freeing of funds." This position was further elucidated in a recent *Texas Law Review* article, (*Texas Law Review* v. 53, December, 1974). According to James C. Todd:

"Some Title VI cases support this interpretation by analogy. *McGlotten v. Connally* held that granting tax exempt status to private fraternal orders and allowing tax deductions for contributions to them was sufficient to bring those groups within the embrace of Title VI. In *Green v. Kennedy* the Court noted that a tax exemption for segregated private schools might be considered financial support to the extent that it was instrumental in releasing money for discriminatory programs. Those two cases therefore suggest that discrimination should not be tolerated in programs benefiting indirectly—by favorable tax treatment—from federal financial assistance. Other cases have also spoken of tainted programs. In *Finch* the Court warned that even if a program is not itself discriminating, it can still be 'so affected by discriminatory practices elsewhere in the school system that it thereby becomes discriminatory.' If otherwise interested, girls are discouraged from seizing an opportunity open to them, they have been denied the benefits of a program that is not discriminitory on its face. Similarly, a sex-segregated course structure might taint an ostensibly nondiscriminatory program by failing to prepare an interested girl for the activity, so that in effect she is excluded from participation in the program."

Oddly, no one making the argument that athletics should not be covered by Title IX does so on the premise that there is not discrimination. No one denies that there is something fundamentally wrong with a college or university that relegates its female athletes to second-rate facilities or second-rate equipment or second-rate schedules solely because they are female.

There is nothing under the proposed regulations which requires equal aggregate expenditures on the part of colleges and universities for their male athletic programs and for the women. What is required is equality of opportunity. I believe this is guaranteed not only under Title IX, but under the 14th Amendment to the Constitution as well.

A recent Court decision illustrates this guarantee. In *Brenden v. Independent School District 742* (342 F. Supp. 1224, 1972) the Court held that a school district could not foreclose a female's right to participate on an athletic team solely on the basis of sex and sex alone. Even though not basing the case under Title IX, the Court of Appeals cited the statute on an illustration of the congressional policy against "discrimination based on 'stereotyped characterizations of the sexes'." The Court noted Congress's recognition of the importance of all aspects of education for women, it equated discrimination in high school athletics with discrimination in education, and referred in the decision directly to the intent of Title IX. I can substantiate that it was the intent of Congress.

The Title IX regulations are indeed not perfect, but they are far-reaching in many respects, covering admissions policies, course offerings, scholarship aid, counseling services, and athletic opportunity. As in all other forms of statutory regulation, their true impact will be dependent upon their vigorous enforcement.

While the impact of the Title IX regulations may be far-reaching if properly enforced, they are not a panacea. They are a first step in the effort to provide for the women of America something that is rightfully theirs—an equal chance to attend the school of their choice, to develop the skills they want, and to apply those skills with knowledge they will have a fair chance to secure jobs of their choice with equal pay for equal work.

Summary of the Regulation[*] for Title IX Education Amendments of 1972

Title IX of the Education Amendments of 1972 says:

"No person . . . shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving federal financial assistance. . . ."

With certain exceptions, the law bars sex discrimination in any academic, extracurricular, research, occupational training or other educational program (preschool to postgraduate) operated by an organization or agency which receives or benefits from federal aid. Exempted from the provisions of Title IX are schools whose primary purpose is training for the U.S. military services or the merchant marine and educational institutions controlled by religious organizations whenever compliance with Title IX would be contrary to their religious beliefs. In addition, the "Bayh Amendment" to Ttile IX exempts the membership policies of the Girl and Boy Scouts, the YMCA and YWCA, Campfire Girls and other single-sex "youth service organizations" whose members are chiefly under age 19. This special exemption does not apply to recreational youth groups such as Little League. Also exempted by the amendments are university-based social fraternities and sororities.

Basically, the regulation for Title IX falls into five categories: general matters related to discrimination on the basis of sex, admissions, treatment of students once they are admitted, employment and procedures.

The following summary was adapted by PEER from a summary prepared by the Resource Center on Sex Roles in Education of the National Foundation for Improvement of Education.

GENERAL PROVISIONS SECTIONS 86.3–86.9

Each recipient of federal education aid must evaluate its current policies and practices to determine whether they comply with Title IX. Each recipient must then take whatever steps are necesary to end discrimination. Institutions must keep a description of these steps on file for three years, and they must complete the evaluation and steps to overcome the effects of bias within one year of the date the regulation takes effect.

The regulation also requires that recipients adopt and publish grievance procedures to resolve student and employee complaints alleging discrimination prohibited by Title IX.

ADMISSIONS SECTIONS 86.21–86.23

The regulation bars sex discrimination in admissions to certain kinds of institutions: those of vocational, professional, graduate, and public coeducational undergraduate institutions. Admissions to private undergraduate institutions are exempt, including admissions to private, undergraduate professional and vocational schools. HEW will look at the admissions practices of each "administratively separate unit" separately.

Specifically, the regulation bars limitations (i.e., quotas) on the number of proportion of persons of either sex who may be admitted, preference for one sex, ranking applicants separately by sex, and any other form of differential treatment by sex.

The recipient may not use a test or other criterion for admission which adversely affects any person on the basis of sex unless the test or criterion is shown to predict validly successful completion of the educational program, and unbiased alternatives are not available. Also prohibited are rules concerning parental, family, or marital status of students which make distinctions based on sex; discrimination because of pregnancy or related conditions; and asking an applicant's marital status. Recipients can ask an applicant's sex if the information is not used to discriminate.

The recipient must make comparable efforts to recruit members of each sex, except when special efforts to recruit members of one sex are needed to remedy the effects of past discrimination.

TREATMENT OF STUDENTS SECTION 86.31–86.42

General coverage section 86.31

Although some schools are exempt from coverage with regard to admissions, all schools must treat their admitted students, without discrimination on the basis of sex. Briefly, the treatment of students section covers courses and extracurricular activities (including student organizations and competitive athletics), benefits, financial aid, facilities, housing, rules and regulations (including rules of appearance), and research. A student may not be limited in the enjoyment of any right, privilege, advantage or opportunity based on sex.

The regulation forbids, a recipient to aid or perpetuate sex discrimination by providing "significant assistance" to any agency, organization or person which discriminates on the basis of sex in providing any aid, benefit or service to students or employees (with some exceptions, including the membership policies of social fraternities and sororities, Boy and Girl Scouts, YMCA and YWCA). Significant assistance includes the provision of a facility or faculty sponsor.

Housing and facilities sections 86.32 and 86.33

Institutions may provide housing separately for men and women. However, housing for students of both sexes must be as a whole:

proportionate in quantity to the number of students of that sex that apply for housing, and

comparable in quality and cost to the student.

Institutions may not have different housing policies for students at each sex (for example, if a college allows men to live off campus, it must allow women too).

Toilets, locker rooms and shower facilities may be separated on the basis of sex, but these facilities must be comparable for students of both sexes.

---

[*] 45 CFR Part 86. The text appears in the Federal Register, June 4, 1975, page 24128.

Courses and other educational activities, sections 86.34 and 86.35

Courses or other educational activities may not be provided separately on the basis of sex. An institution may not require or refuse participation in any course by any of its students on that basis. This includes physical education, industrial, business, vocational, technical, home economics, music, and adult education courses.

However, sex education is an exception: portions of elementary and secondary school classes dealing with human sexuality may be separated by sex.

In physical education classes, students may be separated by sex within coeducational classes when playing contact sports. Contact sports include wrestling, rugby, ice hockey, football, basketball, and any other sport "the purpose or major activity of which involves bodily contact".

Choruses may be based on vocal range or quality and may result in single-sex or predominantly single-sex choruses.

Local school districts may not, on the basis of sex, exclude any person from:

Any institution of vocational education;

Any other school or educational unit, unless the school district offers the other sex courses, services and facilities which are comparable to those offered in such schools, following the same policies and admission criteria.

Counseling section 86.36

A recipient may not discriminate on the basis of sex in counseling or guiding students.

Whenever a school finds that a class has a disproportionate number of students with one sex, it must take whatever action is necessary to assure itself that sex bias in counseling or testing is not responsible.

A recipient may not use tests or other appraisal and counseling materials which use different materials for each sex or which permit or require different treatment for students of each sex. Exceptions can be made if different materials used for each sex cover the same occupations and they are essential to eliminate sex bias.

Schools must set up their own procedures to make certain that counseling and appraisal materials are not sex-biased. If a test does result in a substantially disproportionate number of students of one sex in a course of study or classification, the school must take action to ensure that bias in the test or its application is not causing the disproportion.

Student financial aid section 86.37

The regulation covers all forms of financial aid to students. Generally, a recipient may not, on the basis of sex:

provide different amounts or types of assistance, limit eligibility, apply different criteria, or otherwise discriminate;

assist through solicitation, listing, approval, provision of facilities, or other services any agency, organization or person which offers sex-biased student aid;

employ students in a way that discriminates against one sex, or provide services to any other organization which does so.

There are exceptions for athletic scholarships and single-sex scholarships established by will or trust.

ATHLETIC SCHOLARSHIPS

An institution which awards athletic scholarships must provide "reasonable opportunities" for both sexes, in proportion to the number of students of each sex participating in interscholastic or intercollegiate athletics. Separate athletic scholarships for each sex may be offered in connection with separate male/female teams to the extent consistent with both the section on scholarships and the section on athletics (86.41).

SCHOLARSHIPS FOR STUDY ABROAD

The regulation exempts discriminatory student assistance for study abroad (such as Rhodes Scholarships), provided that a recipient which administers or helps to administer the scholarship awards makes available reasonable opportunities for similar studies for the other sex.

SINGLE SEX SCHOLARSHIPS

An institution may administer or assist in the administration of scholarships and other forms of student financial aid whenever a will, trust, or bequest specifies that the aid can only go to one sex, as long as the overall effect of making sex-restricted awards is not discriminatory.

To ensure this, institutions must:

Select financial aid recipients on the basis of nondiscriminatory criteria, not the availability of sex-restricted scholarships;

Allocate sex-restricted awards to students already selected in such a fashion; and

Ensure that no student is denied an award because of the lack of a sex-restricted scholarship.

Student health and insurance benefits Section 86.39

Student medical, hospital, accident or life insurance benefits, services, or plans may not discriminate on the basis of sex. This would not bar benefits or services which may be used by a different proportion of students of one sex than of the other, including family planning services.

Any school which provides full coverage health services must provide gynecological care.

Marital or Parental Status Section 86.40

The regulation bars any rule concerning a student's actual or potential parental, family, or marital status which makes distinctions based on sex.

A school may not discriminate against any student in its educational program, including any class or extracurricular activity, because of the student's pregnancy, childbirth, false pregnancy, miscarriage, or termination of pregnancy, unless the student requests voluntarily to participate in a different program or activity.

If a school does offer a voluntary, separate education program for pregnant students, the instructional program must be comparable to the regular instructional program.

A school may ask a pregnant student to have her physician certify her ability to stay in the regular education program only if it requires physician's certification for students with other physical or emotional conditions.

Recipients must treat disabilities related to pregnancy the same way as any other temporary disability in any medical or hospital benefit, service, plan or policy which they offer to students. Pregnancy must be treated as justification for a leave of absence for as long as the student's physician considers medically necessary. Following this leave, the student must be reinstated to her original status.

Athletics section 86.41

GENERAL COVERAGE

The regulation says that no person may be subjected to discrimination based on sex in any scholastic, intercollegiate, club or intramural athletics offered by a recipient of federal education aid.

SEPARATE TEAMS AND CONTACT SPORTS

Separate teams for each sex are permissible in contact sports or where selection for teams is based on competitive skill. Contact sports include boxing, wrestling, rugby, ice hockey, football, basketball, and any other sport "the purpose or major activity of which involves bodily contact."

In *noncontact* sports, whenever a school has a team in a given sport for one sex only, and athletic opportunities for the other sex have been limited, members of the other sex must be allowed to try out for the team.

EQUAL OPPORTUNITY

A school must provide equal athletic opportunity for both sexes. In determining whether athletic opportunities are equal, HEW will consider whether the selection of sports and levels of competition effectively accommodates the interests and abilities of members of both sexes. The Department will also consider (among other factors): facilities, equipment, supplies, game and practice schedules, travel and per diem allowances, coaching (including assignment and compensation of coaches), academic tutoring, housing, dining facilities, and publicity.

Equal expenditures are not required, but HEW "may consider the failure to provide necessary funds for teams for one sex in assessing equality of opportunity for members of each sex."

ADJUSTMENT PERIOD

Elementary schools must comply fully with the section covering athletics "as expeditiously as possible" but no more than one year from the effective date of the regulation. Secondary and post-secondary institutions have three years from the regulation's effective date to comply fully.

Textbooks section 86.42

The regulation does not require or abridge the use of particular textbooks or curriculum materials.

EMPLOYMENT SECTIONS 86.51–86.61

General provisions 86.51–86.55

All employees in all institutions are covered, both full-time and part-time, except those in military schools, and those in religious schools to the extent compliance would be inconsistent with the controlling religious tenets.

In general, the regulation prohibits: discrimination based on sex in employment, recruitment, and hiring, whether full-time or part-time, under any education program or activity which receives or benefits from federal financial aid. It also bars an institution from entering into union, employment agency, or fringe benefit agreements which subject individuals to discrimination.

An institution may not limit, segregate, or classify applicants or employees in any way which could adversely affect any applicant's or employee's employment opportunities or status because of sex.

The regulation prohibits sex discrimination in all aspects of employment, including employment criteria, advertising and recruitment, hiring and firing, promotion, tenure, pay, job assignments, training, leave, and fringe benefits.

Fringe benefits section 86.56

Fringe benefit plans must provide either for equal periodic benefits for male employees or equal contributions for both sexes. Retirement plans may not establish different retirement ages for employees of each sex.

Marital status and pregnancy section 86.57

An institution may not apply any employment policy concerning the potential marital, parental or family status of an employee or employment applicant which makes distinctions based on sex.

An institution may not discriminate in employment on the basis of pregnancy or related conditions. A temporary disability resulting from these conditions must be treated as any other temporary disability for all job-related purposes, including leave, seniority, reinstatement and fringe benefits. If the employer has no temporary disability policy, pregnancy and related conditions must be considered a justification for leave without pay and the employee reinstated to her original or comparable status when she returns from leave.

Effect of state and local laws section 86.58

The obligation to comply with this regulation is not precluded by any state or local laws.

[From the Washington Post, June 10, 1975]

HEW'S RULES ON WOMEN AND EDUCATION

With all the hullabaloo over the impact on college sports of the new federal sex bias rules, it is easy to overlook the real importance of those rules which is that they should open the country's educational institutions to women in a way they have never been open before. That will mean, in the long run, more female doctors and other professionals, more female scholars and college teachers, more females in technical jobs, and, to some extent, more female athletes. The rules mean, simply, that the nation is taking another significant step toward a time when intellect and talent and competence in general will be recognized as such in all endeavors—whether academic or athletic—regardless of the sex of the person concerned.

In that sense, the fight over what these rules will do to sports and athletic programs is a side issue. The real impact of them will be on things that matter much more in life—things like admission to vocational and professional schools and public colleges, access to courses and scholarship funds, and employment practices. In these areas, as well as in athletics, educational institutions at all levels have consistently discriminated against women down through the years. The new rules, if they are properly enforced by HEW, will do much to eliminate that discrimination.

There is also a matter of basic fairness involved in the athletic programs and if it takes a complete change in the nature of intercollegiate sports to produce that fairness, so be it. There is something fundamentally wrong with a college or university or, for that matter, a lower level school, that relegates its female athletes to second-rate facilities or second-rate equipment or second-rate travel arrangements solely becouse they are female. There is nothing in the Constitution or in the nature of the world that says only males can be athletes or that male athletes are entitled, if they are good enough, to free education, free food and free medical care.

Indeed, we suspect that there are a good many university presidents who, way down deep inside, are cheering that part of the HEW rules having to do directly with sports. The emphasis on all too many campuses has reached the point where it appears the purpose of the university is not to educate young people but to produce winning football or basketball teams. The presidents know this—and despair at what it is doing to their institutions—but many of them have felt unable to tackle the problem because of the power their athletic departments have with alumni. These new rules may provide the impetus they need to begin to bring the right perspective back to the campuses. If so, HEW's efforts will serve not only to give to women what is rightfully theirs but to restore some balance between what is meaningful in higher education and what is fun and games.

[From the New York Times, June 4, 1975]

AGAINST SEXIST SCHOOLS—AND SPORTS FOR PAY

The new Federal guidelines against sex discrimination in the nation's schools and colleges combine a much-needed emphasis on equal opportunity for women with enough flexibility to prevent a dispiriting homogenization of educational institutions. Such a sensible approach to what is still an irrationally controversial area of social reform—and nowhere more explosively irrational than in sports—can be expected to draw fire from both ideological extremes.

Although some of the more esoteric aspects of sex discrimination are likely to attract most public attention, the crux of the matter is the prohibition of any bias blocking equal opportunity for female students and teachers at any educational level. Absolute equality is crucial in school and college admissions, financial aid, counseling and, in the case of teachers and other educational personnel, employment, pay and promotions.

The new rules quite properly prohibit the kind of sex stereotyping in education that barred girls from shop classes and boys from home economics. The justifications for such "male" or "female" subjects once put forth have long since been rendered obsolete.

The Department of Health, Education and Welfare has wisely resisted pressures to include the content of textbooks in its guidelines. Expert studies have provided ample illustrations that many of these teaching materials are indeed infected with male chauvinism, but Federal censorship is not the remedy. Local school boards and educators can better re-educate authors and publishers through care in selecting teaching materials.

In another constructive limitation of the general rules, the department sanctioned the continued existence of single-sex schools and colleges. Far from being an example of sexism, that exemption is an essential recognition of the importance of diversity in American education.

Far more vulnerable than any of the guidelines themselves, however, is the announcement that H.E.W. will no longer investigate individual complaints of discrimination. While some discretion is clearly in order to distinguish esoteric or crank complaints from legitimate grievances, any policy that ignores individual calls for justice can scarcely be considered law-enforcement. Secretary Weinberger cannot be faulted for appealing to the educational institutions' "good faith"; it would be naive to expect a total melting away of deeply ingrained habits of prejudice and exclusion in the absence of an effective mechanism for assessing well-documented individual complaints.

Taken by themselves, the inevitable confusion of the guidelines against sex discrimination in school and college sports and the equally inevitable anger of the response by the college athletics lobby might be mildly amusing. Unfortunately, however, the controversy stems from a distortion of values in the commercialized world of college sports that is far more serious than the question of women's role in that particular arena.

The everyday issues of adequate support for girls' and women's teams in schools and colleges should be relatively easy to resolve. Women's physical education activities have been chronically shortchanged at many schools and campuses, and there is need for a fairer distribution of funds. Such details as requiring that physical education classes be coeducational in elementary and secondary schools may well merit some expert reassessment, but questions of that kind are readily adjusted to educational realities.

Far more serious issues are involved, however, in the dark hints by spokesmen for big-time college athletics that the guidelines will torpedo their multimillion-dollar enterprises. Collegiate impresarios appear terrified that their trading in high-priced athletic talent might be scuttled by demands for equal pay in athletic "scholarships" for women. The answer to such fears is that the time has come, not for counting women in, but for getting the campuses out of their commercialism thinly disguised as college sports.

[From the Washington Star, June 5, 1975]

EQUAL EDUCATION FOR WOMEN

Why all the fuss over HEW's rules barring sex discrimination in schools and colleges? If equality under the law means anything, it surely entitles females to an equal break in public-supported educational institutions.

The major complaints seem to be coming from spokesmen for male-oriented college sports who think the regulations promulgated by the Department of Health, Education, and Welfare will end their high-powered, big-business programs. The fact is, sports are involved in only one part of the regulations. Other provisions require equal treatment for males and females in faculty hiring, financial aid, vocational training, housing, gym classes and other educational activities.

Women are only beginning to overcome the bias that has kept them out of the highest jobs in public school systems and colleges. Everyone knows that the big male bruiser who can play football, even though he may not have a brain in his head, has an infinitely better chance of winning a college scholarship than the female high school student who is good in the classroom but wouldn't pull the paying fans through the college sports arena turnstiles. Vocational schools traditionally have been oriented toward training males for the higher-paying trades while shunting females off toward secretarial and hairdresser jobs. It's time these kinds of discrimination, as well as many others in the educational system, are ended.

So far as rules requiring integration of physical education programs are concerned, there doesn't seem to be much reason for a big hullabaloo. They don't mean that boys and girls are going to be taking showers together or using the same wash rooms. Nor do they mean that boys and girls are going to be wrestling one another in high school and college gyms across the country, for bodily contact sports are specifically exempted from the integration orders.

What it does mean is that schools and colleges are going to have to start spending more on female sports programs and allowing girls to participate in non-bodily contact sports that now are largely reserved for males.

We doubt that big-time college sports are going to suffer seriously from rules that require the scholarship and financial aid pot to be split more evenly between the sexes, or from an increase in financial outlay for female sports programs. Colleges no doubt will find ways to subsidize all the superstar jocks they think they need, and the fans will continue coming up with the ever-increasing price of tickets to finance the expensive stadia and trappings that go with college sports. Even if the regulations were to put a crimp in inter-collegiate athletic programs, it might be a good thing. Sports programs should be aimed at getting the maximum participation possible among students, not at building teams for maximum box-office draw. Professional sports should be left to the professional leagues.

Legislation against sex discrimination in educational institutions was enacted three years ago by Congress. It took HEW all this time to get the specific regulations drafted to carry out that law, and these rules still are subject to rejection by Congress within 45 days. If Congress believes in the law it has passed, it ought to let the regulations become effective.

Equal educational opportunity for women is, as HEW Secretary Caspar Weinberger said the other day when he announced the regulations, "the law of the land." So let's get on with enforcing it.

STATEMENT OF BURLINGTON NORTHERN RAILROAD

Mr. McGOVERN. Mr. President, any program to make the United States self-sufficient in terms of energy must include the proper and environmentally sound utilization of our coal resources. This will, of necessity, require the mining of coal deposits in the Upper Great Plains States.

Central to that use will be the method employed to transport substantial volumes of coal from that area to points of use. Essentially, there are two methods now under consideration.

The Energy Transportation Systems, Inc.—ETSI—has proposed a coal/slurry pipeline. The rail carriers serving that area have strongly recommended that the coal be moved by rail.

It is important that all parties concerned have a full and complete understanding of the costs and procedures involved in both proposals. I commend the Senate Public Works Committee for their ongoing hearings to examine national policies affecting coal production, distribution, and utilization.

As part of the continuing public discussion of this important issue, Mr. President, I ask unanimous consent that the statement of Louis W. Menk, chairman and chief executive officer of the Burlington Northern Railroad Co., to the Senate Public Works Committee be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Louis W. Menk

I. INTRODUCTION

My name is Louis W. Menk and I am Chairman of the Board and Chief Executive Officer of Burlington Northern Inc. My business address is 176 East Fifth Street, St. Paul, Minnesota.

I welcome this opportunity to assist with answers to the committee's questions on rail transportation of coal. My company is in a unique position to be helpful in that Burlington Northern is the principal rail carrier serving the massive coal deposits in northeastern Wyoming and southeastern Montana known as the Fort Union formation. Our system map is appended as Exhibit A from which you will note that four major routes radiate from the coal fields.

We, of course, have carefully studied the prospects for western coal production so far as they may be foreseen. The work we have done is thus complementary of that which this committee has undertaken in conjunction with the Senate National Fuels and Energy Policy Study. As a general observation, I think that your inquiries are highly pertinent and that the objective of doubling coal production by 1985 is not only desirable, it is also realistic and attainable.

II. BURLINGTON NORTHERN'S ROLE IN THE TRANSPORTATION OF WESTERN COAL; THE COST OF ADEQUATE EXPANSION OF TRANSPORTATION

Since indications are that a very large part of the anticipated new coal production will come from the West—vastly more than double current production in that area—let me turn to the manner in which Burlington Northern has planned for and will perform the transportation task necessary to place coal in utility boilers at or near points of electric consumption.

At the outset, let me make the point that, contrary to the popular impression created by certain railroad bankruptcies and the spectacle of broken down cars and undermaintained trackage, rail technology has reached an advanced stage, particularly in the handling of large volumes of bulk commodities. The technology is being actively employed. In the west we routinely operate with trains handling 11,000 net tons in continuous cycle over 1000 or more route miles without even stopping for loading and unloading. With but a 5-day turn around we attain maximum utility from the equipment and keep our operating costs and freight rates at a minimum over distances heretofore out of the question. These are truly spectacular operations, and their energy efficiency is remarkable. The actual energy cost for both the loaded and empty return is but 250 btu's per ton mile. I wish it were possible for the Committee to view one of these trains. The sight would, I am sure, dispel any doubts about the adequacy of rail technology.

It is, of course, one thing to run a few such trains but quite another to do the whole transportation job on the massive scale which your invesigation contemplates. This is another way of stating the first element of your question 21, to which I address myself, namely, "What are the specific problems that face expansion and operation of the railroads to accommodate a national policy to foster coal substitution."

As this committee knows, there have been a good many projections and estimates of future coal production, not all of which hold water. As a matter of fact, we found most of the published materials far too broad-brush to enable us to plan our future rail operations and track and equipment needs. Therefore, we isolated and identified actual coal production which had a potential for movement over our lines. This included all the mines in the Fort Union Formation in Montana and Wyoming, and thus most of the economically mineable deposits of low sulfur sub-bituminous Western coal. This exhaustive review was carried out in cooperation with the mining companies and electric utilities whose facilities will be serviced by our lines. On a mine-by-mine basis we thus arrived at our estimates on the basis of proven individual reserves, existing production contracts, executed contracts for future delivery, proposals for future deliveries and estimates of the total long-term production permitted by the geology of the region and of each mine. In short, we learned with accuracy how much coal will be mined in our territory, where and when it will be mined and where it will be shipped and consumed.

On the basis of this extensive information we developed plans for the incremental expansion and improvement of our fixed plant and for acquisition and use of new equipment. These steps will be timed to meet new requirements as they arise without prematurely committing us to capital expenditures. This planning process was very complex and it remains flexible to meet contingencies. It was facilitated by the relatively long lead times which are required to open mines and build generating stations. The improvements we will make in our own plant and equipment will permit us to increase our western unit train coal traffic from 16 million tons in 1974 to 90 million tons of production foreseen for 1977 and to the 140–150 million tons which will be required by 1980. We do not try to project 1985 production precisely for two reasons: First, a ten-year forecast is too long to permit us to develop the precise mine-by-mine figures we need for rail operating plans, although as a target we are estimating 225 million tons by 1985. Second, barring contingencies later described, our fixed plant should be sufficiently developed and our earnings will have improved by 1980 to the point where any needed additional capacity can be developed with relative ease.

As indicated, the coal will move from the mines via no less than four of our principal routes, two of which will be connected by a new line in Wyoming 116 miles in length.* We have prepared, and as needed, can adjust computer simulations of increases in train movements based on both expected increases in coal production and the routes which new production will follow. This has enabled us to develop optimum arrangements for the placement of new rail, ties, ballast, sidings, improved signalling and, as needed, double track. New and improved facilities for the maintenance and repair of cars and locomotives will also be necessary. Thus I come to the second element of your question 21, the *cost* of the necessary expansion of capacity.

Our new investment in fixed properties alone will be $440 million by 1980 (in 1974 dollars) without taking into account the prospect that, when volume finally warrants our doing so, we may electrify important segments of our line. If that time comes we will achieve an important cost break through. In short, we know we can do the job, and I emphasize that we will do it. I want to say in addition, that nobody can now reasonably foresee the precise transportation requirements for western coal after 1980 because nobody really knows the national needs for steam generation of electric power thereafter.

However, as suggested above, if western coal is then still the subject of large and increasing demand, as seems likely, there remains much room for and plenty of time for any needed further expansion of railroad capacity. Basic operational capacity is indeed no obstacle, for one double track main line, properly signalled could easily handle the entire 1985 Fort Union production. Yet financing this development will not be easy—especially, as I will point out, if slurry lines are constructed or even seriously proposed in our territory.

As to the cost of meeting railroad equipment requirements for coal mined in our territory, our requirements by 1980 will be as follows:

902 locomotives	$361,000,000
3,250 cars	84,600,000
211 cabooses	26,000,000
Total	454,584,000

Rolling stock acquisitions will be financed by various methods. Some will be purchased outright by means of the conventional equipment trust method. Other cars and locomotives will be leased and in most cases cars will be purchased by the electric utilities which intend using them; thus our relatively small car acquisition program. This offers advantages to both the utilities and to the railroad. On the one hand, the utility company will have a dedicated fleet of equipment always available to it and to no one else and we will be spared the necessity of raising the necessary capital in what promises to be a money market which will be difficult for years to come. Be that as it may, if funds are available I am assured that the equipment manufacturers will have *no* substantial difficulties in meeting our needs during the lengthy lead time available.

My mention of capital needs prompts me to make mention of the capital crisis which the nation faces. H. Virgil Sherrill, Chairman of the Securities Industry Association recently described the problem as follows:

"* * * unless government, the securities industry and the larger business community join in a concerted effort to confront the growing capital crisis, the U.S. formation mechanism, which is already in a weakened and uncertain state, may be permanently crippled. Should this grim prospect come to pass there appears to be no way under the American capitalistic system for the private sector to provide the goods, services and jobs that America will require in future years."

---

*A portion of the line will be operated jointly by our company and the Chicago and North Western.

I share Mr. Sherrill's concern; the answer to your question about the railroad's financial resources must start with an appraisal of the money market generally. Even the solvent roads like my own cannot raise capital if an adequate supply is not available. However, this is not a subject with which I can deal in the limited time available, and for present purposes I will assume that capital will be available to industry on terms roughly the same as those we see today.

III. BURLINGTON NORTHERN'S PLANS TO FINANCE EXPANSION BY WHICH TO MEET COAL TRANSPORT NEEDS; THE FINANCING HAZARD REPRESENTED BY SLURRY LINE PROPOSALS

As you may know, there is a continuing controversy over the proposal of some that coal slurry pipelines be granted the powers of eminent domain so as to assure their construction. This is neither the time nor place for us to deal with that subject except as it affects the railroad's ability to finance improvements in the rail system necessary to perform the coal transportation job foreseen by this committee. However, you have invited comment (Question 22) from others on problems facing the expansion and operation of slurry lines. Thus, I refer you to the testimony I expect to submit to the House Committee on Interior and Consumer Affairs sometime within the next few weeks and, by your leave, I will file copies with this committee. In addition you will wish to examine a study and separate appendices just released by the National Science Foundation, entitled The Coal Future: Economic and Technological Analysis of Initiatives and Innovations to Insure Fuel Supply Independence. The entire paper will be of great interest to the committee but of immediate concern is its treatment of coal transportation, which appears at Section IV. The study is necessarily very complex and there are some aspects of it with which we might take issue. I nevertheless do not hesitate to commend to the committee the conclusion which is stated at page IV–24 and 25.

"This comparison shows that, except for building an entirely new railroad, slurry pipelines cannot compete in cost of shipment even with the most complete upgrading of the railroad. The rail advantage is even greater if one considers that the railroad may carry other, non-coal shipments while the slurry pipeline is a one-material shipper. The use of complementary pneumatic pipelines in conjunction with the rail would further improve the economics of the railroad."

The fact remains that there is a determined effort by powerful legislative forces to secure the adoption of bills authorizing slurry pipelines to exercise powers of eminent domain. The pipeline lines proposed would be of a very great capacity—25 million tons of coal per year. If even one such pipeline is constructed it will mean that precisely that amount of business will thereafter be monopolized by it to the exclusion of any participation by the railroads. This very large amount of traffic is almost impossible to comprehend, but to give some idea of what it means in terms of today's average coal rates, 25 million tons would produce gross revenues for Burlington Northern of $150 million. This is one-third more than we earned last year from all our western coal business. The ultimate question then is, how would the loss of 25 million tons (or some multiple thereof) affect Burlington Northern and its ability to finance improvements necessary to serve all coal shippers.

This is a complex story which I can but outline here, but it deeply concerns your question about the railroad's available financial resources. Ultimately it involves our profitability and the effect it will have on our ability to finance road and equipment improvements of about $1 billion. In appraising this problem, it should be understood that up to this time our coal operations have not required any major changes or improvements in track and related structures. However in order to realize latent capacity we are reaching the point where substantial ballasting and rail replacement work must be carried out on one route in particular. These costs represent the first increment in our long-range financing and improvement plan. We will have to sell a new large bond issue or issues to raise the necessary funds. The next financings will be accomplished by reliance on our line of credit, but shortly thereafter, probably about the time construction begins on the first pipeline—if it is built—we will have to make larger investments to increase the capacity of other segments of our lines to meet the requirements of the heavy operations which will then face us. This is a step we will have to take regardless of the construction of slurry lines. Whether there will be an appropriate return on these interrelated investments depends heavily on our ability to realize anticipated economies of scale. That, in turn, depends on whether our volume of traffic increases as predicted.

Both the need to protect our position of the loan negotiations and the uncertainty as to the amount involved preclude me from any detailed discussion of our plans for future financing, but it is abundantly clear that: (1) internally generated sources of funds alone will not meet our needs; (2) equity funding, perhaps through a preferred stock issue, is a strong possibility if marketing conditions allow and if, when the issues are offered for sale, the investing public believes our earnings will hold up and improve; and (3) very large direct borrowings from the financial community may be necessary until the new facilities are in place and producing the earnings we anticipate. If we are to sell bonds, the investors will have to be satisfied that our operations will be sufficiently profitable to service the additional debt. This we can do on the basis of present prospects and possibly it can be done if the eminent domain bill passes. But I ask you to put yourself in our place and then try to visualize how you would raise as much as $440 million for fixed properties and another $454 million for equipment with the threat of even one slurry line hanging over your head. Mind you, we are going to have to have all of the $440 million for fixed properties and most of the equipment money to meet basic coal needs—to perform our utility function. But if the "cream-skimming" of the pipelines causes our anticipated volume of the best business to drop by anything like 25 million tons, the profitability of the entire service is going to be regarded by many in the financial community as problematical. Consider too that the borrowings of which I speak are going to have to be accomplished at all times when, unless all signs fail, there will be high interest rates and heated competition for available funds. For that matter, some of that competition for money may come from pipeline companies whose very heavy capital needs will be concentrated at construction time.

Thus, I urge that when you file your report you deal not only with the energy consideration and the economics involved for each mode; I suggest as strongly as I can that you ought also to give careful thought to the basic transportation issues which are involved. Railroads carry anything anywhere for anybody. They are indeed true common carriers and it is also the railroads which must meet the diverse coal delivery needs of electric utilities which usually are widely scattered. Pipelines, whether called common carriers or not, are in fact specialty haulers which serve a single large specialized market for coal. Not only are they thus likely to be the indirect cause of atmospheric pollution caused by a concentration of generating plants; they will also prejudice the ability of the railroads to provide true common carrier service. Similarly, they will prejudice the economic interests of most electric consumers and the electric utilities which are not so fortunate as to be situated on a coal slurry line. It is they who will have to pay the higher rail rates which will result. Accordingly, I urge that you make no recommendations which would further the ambitions of the pipeline builders at the expense of a sound coal conversion policy—one which must essentially depend on rail transportation.

IV. INCENTIVES TO FOSTER EXPANSION OF THE UNITED STATES COAL TRANSPORTATION SYSTEM AND OF RAILROADS IN PARTICULAR

Expansion of railroad capacity could be encouraged by a number of means, including tax incentives such as reduced amortization schedules, additional investment credits and so on. However, tax provisions of this character are sometimes unproductive in that many railroads, including my own, are not always in a position to take advantage of them. More helpful by far would be statutory authorization of a freight rate structure which would provide reasonable assurance that the anticipated large movements of coal traffic would actually materialize by providing shippers with incentives for initiating and continuing rail use for substantial, predetermined periods. This would not only give the railroads sound justification for gearing up their operations for the massive coal movements necessary to meet national goals; it would also assure the financial community that the carriers could amortize their investment in the needed new facilities and repay their borrowings and interest liabilities; hence, financing of new capacity would be easy.

This objective can be accomplished in a variety of ways. The Canadian "contract rate" concept is one example and it has received the endorsement of a study prepared for the Federal Railroad Administration and the Department of Transportation (Report No. FRA—OE—73—2) by R. L. Banks and Associates. It is a complex document but it describes in some detail the advantage of the contract rate concept in dealing with transport problems such as that embodied by the need to expand coal transport capacity. It concludes its treatment of this subject at page 234 as follows:

"In all of the cases in which contract rates have been denied, the National Transportation Policy is the legal impediment. Before any new kinds of contracts could be approved, absent a complete turnabout by the Commission, special statutory provisions would be required. This could be accomplished without endangering the Policy in other respects, simply by a legislative declaration establishing a policy that compensatory contract rates and agreements do not constitute an unfair or destructive competitive practice within the meaning of the National Transportation Policy. Such policy would leave contract rates subject to all other provisions of the Act."

I commend this subject to the Committee as the best, least costly means of assuring that all railroads will be able to meet the financial problems entailed in getting ready to double or treble coal production.

V. CONCLUSION

I respectfully suggest that your task does not simply entail a development of ways and means of transporting coal by any and all modes; rather it inescapably involves profound questions of transport and social policy which transcend naked energy issues. Be assured, however, that absent the threat of slurry line development the railroads can indeed do the coal transportation job. Surely if Burlington Northern can increase its western tonnage from a merely 16 million tons in 1974 to 140-150 million tons in 1980 and to 225 million tons in 1985, the rest of the nation's railroads can use the same technology to manage their much smaller share of the national goal of doubling production.

MENTAL HEALTH OF THE ELDERLY

Mr. BEALL. Mr. President, as a member of the Special Committee on Aging, I have been especially pleased to work closely with our distinguished colleague, the junior Senator from New Mexico. Senator Domenici became a member of the Senate Special Committee on Aging shortly after his election to the Senate in 1972. During the last several years, Senator Domenici has shown a great understanding of and compassion for the special problems confronting our Nation's 20 million senior citizens. On May 10, 1975, Senator Domenici participated in a mental health of the elderly conference at Notre Dame University in South Bend, Ind.

Mr. President, I ask unanimous consent that Senator Domenici's statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Speech by U.S. Senator Pete V. Domenici to the Mental Health of the Elderly Conference

Two widely different men—James Michener and William Buckley—have said the past two years that the problem of how this society treats its rapidly-increasing over-65 population may be *the* key social issue of the 1990's and beyond. They point, properly, to a population that is growing steadily older. They ask, pertinently, what kinds of programs this nation will provide these millions of "new oldsters." And they warn us that we don't have just another "fad" issue on our hands, but a dilemma that cuts right to the core of this society's self-image.

And, these men, writers and thinkers, are joined by many other Americans who are deeply concerned about the elderly. You here are interested in mental health problems of our older citizens. We in Congress are concerned by an entire range of special problems that Senior Citizens confront. Scientists in California and elsewhere are delving into the basic cellular realities of the aging. We have read most recently about innovative research work into the senility process. We are near the real breakthrough in the scientific knowledge about aging.

I am not going to attempt to speak today in technical or scientific terms. Almost everyone else here could do a better job of that. But, I want to share with you some overall considerations we in the national legislature must deal with if we are to ever hammer out a responsive, far-sighted government policy for aging. The first consideration is simply that with all this excellent research Americans are going to live longer and have longer periods of true productivity.

Secondly, as we become an older society, with the elderly ever healthier, we must expand our concept of what constitutes mental health in our seniors. Good mental health, as you here know, is more than just the absence of psychosis or senility. Good mental health also must incorporate a positive image of oneself, an attitude of worthiness. Now I ask you, how can we expect our Senior Citizens to have this kind of positive self-image when we tell them, in essence, "You're too old now to work, or to really count—so go somewhere and be quiet"? Certainly a government policy that treated the elderly this way would *not* produce good mental health among the aged. Yet, this is all too often what government policy does.

Let's take a look at a few government regulations and laws. We have Medicaid and Medicare rules that won't usually help the elderly poor with their bills unless they are institutionalized or hospitalized. We have prohibitions against most home nursing care, again emphasizing institutionalization. We encourage nursing homes at the expense of maintaining the basic family unit in the patient's home. We have set an arbitrary "retirement" age that fails to take into account different rates of aging. We have made laws against the elderly working and still receiving Social Security. We have, in every rule and regulation, set the elderly apart from the rest of society and encouraged their separation from the natural home setting.

I am a non-psychologist, but I still know enough to realize that these policies are bad for the mental health of the elderly.

I am told by some that the age of 65 is "a good average age to determine when a person is really ready for retirement." I reply that we are not dealing with averages, or statistics, but with individual people. Talking about averages reminds me of the joke about the man with one foot in ice water and the other in a bucket of steaming water. His friend asked him, "How do you feel?" The man replied, "Well, on the average, I'm okay." I think a lot of the elderly must feel a little like that. We either have them at home and healthy, at least according to our regulations, or we have them unhealthy and institutionalized. We don't seem to be able to hit a happy medium. Those of us deeply concerned about this situation have introduced legislation that will allow payment under Medicare of home nursing care, to encourage maintaining the family unit. We have also asked for changes in Social Security laws to allow the elderly to work and continue to feel useful. We have recommended other changes in tax laws.

I have introduced legislation that would allow one free medical exam annually for elderly Americans. We know from the experience of practitioners in Minneapolis that too many of our elderly are walking around with serious illness, untreated because of overly-restrictive federal rules. My legislation would introduce the preventive medicine concept into federal policy for the aged. And it would, in the long run, save money and lives.

But, these are merely piecemeal changes. What is called for is a fundamental reevaluation of our federal polices toward older Americans. Medicare is not the whole answer, as our experience now shows us too dramatically. Social Security needs re-vamping. We have to tighten our regulations covering nursing and boarding homes and payments to these institutions. This is a rare time for a comprehensive federal program to help the elderly. Such a time may not come again during our lifetimes.

I am proud to work with Sen. Moss and Sen. Percy and other colleagues on the Aging Committee. Sen. Moss' Subcommittee on Long-Term Care, of which I am a member along with Sen. Percy, is in the process of issuing right now a 12-book set of reports on the issue of nursing home care. Supporting paper number seven in this series deals with the role of nursing homes in caring for discharged mental patients. This paper outlines much of the investigative work we have done and makes recommendations. I believe that when we are through on this subcommittee, we will present recommendations to the Full Aging Committee. It will then be up to us to work with other committees to achieve this comprehensive federal program I mentioned to you earlier.

Such a program must put the emphasis on maintaining familial ties—ties of family members and life-time friends. Our new program for the elderly must insist that while such communities as Sun City are encouraged for those who wish them, a basic thrust of Federal policy should be to offer the elderly places where they can meet with other seniors and share a sense of community, but not with a resulting decay of the family unit and former identity. We must offer centers in their own communities where the elderly can gather, use their time constructively and creatively, and share their special interests. We must insist that Federal policy allow the elderly to remain active and productive, keeping their jobs and their self-respect. Senility could be stayed greatly in many cases if we would just let the older American keep his dignity and remain active.

And this new national policy for the aging is going to have to answer some fundamental questions; questions which, in fact relate to the basis of our society's philosophy. Do we believe that the family structure is important to society? Do we believe that allowing the elderly the chance to stay with the families and in their homes is an important goal, perhaps an over-riding consideration? In this time of confused motives and universal questioning, can America forge a national policy that reinforces the once almost universally-accepted notion that people naturally love their elders and their children, and that such a love should not be weakened by pragmatic public policy.

These are hard questions. Until they are answered, no national policy of any long-lasting benefit can emerge from Congress.

In this respect, I believe that the National Institute of Aging will soon have a director and will soon begin its important work. I believe that the NIA can be, if given the necessary support, a focal point for the federal effort in aging. The NIA will not only conduct and support biomedical research and training in geriatrics, but also will deal with social and behaviorial studies. This year's budget is more than $16 million, $400,000 more than allocated last year. We all have great hopes about this agency's eventual central role in funding new research, testing new theories, and forging new policy.

I have been privileged to attend hearings into nursing home scandals in New York and Washington, to hear testimony from some of the best minds in geriatrics and aging policy, and to talk to literally thousands of Senior Citizens. But, I've learned the most about the spirit of our elderly, and the spirit of this nation, by eating lunch many, many times in Senior Citizens centers. I've read their publications—almost all exuberant and manifesting great pride in their senior centers. I've never laughed so hard as when I saw the Lincoln County (New Mexico) "Centers Capers" pamphlet for the Lincoln County Senior Citizens Center, an announcement for the new time for the Belly Dancing Class. Now, there's nothing old about the people in that group. From Questa in the Old Spanish North of New Mexico, to a national meeting of the American Association of Retired Persons in Washington, I've been privileged to meet every category of older American. And I can tell you that if we in Congress don't make use of our knowledge, your research, and your concern to create a new national policy for the elderly, we will have done more than fail to use you properly—we will have failed in a most fundamental manner to keep faith with those who have sacrificed to make this nation as strong as it is.

I close with a little joke that James Thurber once told: "I'm 65 years old and I guess that puts me in with the geriatrics. But if there were 15 months in a year, I'd only be 48." I can only add to that, I know a lot of people we call 65, but who feel only 48.

A UNIVERSITY FOR THE AGED

Mr. CULVER. Mr. President, one of the most needed elements in Government is creative thinking. Unfortunately, it is also one of the rarest. We are too preoccupied with the onslaught of immediate events to unleash our imaginations in quest of new approaches to the governmental mission of meeting human needs.

No area of public affairs challenges our ability to think creatively more than the need to improve the quality of living for older Americans. It is a two-way street. Our elderly citizens need and deserve the best we can provide them for attaining the good life. At the same time, the enrichment of their lives and the liberation and use of their talents yield incalculable rewards to our society as a whole. My own State has one of the highest percentages of citizens of retirement age of any of the States. This is one of our most precious resources—economic, social and spiritual. We are constantly challenged to devise new and imaginative ways to fulfill this rich, dual potential—a better life for our elderly citizens and a better society for all.

On the editorial page of the Washington Post this morning is a column that submits an imaginative and refreshing idea—"A University For the Aged"—by David Lehman. Without delving into the pratical problems the concept presents, I commend it to you as an exercise in the kind of creative thinking we should be doing about meeting human needs. The author expressed this best:

> Unfeasible? laden with practical difficulties? Sure, but that's the beauty of it.

I ask unanimous consent that this article, 'A University for the Aged," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, June 24, 1975]

A University for the Aged

(By David Lehman)

(Note.—Mr. Lehman teaches English at Columbia College and has worked in the creative writing program at the American Nursing Home in New York City.)

Norman Mailer has long lamented a failure of governmental imagination as a problem as harmful to the national welfare as what might charitably be called the inauthenticity of our public officials. What is absent, for example, is the elementary leap of imagination needed to locate the hidden and quite possibly benign relationship between many apparent unrelated problems. It is with this in mind that the idea of a university for the aged proposes itself as a most attractive, if partial, remedy for our current academic crisis as well as for the age-old problem, the proverbial neglect of our older citizens.

The idea assumes:

That the elderly deserve more than a compassionate platitude around election time, and that country clubs no less than old age homes hasten the process of senility, reductive as they are of the human spirit;

That the glut of "over-qualified" Ph.Ds ought by right to be a source of cultural price and health instead of what it is—a highly demoralizing fact of life for the best-educated taxi-cab drivers the world has ever known;

That our bloated budget for "defense" is, among other vices, excessive and wasteful, and that even moderate annual cutbacks, while hardly crippling to our national security, could provide relief for the over-taxed and a number of enlightened social programs. (This is where nerve as much as imagination is a requisite. That we now spend billions on weapons, the function of which is largely to make the arms of a year ago prematurely obsolete, is the result, one suspects, of a kind of economic blackmail. Sooner or later the country must decide between munitions workers, who can be re-trained and re-located, and the growing lists of our unemployed graduates.)

Youth, the song goes, is wasted on the young, and the splendors of a liberal-arts education are often, among college students, compromised by the competition for grades and the insecurities of late adolescence. With their wealth of leisure and their freedom from the worries of career embarkation, the elderly can well afford to devote hours to a Beethoven symphony, a Goya painting, the philosophy of Kierkegaard, and the poetry of W. H. Auden—the artifacts of our civilization which, plant-like, desperately need the sunlight of our attention, hours that might otherwise be spent in loneliness and despair. In his inspired and inspiring work with nursing-home residents, poet Kenneth Koch has demonstrated the therapeutic as well as the genuine literary value of the creative-writing workshop, but why stop there? To learn to paint and draw, to watch "Citizen Kane" and discuss it in the company of one's fellows, to consider as history the events experienced in one's own lifetime, all would help to take the sting out of retirement. For those who have never been to college, programs can be devised that will take into account the incredible variety and mix of this new/old "student body." For those who have already gone the university route once, the temptations of eclectic exploration will vie with the impulse to re-assess the "truths" of the freshman syllabus of yesteryear.

Unfeasible? Laden with practical difficulties? Sure, but that's the beauty of it: The plethora of gifted graduate students is such that we can ameliorate the faculties of our most obscure colleges and still have more than enough talent left over to implement and staff these programs and to study and solve the pedagogical dilemmas that will emerge. The work wil likely be as fraught with perils and demands as a foray into the unknown always is, but it cannot help but be an improvement over the condition of heartbreak, spite and envy that characterizes our academies today. Undoubtedly the hot-shot young professor, doctorate fresh in hand, will find much worth learning from the man who voted for Roosevelt in '36 and the woman with the vivid memory of the Wall Street Crash; a first-hand account of the trenches in exchange for a critical appreciation of "The Iliad" seems fair enough. In the dialectic of youth and age, of book-learning and life-experience, is wisdom. So we are taught, and so let us learn.

THE NEED FOR PATENT REFORM

Mr. FONG. Mr. President, I rise to correct the false and grossly misleading statements printed in the Washington Post yesterday in a column under the byline of Jack Anderson and Les Whitten.

Under a subhead "Patent Lobby," there are five sentences. Only one is factually correct—an accuracy score of 20 percent, pretty low for cub reporters, much less for experienced reporters.

The first two sentences charge as follows:

> In the past, the patent lobby has been defeated in its efforts to gain antitrust exemptions that would cost the consumers billions. Now the lobbyists have found a new water carrier, Sen. Hiram L. Fong.

The truth is, Mr. President, neither of the two patent bills I have introduced contained any "antitrust exemptions." Furthermore, I voted against so-called antitrust exemptions when this matter arose in the Senate Judiciary Committee deliberations in 1971. There has been no other vote on this matter since that date.

These facts as I have given them could easily have been checked by Anderson and Whitten. Both of my bills were printed in full in the Congressional Record, together with a section-by-section analysis. The provisions of my bill and my explanation have been available for public scrutiny for months, and such scrutiny shows there are no provisions whatsoever for antitrust exemptions.

My vote in the Judiciary Committee against antitrust exemption could have been ascertained by checking with the committee or with me.

Neither Anderson or Whitten contacted me on this matter.

The Anderson-Whitten column stated in the next two sentences:

> He is pushing legislation that would give certain industries billions by letting them use patent monopolies to raise prices, corner markets and partition sales territories.
>
> One company that would profit from the legislation is Monsanto.

These statements are totally false for my legislation does not contain any antitrust exemptions, as I have already explained. Furthermore, many large companies prefer present law over all of the pending patent bills, including mine, because all bills call for brand-new governmental maintenance fees ranging from $2,000, as in my bill, to higher amounts as in other bills, when the term of a patent has begun.

Rather than favoring large companies like Monsanto, my bill was deliberately designed to help the small inventor.

First. Present law gives big companies tremendous power over small inventors by challenging a patent in court where a small inventor, faced with $10,000 or more in court costs, is unable to afford a defense of his patent.

My bill would substantially curtail and eliminate such harassment of small inventors by providing a new procedure where company challenges would be handled by the Patent Office before the company could go to court.

My bill would force the company to disclose the company's prior art—patents and publications—to the Patent Office before the company can go to court and challenge the small inventor. Thus, the challenge could be resolved by the Patent Office, thereby averting the necessity for a small inventor to defend his patent in court at a minimum cost of $10,000.

Second. My bill would allow a small inventor to challenge the patent of another inventor, even a large company, for only $75, compared with the minimum of $10,000 it costs now under present law to go into Federal district court to challenge someone else's patent.

So for only $75 and the submission of prior art—patents or prior publications—to the Patent Office, anyone can cause the Patent Office to reexamine the patent which is challenged. The Patent Office would then make a new decision on its patentability in light of the new evidence submitted.

Third. My bill is the only pending bill that would protect the small inventor from escalating maintenance fees and the added costs of running the Patent Office. My bill would limit maintenance fees—not more than $300 the 7th year, not more than $600 the 10th year, and not more than $1,000 the 13th year—total $2,000. Other bills direct the Patent Commissioner to escalate fees and charges anytime to reflect 50 percent of the costs of running the Patent Office. My bill is the only bill that would not saddle inventors with 50 percent of the cost of running the Patent Office.

According to U.S. Patent Office estimates, my bill would add only $3.3 million to its operating costs, whereas other pending patent bills would add $18 million to $40 million—nearly 600 to 1200 percent more than my bill. Inventors would pay half of the $18–$40 million under these other bills.

Only the last sentence in the "Patent Lobby" item is correct,

> The Senate aide who helped Fong draft the measure is Robert Seto, once a patent lawyer for Monsanto.

I reject vigorously the implication that Mr. Seto's loyalties are still with Monsanto, where he was the most junior of about 60 patent attorneys and where he was employed only a year and a half. I believe Mr. Seto is deeply interested in protecting the public interest in our Nation's patent disclosure system and at the same time in protecting the rights of inventors, particularly small inventors.

Patent law is one of two highly specialized fields of law. The other is admiralty law. In such technical fields it is necessary to seek counsel of persons knowledgeable and skilled in these fields. In addition to Mr. Seto, I have had the advice and counsel of Government officials, my colleagues in the Senate, patent attorneys, and inventors with experience not only in the United States but abroad as well. When I introduced my first patent bill last December, I invited any interested persons to offer comments and suggestions. I extended the same invitation when I introduced my second patent bill last January. Both times I put into the CONGRESSIONAL RECORD the text of the bill, my analysis, and my invitation for comments. Many ideas and criticisms were submitted and I have incorporated some of these in my second bill and amendments.

In summary, my bill conforms most closely with existing law and is deliberately drafted to protect small inventors and to keep patent fees reasonable and fair. My bill offers the most incentive for inventors to come forward and put their inventions into the public domain rather than to offer them for the exclusive secret use of a particular company. It is regrettable that Anderson and Whitten with incorrect statements and gross allegations have sought to smear my efforts to improve the U.S. patent system.

S. 1984—BILL TO ESTABLISH AN OFFICE OF FOREIGN POLICY AND NATIONAL SECURITY ANALYSIS FOR CONGRESS

Mr. GARY W. HART. Mr. President, on Friday, June 20, when I introduced S. 1984, a bill to establish an Office of Foreign Policy and National Security Analysis for the Congress, I inadvertently failed to request that the bill be printed in the RECORD. I now ask unanimous consent that S. 1984 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1984

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Foreign Policy and National Security Analysis Act of 1975".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. The Congress finds and declares that—

(1) in recent decades the foreign and national security affairs of the United States have become increasingly complex, have greatly expanded in scope, and have become much more extensive in their impact on domestic affairs;

(2) the Federal agencies presently responsible to the Congress are not designed to provide the legislative branch with adequate, timely, and independently developed studies, analyses, and evaluations in the fields of foreign policy and national security; and

(3) present arrangements in the Congress are not designed to provide the Congress with such studies, analyses, and evaluations;

(4) it is therefore necessary that the Congress—

(A) equip itself with new and effective means for obtaining professional and unbiased studies, analyses, and evaluations of foreign policy and national security matters; and

(B) utilize this information, as appropriate, in fulfilling its constitutional responsibilities.

ESTABLISHMENT OF THE CONGRESSIONAL OFFICE OF FOREIGN POLICY AND NATIONAL SECURITY ANALYSIS

SEC. 3. (a) In accordance with the findings and declaration of purpose in section 2, there is hereby created the Congressional Office of Foreign Policy and National Security Analysis (hereinafter referred to as the "Office"), which shall be within and responsible to the legislative branch of Government.

(b) The Office shall consist of—

(1) a Foreign Policy and National Security Analysis Board (hereinafter referred to as the "Board") which shall formulate and promulgate the policies of the Office, and

(2) a Director who shall carry out such policies and administer the operations of the Office.

FOREIGN POLICY AND NATIONAL SECURITY ANALYSIS BOARD

SEC. 4. (a) The Board shall consist of nine members as follows:

(1) four Members of the Senate, appointed by the President pro tempore of the Senate, one from the majority party and one from the minority party membership of the Committee on Foreign Relations and one from the majority party and one from the minority party membership of the Committee on Armed Services;

(2) four Members of the House of Representatives, appointed by the Speaker of the House of Representatives, one from the majority and one from the minority party membership of the Committee on International Relations and one from the majority and one from the minority party membership of the Committee on Armed Services; and

(3) the Director, who shall not be a voting member.

(b) Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of the original appointment.

(c) The Board shall select a chairman and a vice chairman from among its members at the beginning of each Congress. The vice chairman shall act in the place and stead of the chairman in the absence of the chairman. The chairmanship and the vice chairmanship shall alternate between the Senate and the House of Representatives with each Congress. The chairman during each even-numbered Congress shall be selected by the Members of the House of Representatives on the Board from among their number. The vice chairman during each Congress shall be chosen in the same manner from that House of Congress other than the House of Congress of which the chairman is a member.

(d) The Board is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of Congress as it deems advisable; upon a vote of a majority of its members, to require by subpoena or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths and affirmations and to take testimony; and to procure such printing and binding and to make such expenditures as it deems advisable. The Board may make such rules respecting its organization and procedures as it deems necessary, provided that a majority of its members assent. Subpoenas may be issued over the signature of the chairman of the Board or any voting member designated by him or by the Board, and may be served by such person or persons as may be designated by such chairman or member. The chairman of the Board or any voting member thereof may administer oaths or affirmations to witnesses.

DIRECTOR AND DEPUTY DIRECTOR

SEC. 5. (a) The Director of the Office shall be appointed by the Board without regard to political affiliation and solely on the basis of his fitness to perform his duties. The Director shall serve for a term of five years and may be reappointed for a second five-year term only. He shall receive basic pay at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

(b) In addition to the powers and duties vested in him by this Act, the Director shall exercise such powers and duties as may be delegated to him by the Board.

(c) The Director may appoint, with the approval of the Board, a Deputy Director who shall perform such functions as the Director may prescribe and who shall be Acting Director during the absence or incapacity of the Director or in the event of a vacancy in the Office of Director. The Deputy Director shall receive basic pay at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(d) The Director may be removed by the Board.

DUTIES AND FUNCTIONS OF THE OFFICE

SEC. 6. (a) It shall be the duty and function of the Office to provide the Congress in-depth, professional studies, analyses, and evaluations of major problems, issues, activities and programs in the areas of foreign affairs and national security, and to undertake such additional associated activities to assist the Congress as the Board may direct. The Office is not intended as a source for background data, basic information or statistics, or for analyses of legislative proposals in such areas.

(b) Analysis activities undertaken by the Office may be initiated upon the request of—

(1) the chairman, the ranking minority member, or a majority of the members of the Committees on Foreign Relations and Armed Services of the Senate and the Committees on International Relations and Armed Services of the House of Representatives;

(2) the Board; or

(3) the Director, in consultation with the Board.

(c) In performing its duties, the Office should—

(1) obtain the views of persons and organizations which are outside and independent of the executive and legislative branches of the United States Government, including foreign sources;

(2) relate the strategy and operations of our defense establishment to the goals and objectives of our nation's foreign policy, in manner which will enable the Congress to evaluate Administration requests for national defense programs in the context of our overall foreign policy; and

(3) relate both foreign and national defense policies to domestic policies so that the Congress can deal with them not as separate and distinct categories but as aspects of an overall national policy.

(d) Analyses made by the Office shall be made available to the initiating Committee or other appropriate committee of the Congress and to any Member of the Senate or House of Representatives. In addition, analyses made by the Office may be made available to the public unless—

(1) to do so would violate any statute; or

(2) the Board considers it necessary and advisable to withhold such assessments in accordance with section 552 (b) of title 5, United States Code.

AUTHORITY OF THE OFFICE

SEC. 7. (a) The Office shall have the authority, within the limits of available appropriations, to do all things necessary to carry out the provisions of this Act, including, but not limited to, the authority to—

(1) make full use of competent personnel and organizations outside the Office, public or private;

(2) enter into contracts or other arrangements as may be necessary for the conduct of the work of the Office with any agency or instrumentality of the United States or with any person, firm, association or educational institution, with or without reimbursement, without performance or other bonds and without regard to section 3709 of the Revised Statutes (41 U.S.C. 5);

(3) make advance, progress and other payments related to its analyses without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529);

(4) accept and utilize the services of voluntary and uncompensated personnel necessary for the conduct of the work of the Office and provide transportation and subsistence as authorized by section 5703 of title 5, United States Code, for persons serving without compensation; and

(5) prescribes such rules and regulations as it deems necessary governing the operation and organization of the Office.

(b) Contractors and other parties entering into contracts and other arrangements under this section which involve costs to the Government shall maintain such books and related records as will facilitate an effective audit in such detail and in such manner as shall be prescribed by the Office, and such books and records (and related documents and papers) shall be available to the Office and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination.

(c) The Office is authorized to secure directly from any executive department or agency information, suggestions, estimates, statistics, and assistance for the purpose of carrying out its functions under this Act. Each such executive department or agency shall furnish the information, suggestions, estimates, statistics, and assistance directly to the Office upon its request.

(d) On request of the Office, the head of any executive department or agency may detail, with or without reimbursement, any of its personnel to assist the Office in carrying out its functions under this Act.

(e) The Director shall, in accordance with such policies as the Board shall prescribe, appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act.

ESTABLISHMENT OF THE FOREIGN POLICY AND NATIONAL SECURITY ANALYSIS ADVISORY COUNCIL

SEC. 8. (a) The Office shall establish a Foreign Policy and National Security Analysis "Council").

(b) The Council shall be composed of ten members from the public, to be appointed by the Board, who shall be persons of outstanding ability, experience and reputation in the fields of foreign policy and national security affairs.

(c) The Council, upon request by the Board, shall—

(1) review and make recommendations to the Board on the proposed, on-going, or completed analyses or other activities of the Office; and

(2) undertake such additional tasks as the Board may request.

(d) The Council, by majority vote, shall elect from its members a Chairman and a Vice Chairman, who shall serve for such time and under such conditions as the Council may prescribe. In the absence of the Chairman, or in the event of his incapacity, the Vice Chairman shall act as Chairman.

(e) The term of office of each member of the Council shall be five years except that any such member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. No person shall be appointed a member of the Council more than twice. Terms of the members shall be staggered so as to establish a rotating membership according to such method as the Board may devise.

(f) The members of the Council shall receive compensation for each day engaged in the actual performance of duties vested in the Council at rates of pay not in excess of the daily equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence, and other necessary expenses without regard to the provisions of subchapter 1 of chapter 57 and section 5731 of title 5. United States Code, and regulations promulgated thereunder.

RELATIONSHIP TO OTHER AGENCIES AND THE COMMITTEES OF THE CONGRESS

SEC. 9. (a) In carrying out the duties and functions of the Office, and for the purpose of coordinating the operations of the Office with those of other Congressional agencies, the Director is authorized to obtain information from all other Congressional agencies, including the Congressional Research Service, the Library of Congress, the General Accounting Office, the Congressional Budget Office and the Office of Technology Assessment, and (upon agreement with them) to utilize their services, facilities, and personnel with or without reimbursement. The heads of these other Congressional agencies are authorized to provide the Office the information, facilities, services facilities, and personnel referred to in the preceding sentence.

(b) In carrying out the duties and functions of the Office, and for the purpose of coordinating the operations of the Office with those of the committees of the Congress, the Director is authorized, upon agreement with the Chairman of any standing, special, or select committee of either House of the Congress, or of any joint committee of the Congress, to obtain information, assistance services, and personnel from the committee, with or without reimbursement.

OUR WAY OF LIFE, OUR FUTURE, AND OUR FREE ENTERPRISE SYSTEM

Mr. BROCK. Mr. President, several weeks ago, I had the privilege of inserting into the RECORD a speech by Mr. Walter B. Wriston, the chairman of Citicorp. Mr. Wriston has had many very intriguing remarks about our way of life, our future, and our free enterprise system. Recently, he addressed the Society of American Business Writers and at this time I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF WALTER B. WRISTON

As we approach the bicentennial of our republic, it is useful to remember that our founding fathers faced hard times—much harder than those which are with us today. They, too, had to make some tough choices. Thomas Jefferson expressed the problem in a nutshell: "We are not to expect to be translated from despotism to liberty in a featherbed."

The great principles of our government laid down by our founding fathers embody a vast distrust of centralized governmental power and an unswerving dedication to the proposition that government rests on the consent of the governed. No sector of our society has been more vigilant than the press in keeping that proposition always before us. Nevertheless, whenever we create the conditions which cause our system to appear to falter, whether through inflation or corruption, people who would destroy our liberty press forward with plans the founders rejected—old plans dressed in a new vocabulary. A good many years ago, John Randolph foresaw the danger and put it this way: "The people of this country, if ever they lose their liberties, will do it by sacrificing some great principle of government to temporary passion."

Today, passions abound in the land. As the heat rises, our memory of fundamentals seems to fade. We forget that the traditional optimism of the American people is an absolute essential to a democracy. We hear a rising chorus of attack upon the unique American economic system, though it has produced both the highest standard of living and the largest measure of personal liberty in the history of mankind.

People who should know better begin to waffle about human freedom and in the moment of passion that John Randolph feared even suggest that some form of dictatorship may not be so bad after all. In the 1930s Senator David Reed from Pennsylvania voiced it bluntly: "If this country ever needed a Mussolini, it needs one now." The admiration in the United States for the way Mussolini made the trains run on time was widespread. The New York Times in May of 1933 reported that the atmosphere in Washington was "strangely reminiscent of Rome in the first weeks after the march of the Blackshirts, of Moscow at the beginning of the Five-Year

Plan . . . The new capital . . . presupposes just such a highly centralized, all-inclusive government as is now in the making." In the 1930s it began to look more and more as if we would sacrifice some great principle and lose our liberty.

The resident philosopher in Washington in those days was Rexford Guy Tugwell. Like his current counterparts, Tugwell expressed contempt for the consumer's ability to choose and wanted large state-controlled corporations along fascist lines. It was very simple and logical. He put it this way: "When industry is government and government is industry, the dual conflict deepest in our modern institutions will be abated." This old idea has now been revived with a new name. We now call them "benchmark" corporations. By 1984, George Orwell tells us the concept will be set to music in a telescreen jingle that goes: "Under the spreading chestnut tree, I sold you and you sold me . . ."

The first major step that this nation took toward merging government and industry, and toward the total abandonment of the free market system, was the enactment of the legislation that created the National Recovery Administration. The NRA with its famous Blue Eagle symbol soon began grinding out hundreds of "codes" repealing economic freedom and arbitrarily fixing wages, prices and hours.

In the temporary passion of that moment, many businessmen welcomed the idea of controls and were openly pleased with the idea of an escape from competition. "Codes" in the 1930s were the equivalent of the current euphemism "guidelines." These "codes" ultimately affected some 22 million workers. Like all schemes which require people to behave in a way they would not act of their own free will, force eventually has to be used against the populace. Since the NRA codes required citizens to make decisions which were contrary to their own economic interests, penalties for noncompliance had to be severe. Tailors were arrested, indicted, convicted and sentenced because their prices for pressing a pair of pants were a nickel below the relevant NRA code. Farmers were fined for planting wheat that they themselves ate on their own farms. Barbers who charged less than the code rate for a shave and a haircut were subject to fines of up to $500. Even the village handyman was prosecuted, since he did not fit under the multiple wage-and-hour scale set up by the codes.

The complexity of the codes soon antagonized labor as well as management. The average factory worker who had been earning $25 a week was cut back to $18.60 under NRA codes. As a result, strikes became a way of life and auto workers, frustrated by red tape, began calling the NRA the National Run Around. When the textile code authority cut production in the mills in 1934, another great strike began in the South. Before the strike ended, the National Guard had been called out in seven states and scores of textile workers were killed and wounded. A few months later, NRA Administrator General Hughie Johnson resigned under a storm of criticism—or, as he phrased it himself, "a hail of dead cats."

As was the case with the rights of minorities in the 1950s and 60s, or with Watergate in the 70s, a few had the courage to challenge the power of the state. A fairly small company, The Schechter Poultry Company, refused to observe NRA standards of "fitness" governing the slaughtering of chickens. When the case reached the Supreme Court, the NRA was unanimously declared unconstitutional. The Court wrote: "Such a delegation of powers is unknown to our law and it is utterly inconsistent with the constitutional prerogatives and duties of Congress." After the decision was read, Justice Brandeis told one of FDR's legal aides: "I want you to go back and tell the President that we're not going to let the government centralize everything." That was a call to return to fundamental American principles.

That time around we were rescued from the temporary passion of the moment by the Supreme Court. For such actions, the justices were reviled as the Nine Old Men. Fortunately, they were old enough to remember the tyrannies of the past and struck down the attack on individual freedom, even though it was wrapped in a package labeled "progress," As if in direct reference to John Randolph, the Court said: "Extraordinary conditions do not create or enlarge constitutional power."

Today, just as we are beginning to win the battle against inflation and recession, the classic attacks on individual freedom are being launched with new vigor. In place of the NRA and Mussolini's Blackshirts of another era, we have new groups with new names selling the same worn-out concept of government planning as "progress."

The current effort to peddle the theories of Tugwell is being quarterbacked by an organization called the Initiative Committee for National Economic Planning. Its members, businessmen, academicians and labor leaders, are all well-intentioned people who should know better. Their programs, if adopted, could bring about the step-by-step destruction of the free market system and, as a consequence, all personal liberty. The opening statement of the Initiative Committee expresses the usual doubt about whether our tried and tested system provides "the best hope for combining economic well-being and personal liberty."

Like central planners in the past, the new breed speaks euphemistically of "plenary power" and obtaining a "mandate." They suggest that a "five-year plan" would be "voluntary" but add that it might require a "legislative spur." They imply that they would not set specific goals for General Motors, General Electric, General Foods or any other individual firm but would "try to induce" the relevant industries to do their bidding. The New York Times, an ardent advocate of central planning in 1975 as in 1933 (except of course for the media), has fully endorsed the idea of government planning as "a means to help private industry to make its own planning decisions . . . without government coercion." There is no case of government planning not implemented in the end by coercion.

If the proponents of central planning came right out and said they wanted to create an economic police state, their cause would never get off the ground. So, they resort to "doublespeak," as Mario Pei so aptly called it, the usual camouflage for the ultimate use of force against the individual. Ludwig von Mises summed it up when he wrote: "All this talk: the state should do this or that ultimately means: the police should force consumers to behave otherwise than they would behave spontaneously. In such proposals as: let us raise farm prices, let us raise wage rates, let us lower profits . . . the us ultimately refers to the police. Yet the authors of these projects protest that they are planning for freedom and industrial democracy."

Perhaps the oldest lesson of history is that an assault on one aspect of freedom is an attack on the whole, as the framers of the Constitution were well aware. To think that the bell that tolls for economic freedom does not toll for academic freedom or for freedom of the press is a delusion, and a dangerous one. The vigilance of the press which helped smoke out some of the misdeeds of Watergate should be equally focused on the economic *non sequiturs* coming from some of Washington's prominent citizens.

Attacks on the system that has produced our relative affluence as well as our freedom come in part from people seeking power and in part from a failure to understand the American experience. Pulitzer Prize historian Daniel J. Boorstin put it this way: "There is an increasing tendency . . . to blame the United States for lacking many of the ills which have characterized European history. Our lack of poverty is called materialism, our lack of political dogma is called aimlessness and confusion."

All current proposals for a managed economy rest on an underestimation of the intelligence of the American people. They assume that you and I are just not smart enough to decide how to spend the money we earn. The decision must be made for us by a wise government. Those wonderful people who brought us wage and price controls, which so severely disrupted our economy, now wish to extend the chaos on a permanent basis. The intellectual arrogance of those who would substitute their judgment for that of the American people is amazing.

As the incredible complexity of American life begins to dawn on the would-be government managers, as it did in fact ultimately dawn on the Administrator of the NRA, ever increasing pressure has to be applied to make a reluctant citizenry conform. The clash between governmental economic planning and personal liberty is inevitable because, in the end, governmental allocation of economic and intellectual resources requires the use of force. No agency, for example, could have regulated our railroads into bankruptcy as did the I.C.C. without such power. This power must be continuously increased to block opposition, to generate public acceptance and suppress doubts about the competence of the planner.

Last year's Economic Summit should have made it obvious to all the world that experts do not agree. No plan which covers a continent with the infinite variety of America and contains thousands of parts can possibly be agreed upon by experts and certainly not by a majority of the people. Even if by some miracle we could get all the fiscalists and monetarists to concur, the ultimate decisions would be political much more than economic. It would be impossible to get a majority vote in the Congress on every item in the economy which would have to be allocated, priced and assigned priority. Since both political and economic agreement is a virtual impossibility, these decisions have to be delegated to the planner and thus can never represent the will of the majority. Such action by definition destroys the premise on which American democracy rests.

The First Amendment is one of the most sweeping definitions of freedom of the citizen against his government ever enacted anywhere in the world. As in the past, it must now be guarded jealously by all sectors of our society. What I am suggesting to you today is that you must examine with great care and skepticism the proposition that government regulation of goods and services is a legitimate function of government. It is predicated upon the dogma that consumers lack the intelligence to make choices, but that they are capable of sorting out a good idea from a bad one without government help. You should question the logic which leads some people to conclude that a so-called truth-in-advertising law is good, but a truth-in-media law is bad. On a purely logical basis it is hard to sustain the argument that the public is unable intelligently to choose among competing dog foods without government help, but is competent to sort out the true meaning of a senator's speeds.

The press, along with the rest of this country, generally has come to the conclusion that the performance of government at all levels leaves a great deal to be desired. Bureaucracy has never been synonymous with efficiency. There is a growing perception across the country that government regulation of goods and services has often tended to promote monopoly, raise the price levels and smother innovation. Professor Houthakker of Harvard made this point dramatically at the Economic Summit by listing 43 areas he thinks the government should deregulate.

Lest you think that you are exempt, more and more educators are beginning to perceive the hand of government within their own campuses, despite the long tradition of academic freedom. Academicians are learning the old lesson that if you take the king's shilling, you will do the king's bidding. We already have government very much in the broadcast field, although some people feel this has not been objected to as strongly by the print media as one might have hoped or wished. If you accept the proposition that government intervention in the dissemination of ideas is bad, which is one I strongly hold, you must then review in your own mind whether it makes any sense to argue for governmental intervention in the individual's choices among goods and services. Whatever conclusion you come to on this proposition, you should not fool yourself that economics and politics live on separate islands; in the end our freedom is indivisible.

One of our least admired presidents was characterized as one who approached power with "muffled oars." Those of you who depend for your existence on the First Amendment should sensitize your ears to pick up the sound of "muffled oars" seeking to approach power through a planned economy. This suggestion is in accordance with sound liberal doctrine as expressed by Woodrow Wilson: "The history of liberty is a history of limitations of governmental power, not the increase of it."

BROWNING OF THE GREEN REVOLUTION

Mr. CLARK. Mr. President, a commentary in the June 13 Washington Post by Nicholas von Hoffman calls attention to a new book published by the Agribusiness Accountability Project: "The Fields Have Turned Brown," by Susan deMarco and Susan Sechler.

DeMarco and Sechler point out that transferring American farming methods to underdeveloped countries is unlikely to succeed in solving their food and nutrition problems, for "to farm the way we do, you have to be wealthy." Even in Mexico, where American-style farming has been introduced and has brought about modest increases in yields, there is "the anomaly of grain surpluses in a country whose farm population goes hungry."

Among non-Western countries, it is those who have opted for nonindustrial, small scale farming which are enjoying the greatest success with their agriculture, as deMarco and Sechler show. Von Hoffman points out that small farming is also important in the United States and has the potential for contributing much more than it currently does to our agricultural productivity and general welfare—if we adopt policies to encourage small farming.

Mr. President, I ask unanimous consent that Mr. Von Hoffman's commentary be printed in the RECORD.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

BROWNING OF THE GREEN REVOLUTION

(By Nicholas von Hoffman)

The television news programs have added a new staple the past several years: The interview with the farmer who's going busted. The farmer-interviewee alternates from season to season, from the cattleman to the corn raiser back to the cattleman like an infinite, uninformative metronome. In keeping with the network news policy of never trying to make sense of what's put on the air, explanations are seldom proffered as to why we have such price volatility that, first the man who grows the feed and then the man who raises the livestock which consume it, must take turn going to the wall.

For enlightenment on that we must turn to "The Fields Have Turned Brown: Four Essays on World Hunger" by DeMarco and Sechler (The Agribusiness Accountability Project, 1000 Wisconsin Ave. NW, Washington, D.C. 20007, $3.50, with a very helpful bibliography). There we learn that our government's decision to sell out its grain stocks deprived it of the ability to flatten out the swoops and swoons of the prive level. This may have gladdened the hearts of pure free enterprisers, but to producers and consumers it has not brought the blessing we were promised would come with the end of agricultural subsidies.

Whether that is the fault of the market system or the quasi-monopolists dominating it may not be as important as the different way of thinking about food embodied in this mimeographed book. Food is politics and economics, not technology and sentiment.

Yet the sweetly simple are still inviting people to those luncheons at which a glass of water and half a soybean cake are served so that we may experience the diet of an inhabitant of the sidewalks of Calcutta. On the technological side, if the Green Revolution has been significantly less verdant than the Sunday supplements told us it would be, even the sophisticates at Fortune magazine see future progress as recapitulation of the past: more government research to replace the faltering technology of the agro-industrial giants.

DeMarco and Sechler point out that "in 1968 it took 57,000 tons of nitrogen fertilizer to produce the equivalent crop yield per acre in Illinois that 11,000 tons had produced in 1949. A five-fold increase just to keep the depleted soil at 20-year-old production levels." The current issue of Fortune makes the same statement in other terms when it remarks that U.S. agriculture consumes the equivalent of 213,000 barrels of oil a day to make the nitrogen fertilizer. Even Jerry Ford can see there has to be an end to this.

Fortune's answer is more capital-intensive, high-cost technology agriculture. How about growing crops with a carbon dioxide gas, it asks, say in the form of "sowing pellets of dry ice in the fields" or by "gas from microcapsules sprayed on plants." Or, you guys in the lab, what about inventing some new vegetables like the pomato, "a tomato-potato plant bearing fruit from above and below ground." For increasing livestock production it seeks a "'Brave New World' for animals" in which cattle embryos would be fertilized in the "reproductive tracts of such 'incubator' animals as rabbits and then transferred to foster mother cows as needed."

As ugly and impossible as these proposals sound, they may be perfected well enough to yield a cornucopia of tasteless, nutritionally deficient semi-food. But note, they all subsume research programs intended to keep farming an industrial enterprise that is too costly for any but the large corporation to enter or maintain itself in. This is the same mentality that has seen to it that the average chicken—an animal that can be raised anywhere—travels 1,200 miles to market.

DeMarco and Sechler show that those countries, notably the two Chinas, Egypt, South Korea and Japan, that have opted for nonindustrial, small scale farming are the non-Western nations enjoying the greatest success with their agriculture. Most of the rest where our economic organization of agriculture has been introduced have had experiences that range from profoundly disappointing to horrendous. To farm the way we do, you have to be wealthy to begin with. Otherwise you can go broke trying to pay for the fancy technology that is supposed to feed you ". . . Over half the countries on the United Nations list of Most Seriously Affected by the food crisis actually depend on agricultural exports for at least 80 per cent of their earnings," DeMarco and Sechler tell us.

Even in Mexico where the introduction of Gringo farming has raised yields, although not spectacularly, we have "the anomaly of grain surpluses in a country whose farm population goes hungry." (vide "The Elements," June issue, IRS/Transnational, 1901 Q St. NW, Washington, D.C. 20008). With that has come the common phenomenon of rural population.

We have it in our country too. Land in California irrigated at public expense, for farms not to exceed 640 acres, and Tenneco grabs 350,000 acres of it for industrial cultivation. Think of how many families could make a living from that land, but, instead, they're in the cities on welfare because we are told labor intensive agriculture is "economically irrational."

Food is politics, not sentiment, not industrial technology.

A VOTE FOR COMMONWEALTH STATUS

Mr. FONG. Mr. President, I am pleased to report that an overwhelmingly favorable vote for Commonwealth status was cast in the plebiscite held on June 17 in the Northern Mariana Islands of the Trust Territory of the Pacific Islands.

Certified results of the vote from the Plebiscite Commissioner, Erwin Canham, show that 3,945, or 78.8 percent, of the 5,005 who cast ballots approved a covenant to establish a Commonwealth in political union with the United States. Those who voted "no" numbered 1,060.

The 5,005 persons who cast ballots represent more than 93 percent of all the qualified registered voters of the Northern Mariana population.

These are highly gratifying figures. They demonstrate that the people of Northern Marianas wholeheartedly participated in the plebiscite and freely chose a close political union with the United States. The fact that the balloting was observed by United Nations representatives and followed a fair and impartial education program adds much significance to the act of self-determination by the people of Northern Marianas.

I congratulate the people for their strong vote. It confirms the sentiment I found in Saipan during my visit to the Trust Territory last fall. I extend my warmest aloha to the Marianas people, who have opted so strongly for closer ties with the United States and for American citizenship.

The people of the other districts in the trust territory know they have the freedom to make their choice as to their future status. In my October visit, I pointed out to their leaders the advantages of U.S. citizenship and urged them to think carefully before making their final determination on their destiny.

The Northern Mariana Commonwealth Covenant will now be submitted to the

Congress by President Ford for the approval of both the House of Representatives and the Senate.

If approved, the Northern Marianas, made up of 14 islands lying north of Guam, will become a self-governing American Commonwealth under its own constitution, with its own elected executive and legislature and its own local courts.

Its 14,000 inhabitants will become American citizens upon the termination of the existing trusteeship agreement except for those who prefer to become nationals of the United States.

Congratulations to the people of the Northern Marianas Islands have been extended by President Ford, Secretary of the Interior Stanley K. Hathaway, and Ambassador F. Haydn Williams, the President's personal representative for Micronesian status negotiations.

I ask unanimous consent to have their remarks printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Statement by the President

I would like to take this opportunity to extend to the people of the Northern Mariana Islands my personal greetings and to convey to them my pleasure with the results of the plebiscite held on June 17, 1975. I have been informed that a substantial majority has voted in favor of the Commonwealth Covenant in free and open balloting observed by the United Nations and preceded by a fair and impartial education program. I wish personally to congratulate and commend all of those who were responsible for the conduct of the plebiscite, including the Plebiscite Commissioner and his staff, the Voter Registration Board and the Plebiscite Advisory Committee.

The people of the Northern Marianas have now spoken. The next step will be consideration of the Covenant by the Congress of the United States. I intend to submit without delay the Covenant to the Congress with my strong endorsement for its early favorable action. It is my earnest hope that we may look forward to further steps in the near future which will move the people of the Northern Mariana Islands still closer to the long-desired ultimate goal of political union with the United States. I know the American people join with me in sending to the people of the Northern Mariana Islands our warmest regards.

Secretary Hathaway Sends Congratulations to Northern Mariana Islands on Plebiscite Vote

Preliminary tabulations indicate that nearly 80% of the voters in the Northern Mariana Islands have decisively approved a Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States. In response, Secretary of the Interior, Stanley K. Hathaway stated, "I like to express my personal satisfaction and that of the Department of the Interior in sending our special greetings and warmest wishes to the people of the Marianas."

Secretary Hathaway went on to observe, "This plebiscite on Political status presented the people of the Marianas with an opportunity to freely express their right of self-determination. We expect to receive certified results of the vote from the Plebiscite Commissioner, Mr. Erwin Canham in the near future."

The Northern Mariana Islands are a district of the Trust Territory of the Pacific Islands which is a United Nations Trusteeship administered by the United States through the Department of the Interior. The representatives of the Marianas people have been negotiating for their future political status with the United States since December 1972. A Commonwealth Covenant was signed by the Marianas Political Status Commission and the President's Personal Representative, Ambassador F. Haydn Williams, on February 15, 1975.

Ambassador F. Haydn Williams, the President's Personal Representative for Micronesian Status Negotiations, Comments on the Decisive Northern Mariana Islands Votes in Favor of U.S. Commonwealth Status

I am naturally pleased that the people of the Northern Mariana Islands have in a free exercise of their right of self-determination voted overwhelmingly in favor of the Commonwealth Covenant and political union with the United States. This popular expression of support for and endorsement of the work of the Marianas Political Status Commission and the Marianas District Legislature must be most gratifying to those in the Marianas who have labored long and hard for a new political status for the Northern Mariana Islands. I send to them my congratulations for a job well done.

Those of us on the American side who had the privilege of participating in the negotiations leading to the signing of the Covenant also take pleasure in knowing that our efforts combined with those of the Marianas Political Status Commission have stood the test of public examination and debate and the free ballot box. With regard to the latter, I would like to take this opportunity to thank the Plebiscite Commissioner, Mr. Erwin Canham, and his staff for the essential role they played in the basic planning and administering of the Plebiscite and for the wisdom, understanding and integrity they brought to bear on this process.

Most of all, I would like to take this special opportunity to thank all of the people of the Northern Marianas for all the courtesies and kindnesses they have shown me and the members of my delegation during every phase of the status talks and on many public occasions. I wish all of the people of the Northern Marianas success as they now join in common tasks for the common good, tasks designed to further the well being of all of the citizens of the Northern Mariana Islands as they plan for the years ahead.

SUMMARY OF THE WORK OF THE DISTRICT OF COLUMBIA CITY COUNCIL

Mr. EAGLETON. Mr. President, because of the continuing responsibility of the Congress to oversee the actions of the elected City Council of the District of Columbia, the staff of the Senate Committee on the District of Columbia regularly prepares a summary memorandum of each action taken by the City Council so that the committee and the Senate may properly exercise their responsibilities in reviewing such legislation.

In order to more fully inform the Senate of what actions have been taken by the City Council so far this year, I intend to regularly place in the Extensions of Remarks section of the Record a summary of each legislative action.

I believe that the elected City Council has been performing its work in a diligent and careful fashion. I hope that the record that they have compiled so far will be continued in the coming months.

Mr. President, I ask unanimous consent that a series of memorandums to the members of the District of Columbia Committee be printed in the Record.

There being no objection, the memorandums were ordered to be printed in the Record, as follows:

To Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.
From Robert Harris, Staff Director, D.C. Committee; Colbert King, Minority Staff Director.
Subject City Council Act 1-2: To set the rate of pay for members of the Zoning Commission and the Board of Zoning Appeals at $100 per day.

Submitted to Congress: March 18, 1975.

Effect of legislation:

Legislation would allow the payment of $100 per day to members of the Zoning Commission and Board of Zoning Appeals. These members are appointed by the Mayor with the advice and consent of the City Council and are not otherwise employed by the District of Columbia government or by the United States. Reported cost of legislation is $5,000 per member, with a total expected cost for both bodies of $30,000 per year.

Action by City Council:

There were no public comments on this legislation received by the Council and no one asked to testify. It was adopted on second reading by a 12-0 vote, with one member absent.

Congressional/public interest expressed: None.

Impact on federal interest in the District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.
From Robert Harris, Staff Director, D.C. Committee; Colbert King, Minority Staff Director.
Subject City Council Act 1-3: To provide a federally-financed program of supplemental unemployment benefits for those who have exhausted their entitlements to both regular and extended unemployment compensation. Effective through 1975–1976.

Submitted to Congress: March 13, 1975.

Effect of legislation:

Legislation would permit unemployed worker covered by unemployment compensation system to draw benefits for a maximum, overall period of 52 weeks. Same national and state triggers governing District's payment of extended benefits would apply; conditions under which extended benefits may be paid by states and the District would be liberalized. Full reimbursement for the payments by federal government would result in savings to D.C.'s unemployment insurance benefits fund.

Action by City Council:

Measure was first adopted as an emergency resolution in January, 1975. Act 1-3—to amend the District of Columbia Unemployment Compensation Act—was adopted by the Council on second reading with a 12-0 vote (one member absent).

Congressional/public interest expressed: None.

Impact on federal interest in the District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.
From: Robert Harris, Staff Director, D.C. Committee; Colbert King, Minority Staff Director.
Subject: City Council Act 1-5: To clarify statutory definition of "condominium project" in D.C.

Submitted to Congress: March 31, 1975.

Effect of legislation.

Legislation would broaden definition of "condominium project" to eliminate confusion as to its meaning and to conform with definition used in 1964 Housing Act. It would permit development of condominiums in the District consisting of five or more apartments, rooms, office spaces, buildings and other units, which may be either contiguous or detached, in existing or proposed buildings or structures offered or proposed to be offered for sale. It would not allow for conversion of multi-family units prior to expiration of existing law on condominium conversions.

Since existing law provides only for moratorium on conversion of rental unit properties, there would be no fiscal effect.

Action by City Council:

Measure supported by D.C. Housing and Community Development Office. There were no other public comments received by the Council and no one asked to testify. Legislation was adopted on second reading by an 11-0 vote, with two members absent.

Congressional/public interest expressed: None.

Impact on federal interest in the District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.

From: Robert Harris, Staff Director, D.C. Committee; Colbert King, Minority Staff Director.

Subject: City Council Act 1-6: To authorize the Mayor to lease or grant revocable permits for development of the abandoned trolley car tunnels under Dupont Circle.

Submitted to Congress: March 31, 1975.

Effect of legislation:

Would authorize the Mayor to lease or grant permits for use of public space under Dupont Circle as commercial and entertainment mall areas and to set rents or fees for that use. Project is intended as bicentennial effort. Legislation would require no expenditure of District funds while generating revenue, increasing the city's tax base.

Action by City Council:

No public comments were received by the Council; no one asked to testify. Legislation was adopted on second reading by a vote of 10-0, with two members absent and one member present but not voting.

Congressional/public interest expressed: None.

Impact on federal interest in the District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.

From: Robert Harris, Staff Director, D.C. Committee; Colbert King, Minority Staff Director.

Subject: City Council Act 1-7: To repeal Mayor's authority to withhold rent payments from public assistance checks.

Submitted to Congress: April 2, 1975.

Effect of legislation:

Legislation would repeal D.C. Public Assistance Act provisions authorizing Mayor to pay shelter allowances directly to landlords when welfare recipients fail, without legal basis, to make rental payments within 10 days of due date. It would return to the judicial system its role as arbiter of rental agreements between tenants who are public assistance recipients and their landlords, and, to the Department of Human Resources, its responsibility for administering D.C. public assistance programs. (There are more than 34,000 public assistance cases in D.C., the great majority of them involving use of rental dwelling units.)

Passage of measure has no fiscal implications for D.C.

Action by City Council:

Neighborhood Legal Services staff was asked for comment, and recommended legislation's enactment. Legislation was adopted on second reading by a 12-0 vote, with one member absent.

Congressional/public interest expressed: None.

Impact on federal interest in District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.

From: Robert Harris, Staff Director, D.C. Committee; Colbert King, Minority Staff Director.

Subject: City Council Act 1-9: To eliminate limit on appropriations for District's rent control program.

Submitted to Congress: April 29, 1975.

Effect of legislation:

Would permit appropriation of additional funds for operation of Rent Commission and administration of rent control program. Original appropriation limit of $85,000 already has been exhausted; maintenance of services dependent upon further funding.

Action by City Council:

Rent control program's need of funds cited at rent control hearings in January, 1975, and at more recent supplemental budget hearings. Legislation adopted on second reading by vote of 13-0.

Congressional/public interest expressed: None.

Impact on federal interest in the District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.

From: Robert Harris, Staff Director, District Committee; Colbert King, Minority Staff Director.

Subject: City Council Act 1-10: To regulate security deposits on rentals.

Submitted to Congress: April 29, 1975.

Effect of Legislation:

Legislation would require: deposit of all security deposits by landlord in separate, interest-bearing accounts held in trust for that purpose; payment to tenant, upon termination of rental, interest on his deposit at rate no less than 5%; limit on amount of security deposit to equivalent of one month's rent; annual filing by landlords of reports on status and location of deposits held; penalties for non-compliance. Further provisions would regulate issuing of receipts, itemizing of repairs made with deposit funds and refund of excess, other procedural matters.

Legislation would have little or no financial impact, although possibly some administrative costs may be required.

Action by City Council:

Concern over inadequacy of regulations protecting tenants' interests regarding security deposits was voiced by several witnesses in two sets of rent control hearings in January, 1974, and at least one member of the Advisory Panel on Rent Control in the District. Previous Council deferred action to new Council, which adopted legislation on second reading by a 13-0 vote.

Congressional/public interest expressed:

Correspondence was received from a tenant group representative and one landlord. Both supported the legislation. Landlord also expressed concern about accounting and administrative costs of compliance; problem of damage exceeding amount of deposit or of tenant relocating prior to payment of his last month's rent, requiring use of deposit to defray that loss at least in part.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.

From: Robert Harris, Staff Director, D.C. Committee; Colbert King, Minority Staff Director.

Subject: City Council Act 1-11: To identify organ donors by notation on drivers' licenses and ID cards issued by D.C. Department of Motor Vehicles.

Submitted to Congress: April 29, 1975.

Effect of legislation:

Would authorize Department of Motor Vehicles to establish an organ donor identification program under which a person would: sign an anatomical gifts card signifying willingness to donate body organs for research/transplant; have words "organ donor" printed on driver's license or ID card. The notation would not constitute legal authority permitting removal of organs, but simply alert doctor that gift card has been signed. Legislation is aimed primarily at increasing number of kidneys available for transplant in D.C.

No costs are expected. Kidney Foundation has volunteered to supply gift cards and information packets; additional printing by Department of Motor Vehicles costs nothing.

Action by City Council:

Hearings were held in October, 1974. Cited were several highly successful, similar programs in 15 states, including Maryland and Virginia. D.C.'s comparatively high rate of kidney failure and low number of organs available for transplant also were noted.

Legislation was adopted by the Council on second reading with a 13-0 vote.

Congressional/public interest expressed:

Active support from the Kidney Foundation, as noted above.

Impact on federal interest in District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.

From: Robert Harris, Staff Director, District Committee; Colbert King, Minority Staff Director.

Subject: City Council Act 1-15: To extend moratorium on conversion of rental unit properties in the District of Columbia into horizontal property regimes (condominiums).

Submitted to Congress: June 2, 1975.

Effect of legislation:

Legislation would extend through December 31, 1975, the existing moratorium imposed on conversion of rental units to condominiums in the District. Extension would permit the City Council sufficient time to study and hold hearings on new condominium legislation to be proposed by the Mayor on or before July 1 of this year. (Original moratorium was imposed in measure setting forth various regulations and standards for horizontal property regimes, which passed in October of 1974 and was effective through May 31, 1975. It prohibited the D.C. government's acceptance of applications for conversion of residential units into condominiums; voided previously served notices to quit; permitted appeals for exemption by owners.)

Action by City Council:

The City Council passed Act 1-15 on second reading by a vote of 13-0. No hearings had been held.

Congressional/public interest expressed: None.

Impact on federal interest in the District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.

From: Robert Harris, Staff Director, District Committee; Colbert King, Minority Staff Director.

Subject: City Council Act 1-14: To permit continued use of dry ice as refrigerating agent by vendors of ice cream and related products who sell from trucks and stands.

Submitted to Congress: May 15, 1975.

Effect of legislation:

Legislation would waive—for truck and stand vendors of prepackaged frozen novelties—regulation passed in December, 1974, to require their use of certain equipment to refrigerate such products. Vendors have successfully and safely used dry ice for that purpose for some years; the substance keeps frozen items at temperature well below 45° level prescribed by health regulations and, according to EPA, creates no adverse health effects. Installation of freezing systems required by the 1974 regulation—costing in excess of $2,000, according to Council findings—would place an unnecessary as well as unmanageable financial burden on small vendors, forcing many out of business and thus depriving D.C. residents and tourists of their services.

Action by City Council:

As noted above, Council was assured by EPA that legislation is in conformance with the agency's health standards and that dry ice is an acceptable substitute for mechanical refrigeration.

The measure was adopted on emergency basis February 25, 1975. Introduced again for consideration as a permanent act, it was adopted by the Council on second reading with a 12–0 vote, one member absent.

Congressional/public interest expressed: None.

Impact on federal interest in the District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.

From: Robert Harris, Staff Director, District Committee; Colbert King, Minority Staff Director.

Subject: City Council Act 1–16: To make January 15—the birthday of Dr. Martin Luther King—an official, legal business holiday in the District of Columbia.

Submitted to Congress: June 9, 1975.

Effect of legislation:

Legislation would declare the birthday of Dr. King an official holiday in D.C., to be celebrated on his actual birth date—January 15—rather than as a Monday holiday. The District's Office of Budget and Management Systems estimates cost to the city of $360,000 in overtime and premium wages for its employees and approximately $2.5-million in loss of production.

There is currently no holiday in the District of Columbia to commemorate the achievements of a black citizen.

Action by City Council:

After obtaining assurances from its general counsel re. its statutory authority to enact such a measure, the City Council passed Act 1–16 on second reading by a 10–0 vote, with three members absent.

Congressional/public interest expressed: House Black Caucus members introduced H.R. 1810—to make Dr. King's birthday a federal holiday—earlier in this session; committee with jurisdiction feels it unlikely that the bill will pass this year. City Council notes that Congressional staff members have expressed support for the D.C. measure in hopes that its passage might encourage similar federal action.

Impact on federal interest in District: None.

To: Senators Eagleton, Inouye, Stevenson, Glenn, Mathias, Bartlett and Garn.

From: Robert Harris, Staff Director, District Committee; Colbert King, Minority Staff Director.

Subject: City Council Act 1–18: To extend effective dates of the D.C. Public Postsecondary Reorganization Act, which authorizes creation of a public land grant university through consolidation of existing public postsecondary institutions in the District.

Submitted to Congress: June 17, 1975.

Effect of legislation:

Legislation would delay until October 31, 1975, the effective date of PL 93–471—enacted by Congress to consolidate D.C.'s public postsecondary schools into a single university—and extend for 90 days all other dates included in that measure. Congress passed PL 93–471 in October, 1974, with an effective date of July 1, 1975; in response to concern whether such action was appropriate on the eve of home rule, Congress also provided that, if the new City Council chose to repeal or amend the legislation, its provisions as amended or modified should take effect on that date. The Council now feels additional time is required for further study and reworking of the bill, as well as to allow for the 30-day Congressional review period.

Legislation also amends language in the measure's statement of purpose to express the intent of the City Council rather than the intent of Congress, and specifies courses of study which the new university should offer the "widest possible number of citizens and residents" of the District.

Action by City Council:

Hearings were held March 7–8, 1975, with witnesses equally divided between support and opposition for extending the effective date. City Council passed Act 1–18 on second reading May 27 by a vote of 11–0 (two members absent).

Congressional/public interest expressed: None.

Impact on federal interest in District: None.

BUSINESS AND THE NEW CLASS

Mr. BROCK. Mr. President, Irving Kristol, the Henry Luce Professor of Urban Affairs at New York University, and coeditor of the quarterly the Public Interest, has written a thought provoking article entitled "Business and the New Class." Truly, dangers exits to the business world and free enterprise as we know it today, and have prospered under for years. With this in mind, I ask unanimous consent that Mr. Kristol's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Business and "The New Class"

(By Irving Kristol)

Everyone wants to be loved, and it always comes as a shock to discover that there are people who dislike you for what you really are rather than for what they mistakenly think you are. Indeed, most of us desperately resist such a conclusion. We keep insisting, to ourselves and others that those people out there who are saying nasty things about us are merely ill-informed, or misguided, or have been seduced by mischievous propaganda on the part of a handful of irredeemably perverse spirits. And we remain confident, in our heart of hearts, that if they only understood us better, they would certainly dislike us less.

In this respect businessmen are as human—and are as capable of self-deception—as anyone else. On any single day, all over the country, there are gatherings of corporate executives in which bewilderment and vexation is expressed at the climate of hostility toward business to be found in Washington, or in the media, or in academia—or even, incredibly, among their own children. And, quickly enough, the idea is born that something ought to be done to create a better understanding (and, of course, appreciation) of "the free enterprise system." A television series on economics and business for the high schools? Space advertising in the print media? Face-to-face encounters between businessman and college students? Long and serious luncheons with the editors of major newspapers and newsmagazines? In the end, many of these ideas come to fruition, at substantial costs in money and time—but with depressingly small effect.

Now, I do not wish to seem to be underestimating the degree of ignorance about business and economics which does in fact exist in the United States today. It is indeed amazing that, in a society in which business plays so crucial a role, so many people come to understand so little about it—and, at the same time, to know so much about it which isn't so. We have, for instance, managed to produce a generation of young people which, for all the education lavished on it, knows less about the world of work—even the world of their fathers' work—than any previous generation in American history. They fantasize easily, disregard common observation, appear to be radically deficient in that faculty we call common sense.

A PREFERENCE FOR FANTASY

Nor, it must be said, are their teachers in a much better condition. The average college professor of history, sociology, literature, political science, sometimes even economics, is just as inclined to prefer fantasy over reality. On every college campus one can hear it said casually by faculty members that the drug companies are busy suppressing cures for cancer or arthritis or whatever; or that multinational corporations "really" make or unmake American foreign policy; or that "big business" actually welcomes a depression because it creates a "reserve army of the unemployed" from which it can recruit more docile workers.

So there is certainly room for all kinds of educational endeavors on the part of the business community, and I do not wish to be interpreted as in any way discouraging them. The fact that they seem so relatively ineffectual is not necessarily an argument against them. Education is at best a slow and tedious process, and that kind of education which tries to counteract a massive, original miseducation is even slower and more tedious. Too many businessmen confuse education with advertising, and almost unconsciously impose the short time-horizon of the latter on the former. The unit of time appropriate to the process of education is not a year but a generation.

Having said this, however, I should like to pursue the truly interesting question of why so many intelligent people manage to entertain so many absurd ideas about economics in general and business in particular. In truth, one can properly put that question in a much stronger form: Why do so many intelligent people seem determined to hold those ideas and to resist any correction of them? Such determination there must be, because mere error and ignorance are not of themselves so obdurate. When they are, it is usually because they also are an integral part of an ideology which serves some deeper passion or interest.

And the more attentively one studies the problem, the clearer it becomes that what is commonly called a "bias" or an "animus" against business is really a by-product of a larger purposiveness. There are people "out there" who find it convenient to believe the worst about business because they have certain adverse intentions toward the business community to begin with. They dislike business for what it is, not for what they mistakenly think it is. These people constitute what one may simply call, for lack of a better name, "the new class."

This "new class' is not easily defined but may be vaguely described. It consists of a goodly proportion of those college-educated people whose skills and vocations proliferate in a "post-industrial society" (to use Daniel Bell's convenient term). We are talking about scientists, teachers and educational administrators, journalists and others in the communications industries, psychologists, social workers, those lawyers and doctors who make their careers in the expanding public sector, city planners, the staffs of the larger foundations, the upper levels of the government bureaucracy, etc., etc. It is, by now, a quite numerous class; it is an indispensable class for our kind of society; it is a disproportionately powerful class; it is also an ambitious and frustrated class.

Kevin Phillips calls this class "the mediacracy," in his new book of that title.

Though the book has many shrewd observations, the term he chooses seems to me to be unfortunate. It helps prolong what might be called the "Agnew illusion"—i.e., that much of our troubles derive from the fact that a small and self-selected group, whose opinions are unrepresentative of the American people, have usurped control of our media and use their strategic positions to launch an assault on our traditions and institutions. Such a populist perspective is misleading and ultimately self-defeating. Members of the new class do not "control" the media, they are the media—just as they are our educational system, our public health and welfare systems, and much else. Even if the president of CBS or the publisher of *Time* were to decide tomorrow that George Wallace would be the ideal President, it would have practically no effect on what is broadcast or published. These executives have as much control over "their" bureaucracies as the Secretary of HEW has over his, or as the average college president has over his faculty.

What does this "new class" want and why should it be so hostile to the business community? Well, one should understand that the members of this class are "idealistic," in the 1960s sense of that term—i.e., they are not much interested in money, but are keenly interested in power. Power for what? Well, the power to shape our civilization—a power which, in a capitalist system, is supposed to reside in the free market. The "new class" wants to see much of this power redistributed to government, where they will then have a major say in how it is exercised.

From the very beginnings of capitalism, there has always existed a small group of men and women who disapproved of the pervasive influence of the free market on the civilization in which we live. One used to call this group "the intellectuals," and they are the ancestors of our own "new class," very few of whom are intellectuals but all of whom inherit the attitudes toward capitalism that have flourished among intellectuals for more than a century-and-a-half. This attitude may accurately be called "elitist"—though people who are convinced they incarnate "the public interest," as distinct from all the private interests of a free society, are not likely to think of themselves in such a way. It is basically suspicious of, and hostile to, the market precisely because the market is so vulgarly democratic—one dollar, one vote. A civilization shaped by market transactions is a civilization responsive to the common appetites, preferences, and aspirations of common people. The "new class"—intelligent, educated, energetic—has little respect for such a commonplace civilization. It wishes to see its "ideals" more effectual than the market is likely to permit them to be. And so it tries always to supersede economics by politics—an activity in which it is most competent, since it has the talents and the implicit authority to shape public opinion on all larger issues.

ITS OWN GRAVEDIGGER?

So there is a sense in which capitalism may yet turn out to be its own gravedigger, since it is capitalism that creates this "new class"—through economic growth, affluence, mass higher education, the proliferation of new technologies of communication, and in a hundred other ways. Moreover, it must be said that the "idealism" of this "new class," though in all respects self-serving, is not for that reason insincere. It really is true that a civilization shaped predominantly by a free market—by the preferences and appetites of ordinary men and women—has a "quality of life" that is likely to be regarded as less than wholly admirable by the better-educated classes. To be sure, these classes could try to improve things by elevating and refining the preferences of all those ordinary people: That, supposedly, is the liberal and democratic way. But it is so much easier to mobilize the active layers of public opinion behind such issues as environmentalism, ecology, consumer protection, and economic planning, to give the governmental bureaucracy the power to regulate and coerce, and eventually to "politicize" the economic decision-making process. And this is, of course, exactly what has been happening.

There can be little doubt that if these new imperialistic impulses on the part of "the public sector" (i.e., the political sector) are unrestrained, we shall move toward some version of state capitalism in which the citizen's individual liberty would be rendered ever more insecure. But it is important not to have any illusions about how much can be done to cope with this situation. The "new class" is here, it is firmly established in its own societal sectors, and it is not going to go away. It is idle, therefore, to talk about returning to a "free enterprise" system in which government will play the modest role it used to. The idea of such a counter-reformation is utopian. Ronald Reagan was a two-term governor of California, and whatever his accomplishments, the restoration of "free enterprise" was not one of them. Were he to become a two-term President, he (and we) would find that, after the ideological smoke had cleared, not all that much had changed.

NOT HOPELESS BUT . . .

Not that the situation is hopeless—it's just that one has to recognize the limited range of the possible. It is possible, I think, at least to preserve a substantial and vigorous private sector—not only a business sector, but also a non-governmental not-for-profit sector—in the United States. This can happen, not because of the self-evident virtues of business, but because of the profound appeal of individual liberty to all Americans, and because of the equally profound distrust of big government by all Americans. In this appeal and this distrust even members of the "new class" share, to one degree or another. It is our good fortune that they are not doctrinaire socialists, as in Britain, even if they sometimes look and sound like it. They have long wanted their "place in the sun," they are in the process of seizing and consolidating it—and now they have to be assimilated into the system (even as the system will have to change to assimilate them). It will be a slow and painful business, but need not end in calamity.

A good part of this process of assimilation will be the education of this "new class" in the actualities of business and economics—not their conversion to "free enterprise"—so that they can exercise their power responsibly. It will be an immense educational task, in which the business community certainly can play an important role. But before it can play this role, business has first to understand the new sociological and political reality within which it is now operating. That, too, is an educational task of no small proportions.

THE IMPORTANCE OF THE SMALL BUSINESSMAN TO A COMPETITIVE ECONOMY

Mr. BENTSEN. Mr. President, last week the Senate Financial Markets Subcommittee, which I chair, and the Senate Small Business Committee, chaired by Senator NELSON, held the first of a series of joint hearings on the tax and financial problems facing America's small businesses, including family farms and ranches. We heard from businessmen from across the country—California, Wisconsin, New York, and New England, as well as my own State of Texas.

It is the small businessman who forms the economic backbone of our Nation.

It is the small businessman who provides jobs for about one-half of our private work force.

The survival of small businesses across our Nation is indispensable if we are to maintain healthy competition in our economy.

Yet last week's hearings demonstrated that our Nation's small businessmen are facing some serious problems.

From 1948 to 1972 the number of self-employed businessmen in this country has shrunk from 10.7 million to 7.1 million, even though the total work force was climbing from 60 million to 86 million.

In 1960, small- and medium-sized manufacturing corporations held 50 percent of this country's manufacturing assets and earned 41 percent of the profits, but in 1972 this had declined to 30 percent of the assets and only 28 percent of the profits.

Part of the reason for the decline in the number of small businesses is the competitive tax advantage enjoyed by the giant corporations. A 1974 congressional study of 143 large corporations found an average tax rate of 23.6 percent, compared to a tax level for all corporations of about 33.4 percent.

As a result of these hearings, we must carefully review our tax laws to find ways to provide fairer tax treatment for smaller firms which would have the effect of helping these enterprises achieve greater cash flow for expansion and modernization.

Americans too often forget the indispensable role of small busines in promoting healthy competition in our economy, creating jobs for a growing work force and developing innovative ideas and products. Small business in many ways, is the essence of our country's promise.

It has traditionally been relatively easy for an American to go into business for himself, to become his own boss.

This has not only been good for the millions of individual Americans who have set up their own businesses, but it has been good for our economy and the country at large. This great diversity of ownership has spurred competition, helping keep prices down, helping assure a wide variety of goods and services and helping bring strength and resilience to our free enterprise system.

In recent years, though, it has become more and more difficult for Americans to go into business for themselves, and for those already operating small businesses to keep their doors open or to resist urgings to sell out to the giant concerns.

In recent years it has become particularly difficult for small businesses to raise the capital needed to expand or modernize or simply get off the ground.

We may never know how many potential "Xeroxes" or "Polaroids" have failed to get started over the past few years for a lack of start-up capital.

We may never know how many jobs were never created, how much economic growth was never realized.

I learned firsthand how difficult it is for a smaller firm to grow. I worked for 16 years to found and build my own company. It was tough when I was doing it—in the 1950's and 1960's—and the problems of capital formation are even tougher in the 1970's.

The current economic climate and the difficulties it imposes on Americans seeking to open their own businesses, work to the detriment of each of us.

It deprives us of the benefits of new and better ideas. It stifles competition. It denies employment to millions of Americans who would have been employed by small business. In short, it makes it increasingly difficult to spur the economic growth needed to end this recession and restore economic health.

The initiative of smaller inventors and smaller enterprises led to the development of the photocopying industry, of insulin, of cellophane, of air-conditioning, the cyclotron and many other products and processes too numerous to list.

We cannot afford to stifle this progress.

I would now like to relate briefly to my colleagues in the Senate three subjects which received considerable attention at last week's hearings—the tax treatment of smaller enterprises, the mounting Government paperwork burden, and the scarcity of venture capital.

As things now stand, tax laws are so complex that often only large corporations with specially trained lawyers and accountants can take advantage of them. Smaller firms are unable to afford expensive outside assistance which would allow them to use the accelerated depreciation provisions, ADR, and sophisticated leasing arrangements available under our tax laws.

As a consequence smaller firms on the average pay a higher effective tax rate than larger corporations.

To finance expansion, businesses tend to use their own funds before they borrow from outsiders. A small business is not able to borrow as easily as a large, well-known corporation. Thus it is important for the smaller firm to be able to build up cash reserves. If we can allow for a greater accumulation of liquid assets by small business by providing fairer tax laws, we would be building in a cushion to insure that the small business will be able to survive severe economic fluctuations.

Equitable tax treatment for small business would increase the ability of smaller firms to reinvest their earnings for expansion and modernization so that these businesses can achieve greater productivity and retain top personnel. This will also result in making investments in smaller firms more attractive to outside investors.

The small enterprise is a National asset and must be treated as such—not be creating tax loopholes but rather by providing tax equity so that he can compete fairly. I will be working toward that goal as Congress begins action on comprehensive tax reform.

Now let us look briefly at the Government paperwork burden.

In terms of dollars and cents, or of frustration and irritation, the endless tangle of paperwork imposed by Government has become unbearable.

With well over 5,000 forms in use in the Federal Government, excluding all tax and banking forms, the private citizen is inundated with requests for information.

Some have referred to the endless series of forms and documents as "strangulation in triplicate." Others have referred to this as Federal forms pollution.

The Federal bureaucracy generates more than 2 billion pieces of paper annually. That is probably enough to fill several baseball stadiums.

There are 10 forms to be filled out each year for every man, woman and child in the United States.

It is estimated that small business spends well in excess of $18 billion annually on Government paperwork.

It is particularly difficult for small firms to absorb the cost of paperwork. Small businessmen must employ outside accountants and lawyers to fill out complex forms and maintain the extra recordkeeping involved. Professional assistance, of course, is expensive. Having few employees, the small firms find it more difficult to spread the cost. A rise in per unit cost to cover paperwork can result in loss of sales and loss of competitive standing for small enterprises.

Small businesses, especially the mom and pop type stores, must fill out numerous reports, as many as 52 tax forms in a single year. This is not an example of Government which is concerned and responsive to the needs of its people. It is not a Government which is protecting free enterprise. It is instead a Government which favors only those large concerns that can satisfy repetitious requests for data, statistics and information.

We have to cut this tangle of redtape. We have to hold back the growing number of Government forms. In an effort to do this, I introduced legislation last year establishing a Commission on Federal Paperwork.

The 14-member group would have 2 years to study the confusion of Government paperwork. At the end of this time, it would report to Congress and the President specific proposals to eliminate excessive and repetitive forms.

This legislation was approved by Congress and enacted into law by the President. Just last week the President appointed the members of the Commission. Hopefully, this Commission will soon begin plans to streamline our entire paperwork procedure. And this should bring relief to almost every American.

Now let us look briefly at the current scarcity of investment capital for smaller sized businesses with major growth potential. This capital is sometimes referred to as venture capital.

Economic growth in our Nation depends upon the availability of a sufficient supply of venture capital for the risk takers and entrepreneurs who have the initiative to start new businesses and to develop imaginative new ideas.

Let us look at some example of the importance of venture capital to our entire economy.

Venture capital was essential to the creation of transistors. It is the transistor which made possible the large central computer industry and the military instrumentation industry.

The development of the minicomputer industry depended on the availability of venture capital. The minicomputer industry not only provides substantial jobs and tax revenues but has also been a major factor in improving the productivity of industry.

Everyone is familiar with pocket calculators. Pocket calculators are solely the product of American technology and venture capital.

A venture capital enterprise funded by risk investments developed the know-how for miniaturized semiconductors called MOS's. With this know-how and technology, an entire new industry was created and America still leads the world in the field. The total initial risk capital investment was relatively small, especially when compared to recent total industry sales.

Indeed, venture capital has had an important impact on any number of high-growth industries—semiconductors, minicomputers, all kinds of other computer-related products, hand-held calculators, automatic editing typewriters, CTAV, hi-fis, new medical instruments and a wide variety of others.

Even frozen orange juice was developed through venture capital. A great many jobs have been brought back to the United States from Japan through the development of the small chips that are used now in hand-held calculators, and this type of advance is now being applied to electronic watches. These were developments by small companies that were not subject to the restrictions of a large company environment and that could attract the bright young scientist, production manager and marketing people to move the product into the marketplace. And it was also the result of venture capitalists who were willing to risk their capital to build new companies to better serve the public.

Thus, it is pretty basic that we cannot maintain a healthy, competitive and growing economy unless there is enough capital available for the risk-takers and entrepreneurs who want to develop their ideas into businesses.

That capital—venture capital—is in very short supply these days and Congress must focus on the scarcity of venture capital as it develops national economic policy.

Our Nation's small businessmen have been facing a particularly difficult time during these periods of recession, double digit inflation and energy shortages.

Their costs have gone up. Demand for their products and services has generally declined. As a consequence, many smaller firms are faced with a serious profit squeeze.

In turn, those small enterprises that want to modernize and expand have been finding it very difficult to raise capital. The interest rates smaller firms must pay are often excessive.

Yet the success of the small businessman is very important to the entire economy. They employ about half of the private work force in our Nation.

What we have to do is to try to find ways to cut Government redtape and paperwork which is burdening the small businessman. We must provide tax equity for small enterprises.

What we are talking about is a return to the climate of economic opportunity that has promoted broad-based growth in America since our beginning. Economic growth that is stable and vibrant. Economic growth that is not inflationary.

Economic growth that will keep prices down as it works to put 8½ million unemployed Americans back to work.

The small business hearings that Senator NELSON and I chaired last week will help us develop sound proposals to achieve these goals.

PRESIDENT FORD'S MESSAGE ON CRIME

Mr. FANNIN. Mr. President, President Ford should be congratulated for his timely, hardhitting special message on crime. The recommendations he has made to Congress merit serious examination and support and I hope will be acted upon with a proper sense of urgency.

Crime statistics are causing fear among the people and concern among crime experts and law enforcement officials. According to the FBI, the rate of serious crime was 17 percent higher last year than in the previous year; 1974 saw the biggest annual jump in crime in the 44 years that the Bureau has been collecting such statistics.

The crime situation in Arizona was even worse. Phoenix reported 25 percent more major crimes, including murder, rape, robbery, larceny, and other crimes of violence, committed within the city in that same period. Tucson reported a 12-month increase of over 35 percent. Of course these figures, while dramatic especially when compared with the national average of 17 percent, can be misleading and do not tell the whole story. Still, they demonstrate the gravity of our crime problem.

And these grim figures reflect only the reported crimes. The Law Enforcement Assistance Administration indicates that the actual level of crime in this country is much greater than that reported. Worst of all, the number of crimes involving physical violence or threats of violence, particularly crimes against strangers, has increased dramatically.

These statistics are startling, indeed, especially in light of the billions of dollars that have been spent on law enforcement programs and the combined Federal, State, and local police efforts during the past decade. When one considers the additional political and social costs, it is obvious that there must be an immediate, positive response from the Congress. As the President stated:

> With the firm support of the American people, all levels of government—Federal, State and local—must commit themselves to the goal of reducing crime.

In his message the President has provided us with a broad, comprehensive program for combatting crime which, I think, places proper emphasis upon society's innocent victims of crime. I quote President Ford:

> For too long, law has centered its attention more on the rights of the criminal defendant than on the victim of crime. It is time for law to concern itself more with the rights of the people it exists to protect. . . . The emphasis in our efforts must be providing protection for the victims of crime.

Recognizing that the Federal Government constitutionally must play a limited role in the fight against crime, President Ford has recommended to the Congress several important programs for providing leadership and assistance to state and local governments in this national effort which have as their common goal the protection of innocent victims.

The most significant recommendation made by the President—one which he called a "legislative priority in the Federal effort against crime"—was the enactment of a Federal criminal code which will revise and reform the Federal criminal laws, improve the quality of criminal justice and serve as a model for other jurisdictions to follow in updating their own criminal laws.

A modern codification of our criminal laws is long overdue, in my opinion. We need an updated code revising certain areas of the Federal criminal law so as to provide greater certainty, uniformity and fairness in the law. We must improve the laws so as to strengthen sentencing provisions and ensure the deterrence factor. For instance, maximum fines should be increased for individuals and organizations convicted of crimes.

Of the President's proposals for code reform, the most important was the imposition of reasonable mandatory sentences on persons who commit offenses using a dangerous weapon, commit very serious crimes or are repeat offenders who commit offenses that can cause personal injury. Unfortunately there are too many criminals who are convicted of serious and violent crimes but somehow escape spending time in jail. These criminals instill fear among the populace and are threats to domestic tranquility, to the public safety and welfare. The only certain way to protect potential victims from such dangerous persons is to separate those criminals from society.

I am especially concerned that those who deal in drugs—an extremely serious offense—receive mandatory sentences. Approximately 20 percent of all the criminal cases commenced in 1974 in our Nation's Federal court system were drug-related. By contrast, in Arizona drug cases accounted for over half of the Federal criminal prosecutions. Those found guilty of trafficking in hard drugs must be sent to prison. They constitute a very serious threat to society, especially to youth. Young people are the prime targets for pushers. They are the innocent victims of crime who, through drugs, can become themselves the perpetrators of crime.

Two additional reforms recommended by the President are certainly needed. I hope that a revised criminal code will make it a Federal crime to operate or control a racketeering syndicate. We must be able to reach the leaders of organized crime who try to conceal their role in syndicate enterprises. In addition we should extend Federal jurisdiction over consumer fraud schemes to permit nationwide prosecution of confidence racketeers. Certain land fraud activities such as those which have operated across State lines to afflict innocent, good faith purchasers of land in Florida and Arizona should be considered.

In addition to reform of the Federal criminal code, the President made several other important recommendations for improving our criminal justice system. I wish to mention a few of these proposals which I know to be of major interest and importance to law enforcement in Arizona.

First, the President called for the establishment of programs dealing with professional or "career criminals," to assure the quick identification of those persons who repeatedly commit serious offenses, as well as priority to their prosecution and sentencing. A few habitual criminals victimize many law-abiding citizens, all innocent victims, in Phoenix and elsewhere. The Law Enforcement Assistance Administration's model programs in this area need to be expanded.

Second, the President spoke of the need for pretrial diversion programs to help reduce Federal court caseloads. We must have ways to permit expeditious handling of first offenders who can be rehabilitated and returned to more productive lives. Those who deserve to go to prison should be prosecuted and incarcerated as speedily as possible, but those who do not need imprisonment and deserve rehabilitation should also be taken care of quickly and with minimal cost to the criminal justice systems.

Third, the President recommended the creation of additional Federal district court judgeships. The Judicial Conference of the United States 3 years ago recommended 51 additional Federal judgeships in 33 judicial districts. Legislation was introduced and reintroduced to accomplish this. Hearings have been held in the Senate Judiciary Committee. Yet because of various delays, inertia and politics, the Senate still has not taken action. Surely the urgency of the present situation in our Federal courts and the obvious need to alleviate conditions and improve the operation of the entire court system outweigh narrow partisan considerations.

I cannot overemphasize the importance of this legislation to my home State. We desperately need an additional Federal district judge in Arizona. The tremendous increase in court activity and in the number of cases litigated in the ninth circuit in recent years has placed an unreasonable burden on the criminal justice system in Arizona. Last year the Federal district courts in Arizona handled 431 trials lasting 639 days. As of May 30 of this year, through 5 months only, the district court trials numbered 220 lasting 347 days. Last year the total number of petitions was 6,027—1,098 civil 1,347 criminal, and 3,582 bankruptcy—filed by 1,869 defendants. In the first 6 months of 1974 there were 579 civil, 723 criminal, and 1,641 bankruptcy filings.

It is estimated that as of June 30, 1975, there will be 583 civil, 757 criminal, and 2,182 bankruptcy filings. What a tremendous caseload for the State's district judges—five very able, hardworking men.

As President Ford observed, "Justice delayed is too often justice denied." I sincerely hope that a bill, even an imperfect bill, which provides Arizona with a new Federal judgeship will soon be reported by the Judiciary Committee, and I strongly urge my colleagues to support such legislation. The people of Arizona have waited much too long for this reform in our criminal justice system.

Fourth, the President suggested some improvements in our prison system. The program begun by the Bureau of Prisons to replace large, overcrowded, and decrepit correctional institutions with small, more modern facilities should be expanded and followed on State and local levels.

The U.S. attorney for the district of Arizona, William Smitherman, has brought to my attention the special problem created by the Florence prison in connection with the Federal pretrial detention program.

There is a lack of capacity at Florence to house Federal prisoners pending trial. Prisoners must be bused back and forth daily from Florence to Phoenix or Tucson—a distance of 60 miles—where the prisoners can receive psychiatric attention, see their attorney, and utilize other services. The Maricopa and Pima County jails have become so overcrowded that the sheriff's department has had to turn away the Federal prisoners at times. Such overcrowding has resulted in lawsuits to force the county authorities to alleviate conditions which some allege violate the prisoners' constitutional rights. Federal marshals must be diverted from other duties to see that prisoners are transported to other facilities. Costs to the State and the counties for maintaining this detention program have been mounting.

If the Federal Government is going to continue this program at Florence, the LEAA must provide funds to assist the Maricopa and Pima County officials. The better solution, it seems to me, would be for the Bureau of Prisons to build one or two pretrial detention facilities in Phoenix and Tucson.

Finally, the President urged the Congress to pass legislation to provide compensation for losses incurred by the victims of Federal crimes. I would support such a legislative remedy because restitution is needed for those innocent victims who have suffered personal injury as a result of Federal criminal acts.

I am in complete agreement with the President that the Federal Government must vigorously enforce criminal laws within the Federal jurisdiction that cannot be adequately controlled at the State or local level. In this regard, it is my intention to propose legislation to provide punishment for criminal acts committed by Indians on Federal lands in Arizona and elsewhere.

I share the concerns voiced by the President, the U.S. Chamber of Commerce and others over the alarming increase in white collar crime. In my opinion, the Federal Government must take steps to see that white collar crime, which costs consumers and businesses billions annually, is more effectively controlled.

I also support the concept of the Federal Government providing reasonable financial and technical assistance to state and local governments and law enforcement agencies. Specific grants from the Law Enforcement Assistance Administration have enabled local authorities in Arizona to undertake and improve police training programs, such as the LEEP, police assistants and various juvenile justice programs, and to upgrade police equipments. According to officials in my State, despite problems with accountability and controls, LEAA supported programs have been effective in reducing crime and making Arizona cities and counties safer places to live and conduct business.

In his message, the President also discussed the difficult problem of illegal firearms. I shall reserve comment on his suggestions until I have an opportunity to study specific legislative proposals. But I certainly do agree with his statement that—

> The most effective way to combat the illicit use of handguns by criminals is to provide mandatory prison sentences for anyone who uses a gun in the commission of a crime.

Like the President, I remain "unalterably opposed to Federal registration of guns or the licensing of gun owners," and I oppose any effort in the Congress or elsewhere to impose such requirements as a matter of law or policy. I would not want the Federal Government, in its enthusiasm for stopping the illegal use of "Saturday night specials" or other handguns, to infringe upon the constitutional rights of law-abiding citizens.

As I stated earlier, the President is to be commended for his strong message and comprehensive program for combatting crime. The war we are waging against all forms of crime—street crime, white collar crime, organized crime, and violent crimes—can be won if a coordinated, intelligent approach against criminal offenders is taken at all levels of government. Of course, the Federal Government cannot eliminate all criminal activity by itself, but it can provide the example, the direction and the necessary financial and technical support for State and local governments, which receive the brunt of the crime problem and have the principal responsibility for law enforcement. The President has taken the leadership in this national undertaking. Mr. President, it is now up to the Congress to enact the President's program with deliberate speed. If the law is to concern itself more with the rights of the people it exists to protect, then we, as the people's representatives, must do all we can to protect society's innocent victims of crime.

SOME RECOMMENDATIONS FROM THE NEW DIRECTOR GENERAL OF THE FOREIGN SERVICE

Mr. PELL. Mr. President, Ambassador Carol Laise, the new Director General of the Foreign Service, had some pertinent thoughts which she expressed in a letter recently included in the Department of State Newsletter.

She points out clearly the danger of the State Department becoming increasingly particularized and specialized.

In this regard, I ask unanimous consent to have printed in the RECORD a portion of her letter.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> Our service today seems to be without a proper sense of its own professional mission; nor do we have a clear view whether our organization is adequately arranged to meet our twin goals of foreign policy leadership and the conduct of diplomacy in an age when foreign and domestic affairs are inseparable. Without an agreed sense of professional purpose, I think we may have increasingly slipped into particularism. Our system seems criss-crossed with rank, position and organization patterns, different employment structures, and competing cones. While this diversity could be a strength, the various elements are in fact ill-defined and their relationships to each other are blurred. Our vision—and this I have heard often—is fractured both substantively, with our resources supporting a bilateral approach to multinational problems, and organizationally, with the emphasis on which part of the elephant one happens to be touching.
>
> Many of the rigidities in our structure arose from long overdue attempts to correct wrongs of the past and the improvements should be carefully guarded for rational and equitable management. But they have also encouraged a system of competing self-interests that is bedraggled and divided by regulations, rules, labels, and guarantees resulting in each force producing its own counterforce and each group regarding the other with suspicion. There is an element of creativity in these competing tensions, but not when it is without focus. And the more rigid and divided we have become, the less flexible and responsive we can be. We need more breadth of vision, less hierarchy, and more emphasis on professional excellence; but the drift in the Department, perhaps reflecting a drift in our society as a whole, is towards security and narrowness. We must together work to reverse this process.

LOU GRAHAM WINS THE U.S. OPEN

Mr. BAKER. Mr. President, in the great tradition of Tennessee golfers Dr. Cary Middlecoff and Mason Rudolph, yesterday a 37-year-old native and resident of Nashville triumphed in the U.S. Open golf championship held in Medinah, Ill.

I wish to congratulate Lou Graham not only upon his victory, but also for the remarkably poised and professional manner in which it was achieved. Educated at Memphis State and a former member of the President's Honor Guard, Lou Graham is an acknowledged "country boy" who, heretofore, has not received the publicity which his outstanding record deserves.

I am confident that this situation will change, and that this U.S. Open championship, coupled with his consistent high standing among the top 50 money-winners on the pro golf tour, will bring Lou Graham the recognition he so richly merits.

Mr. President, as my colleagues are aware, I am always proud of Tennessee and Tennesseans; and I wish to especially commend my fellow Tennessean, Lou Graham, for his outstanding achievement in the world of golf.

Mr. President, I ask unanimous consent that a biographical article on Lou Graham, which appeared in today's New York Times, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, June 24, 1975]

Obscure Golf Conservative

(By Louis Krebs Graham)

As early as the age of 10, Lou Graham was lining up golf putts and saying to himself, "This is for the United States Open, I'm gonna knock it in." Until yesterday, though, it didn't appear that his childhood fantasy would ever be fulfilled. In 12 seasons on the professional tour, he had won only two tournaments.

For every well-known Nicklaus, Palmer or Miller, golf has dozens of ordinary troopers who are scarcely known beyond the locker room, Luis Krebs Graham, 37 years old and conservative, was one of them.

"He's absolutely colorless," a tour follower said. "He never gambles for birdies. Always goes for the fat part of the green, where it's safer."

Just 10 days ago, when the obscure man from Nashville shot a first round 65 in the last tournament before the Open, his family couldn't believe the caption one newspaper ran under his picture.

"No matter what you do," the caption read, "this face won't be recognized."

All that changed yesterday when Graham defeated John Mahaffey by two strokes in an 18-hole playoff for the 75th Open championship. Ironically, it took a completely nonconservative second shot on the final hole to save the day for the disciple of conservatism.

"I can't believe he tried that shot," a television commentator remarked as Graham hit a hard iron from behind a tree in the woods nearly to the edge of the green. "It was a very brave shot."

From a hazardous shot only a few feet from the out-of-bounds line, the shot carried nearly to the edge of the green. And when Graham knocked in a putt from about eight feet for a par, the fantasy came true.

Over the years, while making a good living, Graham had missed numerous opportunities to become a big-name golfer. Capable of putting together torrid rounds, he often would lead a major tournament until the late rounds. The last pre-Open tournament, at Whitemarsh, Pa., was typical: a two-stroke lead with his opening 65, then nothing after a second-day 77.

Graham was born on Jan. 7, 1938, in Nashvill, where he still lives with his wife, Patsy, and two teen-age daughters, Louann and Phyllis. His early golfing ability, developed on a municipal course with no bunkers or wooded areas, earned him a scholarship to Memphis State. He stayed three years.

"I didn't like school from the day I went into first grade," he says in his Tennessee drawl.

Nor did he care much for the Army, where he served in President Kennedy's Honor Guard and at the Tomb of the Unknown Soldier. Of his Army tour, he once said, "I wanted out from the day I got in."

Graham turned pro in 1962 and joined the tour in 1964. Before winning golf's most coveted prize, he had taken only two tournaments: the Minnesota Classis in 1967 and the Liggett & Myers event in 1972. Yet he was more consistent than most people realized. In seven of the last eight years, he finished among the top 50 money-winners. Last year, he collected six top-10 finishes in the last six months of the season and tied for third in the Open.

"I'm not a gambler," he says."I just want to shoot par on every hole. If I make a birdie, that's great. But I'm not birdie-shooter."

His winning round of par 71 yesterday was right on the button, though he had to balance three bogeys with three birdies.

"I'm not flashy," he said afterward. "You have to be your own man."

Graham makes no effort to contradict his image as a "country boy." In his younger days, he relished the platters of fried chicken given out in the locker room after low-paying tournaments in the Tennessee hills.

He intends to relax from the pressure of the Open by indulging in his favorite hobby: going fishing. There is also a pool table in his house.

"All my brothers can beat me in pool," he confessed.

But not in golf.

THE COMMANDER IN CHIEF ROLE IN FOREIGN POLICY

Mr. ABOUREZK. Mr. President, the Subcommittee on Separation of Powers of the Judiciary Committee, which I chair has, as this body knows, been engaged in a continuing study of the allocation-of-powers set forth in our Constitution. As a part of that review, the subcommittee has recently held hearings on the issues involved in the practice of using Executive agreements instead of treaties in concluding international agreements and the proper role of Congress in concluding international agreements. Related to this question is the President's invocation of his Commander in Chief powers to justify American military actions abroad where Executive agreements or treaties do not provide definitive authority for such actions.

Recent events in the Far East have again raised serious questions regarding the adequacy of constitutional authority for certain Presidential actions. If anything is apparent from the *Mayaguez* incident, it is that if Congress does not anticipate the questions to be raised by Presidential reliance on treaties or Executive agreements or his Commander in Chief powers, in a time of crisis the constitutional warmaking powers of the Congress may be effectively ignored by the President. Congress cannot wait until the President invokes what he perceives as an inherent or implied authority to question the validity of that authority. The existence and extent of such authority must, to the extent possible, be reviewed by Congress in advance.

With this in mind, the subcommittee plans to hold hearings in the next few months on the President's Commander in Chief powers and attempt to determine what the Framers envisioned as the bounds of that power, particularly with regard to the express grant of warmaking powers made to the legislative branch.

I have become increasingly concerned over repeated assertions of Commander in Chief powers by the President in order to justify questionable executive actions. This power has been cited as authority to engage in military actions in Vietnam, Laos, and Cambodia. It was cited to justify the use of troops in the *Mayaguez* incident. It was cited as authority to evacuate both American and foreign nations from Cambodia and Vietnam.

In these cases the Commander in Chief power has been said to include the obligation to defend American troops from attack even where we have placed such troops in a place where they were bound to be attacked, such as in the Mayaguez incident, or even where such "defense" involves offensive action, such as in the case of the Cambodian invasion. If the President can justify his actions by these sort of bootstrap arguments, I cannot foresee any effective congressional participation in these crucial foreign policy decisions. Congress is then forced into a position of acquiescing to a fait accompli. The subcommittee will explore the constitutional validity of these arguments in depth.

As but one of several examples of situations in which I can see such arguments being used in the future, the subcommittee will explore the precise nature of the present U.S. commitments and agreements to defend Korea and those situations which are likely to arise which may lead the President to take action in reliance on his Commander in Chief powers. There is widespread speculation that the Vietnam debacle may lead Kim Il Sung, the President of North Korea, to test America's will to defend South Korea. I have no way of knowing whether these reports are accurate. I sincerely hope they are not.

However, if this test were to take the form of an "armed attack" on South Korea, the 1954 Mutual Defense Treaty America has with South Korea provides that both Korea and the United States "would act to meet the common danger in accordance with its constitutional processes." In other words, the treaty does not mean that we must automatically defend South Korea. It merely provides that if there is an "armed attack" the Congress and the President will—within the constitutional framework—determine whether or not to defend South Korea and, if we decide to defend them, how to do it.

The subcommittee's examination of this constitutional framework is, therefore, of direct relevance to the Korean situation and to others that the subcommittee will explore. I ask unanimous consent to have printed in the Record following these remarks a copy of the 1954 Mutual Defense Treaty to emphasize this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ABOUREZK. Mr. President in the hearings that the subcommittee will hold, we will hear from my colleagues, constitutional scholars, and present and former administration officials. I can think of no subcommittee project which can serve as a more fitting valedictory for the tragedy in Southeast Asia than to curb further perversions of the constitutional processes by the constitutionally unjustified exercise of Presidential authority to engage in military action. Given the situation in the world today, Congress can no longer abdicate its foreign policy responsibilities and

must move with renewed determination to reassert its prerogatives in this area.

EXHIBIT 1

MUTUAL DEFENSE TREATY BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF KOREA

The Parties to this Treaty,

Reaffirming their desire to live in peace with all peoples and all governments, and desiring to strengthen the fabric of peace in the Pacific area,

Desiring to declare publicly and formally their common determination to defend themselves against external armed attack so that no potential aggressor could be under the illusion that either of them stands alone in the Pacific area.

Desiring further to strengthen their efforts for collective defense for the preservation of peace and security pending the development of a more comprehensive and effective system of regional security in the Pacific area,

Have agreed as follows:

ARTICLE I

The Parties undertake to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered and to refrain in their international relations from the threat or use of force in any manner inconsistent with the Purposes of the United Nations, or obligations assumed by any Party toward the United Nations.

ARTICLE II

The Parties will consult together whenever, in the opinion of either of them, the political independence or security of either of the Parties is threatened by external armed attack. Separately and jointly, by self help and mutual aid, the Parties will maintain and develop appropriate means to deter armed attack and will take suitable measures in consultation and agreement to implement this Treaty and to further its purposes.

ARTICLE III

Each Party recognizes that an armed attack in the Pacific area on either of the Parties in territories now under their respective administrative control, or hereafter recognized by one of the Parties as lawfully brought under the administrative control of the other, would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes.

ARTICLE IV

The Republic of Korea grants, and the United States of America accepts, the right to dispose United States land, air and sea forces in and about the territory of the Republic of Korea as determined by mutual agreement.

ARTICLE V

This Treaty shall be ratified by the United States of America and the Republic of Korea in accordance with their respective constitutional processes and will come into force when instruments of ratification thereof have been exchanged by them at Washington.

ARTICLE VI

This Treaty shall remain in force indefinitely. Either Party may terminate it one year after notice has been given to the other Party.

In witness whereof the undersigned Plenipotentiaries have signed this Treaty.

Done in duplicate at Washington, in the English and Korean languages, this first day of October 1953.

For the United States of America: JOHN FOSTER DULLES.

For the Republic of Korea: Y. T. PYUN.

EUGENE C. PULLIAM, GIANT OF THE NEWSPAPER WORLD

Mr. FANNIN. Mr. President, it was with sadness that I learned last night of the death of Eugene C. Pulliam, one of the giants in the newspaper world. He was a great and courageous philanthropist whose good work and wise influence extended far beyond the States of Arizona and Indiana where his newspapers are located.

In Arizona he provided the strong leadership which helped guide our State during its period of greatest growth. He built The Arizona Republic and The Phoenix Gazette into great newspapers, serving not only the Phoenix area but our entire State.

But he was a builder not only of newspapers but of the entire profession of journalism, and of government, and of men. He was a founder of Sigma Delta Chi, the professional organization which promotes excellence in the field of journalism. He was a leader for many, many years in The Associated Press, serving as a director and vice president.

His own career as a publisher began when he was only 23 years of age, and during the 63 years he operated newspapers he launched the careers of numerous outstanding journalists. Intensely interested in every aspect of the communities he served, Eugene Pulliam also inspired the best and the brightest to enter politics to serve the people.

Eugene Pulliam was at home with newsboys, editors, presidents and kings. He sought to build a strong Nation and a peaceful world.

From personal contact with them I know that those who work for The Republic and Gazette in Phoenix, people in all departments of the two newspapers, think of themselves as part of the Pulliam family. Mr. Pulliam thought of his employees as important parts of the organization, and he treated them as such. He was generous in providing scholarships for newspaper carriers and for the children of employees, and he donated generously to hospitals, symphonies, museums, zoos, and many organizations which promote health, education and moral development.

Eugene Pulliam used his newspapers to provide solid leadership for the communities and the States he served. He took courageous editorial stands, and he was devoted to liberty and freedom for all men. Believing that free men when well informed will make the right decisions, Mr. Pulliam devoted his life to getting truth to the people.

Over the past 2 centuries America has been blessed with courageous publishers who have fought for liberty and then have battled to maintain liberty. Eugene Pulliam ranks with the greatest of these men.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from this morning's Arizona Republic and the story on Mr. Pulliam's death which appeared in the Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Arizona Republic, June 24, 1975]

LIBERTY LOSES A CHAMPION

Phoenix and Arizona and the nation lost one of its great champions yesterday.

The voice of Eugene C. Pulliam was one of the steadfast cutting edges in preserving the basics of American human and institutional liberties.

From his childhood days in Kansas, as a newspaper carrier, to the peak of his career involving ownership of influential newspapers, Gene Pulliam lived and taught a single credo.

"If you forget everything else I've said, remember this—America is great only because America is free."

It was a credo which served him when trying to better communities in which he lived, and creating last legacies for generations to come.

It was his credo when mounting the fight to protect the freedom of radio and television as well as newspapers, and to foil bureaucracy.

And it was the learning tool for young reporters with whom he had a special fondness.

Although greatness as a publisher attracted the mighty and the famous, Gene Pulliam felt closer to those around him—his employes and their families whom he simply called "The Family."

Communities and friends and employes experienced the gentle warmth of his philanthropy and generosity.

Gene Pulliam asked nothing for himself.

His driving devotion to an unfaltering principle of community service was formed in the bare and spartan dawn of life on the prairies of Kansas. Son of a poor Methodist missionary, he knew the ardures of survival in bleak and barren surroundings.

This taught him thrift. And the rewards of hard work.

Until the day he died, Gene Pulliam was counseling colleagues, writing memos of story suggestions and discussing long-range hopes for the Phoenix metropolitan area.

It was Gene Pulliam's nature to be on the firing line, in the community trenches to the last, doing what he could to enrich his community.

And challenging it to look ahead.

[From The Washington Post, June 24, 1975]

EUGENE C. PULLIAM, 86, CONTROLLED DOZENS OF NEWSPAPERS DURING LIFE

PHOENIX, June 23.—Eugene C. Pulliam, 86, who controlled dozens of newspapers during his 63-year-career as a publisher, died today.

Mr. Pulliam, who had collapsed at his home here, died at St. Joseph's Hospital. Doctors there said he died of a stroke.

Mr. Pulliam was publisher of The Arizona Republic and Phoenix Gazette and the Indianapolis Star and News in Indiana and was a vice president and member of the board of The Associated Press. He also owned the Muncie, Ind. Star and Muncie Press and The Vincennes, Ind. Sun-Commercial.

Mr. Pulliam became the nation's youngest publisher at age 23 in 1912 when he took over the Atchinson, Kan., Daily Champion. He went on to own or operate 46 newspapers at various times, in addition to radio properties.

At one time, he drove more than 100,000 miles a year supervising 23 newspapers he owned in eight-states.

"I never ran a linotype, but I'd done everything else," he once said. "I've carried papers, sold papers in trains, been a cub reporter, police reporter, staff correspondent. I've covered every run there is. I've made up the paper, run a press and sold advertising."

Mr. Pulliam knew personally every U.S. President since William McKinley. He was an early supporter of Dwight D. Eisenhower's presidential candidacy and was a delegate to the 1952 Republican convention that nominated Gen. Eisenhower.

Mr. Pulliam also was noted for his philanthropies. His newspapers gave more than $250,000 to the Phoenix and Indianapolis zoos and provided scholarships for children of employees and carriers. He also donated money to hospitals, symphonies, museums and religious, educational and health organizations.

He is survived by his wife, Nina; a son, Eugene S. Pulliam of Indianapolis, and two daughters, Mrs. James C. Quayle of Muncie, Ind., and Mrs. William C. Murphy of Potomac, Md.

OUR ECONOMIC DECLINE

Mr. BROCK. Mr. President, recently these were signs that our economic decline had reached bottom. Certainly it is my hope that those indicators will continue to show a recovery and growth. Even if they do, we as a nation still have before us major questions to be answered. One of the most important is the future of the free enterprise system. Columnist Henry J. Taylor addressed himself to one particular area of this concern in an article. Mr. President, I ask unanimous consent that Mr. Taylor's very perceptive article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Believers in System Are Too Often Silent

(By Henry J. Taylor)

Pollster Louis Harris recently sent an assistant to interview me as a newspaperman on the public attitude toward business. Mr. Harris prepared about 100 questions. Some I could not answer, of course. But others skillfully revealed, as humorist Artemus Ward said long ago, "It ain't the things we know that cause the trouble. It's the things we know that ain't so."

My thoughts turned to a survey by the American Association of Advertising Agencies. It indicates that about nine out of 10—88 percent—of the surveyed college students say they'd prefer careers in government, a professorship, or academic life rather than business.

The 88 percent see business "removed from social and moral affairs," "dull," "non-creative," etc.

My thoughts turned as well to another poll, this one of law students. There are 68,000 full-time law students in our country. The poll shows that the majority disdain corporate law, as if business were somehow shameful and not a life worth living.

For example, the 39 editors of the Harvard Law Review are considered the Law School's top and most promising students. All 39 stated that it is unlikely that a single one of them will enter business practice.

Their expressed interest is in the legal aspects of poverty affairs, environmental questions, pollution, consumer protection and social reforms—practically anything except becoming involved with business.

Yet, this is a business country. Nearly everybody is in business one way or another. And every one of us is sharing the benefits that are produced.

How does it happen that a mere six per cent of the world's people—we Americans—have been able to accumulate more of man's needs than the other 94 per cent put together? How is it that this six per cent accounts for 33 per cent of the world's total production? Why is our purchasing power greater than that of all the people in Asia, Africa and Latin America combined?

How does it happen that two-thirds of all the inventions created in the world are created in the United States? How is it that we have here the shortest working hours and the highest rate of pay in the world?

The extent to which we Americans distribute wealth—the useful physical things—among us is the marvel of the world. We distribute wealth better than any place in the world.

Nobody could be so insane as to claim that everything is right with our country. But nobody lives on the moon. Everything in the world is relative. But from the viewpoint of the workingman, the man or woman in a profession, or from any viewpoint, every scorecard comparing our country with other nations gives America the championship blue ribbon.

How true you find that as soon as you leave our shores.

Our country has always had a special quality. It caused countless millions to come here and more millions to want to come if they could. That quality is that here the plain man always had a chance.

There is no security as great as the ability to qualify for a better job. Here you have the opportunity to get and fill a better job. Opportunity for a career. Opportunity to go into business for yourself. Opportunity to improve yourself and your family. Yet, this system can survive only if we all clearly understand it and speak for it.

The detractors are so articulate, and most businessmen so mute, that sometimes it sounds as if this country grew to be the greatest nation on earth by doing everything wrong. And what does it do to have the system which brings the greatest good to the greatest number, unique in all the world, if the majority of the people in it do not know it?

The 100 questions Mr. Harris prepared make one thing crystal clear: If those who believe in free enterprise are not willing and able to defend it, those who don't believe in it will take over.

ST. THOMAS MORE SOCIETY—AN EXAMPLE FOR OUR TIMES

Mr. HARTKE. Mr. President, on "Law Day," I had the privilege of being the main speaker at the annual banquet of the St. Thomas More Society of Indianapolis, an organization of lawyers committed to developing our profession along the ideals and the example of the patron saint of attorneys, St. Thomas More.

In the aftermath of the national traumas of the past decade, it is especially important for all of us to examine Thomas More, an individual who valued his integrity more than his human existence and who lived according to his own high principles.

All persons who desire a society under the rule of law should particularly bear in mind that there is no one who had such a reverence for the law more than Thomas More.

Mr. President, I ask unanimous consent that my remarks before the St. Thomas More Society be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks of Senator Vance Hartke

In considering what my remarks would be on this Law Day, I decided to research into the life of the eminent namesake of this organization.

The most generally known fact about Thomas More is that he was a man who lost his property, and his life as well, for refusing to recognize the legitimacy of his sovereign's divorce and remarriage. Yet this action meant much more than disobeying the order of a superior. His refusal was a defiance to his peers and his Nation as a whole but was rooted in his inability to disobey a much higher law—the law of God. More's conscience demanded that he place this law above the law of the land. He did so and he certainly paid the ultimate human sacrifice for this stand.

I consider it quite appropriate that we lawyers examine St. Thomas—the lawyer—in order to define our own relationship and responsibility to the law.

At this moment in the history of our Nation and our world, our profession must be constantly searching for ways to adapt ourselves and the law, to which we are ever dedicated, to constantly changing conditions and to fulfilling our obligations to society.

We often must look to the past for models whenever we face difficulties. And I can think of no one who could better serve as our model than Thomas More. For he maintained his integrity against the most formidable opposition imaginable. Yet he took his stand modestly and with much reluctance—not from arrogance, not from egotism, and obviously not for any selfish gain. He analyzed the situation and sided wtih the highest law.

In A Man for All Seasons, the definition of law delivered by the character Thomas More comes close to what I think St. Thomas would have actually declared: "The law is not a 'light' for you or any man to see by; the law is not an instrument of any kind. The law is a causeway upon which, so long as he keeps to it, a citizen may walk safely."

More elevated the status of our profession by conducting his public life as an attorney, a jurist, and as chancellor of England according to this advice.

However, we all know but too well that the general image of lawyers today does not in any way approach the plateau on which we rank St. Thomas. I even wonder how many of the millions who have seen that magnificent play and later the film on More, know that he was a lawyer himself. And of those who do know, how many still honor him as a saint.

Current opinion of lawyers in the country is embarrassingly low. True, we have from time to time had pretty poor press. It was only a generation after More's execution that his fellow countryman Shakespeare advised that all lawyers be killed. Dr. Samuel Johnson, who, incidentally, was a colleague of ours, went so far as to say, "I do not wish to speak ill of any man behind his back, but I do believe that he is a lawyer."

It was not until the nineteenth century that anyone of prestige in this Nation had much good to say about lawyers in this country. And these favorable comments came from visitors to the United States: Alexis de Tocqueville from France and England's Lord Bryce.

In the past few years, public opinion polls have shown that the credibility of lawyers has not improved very much. Just recently, a poll stated that lawyers were well down the list in the eyes of the public. We were in ninth place, just above law enforcement officers, TV news reporters and plumbers.

We cannot discount the effect of the Watergate scandal on the American lawyer, and especially those of us in public service. The paintbrush view of politicians has splattered a lot of mud on the profession. We can hardly blame this consensus since some 125 lawyers were implicated in that sorry event. It brought down the most powerful official in our Government and resulted in the conviction of two former Attorneys General. There is no need to recite any more statistics on the effect one "third-rate burglary" had on our profession.

Perhaps a modern-day Thomas More in the inner sanctum of the Oval Office could have reversed the tragic outcome and restored the respect of that administration. No one can say.

By the same token, it would be sheer conjecture to speculate on whether a More in each statehouse and city hall could have prevented the spate of indictments and convictions of many top officials, which have eroded confidence in our political process.

And you and I know also that many of those public officials are lawyers by occupation.

As a public official for over twenty-five years, I cannot help feeling disturbed by the numbers of the legal profession who are linked to the corruption of elected officials.

I wish to confirm my abiding faith in the vast majority of public officials and especially those who are lawyers. The portrait of the most competent and most scrupulously ethical practitioners and public servants is lost to the public. But we are all subject to censure because, by and large, those attorneys and officials who degrade their position receive so much notoriety.

A sense of tremendous pride rises in me when I review the contributions of attorneys to the founding and development of our democracy. Jefferson, Adams, Lincoln, Marshall, LaFollette, the Roosevelts, and Warren are but a few that immediately come to mind. And there are hundreds of others whose names are not highlighted in history but whose life's work was dedicated to making the American ideal a reality for as many as possible.

I believe the finest hour of our profession and our political history was reached by the vigilance and persistence of such lawyers as the members of the Watergate Committee, the House Judiciary Committee, those in the Special Prosecutors office, and of course, that distinguished jurist, Judge John J. Sirica. These men and women manifested the best of our profession and of their calling as public servants.

In the Federal Government, lawyers are predominant in the Congress, executive branch, most State legislatures, and local governments. The electorate has placed its confidence in lawyers.

I would like to believe that one of the principal reasons for this choice is what the legal scholar Karl Llewellyn suggested—that the great thing about the legal profession is not that it is a learned one but that it is made up of practical problem-solvers. After all, lawyers are purposely trained to analyze and grasp each and every aspect of an issue in order to achieve the set goal.

But perhaps the specified "goal" is the reason for the low esteem the public has for lawyers. Is our goal always justice and the improvement and protection of the community? Or is it only to achieve the results we are paid to attain?

In these days, the Government is so large, so pervasive, and so secretive—that it is often difficult to distinguish between the cause and the particular job at hand in the high reaches of government. It is even difficult for private practitioners to see in the facts of a complicated tax problem, an antitrust case, an interstate commerce, or securities and exchange commission case, the relevance or the importance to individual Americans of their constitutional rights or the significance to a group of citizens in maintaining their livelihood and voicing their grievances.

These are concerns that each lawyer should take into consideration. And the lawyers who step into the capacity of a public official has no such choice. He must bring these factors into every action he takes—or he fails in his position. Conscience and country should be his primary loyalties.

His adversarial talents must be directed to pruning from each bill, each request for action, any element that detracts from the major objective of his obligation to society. Once stripped of all the extraneous rhetoric and cosmetic touches, the lawyer-official can then examine the proposal with some proper perspective.

The dilemma comes in determining what the perspective should be. In a normal capacity as a practitioner, I had less trouble in deciding this point. My viewpoint was that of my client. He employed me to be a worthy advocate of his interests and it was my sworn duty to uphold his interests.

However, as an advocate of the "public interest," a myriad of problems erupt. Polls, letters, phone calls, computer analyses, none of these can provide the real answers as to the public interest. Some good guesses, maybe, can be obtained through these devices. But when it comes down to an issue that involves the lives and well-being of millions, of future generations, after all the study and discussion possible, there is, at the end, only one place to turn—inwardly. In a ruthlessly honest manner, you have to ask yourself what should be done.

Perhaps that is why I find St. Thomas so appealing in his own decision making. Robert Bolt wrote, "if 'society' is the name we give to human behavior when it is patterned and orderly, then the law (extending from empirical traffic regulations, through the mutating laws of property, and on to the great taboos like incest and patricide) is the very pattern of society."

More's desperate sheltering beneath the forms of the law was his determination to remain within the shelter of society. His prosecutor Cromwell's contemptuous shattering of the forms of law by an unconcealed act of perjury showed how fragile for any individual is that shelter. Legal or illegal had no further meaning, the social references had been removed. More was offered, to be sure, the chance of slipping back into the society which had thrust him out into the warring cosmos, but even in that solitude he found himself able to repeat or continue the decision he had made while he still enjoyed the common shelter."

Socrates who also sacrificed his life rather than surrender his principles said that an unexamined life is not worth living. In paraphrase, I suggest that an unexamined profession is not worth practicing. We have an obligation to provide adequate—in fact, better than adequate, good legal services for all individuals. We should encourage plans for prepaid legal services. We must welcome specialization as a way of making the services of lawyers available wherever and whenever needed. We must figure out ways to use paraprofessional training sensibly; and we must make sure that continuing legal education does an educational job as well as providing a pleasant respite for an evening or a weekend. Our younger attorneys and law students are way ahead of us seasoned practitioners in acting on the social crises facing us all and in seeking a rational and moral international policy. Over 2,000 of these idealistic men and women are staffing legal aid societies. Others are initiating public interest law firms and stimulating their local bar associations to respond to community needs.

We as a profession must give greater attention to the administration of justice than we often have. We must be concerned about proper standards for the effective administration of all the court systems, and we must, above all, improve the administration of the criminal justice system.

We must demonstrate that we as a profession are personally concerned about the direction of the country especially in these days of such despair and questioning of our purpose as a Nation. More himself did not hesitate in taking a personal interest in changing the system of justice in England. In his Utopia, he vigorously excoriated a system that meted harsh penalties far out of proportion to the crime and the lack of any attempt at rehabilitation.

The future presently lies in the hands of lawyers—whether anyone likes it or not, we have a great tradition in providing leadership and must persist in presenting as candidates, administrators, and jurists only the finest and most worthy.

"The times, they are a-changing," is a theme of a most standard folk song. If we wish to maintain any role in leading the country, we must carefully examine ourselves, our profession, now more than ever before, in order to try to regain the respect of the public. Confidence is an essential ingredient in the work we do—our profession.

I would like to conclude by alluding to another legal model of mine, former Chief Justice Earl Warren and leave you with his words: "Every lawyer has an additional civic obligation, somewhat higher than that of one not privileged to belong to our profession, and that is to further the cause of sound government."

ANOTHER HITLER-TIME?

Mr. BROCK. Mr. President, I wonder when we will take to heart the lessons that history has laid bare for us. We have just ended the Vietnam era, and we must look to the future. We must also look inward toward our own hearts, and our own determination. Columnist Joseph Alsop has taken a quick, but deep look at history for us, and the lesson that he teaches is important. Mr. President, I ask unanimous consent that Mr. Alsop's article, "Another Hitler-Time?" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Another Hitler-Time?

In the inner group of American policymakers, the post-Vietnam reassessment is naturally proving both intense and painful. The pain mainly arises from the somberness of the central question being debated. No one has put it quite that way, but the question can be best summed up as follows:

Can you have another Hitler-time without a Hitler?

It is a pretty important question for everyone in America. The truth is that a significant number of extremely intelligent insiders now see this country as well into a process like the one that led to World War II. One rather widely quoted formula runs, "After the Rhineland (in 1936 and the last really easy change to stop Hitler) but not yet past the point of no return."

If we are in fact in the midst of a process resembling the tragic development of the 1930s, it would of course be better if we were also face to face with another Hitler figure. So loathsome a man, so free with his threats and open about his aims, would surely arouse the country in short order. But the bureaucratized Soviet leaders, tirelessly, relentlessly plodding forward on ironshod feet, could hardly be less Hitler-like.

The Soviets have no grand, obsessive Hitlerian plan of conquest. They do not take Hitlerian risks. They merely follow Lenin's advice to probe with bayonets any situation that looks mushy, withdrawing only if the bayonets meet steel.

In the American policy-makers' debate, the foregoing view of the Soviets is justifiably taken for granted from long experience in the Middle East and elsewhere. But quite another point is being made by those debaters who hold that you can indeed have another Hitler-time without a Hitler. They are also arguing that it took a lot more than Hitler to produce the Hitler-time.

This is, of course, exactly right. The historical Hitler of the final prewar phase, hovering over Europe like a greedy bird of prey, instilling fear in almost all the trembling, awe in far too many, was not the mere creation of his own misbegotten genius.

This common conception of Hitler is both cheap and superficial. For a deeper understanding of Adolf Hitler's brilliant initial successes, you have to remember a rule laid down by the great German strategist, Karl von Clausewitz, and often quoted nowadays by Secretary of State Henry A. Kissinger. The rule is that those who fight in self-defense are always to blame for wars, since their enemies always ask nothing better than getting all they want without fighting.

At the beginning of the Hitler-time in 1932, every possible advantage lay with France and Britain. They were the responsible great powers of that period—whereas the United States was then peripheral—because they were the dominant powers in Europe. Each was richer by far than Germany. Together, they also enjoyed a wide military superiority over Germany—until Hitler's rearmament was well advanced.

Yet the British and French refused to increase their own strength in step with Hitler's rearmament. They missed their easy chance in 1936, when Hitler was committed to resign if the reoccupation of the Rhineland met with the slightest resistance. They made the sordid Munich agreement in 1938. And in the end they had to go to war anyway, with every former advantage already lost to them, because their only other choice was to get ready to submit to Hitler a bit further down the road.

Two factors quite external to Germany in truth created the situation that Hitler exploited so long. The first factor was the flaccid British and French acceptance, as the '30s progressed, of a position of grave military inferiority amounting to military disarmament. Worse still, however, was the second factor. Almost until the moment when they belated turned and fought, the British and French were morally disarmed as well.

These grim facts from the past now haunt the discussions of the American policy-makers for an extremely simple reason. Post-Vietnam, the signs are plain that the United States now suffers from the kind of moral disarmament that finally ended the long careers of Britain and France as great powers in the world.

One must not take too seriously the more macabre kind of thinking that now flourishes on the floor of the U.S. Senate. Yet Sen. Frank Church of Idaho is after all a fairly representative Democratic member of the present Foreign Relations Committee. So it was a sign not to be ignored when Sen. Church recently announced on television that he saw no reason for the United States to defend any positions on the other side of the Pacific. That ocean, he said, would be a good enough "moat."

Presumably this means Sen. Church now wants to throw away all that is symbolized by the Iwo Jima monument, with its little group of Marines desperately struggling to raise the Stars and Stripes. Beyond much doubt, too, Sen. Church was specifically thinking about South Korea, which has swiftly become a major danger point because of what has happened in Cambodia and South Vietnam.

The South Koreans now fear, and the North Koreans now expect, another American abandonment. The megalomanic North Korean Communist dictator, Kim Il Snug, has just gone to Peking to argue that the precedent of American abandonment of Southeast Asia has now made it quite safe to launch another attack on South Korea. According to reports, Kim will later go to Moscow—which he has scorned to do for 10 years—in order to present the same thesis.

Fortunately or unfortunately, meanwhile, America's credit in the world is deeply engaged in South Korea—not to mention the Middle East, because of Israel, and several other danger points as well. The higher thinkers, of course, say that our country's credit in the world is of no consequence. The trouble is that they are mostly too well heeled to know what it is like to get a bad credit rating.

More down-to-earth persons know better. A good credit rating permits a man to do all sorts of desirable things that a bad credit rating prevents; and even more important, a good credit rating protects a man from all sorts of unpleasantness that a bad credit rating unfailingly invites.

Any nation's credit in the world further has precisely the same effects as a private credit rating. So we can fear the worst if we now lack the will to maintain our national credit in South Korea or elsewhere. Again, however, the higher thinkers in the Senate and the ghastly groves of academe now maintain that there is no real worst to fear.

They had better go back and study the Cuban missile crisis of 1962. The United States then enjoyed crushing superiority in strategic weapons and in local conventional forces. Above all, the United States then had the will to fight, if need be, to get the Soviet missiles out of Cuba. Nikita S. Khrushchev's move in Cuba was in fact a probe of the firmness of this U.S. will. If the needed will had been lacking, too, Cuba would now be bristling with Russian missiles aimed at our heartland.

Cuba further typifies the kind of renewed Soviet probe that may come someday and come, too, in the absence of America's now-lost military superiority! What else can we expect if the American loss of will is also proven, later on, by a whole series of ducked challenges like the one that will perhaps occur in South Korea? Or does anyone seriously suppose that the Soviets have changed Lenin's rule about testing mushy-looking situations?

Maybe Cuba seems too farfetched, despite the record, and you also do not give a damn about Israel. Then you might consider the remote and ill-defended Persian Gulf. Here the energy jugular of the United States and the West is now nakedly exposed. So what will the President, the Congress and the higher thinkers do if a long course of American weakness finally invites a Soviet decision to seize control of the Persian Gulf?

In sum, imitating the British and French in the tragic '30s will be catastrophically dangerous for the United States in the troubled '70s—even if we now have no Hitler figure to make us see the danger clearly!

RECESSION DEVASTATES STATE AND LOCAL GOVERNMENTS

Mr. HUMPHREY. Mr. President, last Friday, the Joint Economic Committee held a 1-day hearing on the financial problems of State and local governments. The hearing focused on both the budget difficulties that many State and local governments are currently experiencing and on the credit problems of these governments.

The committee was fortunate to receive some of the finest testimony ever presented to Congress on the financial problems of State and local governments. The Honorable Dan Walker, Governor of Illinois, led off the hearings with an excellent statement which pinpointed the devastating impact of recession on the State of Illinois' budget. Governor Walker, who has a long and distinguished record for fiscal responsibility, has experienced an incredible deterioration in the State of Illinois' revenues. Since his budget was submitted in March, revenues have fallen $140 million below expected levels. In other words, the severity of the current recession has caused a $140 million shortfall in revenues in just 3 short months.

Governor Walker's testimony was followed by an eloquent and moving presentation by the Honorable Coleman Young, mayor of Detroit. Mayor Young is, in my opinion, deserving of the highest respect and praise for his extraordinary leadership in what is certainly one of the most difficult elected positions in the country today. Mayor Young's testimony focused on the impact that the recession has had on the economy of Detroit, both in the public sector and the private sector. He was extremely critical of the palliatives offered by the Federal Government to the 25-percent unemployment problems in his city. According to the mayor the actions of the Federal Government "have been to provide an 8 percent solution to a 25 percent problem." In response to questioning, the mayor clearly indicated that neither Congress nor the Executive were responding adequately to the Detroit unemployment crisis.

The testimony given by these distinguished public officials underscores the urgent need for swift and forceful action to deal with the recession and its impact on State and local governments. There is no more time for aloofness and recalcitrance, nor is it sensible to wait for a long and protracted 5-year recovery. It is time for words to turn to forceful actions.

I ask unanimous consent to print in the Record the statements of Gov. Dan Walker and Mayor Coleman Young and my opening statement. I highly recommend the testimony of these extraordinary public officials to my colleagues and hope that their testimony will help Congress deal swiftly and effectively with the problems they describe.

There being no objection, the material was ordered to be printed in the Record, as follows:

Opening Statement of Senator Hubert H. Humphrey, Chairman, Joint Economic Committee, June 20, 1975

Today the Joint Economic Committee is holding a one day hearing on the financial problems of state and local governments. The hearing will focus first on the budget difficulties that most state and local governments are currently experiencing. We will then discuss in detail the difficulties that many state and local governments are encountering in the credit markets.

The financial problems of state and local governments have rightfully received increasing attention in the last few months.

Victimized by the severity of the current recession, many state and local governments have been *forced* to undertake draconian measures to keep their budgets in balance. I do want to emphasize that state and local governments are *forced* to take these budget actions, because 45 states have specific constitutional or statutory provisions that require state and local governments to operate with balanced budgets. This is a point which is not often understood by people outside of state and local government.

A recent survey completed by this Committee showed that state and local governments have been forced to undertake almost $8 billion in budget adjustments—$3.6 billion in tax increases, $3.3 billion in cuts in current service levels and approximately $1 billion worth of delayed capital construction. These cutbacks have a significant adverse impact on Federal government efforts to stimualte an economic recovery, and an even more serious impact on the ability of state and local governments to maintain adequate services through the recession—when the need for services is the greatest.

Although these total budget adjustments are indeed significant, they mask far more severe problems in the cities and states that have the most severe unemployment problems. The problems of our nation's largest city are certainly well documented, but this crisis situation is not confined to New York City. Hiring freezes or layoffs, cuts in services, delays in capital expenditures and increases in taxes are the rule not the exception. Most of our nation's largest cities have already been forced to take one or more of these actions. Cleveland has been forced to lay off 1,100 workers and cutback services to levels that previously would have been unacceptable. Detroit has had to lay off 1,500 workers and to cut back essential services. Buffalo is facing a $50 million deficit this year.

But these problems are not confined to our largest cities. Wilmington, Delaware, has had to reduce its fire-fighting force by 11 per cent while other city departments have experienced personnel cuts as high as 40 per cent. An informal telephone survey conducted by the National League of Cities of 67 small and medium sized cities indicated far more widespread problems. One-third of the cities had cut payrolls by laying off employees or through the combination of hiring freezes and attrition; over one-half had postponed essential capital expenditures; two-thirds found that their revenues had fallen short of anticipated levels; and almost half expected to enact some form of tax increase in 1975.

While these budget problems that state and local governments are currently experiencing are indeed severe, they are often accompanied by difficulties in the credit markets that are just as significant. Last year, interest rates paid by state and local governments soared along with other interest rates as the Federal Reserve tightened the monetary screws. Many governments were forced to delay or cancel issues or to issue only short-term securities. However, while interest rates for most other long-term securities have declined slightly this year, yields on state and local government securities have actually continued to rise. In fact, according to the Treasury Bulletin, the average yield on long-term double-A municipal bonds rose to a high of 6.85 per cent in April. While the yield on double-A corporate bonds actually declined one half of a percentage point since last October, double-A municipals have taken a one-half percentage point leap in the opposite direction.

Despite these relatively more attractive interest rates that tax exempt securities are offering, the market has not been overridden with buyers. In recent months, banks and fire and casualty companies, which were the backbone of the tax exempt market, have shown a real reticence to purchase new tax exempt issues. We hope to examine this phenomenon carefully today in an attempt to understand the factors which are causing their exit from the market. It is particularly important that we understand whether this retrenchment on the part of traditional purchasers is a permanent development or a product of the current business cycle.

In addition, it is important that we understand what are the appropriate uses for the tax exempt market. In recent years, tax exempt securities issued by private corporations have taken up a larger and larger share of the tax exempt market. While the purposes of these bonds are certainly worthy (pollution control and industrial development), they do serve to compete with and crowd out cities and states that have traditionally been a part of the tax exempt market. This problem warrants careful study and will be examined today.

Finally, we will examine the recent difficulties that New York City has experienced in the credit markets. These problems are, of course, important to New York, but they also have a devastating effect on other cities in the credit markets. Just yesteday, an article appeared on the front page of the Wall Street Journal describing the impact of the New York City problems on the rest of the tax exempt market. The article points out that "jittery investors, with an eye on New York City's most recent brush with default on its securities, are beginning to avoid bonds and notes of many large cities like the plague." Particularly affected by this new skepticism are the large urban centers, in no growth regions of the country, that can least afford to pay the premium interest costs.

We are fortunate to have with us today four distinguished witnesses to discuss these important financial issues. Our first witness is the Honorable Dan Walker, Governor of the State of Illinois. Governor Walker is the chief executive of a state that up until recent times was in fairly good financial shape—a situation that I understand has deteriorated significantly in the past couple of months. (Governor Walker will be introduced by Senator Percy.)

Our second witness will be the Honorable Coleman Young, Mayor of the City of Detroit.

Subsequent to the testimony of these distinguished public officials we will hear from a panel of two experts in the field of municipal credit. They are Lennox Moak, Budget Director of the City of Philadelphia and noted author in the public finance area; and Gedale Horowitz, a partner in Salomon Brothers, a noted expert in the tax exempt bonds, and an important participant in the newly formed Big Mac.

STATEMENT BY THE HONORABLE COLEMAN A. YOUNG, MAYOR OF DETROIT, MICH.

Mr. Chairman, Members of Congress, I am Coleman A. Young, Mayor of the City of Detroit. I am here today not only on behalf of my city but, also, on behalf of the United States Conference of Mayors and the National League of Cities.

Once more I appear before a Congressional committee hoping to find help—or even some sign of understanding—for the problems we face in Detroit.

These tries seem to run together, in a way. Each has been characterized by an urgent plea for help, some concerned head-nodding and . . . nothing more.

Last winter when I appeared before a committee of the Congress, the City of Detroit had already eliminated many hundreds of jobs through a hiring freeze policy.

In January, just after another meeting with concerned Congressman, we laid off 1,500 city employees, seven hundred more were let go last week.

The last two times I testified before Congressional committees the unemployment rate in Detroit was 22.1 percent and 23.6 percent. That means, quite simply, that very close to one out of every four working men and women in Detroit were jobless.

One out of four.

There seems to be many Americans, and even many members of Congress, who do not understand how bitter people become after they spend months looking for jobs—without success.

When Spring came in Detroit this year, 130,000 men and women were out of work. That's a lot of bitterness.

The Congress and the nation and the White House began to show deep concern about unemployment when the national rate reached about 8 percent. Detroit's unemployment rate has been closer to three times that figure for much of 1975.

And the actions of Congress, to be quite frank, have been to provide an 8 percent solution to a 25 percent problem.

No responsible Army medic would take his last 50 drops of medicine and divide them one each among 48 soldiers with head colds—and two on the edge of delirium and death from malaria.

Yet that seems to be the philosophy of the Congress today as it approaches the problems of America's big cities.

What kind of system have we designed that can ignore, for months and even years, a public need of such size and duration?

When a tornado flattened houses and businesses in the tiny southern Ohio community of Xenia, the President of the United States and many members of Congress and a whole federal government moved quickly and massively to ease the suffering and speed the recovery.

But when Hurricane HUD ripped through Detroit, destroying many times as many homes, blighting whole neighborhoods and leaving burned out buildings, drug dens and useless wreckage in its wake, the same government all but turned its eyes away.

More than 100 persons are in jail over that scandal. More than 12,000 homes are boarded up in Detroit today, and thousands and thousands of vacant lots offer mute testimony to the destructive power of the Hurricane called HUD. Nearly one-third of all the HUD repossessions in the United States are in Detroit—but few cry anguish over the unnatural disaster that has deeply scarred a great city.

Detroit has been trying to deal responsibly with shrinking revenues, rising costs and a charter mandate for a balanced budget for more than a year.

First, we instituted a hiring freeze. Then, we laid off needed city workers in the sanitation department. We shut down the city's recreation centers. We laid off rat exterminators and dog catchers. We shut the art museum and the historical museum, and laid off public health nurses and we closed the city's immunization clinics.

It is not easy and not wise to cut back essential city services during hard times, when many of the people in our city are most in need of such service.

There is no choice in Detroit.

We have been able to restore many services because of the federal funds made available through the Comprehensive Employment Training Act (CETA). But it is neither fair nor a reflection of the will of Congress, I believe, to use CETA funds for the exclusive purpose of guaranteeing city workers job security.

Men and women who have not been able to find work for more than a year grow justifiably angry when federal employment funds are used to hire city workers who have been out of a job for only 30 days.

Thus the 700 workers laid off last week, and the more then 200 firemen yet to be dismissed, are gone.

In Detroit there is no alternative but to cut back on services.

We have tried all the other methods. Our people are taxed at the maximum two percent of income permitted by the state legislature. Our property taxes are assessed at the maximum allowable.

Every member of my staff, department heads and deputies, and every mayoral appointee in the city has agreed to forego the pay increases and fringe benefit improvements scheduled to go into effect on July 1.

The City of Detroit, known everywhere as the Motor Capital of the world, will purchase no new cars next year for the first time in a long, long time.

New programs in the police department have been delayed indefinitely. Development plans for the central business district, have been shelved.

It is no longer within the power of the City of Detroit to do more, let alone begin to deal with the despair of unemployment that has hurt our city for too long.

Detroit struggles like every other city with a serious and growing crime problem. We very much need a more professional, more racially-balanced, and more community-minded police department.

LEAA has provided all the guns and helicopters and rifles and cars and equipment that it can. But Detroit needs people, men and women with professional skills and a community conscience to begin to turn the crime rate around.

In an almost whimsical twist, CETA funds provide the city with low-paid workers in some abundance—but no monies for bricks and mortar, for building plans and supervisors and projects that could make meaningful changes in the city.

We in Detroit are doing everything we can to deal with our own problems. But we can do no more alone.

We need help. We need a hand—but we do not need a handout.

Late last year we began work on a plan to Move Detroit Forward. It drew ideas and then support from the business community, from labor leaders, from Republicans, Democrats, bankers, community people and pastors.

The plan, which we presented to President Ford several months ago, focuses on jobs in both the public and private sectors.

Moving Detroit Forward means the conversion of 12,000 boarded-up buildings into sound homes for Detroiters. It means tearing down old industrial buildings to prepare new development sites. It means new towns in town and sweeping changes in the decaying commercial corridors of our city. It means a people mover system for downtown, malls in our central business district, and a mass transit system.

We're not talking about leaf-raking. And we don't mean leaning on shovels. The plan to Move Detroit Forward is a comprehensive effort to revitalize our city's economy, replace welfare checks with pay checks, increase tax rolls and get things moving again. I believe it is a plan that could be a guide for other troubled cities.

Detroit already enjoys an extraordinary gesture of good faith and confidence from its business community. One of the largest privately financed developments in the world, *The Renaissance Center,* is now rising on the Detroit waterfront, symbolic of a new determination to make our town work.

Detroit clearly has the potential, and it has the people, to make the kind of inspired leap toward renewal already made by such cities as Toronto.

To get there we need no special favors, no under the table log-rolling, no exercise of power by our senior members of the Congress, and not even a bill by a Michigan resident.

Detroit, quite simply, has the greatest need. No city approaches our unemployment problem. Few deal with a crime problem as great. Mass transit is non-existent in Detroit. And finally, no other city in America has been ravaged by either flood, fire or tornado as Detroit has been by HUD.

The tax base will continue to decline without help. Our efforts to rebuild on our own are crippled by prohibitive interest rates. In order to rebuild our old city hospitals, we first had to win a state legislative action that changed limits on interest rates, and then sold bonds that carry exorbitant interest rate.

There must be a better way.

An aide to the Mayor of Stockholm was in Detroit several weeks ago. He says that Sweden—slightly smaller than Michigan—spent more than $500 million in anti-unemployment programs alone last year. The program is sophisticated enough, he said, to target such funds toward specific problem areas within a city.

There are few signs the Congress is preparing to take the kind of precedent-shattering steps adopted to fight economic depression in the 1930's. I believe we will become a nation of Detroits, of New Yorks and of Newarks if we do not.

I am a Democrat, I am a national committeeman. I am a strong partisan and I believe in different routes to different solutions than the Administration that now sits in the White House.

Yet since we presented the Detroit Plan to President Ford and a half-dozen cabinet officers, we have had repeated signs of interest, of cooperation and of hope.

Transportation Secretary, William Coleman, has personally taken an interest in Detroit's transit ideas, and there seems reason to believe something meaningful can happen after years of waiting.

The new Secretary of Housing and Urban Development, Carla Hills, has indicated Detroit may find a positive response in our request for some $400 million to begin to deal with the wreckage of the HUD program, and to revitalize our commercial and industrial areas.

The President has said he sees a qualitative difference between the problems of New York and of Detroit, and that the self-help efforts of our city are deserving of attention.

Within the limits of their philosophy, the leaders in this Administraton are actually doing something that might mean a difference for the people of Detroit.

Yet the Congress, controlled by members of my own party, by Democrats who have been supportive of changes in national priorities, is not moving in any meaningful direction I can see.

I think you should know how we feel on the line in the big cities of America, Mr. Chairman.

I think you should know how the thousands, and tens of thousands and more than 100 thousand out-of-work Detroiters feel.

We've waited a long time for change. Our party has talked of a special commitment to the cities, to the urban poor. Our party has sharply criticized the Ford Administration for focusing on foreign rather than domestic problems.

And Democrats, we are told, really care about people.

Mr. Chairman, members of Congress, Detroit is in need. Our people need a hand. We can renew our city, and all troubled cities, with some imagination and a commitment to change. And the Democrats control the Congress.

It's time, I believe, to put up—or shut up. Thank you.

Statement of Gov. Dan Walker

Mr. Chairman and members of the committee: I am happy to appear here today along with fellow Governors and Mayors in response to your Committee's concern about the financial situation of state and local governments. It is commendable that this Committee is going out of its way to solicit first hand testimony on what is happening in our states and our cities.

The words "crisis" and perhaps even "disastrous" best describe the financial situation of many state and local governments.

The only reason we have been able to balance our budget this fiscal year is because the state over the last two years nurtured its resources and developed a substantial surplus by a combination of prudent financial management and inflation driven revenues. We have worked hard in the past two years, for example, to reduce governmental costs through such management techniques as zero base budgeting, management by objective and reduction of a padded state payroll by approximately 5,000 employees.

When we prepared our FY 1976 budget in February of this year, which went to the printer in late February, we knew that the recession was going to hurt us—both by reducing our revenues and by increasing the number of people who need help. Using sophisticated econometric models, we anticipated a modest five per cent increase in revenues. Instead, we, like everyone else, were hit by an 11 per cent plus decline in the real Gross National Product in the first quarter of 1975. At current forecasts—we will have $140 million less than we anticipated at the end of Fiscal 1976.

Like 35 other states, Illinois has a constitutional mandate that our spending not exceed our resources and we are prohibited by the state constitution from deficit spending.

We have had to revise our revenue estimates downward for both this fiscal year and the next, making it essential to do something about spending. The solution, recommended in a special message to our legislature last week, is a 6 per cent across the board cut in appropriations. Everything—every department, agency, commission, every constitutional office, each branch of government (except for a few items such as debt service that cannot legally be reduced) the level of welfare grants and tax rebates to the elderly—is subject to the across the board cut.

I do not like making these cuts. They are, after all, reductions of what I believe are desirable expenditures in the areas of elementary and secondary schools, mental health and higher education. For the most part, despite the 6 per cent across the board cut, we will be funding state programs—such as education—at a higher level than last year.

The alternative, however, is worse. I am against any tax increase. It is wrong to impose new state and local taxes at a time when a record number of our citizens are unemployed and many families have already seen a decline in their real standard of living due to inflation. If people have already tightened their belts to the point that it hurts, then state government can and should do the same.

First, it is an inappropriate policy to increase taxes in a time of recession.

And it is both wrong and counter productive for state and local government to increase their taxes when the federal government is reducing theirs.

Local tax increases would wipe out the intent of the federal tax cut. Yet, because of the economic situation, many states, I am told, are doing just that—increasing taxes.

According to a report on state and local finances prepared for this Committee, state and local governments will have to increase taxes by over $3.6 billion this year to balance their budgets. If the intent of the federal tax cuts was to stimulate the economy, these state and local tax increases will cancel out some of this stimulation and slow even more the long-awaited economic recovery.

And when state governments are in fiscal trouble, there is a significant impact on local governments as well. In Illinois, almost one-third of our budget is devoted to grants to local governments. Through a new school aid formula, we will provide about 45 per cent—almost one billion dolars of the total cost of elementary and secondary education. This support has prevented substantial increases in local property taxes. In fact, we channel our entire federal revenue sharing allotment into aid to local school districts.

In Illinois, we have a special program of revenue sharing which allocates one-twelfth of our state income tax receipts to local governments. Local governments will feel that loss directly. We have a similar program for our gasoline tax to fund local road repairs and improvements.

We have inaugurated extensive programs of state aid to public transportation programs, not merely to the new Regional Transportation Authority in metropolitan Chicago, but to downstate transit districts as well. The state provides the largest amount of support—well over $100 million—to the authority outside the fare box.

Unlike New York State, the State of Illinois bears the entire non-federal costs of welfare and social services.

Obviously, when the federal government takes action to reduce its financial support in vital state programs, it hurts not only the state, but local governments and, most important, the people who depend on us for support. When these negative federal actions come in time of recession, they compound our problems in meeting the needs of people.

During the coming fiscal year we will be paying the full costs of inflation on the expenditure side at the same time that we are feeling the devastating effects of recession on the revenue side. In effect, we will be paying inflation costs with recession dollars.

It is very difficult to follow prudent fiscal management in the face of business cycles. When the economy is overheating, revenues increase more than expected creating a very false sense of inexhaustible dollars.

Despite unanticipated revenues, we made a vigorous effort to hold down the rise in state spending. These efforts often encountered difficulty in the face of strong pressures for substantial spending increases in current state programs which built up not merely larger budget bases, but expectations of future increases. When recession cuts down on our available revenues, the pressure of this spending from times of prosperity create serious financial problems for state government.

What can the federal government do to help state and local governments in the immediate fiscal crisis? How can these crises be avoided in the future? I have some suggestions.

First of all, the Congress and the Executive Branch must restrain themselves from making our problems substantially worse than they already are. The impact of the President's FY 1976 federal budget on state and local governments would have been ruinous. That budget would have reduced federal cost sharing for social services and for Aid to Dependent Children and Medicaid programs. It would have reduced federal commitments to ongoing programs in other areas, particularly health services.

These changes would have cost Illinois over $100 million. And they would have forced us either into additional cuts in services provided to people hurting from the recession, or raiding resources of other state-funded programs to sustain federally-aided programs. Fortunately, Congress imposed a more humane wisdom.

Second, the federal government can accelerate capital spending. If construction spending can be coordinated with state capital spending, short lead time projects can be started and can have an immediate and positive impact on the economy, particularly on unemployment.

Federal bureaucrats have the tools to wreak havoc on our state and local programs. They wield enormous power with little or no accountability—to you or us—for the human and governmental consequences of their actions. Federal red tape frequently prevents us from taking those actions needed to combat economic emergencies and to meet the human needs the emergencies create. If state and local governments are to be able to respond to people's needs, the avalanche of twisted red tape must be cleared away. Bureaucratic insensitivity must be subordinated to the broader human needs we must all serve.

If federal money were available and if the bureaucratic red tape were cut, Illinois could put hundreds of millions of dollars in construction projects under contract this summer for school construction and rehabilitation, mental health facility construction, park and recreational improvements, public transportation facilities improvements and highway and other road repairs. These projects would create millions of dollars in new payrolls and general local and state tax revenues, in addition to meeting vital social needs.

One of the most useful things the federal government has done is the recently passed legislation allowing the states to defer payment of matching funds for highway construction. This decision, for which I wish to thank the Congress, is allowing states to maintain major road construction programs in the fact of stagnant and declining gasoline tax receipts.

Third, a state and local fiscal crisis is a money problem that admits of a simple solution: money.

General revenue sharing should be renewed and quickly. If uncertainty about renewal begins to build, some jurisdictions will begin to hold back on spending to cushion the impact of losing revenue sharing. Further cutbacks in state and local spending would have a negative impact on employment as well as reducing public vital services.

The concept of federal countercyclical anti-recession assistance to state and local government has much to commend it. Currently state and local governments tend to expand employment and spending when national economic policy calls for the reverse, and to cut back during recession.

For this reason, I support the much needed Intergovernmental Anti-recession Act of 1975, which would provide the needed resources to state and local government to reverse this cycle in times of economic trouble. This assistance should not be encumbered by categorical restrictions and should be provided in the spirit of general revenue sharing.

If we are to tie entitlements in the countercyclical program to unemployment rates, as Comprehensive Employment and Training Act funds are now, the federal government must cooperate with the states in improving the statistical validity of these unemployment estimates.

There have been some areas where communication and cooperation between the federal government and state and local governments has improved substantially. The procedures for consultation with state and local government in the Congressional Budget Reform Act, the recent willingness of the Executive Branch to consult with state and local officials and the requirement of inflation impact statements of federal actions on state and local government budgets are all moves in the right direction. Further improvement could be made if state and local impacts were more thoroughly considered in the development of the federal budget and in economic forecasting.

In conclusion, I want to stress that I am not here to suggest that the role of the state and local governments is confined to standing in line waiting for federal handouts. I do believe that federal funds can appropriately be made available in the areas I have mentioned.

At the same time, state and local governments have a real responsibility—whether revenues are increasing or decreasing. That responsibility is to start resisting the pressures to spend dollars on every problem that comes over the horizon—and to install better management techniques to help control burgeoning bureaucracies. This means—for example—elimination of low-priority programs, fighting the spread of middle management, installation of zero base budgeting and management by objective systems, controlling payrolls, and eliminating marginal research and planning activities.

Thank you.

NORTH CAROLINA STYLE MEDICAID

Mr. BROCK. Mr. President, the State of North Carolina has begun an innovative program, working within the framework of a Federal program. The spiraling costs of today have wreaked havoc with many, many programs and North Carolina has taken a step that could be of great significance to local and State governments. I ask unanimous consent that an article from Business Week explaining the State's efforts be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A PRIVATE MANAGER FOR MEDICAID

Frustrated like most states by the ballooning costs of social services, North Carolina has dumped the administration of its federal-state medicaid program onto the lap of private enterprise. Last week it signed a unique contract with Bergen Brunswig Corp., binding the Los Angeles-based company to run the program on a fixed-cost risk basis.

North Carolina will turn over its $405-million medicaid budget for the next 26 months to a Bergen Brunswig subsidiary, which will distribute the funds to the state's 312,000 medicaid recipients. The company must pay any excess costs, but it can keep 25% of any money it manages to save through the tight, computerized controls it plans to clamp on claims. In effect, North Carolina thinks the arrangement will insure against runaway costs and may even save money.

Washington officials believe the experiment could spread to other states in the $14-billion medicaid program. "There's going to be a lot of interest from states that are in a fiscal crunch," says M. Keith Weikel, commissioner of the Health, Education & Welfare Dept.'s medical services administration.

Insurance companies are more skeptical; in fact, Bergen Brunswig was the only one of 36 insurance and health care groups invited to participate that actually bid on the North Carolina contract. "The problems of insuring people on welfare are very special," says William C. White, Jr., vice-president of Prudential Insurance Co. of America. "I doubt that we'd be interested in doing it" even if Bergen Brunswig makes a profit, he says.

More commonly, insurance companies serve as nonrisk fiscal intermediaries, disbursing medicaid and medicare funds for the government. Since they have little incentive to cut costs, "they don't screen claims—they simply pay them," says Emil P. Martini, Jr., chairman and president of Bergen Brunswig, which manufactures and distributes drugs and health care products. Its sales for the year ended last Aug. 31 were $278 million.

TIGHTER CONTROL

Bergen Brunswig's IBM 370 computer will track each medicaid recipient, rejecting faulty claims before they are paid instead of following the costly post-payment audit procedure common to medicaid administration, according to Martini. The computer will be located at the Raleigh office of the Bergen Brunswig subsidiary, Health Application Systems, along with 150 employees. To reduce North Carolina's two-day average medicaid hospitalization—well above the 1.6 days of California and many other states—doctors handling medicaid patients must assign an expected length-of-stay to each patient at entry and get permission to prolong the stay. "If we can get the average hospital days down to only 1.9, we'll save $4-million," says Martini.

Such zeal—and its potential payoff in profits for Bergen Brunswig—could threaten the quality of care, say North Carolina legislators who oppose the plan. HEW, which monitors the medicaid program, feels that quality will be guarded by a physicians' review board that will hear disputed claims and study complaints. The nonprofit board, the North Carolina Medical Peer Review Foundation, was set up by the state's doctors and dentists specifically for the contract with Bergen Brunswig, which hired it as a subcontractor. It will have a central staff of 100 in Raleigh and about 50 field representatives around the state. Bergen Brunswig has also posted a $6-million performance bond.

SAVING MONEY NOW

No newcomer to North Carolina, Bergen Brunswig has been running the prescription drug segment of the state's medicaid program for two years. By weeding out fraudulent and ineligible claimants, it will save North Carolina an estimated $1.5-million on a budget of $26-million in the current fiscal year, says David T. Flaherty, the state's secretary of human resources.

Actually, the state could use its own computers to hunt down medicaid abuses. Illinois, for one, plan to do this. But HEW's Weikel notes that "there's more incentive when you're a profit-and-loss statement," and, in North Carolina, Flaherty says he could not even get funds for a study of the project, let alone the $3-million he figures he would need in software.

With North Carolina's medicaid payments zooming from $16.5-million in 1969 to a projected $244-million for fiscal 1977, Bergen Brunswig has protected itself by arranging a $6-million reinsurance deal with an outside partner who will share in any profits. "We wouldn't have done it without that," says Martini. And the company and the state can cancel their contract on four months' notice.

Bergen Brunswig clearly does not expect to cancel. Next month it plans to propose a North Carolina-style medicaid deal to other states. North Carolina's Flaherty is equally hopeful. "For the first time, we won't have to sign a blank check for medicaid," he says. "We've finally put a cap on it."

THE ROLE OF THE PRESS IN AN OPEN SOCIETY

Mr. PELL. Mr. President, there recently appeared in the Naval War College Review an excellent lecture by Mr. Philip Geyelin, editorial page editor of the Washington Post, entitled "The Role of the Press in an Open Society."

Because the essence of this piece is so timely, I believe it will prove of interest to my colleagues.

For that reason, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ROLE OF THE PRESS IN AN OPEN SOCIETY

(A lecture given at the Naval War College by Mr. Philip Geyelin)

I am especially happy to be here this evening and to be given the opportunity to talk to so distinguished a gathering about matters concerning our respective trades—the media and the military.

A similar adventure before a comparable audience at the Marine Corps Schools in Quantico makes me fully aware that there exists in military circles a certain lack of affinity with the press. You might even call it a hostility. They were polite down at Quantico and militarily proper, standing up when we came in and again when we walked out. But in between it was Bangladesh. Nothing was thrown no blows were struck, but there existed a firm conviction that coverage of the Vietnam war by newspapers and television had contributed in a major way to prolonging it, to greatly increasing the cost in lives, and, in the end, to making a victory impossible in any conventional sense of the word. The message was abundantly clear to the panel consisting of a CBS reporter, an Associated Press correspondent, a gentleman from the Times, and myself, all of whom had worked for varying lengths of time in Vietnam and thought we knew something about it.

But that was fair enough because having myself spent several months out there—with the Marines up around the Rock Pile and with the Army in War Zone C and down in the delta with the pacifiers—I think I can understand the frustrations of the military, the civilians as well, and their resentment of the way the story of the war was being told by the press and received by the public back home.

I also think that a lot of this anger and frustration was the result of some serious misconceptions about the role of the press in our system of government, about the obligations and responsibilities of our civilian leadership, and about the role of the military in the infinitely complex and delicate process by which a free and open society governs itself.

I would like to take this as a starting point because I think it will lead us into some of the questions that may be on your minds and may be central to the theme of this military-media conference.

In your letter, Admiral LeBourgeois, you posed some very pointed and provocative questions which generally had to do with:

Differing standards and styles of journalism practiced around the world;

How well journalists of other countries cover Washington or understand our own press coverage of Washington; and

How much this matters with respect to our conduct of foreign policy.

You asked about the strengths and weaknesses of the adversary role of the press and why there is so much suspicion and hostility directed at the media in their coverage of military and international news. Finally, you asked what advice might be given professional military men who become involved in events of news interest.

Let us deal quickly with that last question as a separate issue. I have no hesitation in answering it because we have just had an opportunity to do so editorially with respect to the Chairman of the Joint Chiefs of Staff. Our answer in that case was that there are some things so clearly presidential in nature and subject to ultimate civilian determination that professional military people ought not to express strong views about them publicly. I am referring now to the specific policy questions and sensitive political issues to which General Brown addressed himself. There were clearly elements in his remarks that ought not to be a part of the public discourse of any responsible, high-ranking officials of the U.S. Government, whether civilian or military.

Nevertheless, I would quickly add before setting this difficult question aside that this is *not* to say that professional military people should be seen but not heard on the issues that bear on their principal concerns. They have a duty to speak out candidly about the Nation's defense needs or about the course of a war or about threats to this country's security, a responsibility to report to Congress and to the people in a forthright way. That is as far as I think we ought to wander off into this particular thicket, except to make the observation that we might all have been better off if top military leaders had been more inclined to share with the public some of their private reservations about the strictly military aspect of what was happening at various stages in our involvement in Vietnam. I would add, by way of returning to some of the admiral's questions, that we might also have been better off if the civilian leadership had been more candid in its dealings with the press and the public during the Vietnam war.

This brings us very close to the heart of my central argument, that with respect to most of the important national and international issues with which we are concerned, the press in this (or any other) country can generally perform no better in relation to the Government than the Government is prepared to perform in relation to the press. The amount of truth that you can expect the press to bring to you—and I am using the word "truth" rather grandly—is dependent to a large degree on the amount of truth which the Government wishes to make available.

That is the case, at least for the short haul. Happily—and this is something that a succession of national administrations have been slow to learn—it is not so in our country over any long period of time. In my view that is one of the major lessons of Vietnam, just as it is the lesson of Watergate. In both cases the highest officials of Government set out on a course of action which depended for its success on concealing its true nature from the press and from people who the Government is supposed to serve. In both cases gradual, grudging disclosure of the true nature of events raised grave public doubts about our institutions—including that institutions which is called the free press—and not without some reason. It is undeniable in the case of the press that in both instances our performance was uneven, that we were, first of all, slow to react and in some cases derelict in our duty, and later, sometimes overzealous and from time to time unfair. While being slow to get going, we may well have been too hot in our pursuit. Yet, this hardly sustains the charge that critical reporting of the war in Vietnam was the root cause of our troubles there. Our troubles began with the fact that the Government never made an honest effort to rally public support for its policy on the basis of a candid declaration of what the policy actually was. Still less does it sustain the even more excessive charge that some collective bias on the part of the press was responsible for the crisis in our affairs—the collection of crimes and improprieties and deceptions and conspiracies—which has come to be lumped together under the catch-all label Watergate.

The point is that these things happened—as you can hear for yourself by reviewing almost any session of the Watergate cover-up trial. Things adverse to American interests also took place in Vietnam. Over time, the North Vietnamese proved to be a lot more resourceful than they were ever thought capable of being; whether it was the TET offensive, the later sweep through the DMZ, or simply the steady, relentless pressure in the highlands or in III Corps. The American mission proved to be a good deal more difficult to accomplish, under the ground rules which civilian leaders fixed from the very start, than most people supposed it would be. In other words, events were the determining factors, and the press, with varying degrees of skill, doggedness, and accuracy, reported these events.

Therefore, one must ask the question, "What is the source of the hostility and antipathy toward the press in the year 1974?" I would say that in large measure this situation developed from the fact that for more than a decade of racial conflict, campus disorders, economic distress, war, and unprecedented misconduct at the highest levels of Government, the press has been telling the people things that the people do not really want to hear and that the Government does not want the people to know or at least to think much about. There are other reasons, of course, but a large part of our problem, I would argue, is that we have been bringing you bad news. not for the sheer joy of it, but because the news has not been bad. Now the question is whether you would really want it any other way, and if so, how.

Let us take a quick look at some alternatives. In the Soviet Union the so-called press is completely controlled by the government—worth reading only if you want to know what the government wants you to know. The same may be said for other Communist governments and a good many right-wing, totalitarian governments as well. I remember meeting a delegation of visiting Chinese "newspapermen" whose leader announced at the outset of the conversation that they could not discuss Watergate because of the sensitivity of relations between our two countries. They did not, in other words, wish to inquire into the single most important political even on the American scene. Would anybody in this country want to be served by a corps of American foreign correspondents under similar wraps? Or assorted travels around the world, I have had some experience with what happens to the bad news. Sometimes it is removed with scissors or a blue pencil, as in Jordan or Lebanon, and sometimes more subtly, as in Nasser's Egypt. The trick was merely to hold up objectionable copy for 24 hours or so while the competition's copy moved out unimpeded. Under such circumstances and in the face of impatient cables from the home office, the pressure is strong to give the local government's monitors the least possible offense. Even in some Western democracies, government subsidies—and the concomitant power to withhold them—serve to restrain genuinely free expression by the press. In France it was not uncommon for the entire edition of a newspaper to be confiscated by the Government to block reports on atrocities by French forces in the Algerian war. How many people in this country would have wanted American newspapers similarly treated during the Vietnam war? Britain's press perhaps most closely resembles our own in its long tradition of free expression, and yet if the American press had been subject to British concepts of pretrial publicity and libel, it is doubtful that the story of Watergate could have been brought to the point of the Ervin committee hearings or to the initiation of the impeachment process in the House. We therefore have the venerable Times of London describing the Washington Post's Watergate reporting as a lynching party.

While participating on a recent French television panel, I heard the proposition seriously advanced that "two little journalists" had brought down one of the finest American Presidents in history." That proposition is wrong on two counts; what the press did was to report events. It was the events that brought down Mr. Nixon: the tapes and Judge Sirica, an alert watchman at the Democratic Party headquarters, the enemies list, the plumbers, the burglary of Daniel Ellsberg's psychiatrist, a unanimous decision by the United States Supreme Court, and all the rest. In the last analysis, Mr. Nixon brought Mr. Nixon down. And on a second count this proposition is wrong because contrary to what a great many French and other Europeans feel, Mr. Nixon was not, by the judgment of his own people and of the Congress nearly as fine and upright a figure as the European press had led their readers to believe. He was, on the contrary, quite possibly the most dangerous President in our history. And yet the reason for his removal remains a mystery to many people around the world. The fact that the great bulk of newpaper readers even in some of he world's most open societies were totally unprepared for the denouement of Watergate and the President's ultimate disgrace is an important commentary on the standards of journalism which prevail elsewhere in the world—a commentary, you might say, on the alternatives that are available to us.

That is why it is disturbing to hear from sensible and responsible people in Government, industry, and in the military the litany: "Why do you only publish the bad news; why don't you tell us the good news?" The fact is we do tell you the good news if only because we dutifully report the things that Presidents and Senators and Cabinet members and generals and admirals are saying—the progress reports, the success stories, the rose-tinted view of economic conditions, our international achievements, or the effectiveness of weapons systems are published faithfully, often in full text, in newspapers every day. And there is something you should know about much of the bad news we also print: it usually comes, often anonymously but no less reliably on that account, from Government officials, politicians, and military officers who do not believe the good news stories, who do not share the official, rosy view of things, or who disagree with prevailing policy. Just the other day, a sub-Cabinet official from the Ford administration came before our editorial board to argue for a program of economic relief for areas of hard-core unemployment which he thought his own administration was not doing enough about. He urged us to send a reporter and a photographer out to a ghetto or a West Virginia mining town to publicize the story of poverty. This request came from an administration which, at the same time and out of the other corner of its mouth, regularly accuses the press of accentuating the bad news. It comes from an administration which only recently could bring itself to say the word "recession" while the clear evidence of recession was before our very eyes, in unimpeachable unemployment figures and production statistics made public by the Government. As with the economic bad news, so it was with Vietnam and Watergate. The bad news behind the confident body counts and the hard evidence of criminal conduct behind the Presidential protestations of innocence came from honorable, responsible officials of Government who deeply believed that the public was not being told the truth.

Of course there is room in this process for inaccuracy or poor judgment on the part of the press. There is the possibility of bias as well, for bias is a frailty common to us all: to reporters, to editors, and to the reader who brings his own particular prejudices and predelictions to bear in judging the fairness of the press. But in asking you to consider the alternatives, I suggest that there is a direct connection between the kind of press we have and the kind of Government we have, between a free press and a free society. You cannot have one without the other. It therefore says something troubling about the depth of our reverence for an open society when so many prominent and presumably thoughtful people express such a deep distate for the free and open functioning of the press by demanding a quiet conspiracy in restraint of bad news. The press is not in the business of building confidence or images; it is in the business of holding Government accountable to the governed—to a certain extent, it is in the early warning business, if you will. I would not argue that we could not do this business better than we do. But I would leave you with the thought that when the Founding Fathers predictated our system on a press free of governmental control—when they wrote the clause beginning: "Congress shall make no law . . ."—they were not deluding themselves into thinking that they were protecting or making provision for a perfect press; they expected it to be human; but they intended it, above all, to be free.

WORLD FOOD SUPPLIES: NEW ATTENTION AND NEW APPROACHES NEEDED

Mr. HUMPHREY. Mr. President, just recently a spokesman at the U.S. Department of Agriculture observed that "world hunger is receding as a topic of primary public interest." Whether this observation is accurate or not, I wish to impress upon my colleagues the fact that world hunger is not decreasing at all as a problem, and it is, in fact, rapidly becoming an area which should be moved into the limelight of public policy attention.

A recent editorial in the Minneapolis Tribune places due emphasis on the growing food problem which threatens both the United States and the world. Several modern-day phenomenon have led us to this near-crisis situation. An increase in world population, soaring food prices and scarcities which threaten millions with starvation. The chemical and mechanical technology which has always provided us with sufficient food in the past is now reaching its natural limits. New approaches are necessary if productivity is to increase once again, and if the people of the world are to have sufficient food.

A June 15 article, by Gene Bylinsky in Fortune magazine, outlines just such a new approach. Plants have a biological potential which is currently going unused. By producing crops with a more efficient photosynthesis process than other crops, a greater yield can be realized. Crops with improved biological traits offer us the fresh approach to our food problem that is so needed to expand production in the years ahead and avert a crisis.

Mr. President, I ask unanimous consent that the two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

WORLD FOOD: IT ISN'T A FADING ISSUE

[From the Minneapolis Tribune,
June 15, 1975]

An official in the U.S. Department of Agriculture suggested in a speech last week that world hunger is receding as a topic of primary public interest. Don Paarlberg, the department's director of agricultural economics, said that in three post-war experiences the public attention span on that issue had been about two years. Now, although the world food situation remains precarious, it is slightly less so than last fall, and Paarlberg regretfully expects the multitude of other problems to absorb Americans' attention.

He's probably right. But his speech, and a Business Week survey on agricultural research, are reminders of why food should be kept at the forefront of public policy. The main reason is not the outlook for the next decade or two. During that time, agricultural output is likely to keep pace with population; producers of farm surpluses, notably the United States, will continue helping with agricultural exports and aid, and developing countries should be able to increase marginally their percapita food production as they did the past 20 years.

After that comes the deepening crisis, with projected trend lines in population and food crossing sometime around the year 2000 and then diverging as the deficit widens. To call this a 21st-century problem that may be affected by entirely different circumstances is an inadequate response; many of those circumstances will be determined by actions taken long before then. For example, any diminution in population growth will require sustained efforts, for which experience in the poor countries is not an encouraging precedent.

Nor is there reason for complacency about the short term. If the food balance is precarious now, and if a record U.S. harvest this year is a prerequisite to maintaining that balance, imagine what a North American drought in 1975 or 1976 would do—when malnutrition already affects an estimated eighth of the world's people.

Against that background, three policy questions seem to us worth particular emphasis. One is price. With food supply and demand so close, a slight shift toward deficit drives prices extraordinarily high; a slight shift toward surplus sends them plunging. Both to encourage production by food exporters and to permit purchases by importers, better price stability than there has been since 1972 is an important goal. A system of international grain reserves would provide a helpful buffer.

Second is agricultural research. Experts such as A. Richard Baldwin, vice president for research at Cargill, Inc., have been warning for years that more effort, public and private, is needed. Total U.S. research now, according to one Agriculture Department official, is about what it was 10 years ago.

Last, and undoubtedly the most sensitive and difficult, is the need to slow world population growth. A U.N. conference on that subject last year produced much argument and little agreement. But at least the subject was aired in a worldwide forum, and we think there's greater awareness that food, population and economic development are parts of the same equation. Few issues are of greater seriousness—which is why food policy will remain perennially important.

A New Scientific Effort To Boost Food Output

(By Gene Bylinsky)

Americans have grown so accustomed to the fabulous bounty of their farms that it is still difficult for them to realize that agriculture is entering a new and troublesome era. The great crop surpluses have disappeared and food prices have soared. But few people seem to appreciate the dimensions of the underlying problems.

The disturbing fact is that the technologies that made U.S. agriculture a miracle of productivity—lavish use of fuel, fertilizer, machinery, and chemicals, as well as conventional plant and animal breeding—are beginning to reach their natural limits. The number of people fed by our cultivated land has started to level off at about one per acre. Adding fertilizer no longer raises crop yields per acre at the rate it did a decade ago; there's a physical limit to how much fertilizer can contribute to plant growth. Average yields on experimental farms in Iowa, that epitome of American ingenuity in corn growing, have remained level for several years because there have been no new breakthroughs in technology. The flattening indicators of farm output raise serious questions about U.S. agriculture's long-term ability to keep feeding a growing number of Americans and simultaneously produce surplus food for a hungry world.

Over the next few years, to be sure, we can undoubtedly wrest some additional increase in farm productivity from wider application of existing technology and conventional techniques. But the cost is likely to be high. The price of anhydrous ammonia, the most widely used nitrogen fertilizer, for instance, has more than tripled—from $80 to $265 a ton—in the past four years. Striving to conserve both energy and fertilizer, researchers have been developing such techniques as "trickle" or "drip" irrigation, in which water is delivered in minute, measured amounts to each plant, and they have developed fertilizer pellets that release their nutrients slowly and uniformly. Such methods, however, are useful only for expensive vegetable crops; they are too costly for wheat and corn.

"A GIGANTIC TASK AHEAD OF US"

It is becoming obvious that entirely new approaches are needed to increase farm productivity. James G. Horsfall, the recently retired director of the Connecticut Agricultural Experiment Station and one of the first scientists to sound the alarm about flagging growth in farm output, outlines our new problem this way: "We now have to look not to just the equivalent of one, two, or three great discoveries, such as the introduction of chemical fertilizers and hybrid corn, but we have to look to quite a few new ones in the future to maintain the yield increases we have so smugly assumed we could maintain. We have a gigantic task ahead of us."

The most promising way to achieve these new advances, Horsfall and other scientists agree, is to tap the unused biological potential of plants and animals. This effort is just beginning. Researchers at scores of university and government laboratories are conducting imaginative experiments that seek to improve the mechanisms of plant growth so that the plants will yield more food. Other scientists are applying similar techniques Cin an effort to get more offspring from farm animals and to propagate animals of superior quality.

This scientific back-to-nature movement holds the promise of continuously renewing some of our natural resources instead of using them up. If we could extend the biological synthesis of nitrogen fertilizer that now takes place in some plants to such crops as corn and wheat, our costly reliance on petrochemical stock to make fertilizer could be substantially reduced.

Big improvements in cereal grains and legumes such as soybeans will be the critical tests of the new biological approach. The world's people rely on such crops for about three-quarters of their food. It is clear, too, that increased yields must come mainly from present fields—not from bringing new land under the plow.

SECRETS FROM THE ALGAE

The ultimate limit to per-acre yields is imposed by plants' efficiency in converting sunlight, carbon dioxide, water, and other nutrients into chemical energy that makes them grow. This process of photosynthesis can justifiably be called the most important biochemical event on earth but it is extraordinarily complex. Its existence has been known for centuries but only in recent decades have scientists begun to unravel enough of the details to start their ambitious efforts to improve the process. Now this research may be on the verge of paying practical dividends.

The effort really got going after Melvin Calvin, a University of California biochemist, discovered in the 1950s how plants use carbon dioxide in order to grow. There are three basic steps in photosynthesis: First, light energy from the sun is absorbed by photosynthesis pigments, primarily chlorophyll. Next, the absorbed energy is trapped in a photochemical reaction center. Studying algae, Calvin found that the trapped energy is then used to power a complicated series of chemical reactions. These release oxygen from water and take carbon dioxide from the air, ultimately forming the starch, sugar, and other carbon compounds that go into the making of algae or any other plant. For his accomplishment, Calvin received a Nobel Prize in 1961.

In the first stage of this chemical chain, most plants turn carbon dioxide into phosphoglyceric acid, which has three carbon atoms per molecule. Such plants have become known in scientific shorthand as C_3 plants. They include such important crops as wheat, rice, soybeans, sugar beets, and sunflowers as well as slow-growing perennials, and evergreens and deciduous trees.

Had Calvin investigated the growth process of corn or sugarcane instead of algae, he might have discovered that they employ a more efficient photosynthetic process than algae, wheat, or any other C_3 plant. In addition to corn and sugarcane, this second class of plants includes various fast-growing tropical grasses, and not surprisingly, that bane of many a suburban homeowner—crabgrass. But this more advanced photosynthetic mechanism remained unknown until the 1960's when it was discovered independently by scientists in Australia and Hawaii. Because they fix carbon dioxide into a four-atom carbon compound, dicarboxylic acid, these plants were labeled the C_4 type.

The striking difference between the two types of photosynthesis lies in the way carbon dioxide is utilized. Right after they transform CO_2 into energy-rich sugars, the C_3 plants convert nearly half of these compounds back into carbon dioxide and wasted heat in a process called photorespiration. It was soon established that corn, sugarcane, sorghum, and other C_4 plants photorespire at a much slower rate. They have evolved a cellular mechanism that prevents most carbon dioxide from escaping from their leaves. Around their inner cells, where Calvin-cycle photosynthesis and photorespiration occur, C_4 plants have another layer of cells that recaptures the small amount of carbon dioxide released and converts it into acids needed for plant growth.

Thanks to their greater efficiency at photosynthesis, C_4 plants are more productive than C_3 plants. Average yields of corn have topped 100 bushels per acre in the U.S. in good years, while those of soybeans, a C_3 plant, have never reached twenty-eight.

WHY DO THEY BREATHE IN THE DAYTIME?

Why nature produced this photosynthetic gap remains a mystery. All plants respire, or breathe, at night—but that process, a useful biological combustion of energy-rich carbon compounds, makes plants grow. In contrast, daytime breathing, or photorespiration, seems to serve no useful end. One theory is that when plants evolved millions of years ago, the earth's atmosphere contained much more carbon dioxide and much less oxygen than it does now. In that carbon dioxide-rich atmosphere, the C_3 plants flourished. Photorespiration would have been no hindrance to their growth, and might also have served as a waste-disposal valve to keep atmospheric carbon dioxide in an equilibrium.

But as more and more plants evolved, they consumed carbon dioxide, reducing the volume of the gas to its present level of .03 percent of the air. At the same time, oxygen stabilized at the present 21 percent. This mix of carbon dioxide and oxygen slows the growth of C_3 plants. The high proportion of oxygen inhibits photosynthesis by encouraging photorespiration. In contrast, C_4 plants are much better adapted to lower carbon dioxide concentrations in the atmosphere, and high oxygen content doesn't bother them. These plants may be nature's way of adjusting to changing conditions.

Despite their photosynthetic advantages, C_4 plants suffer from one major handicap. They are mainly tropical or semitropical in origin, and they need intense sunlight to thrive. Sugarcane and pineapple can be raised only in hot climates. Corn, the largest of the C_4 crops, originated in the mountains of Mexico, and can be grown in a colder climate than other C_4 crops. But even versatile corn usually does poorly when grown at latitudes above 50 degrees—a line that stretches across southern Canada. On the other hand, C_3 plants such as wheat and rye grow in latitudes as far north as Finland.

One of the discoverers of photorespiration, J. P. Decker, then a plant physiologist in Puerto Rico, correctly deduced at the time of his discovery that if the process were eliminated, or slowed down, yields of C_3 plants would rise. Today scientists are convinced that both C_3 and C_4 crops can be improved substantially. Even the most efficient crops, including those that produce record yields, operate at only about half their photosynthetic potential. Crops yielding average harvests represent an efficiency level of only about 20 percent.

The theoretical upper limit to conversion of light quanta into plant material is probably about 8 percent of total solar radiation for C_4 plants and between 5 and 6 percent for C_3 plants. But most C_4 crops actually convert only about 2 percent of the sunlight they receive; average C_3 plants utilize only about 1 percent. So there is lots of room for increasing yields by increasing the photosynthetic efficiency of both types of crops. Corn yields, for instance, might be doubled from the present record of 300 bushels to 600 bushels an acre.

DRY ICE IN THE CORNFIELD

The task is being tackled from a number of directions. Since C_3 crops appear starved for carbon dioxide, a spectacular gain in their growth rate can be achieved by exposing them to increased amounts of the colorless, odorless gas. After the idea was applied in American greenhouses about two decades ago, yields of tomatoes, lettuce, and cucumbers rose by 25 to 100 percent. Naturally, it is far more difficult and costly to apply CO_2 to plants in open fields, but it can be done.

As long ago as 1966, David Jordan, a corn grower near Tipton, Indiana, dropped one-pound chunks of dry ice—CO_2 in solid form—twenty-five feet apart in a portion of his field. He harvested 214 bushels per acre from that sector, one-third more than from the rest of his planting. "He did what few plant scientists have yet tried," says Sylvan H. Wittwer, assistant dean for agriculture at Michigan State University, who is one of the nation's most prolific originators of new concepts for biochemical advances in farming. It was Wittwer's prodding, in technical papers and at agricultural forums, that introduced CO_2 into U.S. greenhouses.

Wittwer and other carbon dioxide enthusiasts are convinced that efficient ways to deliver the gas to crops in open fields will eventually be found. Among the possibilities are controlled release of the gas from microcapsules sprayed on plants, mixing CO_2 with water in trickle-irrigation systems, or sowing pellets of dry ice in the fields. Wittwer seriously envisages drilling deep wells to retrieve the gas locked in the bowels of the earth. Vast deposits of CO_2 appear to lie beneath such states as Texas and Mississippi.

Above ground, one direct way of improving the photosynthetic efficiency of plants would be to redesign the geometric arrangement of their leaves so they would receive more of the sunlight to which the plant is exposed. In temperate zones, the most intense sunlight occurs at the time of year when only a small part of the plant canopy has spread across the ground. In the summer, when plants mature, sunlight is declining in intensity—the wrong time for a maximum rate of growth.

In their quest for ways to redesign plants, a number of leading researchers are turning increasingly to computer simulations of crop growing. For example, plant physiologist Robert S. Loomis and his associates at the University of California at Davis recently completed a model of sugar-beet growth that contains more than 4,000 Fortran statements, one of the longest and most complex programs ever written. The first payoff was the discovery of a new way to raise the photosynthetic efficiency of this major C_3 crop. The model showed that if dwarf-leaf sugar beets yet to be developed were planted much closer together than is possible with normal sugar beets, better utilization of sunlight would result in a larger and more useful crop, with a root yielding 50 percent sugar instead of the present 30 to 40 percent.

The same principle could be applied to other crops, including corn. Of course, the plant would have to use the added sunlight to grow more foodstuff, not just more stalk or inedible leaves. In recent years, plant breeders have had limited success at redesigning plants to put more growth into grain and seeds. Now biochemists are beginning to reach the same goal by redirecting plants' metabolic pathways, a more direct but much more difficult route.

A SEARCH FOR "BIOLOGICAL ANTIFREEZE"

An obvious way to synchronize plant growth with maximum sunlight—particularly for such C_4 crops as corn—would be to plant earlier in the year. Accordingly, scientists at Cornell are looking for "biological antifreeze"—plant substances that allow a plant to survive could temperatures. Plant breeders are trying to develop varieties of corn that will flower a few weeks earlier than the present hybrid varieties, which have been bred to fit the growing season in the upper Midwest. By absorbing more sunlight when days are longer, such new breeds should produce more grain per plant.

Some scientists think U.S. corn production could be dramatically increased if the corn belt were stretched south about 300 miles, where corn could grow longer and get more sunshine. The present corn belt evolved partly because the most advanced farmers and farm scientists happened to live there, not because the climate was best for crop needs. One government plant physiologist complains: "We optimized corn for Minnesota instead of tailoring it for states with the optimum photosynthetic conditions."

Since moving the farmers seems out of the question, scientists are working on the plants themselves. The fastest results conceivably could come by developing chemical inhibitors of photorespiration. At Michigan State, biochemist Nathan E. Tolbert and his associates are trying to apply such controls at the beginning of the photosynthetic process. They have found that the early-acting enzyme, ribulose diphosphate carboxylase, which initiates photosynthesis in C_3 plants, is not very choosy. It will reduce, or fix, either carbon dioxide or oxygen. In fact, the two gases seem to compete; when oxygen wins, the enzyme makes the products for photorespiration. When CO_2 predominates, the enzyme works productively to store energy.

Tolbert is intent, as he puts it "not on knocking out the enzyme but perhaps only a corner of it that works with the oxygen." That will be a big job since no one fully understands how the enzyme reacts with CO_2. But Tolbert is encouraged because some chemicals he has used in greenhouse tests show promise of blocking photorespiration. He and other experts predict that the right solution will be found in ten or twenty years. Du Pont, Union Carbide, and Monsanto, among others, already are in a race to come up with the chemicals.

TOPPING THE GREEN REVOLUTION

Another biochemist, Israel Zelitch of the Connecticut Agricultural Experiment Station, is trying to block the same enzyme's action at a stage just beyond the one Tolbert is investigating. A discoverer of photorespiration, Zelitch seeks to find ways to control C_3 plants' output of glycolic acid, an early product of their photosynthesis, which sets off photorespiration. So far he has found two chemical techniques for doing this with leaves of C_3 plants nourished in laboratory flasks. The result is an increase in the leaves' rate of photosynthesis.

Control of photorespiration would do wonders for yields of wheat, soybeans, and other C_3 plants, possibly raising their yields by 50 percent. Wittwer sees the possibility of "a new Green Revolution" if such experiments can be applied on the farm. In fact, the potential is greater. The plant breeding that produced those "miracle" wheat and rice varieties—mainly by making the plants more responsive to fertilizer—has about reached its limits. The reason is simple: only about 5 to 10 percent of a plant's dry weight comes from minerals and nitrogen in the soil. "The next large gain in productivity," says Zelitch, "must come from increasing the 90 to 95 percent of the dry weight that comes from the assimilation of airborne carbon dioxide during photosynthesis."

In a more ambitious effort, Zelitch and his colleagues are also trying to block photorespiration by manipulating plant genes. They rely on a new kind of plant breeding involving individual plant cells instead of a whole plant. After desired new qualities are imparted to a single cell the idea is to grow a complete new plant from it.

Plant geneticists have borrowed this cell-culture technique from industrial microbiologists, who for years have been successfully redesigning microorganisms such as yeasts, molds, and bacteria to produce antibiotics, protein components such as lysine, and other important substances. Typically, this is accomplished by subjecting millions of microbes in a dish to "selection pressure," usually with chemicals. The few microbes that survive the treatment may have the wanted traits.

Now these techniques and the more complex ones of molecular biology are being applied to millions of plant cells at once to find cells of the same species that show lower levels of photorespiration. "In the field, we wouldn't know how to begin the selection process for such a physiological characteristic," says Zelitch. "It would be virtually impossible to search a million plants for it."

So far, Zelitch and his associates haven't been successful at growing whole food plants from single cells. But most scientists consider the difficulty of developing certain cells into plants to be a technical problem that is on the verge of being solved.

SUPPLYING THE BUILDING BLOCKS

They have good reasons for optimism. Whole plants—carrots, tobacco, and sugarcane—have already been regenerated from single cells. And three years ago a scientist succeeded in imparting new qualities to the tobacco plants grown that way. This feat was achieved by Peter Carlson, an intense young plant geneticist now at Michigan State who is in the forefront of efforts to apply molecular biology to practical plant breeding. He subjected tissue cells from a tobacco plant to selective pressure in a culture. He then grew the cells into plants that showed a five-fold increase over normal in their level of methionine, one of the "essential" amino acids that the human body can't make but must get from diet. Most plants are deficient in one or more of these vital building blocks of protein.

Carlson worked with the tobacco plant simply because its cells are easy to manipulate, but his success opens the way for the genetic engineering of plants that are not only photosynthetically more efficient but also more nutritious. Carlson has also played a leading role in carrying cell culture a step further, to cell fusion. In 1972, he and his associates grew a whole tobacco plant from fused cells of two tobacco species. That accomplishment has spurred experiments with fusion of unrelated plant species, which cannot be combined by conventional techniques. In this way, it should be possible to create plants that never existed before, including such unusual combinations as a tomato-potato plant bearing fruit both above and below ground. Cells of more than a dozen plants have already been fused in laboratories in several countries. The hybrids include corn and soybeans, chick peas and sweet clover, and strangest of all, soybeans and Douglas fir.

No plant has been grown yet from fused cells of unrelated species, but scientists have taken the first step by getting the cells to grow into a fetal-like clump called a callus. Carlson and others in the field believe the principal obstacle to be overcome is finding the right nutrients for "wide crosses." So they expect cell fusion and cell culture to become commercially useful after another decade or two of experimental work.

THOSE TINY NITROGEN FACTORIES

Many of these cell techniques are also being employed in efforts to improve another process governed by photosynthesis. Working in conjunction with plants, some bacteria extract nitrogen from the air and turn it into ammonia (NH_3), which plants utilize as a nutrient. Aided by this marvelous biochemical phenomenon, known as nitrogen fixation, bacteria each year produce 175 million tons of nitrogen worth $35 billion, more than four times as much nitrogen fertilizer as man makes synthetically. It's estimated that it takes the equivalent of 213,000 barrels of oil *a day* to meet the nitrogen-fertilizer needs in the U.S. alone.

The bacteria that fix nitrogen live in root nodules of some crops, including soybeans, or in soil near the roots of some other plants. Scientists would like to enhance nitrogen fixation in plants that already have this ability, and to transfer it to crops such as corn and wheat that lack it.

The idea is by no means farfetched. In a series of spectacular experiments during the past two years, plant scientists Ralph Hardy and Ulysses D. Havelka at Du Pont have shown how we could significantly boost *both* nitrogen fixation and yields of such low-yielding crops as soybeans. The Du Pont researchers grew soybeans in plastic enclosures in which the atmosphere was enriched with carbon dioxide. These soybeans fixed about five times as much nitrogen—the equivalent of 400 pounds of nitrogen fertilizer per acre—as plants grown in ordinary air. They also yielded seed pods weighing almost twice as much. If means are found to duplicate these results on the farm—and Du Pont is looking for the right chemicals—this could double the size of the soybean crop.

The job may also be done genetically, a more elegant route. Scientists in this field are encouraged by a recent finding that even plants that don't now fix nitrogen, such as corn, have a chemical regulator that can start nodules growing. Armed with this and other new insights into the mechanism of biological nitrogen fixation, a number of Soviet, British, and American chemists have developed chemical catalysts that imitate the work of the bacterial enzyme, nitrogenase, in extracting nitrogen from the air at normal pressure and temperatures. So far, these devices operate very inefficiently. But if they are perfected, a brand-new way of delivering fertilizer to crops would emerge. The catalysts could be used right in the field, bypassing the costly manufacture and transportation of nitrogen fertilizer.

The biological production of nitrogen would be particularly beneficial for the environment, to say nothing of farmers' pocketbooks. Plants use only an estimated 50 percent of the nitrogen in fertilizer. The rest is wasted, and some of it seeps into streams and pollutes drinking water. When nitrogen is fixed by bacteria living in plants, there is no waste.

New genetic and molecular techniques promise to bring some significant advances in animal breeding too. Chances are good, for instance, that commercial techniques to induce cows to bear twins will be developed in the next five years or so. A cow's uterus is shaped like the letter Y, and each branch can bear a calf. Taking advantage of nature's foresight, geneticists have recently begun experiments in which they recover embryonic eggs from a donor cow, isolate and store the eggs, and then implant two of them in the uterus of each host mother cow.

The twinning procedure now requires a simple operation that takes about fifteen minutes. Surgical transfer of single fertilized eggs to increase the number of calves born to prize cows has been in commercial use on a small scale for a few years now. Egg transfer is beginning to be applied to pigs, too, with promising results.

The great hope of animal researchers is to make twinning of cattle as simple as artificial insemination. Toward that end, a test of the egg-transfer technique, involving seventy-five cows, will get under way this month at the Davis campus of the University of California. G. Eric Bradford, chairman of animal science at Davis, expects in time to be able to predetermine the twins' sex by scrutinizing chromosomes in the eggs. This form of planned parenthood would further increase cattle fertility, because normally when two calf embroys are of different sexes the female is born sterile.

Long-term egg-storage techniques and other details are still to be worked out. But when the technology is perfected, the payoff should be big. Today, a healthy cow produces an average of only six calves in her lifetime. With twinning, she might easily double that. "Several years from now we might be able to have, not ninety calves per 100 cows a year, but optimistically maybe 140 to 150," says Bradford. "It would be worth doing even if it increased the offspring by only 5 or 10 percent."

A "BRAVE NEW WORLD" IN THE BARNYARD

Right now, the supply of egg embryos is a bottleneck, but Bradford visualizes such science-fiction-flavored schemes as harvesting a significant proportion of total oocytes, or potential ova, present in a cow's ovaries. An average cow has about 50,000 cells capable of developing into ova. These cells could be collected, say, from an old cow no longer capable of reproduction, just before the cow is slaughtered for meat. The eggs could be fertilized in the lab or possibly even in reproductive tracts of such "incubator" animals as rabbits, and then transferred to foster-mother cows when needed.

Beyond egg-embroys transfers lies the awesome possiblity of cloning to produce hundreds, even thousands, of exact copies of outstanding animal specimens—a "Brave New World" for animals.

SENATOR CLARK OF IOWA

Mr. MONDALE. Mr. President, for quite a few years, the younger and newer Members of the Senate were only supposed to be seen and not heard. Fortunately, that is no longer the case. The younger, newer Members of the Senate are now both active and effective, and the Senate is better for it.

A number of Senators could be cited as examples of that because of their contributions, but I would like to call attention to the work of one, the senior Senator from Iowa, Dick Clark. In his 2½ years in the Senate, he has compiled an enviable record as a vigorous and hard-working Senator. On a variety of issues—from campaign reform to the creation of a new regulatory commission for the commodities trade to the military spending question and withdrawal from South Vietnam, he has been heard and heeded by the Senate.

Over the last few weeks, he has taken the lead in the investigation of reports of possible irregularities in the grain trade, a question of vital importance to farmers throughout the Midwest.

Mr. President, I ask unanimous consent that a series of articles on this question and Senator Clark's work in the Senate and in Iowa be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Young Senator Loses Battle, Gains Respect

(By Martha Angle)

Sen. Dick Clark of Iowa took a drubbing, but he took it gracefully. And that's one reason the sophomore Democrat is emerging as a force to be reckoned with in the U.S. Senate.

Clark, a soft-spoken liberal who picks his shots carefully, took aim yesterday at a $100 million evacuation contingency fund the Senate was authorizing for President Ford's use in Vietnam and urged an amendment barring use of the money to provide military aid to the tottering Saigon government.

He lost—and lost big. Determined to leave Ford some maneuvering room in case a dollop of military aid proves necessary to insure safe evacuation of the remaining Americans in Vietnam, the Senate rejected Clark's amendment 61–32.

"I honestly felt it would do better," Clark said after the vote. "There's no question it strengthens the President's hand to have this vote on the record now."

Nonetheless, Clark said, he had no regrets about offering the amendment. "In the final analysis it was an issue the members deserved a chance to debate and vote on," he said.

Clark has given the Senate a number of issues to weigh during this week's debate on a $250 million package of humanitarian aid and evacuation support that includes authorization for President Ford to use U.S. troops if necessary to withdraw Americans and some endangered South Vietnamese from Indochina.

A new member of the Foreign Relations Committee, the Iowa Democrat took the lead in urging the panel—and the Senate as a whole—to move slowly on the bill until the administration stepped up its withdrawal of U.S. citizens and their dependents from Vietnam.

"There was a good deal of sympathy for the position he took, because it was essentially a reasonable one that most members agreed with," said Sen. Frank Church, D-Idaho, a senior and influential member of Foreign Relations.

Largely at Clark's urging, the panel hung onto the bill for a full week before sending it to the floor as members repeatedly pressed administration officials to speed the evacuation.

And yesterday, Clark won Senate approval for one amendment requiring daily progress reports on the American withdrawal and another requiring Ford to submit within 48 hours of the bill's enactment a report describing his general plan for evacuating the last U.S. citizen and whatever Vietnamese the administration hopes to rescue.

"He's a very good man. This was the first time he put his teeth into something in the committee and he handled himself really well," said Church.

"Clark is extremely hard-working," said Sen. Clifford Case, R-N.J., ranking GOP member of the committee. "Some of the younger members around here are kind of dilettantish, but he's not. He takes the job very seriously, and he has a lot of tenacity."

Another senior committee Republican agreed, saying Clark had "asked a lot of questions when we had administration witnesses before us, but they were good questions. I differed with him on many issues, but he can disagree without being disagreeable."

It is no accident Clark wins praise from Republicans as well as Democrats, conservatives as well as liberals. He makes a conscious effort to find common ground with colleagues of widely varying political ideology.

Yesterday, for example, Clark's office announced he was cosponsoring a farm-related bill with Sen. Carl T. Curtis, R-Neb., one of the Senate's most conservative Republicans and a member who seldom sees eye-to-eye with Clark on other issues.

"It doesn't benefit you at all to be antagonistic to people around here," Clark said.

The 45-year-old senator won his seat in 1972 in one of the biggest upsets of the congressional elections that year.

At the time, Clark was completing a seven-year stint as administrative assistant to then-Rep. John C. Culver, D-Iowa, who was planning his own bid for the Senate.

But Culver decided that incumbent Republican Sen. Jack Miller looked unbeatable, so he pulled back from the challenge and sought reelection to the House instead.

Clark, who had already done all the spadework for a Culver senatorial race, stepped in and became the Democratic candidate himself. With no name recognition and little money, he faced seemingly unsurmountable odds against the veteran GOP incumbent.

In a 1,000-mile walk across Iowa which brought him invaluable free press coverage, Clark sneaked up on a complacent Miller. When the election was over, he had captured Miller's seat and his former boss, Culver, was back in the House. (Last year, Culver finally took the plunge himself and won his own seat as the junior senator from Iowa).

Slowly and carefully, Clark has carved out a reputation as a senator to watch. He picks his fights sparingly, conscious of the dangers in trying to take on every issue.

"I think there's a great danger in being identified with everything that comes down the pike," he said. "Pretty soon people just don't listen to you."

Last year he succeeded in persuading the Senate to amend the historic campaign reform legislation to reduce from $3,000 to $1,000 the amount any individual may contribute to a political campaign. And he also staved off a GOP effort to exempt congressional campaign committees from the $5,000 limit on contributions by groups.

In addition, as a freshman member of the Agriculture Committee, Clark authored a bill which became the first significant reform of government regulation of commodity trading since 1936.

At the start of the current session, Clark scored another significant victory when he persuaded the Senate Democratic Caucus to require secret ballot votes on the selection of committee chairmen beginning with the next Congress. This reform had earlier been adopted by the House Democrats, who proceeded to use it to dump two powerful committee chairmen this year.

Although Clark does not shun publicity, neither does he seek it. His press releases are few and almost always pertain to matters under consideration by the committees on which he serves—agriculture and Foreign Relations.

He is friendly and accessible to the press, but makes no effort to attract attention from reporters. Ironically, they are beginning to seek him out—largely because he is unusually straightforward in responding to questions.

Clark professes to be slightly embarrassed by the stir he created over the past two weeks in connection with the Vietnam bill.

"I'm a little concerned. I didn't want to be too forward," he said. "I tried to defer to more senior members in committee and on the floor, but in the final analysis it became a question of whether anybody was going to raise some of the issues I felt needed debate."

Although his labors produced a mixed bag of results—a few small victories and one major defeat on the military aid question—Clark remained philosophic.

"I hate the fact we're on record with such a negative vote on the military aid issue, but we would have been subject to even greater criticism if we hadn't had a test on it," he said.

IOWAN TELLS "SKIM-OFF" OF U.S. EXPORTS

(By James Risser)

WASHINGTON, D.C.—Operators of grain elevators at U.S. port cities are collecting kickbacks on grain they secretly "skim off" while loading export ships, Senator Dick Clark (Dem., Ia.) has learned.

A "pervasive system of bonus payments" rewards the operators for engaging in misweighing and other practices which result in less or poorer quality grain being shipped out than is reported to buyers, the Iowa Democrat found.

Clark will outline his findings today, in a Senate speech charging that the giant international grain companies "may be directly involved in the bonus fraud since it is the exporters who own the majority of the main terminal elevators in the country."

Clark will call for a full congressional investigation, an audit by the U.S. Agriculture Department, and passage of legislation taking grain inspection out of the hands of privately employed inspectors.

WANTS EXPLANATION

He said Agriculture Secretary Earl Butz and his predecessor Clifford Hardin, should be forced to explain why they did not follow-up on foreign purchasers' misweighing and misgrading complaints recently disclosed by The Register.

Clark's revelations are certain to add to demands for inspection reforms, which have been building in recent weeks as it became clear that a major scandal exists.

More than a dozen inspectors at New Orleans, La., and Houston, Tex., have been indicted on bribery and other charges. More indictments are expected, and the investigation is spreading to other port cities and to possible involvement of shipping and grain company personnel.

Clark said many of the elevator operators apparently collecting kickbacks are employees of the major grain exporting firms.

LISTS TECHNIQUES

"As I understand the practice, a company owning the elevator will pay its elevator operators an annual bonus for grain that he has been able to save by 'shaving' on reported shipments," he said.

Clark's speech, an advance copy of which was obtained by The Register, lists techniques used by the elevator operators.

"He can tip the scales, mix or blend beyond what is acceptable under U.S. standards," says Clark.

"He can misreport loading so that either the night or the day shift in the elevator becomes totally confused about the size of shipments. Or, he can bribe the (inspection) agency, and perhaps even the federal inspector, to misgrade the grain going out of his elevator.

EXCESS STOCK

"The next result is excess stock, cream off the top. For the elevator operator, it means a substantial bonus and for the company owning the elevator it means that this 'leftover' stock, or 'overage' as it is called, is 100 per cent profit."

Such a system could explain recent reported discrepancies between grain receipts and grain exports, and complaints that shipments of soybeans and other grains from the U.S. habitually arrive in foreign ports "short-weighted," says Clark.

"We would be remiss not to investigate the extent to which the huge international grain exporters are involved," Clark says, pointing out that six firms control about half the port grain elevators and the grain storage capacity.

He said the Senate subcommittee on multinational corporations, of which he is a member, will expand its previously announced investigation of the international grain companies to include the bonus payment system.

AUDIT URGED

In the meantime, the agriculture department should conduct "a prompt and comprehensive audit of port authorities and terminal elevators where U.S. grain is exported," he says.

Such a study may be difficult because the inspectors who weight grain are often the same persons who inspect and grade the grain, and records may have been falsified, Clark warns.

In his speech Clark praises legislation for a completely federalized grain inspection system introduced recently in the house by Representative Edward Mezvinsky (Dem., Ia.), and says he believes the inspections should be handled by a semi-independent, interdepartmental grain agency partly separated from the Agriculture Department.

Clark aides said such a system would draw on personnel of the Agriculture, Commerce and perhaps other departments.

PRIVATE INSPECTORS

Under the present system, Clark complains, "3,000 private inspectors, working for agencies with their income governed in part by how expeditiously the grain companies can move grain, determine the degree of fairness and consequently the success or failure of the system."

The inspection agencies—often boards of trade, merchants exchanges, and similar organizations—are barred from having any financial interest in a grain elevator or in grain merchandising.

But, says Clark, "this exclusion has little relevance when one considers the extent to which there is an indirect financial interest between these agencies and the major multinational trading companies."

In addition to federalizing inspection, Congress should provide for high standards for inspector applicants, special training programs, a supervisory bureau to ensure honesty and accuracy, and better methods for tracing foreign purchasers' complaints about U.S. grain shipments, Clark says.

INADEQUATE SYSTEM

The present system of grain and export ship inspection dates back to 1916, but is now proving to be inadequate in an era of expanding U.S. farm exports, Clark says.

One inspection agency, the New Orleans Board of Trade, which inspects shipments from the Continental Grain Co. elevator and the Public Grain Elevator, has officials of shipping and grain companies among its members and directors, Clark's speech says.

Another agency with indicted inspectors—the Delta Weighing and Inspection Bureau, Inc., of Myrtle Grove, La.—inspects grain and ships at an elevator owned by Ditta Feruzzi, Serafino and Co. Clark says the Feruzzi firm ships more than half of all corn exported from the U.S. to Italy.

In his speech, Clark quotes an Iowa soybean producer as telling him at a recent meeting: "We produce a good clean product—in demand throughout the world—and we spend our own money to promote the sale of that product. I'll be damned if we're going to let petty bribery, sloppy work, and greedy exporters throw it down the drain."

Walking Senator

When Dick Clark launched his campaign for the United States Senate, he took off from Sioux City on a walk across the state. At the time, the move had the earmarks of a gimmick designed primarily for the edification of the news media. Not so, it turned out.

Clark's walk served several purposes, all of which helped him win an Iowa seat on the Senate side of Capitol Hill. His footwork put him close to at least a representative share of the electorate. He had an opportunity to shake hands, visit, and get acquainted with what Iowans were thinking, on their own grounds.

It was a novel political development for the Hawkeye state and obviously served Clark's cause well. True, he received plenty of news media attention because his strategy was off routine political procedure, and there is no doubt he had this in mind when he decided to don his hiking shoes.

But it is obvious Clark still believes in the "walking senator" routine. Over the Memorial Day congressional recess, he trod another 22 miles—10 miles from Davenport to Montpelier, and 12 miles through Cedar Rapids.

It's one way of lending an ear to what the folks back home are saying, of keeping tuned in on the thinking of the constituency.

Clark's continued activity on this score makes it apparent his Republican opponent when 1978 rolls around will have to dust off the old high school track shoes and do some real running.

DRUG HEARINGS

Mr. JACKSON. Mr. President, the Senate Permanent Subcommittee on Investigations is conducting hearings regarding Federal drug enforcement.

As chairman of the subcommittee, I wish to call attention to articles and editorials which have appeared as our investigation and hearings have progressed:

I ask unanimous consent that an article entitled "Return of the Hard-Drug Menace," from the U.S. News & World Report of June 30, 1975; an editorial entitled "Dealing With Drugs," from the Boston Globe of June 22, 1975; an article with the headline "Narcotics Unit Agrees To Tighten Coast Operations," written by Everett R. Holles, in the New York Times of June 23, 1975; an article with the headline "Heroin Addiction Up Again," written by Thomas Love, in the Washington Star-News of May 15, 1975; an editorial entitled "A Heroin Turnaround," from the January 24, 1975, Wichita, Kans., Eagle; an editorial entitled "The War Against Hard Drugs (I)," from the Washington Post of June 20, 1975; an article with the headline "Illicit Drug Imports Seen at Record Level," written by Douglas Watson from the Washington Post of May 13, 1975; and an editorial entitled "Rethinking Drug Abuse Control," from the Baltimore Sun of June 18, 1975, be printed in the Record.

There being no objection, the articles and editorials were ordered to be printed in the Record, as follows:

Return of the Hard-Drug Menace

Six years after the U.S. Government declared a "war" on drug traffic, heroin abuse is again reaching epidemic levels across the nation.

And the top-priority federal effort to stamp it out is being described as a failure in almost every respect.

Charges are being leveled in congressional hearings that federal drug enforcement has been marred all along by bureaucratic bungling, interagency rivalry, political opportunism and high-level corruption.

The estimated number of heroin addicts dropped from 600,000 in 1970 to 300,000, or less, in early 1974, after a successful blockade of Turkish heroin. But now the total has risen again to 600,000, according to the White House Strategy Council on Drug Abuse.

Drug Enforcement Administration officials say unofficially that the number of heroin users may actually be much higher—up to 725,000.

Also, federal drug experts report that heroin use appears to be "rippling out" from the nation's metropolitan areas into medium-sized and smaller cities, such as Jackson, Miss.; Eugene, Oreg.; Des Moines, Ia., and Austin, Tex.

TOO CROWDED

Drug-treatment centers, which have spread throughout the country in recent years, are 98 per cent full, and in many cities are so overcrowded that addicts seeking treatment are being put on waiting lists.

In all, White House experts say, drug abuse is now linked to more than 15,000 American deaths each year and costs the nation 10 to 17 billion dollars annually.

"These signs, taken together, are ominous," Dr. Robert L. DuPont, director of the Special Action Office for Drug Abuse Prevention, said at a Senate subcommittee hearing.

The major reason officials cite for the recent increase in heroin use is this: Heroin from Mexico and Southeast Asia is fast replacing the Turkish heroin which had been cut off a few years ago by the breakup of the so-called French connection and by a temporary ban on opium-growing in Turkey.

Before that ban, an estimated 80 per cent of the heroin reaching U.S. streets came from Turkey. Now 65 to 70 per cent of it is coming from Mexico. New lines of supply have been established.

Not only heroin but other drugs such as cocaine and marijuana are being smuggled into the U.S.—principally across the Mexican border and the Caribbean Sea. Much of the smuggling, officials say, is being done by "amateurs" without prior criminal records.

One DEA official told a Senate committee: "Years ago, even among organized crime groups, it was socially unacceptable to traffic in drugs. That pressure has changed, and we see great numbers of middle-class Americans now who are willing to traffic in drugs to make money."

To stem this rising tide of drugs, the U.S. has reinforced the policing of its borders, coastlines and ports. In 1974, the Coast Guard set up off the Florida coast the first blockade of U.S. waters since the days of prohibition. A drug-intelligence center to co-ordinate all antismuggling efforts along the Mexican border was opened in El Paso, Tex.

But federal officials concede that the vast expanse of American borders and coastlines makes it easy for smugglers to elude law-enforcement officers.

Meanwhile, U.S. officials are bracing for a potential new flood of heroin from Turkey. The Turks resumed their cultivation of opium in 1974 and will harvest their first crop late this summer.

The federal "war" on drugs, launched by President Nixon in 1969, combined a crackdown on drug traffickers with an expansion of facilities for treating addicts, and also closer international cooperation against smugglers.

Since 1969, more than 3 billion dollars has been spent on federal drug-enforcement, treatment and prevention programs. Community treatment centers, virtually nonexistent a decade ago, have been expanded to serve an estimated 300,000 addicts at one time.

Joint effort. Thousands of tons of drugs worth millions of dollars have been seized. Such nations as Mexico, France, Turkey and Thailand are cooperating in the attack on illicit opium fields and laboratories and the prosecution of traffickers.

Why, then, is the problem worsening?

Senate investigators put much of the blame on federal officials charged with carrying out the antidrug programs.

At hearings of a subcommittee headed by Senator Henry M. Jackson (Dem.), of Washington, investigators testified that federal agents were making 90 per cent of their arrests among small-time "pushers," duplicating the work of State and local police, rather than concentrating on the top men whose trafficking crosses national and State boundaries.

In addition, it was charged, the "buy and bust" technique—using undercover agents to buy drugs and arrest sellers—is an inducement to corruption. Of nearly 4 million dollars a year spent on such "buys," only 5 per cent is turned back to the Federal Government.

Two DEA officials testified that they were prevented by Director John R. Bartels, Jr., from looking into charges that high-level DEA employes had taken bribes, sold confiscated drugs or falsified receipts for payments to informers. Mr. Bartels, who recently resigned from the agency, denies that charge.

The White House is reported to be planning some reforms in the drug program. But many experts express doubt that it is possible to really rid the U.S. of dangerous drugs, such as heroin.

Dr. DuPont warns against regarding the antidrug campaign as a "war" which must end in either victory or defeat. Rather, he suggests, it should be viewed more realistically as a long-range campaign of intensive effort which can, at best, produce only steady progress.

Dealing With Drugs

The war on drugs was a much-trumpeted initiative of the Nixon Administration and it managed for a time to alter the face of drug abuse in the United States. But Mr. Nixon's assertion in September 1973 that "we have turned the corner in drug addiction in the United States" was more an expression of ambition than of fact.

For a time, the availability of heroin in particular declined as did its quality. The number of deaths from heroin overdoses was reduced. And waiting lists for Federally-financed community treatment centers did shrink.

But the victory was illusory and short-lived. Demands for drugs did not seem to be affected by the assaults on illegal traffic and stringent enforcement regulations. In fact, demand apparently was growing from inner cities outward to the suburbs, according to a study by the White House Special Action Office for Drug Abuse Prevention. And the flow of heroin from Turkey, stemmed by government cooperation but reactivated unilaterally by Turkey, was eventually made up for and is now exceeded by a flow of brown heroin from Mexico. It seems to have followed the old adage that where there is a demand there will be a supply.

Heroin deaths in Chicago are now at an all-time high, according to the director of the Illinois Drug Abuse Program. Program directors in Philadelphia, Baltimore, Atlanta, New York City, Los Angeles, and Boston report similar findings.

Dr. Vernon Patch, director of Boston's drug treatment program, recently told the US Senate Permanent Subcommittee on Investigations that the nation's drug policy has been characterized by "blindness, studied indifference, benign neglect, incompetence or, worse yet, gross neglect."

Dr. Patch's complaint is one which directors of treatment-oriented programs have been voicing for some time to anyone in Washington who would listen. Yet the direction, priorities, and effectiveness of the nation's anti-drug effort have been unclear and unwise, sometimes both.

While heroin availability and addiction continue to rise, enforcement agencies devote massive resources to the traffic in cocaine, a physiologically non-addictive stimulant that is rarely death-dealing. While treatment facilities are forced to close their doors to clients in need, police activity escalates, injecting millions of dollars into the illegal market in a vain "buy and bust" attempt, but not making any apparent dent in the patterns of drug use and abuse.

The fault must lie with the Executive Branch. Although President Ford's budget for fiscal 1976 states that "treatment of heroin addiction will continue to be a national priority," the Administration is closing its Special Action Office, ignoring the request for more treatment-oriented funds from the office's director, and increasing the budget for the Drug Enforcement Administration more than $16.4 million. The fears that the nation will experience a decline, if not collapse, of drug rehabilitation strategy thus seem justified.

In view of the Administration's lapse in leadership and emphasis on enforcement, it is important that the Senate Subcommittee on Investigations direct its efforts at identifying proper priorities in the fight against dangerous addicting drugs and formulating methods that best suit the priorities. In its hearings the Subcommittee ought always to have in mind the fact that the existence of unrehabilitated addicts creates a demand that enforcement cannot prevent. Without rehabilitation of addicts, the traffic in drugs cannot be stopped.

Narcotics Unit Agrees To Tighten Coast Operations

(By Everett R. Holles)

San Diego, June 22.—The Drug Enforcement Administration has agreed to adopt more efficient methods in combatting narcotics smuggling along the Mexican border after a warning that Government attorneys here would refuse to prosecute many of its cases.

Already under severe criticism in Congress, and the subject of a Senate investigation into allegations of laxity and misconduct by its officers, the agency was recently notified by Harry D. Steward, the United States Attorney here, that it must meet 10 "minimum requirements" in handling routine arrests and drug seizures, to assure stronger cases that will hold up in court.

Since the agency was set up two years ago to combine the Government drug enforcement operations, attorneys on Mr. Steward's staff have privately asserted that inattention to details and lack of professionalism have contributed to a growing number of acquittals in narcotics trials.

John E. Van Diver, regional director of the agency in Los Angeles, to whom Mr. Steward's letter was directed, said that he had issued directives for compliance with the new requirements, although some of them would be "difficult to meet."

Similar notices setting forth standards of evidence were reported to have been issued, presumably with approval of the Department of Justice, to other officers of the agency, particularly those whose jurisdictions include border regions.

Mr. Steward described the "routine cases," to which his letter particularly referred, as "those initiated by routine patrol or police work such as cold busts [arrests made without prior information] at border ports of entry," as opposed to cases involving undercover investigations of major smuggling conspiracies.

BULK OF PROSECUTIONS

Such routine cases make up the great bulk of narcotics prosecutions here. They frequently are referred to the drug agency by customs agents and the Immigration Service's Border Patrol in the Tijuana-San Ysidro border crossing, a gateway for the large-scale entry of illicit drugs into the United States.

In his letter to Mr. Van Diver, Mr. Steward said:

"All assistants in the criminal division of the United States Attorney's office will be instructed to deline or defer prosecution in those cases which do not measure up to the minimum requirements."

The notice was sent to Mr. Van Diver on May 21 but was not disclosed publicly until after a June 1 compliance deadline set by Mr. Steward, who recently resigned after serving nearly six years as the United States Attorney here. He remains in office pending Senate confirmation of his successor, Terry Knoepp.

Officials of both the United States Attorney's office and the drug agency denied that the threat not to prosecute weak narcotics cases had any connection with the Senate investigation.

Since the drug agency was set up in July 1973, Customs and immigration agents coming upon contraband drugs and drug smuggling have been required to turn such cases over to it for prosecution. This has led to growing ill will.

Mr. Van Diver acknowledged that the involvement of several agencies in the apprehension of drugs and drug smugglers in the same area had led to confusion and problems.

"As far as I am concerned, the letter from the U.S. Attorney was intended to clear up this confusion," he said. "It creates a hardship but we can live with it."

Under the 10 "minimum requirements," agents must attempt to obtain fingerprints from all drug packages, photograph contraband drugs at the scene, and, "in cases where passengers in a drug-laden vehicle are not charged initially, they must be identified, photographed, fingerprinted and interviewed before release." The Federal Attorney's letter put heavy emphasis on the importance of fingerprinting narcotics wrappings. Defense attorneys, he said, frequently win acquittals by pointing to a lack of fingerprints linking their clients to the confiscated drugs.

Mr. Van Diver said that of the 10 requirements, the one involving fingerprinting packages was the most difficult "and often impossible" to comply with because in many instances the wrappings do not take fingerprints.

Heroin Addiction Up Again

(By Thomas Love)

Heroin addiction in the District started up again last year after several years of decreasing usage, according to a number of indicators compiled by the city government.

Overdose deaths from heroin more than tripled from the year before, accounting for 16 fatalities compared to 5 in 1973.

Officials said this could probably be traced to the availability of a better grade of the drug as well as more widespread addiction.

In January 1973 the average heroin bought on the street was 1.8 percent pure, according to police reports. By December 1974 this had increased to 4.5 percent pure.

During the same period, the street price of heroin dropped from a high of $6.04 a packet in July 1973 to $3.34 in December 1974.

Superior Court officials have reported a continuous increase since June 1974 in the number of defendants whose urine sample analysis showed positive to morphine testing.

The number of people admitted to the Narcotic Treatment Administration drug treatment clinics rose 24 percent from 2,462 in 1973 to 3,058 last year.

The statistics were presented to the House District Committee yesterday by Benjamin H. Renshaw, executive director of the city's Office of Criminal Justice Plans and Analysis, who called addiction "the crime ridden illness." His comments came during the fourth day of the committe's investigation into crime in the Washington area.

He related the increase in heroin addiction to the District's rising crime rate, which was up more than 23 percent in the last quarter of 1974 after dropping 1.4 percent in the same quarter in 1973. For the whole year, crime in Washington was up 7.1 percent.

Joseph P. Yeldell, director of the D.C. Department of Human Resources, blamed the increase on the end of a massive federal government anti-drug campaign which came to a halt about the end of 1973.

"For a two-year period," he said, "there was a major federal thrust (with a) sure effect. It was very difficult to find heroin in the city. Now we are getting many new people into our drug programs."

A Heroin Turnaround

Since narcotics agents in major American cities report an increase in heroin traffic—one warns 1975 may see a "disastrous return to the heroin plague"—Sen. Henry Jackson's inquiry into the problem is timely and promising.

Jackson's inquiry, to be conducted by the Senate Permanent subcommittee on investigations of which the Washington Democrat is chairman, will begin with questions about whether internal disputes and possible corruption have crippled the Drug Enforcement Administration's ability to control drug smugglers.

Whatever the course, this increase in the amount of heroin available to addicts is a turnaround from the sharp decline just a few years ago.

As recently as 1973, evidence was that heroin addiction, and the property crime it fosters, appeared to be on the wane. At that time, worldwide seizures of the drug were of record dimensions.

The increasing scarcity of heroin had driven up the price, driven down its quality and driven many addicts into rehabilitation programs. The result was a striking decrease in addict-related crimes in a number of major American cities. According to FBI figures, reported crimes in 1972 dropped by 27 per cent in Washington, D.C., and by 18 per cent in New York City below 1971 levels.

Another way of gauging the level of heroin addiction was to establish the incidence of non-transfusion serum hepatitis, a disease transmitted almost solely by addicts' dirty needles. New York's incidence rose from 1966 to 1971, peaking at 1,320 reported cases that year. But only 840 cases were reported in 1972.

Shortly after the Drug Enforcement Administration was formed in 1973, the federal government announced that it was slowing the traffic of heroin into the United States.

The quality of heroin available was poor and the quantity tight. The shortage was revealed in some cities by a sharp increase in addicts volunteering to go on methadone maintenance programs.

But now evidence is that the nation is losing the struggle to stem the flow of heroin and the increase of drug abuse.

Jackson's concern with the over-all performance of the drug agency seems justified.

The War Against Hard Drugs (I)

A little over two years ago, the federal agencies concerned with keeping hard narcotics—especially heroin—off the streets were combined into one superagency. The Drug Enforcement Administration was hailed as providing a new solution to the problem, and is was not long before the government was assuring us that "the corner has been turned" in the fight against hard narcotics.

If there were any doubt that the statement was over optimistic at the time, it was removed during the hearings recently held before Sen. Henry M. Jackson's Investigations Subcommittee. Far from having solved any problems, the DEA was portrayed by witnesses as an agency with a number of very serious problems of its own. These problems had come to the attention of the Department of Justice months ago. Yet no apparent action had been taken to correct or expose them. On the eve of the hearings, the head of the agency, John R. Bartels, resigned under extreme pressure. When the hearings began, the two DEA officials responsible for policing the integrity of the agency accused Mr. Bartels of blocking at least one important investigation. Others high up in the agency were portrayed before the Senate Subcommittee as having had serious charges pending against them—charges of consorting with known criminals, falsifying records and being suspects themselves of wrongdoing in the illicit drug market. To put the matter simply, DEA was portrayed as being part of the problem.

And the problem in the streets has grown more serious. Heroin supplies on the streets of the nation's towns and cities are up, higher in some cases than they were before DEA came into existence. Not only is the quantity greater, but the places where heroin once was unheard of—the small towns—now have heroin problems. To make matters worse, where once the heroin confiscated on the streets had a purity of only 5 per cent, a Boston narcotics treatment official said the purity levels now being encountered are as high as 30 per cent. Finally, the funds with which to treat those who need help are subject to the same strictures that have affected all other forms of federal spending; everything is being cut.

What should the government be doing about the enforcement program? First of all, the Justice Department should acknowledge the failures of DEA, both with respect to its internal corruption and its inability to reduce the flow of these drugs. Second, the Justice Department and the Department of Health, Education and Welfare have a mutual responsibility in the field of drug treatment. Up to now, Justice has been concerned mainly with the criminal aspects of the problem and HEW has tried to find ways of assisting with the social aspects, such as treatment. Those are part of the same problem. Even if Justice cannot stem the tide of drug movement, it certainly monitors that flow. Is anybody making sure there is money for treatment in those areas where the movement appears to be strongest? If they are, it remains an unrecorded effort. Finally, the FBI should be made responsible for investigating charges of corruption against DEA personnel, rather than having the DEA investigate itself.

One thing no one needs is for this problem to become a partisan political issue, centering on headline-producing scandal. There is a serious national problem here and the effort to resolve it will require the cooperation of every branch and level of government. This in turn will require the cooperative efforts of government leaders in both parties. A clear look at some of the tactical aspects of the war against hard narcotics will be the subject of a second editorial.

Illicit Drug Imports Seen at Record Level

(By Douglas Watson)

The flow of cocaine, marijuana and hashish into the United States appears to be at record levels despite an unprecedented number of arrests and seizures, Drug Enforcement Administration officials said yesterday.

They also warned that with the return this year of Turkey to large-scale opium growing, heroin imports into this country could rebound from recent reduced levels to new records.

According to DEA officials, in recent years, as police have shifted their focus, there have been these important shifts in the international flow of illicit drugs:

Southeast Asia (mainly Burma, Thailand and Laos by way of Malaysia and Hong Kong) has become the principal heroin supplier to Western Europe, which last year set its own records for heroin usage.

Mexico has become the primary supplier of heroin to the United States, mainly because Turkey stopped growing opium in 1972. Mexico continues to be the world's leading marijuana exporter.

Cocaine is now the most popular "hard" drug in the United States and is being imported in "tremendous" volumes from Colombia, Equator, Peru, Bolivia and Chile.

Amsterdam has replaced Marseilles as the chief heroin distribution center in Europe.

Lebanon is exporting an increasing amount of heroin to the United States, often through the Caribbean and Central America.

In the United States there also have been basic shifts in the flow of illicit drugs.

John Warner, chief of DEA's international intelligence division, said that in recent years illicit drug usage has spread from the big cities, where it was largely found in the 1960s, to smaller cities and rural areas.

During the 1960s most heroin sold here and in other East Coast cities was the white-colored variety mostly produced in France from opium grown in Turkey. Now, DEA officials said, heroin sold here is largely the "Mexican brown" variety.

U.S. withdrawal from Vietnam and Cambodia is expected by DEA officials to have little impact on the total flow of illicit drugs into this country, although the Communist military victories in those two countries expected to cut off the very small flow that was coming from them, mainly by mail.

The increasing importation of illicit drugs other than heroin has occurred despite vigorous law enforcement efforts in many nations. DEA, working with foreign and U.S. police, made more than 25,000 arrests between July, 1973, and December, 1974.

DEA officials say the arrests during that 18-month period removed 7,235 pounds of heroin worth $3.9 billion in street sales, 2,510 pounds of cocaine worth $543 million retail, 36.6 million dosage units of other dangerous drugs worth $16.5 million retail and 687 tons of marijuana worth $398.8 million retail.

"The imports of cocaine, marijuana and hashish are clearly at all-time record levels as based on our seizures of these drugs," a DEA spokesman said.

Under pressure by the United States, which appropriated $35 million to compensate Turkish opium growing farmers, Turkey halted large-scale production of opium, the raw material from which heroin is made. However, Turkey last year lifted the ban and is producing an opium crop estimated to be about 50 per cent greater than before.

Warner said U.S. officials hope Turkey will follow through on its assurances that it will police its poppy fields so that the opium will go for legitimate pharmaceutical needs, where there have been shortages.

However, Manhattan District Attorney Robert Morgenthau warned Sunday that because of renewed Turkish opium production, "I think by late summer or early fall there will be a substantial increase in heroin use" in this country.

Colombians now largely control the cocaine traffic, particularly from Bolivia, according to Jerry Strickler, a DEA official who once headed the agency's Latin American enforcement section. Colombia also has become a major marijuana exporter, as was Jamaica until a recent crackdown.

Strickler said that Vancouver and Argentina have become particularly active illicit drug transfer centers.

The extent to which a courier will go in an effort to smuggle drugs into the United States was illustrated by a man who flew from Bogota, Colombia, to Mexico City and then to Australia before being arrested in Honolulu on his way to Miami, Strickler said.

Rethinking Drug Abuse Control

The federal Drug Enforcement Administration, a Nixon administration creation, purportedly was designed to consolidate federal anti-drug-abuse efforts and make them more efficient. But recently drug abuse and drug-related crime have been on the increase. DEA has been careless about the civil rights of suspects, including several innocent Illinois families whose homes were raided mistakenly by DEA agents. The agency also apparently has given priority to apprehending smalltime pushers while, allegedly, it has let big drug dealers get away. DEA has had serious friction with other federal enforcement bodies such as the Bureau of Customs. There also have been allegations of corruption in the agency, and two investigations are under way now, one by the administration and the other by a Senate investigations subcommittee. The former head of the agency, John R. Bartels Jr., recently resigned, reportedly at the request of Attorney General Levi.

All of this seems to add up to an indictment of the federal drug agency that may be hard to refute as the investigations proceed, and indeed sufficient proof seems to exist now to demonstrate incompetence, if not yet corruption. Recommendations are being made for dismantling of the agency and dividing its duties among more responsible law enforcement bodies such as the FBI and the Customs Bureau or assigning them to another new agency that would be created for the purpose. These proposals may show their merit as the case against DEA is developed in the hearings that began this week before the Senate subcommittee.

At some point the nation must more clearly define the often conflicting roles of law enforcement and medical treatment in coping with drug abuse. The smalltime pushers DEA so assiduously pursues often are addicts themselves, and additional addiction treatment centers and job training for ex-addicts might turn out to be far better investments than the same amount spent on apprehending addicts, trying them and sending them to prison. Prison sentences demonstrably have had little good effect either as deterrents to addiction or in rehabilitation of addicts.

AMENDMENT OF THE MINING AND MINERALS POLICY ACT OF 1970

Mr. DOMENICI. Mr. President, on February 5, 1975, Senator Metcalf and I were joined by Senators Bayh, Hansen, and Williams in sponsoring a bill, S. 552, to amend the Mining and Minerals

Policy Act of 1970. We introduced this measure because we feel it is time for the United States to develop and implement a program for encouraging the development of our domestic mineral resources.

An adequate supply of minerals is essential to the economic well-being of an industrialized nation. Since the introduction of this bill, the Department of Interior has issued their report in compliance with the Mining and Minerals Policy Act. The report indicates that the United States annually requires over 2 billion tons of nonfuel mineral materials and over 2 billion tons of fuel minerals which, in the form of energy and processed material of mineral origin were valued at more than $210 billion 1974. This represents more than 23 percent of the world's nonfuel mineral materials and more than 30 percent of the world's energy.

The report says that the U.S. Government maintains that the economic interests of all nations are best served by an expansion of trade in a more open and equitable world economic system. Unfortunately, interruptions occur in free trade as a result of changing world economic and political conditions. Thus a nation becomes vulnerable to disruption when overly dependent on imported supplies.

The report shows total U.S. demand for many important minerals such as strontium, columbium, cobalt, manganese, tantalum, aluminum, tin, and flourine, to name a few, are supplied largely by imports. This fact in itself should not be alarming; problems arise when foreign sources become unreliable. Certain producer countries of major minerals have formed blocs for the purpose of leverage in their dealings with consumer countries. For example, the International Tin Council and the copper exporting countries are trying to keep prices stable and profitable to them. They may in the future take action that would, if successful, raise the price of their commodity.

Mr. President, on Wednesday, June 18, an article written by Guy Halverson, staff correspondent of the Christian Science Monitor, appeared in that newspaper. This article points out the concern the Pentagon and defense firms are experiencing over possible supply shortages of key materials.

Mr. President, I ask unanimous consent that this article be printed in the Record.

I believe that this article, coupled with the information contained in the May 1975 mining and minerals policy annual report of the Secretary of the Interior, clearly indicate a need for the Congress to begin consideration of S. 552.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Christian Science Monitor, June 18, 1975]

DEFENSE FIRMS CONCERNED OVER SUPPLY SHORTAGES

(By Guy Halverson)

WASHINGTON.—Both the Pentagon and weapons manufacturers—especially in the competitive aerospace industry—are keeping a wary eye on soaring prices and possible shortages of key materials.

The reason: dwindling worldwide reserves of some raw materials, even as demand grows. And the sudden growth of cartels in such areas as bauxite, oil, tin, chrome, copper, and phosphate, raises the possibility that supplies could be closed to U.S. arms manufacturers for political reasons.

Adding to the concern by military analysts about key commodities is the assumption that by the end of this century most raw materials will come mainly through oversea imports, rather than through domestic production.

Currently, say some Pentagon officials privately, chromite, asbestos, and rayon fibers—used in military production—are in short supply.

But these officials stress that most key materials used in weapons, such as aluminum and tin—are now readily available, although often at high prices.

Indeed, according to one official, "shortages have let up some this year" compared to past years. What bothers Pentagon officials is that this easing may be a "short-run" Pentagon phenomenon—a result of the economic slump and a surplus situation caused by inability of domestic manufacturers to buy large stocks of overseas products.

To ensure that it is not "caught short" the Pentagon:

Has established a Materials Steering Group, which, since January 8, has met monthly to keep abreast of materials outlook for defense industries.

The Pentagon, with the Department of Commerce and the U.S. Bureau of Mines, monitors worldwide shortages and availability of commodities.

Besides being able to draw upon the U.S. strategic reserves (stocks of commodities located around the U.S. for a crisis situation) the Pentagon has a "set-aside" program with the Commerce Department for such products as steel, copper, nickel, and aluminum by which domestic manufacturers of these products are advised that certain percentages of the materials go to defense-related industries.

For the vital aerospace industry, according to industry sources, a number of products are being watched closely:

Aluminum is made from bauxite, most of which is imported. And bauxite prices have soared some 700 percent during the past year.

Titanium is made from rutile, of which 90 to 95 percent is imported.

Chromium and nickel, both key aerospace materials, are largely imported.

In many ways, military officials concede, the main shortages for defense manufacturers today are either "capacity shortages" such as the example of U.S. tank manufacturers not being able to get enough turret and hull castings fast enough, since they are currently supplied mainly by one manufacturer, or "supplier shortages" illustrated by the current shortages in rayon fibers.

BONN'S NUCLEAR THREAT

Mr. MONDALE. Mr. President, this morning's issue of the New York Times carried an editorial entitled "Bonn's Nuclear Threat." This editorial discusses the impending sale by West Germany to Brazil of the complete nuclear fuel cycle, including technology which would allow Brazil to produce atomic weapons. It points out that at this late date—the sale is scheduled for completion on Friday—only prompt congressional action offers hope of persuading the West German Government to exercise restraint.

Last Wednesday, I introduced a resolution which would express the opposition of the Senate to the sale of uranium enrichment and reprocessing plants to nonnuclear weapons countries. This resolution was offered in the hope of preventing a shattering of the system of restraint that has until now kept plutonium separation equipment—and with it nuclear weapons capability—from being spread the world over. It would express not only to Germany but to all suppliers of nuclear equipment and technology the seriousness with which the Senate regards this issue.

As evidence of the need for prompt action on this resolution, hopefully before that transaction is completed, I ask unanimous consent that the Times editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

BONN'S NUCLEAR THREAT . . .

The Ford Administration has apparently failed to convince the West German Government that the United States views with grave concern Bonn's projected sale to Brazil of a complete nuclear industry and technology that would permit production of atomic bombs as well as electricity. Only Congress now can bring the message home in time to delay this tragic misstep; the unprecedented German-Brazilian agreement is scheduled to be signed by the end of the week.

Senator Mondale of Minnesota has introduced a resolution expressing the opposition of the Senate to the sale of uranium enrichment and plutonium extraction technology that would put weapons-grade fissionable material in the hands of more countries.

West Germany is planning to sell both types of plants and technology to Brazil; France is negotiating sales of plutonium extraction plants to South Korea and Pakistan. The United States Government for thirty years has refused to permit sales of such technology and turned down a Brazilian request last year, thus leading to the German success in obtaining the multibillion-dollar nuclear-power contract.

France has been taking part in a series of American-initiated exploratory talks among the main nuclear exporting countries to see whether common rules can be adopted that would prevent competitive degradation of safeguards in pusuit of commercial advantage. But if West Germany goes ahead with the Brazilian sale, there will be less hope of French restraint. This breach in the dike could lead quickly to a breakdown of the whole system to avoid the spread of nuclear weapons.

Yet, for reasons that are not entirely clear, the West Germans say that concern over the Brazilian deal has not been expressed to them from the top levels of the Ford Administration. It is understandable that Secretary of State Kissinger would like to avoid a major German-American crisis at this difficult time. But the representations made to Bonn at lower levels—urging that West Germany conform to the export standards that the United States sets for itself—seem merely to have convinced West German leaders that Washington is not serious about the nuclear danger.

Senate passage of the Mondale resolution, which urges a summit-level approach by President Ford to seek suspension of the German and French nuclear exports, might yet lead to second thoughts in Bonn.

SOLAR ENERGY IN USE TODAY

Mr. FANNIN. Mr. President, in our discussions of what progress has been made in the development and utilization of solar energy, we must not overlook the fact that many individuals have developed home units on their own. Not for commercial competition or research purposes, these innovators merely wanted to reap the benefits of a clean and abundant fuel source.

I would like to share two examples of energy conscious individuals who are not waiting for solar energy systems to be cost competitive with available heating and hot-water systems, cooking facilities, or utility bills. They, instead, have begun utilizing available solar technology—and in both cases have plans to expand their utilization of the Sun's rays. The first article, from the May 28 issue of the Arizona Republic, explains a solar cooker used by Mrs. Barbara Kerr, who did not turn on her electric stove for 2½ months last summer. The other insert, a UPI release explores the activities of Mr. Ron Shore in Snowmass, Colo., who has built a 7-room house totally heated by the Sun. So satisfied is he with this first project, that Mr. Shore now plans a solar heated workshop and greenhouse in addition to his residence. There are many similar examples of solar followers, but I felt these two pioneers were particularly noteworthy as their utilization of solar energy has saved them a significant amount of money on utility bills and thus encouraged their further use of this resource. I ask unanimous consent that the two articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Nurse Cooks on Solar Stove and Saves Fuel

(By Tom Kuhn)

Tempe.—The solar stove focused an intense beam of sunlight onto a pot of lentils and a skillet containing an omelet. In no time savory steam was rising and lunch was ready.

Cooking with the sun is part of a low energy consumption life-style practiced by Barbara P. Kerr, 49, a county hospital welfare nurse. She said most food can be cooked on the solar stove.

"For 2½ months last summer, I did not turn on the electric stove," she said.

Drawbacks are stove size—the one that cooked lunch was basically a 6- by 4-foot sheet of polished steel mounted in a parabolic curve—and that it can work only when the sun's out.

Some people probably would regard Mrs. Kerr's life-style too inconvenient. She concedes, "It's not as simple as throwing a switch on a stove."

But there are rewards. Last month her utility bill was about $15.

"I used little electricity and practically no natural gas," she said.

She believes pollution-free solar energy will someday provide many of the comforts for American homes that now come from burning fossil fuels.

The poor may be major beneficiaries of solar cooking, she said. They could be free from the fear of having their stoves turned off because they cannot pay the utility bill.

"It's far enough along for me to know solar energy is compatible with the American life-style," she said, after serving herb tea brought to a boil on a solar stove in her backyard.

"It's satisfying, reliable; it doesn't smell; it's economical; it satisfies the ethical sense of using a minimum of the earth's resources," she said.

There are three designs of solar cookers in and the framework for a solar collector that, Mrs. Kerr's backyard, as well as a solar still when installed on the roof of her house, will heat water for domestic use.

The water heater, she said, will use heat transfer by passing water over pipes filled with sun-heated anti-freeze. The device will replace a water heater whose pipes froze and burst last winter, she said.

When the solar water heater was functioning, Mrs. Kerr said she was able to turn off her natural-gas heater.

The change in life-style: "You have to shower in the afternoons, not in the morning."

Eventually, she said, she wants to use the sun's power to heat and cool her house.

"What I want to do is take things we know work and use them," she asserted.

One of the reasons Mrs. Kerr became interested in solar energy, she said, was out of concern for the penniless people she helps at Maricopa County Hospital.

Many live under threat of having their utilities canceled for nonpayment, she said. Some cannot afford good stoves, she added.

Wouldn't it be wonderful, she said, if the poor could use the sun to cook their food?

People could augment conventional ranges with solar cookers, she suggested.

"So it only works on sunny days," she explained. 'If you have a bad day for a barbecue, you can go inside."

She hires Joel F. Cook, 25, a former mechanical engineering student, for 15 hours a week to design and experiment with solar devices in her backyard. Cook says he plans to return to Arizona State University this fall to complete his degree work. Putting the sun to beneficial work is his main interest, he said.

Cook shares Mrs. Kerr's notion of a ecologically clean life-style.

He assembled the solar devices from discarded lumber and metal, including an old microwave dish he polished to form a parabolic solar stove. Given a higher budget, Cook said he could achieve a '"commercial look" for his device.

The stove that cooked lunch cost about $30 to build, he said.

Cook lacks instrumentation to check how hot his stoves get—"it's like the middle burner on an electric stove"—but his solar oven attains 300 degrees or more. He said the oven can bake a potato in 90 minutes—only a little more time than required for a conventional stove.

Cooking with the sun has an almost magical quality. The usual signs of heat, such as flame, red-hot metal, and smoke, are absent. Cooking pots are bathed in white light, much as a mirror reflecting a spot of light against a wall.

"You forget that the pots are hot," Mrs. Kerr said.

The parabolic curve stove is her favorite. It reflects a narrow beam of light 4 feet wide that can cover several pots at once. It needs fewer adjustments than the parabolic dish stove to keep in focus with the sun's movements.

* * *

Solar Idea Results in $2 Heat Bill

Snowmass, Colo.—Ron Shore turned two pieces of aluminum roofing sunnyside up and cut his heating bill to $2 a month despite subzero temperatures of the Colorado Rockies.

The $2 pays for electricity to run a small pump that powers a solar energy system used by Shore, his wife and 2-year-old son to heat their house.

"My bathwater is so hot that I have to keep remembering it was made possible by the sun," he said.

Shore, 29, is a former dentist who worked on Western Indian reservations until he got interested in solar energy. He did some studying and built the seven-room house heated totally by the sun.

"We're just really dedicated to the home," said Shore, now an energy consultant for the Rocky Mountain Ski Resort of Aspen, 20 miles away.

Shore said the house cost $20,000 and took 5½ months to build. The solar heating system cost $3,000. Shore said he planned to build a solar heated greenhouse and a separate workshop.

"The amount of electricity we use to run the small pump to heat the house runs $2 a month," he said. "We're saving about $100 per month in heating costs. The house is the only 100 per cent solar heated house ever built in this cold a climate."

He said overnight temperatures sometimes reached 20 degrees below zero.

The pump turns on when the sun warms during the day and pushes water from a 5,300-gallon tank beneath one of the bedrooms up to the roof where it runs down beneath two pieces of glass and across the aluminum strips.

"By running water by (the aluminum), we are collecting solar energy," he said.

The glass and aluminum serve as conductors of the sun's rays. The water is warmed and cycled across the roof, heating the house.

BABY SELLING

Mr. MONDALE. Mr. President, during the recent hearings before my Subcommittee on Children and Youth, we received testimony concerning the alarmingly widespread practice of baby selling. Because of the increasing scarcity of healthy infants available for adoption, prospective parents commonly pay $10,000 or more to intermediaries to arrange independent adoptions. While it is apparent that steps are needed to facilitate adoption—an area which the subcommittee will explore in later hearings—serious questions have been raised about the effects of black and gray market adoption on the children and families involved.

Three articles in the May 30 edition of Harper's Weekly address several points covered during the subcommittee's investigation. I ask unanimous consent that the articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

How Much To Buy a Baby?

A neighbor called me to let me know of an adoptable baby due to be born in January 1974. This neighbor had been over a friend's house and overheard a conversation between the friend and her lawyer husband indicating that the couple planning to take this baby could not do so. My neighbor told her friend that we would probably be interested in the baby.

I told my neighbor in the first conversation with her that I was most anxious to adopt this child and that she could give her friend's lawyer husband my name and number. But I also told my neighbor to let this lawyer know that he was not to call me unless he was going to offer me the child for a legal fee. She asked me what would be legal and I told her that over $750 for the legal fee was illegal. Beyond that, I expected to pay for medical bills for the mother and baby, and hospital stay for both.

I realized that I might also have to pick up the baby and pay the travel costs if the infant were from out of state. All total, it wouldn't cost more than $3,000, unless, of course, there were very large medical bills and the baby was from very far away.

My neighbor said she would give the lawyer my name and information on how much I would be willing to pay for the adoption.

The next day my neighbor called me back to tell me that the lawyer wanted "much, much more" so that he would not bother calling me.

On Oct. 31, 1973, I saw my neighbor and she told me that the baby (still unborn) still did not have adoptive parents picked out for it. I suggested that she let the lawyer know that we would still like to have the baby for this legal fee and to call me if he couldn't find adoptive parents under his conditions.

My neighbor called me again around 9:00 a.m., Nov. 2, 1973, to tell me that her friend's lawyer husband would be calling me that morning to offer me the baby, which had been born two months premature. She told me that the baby was otherwise in good health. I asked her whether she told him we would only pay a legal fee, and she said "yes." I then assumed that if the child was truly in good health, we now had a new baby girl. I felt that at this point he would not ask an outrageous fee.

I was understandably excited and called my husband to tell him that we were going to be offered a little girl. I neverously waited for the lawyer to call me. About 10:45 the lawyer friend of my neighbor called. He told me that he was only the associate of the lawyer that was handling this adoption. He was calling me because he knew I was probably on pins and needles. He told me that it was a breach birth and some other medical information neither of us understood. I reminded him that I would only pay what was legal.

He explained that the mother wanted money. I asked if this was legal and he said he didn't know. He is a new lawyer and didn't know anything about it. When his associate got back into the office, he would call me.

When the lawyer called me, I told him that his associate had told me some things about the baby. After a silence, he said it was "my nickel." I thought this was a rude statement for a supposedly dignified lawyer, and certainly out of order for someone who called me. I dismissed it and went on to ask him what the fee for the child would be. He said that the hospital bills would be quite high and that the mother wanted money. I said I would be willing to give the mother some reasonable amount of money if it were legal to do so.

The lawyer then acted as if he were deeply insulted that I would care to think he would do anything illegal. He shouted that he was from a reputable firm, and was certainly not going to take the money and run. He said that plenty of people would like to have this baby.

I said I was only asking if it were legal because I am not a lawyer and I wanted everything to be legal and right. An adoption is a serious business.

I said it sounds like a woman is selling her baby. The lawyer then said: "What's to stop a woman from selling her baby?" I said I thought it sounded very illegal to me. I then asked him how much the mother wanted. He calmed down to his normal speaking voice and told me, "It's not how much the mother wants. The whole package is $10,000." I told him we were not interested and hung up the phone.

After this testimony was given to [a] judge, I gave him some information on this adoptive child that might enable me to track down the child (probably still in the hospital). I wanted to know if there were any chances that I could still have this baby, now about three weeks old.

The judge said that he wouldn't want to have anything to do with this adoption if he were me. He left it at that.

As far as the "misconduct" of the lawyer, the judge said he didn't want to handle the situation himself, and that he would turn my report over to the Pennsylvania Bar Association.

I personally felt that my report should have gone, instead, to the district attorney's office for investigation. But the judge said that an investigation was probably out of the question because they just didn't have the manpower.

I personally called the city and county district attorneys' offices and they weren't even interested in listening to me. I then called the FBI thinking that, perhaps, baby selling was a federal crime and something they might be interested in. They also were not interested and told me to call the DA's office.

The Disciplinary Board of the Supreme Court of Pennsylvania (Pennsylvania Bar Association) took over the case. It's been over one year now, and to my knowledge nothing has been done to bring people like this lawyer to justice.

(Statement by Mr. and Mrs. Alan B. Lesser, delivered at the subcommittee hearings.)

Babies for Sale—A Congressional Committee Explores Private-Placement Adoptions

Would you pay $25,000 to adopt a child? Though it may sound incredible, healthy, adoptable white babies are so much at a premium today that some would-be parents are desperate enough to shell out thousands on the black market. Those who won't pay that kind of price may wait three to seven years in the hopes of getting an infant through an adoption agency.

The reasons for the shortage are obvious: greater use of contraceptives, abortion on demand and the fact that unwed mothers who keep their children are no longer automatically stigmatized. One adoption expert says that only five years ago, 80 per cent of all unwed mothers who sought help from agencies decided to give up their babies; today the figure is down to 20 per cent.

Nobody knows how many black-market babies are traded each year, though some rough estimates place the number at 5,000. And for-profit transactions may be on the rise thanks to greater demand, weak laws and law enforcement.

Florida and California are the main supply centers for the baby market. Expectant mothers, usually adolescents, are referred to lawyers in those states by abortion agencies and word of mouth. They are flown there and sheltered until delivery. Often the babies are acquired by out-of-state families the attorney has never met. A Florida reporter notes that attorney's fees in these cases in his state are rarely under $8,000 and often $10,000 or much more, even though the total cost of delivery and care of the mother is normally $2,500. The rest is profit.

Spurred by a couple of trials and several exposes in the press, the Senate Subcommittee on Children and Youth, chaired by Sen. Walter Mondale (D-Minn.), held hearings of baby-selling last month. The subcommittee may eventually introduce legislation to try to curb some abuses. Potential reforms include restricting exorbitant fees; requiring thorough studies of prospective parents' homes and careful breakdown of expenditures to attorneys; mandating penalties for parents when laws are violated, and protecting the rights of the natural mothers.

Among those testifying at the hearings was attorney Robert Burns of Miami Beach, Fla. For the past nine years, Burns has devoted what he insists is only a small part of his practice to the handling of adoptions. Below are excerpts from his testimony and portions of a statement presented to the subcommittee by a couple for Audubon, Pa.

An Adoption Lawyer Tells How He Handles His Cases

Senator Mondale. What was the average fee charged for this service in 1974, approximately?

Mr. Burns. It is hard to say. Some fees were $4,000. Some fees were $1,000. Some fees were $500. Once again I would have to add it and divide it and calculate it.

Senator Mondale. What was the highest fee you accepted last year?

Mr. Burns. There was one situation—and I have to rephrase something on which I made a statement. There was one situation that came to my office when I was out campaigning. I was running for city council, and I was out of the office for about a month or two months.

My secretary at that time, who thought she was doing the right thing, made a contract, which when I returned I had to live up to, which I have never done before, nor which has ever happened again.

The entire amount that she signed the people up for, unbeknownst to me, was $10,000, of which about $7,000 was a fee.

Senator Mondale. You say you had to live up to that?

Mr. Burns. Not legally. I am talking morally. My personal subjective feeling.

That is my personal subjective feeling. It does not mean that I will condone or condemn another attorney who does it. I only know what I do and what I charge. Most of the amounts I think were in the neighborhood of $5,000, which included the fee and all of the costs.

Senator Mondale. I do not quite understand the $10,000. You say it was a contract you had to live up to. Could you not have rescinded the contract and charged a lower fee?

Mr. Burns. I had contemplated that, but then the parents may have questioned the initial contract itself.

Senator Mondale. You think they would object to paying the lower fee?

Mr. Burns. I do not know what thoughts would have run through their minds.

Senator Mondale. How did you come to be the point of referral for these pregnant girls? How did you happen to hear about them? Who referred them to you? How did they come into your office?

Mr. Burns. Initially one of my clients for whom I was handling a personal injury case came to me in tears. Her 16-year-old daughter was pregnant, and they wanted to give the baby up to adoption, and did not know what to do about it.

At that point I did not know what to do either, but I checked into the statutes, and found out what I could do, and helped her. That happened the first couple of years after I was practicing. They have been few and far between.

Then I started to get referrals from the girls' friends who were in a similar situation. Then I started to get referrals from doctors who handled it, who spoke to the girls, who told them I treated them very fairly and very well.

The referrals started in mainly from doctors and mainly from girls who were friends of the situations that I handled previously.

Senator Mondale. Have you ever handled pregnant girls who were not from Florida?

Mr. Burns. Yes.

Senator Mondale. How did those girls get referred to you?

Mr. Burns. Both through doctors and from girls who moved away from the State of Florida to other parts of the country and had friends who became pregnant, and they came down to see me.

Senator Mondale. From where were the girls who were not from Florida? Give me some of the locations that they came from.

Mr. Burns. Some of them were from Georgia, one was from Alabama. I think most of them were from Florida.

Senator Mondale. Was one from Cleveland?

Mr. Burns. No. No, that was a parent. That was a parent from Cleveland. One was from Virginia, a girl who I had handled four years previously, who was living in Florida at the time when she was 16, and gave up her child. When she was 20 last year she came down from Virginia.

Senator Mondale. Of the girls you have served, how many were adopted by non-Floridian parents, say, last year?

Mr. Burns. I could say a little more than half were from non-Florida parents.

Senator Mondale. How did you come to know the parents in Cleveland, Ohio?

Mr. Burns. They called me and told me that they were friends of—I forget the names of the people—who had adopted from me on a previous occasion, and they said I came very highly recommended to them.

Senator Mondale. Did they call you on the phone and say they would like to adopt a baby?

Mr. Burns. Yes.

Senator Mondale. Then what happened?

Mr. Burns. I tell them to write to me. I tell them to give me their background, their hobbies, their coloring, their characteristics, their religion, ages, how long they are married, educational background.

It is quite extensive, the information that I require.

Senator Mondale. Do you have a form for that information?

Mr. Burns. It is basically a form.

Senator Mondale. Let us go back to the Cleveland couple again. According to an affidavit which apparently is signed you charged that couple $4,779 for your legal fee. It cost the couple about $9,000 overall to adopt this baby boy.

Mr. Burns. I do not recall that the overall amount was that much. The overall amount I recall was $8,000 or $8,500.

Senator Mondale. Your fee was over $4,000.

Mr. Burns. Yes. When I talk about the overall amount, I did not think it was that high.

Senator Mondale. The adoptive parents sent you a letter then answering the questions you had asked?

Mr. Burns. Yes.

Senator Mondale. Had you met the parents prior to the time you made this arrangement?

Mr. Burns. This particular couple, I do not believe I had met, but I did rely on an attorney they had contacted in Cleveland as to their moral suitability. This was a doctor and his wife.

Senator Mondale. But you made a judgment that they would make a good home for this boy, based upon their answers to your questions, and I take it some lawyer in Cleveland, who also checked.

Mr. Burns. Yes. In addition to that I received numerous letters from them.

Senator Mondale. From the parents?

Mr. Burns. Yes, and numerous, numerous telephone calls.

Senator Mondale. The Sunday Washington Post had an article which you undoubtedly read.

Mr. Burns. I have read it.

Senator Mondale. I think it involved a parent in Brooklyn, a family in New York, or in New Jersey, which adopted a child through the use of your services, a New Jersey couple.

Let me just read what he says, and you respond to it:

For example, he has never met this New Jersey couple who will adopt this child, never visited their home, knows only as much about the couple as they told him on the phone. He is not even sure if the New Jersey lawyer he is dealing with has ever visited the home.

"I like their background," he said. "I spoke to them on the phone. They appeal to me. It is a value judgment on my part."

In your opinion, first of all, is that accurate, and secondly, is that an adequate way to evaluate the qualifications of an adopting family?

Mr. Burns. When I say it is a value judgment, it is a value judgment after I receive all the data and information on the backgrounds of the parents, after speaking with them.

I may have met this couple. I am not sure, but I know that I did speak with them on the phone. I corresponded with them on numerous occasions, and the attorney in New Jersey has met with them.

Senator Mondale. Do you know the attorney in New Jersey?

Mr. Burns. Once again I will have to look at the file.

Senator Mondale. If there is a conflict of interest between what the parents want and the best interests of the child, in whose favor do you decide?

Mr. Burns. I have never had such a conflict. I do not understand what possible conflict there would be. The child is getting a home——

Senator Mondale. You represented parents in Cleveland you had not met. They paid you a fee.

How did you know you were representing the best interests of the baby when you did not know the parents who were paying the money?

Mr. Burns. From the letters and the conversations and telephone calls. I know that the parents would give the baby a great deal of love and affection.

Senator Mondale How do you know that?

Mr. Burns. From the letters and conversations with them.

Senator Mondale. From letters from them?

Mr. Burns. And conversations with them.

Senator Mondale. I find it hard to believe that you do not know the parents who are going to adopt the children, you get a fee from them, you represent them in their desire to adopt a child, and you say you are also protective of the interests of the baby and the pregnant mother.

Mr. Burns. I have to rely on all the criteria that I have available to me.

Senator Mondale. But the information you get is from the parents who want the baby, and is it not stretching credibility to believe that they are going to provide information to their lawyer which undermines their ability to get the baby who they so much wish to adopt?

Does that strike you as making sense?

Mr. Burns. The only way I would possibly answer that, in all of the situations that I have handled, the babies, except for the one I told you about that I foresaw, are in fine homes, prospering. The parents come back to me with the baby on visits. They send me pictures. They correspond with me.

They have all been successful placements with the one exception I tried to stop prior to finalization.

Senator Mondale. Let us accept your position.

I gather from the reporters and others that you are well regarded.

How likely is it that others in the adoption field will be as ethical as you are?

Is there not a real possibility for abuse?

You have heard the press panel. How many of the serious charges that you have heard do you think might have a basis?

Mr. Burns. That is always a problem. Senator.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the pending business, S. 16, which the clerk will state by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

The ACTING PRESIDENT pro tempore. The pending question is amendment No. 607 of the Senator from Tennessee. Time is controlled. Who yields time?

Mr. MANSFIELD. Is the time under control?

The ACTING PRESIDENT pro tempore. Time is under control until the hour of 10 o'clock, at which time we vote.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. With time to be yielded from both sides?

Mr. MANSFIELD. With the time to be equally divided, yes.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 41 Leg.]

Abourezk
Allen
Brock
Byrd, Robert C.
Cannon
Clark
Cranston
Culver
Dole
Fannin
Griffin
Hartke
Helms
Laxalt
Mansfield
Metcalf
Pell
Talmadge

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. CANNON. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Baker
Bartlett
Bayh
Beall
Bellmon
Biden
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Case
Chiles
Church
Curtis
Domenici
Eastland
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Hansen
Hart, Philip A.
Haskell
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mathias
McClellan

McClure
McGee
McGovern
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Missouri (Mr. Eagleton), the Senator from Colorado (Mr. Hart), and the Senator from Missouri (Mr. Symington) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Hatfield) and the Senator from Illinois (Mr. Percy) are necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. BROCK. Mr. President, the pending question is the amendment I have offered to the amendment of the Senator from Alabama. Very simply, the Senator from Alabama has proposed that we go back and retrieve 12 of the "skip-Durkin" ballots.

The ACTING PRESIDENT pro tempore. The time on the amendment has expired.

The hour of 10 o'clock having arrived, the question is on agreeing to the amendment.

Mr. BROCK. Mr. President, I ask unanimous consent that I may speak for 1 minute, to explain what we are voting on.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I ask unanimous consent that the Senator have 1 minute and that Mr. Cannon have 1 minute.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. BROCK. Mr. President, the Senator from Alabama has proposed that we retrieve 12 "skip-Durkin" ballots and cancel them, in order to achieve equity and apply the same law to both candidates. I find that tortured. It seems to me that if we are going to apply the same law, the simple process is to count the skip ballots under New Hampshire law, as the law is written, for both candidates, protested or not.

If my amendment prevails, we not only settle 15 of the 35 issues on the resolution, but also, we do not have to go back into the 3500 ballots, much less the 185,000 ballots. We resolve, once and for all the "skip-candidate" question, and we resolve it by applying the same rules, the same laws, to both candidates.

It is a very simple, straightforward proposition. I feel very strongly that this is the fundamental issue in this entire debate. It simply provides that each candidate will achieve the same treatment under the same law.

I would value very much the support of the Senate on this amendment.

Mr. CANNON. Mr. President, I should like to read the amendment to my colleagues, to point out that it does not say what the Senator has represented. The amendment reads:

> All of the so-called skip candidate ballots presently before the Senate shall be declared to be straight party votes for the candidate involved.

What it is asking the Senate to do is to decide, without hearing the legal arguments and without seeing the ballots or deciding on the issues involved, that all those "skip-candidate" ballots are Wyman ballots. Purely and simply, that is what it is. It is a ploy. It is certainly far beyond what the Senate is trying to do, and that is to view these questions independently and make a determination.

I suggest that the amendment is without merit and should be defeated.

Mr. BROCK. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER (Mr. Ford). They have not been ordered.

Mr. BROCK. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee (Mr. Brock). On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Missouri (Mr. Eagleton), the Senator from Colorado (Mr. Hart), and the Senator from Missouri (Mr. Symington), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Hatfield), and the Senator from Illinois (Mr. Percy), are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hatfield), would vote "yea."

[Rollcall Vote No. 248 Leg.]

The result was announced—yeas 38, nays 55, as follows:

YEAS—38

Baker
Bartlett
Beall
Bellmon
Brock
Brooke
Buckley
Case
Clark
Curtis
Dole
Domenici
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Javits
Laxalt
Long
Mathias
McClure
Packwood
Pearson
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stevens
Taft
Thurmond
Tower
Weicker
Young

NAYS—55

Abourezk
Allen
Bayh
Biden
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Cranston
Culver
Eastland
Ford
Glenn
Gravel
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stennis
Stevenson
Stone
Talmadge
Tunney
Williams

NOT VOTING—6

Bentsen
Eagleton
Hart, Gary W.
Hatfield
Percy
Symington

So Mr. Brock's amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the Allen amendment.

Mr. BROCK. Mr. President, it seems obvious now that the Senator from Tennessee has about run his strength. If I am able to attract no more than two Members from the majority side, if I count correctly on the last vote, on an issue that I think was about as clear and about as fundamental as any in the process of debate——

Mr. CHILES. I wonder if the Senator can tell me how many on the minority side voted the other way? Were there any?

Mr. BROCK. I do not recall any, Mr. President. I did not hear them.

Mr. CHILES. I was just wondering.

Mr. BROCK. Is the Senator trying to make a particular point?

Mr. CHILES. I wondered if it were a sort of open issue. If there were two on this side who voted that way, I wondered if there were any on that side who voted this way.

Mr. BROCK. Mr. President, I am not trying to find fault with anybody except myself. I gather that I lack the ability to present with sufficient articulation and clarity an issue that I feel is so fundamental and so clearcut. The fact that I was not successful is not a failure of others, but of myself.

I wish that I knew what we could do to bring this matter to the Senate with greater clarity. I wish the Senator from Tennessee were able to more clearly espouse an issue that I feel is a fundamental issue of civil rights. There are other questions we have debated that are legal questions, and I am not an expert in those fields. I am not a lawyer. But here we have a question not of law but of values, of constitutional principle. We have a question as to whether we can in good conscience, and constitutionally, apply one law to one candidate and another law to another.

Perhaps the Senator from Tennessee lacks breadth of vision. Maybe he missed some points. But I do not know what it was if I did. I do know that no society can survive if it does apply a double standard of justice. I have heard the legal arguments, I have heard the precedents, the case law, and all the questions about timeliness and all the rest, but I have yet to hear one single person on either side explain to me how you can apply one law to one candidate and another law to another.

The four members of the Rules Committee of the majority party have voted not to count the straight party ballots for either candidate in 13 instances, 12 for Wyman and 1 for Durkin. OK. That still leaves half of the question open. It still leaves to the Senate the decision as to whether or not we will retrieve the ballots for both candidates, and refuse to count any of the "skip-candidate" ballots for either of the candidates.

The Allen motion would retrieve only 12 of those ballots. So what you are saying is that we are going to violate the law 12 times in the instance of Mr. Wyman so, in a sense of equity, we should violate the law of New Hampshire 12 times in the instance of Mr. Durkin. I do not understand that. It is hard for me to explain, at least in my State.

If we are going to impose a new law on the people of New Hampshire, then that law ought to apply to every candidate on the ballot and to every voter in the State. How can you vote to disenfranchise 12 voters for Wyman and say that they, we think—we will have to read their minds—did not intend to vote for Mr. Wyman, then turn around and say we are going to disenfranchise another 12 votes, and read their minds and say that we just think they did not want to vote for Mr. Durkin. If we accept that, we might as well say we do not believe when somebody leaves a candidate's name on the ballot the vote ought to be cast for that candidate, regardless of New Hampshire law.

Well, that is the question this body has got to face, and somehow it is going to face that issue, and it is going to face it squarely.

There has been a good deal of discussion about the extended debate in this body. Well, I think that process may continue for a while if we do not get an opportunity to judge these issues on their merits.

I was absolutely awed by the Senator from Nevada standing up just before the vote and saying he could not vote for my amendment because we had not a chance to discuss the legal issues involved. Yet it was his motion which brought the debate to a conclusion, his efforts. You cannot have it both ways.

What are the values of the Senate? What are the standards of conduct? What are the principles on which we are going to operate? Are they power or consistency and equity? Are they the exercise of partisanship? Are they the exercise of good faith?

I simply will not accept the challenge or the comment that all the Members of the minority voted in one way is any way indicative that the vote was wrong. Maybe it was; maybe it was not. I happen to feel very deeply that my amendment was an equitable effort to achieve a resolution of the problem. But if my amendment, which would have applied State law in exactly the same fashion to both candidates, is not going to be agreed to, and if the Senate is going to establish new law, then it is absolutely incumbent upon the majority to apply whatever law they want to write to both candidates across the board on every single ballot cast in the New Hampshire election.

So far we have seen little evidence of a desire to do that. Maybe that will change. Maybe somebody more articulate than the junior Senator from Tennessee can draw a clearer focus to this particular problem. Maybe somebody on the majority side will start joining in in the debate. Maybe somebody can present the issue in a fashion that is more understandable. But somewhere, somehow, people in this body, all 99, are going to face the question of what standard of justice applies in this society of ours.

If there is an issue here it is an issue of civil rights. Civil rights do not necessarily apply just on the basis of color. It is a legal principle of equity, and if you believe in it, if you have any semblance of a faith in the concept of equal justice, then I urge my colleagues by some method—almost any—to consider that as the next step for this body to take in order to restore some faith in an institution that has been much damaged over the last several years, and this process does no credit to what I think is the finest free institution anywhere in the world.

Mr. HUGH SCOTT. Mr. President, will the distinguished Senator yield?

Mr. BROCK. Yes, I yield.

Mr. HUGH SCOTT. I would like to ask the distinguished Senator to comment on the peculiar situation we had last night when there were six Senators present, four of them from the Rules Committee, so the educative process was applied to only two Senators, one of whom was doing the educating, and that gave us an audience of one.

As I have said before, 80 percent of the Senators have been absent 95 percent of the time. Therefore, there has not been the bringing to the direct attention of the Senators the merits of this case that we had hoped for.

We have been denied the opportunity to call these sections up out of order. We are supposed to go chronologically down the list, regardless of the relative importance of issues from 1 to 35.

Yet, to get around that and to create the illusion that there has been some discussion around here of the issues, we had last night the situation where a Senator was asking out of order, ballot by ballot, for an explanation of each of these issues. The Senator would ask about these issues that we are not allowed to vote upon and the reply would be furnished by the distinguished chairman of the committee. They would hold a mutual agreement society, some sort of a co-op, whereby they agreed that, on each of those issues, what should be in a certain way.

In each case, it happened through some coincidence or another, the two Senators agreed that all these votes should favor Mr. Durkin.

This stretched coincidence to an extreme, but also it was an attempt, as I see it, to create a record to permit the proponents of Mr. Durkin to come in and argue that this matter had been fully discussed.

I wonder if the Senator agrees with me that it is hardly full discussion to have two Senators agreeing with each other, and in the circumstances where it was extremely difficult to interrupt, although at times that happened. Does that compromise a full discussion of the issues in the opinion of the Senator?

Mr. BROCK. Well, if one wants to consider the discussion between two prosecutors in a trial in the back room, without anybody else present, a discussion, I guess we could say it was about the same thing.

The fact is that the Senator is right, 80 percent of the Senators have been absent 95 percent of the time.

I, for myself, am rather surprised to see some Members come in to debate and present a prepared text that they read with great precision. Perhaps not as much inflection as they might if they were presenting it off the cuff, but they read it accurately, at least, and pledge themselves to impartiality and nonpartisanship. They leave the floor and come back only for votes and have heard not one single word, not a word of the debate.

Now, that is not true of all Members of this body. There are Members who have been here, who have listened, participated, and when they disagree with me I cannot argue with them one iota because I have respect for them and I know they have listened carefully.

The Senator from Florida over there is a good example. The Senator from Wisconsin has been here quite a bit.

But the point is, in response to the Senator from Pennsylvania, we are in a jury situation. We are the jury. There is nothing, no process under the Constitution, in which the Senate gets any closer to being part of the judicial process than this or an impeachment proceeding.

I just cannot understand how they can do that and not be here.

I have heard people criticize the fact that we are delaying the business of the Nation.

Well, on other matters of consequence that were debated at length, we operated under what we call a double-track or a triple-track system, scheduling the morning for general business and the afternoon for the business at hand, or vice versa.

There is no reason we cannot do that now, not one bit.

Mr. HUGH SCOTT. The Senator is quite right.

Mr. BROCK. The leadership has decided not to do so, except, of course, the Senator from Pennsylvania who has suggested this very step, just yesterday.

I do not know. I guess there is a reason for coming in at 9, holding the Senate in session all day, refusing to allow committees to meet and then pointing the finger at the minority and saying, "Look what they are doing to the Senate of the United States."

Mr. HUGH SCOTT. If the Senator will yield, I think it is ludicrous, and I wish the general public knew really what is going on. What is happening here, I may say for their benefit, is a structured situation.

As the Senator from Tennessee has aptly observed, it is a situation where they say, come in, meet long hours, committees cannot meet, cannot take up any important business, because those nasty Republicans over there will not let us.

Well, the nasty Republicans they refer to have no control over this body at all. The hours of meeting are fixed by the majority. Whether or not they take care of the business of the Nation is a responsibility of the majority.

I may say, they made an unholy mess of it in both bodies, but that may be beside the point.

But it is their responsibility to bring the legislation over and we will help them. It is their responsibility to decide whether committees meet, or not meet, and we will help them. It is their responsibility to determine who has been justly elected in New Hampshire and we will help them.

Mr. BROCK. That is correct.

Mr. HUGH SCOTT. Let them meet those challenges instead of queasily and queerly quibbling and quizzing why the poor Republicans will not let them do any work—and they have got us outnumbered 61 to 38.

Mr. RANDOLPH. Mr. President, will my colleague yield?

The PRESIDING OFFICER. The Senator from Tennessee has the floor.

Mr. BROCK. I am happy to yield to the Senator.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. RANDOLPH. I did not wish to interrupt but to clarify remarks I made on yesterday.

Mr. BROCK. Please go ahead.

Mr. RANDOLPH. I hope that the able Senators who are now discussing the very important matter of the programing of the Senate will recognize that when I spoke in critical view last evening I was not critical of any colleague.

Mr. BROCK. The Senator pointed that out.

Mr. HUGH SCOTT. That is entirely understood.

Mr. RANDOLPH. I was emphasizing that the American people are, very frankly, critical of the Senate in its procedural programing and the delay now increasingly apparent.

Mr. BROCK. I think the Senator is right.

Mr. RANDOLPH. I speak of the way this situation has developed.

Committees are unable to meet, witnesses have been unable to be heard, and many folks are wondering about the delay on the New Hampshire problem.

That was the thrust of our remarks. I renew them now. Yes, this is a deliberative body. I am sure those of us now in the Chamber know that deliberation is different from what we can label as deliberate delay. To those, whomever they be, who cause such delay, it is wrong—deliberation, yes, but deliberate delay, no.

Mr. BROCK. May I say to the Senator, I understood him last night, I understand him today, I agree with his remarks, and I appreciate them.

I might point out that the Senator has been in the forefront of an effort to reform the Senate and the House, the committee days and legislative days, which would have resolved this question, quite honestly. We would be moving much more expeditiously had that been enacted, and I still believe it is something we ought to do.

I might point out further that some of the other reform measures some of us have proposed, such as the access on the part of the media—and I mean the electronic media—to the proceedings of this body, would also have expedited this proceeding, as far as I am concerned, and perhaps enhanced the quality of the debate.

I thank the Senator for his comments.

Mr. STEVENS. Will the Senator yield?

Mr. BROCK. Yes.

The PRESIDING OFFICER. The Senator will suspend for a minute.

If Senators are not going to discuss the amendment before the Senate they may retire to the rear of the Senate.

The Senate will please come to order and attention paid to the Senators speaking.

Mr. STEVENS. I am intrigued by the comment of the Senator from Tennessee about the reform aspects which some of us have worked on.

I was one of those who worked on trying to change rule XXII and at that time, I think the Senator may recall, I had an amendment to assure that the change of rule XXII would not apply to the seating of a Senator.

I was urged not to call up that amendment because I was told that no one on this side of the aisle could perceive of a time when the majority would use a cloture vote against the minority on a question of seating a Senator.

Mr. BROCK. And here we are.

Mr. STEVENS. And here we are. We are going to vote on that this afternoon. I find myself in the position of asking has the Senator seen anything develop in this argument so far that would warrant just the absolute, arbitrary use of majority power against the minority on an issue such as this? Is there any fraud alleged? Is there anything that was illegal about the election of Louie Wyman? I always understood it only took one vote to win an election. Louie Wyman had two. He had 100 percent more than he needed. Yet we have spent now all of this time to attempt to disqualify him under the State law.

Is there any reason that the Senator knows that we ought to be in this situation where we cannot, as we have on most things, worked out an agreeable and just way to resolve an issue except for the arbitrary use of majority power?

Mr. BROCK. The Senator has seen none.

May I refer to the point the Senator made when we first entered into the rule XXII fight, which was so fundamental and valid if rule XXII is going to be modified. That is the rule that gives us, the body collectively by 67 constitutionally and now 60 votes procedurally, the right to limit debate. The assurances were categorical, that it would never be used by a rampant majority to withhold access to the Senate on a contested seat for a member of the minority. Yet that is exactly what we are voting on today. The danger implicit in this cloture vote is absolutely incredible. Every member of the minority could be challenged.

If there are 61 seats in the majority, as the Democratic majority has at the moment, and they challenge every contested Republican, they not only could invoke cloture and prohibit the seating of every single candidate in a given year if desired, but they could achieve not just a 60-vote majority but perhaps by the pressures they could bring to bear they might even achieve the constitutional 67. That is a terrifying prospect.

Mr. STEVENS. I want to say to my friend from Tennessee in my 7 short years in this body I have not seen an issue that has so strained the relationships of the individual Senators across the aisle or strained the relationships between the majority and minority as has this one. I would hope that there would be some way to find some manner of accommodating the fears of the minority as far as the justice involved, the fair treatment involved, in the handling of this protest without recourse to the concept of cloture. It seems to me that the course we are now on is going to further exacerbate the relationships between the minority and the majority. It makes it extremely difficult to work out the consensus that is necessary in this deliberative body to bring about the results that we need to bring about on a bipartisan basis for the resolution of problems that face the Nation.

I mentioned to the distinguished minority leader last night that I know of no comparable situation, other than perhaps the packing of the court fight in the 1930's. This appears to me now to be an attempt to pack the Senate, and to do so on the basis of sheer majority power. I know of no reason for this. I believe it could have been worked out without getting to the point that we are at now. I see, however, no attempt at all to meet the legitimate protests of the candidate from the minority who has been certified by the duly elected and duly constituted authorities of the State of New Hampshire.

If that is the case, how can we possibly proceed in a body that is based upon recognition of State law and based upon the fact that we are here to represent the State themselves as well as the people of the States?

I say to the Senator from Tennessee, I hope he does not get worried about the number of votes he just received. I received fewer votes on an amendment that I offered. I still think I was correct. I hope that somehow or other we will persist until we find an avenue of fairness and we set some precedents that require fairness by the Senate in the treatment of a minority candidate who has been certified by a State without regard to which party is in the majority at the time.

If this matter can be treated on the basis of sheer numbers, then I seriously fear for the future of the Senate, and I fear for the future of the institution that I thought we came down here to be a part of.

Some of us last night seriously questioned whether we really are going to have the same feeling for the Senate any more if the course that we are on, which has been established by the majority party, succeeds.

My real point in having this colloquy with the Senator from Tennessee is I encourage him, and I think we ought to encourage one another, to stick to what is a basic principle of this country. That is that there should be equal treatment for parties who are in the same position, without regard to whether they are minority or majority.

It is a civil rights question. I would hope that the Civil Rights Act applies to minority Senators-elect as well as to anyone else in this Nation.

Mr. **BROCK**. I thank the Senator.

I might say that the Civil Rights Act not only applies to minority Senators and candidates for elective office, but it also applies to the people of New Hampshire. They will be subject to the most rank abuse I can recall being imposed by the Federal Government on a State if this process continues along the vein that it has in the last several days.

I would say to the Senator I appreciate his encouragement. I am not so sure that we do not need to encourage additional Senators to join our cause. Hell will be ringed with little icicles before the Senator from Tennessee gives up on this fight because I feel it very deeply.

I thank the Senator for his contribution.

I would like to conclude with this statement, Mr. President: The Senate has decided not to apply New Hampshire law to the candidate of the minority, Mr. Wyman. So be it.

The question now occurs as to whether or not to apply the new Senate law being imposed upon the people of New Hampshire to the candidate of the majority.

Mr. **CANNON**. Will the Senator yield?

Mr. **BROCK**. I shall yield in just a moment.

That will be the issue at hand when the Senator from Pennsylvania offers his amendment to retrieve and disqualify those ballots which skipped Mr. Durkin in the elective process.

If the Senate does not see fit to enact the amendment of the Senator from Pennsylvania, then what the Senate will have done—and let us put it down in black and white on the record—is the Senate will have first refused to apply New Hampshire law to Mr. Wyman, and then, in the second instance, if it defeats the amendment of the Senator from Pennsylvania, it will have, by specific action, applied New Hamsphire law to Mr. Durkin. Clearly, by our actions we will have enacted or imposed two categorically different standards on these two candidates.

There can be no equivocation on that matter. We can talk all we want to about going back under protest; we can talk all we want to about precedents; we can talk all we want to about court cases; but the fact will be that we will have applied two completely different standards of law to the two candidates. The Senate will have, by its action on my amendment, denied Mr. Wyman the right to count his straight party tickets for himself.

All right. That is the standard of law that the Senate has now established. If the Senator from Pennsylvania offers his amendment, we will have the opportunity and responsibility to apply that same law that we have written on the floor of the Senate, for the purpose of New Hampshire only, to John Durkin. That is going to be the most fundamental question of this entire debate. It is a question, not of law or precedent, but of fundamental human civil rights.

Mr. **HUGH SCOTT**. Mr. President, will the Senator yield to me for the purpose of offering the amendment?

Mr. **BROCK**. I yield to the minority leader.

Mr. **HUGH SCOTT**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The amendment will be stated.

The legislative clerk read as follows:

> On page 1, line 2 by striking all the language after the word "that" in the amendment offered by Senator ALLEN, and inserting the following in said amendment: "the staff of the Committee on Rules and Administration, accompanied by a representative of each contestant, shall retrieve from the ballots in the custody of the United States Senate any and all of the so-called "skip candidates" ballots and shall present them to the Committee for its review and ruling."

The **PRESIDING OFFICER**. Is this amendment offered as an amendment to the pending Allen amendment?

Mr. **HUGH SCOTT**. That is right, Mr. President. I will defer explaining it at this time, because the Senator from Tennessee has the floor and there is some other colloquy; but this is the same amendment I offered in the Rules Committee, and the vote was tied 4 to 4. I shall later seek recognition for a discussion of the amendment.

Mr. **McCLURE**. Mr. President, will the Senator from Tennessee yield?

Mr. **BROCK**. Yes. The Senator from Nevada asked me to yield earlier. I think if he still wishes to respond, I would like to afford him the opportunity. I guess he does not wish to do at this time.

Mr. **McCLURE**. Was the Senator present on the floor last week—I believe he was—at the time when one of our colleagues, on I think either Thursday or Friday of last week, indicated that he is too busy to spend some time here on the floor listening to this debate, and that he would consult with the chairman of the committee and vote as the chairman suggested?

Mr. **BROCK**. Yes, I believe I heard something like that.

Mr. **CANNON**. Mr. President, if the Senator will yield, I did not hear that, but I would be interested in knowing about it, because I did not know I had a vote on that side.

Mr. **BROCK**. Considering the vote today, I think that would include at least 55 of the Senator's party Members.

Mr. **HANSEN**. Mr. President, will the Senator yield to me for an observation?

The **PRESIDING OFFICER**. The Senator from Tennessee has the floor.

Mr. **McCLURE**. Let me continue for just a moment. I have one or two other questions I would like to ask the Senator from Tennessee.

One is in regard to the colloquy undertaken yesterday by one of the Members of this body who asked to illuminate the RECORD and educate us on what the Barr case said and what the rule of law was in time Barr case, and it was evident he had never even read the case nor seen what was in the RECORD about the Barr case. Does the Senator remember that incident of yesterday?

Mr. **BROCK**. Yes, I do.

Mr. **McCLURE**. I am sure the Senator both yesterday and today has heard the distinguished Senator from West Virginia discussing the difficulty imposed upon the Senate, because of the disruption of meetings of committees. I tie these three matters together, because I think the Senator might agree with me that the majority leader was exactly correct when he said the Senate has a constitutional duty to hear this matter and to decide it.

Mr. **BROCK**. I agree with the Senator.

Mr. **McCLURE**. And that that constitutional duty overrides every other obligation we have during the periods of time that the Senate is meeting to discuss and act upon this particular case.

Mr. **BROCK**. I wonder. I might point out that if the majority leader wants to so schedule the Senate, we have agreed, or offered to agree; one potential agreement is that matters of national consequence could be disposed of, including energy or anything else, for that matter, by operating on what is known as the double-track system. We could even operate on a triple-track system. We could operate from 8 to 11 in the morning on one series of bills, from 11 to 2 on another, and from 2 o'clock on, on this particular subject matter. That is for the majority leadership to determine.

I really and truly feel sorry for the majority, for the way that the minority on both the House of Representatives and the Senate sides run roughshod over them all the time. It must be a devastating feeling to have 61 votes against 38, and just get rolled all the time. The way we push those poor folks around, it must wring your heart because we are so mean—we just shove them around, will not let them do this, will not let them do that. Sometimes I think we owe the majority a massive apology for the fact that we are so cruel to them and will not let them do what they want to do.

Mr. **McCLURE**. Will the Senator yield further?

Mr. **BROCK**. I yield.

Mr. **McCLURE**. The Senator has made a valid point, particularly when he notes that the minority has certainly, in any discussion I have participated in, either on the Senate floor or off, consistently said we will be perfectly willing to operate on a double or triple track system to allow committees to meet, to allow other legislation to be acted on, to take whatever action the Senate has to take on other matters.

One thing that we have asked for, as the majority leader asked, was that we discharge our constitutional responsibility in this matter, and we insist, when doing that, that Senators be present in the Chamber at the time the debate is going forward, so that we do not run into the kinds of things that I have described, when Senators seek to state what the law is without having read the cases. Senators very constructively and I think legitimately have complained of the effect this proceeding has had on regular committee meetings. They need to do other work. They are torn two or three or four other ways.

We would like to accommodate that by allowing them to hold different meetings, but we still have this constitutional responsibility which we cannot avoid.

If as a matter of fact that responsibility is too onerous for us, too hard, if it is something too difficult, then I think there is only one thing that we can do: Recognize our unwillingness to act as the Constitution has provided, and send the matter back to the people of New Hampshire, and allow them to make their choice. It is their election, not ours, and if we are not going to discharge that responsibility we should not try to delegate it to the Rules Committee.

Mr. BROCK. Let me draw my friend from Idaho a hypothesis. If the State in question were not little old New Hampshire, but were instead California or New York, what does the Senator think would have happened?

I am telling the Senator I bet the roof would fall in over here, because those are States where the focus is concentrated on a massive basis.

The Constitution is a most remarkable document. It says that Tennessee, Rhode Island, or New Hampshire shall have the same representation in the Senate as New York, California, Pennsylvania, or Illinois. That is a rather remarkable thing. But it is equally remarkable to me that we do not seem to treat them quite the same. I think most of us understand that were this a matter concerning New York, we would have unbelievable chaos around here until the matter was resolved with a sense of equity.

I do not know why we cannot do it on this one. But I will say this for the minority: We are willing to try. We are willing to work. We are willing to cooperate. We are willing to support any leadership request for double tracking, or anything else that would assist in the leadership's desire.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BROCK. Yes.

Mr. ROBERT C. BYRD. The Senate double tracked for several days and got nowhere. The Senate now has spent 48 hours, and we have had 16 live quorums. We have had 16 rollcall votes. This is the 10th day that we have been on this resolution, and we have not voted on issue No. 1. Out of eight legal issues and 27 disputed ballots, we have not reached the vote on the first of the 35 issues, after 10 days—we are in the 10th day now—and 48 hours, 16 rollcall votes, and 16 live quorums, and not a single issue voted on.

Now we are talking about double track, double track. We had double tracking, and we got nowhere period, nowhere.

Mr. BROCK. I still find it difficult to believe that is the minority's fault.

Mr. ROBERT C. BYRD. Oh, I am sure it is not the minority's fault. We have been doing all the talking over here, and we have not been interested in voting on a single issue, to hear the Senator from Tennessee talk.

Mr. BROCK. Oh, no, no.

Mr. ROBERT C. BYRD. We have been interested in voting on—we have tried and tried and tried and tried to get unanimous-consent agreements just to vote on one issue, and we have not been able to get agreement because of objection on that side of the aisle. The objections to committees meeting are coming from the other side of the aisle, from the side of the aisle on which the very distinguished Senator from Tennessee, who now has been recognized, sits.

Mr. President, let me test it, and I never questioned the good faith of the Senator from Tennessee.

I ask unanimous consent that the Senate operate on a double-track system, that each day at 1 p.m. the Senate proceed to the consideration of Senate Resolution 166, that time on the resolution be limited to 25 hours, which would give us 5 days, 5 hours a day, and that there be, in addition to the 25 hours, time on any single issue of 30 minutes, and that the agreement be in the usual form.

Now here is the chance to operate on a double-track system.

Mr. BROCK. Mr. President, I have been recognized and I assume I still am, so I will respond to the Senator.

I wonder if he remembers how much time and how many days the Senate spent debating the Civil Rights Act of 1964 before it came to a conclusion.

Mr. ROBERT C. BYRD. Oh, yes. Was the Senator here?

Mr. BROCK. The Senator was in the House of Representatives.

Mr. ROBERT C. BYRD. Yes.

Mr. BROCK. The Senator watched with great interest.

Mr. ROBERT C. BYRD. This Senator was here.

Mr. BROCK. Yes. I had to vote on it in the House. That was a difference. We did not have the same rules, of course. That was an extended vote, was it not?

Mr. ROBERT C. BYRD. Oh, yes.

Mr. BROCK. All right.

Mr. ROBERT C. BYRD. But the Senator now is talking about a double-track system. I have made a request. Does the Senator wish to object to it?

Mr. BROCK. The Senator from Tennessee personally has not, I do not think, objected to a single thing the Senator has raised.

Mr. ROBERT C. BYRD. The Senator from Tennessee is exactly right. The other day he was perfectly willing to come to a vote.

Mr. BROCK. That is right.

Mr. ROBERT C. BYRD. But others objected. So I do not hold the Senator from Tennessee responsible.

Mr. BROCK. I understand that. I say to the Senator that if he would separate his motion into a motion for the double track, and then a motion on the time agreement, then I would be constrained to withhold any objection.

Mr. McCLURE addressed the Chair.

Mr. ROBERT C. BYRD. Is the Senator going to object to my request?

Mr. McCLURE. Mr. President, I object.

The PRESIDING OFFICER (Mr. CULVER). Objection is heard.

Mr. McCLURE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. BROCK. I yield.

Mr. ROBERT C. BYRD. There goes the double track.

Mr. BROCK. I might move later on to go to double track, to see if the Senator would object.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BROCK. Just 1 second. Let me make one point. The Senator has repeated time and time again that we have not debated the substance of this matter. Now, you can say something often enough and people begin to believe it, whether it is true or not. Technically, we have not voted on item No. 1 in the resolution. The Senator is right. But in the matter of substance, we have voted on any number of matters in the resolution, to wit, the Nashua question, the absentee ballot question, the precinct retally question, the question that we just voted on on the "skip-Wyman" ballots, so we are debating, discussing, and voting on matters of great substance anyway.

Mr. ROBERT C. BYRD. I think we are making progress. I do not think there is any question about that. The Senate is making great progress.

I think the time has come now, in view of the fact that we have voted in a manner on the substance of several of the issues, where we ought to get down now—of course, this is only one Senator's viewpoint—to voting on the issues in the resolution, and my request would have provided that.

Mr. BROCK. I will say for the Senator from Tennessee that I agree, and I am glad to follow.

Mr. ROBERT C. BYRD. The Senator from Tennessee is most cooperative.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. McCLURE. I ask unanimous consent we operate on the double-track system, that this matter be laid aside to be considered in the hours of 1 through 5 on Monday through Friday each week succeeding until the matter is disposed of.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I think that is an excellent idea. I ask the Senator if he would be willing to put a 30-hour limitation on the debate and vote final passage on the resolution no later than 6 p.m. Friday of next week.

Mr. McCLURE. Mr. President, will the Senator from Tennessee yield?

Mr. BROCK. Yes.

Mr. McCLURE. Mr. President, I am unwilling to accept the time limit, and there is the condition which makes the double track impossible.

Mr. ROBERT C. BYRD. Yes.

Mr. McCLURE. It is not our unwillingness to operate on the double track but the demands of the majority that we attain a time limit to it which makes the double track impossible.

Mr. ROBERT C. BYRD. Yes. It is an interesting observation, that I would assume most Senators share with me, that those who are objecting to the time limitation agreement are not Members who were on the Rules Committee. They are distinguished Senators, such as the distinguished Senator from Idaho, who is sort of a self-appointed generalissimo, I think, on the other side of the aisle. He was not on the committee, but he has been debating the resolution; yet he is unwilling to reach the issues, and he is unwilling to enter into a time agreement.

But I thank my friend for his consideration at least of the matter. He is congenial. He remains amiable, his real friendly self, but he is just in the mood not to agree to time agreements even though they would bring about a double-track operation.

Mr. BROCK. The Senator from West Virginia has described his own mood as well. We appreciate that, too. I might say, the Senator from Oregon and the Senator from Michigan, members of the Rules Committee in the minority, have raised objections, and I think that is important.

Mr. President, I have nothing further.

The PRESIDING OFFICER. Is there objection to the request?

Mr. ROBERT C. BYRD. I reserve the right to object unless we could couple it with a time limit. I would not object if the Senator will allow that.

Mr. McCLURE. Does the Senator object to my unanimous-consent request?

Mr. ROBERT C. BYRD. Will the Senator state it again?

Mr. McCLURE. That we operate on a double-track system and that this matter be considered between the hours of 1 through 5 Monday through Friday of each week until disposed of.

Mr. ROBERT C. BYRD. And that vote final passage and Friday a week from——

Mr. McCLURE. No. The Senator is incorrect. I did not add a time limit to my unanimous-consent request.

Mr. ROBERT C. BYRD. That is a mere condition, a very reasonable offer, that I wish to make in order that the Senate might go along with the Senator's request.

Mr. McCLURE. Does the Senator object to my request?

Mr. ROBERT C. BYRD. Yes, I object to that request.

Mr. McCLURE. There goes the double-track system.

Mr. ROBERT C. BYRD. Now, Mr. President, I ask unanimous consent that the Senate operate on a double track going on Senate Resolution 166 daily, and that there be a time limit of 35 hours, which would mean seven 5-hour days, and that a vote occur no later than 6 p.m. 2 weeks from today.

Mr. HANSEN. Mr. President, reserving the right to object, as one of the minority and privileged on only few occasions to get in on any of the action, I should like at this time to object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. There goes the double track.

Mr. CURTIS. Mr. President, I propound a unanimous-consent request.

Mr. President, I ask unanimous consent that the pending matter be the business, without interruption, every day, beginning today at 1 o'clock and running until 7 p.m.; that all speeches must be germane; that at any time there are not 51 Senators on the floor of the Senate, the Chair shall recess the Senate until 51 Senators are here; and that we proceed without interruption to dispose of this matter and, therefore, restore to the State of New Hampshire two Senators. That is my request.

Mr. ROBERT C. BYRD. Mr. President, will the Senator add one provision to that?

Mr. CURTIS. It depends on what it is. If it is a destructive amendment, I will be compelled to object.

I never hear of a tribunal where one side of a controversy was accused of delaying a matter when the jury was not there. Imagine that! If you want this case decided, get your jury here, and we will go ahead and eliminate all unnecessary talk.

I believe, Mr. President, that the State of New Hampshire should have had a Senator seated the very first day and then we should have proceeded with this contest. That was not done. I also believe that the Rules Committee, in a case where there is no fraud charged on either side, should have counted the ballots in all of them; or, failing in that, they should have counted all the ballots that either side requested.

Mr. President, I have often felt that one of the weaknesses of the Republican Party was that it was often stupid, but we are not guilty as a political party this time. A grave political error has been made by the majority and it will be remembered from one end of the country to the other.

The PRESIDING OFFICER. The Chair advises the Senator that unanimous-consent requests are not debatable.

Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I am almost constrained not to object; because not only am I virtually overwhelmed by the sartorial splendor that the distinguished Senator displays on this day in June—and what is so rare as a day in June, except the warm, bright, glowing smile that the Senator also displays with this sartorial splendor. [Laughter.]

I will not object, provided the Senator would be willing to put a time limitation on this—say, a final vote to occur not later than 6 p.m. on Friday, a week from this Friday.

Mr. CURTIS. Mr. President, that is a continuation of this drive to vote on these issues without knowing what they are. They admit that many of these issues never have been discussed.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield, I am sure the Senator would not want to refute or appear to disagree with the Senator from Tennessee (Mr. BROCK), who has just indicated that the Senate, in reality, has been discussing the essence of the issues.

Mr. CURTIS. But nobody has ever heard of some 27 issues in there.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. HUGH SCOTT. Mr. President, reserving the right to object, I am compelled to give consideration to the Christian Science Monitor of Thursday, the 19th, in which there is a cartoon. One knows how well cartoons compress the ideas which take hundreds of words to express, as exemplified by the old Chinese saying: "A picture is worth 10,000 words."

The cartoon is entitled "By the way, whatever happened to what's his name of the former Republican State?"

In the Senate Chamber are shown some people, and it does no credit facility to my friends and, therefore, it is inaccurate of the Democratic majority. But it does portray them as somewhat disinterested or, one might say, arrogant or perhaps aloof to the feelings of the State of New Hampshire, which is being trampled while clutching desperately to a flag entitled "Live Free or Die, New Hampshire." [Laughter.]

Under it, he has also sought unsuccessfully to make his point about undecided election results and taxation without representation. It mentions my favorite flag, which I always unfurl when in a battle—"Don't tread on me."

Nevertheless, he is being thoroughly tread upon by this rather willful majority here. We love them as individuals, but collectively we feel that they are willful and disinterested in the rights of the people.

We cannot permit this matter to be determined without debate, and every time we make an argument——

The PRESIDING OFFICER. Is there objection?

Mr. HUGH SCOTT. I still reserve the right to object, because I am trying to convince myself whether or not to object.

Mr. CURTIS. Do not object. This is a good idea.

Mr. HUGH SCOTT. While we are trying to convince our colleagues, we are confronted, every time we raise an argument, with the diversionary tactic of not answering what we are saying, but repeating over and over and over again the lawyer-like concept on which they seek to justify the abstraction from the minority of a duly elected Senator. Therefore, I do hope the Senator will not press his request, because I would be constrained to look for other cartoons before objecting.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, if the Senator from Nebraska will vote for cloture today, I will not object.

Mr. CURTIS. Mr. President, that is a part of this drive to conceal from the Senate, or a quorum of the Senate, what is involved in these issues, and we cannot do that.

Mr. FORD. Mr. President, a parliamentary inquiry.

Mr. CURTIS. I offer to work every night until 7 o'clock.

Mr. FORD. Mr. President, I understand that the Chair ruled a few moments ago that a unanimous-consent request is not debatable. It seems to me we are getting into a debate. I object to it.

The PRESIDING OFFICER. Objection is heard.

Mr. CURTIS. Mr. President, I am very sorry that the Senate is not willing to work until 7 o'clock at night and that we cut out all speeches that are not relevant to this issue.

I am also shocked that anybody would object to the idea that those who must make the decision are not required to be here. Therefore, I suggest that the Chair recess any time 51 Members are not here and that we work continuously from 1 o'clock until 7, to finish the matter. We should do that. I am quite disappointed that the word goes out to the country that the Senate is not willing to have 51 of 99 Members here to decide this matter and that the Senate is unwilling to work until 7 o'clock.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. CURTIS. And that the Senate is unwilling to have a rule of germaneness.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. CURTIS. I am happy to yield.

Mr. ROBERT C. BYRD. Was the Senator here on Saturday, last Saturday?

Mr. CURTIS. No. I have been here a great deal of the time. I am getting used to looking at empty seats. Sometimes I am tempted to leave. Many of the speeches have been most eloquent and edifying, and I enjoy it.

Mr. ROBERT C. BYRD. Does the Senator include his own seat? [Laughter]

Mr. CURTIS. But I would love to hear what other people have to say.

Mr. ROBERT C. BYRD. The Senator was not here on Saturday?

Mr. CURTIS. No. But every day I am in town, I am right here. [Laughter]

I am willing to be here from 1 o'clock until 7.

Mr. President, I renew the same request, only that we stay until 8 o'clock.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HUGH SCOTT. Mr. President, I think it is well to have 51 Senators present. I think we ought to have a quorum call from time to time to see that we do. I think that last Saturday ought to be denominated the Mickey Mouse session, for the simple reason that most Senators left, expecting nothing to happen beyond the usual single bed-check vote by which our distinguished friend, the assistant majority leader (Mr. ROBERT C. BYRD), usually ascertains how many of the children are in school. Aside from the fact that those who left decided to accept the penalty of the bed check as against the serious business of visiting their constitutents or moving out to help other colleagues visit their constituents, and thereby were penalized, a majority of the Senate, by a loss of five votes, I may add—my attendance record is still about 88 percent. I am not going to be disturbed by that.

It does seem to me that all these Saturday sessions, all this business of saying that the Senate is going to stay here from dawn until midnight, that the Senate is going to make sure that everybody is as uncomfortable as possible, that the Senate is going to put the squeeze on the individual Senators and the Senate is going to be a sort of abominable rest house for the weary, is not accomplishing what we want to accomplish.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. Yes, I am glad to yield.

Mr. ROBERT C. BYRD. I have not had a chance to review the record in connection with the Mickey Mouse session which was held last Saturday. Was the Senator here on Saturday?

Mr. HUGH SCOTT. The Senator knows that one of the reasons that I called it a Mickey Mouse session was that I went away under a reasonable belief that we would have the Senator's bed-check vote and nothing else. The Senator is predictable at times. Unfortunately for 58 of us—58 of us—he was not predictable on Saturday. He did his best. He tried to find where the Senators were, and he did not. But he tried.

Mr. ROBERT C. BYRD. But the Senator from Pennsylvania was not here on Saturday, was he?

Mr. HUGH SCOTT. The Senator has been here most of the time. He has an 88 percent attendance record, but he was not here on Saturday because he thought that the Senator from West Virginia was a good fellow and would not take advantage of his absence.

The Senator from West Virginia ought to know that the Senator from Pennsylvania, out of a desire to be helpful, accompanied the Senator from Illinois and the minority leader of the House and other Members of Congress to attend a gathering in honor of the distinguished chairman of the conference of the minority of the other body, Representative ANDERSON of Illinois. Having given a pledge of many weeks' standing, he felt obliged to keep it, as all Senators must accept these responsibilities.

I will say that the Senator from Pennsylvania has been here more often than most Senators, except the Senator from West Virginia, who makes his domicile on the floor 24 hours a day. [Laughter.]

I have been unable to find exactly where the Senator from West Virginia, in the British phrase, is able to take a little "kip" now and then, or a little snack of a nap. We cannot all expect to be as indefatigable in the pursuit of our duties as the Senator from West Virginia, who is indeed augurous and equipped with that knowledge of the whereabouts of his colleagues that enables him to be the excellent parliamentarian that he is.

Mr. FORD. Will the Senator from Pennsylvania yield?

Mr. HUGH SCOTT. Yes; the Senator is a little out of wind, so he will be glad to yield. [Laughter.]

Mr. FORD. That is what I have been experiencing. That is the reason I asked the Senator to yield.

I know that the distinguished Senator from Pennsylvania is the leader of the minority party. I do know that what I say is like a beagle jumping on a great dane. But the Senator from Pennsylvania, in this Senator's opinion, did not do this body any good in the last few moments by referring to a Mickey Mouse group, to a bed check, to the children in school, talking about a rest house, about a "nip." This Senator has tried, in the short time he has been here, to do the things that are expected of him, to attend his meetings, to read legislation, to study the Committee on Rules debate and concern, and to make an effort to understand the amendments that are presented to this floor. This Senator makes an effort to go home and to talk with his people about their concerns.

The remarks that the Senator from Pennsylvania made may be only in jest, but they are now a part of the RECORD of the Senate. That RECORD will be sent to libraries, will be sent to schools, and will be sent to the general public.

The people of this country are not so naive as not to understand what is being done in this Chamber and in the House, or the eloquent words of the Senator from Tennessee, as he facetiously said that the minority was running over the majority. The people of this country understand that we have a President who is not elected and does not have a mandate, and it takes only a third of the Members of this body, or of the House, to sustain a veto. Therefore, even though we do have more Members on this side of the aisle than on the other side, the provisions of the Constitution, the rules of both the House and the Senate, provide that.

I regret that I must rise and say these things to the Senator from Pennsylvania, but I think it is time that we get down to the business at hand. I hope that my remarks are taken in the sense that I believe the American people expect more from this body than for it to be referred to as Mickey Mouse sessions, bed check, children in school, and so forth.

I thank the Senator.

Mr. HUGH SCOTT. Mr. President, the Senator from Kentucky, who by the way was himself not here on Saturday, should not fear to tread——

Mr. FORD. Will the Senator yield to me? I was here and voted on Saturday.

I did miss some votes on Saturday, but I was present, I was here.

Mr. HUGH SCOTT. The Senator is recorded on rollcall 243 as not voting, as missing the quorum call, on rollcall 244 as not voting, on rollcall 245 as not voting.

Mr. FORD. The Senator from Kentucky was here until 1 o'clock.

Mr. HUGH SCOTT. He is recorded on rollcall 246 as not voting.

Mr. FORD. If the Senator from Pennsylvania will look at it again, I was recorded as being present and I was recorded on the first rollcall vote. I was in this Chamber on Saturday, I say to the Senator.

Mr. HUGH SCOTT. The Senator must have had an early engagement and made the first vote. It is not recorded here. He did not make the other four.

Mr. FORD. That is correct. The Senator from Kentucky was here and stayed until 1 o'clock. That is the time I left.

Mr. HUGH SCOTT. I do not blame the Senator for leaving. Nothing was going on. [Laughter.] He did not miss anything, I can say that.

I say with all affection to the Senator from Kentucky that he must not mind if some of us try to lighten the boredom of the proceedings here occasionally by a little levity, by a little friendly jesting. My friend, the Senator from West Virginia (Mr. ROBERT C. BYRD), was not the least bit offended. He does the same to me. I rejoice in his humor. After the Senator from Kentucky has been here awhile, the deadly seriousness which pervaded his latest remarks will be alleviated by the absolute necessity in this Chamber of keeping one's cool and by the importance of recognizing that each of us, if we did not have some gift of humor, would die, indeed, of the pressures of this job.

I hope that the Senator from Kentucky, as times goes on, will learn to appreciate the fact that we do not mean for true more than half of what we say in jest, but that it is necessary among ourselves to maintain that cameraderie, that essential enjoyment of the exchange of wit, if we can dare to call it that, or banter, or whippery, or whatever, so that we may at all times, avoid the drawing together of that sort of tension which can only divide us to the endangerment of our objectives.

There is a lot of feeling on this issue, and it is understandable. It is a political issue. It cannot be avoided that there are political concerns involved here. The people of New Hampshire elected a Senator or thought they did. The people of New Hampshire decided to live free or die in this, as they do in all of their major political decisions. They have appealed to us to send the election back, and we have ignored them. They have sent delegations among us to plead for this, and we have ignored them. They have sent the Governor down; they have sent Democrats, including the head of the Young Democrats organization down, and we have ignored them.

They have, almost as one person, in New Hampshire been shouting to us to send this election back. There was a famous statement made once about the king:

> He has refused for a long time, after such dissolutions, to cause others to be elected.

That is in the Declaration of Independence, and that is what we were complaining to King George about, that "he has refused to cause others to be elected."

The people of New Hampshire have not been able to cause anyone to be elected for 6 months because the willfulness of this body will not permit it.

We are engaged in the highest possible enterprise permitted to a Senator: the protection of the sovereignty of our States, and the assurance of the right of a man to be seated who has been elected. There is no higher responsibility that the Senate can face, and we are facing it; and because we are facing it, we refuse to be alarmed by those who say, "We are holding up the proceedings."

We are not holding up the proceedings of any body. Let the committees meet, and come in a little later. Let the bills come forward. Where are the bills? Nobody has come in here and said, "We want action on S. 6168 or S. 2222—some railroad bill probably. [Laughter.] No one has come in here and said, "We have got to have action on this, that or the other."

The motto of the Scott family is "Let Them Come." I repeat here: Let Them Come. The flag of this Senator is "Don't Tread On Me," and we are combining the two; we are not going to let anybody tread on us and we say let them come.

Bring the bills in. We will vote on them. I am willing to move to set anything aside. I will set anything aside except the right to go to the Disbursing Office once a month and get a whole lot less than I am worth. But anything else I will set aside.

I was willing to see this Senate advance the cause of legislation, if the other body ever gets around to agreeing on something, because the other body has not generated enough energy to light a 5-watt bulb or to enlighten itself to that degree. I think they are, however, adumbrating their dilemma for the benefit of the public who are becoming indeed very weary of nonaction.

We are not the party of nonaction. We are not the party of inaction. We are not the party which is not doing anything. We are doing something. We are doing something of excessive import. What we are doing is to say that the right of the State of New Hampshire to have its Senator is an inherent right, the right to have its certificate honored is an inherent right, and we are urging that this be done. We are not moved by those who say, "We are not going to let you debate the issues." We are willing to debate the issues. As far as I am concerned, I am willing to get onto issue No. 1, issue No. 2, and issue No. 35, and all that, but I do not think we are doing it in the right way when we have six Senators on the floor late in the evening, four of whom are on the Rules Committee and the other two consist of earnest Senators who ought to be congratulated for their fortitude. But where are the others? I think it is going to take a while to make sure that this word gets out to the Senate.

It has already gotten out to the people. See the Christian Science Monitor front page; see the editorials in the State of Ohio, in the State of Pennsylvania. See the editorials and "see who," in the old words of the primer, "See who runs. See John run. See Mary run." See the Senate run, but run to what purpose? Run only for the purpose of denying a sacred right of a sovereign State.

We are not going to let you get away with it. We are not going to let you get away with it. The public is onto you. The public is aware, and that is why you are nervous, and that is why we get this criticism of humor.

I do not mind criticism of my humor at all. I only mind the criticism when it says, "It ain't humor," when it says I have no wit, which is only half as bad as saying I have no wits. But I do not mind those kinds of things. I think they reveal something. They reveal a certain restlessness; they reveal a certain unease; they reveal a certain desire to get on with it, and to avoid having to go home and saying to the people at home, "We did the other people in."

A lot of people when they go home are going to be asked—and I do not blame them for not wanting to go home, a lot of them are going to be asked—"Why don't you send it back to New Hampshire?" That is what everybody asks me. They ask me that in Illinois, they asked me that in Pennsylvania, "Why don't you send it back to New Hampshire?"

And, lo, I am without words because we have sought so hard to do it. But then to find myself blamed for not doing it is an awkward posture.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. HUGH SCOTT. I would be glad to yield.

Mr. CURTIS. The distinguished Senator is a member of the Rules Committee. I would like to ask this question: Suppose from the very outset the Rules Committee would have proceeded to count every ballot, to check every precinct, that either side asked to have checked. Had that been done from the outset, how long ago could this matter have been disposed of?

Mr. HUGH SCOTT. We would have been home by the Ides of March.

Mr. CURTIS. Well, has it been done to this day?

Mr. HUGH SCOTT. It has not been done to this day. No, the deed has not been done.

Mr. CURTIS. Is it not true that the common law of the Senate—and I think there is such a thing—has always seated the Member who has a certificate that is valid on its face?

Mr. HUGH SCOTT. That is my understanding and my recollection. Even though the Senate stole one once by 175,000 votes, they at least seated the man first and then went to contest about it. This is the first time they got the cart before the horse.

Mr. CURTIS. Is it not true that in the State of New Hampshire the same individual occupying the same official position signed the early Durkin certificate and then later signed the Wyman certificate?

Mr. HUGH SCOTT. That is right. The first was temporary, the second was permanent.

Mr. CURTIS. The Senator is a distinguished lawyer. Does he know of any instance where the same grantor or grantors issued two documents where the second one does not always prevail?

Mr. HUGH SCOTT. That is the general rule of construction as even in the case of a later paragraph construing the meaning of an earlier one.

Mr. CURTIS. If an individual writes a will and, at a later time, writes another will, and it has no language of revocation of the former will, which will prevails?

Mr. HUGH SCOTT. The later will, of course, prevails.

Mr. CURTIS. Yes.

It seems to me that what has happened here—and some terrible political mistakes have been made by the majority—is they have construed the two certificates in the same way as where competing documents are issued by different parties.

Now and then there will be a State convention, and those assembled say, "We are the official convention of such-and-such a party," and they elect some delegates to a national convention.

Another group will assemble and they will say, "We are the official party," and they will grant credentials to some delegates.

In that sort of case you have an altogether different proposition. But in the New Hampshire situation, where it was the identically same people, the same individuals, holding the same offices, issued a certificate, and then a subsequent certificate, there is no reason in law or commonsense that would cause anyone to say, "We were faced with two cercertificates." It is only the last certificate that is valid; is that not correct?

Mr. HUGH SCOTT. That is absolutely correct. It has never been held otherwise and this is the first time the Senate has chosen to ignore a certificate; in my judgment, to ignore the certificate not because it was not valid, not because it was not legal, but because the fruit of the tree of temptation proved to be irresistible and they wished to savor its essence.

Mr. CURTIS. Yes.

I do not believe that any lengthy explanation of any flowered orator will convince the rank and file of people across the country that Mr. Wyman did not hold the only valid certificate of election on the day that this Congress convened; would the Senator agree with that?

Mr. HUGH SCOTT. I would agree with that and the people of New Hampshire appear to be in enormous agreement with that.

Mr. CURTIS. There is another phony argument that may fool somebody in this Chamber, but it will not fool anybody back home, and that is that the Senate could not order a new election without abrogating their responsibility under the Constitution.

My distinguished friend is familiar with these cases because he is a member of the Rules Committee; he has been exposed to it.

Is it not true that on at least two different occasions the Senate did discharge its responsibility by declaring the seat vacant so that the State could conduct another election?

Mr. HUGH SCOTT. They did, indeed, on January 10, 1927, in the case of the refusal to certify Vare of Pennsylvania and also in a later case of refusal to certify Frank L. Smith of Illinois. In both cases there had been a formal contest before the Senate and the refusal was based on the ground of excessive expenditures of the two Senators.

I remember the case because Vare had defeated Pinchot and Senator Pepper, and I voted for Senator Pepper, so I recall the case very well.

Mr. CURTIS. Now, the Senator is also familiar with the various issues that the Rules Committee said they were referring to the Senate for decision. He is also familiar with the discussion that has taken place here on the Senate floor.

Are there a number of these that have not been discussed here on the floor and spread out so that someone could look at them and attempt to make a decision?

Mr. HUGH SCOTT. There are a number which have not been fully or adequately discussed. That is for two reasons.

One reason is that the majority have refused to allow us to go right on down the list. If they had, we would have had a vote by now on the first issue to be discussed.

But they have drawn on their arbitrary and arrogant power here to force us to move chronologically rather than to allow us to discuss these in any other order.

The second reason is that such discussion as has taken place has generally occurred in a more or less confidential colloquy occurring between the chairman and one Senator, at a time when no more than six are on the floor, and the two Senators have agreed among themselves that what they are saying to each other is correct.

In the course of that, they seem to be picking up various ballots and saying, "What do you think about this ballot that the committee tied on?" And they are saying, "Oh, well, the committee should not have tied on it, they should have given it to Mr. Durkin," or "the committee shouldn't have given the ballot to Mr. Wyman, they should have made it a no-vote."

They agree among themselves, but I do not think that is a debate. There was nobody here to hear them.

The argument has been made that the RECORD is published for that reason. I am sure that all of us try to read the RECORD. I have it analyzed for me each morning, I have page citations marked out of it. But I do not believe it is possible for me or for anyone else to read the full colloquy in the RECORD every day on this subject and finish it, or get any other work done.

The RECORD of yesterday, for example, runs from 20289 to 20404, and I very much doubt if a single Senator has read all of that RECORD between last night when we quit and this morning.

That means that Senators do not have a chance to inform themselves. It means that many Senators if they are asked to vote do not know what they are voting on. They come in through the doors and say "What's up?" Somebody says that it is a motion by this, that, or the other person, and that his vote is "aye" or his vote is "nay," and that is called deliberation in this body, although I do not know why.

Mr. CURTIS. If the Senator would yield further, there is in the record of this case an instance where the allegation is made that a voter actually cast the vote for a sister who was ill and near death, what are the facts about it?

Mr. HUGH SCOTT. Well, the facts of that, I think her name was Ella Doyle, I will give you the issue number in a moment.

Ella Doyle was a registered voter in New Hampshire. An absentee ballot was cast.

It is issue 4 in the resolution.

She cast an absentee ballot for her sister, Mrs. Elizabeth McCarren.

Mrs. McCarren was very ill. We have referred to it as the case of the dying sister. There has been some nit-picking about that, but the fact is that she was ill before the election and she died right after.

Ella Doyle felt that she knew her sister's mind so well that she would know how she would vote on every candidate in the New Hampshire election, and one can see from the ballot there were quite a few.

She knew that because she knew her sister would want to vote the straight Democratic ticket. So in an act of extrasensory perception, she cast the ballot for her sister, wrote in the ballot markings, filed it, and turned it in as the ballot of her sister.

She took an affidavit:

> I, Ella Doyle, being duly sworn, depose and say:
>
> I live at 76 Elm Street, Nashua, New Hampshire. Three absentee ballots were delivered to my residence at 76 Elm Street for me and my two sisters, Agnes Annis and Elizabeth McCarren. At the time Elizabeth McCarren was at the Greenbriar Nursing Home and subsequently died on November 13, 1974. I voted a straight Democratic ticket for myself and Elizabeth as did my sister Agnes. I signed my ballot and I signed Elizabeth's for her. At the time she was in no condition to vote, but I knew she would have wanted to vote a straight Democratic ticket. Helen Gishard brought in the applications for absentee ballots. This statement is voluntarily made and true to the best of my knowledge.
>
> ELLA T. DOYLE.

The committee tied on a motion to investigate the ballot. In fact, four of the committee wanted that ballot counted a straight Democratic ticket for Mr. Durkin. The other four thought it was an obviously invalid ballot.

This argument ought not to be considered as merely a fight over one ballot because by the committee's refusing to investigate it, they allowed that ballot to remain in the box and be counted for Mr. Durkin. They knew it had not been legally cast. They knew it was, therefore, a denial of a person's right. But they counted it on the ground they could not find it. It was only one of dozens of actions by volunteers for Mr. Durkin which ought to have been investigated.

Mr. CURTIS. Do I understand that the action taken by the committee amounted, in a practical sense, to counting this ballot that the voter did not cast but someone admits casting for her?

Mr. HUGH SCOTT. Yes. It amounted to leaving it in the box as cast for the Democrat, notwithstanding the admitted illegality of the action of Mrs. Doyle. The very flimsy excuse given was they could not tell by going to the box which ballot it was. So they knew there was one illegal ballot in there over and above all the others. They could have subtracted it. But they said, "No, it is too much trouble. It is too difficult. We cannot discover which one it is. So we just will not investigate it."

Mr. CURTIS. Did the lady who cast the ballot for her sister reveal how she voted for her sister?

Mr. HUGH SCOTT. Yes. She said that her sister was in no condition to vote; that she, therefore, voted the straight Democratic ticket for her. Therefore, she admits that a ballot went in there which was illegal. But our Rules Committee would not take the illegal ballot out of there. That is the point.

Mr. CURTIS. Had the sister, the one that was desperately ill, signed an authorization, a power of attorney or other document that, under New Hampshire law, would have permitted someone to cast her ballot?

Mr. HUGH SCOTT. Not so far as we had any evidence whatever. She had done nothing to indicate how she wanted to vote, not orally and not by writing. She had done nothing whatever to vote. But her sister said, going into her own head,

> I know my ill sister so well that I know she would like to vote. Since she would like to vote that way, I think it would be kind of nice if I voted for her.

Mr. CURTIS. If the Senator will yield, it seems to me that the shocking thing about this is not the casting of the vote but the fact that the committee counted it, that they do not either investigate that ballot or segregate it.

The junior Senator from Nebraska would have a hard time being critical of someone who assists another person to vote. Blind people are just as good citizens, just as informed, just as patriotic. The degree that they must be helped will vary. So it is with someone who is desperately ill. They may be near death, but their mind is clear and they know what they want to do. There are others with a splendid situation so far as their faculties are concerned but they may have a palsied hand that can neither pull a lever nor manage a pencil.

So I would find it hard in my mind to be too critical of this family, although they apparently went so far it was a technical violation. The shocking thing is that after it is known that a ballot was cast in the name of a voter who did not cast it, the Rules Committee failed either to investigate it or to discard it.

Mr. President, I certainly do not want to suggest that any Senator, the committee or any part of the committee, is guilty of any wrongdoing, misconduct, or corruption, trickery or anything. But again I repeat, they have consistently made fatal political mistakes, and this is one of them. This is something that can be understood in every precinct in the United States, that a ballot was cast for a dying lady by her sister, a straight Democratic ticket, and her sister fully admits it. Yet the committee charged with being objective and unbiased, and examining the facts, neither investigates the situation nor discards the ballot.

That is significant. It will have a significance from now until the voters get the chance to march to the polls throughout the length and breadth of this land.

I believe that at this late date the majority ought to retreat from their error and send this matter back to the voters of New Hampshire.

I thank the Senator for yielding.

Mr. HUGH SCOTT. I thank the Senator from Nebraska.

I think if this were a detective story, where you are investigating a murder, this is the point at which someone would say, "But why did they do what they did?" So I ask myself, being well prepared with the answer, why did the committee shy off and prove so unwilling to do a correct thing? In other words, they honestly had an illegal ballot. Every one of these members of the Rules Committee knew that was an illegal ballot. Make no mistake about it. Every member of the Rules Committee knew he would have gone to jail in his own State if he had done that himself. They knew that. They knew this was a wrong thing to do. And yet they had to blink and think of an argument.

Why were they so anxious not to remove the ballot of Ella Doyle's dying sister from the box? Because the pot stinks; because within that pot there were a lot of other absentee ballots that would not stand up under investigation. That is why they took fright and protested, "We will never find the ballot."

We do not care whether they will find the ballot or not. We know it is there, and we know the honest thing to do is to deduct one vote because the ballot is illegal. But they braced themselves, somehow. They know this is one of the toughest things they did. They braced themselves somehow to say, "We will not investigate."

Why will they not investigate? I will tell you. This can be found at page 138 of the sessions, a statement by counsel for Mr. Wyman on election irregularities with respect to the Nashua absentee ballots. That was the pot that stunk. The absentee ballots of Nashua were as full of fleas as a mangy dog. The absentee ballots of Nashua were in a really queezy condition.

Here is what they found out.

> Massive mishandling of absentee ballots in the City of Nashua during the election campaign first came to the attention of Mr. Wyman's representatives during the recount.

The attorney lodged a protest about them. The ballot law commission refused to receive evidence, deeming it to be outside its jurisdiction.

That is New Hampshire law.

> Mr. Wyman then included this issue in his suit before the Hillsborough superior court, but the New Hampshire Supreme Court ruled that the courts of the State had no jurisdiction.

Because after the recount the only jurisdiction was in the Senate.

Therefore, they looked to the Senate to do the right thing, and the Senate promptly did the wrong thing.

> Preliminary investigation of the Nashua situation revealed a total disregard of the New Hampshire absentee voting statutes. Chapter 60, RSA. Instead of individual voters applying for their own absentee ballots, overzealous Democratic campaign workers, candidates and friends solicited persons to vote by absentee, peddled ballots to the voters, and assisted and instructed voters in marking their ballots and then delivered the marked ballots back to the City Clerk.

Mr. CURTIS. Mr. President, will the Senator yield for a question? What is he reading about?

Mr. HUGH SCOTT. I am reading from a statement which was entered into the RECORD by Mr. Van Loan as counsel for Mr. Wyman, but it is a statement of what happened in Nashua County, which is admitted by all parties concerned. For example, the next sentence is an admission:

> One such political collector was even reported to have had charge of more than 100 different absentee ballots.

That is in the record of the Wyman reply to Durkin.

Mr. CURTIS. Was there any request by either candidate for an investigation of the absentee voting in this particular city?

Mr. HUGH SCOTT. Yes. Throughout Mr. Wyman sought such an investigation. He sought it when he learned of it before the ballot law commission, and they said they could only take cognizance of the protests lodged up to that time, that the ballot law commission, therefore, had no jurisdiction. So Mr. Wyman went to the courts, and the courts said they had no jurisdiction, he had to go to the Senate. And it was when he came to the Senate that the Senate did the wrong thing.

Mr. CURTIS. In the Senate, did Mr. Wyman or Mr. Durkin, either one, request an investigation of the absentee ballots in the city in question?

Mr. HUGH SCOTT. Yes. In fact, Mr. Wyman requested that as to all the absentee ballots in Nashua town. All the absentee ballots were cast.

Mr. CURTIS. Was there a vote in the Rules Committee on that request?

Mr. HUGH SCOTT. The committee voted against the investigation, but it came up in this way: The investigation was asked for by Mr. Wyman's counsel during the debate on the McCarren ballot. The committee voted 4 to 4 against the investigation, so it came up again in the case of a Mr. Michaud.

They did go up and look into Mr. Michaud's case, and they discovered that Mr. Michaud voted twice—that is, Mr.

Michaud did not mean to vote twice. It was his position that he voted live once, by walking into his precinct, but he was also voted on an absentee ballot that he did not know about, that one of these fellows who was going around collecting 20, 50, or 100 absentee ballots may have put in.

The committee investigation indicated there were at least 17 such ballots tainted by irregularity. In the Michaud case they went up there and found that Michaud voted twice. There was another Michaud; no one objects to him. He voted once also. But here there was a double vote, and Mr. Michaud was allowed two votes for Mr. Durkin.

The whole committee knew that was the case, but the committee voted 4 to 4 and said they would not investigate it—they had investigated it; I should have said they voted, they would not cancel it. They would not cancel it because they could not find it. If there were ever anything more ridiculous than that, I do not know what it is.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I yield.

Mr. McCLURE. My recollection of the discussion on the Michaud case indicated that one Mr. Michaud actually cast his ballot; he went into the polling place and voted on a machine. The record is clear on that.

Mr. HUGH SCOTT. That is right.

Mr. McCLURE. The other Mr. Michaud, absentee ballots were obtained for him and his wife, and there is some question about whether they signed the application. I believe the record did indicate that they signed the application, but the record is confused, although I believe—it is disputed by the other side—that that Mr. Michaud said under examination by the committee that he never cast the absentee ballots, although the record indicates that the absentee ballots were cast.

Mr. HUGH SCOTT. That is right. That is on page 1382, where he made an affidavit that he voted by going to the polls and voted at a voting machine. "I did not vote by absentee ballot."

Mr. McCLURE. But the majority, in that instance, indicates that they are willing to accept the hearsay testimony of others, other people who say that at some time this Mr. Michaud told them he had cast an absentee ballot, despite the fact that the record is very clear that Mr. Michaud himself said he never cast that ballot, neither he nor his wife?

Mr. HUGH SCOTT. That is right.

Mr. McCLURE. So there are three Michaud votes, one a bachelor who actually did vote, and Mr. Michaud, the elderly gentleman, and his wife, who got the absentee ballots but he says he did not cast them; but nevertheless the record shows the ballots were cast, the inference being that someone else cast the absentee ballots for him and his wife?

Mr. HUGH SCOTT. Well, Mr. Durkin's argument to the committee was that this Mr. Michaud we are talking about here was an elderly gentleman, and it was a shame to try to confuse the old gentleman, and it was a pity; and they made a tremendously heart-rending plea about what a pity it was to go up and harass the old gentleman. But the gentleman insisted he did not vote.

Mr. CURTIS. Do I correctly understand that both the cases we have been talking about here occurred among the absentee ballots in this one city of Nashua?

Mr. HUGH SCOTT. In Nashua, that is right.

Mr. CURTIS. Is it not correct that there are about 800 such ballots?

Mr. HUGH SCOTT. There are about 800 such ballots, and at least 17 of them were tainted, in Nashua City, at least.

Mr. CURTIS. Is it not also true, as a matter of public knowledge, that there were serious questions about these absentee ballots?

Mr. HUGH SCOTT. Oh, yes.

Mr. CURTIS. How long would it have taken the committee, had it a quorum there, to examine 800 ballots, or how long would it have taken any commissioners that might have been selected, such as the former distinguished Parliamentarian, Mr. Riddick?

Mr. HUGH SCOTT. I would say at the rate we were going, we were doing, at our pace, about 40 ballots an hour. So 400 ballots would have been about 10 hours; it would have been about 20 hours altogether, at the most. If we had agreed on a pattern of those we had seen, or if we had stipulated away one-half of them, we could have done it in 10 hours.

Mr. CURTIS. Was that done?

Mr. HUGH SCOTT. It was not done.

Mr. CURTIS. What are the majority asking us to do now?

Mr. HUGH SCOTT. They are asking us to count illegal ballots for their candidate.

Mr. CURTIS. It seems to me that, in spite of all the protests of the majority in handling this matter, and they are going to fool no one back home, there is still time to make an honorable escape by sending this matter back to the people of New Hampshire for a new election. Is that not correct?

Mr. HUGH SCOTT. That is right. I think the worst mistake that we in politics make is to underestimate the intelligence of people. For heaven's sake, they can see when something is being done that is not right. I used to try a lot of cases before a jury, and find out later that the jury was right and I was wrong. That taught me a lesson, that you had better accept the fact that the people you represent are pretty smart, and you should not underestimate their intelligence.

They know what is going on down here. They know that the Democrats could not resist temptation, with 61 of 99 seats, to try to grab another one. They know what is going on, that this Senator Wyman was elected in the Republican ballot by two votes. They know the Senate never has upset anything like that in the past.

I do not know whether it is a shade of all of the bad things that have been going on in this country in the past years or not. I do know what has happened to the moral climate. A good deal of it happened to be in our political party, and we have had to suffer for it. But even so, one cannot make a right by two wrongs.

I just do not understand how the Senators, who are trying to take this election away from the lawfully elected Senator, can justify it.

Mr. CURTIS. Something has been said here about our schedule of legislation. Is there any legislation of greater importance than the consideration of matters that preserve to the people themselves their right to choose their representatives in the United States Senate or in the House of Representatives?

Mr. HUGH SCOTT. I can think of nothing more important to this Senate than to function with 100 Senators rather than with 99.

The State of New Hampshire is only half as represented as any other State in the Union, and for six months the State of New Hampshire has only had 50 percent of its representation. The State of New Hampshire is entitled to full representation.

They are not getting it. They are not getting it because somebody is trying to take it away from them.

Mr. CURTIS. I thank the distinguished Senator.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CURTIS. I am glad to yield to the distinguished Senator.

Mr. YOUNG. I am wondering why the votes in this particular precinct were not thrown out entirely.

Let me give an example in my own election recount. I have no fault to find with all the six judges that handled it. They did vary in judgment as to voter intention, but honestly so. There was one precinct where all the ballots were stamped but not initialed as required by law. The judge, who passed judgment on that precinct, threw out all of the votes because the ballots were not initialed. I lost 42 votes because all those were thrown out.

Was consideration given to throwing out all the ballots in this particular precinct because of irregularity?

Mr. HUGH SCOTT. No; that was never considered. Rather worse than that, they never considered even trying to find out how many ballots were tainted.

The Wyman forces contended that these fellows, who were running around grabbing up bundles of 100 absentee votes and voting 100 votes at a time for their friends, made a lot of mistakes, and the Wyman people felt they could identify 17 of those mistakes at the beginning, and probably many more, if they could look at the ballots. They were denied that opportunity for lack of jurisdiction in some of the forums they went to. They were denied it here when they tried by specifics to open up and go into the larger picture. They could not even break through in the two cases where there were quite illegal ballots cast.

Had they broken through, then the next step would be to investigate all of the absentee ballots in Nashua County. I think we will have an amendment on that at the proper time.

But the majority are afraid to do that because the majority know if we do that we are going to find probably 17 smelly situations and maybe more. They are going to argue that that is not the case.

They are going to argue that there is nothing wrong with the absentee ballots, and we did not show there was anything wrong except these two. But they are going to try to make us believe here that there is nothing to look into.

The obvious answer to that is so simple that it is child's play. If there is nothing to look into why are they afraid to have us look into it?

Anyone, among the American public, will know that when you say something is wrong and the other fellow says there is nothing wrong, your obvious answer is, "In that case, why do you not let us look into it?" That they will not do. That they will not do because then the case falls right flat on its face.

Mr. President, I suggest the absence of a quorum.

Mr. GRIFFIN. Mr. President, will the Senator withhold that?

Mr. HUGH SCOTT. I withhold that.

Mr. GRIFFIN. In view of the discussion of the two Michaud votes, I think it might be helpful to read into the RECORD at this time an affidavit which was executed by Stanley Brown, who was and is an attorney for Mr. Wyman:

This affidavit is executed to give in detail the facts I briefly stated in the statement filed with the Senate Committee on Rules and Administration on April 25 concerning the double Michaud vote in Nashua, New Hampshire.

For Mr. Wyman, the affidavit of the Albert Michaud who lives in Ward 4 had been filed, stating that he voted in person on the voting machine, although he was also marked off on the checklist as voting by absentee and was so listed on the absentee return. On April 21, in Durkin's brief, the explanation was stated to be that a second Albert Michaud, although not on the checklist, had sent the second, absentee, vote. Since no address for this "second" Michaud was given, and no explanation was made of his being allowed to vote, although not on the checklist, I decided to investigate this circumstance.

In so doing, I *assumed* that the "second Michaud" had in fact voted, since I knew that such a ballot had been counted. My purpose was to find out if it was a legal vote merely cast in the wrong ward, or whether it was an illegal vote. It did not occur to me that the man may never have voted at all, and I did not inquire on that subject at all.

I spoke with Mr. Albert J. Michaud of 46 Whitney Street, Nashua, New Hampshire, and with his wife Bertha, on April 23, 1975. I went to their home, and Mrs. Michaud was sitting on the porch enjoying the sun. I asked for her husband, and she pointed him out to me, cleaning their car outside. He was hale and hearty, pleasant and intelligent. He came over to the porch and after we introduced ourselves, discussed the "double" Michaud vote, standing at the steps to the porch, with Mrs. Michaud listening. Mr. Michaud asked me if I talked French, which I disclaimed, so we talked in English, with Mr. Michaud occassionally asking Mrs. Michaud short confirmatory questions in French, which she answered in French, agreeing with him.

Mr. Michaud's information was that a Lithuanian "nephew" who worked at "the card shop" and who had married his niece came to him at work and asked him if he and his wife Bertha planned to get out and vote in the November 5, 1974 election, and that he had replied that since Bertha was not well, he did not think either of them would go to the polls. His nephew then told him that Tom Leonard's boy was running for Governor, and that since he, Mr. Michaud, had known the senior Leonard, he should vote for the son. So, Mr. Michaud said, he agreed he should vote Democratic, and thought Bertha would be willing to do so, to help Mr. Leonard's son.

The nephew thereafter, Mr. Michaud brought up the "papier" (he pronounced it as in French), and, he said, he and Bertha both "signed up on the papier"—and, he said, that is what happened, and that was all there was to it. He did not say that he or his wife marked ballots. He recounted only *one* episode of anyone bringing up any "papier" and said they both *signed* whatever the "papier" was.

I asked him how long they had lived there and he said they had lived in that house for many years, and in the ward for more than 20 years—indicating two other residences in earlier years, both in the same ward. I asked him if he had voted before (because I had in mind Mr. Durkin's brief which said he was *not* on the checklist, and I wondered if he were a Canadian citizen), and he said that the last time "his name was called out" was the first time President Nixon was elected, and that this was at "D'Archambeau Hall" (phonetic). Mr. Guilbert later told me that the Ward 3 polling place has such a name.

I was satisfied from this discussion that Mr. Michaud *was not entitled to vote absentee* in the 1974 election. I then went to Mr. Guilbert's office, and verified that he was not on the checklist, and had not been for at least three prior elections. This satisfied me that Mr. Michaud *was not entitled to vote at all* at the 1974 election. I so advised the Senate Rules Committee by written statement and verbally at the next hearing, on April 25.

When I talked to the Michauds I was under the mistaken understanding that no ballot had been received or counted as the ballot of Bertha Michaud, although the Durkin brief indicated that she had voted. I inquired of City Clerk Guilbert, and was surprised when his records revealed that Bertha *was* on the checklist, and that his card index indicated receipt of an absentee ballot, purportedly hers, which had been counted in Ward 3, while one purportedly her husband's (living at the same Ward 3 address) had been counted in Ward 4. No satisfactory explanation of this peculiar situation occurred to Mr. Guilbert, nor to me, in our discussion since the affidavit as to residence and ward on the applications and the affirmation on the absentee envelopes would necessarily have had to both be the same.

When I found that Mr. Michaud in fact was not on the checklist, but that a vote was recorded and counted for Bertha, I returned to the Michaud home, and, they both then being inside, Mr. Michaud invited me in. I told him that Mr. Guilbert did not find his name on the checklist, but that Bertha's was, and suggested that he go to City Hall and register, so that there would be no similar problem in the future.

The Michauds knew I was an attorney representing Mr. Wyman when I interviewed them, and I told them that this was the fact.

I have reviewed pages 61–77 and 90–93 of the Transcript which contains Mr. Michaud's testimony to the Senate Committee Staff. I do not find his testimony at variance with what he told me. I did not interrogate Mr. Michaud in detail. I was attempting to verify what Mr. Durkin's brief said (i.e., that this "other Michaud" was a qualified voter) and hence I *assumed* that he had voted absentee, although not on the checklist. Obviously if absentee procedures were properly followed, an absentee application would be one step—*and if he had been on the checklist*—the next step would have been to bring him a ballot to mark. He told me of only one "papier". I did not inquire further, and we did not discuss marking of ballots at all.

It is signed "Stanley Brown," before a notary public.

That indicates further evidence, Mr. President, that this ballot, counted for a Mr. Michaud, was counted for a person who was ineligible to vote, who was not on the check or registration list, and who says that he never voted. Somebody apparently voted his ballot for him.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. McCLURE. As I recall the arguments on the floor as to the Michaud ballot, the majority attempted to justify the failure of Mr. Michaud's name to appear on the voter check list as being simply a clerical error and that because of the clerical error, Mr. Michaud should have been permitted to vote in spite of the fact that his name did not appear on the check list.

Whether that be so or not, it cannot obscure the fact that Mr. Michaud's testimony and the affidavit just read by the distinguished Senator from Michigan indicate that Mr. Michaud said that he and his wife did not vote. They signed the application for the absentee ballot. They never saw the ballot. They did not mark the ballot. They did not vote the ballot. But the records indicate that those ballots were filed as having been voted by Mr. and Mrs. Michaud, regardless of whether or not Mr. Michaud was properly not on the check list or whether that was a matter of clerical error.

The record should also indicate, so that the record will be clear at this point, that another Mr. Michaud, living in a different ward, a bachelor, also voted, but he voted in person. So there are 3 votes in Nashua that are counted for the Michauds—one of them properly voted and properly counted, and the other two, I submit, clearly improperly voted and improperly counted.

The curious part of all this lies in the fact that the majority will not allow an investigation of the circumstances surrounding the casting of those votes. They imply that it was a criminal matter for the district attorney up there to look into, as though that had no relationship at all to the validity or the accuracy of the count that the Senate was making of the votes cast in this election.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, on Friday a paper was printed in the RECORD, I think prepared by Senator HELMS, giving a position on the so-called interpretation of ballots under New Hampshire law.

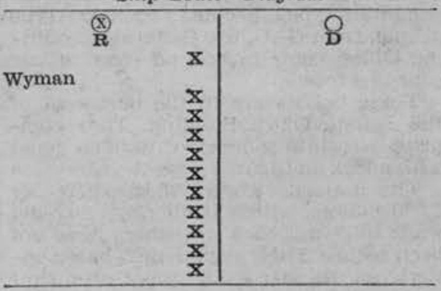
I ask unanimous consent to have printed in the RECORD our interpretation of New Hampshire ballots in response to that particular paper.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BALLOT ANALYSIS SUBMITTED BY CHAIRMAN CANNON

Ballot number	*Committee vote*	*Nature of dispute*	*Durkin position*	*New Hampshire law*
22	Durkin 4 No vote 4	Voter marked an X for Durkin and wrote in the name of Victor de Schuytner, a well-known *write-in* candidate for sheriff.	This is a Durkin vote. Ambiguities in ballot construction and vague instructions to voters should not be used to disenfranchise the voter. (Note: A ballot with virtually identical markings, where the X was in the Wyman square, was counted for Wyman by the Committee, by a vote of 6-2. Ballot #136, Comm. transcript, pp. 703-705.)	"Statutes regulating the forms a ballot are generally regarded as directory rather than mandatory—(They)—shall not be applied to disenfranchise voters because of technical irregularities." *November 4, 1974, Opinion of the Justices.* "The legislature may enact the method by which a man shall vote, but cannot direct how the ballot he cast shall be counted." *Murchie* v. *Clifford*, (1919). Only when it is impossible to determine the voter's intent—(should the ballot be regarded defective—). *NH R.S.A. 59:66.* & *Attorney General* v. *Bartlett*, (1909).
88	No vote 4 Wyman 4	Voter marked an X in the Wyman square. and a slash mark in the Chimento square.	This is a No Vote, because double votes cannot be counted—an X and slash marks are valid voting marks under N.H. case law.	Double-voted ballots being votes for both candidates, cannot be counted for either. *Stearns* v. *O'Dowd*, (1911). A straight line is recognized under N.H. case law as a valid voting mark. *Barr* v. *Stevens*, (1919).
120	Durkin 4 No vote 4	Voter voted by slash marks in Democratic column and then drew a long vertical line through all of them.	This is a Durkin vote. The slash mark in each candidate square, plus the long vertical line, makes an X in each candidate square. Not to count this a Durkin vote is to declare the ballot a nullity.	There is ". . . the presumption that the voter intended the paper prepared by him as a ballot; and to prevent loss of his vote, his main purpose would be carried out by giving to the mark made by him the only interpretation possible." *Stearns* v. *O'Dowd*, (1919). Only when it is impossible to determine the voter's intent (should the) ballot be regarded as defective. *NH R.S.A. 59:66*, & *Attorney General* v. *Bartlett*, (1909).
127	Durkin 4 No vote 4	Voter placed an X in candidate squares, but in Durkin square, and one other, placed a series of X's one over the other.	This is a Durkin vote. Voter placed a series of X's in the square to emphasize his vote for Durkin, as he did elsewhere on the ballot.	No law or case directly on point. Voter, however, clearly emphasized his vote for Durkin.
128	Durkin 4 No vote 4	Voter marked an X in both party circles, and an X in the Durkin square.	This is a Durkin vote. Although there is a technical departure from the statute, the voter's intent to vote for Durkin is clear. (Note: A ballot of precisely the same construction, with an X in the Wyman square, was counted for Wyman by a Committee vote of 5-3.) (See Ballot #329, Comm. transcript, pp. 1101-1102.)	"The real and unchangeable fact in issue being the choice of the voter, and more than one way of expressing that choice being permitted, it is not within the power of the legislature to declare that in determining that choice, the court shall not consider the evidence of method A to the exclusion of the evidence of method B. The right of the voter being a constitutional one, cannot be abridged in this way. In other words, the legislature may enact the method by which a man shall vote, but cannot direct how the ballot he casts shall be counted." *Murchie* v. *Clifford*, (1919). "Statutes regulating the forms of ballots are generally regarded as directory rather than mandatory—they provide a general and uniform method of voting, but should not be applied to disenfranchise voters because of technical irregularities." *Opinion of the Justices*, Nov. 4, 1974. Under the repeated and clearly enunciated N.H. case law, the intent of the voter is paramount. *Murchie*, *Stearns*, and *Keene* v. *Gerry's Cash Mkt.*, (1973). Only when it is impossible to determine the voter's intent (should the) ballot be regarded as defective. *NH R.S.A.* 59:66 & *Attorney General* v. *Bartlett*, (1909).
205	No vote 4 Wyman 4	Voter placed a marking in the Republican circle, an X in the box for Thomson and an "X" in the box for the Independent Party Candidate, George Evers. (Registrar of Deeds.)	This is a No Vote. While the voter may have once entertained the notion of voting a straight Republican ticket, he then obliterated that intention. Had it been the voter's intention to vote a straight ticket, he would not have obliterated the X in the Republican straight party circle, and he would not have placed an X in the candidate square of Mr. Thomson and Mr. Evers.	No law or case directly on point. The voter cancelled his straight ticket vote.

BALLOT ANALYSIS SUBMITTED BY CHAIRMAN CANNON—Continued

Ballot number	*Committee vote*	*Nature of dispute*	*Durkin position*	*New Hampshire law*
244	No vote 4 Wyman 4	There is a slight mark in the Wyman square.	This is a No Vote. In Wyman's square there is a slight line, which appears to be the initial vertical line of a checkmark. The only inference that can be drawn is that although the voter began to make a mark in the Wyman square, he did not intend to vote for Wyman and, therefore, he did not complete the check.	No law or case directly on point. The mark clearly does not rise to the level of a valid voting mark.
245	No vote 4 Wyman 4	Voter marked an X in the Wyman square, and an imperfectly executed X in the Chimento square.	This is a No Vote. There is an X in Wyman's square and an imperfectly executed X in Chimento's square. Both marks are considered valid voting marks under N.H. case law. Therefore, this is a double-voted ballot and cannot be counted for any Senate candidate.	Double-voted ballots being votes for both candidates, cannot be counted for either. *Stearns* v. *O'Dowd*, (1911).
288	No vote 4 Wyman 4	Voter marked X's in squares of other candidates, both Democratic and Republican, but none for the U.S. Senate race. There is no X in the Republican circle, but there is a mark below and to the right of it.	This is a No Vote. There is no X in the Wyman square. The mark is neither a cross nor is it within the proper area, and cannot be counted as a straight party vote. The voter provided compelling evidence that he didn't intend to vote a straight Republican ticket by voting for 3 Democratic candidates.	"The direction of the statute printed upon the ballot requires for a straight ticket vote a cross in the circle. The voter made no cross there; and in the view of the direct evidence of his purpose elsewhere expressed in the ballot, it cannot be found that he intended a cross, not in the circle, as indicating his preference." *Stearns* v. *O'Dowd*, (1911).
308	No vote 4 Wyman 4	Voter marks his ballot with X's and blotch marks. There is an X in the Republican circle and a blotch mark in Durkin's square.	This is a No Vote. The Rules Committee and New Hampshire law recognizes a blotch mark, (darkening in the square) as a valid voting mark. Therefore, this voter nullified his vote by marking in the Durkin box and the straight Republican circle.	Double voted ballots being votes for both candidates, they can be counted for neither. *Stearns* v. *O'Dowd*, (1911).
342	Durkin 4 No vote 4	The voter left a smudged X in the Durkin box.	This is a Durkin vote. The X has been inadvertently smudged. The voter did *not* erase nor intend to erase the Durkin vote.	No law or case directly on point. The X in the Durkin square is still dark and clearly discernible, although it appears to have been inadvertently smudged.
252 267 280 281 285 310 311 324 256 279 305 314 322	No vote 4 Wyman 4 Durkin 4 No vote 4	Ballots where the voter placed an X in the party circle and an X in all candidate squares below with the exception of Durkin or Wyman. Or ballots which contain more than a single skip but on which the voter provided additional evidence which demonstrates that he did not intend to vote in the Senate race.	None of these ballots should be counted because the primary and controlling factor is the intent of the voter. The expressed intent of the voter on each of these ballots is manifest. A clear and deliberate intent not to vote for a Senate candidate is evidenced by the voter's deliberate and significant failure to place a cross in their boxes.	*"Skip Louie" Diagram*  R D Wyman X X X X X X X X X X X X

New Hampshire law

"It has been held in several cases that the requirement of the statute, that where a cross has been made in the circle at the head of the column, the ballot shall be counted for all the names in the column not cancelled or erased to the exclusion of all others, *cannot* be followed in a judicial inquiry as to the result of the election." *Barr* v. *Stevens*, 79 N.H. 192. (Emphasis supplied.)

"The real and unchangeable fact in issue being the choice of the voter, and more than one way of expressing that choice being permitted, it is not within the power of the legislature to declare that in determining that choice the court shall only consider the evidence of (voting) method A, to the exclusion of (voting) method B . . . The right of the voter, being a constitutional one, cannot be abridged in this way. In other words, the legislature may enact the method by which a man shall vote but cannot direct how the ballot he casts shall be counted" (p. 105). *Murchie.*

"When a voter complies fully with the provisions of the Act as to the expression of his intent, the evidentiary facts from which his choice is to be found are capable of but one construction; but when he fails to comply with some provisions of the act (as in this case), *it can be found from the facts shown by the ballot that he did not intend to vote as the statute says his vote shall be counted. That is, upon the whole evidence it does not appear he intended to vote for A. Yet the statute says his vote shall be counted for A." Murchie.*

"If the legislature may provide that, when ballots are marked like those in dispute, a tribunal charged with the duty of ascertaining the intention of the electors shall consider the failure to erase the name in connection with the cross in the circle, *it cannot prescribe that such facts shall conclusively establish the intent of the electors*." (p. 105) (emphasis supplied).

"The ballot is presented as a complete document. *Each and every part of it is to be considered in determining its meaning.* (emphasis supplied). (P. 107), *Murchie* v. *Clifford*, 76, N.H. 99.

This standard is reiterated in Barr: *"Giving full effect to all the markings put on the ballot, the voter has twice expressed an intention."* (emphasis supplied), (p. 194).

RECESS UNTIL 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until 2 p.m. today, and I ask unanimous consent that the Senator from Pennsylvania (Mr. HUGH SCOTT) be recognized at 2 o'clock, when the Senate reassembles.

There being no objection, the Senate, at 12:37 p.m., recessed until 2 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. DOLE).

The **PRESIDING OFFICER.** The Senator from Pennsylvania is recognized.

Mr. HUGH SCOTT. Mr. President, at this point we have been discussing the retrieval of all of the ballots in New Hampshire.

The reason we want to do that is because if we do not do it we will never know who won. There are eight substantive issues here on which we were tied in the committee. The Senate ought to give full weight to the fact that the committee could not agree.

There are 27 issues on ballots on which the committee was tied and on which we could not agree. The Senate ought to give equal weight to these points of view, I suppose, but because of the composition, the Senate is continuing to give uneven weight to one side over the other, and this, of course, is the pressure of a majority tactic which deprives the sovereign State of its rights.

One of the arguments against retrieval of the ballots is it would take so long, but we discovered as we went through ballots, in various numbers at times, it does not take all that long.

We agreed to have some pretty smart computer-type people, counting-type people, from GAO, the General Accounting Office, come in and do some of our counting for us.

These ballots are in the basement of the Senate Office Building. They comprise a certain number of wooden boxes with a lock on them.

The majority argues that except for 3,500 ballots, which is all they ever did want to count, that the others have not been secure. Their argument is based entirely on whether a door was frozen shut or not. But the facts are that these other ballots were in a shed and the door was frozen shut and that door would not open until it thawed in New Hampshire. The facts are that it had not thawed in New Hampshire. Therefore, the door was frozen shut and there was no way to get at these ballots.

Some of this case sounds like a mystery story. The mystery of the frozen door, the mystery of the dying sister, the mystery of the man with two names, but the greatest mystery of all is why the Senate of the United States would want to take an election away from an elected Senator, and they have never done it before.

Oddly enough, in the cases of the removal of Senators, they have always been removed by a majority of the Senate from the majority party, but here, as I have said several times before, the temptation is very great, indeed. Senator-elect Wyman was elected by two votes.

Now, it is not the right of the thing that bothers them. I think a number have already indicated that that is not what is worrying them. It is the two votes. The two votes are so tempting that a rather complicated series of maneuvers was evidently agreed upon by which a pattern could be made to develop.

The pattern at first was to provide that all tie votes should be held to be no-votes, but those who conceived of the pattern learned somewhere through there that if the Rules Committee agreed that all tie votes were no-votes, each side would lose some, and they were, I suppose, understandably afraid they would lose more.

Our argument was that we follow the same procedure in determining tie votes that the U.S. Senate does. If there is a tie vote in the Senate, we go back to the situation as it last existed. If there is a tie vote in the Supreme Court, they go back to the circuit court of appeals, or whatever was the last forum to act upon the matter.

But they wanted special rules, so the first thing was to have a special rule to disfranchise the four of us whose votes were not compatible with the other four.

So the first part of the device then required that they tie as many votes as possible and then refer all the tie votes to the Senate so that we who voted against members of the majority party would have our votes negated and turned into zeros, and then when they come to the Senate, the overwhelming majority on the other side of the aisle would reinstate the votes not as zeros, but as votes for Mr. Durkin.

That was the first part of the pattern or the device.

The second part of the pattern was to hold this count down to 400 votes, if possible. There were some of us on the committee who argued against that, finally successfully.

The next pattern was to hold it down to 900 and that was not sustained. Then, the pattern was to look at 3,500 votes, but not exclusively, because the rights of each side to protest and to be heard on any other protest they wished to make were preserved in that resolution offered, I think, by the Senator from Oregon (Mr. HATFIELD). The debate was that the right to protest the other ballots was preserved.

So then we entered into a discussion of 3,500 ballots, reduced them to about 950, computed some of them by masked ballots and some by open ballots, and in every case we took a vote out of which 27 ties emerged.

No one knows in that 426 ballots which were masked—or 425, as the case may be—only three of which resulted in tie votes—who actually gained or lost any votes, in indeed anybody did, we do not know that.

But then the further part of the pattern emerged which had not been known to the Wyman forces before because in New Hampshire the challenges were taken in a random fashion and 13 ballots were somewhere scattered through the 3,500 and although there was some discussion of one or more of the "skip-candidate" ballots in December, on one occasion only, for the most part, they were not discussed, not before the Secretary of State, who made the recount.

There was a very brief reference to them in the Ballot Law Commission count which could only consider 400 of these ballots by agreement, stipulation, but when we came before the Senate Rules Committee and as the hearing was drawing near an end, and we had heard Mr. Durkin's protests up into the latter part of April, the pattern did finally emerge. That pattern was that notwithstanding the fact that under the law of New Hampshire a skip-candidate ballot is to be carried as a straight ticket vote, some 13 ballots emerged, 12 of which involved Mr. Durkin, and all 13 of which had been counted for the candidate whose name appeared on the side of the straight ticket mark in the circle.

Once that pattern appeared, then the next thing that the Rules Committee had to do, if it could, was to take those 12 ballots and make zero ballots of them, strike them, take them away from Mr. Wyman, which some committee members proceeded to try to do.

They resisted my proposal by a tie vote. That proposal was to go back to New Hampshire and retrieve these ballots. Why did they not want to do that? For the first reason, that under New Hampshire law they had always been declared to be straight ticket ballots. There were a number of court decisions to that effect, where the ballots had been counted as straight tickets, and people in the boxes, whether their names were filled in or not, were declared to have been voted for.

There was testimony by affidavits in the record that there were hundreds of such ballots. There was testimony that the challengers for Mr. Wyman had been instructed by the overseers of the contest not to challenge a ballot which was legal under New Hampshire law.

That is a ballot such as we have here with a straight ticket mark in the Democratic circle and X's for all the Democrats except Mr. Durkin. The instruction for the workers for Mr. Wyman were not to contest them, so in good faith they did not.

The committee voted to retrieve these ballots from New Hampshire, or at least to retrieve 12 of them, a 5-to-3 vote. But when some members of the majority discovered that they were not limited to 3,500, but under the original stipulation to honor everybody's protest and examine it, that they could go into the whole 185,000, an effort was made to take back that vote by a motion to reconsider, a procedural motion. That motion tied and the chairman ruled that it, too, would have to go back to the Senate under the Rules Committee standards that all tie votes will go for the Senate's consideration. That is where we are now.

That is why I have been proposing that we ought to go back and see what the people of New Hampshire did. Meanwhile, that is what the people of New Hampshire want.

A television network went up there and tried to find out how the people felt about sending it back to New Hampshire. They could not balance the news. They could not find anybody who said, "Do not send it back," because everybody said, "Send it back."

Then the radio people went up, and I believe this was on the radio yesterday, and they asked everybody they could find, "What do you want to do with the New Hampshire contest," and to a man, to a woman, they said, "Send it back to New Hampshire."

If any State has been united by anything, this State has been united by the injustice which is sought to be perpetrated upon its citizens, and the State of New Hampshire is ready to vote. The State of New Hampshire has a law which permits them to vote. But some say down here, "We cannot do that because the law restricts it to the candidates in the November election last."

Well, that is a specious argument. In the first place, it is done that way because the purpose of the election is to find out who the voters in New Hampshire wanted among three candidates, and three candidates only. If, however, the other side would agree to send it back and open the roster to the candidates selected by political parties, whoever they might be, I think we could work out something and we could go back and ask the State of New Hampshire to consider passing a law which does not restrict it to three.

I suggest to my friends who think of citing that as an argument that they had better be careful because we have hung a bear trap at the end of it. We might agree with you. Then what do you do?

Far be it from me to imply that we could have an agreement in this Chamber, but it is worth talking about.

That is where we stand.

How do we work justice? We work justice, it seems to me, in one of two ways: Send it back to New Hampshire—and there will be another amendment on that—or count the ballots. What could be more fair? Is there any other solution fairer than to let the people of New Hampshire decide who they want, or to let the Senate of the United States decide who won? Is there any interim position between those which is better than those two positions?

What is it that we are seeking to do? We are seeking to decide either who won or who will win. Therefore, whether we are considering this matter in praesenti or in futuro, we are considering it from the standpoint of working out justice within the rights of the sovereign State of New Hampshire.

I can only repeat what they can do to you in New Hampshire, they can do to you in Pennsylvania, or in Mississippi, or in Nevada, or in California, or in Connecticut.

Mr. STEVENS. Will the Senator from Pennsylvania yield without losing his right to the floor?

Mr. HUGH SCOTT. I am glad to yield.

Mr. STEVENS. Mr. President, I am impressed with the approach of the Senator from Pennsylvania. Of course, I agreed with him to begin with, but also I have read again the statement made by the Senator from New York (Mr. JAVITS) concerning the Steck-Brookhart case in the Senate precedents. It is a very interesting thing.

In that case, as I understand it, and it is the only clear precedent of the Senate in terms of the so-called skip-candidate ballots, not only did the Senate do what the Senator from Pennsylvania wants to do but also did what I wanted to do. That is to have a complete recount of all the ballots. In that case, Steck was declared the winner although he had not been the candidate who was certified.

As pointed out by the Senator from New York, in the course of that contest the Senate Committee on Privileges and Elections did throw out in excess of 1,300 ballots for Brookhart which were the so-called skip-candidate type ballot. They were thrown out even though there were random X's that had been made before a few names with an X in the party circle.

I think it is a very important thing to note if we are supposed to be a body that has great devotion to the concept of our precedents, that this is the one clear case that has been before the Senate in the past. In that case, both of the positions that have been mentioned by the Senator from Pennsylvania and by the Senator from Alaska were followed. I still believe, of course, along with the Senator from Connecticut, that the only real issue here is whether the desires and wishes of the people of New Hampshire that the matter be referred back to New Hampshire for another election ought to be followed. But if we cannot do that, at least we should follow the precedents that have been established by the Senate in prior cases. Only in that way can we really be judges and be considered to be carrying out our constitutional responsibility of setting some type of precedent upon which future candidates and those who want to protest elections can rely.

Certainly, the Steck case, as the Senator from New York pointed out, does indicate what the Senate can and should do if it is not going to refer this matter back to the State of New Hampshire for a new election.

I would hope that at the very least the proposal of the Senator from Pennsylvania, which is only a portion of the Steck precedent, would be followed in this case.

I thank the Senator from Pennsylvania for yielding.

Mr. HUGH SCOTT. I thank the Senator.

Mr. President, I think we should have some votes today. I think this business of complaining that we do not have votes, as I say, is rather specious. We have had 16 votes on this issue. We will have some others. There may be a vote today right after the cloture motion on either my amendment or something else. We are willing to have these issues aired and ventilated.

We would like the rest of the country to feel like New Hampshire feels, just as the rest of the country is affected by the way New Hampshire goes in Presidential primaries. I said before, if I were a candidate for the Presidency on the Democratic ticket—which God forbid—I would be very leery of the climate of New Hampshire, which, although it is June, would be very frosty to visitors who had voted to deprive New Hampshire of its sacred, sovereign rights. I suppose they will go up there, but I can tell them what the first question at each press conference is going to be:

> Why did you deny the people of New Hampshire their right to a Senator?

I know they have good public relations people, but they had better add an extra man just to handle the New Hampshire questions, because they will come at them not only in New Hampshire but in other States.

I have just come back, as I said, from Illinois. The people I met in central Illinois seem to me to be pretty unanimous that the Senate was wasting its time by refusing to take this election back to New Hampshire, and that the Senate was in this process seeking to work an injustice on the elected Senator.

I just venture the guess that if Senators go back and check with the people of their States, a good many of them are going to say, "What is this New Hampshire thing all about?" Then you try to explain it, and they are going to listen without listening—which is a frustrating thing, when the person you are talking to listens without listening. He is not even hearing your excuse. He is waiting to let you have it, with both barrels. Then, after you have made your elaborate excuse as to why you want to take it away from the elected Senator, he is going to say, "Why do you not send it back to New Hampshire? What is wrong with that?" And there you are, back where you started from.

I think Senators ought to read what the papers are saying. As I said before, I think Senators ought to read what the editorialists are saying. People cannot understand how the Senate can be so funny. People cannot understand how this organization can work at such cross purposes. People cannot understand why this Congress never gets anything done.

The majority today is like the big brother in the family who points to his little brother and says, "Little brother did it," and it turns out that little brother is not tall enough to reach the window, much less break it. True, big brother did it; big brother broke the window. But big brother is bigger, so he says, "Little brother did it." Then the head of the household says, "Do not give me that. Little brother could not reach it. He did not have the reach. He did not have the strength."

But whether it is a simple analogy from childhood or a more elaborate argument from the Constitution, it all comes out in the same way: "You shouldn't do what you hadn't ought."

You should not take something from people that is theirs, and they cannot understand why you have it in your hot little hands, where it does not belong.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I yield.

Mr. WEICKER. I would add only one thought to the remarks of the distinguished Senator from Pennsylvania, by making the prediction that if this election does not go back to New Hampshire, then the issue of whether or not it should be in New Hampshire will very much be an issue during 1976 and prior to any primaries in that State.

Mr. HUGH SCOTT. I do not think there is any question about that.

Mr. WEICKER. So I say to anyone who thinks he is going to be able to avoid this issue, or that it will be water over the dam or be forgotten, that I stand on that prediction, that if it does not go back to New Hampshire, then, believe me, this will be an issue in the presidential primary in 1976 in New Hampshire.

I say that because clearly that is what is now at stake. It must be clear to everyone who has listened to the debate that the facts have little to do with the votes on this floor. I cannot think of a situation more flagrant in its unfairness—and that is the kindest word I can use—than the Michaud ballot situation and the skip ballot situation; but it makes no difference, the result always comes out the same way.

So I think it is clear now that the only way this can be resolved in a nonpartisan and fair way is to send it back to New Hampshire. The issue is not cloture. The issue is not whether you cut off the rights of the minority. The issue is: Is it going back to New Hampshire and be settled fairly, or is it going to be settled on the Senate floor in a series of votes that totally defy logic and the facts?

I am going to keep bringing it home. Though I know there is certainly no commitment on this side of the aisle, there is a commitment made by this Senator. As long as there is breath left in this body, I am going to keep saying, "Send it back to New Hampshire," and hopefully some fine day we will wake up, and the Senate will have come to its senses and sent it back.

But if we have not done so, I am warning all potential presidential candidates they will come eyeball to eyeball with this issue when they go up there for their campaigns.

Mr. HUGH SCOTT. I thank the Senator. If any Presidential candidate wants to go up to New Hampshire and hold his delegates for their convention, he had better not hold any press conferences in New Hampshire. His best chance of winning his delegates is to remain in absentia. Maybe they would believe us now, but when the other side of the aisle is always full of people who are imbued with the desire to be of service at a higher level in this country—although I am not one who believes there is any higher level than this—they ought to recognize the fact that once they cross the Massachusetts line into New Hampshire, they are on posted territory.

They are on posted territory. They are not going to be allowed to hunt for delegates up there, because the people of that State have made a judgment, and their judgment is, New England fashion, that fair is fair, right is right, and if we do not get it here, whoever goes up there is going to get it there. And it is my judgment that it is going to be rough going for any of our ambitious colleagues.

But, of course, that is not the issue here. The issue here, as I said before, is two-fold: Should we send it back to New Hampshire, or should we do the right and just and honest thing, and let the count go the way the count went, let the certificate count the way the certificate was counted, let the laws of New Hampshire prevail as they ought to prevail?

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I yield.

Mr. GRIFFIN. I suppose that if some of the Presidential candidates were reading only the local news in the newspapers, they might not think that the New Hampshire election contest could possibly be a very important election issue. But I think, in line with the remarks that have already been made, those Presidential hopefuls might do well to have a clipping service on New Hampshire newspapers, because at least in New Hampshire this contest has been fully covered, and there has been a great deal of interest in the newspapers, the radio, and the television there at least. The people of New Hampshire are fully informed about what has been going on, both in the Rules Committee and here on the Senate floor.

I do not know whether any gratuitous advice is welcome or will be appreciated, but I just join in the cautionary remarks that have already been made by the Senator from Pennsylvania and the Senator from Connecticut, that those who may be campaigning in New Hampshire may want to take a look at the lay of the land back there.

I thank the Senator for yielding.

Mr. HUGH SCOTT. I thank the distinguished Senator from Michigan.

We know for a fact, now, that on the majority side of the aisle there is a cold current running, and that is the cold current of conscience.

We know for a fact now that a number of Senators on the other side of the aisle are very much concerned about what is the right and just thing to do. We know, because we have been talking to them; therefore, I do not want to anticipate what happens at 4:15, but we believe at 4:15 what we will have is not a high-water mark, what we are likely to have, subject to a change of a vote or two here and there from time to time, is the decision not to invoke cloture. We believe that situation is going to continue, that the leadership wishes to continue to try. They can be as trying as they want. But I do not believe the Senate wants to prevent Senators from asserting the right of a sovereign State to have its own Senator.

The PRESIDING OFFICER. If the Senator will suspend briefly, the Senate will receive a message from the House of Representatives.

(At this point in the proceedings the Senate received a message from the House of Representatives which is printed in today's RECORD under Messages from the House of Representatives.)

Mr. HUGH SCOTT. Mr. President, I think this incident illustrates that the work of the Senate goes on. We have just had a message from the House of Representatives, filled with wisdom and advice which we will take into consideration.

From time to time if one wants to bring something up we will be glad to have them do it.

But for the present, I withdraw my amendment and propose an amendment on behalf of myself and the Senator from Connecticut (Mr. WEICKER) which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment is withdrawn. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. SCOTT) and the Senator from Connecticut (Mr. WEICKER) propose an amendment to the Amendment (No. 605 as modified) proposed by Mr. ALLEN to S. Res. 166, a Resolution relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire. viz: Strike all after the word "that" on line 2 of the end and insert in lieu thereof the following: "notwithstanding any other provision of this Resolution, the Senate seat from the State of New Hampshire for the term commencing January 3, 1975, is hereby declared vacant effective June 24, 1975. On line 7 renumber (1) as (1)(b).

Mr. HUGH SCOTT. Mr. President, on that I demand the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

Mr. WEICKER addressed the Chair.

Mr. HUGH SCOTT. I understand the Senator from Connecticut is seeking recognition. I yield.

Mr. WEICKER. I thank the distinguished Senator from Pennsylvania, and the distinguished Senator from Tennessee has remarks to make relative to this amendment.

This effectively does——

Mr. GRIFFIN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will come to order.

The distinguished Senator from Connecticut now will be heard.

Mr. WEICKER. What this amendment does, Mr. President, is to say that the people of New Hampshire are better qualified to select their U.S. Senator than the Senators of the 50 States.

It is my intention, as I have stated, to offer such an amendment, along with the distinguished Senator from Pennsylvania (Mr. HUGH SCOTT), every day that we have a cloture vote. I am going to try to get the focus away from the cloture and on to what is properly before this body: Who can best decide who should be the Senator from New Hampshire?

It would be my hope that, immediately after the cloture vote, with a minimum of discussion, we will be able to have a vote on this amendment. I would indicate now so there is no surprise, because what is involved here is a principle, not a tactic, and I want to get to that point in a minute, that this would accompany every petition for cloture filed during the course of the debate.

Everyone is getting bogged down in tactics right here, but I think the principle is what is important. Who can best make this decision? Will the laws of New Hampshire prevail? Or will we just see fit to flip them out here or out there? Will the laws of New Hampshire prevail? Will we allow those people to go ahead and select who it is that will represent them in this body?

Certainly, it must be clear that the closeness of this election upon which we are to make a decision is embroiled in confusion and is rapidly becoming embroiled in acrimony and certainly is becoming embroiled in illogical votes. It does us no credit either in the sense of operations or in the sense of precedent.

So the issue, then, before the body today will not just be that of closing off debate. Rather the Senate will have a chance to take a positive and affirmative step, specifically, by allowing the people of New Hampshire to make the decision that affects their lives in so many ways.

I have, Mr. President, returned in the last several weeks to Connecticut on many occasions to address high school and college commencements. I start off each address by apologizing for my tardiness, because I have been hung up here in the Chamber of the Senate in this matter. I have said on each occasion that I just wish the U.S. Senate would allow the people of New Hampshire to select their own Senator and would not put this duty on me, especially when I am incapable, as is everybody else in this body, of resolving it. Inevitably there is unanimous applause from everyone, Republicans and Democrats. They cannot understand what it is we are doing here. We look foolish.

This has nothing to do with our constitutional powers. As a matter of fact, I say those that have supported the position of sending it back to New Hampshire certainly are strict constructionists of the Constitution in every sense of the word, especially so when it comes to the other side of the aisle. Nobody for 1 minute denies the power and the right of the Senate to determine the qualifications of its own Members.

What I am saying to the Senate is let us get with it in the year 1975 and do this in the best possible way, and the best way is, in this particular situation, to exercise that power by sending the election back to New Hampshire.

Mr. President, I urge my colleagues now to give serious thought once again, and they will have the opportunity as each day rolls by, and as we do not resolve the problem as we use up the time of the country, and we should be applying it to many other things. I do not want the accusation lying at the Republican doorstep that we are filibustering and holding up the work of Congress.

I want to make several points. No. 1, the Republicans agreed we should be on a two-track system so any matter at all can come before the Senate. The Republicans have also said when discussion is going on, yes, we believe everyone should be here and the committees should not be meeting. But the Republicans are also saying at this time get it out of here, because the best way to handle this matter is to have the people of New Hampshire decide; No. 2, allowing that forum which is the best forum to decide the question. Allowing the people of New Hampshire to do that job enables us to do the job assigned to us by our various constituencies, to get to the business of the energy crisis, jobs, the economy, housing, rail transportation, and all the great problems facing this country.

My gosh, if we showed the resolve that has been shown to stick by the most illogical positions I have ever heard of since I have been in this body, if that same resolve were directed at the problems of this Nation, believe me we would be able to give the President coming to the White House a real race as to who is doing the most.

The fact is I have never seen such energy and resolve since I have been here, but it is exhibited on a partisan matter. No, it makes absolutely no sense. It just defies all logic and I have given up. I confess I have given up.

I have given up trying to go ahead and bring forth the logic or the illogic or the legality or illegality of the specifics of this resolution. It does not make any difference. All that makes a difference is that the positions have hardened to the point where nothing can get done either on New Hampshire or on the United States of America: If that is the case, then I think let us be done with it, let us send it back to the people to enable them to elect their U.S. Senator.

I gladly yield to the distinguished Senator from Nebraska.

Mr. CURTIS. I commend my distinguished friend for the very able way he presented the case today and in the days gone by.

It is asserted on the other side of the aisle that the Senate should meet its constitutional duty and, therefore, should not send it back to the State of New Hampshire where the voters could make a new determination. What is the Senator's reply to that? Is it a valid argument, or is it not true that the U.S. Senate has established precedents covering that point.

Mr. WEICKER. The Senator from Nebraska is entirely correct for the simple reason, as the Senator alluded to, we have on other occasions sent it back to the constituency for a decision and that was an exercise of our constitutional responsibility, except the Senate in those instances instead of sending it to the Rules Committee we sent it back to the constituency. The Senator is entirely correct.

Mr. CURTIS. I point our further that the Senator's amendment declares the seat vacant, is that correct?

Mr. WEICKER. That is correct.

Mr. CURTIS. Now, if it is not vacant, who holds it?

Mr. WEICKER. Up to this minute it usually has been the individual declared the winner by the particular constituency from which he comes, subject to the appeal of the loser—or, in other words, to be seated without prejudice to the rights of the loser. But some unusual tactics has been followed here, whereby the draw situation that has been created has been done so under the powers of the Senate—again, a very unfair resolution of the problem.

Mr. CURTIS. Unless the seat is vacant, somebody holds it. Is that not right?

Mr. WEICKER. Yes. It is our position—I believe it is also the position of the Senator from Nebraska—that Mr. Wyman holds the seat. He is the final winner, as declared by New Hampshire. We admit that that is subject to the rulings of this body. But in the past, the man or woman has been seated, subject to the appeal. That has not been done here. Mr. Wyman should have the seat.

However, that is not the position of the Senator from Connecticut in his amendment; and, out of fairness, Mr. Wyman says, "That is not my position." We, as Republicans, are not advocating the election of Louis Wyman to the Senate seat. That is not our position. Our position is that the people of New Hampshire should be the ones to decide.

Mr. CURTIS. In other words, the Senate should do one of two things: Either seat the individual who holds the only valid certification from the State of New Hampshire or let the people vote again. Is that right?

Mr. WEICKER. That is correct.

What we probably should have done, in the true, old fashioned sense of negotiating, was to have insisted that Mr. Wyman be seated, and then have, as our backup position, sending it back to New Hampshire. We made a mistake in being honest and fair in the first place. If we had started out with the contention that Wyman should be seated and then fallen back and said it should be sent to New Hampshire, that would have been in the tradition of bargaining. But we did not do that.

Mr. CURTIS. I think there is a danger that some of our absent brethren may be relying upon a position that is totally untenable, and they will find it out, to their regret, when they face the voters in their own States. That is the position that there are two certificates of election before the Senate.

I ask the Senator from Connecticut, who is an able lawyer, is it not true that when the same authority issues one document and then issues a second document, the second document prevails? Is that not right?

Mr. WEICKER. That is correct.

Mr. CURTIS. Is it not true that the same individuals, occupying the same positions in the State of New Hampshire, signed the final certificate in favor of Mr. Wyman and signed the first conditional one in favor of Mr. Durkin?

Mr. WEICKER. That is correct.

The Senator raises a valuable point, which I do not think should be skipped over.

As is well-known from the public records, I have not always agreed with the Governor of New Hampshire. Sometimes I think he is a little excessive in the way he expresses himself; and, quite frankly, perhaps I have been, also, in my responses to him. But, out of fairness, I point out that in fulfilling his obligations under law, he issued that certificate to Mr. Durkin. It would have been very easy to "Mickey Mouse it," in other words, probably withhold it, but he did not. He understood that he had an obligation. Even if it was not the way he felt, as a Republican, he owed it to the Democrat to issue that certificate under the circumstances. Then he quite properly followed the rest of the law in declaring Mr. Wyman the choice of the ballot law commission and giving him the final certificate.

The Senator raises that point, and he is right on that, when he points out that, regardless of our party, in any given set of circumstances, we will have to follow the law. This is not an area of judgment. The law is very specific. The law told the Governor what he had to do, and he did it.

Unfortunately, what has happened is a hijack, if you will, or a failure to obey the law. People are wandering around the Senate Chamber, saying that the conditional certificate is equal in its impact, in its standing, to the final certificate. What kind of insanity is that? Why do we even debate it?

Mr. CURTIS. That is correct. In any operation of law and business, it is the last expression that prevails. Is that not correct?

Mr. WEICKER. Absolutely.

Mr. CURTIS. If an individual should write a will and at a later time—an hour later, a month later, or a year later—write another will and not even revoke the former will, which will prevails? It is the last one, is it not?

Mr. WEICKER. The last expression.

Mr. CURTIS. That doctrine is carried all the way. As a matter of fact, if there is a contract between parties, in interpreting that contract, if there is an apparent conflict between an early paragraph in the contract and a later one, what is the general rule? Is it not that the latter paragraph prevails?

Mr. WEICKER. That is correct.

Mr. CURTIS. The point of all this is that there are Members of the Senate who have not had the high privilege of hearing this debate, who have dashed in here and made speeches and defended what is being done on the ground that the Senate is faced with two certificates; but that is not the situation, is it?

Mr. WEICKER. That is absolutely correct.

Mr. CURTIS. I am afraid that they become confused by likening it to another situation which is not at all similar. It often arises in the election of delegates to a convention. If individuals assemble in a given State—say, they are representatives of X party—and give credentials to some delegates to vote at national conventions, and another group meets in the same State and say, "We constitute that party," and they issue credentials to a competing group, in that situation there is reason for not seating either one, until it is determined, because their certificates come from different sources.

In the New Hampshire situation, every individual in his official capacity who certified Mr. Durkin as having been elected, which was conditional, took a later action and certified Mr. Wyman. Can the Senator think of any legal reasoning at all that would give validity to the certificate issued to Mr. Durkin?

Mr. WEICKER. Absolutely none, except that they come in here with an insanity and they argue. I do not think it even should be argued. There might be issues in the course of this contest, but this is very simple. What the Senator from Nebraska is setting forth is right on target, uncomplicated, and simple. It has been the way this country has operated since the year 1.

The mistake we have made is even to come here and argue this point; because, as I say, it is an insanity that is given some sort of credibility by virtue of the fact that it is being argued on the floor of the Senate. We should not even spend any time on this issue, but we are.

Mr. CURTIS. I thank the Senator.

Mr. GRIFFIN. Mr. President, will the Senator from Connecticut yield?

Mr. WEICKER. I yield.

Mr. GRIFFIN. Mr. President, I commend the Senator from Connecticut for offering this amendment and giving the Senate another opportunity to do the right thing, and that is to send this election back to be decided by the people of New Hampshire.

I point out that under the statute of the State of New Hampshire, already in place, if the Senate were to adopt the amendment of the Senator from Connecticut, a runoff election would be held in not less than 35 nor more than 45 days from the day the Senate adopts the amendment declaring the seat vacant.

We are going to be met, I am sure, by the argument of those in the Senate who are going to say that we should vote for cloture in order to go on a recess over the Fourth of July, in order to get to the other business of the Senate that is important—and there is other business that is important. The answer to those arguments is to vote for the amendment of the Senator from Connecticut, which is the right thing to do and which the Senate should have done on January 28, when he offered it the first time, if I have the date right. It was either on that date or very close to it.

I point out that if the Senate had done it then, the people of New Hampshire would have elected a new Senator and he would have been here no later than March 14. During all this period of time, the seat has been vacant. All we are really doing by adopting his amendment is declaring a state of facts that do exist. This is a vacant seat. If we do not adopt it, I wonder if we are going to have this matter resolved 45 days from now.

I commend the Senator from Connecticut and I hope the Senate will see the wisdom of adopting his amendment.

Mr. WEICKER. I thank the distinguished Senator from Michigan. For all the posturing on principle and fact, and for those who say we will give this a careful scrutiny and the fair way to handle it is let nobody have that seat, has anybody heard a Senator suggest that we seat both of these Senators and, therefore, give the State of New Hampshire three Senators? Oh, no. That would be too much representation for New Hampshire. But we are perfectly willing to have New Hampshire underrepresented. That is a mark of a little Senate selfishness, because three Senators from New Hampshire would cut into some committee assignments and, obviously, give that State too much power. But we are perfectly willing to undercut them. That is the type of illogic we are confronted with here, on the Senate floor.

Mr. GRIFFIN. Is it not just as unconstitutional to give New Hampshire only one Senator as it would be to give them three?

Mr. WEICKER. Of course, there is no question about it. But giving them less makes a far better deal for everybody that is left. It is not a very good deal for New Hampshire, but it is better for every other State in the Union. Certainly, in my opinion, the unreasonable delay that has accompanied the execution of our constitutional duties, I think, very much flies in the face of the Constitution. I think it would be subject to a court challenge.

Mr. BROCK. Will the Senator yield?

Mr. WEICKER. I yield to the distinguished Senator from Tennessee.

Mr. BROCK. I think what the Senator is saying is that he, like myself, feels that the likelihood of invocation of cloture is not within the realm of possibility, because the majority, for all of its ability to commend an overwhelming count on its side, cannot establish 60 votes to shut off debate on a constitutional question, a civil rights question, a human rights question. We are going to go through the exercise of voting cloture, I guess, three or four times this week.

The majority knows that they do not have the votes. They are not going to get the votes, in my opinion. They are not going to get them for a very fundamental reason: When we changed the rules of the Senate from 67 to 60 to shut off debate, some of our colleagues were very, very profuse in their arguments that this device would never be used, never, never, never be used to deny to the minority a seat in the Senate itself. It would only be used to expedite the legislative processes to see that the business of the Government was dealt with in a timely fashion.

Those arguments sort of went out the window. Now we have the majority seeking to impose upon the minority a situation in which we lack any protection or defense in constitutional terms at all.

We are not talking, any more, about New Hampshire. We are talking about the Constitution of the United States itself. In fact, when the Constitution was written, setting up the Senate as a distinct body from the House, and when the Senate was set up on the basis of States and not population, we guaranteed to the people for all time that there would be protection of the small States. That was a classic constitutional debate in the convention between Virginia and the large States at that time, and the smaller States like Delaware.

Well, the Constitutional Convention reached its judgment and the Senate will reach its judgment today, and again tomorrow, if necessary, and again the next day, if necessary. As long as people want to try to abuse that process, the Senate is going to maintain the principle that we cannot use sheer, raw power to deprive an individual or a State of its constitutional and civil rights. That is the fundamental issue.

What the Senator from Connecticut is offering us is an alternative to that charade—and that is all it is, given the nature of the voting pattern of the last 10 days. We have reached the circumstance of a charade, the alternative being to let the people decide for themselves who their representative shall be and that will be it. We can solve the question, and all the cries and complaints about a lack of legislative progress can be settled in one quick, fell swoop when we return the matter to the ultimate source of power in a free society. That is the people of a sovereign State.

Mr. WEICKER. Will the Senator yield for a question?

Mr. BROCK. I yield.

Mr. WEICKER. Is the Senator going to lose any of his committee assignments if Mr. Durkin is seated?

Mr. BROCK. I am not sure. I do not think so, but it is quite possible.

Mr. WEICKER. Is the Senator running for President?

Mr. BROCK. No.

Mr. WEICKER. Is the Senator getting a little tired from standing here on the floor in this debate? He is if he is the same as I am; I am getting tired, too.

There is no personal advantage for the Senator from Tennessee or for the Senator from Connecticut. We are not running for anything. There is no reason why we should be so deeply involved insofar as New Hampshire is concerned, except for one thing: It is a principle that is involved here. What is New Hampshire today could be Tennessee tomorrow, could be Connecticut next year.

Mr. BROCK. That is correct.

Mr. WEICKER. Clearly, this defies the law, it defies logic, it defies fairness. I do not want to have it come back to me 10 years from now, as the rest of the United States is selecting a Senator from Connecticut, saying, "Ah, but, Senator, you did not object when you had the chance, when it happened in New Hampshire. You did not object."

I want the record clear: I am objecting right now. The people of New Hampshire have the right to select their representatives, not this body, not under these circumstances.

We came here from Tennessee, from Nebraska, from Michigan. We presented an argument based on fact and on logic in the Senate. Time and again, we get rolled over. It does not make any difference what we say. All right, fine. The only power we do have left is this matter of cloture.

Yes, to my colleagues and to the chairman and to those supporting his position, you do not have the votes. You do not have the votes. So they keep on going ahead and rolling over logic and rolling over fact. In the meantime, we shall keep repeating it and repeating it: Back to New Hampshire; back to New Hampshire.

Hopefully, by setting that kind of precedent, we do honor not only to this particular body but to those who follow after us.

Mr. CURTIS. Will the distinguished Senator yield?

Mr. WEICKER. Yes.

Mr. CURTIS. I thank my distinguished friend for giving the Senate the benefit of such sound logic.

I wish to point out that the procedure that has been followed in January, February, March, April, May, June, and almost to the end of June is, in itself, unconstitutional.

It was incumbent upon this body to seat a Senator or declare the seat vacant, because if they declared the seat vacant, New Hampshire would not have to wait for an election, the 30 days or whatever it takes to hold an election. The Governor could have appointed an interim Senator, and he would be entitled to have been sworn in here.

Here is what the Constitution says. Article V, the very last clause, says:

> . . . that no State, without its consent, shall be deprived of its equal suffrage in the Senate.

It is incumbent upon the Senate to either seat the person who comes here with a certificate or declare it vacant. There is absolutely no constitutional authority to drag on month after month and deny New Hampshire its equal suffrage in the U.S. Senate. It is right here.

> . . . no State, without its consent, shall be deprived of equal suffrage in the Senate.

Mr. CANNON. Mr. President, will the Senator yield for a unanimous consent request?

Mr. WEICKER. Yes, I yield.

Mr. CURTIS. I thank the Senator.

The PRESIDING OFFICER. The Chair would like to point out that under the previous order, the hour of 3 p.m. having arrived, the 1 hour provided for debate under rule XXII will now begin.

Mr. CANNON. My unanimous-consent request is that the time be equally divided, to be controlled by the minority leader and myself for the majority.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. I yield the floor at this point.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS. Mr. President, I suggest the absence of a quorum, the time to be equally divided.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. I yield to the Senator from California.

The PRESIDING OFFICER. Will the Senator specify how much time he yields?

Mr. CANNON. Such time as the Senator needs.

Mr. CRANSTON. Mr. President, we have discussed in considerable degree, and in most cases with opposing views presented from both sides of these issues, virtually all the issues that were reported to us for our consideration by the Rules Committee.

We have discussed six of the eight issues that do not relate to particular individual ballots, and we have discussed all the individual ballots except the three that will be presented in masked form.

So now I would like to turn to one of the issues that has not yet been discussed, and ask the chairman of the committee if he would outline what is at stake, and what is his view in this particular matter. I am referring to Elizabeth C. McCarren's absentee ballot.

Mr. CANNON. Yes, I will respond to the Senator.

Mrs. Elizabeth C. McCarren of 76 Elm Street in Nashua, N.H., lived at that address with her sisters, Ella Doyle and Agnes Annis.

While she was residing there, and prior to the election, she had properly requested an absentee ballot be sent to her home.

During the interval between the request and the receipt of the ballot, Mrs. McCarren, who was in her seventies, became ill, and was taken first to St. Joseph's Hospital in Nashua, and then to the Greenbriar Nursing Home in Nashua.

I may say that she, unfortunately, died there on November 13, some 8 days after the election.

At the nursing home, Mrs. McCarren was approached, as many other people there were and is customary for workers, election workers, to go and see if persons want absentee ballots, and she was approached by Agnes Kilkelley of 2 Stevens Street in Nashua, and asked if she desired to vote by absentee ballot.

Apparently forgetting about the absentee ballots she had made application for while she was residing at the home of her sister at 76 Elm Street, which she had requested and later received, a second absentee ballot, through the request of Mrs. Killkelley, was delivered to Mrs. McCarran at the nursing home and apparently executed and returned to the election officials by her.

It was properly counted as cast by the Nashua election officials on election night, by the secretary of state during the recount, and it was included in the totals announced by the ballot law commission.

That ballot is in the mix and, of course, could not be identified any more than any other ballot that is in the mix of those ballots.

However, the election officials did discover on election night that Mrs. McCarren had two ballots, and so they refused to count the one ballot that had on the outside of the envelope the address of 76 Elm Street, and it did not open that ballot and count it because it was a second ballot for Mrs. McCarren.

There is absolutely no evidence here to show how Mrs. McCarren voted in the U.S. Senate race or even if she voted in the Senate race on the ballot executed by her in the Greenbriar Nursing Home and counted as cast by the New Hampshire election officials.

It is obvious the Nashua election officials erred in issuing two absentee ballots to Mrs. McCarren. However, only one absentee ballot was counted as cast due to the fact, as I stated earlier, the election board officials discovered the error and corrected it on election night by counting only one of the two absentee ballots in question.

The second McCarren absentee ballot, which was rejected by the election officials, has not been counted and remains unopened and uncounted to this day, and is in the possession of the Senate Rules Committee. This ballot was taken to the court in one of the proceedings and was delivered back to the Durkin camp with other materials after the court remanded the proceedings that were taken in the court. But the ballot itself is in the possession of the Senate. It bears the address of 76 Elm Street on it, and has never been opened and, obviously, should not be opened and counted because Mrs. McCarren certainly was not entitled to have two ballots.

As I said, the address on the ballot that is in the possession of the Senate is 76 Elm Street, which is the address of Ella Doyle, and there is no illegality in asking a close friend or a relative to assist in the marking of an absentee ballot.

The case arose here because Mrs. Doyle prepared, at the request of someone, an affidavit saying that when Mrs. McCarren's ballot was delivered to her home that she signed for the ballot and cast the ballot the way she knew her sister would want her to cast it, as a straight Democratic ballot, and that was the situation that brought this on.

But it is beyond dispute that only one ballot was cast by Mrs. McCarren, and that only one ballot was counted on election day. It does appear that the one that was counted was the one that she herself cast at the Greenbriar Nursing Home without the assistance of her sister, Mrs. Doyle.

So that is the situation with respect to the McCarren ballot.

As I said, there is no way of knowng how she voted on the ballot that was cast at the Greenbriar Nursing Home or even if she did vote in the Senate race at all. She may not have even voted in the Senate race. We do not know that. But we do know that of the two ballots that were issued to her, one of them was never opened nor was it counted as it was cast on that night, and it is presently within the possession of the Rules Committee.

Mr. CRANSTON. Mrs. McCarren, of course, was legally entitled to vote, was she not?

Mr. CANNON. No question about that. She was legally entitled, legally registered and entitled, to vote and, of course, as anyone who has had anything to do with elections knows, people who are in nursing homes frequently have workers go there. They sign their applications. The applications are taken and turned in. The ballots are delivered and, frequently, they have people helping them with their voting, because when they are in a nursing home they are not in too good a condition ordinarily.

Mr. CRANSTON. Would not the ballot that was prepared by Mrs. Doyle have borne the address on the return envelope of 76 Elm Street?

Mr. CANNON. Yes, the address on the ballot that is in possession of the Senate now that has never been opened was 76 Elm Street, which is Mrs. Doyle's address where Mrs. McCarren and Mrs. Annis were living with Mrs. Doyle prior to Mrs. McCarren's going to the Greenbriar Nursing Home, or going to a hospital first and then to the Greenbriar Nursing Home.

Mr. CRANSTON. So it is obvious the ballot which was mailed in and was counted is the ballot that was cast by Mrs. Elizabeth McCarren in her own right.

Mr. CANNON. Well, as best we know. There is no way of proving or disproving beyond what I have said to the Senator.

Mr. CRANSTON. Well, that ballot was accepted and counted.

Mr. CANNON. The ballot that was accepted and counted on election night presumably went in from Greenbriar Nursing Home where it was cast.

Mr. CRANSTON. Yes.

I do not see what there is to investigate in all that; rather obviously it tells the story that there was one ballot and one ballot was counted.,

Mr. CANNON. Well, I think what the original question was, before it was known that two ballots had been cast, whether Mrs. Doyle actually went ahead and voted for Mrs. McCarren on the ballot that was cast and counted on election night.

Mr. CRANSTON. Yes.

I thank the Senator very much. I think that clarifies it.

Mr. CURTIS. Will the Senator from California yield for a question?

Mr. CRANSTON. Certainly.

Mr. CURTIS. Is it not true that none of the facts recited in the last few minutes about this particular ballot were ascertained by the committee from any witness under oath; is that not a fact?

Mr. CRANSTON. I refer that question to the committee chairman, he is familiar with those facts.

Mr. CANNON. I would say to my colleague that these facts were ascertained in committee and I think every witness, every person who spoke in committee, was either sworn or considered to be under oath.

I do not recall specifically swearing Mr. Brown or Mr. Millimet, but they did state they were considered as under oath.

Mr. CURTIS. Were the attorneys placed under oath?

Mr. CANNON. The staff advises me they were. I did not remember precisely that they were placed under oath. I know they consistently stated that they considered themselves under oath, the staff advices that they were placed under oath.

Mr. CURTIS. I believe that an indepth investigation will show that no one competent to give anything but hearsay was ever sworn, placed under oath and gave testimony in regard to these ballots.

Now, the point is, the Wyman forces ask an investigation of all of the absentee ballots in Nashua.

Mr. CANNON. Mr. President, may the time be charged to the other side on this?

Mr. CURTIS. I am happy to accept that.

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. Two or three minutes, anything the Senator wants.

Mr. CANNON. Very well.

Mr. CURTIS. The point is, and I shall not prolong this speech very long, that this Senate has an obligation either to investigate the absentee ballots in Nashua thoroughly, under oath, by witnesses competent to testify, or else exclude the material from the record.

I maintain that the record shows that this matter was never gone into. The contrary is true.

The committee voted not to investigate the Nashua absentee ballots and, certainly, there is every reason to indicate that that should have been done.

If everything is all right, what is there to fear? If errors have been made, they should be uncovered.

There is no defense to conduct that refuses to look at all the evidence under the ordinary rules of procedure.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AIRPORT AND AIRWAY DEVELOPMENT ACT EXTENSION OF 1975

Mr. CANNON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 214, S. 1972.

The PRESIDING OFFICER. The bill will be stated by title. The assistant legislative clerk read as follows:

A bill (S. 1972) to amend the Airport and Airway Development Act of 1970, as amended, to extend the airport and airway development program authority.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CANNON. Mr. President, this bill has been cleared on both sides. It is a simple extension of the Airport and Airway Development Act so we will have the opportunity to consider new and permanent legislation.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Airport and Airway Development Act Extension of 1975".

SEC. 2. Section 14(a) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1714(a)) is amended—

(1) by striking out the period in paragraph (1) and inserting in lieu thereof "and $68,750,000 for the period from July 1, 1975, through September 30, 1975."; and

(2) by striking out the period in paragraph (2) and inserting in lieu thereof "and $8,750,000 for the period from July 1, 1975, through September 30, 1975.".

SEC. 3. Section 14(b) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1714(b)) is amended—

(1) by striking out "four fiscal years" and "$1,460,000,000" in the first sentence thereof and inserting in lieu thereof "four and one-quarter fiscal years" and "$1,535,500,000", respectively;

(2) by striking out "June 30, 1975" in the second sentence thereof and inserting in lieu thereof "September 30, 1975"; and

(3) by striking out "and" in the last sentence thereof and inserting immediately before the period ", and an aggregate amount exceeding $1,535,500,000 prior to September 30, 1975".

SEC. 4. Section 14(c) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1714(c)) is amended by striking out "1975" and inserting in lieu thereof "1976".

Mr. CANNON. Mr. President, I ask unanimous consent that the time consumed in the consideration of the foregoing bill not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I just respond to the question of Senator CURTIS to answer that the parties were sworn and under oath when they appeared before the committee, all of the people who made presentations to the committee.

Mr. President, I suggest the absence of a quorum, to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Will the Senator from Nevada yield me about 3 minutes to make a parliamentary inquiry?

Mr. CANNON. I yield.

Mr. ALLEN. I thank the Senator.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. CURTIS). The Senator will state it.

Mr. ALLEN. Mr. President, if cloture is invoked, it would limit the time for debate by each Senator to not to exceed 1 hour. No time is charged for rollcalls or quorum calls.

The matter before the Senate includes, in addition to rollcalls, quorum calls, and debate, the presentation of facts and the adducing of other evidence with respect to the ballots that are in dispute. Would there be any limit, in the event cloture is invoked, on the time spent in presenting facts and adducing such evidence as may be proper in connection with the ballots that the Senate must consider and make a judgment on?

The PRESIDING OFFICER. The Senator is advised that any speech by any Senator after cloture is invoked is charged as time consumed.

Mr. ALLEN. The Senator from Alabama recognizes that. The question that he is asking is, on the matter of the time taken for 99 Senators to examine each of the 27 ballots and any other evidence that might be proper, would there be any time limitation on those activities?

The PRESIDING OFFICER. The Parliamentarian advises the Chair that if no Senator is speaking, no time is running.

Mr. ALLEN. I did not quite understand the Chair.

The PRESIDING OFFICER. If there is no Senator speaking, there is not a running of the time. In other words, the observation of evidence, in the absence of someone speaking, would not be charged against any Senator.

Mr. ALLEN. So any activity that takes place in addition to or exclusive of speaking would not be limited?

The PRESIDING OFFICER. The limitation is on debate.

Mr. ALLEN. I thank the Chair.

Mr. CANNON. Mr. President, I ask unanimous consent that any amendments that are pending at the desk be considered as having been read for the purpose of rule XXII.

Mr. ALLEN. Mr. President, reserving the right to object, could that request be made to cover subsequent cloture votes, in the event cloture does not prevail today?

Will the Senator make his request that broad, please?

Mr. CANNON. If cloture were not invoked, I would anticipate making similar requests in connection with subsequent cloture motions.

Mr. ALLEN. I thank the Senator.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Mr. President, reserving the right to object, may I inquire, Is there an amendment at the desk that would add to this resolution a provision to seat either contestant?

Mr. CANNON. I can say that as far as this Senator is concerned, there is not. I do not know of any.

Mr. STEVENS. I understand that the Senator from Nevada, as chairman of the committee, has not filed such an amendment; but, as I understand, such an amendment would be in order to add to this resolution, a sense-of-the-Senate amendment to seat one or the other of the contestants. I understand that this resolution in its present form would not result in the seating of either candidate, but the matter would go back to the Rules Committee. I am seeking to find out whether there is such an amendment, which would, in effect, terminate the matter before it is sent back to the Rules Committee.

The PRESIDING OFFICER. The Chair is advised that there is no such amendment pending.

Mr. STEVENS. Is it possible for the Senator from Alaska at this time to reserve his right to object to any such amendment, should any such amendment be submitted?

The PRESIDING OFFICER. If the Senator makes such a unanimous-consent request.

Mr. STEVENS. Mr. President, I ask unanimous consent that I be permitted to reserve my objection to any amendment that would pertain to the seating of either Mr. Durkin or Mr. Wyman, and ask that such amendments be excluded from the reservation of the Senator from Nevada.

Mr. CANNON. Mr. President, reserving the right to object, I think the Senator's words "that would pertain to the seating of either," are certainly too broad here.

Mr. STEVENS. Yes. I meant amendments that would directly pertain to the seating of one candidate or the other.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **RANDOLPH.** Mr. President, I wish to ask a question.

The **PRESIDING OFFICER.** Who yields time to the Senator from West Virginia?

Mr. **HELMS.** I am glad to yield time. How much time?

Mr. **RANDOLPH.** Two minutes.

The **PRESIDING OFFICER.** The Senator is recognized for 2 minutes.

Mr. **RANDOLPH.** Mr. President, I wish to ask a question of the able Senator from Alabama (Mr. Allen). He has spoken of a resolution that he has at the desk in which he is joined by Senators Helms and Packwood, and perhaps other Senators.

I inquire now as to what is the thrust of the Senator's thinking on such a proposition.

Mr. **ALLEN.** Actually it is Senate Resolution 180. It has nothing to do with the matter under discussion having to do with the election contest.

Mr. **RANDOLPH.** Yes, I so understood. It is a resolution and it seems to be a somewhat sensible plan.

Mr. **ALLEN.** It is a resolution, which has been introduced and is now pending before the Committee on Rules and Administration, that would seek to amend rule XIX of the Senate by adding two extra sections to the sections already making up the amendment.

One would prevent any Senator from speaking from a prepared speech, or speaking from a prepared text; and the second, which the matter of the debate on the Gravel amendment motion gave rise to, is another amendment which would prevent any Senator from obtaining advice or assistance from members of his staff or any committee, on which he served, here in the Senate Chamber. It was not that of getting such information or advice outside of the Senate Chamber.

The **PRESIDING OFFICER.** The time of the Senator has expired.

The Senator is recognized for 1 additional minute.

Mr. **ALLEN.** It would prevent the practice of a Senator using three or four aides to give him information and advice in connection with a debate. It would make the debate a debate between Senators rather than between staff members.

I believe those two amendments would constitute a great change in the Senate rules, would revolutionize Senate procedure, and would make this more deliberative body consisting of debates by Senators.

Mr. **RANDOLPH.** Mr. President, will the Senator yield for another minute?

The **PRESIDING OFFICER.** The Senator is recognized for 1 additional minute.

Mr. **RANDOLPH.** When the Senator from Alabama referred to deliberative body, I echo his words and of course we must be able to come to decisions after weighing the equities.

Mr. **ALLEN.** Yes.

Mr. **RANDOLPH.** But as to deliberate delay, that is not the thought of my able colleague.

Mr. **ALLEN.** Just the contrary.

Mr. **RANDOLPH.** I had a professor who told me, "The only way to make a good extemporaneous speech is to make an elaborate preparation." That is the feeling of the Senator, as I sense his belief.

Mr. **ALLEN.** Yes, I think that is absolutely right.

Mr. **RANDOLPH.** And not become an essayist.

Mr. **ALLEN.** Yes.

Mr. **RANDOLPH.** Discussion and debate; is that correct?

Mr. **ALLEN.** I think the Senators should give input into the debate rather than for the able staff members to be advising the Senator and prompting the Senator all the time.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. **RANDOLPH.** I thank the Senator for his insight.

Mr. **ALLEN.** I thank the Senator for making the inquiry.

The **PRESIDING OFFICER.** Who yields time?

Mr. **HELMS.** Mr. President, how much time is remaining on each side?

The **PRESIDING OFFICER.** There are 4 minutes remaining for the Senator from Nevada and 12 minutes remaining for the Senator from North Carolina.

Mr. **HELMS.** I thank the Chair.

To be charged to our side, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **CANNON.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **CANNON.** Mr. President, I yield 1 minute to the Senator from North Carolina.

Mr. **MORGAN.** Mr. President, when the roll is called on the motion for cloture in a few moments, I shall cast my vote "Aye."

For the record, I want to make it clear that I am basically opposed to limiting debate in the Senate, and I cast my vote in the case very reluctantly, because I hope we will not reach the point that limitation of debate is a routine thing. But I am firmly convinced that the only way we are going to resolve this matter is to consider each of those 27 ballots individually, to try to determine the intention of the voter, as best we can, in keeping with the law of the State of New Hampshire. I do not believe we are going to be able to do that unless we do limit debate and get on with those issues.

For that reason, Mr. President, I shall cast my vote "Aye."

Mr. **CANNON.** Mr. President, I say to my colleague that this is exactly what we have been trying to do for some time—to get to vote on the respective issues.

I hope we can get to the point where we can put a ballot back here, one of the 27 ballots, and that Senators can have an opportunity to look at it. At that time, they can hear the arguments, either for or against, as to why the vote should or should not be a certain way, and we can decide these issues. When that is concluded, the ballots with the votes of the Senate on them can be placed in the box with the other ballots, and an independent agency—GAO or someone else—can tabulate those ballots, apply the results to the base of the ballot law commission, and then let the Senate know what that result happens to be. The Senate then could determine accordingly, either to seat or not to seat whoever turned out to be the winner.

The Senator has made a very good point, and I thank him for it.

Mr. **MORGAN.** I thank the Chairman.

Mr. **CRANSTON.** Mr. President, will the Senator yield?

Mr. **CANNON.** I yield.

Mr. **CRANSTON.** Mr. President, I should like to read to the Senate some very interesting statistics.

The **PRESIDING OFFICER.** The Senator from California will suspend.

CLOTURE MOTION

The **PRESIDING OFFICER** (Mr. Curtis). The time for debate under the unanimous-consent agreement having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 166, relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

Mike Mansfield.
Robert C. Byrd.
Hubert H. Humphrey.
John O. Pastore.
Ernest F. Hollings.
Abraham Ribicoff.
Adlai E. Stevenson.
Floyd K. Haskell.
Claiborne Pell.
John C. Culver.
Gale W. McGee.
Edmund S. Muskie.
Gaylord Nelson.
James Abourezk.
Walter F. Mondale.
Daniel K. Inouye.
William D. Hathaway.
Dick Clark.
John V. Tunney.
Frank E. Moss.
Jennings Randolph.

CALL OF THE ROLL

The **PRESIDING OFFICER.** Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 42 Leg.]

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver

Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

The PRESIDING OFFICER (Mr. GOLDWATER). A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate, on the resolution (S. Res. 166), relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Idaho (Mr. MCCLURE), and the Senator from Illinois (Mr. PERCY), are necessarily absent.

The yeas and nays resulted—yeas 57, nays 39, as follows:

[Rollcall Vote No. 249 Leg.]

YEAS—57

Abourezk
Bayh
Bentsen
Biden
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stevenson
Stone
Symington
Talmadge
Tunney
Williams

NAYS—39

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Brooke
Buckley
Case
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Javits
Laxalt
Mathias
McClellan
Packwood
Pearson
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Taft
Thurmond
Tower
Weicker
Young

NOT VOTING—3

Hatfield
McClure
Percy

The PRESIDING OFFICER. On this vote, there are 57 yeas, 39 nays. Three-fifths of those duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. HANSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. GOLDWATER). Will the Senator from Connecticut yield for a parliamentary inquiry?

Mr. WEICKER. Yes.

The PRESIDING OFFICER. The Senator will state it.

Mr. HANSEN. What is the rule of the Senate, three-fifths of those present and voting or 60 votes?

The PRESIDING OFFICER. Three-fifths of those duly chosen and sworn except on motions to change the rules which require two-thirds of those present and voting, a quorum being present.

Mr. WEICKER. Mr. President, I rise in support of the amendment of the distinguished Senator from Pennsylvania.

Mr. President, might we have order?

Mr. GRIFFIN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order and the Senators will please take their seats and stop talking.

The Senator will suspend. There will be order in the Senate.

The Senator from Connecticut.

Mr. WEICKER. Mr. President, I would hope that we could vote on this amendment almost immediately.

The amendment of the distinguished Senator from Pennsylvania specifically would declare the seat vacant as of this evening, and that means that as of this evening the Senate could concentrate its efforts on the energy crisis, could concentrate its efforts on the job crisis——

Mr. NELSON. Mr. President, may we have order in the Senate, I am unable to hear the Senator from Connecticut.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Connecticut.

Mr. WEICKER. The Senate could concentrate its efforts on the housing crisis and all of the rest of the monumental problems which confront the Government of this country and to which the Government of this country has not addressed itself.

Would that we would address ourselves to the rest of the problems with the fervor and the stick-to-itiveness that we have employed on both sides of the aisle to the election in New Hampshire.

Pass this amendment and we can do just that and as of this evening the people of the State of New Hampshire will be able to go ahead and decide who it is that should represent them in this body.

I really have nothing further to say on this matter.

I intend to continue to offer it as we proceed along the path of deadlock, a path which certainly, as I have indicated, does none of us credit.

In the sense then of logic and fairness and of upholding our constitutional duty to resolve this matter, in the sense of due process, I request the support of my colleagues on this amendment.

I yield to the distinguished Senator from Pennsylvania.

Mr. HUGH SCOTT. I thank the distinguished Senator from Connecticut.

I think we should vote again. We have had 17 votes on this matter. After this vote, those Senators who do not favor the Weicker-Scott amendment will have no cause to complain about the Senate being engaged in other business. They can go on to legislation, if they can find it, or if the other body sends it over. They can go right on. There need be no delay whatever.

There is no cause to blame anyone is delaying if this amendment passes. The Senate will have done justice and will be seen to have done justice. The Senate will have decided what it should have decided long ago, that this matter belongs to the people of New Hampshire and the sovereign State of New Hampshire.

It is not a matter which the Senate ought to attempt to decide when it is divided 35 times in its committee on a 2-vote majority.

I plead with my colleagues to resist the temptation to do that which they ought not do and take this election away from the people of the sovereign State where sentiment now appears to be almost unanimously in favor—and that goes to both parties—of returning the election to the State of New Hampshire.

Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have been ordered.

Mr. HUGH SCOTT. Mr. President, I am ready to vote.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. CANNON. Mr. President, I would just simply say, we have voted on this issue, I think this is the third time, a little different wording, and I think the Senate has already determined this.

I am ready to vote.

Mr. CRANSTON. Will the Senator yield me 1 minute?

Mr. CANNON. Yes; I yield 1 minute to the Senator.

Mr. CRANSTON. I was interrupted just as I was about to read two paragraphs from an editorial from the Concord Monitor, but I think it is very interesting in relation to the charges that this election might be stolen by the majority.

The history of deciding such matters in this body in the past does not indicate that the majority takes elections in an arbitrary way, so that is the record on the other side of the aisle. The record on this side of the aisle happens to be a little bit better than on that side of the aisle. But let me just read what the Concord Monitor said on this subject:

> Historically, the "steal" claim is difficult to support. In other contested elections the Senate has decided, Republican-dominated Senates have sustained Republican winners in three cases and Democratic winners in seven elections.
>
> Democratic-controlled Senates have supported Republican winners in five cases and Democratic winners in four.

I think that is pretty good evidence the Senate can be trusted to decide a case on the merits.

SEVERAL SENATORS. Vote! Vote!

Mr. HUGH SCOTT. Mr. President, as long as we are reading editorials, the Washington Star, Thursday, May 22, 1975, the first paragraph:

> Probably the least lustrous achievement of the 94th Congress is the muddling around

which has left New Hampshire with only one senator.

The final paragraph:

> Anyway, the Senate has been provided with a perfect escape from this dilemma, which it should hasten to use when the questions arise on June 9. It simply can declare the seat vacant, and send the issue back to New Hampshire for a new election. The state legislature already has made the necessary arrangements for this, through new legislation. Voters there, and not the Democratic Senate, should settle this hairline dispute, even if the Senate committee's limited recount should reveal a slightly wider margin. Otherwise, an odor is likely to linger over the whole business, and the declared winner may be smudged with lasting uncertainty.

The Senator from California has argued the lessons of history.

Mr. CURTIS. Will the Senator yield for a question?

Mr. HUGH SCOTT. I am glad to. I was simply going to say that history supports what we are doing on this side of the aisle.

Mr. CURTIS. Has either contestant made a public statement disapproving the idea of a new election in New Hampshire?

Mr. HUGH SCOTT. So far as I know, the answer to that is that neither contestant has opposed a new election in New Hampshire.

In fact, in the Sun of Saturday, June 7, 1975, Senator Wyman comes out very strongly for a new election, which he says is their right under the Constitution. The contestant, Mr. Durkin, claims, "I have been in favor, all along, of a runoff. I think I would win a runoff election easily."

If a contestant is in favor of a runoff and the Senator-elect is in favor of a runoff, why has the Senate been running off at the mouth needlessly for an interminable length of time?

I am ready to vote.

The PRESIDING OFFICER. The question is on agreeing to Mr. Hugh Scott's amendment to the amendment of Senator Allen. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Wyoming (Mr. McGee) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Hatfield), the Senator from Idaho (Mr. McClure), and the Senator from Illinois (Mr. Percy) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hatfield) would vote "yea."

The result was announced—yeas 39, nays 56, as follows:

[Rollcall Vote No. 250 Leg.]

YEAS—39

Baker
Bartlett
Beall
Bellmon
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Case
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Javits
Laxalt
Mathias
McClellan
Packwood
Pearson
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NAYS—56

Abourezk
Allen
Bayh
Bentsen
Biden
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stennis
Stevenson
Stone
Symington
Tunney
Williams

NOT VOTING—4

Hatfield
McClure
McGee
Percy

So Mr. Hugh Scott's amendment to Mr. Allen's amendment (No. 605) was rejected.

AMENDMENT NO. 627

Mr. HUGH SCOTT. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Pennsylvania (Mr. Hugh Scott) proposes an amendment to the amendment of Mr. Allen, No. 605, On page 1, line 2, insert the following in said amendment: "the staff of the Committee on Rules and Administration, accompanied by a representative of each contestant, shall retrieve from the ballots in the custody of the United States Senate any and all of the so-called 'skip candidates' ballots and shall present them to the Committee for its review and ruling."

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Hawaii (Mr. Inouye) for 3 minutes with the understanding that I will not lose my right to the floor.

The PRESIDING OFFICER. Without objection, the Chair recognizes the Senator from Hawaii.

ADDITIONAL AUTHORIZATION FOR THE U.S. TRAVEL SERVICE

Mr. INOUYE. Mr. President, on behalf of Mr. Magnuson, Mr. Cannon, Mr. Moss, Mr. Baker, Mr. Javits, Mr. Griffin, Mr. Pastore, and Mr. Goldwater, I introduce a bill, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

> A bill (S. 2003) to amend the International Travel Act of 1961 to authorize additional appropriations, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Hawaii?

Without objection, the bill will be considered as having been read twice, and the Senate will proceed to its immediate consideration.

Mr. INOUYE. Mr. President the measure I am introducing would authorize the following levels of funding for the U.S. Travel Service—Department of Commerce—which is the agency of Government charged with the promotion of travel and tourism to and within the United States:

First, international tourism promotion: Fiscal year 1977—$25 million; fiscal year 1978—$30 million; fiscal year 1979—$30 million, and

Second, domestic tourism promotion: Fiscal year 1976—$2.5 million; fiscal year 1977—$2.5 million; fiscal year 1978—$2.5 million.

It would also expressly state that any promotional activities the Travel Service undertakes must be in the public interest, and not compete with activities of a State, city, or private agency.

Mr. President, for all practical purposes this is the bill (H.R. 5357) which passed the House by a vote of 287 to 132 on May 13, 1975, and the Senate unanimously 2 days later.

Unfortunately, because of technical and administrative misunderstandings, the President felt it necessary to veto that bill on May 28, 1975.

Since then the congressional leadership on both sides of the aisle have worked with the administration to correct those misunderstandings.

I am happy to introduce the bill I now send to the desk which is acceptable to the congressional leadership and the President.

This matter has been cleared with the leadership of both sides.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2003) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2003

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 6 of the International Travel Act of 1961 (22 U.S.C. 2126) is amended by striking out "and" immediately before "(3)" and by inserting immediately before the period at the end thereof the following: "; (4) $5,000,000 for the transition period of July 1, 1976, through September 30, 1976; (5) $25,000,000 for the fiscal year ending September 30, 1977; (6) $30,000,000 for the fiscal year ending September 30, 1978; and (7) $30,000,000 for the fiscal year ending September 30, 1979".

Sec. 2. (a) Section 5 of the Act entitled "An Act to encourage travel in the United States, and for other purposes", approved July 19, 1940 (16 U.S.C. 18d), is amended to read as follows:

"Sec. 5. For the purpose of carrying out the provisions of this Act, there are authorized to be appropriated not to exceed $2,500,000 for the fiscal year ending June 30, 1976; $625,000 for the transition period of July 1, 1976, through September 30, 1976; $2,500,000 for the fiscal year ending September 30, 1977, and $2,500,000 for the fiscal year ending September 30, 1978.".

(b) The first section of such Act of July 19, 1940 (16 U.S.C. 18) is amended to read as follows: "That the Secretary of Commerce shall encourage, promote, and develop travel within the United States, including any Commonwealth, territory, and possession thereof, through activities which are in the public interest and which do not compete with activities of any State, city, or private agency.".

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Indiana without losing my right to the floor and with the understanding that he is not proposing any amendment to this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I thank the distinguished Republican leader for the courtesy.

Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The amendment of the Senator from Pennsylvania to the amendment offered by the Senator from Alabama.

Mr. HARTKE. What resolution?

The PRESIDING OFFICER. Resolution 166.

Mr. HARTKE. What resolution? To what resolution is that?

The PRESIDING OFFICER. Senate Resolution 166.

Mr. HARTKE. Yes.

Is it my understanding, and am I correct, in the parliamentary inquiry with regard to the fact that it would take unanimous consent of the Senate or else action from the Senate to set aside this measure?

The PRESIDING OFFICER. Another measure could be brought up on motion.

Mr. HARTKE. On motion; but that would be subject to a majority vote of the Senate; is that right?

The PRESIDING OFFICER. That is correct.

Mr. HARTKE. Otherwise, it would take unanimous consent; is that correct?

The PRESIDING OFFICER. It would be by unanimous consent.

Mr. HARTKE. Mr. President, I discussed this matter with the chairman of the Committee on Finance of which I am a member. I do not ask him to agree with me, but I have notified the desk that I intend to object to any consideration of the increase of the debt limit bill until this matter presently before the Senate is dispensed with.

I intend to be here, and I will be available for every quorum call, whether it is live or not, and I would request the leadership to notify me at such time that any attempt is made to dislodge the present measure from its present consideration.

I would hope that we would recognize that the business of taking care of the obligations of the United States should take precedence over practically anything else, but in order to accomplish that end I think it is high time that we bring the dilatory tactics, which are being utilized at the present time, to an end.

Mr. HUGH SCOTT. Mr. President, I say to the distinguished Senator from Indiana that the assurances he looks for will have to come from the other side of the aisle. I will offer no assurances whatever in view of the nature of the request.

However, if the distinguished Senator from Indiana wishes to go on a two-track system, I have no objection. If the distinguished Senator from Indiana wishes us to discuss the debt limit, I am sure that the majority side of the aisle will be glad to work it out with him and will be glad to cooperate. But any threat to prevent payment of the salaries to Government employees until the majority gets its way is going to be resisted with all the strength at our command.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. Yes.

Mr. HARTKE. I anticipate that response from the Republican leader. I am not disappointed in the response at all. I just am making a simple declaration of fact. I think it is high time we go ahead and deal with the business of this country in the fashion to which it should be dealt with. There are too many things that need to be done and too many things are being neglected for us to continue to waste the time of the Senate as we have been at the present time.

Since the cloture petition failed, it is evident that 56 Members of the Senate are ready to vote, and I think it demonstrates again that maybe the cloture rule should be changed, so that the majority will can be worked, but since that is not true, I just notified the chairman of the Finance Committee, who has indicated to me what he intends to do, and all I am saying is, with all the respect and with all the love I have for my distinguished friend from Louisiana, I intend to do everything I can within the rules of the Senate to keep the debt limit bill from being considered until such time as this measure is successfully resolved.

Mr. LONG. Mr. President, will the Senator yield at this point?

Mr. HARTKE. I am glad to yield.

Mr. LONG. I hope that my distinguished friend will reconsider. Now as far as the Democrats on the Finance Committee are concerned, I believe every last one of us voted for cloture to try to move the matter along. I do not know of any reason why we should be expecting the Republicans to vote for cloture in this situation.

I really believe that the Senator will find that, if he were successful in preventing Government employees from being paid by the time he got through, the public would blame him for it rather than someone else. I do not think they are going to blame Mr. Durkin for it. I do not think they will blame Mr. Wyman for it. I do not think they would blame the voters in New Hampshire for it. I do not think they would blame President Ford for it. They would blame the Senator from Indiana for keeping them from getting their pay, and if the Senator had to take the responsibility for keeping the boys in the service from getting their pay, the postal employees from being paid, and the various other contractors and workers around the country from being paid, I think he would find that the public would tend to blame him and that it would work very much to his disadvantage.

I very much admire the Senator; I am very fond of him, and I know him as a tireless battler for that in which he believes, and I suspect he would find that that would be a very bad mistake.

Mr. PASTORE. Counterproductive.

Mr. LONG. One of my colleagues mentioned one word, "counterproductive." I fear that that would be the effect of it. Merely to have a filibuster within a filibuster, a one-man filibuster against bringing up the debt limit bill, which we are going to have to pass if we are going to continue to pay the Government employees, the men in the armed services, wearing the uniform and all the Government employees, Government contractors and their employees. I hope the Senator will reconsider that overnight. If he does, I suspect if he considers it with an open mind, and resort to some of his dearest and closest friends, be they in the Senate or out of the Senate as the case may be, that he will conclude that he would be misunderstood. His dedicated work would not be understood properly by his constituents and by people across the Nation generally, and he would find that he made a mistake, which I urge the Senator not to do. I would be glad to think about it, and I ask the Senator to reconsider his position while I reconsider mine.

I have seen filibusters before, and I have never seen anyone break a filibuster by telling someone he is going to hold up some legislation unless we cease the debate. The filibusterers become more determined and do not yield to it. That is one thing about being involved in extended debate. It takes a lot of work for one man to hold up the Senate. I have done it, and I know how unpopular that was with my colleagues. The Senator has done it on other occasions. I believe he will find that it works out to be a mistake. When one finds himself waging a 1-man filibuster while a 40-man filibuster is going on, the 40-man filibuster may be criticized, but not as much as the 1-man filibuster.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HARTKE. I understand very well what I am doing. I understand the animosities which may arise. But I say to the Senator that I think the animosities of 98 Senators would be very small compared to the animosity which is building up about the failure of Congress and the failure of the administration to deal with the question of unemployment, the question of businesses going bankrupt right here in Washington, D.C., and the threat throughout the country, with the economy in difficult times at present. The failure of Congress to do anything meaningful at this time is a subject of constant discussion in the press.

That is not my fault. If the people want to blame me for getting the Republicans to go ahead and start dealing with the issues of this country instead of trying to go ahead and thwart the actions of Congress, that is very well. It is worth that. I have been on the minority side before, as the Senator from Louisiana well knows. I am not afraid of being on that side, and I am not afraid of any animosities which might occur from the Senators here in feeling that this is an action taken in order to force some type of positive results in the Senate.

I have seen other Members use the U.S. Senate for their own personal advantage; and as has been indicated by the Senator from Louisiana, this action would be used at my personal disadvantage. I am willing to go ahead and be responsible for my actions, if the Senate is willing to be responsible for its own. But at this moment the Senate is not responsible, and I think the Senate recognizes that. It is not responsible in a responsive fashion to the will of the people, because I do not think it takes an expert to understand that the man who does not have a job would like to get the matter of the New Hampshire election behind him so that we can deal with the problems of unemployment, which we would like to deal with; the problems of inflation in this country, which we would like to deal with; and the question of the energy problems, which we would like to deal with.

I would like to vote on those matters. I would like to vote on the matter before us and let the results fall where they will, and get on with the business of the Senate.

Mr. GARN. Mr. President, will the Senator yield?

Mr. HARTKE. I do not have the floor.

Mr. LONG. I urge the Senator not to freeze himself in concrete on that matter and that he reconsider before he goes too far in this matter, because I honestly think it would be a mistake.

Mr. HUGH SCOTT. Mr. President, I yield to the Senator from Utah.

Mr. GARN. Mr. President, with all due respect to the Senator from Indiana, I have been on the floor of the Senate probably 90 to 95 percent of the time during the debate on the New Hampshire matter; and this week we have constantly heard from the majority side about dilatory tactics and holding up the business of the Nation and of Congress.

The Senator from Utah resents that comment, because I happened to be at a meeting when this whole thing started and listened to the majority leadership and the minority leadership when they agreed to a two-track system, so that the New Hampshire debate would not delay anything. That seemed reasonable and just. In the mornings we would conduct any business that came before the Senate—committee reports or whatever—and the New Hampshire debate would take place from 1 in the afternoon until 6 p.m. or whenever. That was perfectly agreeable.

I suggest to the Senator from Indiana that it is the majority side who have changed the rules of the game in the middle of it, who continually took it up to 8:45 or whatever and take the whole day for the New Hampshire matter.

If the Senator from Indiana would like to act on this debt limit bill, I suggest that he talk to the majority leadership about going back to a two-track system. I suggest that it is the majority.

As to using dilatory tactics on our side, yes, we are delaying, we are talking, because we happen to believe that the people of New Hampshire should decide who should be their Senator, not 99 Senators from all over the country. I do not happen to believe that, as a Senator from Utah, I should have any right whatsoever to decide who the Senator from New Hampshire should be, in all justice and fairness.

So if the Senate wants to get on with the business, let the majority decide that we go back to a two-track system, and we can get on with the business of this country and quit trying to palm it off on the minority.

Mr. HUGH SCOTT. I thank the Senator.

(At this point, Mr. STONE assumed the chair.)

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I yield.

Mr. GOLDWATER. Can the Senator from Pennsylvania think of any more important business that the Senate has than the freedom and the rights of our people?

Mr. HUGH SCOTT. I cannot. And the motto of the State of New Hampshire is "Live free or die." We are trying to uphold that motto.

Mr. GOLDWATER. What we on this side of the aisle, with the help of a few on the other side of the aisle, are trying to do is to uphold the rights of the citizens of a State to elect a Senator. I suggest that this is far more important than anything the Senator from Indiana might have indicated.

If there is truth to what the Senator from Indiana has indicated, then I suggest that we could have solved the energy problem two and a half years ago. This Congress has not done anything about it. We could have solved our problems in the financial field if we had taken a proper stance toward it. Instead of that, we have increased inflation, we have increased the national debt, and we have made it harder and harder for the average man to live on his income in this country.

Do not talk to us about the good of the Nation. I have often said if we can live through this Congress, I think this country can live through anything. [Laughter.]

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. Yes; with the observation that the Senator from Indiana has just made what I regard, with all due respect, as an entirely specious argument; namely, he is blaming 38 of us for the fact that 61 of us cannot get anything done. I think the Senator is facing in the wrong compass direction.

I am glad to yield.

Mr. HARTKE. I thank the distinguished minority leader for yielding.

Unfortunately, the Senator from Arizona has left the Chamber. He asked what is more important than freedom. I suggest, respectfully, that the Senator from Indiana be accorded his right to speak and his right to do what he wants to do with regard to bringing this matter to a close.

I hope the Senator from Pennsylvania will recognize that 56 Members of this body said, "Yes, we would like to terminate the debate"; 39 Members said, "No," they did not want to do so. A majority would like to go ahead and vote upon the issues which really have been presented to this body by the Rules Committee.

I am not dealing with the subject matter of who is right or wrong. All I would like to do is to vote and to have my freedom respected as much as everyone else's freedom is being respected.

Mr. HUGH SCOTT. The Senator from Indiana is arguing "damnum absque injuria"—that is, damage without redress, without injury. That does not quite hold water. He could even argue "injuria sine damnum" and it would do him no good, because he is looking in the wrong direction. After all, he is not without a remedy, and the remedy lies on his side of the aisle. The remedy is to call up the bill. We will agree. The Senator is not being blocked. We will agree to a two-track system, a three-track system. If the Penn Central were in another shape, we would agree to a four-track system. We do not mind the Senator bringing up legislation. We will help him.

The Senator should do anything he wishes to get the leadership on his side to do as he wishes; and if it has to do with getting the country's business done, we will be glad to see both sides of Congress extract themselves from the mire of inaction and from the miasma of apathy and begin to accelerate in the public interest.

So the Senator is free to do it. He is not being blocked. The Senator from Indiana is only saying to the majority, "If you don't let me have my way, and if all the rest of you guys don't stop talking, I'm not going to let the people of this country get paid their salaries."

Well, the Senator can assume that responsibility. I, at times, have thought I had a modicum of courage, but I "ain't got that much guts."

Mr. HARTKE. Will the Senator yield?

Mr. HUGH SCOTT. Yes; I am glad to yield.

Mr. HARTKE. The Senator from Indiana has that much guts.

Mr. HUGH SCOTT. Well, he may, and I think he should also accept the blame which is justly his.

Mr. HARTKE. I will say there may be others on my side of the aisle who feel this is counterproductive. I understand full well what the issues are.

I also say to the Senator from Pennsylvania that there was a certain President who ripped off the pages of a calendar in a speech not too long ago. I say maybe we can rip off some of those same pages on that calendar to show that he and his party feel it is more important to go ahead and decide this on votes rather than on minority control.

That is what the President is doing. He has a minority in Congress upholding one of the vetoes; therefore, we cannot get the business of the Congress done. The people are being neglected. Maybe those calendar pages can be ripped off and the people not get their paychecks.

If that is the intention of the Senator from Pennsylvania, he can accept that responsibility. But he knows full well now, on the 24th day of June, that there are 6 days—the 25th, 26th, 27th, 28th, 29th, and 30th—there are 6 days, 24 hours a day, upon which this matter from the Committee on Rules could be decided. Then I will not object to any consideration of the debt limit bill.

Let me say to the Senator, everyone knows that the debt limit operation is really something that should have been eliminated a long time ago, because it has no relation to reality. But it is there. Without the action of Congress, the bills of this Government cannot be paid.

All I can say is, if the President can play this game of minority control with the vetoes, then to that extent, it is possible for the Senator from Indiana to say to him, look, let us just have equality and fairness across the board, let us have the people's voice heard, give them a chance to vote through their representatives in the Senate.

I am not asking anyone to agree with me, I am not asking anyone to feel sorry for me, I am not asking anyone to be even respectful of my position, although I will say that the people of the United States would respectfully request the minority leader to really get on with the business of this country. The way he can do that is to vote on the issues and be willing to accept the responsibility that the ultimate vote of the Senate should not be delayed simply because he has enough people to control.

Mr. HUGH SCOTT. I say to the Senator from Indiana, first of all, that the minority leader has aided in some 18 or 19 votes now and is perfectly willing to aid in others. I wish that the Senator from Indiana would borrow the "how to do it" book of the Senator from Hawaii, who, just a few minutes ago, came in here and got an important transportation bill passed by agreement of both sides. He had no problem. We just legislated a ticklish situation where the President vetoed a bill. I was for the bill. We have polished it all up now so that everybody, we think, is going to be happy and the trains will run again, I hope, and all will be well.

If the Senator would just go to the Senator from Hawaii and get the "how to do it" book that circulates around here from time to time, he would find he has no trouble.

Mr. HARTKE. On the "how to do it" book, I happen to know about that bill. The fact of it is that the administration admitted that they made a mistake in vetoing it and asked that it be modified in such minor detail and asked us to accept it. If they had followed my advice, we could have overridden the veto. This is an administration request that we modify the bill and go ahead and correct their own mistake. I think if the Senator will go back, he will find out that the administration will admit that the President vetoed this bill and then found out he did not intend to veto it. That is the situation on the "how to do it" book.

In other words, the Senator from Hawaii just pulled the chestnuts out of the fire for the President on that one and I think it is high time that the truth be told to the American people.

Mr. HUGH SCOTT. Any time we can get a little truth around here, I am one to open the door.

I happen to agree with the Senator that the original transportation bill was acceptable in my eyes. I did not really think it should be vetoed, but it still does have the effect of removing some few objections to it. Now we are going to get legislation through the process that the Constitution provides; namely, that Congress proposes, the President disposes; Congress reproposes, and then nobody opposes, and suddenly, we have a bill.

Mr. HARTKE. Will the Senator yield?

Mr. HUGH SCOTT. Yes.

Mr. HARTKE. It is for that reason I would not cosponsor the measure. I cosponsored the original measure, but I do not feel that, really, in a situation of this kind, that is the proper procedure. I think Congress should have overridden the veto and done what they could have done. That would have corrected that deficiency and they could have done it with the original intent. That happened to be the situation on that bill.

I did not raise that question on the floor because the Senator from Hawaii was willing to go ahead and move in this fashion. But I would not have put my cosponsorship on a bill where, in effect, we admit that we made a mistake that we did not make. That is what I do not want to do.

Mr. HUGH SCOTT. I understand that. Congress has shown it is somewhat allergic to overrides, and one can understand why some of them are not brought up. In any event, we got something done.

The Senator can object as much as he wants. That means that that is the only filibuster in town as far as I know, because we have just proposed several amendments which would dispose of various parts of this bill, which will now allow the Senate to get on with other business. It would send this back to New Hampshire, but the Senator from Indiana does not want to send it back to New Hampshire. He votes against that. He does not want to allow the people of New Hampshire to elect their own Senator. He thinks the Senate can do it.

The Senate Committee on Rules could not even figure out what some of these ballots meant, even after they used all sorts of magnifying glasses, including one of mine with a little light on it, and even with the technical help that we had, we tied up on a great many issues. The Senate is going to come in here and try to act arbitrarily on issues which the Committee on Rules was unable to decide.

This is such a hashed-up mess that it really ought to go back to New Hampshire. This is all we are saying. We are not obstructing anybody, we are not blocking anybody. We are saying end it, quit, forbid, forego, cease, halt, arrest, and so forth.

What we are saying is go back to New Hampshire and let the people of New Hampshire exercise their own will, let the Senate get back to the business that it ought to be tending to. The Senate has had no right trying to grab this seat in the first place; we have no right trying to take it away from New Hampshire in the second place; we have no right to indulge in these delays in the third place.

We do not accept this business of blocking the will of the Senate. We are operating under the rules. The rules of the Senate say that this matter must continue and we hope that those rules will still apply in our favor. We are going to stick with it. We will see what happens. If the majority are not willing to return to us what they took away from us in the Committee on Rules, we will try to get it on the floor. If they are not willing to give it to us on the floor, we will keep arguing our case with various other attempts to regain that which we believe is justly belonging to the people of New Hampshire. Those are our views.

Mr. CURTIS. Mr. President, will the distinguished Senator from Pennsylvania yield?

Mr. HUGH SCOTT. I am glad to yield.

Mr. CURTIS. Mr. President, I think everyone is agreed that this matter should be disposed of. Therefore, I propound a unanimous-consent request. I ask unanimous consent that for each weekday, 6 days a week, beginning at 1 o'clock, the pending contest over the New Hampshire election be the business until 8 o'clock at night; that all speeches be required to be germane; that the Chair enforce the rule that Senators should be in their places; that the Chair be instructed to recess the Senate the moment there is less than a quorum of the Senators present to hear the evidence; and that we follow such a course, beginning tomorrow, until this matter is disposed of.

That is my unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. I object.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Would a motion to that effect be in order?

The PRESIDING OFFICER. A motion to that effect would require unanimous consent.

Mr. CURTIS. To put the motion?

The PRESIDING OFFICER. No, to have the motion acted upon. A motion would not be in order if this requires unanimous consent.

Mr. CURTIS. Very well.

A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Does the Chair have some suggestion as to how we might get Senators here to listen to the merits of this matter?

The PRESIDING OFFICER. Yes.

Mr. MANSFIELD. Would the Chair give us the benefit of his views?

The PRESIDING OFFICER. No. [Laughter.]

Mr. HUGH SCOTT. Mr. President, I think we heard what has been the wisest and briefest interchange yet.

I would hope——

Mr. MANSFIELD. Mr. President, if the Senator will yield, that is not what I would call "sunshine."

Mr. HUGH SCOTT. Well, I think the Senator ought to disclose his innermost views to us, of course, but we will have to abide the result.

I do feel, since the Senator from Indiana is concerned about the debt limit bill, that we ought to try some kind of a two-track system whereby we can get other legislation through.

I said we have no objection to a two-track system whatsoever. The Senator from Louisiana has raised a question that at some point he would like to bring up the extension of the debt limit, and if we cannot accomplish it by unanimous consent we could accomplish it, I take it, if we have a majority on the motion. But this is a leadership function, and I would hesitate to interfere with the leadership's rights on it. I only suggest the possibility.

Mr. MANSFIELD. The Senator from Pennsylvania, the Republican leader, has exercised as much discretion as does the Senator from Florida (Mr. STONE) now presiding over this body. [Laughter.]

Mr. HUGH SCOTT. I would like to know whether the distinguished majority leader would take umbrage if at some point one of these amendments were to be withdrawn and a motion made for the Senate to convene, say, from 1 p.m. to 6 p.m. on legislation.

Mr. MANSFIELD. Does the Senator want New Hampshire to have a second Senator?

Mr. HUGH SCOTT. The Senator wants New Hampshire to have a second Senator tonight. That was what the last amendment was, which lost. I would like a second Senator. Each State is entitled to two ambassadors from its State.

Mr. MANSFIELD. No, no, not any more. In the early days of the Republic Senators were supposed to be ambassadors from the sovereign States. Today they are just Senators, and they had better understand it.

Mr. HUGH SCOTT. Well, there are no trappings left.

Mr. MANSFIELD. And our feet are made of the same stuff as anybody else's, clay.

Mr. HUGH SCOTT. I agree. But I think there is other business to be taken up, and I would hope we could devise some way to do it. I am always willing to withdraw my amendment for that purpose, if that is necessary. I would ask unanimous consent if I thought I could get it, but it looks like I cannot.

As the great poet Menander said about us in the minority,

> We live, not as we wish to, but as we can.

Mr. MANSFIELD. Hamlet.

Mr. HUGH SCOTT. Not Hamlet at this time; Menander.

Mr. MANSFIELD. But the Senator sounds like Hamlet.

Mr. HUGH SCOTT. Henry V—

> Once more unto the breach, dear friends, once more.

We can try that, but that does not seem to be getting anywhere either.

Mr. MANSFIELD. That is getting to be a regular Republican procedure, "once more unto the breach," but I wish some day, some way, some month, some year we could breach the wall which is preventing the State of New Hampshire from having two Senators. But we have been on this now for 10 days. I think the hours approached are 55; rollcalls somewhere around 20; live quorums somewhere around 20; and of the 35 issues we have not yet reached the first one, although we have been trying on this side of the aisle like—I was going to say a word which I will not use—to reach that objective.

Mr. HUGH SCOTT. Well, if we could reach a vote on the first issue, I wonder if we could have some agreement to take up the others after the recess.

Mr. MANSFIELD. If we could have—after the recess?

Mr. HUGH SCOTT. Yes.

Mr. MANSFIELD. That is too far away.

Mr. HUGH SCOTT. I believe in being farsighted.

Mr. MANSFIELD. I can understand that. The Senator is noted for his sagacity, his wisdom, his foresight. But we would like to get this matter settled as soon as possible, which would be before the 4th of July recess.

Mr. HUGH SCOTT. I would say, if the distinguished majority leader would be willing to let us get a majority on the Weicker amendment, which comes up from time to time, referring this back to New Hamsphire, we could get on with the business of the Senate very readily or we can get on with it now on a two-track agreement. We are entierly accommodating. We will agree to almost anything here except to the loss of a Senator.

Mr. MANSFIELD. Exactly. The Senator has finally put his finger on what we——

Mr. HUGH SCOTT. I cannot agree to the loss of a Senator.

Mr. MANSFIELD (continuing). What we have in mind.

Mr. HUGH SCOTT. That is right. We cannot agree to the loss of a Senator unless we can do our very best to persuade the Senator that we are right on that.

Mr. MANSFIELD. How does the Senator know he is going to lose a Senator? I do not know how anybody on this side is going to vote. I have not taken a poll. I do not intend to. I think every Senator should vote as he sees fit. But the way we are going we will not finish this contest this year, maybe not next year, and maybe we will break the 3-year record. What will happen to New Hampshire in the meantime? That is what disturbs me.

Mr. HUGH SCOTT. Was there a 3-year record?

Mr. MANSFIELD. Was there?

Mr. HUGH SCOTT. I guess there is something to shoot for. [Laughter.]

I believe there was a seated Senator at that time; an uneasy life but, nevertheless, he was seated, I believe, and later, perhaps, unseated.

Mr. MANSFIELD. But it took 3 years to do it though.

Mr. HUGH SCOTT. Sir?

Mr. MANSFIELD. It took 3 years to do it.

Mr. HUGH SCOTT. It took 3 years to do it?

Mr. MANSFIELD. That is only half a term.

Mr. HUGH SCOTT. That is right, only half a term.

I am sorry for the fact that these two contestants here are not getting paid.

Mr. MANSFIELD. Well, I am, too. I have been thinking about that and discussing it with my friend and close associate, the assistant majority leader, and it concerns me because they are accumulating debts, and it appears to me that the Senate has a responsibility, once this matter is settled, to take action to see that compensation is forthcoming to these contestants because I think the debts which are accruing to them are unfair, unjust, perhaps necessary in view of the situation which has developed, but about which nothing can be done until and unless an agreement is reached.

Mr. HUGH SCOTT. I am glad we got into it because the two Senators from Florida have suggested "sunshine" laws, and for the benefit of the Senate here, I can assure them this is the first time we have discussed this with any seriousness or at length. It is the only good thing we have done today, which will please the contestants, both of them.

I would believe that we ought to find means to compensate both of them for the equivalent of their salary, and some amount for their expenses, because it is the Senators who, by their debate and discussion and votes, are delaying the settlement of this issue no matter who blames whom, and I would like very much to see us at the proper time find some way to compensate people who have become, if not the victims of the system, at least the sufferers from the system.

Mr. MANSFIELD. I agree.

Mr. HUGH SCOTT. We really do not get paid enough anyway, I may add, but that is another subject.

Mr. MANSFIELD. But we are getting paid.

Mr. HUGH SCOTT. At least we are getting paid. We have not had a raise for 6 years, but at least we are getting paid. I do not know anybody else who has not had a raise for 6 years.

Mr. MANSFIELD. Well, let us not get off the subject.

Mr. HUGH SCOTT. I just thought I would mention it from time to time.

Perhaps we can have some colloquy with the distinguished assistant majority leader on how we can bring these matters up to a vote we are talking about, these immediate matters.

Mr. ROBERT C. BYRD. I would like to begin with New Hampshire.

Mr. HUGH SCOTT. Is the Senator going to enter the New Hampshire primary?

Mr. ROBERT C. BYRD. The Senator is going to propose a unanimous-consent request with the feeling that there is a chance it might be agreed to on the New Hampshire contest.

Mr. HUGH SCOTT. Cloture, perhaps?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield?

Mr. ROBERT C. BYRD. Cloture is already in; try that again tomorrow.

Mr. HUGH SCOTT. I mean, the time of the cloture vote tomorrow; is that noon?

Mr. ROBERT C. BYRD. Yes.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I would ask unanimous consent, Mr. President, that when the Senate completes its business today it stand in recess until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS FONG, MORGAN AND THURMOND TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders are recognized under the standing order tomorrow, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. FONG, Mr. MORGAN, and Mr. THURMOND.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR DEBATE ON CLOTURE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the conclusion of the three orders that the 1 hour under cloture begin running and that the time be equally divided between Mr. CANNON and the distinguished Republican leader or his designee.

Mr. HUGH SCOTT. I had thought we were going to have agreement on cloture around noon.

Mr. ROBERT C. BYRD. This would have the effect of making the cloture vote occur around 12 o'clock.

Mr. HUGH SCOTT. Around 12 o'clock?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. HUGH SCOTT. I wonder if the Senator and I could agree as to my amendment, or any amendment which may be offered from this side in the event I withdraw this for another one, could we vote upon, say, at 4 o'clock tomorrow?

Mr. ROBERT C. BYRD. Why withdraw the amendment? Why do we not get the yeas and nays now and get a vote immediately after the cloture vote?

Mr. HUGH SCOTT. I would have to consult with the Senator from Connecticut. He may wish to renew his amendment and the only way he can do it is if I withdraw mine, but I would say if we can agree we vote either on the Scott amendment or on the Weicker amendment, as the case may be, at 4 o'clock tomorrow, we could probably work that out.

Mr. ROBERT C. BYRD. I should think we ought to try to get a vote earlier than 4 o'clock tomorrow, if it is agreeable.

Mr. HUGH SCOTT. Well, 3 o'clock. I do not want to go beyond that. I can say 3 o'clock.

Mr. ROBERT C. BYRD. Why not vote immediately after the cloture vote?

Mr. HUGH SCOTT. I think we have got some people who want to talk during that period and they are not here.

Mr. ROBERT C. BYRD. Could they talk today?

Now, there has been considerable banter about staying in until 7 o'clock. That is 1½ hours they could use today and I would be glad to stay and listen to them.

Mr. HUGH SCOTT. The Senator is very generous and very patient, but we have been complaining about the fact that we cannot get much attendance around here.

Mr. ROBERT C. BYRD. Especially on Saturdays.

Mr. HUGH SCOTT. And especially on Saturdays.

I hope the Saturdays do not Mickey Mouse us again.

I am glad the Senator does not take umbrage on that because he knows I am only kidding, too.

Mr. ROBERT C. BYRD. I know that.

Mr. HUGH SCOTT. But I do not know how to get an agreement, I would have to talk not only to the Senator from Connecticut, but to four or five other Senators.

I would be reasonably sure we could do it at 3. The Senator will recall, if we vote at 12 o'clock, there is a quorum call for at least a few minutes and then a vote, and that begins to get us toward 1 o'clock, I would like to have about 2 hours of discussion of my amendment, or the amendment of the Senator from Connecticut, should he offer it.

The Senator from Connecticut is very anxious to give this body a chance to terminate its consideration and send the matter to New Hampshire. We refuse to be dismayed on that.

Mr. ROBERT C. BYRD. I do not think the Senator is ever going to be dismayed in his position, he has served a long time.

Why do we not just leave the matter of the time on the amendment go then?

Mr. HUGH SCOTT. We could do that as long as we understand we are not going to call it up prior to the cloture and I will try to work something out after cloture.

Mr. ROBERT C. BYRD. It will not be called up prior to cloture. Cloture will occur about 12 o'clock noon.

Mr. CANNON. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. CANNON. Could we not ask for the yeas and nays on the amendment now, and then Senators would be on notice?

Mr. ROBERT C. BYRD. The Senator could ask.

Mr. HUGH SCOTT. I am not ready for the yeas and nays. I may withdraw the amendment. I can only withdraw it without the yeas and nays.

Mr. CANNON. Is the Senator indicating he is presenting an amendment of a frivolous nature or in a frivolous way?

Mr. HUGH SCOTT. The Senator knows better than that. The Senator knows better than that, that I do not want to bring up a fight on it; I do want him to understand it is a serious amendment. We argued it very seriously before. I am trying to pave the way for the Senator from Connecticut to be heard tomorrow, if he can be. Therefore, I do not wish to see the yeas and nays ordered. Of course, as to withdrawing this, one way or another, if we can, or offer a similar one immediately thereafter, I think we will make more progress if we get this agreement after we vote on the cloture.

We have no desire to delay the Senate on the amendment. We will agree on a reasonable time. I would say somewhere between 1 and 2 hours after cloture.

Mr. CANNON. If the Senator will yield further, I may say that this Senator, for one, is getting a little tired of the same amendment being offered in slightly different wording, but to achieve the same result.

Frankly, I have only made one motion to table so far and that was after notice to the other side. So I am going to give them notice now that if frivolous and repetitive amendments are going to continue to be offered, I will have no compunction about making a motion to table rather than going through this exercise again.

Mr. HUGH SCOTT. I can only say if that happens we will offer additional amendments, which will vary somewhat, and we will be forced into making sure we have adequate attendance here. I suppose the Sergeant at Arms is still on the job.

I would hope the Senator would not feel that he has to table what we believe is a perfectly valid amendment.

He has just heard me try to come to some agreement with the distinguished assistant majority leader. We have on the cloture; we can on the other. But I am being asked to make an agreement in the absence of most of my colleagues because, again, we have very few Senators on the floor.

But if the distinguished assistant majority leader would indulge us a little, I think we can get an agreement.

Mr. CANNON. Mr. President, might I suggest to the majority whip that he try to get a unanimous-consent agreement that we have, after the cloture motion is disposed of, a 1 hour limit on the amendment, to be divided equally between the two sides, and then vote at the expiration of that time, that we vote not binding us to the full hour, because I must say I would plan on using 2 minutes of my 30 minutes of the hour and yield back the other 28 minutes, unless someone else wanted some, so that we could then vote.

Mr. HUGH SCOTT. Well, I can agree to this, if following the cloture motion I could have 1 hour on my amendment and following which we would either vote or if the Senator from Connecticut wishes to offer his amendment that I withdraw my amendment on or before that time, and that we vote by 2 o'clock on the amendment of the Senator from Connecticut.

Mr. ROBERT C. BYRD. Well, why do we not——

Mr. HUGH SCOTT. That is just about what the Senator from West Virginia started out by propounding, 2 o'clock.

Mr. ROBERT C. BYRD. Why do we not vote on the amendment by Mr. SCOTT and if it fails, Mr. WEICKER can offer his amendment?

Mr. HUGH SCOTT. The Senator from Tennessee informs me he is not prepared to vote on my amendment yet, he has some things to say and I gather he is not entirely in favor of my amendment.

Mr. ROBERT C. BYRD. He could perhaps say the things he has in mind within the time allotted to the distinguished Republican leader.

Mr. CANNON. If the majority whip would yield, I may say, if the Senator from Tennessee is opposed to the amendment of the Senator from Pennsylvania, I would be glad to yield him half of my time that I have.

Mr. BROCK. I did not say that, if the Senator will yield. I simply said that I thought the matter required considerable discussion.

Mr. HUGH SCOTT. I do not see any great danger here. I am just trying to protect the people on my side. That amounts to just 2 hours. Why not make it as I suggested, or that we will vote on one or both of these amendments by 2 o'clock?

I may even have trouble with that. We should have agreed on it earlier.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 166, relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

Mike Mansfield, Robert C. Byrd, John Glenn, Jennings Randolph, Quentin N. Burdick, Alan Cranston, Lawton Chiles, William D. Hathaway, Walter D. Huddleston, William Proxmire, Vance Hartke, Frank Church, Gaylord Nelson, Walter F. Mondale, Lloyd Bentsen, John O. Pastore.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. HUGH SCOTT. If the distinguished Senator will respond, I suggest that we agree to simply go ahead with the cloture vote at the time fixed and have an understanding there will be no votes between now and then, and then allow us to try to work out a time limit. I almost had one at 2 o'clock, but in the interval when we were talking I received word that we had more troubles and I could not agree to what I would have liked to agree to some minutes ago.

I think this only highlights the fact that if we can get some agreement to just go over until after the quorum call, we will try to work something out.

I have no desire to talk. I will agree right now, if anyone wants me to, to just talk about 15 or 20 minutes on my amendment. Then the Senator from Connecticut may have a question of me. I have to wait and see. The Senator from Tennessee wants to be heard.

If we cannot get any of the assurances that in the past the Senator and I were able to get, we will just have to stay here. I am trying to reassure other Senators because I have the time. But if we cannot get the assurance, then we will just have a series of quorum calls for the rest of the time tonight as far as I am concerned.

Mr. ROBERT C. BYRD. Does the Senator want another quorum call tonight?

Mr. HUGH SCOTT. No, I do not want another quorum call if we can avoid it.

I hope we can have some understanding if we do not vote so we not endanger any of the rights of the Senators on this side of the aisle.

Mr. ROBERT C. BYRD. As far as I am concerned, I know of no Senator on this side of the aisle who is disposed to press for a vote tonight.

Mr. HUGH SCOTT. That is satisfactory. I do not need a quorum call on that. I am willing to vote as soon after the vote on the quorum call tomorrow as I can persuade the Members on my side to vote. I hope that would be very brief. I am entirely willing to hold my own lucubrations to a very short time.

Mr. ROBERT C. BYRD. Very well. The matter will go over until tomorrow then.

ORDER FOR RECESS UNTIL 9:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENTOR JAVITS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. THURMOND's order is completed tomorrow, Mr. JAVITS be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS PACKWOOD AND LEAHY THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday after the two leaders or their designees have been recognized under the standing order, Mr. LEAHY be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that just prior to the recognition of Mr. LEAHY on Thursday, Mr. PACKWOOD be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet tomorrow at 9:45 a.m. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Mr. FONG, Mr. MORGAN, Mr. THURMOND, and Mr. JAVITS.

Immediately upon the conclusion of Mr. JAVITS' order, the 1 hour under the rule will begin running for the debate on cloture. The time will be divided between Mr. CANNON and the distinguished Republican leader or his designee.

The automatic quorum call will occur about 11:45 a.m., and the rollcall vote will follow immediately upon the establishment of a quorum, which should be circa 12 noon.

Other rollcall votes will occur during the afternoon, hopefully.

RECESS UNTIL 9:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 9:45 a.m. tomorrow.

The motion was agreed to; and at 5:46 p.m., the Senate recessed until tomorrow, Wednesday, June 25, 1975, at 9:45 a.m.

NOMINATIONS

Executive nominations received by the Senate June 24, 1975:

THE JUDICIARY

Phil M. McNagny, Jr., of Indiana, to be U.S. district judge for the northern district of Indiana vice George N. Beamer, deceased.

DEPARTMENT OF JUSTICE

G. Kent Edwards, of Alaska, to be U.S. attorney for the district of Alaska for the term of 4 years (reappointment).

Donald B. Mackay, of Illinois, to be U.S. attorney for the southern district of Illinois for the term of 4 years (reappointment).

P. Ellis Almond, of North Carolina, to be U.S. marshal for the middle district of North Carolina for the term of 4 years (reappointment).

Jesse W. Grider, of Kentucky, to be U.S. marshal for the western district of Kentucky for the term of 4 years vice William B. Henderson, term expired.

James R. Laffoon, of California, to be U.S. marshal for the southern district of California for the term of 4 years (reappointment).

HOUSE OF REPRESENTATIVES—*Tuesday, June 24, 1975*

The House met at 10 o'clock a.m.

Rev. Thomas R. Lamond, vicar, Grace Episcopal Church, Willowdale, Geneva, N.Y., offered the following prayer:

Eternal Father, Creator of heaven and Earth, Ruler of the vast reaches of interstellar space beyond our comprehension; we come before You this day with a sense of need and fulfillment.

We know that, of ourselves, we cannot save ourselves; we have often seen our fondest hopes and brightest dreams fall short in the face of great and pressing human needs.

In this time and season, we turn to You with the faith of our fathers to ask but three things:

That You guide us, that we may walk in the path of peace.

That You lead us, that we may seek the truth.

That, with all Your children, we may at the end, find rest and comfort from our labors. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON POSTAL SERVICE OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE TO SIT WHILE HOUSE IS IN SESSION TODAY

Mr. O'NEILL. Mr. Speaker, on behalf of the gentleman from New York (Mr. Hanley), chairman of the Subcommittee on the Postal Service of the Committee on Post Office and Civil Service, I ask unanimous consent that his committee may meet while the House is in session today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 8070, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—INDEPENDENT AGENCIES APPROPRIATION BILL, 1976

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 563 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 563

Resolved, That during the consideration of the bill (H.R. 8070) making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clauses 2 and 6, rule XXI are hereby waived: In title I—"Department of Housing and Urban Development"—beginning on page 2, line 7 through line 21, beginning on page 4, line 1 through line 13, and beginning on page 5, line 18 through page 6, line 7; and in title II—"Independent Agencies"—beginning on page 13, line 7 through line 24, beginning on page 14, line 16 through page 19, line 7, beginning on page 19, line 17 through page 20, line 10, beginning on page 23, line 14 through page 26, line 17, and beginning on page 30, line 21 through page 31, line 7.

The SPEAKER. The gentleman from New York (Mr. Delaney) is recognized for 1 hour.

CALL OF THE HOUSE

Mr. TALCOTT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 339]

Alexander
Aspin
Badillo
Barrett
Beard, R.I.
Biaggi
Biester
Bolling
Buchanan
Burke, Calif.
Burke, Fla.
Byron
Chisholm
Clay
Collins, Ill.
Conable
Conyers
Danielson
Dellums
Dent
Diggs
Dodd
Downing
Drinan
Early
Erlenborn
Esch
Eshleman
Fascell
Fenwick
Findley
Fish
Fisher
Flynt
Forsythe
Fraser
Fulton
Gibbons
Harris
Harsha
Hawkins
Hayes, Ind.
Hébert
Heckler, Mass.
Hillis
Horton
Howe
Jarman
Johnson, Colo.
Jones, Ala.
Landrum
Long, La.
Matsunaga
Michel
Moakley
Mollohan
Mosher
Nedzi
O'Brien
Patman, Tex.
Price
Rees
Reuss
Richmond
Roncalio
Rosenthal
Ryan
Scheuer
Solarz
Spellman
Steiger, Ariz.
Stokes
Stratton
Udall
Ullman
Vander Jagt
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Young, Ga.

The SPEAKER. On this rollcall 352 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR SUBCOMMITTEE ON FISHERIES AND WILDLIFE CONSERVATION AND THE ENVIRONMENT OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT TODAY DURING 5-MINUTE RULE

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the Committee on Merchant Marine and Fisheries be permitted to sit today during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 8070, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES APPROPRIATION BILL, 1976

The SPEAKER. The gentleman from New York (Mr. Delaney) has been recognized for 1 hour.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. Latta), pending which I yield myself such time as I may consume.

INACCURACIES IN PRESS VERSION OF HOUSE ACTION ON FEDERAL RULES OF CRIMINAL PROCEDURE ACT

(By unanimous consent, Mr. Hungate was allowed to speak out of order.)

Mr. HUNGATE. Mr. Speaker, I take this occasion to speak out of order because of the description in today's Washington Post of the bill we passed yesterday. The bill, reported from the Committee on the Judiciary, as described in the news report, does not correspond to what I understand it contains. The report states that the bill liberalizes the Supreme Court rules, whereas it takes a more conservative approach.

The news report states it would eliminate the power of the prosecutor to issue arrest warrants, whereas under the Wiggins amendment which was adopted and which is in the bill it does no such thing. It leaves the power just as it is.

Then the news report states it would give the defendant access to everything in the presentence report.

Mr. Speaker, I think if the Members will read the discussion in the Record which I had with the gentleman from Massachusetts (Mr. Drinan), they will find the news report is not correct.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. HUNGATE. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding.

On behalf of the minority members of the subcommittee, I, too, join with the gentleman from Missouri (Mr. Hungate) in his remarks. The story appearing in the Washington Post this morning is 100 percent wrong in every single factual recital of what was accomplished in this bill. It is an incredible example of inaccurate reporting.

I think the record ought to be set straight.

Mr. Speaker, I thank the chairman of the subcommittee for doing so and for bringing this to our attention.

Mr. DELANEY. Mr. Speaker, House

Resolution 563 makes in order the consideration of H.R. 8070, a bill making appropriations for the Department of Housing and Urban Development and certain other agencies, commissions, and offices for the fiscal year ending June 30, 1976, and the transition period ending September 30, 1976.

House Resolution 563 provides that all points of order against the following provisions in the bill for failure to comply with the provisions of clauses 2 and 6 of rule XXI are waived: In title I—"Department of Housing and Urban Development"—beginning on page 2, line 7 through line 21, beginning on page 4, line 1 through line 13, and beginning on page 5, line 18 through page 6, line 7; and in title II—"Independent Agencies"—beginning on page 13, line 7 through line 24, beginning on page 14, line 16 through page 19, line 7, beginning on page 19, line 17 through page 20, line 10, beginning on page 23, line 14 through page 26, line 17 and beginning on page 30, line 21 through page 31, line 7. These provisions all lack authorization, and thus require a waiver of clause 2, rule XXI. These provisions also contain reappropriations of unexpended balances, and thus require a waiver of clause 6, of rule XXI.

The total appropriation provided for Housing and Urban Development and 12 independent agencies in the bill is $51,429,024,000. The bill also provides $5,434,617,000 for the transition period.

Mr. Speaker, I urge the adoption of House Resolution 563 in order that we may discuss and debate H.R. 8070.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, for those of us who have an interest in parliamentary procedure, I must confess that this rule and others like it are somewhat disappointing. Not, only as the gentleman from New York has pointed out, is this rule offered to protect those parts of this bill not presently authorized by law, but a cursory check of the provisions of the rule, compared to my research on the bill, shows that the rule protects, for example, each one of the booze or whisky funds also contained in this bill, most of which have no authorization in law and would have been subject to a point of order.

They range from $200 for some of the smaller commissions up to $5,000 for the National Science Foundation. That agency has the largest appetite for entertainment in this bill.

The larger question involved in this procedure goes to the fundamental nature of the appropriation process. If we are to be asked continually to waive points of order against legislation in an appropriation bill, or points against appropriations without legislative authorization, then we no longer need authorizing committees and their staffs.

Mr. Speaker, I think it is regrettable that we have to continue to waive the rules of the House which are written in such a fashion as to protect the interests of all Members. Of course, this can be done by majority vote. However, if this precedent is set for the respective appropriation bills, I would suggest that our rules are not just being amended but in effect are being repealed. With that comes great danger to the minority and individual Members who may object to the bill. Members should realize just what we are doing and reflect on the implications.

Mr. Speaker, I thank the gentleman for yielding.

Mr. LATTA. Mr. Speaker, let me say in answer to the gentleman from Maryland (Mr. BAUMAN) that there are several points in this bill that need waivers.

On page 2, lines 8 through 22, in title I, the release of $662,300,000 of annual contract authority is not authorized either by the House or the Senate. On page 4, the $525 million for payments of operation of low-income housing projects are not authorized, and consequently that needs a waiver. Language on page 6 providing a transfer of $964 million of inactive unexpended college housing budget authority may technically be legislation in an appropriation bill. Consequently, there is need for a waiver.

In title II, the $42,790,000 appropriation for the Consumer Product Safety Commission is not authorized, and $2,736,000 for the Council on Environmental Quality and Office of Environmental Quality is not fully authorized. The sum of $3,486,622,000 for the National Aeronautics and Space Administration is not fully authorized. The sum of $711,100,000 is not authorized for the National Science Foundation. Also not authorized is $3,500,000 for the medical information program under the medical administration and miscellaneous operating expenses appropriation account of the VA, and $768,520,000 is not authorized for the EPA.

Mr. Speaker, there is not any other way, under the rules of the House, to handle this legislation today, without waivers.

Consequently, they are needed, and I support the bill.

Mr. Speaker, I have no further requests for time.

Mr. DELANEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. RODINO. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to sit today during the 5-minute rule.

The **SPEAKER** pro tempore (Mr. MCFALL). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 8030 TO INCREASE TEMPORARY DEBT LIMITATION UNTIL NOVEMBER 15, 1975

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 562 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 562

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 2(1)(6) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8030) to increase the temporary debt limitation until November 15, 1975, and all points of order against said bill for failure to comply with clause 5, rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The **SPEAKER** pro tempore. The gentleman from California (Mr. SISK) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 562 provides for an open rule with 1 hour of general debate on H.R. 8030, a bill increasing the temporary debt limit until November 15, 1975.

House Resolution 562 provides that all points of order against the bill for failure to comply with the provisions of clause 5, rule XXI of the Rules of the House (prohibiting appropriations in a legislative measure) are waived. House Resolution 562 also waives all points of order against clause 2(1)(6) of rule XI, the 3-day rule. This waiver is necessary because the report was not available until Friday. If the waiver is not granted, the bill cannot be brought up until Wednesday.

H.R. 8030 provides that the public debt limitation is to be $577 billion until November 15, 1975. This is $46 billion above the debt limitation of $531 billion which is applicable through June 30, 1975. The current debt limitation consists of a $400 billion permanent limitation and a $131 billion temporary limitation. This bill makes no change in the permanent debt limitation.

Mr. Speaker, I urge the adoption of House Resolution 562 in order that we may discuss and debate H.R. 8030.

Mr LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as previously explained, this rule provides for 1 hour of general debate on H.R. 8030, increasing the temporary limit on the public debt until November 15, 1975, and that the bill shall be open to all germane amendments. The rule waives the provisions of clause 2(1)(6) of rule XI, which is the 3-day rule, and was needed so that the bill might be considered on the floor today. The rule also waives the provisions of clause 5 of rule XXI against the bill and this is the rule that prohibits appropriations on an authorization bill. While H.R. 8030 does not contain language expressly appropriating funds, there are some three provisions in the existing statute which do authorize the Secretary of the Treasury to appropriate funds in connection with the payment of interest and operating expenses related to the public debt. This is the traditional boilerplate language in rules on the public debt bill and is nothing new.

Mr. Speaker, on June 16, 1975, the House defeated H.R. 7545 which was a bill to increase the public debt limit to $616.1 billion for the period from July 1, 1975, through June 30, 1976. This bill would increase the temporary public debt limit to $577 billion through November 15, 1975. This is $46 billion above the debt limit of $531 billion which is applicable through June 30, 1975. The present permanent public debt limit is $400 billion, with a temporary limit effective through June 30, 1975, of $131 billion. This bill makes no change in the permanent debt limit.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 8122, PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ENERGY RESEARCH APPROPRIATION BILL, 1976

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, and on behalf of our distinguished chairman, the gentleman from Indiana (Mr. Madden), I call up House Resolution 565 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 565

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 7 of rule XXI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8122) making appropriations for public works for water and power development and energy research, including the Corps of Engineers—Civil, the Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Nuclear Regulatory Commission, the Energy Research and Development Administration, and related independent agencies and commissions for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, and all points of order against the following provisions in said bill for failure to comply with the provisions of clauses 2 and 6, rule XXI are hereby waived: In title I—"Energy Research and Development Administration"—beginning on page 2, line 13 through page 5, line 11; and in title IV—"Independent Agencies"—beginning on page 25, line 2 through 26, line 4, and beginning on page 27, line 20 through page 28, line 13.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. Latta) pending which I yield myself such time as I may consume.

Mr. Speaker, this public works bill is annual legislation requiring money for much needed public works throughout the Nation, including the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian Regional Development Commission, the Federal Power Commission, the Nuclear Regulatory Commission, the Tennesee Valley Authority, and the Energy Research and Development Administration, and related independent agencies and commissions for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Mr. Speaker, House Resolution 565 provides for the consideration of this legislation making these appropriations. House Resolution 565 also provides that all points of order are waived against the provisions of clauses 2 and 6, rule XXI, for certain provisions of the bill. The waiver for clause 2 is needed because certain programs have to be authorized. The waiver for clause 6 is needed because certain provisions in the bill provide reappropriations.

House Resolution 565 also waives the provisions of clause 7 of rule XXI, the 3-day rule, because the bill was not filed on last Friday before the Committee on Rules and, thus, could not be brought up until Wednesday without this waiver.

Mr. Speaker, I yield to the gentleman from Ohio (Mr. Latta).

Mr. LATTA. Mr. Speaker, I agree with the statements just made by the gentleman from Indiana (Mr. Madden). I want to point out a little more on two or three provisions on which waivers are asked. The annual authorization for the Energy Research and Development Administration Act, H.R. 3473, passed the House on June 20, 1975, but has not yet been enacted into law. The annual authorization for the Nuclear Regulatory Commission passed the Senate on June 17, 1975, and the House on June 20, 1975, but has not yet been enacted into law.

The authorization bill, H.R. 4073, for the Appalachian regional development programs passed the House on May 19, 1975, but has not yet been enacted into law. In consequence, waivers are needed.

Mr. Speaker, I have no request for time and I yield back the balance of my time.

Mr. MADDEN. Mr. Speaker, I have no further requests for time.

I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—INDEPENDENT AGENCIES APPROPRIATION BILL, 1976

Mr. BOLAND. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8070) making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, the time to be equally divided and controlled by the gentleman from California (Mr. Talcott) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8070, with Mr. O'Hara in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement the gentleman from Massachusetts (Mr. Boland) will be recognized for 1 hour, and the gentleman from California (Mr. Talcott) will be recognized for 1 hour.

The Chair recognizes the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would appreciate it if the Members would permit me to complete my statement and also if they will permit the ranking Republican member, the gentleman from California (Mr. Talcott) and other members of the subcommittee to complete their statements and then we would be prepared to answer any questions which might develop as a result of the statements and as a result of the bill itself.

I want to compliment all the members of the subcommittee for their attention to this bill, for the time they have spent on the bill, for the excellent cooperation in examining witnesses who appeared before the committee and for the incredible amount of time that all Members on both sides of the aisle, Democrat and Republican, spent on the bill itself and the time that was spent by the Members in the committee.

I also commend the staff of this committee, Mr. Homer Skarin, and Richard Malow and Paul Thomson, for the great amount of time that they put into the bill and for their expertise, knowledge, judgment and advice on the bill itself.

Mr. Chairman, we bring before the Committee today the HUD-independent agencies appropriation bill for 1976. The bill provides funding for 12 independent agencies and for the broad array of missions managed by the Department of Housing and Urban Development.

The recommendations contained in the bill were reached only after a long period of hearings and serious deliberations. They reflect the many complicated and difficult issues faced by this subcommittee. I believe that the decisions we reached in this bill are fair and reasonable—and I believe they are responsible in view of a potential $67 billion deficit in fiscal year 1976.

We have not provided everything that everyone would like. To do that would be to forsake the trust placed in us by the taxpayers of this country. It is instructive and interesting to note that witnesses appearing before the subcommittee representing a broad spectrum of interest groups appealed for more than $1.6 billion of appropriations above the budget request for the programs contained in this bill. That dramatically illustrates the budget priority dilemma that both this subcommittee and the Congress face.

The HUD-independent agencies appropriation bill is typical of the total budget of the Government. Fully 70 to 75 percent of this bill is essentially uncontrollable. That includes nearly all the appropriations for the Veterans' Administration and a substantial part of the appropriations for HUD.

The issue of controllability as it relates to this bill is best illustrated by pointing out that the increased educational benefits approved by Congress last year for veterans required an additional $2 billion in supplemental appropriations in fiscal year 1975. And we know before this bill even passes this House, before the fiscal year even begins, that more than $1 billion in 1976 supplemental appropriations will be required to meet veterans education benefits. Now I am aware that we all supported those increased benefits—but their cost both in 1975 and 1976 and in the out years is at the heart of the critical issue of budget control.

In summary, Mr. Chairman, the committee recommends a total of $51,429,024,000 in new obligational authority for the agencies covered by the bill for the fiscal year 1976. This is $24,930,210,000 above the amount approved in 1975. Without going into too much detail, let me explain briefly that the large increase in new obligational authority is directly attributable to a change in the method of scorekeeping budget authority for the assisted housing programs. Prior to fiscal year 1976 a commitment to enter into a 40-year housing subsidy contract was not counted as budget authority. Only when an appropriation was made to liquidate previous contract commitments was budget authority counted. This year the budget recognizes that the authority to enter into contracts is an authorization to make payments for as long as 40 years. Therefore, the $682,300,000 of new annual contract authority contained in this bill provides a maximum of $26,863,000,000 in new budget authority over a 40-year period. Again, this enormous increase is an effort to be forthright by letting you see the total picture. We are not just approving $682,300,000 for the subsidized housing programs in fiscal year 1976. What we are doing is providing a contractual obligation of the Government for a maximum level of budget authority of $26 billion—and we have reflected that full 40-year obligation in the budget totals.

On a comparable basis with 1975, after adjustments are made for the annual contract authority, the bill includes $27,775,024,000 for 1976. This is a $46,153,000 below the budget request and is $1,071,480,000 above the comparable amount provided in 1975.

Mr. Chairman, the new section 8 subsidized housing program is only just beginning to get underway. The effective period of the subsidized housing moratorium, announced on January 5, 1973, is now almost 30 months. New housing starts, which were running at an annual rate of 2.3 million units in 1972 fell to less than 1 million during the first quarter of this year.

I believe we all recognize that the housing industry is cyclical by its very nature—but it should be obvious that without an active subsidized housing program the current home building depression will only be further exacerbated.

The section 8 program is the only game in town. It was proposed by the administration and the Congress embraced it and enacted it into law. The section 8 program may work. It may be the catalyst that will get the housing industry moving and provide a safe, decent home for low-income Americans. This committee, however, is concerned about the ultimate cost of this program. We were concerned about the cost last year and we remain concerned about the uncontrollable nature of this program.

What the committee is proposing, therefore, is a 10-percent cap on increases in the "fair market rents." The "fair market rent" is the key factor effecting the level of Federal subsidy. On page 5 of the report a table displays the "fair market rents" for existing "walkup" units and new "elevator" units. Depending on a family's income, the subsidy can range from a small percent of the "fair market rent" up to and including the full amount.

The 10-percent cap is not designed to kill the section 8 program—but it is designed to insure that the Congress and the committee have some effective control over this program. To do less would not be meeting the committee's responsibility—either to the Congress or the American taxpayer.

In other areas of HUD, we have provided $20 million of new annual contract authority and $800 million of new budget authority for the rent supplement program. These funds are intended to provide for increases occurring from higher fuel and utility costs.

We have increased the Section 202 Housing for the Elderly Loan Fund to $300 million—we have added $75,000,000 for a total of $525,000,000 for public housing operating subsidies—and, finally, we have provided $2,790,000,000 for the community development block grant program. This is $40 million above the budget estimate and that $40 million is targeted directly at the small towns within metropolitan areas that could, because of the vagaries of the CD formula, come up emptyhanded.

Turning to the Veterans' Administration, the committee recommends a total of $16,431,764,000 in new budget authority for the veterans programs. This represents an increase of $127,747,000 above the 1975 appropriations. As I said at the outset, the committee recognizes that the needs of the VA will continue to expand and will require not less than an additional $1 billion in supplemental appropriations in 1976.

The funds recommended in this bill will provide benefits and services to 29,500,000 veterans, to 65,000,000 members of their families, and to 3,900,000 survivors of deceased veterans. More than 98 million people, comprising about 46 percent of the total population of the United States are potential recipients of benefits provided through the Veterans' Administration by the Federal Government.

The VA employs over 200,000 people, approximately 180,000 of these are necessary to operate the medical program. This includes the operation of 171 hospitals, and numerous nursing homes and outpatient facilities. Direct and guaranteed housing loans have been issued to date aggregating in excess of $109 billion to more than 9 million veterans and servicemen. The life insurance programs administered and supervised for the benefit of the servicemen, veterans and their beneficiaries have provided coverage exceeding $98 billion to some 8,200,000 policyholders.

By any measure, the Veterans' Administration, and the programs it operates, are both large and costly. This year the committee took special note in its report of the problem of overpayments related to the GI bill.

These overpayments are primarily the result of four factors:

First, legislation authorizing advanced and prepayment of benefits;

Second, the failure of training institutions to advise VA of initial enrollment and changes in training status;

Third, failure of trainees to report changes in training status; and

Fourth, relaxation of procedures to assure timely benefit payments.

Both the Congress and the VA have leaned over backwards in an effort to insure that students attending school get their GI checks in time. The committee supports this posture, but with overpayments running in the hundreds of millions of dollars, we also intend to look further into this matter in the coming months. No other country in the world offers the kind of comprehensive benefits available to the veterans in this country. We must insure that these benefits are used for the purposes for which they were intended—and the committee intends to do just that.

Now, with respect to some of the other agencies in the bill, for the National Aeronautics and Space Administration we are recommending a total of $3,486,622,000 to carry out the space program. This is about $52 million below the budget estimate and $255,477,000 above the amounts appropriated for the current fiscal year. Nearly all the increase above 1975 can be attributed to the first of two peak funding years for the space shuttle.

As I said last year, the shuttle is the next logical step in the space program. It will make space flight routine—and it has the potential, particularly in the areas of biomedical and space manufacturing programs, to return many times over the original investment.

The report accompanying the bill explains in detail the committee actions, and I would urge you to take a moment to examine them.

The National Science Foundation requested a total of $751,400,000 for 1976. This bill provides $707,100,000, which is a reduction of $44,300,000 below the budget request. In addition, $4 million has been provided for the special foreign currency program.

Here again, the report goes into the detail of the Committee's recommendations, but I would like to take just a moment to comment on the programs of the Foundation. I think all of us are fully aware that the activities of the NSF have been questioned in recent months. Members of Congress, representatives of the press, and countless American taxpayers have been openly critical of the use of tax revenues to finance seemingly frivolous and irrelevant scientific research projects. A number of specific examples have been cited and responsibility for some has been attributed to the Foundation. However, when you examine the facts objectively, I think you will come away with the knowledge that in most cases the responsibility for these questionable grants rests with agencies other than the NSF—and some of the charges of frivolity stem from an inadequate understanding of the scope, purpose, and intent of the research. Nevertheless, the Committee is aware of a responsibility to insure that the quality and value of scientific research undertaken is commensurate with tax dollars provided. With the recommendations provided in this bill and report, I believe the committee meets that responsibility.

What we have done is both balanced and constructive—and I believe that the actions taken in this bill will make the foundation a better institution in the coming months.

For the programs of the Environmental Protection Agency we are recommending a total of $768,520,000 in 1976. That is $68,525,000 above the level provided last year, and it is $25,720,000 above the budget request. We are providing increases for the following activities:

First, $6 million for a total of 300 permanent positions for waste water treatment grant activities.

Second, $2 million above the budget request for academic training—and within that amount we are providing funding for a national work force for environment and energy. The pilot project was undertaken in Illinois, and it has had high marks from officials at EPA.

Third, $10 million for the "clean lakes program."

Fourth, $10 million to restore State grants for water quality to the 1974 level.

Fifth, $3,750,000 to restore State grants for air quality to the 1975 level.

For the Selective Service System, the committee is recommending $40 million. This is a reduction of almost $8 million below the budget request. The committee's action continues the orderly conversion of the Selective Service System to a standby mode. Personnel strength, which stood at 6,241 on June 30, 1973, will be reduced to 1,400 positions, by the end of next June.

I know that some of you will argue very persuasively today that continued funding of the Selective Service System is no longer necessary. I would only say that the current military Selective Service Act requires that some standby Selective Service System be in place. The committee, over the past 3 years and during the coming year is attempting to move in that direction in as orderly a manner as possible. Next year, the Selective Service System will test a new annual registration. It will be implemented and evaluated early in 1976. If, and I underscore if, the annual registration works, I think we will see the permanent employment level of the Selective Service bottom out at 300 to 400 people.

For the Consumer Product Safety Commission the committee is recommending $42,790,000. This is an increase of $6,195,000 above the President's budget. The Commission has an important, unique, and very difficult job. I do not think there is any doubt about the fact that this new agency has had some growing pains. We believe that the amount recommended in this bill is both fair and constructive. In the meantime, we know that problems exist, and the committee will continue to monitor the Commission's activities in the coming year.

Finally, the committee has provided the budget requests for the Consumer Information Center, the Council on Environmental Quality, the American Battle Monuments Commission, and the U.S. Army Memorial Affairs Directorate.

Mr. Chairman, this concludes the summary I plan to make. If there are any specific questions, the gentleman from California (Mr. TALCOTT), myself, or other members of the committee will be glad to answer them, after they have completed their statements.

Mr. TALCOTT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I concur thoroughly with the gentleman from Massachusetts (Mr. BOLAND). I would like to say that this bill represents many controversial agencies, many important agencies. Our committee represents a wide variety of political philosophy and interest in all of these agencies. We have taken time to study the programs thoroughly and comprehensively, and we have compromised on many of the budget amounts.

Mr. Chairman, we think we have done a good job, and I want to suggest that anybody who has further questions should read the report.

Mr. Chairman, the report is exceptionally well done this year. There are many changes here which the Members should study.

Mr. Chairman, we have brought a bill out of our committee which reflects our studied judgment for the allocation of available funds for the coming year. It is a bill which all of the members of the committee support. Mr. BOLAND has explained the bill quite clearly and comprehensively—and very ably as usual.

Let us take this opportunity to explain what the committee intended when we made our proposals.

SECTION 8

In the case of the annual contributions for assisted housing we were attempting to provide the Department of Housing and Urban Development with the necessary tools to fully implement the new section 8 housing program. As most members already know, this program was established by the Congress last year. Since the bill was passed in the fall the Secretary and Under Secretary have left the Department. The new Secretary impressed the committee as being very competent, and willing to do everything in her power to get the housing industry moving again. But, we must all recognize that with new leadership at the top, and with new programs to implement, the Department is facing some difficulties in getting the new programs into full swing.

We have also added a provision which will force the Department to come back before our committee if they find it necessary to raise the fair market rents more than 10 percent. The committee felt that this was the wise course since there was no direct provision for congressional oversight in this particular area. As the leadership in the Department knows, the members of our committee are more than willing to give them any support which we believe is reasonable and proper to carry out their mission. We do believe, however, that some form of congressional oversight is necessary in any program with the extensive long-term cost implications of this housing program.

HOUSING FOR THE ELDERLY

In the housing for the elderly or handicapped, section 202 program, the committee has increased the budget limitation on loans by nearly 40 percent. The committee felt that this program, despite its recent restructuring, is a major tool which can be used to alleviate the still serious housing problems facing our older Americans. Section 202 has been one of the most popular housing programs ever enacted by the Congress, and it has proven itself to be effective and virtually without any of the problems of maladministration and scandal which have plagued other programs.

The committee therefore, has increased the limitation on loans from $215 million to $300 million for the coming year. It is our sincere hope that this program will continue to be as effective in construction financing in the future as it has been in the past.

OPERATING SUBSIDIES

One of the issues which has caused the committee much concern, and has generated as much discussion as any other problem, is the question of operating subsidies for low-income housing projects. Last year the committee heard testimony that indicated that part of these operating subsidies were being used to pay for tenant travel and tenant babysitting services. These, of course, are not examples of the major use to which the funds are placed. But they do indicate that there is a problem.

Over the past few years there have been several causes for the increasing numbers of local housing authorities—LHA's—which have been unable to operate without subsidies from the Federal Government. Part of the problem was the so-called Brooke amendments which made it impossible, in many cases, to charge any rent whatsoever. The second cause can be traced to a rebellion against authority which has brought about a feeling among many of the tenants of low-income housing projects in many of our larger cities that housing is something that they are "owed," and that there is no obligation on their part to either pay a portion of their income for it, or to discharge any responsibility for its care or upkeep.

The third, and perhaps most difficult cause to contend with, has been the cost of general inflation and the increase in utility costs in particular. This problem, which has affected all Americans, has struck with particular ferocity at those on fixed incomes, and those LHA's which were operating near the margin to start.

The committee was pleased to hear from the Secretary that the Department of Housing Production is equally concerned with this problem, and has instituted a performance funding system which should help in bringing up the level of management in many of the problem LHA's. We fear that operating subsidies, if not carefully controlled, will lead to a situation in which the most inefficient will be subsidized for their inefficiency, thereby creating a vicious circle in which they will only become more inefficient. Subsidies, when granted, must be carefully controlled to prevent such degradations. We applaud the Secretary, and trust that the performance funding system will work beneficially.

The members of the committee were disturbed by the fact that in the first year of the community development block grant program that the communities in the SMSA balance were not able to obtain funding due to the very heavy response by the urban counties. The committee received testimony that indicated the smaller communities in the SMSA balances were in deep trouble, and unable to find funding through the new block grant program. Members of the committee were of the opinion that it surely had not been the intent of the Congress to cut off these smaller communities, and that something had to be done.

When this issue first came to our attention, the distinguished chairman of our subcommittee, Mr. BOLAND, with our full support, offered an amendment to the emergency employment appropriations bill to provide some $54 million in the current year for these communities in the SMSA balances. That provision, as worthy as it was, died with the bill as the result of a sustained veto by the President.

The committee can foresee that the same problem will occur in the coming year, and has taken steps to prevent it. If the Department of Housing and Urban Development is correct, and we hope that they are, then the formula will provide $36,466,000 for the SMSA balances in the coming year. But, if the formula does not work, and we suspect that it will not, then we have provided an additional $40,000,000 specifically for the SMSA balances. Under our proposal the SMSA balances will get a minimum of $40 million, and could get as much as $76,466,000. We sincerely hope that it will be the higher figure, since the money is badly needed in many of these smaller communities. But, if the formula breaks down again, then we have taken steps to assure the smaller communities of at least some funding.

COLLEGE HOUSING

In my district, as in many others around the Nation, many colleges and universities still have housing needs which must be met. For example, at Cal Poly at San Luis Obispo last year alone it was necessary to turn away hundreds of fully qualified students who had already been accepted for the fall semester because there was no acceptable housing available either on or off campus.

This year the committee has directed the Department to make available repayments of principle as loans to complete unfinished college housing projects, or for demonstration projects for energy or environmental problems. We think that this is both a reasonable and proper course, and hope that it will help to alleviate the problems on America's campuses.

COMPREHENSIVE PLANNING GRANTS

In the area of comprehensive planning grants the committee has acted to provide $50 million, even though there was no budget request before the committee. We have taken this action for two reasons. The first is that we are convinced that this money is necessary to carry on comprehensive planning at the various levels of government, and second, because we were under the distinct impression that a budget amendment in the amount of $50 million would be forthcoming.

The question of comprehensive planning grants has been before the committee several times recently, and still presents a problem which must be addressed. The Congress, in passing the Housing and Community Development Act of 1974, has endorsed the concept of specialized revenue sharing with units of local government for many housing and community development activities. When the President sent the Congress a proposal to defer one-half of the funds appropriated for fiscal year 1975 we held hearings which indicated to the committee that such a deferral was correct. The other body, in accordance with the Budget Control and Impoundment Act took action to deny that deferral, and so the funds have been made available for obligation.

COMMUNITY DEVELOPMENT BLOCK GRANTS

There has been a recurring question as to whether funds from community development block grants can be used for planning activities. It has been the view of our committee that such use is appropriate, and seems to be in full conformance with the provisions of law.

Many of the witnesses, however, have indicated that there is a major area of question about using these funds for planning purposes. These questions do not spring from the legislation, since planning is listed as one of the eligible activities, but rather from the question of what is the legislative intent.

Our committee cannot understand why a community, any community, would be unwilling to divert 1 or 2 percent of the block grant money it receives from the Federal Government to do this planning. We all agree that it is important. We all agree that it is necessary. And on our committee we all agree that it can and should come from that block grant money. Therefore, we have included clear direction that such funds are eligible for use for planning.

HUD REGIONAL MANAGEMENT

Under the appropriation for regional management and services our committee has been less than pleased with the performance of the regional offices. In my own district, I have had a problem with the "fair market rents" under the section 8 housing program. For nearly 6 months we have endeavored to get the regional office in San Francisco to reexamine the problem and make necessary adjustments. Weeks pass before letters are acknowledged. Months pass between request and response. The problem of bureaucratic inaction is a totally unnecessary burden on America's depressed housing industry. It is time that the Congress remind these employees that they are civil servants, and that they, too, must answer to the people who make up their constituencies. This year the committee has cut the budget request by 15 percent. We look for marked improvement in the coming year. If no improvement is seen, then we may be forced to conclude that we have not yet cut deeply enough.

CONSUMER PRODUCT SAFETY COMMISSION

Now we reach one of the most interesting agencies in this bill, and one which has given the committee some problems from a budgetary point of view. The Consumer Product Safety Commission is a unique body in that it serves as the major Federal consumer advocate in Washington. Hundreds of millions of Americans will be exposed to hundreds of billions of products today, any one of which may injure or harm them. The CPSC is charged with the responsibility for making sure that those hundreds of billions of products are safe, a major responsibility by any standard.

The Commission, which is still less less than 2 years old, has moved forward with commendable caution in issuing regulations and standards. We all recognize that regulatory powers are such that they can be easily misused, and in Washington one often wonders, who regulates the regulators? We do look, however, for greater production in the coming year.

Many members of the committee have been concerned with the amount of resources which the Commission has been forced to devote to the proposed ban on the sale or manufacture of handgun ammunition. The committee has noted with pleasure the reports that the authorizing committees of both the House and Senate have moved to report legislation to remove from the CPSC any authority to regulate either the manufacture or sale of handgun ammunition. The proposed legislation is both appropriate and necessary. Control of handguns, by direct or indirect means should rest with the Congress.

Another area of some concern is the unique legislation which established the CPSC. The Commission views itself as a part of the legislative branch of Government. The committee has recognized that section 27(k) of the CPSA makes the Commission unique in that it is free to disagree publicly with the budget submission of the President. I am concerned that the Commission may be the object of further controversy, and that the present capability of the office of congressional affairs may be diluted as current temporary employees are lost. I urge the Commission to preserve, wherever possible, this resource.

ENVIRONMENTAL PROTECTION AGENCY

The Environmental Protection Agency is new to our committee this year, and has been the cause of a substantial number of problems. Chief among these has been the volume of complaints received by many members of the committee concerning the seeming disregard by the EPA of both congressional intent and common sense in the pesticide area. The committee is aware that the authorizing committee has only recommended a 3-month extension of the authorizing legislation due to their deep concern in this area. We have, therefore, added a limitation to parallel that action.

On the 12th of June I felt compelled to bring my own concerns to EPA Administrator Train's attention in the following letter:

WASHINGTON, D.C.,
June 12, 1975.

Hon. RUSSELL TRAIN,
Administrator, U.S. Environmental Protection Agency, Washington, D.C.

DEAR RUSS: I am most disappointed to learn that the Environmental Protection Agency has acted precipitously in establishing a hotline for pesticide complaints. What may be worse is that I am convinced that information included in the EPA radio announcement of this hotline is grossly in error. Charges that pesticides are responsible for hundreds of deaths each year are wildly exaggerated and totally without substantiation.

As the Ranking Member of the Appropriations Subcommittee on HUD–Independent Agencies which must approve your annual budget I share your deep concern that effective controls should be established for highly toxic chemical agents. However, the current trend in EPA strikes many of my constituents as being highly anti-agriculture.

Small farmers feel that many of your regulations add such complex bureaucratic requirements that they are being driven from the agricultural field. Chemicals of proven efficiency are banned because of unproven fears.

I, and many other Members of Congress who want to see you succeed in your efforts, fear that actions such as the decision to establish the pesticide hotline—and the totally irresponsible statements which accompanied it—may do irreparable harm to your credibility.

At the earliest possible date I would like to be given a full report on how the decision was made to establish this hotline, how the contract was awarded, the qualifications of both the contractor and his employees, how the information received over the hotline will be utilized, what the distribution of such information will be, and the source and amount of funds used to finance the contract.

I, and other members of my committee, will have to defend your annual budget before the whole House. There are already enough Members of Congress who have doubts about your programs to make this job difficult. Bureaucratic bungling and hotline big-brotherism may make your budget all but impossible to defend.

It is my belief that your decision to award the contract to establish the hotline was based on highly inaccurate and incomplete information. I urge you to reverse that decision and to undertake a thorough review of the entire program. I would also urge you to instruct your subordinates that the results of such rash decisions can well be damage to the overall EPA program—a result we would both deplore.

Warm personal regards.
Sincerely,

BURT TALCOTT,
U.S. Congressman.

Neither I, nor any other member of the committee wants to do anything to harm EPA, or to reduce their ability to perform. However, let there be no question that just as the people hold Members of the Congress responsible for our actions, we will hold officials of the various agencies responsible for their actions. I have been assured by Acting Administrator Quarles that EPA is going to cancel this "hotline" contract, and that the entire question of the validity of such a program is now under study and reevaluation. We will review this situation very carefully to see that any expenditure is proper.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

In the case of the National Aeronautics and Space Administration the committee has proposed a major reduction in order to preserve the opportunity to make a decision on budget priorities in the budget request next year. I am a firm believer in making the best priority decision possible, and I also believe that we cannot fund every worthwhile project which comes down the pike.

In the case of the proposed deferral of the Pioneer-Venus mission I hope that we are not adding to the unemployment problems of the aerospace industry, which is already heavily impacted. In this regard I would like to share the conclusion of the Chase Econometric Study which states that although "there are a number of conceptual and data limitations to an aggregate quantification of the returns to the economy of R. & D. investment, high technological endeavors, such as the space program, do result in disproportionately high rates of social return measured in terms of increases in GNP or national productivity." Because of the importance of this information, I insert in the RECORD at this point a summary of the Chase Econometric Study:

SUMMARY OF CHASE ECONOMETRIC STUDY

Chase Econometric Associates have just completed a study for NASA on "The Economic Impact of NASA R&D Spending." The following summary of the Chase study is partially based on the preliminary Executive Summary recently received, but draws most heavily and quite literally from a staff report prepared by Dr. Noel Doherty of NASA Headquarters. Dr. Doherty is the NASA economist who served as the technical interface with Chase during the course of the study. The Table in the Appendix is reproduced from the Executive Summary.

From the point of view of assessing the total macroeconomic impact of NASA expenditures on the economy, the Chase study is the most extensive study to date. The Chase study employs the most sophisticated econometric models available, namely, the 185 inter-industry input-output model developed at the University of Maryland and the 200 equation macroeconometric model developed by Chase. Both models are widely used by government and private planners.

The Chase study was divided into two phases. In the first phase, Chase employed the input-output model to analyze the short-run economic impact of NASA R&D expenditures. Chase found that ". . . NASA spending tends to be more stabilizing in a recovery period than general government spending." In addition, Chase found that ". . . a shift away from NASA programs to other federal programs could be relatively inflationary in the present economy." Furthermore, "both goals of higher employment and lower rates of inflation are not aided and possibly hindered by a lower level of NASA expenditures."

The second and probably the most important phase of the Chase study considered the long-run effects of NASA R&D expenditures. It was divided into two parts. Part I was devoted to developing an aggressive production function. Specifically, this function would identify the relationship existing between NASA R&D expenditure and the rate of growth of productivity in the U.S. economy over the period 1960 to 1974, taking into account all other variables that would affect growth in productivity (e.g., "other" R&D expenditure, improvements in the quality of labor, additions to the capital stock, shifts in output mix, etc.). In this phase of the study, Chase found that the social rate of return on NASA R&D expenditure was 43%. (This supports an earlier study by the Midwest Research Institute in which it was contended that the estimate of a 33% social rate of return on NASA investment was very conservative.)

Part II of the Chase long-run study involved macro simulations over the period 1975 to 1984. The production function developed in Part I was assimilated into the entire Chase Macroeconomic model and all of the equations were solved simultaneously and checked for consistency.

The purpose of the simulations was to determine the direction and magnitude of the effects that changes in NASA R&D expenditures would have on the major economic indicators of growth and stability. Specifically, NASA R&D expenditures were increased annually by $1 billion (1958 dollars) over its "baseline" (current level) expenditures and the effects on the various components of GNP were observed over the period 1975 to 1984. Simulations involving $100 million and $500 million were also run and the results were found to be linearly consistent. Moreover, it was found that equivalent decreases in NASA expenditures would produce effects of exactly the same magnitude but in the opposite direction.

The major results of the simulations may be subdivided into the following four categories:

1. Effect on GNP (1958 dollars)

A. Each $1 billion in NASA R&D programs returns approximately $14 billion over a ten-year period. This is equivalent to a 38 percent rate of return over this period and, when later returns from this investment are included, the rate of return becomes 43 percent.

B. A sustained annual increase in NASA R&D expenditure of $1 billion commencing in 1975 would increase the level of GNP in 1984 by $22.5 billion.

C. The accumulated additional annual investment of $1 billion over the ten-year period will return $69.4 billion over that same period, and will continue to bring returns further into the future.

It should be noted that both the 14 to 1 ratio and the rates of return, stated in subsection A above, refer to only the increase in GNP resulting directly from the increase in productivity attributed to NASA R&D expenditure. Thus the 38 percent (or 43 percent) rate of return may be more properly viewed as a "special" (partial) rate of return relating only to productivity advances. And, in this sense, is unique to high technology programs.

The actual change in GNP will be larger (than the $14 billion) due to demand multiplier effects that are common in nature (but not degree) to all expenditure. The results stated in subsections B and C above (and subsequent sections below) do take into account the interaction of both the demand multiplier and productivity effects of NASA expenditure on the level of GNP.

2. Effect on Employment

As a result of the sustained annual increase in NASA R&D expenditure of $1 billion, the unemployment rate in 1984 is reduced by 0.4 percent. Since the labor force will be approximately 100 million strong by that date, this indicates, as a first approximation, an increase of 400,000 jobs. However, if we take into account the increase in the size of the labor force, the total will rise to 1.1 million new jobs.

3. Effect on the Consumer Price Index

Increased levels of NASA R&D expenditure will significantly lower the future level of CPI. The extent of the reduction in CPI is naturally a function of the extent of the increase in "earlier" levels of NASA R&D expenditure. For example, the Chase results show that a sustained increase in NASA R&D expenditure of $1 billion commencing in 1975 will lower the 1984 CPI by a full 2.0 percent. This result may be better understood by considering the effect that NASA R&D investment has upon the nation's average rate of productivity.

4. Effect on Productivity

The above cited effects on GNP, Employment, and Price Levels emanate from the significant effect that NASA R&D expenditure has upon the growth rate of the nation's productivity. The results of the Chase study show nearly a 14 percent improvement in the rate of productivity change in 1984 resulting from only a sustained increase in NASA expenditure of $1 billion commencing in 1975. In short, the results of additional investment in NASA programs is to increase the rate of growth in productivity which is eventually translated into lower prices, higher levels of employment, and greater real income.

CONCLUSION

Although Chase, MRI and other studies note that there are a number of conceptual and data limitations to an aggregate quantification of the returns to the economy of R&D investment, the results of the Chase study are consistent with the findings of the other economic studies, both in this country and abroad; that is, that high technological endeavors, such as the space program, do result in disproportionately high rates of social return measured in terms of increases in GNP or national productivity.

CHANGE IN SELECTED VARIABLES WITH AND WITHOUT INCREASED NASA R. & D. SPENDING

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Gross national product (billions of 1958 dollars):										
Base	798.3	844.6	880.2	898.0	922.1	962.9	1,011.8	1,050.2	1,081.1	1,112.4
NASA	800.3	846.9	882.3	899.6	923.9	966.4	1,018.3	1,060.9	1,097.5	1,134.9
Change	2.0	2.3	2.1	1.6	.8	3.5	6.5	10.7	16.4	22.5
Percent change	.2	.3	.2	.2	.2	.4	.6	1.0	1.5	2.0
Rate of inflation (percent):										
Base	10.2	7.5	7.3	6.3	5.8	5.2	5.6	4.8	5.3	5.1
NASA	10.2	7.6	7.3	6.3	5.7	5.0	4.8	4.3	5.0	4.8
Change	0	0.1	0	0	−.1	−.2	−.8	−.5	−.3	−.3
Unemployment rate (percent):										
Base	7.6	6.8	6.1	6.1	6.2	6.0	5.6	5.5	5.7	5.8
NASA	7.5	6.7	6.0	6.0	6.1	5.9	5.5	5.3	5.4	5.4
Change	−.1	−.1	−.1	−.1	−.1	−.1	−.1	−.2	−.3	−.4
Level of employment (millions):										
Base	85.6	87.7	90.2	91.5	92.8	94.3	96.2	97.9	99.2	100.4
NASA	85.7	87.8	90.3	91.6	92.9	94.6	96.6	98.5	100.1	101.5
Change	.1	.1	.1	.1	.1	.3	.4	.6	.9	1.1
Percent change	.1	.1	.1	.1	.1	.3	.4	.6	.9	1.1
Index of industrial production (1967=100):										
Base	118.3	127.3	134.3	136.6	138.6	144.4	152.2	158.0	161.7	165.9
NASA	118.3	127.8	134.6	136.7	138.8	144.9	153.2	159.7	164.4	169.5
Change	0	.5	.3	.1	.2	.5	1.0	1.7	2.7	3.6
Percent change	0	.4	.2	.1	.1	.3	.7	1.1	1.7	2.2
Change in labor productivity (percent):										
Base	−.9	3.0	1.1	.6	1.7	3.1	3.3	2.4	2.0	2.2
NASA	−.9	3.0	1.1	.6	1.7	3.2	3.5	2.6	2.2	2.5
Change	0	0	0	0	0	.1	.2	.2	.2	.3

NOTES

Base=baseline projection with current estimates of NASA R. & D. spending for next decade.
NASA=an increase of $1,000,000,000 in 1958 dollars in NASA R. & D. spending.
Change=NASA—Base.

Percent Change=NASA—Base over Base. Since the unemployment rate is already given in percentage terms, we do not calculate this item for unemployment.

LARGE SPACE TELESCOPE

The large space telescope project was explored by our committee in some depth this year during our hearings, and I must say that the case that the scientists make for it is very strong. There also is some merit in the charge that we have devoted a disproportionate share of available resources in planetary science. In any case, the committee will look with great care at the entire question at the time of the next budget submission.

NASA MANAGEMENT SYSTEM

I would like to say that once again I was deeply impressed with the ability of the staff at NASA to show that they are doing the most effective possible job with the resources we give them. I believe that their successes, and there have been many of them, can be directly attributed to the fact that NASA has developed a systems approach to management. By fully utilizing the strengths of their management team, and by setting goals and making detailed plans on the methods they intend to use to achieve those goals they have achieved one after another. I commend the NASA staff for their accomplishments, and wish that other agencies of our Government would study the NASA system and attempt to implement it within their own bureaucracy.

NATIONAL SCIENCE FOUNDATION

I believe that our report will give Members a full explanation on our reasoning for the cuts which have been applied to the National Science Foundation. But I would like to take a moment to stress one thing which is included in that report.

In recent months there have been a number of news reports about so-called "funny" research grants. I, and many other Members, have received many indignant letters from angry constituents who demand to know how I could vote in favor of such foolish projects. We have received a report from the General Accounting Office, the congressional watchdog of the Treasury, which closely examined many of those "funny" grants. The results were somewhat of a surprise to many Members. Most of the grants were not what they appeared to be. As an example, a study of the sweat of Australian aborigines conducted by the Department of Defense during our involvement in Vietnam was intended to discover how the aborigines were able to exist in very hot areas without suffering from heat-stroke which was a major problem facing American troops in Vietnam. While the research was not totally successful, it was able to find several ways to help our troops adapt better to the hot climate of Vietnam.

In any case, we have directed the Director of the Foundation to make immediate progress in seeing to it that titles are presented in a manner which will give the layman an understanding of what the potential significance of the research might be.

SELECTIVE SERVICE SYSTEM

We have taken steps to continue the winding down of the Selective Service System in this bill. This year we have recommended a budget of $40,000,000 a decrease of nearly $8 million from the request in the President's budget. The Congress has directed that a standby capacity be maintained so that in time of National Emergency the draft could be quickly implemented at the direction of the Congress. The System has also been given major responsibilities in the reconciliation program. Members of the committee felt that any further reduction at this time would seriously harm the ability of the Selective Service System to carry out its congressional mandates.

VETERANS' ADMINISTRATION

Most of the costs of the Veterans' Administration programs are fixed by various public laws. We have, however, taken a very close look at the medical care program and the construction accounts. The members of our committee take very seriously our obligation to the veterans of this Nation. We have made a careful study of the VA budget request in order to see that they are doing everything possible within available resources to meet the veteran's needs.

Finally, Mr. Chairman, let me report that this is a major appropriations bill. It covers a vast sweep of the Federal Government's programs. Housing, veterans affairs, environmental concerns, space, science, and a number of other subjects. The committee has worked for many months on this bill. Hearings, examinations, and finally the actual drafting of the bill now before the House. We have had two constraints which we have had to work with throughout that process. The first is that we bear a heavy responsibility to carry out the mandates of the Congress in meeting the obligation of the people of this Nation to our veterans, to the poor and elderly in need of adequate housing, to the future generations through our investment in science and research and to the Congress which looks to us for guidance in these matters. Secondly, we must be aware that there are limited funds available for these programs, and that we must weigh each request so that the final allocation will give us the best possible return on the tax dollar invested.

I believe that we have done our best to meet our responsibilities within both of those countries. We have made cuts where we felt that they were wise, and we have made judicious additions where we felt they were needed. We received total requests for $51,429,070,000 in new obligational authority for the coming year. We have brought a bill to the floor which recommends $51,429,024,000 in new obligational authority. When we make this recommendation to the House we believe that it represents the best possible allocation of resources within the budget request.

I would far rather have brought out a bill that was well below this recommendation, as would have others on the committee. But, in our judgment, that was not possible at this time. It is within the budget, and it is a good bill. I urge Members to support it.

Mr. CONLAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHARIMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

The CHAIRMAN. A quorum of the Committee of the Whole has not appeared.

The Chair announces that a regular quorum call will now commence.

Members who have not already responded under the noticed quorum call will have a minimum of 15 minutes to record their presence. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 340]

Andrews, N.C.
Aspin
Badillo
Beard, R.I.
Biaggi
Bingham
Bolling
Butler
Chappell
Cleveland
Collins, Ill.
Conyers
Diggs
Dodd
Downing
Drinan
Edwards, Ala.
Erlenborn
Esch
Flynt
Forsythe
Fulton
Gibbons
Harris
Harsha
Hébert
Hillis
Hyde
Jarman
Jones, Ala.
Leggett
McEwen
Mann
Martin
Moakley
Montgomery
Moorhead, Pa.
Mosher
Nedzi
O'Brien
Rangel
Rees
Richmond
Rosenthal
Runnels
Sarasin
Scheuer
Shuster
Solarz
Stanton, James V.
Steiger, Ariz.
Stokes
Udall
Ullman
Wilson, Tex.
Wright
Zablocki

Accordingly the Committee rose; and the Speaker pro tempore (Mr. NATCHER) having assumed the chair, Mr. KASTENMEIER, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 8070, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 376 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from California (Mr. TALCOTT).

Mr. TALCOTT. Mr. Chairman, before we were interrupted by the half-hour notice quorum call, I had almost concluded my remarks. I hope we can get on with this bill, it is very important.

In housing, we have allocated the budget request of $662 million plus for assisted housing.

Mr. Chairman, I think our committee believes, along with the strong majority of Congress, that housing is tremendously important to many people in America today for many reasons. It provides basic shelter, which is tremendously important to all of us. It provides jobs, particularly in the construction industry, which has been deeply hurt by the recession. It provides a lot of auxiliary opportunities for both jobs and products.

Mr. Chairman, we believe we should fund section 8 to the extent that we have. I am sure that many people share my concern that we may be sowing some seeds of dissension when we permit the fair market rent upon which the rental subsidies are based to be as high as $7,467 per annum for new housing for a small family, for a 2-bedroom apartment in a high rise in New York City. Obviously, there are many people in America who are not working. Middle America is going to be overburdened by this kind of program, particularly if all of those who are eligible under the law would take advantage of it. We have to presume that those who are eligible may try to take advantage of the bill, but we have placed some limitation on the amount of funds that can be spent, and we are convinced that the officials of the Housing and Urban Development Department are anxious to make this program work. They understand that considerable troubles could be caused by providing too much of the subsidy money to go to one section, or to a small number of sections of the country.

Mr. Chairman, I think the bill is also providing adequate care of our veterans. We continue in America to provide benefits equal to no other country in the world, better than any other country at the present time. We provide a good deal for research, which, of course, is essential to the progress and survival of our country.

We could have limited the Consumer Product Safety Commission from any determination over handgun ammunition. But we did not do that, feeling that the proper authorizing committees had this problem under consideration.

Mr. Chairman, we have placed a limitation on EPA, under the pesticides program, because of the problems they have had with the hotline and a few other areas. In other words, I believe we have thoroughly considered all of these agencies, worked out fair compromises, and I urge the adoption of the bill.

Mr. Chairman, I reserve the balance of my time.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. FUQUA).

Mr. FUQUA. I thank the gentleman.

Mr. Chairman, I would like to ask the distinguished gentleman from Massachusetts, the chairman of the subcommittee, a question.

Within the NASA portion of the bill there is an item relating to two future programs, the large space telescope and the Pioneer-Venus program.

As the chairman of the subcommittee knows, the LST program is in a study phase and would not start development for another year. This program represents a national resource in astronomy which would not be launched until the early 1980's and would be used for 10 or more years. The LST will look deeper into space with greater definition than has ever been possible for optical telescopes. It is a scientific instrument of unprecedented capability.

On the other hand, the Pioneer-Venus program is a continuation of our relatively modest but highly successful planetary exploration program with an orbiter spacecraft and multiprobe spacecraft to be launched in May and August of 1978 and arrive simultaneously at Venus in December of 1978. Two years of effort and approximately $53 million have been expended to assure a high data return, low relative cost mission.

I would like to ask the distinguished chairman that, in the last year report, it refers to the deferral of the Pioneer-Venus development program. Will it mean a complete spacecraft redesign and a substantial increase in the program cost?

Mr. Chairman, my question is really this: Does the gentleman interpret the language in the report as allowing NASA to reprogram sufficient funds, if available, for the Pioneer-Venus program to minimize cost and meet a 1978 launch date?

Mr. BOLAND. Mr. Chairman, as the gentleman knows—and I appreciate the fact that the gentleman is one of the most knowledgeable Members in this particular area on the Committee on Science and Technology—the total amount requested for research and development for NASA was $2,678,380,000, and this committee reduced that by only $49 million.

We directed NASA to make a judgment between the large space telescope and Pioneer-Venus. A total of $57,600,000 was requested for Pioneer-Venus, and the committee reduced that. We reduced Pioneer-Venus by $48,400,000 and asked NASA to make a judgment whether or not it ought to go ahead with the large space telescope or Pioneer-Venus.

There has been some concern by astronomers that NASA is concentrating too many resources on planetary astronomy and not enough on deep space astronomy.

Last year the committee expressed its concern about the large space telescope, which will be launched in the Shuttle and will be directed at deep space astronomy.

As a result of that concern, NASA did some rethinking, and I think that the position of the committee has been justified. NASA now indicates that there can be a savings of money in the LST program with the use of a smaller mirror.

Mr. Chairman, with respect to the Pioneer-Venus program, this is a problem which gives the committee a great deal of concern. As the gentleman has indicated, we have already spent some $27 million on the project. Apparently it is the conclusion of the gentleman from Florida (Mr. FUQUA) and his subcommittee, as well as the Committee on Science and Technology, that really mothballing this program for a year would cost considerably more money and consequently it would result in a breakup of the team that is responsible for Pioneer-Venus.

We are concerned about this. We did have information from Dr. Fletcher, the Administrator of NASA, expressing the same concern.

It is difficult for me to express the sentiments of the other members of the subcommittee, but as for me, I think that I would be inclined to support the statement of the gentleman from Florida (Mr. FUQUA) and state that if NASA is able to reprogram moneys from other activities of NASA into Pioneer-Venus, and if the Senate agrees with this position, then for my part I think I would agree with the gentleman.

Mr. FUQUA. Mr. Chairman, if the gentleman will yield further, I appreciate the statement made by the gentleman, because as we have discussed this, it would cost considerably more for the redesign of a spacecraft. The launch window would be double in 1980 what it would be in 1978.

My real question was this: If they spend money so they could reprogram, they would not run into any problem with the Subcommittee on Appropriations, would they?

The authorizing committee has reviewed this rather carefully in our hearings, and the House expressed itself by approving the project.

Mr. BOLAND. Mr. Chairman, let me in this colloquy advise NASA that in any reprograming of particular funds from any other program for Pioneer-Venus, so far as this Member is concerned, we are going to look carefully at the NASA budget next year to make sure that the reprograming of funds this year for Pioneer-Venus is not simply added back in next year. We are not going to supplement those programs with any additional funding next year because the funds have been taken out of other programs this year. In short, whatever funds are reprogramed cannot be ultimately replaced in future budget requests, and the reductions must be identified as true savings.

Does the gentleman follow me?

Mr. FUQUA. Yes, I do, and I thank the gentleman.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, as a matter of information, going back to the subject of housing, I would like to know if there is any money in this bill to help local housing authorities with their maintenance costs.

It seems to me that we have spent a lot of money building low-cost rental units, and to let them deteriorate, by not being able to paint them and take care of the plumbing and do the rest of the maintenance work is a tremendous waste.

Is there any money in this bill for that purpose?

Mr. BOLAND. Yes, we do have $525 million recommended in this bill for operating subsidies for local housing authorities. That will take care of some maintenance problems, and in addition, we have also provided $20 million of annual contract authority specifically for repair and maintenance.

As the gentleman from Texas (Mr. KAZEN) knows, the public housing programs are run by some 2,700 local housing authorities across the Nation. We provide more than a half billion dollars to meet the escalating fuel, maintenance and operating costs for those units.

Mr. KAZEN. This is what concerns me, as I am sure it concerns a lot of Members, the fact that these local housing authorities do not have the money from their rent income to maintain these units, and after having spent so much money on them, it would be a shame to let them run down.

Mr. BOLAND. Let me also add that we are very concerned with the administrative operations of many of the local housing authorities. The Department has established a performance funding system where it will compare the performance of an efficient LHA with others of comparable statistics, such as size, number of units, age of the units, et cetera, et cetera.

As a result of this study and as a result of additional funds which are being targeted for upgrading selected local housing authorities, we believe that the performance funding program is going to add substantially to the improvement of local housing authority efficiency. It looks as though this could be a successful approach to the problem.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. Yes; I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I thank the gentleman for yielding.

I call the attention of the gentleman from Massachusetts (Mr. BOLAND) to page 32 of the committee's report dealing with NASA's construction of facilities for fiscal year 1976. The paragraph reads:

> The Committee also directs that no funds be used to begin work on modifying the 40x80 Wind Tunnel at the Ames Research Center until the Committee has had an opportunity to review the necessary funding in a formal budget request.

I would like to assure the gentleman from Massachusetts that the members of his committee and the Committee on Science and Technology considered in great detail the facility requirement in question during the recent NASA fiscal year 1976 budget authorization review. It is true that the 40 by 80 wind tunnel was not in the NASA request—but had been left out because of OMB limitations. All of the evidence that we collected in hearings, supplemental briefings, even a committee trip to personally inspect and study the facility, and meetings with members of the aerospace industry strongly supports proceeding with work on the 40 by 80 tunnel.

I am concerned about the effect of delaying work on modifying the tunnel which would impair the long-range capabilities of U.S. aviation, both military and civil. This facility would provide the only capability in the United States for full-scale testing of advanced rotorcraft and vertical and short takeoff and landing aircraft.

This requirement has become critical during the past decade during which both civil and military rotorcraft have advanced significantly in speed capability. Consequently, they can no longer get adequate evaluation in any existing test facility.

Mr. Chairman, I would urge the distinguished gentleman from Massachusetts and the members of his committee to consider eliminating the paragraph at the top of page 32 of this report.

Mr. BOLAND. Mr. Chairman, in answer to the gentleman from Texas, first of all, let me congratulate the gentleman on the work that he has performed in this area as chairman of the Subcommittee for Aviation and Transportation R. & D. and as a member of the Science and Technology Committee.

The concern we had here is the fact that there was no budget request for the 40-by-80-foot wind tunnel.

This committee over the years has been zealous in what it has done in the field of wind tunnels.

Back in 1955, under the extraordinarily able leadership of Mr. Albert Thomas of Texas, this subcommittee got to work on the wind tunnel problem. At that time wind tunnels were proliferating in a number of agencies and departments. There was no coordination, there was overlapping in this field, and there was not an effective use of wind tunnel facilities. Therefore, after an investigative study was made with respect to this problem, a coordinated unitary wind tunnel plan was developed.

That program was followed by the agencies involved and the necessary facilities were provided.

I would agree with the gentleman from Texas that little or nothing has been done in the past few years with respect to upgrading and modernizing various wind tunnels.

Mr. MILFORD. Mr. Chairman, I pledge to my colleagues in the House that we have undertaken in science and technology a comprehensive review of all civil aviation R. & D. programs and facilities. This review will be our highest priority in the aviation area during the next 18 months. However, we have already examined the 40-by-80 facility in sufficient depth to be assured that the requirements for it would be valid.

Mr. BOLAND. I appreciate the statement of the gentleman from Texas, and would agree except that we have had no information or justification of the 40-by-80-foot wind tunnel. There was no budget request and no information from NASA with respect to this program.

As has been indicated, the House Authorization Committee had put $12.5 million in the authorization. The Senate included no money for this program. It went to conference, and there was an agreement on $12.5 million.

Let me say further to the gentleman from Texas that we recognize the tremendous importance of wind tunnels. We recognize the absolutely essential nature of this particular wind tunnel. If in the next few months, from other areas, there is money which might be allocated for this 40 by 80 wind tunnel, I think I can assure the gentleman from Texas, because of the great amount of time the gentleman's subcommittee has put in on this, and also the information that was developed, that we would be very glad to listen to appeals from NASA. And certainly, in my judgment, the subcommittee would consider a reprograming of funds within the 1976 budget for this purpose.

This will not take care of the problem immediately, I must say to the gentleman from Texas, but I am sure that down the road a few months, after NASA has developed additional information on total wind tunnel requirements, the desires of the gentleman from Texas will be realizable.

Mr. MILFORD. Mr. Chairman, I appreciate the gentleman's statement, and perhaps we can continue this dialog a little later. So that the RECORD can show a few details on this project, I would like to describe it further:

This project provides for the modification of the Ames Research Center's 40-by-80-foot subsonic wind tunnel to provide an increased capability for full-scale testing of various advanced types of aeronautical vehicles. A summary of the justification, main features, cost and schedule is as follows:

The new capability would provide an increase in test speed from 200 to 300 knots by replacing the existing wind tunnel drive motors and fans with new, more powerful ones.

This capability would permit the testing of advanced rotorcraft at their higher cruise speeds and full-scale wind tunnel testing of V/STOL—vertical and short takeoff and landing—aircraft.

This requirement has become critical during the past decade, during which both civil and military rotorcraft have advanced significantly in speed capability; and, subsequently, they can no longer be adequately evaluated in any existing test facility. The limitations of current test facilities were recognized in 1967 by the Aeronautics and Astronautics Coordinating Board—AACB—when it initiated studies that have ultimately led to this plan to repower the 40-by-80-foot wind tunnel.

As noted above, this facility is needed primarily to study low-speed—up to 300 knots—flight characteristics of rotorcraft. In civil aviation, such studies are important in minimizing structural, and associated safety problems, in reducing aircraft noise during landing and takeoff, and in improving flight performance of airplanes in congested terminal areas; these are all factors that strongly affect the impact of air transportation systems on their environmental surroundings and on total energy consumption. Military operations also impose stringent requirements on landing and takeoff performance and on satisfactory low-speed flight characteristics for rotocraft and V/STOL aircraft. Unquestionably, the proposed facility modifications will enable development of significantly improved aircraft systems in both civil and military sectors.

The economic justification for this full-scale wind tunnel test facility lies in the demonstrated savings that have accrued in aircraft development programs when full-scale wind tunnel tests were conducted early in the development program and before the expensive commitment to flight tests. Discovering problems during the flight test program has sometimes had catastrophic consequences. For example, the AH-56A Cheyenne helicopter program, which did not include full-scale wind tunnel tests, was terminated after a $400 million investment, against which the cost of this facility modification appears reasonable indeed. Three other rotorcraft types—XV-1, XH-51A, and XV-5—failed during wind tunnel tests and before flight tests. All of these failures involved the complicated interface between aerodynamics, dynamics, and structures. Therefore, tests of the full-scale hardware were the only way that these problems could have been discovered. Two of the three aircraft which failed during wind tunnel testing consequently underwent design changes, modifications, more testing in the wind tunnel, and then completed successful flight tests. One—the XH-51A—later established a new rotocraft speed record. The XV-5A is currently considered to be one of the most promising high performance V/STOL airplanes.

Therefore, the future successful developmental testing of civil and military advanced rotocraft and V/STOL aircraft requires that the 40-by-80-foot wind tunnel be repowered to increase the maximum wind speed from 200 to 300 knots. By initiating the procurement of the long-lead procurements in fiscal year 1976, the repowered facility will be operable during the third quarter of 1978.

The fiscal year 1976 amount required to initiate this modification is $14,000,000—$12,500,000 for construction and equipment and $1,500,000 for facilities planning and design. To complete the second phase—repowering—of this project an additional $20 to $25 million would be required for fiscal year 1977.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding, and on this side we agree with the gentleman's statement made to the gentleman from Florida (Mr. FUQUA) relative to the LST and the Pioneer Venus program. We support the project and agree with its importance, and would not offer objection to the reprograming. But we would like to have some idea as to where this reprograming money would come from. I think we would want some information to make sure we were not doing away with some other very important projects.

Mr. BOLAND. The gentleman from Florida (Mr. YOUNG) makes a good point, and we will pursue the point the gentleman makes. I am sure that NASA will give us information on that.

Mr. ROUSH. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Indiana.

Mr. ROUSH. Mr. Chairman, I simply wish to take this time in order to congratulate the chairman and ranking member on the subcommittee on the work that has gone into the bill this year. The work of the subcommittee has been greatly expanded because of the environmental and various other offices now in the jurisdiction of the subcommittee. The chairman and the other members as usual have given us a good bill, and we appreciate the very fine manner in which this has been done.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague, the gentleman from Massachusetts, yielding me this time.

Mr. Chairman, I noticed in my colleague's remarks earlier in the hour that the gentleman mentioned the general surveillance by the Appropriations Committee of the Consumer Product Safety Commission, and stated that there are, in fact, some problems connected with it, because the Commission is still in its initial stages of operation.

Yesterday, in the CONGRESSIONAL RECORD, I put in an account from U.S. News & World Report of a problem that came up as a result of actions by the Consumer Product Safety Commission directed toward the Marlin Toy Product Co. in Wisconsin. I am sure we do not have time to go through all of the details of the tremendous problems that they had in dealing with the Commission. I realize, as the report says, that this Commission has been given an almost impossible mission to oversee some 10,000 products. But the case of this particular relatively small business, the Marlin Toy Product Co., as enunciated by U.S. News & World Report and which I put in yesterday's CONGRESSIONAL RECORD at pages 20408 and 20409, seems to me to be a clear example of how a regulatory commission by one mistake can literally bankrupt a company.

I wonder if our Committee on Appropriations has been able in its oversight responsibility to encourage the Commission to avoid meticulously this kind of problem where the publishing of one supposedly bad product, which defect actually had been corrected by this company, can be avoided in the future. Since we rely on the Committee on Appropriations to partially serve in an oversight responsibility to make sure a regulatory commission is properly doing its job and is not wandering in to areas where it does not belong, I wonder if the gentleman could comment on what his findings were this year in this whole area of oversight with this Commission.

Mr. BOLAND. The gentleman makes a good point. I regret that I have not been able to get the time to read the CONGRESSIONAL RECORD of yesterday.

This Commission is only 2 years old, and like all commissions that are very young, and particularly with the responsibility that the Consumer Product Safety Commission has, it really takes a little time to creep before one can walk.

The Commission, as the gentleman knows, and I think has said, has a tremendous responsibility because in the area that the CPSC operates there are some 20 million injuries a year, 210,000 of which are permanent, and about 20,000 result in deaths.

The oversight that the gentleman from California desires I think is the responsibility of those of us who fund these particular agencies, and if the gentleman will read the hearings with respect to the CPSC, I think he will find that there is great concern expressed by a number of the members of the committee in this field with respect to small business.

Mr. ROUSSELOT. If the gentleman will yield further, as a matter of fact, in this particular instance the Marlin Toy Co. corrected the so-called defect in its product.

Mr. BOLAND. Precisely, but I must say that I—and I am sure I express the opinion of the members of the subcommittee—have been impressed by the Chairman of the Consumer Product Safety Commission, Mr. Richard Simpson. I think he is from the State of California.

Mr. ROUSSELOT. He is.

Mr. BOLAND. He is a relatively young man who was in a small business for years and who actually is a self-made man. He recognizes the problems that small businesses have. He and the other members of the commission seem to be concerned about the impact of the rules and regulations and standards that might be established by CPSC and how they affect the very business the gentleman from California talks about.

Mr. ROUSSELOT. If the gentleman will yield further, I appreciate the chairman of the subcommittee's comment. The thing that seems so unbelievable about this particular case—and I just hope there are not too many more like it—is at one time it was a thriving business with some 85 employees. They have almost gone bankrupt now, and yet they complied with both the wishes of the Commission and the FDA, and the Commission admitted that it was a "simple printing error" that caused their product to be taken off the shelves by many retail businesses all around the country. These were retail businesses that used their product long after they had complied with improving and completely correcting the defect.

I just hope that our subcommittee can in fact use its capability in the funding process to make sure this kind of thing is not repeated and encourage this Commission—although its Chairman, I know, as the gentleman has said, has tried to be very responsible—to see that these kinds of slips or misprintings do not occur again. The tremendous power of this agency can literally close down innocent businesses.

Mr. BOLAND. I thank the gentleman for making the case with respect to this particular problem. I believe on these problems that come to the attention of most of the regulatory agencies, there is a concern on the part of those who administer the laws under which the regulatory agencies operate, to be aware of the impact of the standards and regulations made by the agencies. Also, the agencies are concerned with the responsibility of those who enforce the regulations because, for instance, an investigator could be too aggressive.

Mr. ROUSSELOT. Or there may be a desire to show who is the "bureaucratic boss" over these businesses.

Mr. BOLAND. Oftentimes I think the fault lies there. I am satisfied that under the direction of the Chairman of the Commission, Mr. Simpson, there is commonsense enforcement of the rules and regulations and standards that must be established under the laws the CPSC is compelled to enforce.

Mr. ROUSSELOT. And that some of the compliance rulings do not have the effect of doing far more damage than the so-called requirement to save children—or whoever they are trying to save the public—from damage. In this case small business is now down to very few employees because of this Commission ruling and the admitted mistake on the part of the Commission. This small business is struggling mightily to recover from the misprint that occurred.

Mr. BOLAND. I am sure that the direction of the gentleman's statements to the CPSC can be helpful to the problem that is involved here.

Mr. ROUSSELOT. I appreciate the gentleman's comments. It is the hope of many members that the committee impress the Commission to use its powers with greater care.

Mr. TALCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, I appreciate the gentleman yielding.

I have asked for this time to discuss briefly an aspect of the bill which troubles me a great deal. If I may have the attention of the chairman of the committee, I would like to assure my understanding of the provisions of this bill as they relate to section 8, the housing program, is correct.

My concern is that very few Members of this body seem to understand clearly the consequences of the program which is funded in the bill before us. I ask the chairman if he can verify my understanding that according to the General Accounting Office report on this program, up to two-thirds of all renters would be eligible for subsidies under section 8 in selected cities.

Mr. BOLAND. In a report prepared by the General Accounting Office for our committee, a study was made of the rental pattern in a sample, selected city, Peoria, Ill. As I said in the full committee, this program played well in Peoria. It found that two-thirds of all renters in Peoria would technically be eligible for the section 8 program. I do not think that would ever occur and that the Department of Housing and Urban Development would ever approve section 8 programs for all in that locality.

Mr. ARMSTRONG. I appreciate the gentleman's comments. But I think experience in the food stamp program, for example, indicates the program will expand to its ultimate potential.

I would like to pursue another aspect about the number of eligible recipients. As I understand it, the two-thirds figure in the Peoria study was based on a statistical comparison of the existing rental market and the existing potential rental customers.

Mr. BOLAND. That is true.

Mr. ARMSTRONG. It did not take into account a possibility that with such lavish subsidies available people now owning homes might be tempted to sell or give their homes away and move into some kind of subsidized housing; is that correct?

Mr. BOLAND. That is correct.

Mr. ARMSTRONG. Could I also confirm my understanding that the amount of the housing subsidy is predicated on a formula dealing with the fair market value of rent which is done on a survey and in some areas of the country the fair market value, that is, the value of the subsidy could reach $7,464 per year per family.

Mr. BOLAND. The subsidy per family in the city of New York could reach what the gentleman from Colorado states.

Mr. ARMSTRONG. As the bill is presently before us, do I understand further that the committee has permitted an increase in the amount of fair market value of 10 percent; in other words, in the case of New York the subsidy could go up by $746 per year?

Mr. BOLAND. The gentleman from Colorado is correct. There is a limitation of 10 percent increase provided. If there is any increase more than 10 percent, they have to come back and justify it to us.

Mr. ARMSTRONG. I understand, but it could go up to 8,200 without any return to Congress at all.

Mr. BOLAND. Yes, it could.

Mr. ARMSTRONG. May I also ask the chairman, if my understanding is correct, that the eventual run-out cost of this is greater than the actual appropriations in the bill. I am given to understand that for amounts appropriated for the current fiscal year, 1975, that the eventual run-out cost will be $10.7 billion and including the amount in the bill before us, we would have $33 billion in ultimate obligations.

Mr. BOLAND. This would be a maximum cost.

Mr. ARMSTRONG. Could the chairman tell us, or could anyone in the room tell us, if there has ever been a program that has incurred obligations of that size in less than a year, in the first 10 months of existence? Am I correct, this program only came into being the 22d of last August?

Mr. BOLAND. Congress passed the Housing and Community Development Act of 1974, which was signed on that date.

Mr. ARMSTRONG. There were only some 40,000 units that were to have been built in the program under the 1975 appropriations.

Mr. BOLAND. The Department anticipated building 200,000 units in fiscal year 1975, but because of the lateness in establishing guidelines and standards, this goal has not been met.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. TALCOTT. Mr. Chairman, I yield 2 additional minutes to the gentleman from Colorado.

Mr. ARMSTRONG. Mr. Chairman, I appreciate the gentleman yielding further.

I appreciate the explanation of the gentleman and his courtesy in letting me bring this matter to the attention of the House.

Mr. Chairman, in conclusion, I would like to say, I am very concerned about this program for two reasons. First of all, it is basically unfair. I think it is morally wrong and financially disastrous to ask people making $5,000, $6,000, $7,000 a year to pay taxes to support a housing subsidy program where people get from the subsidy program $7,000 or $8,000 a year.

I am also keenly aware how unfair it is when people who receive these large subsidies are also receiving welfare and food stamps. That means we are talking about subsidizing people who are getting $10,000, $11,000, and $12,000 a year in assistance.

My office was informed Friday of an extreme case in New York City where the total of welfare, food stamps and housing subsidy received by a family in New York might go over $20,000 a year. Now, the average family income of people who are working and paying taxes in this country is exactly $12,051. That is not fair; it is not right to tax these families to pay such subsidies, and the total estimated cost projected by HUD is $600 billion. At the appropriate time I will offer an amendment which will correct these inequities by striking the whole thing out of the bill and sending it back to the drawing boards to build on a more practical and equitable basis for this program.

Mr. TALCOTT. Mr. Chairman, I yield myself 2 minutes.

I would simply like to respond to the gentleman from Colorado by saying that in many instances he is exactly correct, but I think we should remember that just a few months ago, the House overwhelmingly approved section 8 as the housing program for America. It was an improvement over the other housing programs which we have been contending with for a long time.

It is true that perhaps in some areas two-thirds of the people who live in rental units might be qualified. But it would not all be subsidy. It might be a very small subsidy. Of course, everyone is not going to be given a subsidy because they have to go through the procedures of determining what rent they pay based on their income. As their income increases, they can work themselves out of any entitlement at all.

This is an amalgamation of all the other programs we have had. The fair market rent was decided upon to custom fit the community where the housing is needed. Not everybody in America is going to get a $20,000 subsidy or $7,000 or even $3,000. This is just a fair market rent we are talking about. The subsidy could be a great deal less than that. It probably always will be less than that.

Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. CONLAN).

Mr. CONLAN. Mr. Chairman, I applaud the action of the House Appropriations Committee to deny any funds whatsoever for the National Science Foundation to promote and market curriculum materials for use in elementary and secondary schools throughout the Nation.

The Foundation had requested more than $9 million to promote and market about 50 school programs that are in competition with hundreds of other commercially available precollege courses.

Many of us in Congress have been particularly distressed by NSF's aggressive promotion and marketing activities for social studies materials containing highly controversial content designed to change children's moral values and social attitudes from those taught by their parents at home.

Courses like NSF's "Man: A Course of Study"—MACOS—an elementary program for 10-year-olds—have created a furor throughout the Nation. It is our duty to stop NSF's promotion of such courses, and to establish firm public policy to prevent federal agencies from unduly influencing local school choices and decisions or blueprinting a national curriculum in any subject area.

I raised this issue during House Science and Technology Committee deliberations over NSF's budget authorization, and offered an amendment to prohibit such federally funded curriculum promotion and marketing activities when that authorization was approved by the House on April 9.

It is gratifying that the Appropriations Committee expressed the concerns and analysis of the problem that too many Congressmen share, as set out in its report accompanying this bill.

During House debate over my amendment 10 weeks ago, I pointed out that NSF's curriculum implementation activities and policies transcend immediate objections to the particular content of disputed courses, such as MACOS. I stated that—

> My amendment [to prohibit NSF funds to promote and market school materials] is addressed to the larger and more vital issue of local school choices and decisionmaking. We Americans place a high value on local autonomy in education, and have always repudiated a national policy on education or a single national school system directed from Washington. However, NSF activities in curriculum implementation are moving ominously in that direction.

The Appropriations Committee report accompanying the bill we are now considering echoes my concerns. It states:

> The Committee is greatly concerned about the extent to which the National Science Foundation has supported the promotion and marketing of course curriculum for elementary and secondary schools and the concentration of these activities on courses that have been developed with NSF or other federal support. The Committee recognizes the need to acquaint teachers with new course materials but federal support for activities designed to get high school and elementary school administrators, members of school boards and other curriculum decision makers to adopt curricula developed with Federal funds could lead to the establishment of a single federal standard for education in the various fields of science.
>
> It is significant that one social science course for 5th graders entitled "MAN: A Course of Study" which has stirred considerable controversy because of its value orientation which many parents feel runs counter to western cultural standards has already been implemented in 1,700 schools nationwide. NSF recently funded a grant to the developers of MACOS which announced plans for the further spread of these studies. Regardless of the merits of a particular course of study, the Committee believes that the provision of federal funding for unique education marketing activities tends to give particular courses unfair advantage in the market place and therefore it is of extreme importance that federal intervention in the development of curriculum, and especially in its implementation be fully justified on a course-by-course basis to the Congress and to a broad base of public, educator, and professional organizations and parent groups nationwide.
>
> The Committee is chiefly concerned about courses which are value oriented and which fall in the broad behavioral science category. This includes MAN: A Course of Study, Exploring Human Nature and other courses dealing with political attitudes and moral values. Since the Foundation is currently developing a number of courses in these areas and is in the process of implementing others which have never been reviewed by the Committee in terms of their national need, the Committee has included no funds for the implementation of courses in 1976. This will give the Foundation time to prepare the necessary data and to fully inform the Congress and the public of its intentions and the basis on which it has determined the pressing national need for such course material. It will also give the Congress time to fully evaluate the impact of federal involvement in this field and arrive at effective public policy guidelines for the development and implementation of such materials. This means that no funds are appropriated for implementing courses that were budgeted in the line items for "Instructional Improvement Implementation" in the elementary and secondary school programs.

Passage of this bill gives the force of law to concerns and intent of Congress, as stated in the Appropriations Committee's report. It clearly mandates under the $707.1 million National Science Foundation appropriation in title II that—

> Of the foregoing total amount . . . not more than $60,000,000 shall be used for Science Education programs . . . and no funds shall be used for Institutional Improvement for Science; or for Instructional Improvement Implementation budgeted for in Elementary and Secondary School Programs of the Science Education Improvement activity.

This means that the National Science Foundation may not use Federal funds for educator conferences to promote particular preferred curriculum materials, nor to train teachers in the use of preferred course materials, nor for any other activities designed to insure that local school districts adopt certain school programs over others that are commercially available.

Mr. Chairman, again let me say that I applaud the committee's approach to this problem. Even though the excessive funding for all Federal programs appropriated in this bill makes it impossible for me to vote for final passage, I want to be on record in support of this action the House will take today. It mirrors the concern of millions of Americans about the autonomy of their local schools from undue Federal interference and control.

I hope that the Senate will also take this course in its own action on the National Science Foundation appropriation.

Mr. TALCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. MILLER).

Mr. MILLER of Ohio. Mr. Chairman, I would use this time to ask the chairman of the subcommittee if it has been stated accurately, that in New York City the maximum amount annually could be $7,464 for rent subsidy. If the individual family did not have an income, would the Federal Government pay 100 percent of that amount?

Mr. BOLAND. The gentleman is correct. I would tell the gentleman from Ohio that this applies only to new construction. Of course, if the fair market rent were applied to existing housing, it would be much lower than that. The annual subsidy would be about $2,640 instead of $7,464.

Given certain conditions, the subsidy could equal the fair market rent. The fair market rent for a newly constructed, two bedroom elevator type building in New York is $7,464 per year.

Mr. MILLER of Ohio. Yes, and it was indicated just a few minutes ago that this was the maximum to be paid, but that was for a two bedroom. The information we have is that for a three bedroom or four bedroom, the amount will go higher. I have some figures indicating that it would be $9,250 per year for a four bedroom, and if it went the allowed 10 percent beyond that, the amount the Federal Government could pay for rent for one family would be over $10,000 per year. Is that correct?

Mr. BOLAND. I would think that with that kind of fair market rent, and the accompanying subsidy that might be possible under a program such as the gentleman from Ohio described, the Department of Housing and Urban Development would be quite concerned over whether or not it would apply the section 8 program to a three- or four-bedroom unit in a particular part of the country.

Mr. MILLER of Ohio. I notice that the GAO report indicates that very thing. The committee is concerned about the amount. It seems as though we are flying blind in some cases. I intend to offer an amendment which would reduce the amount of fair market rent as published in the Federal Register by 25 percent.

Mr. J. WILLIAM STANTON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Chairman, I would like to say to the committee that the colloquy we have had in the last few minutes has been interesting. I must say that I am very surprised that my good friend will support—in good conscience, I am sure—an amendment to strike section 8, which I heard the gentleman from Colorado speak about earlier.

Mr. Chairman, I think we have to realize—and, fundamentally, I am sure my friend from California will agree with me—we are experimenting with a new program because of the many flaws in the old programs such as section 235, 236, and so forth. This is an expensive program. It has hardly gotten off of the ground at the present time.

I am hopeful that this program is going to be a much better program.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague's yielding. There is truth, as my other colleague from Ohio (Mr. J. William Stanton) said, that section 8 involved a consolidation of severe housing programs, so we have subsidy programs that were in deep financial trouble, and it is true that section 8 in the present housing law is clearly far superior to what we have had in the past. But what my colleague from Ohio (Mr. Miller) is trying to say is that, in some of the so-called high-cost areas, the reason he is thinking about offering an amendment to restrict the rent subsidy to 25 percent less than provided for in this bill. I think in some cases, there is a subsidy of an amount up to $10,000 in a three-bedroom apartment.

What I think my colleague is trying to do is reduce that kind of subsidy by an appropriate amendment. Is that correct?

Mr. MILLER of Ohio. I would like to respond to the gentleman, since I have the time. The amount, with the 10-percent increase, it could reach is above $10,000 per year for a one family for a four-bedroom apartment, and my amendment would reduce the amount 25 percent.

In its present form, I cannot vote for the bill. While it contains a number of worthy items, such as Veterans' Administration programs, housing for the handicapped, and water pollution abatement funds, the enormously disturbing section 8 overwhelms other considerations. Hopefully, the House will accept modifications like my amendment, so I will be able to support final passage.

Mr. TALCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland (Mr. Bauman).

Mr. BAUMAN. Mr. Chairman, I take this time only to elaborate on the statement made in the report, on page 33. This pertains to the National Science Foundation, to which the distinguished chairman of the Subcommittee on Appropriations has referred in debate. As most of the Members know, I have had some interest in this agency growing out of the national notoriety it has achieved because of the nature of many of the grants it has made. On page 33, we find the statement that—

> Investigation has shown that in most cases the responsibility for these grants rests with agencies other than NSF, and some charges of frivolity have stemmed from an inadequate understanding of the scope, purpose and intent of the research.

Mr. Chairman, I do not intend to belabor the point, but I do think the committee has an obligation to exercise close rein over NSF activities which have given a great deal of trouble to us as Members of Congress. We are appropriating about $900 million for NSF in this appropriation bill for the transition and the fiscal year coming, and we, as the taxpayer's representatives have a legitimate interest in raising the question of what this agency is doing.

Mr. Chairman, I would like to—as they say in the vernacular these days—"lay on you" a few of the grants made in recent months by the National Science Foundation. This information was gleaned from the daily NSF notices sent to our congressional offices: $9,600 in March of this year, for a biography of Isaac Newton, given to Indiana University.

Would you believe there are 145 biographies of Isaac Newton in the Library of Congress at this very moment.

Now, I am sure Isaac Newton was a very great man. I am sure he was greater than the gentleman from Maryland; perhaps he even approached the greatness of the distinguished chairman of the subcommittee (Mr. Boland) who has been so able in presenting this bill today.

But how many times does the apple have to fall?

NSF granted $36,500 for research at the University of Michigan on February 28 of this year for a study of the "Evolution of Song Learning of Parasitic Finches."

I have a lot of finches in my district. I am sure they would be interested in this type of spending. At a dollar a finch they could all benefit.

There was $40,700 granted to a grantee at the University of California at Santa Cruz in January of this year for a study of the "Interpersonal Attraction in the Laboratory and Other Educational Settings." I hope this research does not interfere with other research.

Perhaps the findings of this study of interpersonal attractions could be applied to some of us right here in the House of Representatives.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, would the gentleman give us the date that those grants were made?

Mr. BAUMAN. This one was made in January of 1975. Most of these were recent, made in the last few months, even as NSF officials were testifying before your subcommittee.

There was $5,500 granted in March of this year to the University of Michigan to allow research on the subject of the "Social Behavior of Prairie Dogs." I am sure this is a real problem in Ann Arbor.

That study may have some application to some of us in the House of Representatives, I do not know. This gets even better.

On the subject of "Spider Distribution Associated With Prey Density," $40,000 was granted to the University of Tennessee in March of 1975.

The next subject is the "Significance of Vocal Behavior in the Maternal Reproduction of Birds," and the grant was $43,200.

On the subject of "Web Building and Communication in Three Species of Spiders of Different Sociologies," $41,700 was granted to the University of North Carolina.

All of those are grants, Mr. Chairman, which were made just in the last few months. They amount to nearly a quarter of a million dollars total when we add them all up.

I suggest that they may have perfectly valid reasons for making these studies. I fail to see some of them, judging just from the titles. But I think this also proves that the Congress is not watching closely enough in this field.

I suggest there is a need for revision of the basic system by which these research grants are made. They are handed out in an unregulated and secretive manner known as the "peer review system." This system allows cronies to get together and finance their pet projects, where grant application writing has become an art and where many people are not devoting themselves to basic research needs but, rather, to feathering their own nests, just as the finches whose songbird qualities are being studied under one of these grants.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Florida, with whom I have always had very good interpersonal relationships.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding. I certainly share the gentleman's concern.

I want the gentleman to know that the chairman of this subcommittee and the ranking minority member of this subcommittee, as well as most of the members of this subcommittee, raised this very important issue during our hearings with the representatives of the National Science Foundation, and I must be very honest with the gentleman and say that we were assured that they would be very, very cautious in the future as to how these grants were made and what the purpose of the grants would be.

I appreciate the gentleman's calling this to our attention now, and I for one as a member of the subcommittee intend to pursue this matter further and determine how these grants were decided upon and exactly what the purposes of the grants are.

I agree with the gentleman from Maryland that some of these expenditures have really been weird. While some have had a real purpose, there have been very, very many that amount to nothing but a total waste of the taxpayers' money.

Mr. Chairman, I appreciate the gentleman's diligence in bringing this to our attention.

Mr. BAUMAN. Mr. Chairman, I would just add that if the gentleman from Florida would like to inspect the letters in my office I have received since I suggested the amendment to the NSF authorization bill last April he may do so. I have received many hundreds of letters, including many from scientists all over the United States. Many of these writers have received FSF grants and some have applied and been refused. For the most part, they are highly critical of the system under which NSF grants are made, and they do support my position.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. TRAXLER).

Mr. TRAXLER. Mr. Chairman, I thank the gentleman for yielding this time to me.

As a member of the subcommittee, I would like to extend my deep personal thanks to the distinguished chairman of the subcommittee, Mr. BOLAND, to the fine staff members, and to the ranking minority member of the subcommittee for the courtesies they have extended me as I begin the difficult task of understanding the comprehensive jurisdiction and subject matter of the subcommittee.

I would like to ask Mr. BOLAND a question, relating to the importance of the intergovernmental science program of the National Science Foundation.

As a Member who has some awareness of local and State government problems, I think it is terribly important that we coordinate Federal research and development programs as they relate to issues and problems coming before State and local governments.

I would appreciate it if the chairman of the subcommittee could tell us what is developed in the budget with respect to that particular item.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I yield to the chairman of the subcommittee.

Mr. BOLAND. Mr. Chairman, the request for the intergovernmental science program was for $1 million. The gentleman from Michigan (Mr. TRAXLER), let me say, has recognized the importance of the intergovernmental science program to the particular States and also, let me say, to local communities. He has benefited from his experience as a State legislator and is knowledgeable about the potential benefits from this program.

On the basis of his colloquy with the National Science Foundation, the budget amount of $1 million was increased to $2 million. Therefore, there is an increase of $1 million for that program in this bill. In my judgment it is attributable to the work of the gentleman from Michigan.

Mr. TRAXLER. Mr. Chairman, I think we should go on record indicating the need for the Federal Government to increase the applicability of its R. & D. programs to the practical problems of State and local government, as those problems manifest themselves in the diverse State and local political systems across the Nation. I think that all Federal agencies, including the National Science Foundation, should make significantly greater efforts to insure that its applied research reflects real problems and needs, and that better means are found to involve State and local decisionmakers in the shaping of Federal R. & D. agendas.

I am also concerned about the relative share of Federal expenditures which go to insure the fullest practicable utilization of Federal research efforts. Throughout the various agencies we will be spending nearly $21 billion for research and development next year, but I am not convinced that we are making enough efforts to see that the results of this research gets down to levels of Government and private enterprise where it can be practically used. The intergovernmental science program is designed to allow greater sharing of the research efforts of the Federal Government with State and local governments. The healthy increase to $2 million for the intergovernmental science support program in 1976 will double the level of the current program.

Mr. BOLAND. Mr. Chairman, I yield to the gentlewoman from California (Mrs. BURKE), who is a member of the subcommittee. Incidentally, Mr. Chairman, she is the first woman member we have had on that subcommittee, at least during my time in this House; and we are delighted to have her, not only because of her graciousness and her beauty, but also because of her ability and her knowledge.

Mr. Chairman, I yield such time as she may consume to the gentlewoman from California.

Mrs. BURKE of California. Mr. Chairman, first, I would like to commend the committee and particularly the chairman for the hard work that has gone into this appropriation bill. I recognize that it has been very difficult to reconcile all of the demands and needs of people in many different fields that we cover in this subcommittee.

I would like to address only the question of HUD and the issue of housing and how this appropriation bill has attempted to meet some of those needs.

We know we are in a period of trial here. We have new programs that have come forward to substitute for old programs that have been criticized by many people, and in many instances that criticism has been justified. We take an approach now of community development, and the question immediately comes up, What is community development supposed to do and what programs will be substituted and eliminated as a result of our community development approach?

Immediately we have to bring up the issue of 701 and comprehensive planning. I know that many Members have been contacted by Governors and by mayors and representatives of their local government, who say that they have a great need for comprehensive planning, and that they are unable to work within the budget figure that has been projected here, which reduces by one-half the 701 money.

Many of us have looked at 701, and we realize that comprehensive planning saves money in the long run. We have seen projects develop that had no actual assistance. They had no function. They were built where they should not have been built. The way to avoid this is by having proper planning.

Mr. Chairman, this budget figure is one-half last year's figure of $100 million. Therefore, the question arises, Should an amendment be introduced at this time?

I have taken the position that I will not introduce an amendment, for only one reason: we need to get some real figures on the impact of this reduction to $50 million on local government, and particularly the impact of the statement that appears in the report, which emphasizes that authority should be given to the States to receive priority in this funding.

I would hope that the Senate will restore this 701 planning money to the 1975 level and not place an undue hardship on taxpayers in localities who will have to come forward in many instances to make up this money because HUD has not interpreted 701 as part of community development. As a result, we are talking about a loss to all of those communities which receive 701 money, and this has to be addressed to and must be reconciled with where the money will come from to make up for the $50 million which is lost by this bill.

Mr. Chairman, we have heard a lot of discussion here about section 8. We have heard a parade of "horribles" about how much money is going to be spent on subsidizing housing units.

One of the things, unfortunately, that is not being emphasized in talking about these high amounts of $700 a month in new construction. New construction in New York, for example, is expensive.

What would be anticipated in most instances is that section 8 would be applied to existing units. We are talking about an amount that is much more than half of the amount that had been paraded before us as a horrible burden that is going to be placed on taxpayers.

The facts are that those people have to construct a high rise building in New York, and it costs them a lot of money. Are we saying to them that they are not going to be able to receive sufficient rent, or that the buildings will be available only to the wealthy, and should we say to the other people who are poor that they should live in dilapidated old buildings?

These are some of the things that have had to be faced. I for one am not a total supporter of section 8. I would have been happy to see the 235 and 236 programs used where they can serve the needs of the low- and moderate-income people. I think that part of the problem was the fraud that we saw throughout the agency in allocating the 235 and 236.

The authorizing committee has set up section 8. I regret that section 8 does not have a homeownership element in it. I think that the low- and moderate-income people should have a chance to own their own homes. We do not see this in section 8 as it is being developed. There are many other things many of us criticize about section 8. I would hope that it can be worked out so that we have a program available for the low- and moderate-income people to have home ownership, but the fact remains that the authorizing committee has not given us this program.

Another thing I regret that has not

been addressed in the committee is the problem some 236 nonprofit housing developments are facing, 236 under the program nonprofit sponsors built developments for low-income people, and they anticipated certain expenses. Today, with the energy crisis and the high cost of fuel oil, those expenses have increased above what they anticipated paying originally. If they were to increase the rent to cover these additional expenses many of the people who are occupying those dwellings would not be able to pay such increased rent. The owner sponsor must cover the increases in the cost of energy and other costs on those buildings.

I hoped we could have arrived at some method of providing subsidies for the 236 existing nonprofit developments so that we do not have to foreclose on them. The unfortunate thing is that we are foreclosing on too many of these projects, and this is not in our best interests to do so. We should encourage and allow those sponsors who developed them to carry them forward.

Mr. ALEXANDER. Mr. Chairman, will the gentlewoman yield?

Mrs. BURKE of California. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I thank the gentlewoman for yielding to me.

Mr. Chairman, concerning the gentlewoman's reference to section 701, I would ask if it is the gentlewoman's understanding that the Department's—HUD—interpretation on how to distribute section 701 funds has excluded many counties and local communities from having the capacity to plan and in effect disproportionately funded the States that are now receiving about 75 percent of these moneys, and the counties and local units about 25 percent?

Mrs. BURKE of California. Yes; the unfortunate thing at this point is that the present interpretation has precluded many who in the past were receiving 701 moneys from continuing to receive them, plus there is an interpretation that there has to be physical planning involved.

Mr. ALEXANDER. And those moneys are in addition to the revenue sharing that the States have received, and some of the other services.

Mrs. BURKE of California. First of all, that is the big question: Was 701 anticipated to be a continuing program even with community development and revenue sharing? There has been no clear statement. Apparently HUD believes, and many believe, that this program was anticipated to be phased out, but the real problem was, if it was supposed to be phased out, then those moneys should not have been added to revenue sharing, and there should have been moneys allocated to make up for any deficit of the local communities from 701.

Mr. ALEXANDER. I thank the gentlewoman from California for raising this very important issue.

Mrs. BURKE of California. Another issue is the housing assistance council, and I am pleased to see that the committee has continued the existence of this important project that has directed itself to the problem of rural housing. For a number of years they have proven their worth, they have been successful, and that probably should go into some other category rather than demonstrations. I would hope that HUD would find a place for them so that rural housing cannot be overlooked in our housing program.

Finally, we must address the problem of elderly in housing. The 202 program has been funded in this committee bill, and I believe it has a great hope for providing some of the needs for elderly citizens, since we will be finding more elderly citizens who need housing in the future. But the problem we see again is that 202 money has been allocated but not spent by HUD, and where it has been, where proposals have been approved, it has been interpreted as being only for interim financing.

Again we say if we have a commitment to provide for the housing needs of the elderly, let us let this program function as it was supposed to function for construction and permanent financing, and in conjunction with section 8 be used to provide for some of the housing needs for those elderly people who today have a greater need than probably anyone else in our environment and who cannot meet increasing rent costs.

Now we have an appropriation bill that has been directed to, and if it were applied, could meet some of the housing needs. But the question will always be what will HUD do? I earnestly hope that when we appropriate these moneys they do not sit on the shelf but rather they get out to the people, and the people who need them, and we see housing for those people who today cannot ever hope to look to conventional market financing, to look to the conventional market for rentals, and because of their very income, they are placed at our mercy. Once we establish a program, it should be administered in a way to carry out the goals originally encompassed in the legislation.

Mr. Chairman, I yield back the remainder of my time.

Mr. TALCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Chairman, I was very interested in the discussion of the section 8 program, especially the colloquy between the gentleman from Colorado and the gentleman from Massachusetts. If I may make some general comments, first, I think they need to be said to put what we had before and what we have now in perspective. Before we had the 236 rental program and public housing, conventional public housing. Under the section 8 program we attempted to bring all of these subsidized rental programs under one program, the section 8 program. I think since there was some discussion of Peoria, that Peoria is a good example to talk about.

First of all, let us remember that in Peoria there are 102,000 households, so when the discussion was going on about two-thirds being eligible for the section 8 program, they were only looking at figures in the GAO report relating to rental households. So if we look at those who would be eligible out of total households in Peoria, 14,000 would be eligible out of 102,000 total households, which means about 14 percent.

Then if we are going to compare the utilization of section 8 in Peoria with the former 236 program, we ought to look at the number of households under those programs, and we would find that there would be the 14,700 I mentioned that would qualify in Peoria for the section 8 program, whereas under the section 236 program, only 3,700 would qualify. Where are those other 11,000 families that do not qualify under section 236 that qualified under section 8? They are all low income. Why? Because the eligibility for section 8, the maximum income for eligibility under section 8, is 80 percent of the median income. The lower limit for qualification under section 8 is zero income, so all of the levels from zero income to 80 percent of the median income qualify under section 8. Under section 236 the maximum is approximately the same. It is 135 percent of the public housing limitation which in turn is 60 percent, 135 percent of 60 percent is a little above 80 percent, so the maximum is about the same.

But what is the lower limit for eligibility under 236? A family must be able to pay at least 30 percent of basic rent; otherwise, it has got to have a fairly substantial income to qualify for 236. So section 8 is picking up the very lowest income people, whereas section 236 eliminated them in the case of Peoria, 11,000 out of 14,000 families, because they had income above the 30 percent.

Any program that is picking up the very low income people is bound to be more costly than a program that picks up only the 30 percent to 80 percent of median. What happens to those other families in the 236 program? They go into conventional public housing.

Then what is the cost of that program? We have to combine 236, which is taking care of the very poor where they are contributing very little and the cost of that is significant, but if we are going to make a comparison between 236 and section 8 we have to look at the public housing to accommodate the 14,000 families in Peoria and not just the 3,800.

It might be well to look at how those who are involved in these programs look at them. There is no question but what the builders, the project developers, and others much prefer the 236 program to the section 8 program. Why? It is because basically the governmental involvement was greater and the assurance of protection was greater and there was tax shelter and other indirect costs not reflected, but in the section 8 program that brings the total subsidy right out in front.

We can look at the market rental and what the family is going to pay and that is the subsidy. There are no tax losses and other kinds of gimmicks that do not show up in the budget process. So I think it is obvious the section 8 will appear more expensive. But anyone who has read the General Accounting Office report should realize that the tax losses and all the other things taken together would show the section 8 program is less costly to the Federal Government and in providing of housing for families of zero to 80 percent of median income the section 8 program is a better program.

Mr. ARMSTRONG. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Colorado.

Mr. ARMSTRONG. Mr. Chairman, I wish to clarify the point the gentleman was making about the General Accounting Office. We see in the General Accounting Office report for Peoria those with income from $5,000 to $7,499 who would be eligible under the section 236 program would be 1,155, and under the section 8 program those who would be eligible would number 3,640. If the gentleman does not have the report, I have it here. I have the report on Peoria.

Mr. BROWN of Michigan. If the gentleman has it, I do not.

Mr. ARMSTRONG. It seems to me the gentleman may have left the impression this was skewed toward the low-income group, but the report does not show that. Under the section 8 program there would be 3,640 in the $5,000 to $7,499 level and under section 236 there would be 1,155; in the $7,500 to $9,999 level, under section 8 there would be 2,301 and under section 236 there would be 2,125; in the $10,000 to $14,999 under section 8 there would be 743 and under section 236 there would be zero. So if anything it seems to me this is skewing toward the high-income bracket. The per capita income average is less than $7,000 per year in this country.

Mr. BROWN of Michigan. I appreciate the gentleman's comments but I would suggest he look at the comparison of zero to $2,000 in income under section 8 and under section 236. Under section 8 it is 3,448 and under section 236 it is zero; and in the $2,000 to $2,999 level it is 1,735 under section 8 and 154 under section 236. In section 8 most of the low-income people occur and not under 236.

Mr. TALCOTT. I yield 4 minutes to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Chairman, let me say one of the fears I have with our Government is that we are fast becoming an overregulated society. I read a speech of the President of the United States this morning where he expressed the same concerns.

Not only am I concerned that we are becoming overregulated but I am also concerned that some of the agencies we have created from time to time exceed their authority and have actually violated the law. Yesterday when this bill was before the Rules Committee I raised a question with the chairman, the able gentleman from Massachusetts, concerning the Consumer Product Safety Commission.

I cited this as an example of an agency which is being at least tempted to exceed its authority. On page 20 of the report at the bottom of the page, the committee recognizes this:

> (4) The Committee has been informed that the proper authorizing committees of both the House and the Senate have adopted legislative provisions which would remove from the Consumer Product Safety Commission any authority to regulate the manufacture or sale of handgun ammunition. Passage of these proposals into law may be expected in the near future. The Committee wishes to express the opinion that this action is both appropriate and necessary. During the past year many of the available resources of the CPSC have been devoted to the proposed ban on the sale of handgun ammunition. This has caused the Commission to give less attention to other problems which are within its jurisdiction.

Now, I would like to humbly say to the committee and to the persons who were responsible for preparing this report that I do not believe any additional action is either appropriate or necessary.

To refresh our memories on the legislation creating the Consumer Product Safety Commission, I refer to title 15, section 2052, dealing with definitions:

> For purposes of this chapter the term consumer product means any article or component part thereof produced or distributed—

And then it goes into the items and then it says:

> but such term does not include—

Does not include—and then we come down to subtitle (E):

> (E) any article which, if sold by the manufacturer, producer, or importer, would be subject to the tax imposed by section 4181 of Title 26 (determined without regard to any exemptions from such tax provided by section 4182 or 4221, or any other provision of Title 26), or any component of any such article,

Then we turn to title 26, the title referred to in title 15, section 2052, and particularly to section 4181 "Imposition of Tax":

> § 4181. Imposition of tax
>
> There is hereby imposed upon the sale by the manufacturer, producer or importer of the following articles a tax equivalent to the specified percent of the price for which so sold:
>
> Articles taxable at 10 percent—
>
> Pistols.
>
> Revolvers.
>
> Articles taxable at 11 percent—
>
> Firearms (other than pistols and revolvers).
>
> Shells, and cartridges.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. TALCOTT. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. LATTA. Mr. Chairman, let me say to my colleagues that these two titles spell out the law in no uncertain terms. The Consumer Products Safety Commission should be able to read and understand these limiting provisions as to its authority.

Now, we specifically denied it the authority and jurisdiction in the area of guns and ammunition; but lo and behold, as the committee report reveals, it has been spending taxpayer dollars going into this area. The committee finds it necessary to point out that it lacks this authority again.

Now, I do not think we should be forced to take up the time of the Congress debating this matter when it is already spelled out in the law. We should however, prohibit the expenditure of one additional cent by this Consumer Product Safety Commission in these areas in derogation of the law.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

Would the gentleman interpret that an amendment would be necessary to this legislation to see that this is accomplished?

Mr. LATTA. I would not interpret it as such. The law is "as plain as the nose on your face," if I may use that expression and it should be followed by the Consumer Product Safety Commission and by the courts.

Mr. SYMMS. The point is that it is now taking place. I have an amendment which reads:

> *Provided*, That none of the funds provided by this program may be used for regulations to restrict sales of firearms, ammunition or components thereof.

This is the language of the legislation which has already passed the Interstate and Foreign Commerce Committee—the committee which has jurisdiction over this. I wondered, as the gentleman pointed out—I think our opinion of this is the same—but are we sure if this legislation passes in its present form that they will not go right on down their merry road and control our ammunition.

Mr. LATTA. I thought when we passed the law in the first place the Commission would abide by the law. I do not know whether it would be any more helpful if we passed the gentleman's amendment today.

Mr. Chairman, I take this time to engage in colloquy with the chairman of the committee for the purpose of asking him whether or not it is the intent of this committee, if this bill passes today without the amendment of the gentleman from Idaho, to deny funds to the Commission for expenditure in the area to which I have just referred and in violation of law—and I have particular reference to the title of the law which I have just read.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BOLAND. Mr. Chairman, I yield 3 additional minutes to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman.

Mr. BOLAND. Mr. Chairman, in response to the gentleman from Ohio, I would say that it is the intent of the committee that none of the moneys appropriated for the CPSC in this bill would be expended in violation of the law.

Mr. LATTA. And the law to which we refer is the section I just referred to?

Mr. BOLAND. That is true. I would think, also in response to our colleague from Idaho (Mr. SYMMS), that it would be better to await the action of the legislative committee specifically spelling out for the CPSC that it has no authority in this area in relation to ammunition, retailing it as a hazardous substance.

I direct the gentleman's attention to page 379 of the hearings wherein Mr. Talcott asked the question after the court had come to its decision that it was a hazardous substance, "Why didn't you appeal?"

Mr. Simpson, Chairman of the CPSC, said:

> The basis of appeal would have been on jurisdiction; and four out of five of us believed we had jurisdiction, so we had no basis for an appeal.

But while they believed this, they also believed that the Congress did not intend for them to have jurisdiction over handgun ammunition. It would seem to me that perhaps the answer to this is, and as the report indicates, for the proper authorizing committees to adopt legislative provisions which would remove from the Commissioners of the Product Safety Commission any authority to regulate manufacture or sale of handgun ammunition.

That would seem to me to be the best solution.

Mr. LATTA. Let me just say, in answer to the gentleman, that it would seem to me that we would be clouding the waters if we go ahead and pass additional legislation in this area, since it is agreed by the gentleman and by the Commission that it has no authority in this area. The Commission should not be in it, and was in it only because some judge out in Illinois thought they should have jurisdiction notwithstanding what the Congress had stated in creating the Commission.

I would like to respectfully suggest that that judge read the titles of the law I have cited.

Mr. SYMMS. Mr. Chairman, is the majority side willing to accept this amendment to the legislation just to be sure? I think we are all in substantial agreement, from the colloquy which has just occurred. I wonder, is the gentleman willing to accept the amendment, all points of order have been waived on the legislation.

I agree that authorizing legislation has not been effectuated on this proposition, but there is nothing we can do with respect to points of order. Would the gentleman just accept this amendment just to be sure so that those of us who are concerned can rest assured that they will not do it?

Mr. BOLAND. It is the position of the gentleman from Massachusetts, the chairman of the subcommittee, that he would prefer to have it done in the proper way. We do not want to transgress upon the jurisdiction of the legislative committee.

Mr. SYMMS. If the gentleman will yield further, what I think my concern is, is that we are witnessing law by dictacrats instead of law by legislation, and we pass laws over here and they go over to the executive and they start writing regulations, rules, court rulings, and it does not come out that it was clear that the House voted against the safety provision. It was the Bingham amendment, and I recall it was the gentleman from Missouri (Mr. Randall), who spoke against the Bingham amendment.

Mr. SYMMS. Mr. Randall said in debate:

> The issue at stake here, in the Consumer Product Safety Commission, is not gun control. If we are going to have gun control, let us bring it up separately and vote on it.

So the vote was clearly in favor of not including the Bingham amendment, which was the clear legislative intent to not include gun or ammunition control. So the legislative intent of the law is all in favor of no regulation, no control or restrictions on the sale of handguns, on the sale of handgun ammunition, and cartridges and so forth. So they are clearly out of bounds, in the recent court rulings.

So I think it would be wise for the House today to reaffirm that legislative intent and see that we do have the record.

Mr. LATTA. Mr. Chairman, let me say, in answer to the gentleman, that I would support his amendment, even though I do not think it would add anything to the existing denial of authority. It certainly would not detract from the present law. I think the law now on the books is eminently clear, and, as the gentleman from Massachusetts has indicated in our colloquy, it is his intent to see that none of these funds are used in derogation of the law as written. I would ask the gentleman from California if that is not his intention.

Mr. TALCOTT. If the gentleman will yield, I agree with the gentleman in the well and the gentleman from Massachusetts. I think they are both talking about the same thing. But this is not a law or regulation by a dictocrat; it is a law by a court of the United States. The gentleman in the well and the gentleman from Massachusetts and all citizens want to uphold the law. This is what we intend to do.

The appropriate way to get legislation is through an authorizing committee. We are not anxious to take over the responsibility of the authorizing committee. We have gone through this matter as comprehensively and in as much detail as possible. We are convinced that the Consumer Product Safety Commission does not want jurisdiction over this subject at all. We are convinced the committees in the House and Senate are acting, and they will act to deny the Consumer Product Safety Commission any jurisdiction, and this is the way it ought to be.

Mr. BOLAND. Mr. Chairman, if I may have the attention of the gentleman from California (Mr. Talcott), this side has only 3 minutes remaining. The gentleman from California (Mr. Sisk) has, I think, an important statement that concerns the subcommittee, and I yield 3 minutes to the gentleman. I am sure he needs more than that.

Mr. TALCOTT. Mr. Chairman, I yield such time as the gentlman from California (Mr. Sisk) needs up to 3 minutes more.

Mr. SISK. Mr. Chairman, I thank my colleague from Massachusetts (Mr. Boland) and my colleague from California (Mr. Talcott) for their kindness in yielding me this time.

I would like to discuss very briefly a little different slant on the matter that is under consideraion here, and it deals with noise pollution and the Noise Pollution Control Act.

Mr. Chairman, I want to thank very much my colleague, the distinguished chairman of the subcommittee, the gentleman from Massachusetts (Mr. Boland) for the conversations over the past several weeks that we have had on this subject. Unfortunately, the problem still hangs on, out in my district, and I, particularly at this time, want to express my appreciation to the gentleman from California (Mr. Talcott) and his staff people because they have already this morning received a memorandum from HUD in regard to the matter.

The subject—and this is dated June 24, 1975—is Castle Air Force Base, memorandum for Sol Mosher, Assistant Secretary for Legislative Affairs. Unfortunately, the material contained within it is material we have actually had available and have been wrestling with for the last 3 or 4 months. I simply would like to discuss that briefly.

The memorandum, after having outlined the situation and spelled out the so-called noise zone situation, says that—

> The Castle Air Force Base zone noise map created problems because of the tremendous effect upon Merced and Atwater and much of the land in between.

Since that is right in the heart of my district, I can certainly agree that it has created a very substantial problem over the period of the last year or more.

If I may, I will just comment briefly from this memorandum. It goes on to say as follows:

> Regional Administrator, utilizing a short-term environmental impact assessment recommended by the Assistant Secretary for Community Planning and Development, has approved subdivisions with a total of 485 units out of a possible 610 requested to allow for immediate relief in the area.

Now, when this came out some 3 months ago, we practically jumped up and down with joy, because after having fought this battle for about a year, we thought we had some solution.

Unfortunately—and this is more striking by what it does not say than what it does say—they set up some entirely new requirements. For example, they specified the use of a window glass that has never heretofore been used in connection with a dwelling. This is something that is tremendously expensive because of the fact that it is still new and somewhat untested.

They proposed to acquire an upside-down floor—that is the best description I can give for it—and instead of having a flooring on the joists on top, then they go underneath and nail a flooring on below.

They specified additional changes in connection with air conditioning. In fact, with the initial increase in costs on a

$25,000 home or a $30,000 home, just to start with, they add up to something like $5,000 to $7,000. That has been whittled down to somewhere in the neighborhood of $1,800 to $2,000 as an increase in cost.

Unfortunately, as I said, this memorandum does not go on to state the additional requirements.

Let me read a little further from the memorandum:

> In the meantime, an environmental impact statement is in the advanced stages of preparation.

This is what I am pleading for.

It says as of today—and it was dated today—it is "in the advanced stages of preparation and is expected to be fully completed by November 1, 1975."

Now, I want the Members to note this expression here. I would particularly appreciate their noting this.

He said further: "It is expected that much additional area will be found acceptable for development, although undoubtedly there will be areas" which will be impacted.

Now, this is the thing we have been pleading for for the last year, because we have literally been locked up out there with no FHA and no VA financing, merely because the Air Force, in-house, on its own initiative, projected a so-called noise map and outlined areas in which, on a computerized statement, they came up with the theory that the decibel noise level is in certain areas below 30 decibels and in certain areas above 30 decibels and in other areas above 40 decibels, and they declared those areas above 30 decibels, in other words, to be questionable.

HUD on its own initiative, without even conferring with EPA or conferring with the people who are handling the noise problem or who are in control of the Noise Pollution Control Act, without even consultation, immediately withdrew all financing insurance on FHA. VA, as has been the practice, simply followed them in that procedure.

So what we have is this situation in the Atwater-Merced area, which is affecting close to 100,000 people in the Atwater-Merced area, where they cannot get financing for what we would call moderate-priced homes in the $20,000 to $30,000 range.

There are a great many homes being built throughout the area, even in the highest decibel areas outlined on the map. These are homes costing $50,000, $100,000, and $200,000, and these can be built because they are built by people who have private financing. They have no problems, and they are going right ahead and building homes.

But we have the airmen and we have workers there who cannot today buy a home or purchase a home. Unfortunately, as I said, in spite of the fact that this is a reiteration of a statement made to us some 3 months ago, it gives us no solution.

So, Mr. Chairman, I have filed an amendment at the desk which I have proposed to offer and which in essence says as follows:

> No part of the funds appropriated under this Act may be used for noise control research and development, noise abatement or control, or enforcement with respect to noise abatement or control until the Environmental Protection Agency issues national regulatory standards for noise control under the requirements of the Noise Control Act of 1972.

And, Mr. Chairman, I cite the statute.

I would hope that it would not be necessary. I understand the concern, and I want to compliment the committee on the great job that they have done, but we are in a desperate situation. We have a situation where, because of the muddled up condition, because of the many agencies involved in noise pollution and noise control, and because of the many areas of jurisdiction, even within the Congress, I am seeking answers.

Mr. Chairman, at this time I would like to yield to my good friend, the gentleman from Massachusetts (Mr. BOLAND), for any comments that he might make as to what he feels would be a reasonable remedy for this situation.

Mr. **BOLAND**. Mr. Chairman, I thank the gentleman for yielding.

We are concerned with the problem that arises, not alone in the gentleman's district in California, but also in other areas of the United States, including incidentally, my own, where the Department of Housing and Urban Development has established particular standards with respect to noise levels, saying that they cannot exceed a certain amount.

As the gentleman has indicated, his amendment would limit the expenditure of the funds. He says that no part of the funds appropriated under this Act may be used for noise control until the Environmental Protection Agency issues national regulatory standards for noise control under the requirements of the Noise Control Act of 1972. The EPA does not have regulatory authority with respect to this problem. It does have the authority to recommend particular standards that might be followed by the agencies involved.

HUD has taken it upon itself to establish its own standards, and consequently, it clashes with the problem that the gentleman from California experiences.

I have looked at the memorandum that the gentleman from California (Mr. SISK) read from a moment ago, and it talks about the impact upon Merced and Atwater, the communities of Merced and Atwater.

The gentleman read it, but I will repeat it:

> In the meantime, an Environmental Impact Statement is in the advanced stages of preparation and is expected to be fully completed by November 1, 1975. It is expected that much additional area will be found acceptable for development . . .

That does not help the gentleman in the well very much, does it?

Mr. **SISK**. No, sir.

Mr. **BOLAND**. There has been a determination that some 485 units out of a possible 610 are concerned in the subdivisions that the gentleman spoke about.

The memorandum goes on to say:

> The short term relief already afforded the Merced-Atwater area and the expected favorable results from the Environmental Impact Statement which will facilitate further construction in the area after November 1, 1975, should alleviate whatever concerns remain.

Does this memorandum alleviate some of the concerns that the gentleman has expressed?

Mr. **SISK**. Unfortunately, it does not.

Unfortunately, as my friend, the gentleman from California, indicated he was unaware of the problem. I will have to take some of the blame for that because I should have informed him earlier, and I appreciate what he has done. However, this is nothing new at all. This is information that we thought was going to solve, some 3 months ago, the question of additional restrictions that were set up.

We have not been able to get a solution because, as I outlined, they put in a requirement, for example, of brandnew glass being used in dwelling houses and elsewhere in homes, which runs up the cost tremendously. They require a double floor, another floor underneath the sleeper joists. They require changes in connection with plumbing and air conditioning, and it is running the cost up.

When each of these is necessary, fine; but all I say is that HUD, in their own statement, admits that they are now in the process of trying to determine the facts. We maintain that the computerized map that was put together because of additional information that we have gotten about this problem is totally faulty.

They agreed in their office memos that they do run into faulty information.

Mr. **BOLAND**. If the gentleman will yield still further, I want to compliment the gentleman from California on his position, and also the intense interest that the gentleman has in this matter. I compare it with——

The **CHAIRMAN**. The time of the gentleman has expired.

Mr. **TALCOTT**. Mr. Chairman, I yield 2 additional minutes to the gentleman from California.

Mr. **BOLAND**. I compare the problem the gentleman from California refers to with a problem that occurred in my area on this very same point.

An air map was submitted by the Air Force to the Department of HUD of their flying field there and, of course, this is not a problem any more because they are phasing it out; what we have now are a couple of Air Force Reserve units in the area, but nevertheless at the time the air map was submitted to HUD they insisted that a nonprofit housing corporation build its units in compliance with the noise standards that HUD developed. And, just as the gentleman from California found out, we found out that in this project they were compelled to use all double pane windows which were much more costly, and they compelled the use in their construction of berms to stop the infiltration of noise from a highway that passes by this 236 project.

So, Mr. Chairman, I sympathize with the problem the gentleman from California has. As I say, we do not have the problem any more because we do not have the flights in that area any more. But that did not stop HUD from coming in and compelling compliance with the noise standards which they established, and which escalated tremendously the cost of the 236 project.

So again I say I sympathize with the problem of the gentleman from California.

As a result of the memorandum that was handed to us today, that the gentleman has, as does my colleague, the gentleman from California (Mr. TALCOTT), let me say that I would be constrained to accept the amendment proposed to be offered by the gentleman from California when it is offered.

Mr. SISK. Mr. Chairman, I thank the gentleman very much for his reply.

Mr. TALCOTT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I would like to say that I also sympathize with my colleague, the gentleman from California (Mr. SISK). Unfortunately, what we have done in the Congress is that we have imposed on the Environmental Protection Agency large jurisdictions and large responsibilities over air and water quality, water supplies, solid wastes, radiation, toxic substances, as well as noise. This I am sure the gentleman will appreciate when they get into the area of pesticides, the gentleman will be even more troubled than he has been over noise.

But I agree with the gentleman from California. I am sorry that I did not know more about it. The idea of the Environmental Protection Agency or any other agency of the Government zeroing in on one narrow area without a national program, without national rules and regulations, I think is unwise. So I think the position taken by the gentleman from California is well taken, and I will be glad to support the gentleman's amendment when it is offered.

Mr. Chairman, we have no further requests for time.

Mr. FRENZEL. Mr. Chairman, H.R. 8070, the HUD, independent agencies, and VA appropriation, is a pretty scary looking animal since it seems to be a mere $25 billion over last fiscal year.

Actually, that large increase occurs by reason of an accounting change which recognizes the reality of contract authorities extending 40 years into the future. The real increase over last year appears to be just over $1 billion, less than 4 percent. In further comparison, H.R. 8070, is some $46 million under the budget request.

Large increases, either in dollars or percentages, are given to the Consumer Product Safety Commission, the Environmental Protection Agency, the National Aeronautics and Space Administration, and the Veterans' Administration. There are reductions in the Federal Home Loan Bank Board, the National Commission on Water Quality, the National Science Foundation, and the Selective Service System.

Therefore, what seems at first glance to be an outrageously extravagant bill, turns out to be, after close inspection, a responsible one. I vote for very few appropriation bills because I do not see enough responsibility. I shall vote for this one with a small prayer of thanks to the committee.

Mr. LEVITAS. Mr. Chairman, it is my intention to vote for final passage of this bill, H.R. 8070, although I do so with certain reluctance. I do this because there are certain appropriations in this bill which are important such as appropriations to the Veterans' Administration and in housing programs for the elderly and handicapped. However, the bill also contains funds for the section 8 program which is one of the most ill-conceived and costly housing programs yet devised. The section 8 program provides for subsidized rental and as the committee itself said:

> During the past year the Government Accounting Office prepared a report comparing the cost of the Section 236 and Section 8 programs. It concluded that the total costs were similar for both programs. But the report also made two important points. First, the GAO noted that Section 8 costs were *extremely* sensitive to fair market rents; and second, that up to two-thirds of all renters living in selected cities *could* be eligible for a Section 8 subsidy. The combination of these factors could cause a substantial increase in the cost of subsidized housing. With the *maximum* annual subsidy under Section 8 ranging from $1,632 for a two bedroom *existing* unit in Jacksonville, to $7,464 for a two bedroom *new* unit in New York, the Committee is concerned over the potential long range cost of this program. The Committee fully supports an active, well-managed assisted housing program, but the question remains—at what price per unit?

Therefore, I voted for amendments which would have either eliminated or reduced the cost of this program.

Nevertheless, in order that the good features of this legislation will not be lost, I will vote for final passage and hope that in the future, a better housing program can be evolved that is more concerned with the expenditure of taxpayers' dollars than the section 8 program.

Mr. TEAGUE. Mr. Chairman, I want to take this opportunity to express my special appreciation to the distinguished chairman of the HUD-Independent Agencies Appropriations Subcommittee, Mr. BOLAND, and the ranking Republican members, Mr. TALCOTT, and the other members of the subcommittee for their continued support of appropriations in connection with our veterans' programs. I also want to express my appreciation to the hard-working staff of this committee which is headed by Homer Skarin.

The subcommittee under Mr. BOLAND's leadership has been most responsive to the needs of our Nation's 29 million veterans and their families. I want to commend the good work of Mr. BOLAND's committee to the attention of all the Members of Congress and the veterans who benefit from their outstanding efforts.

Mrs. LLOYD of Tennessee. Mr. Chairman, it is my intention to vote for final passage of this bill, H.R. 8070, although I do so with certain reluctance. I do this, because there are certain appropriations in this bill which are important such as appropriations to the Veterans' Administration and in housing programs for the elderly and handicapped. However, the bill also contains funds for the section 8 program which is one of the most ill-conceived and costly housing programs yet devised. The section 8 program provides for subsidized rental and as the committee itself said:

> During the past year the Government Accounting Office prepared a report comparing the cost of Section 236 and Section 8 programs. It concluded that the total costs were similar for both programs. But the report also made two important points. First, the GAO noted that Section 8 costs were extremely sensitive to fair market rents; and second, that up to two-thirds of all renters living in selected cities could be eligible for a Section 8 subsidy. The combination of these factors could cause a substantial increase in the cost of subsidized housing. With the maximum annual subsidy under Section 8 ranging from $1,632 for a two bedroom existing unit in Jacksonville, to $7,464 for a two bedroom new unit in New York, the Committee is concerned over the potential long range cost of this program. The Committee fully supports an active, well-managed assisted housing program, but the question remains—at what price per unit?

Therefore, I voted for amendments which would have either eliminated or reduced the cost of this program.

Nevertheless, in order that the good features of this legislation will not be lost, I will vote for final passage and hope that in the future, a better housing program can be evolved that is more concerned with the expenditure of taxpayers' dollars than the section 8 program.

Mr. BEDELL. Mr. Chairman, as we contemplate a budget deficit of $70 billion or more this year, the urgency of cutting the fat from Federal bureaucracies is obvious to all. Indeed, in a great many areas, worthwhile programs are being cut back because we simply cannot afford them this year, and other programs are being delayed because of the lack of funds. Unfortunately this exercise in fiscal restraint has not been far-reaching enough.

I cannot imagine how any reasonable person could support full funding of the Selective Service System. Here is an agency which has not had the legal authority to do anything in the past 2 years since the draft expired. Yet more than $40 million has been earmarked for the agency in the HUD-independent agencies appropriation bill before us today.

More than two-thirds of the Selective Service System's funds are wasted on the operation of 700 State and local offices, totalling an expenditure of $22.3 million for fiscal year 1976. I support the amendment by the gentleman from Massachusetts (Mr. DRINAN) to delete these funds in the name of saving the taxpayers' money.

Recent news reports indicate that young men and women are unable to enter certain programs in the armed services because of the success of the volunteer army. I applaud the Defense Department on the success of this program, and I ask, "Why now do we need the Selective Service?"

Only by dropping those programs which have outlived their usefulness can we keep a check on the growth of the burgeoning Federal bureaucracy. Otherwise, we take the chance of becoming immersed in agencies which generate a life of their own regardless of national need or congressional mandate.

Mr. ASHLEY. Mr. Chairman, I support

H.R. 8070 but with two serious reservations:

H.R. 8070 as reported by the Committee on Appropriations would reduce the amount available for comprehensive planning grants authorized by section 701 of the Housing Act of 1954 from the current annual level of $100 million a year to $50 million for the coming fiscal year. In justifying this cut, the committee report suggested that larger cities, those with populations over 50,000, should utilize to the maximum extent possible existing community development funds for their planning requirements.

This action by the committe is ill advised and inappropriate and I strongly urge that, in its final form, funding for the 701 program be restored to the current level of operation. The Housing and Community Development Act of 1974 is clear on the distinction between community development planning and comprehensive planning. Block grant funds for community development under title I of that act are in fact limited to the formulation of community development plans—a functional activity. Community development block grant recipients cannot use their funds to do comprehensive planning previously carried out with 701 assistance. The 701 comprehensive planning and management program has, since its enactment in 1954, served as a continuing source of Federal assistance for comprehensive planning by States, counties, cities, and regional organizations. It is the only Federal program which allows recipients to plan in a comprehensive manner.

During the past decade the responsibilities of State, local, and regional government units have increased dramatically. There is no question that these responsibilities will continue to expand in the years ahead. As this occurs, the necessity for better quality and more widespread planning becomes ever more indispensable.

Comprehensive planning assistance of 701 has had broad and successful application across this country, and I do not believe its track records of accomplishment warrants the proposed gutting. Seven hundred and one has become a glue to coordinate all functional or more specialized planning and program development. It has provided a coordinated management frame work, it helps produce policy and decisionmaking documents and tools, and it has served as a measure for community values.

I am also concerned, Mr. Chairman, over the reduction in funding for the Office of HUD's general counsel.

The committee report indicates that the reason for this cut is twofold: Because the counsel has engaged too heavily in policy decisions and because HUD lawyers, especially in the Office of New Communities, have created serious bottlenecks.

These findings may be valid. The authorizing committee, on which I serve, intends to conduct intensive oversight hearings on the administration of the new communities program. Even if valid, however, I question the wisdom of the remedy, particularly in light of the serious plight of new communities under the title VII program. This is hardly the time to impair the ONC staff, and especially the half a dozen or so attorneys who are essential in the difficult and complex situation which confronts the program at this time.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

The additional amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), entered into after June 30, 1975, shall not exceed $662,300,000, which amount shall be in addition to balances of authorization heretofore made available for such contracts: *Provided*, That in fiscal year 1976 and the period ending September 30, 1976, no contract for annual contributions utilizing the foregoing funds made available by this Act may be used pursuant to section 8 of the above Act for any contract approved on the basis of fair market rents which exceed by more than 10 per centum those published in the Federal Register through April 7, 1975.

AMENDMENT OFFERED BY MR. ARMSTRONG

Mr. ARMSTRONG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARMSTRONG: Page 2, strike out lines 8 through 21.

Mr. ARMSTRONG. Mr. Chairman, this amendment will strike from H.R. 8070 all funding for the section 8 housing subsidy.

As presently structured and funded by this bill, the section 8 program will permit up to two-thirds of all renters in selected cities to obtain housing subsidies, according to the GAO report.

Many Members of Congress believe it is our duty to care for those persons who are unable to adequately house themselves. But is it not absurd to contend that.

I am convinced that the overwhelming majority of Americans, including the the overwhelming majority of renters, can care for themselves and can provide adequate housing. I do not know whether we ought to be providing housing assistance for 5 percent, 10 percent, or 15 percent; but to suggest that that number is more than 60 percent seems foolish to me.

Second, I am concerned, after listening to the general debate, that the annual subsidy could rise as high as $8,200 per year. Since the per capita income in this country is something under $7,000 a year, we are literally talking about taxing people who make less money to give housing subsidies to people who are not working and who in many cases are drawing additional subsidies through AFDC, food stamps, and so on.

I am very much concerned also about the overall cost implications of this program. I direct the Members' attention to the committee report which shows that if this bill is enacted, the total eventual run-out costs of this program, not yet a year old, will be in excess of $33 billion. I will suggest to the Members that at a time when the whole financial structure of the Federal Government, and for that matter of the country, is about to be toppled by the spending excesses of this Congress, it hardly seems prudent for us to go any further down this kind of a fiscally irresponsible road. The total estimated cost of this program over its entire life, based on the assumption that the costs per year could be as much as $15 billion, is estimated at $600 billion over the 35- or 40-year life of the program. Six hundred billion dollars is an amount which exceeds the total existing Federal debt.

In response to these concerns which have been expressed earlier, we have been told, first, that it really is not intended that we house these people in new housing, that we are going to put the vast majority of them in existing housing, and that will be much cheaper. My reaction is fine, then let us strike out the provision that permits these $8,200-a-year subsidies, and limit the program to existing housing.

We are told that this section 8 program replaces earlier programs that were even worse. I cannot vouch for that, but if they were worse than this, they must have really been lulus. My definition of what is a good program is one which limits the participation in the benefits to those who truly need them, which section 8 clearly does not.

According to the GAO report the effect of section 8 is to triple the number of people eligible and to make eligible for the first time not only low-income people but some people in the over $7,500 per year and over the $10,000 per year income bracket.

In the Peoria study we are told we have got to have some kind of program, and that if my amendment is adopted, we will have nothing. Mr. Chairman, I do not think that is true. If by some fortunate circumstances the House should adopt my amendment today, the committee could go back to work and hold the hearings necessary, and develop an amendment within a matter of days—or within a matter of hours—and we would have it back, and there would not be anybody suffering as a result of adopting an amendment like this.

The real issue is whether we are going to let this program run out of control. I need to make one additional point which I neglected to make during general debate. My amendment is not intended in any way to criticize the committee which brings this appropriation before the body. They have done the responsible thing, because, as it was pointed out, the Congress itself recently authorized this program, and all the subcommittee is doing is providing the funding which has been mandated by the Congress.

In short, Congress caused the problem; the whole Congress should correct it by adopting my amendment.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this amendment.

I would like to ask if the gentleman could again, please, comment about the GAO report which stated that two-thirds of the renters were eligible for what? I do not know whether I quite understood that point.

Mr. ARMSTRONG. I will be happy to explain to the gentleman. The GAO audited this program by conducting a study in a number of cities. The one we discussed extensively in general debate was Peoria, Ill. GAO found that of all the persons and families who were renters in the city of Peoria, two-thirds of them would be eligible for subsidy under section 8. This proportion does not even take into account the fact that with such lavish subsidies being available, it might well follow that people who owned homes would sell or give them away in order to participate in a subsidy program of this kind.

Mr. SYMMS. I thank the gentleman.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment.

As the gentleman from Colorado has so forthrightly asserted, this amendment wipes out the $662.3 million for the annual contributions for assisted housing carried in title I of this bill so we would have no subsidized housing program.

The gentleman from Colorado says the committee ought to go back to the drawing boards and come up with a program that would be acceptable to the House and to the Congress. I would remind the members of the Commmittee that the section 8 program is the administration's program. It was adopted in the Congress in the Housing and Community Development Act of 1974. At that time this subcommittee in its hearings with the Secretary, Mr. Lynn, indicated that it was the subcommittee's feeling that this section 8 program was going to be more expensive than the ongoing 236 program, and the Secretary agreed that it might be a little bit more expensive. There is no getting away from it, but, as I said many times and I repeat it, this is the only game in town. This is the only subsidized housing program with which we are moving ahead in this fiscal year.

The $662.3 million, plus the carryover from 1975 should provide 400,000 units under the section 8 program next year. It will provide 300,000 units of new or rehabilitated construction and 100,000 units in existing housing.

All of us know that the construction industry and housing is in a bad state. Compared to the big year of 1972, when there were about 2.3 million starts, the first quarter figure for this year for housing construction starts is running at less than 1 million units.

We do need subsidized housing in order to take care of the national policy goal that the Government long ago delineated. That policy was a safe, sanitary and decent home for all Americans. The question is whether or not the Congress wants to fulfill that responsibility. In my judgment, by accepting the amendment offered by the gentleman from Colorado, we will be killing the section 8 program. There is no question about it.

Much has been said about Peoria, and the General Accounting Office does indicate that two-thirds of the people in Peoria could be eligible for assistance under the section 8 program, but that cannot happen under any circumstance because I am sure the Department of Housing and Urban Development would not make that many units available for Peoria or for that matter in any other section of the United States.

I think this committee ought to reject the amendment offered by the gentleman from Colorado.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ARMSTRONG. Mr. Chairman, I demand a recorded vote, and pending that I make a point of order a quorum is not present.

The CHAIRMAN. The Chair will count. Sixty-two Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred and five Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the request of the gentleman from Colorado (Mr. ARMSTRONG) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 74, noes 326, not voting 33, as follows:

[Roll No. 341]

AYES—74

Archer
Armstrong
Ashbrook
Bauman
Bennett
Broyhill
Burgener
Burleson, Tex.
Clancy
Clawson, Del
Cochran
Collins, Tex.
Conlan
Crane
Derwinski
Dickinson
English
Eshleman
Evans, Ind.
Fascell
Fountain
Gibbons
Ginn
Haley
Hammerschmidt
Hansen
Harsha
Hastings
Hightower
Holt
Hutchinson
Ichord
Jarman
Johnson, Colo.
Kelly
Ketchum
Krueger
Landrum
Lehman
Levitas
Lloyd, Tenn.
Long, Md.
Lott
Lujan
McDonald
Martin
Mathis
Michel
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Mottl
Regula
Roberts
Robinson
Rousselot
Runnels
Schneebeli
Sebelius
Shuster
Skubitz
Smith, Nebr.
Snyder
Steelman
Steiger, Ariz.
Symms
Taylor, Mo.
Teague
Thone
Treen
Waggonner
Winn

NOES—326

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
Esch
Evans, Colo.
Evins, Tenn.
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gilman
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hanley
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kemp
Keys
Kindness
Koch
Krebs
Lagomarsino
Latta
Leggett
Lent
Litton
Lloyd, Calif.
Long, La.
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson
Thornton
Traxler
Tsongas
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Wirth
Wolff
Wright
Wydler
Wylie

Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—33

Abdnor
AuCoin
Bergland
Bolling
Burton, John
Collins, Ill.
Daniels, N.J.
Devine
Diggs
Downey
Downing
Duncan, Tenn.
Erlenborn
Flowers
Forsythe
Fulton
Goldwater
Hannaford
Hébert
Holland
LaFalce
McHugh
Maguire
Mosher
Nedzi
O'Brien
Poage
Satterfield
Steiger, Wis.
Ullman
Vander Jagt
Wiggins
Wilson, C. H.

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. MILLER of Ohio: Page 2, beginning on line 20, strike out "which exceed by more than 10 per centum those published in the Federal Register" and insert "exceeding 75 per centum of those published in the Federal Register".

Mr. MILLER of Ohio. Mr. Chairman and Members of the House, I do not believe that it will take 5 minutes to explain the amendment, because the Members just had an opportunity to vote on an amendment that would strike Section 8 completely.

The amendment that I have offered will reduce the amount of subsidy paid by the Federal Government for section 8 by 25 percent. There is a list published in the Federal Register presenting the maximum subsidy or the so-called fair market rent. Examples are found on page 5 of the report. They indicate exactly how much can be paid as a subsidy in various cities of the United States.

To give a specific, in New York City, under new housing, the monthly maximum amount for a two-bedroom home is $622. This is an annual amount of $7,464.

However, that does not tell the whole story. That is for a two-bedroom home. If it is a four-bedroom home, the subsidy can be $9,250 per year.

It is possible to have a 10-percent addition to that amount, which takes us above $10,000 per year per family for a four-bedroom home.

My amendment would reduce the total amount 25 percent.

Let us look at page 5 of the report again: In Washington, D.C., it is possible for the Federal Government to pay $374 per month, or $4,488 per year for a two-bedroom home.

Of course, as the Members know, when we say the Federal Government we are talking about the taxpayers who are footing the bill.

I believe that we can reduce—and the Members undoubtedly will hear in a few minutes why we should not reduce—but I believe we can have builders build homes that are not so expensive and I believe there are landlords renting decent units not charging the exaggerated fair market rents.

As a matter of fact, when we speak of the $374 rent subsidy in Washington—I would remind the Members that the Federal Government can pay every penny of that if the family does not have any income. Again it is for two bedrooms and it will go up for three- and four-bedroom homes. How can we justify taxpayers earning $7,000 or less helping subsidize another family that is not working, yet receiving as much as $10,000 in rent subsidy?

We know there are some who need a rent subsidy, but let us be reasonable.

I would ask that the amendment be approved.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment, as my friend, the gentleman from Ohio has explained, puts a cap of 75 percent on the fair market rent. It will not reduce the subsidy cost by 25 percent. It will reduce the fair market rents by 25 percent. Let me also say that the recipient does not receive the fair market rent. The average subsidy is less than the full amount of the market rent.

Mr. Chairman, this particular amendment would be particularly harmful to large cities where the fair market rents are high. If this amendment were adopted it would foreclose the building of any section 8 units in the city of New York, and perhaps in the cities of Chicago, Los Angeles and other high-cost areas. I do not think that any of the members of this committee would want that to occur. There is no doubt about the fact that the section 8 program is expensive. Any subsidized program is expensive, and all previous subsidized programs have been expensive. The 236 and the 235 programs were expensive. The rent supplement program is expensive.

This program was passed by the Congress last year under the Housing and Community Development Act of 1974. It was the will of the Congress at that time that section 8 would replace all of the other assisted housing programs. So really this is the only subsidized program that is now operating.

Again, if the amendment were to be adopted, it would preclude the building of section 8 units throughout the United States in areas of high-cost rents, and in many areas of moderate-cost rents.

The amendment ought to be rejected.

Mr. TALCOTT. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendment.

Mr. Chairman, I oppose this amendment for the same reason that I opposed the Armstrong amendment. It will completely kill the only subsidized housing program that we have. There is no contractor who is going to build for 75 percent of the fair market value. They are not going to build for 50 or 80 percent. They have to have the fair market rental value. That is the reason that this provision was in the bill, so that we can get builders and contractors who will build for the low-income people, the handicapped people, and the elderly people. That is the provision. It not only will be deleterious to the people in the big cities like Chicago, New York, and Los Angeles, but to every city in America. They are not going to build if we pass this amendment.

This is just as bad for the small cities as it is for the big cities, so I urge the Members to vote no on this.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

Is the gentleman saying that there will be no rental buildings built unless we have Government subsidies?

Mr. TALCOTT. There will be no contractors or builders, in my judgment, who will build for the section 8 program if we reduce the fair rental value by 25 percent. The only way they can possibly build is to get a fair market rental value.

Mr. SYMMS. If the gentleman will yield further, when the gentleman says reduce the fair rental value, does he mean reduce the fair rental value or the fair rental subsidy?

Mr. TALCOTT. The subsidy is based on the fair rental value, and what the amendment gets to is the fair rental value which determines the amount of the subsidy. But in order for any contractor to build, he has to have the fair market value.

Mr. SYMMS. I thank the gentleman.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Ohio. While I prefer the rent subsidy program to the present programs for the reason that it provides freedom of choice to the person receiving the subsidy, I think the plan in this bill is not carefully enough structured to avoid the pitfalls of excessive costs and subsidies to those not needing the same. As an example, in my judgment, the bill contains no adequate definition of what type of housing will be used in determining fair market value. The provisions for new housing do not really define what the characteristics of this housing will be in terms of construction.

The working people who pay the taxes to support these programs are growing more and more disenchanted with this type of program. Certainly in our effort to amend it today, we do not want to kill the program, but rather to structure it so it will do the job of providing adequate housing with freedom of choice for the person receiving the rent subsidy and yet not abuse the person who works, pays his own bills, and must pay the taxes for support of these programs.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. MILLER).

The question was taken; and the Chair announced that the noes appeared to have it.

RECORDED VOTE

Mr. MILLER of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 137, noes 277, not voting 19, as follows:

[Roll No. 342]

AYES—137

Abdnor
Alexander
Andrews, N.C.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bennett
Bevill
Bowen
Breaux
Brinkley
Broomfield
Brown, Ohio
Broyhill
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Cederberg
Chappell
Clancy
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
Duncan, Tenn.
English
Evans, Ind.
Fascell
Fithian
Flowers
Flynt
Fountain
Frey
Gibbons
Ginn
Goldwater
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Harsha
Hastings
Hayes, Ind.
Hefner
Henderson
Hightower
Hinshaw
Holt
Howe
Hubbard
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Latta
Lehman
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
McClory
McDonald
McEwen
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Mottl
Myers, Ind.
Neal
Nichols
Poage
Preyer
Regula
Roberts
Robinson
Rogers
Roncalio
Roush
Rousselot
Runnels
Santini
Satterfield
Schneebeli
Sebelius
Sharp
Shipley
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Steelman
Steiger, Ariz.
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Vander Jagt
Waggonner
Whitten
Wiggins
Wilson, Bob
Winn
Wylie
Young, Alaska
Young, Fla.

NOES—277

Abzug
Adams
Addabbo
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brooks
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Carter
Casey
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fenwick
Findley
Fish
Fisher
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Fuqua
Gaydos
Giaimo
Gilman
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Holtzman
Horton
Howard
Hughes
Hungate
Hyde
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Leggett
Lent
Litton
Long, La.
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Rooney
Rose
Rosenthal
Rostenkowski
Roybal
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Seiberling
Shriver
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Talcott
Thompson
Thornton
Traxler
Tsongas
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—19

Blouin
Brodhead
Collins, Ill.
Diggs
Downing
Erlenborn
Forsythe
Fulton
Hébert
Holland
Landrum
McHugh
Mosher
Nedzi
O'Brien
Stephens
Stuckey
Ullman
Young, Tex.

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Nedzi against.

Mr. Landrum for, with Mr. Diggs against.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For grants to States and units of general local government, to be used only for expenses necessary for carrying out a community development grant program authorized by Section 106(d) (2) of Title I of the Housing and Community Development Act of 1974, $40,000,000, to remain available until September 30, 1978.

AMENDMENT OFFERED BY MR. ALEXANDER

Mr. ALEXANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Alexander: Page 6, strike out lines 10 through 13 and insert in lieu thereof the following: "a community development grant program authorized by Sections 106(d) (2) and 106(f) (1) (B) of Title I of the Housing and Community Development Act of 1974, $40,000,000, to be allocated between metropolitan and nonmetropolitan areas in accordance with the provisions of Section 106(a) and 106(f), to remain available until September 30, 1978."

Mr. ALEXANDER. Mr. Chairman, the amendment which I offer, which has just been read, attempts to conform title I, the section dealing with community development grants, to the provisions of 93–383, the Housing and Community Development Act of 1974, which clearly states that all moneys appropriated under the authority of the community development block grant program, except for section 103, shall be divided 80 percent for the metropolitan areas and 29 percent for the nonmetropolitan areas.

Mr. Chairman, I appreciate the fact that the chairman of the subcommittee, the gentleman from Massachusetts (Mr. Boland) is trying to assist the big cities from the embarrassment that they now suffer for having dominated the community development block grant programs, leaving only pittances for the smaller sister cities that are within the standard metropolitan statistical areas. This bill is written as an attempt to add money for the metropolitan areas that gobble up the grants and Federal assistance programs to the prejudice of the nonmetropolitan areas. What is actually needed is a change in the law that would redefine the SMSA's to prevent the urban bias that we have seen demonstrated by those central cities to their sister cities as condoned by HUD.

The concept of community development expressed in the Housing and Community Development Act of 1974 specifically divides community development funds 80 percent for metropolitan and 20 percent for nonmetropolitan.

There is no provision in the law for the double dip that is attempted under this appropriation bill by the metropolitan areas. We all know that in the nonmetropolitan areas we have more poor people per capita, we have more substandard housing per capita, and we have fewer doctors and more substandard schools. For that we get less help from the Federal Government, a Government that is replete with an urban bias.

Mr. Chairman, I urge the Members to adopt this amendment, which will conform this bill to the law and set the record straight that this Congress intends to follow the law and intends to deal with nonmetropolitan areas equally and fairly, as we have said we would do in the Housing and Urban Development Act of 1974.

Mr. Chairman, last year I took the occasion of the first House consideration of each regular appropriations bill as an opportunity to discuss with our colleagues the manner in which Federal resources are distributed between our metropolitan and nonmetropolitan areas. I plan to continue that practice this year, beginning with H.R. 8070, the Department of Housing and Urban Development—independent agencies appropriations bill, 1976, now before us.

As a result of the congressional commitment to revitalizing our Nation's countryside made in the Agricultural Act of 1970, the Economic Research Service of the Department of Agriculture has begun a valuable service of analyzing the distribution of Federal resourees between metropolitan and nonmetropolitan areas. The results of this analysis of Federal outlays in fiscal years 1973 and 1972 can be found in the "Rural Development: Fifth Annual Report of the President to the Congress Government Services to Rural America."

I will be using this data, and some that has been completed on outlays in fiscal year 1974 in my discussions of the appropriations bills.

It is important to keep in mind in any study of the use of Federal resources that the 1970 census showed that 31.39 percent of our Nation's population lived in nonmetropolitan areas, and that more recent studies have found that the population in these areas is growing faster than is the case of metropolitan areas.

Now, considering the fact that equality is a mighty important pillar in the foundation of our Nation and that promoting this condition is a sworn duty of our Federal Government, does it not seem altogether reasonable that when the Federal dollars impacting on national development are spread around it would work out that nonmetropolitan areas benefit from at least 31.39 percent of them. That is just looking at this question of equality on the basis of the number of citizens who live in the countryside, not taking into account their critical needs.

Well, in this dollars and cents case of equals, it is clear that urban bias has crept in to make some, our metropolitan area citizens, more equal than others, our countryside citizens.

In studying Federal outlays for fiscal year 1972, ERS examined the operation of 209 programs which resulted in the spending of $192 billion, or 77 percent of the total Federal spending. The findings show that only 24.7 percent of the funds used for these programs went into nonmetropolitan counties. This is so even though Department of Agriculture programs for agriculture, natural resources and the environment are pumped into the figure.

The countryside just simply got shortchanged.

While the basis ERS used for a similar analysis of the fiscal year 1973 Federal outlays was substate planning and development districts and therefore is not strictly equivalent to that for the previous year, it is clear that the share of the Federal dollar spent in nonmetropolitan areas falls far short of what would be justified on a strict population basis. Again, USDA's farm, natural resource and environmental programs were included.

The countryside got short changed again.

Examination of fiscal year 1974 Federal outlays for 134 programs, excluding all USDA farm programs and all except 5—with total spending of $114.7 million—of its natural resource and environmental programs, does not produce a picture that is much brighter. Nonmetropolitan counties benefited from only $13.8 billion of the $55 billion spent for these programs, or 25.1 percent.

The pattern is clear. Countryside citizens are not getting a fair share of the Federal dollars. This minority group of our Nation's citizens are being discriminated against in a callous manner.

How does this over-all data relate to the bill before us today. HUD's programs were studied in the analysis which I am using. So were those of the Environmental Protection Agency, National Aeronautics and Space Administration, and the Veterans' Administration.

While analysis of the fiscal year 1974 performance records is not yet available, those from fiscal year 1972 and 1973 show the way these agencies have been behaving clearly enough.

Of the nine executive branch departments, the Department of Housing and Urban Development has the poorest record for spending in the countryside. While it has some strong challengers in the Department of Defense and the Department of Justice, DHUD is the frontrunner for the DUB title—Department of Urban Bias.

In fiscal year 1972 only 11 percent of the $14.4 billion HUD spent for programs affecting development went to the countryside. There was an increase in fiscal year 1973, a whopping 1.1 percent.

It is to be hoped that HUD's attention to problems of nonmetropolitan areas will sharpen up a bit in the coming fiscal year, in the area of community development programs at least. My optimistic speculation as to this possibility results from the fact that this bill before us today specifically earmarks not less than $519,400,000 community development block grant dollars to be spent in the countryside. This is 18.6 percent of community development block grant bucks.

I have a special interest in these dollars since their earmarking directly results from language in the Housing and Community Development Act of 1974. The language earmarking money for nonmetropolitan areas was included in the act following more than 4 years of cooperation between me and members of the Committee on Banking and Currency whom I worked to persuade that there is a need for HUD to make some clear and specific responses to nonmetropolitan needs.

I intend to continue to watch carefully the manner in which our Committees on Appropriations and DHUD respond to the language of the law.

Seven independent agencies were examined for both years: Atomic Energy Commission, Environmental Protection Agency, National Aeronautics and Space Administration, Office of Economic Opportunity, Railroad Retirement Board, Small Business Administration, and Veterans' Administration.

Of the independent agencies studied, NASA leads the race to spend the least in the countryside. During both fiscal years 1973 and 1972, NASA outlays in nonmetropolitan areas were below 3 percent of its total spending.

The VA and the EPA took second and third place in the race. Both spend less than 18 percent of their dollars in small communities, towns and cities.

I am fully aware that there are factors which in some cases dictate where funds will be spent. For instance to some degree these work in the spending of the VA, as in pension programs. And, there are provisions of law which earmark funds for metropolitan or nonmetropolitan areas. Nevertheless, I believe there is enough flexibility in both programs and decisionmaking that equitable distribution of Federal resources can be achieved. This must be done. If laws need changing, Congress must do that. If policies need changing, and they certainly do, changes have got to come.

People of the countryside do not ask more than their share. But, we do insist on our just share.

Mr. Chairman, I urge the adoption of my amendment.

Mr. J. WILLIAM STANTON. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Chairman, as one of those Members from a rural area and as one who has been involved for many months in the formula, I want the gentleman to know that I regret that I must oppose his amendment, if only on the grounds that this program is just getting started.

What we are trying to do now is to add something to the nothing we in the rural areas had before.

I come from an area where I sat back and saw the city of Cleveland get most of the money in our SMSA's and saw the small communities, such as those I represent, get very little.

So in the mark-up of this particular legislation in our committee, there were many weeks and many months of work that went into our efforts to try under the community development program to give these communities a little bit of help.

Mr. Chairman, I say we should give this a chance, because I believe it will help the smaller communities.

Mr. ALEXANDER. But, Mr. Chairman, the gentleman's statement is an admission that the urban areas have discriminated against the little cities in the SMSA program.

Mr. J. WILLIAM STANTON. I understand what the gentleman is saying.

Mr. ALEXANDER. Mr. Chairman, what the amendment attempts to do is to correct that discrimination to benefit the people in the nonmetropolitan areas that we have provided a formula for under the Housing and Urban Development Act.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I can understand the gentleman's concern in his effort to achieve what he considers to be equity. However, the problem today is not, in the funding of rural areas, anywhere near what the problem is of rural areas within SMSA's.

There are several counties I know of in my State that have no real connection with a metropolitan city but nevertheless they have been included in an SMSA. That county, which is a county about which the gentleman is concerned, has no opportunity for funding. The real effort on the part of the Committee on Appropriations is to take care of those rural aras which are rural in fact but not rural under the act, because those are the areas that are getting no funding since there are no discretionary funds. This is an effort to resolve that very problem.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, what the gentleman from Arkansas seeks to do is to take the $40 million that this subcommittee has targeted for the SMSA balance and split it between the metropolitan areas and the nonmetropolitan areas. So in effect what he is doing is taking 80 percent of $40 million, which is $32 million, and putting it into the metropolitan areas and putting $8 million into the nonmetropolitan areas. In effect he is impacting the problem we are trying to reach. There is no question about that.

This year the SMSA balance is zero. It is zip—nothing. The Secretary of HUD last year, in appearing before our subcommittee and also before the Committee on Banking and Currency, indicated there would be $71 million in the SMSA balance. That judgment was made at a time when he believed there were only about 12 urban counties that would participate in this program. As a matter of fact, there are 75 counties that are now participating in this program, and the priorities list the metropolitan areas first, then the hold-harmless, and then the small communities participate in the SMSA balance if there is anything left. This spring we found that there was nothing left for SMSA participation in 1975 after the other priorities had absorbed all the money. So I offered an amendment on the floor, which was supported by the Members, to appropriate $54 million so the SMSA balance would have money to take care of the small communities.

What this amendment would do, however, would be to put $32 million additional into the large cities, metropolitan areas, and urban counties.

There are 30 States in the United States that have no urban counties, but have an awful lot of SMSA balance communities. Therefore, if we adopt this amendment, we will be giving more money to the larger areas and less to the smaller areas; and I think we are compounding the problem with this kind of amendment and it ought to be defeated.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. Yes, I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I concur completely with the gentleman, and I commend him for his statement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas (Mr. Alexander).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For necessary expenses of the "Consumer Product Safety Commission" for the period July 1, 1976, through September 30, 1976, including rent in the District of Columbia and hire of passenger vehicles, services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18, and not to exceed $200 for official reception and representation, $10,697,000.

AMENDMENT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Symms: On page 13, after line 24, insert the following new paragraph:

"None of the funds provided to the Consumer Product Safety Commission by this Act may be used for the preparation or enforcement of regulations to restrict the sale of firearms, ammunition or components thereof."

Mr. SYMMS. Mr. Chairman and members of the Committee, this amendment is really very self-explanatory, and I will not use the entire 5 minutes.

During the debate the gentleman from Ohio (Mr. Latta), made the point very well that this amendment actually is the intention of the original law. I discussed this with both the majority and minority sides of the committee. The law very clearly states when the Consumer Products Safety Commission was set up, it was not the intent of the Congress to have any interference on the part of this Commission with regard to regulations to restrict the sale of firearms, ammunition, or components thereof.

I think the amendment speaks for itself. I think it one of noncontroversy. It is a matter in which the Congress directs the agencies, and not the agencies directing the Congress.

This amendment contains the intent of my own bill on this subject that has over 50 cosponsors. I have long been a believer in American's freedom to own firearms and have fought hard for the rights of my constituents who share this view.

I urge the adoption of the amendment.

Mr. RONCALIO. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Idaho (Mr. Symms).

Mr. Chairman and my colleagues, I will not need the full 5 minutes.

I would like to ask the support of the Members for this amendment.

It will remove much controversy in the West. The judicial branch is now deciding if the Consumer Products Safety Commission can, as a matter of law, continue to ban the sale of ammunition.

There is nothing I know of so insidious to the citizens of my State; nothing I know of that has so posed a threat to a lifestyle, the rights and, indeed, the constitutional guarantees as citizens.

Further, we should not legislate or give the faintest semblance of authority, or to credit or sanction the Consumer Products Safety Commission role in prohibiting ammunition sales. To do so may, in my opinion, be a violation of constitutional rights, and would be most contemptuous.

I hope the Members will support this amendment. Allow adjudication of this problem, yes, but avoid these funds adding to the problem.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I would like to commend the gentleman from Wyoming for his statement and, indeed, I wished to commend the statement made by the previous speaker, the gentleman from Idaho (Mr. Symms) in support of his amendment to prohibit funding for the Product Safety Commission to carry out any activities concerning handgun ammunition, but the gentleman from Wyoming had been recognized before I could do so.

Mr. Chairman, if we really want to fulfill our responsibilities as Members of the Congress we should adopt this amendment overwhelmingly. As the Members know, there has been much, much discussion about the Congress being hampered in carrying out its duties and in having its authority and jurisdiction overridden by the courts and the executive branch of the Government.

I think this is a very clear example and also a very fine opportunity for us to show that we are not going to allow that to happen.

Mr. RONCALIO. I thank the gentleman.

I would like to suggest to my good friend, the gentleman from Massachusetts, that perhaps a prudent thing to do would be to accept the amendment.

Mr. Chairman, I yield back the remainder of my time.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I recognize the problem that is here. The legislative committees are not only now looking into this matter, but already reporting it to the House and Senate, which would take any jurisdiction away from the Consumer Product Safety Commission with respect to the regulation and sale of handgun ammunition. I recognize what the problem is, and this committee does, too. I also recognize the fact that this is a limitation on an appropriation bill.

The Consumer Product Safety Commission does not want the responsibility, frankly, and it has indicated to us that it does not want it. Perhaps we ought to spell it out more forcefully in the law, and I think perhaps the best way to do it, in my judgment, is by the legislative committees taking some action in this area, and they are doing it. They are as much interested in it, as are the gentleman from Iowa and the gentleman from Wyoming, and a great number of Members here who are concerned with the decision of the U.S. District Court in Illinois concluding that ammunition is a hazardous substance.

As a result of that conclusion, of course, the CPSC did have jurisdiction in the matter; CPSC does not believe it ought to have it; it does not want it; and it seems to me the best way to get rid of whatever jurisdiction the court says it does have is by some affirmative action rather than by limitation. But, Mr. Chairman, I am willing to abide by the decision of the Members.

Mr. BAUMAN. Mr. Chairman, will the gentleman from Massachusetts yield?

Mr. BOLAND. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

Coming, as the gentleman does from the State of Massachusetts, including the beautiful hills of the western part of his State where people are so very interested in hunting and enjoying the outdoor life, the land of some of my ancestors as the gentleman well knows, I am sure he does not oppose this excellent amendment that was offered by the gentleman from Idaho, even though the gentleman from Massachusetts has reservations about the parliamentary procedure.

Mr. BOLAND. I have moved to strike the requisite number of words, which would indicate that I am staying midway between in the whole thing.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Let me commend the gentleman from Massachusetts on the position he has taken. I am sure that the House will now see the light and pass this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho (Mr. SYMMS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF DEFENSE—CIVIL
CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of maintenance, operation, and improvement of the cemetery at the Soldiers' and Airmen's Home and Arlington National Cemetery, including the purchase of three passenger motor vehicles for replacement only, $5,615,000, to remain available until expended: *Provided*, That reimbursement shall be made to the applicable military appropriation for the pay and allowances of any military personnel performing services primarily for the purposes of this appropriation.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, $966,000, to remain available until expended.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to commend my colleague from Idaho (Mr. SYMMS), for offering the amendment which was overwhelmingly approved by the House just a moment ago. I am delighted that the House chose to sustain the second amendment to the Constitution which states:

> The right of the people to keep and bear Arms, shall not be infringed.

The Consumer Product Safety Commission did not seek the authority to act in the area of gun control and ammunition regulation and I know the Congress did not intend that the Consumer Product Safety Act or the Hazardous Substance Act should be used as an excuse for bureaucratic law making judicial fiat or intervention by the Federal Government. This amendment to the HUD-Independent Agencies Appropriations Act states simply that—

> None of the funds provided under this Act to the Consumer Product Safety Commission may be used for the promulgation or enforcement of regulation to restrict the sale or manufacture of firearms, ammunition, or components thereof.

By approving this amendment, the House has served notice on the courts and the Federal bureaucracy that further infringement on the constitutionally guaranteed rights of individuals will not be tolerated. The Congress is the legislative branch of the Government and too often the executive agencies and the courts attempt to usurp this function. Once again, I congratulate my colleague for taking this step to reaffirm our Constitution.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ENVIRONMENTAL PROTECTION AGENCY

AGENCY AND REGIONAL MANAGEMENT

For agency and regional management expenses, including official reception and representation expenses (not to exceed $3,500); hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; $65,374,000; including $5,000,000 to provide for the preparation of Environmental Impact Statements as required by section 102 (2)(C) of the National Environmental Policy Act on all proposed actions by the Environmental Protection Agency, except where prohibited by law.

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to, if I could, direct a question to the distinguished chairman of the subcommittee. In EPA's budget are there any funds provided to help either make loans or grants to any of the businesses that find themselves under EPA mandate to take certain steps in either dealing with pollution of the air or pollution of the water?

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from Massachusetts.

Mr. BOLAND. I thank the gentleman for yielding.

I am not aware of any funds that are carried in this bill under EPA for the purpose which the gentleman has described.

Mr. JOHN L. BURTON. Is the chairman aware of the fact that when the EPA—and I strongly support their program—makes these findings and rulings, that especially in agricultural areas there are no loans or no programs presently available to help small farmers meet these governmentally imposed standards?

Mr. BOLAND. I would like to say to the gentleman that there was no testimony adduced at the hearings indicating what the gentleman would desire. I am not familiar with any programs that the gentleman describes. They may be carried in other appropriation bills but not under the EPA. It could be under the Small Business Administration.

I know the gentleman from Ohio is on the Banking and Currency Committee and perhaps if the gentleman from California would yield to the gentleman from Ohio he might be able to answer.

Mr. JOHN L. BURTON. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Chairman, I appreciate the gentleman bringing this out. The gentleman knows, and he did appear before our subcommittee on the matter and it should be important to all Members of the House, that what happens to the small businessman, in this particular case the small farmers, the cattle farmers particularly, is that they are strapped with heavy expenses required by the EPA regulations. I applaud the gentleman.

While the chairman of the subcommittee said there is no money in this bill, I hope we can be helpful within the SBA to help the problems the farmers in our country have in meeting the requirements of EPA regulations.

Mr. JOHN L. BURTON. I thank the gentleman. I would like to say in the SBA appropriations, where the committee tried to deal with this matter Administrator Kleppe was not of much help, and when the bills do come up I hope we can find some funds so these people who are under mandates to keep the excretions of their cows from going into the creeks will have some form of low interest Government loans to help them meet this problem.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. I appreciate the gentleman yielding.

When the SBA appeared before our subcommittee I asked them specifically if they could make loans to the cattle feeders and Administrator Kleppe said they cannot. I asked them if they could make loans of $200,000 to the man who starts a McDonald's hamburger store and he said they could. So they can make loans to the man who makes the hamburgers but not to the man who produces the beef they make the hamburgers out of.

I appreciate the gentleman pointing out this contrast, this strange standard to the Members of the House.

Mr. JOHN L. BURTON. Under several statutes there are responsibilities and authorities to meet the needs of the small farmers of this Nation, but they have refused to provide any help to the small farmers. But again I hope under SBA and FHA appropriations we can do something to help clean up the environment and provide jobs and help keep the small farmers on the farms.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ENERGY RESEARCH AND DEVELOPMENT

For energy research and development activities, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by section 5901–5902, United States Code, title 5; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate of GS–18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; $100,000,000, to remain available until expended.

AMENDMENTS OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of California: Page 15, line 23, strike out the figure "$100,000,000" and insert in lieu thereof the figure "$112,000,000".

Mr. BROWN of California. Mr. Chairman, inasmuch as I have a second amendment dealing with similar matter, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. The Clerk will report the second amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of California: And on page 16, line 2, strike out the figure "\$21,000,000" and insert in lieu thereof the figure "\$28,000,000".

The CHAIRMAN. Is there objection to the request of the gentleman to consider the amendments en bloc?

There was no objection.

Mr. BROWN of California. Mr. Chairman, I want to commend the distinguished gentleman from Massachusetts, the chairman of the subcommittee (Mr. BOLAND), and the distinguished ranking minority member, the gentleman from California (Mr. TALCOTT), for the work which they have done, and all the members of their subcommittee for the work which they have done in bringing this bill to the floor this afternoon.

I think it is appropriate to point out that we are dealing with a bill which appropriates over \$50 billion of the taxpayers' money, that this sum of money considerably exceeds the budget of the major States of the Union and most other nations of the world.

To put together a package of this sort, as the subcommittee has done, is a credit to their remarkable ability, and to the diligence with which they have pursued their task; however, in any task of this magnitude it is inevitable that there may be a small number of situations which escape the attention of the committee.

I believe that my amendment is addressed to one of those situations. Let me explain very quickly what this amendment is directed to. If members of the committee here on the floor will look at page 26 of the report, they will note an explanation of the area with which the amendment deals. We are talking about energy research and development within the EPA. Basically this is the money which is used for research and development in connection with the environmental effects of new sources of energy.

Now, what the committee has done is to take the recommendations of the administration, which was already \$22 million below last year's level, and reduce that an additional \$12 million—\$12 million below the amount recommended by the administration.

My amendment seeks to restore that \$12 million.

Now, why have I proposed to do this? There are other places in the bill where reductions have been made below either what the administration recommended or what the authorizing committee recommended. I know that the Committee on Appropriations has considered each of these carefully and has probably spent long hours on them. However, I would not be bringing this amendment to the floor if the Committee on Science and Technology, of which I am pleased to be a member, had not spent literally weeks and months looking at this problem of research and development concerned with the development of new sources of energy.

There is probably no part of the administration budget which has been more carefully scrutinized than the energy portion, those portions dealing with the necessity to vastly accelerate the development of new forms of energy in this country. In that connection, the administration has studied and sought to allocate the responsibility for doing something about the environmental effects of these new sources of energy. This is precisely the section that we are dealing with, the section for research in new methods to prevent possible harm to the environment from our crash program of increased coal utilization, or the development of oil shale and various other kinds of new energy sources. As I said before, I give the greatest of credit to the subcommittee for the work they have done on this tremendously complicated bill; but I honestly believe that there is no part of this bill that has a higher priority than that section from which they have stricken \$12 million from what the Office of Management and Budget has recommended. Let me explain what this cut will do.

The proposed cut in the fiscal year 1976 energy research and development program from the recommended \$112 million to \$100 million will have a serious impact. The \$100 million level represents a 25 percent decrease from the fiscal year 1975 funding level at a time when inflation has progressively diminished the value of a dollar, and when the country needs a strong research, demonstration and development program to ensure that environmental considerations will not be a serious detriment to the use of domestic energy supplies.

At a time when billions of dollars are being spent on energy technology development, it appears to be "pennywise and pound foolish" to reduce this critical effort. Although the implication of this budget cut has not been fully examined, it appears likely that the following deleterious impacts will result:

The \$12 million reduction would mean cuts of approximately \$6 million of R., D. & D. to be carried out under the Clean Air Act, \$4 million of R., D. & D. to be carried out under the Federal Water Pollution Control Act and \$2 million of R., D. & D. under the Solid Waste Act.

It will be necessary to reduce the funding of interagency programs, since pass-through funding to 17 other Federal agencies will have to be substantially decreased. This means that expertise and facilities in the other agencies will be lost to the coordinated Federal program.

The cut will likely necessitate termination of selected programs aimed at developing No$_x$ control technology for residential, industrial, and utility sources. Such a delay would seriously affect EPA's ability to develop NO$_x$ control technology in a timeframe consistent with the maximum stationary source technology, MSST, control programs. The MSST program aims at meeting NO$_x$ ambient air quality standards by relieving pressure on sources, that is, preclude substantially more stringent auto emission standards by placing greater reliance on stationary source control.

It will be necessary to further decrease efforts in the flue gas desulfurization, FGD, area, \$25 million in fiscal year 1975 and \$11 million in the recommended fiscal year 1976 budget. EPA is the lead development agency in this important technology area. FGD is the only near-term technology which allows steam and electricity production from high-sulfur coal without deleterious SO$_x$ emissions.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for an additional 2 minutes.)

Mr. BROWN of California. In addition, Mr. Chairman, EPA planned to initiate in fiscal year 1976 a technology transfer effort aimed at solving scrubber operating problems and helping utility and industrial management select the best system for new applications. This effort would be based on the body of knowledge accumulated by EPA and its contractors over the last 5 years; it would have insured maximum return on a Federal \$50 million R., D. & D. program by focusing on industry applications. However, it will not be possible to initiate a meaningful fiscal year 1976 effort in light of the funding reduction.

The utility industry has ordered over 25,000 megawatts of nonregenerable FGD systems which produce large quantities of throwaway sludge material. It is important that environmentally acceptable disposal technology be developed and demonstrated to reduce the impact of these sludges. The proposed budget cut would adversely affect the EPA assessment and control technology development program necessitating a substantial cut from the \$3.3 million fiscal year 1975 funding; fiscal year 1975 energy research and development funding represented the first significant funding in this important area.

The cut will delay and may preclude development of a scientifically reliable data base for determining climatic effects due to emissions of pollutants, heat and moisture from energy-related activities. This is important because the effects of large scale production are potentially extremely deleterious.

The cut will preclude obtaining sufficient information on the precipitation removal of pollutants—for example, rainout/washout—and dry deposition of pollutant gases and aerosols thus delaying the development of more accurate air quality predictions. This information is critical for our understanding of the relationships of atmospheric sulfates and nitrates and SO$_x$ and NO$_x$ emissions.

The cut can preclude development of an adequate data base to determine ecological effects of offshore oil exploration and production. Much activity is anticipated in presently underdeveloped lease tracts.

The cut may preclude research into the level of release of toxic effluents, including potential carcinogenic compounds, from oil shale development in relatively pristine areas.

The cut will seriously impair EPA's ability to assess the total impact of large scale strip mining on aquifers in the water-short western areas.

Mr. Chairman, I hate to suggest that

the sin of this particular item was that $112 million was too close to a nice round figure such as $100 million. What the committee has done is to round off this $112 million to $100 million, without recognizing the damage that would be done.

I think we should restore this $12 million as recommended by the administration. I do not usually find myself in the position of defending the administratioin's level of expenditures, but in this case I think they have made an excellent judgment on this particular item.

I ask that the $12 million be restored.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment. I do so reluctantly because the gentleman from California is a very knowledgeable Member of Congress in this area, and serves as the chairman for the Environment and the Atmosphere Subcommittee of the Committee on Science and Technology.

I think we have to look at the overall budget request and the overall amounts that this committee has committed for the Environmental Protection Agency. The EPA came into existence in December 1970. It is not too old, and it does have an attractive name. The particular responsibility it has in the energy field, of course, is a very great one.

I think the committee recognizes this, but in the overall appropriation for the EPA, we have increased the budget request by $25.7 million and $68.5 million over the 1975 appropriation. We also provide $189 million for the transitional period for the entire broad spectrum of the EPA.

The amendment of the gentleman from California would add $12 million for energy research and development. As he has indicated, $112 million was the budget estimate. So, in effect, we have reduced the budget estimate by $12 million. Last year, $134 million was appropriated for energy research and development, but $22 million of that reflected the impact of the transfers to ERDA, the Energy Research and Development Administration.

His amendment also increases the transitional period by $8 million. The transitional period we did not touch. We provided $21 million in the bill for the transitional period. The amendment would increase this by $7 to $28 million in the transitional period.

I could not agree more with the gentleman that this is an agency that will be terribly important in solving some of the very difficult problems we have in energy, but I do think that the amounts which we have recommended for particular areas of the EPA are sufficient to take care of the needs next year. I believe that the increases we have made in other areas for the Environmental Protection Agency perhaps enjoy a higher priority than some activities in this particular area. That is the reason why we came to this conclusion. The reduction was made to offset the increases in other areas of EPA.

Only on that basis did we make the reduction here, so as I have indicated, I reluctantly oppose the gentleman's amendment. I am sure we might be able to make adjustments in the future, and I can promise the gentleman that this is an area where both the gentleman from California and members of the subcommittee are vitally concerned. There is no effort on the part of this committee to curb the tremendous effect the EPA can have in the energy research and development field.

Mr. TALCOTT. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendments reluctantly.

Mr. Chairman, I recognize the gentleman from California (Mr. Brown) is one of the leaders in research, particularly in the energy field. He is way ahead of his time, so far as I am concerned, in a concern for energy for our Nation. This committee has been, I think, generous toward research and development, particularly in the energy field. I think we have considered the many and various ramifications that are involved in research. Some of the other agencies of the Government spend a lot of money for energy research and development, ERDA, the National Science Foundation, NASA, Interior, and a number of other Federal agencies. We would be driving this bill over the budget if we added this amount to this bill. I think that the administration will be satisfied with our bill. So I urge the defeat of the amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California (Mr. Brown).

The amendments were rejected.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The Chair will inquire, first, if there are any points of order against the provisions in the remainder of the bill?

PARLIAMENTARY INQUIRY

Mr. DANIELSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DANIELSON. Mr. Chairman, does that mean title II of the bill is now open for amendment, et cetera?

The CHAIRMAN. There are no points of order. The unanimous consent request is granted. The Clerk ceased reading at the bottom of page 15. There being no further points of order and no objection to the request, the remainder of the bill will be considered as read, printed in the Record, and open to amendment at any point.

Are there any amendments?

AMENDMENT OFFERED BY MR. SISK

Mr. SISK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Sisk: On page 44, immediately after line 2, insert the following new section:

"Sec. 408. No part of the funds appropriated under this Act may be used for noise control research and development, noise abatement or control, or enforcement with respect to noise abatement or control until the Environmental Protection Agency issues national regulatory standards for noise control under the requirements of the Noise Control Act of 1972 (42 U.S.C. 4901 et seq.)."

Mr. SISK. Mr. Chairman, I do not propose to be a burden on the time of the Committee.

Mr. Chairman, I understood earlier, in our discussion, the gentleman from Massachusetts (Mr. Boland) indicated a willingness to accept the amendment, and I believe the gentleman from California (Mr. Talcott) also, and I will be glad to yield to the gentleman. I do not wish to impose on the time of the Committee.

Mr. BOLAND. If the gentleman will yield, we have looked at this amendment on this side, and we are willing to accept the amendment. We accept it on the basis that the gentleman from California has had great difficulty in getting people to recognize that there is a particular problem of this area. There is an apparent unwillingness to solve this problem constructively.

The problem not only exists in the gentleman's area in California, but could occur in several other areas in the United States with reference to the regulations established by HUD, not in accordance with, but as a result of their own standards with respect to the Noise Control Act of 1972.

After looking at the amendment and recognizing the problems the gentleman has, I think that it would be my judgment that this amendment ought to be accepted.

Mr. TALCOTT. Mr. Chairman, will the gentleman yield?

Mr. SISK. I would be glad to yield to my colleague, the gentleman from California.

Mr. TALCOTT. Mr. Chairman, this is a matter that has been called to our attention only recently. Based on the information we have, it appears to have merit. It is obviously a problem concerning HUD.

Although I cannot speak for any other Members, I personally agree with the gentleman from California (Mr. Sisk) and would accept the gentleman's amendment.

Mr. SISK. Mr. Chairman, I thank the gentleman. I want to be very specific as to the intent of this amendment. This amendment is directed entirely at HUD and HUD's failures in connection with what I consider to be the proper handling of this problem. It in no way is intended to limit or restrict the Environmental Protection Agency from carrying out its authorized functions in connection with research and other duties in the promulgation of national standards which it is authorized to do under the provisions of the Noise Control Act of 1972.

Mr. Chairman, let me say emphatically that the intent of my amendment is not to prevent the Department of Housing and Urban Development from doing its work. In fact, I believe the amendment will assure that HUD carries out its responsibilities in a reasonable manner.

I have previously told my colleagues in the House of HUD's decision to halt processing of FHA home mortgage insurance in virtually all of three cities in my district in California because of aircraft noise from Castle Air Force Base. The decision was made in total as a result of publication by the Air Force of a so-called noise map for the Air Force base last September.

I have been critical of HUD's action because I contend there is little, if any, meaningful coordination among Federal agencies in carrying out the provisions of Noise Control Act of 1972, and because I believe HUD to have acted capriciously.

Officials of the Department of Housing and Urban Development have sternly protested my charges, saying they acted properly in the case of Castle Air Force Base, pursuant to HUD circular 1390.2. But what are the facts? Allow me to quote from a February 19, 1975, memo from HUD to all assistant regional administrators for community planning and development:

> In recent months, several instances have occurred where major new information became available on the existing and projected acoustic environments affecting large sections of cities and metropolitan areas. Some of this information has turned out to be faulty. HUD field staff, following the policy set forth in HUD Circular 1390.2 (Section 3), has in some cases immediately and stringently applied HUD standards to the new (and usually enlarged) areas delineated by the new information. This action has sometimes caused severe disruptions to local building and community development activities accompanied by alleged hardships and very real protests. These problems have been especially aggravated where the new data has proven to be faulty.

Furthermore, HUD conceded in a February 19, 1975, letter to the Honorable EDWARD P. BOLAND that,

> The introduction of the new Air Force noise contours at Castle Air Force Base without prior notification to HUD caught us unprepared.

In a letter to the Assistant Secretary of the Air Force, also dated February 19, 1975, HUD said because of the problems it encountered with the Castle situation, that HUD has found it necessary to reexamine the basis for applying the policy.

And how well is the coordination for carrying out the Noise Control Act? A report by the Environmental Protection Agency on June 5, 1975, said that it requested 38 Federal agencies to respond to a questionnaire on their activities in the noise control field. Of those 38 agencies, 24 reported having conservation activities; 17 agencies reported that they were conducting noise abatement programs; and 6 Federal agencies or departments within those agencies reported technical assistance programs to encourage the development of appropriate State and local noise control programs. The EPA report noted that 11 Federal agencies conduct noise research and development programs.

A quick look at the list of agencies with noise abatement and research and development programs indicates that 13 standing committees of the House and the Joint Committee on Atomic Energy have some jurisdiction over noise control activities. Furthermore, legislation on noise control has been referred to five committees in the past three Congresses.

I ask, where is the coordination and the uniform national policy which the Congress mandated EPA to develop?

It is essential, I believe, to stop HUD's involvement in this matter until such time that the EPA issues national regulatory standards for noise control, as stipulated in the Noise Control Act. To do otherwise will only mean further confusion and disruption at the local level.

Does EPA have the authority to issue national regulatory standards for noise control?

I believe they have such authority.

The Noise Control Act of 1972 states:

> It is the purpose of this chapter to establish a means for effective coordination of Federal research and activities in noise control.

In reference to the duties of the Administrator of the Environmental Protection Agency the law states:

> The Administrator shall coordinate the programs of all Federal agencies relating to noise research and control.

The law further states:

> Each Federal agency shall consult with the Administrator in prescribing standards on regulations respecting noise.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. SISK).

The amendment was agreed to.

TECHNICAL AMENDMENT OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

NATIONAL SCIENCE FOUNDATION

SALARIES AND EXPENSES

For expenses necessary to carry out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), title IX of the National Defense Education Act of 1958 (42 U.S.C. 1876–1879), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881), including award of graduate fellowships; services as authorized by 5 U.S.C. 3109; purchase of two aircraft; maintenance and operation of aircraft and purchase of flight services for research support; hire of passenger motor vehicles; not to exceed $5,000 for official reception and representation expenses; not to exceed $41,000,000 for program development and management; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902); rental of conference rooms in the District of Columbia; and reimbursement of the General Services Administration for security guard services; $707,100,000, to remain available until September 30, 1977: *Provided*, That of the foregoing total amount not more than $6,000,000 shall be used for Science Information Activities; not more than $60,000,000 shall be available for Research Applied to National Needs, of which not more than $24,000,000 shall be used for the Environmental Research Program in RANN including not more than $4,500,000 for earthquake engineering; not more than $60,000,000 shall be used for Science Education programs in addition to funds available for such programs and deferred in fiscal year 1975, and not more than $1,000,000 shall be used for a program of Ethical and Human Value Implications; not more than $15,000,000 shall be used for Graduate Student Support; not more than $4,000,000 shall be used for Intergovernmental Science and Research Utilization, of which not more than $2,000,000 shall be for Intergovernmental Science; and no funds shall be used for Institutional Improvement for Science; or for Instructional Improvement Implementation budgeted for in Elementary and Secondary School Programs of the Science Education Improvement activity: *Provided further*, That of the foregoing amounts, funds available to meet minima authorized by any other act shall be available only to the extent such funds are not in excess of amounts provided herein: *Provided further*, That unless otherwise specified by this appropriation, the ratio of amounts made available under this Act for a program or minima to the amounts specified for a program or minima in any other Act, shall not exceed the ratio that the total funds appropriated in this Act bear to the total funds authorized in such other Act: *Provided further*, That receipts for scientific support services and materials furnished by the National Research Centers may be credited to this appropriation: *Provided further*, That if an institution of higher education receiving funds hereunder determines after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has, after the date of enactment of this Act, willfully refused to obey a lawful regulation or order of such institution and that such refusal was of a serious nature and contributed to the disruption of the administration of such institution, then the institution shall deny any further payment to, or for the benefit of, such individual.

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, $167,134,000, to remain available until September 30, 1977: *Provided*, That the provisions of that paragraph next preceding this paragraph shall be applicable in the same manner and to the same extent as if such period were a fiscal year.

The Clerk read as follows:

> Amendment offered by Mr. BOLAND: on page 23, line 22, delete "two" and insert "three".

Mr. BOLAND. Mr. Chairman, this is a technical amendment. It changes the "purchase of two aircraft" to "three". This corrects an error in the printing of the bill.

The CHAIRMAN. The question is on the technical amendment offered by the gentleman from Massachusetts (Mr. BOLAND).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RYAN

Mr. RYAN. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For expenses necessary for the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by law (5 U.S.C. 4101–4118) for civilian employees; and not to exceed $1,000 for official reception and representation expenses: $40,000,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such actions to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

For "Salaries and expenses" for the period

> July 1, 1976, through September 30, 1976, $8,300,000, of which not to exceed $250 is available for official reception and representation expenses.

The Clerk read as follows:

> Amendment offered by Mr. RYAN: Page 26, strike out line 18 and all that follows thereafter through page 27, line 13.

Mr. RYAN. Mr. Chairman, recently at West Point, President Ford used that occasion to speak in favor of the volunteer army. He said it works fine and we should keep it. I agree with him.

That is, in fact, the reason why I am here now. One of the things we do not do enough of in this House is to get rid of those functions of Government which no longer have any reason to exist. We create agencies that attempt to perform new functions. We have recently created the Environmental Protection Agency, the ERDA among others. We do it every year we are here.

But we do very little of the business of getting rid of agencies whose functions have ceased to have a practical reason to exist.

My amendment simply wipes out the Selective Service System. Let me tell the Members why I have offered this amendment.

We are going to spend $47 million this next year on the Selective Service System, and yet, if the Members will read with me or let me read to them from portions of the report published by the committee regarding the Selective Service System, the entire report is very defensive in nature. It says as follows:

> The Selective Service System's mission is standby since inductions ceased in 1973 has been to register all persons * * * and so on.

It says that the new structure is "one which will have the capability to expand and be reconstituted into an operational system to provide inductees to the Department of Defense."

What they are saying in effect is that just in case we need them, we are going to spend $47 million to keep them around even though they have no particular function now.

The report says further:

> Classification activity will not be reinstituted until induction authority is requested by the President. These changes are being designed to decrease operating costs beginning in the transition period.

Further the report states:

> It should be noted that personnel strength has been reduced from 6,241 on June 30, 1973, to an estimated 1,424 on June 30, 1976.

What they are saying is that "We know we have got too many. We should cut them down, so we are going to cut them back to only 1,400 people on the payroll instead of the 6,000 we had during the Vietnam war period."

Mr. Chairman, why do we have anyone on the payroll? We have 1,400 people, in effect, doing nothing.

There is nothing they do now that could not be handled by other agencies. The fact is that this agency could be done away with, and I think it should be done away with.

I think we all recognize that the Government is very large. We have a habit of keeping agencies that should not exist and maintaining personnel when we do not need them. If I remember my physics from school, there is a Newton's law that says:

> An object in motion tends to remain in motion, and an object at rest tends to remain at rest.

I remember they used pool balls to illustrate the point, and having had some capacity to play pool when I was a kid, that made a great deal of sense to me.

Today in politics or in Government an object in motion or a bureau in motion tends to remain in motion.

Mr. Chairman, I think that a bureau that no longer has any substantial function should be allowed to come to rest. Finally, now that peace is here, now that there is no longer a draft, as such, now when we have a volunteer army that is working very well, we do not need this bureaucracy. When we have the President of the United States himself saying that we do not need it anymore, there is no reason to have this particular bureau or agency anymore. Therefore, my amendment simply says, "Let us do away with it." We can do away with $47 million a year of waste, without impairing any essential function of the Federal Government. Unless we get rid of useless functions, we cannot say that we are fiscally responsible.

PERFECTING AMENDMENT OFFERED BY MR. DRINAN

Mr. DRINAN. Mr. Chairman, I have a perfecting amendment to the paragraph of the bill which the Ryan amendment seeks to strike.

The CHAIRMAN. The Clerk will report the perfecting amendment.

The Clerk read as follows:

> Perfecting amendment offered by Mr. DRINAN to the paragraph which the Ryan amendment seeks to strike: On page 27, line 1, strike out "$40,000,000" and insert in lieu thereof "$17,672,000."
>
> On page 27, line 11, strike out "$8,300,000" and insert in lieu thereof "$3,272,000."

Mr. DRINAN. Mr. Chairman, this is a simple amendment. It provides for a total budget of $20.9 million for the Selective Service System during fiscal year 1976 and the succeeding 3-month transition period compared with $48.3 million total appropriated by the committee. Although this is a deep reduction in the funding level of the agency, it is not an across-the-board cut. We have retained those activities of the agency which can be justified as essential at the funding level requested by the administration.

Those activities include the operations of the National Selective Service Headquarters in Washington, the operation of the agency's computer center, the conduct of an annual registration during 1976, the training and activities of the Selective Service Reserve Mobilization Force, and the job placement and administrative activities of the agency's Reconciliation Service in connection with the Presidential clemency program. Let me repeat that all of these programs are funded by this amendment at the level requested by the administration.

I believe that an argument can be made for the continuation of these particular activities in fiscal year 1976 while the military Selective Service Act remains on the books. If one looks beyond those activities, however, one comes upon a network of 686 regional, State, and local offices which consume the bulk of the Selective Service budget.

These offices, which once were responsible for the continual registration and classification of millions of young Americans no longer have those responsibilities. No additional registration will be conducted during 1975 and clasification of individual registrants will cease shortly as well. Since June 30, 1973, the Selective Service has not possessed the legal authority to induct citizens into the Armed Forces. The all-volunteer military has been officially pronounced a success by the administration and the Pentagon. New legislation would have to be enacted to reinstitute a draft.

This dramatic change in our policies of military personnel procurement necessitates an accompanying revision in the nature of the Selective Service System. We no longer have use for a vast network of regional, State, and local offices to communicate with registrants on a daily basis. Instead, we need only maintain a skeletal bureaucratic structure which can administer those remaining Selective Service programs which contribute to our national readiness.

Even the Selective Service System itself, which has exhibited during the past few years a remarkable ability to consume a large amount of public funds to do virtually nothing, recognizes the need to reduce the number of local offices. Director Pepitone has announced the elimination of more than 80 percent of all local Selective Service offices by the end of next January. Yet incredible as it seems, the agency has requested more money to operate 120 local offices during fiscal year 1976 than it did to operate more than 600 such offices during fiscal year 1975.

Thus, the supposed cutback in the operation of the Selective Service is an illusion. In fact, Director Pepitone intends the agency to continue to go on forever spending $40 million to $50 million annually to stand by and do nothing, with more than 60 percent of those funds going toward the operation of an entirely unnecessary and wasteful network of Selective Service offices across the country. My amendment would eliminate funding for these offices, saving the American taxpayers more than $27.3 million of the amount approved by the committee.

The Selective Service System has come up to Capitol Hill year after year and expressed its determination to reduce the cost of its operation in keeping with its new role. Yet this year, the agency requested $2.8 million more than it spent in fiscal year 1975. The agency reduces its activities, but increases its budget request. It will cut out 80 percent of its local offices, but claims that it needs more money to run those 120 offices than it now spends on 626. If the Selective Service System were truly interested in making its operation more efficient, it would have scrapped this unwieldly and superfluous network of offices long ago. It would have put its more than 47,000 unpaid volunteers to work performing the remaining essential functions without cost to the taxpayers. It would have come up to the Hilll this year asking for less money than it received last year, rather than more.

But the Selective Service System has not been responsible and vigilant about its essential budgetary needs. It remains the role of Congress to establish the proper level of funding for this agency. The Appropriations Committee took an important step by approving a total of $8.8 million less than the $57.2 million requested by the Agency. But the committee did not go nearly far enough in eliminating all waste within the Selective Service System.

Unfortunately, the committee did not explain its recommendations in terms of the various line items within the Selective Service System budget request. We have no way of knowing, for example, how much money was approved for the operation of local Selective Service offices during fiscal year 1976. In appropriating funds for the transition period, the committee apparently cut $1 million off the administration's $9.3 million requested and approved the remainder without reference to how this money would be spent.

This amendment is anything but a meat-ax approach to the Selective Service System budget. We have carefully studied the various duties and components of the agency and determined which line items could be eliminated without adverse consequences to our national readiness. We do a lot of talking about fiscal responsibility in this Chamber. Now we have a chance to do something fiscally responsible by cutting out $27.3 million in wasteful spending.

This is not an ideological issue. It is a question of whether we will continue to waste this money or not. The amendment has been endorsed by such diverse groups as the National Taxpayers Union and the American Friends Service Committee. It is a responsible amendment.

I strongly urge its adoption.

Mr. ROUSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to both amendments now pending before the Committee. I rise in opposition to the Ryan amendment in that it attempts, through the appropriation process, to do that which should be done through the legislative process.

I rise against the amendment offered by the gentleman from Massachusetts (Mr. DRINAN) to the Ryan amendment simply because I believe it does not take into account our present situation as it exists today and would, in effect, cancel out our standby selective service systems.

The goal that the gentleman set forth is one with which we cannot find dispute. We do have an all-volunteer Army. We have not drafted soldiers in this past few months or, indeed, in the past year or two. However, the law says that we shall register these young men within 30 days of either side of their birthday. That is the law.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield at that point?

Mr. ROUSH. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, it seems to me that, just to clarify the situation, that in fact is no longer the law.

The hearings, as the Members know, point out that the President in his proclamation, 4360, on April 1, 1975, terminated that part which required young men to register within 30 days of their birthday. That is no longer the situation.

Mr. ROUSH. Let me address myself to that. I think the gentleman from Wisconsin is correct. This really brings us to a portion of the gentleman's amendment to which I would like to speak, and that is this:

Our goal is to trim this thing down. Let me say that, first, we have. The administration asked for $47 million, and included in that was $6 million for the reconciliation program. The committee cut this down to $40 million.

Why are we able to do that? It is for this reason: The organizational structure by which we register our young men is now, because of the proclamation by the President, going to be able to undertake a single registration in the period of 1 year. Just after the first of the year, it is the intention of the Selective Service System to have a 2- or 3-day period of registration for all of those young men who must register.

We need some administrative structure by which this can be done. If the Members are opposed to this standby capability which the law now has, then, of course, they should vote for the Ryan amendment. If, however, they feel that we need that standby capability in the event of a national emergency, then let us come to an organizational structure whereby we can do it in an orderly fashion.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. ROUSH. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

Is the gentleman arguing that $17 million is not sufficient to do this registration?

Mr. ROUSH. Yes, I am arguing that. I am arguing that it is not sufficient. As a matter of fact, the one thing the gentleman from Massachusetts failed to point out is how much it is going to cost us to terminate and to close the local boards. We cannot just give these people a pink slip. We cannot just throw away the keys to the building. If we should terminate the program as the gentleman from California suggests, it will cost something like $27 million. I think it will cost as much to cut the program down as the gentleman has suggested by his amendment to remain in the bill, which I understand is $20.9 million.

We cannot do that. We cannot do that. We have to comply with the law. We have to register these young men.

If this program of registration works, what is going to happen? Back in 1973 we had a personnel strength of over 6,000 people in Selective Service; on June 30, 1975, approximately 2,400; and on June 30, 1976, we anticipate 1,413, but if this works, then we will reduce the strength down to 400 people who will be in the national headquarters and in State headquarters only, and then we will have a very efficient Selective Service.

Mr. Chairman, I ask that the amendments be defeated.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. RYAN, Mr. ROUSH was allowed to proceed for 3 additional minutes.)

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. ROUSH. I yield to the gentleman from California.

Mr. RYAN. I appreciate the gentleman's yielding.

If what the gentleman says is true, it seems to me, then, that he argues for gradual reduction, instead of simply cutting it off; is that true?

Mr. ROUSH. That is true.

Mr. RYAN. If the gentleman will yield further, if he is gradually reducing it, may I assume, then, that he is gradually reducing it to nothing in the future?

Mr. ROUSH. No, I did not say that.

Mr. RYAN. I do not understand why, since the function itself no longer exists or is no longer needed from what he has said himself, we have to continue with the particular function, as he says, to phase it out. But in his report which he publishes, and in his own comments this afternoon, he has said that there is no particular reason; he does not intend to phase it out at all; so I do not understand why it is necessary to continue this function.

Mr. ROUSH. What I said was that it was the intention of the Selective Service System to phase this program down.

Mr. RYAN. But not out?

Mr. ROUSH. But not out. I also suggested that if the Members want to phase it out altogether and cancel it out altogether, Members should vote for the gentleman's amendment, but it would be a mistake to do that.

Mr. RYAN. That is a matter of judgment.

Mr. ROUSH. That is a matter of judgment. In my judgment it would be a mistake to cancel this program out. I think the committee has been very careful. I think the committee has been very judicious in all it has done, and I think that the committee's work should be recognized by he Members in this body, and that the committee action should be sustained.

Mr. RYAN. Will the gentleman yield further?

Mr. ROUSH. Yes.

Mr. RYAN. I would like to know what the function of the Selective Service is to be if its past function is no longer to be fulfilled.

Mr. ROUSH. The Selective Service still has the function of registering these young men.

Mr. RYAN. Does it have to have that function?

Mr. ROUSH. That has to be done. In addition, under the President's amnesty program, the Selective Service System has imposed upon it the responsibility of trying to find positions, jobs, if you please, for those people to whom amnesty on a conditional basis has been granted, and to monitor those men who are under that program. There is still a function for the Selective Service System. The gentleman and I may disagree on this.

I happen to think—and I voted for the all-Volunteer Army and I am not eager to draft men and I hope we do not—that we need some sort of standby structure whereby in the event of a national emergency if we have to draft men we have the structure there to use and to use it quickly and efficiently in order to meet any national emergency that may arise.

Mr. RYAN. If the gentleman will yield further, I would point out to the gentleman the President has that particular authority in the event of any kind of military conflict. If the draft were necessary or standby fleet were necessary could we not order that particular situation without having to go beyond the present law and the present system of selective service?

Mr. ROUSH. And if we do that we would lose valuable time which we would gain by having this standby authority.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the distinguished gentleman from Massachusetts (Mr. DRINAN) and in opposition to the amendment offered by the gentleman from California (Mr. RYAN). It makes no sense at all to cut off that Selective Service System we do have because we do have to have something, but I think it is clear that at this point when we do have the volunteer force and we have given the Selective Service System what they asked for in terms of the time necessary to make a judgment, if we look at the hearings on page 285 we will see that the Director of the Selective Service System has said:

> I told the committee that for fiscal year 1975 it would be premature to reduce the System below the level recommended in the budget request which I thought was necessary to satisfy the minimum mobilization requirements established by the Secretary of Defense. We did discuss, however, that when the 2-year test period had passed I would be coming to talk about the Selective Service System in a deepened standby posture and perhaps significantly altered from that of fiscal year 1975.
>
> This brings me to today's presentation to the committee. In view of the success of the all-volunteer recruitment effort. Selective Service operations will be significantly different in fiscal year 1976 and will lead to a considerably reduced level of activity and cost to the Government in future years.

Then the statement goes on to talk about the Presidential proclamation which did in fact change the method of the registration. Procedures requiring men to register within 30 days on either side of their 18th birthday, were terminated. In 1976 we will have a situation in which the Selective Service System will go to a national program of registration, not to maintain local area registration.

What the Drinan amendment proposes is to reduce the Selective Service by one-half the effort of the Selective Service to maintain the Selective Service System. We do not need the local registration. We are going to a national registration. This is the one way I know of to bring some rational degree of economy into the national Selective Service System.

I have very little confidence in the Selective Service since they gave a $100,000 contract for the study of an all-volunteer force on a sole source basis to a man who was an employee of the Selective Service System. The senior Senator from Wisconsin, with whom I do not often agree but with whom I agree in this instance, awarded the Golden Fleece Award for the most effective fleecing of the Federal Government by a Federal agency in this instance.

At this time I think it is high time for the Congress to stand up and say to the Selective Service we will not give them $40 million because when we are going to go to a new system it makes no sense at all.

I hope the amendment offered by the gentleman from Massachusetts is agreed to.

Mr. RYAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Seventy-seven Members are present, not a quorum.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee of the Whole appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. ROYBAL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Drinan perfecting amendment and in opposition to the Ryan amendment. I do so because I firmly believe that the Selective Service System must be kept intact, but that it must be reduced in cost.

During the discussion on this bill before the Appropriations Committee, I had the opportunity of offering almost a similar amendment. No one could deny at the time that the Selective Service System has failed to reduce costs while phasing out certain portions of its operation. No one could likewise deny that it is no longer necessary to conduct registration on the old basis; and that many of the functions of the Selective Service System are no longer needed, there is no doubt of the fact that certain of these unneeded facilities still continue to be funded by the Congress of the United States.

During the discussion, it was pointed out that there are certain basic elements that are needed to conduct a Selective Service System:

First, is the conduct of annual registration;

Second, general and administration costs;

Third, executive salaries, including those for general headquarters;

Fourth, computer centers;

Fifth, special programs such as the training of Reservists;

Sixth, literature and other information devices; and

Seventh, money for the reconciliation service.

In the Drinan amendment, we find that there is an amount of $4,583,000 for the specific purpose of holding annual registration, and that it is the amount that was requested by the Director of the Selective Service System. It is also known that under the Drinan amendment general and administrative costs are funded in the neighborhood of $1.6 million. This is also the exact amount requested by the Director of the Selective Service System.

As we go right down the line, taking each one of the items that are necessary to conduct a Selective Service System, we find that under the Drinan amendment, every cent that has been requested is left in the bill. Therefore, it is my contention that those elements that I have outlined as needed to conduct a Selective Service System are all left intact in the Drinan amendment.

It is therefore necessary that in order to reduce costs for portions of a facility no longer needed, that we adopt the Drinan amendment and oppose the Ryan amendment. By so doing, we keep intact the Selective Service System which can, if the time should ever come, do whatever is necessary to mobilize throughout the entire Nation, and provide the registration or whatever is needed, to get men under arms, in the event that there is ever again a need for that in our country.

I believe that the only way that this can be done without having to start anew is to keep this nucleus intact as recommended under the Drinan amendment, and therefore, urge my colleagues to support the Drinan perfecting amendment in this instance.

Mr. TALCOTT. Mr. Chairman, I rise to strike the last word, and I rise to oppose both the Drinan perfecting amendment and the Ryan amendment.

Mr. Chairman, our committee has really seriously considered the selective service program for a number of years. I think we have given an opportunity to everybody who has harbored different views on this item every time we had an opportunity to do so. There are Members on our committee who want to eliminate selective service, some who want to cut the selective service program to a minimum, and I think we have done that in past years and we have cut it considerably this year. This is an agency that does have important functions to do, which it is required by the law to do. They utilize as many volunteers per paid employee, I suppose, as any other agency in the Federal Government.

It does register all of the 18-year-olds. It does classify the registrants. It handles the whole clemency and reconciliation program. It even handles induction functions as for doctors, and others from time to time. It develops plans for the registration program in the event of an emergency.

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. TALCOTT. Yes, I will yield to the gentleman.

Mr. DRINAN. I thank the gentleman for yielding. I agree thoroughly with what the gentleman is saying, and under my amendment each and every one of those specific statutory requirements would be protected and would be funded exactly as the subcommittee and the committee said, exactly as the full Appropriations Committee. The only thing that is eliminated in this amendment is the work of the State directors and people in that area that have no function because registration in the whole sense is no longer necessary or possible.

Mr. TALCOTT. Registration is necessary. It is essential, and it is still being conducted, and it is being conducted by State and local boards. It is being conducted by boards all around the Nation.

Mr. DRINAN. If the gentleman will yield again, in the amendment there is provided $4.5 million for part-time help for the registration that will be taking place on 2 or 3 days next January. That was provided by the Committee on Appropriations. It is provided for in the amendment as pending.

Mr. TALCOTT. The gentleman ought to understand that is not the only way the classification is handled. The boards throughout the country have to counsel people, advise people. It is very essential to the young men to know what is happening to them, to be able to go into a classification center or local and obtain information. You cannot just close down all the local boards throughout the United States.

Mr. DRINAN. If the gentleman will yield further, there is no classification outline, there is no classification. That has been superseded. They have a standby authority only. Consequently, there is no counseling or direction. It is simply a mechanical thing that they fill out their name and address, and so on, and that is all that is meant by classification as to registration.

Mr. TALCOTT. That simply is not true. I do not know how mechanical the classification is, but there is classification and there is a necessity to counsel and advise young men who need information about the draft. This is done by Selective Service boards throughout the country. Even a termination of the program would cost more than what the gentleman has suggested.

Mr. RYAN. Mr. Chairman, will the gentleman yield on that point?

Mr. TALCOTT. Certainly, I will yield to the gentleman.

Mr. RYAN. Mr. Chairman, if there is no further need for the draft and all of these clerical functions that the gentleman says is necessary, then the logical conclusion must be that the clerical functions are performed to create jobs, not to support a needed Selective Service program.

Mr. TALCOTT. There is a need for the draft. The draft is required by law. They have to go through with the draft. They are doing it each year. I think there is a mistaken belief that since we have a Volunteer Army we do not have a draft. The only thing we do not have is a general induction.

Mr. RYAN. Will the gentleman yield further?

Mr. TALCOTT. Yes, I yield to the gentleman.

Mr. RYAN. Is it not true that it is a matter of policy of this House oftentimes that we create legislation originating policy, and then we do not put any money behind it sometimes for years, until they find a place for it, especially in the Rivers and Harbors Act?

Mr. TALCOTT. If the gentleman wants to propose legislation to eliminate the Selective Service System in the proper authorization committee, I might join the gentleman in doing it. But we have the program now. It is required by law. I think it should be funded in a minimal way.

Mr. RYAN. If the gentleman will yield further, I would suggest to the gentleman that perhaps he is arguing in favor of the Drinan amendment in a minimal way.

Mr. TALCOTT. No, I am not arguing in favor of the Drinan amendment. The Drinan amendment does exactly what the gentleman's amendment does, only in a subtler way. It just cuts the heart out of the whole program. It would cost more than the funds suggested by the gentleman from Massachusetts (Mr. DRINAN) to cancel all the leases and pay off all of the employees. I think our committee went into this with the same feeling the gentleman from Massachusetts and the gentleman from California have done, and we have concluded that this is the mnimal amount that the Selective Service needs.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the perfecting amendment offered by the gentleman from Massachusetts (Mr. DRINAN) and also in opposition to the amendment offered by the gentleman from California (Mr. RYAN).

Let me say that this is an amendment that has a lot of appeal. Can we refuse to eliminate $22.3 million in unnecessary Federal spending? The answer, of course, is: "Well, no, no one can refuse that."

This is from a "Dear Colleague" letter that was sent around. They ask us: Do we really need the system? Do we need to spend this $40 million to insure national security? No, we do not. It is a simple answer.

But the fact of the matter is that the amendment offered by the gentleman from California (Mr. RYAN) would bring to an end completely the standby Selective Service as we know it now. That system is commanded under the Military Selective Service Act. It compels a standby system.

I will say that my dear friend, the gentleman from Wisconsin (Mr. STEIGER), probably understands this matter as well as anyone, and I am not distressed and I am not disappointed that he supports the amendment offered by the gentleman from Massachusetts (Mr. DRINAN), but I am a little concerned, because I remember last year or the year before we had problems with this—and we have had them every year. I talked with the gentleman from Wisconsin and he spoke then against eliminating the standby system. The very distinguished and the very able and very magnificent public servant, Secretary Kelly, who was then Secretary of the Department of Defense Manpower, was one of the authorities he used in support of the system.

I picked the phone up and called Secretary Kelly, and he said, "Listen, you follow BILL STEIGER about this one, and you will not be making a mistake." He also said, "You know, the Volunteer Army is going to be a success."

That was his great concern, as it was also the concern of the gentleman from Wisconsin.

It is a success, and we are all proud and we are glad of it. We hope it continues.

Let me tell the Members this: This is not a marshmallow world. An emergency might develop at any time. If we do not have a standby system, we are not going to be able to get people in the service as rapidly as we may need to have them. The President cannot draft, as all of us know, without coming to the Congress for that authority, but the fact of the matter is that it might be possible that he would have to do it some time. I think we have to look at the world realistically, not as we would like to have it.

So in regard to the amendment offered by my friend, the gentleman from California (Mr. RYAN), I think we ought to reject it. I think we ought to reject also the amendment offered by my distinguished friend and colleague, the gentleman from Massachusetts (Mr. DRINAN), for obvious reasons.

All the gentleman says is that we are getting rid of the State headquarters and all the employees at the State headquarters. When we get rid of the State headquarters and the employees, then we will have done away with the Selective Service System. It is just that simple.

Mr. Chairman, I think we ought to follow the committee's judgment here. I think it is reasonable. We cut the amount down from $47 million to $40 million. We reduced the personnel over a period of years from 6,400 to 1,400, and it is going to bottom out, I think, probably in 1978 at about 400 employees.

The way to do it is in an orderly fashion.

The Selective Service System is planning now for a new system. It is a registration once a year. Maybe it is only within a 2-week time frame, but that is what it must be. All of us agree this is the way it ought to be. There has to be training for these people, and we must institute the system. The only way we are going to do it is with personnel. I do not know how in the world we can do that without personnel.

Mr. Chairman, this is the wrong time, I say to my friend, the gentleman from Massachusetts and to my friend, the gentleman from California. I think it is the wrong year, it is the wrong time, and it is the wrong amendment. I hope that both amendments will be rejected.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Massachusetts (Mr. DRINAN).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DRINAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the perfecting amendment was rejected.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from California (Mr. RYAN).

The amendment was rejected.

Mr. PEPPER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think all of us are very deeply concerned about the inadequacy of the housing program in this country today. Many of us are particularly concerned about the housing facilities that ought to be made available for the elderly of the country.

A little while ago we had what I thought, on the whole, were two good programs, section 235 and 236.

Under the 235 program it was possible for homes to be bought by persons in relatively low income categories. I have seen some of those homes and have seen the pride with which people living in those homes have furnished them and have taken care of them.

That program was phased out by the last administration. That was some bad administration of this program, but all we needed to do was to clean up the administration of the program, it seems to me, and not eliminate the program.

Then we had the sec. 236 program, a subsidy program for rental housing. That has been eliminated now by the administration apparently, so that program, too, has gone by the way.

Now we have a section 202 program, and that would have provided housing, as I thought we intended in the legislation, for the elderly. But, now, I find that the administration and the Department of Housing and Urban Development have limited the aid under that program to construction funding. No Federal money is available for permanent financing for the cost of the building under that program.

Mr. Chairman, I made inquiry of the able gentleman from Massachusetts, who was handling this bill in the Committee on Rules, the other day. As I recall, his answer in the Committee on Rules was that his distinguished subcommittee was going to look into the rule or regulation that was promulgated relative to this matter by the HUD administration and see whether or not that action was in accordance with the intention of the legislation when section 202 was adopted.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. Yes, I yield to the able gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, to answer the gentleman, that was the response I made to the gentleman from Florida (Mr. PEPPER) when he queried me before the Committee on Rules.

I must say that this committee, and I am sure most of us here today and most Members of Congress will agree, is disappointed with the Department of Housing and Urban Development in the administration of the housing for the elderly program.

The new section 8 program, in our judgment, is going to help in this particular area. There is $300 million in the bill for housing for the elderly and that $300 million will be used in tandem with the section 8 program. The Department has promised that it will make specific reservations for housing for the elderly under the section 8 program and, if it does that, then most of the units are not going to be gobbled up by other sponsors. There will be a specific reservation for housing for the elderly, and if the Department sticks to that, as I am sure it will, I think we will make some progress here.

Mr. Chairman, let me say this to the distinguished gentleman from Florida (Mr. PEPPER): I know that he is interested in elderly housing in the Miami area. The progress we are making in housing and, hopefully, the contribution this bill will make, will provide more and better elderly housing units in the next 2 years.

Mr. PEPPER. Mr. Chairman, I want to commend the gentleman and thank him for his interest in the housing program for the elderly.

I am hopeful that the committee will insist that HUD will keep us informed on the results of this program, and I am sure we would like to see how the regulations that have been promulgated by HUD actually operate.

The last thing, Mr. Chairman, is that I understand now that the old public housing program has been phased out or converted under section 8. I was just talking to some of the housing people in my area, and they do not think that section 8 is going to work in the inner city areas because if private lenders have to lend money to build these facilities in neighborhoods which are not altogether desirable, they are not going to make those loans.

There, again, I would hope that the distinguished gentleman from Massachusetts and his committee will keep a close eye upon the HUD operations to see whether they are, under section 8, actually carrying out the intent of the distinguished committee and the House or not, and whether section 8 is effective in providing housing for the elderly.

Mr. BOLAND. I think we can make that promise. Also, I think we ought to be sure that the legislative committee that fathered the section 8 program will also be concerned whether or not the section 8 program is really working for the elderly. It is supposed to do this, and we hope it will.

I see the distinguished gentleman from Ohio here, who was instrumental in the passage of the Community Development Act. I am sure the gentleman would approve of that statement.

Mr. PEPPER. I thank the gentleman.

The **CHAIRMAN.** The time of the gentleman from Florida has expired.

Mr. DANIELSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the chairman and ranking member of the subcommittee, and Members: Before this bill came before the House I intended to raise four points of order as to some of the appropriations. I have not done so intentionally and knowingly, recognizing that by failure to raise a point of order at the appropriate time, the point of order is deemed to have been waived.

The points of order that I would have raised, if timely, related to the provisions of the appropriations for the Veterans' Administration for the construction of new cemetery facilities.

During the last Congress a National Cemetery bill was enacted, which transferred substantially all of our national cemeteries to the Veterans' Administration. Later, legislative jurisdiction over National Cemeteries was vested in the Committee on Veterans' Affairs by rule X of the Rules of the House. Following that, the Subcommittee on Cemeteries and Burial Benefits was created, of which I am the subcommittee chairman, to handle the responsibility for that jurisdiction within the Committee on Veterans' Affairs.

Within this bill there is a substantial sum of money, $13.6 million, which is appropriated for the construction of new cemeteries and new cemetery facilities, none of which, I respectfully submit, have been authorized by law. Inasmuch as these facilities are urgently needed I did not raise a point of order earlier because, to have done so, if the point of order had been sustained, would have delayed the construction process for a year or more, which, in my opinion, would not have been in the public's interest.

So, in order to protect the record, I wish to state that there are at least four points of order against the pertinent provisions of this appropriations bill, H.R. 8070 and, although it is deemed that I have waived them in this particular bill, my action does not constitute a precedent. I will not waive those, or any other points of order, in future appropriations, and do not waive any part of the legislative jurisdiction of the Committee on Veterans' Affairs.

The points of order are as follows:

First. In the committee report, on pages 43 and 44, and by necessary implication in the bill, the Appropriations Committee refers to, and approves and recommends funds for, and by necessary implication recognizes and ratifies a so-called regional cemetery system within the National Cemetery System. A regional cemetery system has never been authorized by law. The so-called regional cemetery system is, at this time, no more than a recommendation of the Veterans' Administration. It has never been authorized or approved by law, nor has it been recommended by the Committee on Veterans' Affairs, which is the standing legislative committee having jurisdiction over this subject matter.

Second. The committee reports provides, at page 44, under the heading "Construction of Facilities—Major Projects, Fiscal Year 1976, Cemeteries," and the bill recognizes by including the figure in its provisions, at pages 31 and 32, that at least four new cemeteries shall be constructed, together with visitors centers thereon, as follows: one in region I, two in region III, and one in region IX. The report details, and the bill provides by appropriation, for this construction.

I respectfully point out that none of these cemeteries has been authorized by law, and that this action by the Committee on Appropriations in fact tends to constitute the legislative establishment of new cemeteries which have not been authorized by law, and thus constitutes legislation in an appropriations bill, in violation of rule XXI, clause 2, of the Rules of the House.

Third. At the same place in the bill, and in the report, is the appropriation of $13.6 million for the construction of these new cemeteries and facilities. This constitutes an appropriation for expenditures not previously authorized by law, in violation of rule XXI, clause 2, of the Rules of the House.

Fourth. Lastly, within the committee report, at page 43, and by necessary implication within the bill, H.R. 8070, the committee has again included legislation in an appropriation bill, and has acted in violation of the Rules of the House, in its statement:

> Finally, the Committee is advised that one of the locations being considered for a new cemetery is at the historic shrine at Valley Forge, Pennsylvania. There is no justification for developing national shrines as cemeteries or overly concentrating activities at such locations. The Committee has therefore denied any funds for planning, developing or constructing a national cemetery in that area.

I respectfully submit that this is both a violation of rule XX, clause 2, for the reasons I have stated, and a direct invasion of the exclusive legislative jurisdiction of the Committee on Veterans' Affairs, as conferred upon that committee by rule X, clause 1, subsection (u) (2) of the Rules of the House. The questions if whether a new national cemetery shall be established, and where it will be located, are questions of legislative policy uniquely within the jurisdiction of the Committee on Veterans' Affairs, and are matters with which the Appropriations Committee should not concern itself.

I did not raise my points of order earlier, for the reasons I have stated, but again I make it clear that I do not and shall not waive them with respect to future appropriations.

I withdraw my motion to strike the last word.

Mr. BOLAND. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'HARA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8070) making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. BOLAND. Mr. Speaker, I move the previous question on the bill and the amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. STEIGER of Wisconsin. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 391, nays 25, not voting 17, as follows:

[Roll No. 343]

YEAS—391

Abdnor
Abzug
Adams
Addabbo
Alevander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Dickinson
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—25

Archer
Armstrong
Bauman
Bennett
Chappell
Collins, Tex.
Conlan
Crane
Devine
Flynt
Hansen
Jarman
Jones, Okla.
Kindness
Landrum
Latta
McDonald
Mathis
Miller, Ohio
Poage
Rousselot
Schneebeli
Shuster
Steiger, Ariz.
Symms

NOT VOTING—17

Collins, Ill.
Diggs
Downing
Erlenborn
Evins, Tenn.
Forsythe
Fulton
Gude
Karth
Madigan
Mosher
Murphy, N.Y.
Nedzi
Rogers
Ullman
Waggonner
Wiggins

So the bill was passed.

The Clerk announcing the following pairs:

Mr. Waggonner with Mr. Rogers.

Mr. Murphy of New York with Mr. Gude.

Mr. Karth with Mr. Wiggins.

Mr. Nedzi with Mr. Fulton.

Mr. Diggs with Mr. Madigan.

Mrs. Collins of Illinois with Mr. Erlenborn.

Mr. Evins of Tennessee with Mr. Downing of Virginia.

Mr. Ullman with Mr. Mosher.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed and to include tables, charts, and other extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

Mr. ROBINSON. Mr. Speaker, on Friday last—June 20—I was present and voted "nay" on rollcall No. 328, when the vote was taken on an amendment offered by the gentleman from New York (Mr. SCHEUER) to the bill, H.R. 7001. Thereafter, my attention was called to the failure of the electronic voting system to record my vote. This was confirmed by the tally as printed in the RECORD, which shows me as not voting.

Mr. Speaker, I would like the RECORD to show that, had the voting system not failed, I would have voted "nay" in this instance.

INCREASE OF TEMPORARY LIMIT ON PUBLIC DEBT UNTIL NOVEMBER 15, 1975

Mr. ROSTENKOWSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8030) to increase the temporary debt limitation until November 15, 1975.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. ROSTENKOWSKI).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8030), with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Illinois (Mr. ROSTENKOWSKI) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill, H.R. 8030, increases the debt limitation to $577 billion from the date of enactment through November 15, 1975.

The present limit is $531 billion, and it is effective through June 30, 1975. This limit consists of a permanent debt limit of $400 billion and a temporary limit of $131 billion. H.R. 8030 does not change the permanent debt limit. It simply increases the temporary limit from $131 billion to $177 billion.

The House made it clear when we considered the debt limit last week that it did not want to extend it for an entire year. In view of this the committee considered other alternatives. After reviewing the various alternatives we concluded that extending the debt limit to November 15, 1975, was the most desirable.

By November, Congress will be in a good position to assess the economy's impact on the budget. But still more important, Congress will by that time have acted on a second concurrent resolution on the budget. The budget control schedule calls for Congress to complete action on the second resolution and the reconciliation bill by September 30. The November 15 date will allow plenty of time after action is completed on that resolution to consider a new debt limit bill this fall.

In setting a debt limit for a portion of the fiscal year, the committee first determined the best estimate of the debt management needs for the entire fiscal year. In making this estimate, the first budget resolution was used as the basis for the receipts and outlays totals since this represents Congress own conclusions as to revenues and spending. The expenditure totals in the budget resolution amounted to $367 billion. The receipt totals in the budget resolution were $298.2 billion. As a result, the deficit in the budget resolution amounts to $68.8 billion.

Then the monthly pattern of receipts and expenditures must be estimated. Recognition also must be given to other adjustments in debt management that vary considerably each year. For example, this time a $3 billion increase in the limit is required at the end of fiscal year 1975 in order to maintain the normal $6 billion operating cash balance. In addition, the Federal Financing Bank will finance some $10.4 billion worth of off-budget agencies' credit activities, through Treasury issues. While these issues must be included within the debt limit for the entire year, only a small amount is expected to be issued before November 15, and as a result this bill takes little of this amount into consideration.

The monthly pattern of receipts, outlays, and the other debt-related matters is reflected in table 7 on page 8 of the committee report. The table shows the end of the month debt limit requirements through all of fiscal year 1976. On November 30, 1975, the debt requirements are $577.4 billion. Flows of receipts and expenditures during November are such that the mid-month requirement does not differ appreciably from the end of the month totals. Thus, the committee selected $577 billion as the appropriate debt limit through November 15, 1975.

The bill provides for the new debt limit to become effective on the date of enactment. Approximately $4 billion in interest payments on investments of the trust funds must be paid on June 30, 1975, and the payments must be invested immediately in U.S. Government securities. As a result, the Treasury Department estimates that on that date the outstanding debt would be $533 billion if its operating cash balance is to be the usual $6 billion. The committee decided to allow for these debt management requirements by making the new debt limit effective on the date of enactment.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of H.R. 8030, even though I am reluctant to do so.

This bill is a rerun of H.R. 7545 which was considered last week. All the arguments that the Members heard for and against it pertain to this bill except for two points. There is a difference in time, and there is a vast difference in the amount of money.

H.R. 7545 extended the temporary debt limitation for 12 months; this bill is for 4½ months, running from July 1 until November 15. Last week's bill total was $616 billion; the total in this is $577 billion. There is a reduction of $39 billion in this figure, compared with the bill we voted on last week.

The ceiling increase requested for November 15, 1975, is entirely consistent with and is the same as that approved in the budget action which this House took earlier this year.

I believe the chairman of the Committee on the Budget is here, and I am sure that he will confirm the fact that the figure of $577 billion is the exact figure which was approved by the House when the House approved the budget.

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Yes, I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Chairman, the gentleman is correct. That is the figure that has been approved on a month-by-month basis and would cover the concurrent resolution to that date.

Mr. SCHNEEBELI. Mr. Chairman, I thank the gentleman from Washington very much.

I am merely trying to establish, with the gentleman's help, that our action today will be entirely consistent with the approval that the House made of the budget earlier this year.

As the chairman of the committee and I indicated last week, the debt ceiling should be transferred to the Committee on the Budget. It should be considered concurrently with and at the same time as the congressional budget resolution. It is the recommendation of almost all of the members of the Committee on Ways and Means that this function be so transferred.

Mr. Chairman, the present bill was approved by the committee by a vote of 25 to 9. The Members may be interested in some current figures relative to our debt.

Our debt on June 12 was $528.8 billion. There just came over the wire this afternoon a very interesting analysis of our May receipts and our May outlays of this year. The record shows that the fiscal shortfall last month was the highest fiscal shortfall that we have had in any month in our history. We took in last month $12.8 billion, paid out $28.2 billion, our fiscal shortfall was $15.4 billion, and the previous record for any month in our history was $7.9 billion. We almost doubled the previous high monthly shortfall.

Our course, we can attribute some of this to the tax credits which were sent out recently under the Tax Reduction Act of 1975. Our tax rebates were $7 billion, and this accounted for about half of our shortfall. Nevertheless, I think it should be underscored that we are going in the fiscal hole at an accelerated rate.

As I mentioned last week, and I think it needs to be underscored and repeated, the interest on our Federal debt—I have mentioned this to the Members of the House before—the interest on our Federal debt per day is $100 million. The interest on our Federal debt runs more than $1,000 a second. It is $36 billion a year, but when one talks about $36 billion a year, it is ignored. When we remind people, however, that $100 million a day is the interest on our debt, they are shocked.

Mr. Chairman, there were only 25 votes against the appropriation bill that we just approved within the last half hour. We have another appropriation bill later today. It may be of some significance that we are considering our debt ceiling in between two huge appropriation bills. It was not planned out that way, but that is the way it came about.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. SCHNEEBELI) has expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 2 additional minutes.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 2 additional minutes.

Mr. SCHNEEBELI. Mr. Chairman, to continue, this fact may give us reason to pause to find out why we are so badly off our fiscal track.

Yet, there is a paradox to this whole situation. This year our debt will be a lower percentage of GNP than we have had in the last 43 years. After the dire statistics that I have just recited, one may wonder how that is possible, but the percentage of our debt to total GNP this year is the lowest it has been since 1932. It is 29.9 percent of our total GNP as of the present day, and in 1932 it was 29.1 percent. Therefore, as bad as the statistics are that we have confronting us, we still at least have the knowledge that comparatively we have been in a lot worse period because I believe it was in 1946 that our debt was 120 percent of the year's GNP.

Mr. Chairman, so far in fiscal year 1975 we have taken in $249.2 billion, and we have paid out $294.3 billion. That figures out to a loss of over $45 billion, and we are not finished with the fiscal year. We are advised that next year the deficit will be even greater. This week we will be voting on four appropriation bills. I think it is a significant time to review these dire facts.

Mr. Chairman, despite the fact that I have painted a rather gloomy picture here, we have no alternative except to sign the checks for the bills we have obligated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SCHNEEBELI. I yield myself 1 additional minute.

The usual arrangement is that the time when we approve appropriation bills is not when the debt ceiling comes up; however, we are considering them contemporaneously this week, and I would urge my colleagues to be concerned about their votes on these appropriation bills.

I do support H.R. 8030 because we have no alternative.

Mr. Chairman, I rise in support of H.R. 8030. Since the House recently rejected the proposed increase in the temporary debt limit contained in H.R. 7545, which would have extended the temporary debt ceiling through June 30, 1976, at a level of $616.1 billion, the Committee on Ways and Means is now proposing that the temporary ceiling be extended only through November 15 of this year at a level of $577 billion. This is $46 billion above the debt limit of $531 billion which is applicable through June 30.

As in the previous legislation, the committee strongly believes that any action to increase the debt ceiling must be consistent with the action taken in the first congressional concurrent budget resolution. Thus, our action in H.R. 8030 assumes the outlay and receipt estimates agreed to in that resolution.

The committee also concluded that at this time an extension only through November 15 was appropriate, since there are many uncertainties as to the extent and duration of any economic recovery and as to the expenditure levels of the entire fiscal year. By September 30, the Congress will have established its budget priorities for the entire fiscal year. In view of this, we concluded that we should extend the debt limit somewhat beyond the September 30 date in order that Congress can then consider what debt limit is required for the remainder of the fiscal year.

Needless to say, it is important that action be taken to expand the debt limit immediately so that the Government will be in a position to pay its bills after June 30.

As all Members are aware, one of the great difficulties associated with our huge Federal deficit is that Government borrowing is making it difficult for the private sector to obtain the funds needed to expand its capacity and our productivity. Federal borrowing already accounts for over two-thirds of the total borrowings in our capital markets and the interest on the Federal debt for this year is about the same amount as the total Federal debt of 40 years ago. If we are to sustain the current recovery and preclude future recessions of the magnitude of the current one, we must insure adequate capital for the private sector and this means that our deficit must be reduced. In this connection, I believe the Budget Committee will provide a useful mechanism for confronting the Congress with the realities of our spending pattern and hopefully will obviate the need for us to have continuing increases in the debt limitation. For the present, however, the only responsible action is to increase the temporary ceiling and I urge the Members to support this limited extension.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. BURLESON).

Mr. BURLESON of Texas. Mr. Chairman, I take this time to remind my colleagues that I have introduced legislation to end this exercise in futility and to say again that raising the debt ceiling is, for all practical purposes, meaningless.

To fail to raise the debt is not a matter of economy. Rather, it is simply the authority for the Government to borrow money to pay obligations already incurred.

The responsibility in this matter should be transferred to the Budget Committee in order that it may be related to anticipated revenues, outlays, the budget estimate of deficits or surpluses, as the case may be, in future years. It all belongs together and now is the time to make this change.

As I tried to say the other day when this matter was up, the debt ceiling may, at one time, have had some psychological effect but too many people now realize that is all it ever meant. It has no effect on what the Government spends. That came about when authorizations and appropriations were made for the many and varied programs which now must be paid for or the Government defaults.

I can well understand those of you who say, "I have opposed and voted against many of the big spending programs which now bring this situation about." I am in that position and have been for years. I can also understand those of you who may say, "I was not here in the Congress when all these debts were incurred and now have no responsibility in authorizing the Government to borrow the money to pay for them."

Without intending to chide at all, I would remind those of you in this category who may have voted for the $24 billion-plus Tax Reduction Act, that the Government must now borrow every dime of that sum to pay the bill. That is all there is to it. It is as simple as that.

More difficult to understand are those who have been here over the years and have supported the vast expenditures for everything under the sun, but who now contend that the Government may not borrow money to pay its debts.

I urge you to support this legislation and, hopefully, for the last time to be faced with the issue. We may be faced with it by action from the Budget Committee, but not in this form.

Mr. Chairman, in addition to the resolution I have introduced to repeal the provision of law for the Congress to set a public debt ceiling, I would hope and solicit the chairman of our Ways and Means Committee to draft language to transfer this matter of debt limitation to the Budget Committee. I offer to join him in such a proposal and would hope that all members of our Committee on Ways and Means would lend their support by sponsoring a resolution for this purpose.

Mr. SCHNEEBELI. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I voted against last week's effort to increase the debt ceiling in accordance with the budget resolution. I did so because I did not support or vote for the budget resolution and felt no responsibility to fund its excessive spending, in advance, by increasing the public debt.

Today's bill, H.R. 8030, is different. It is a stripped-down 4½-month version. To be sure it still finances programs I voted against, but the bills are due and must be paid, even if the programs have not become more attractive.

It would be nice if those who voted for the budget would vote for the debt that finances it. Those who dance here—who vote for all the spending—frequently try to avoid paying the piper. Ninety-five Democrats who voted for the budget resolution voted against last week's debt increase. If some of those Members do not vote for H.R. 8030, the country will be technically bankrupt by June 30, and will deserve to be in that state.

Nonetheless, I think this country should pay its bills. I shall vote for H.R. 8030 to help pay for some other people's dancing.

Mr. Chairman, I yield back the remainder of my time.

Mr. SCHNEEBELI. I thank the gentleman from Minnesota for his comments.

Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. I thank the gentleman from Pennsylvania for yielding.

Mr. Chairman, I merely rise to endorse what the gentleman said, along with the distinguished acting chairman of the committee, the gentleman from Illinois, my colleague (Mr. ROSTENKOWSKI). I do not think any of the gentlemen that I have heard speak this afternoon in support of this resolution, which would increase the temporary debt ceiling, could be accused of being people who advocate fiscal irresponsibility. Indeed, some of those to whom I have listened rank very highly in the order of those who are continually urging fiscal prudence upon us and upon the country. But this is obviously a case of clear necessity. I think the committee has very wisely tailored this resolution in such a way that even those who voted against an extension of the ceiling earlier can now consistently alter their position. This resolution accomplishes this by confining this to a 4½-month extension of the increase in the debt ceiling and by reducing the increase in the temporary debt ceiling very appreciably. I think we are faced with a quite different situation than we were when we voted on this matter previously here in the House.

Without being pejorative at all on this issue of who is or who is not fiscally responsible, I would suggest—and others have made the point as well—that the voters are quite sophisticated in this country. They realize that the litmus test of fiscal responsibility is not how one votes on this very mechanical measure really of permitting responsible management of the public debt; it is how one votes on the scores of authorization and spending bills that come before any Congress. Those are the measures by which we are tested and should be judged in the light of whether we are fiscally conservative or not, not on how we vote on the matter of the debt ceiling.

So without qualification I would certainly urge my colleagues to do what I think is the only responsible and prudent thing this afternoon, and that is to vote in support of this legislation.

Mr. KEMP. Mr. Chairman, little more than 1 week ago the House defeated the bill to increase the Federal Government's public debt ceiling. The substantial vote of only 175 yeas to 225 nays reflects Members' growing concern over the spiraling growth of government and its deficits. Unfortunately all too many voted against the debt limit after voting to set the fiscal year 1976 deficit at $69 or 70 billion. But it was the right thing to do to defeat that bill. It was a successful attempt at breaking the Government's seemingly endless borrow-and-spend-and-borrow-some-more cycle.

Now, only 8 days later, we are faced with another attempt at increasing the public debt ceiling. This effort too should be defeated. Admittedly, the increase contemplated here is smaller, but it is still an increase, and the objections to an increase remain wholly valid.

As long as the Congress continues to approve these so-called temporary national debt ceilings, we will never send forth the message that it is time to stop the growth of Government, its level of spending, its taxing of the people's livelihood, and its strangulation of the private, free enterprise, productive sector of our economy. And, until this message is sent forth, we will never have a full revitalization of the economy and a complete recovery in real—not inflated—terms.

The national debt ceiling reflects how much we and our children and grandchildren are indebted to the holders of Government notes in the future. Our national debt, just like every other debt, must be paid off, for it is owed to those holding Government securities. And, we must pay interest on it like everyone else.

It took this country over 150 years after 1789 to reach the $200 billion public debt mark, then less than 20 years to double it to $400 billion, and then only 10 more years to add another $100 billion up to half a trillion. Between 1973 and 1976 alone, it will grow nearly $149 billion. And, the interest payments on the debt in 1976 will total nearly $25 billion. The amount of national debt now borne by every man, woman, and child in this country is over $6,000, and the amount of taxes paid by every man, woman, and child just to support the interest payments on the debt in fiscal year 1976 will be about $250—just to pay interest on the debt.

The line must be drawn. The message must be sent. Here is the place at which to do it, in my opinion. To do anything to the contrary—to authorize this additional increase in the debt ceiling—is to invite more growth in government, more spending, more taxes, more inflation, higher interest rates, fewer jobs in the productive sector of the economy, and more crowding out of investment capital.

Inflation and the crowding out of capital markets are the two immediate consequences of enacting the bill before us, and we should insist upon the cessation of both.

Inflation can occur only when money increases in supply relative to goods and services. Given the institutional structure of national economic policy, only Government can cause this to happen.

If government's expenditures are in excess of its revenues from taxation, it has a deficit in its budget. The deficit must then be financed by borrowing. The Government has two sources from which it can borrow: it can borrow from the private sector of the economy and it can borrow from the Federal Reserve System.

We must also not forget that the extent to which private capital is transferred out of investment and into consumption is understated by the size of the Government's deficit, because the borrowings of the off-budget agencies are not even included. Furthermore, in addition to the private capital formation which is preempted by Government borrowing, an enormous amount of private capital has been destroyed by the Government's inflationary policy. Profits have been overstated and thus overtaxed, and the decline in the market value of the stocks listed on the New York Stock Exchange is directly related to the uncertainty caused by inflation. The decline in the stock market has prevented firms from raising capital through new stock issues. Thus, the negative impact of the Government's deficit on private capital formation is greater than the size of the deficit might suggest.

In summary, whether the Government borrows from the Federal Reserve or from the private sector, the Government's deficit is inflationary because it alters the ratio between the supply of money and the supply of goods. If—as in the past 12 months—the inflation rate is 11 percent, it costs you $122-plus to buy today what you could buy for $100 12 months ago.

The cost of living is, therefore, related directly to the inflation created by Government's policies—deficit spending and borrowing. Its time to cut the cost of living by cutting the cost of Government.

Why is there so much pressure to pass this bill?

The Treasury is now sitting with cash reserves that are so high that newspaper accounts report their existence is embarrassing to the administration. The Treasury has daily reserves fluctuating between $7 and $9 billion. In addition, the Treasury has scheduled another controversial gold auction at which it will auction off gold for cash for its coffers. I think that is a serious monetary mistake, but it is happening nonetheless.

We can vote down this bill and send another consecutive message that the growth of Government and its deficits must stop.

And we should begin anew the process of relying on the private and productive forces in our society—business and labor harnessing private capital and resources—to bring about a restoration of the economy and confidence in our future.

The Jobs Creation Act, H.R. 8053, reintroduced on June 19 with nearly 80 House cosponsors, would make great strides toward accomplishing these objectives. Designed to accelerate the formation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy, it would make great strides toward these goals. A thorough discussion of that proposed act, including its text, can be found at pages 19988–19944 of the daily RECORD of June 20. It is certainly the direction in which we should be moving.

Mr. McDONALD of Georgia. Mr. Chairman, I would like to reemphasize the points I made last week during our consideration of the bill to increase the public debt limit by $85 billion. Cutting the increase to $46 billion changes nothing, except that we will be back here trying to raise it again just that much sooner. But this is fine. For one of the most important functions of the statutory limitation on public debt is to force the advocates of Government spending to defend their policies whenever the debt limit needs increasing. Thus public attention is drawn to Government fiscal policies, and the worse the policies, the more often attention must be paid to our ever-increasing public debt.

Nevertheless, the welfare-statists attempt to turn fiscal irresponsibility and economic decline into assets. Massive deficit spending, they proclaim, is needed to spur the economy and lift us out of the current recession. In other words, the worse the economy, the greater the demand for fiscal irresponsibility.

It should be noted that when the economy was booming, the statists argue for greater Government spending on the grounds that we are rich and can afford it. When the economy is slumping and we cannot afford it, however, they reply:

> Oh, yes we can! In fact, we cannot afford not to increase government spending since it is needed to get the economy going again so we can become rich and afford more government spending.

This argument is false on several grounds. First, Government spending as such is nonproductive. The Government does not produce its resources; it takes them from those who do. Some Government spending is necessary—on such things as the military, the police, and the law courts—to maintain a free economy and protect the rights and liberties of American citizens. But most of today's Government spending is not necessary and is a tremendous drain on the productive ability of the economy. Welfare spending, for example, transfers assets from the productive to the nonproductive. These assets are then consumed and unavailable to those who would otherwise use them as the basis for further production and thus further economic growth.

To get an idea of just how much Government is consuming, consider that Federal spending has risen from $9 billion in 1940 to an estimated $350 billion in 1976. To eliminate the increase in population as a factor, consider the growth of total Government spending—Federal, State, and local—per capita: $33 per person in 1913, to $1,066 in 1965, to $2,290 in 1974. The amount of everyone's earnings taken by all levels of Government rose from 25 percent in 1940 to 48 percent in 1974.

But even worse than Government spending per se, is Government deficit spending. Deficits can be financed in only two ways: Printing or borrowing. Printing more paper money inflates the money supply and devalues the currency held in private hands, and thus constitutes a transfer of private capital into the hands of the Government. The difference between this and direct taxation, is that inflation is a fraud. It would be most accurately described as "legalized thievery."

To get an idea of the extent of the Government's practice of legalized thievery, consider that the consumer price index has risen from 48 in 1945 to 156 in 1974—100 in 1967. Or, to put it another way, the value of a dollar has shrunk from $1 in 1939 to 24 cents in 1974.

Borrowing likewise transfers the assets of the productive into the hands of the Government, preempting savings that would otherwise be available for capital investment and thus business expansion and economic growth.

Economically, then, raising the debt limit to accommodate another $85 billion of deficit spending within the next year is disastrous. It will not spur economic recovery, but will increase the enormous consumption of our productive resources by the Government.

Nevertheless, economics is not the real issue. The Keynesian theories advocating Government spending as a road to prosperity are so demonstrably false in both theory and practice that I doubt even their strongest defenders really believe them. They are useful, however, to provide a thin veneer of economic justification to coverup the policies, programs, and failures of the welfare state.

Consider the growth of the biggest, although by no means the only, Federal welfare agency—the Department of Health, Education, and Welfare. Beginning in 1954 with a budget of $6.4 billion, HEW grew to $15.1 billion in 1960, $52.2 billion in 1970, and an estimated $118.4 billion in 1976. In 1960, HEW spending comprised 16.8 percent of total Federal spending. Compare this to the 47 percent of the Federal budget that went for defense in 1960. By 1975, HEW's percentage has reached 36.5, while that of defense has shrunk to 25.2. It is also revealing to observe that the Federal Government debt has gone from $290 billion in 1960 to approximately $615 billion at present, an increase of $325 billion. During the same period, total HEW spending amounted to approximately $739 billion or about $500 billion more than if it had maintained the 1960 level of spending.

Obviously, the increase in Government spending, and particularly Government deficit spending, has been necessary to feed the huge appetites of the programs of the welfare state. Thus it will do little good in the long run to merely attack deficit spending on economic grounds without attacking its source: The programs of the New Deal, the New Frontier, and the Great Society.

Fiscally it is irresponsible. But politically, deficit spending makes sense to those who are buying the votes on the beneficiaries of the welfare state. And it will continue to make sense until such policies and programs are attacked directly and their failure, and the ultimate loss of freedom they entail, is explained to the American people.

The time to start is now, by voting against an increase of $46 billion in our Federal debt. This would force the Government to balance its budget and cut spending on wasteful and nonproductive programs.

Mr. KELLY. Mr. Chairman, the House of Representatives is once again going through its periodic exercise of increasing the Federal debt ceiling. We are being asked to raise the temporary ceiling by $46 to $177 billion until November 11, 1975, to accommodate the Federal Government's massive borrowing requirements during fiscal 1976.

I intend to vote against this legislation, because I believe that we must establish a limit to the inflation-causing Government spending.

In 1962, the Federal budget was $100 billion. It took this Nation 186 years to reach that rate of spending. It took only 8 more years to reach the $200 billion spending rate. Four years later it was the $300 billion level, and now we are at the $400 billion mark in 2 years.

The national debt with present spending levels will be $600 billion by the end of next year. This will be our total national indebtedness for 200 years, but we will have incurred one-sixth of this debt in only 2 years. Part of this debt is monetized by the Federal Reserve. But most of it will have to be financed by Government borrowing; by Government competing against the private sector for the amount of money available for borrowing at any given time, and at the debt level we have now, with every expectation of crowding out the private borrower who will need it for capital investment.

The latest administration estimates tell us that the deficit for fiscal year 1976 will be $59.9 billion. The budget resolution passed by the Congress last month allows for a deficit of $68.9 billion for fiscal year 1976. Whatever the final figure turns out to be, we are in a dangerous position. We are faced with the very likely possibility that the Government's demand for credit to finance its debt will disrupt private financial markets and seriously affect the market's ability to finance long-term capital investment.

Testimony before the House Banking Committee, on which I serve, revealed that the United States has one of the worst records of capital investment among the major industrialized nations of the free world. Our records of productivity growth and overall percentage of economic growth in the last 10 years also were among the lowest of all major industrialized nations. How can this Nation possibly improve its industrial position as well as provide for increased future investment requirements if Government borrowing crowds out the private sector borrowing?

The question of irresponsible spending by Government and the competition for capital investment does not operate in a vacuum. This whole subject is substantially aggravated by the mushrooming Government regulation which is well meaning in many instances but nonetheless devastating in its burden. A good example of this was the flyer of Congress in the automobile industry which resulted in the catalytic converter and the interlocking ignition system.

The impact of governmental regulation causes the fiscal policies of Government to be even more troublesome, because of the combined effect.

Mr. Chairman, Government spending is not as effective as private spending in producing goods and jobs for our people; Government borrowing will crowd out private borrowing for investment; therefore, we must cut back Government borrowing. It is an abuse of the responsibility with which we are charged—to run this Government responsibly and to provide for present and future generations a sound basis on which to continue building this country.

Mr. ROSTENKOWSKI. I should like to inquire of the gentleman from Pennsylvania, does he have any further requests for time?

Mr. SCHNEEBELI. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ROSTENKOWSKI. I have no further requests for time, and yield back the remainder of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of Amecia in Congress assembled, That during the period beginning on the date of the enactment of this Act and ending on November 15, 1975, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by $177,000,000,000.

SEC. 2. Effective on the date of the enactment of this Act, the first section of the Act of February 19, 1975, entitled "An Act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975" (Public Law 94–3), is hereby repealed.

The CHAIRMAN. If there are no amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8030) to increase the temporary debt limitation until November 15, 1975, pursuant to House Resolution 562, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 223, nays 196, not voting 14, as follows:

[Roll No. 344]

YEAS—223

Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Barrett
Beard, R.I.
Bergland
Biester
Bingham
Boggs
Boland
Bolling
Bonker
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Burke, Calif.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Carney
Carter
Casey
Cederberg
Chisholm
Clay
Cohen
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Daniels, N.J.
Danielson
Delaney
Derwinski
Dingell
Duncan, Oreg.
Duncan, Tenn.
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Foley
Fraser
Frenzel
Fuqua
Gilman
Green
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hawkins
Hayes, Ind.
Hébert
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Horton
Howard
Hungate
Hyde
Jarman
Jeffords
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Kazen
Keys
Koch
Krueger
LaFalce
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers, Pa.
Nix
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Preyer
Price
Pritchard
Quillen
Railsback
Rangel
Rees
Reuss
Rhodes
Roberts
Rodino
Roe
Rooney
Rostenkowski
Roush
Ruppe
Sarbanes
Schneebeli
Seiberling
Sharp
Shipley
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Staggers
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Stokes
Stratton
Symington
Talcott
Teague
Thompson
Thornton
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wright
Wydler
Yates
Young, Ga.
Young, Tex.
Zablocki

NAYS—196

Abdnor
Abzug
Ambro
Anderson, Calif.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Bafalis
Baldus
Baucus
Bauman
Beard, Tenn.
Bedell
Bell
Bennett
Bevill
Biaggi
Blanchard
Blouin
Bowen
Brinkley
Broyhill
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burton, John
Butler
Byron
Carr
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conlan
Cornell
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Dellums
Dent
Derrick
Devine
Dickinson
Downey
Drinan
Early
Edgar
Emery
English
Eshleman
Evans, Ind.
Fithian
Florio
Flowers
Flynt
Ford, Mich.
Ford, Tenn.
Fountain
Frey
Gaydos
Giaimo
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hays, Ohio
Hechler, W. Va.
Hefner
Henderson
Hightower
Hinshaw
Holland
Holt
Holtzman
Howe
Hubbard
Hughes
Hutchinson
Ichord
Jacobs
Jenrette
Johnson, Colo.
Jones, Tenn.
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Kindness
Krebs
Lagomarsino
Latta
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Lott
Lujan
McCollister
McDonald
Mann
Martin
Mathis
Miller, Calif.
Miller, Ohio
Mineta
Moffett
Montgomery
Moore
Moorhead, Calif.
Mottl
Myers, Ind.
Natcher
Neal
Nichols
Nolan
Patman, Tex.
Pattison, N.Y.
Poage
Pressler
Quie
Randall
Regula
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rogers
Roncalio
Rose
Rosenthal
Rousselot
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Sarasin
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spellman
Spence
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Stuckey
Studds
Sullivan
Symms
Taylor, Mo.
Taylor, N.C.
Thone
Traxler
Treen
Tsongas
Wampler
Weaver
Whitten
Winn
Wirth
Wolff
Wylie
Yatron
Young, Alaska
Young, Fla.
Zeferetti

NOT VOTING—14

Collins, Ill.
Diggs
Dodd
Downing
Erlenborn
Forsythe
Fulton
Gude
Karth
Mosher
Murphy, N.Y.
Nedzi
Ullman
Waggonner

So the bill was passed.

The Clerk announced the following pairs:

Mr. Waggonner with Mrs. Collins of Illinois.
Mr. Karth with Mr. Downing of Virginia.
Mr. Diggs with Mr. Fulton.
Mr. Murphy of New York with Mr. Gude.
Mr. Nedzi with Mr. Forsythe.
Mr. Dodd with Mr. Erlenborn.
Mr. Ullman with Mr. Mosher.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 8030, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

TEMPORARY SUSPENSION OF DUTY ON NATURAL GRAPHITE

Mr. GREEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7706) to suspend the duty on natural graphite until the close of June 30, 1978, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CONABLE. Mr. Speaker, reserving the right to object—and I shall not object—I make the reservation for the purpose of asking the gentleman from Pennsylvania if he will explain briefly the contents of this bill.

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Speaker, I will be glad to explain.

Mr. Speaker, the purpose of H.R. 7706 is to amend subpart B, part 1 of the Appendix to the Tariff Schedules of the United States to suspend temporarily to June 30, 1978, the rates of duty on imports of natural graphite from countries receiving nondiscriminatory — MFN — treatment.

Section 2 of the bill applies the temporary duty suspension to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment.

H.R. 7706 was introduced by our colleague from Texas (Mr. Burleson) for himself and Mr. Poage and Mr. Daniels.

Natural graphite is currently imported under four items of the tariff schedules, on which the rates of duty which would be suspended by the bill range from 2.5 to 7.5 percent ad valorem or ad valorem equivalent.

Graphite, or plumbago, is found naturally as a mineral and marketed in two commercial classes — crystalline and amorphous—as flake, lump, chip, dust, or fine powder. The industry commonly blends different graphites to obtain a final product having the desired properties for specific uses, mainly in foundry facings, steelmaking, lubricants, refractories, pencils, and batteries. Processing and selling are generally done on a custom basis for the specialized market. Alternate materials cannot substitute for natural graphite in many uses except at substantially higher cost.

There is only one operating domestic graphite mine, which produces only small-flake crystalline. Domestic production is reportedly about 2,000 tons per year, only a minor share of domestic consumption, which totaled about 71,000 short tons in 1973. Graphite deposits have been reported in 25 States and commercial quantities have been produced at times in 17 States. Slow market growth, high production costs, and low-grade ore have restricted domestic commercial recovery.

U.S. imports of natural graphite have steadily increased since 1971 due to greater demand.

Certain grades of natural graphite are considered essential to the national defense and have been designated strategic materials. These grades include lump graphite from Ceylon and flake graphite from the Malagasy Republic. Virtually all surplus graphite in U.S. Government stockpiles has been committed to purchasers in competitive offerings. As a result, and because of a reduction in world production while demand has increased, the prices of graphite for industrial consumers have been increasing substantially.

Public hearings were held by the Subcommittee on Trade of the Committee on Ways and Means on April 23 and 24, 1975 on duty-free entry and temporary duty suspension bills. During these hearings favorable testimony and written comments were received on H.R. 1794, a bill similar to H.R. 7706. Favorable reports have also been received from interested executive branch agencies. No objections to this legislation have been received by the committee from any source.

The committee unanimously reported this bill and recommends its enactment.

Mr. CONABLE. Mr. Speaker, I support H.R. 7706, a bill to suspend the "column 1" rates of duty on natural graphite through June 30, 1978.

Graphite is marketed in two commercial classes, crystalline and amorphous, and in a variety of forms: flake, lump, chip, dust, and fine powder. Different graphites are blended to obtain a final product which can be used in foundry facings, steelmaking, lubricants, refractories, pencils, and batteries.

There is one domestic graphite mine now in operation, producing only small-flake crystalline. The committee was informed that domestic production averages about 2,000 tons per year, whereas domestic consumption is about 35 times that amount. Although graphite deposits have been reported in 25 States, domestic recovery for commercial purposes has been restricted by slow market growth, high production costs, and low-grade ore.

Because of rising demand, U.S. imports of natural graphite have increased steadily since 1971, reaching a level of 162 million short tons, valued at $5.4 million, in 1974.

Mr. Speaker, the committee was informed that the suspension of duty on natural graphite would help reduce both production and consumer costs and make U.S. graphite products more competitive in world markets. The interested executive departments and agencies favor the duty suspensions for these reasons. The committee heard no objection to the bill from any source. It was ordered reported unanimously, and I urge its passage by the House.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7706

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding immediately after 907.80 the following new item:

"909.01	Graphite, crude and refined, natural (provided for in item 517.21, 517.24, or 517.27, part 1E, schedule 5)	Free	No. change	On or before 6/30/78".

Sec. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I rise in support of H.R. 7706, a bill to suspend the duty on natural graphite until the close of June 30, 1978.

The tariff on natural graphite is a classic example of trade protection that has outlived its useful purpose. In fact, the tariff now serves only to exacerbate a general inflationary trend in the country as a whole, as well as making U.S.-produced graphite products less competitive in the foreign market.

In the early 1900's, there were approximately 80 domestic producers of graphite. The tariff on imported graphite was adopted as a means of protecting these domestic producers against cheaper foreign imports. Over the years, domestic producers have abandoned their operations in the face of slow market growth in sales, high costs of production, and low grades of domestic ore that could not effectively compete with higher-quality imported products. Today, one single producer remains—the Southwestern Graphite Co. of Burnet, Tex. Although production figures are not available for the Burnet mining operations, the International Tariff Commission agrees that domestic production supplies only a minor part of consumption.

In fact, both Southwestern Graphite and Dixon Crucible, the parent company, import substantial amounts of foreign graphite which they blend with domestically produced graphite for their own use and for resale to other consumers. About one dozen companies import, process, and sell graphite products to a large number of manufacturer users of graphite, but processing and selling are generally done on a custom basis, given the specialized nature of the market.

Mr. Speaker, it is clear to us that the one single producer of graphite does not require the so-called protection of the tariff on imported graphite. In fact, both the New Jersey and Texas operations of the parent company import 2,000 to 3,000 tons of high quality graphite to augment the Texas production, which amounts to approximately 2,000 tons per year.

I will include at the end of my remarks

a breakdown on the import levels of four classes of graphite, together with the tariff schedules for each of the classes. This data does not reflect the recent price increases that have been levied by major foreign suppliers. In the case of imports from Sri Lanka and the Malagasy Republic, these price increases have nearly doubled the price of the imported product for U.S. users. These price increases are troublesome enough for domestic users, but their inflationary effect is further compounded by increasing ad valorem tariffs. These tariffs increase every time a foreign supplier decides to increase its own price. This situation has clearly produced a vicious cycle of rapidly increasing cost for domestic graphite users. When this imported graphite is transformed into a finished product and sold abroad, the added burden of the U.S. tariff only serves to make these American-produced products less competitive.

I believe that this tariff has definitely outlived its usefulness. Right now, we are protecting ourselves right out of the foreign market and adding an unnecessary inflationary burden on domestic graphite users.

It also occurs to me that many finished graphite products are sold to the U.S. Government. I believe that cost savings could be realized by the Government if the tariff on imported graphite were removed. I further believe that these cost savings, added to the relief that would be forthcoming to domestic graphite users as a result of tariff removal, would far outweigh the revenues that would be lost by such removal. As a matter of record, duties collected on 1974 imports amounted to $50,700. Further, improved sales competitiveness abroad that would result from elimination of the tariff could have a positive effect on our international payments position.

Mr. Speaker, my review of the report of the U.S. International Trade Commission reveals no objection to elimination of the tariff on graphite. I believe that the 5-year period during which tariffs on graphite would be removed allows ample time for an assessment of the economic impact of such tariff removal. I am confident that the removal of the tariff will help, rather than hurt, the sole U.S. graphite producer. That producer, and its parent company, have pressed for this relief since 1972. The Joseph Dixon Crucible Co., and Southwestern Graphite Co. heartily endorse this legislation, as does Union Carbide Corp. All domestic users of imported graphite will benefit substantially from removal of this tariff.

Mr. Speaker, when American companies press for relief from a so-called protective tariff, it is clear that the protection has turned into a penalty over the years. It is clearly time to correct this situation, and I hope my colleagues will share my view that this legislation is necessary and reasonable, and will act favorably upon it.

Mr. Speaker, I include a table indicating present duty rates on natural graphite at this point in my remarks:

PRESENT RATES OF DUTY ON NATURAL GRAPHITE

TSUS item	Description	Rate of duty	
		Col. 1	Col. 2
	Graphite, crude and refined:		
	Natural:		
	Crystalline flake, (Not including flake dust):		
517.21	Valued not over 5.5 cents per pound	7.5% ad val.	1.65¢ per lb.
517.24	Valued over 5.5 cents per pound	0.4 per lb. (1974 Ave=3.190)	1.65¢ per lb.
517.27	Crystalline lump or chip	2.5% ad val.	30% ad val.
517.31	Other	Free	10% ad val.

[Quantity=thousands of short tons; Value=thousands of dollars]

TSUS item	1972		1973		1974	
	Quantity	Value	Quantity	Value	Quantity	Value
Imports:						
517.21—Total, Malagasy Republic	430	44	179	17	231	15
517.24—Total	6,613	1,091	3,534	813	9,247	988
Malagasy Republic	5,741	780	2,552	416	6,898	591
West Germany	828	302	662	334	1,071	301
Other	45	9	320	63	1,278	96
517.27—Total	121	13	169	48	764	119
Norway	119	11	------	-----	--------	-----
Sri Lanka	------	-----	165	45	672	117
Subtotal	7,164	1,148	3,882	878	10,242	1,122
517.31—Total	56,599	2,643	73,112	3,467	151,895	4,254
Mexico	47,438	1,068	63,136	1,418	126,588	1,495
Norway	3,419	397	2,241	290	4,895	363
Sri Lanka	2,810	633	2,822	681	4,806	677
Other	2,932	545	4,913	1,078	15,606	1,719

Foreign reserves of high-grade material are plentiful, almost one-half of which are located in Communist countries. Certain grades from Sri Lanka and Malagasy are designated strategic materials essential to the national defense.

DOMESTIC PRODUCTION

There is only one domestic producer of natural graphite. No official production statistics are published since it would reveal company operations. Domestic production supplies a minor part of consumption, which in 1973 totalled 71,000 short tons valued at $4.1 million. The domestic producer is unable to provide the large flake graphite required by users. The parent firm which requested the duty suspension, markets about 20 grades of domestic flake graphite but also imports and blends it for its own use and resale. About a dozen companies import, process, and sell graphite. U.S. graphite mining has been restricted by slow sales growth, high production cost, and low-grade ore. Several domestic mineral companies have expressed renewed interest in domestic exploration due to rising foreign prices.

Graphite is used largely in foundry facings, steelmaking, lubricants, refractories, pencils, and batteries.

REVENUE ESTIMATE

The annual loss in revenue (duties collected) from duty suspensions on the three natural graphite items equals $50.7 thousand based on 1974 imports.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed and a motion to reconsider was laid on the table.

EXTENSION OF EXISTING DUTY SUSPENSION ON CERTAIN ISTLE

Mr. GREEN. Mr Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7709) to continue for a temporary period the existing suspension of duty on certain istle, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CONABLE. Mr. Speaker, reserving the right to object, will the gentleman from Pennsylvania (Mr. GREEN) give us a brief summary of this bill?

Mr. GREEN. Mr. Speaker, the purpose of H.R. 7709 is to amend the Tariff Schedules of the United States to extend to June 30, 1978, the existing suspension of duty on processed istle fiber for an additional temporary period.

Subsection (b) of the bill applies the amendment to articles entered or withdrawn from warehouse, for consumption after September 5, 1975.

H.R. 7709 was introduced by our colleague from Ohio (Mr. CLANCY).

The existing suspension of duty on processed istle fiber has been extended by various public laws since it was originally enacted in 1957. The duty suspension was last extended on August 16, 1973, by Public Law 93-99 for an additional period through September 5, 1975.

Crude istle fiber is permanently free of duty. If the suspension were not extended, processed istle fiber would be dutible at the rate of 20 percent ad valorem.

Istle fiber is a vegetable fiber derived from several species of the agave plant, which is indigenous to Mexico. There is no domestic production of crude istle. Furthermore, there is no known domestic production of processed istle fibers, which are used primarily in the manufacture of a wide range of high-quality industrial brushes.

The duty suspension has allowed domestically produced istle-fiber articles to remain competitive with imported brushes. Istle fibers do not compete directly with domestically produced synthetic fibers, because of their relatively high cost and absorbent quality.

Imports of processed istle amounted to 4.6 million pounds valued at $3.1 million in 1973, and 5.4 million pounds valued at $4.1 million in 1974. Virtually all U.S. imports of this commodity come from Mexico.

Public hearings were held by the Subcommittee on Trade of the Committee on Ways and Means on April 23 and 24, 1975, on duty-free entry and temporary duty suspension bills. During these hearings favorable testimony and written comments were scheduled on H.R. 5766, a bill similar to H.R. 7709. Favorable reports were also received from interested executive branch agencies. No objections to this legislation have been received by the committee from any source.

The committee was unanimous in reporting to the House this bill, and I urge its passage.

Mr. CONABLE. Mr. Speaker, I will ask the gentleman, is it not correct that istle fiber does not compete directly with domestically produced synthetic fibers, because of their relatively high cost and absorbent quality?

Mr. GREEN. The gentleman is correct.

Mr. CONABLE. Mr. Speaker, I support H.R. 7709, which would extend the existing suspension of duty on processed istle fiber through June 30, 1978.

The article involved is a vegetable fiber derived from the agave plant, which is indigenous to Mexico. According to information given the committee, there is no domestic production, either in crude form or in the form of processed fibers, which are used primarily in making high quality industrial brushes. Istle fibers do not compete directly with domestically produced synthetic fibers because of their relatively high cost and absorbent quality.

The duty suspension has allowed domestic producers of istle fiber articles to remain competitive with imported brushes. If the suspension is not extended, this situation would change drastically, because processed istle fiber will be dutiable at the rate of 20 percent ad valorem.

The committee was informed that imports of processed istle amounted to 4.6 million pounds valued at $3.1 million in 1973, and 5.4 million pounds valued at $4.1 million in 1974. Virtually all of the imports were from Mexico.

Mr. Speaker, the duty on this article has been suspended continuously since 1957. The committee heard no objection to continued suspension, and reported H.R. 7709 unanimously. I recommend passage by the House at this time.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7709

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) item 903.90 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "9/5/75" and inserting in lieu thereof "6/30/78".

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after September 5, 1975.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TARIFF TREATMENT OF WATCHES AND WATCH MOVEMENTS MANUFACTURED IN INSULAR POSSESSIONS OF THE UNITED STATES

Mr. GREEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7710) to amend the tariff schedules of the United States to provide duty-free treatment to watches and watch movements manufactured in any insular possession of the United States if foreign materials do not exceed 70 percent of the total value of such watches and movements.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CONABLE. Mr. Speaker, reserving the right to object, will the gentleman describe to us briefly what this bill provides?

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Speaker, the purpose of H.R. 7710 is to amend general headnote 3(a)(i) of the Tariff Schedules of the United States with respect to the duty-free treatment of watches and watch movements manufactured in any insular possession of the United States by increasing to 70 percent the value of foreign materials which such watches and watch movements may contain.

Section 2 of the bill applies the amended duty-free entry provision to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment.

Mr. Speaker, H.R. 7710, granting preferential tariff treatment to insular possessions, was introduced by our colleague, Mr. DE LUGO from the Virgin Islands.

The current provision in the law originally was enacted in 1954 (Public Law 83–768) in order to stimulate the development of light industry in the Virgin Islands, Guam, and American Samoa. From a small beginning in 1959, the watch assembly industry in the possessions grew rapidly, particularly in the Virgin Islands, where it became the third largest industry in the territory. At its peak in 1973, the number of persons employed by the industry in all three territories was approximately 1,350, with a payroll of almost $4.5 million.

More recently, however, the watch industry in the possessions has suffered setbacks in both production and employment. In Guam, one firm has ceased operations altogether and two others are currently shut down. In the Virgin Islands, seven firms have shut down completely or temporarily suspended operations; from about 1,000 employees in 1974, the industry has declined to an estimated 430 employees in 1975.

The U.S. currency devaluations and increases in labor costs abroad have resulted in higher dollar cost for the foreign parts used in assembling watch movements. These developments have made it difficult for the watch companies in the insular possessions to price their watches competitively in the U.S. market and keep the value of the foreign watch parts at no more than 50 percent of the total value of the assembled watches shipped to the United States. Finally, the reduction in the high escape clause rates of duty on watches and watch movements has affected adversely the competitiveness of watches manufactured in the possessions with those imported directly from abroad.

Public hearings were held by the Subcommittee on Trade of the Committee on Ways and Means on April 23 and 24, 1975, on duty-free entry and temporary duty suspension bills. During these hearings favorable testimony and written comments were received on H.R. 5509, a bill similar to H.R. 7710. Favorable reports have also been received from interested executive branch agencies. No objections to this legislation have been received by the committee from any source.

The committee was unanimous in reporting this bill, and I urge its passage by the House.

Mr. CONABLE. Mr. Speaker, I support H.R. 7710, which would increase from 50 to 70 percent the value of foreign materials, which may be included in watches and watch movements entered duty free from our insular possessions.

The current provision of law, imposing a 50-percent limit on the value of foreign materials, was enacted in 1954 to stimulate the development of light industry in the possessions. Aided by the change, the watch industry grew rapidly, particularly in the Virgin Islands.

Recently, however, the industry has suffered setbacks in both production and employment. In 1974, there were about 1,000 employees; this year, there are an estimated 430. Meanwhile, output has dropped by more than 50 percent.

On the mainland, production of watch movements and watches has been on the increase, rising from 21.5 million units in 1971 to 23.7 million units in 1974. Imports also have been growing, rising from 22.2 million units in 1971 to 23.0 million units in 1974. Shipments from the possessions went from 3.8 million units in 1971 to 5.2 million units in 1973, then declined to 4. 3 million units in 1974.

As a result of U.S. currency devaluations and increases in labor expenditures abroad, the dollar cost of foreign parts used in assembling watch movements has risen substantially. This, in turn, has reduced the competitiveness of watches manufactured in the possessions with those imported directly from abroad.

Mr. Speaker, this bill was designed to correct this situation and restore jobs in an industry important to our insular possessions. No objection to it was raised before the Committee on Ways and Means. It was reported unanimously and I urge its passage by the House.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7710

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That general headnote 3(a)(i) of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after "50 percent of their total value" the following: "(or more than 70 percent of their total value with respect to watches and watch movements)".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF EXISTING DUTY ON CERTAIN DYEING AND TANNING MATERIALS

Mr. GREEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7715) to extend until the close of June 30, 1978, the period during which certain dyeing and tanning materials may be imported free of duty.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CONABLE. Mr. Speaker, reserving the right to object, will the gentleman give us a quick summary of what this measure provides?

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Speaker, the purpose of H.R. 7715 is to amend the Tariff Schedules of the United States to extend the existing suspension of duties on certain dyeing and tanning materials to June 30, 1978.

Subsection (b) of the bill applies the amendment to articles entered, or withdrawn from warehouse, for consumption after September 30, 1975.

This legislation was introduced by our colleague from Tennessee, Mr. FULTON.

The existing suspension of duties on dyeing and tanning extracts has been extended with various changes and additions since it was originally enacted in 1957. The last extension was enacted on August 16, 1973 by Public Law 93–101 for a 3-year period from September 30, 1972 to September 30, 1975.

The dyeing and tanning materials covered by the duty suspensions consist of logwood canaigre, chestnut, curupay, divi-divi, eucalyptus, hemlock, larch, tara, mangrove, myrobalan, oak, quebracho, sumac, urunday, wattle, and valonia.

There has been little or no domestic production of most vegetable tanning and dyeing extracts for many years. The only vegetable tanning material which has been produced in the United States in significant quantity is chestnut tanning extract. Domestic availability has steadily declined, however, with the continued decline in the availability of chestnut trees. Consequently, the United States depends on imports for virtually all its requirements of vegetable tanning extracts.

Imports totaled about 57 million pounds valued at about $7 million in 1974 and came mainly from France, Italy, Canada, Argentina, and South Africa. The vegetable tanning and dyeing extracts are used mainly by the leather industry to convert raw hides and skins into leather and by the oil well drilling industry as a thinner for fluids used in rotary drilling operations.

Public hearings were held by the Subcommittee on Trade of the Committee on Ways and Means on April 23 and 24, 1975, on duty-free entry and temporary duty suspension bills. During these hearings favorable testimony and written comments were received on H.R. 6147, a bill similar to H.R. 7715. Favorable agency reports were also received from interested executive branch agencies. No objection to this legislation has been received by the committee from any source.

The committee was unanimous in reporting H.R. 7715, and I urge its passage by the House.

Mr. CONABLE. Mr. Speaker, I will ask the gentleman, is it not correct that there is no objection from any source as to this bill also?

Mr. GREEN. The gentleman is correct.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, last year the President vetoed the bill to provide tax relief for many residents of Buffalo Creek who were taxed on their payments for flood losses in 1972.

We are acting very quickly today on legislation to aid various industries. I wonder when the Committee on Ways and Means is going to take action on the Buffalo Creek legislation which the President vetoed. We have not taken any action whatsoever to try to bring that bill again before the House, even though 3 years have passed since those unfortunate residents of Buffalo Creek have been unfairly taxed.

Mr. GREEN. Mr. Speaker, if the gentleman from New York will yield, I would say to the gentleman that the jurisdiction of our subcommittee does not cover that area. We are dealing with the continuing of suspensions of duties.

Mr. HECHLER of West Virginia. Mr. Speaker, I am asking the gentleman from New York, who is on the Committee on Ways and Means, if there is a plan for the full Committee on Ways and Means to bring something to the floor on the Buffalo Creek issue.

Mr. CONABLE. Mr. Speaker, it is my understanding that this is a measure that is to be considered in connection with tax reform this year, and that commitment has been made by the chairman of the committee that such a measure will be considered at that time.

Mr. HECHLER of West Virginia. Mr. Speaker, I thank the gentleman from New York.

Mr. CONABLE. Mr. Speaker, I support H.R. 7715, a bill to continue the suspension of duties on certain dyeing and tanning materials through June 30, 1978.

These materials are used by the leather industry to convert raw hides and skins into leather and by the oil well drilling industry as a thinner for fluids used in rotary drilling operations.

There has been little or no domestic output for many years. The only vegetable tanning material which has been produced in the United States in significant quantity is chestnut tanning extract. But domestic availability of this material has declined steadily with the Nation's loss of chestnut trees. Consequently, we depend on imports for virtually all our vegetable tanning extract needs. Unless the suspension is continued, American importers will face a "column one" or "most favored nations" rate of duty ranging from duty free to 6 percent ad valorem, and a "column two" rate of 15 percent ad valorem.

The committee was informed that imports totaled about 57 million pounds, valued at about $7 million, in 1974. France, Italy, Canada, Argentina, and South Africa were the leading suppliers.

Duties on these articles were suspended originally in 1957, and the suspensions have been extended periodically since that time.

Mr. Speaker, favorable reports on this bill were received from all interested executive departments and agencies, and the committee heard no objection from any source. The measure was ordered reported unanimously, and I urge the House to approve it now.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7715

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asembled, That (a) item 907.80 of the Appendix to the Tariff Schedule of the United States (19 U.S.C. 1202) is amended by striking out "9/30/75" and inserting in lieu thereof "6/30/78".

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after September 30, 1975.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEMPORARY SUSPENSION OF DUTY ON CERTAIN FORMS OF ZINC

Mr. GREEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7716) to amend the Tariff Schedules of the United States to suspend the duty on certain forms of zinc until the close of June 30, 1978.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

Mr. CONABLE. Mr. Speaker, reserving the right to object, will the gentleman from Pennsylvania give me a quick summary as to what this bill does.

Mr. GREEN. Mr. Speaker, the purpose of H.R. 7716 is to amend subpart B, part 1 of the appendix to the Tariff Schedules of the United States to insert new item Nos. 911.01, 911.02, and 911.03 after item No. 907.80 to suspend the column 1 rates of duty (applicable to imports from most-favored-nation countries) on certain forms of zinc for a temporary period until June 30, 1978. Column 2 rates of duty—applicable to imports from Communist countries, except Poland and Yugoslavia—would remain unchanged.

Section 2 of the bill applies the duty suspension to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment.

The duty suspension would apply to column 1 rates of duty on seven items of the U.S. Tariff Schedules, the ad valorem equivalent of which range from 3 percent to 11 percent based on 1974 imports.

The U.S. production of slab zinc metal has declined from 1.1 million tons in 1969 to 546,000 tons in 1974. This decline has resulted from the closure of several domestic smelters due to a number of interrelated factors such as high production costs, plant and technology obsolescence, and environmental control regulations. By the end of 1974 zinc metal production capacity was less than 60 percent of that in 1968.

Imports of zinc ore and metal have constituted 45–50 percent of domestic consumption since 1967. There has been a reversal in the composition of these imports in recent years, however, as domestic production of metal has declined. In 1969 about 65 percent of zinc imports were in ore and concentrate form, 35 percent were imports of zinc metal. By 1974 the situation was nearly reversed; ores and concentrates constituted only 31 percent of zinc imports, slab zinc metal was 69 percent. Canada is the principal source of imports of zinc ores and concentrates, followed by Mexico and Peru.

The domestic zinc industry, which seeks the legislation, claims that the U.S. tariff places domestic smelters at a disadvantage in competing for limited supplies of zinc ores and concentrates and in competing with foreign zinc metal. The duty on ores imposes, in effect, a penalty on the smelting segment of the industry by increasing the cost of raw materials. At the same time the duty does not provide protection for the mining segment since the relative scarcity of foreign concentrates precludes excessive imports in the foreseeable future that could replace domestic mine production. The industry believes that equalization of tariff treatment would also encourage present and future development of new domestic production capacity and help to revert to the pre-1972 relationship between ore and metal.

Public hearings were held by the Subcommittee on Trade of the Committee on Ways and Means on April 23 and 24, 1975, on duty-free entry and temporary duty suspension bills. During these hearings favorable testimony and written comments were received on H.R. 4250 and H.R. 4765, identical bills similar to H.R. 7716. Favorable reports were also received from interested executive branch agencies. No objections to this legislation have been received by the committee from any sources. Similar legislation was passed by the 93d Congress but vetoed by the President because of a non-germane Senate amendment.

The committee unanimously reported this bill and recommends its passage by the House.

Mr. CONABLE. Is it correct that this measure is needed to encourage the importation of zinc in order to maintain refining capacity in this country?

Mr. GREEN. That is correct. That is exactly why it is needed.

Mr. CONABLE. Mr. Speaker, I support H.R. 7716 which would suspend the "column one" rates of duty on certain forms of zinc through June 30, 1978.

Proponents of this legislation have contended that the U.S. tariffs on zinc ores constitute an unnecessary hardship for our domestic industry. The points have been made that other countries which produce zinc metal already import ores and concentrates duty free, and that U.S. duties increase raw material costs for domestic metal producers without providing protection for the mining segment of the industry. This is so because foreign concentrates are in relatively short supply and are not likely to enter in such quantities as to replace home mining output.

The domestic industry also has noted that equalization of tariff treatment would encourage development of new U.S. production capacity. In this regard, it has been pointed out that American production of slab zinc metal has declined sharply in recent years, dropping from 1.1 million tons in 1969 to 546,000 tons this past year. Several domestic smelters have ceased operation, blaming high production costs, obsolescence of both plant and technology, and environmental control regulations.

Mr. Speaker, similar legislation was passed by both Houses in the 93d Congress. The other body added a nongermane amendment, however, which resulted in a Presidential veto.

The Ways and Means Committee has heard no objection to the legislation, and has received favorable reports on it from interested executive departments and agencies.

For all the reasons cited above, I urge the House to approve H.R. 7716.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7716

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 907.80 the following new items:

911.00	Zinc-bearing ores (provided for in item 602.20, part 1, schedule 6)	Free on zinc content	No change	On or before 6/30/78
911.01	Zinc dross and zinc skimmings (provided for in item 603.30, part 1, schedule 6)	Free	No change	On or before 6/30/78
911.02	Zinc-bearing materials (provided for in items 603.49, 603.50, 603.54, and 603.55, part 1, schedule 6)	Free on zinc content	No change	On or before 6/30/78
911.03	Zinc waste and scrap (provided for in item 626.10, part 2, schedule 6)	Free	No change	On or before 6/30/78

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF EXISTING DUTY SUSPENSION ON CERTAIN CLASSIFICATIONS OF YARNS OF SILK

Mr. GREEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7727) to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

Mr. **CONABLE.** Mr. Speaker, reserving the right to object, will the gentleman from Pennsylvania explain this measure as well, as he has so ably been doing with respect to the others?

Mr. **GREEN.** Mr. Speaker, the purpose of H.R. 7727 is to amend the tariff schedules of the United States to extend to June 30, 1978, the existing suspension of duties on certain classifications of silk yarns for an additional temporary period.

Subsection (b) of the bill applies the amendment to articles entered or withdrawn from warehouse, for consumption after November 7, 1975.

Mr. Speaker, H.R. 7727 was introduced by our colleage from Florida, Mr. SIKES.

The existing suspension of duties on spun silk yarns has been extended by various public laws since it was originally enacted in 1959. The suspension of duties was last extended on October 29, 1974, by Public Law 93–499 for a 2-year period from November 7, 1973, to November 7, 1975.

Both the column 1 rates of duty—applicable to imports from countries accorded most-favored-nation, MFN, tariff treatment—and the column 2 rates—applicable to imports from countries not accorded MFN treatment—are suspended. Silk yarns covered by the suspension are imported under two items of the tariff schedules. The column 1 rate of duty on silk yarn singles is 8.5 percent ad valorem and is 12.5 percent ad valorem on plied silk yarns. The corresponding column 2 rates—non-MFN—are 40 percent ad valorem and 50 percent ad valorem, respectively.

Spun silk yarns are of two principal types: Standard spun silk—schappe—yarns are for general textile use such as for making sewing thread, decorative stripings for fine worsteds, lacing cord for cartridge bags, and, in combination with other fibers, certain types of necktie fabrics, shirtings, dress, and suiting fabrics, upholstery and drapery materials. Silk noil—bourrette—yarn is made from shorter length, and hence cheaper, silk fiber stock than schappe.

The duty was suspended originally to enable domestic producers of fine yarn fabrics to import fine silk yarns free of duty and thereby make it more economical to produce fine yarn fabrics in competition with imported similar fabrics. Due to the limited supply of all types of silk, fine yarns are being used presently at a premium price for the same purposes as other silk yarns. There is no domestic production of these silk yarn items. In recent years imports have been substantially below imports during the latter part of the 1960's when they averaged about 165,000 pounds annually. There have been no imports of silk yarn singles since 1966. Imports of plied silk yarns were about 22,000 pounds valued at $253,000 in 1974. Japan and the People's Republic of China are the principal suppliers.

Public hearings were held by the Subcommittee on Trade of the Committee on Ways and Means on April 23 and 24, 1975, on duty-free entry and temporary duty suspension bills. During these hearings favorable testimony was received on H.R. 6124, a bill similar to H.R. 7727. Favorable reports were also received from interested executive branch agencies. No objections to this legislation have been received by the committee from any source.

The committee unanimously reported this bill and recommends its enactment.

Mr. **CONABLE.** Mr. Speaker, I support H.R. 7727, a bill to extend the existing suspension of duties on certain classifications of silk yarns through June 30, 1978.

Silk yarns covered by the suspension are imported under two items of the tariff schedules of the United States. Imports of silk yarn singles are dutiable at 8.5 percent ad valorem from countries accorded most favored nation treatment, MFN, and at 40 percent ad valorem from nations not accorded this treatment. Imports of plied silk yarns are dutiable at 12.5 percent ad valorem from countries accorded MFN treatment and at 50 percent from other nations.

The tariffs on spun silk yarns were suspended originally in 1959, to enable domestic producers of fine yarn fabrics to import necessary raw materials duty free, thus enabling them to compete with importers of similar fabrics. The committee was informed that there is no domestic production of these silk yarn items, that there have been no imports of silk yarn singles since 1966, and that imports of plied silk yarns last year totaled about 22,000 pounds valued at $253,000. Japan and the People's Republic of China are the principal suppliers.

Mr. Speaker, our committee heard no unfavorable comments on the measure from executive departments or from any other source. H.R. 7727 was ordered reported unanimously, and I urge its passage by the House.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7727

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) items 905.30 and 905.31 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) are each amended by striking out "11/7/75" and inserting in lieu thereof "6/30/78".

(b) The amendments made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after November 7, 1975.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEMPORARY SUSPENSION OF DUTY ON CERTAIN CATALYSTS OF PLATINUM AND CARBON USED IN PRODUCING CAPROLACTAM

Mr. **GREEN.** Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7728) to suspend until the close of October 31, 1975, the duty on catalysts of platinum and carbon used in producing caprolactam.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

Mr. **CONABLE.** Mr. Speaker, reserving the right to object, will the gentleman explain this measure?

Mr. **GREEN.** Mr. Speaker, the purpose of H.R. 7728 is to suspend the column 1 and column 2 rates of duty on catalysts of platinum and carbon imported for use in producing caprolactam until October 31, 1975.

Section 2 of the bill applies the temporary duty suspension to imports of such catalysts entered, or withdrawn from warehouse, for consumption on or after the date of enactment. It also provides for retroactive duty suspension on entries or withdrawals after October 1, 1973.

H.R. 7728 was introduced by our colleague, Mr. STEPHENS, for himself and Mr. LANDRUM.

The suspensions under this legislation would apply to column 1—countries enjoying most-favored-nation status—and column 2—imports from Communist countries, except Poland and Yugoslavia—rates of duty of 20 and 65 percent respectively.

Caprolactam monomer is a benzenoid chemical used primarily as an intermediate in producing nylon 6, which is used mainly in the manufacture of fabrics, tires, and plastics.

There are three domestic producers of caprolactam. One of these firms introduced a new production process in late 1973 and found it necessary to use a specially designed platinum-carbon catalyst. Neither this catalyst nor a suitable substitute was available at the time from domestic producers and they were obtained instead from a catalyst manufacturer in West Germany.

Generally, the usefulness of precious-metal catalysts such as these can be extended by periodically restoring the carbon base. Normally this operation is performed by the user in his plant. In this case, however, neither the user nor the domestic catalyst manufacturers could restore the carbon base. The caprolactam producer had to ship the spent catalysts to the West German manufacturer to recycle the palladium and platinum into new catalysts. Although over 97 percent of the value of the new catalyst is accounted for by platinum and palladium on which the duty had been paid previously, under a customs ruling the article has been subject to the full duty each time it has been reimported as though it were a new catalyst. About every 3 months the firm has been importing a shipment of the catalyst valued at about $300,000. The 20 percent ad valorem duty on this value has represented a considerable outlay for the firm.

In the 93d Congress, a similar bill, H.R. 13370, to provide temporary duty-free treatment for such catalysts to June 30, 1976, was passed by the House unanimously and approved by the Senate Committee on Finance. However, the Senate failed to act on that bill prior to adjournment. Since that time domestic manufacturers have indicated a willingness to supply the catalysts and the October 31, 1975 termination date for the duty suspension in H.R. 7728 is intended to reflect the forthcoming availability of domestically produced catalysts.

Public hearings were held by the Subcommittee on Trade of the Committee on Ways and Means on April 23 and 24, 1975 on duty-free entry and temporary duty suspension bills. During these hearings favorable testimony and written comments were received on H.R. 3357, a bill similar to H.R. 7728. Favorable reports were also received from interested executive branch agencies.

The committee did not receive any objections to this legislation from any source.

The committee was unanimous in reporting H.R. 7728, and I urge its passage by the House.

Mr. CONABLE. Mr. Speaker, I support H.R. 7728 which would suspend until October 31, 1975, the rates of duty on catalysts of platinum and carbon used in producing caprolactam. It also would provide for retroactive suspension of duties on entries or withdrawals after October 1, 1973.

Caprolactam monomer, which has been in short supply until recently, is a benzenoid chemical used primarily in the production of nylon 6, which is utilized mainly in the manufacture of fabrics, tires, and plastics.

There are three domestic producers of caprolactam. In 1973 one of them introduced a new production process which required a specially designed platinum-carbon catalyst. The catalyst could not be obtained at that time domestically so the manufacturer purchased the product in West Germany.

Catalysts such as these can be used over long periods of time if their carbon bases periodically are restored. Normally, this operation is performed by the user in his own plant. But in this case neither the user nor any other domestic manufacturer could restore the bases in question. Therefore, the domestic user had to ship his catalysts back to Germany, to the original maker, to have the job done. And this produced the problem which gave rise to the bill before us.

Duties on the previous metal content of the catalysts were paid when the product first entered the country. But a Customs Service ruling requires that the full duty be paid each time a catalyst comes back after its carbon has been restored. The domestic user has been importing shipments, valued at $300,000 each, at 3-month intervals, and has been paying a 20-percent ad valorem duty each time. H.R. 7728 was designed to prevent the recurring payment of duty on the same item.

The duty suspensions provided by this bill would extend only through October because the required catalysts recently have become available from domestic sources. The bill would, however, permit retroactive reimbursement of duties already paid.

Mr. Speaker, the House passed a similar bill in the preceding Congress. The other body did not complete action on it, however, prior to adjournment.

Interested departments and agencies favor this measure and the committee has heard no objection to it. Therefore, I recommend its approval by the House today.

Mr. CONABLE. Mr. Speaker, I ask the gentleman this question: There is no objection, least of all by the gentleman from Georgia (Mr. LANDRUM), to this measure?

Mr. GREEN. That is correct.

Mr. CONABLE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7728

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 911.25 the following new item:

911.40	Catalysts of platinum and carbon (provided for in item 656.05, part 3G, schedule 6) when imported for use in producing caprolactam	Free	Free	On or before Oct. 31, 1975.

SEC. 2. (a) The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

(b) Upon request therefor filed with the customs officer concerned on or before the one hundred and twentieth day after the date of the enactment of this Act, the entry or withdrawal of any article—

(1) which was made after October 1, 1973, and before the date of the enactment of this Act, and

(2) with respect to which there would have been no duty if the amendment made by the first section of this Act applied to such entry or withdrawal, shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the date of the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENSION OF DUTY ON OPEN-TOP HOPPER EXPORTED FOR REPAIRS BEFORE JUNE 30, 1975

Mr. GREEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7731) to suspend the duty on open-top hopper cars exported for repairs or alterations on or before June 30, 1975.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CONABLE. Mr. Speaker, reserving the right to object, will the gentleman explain this measure as well?

Mr. GREEN. Mr. Speaker, the purpose of H.R. 7731 is to amend subpart B of part 1 of the Appendix to the Tariff Schedules of the United States to suspend the column 1 rate of duty on open-top hopper cars exported for repairs or alterations on or before June 30, 1975.

Section 2 of the bill applies the temporary duty suspension to articles entered on or after the date of enactment. It also provides that, upon appropriate application, entries of such articles made after September 1, 1974, and before the date of enactment would be liquidated or reliquidated on a free-of-duty basis.

Mr. Speaker, I have cosponsored this bill with our colleague from New York (Mr. WALSH).

Imports of railroad and railway rolling stock under tariff schedule item No. 690.15 are currently subject to a column 1 rate of duty of 18 percent ad valorem. In the case of articles returned to the United States after having been exported for repairs or alterations, item 806.20 of the tariff schedules, provides that such articles are subject to duty at the regular rate—in this instance, 18 percent ad valorem—only upon the value of the repairs or alterations made outside the United States.

Open-top hopper cars are a particular type of freight car designed to transport such commodities as coal, other minerals, and grains. H.R. 7731 arises out of a general shortage in the Northeastern United States of open-top hopper cars for transporting coal. In order to assure the continued operation of one of its chemical plants with a heavy dependence upon large quantities of coal and coke, a New Jersey firm in 1974 purchased 220 used open-top hopper cars which needed to be restored to operating condition. The firm was then unable to locate rebuilding facilities within the United States which could perform the necessary repair work and deliver the hopper cars in time to meet their needs. A firm with the available shop time and material to restore the railroad cars was ultimately located in Sorel, Quebec, Canada, and the work contracted for. By January 1975, all 220 of these cars had been returned to the United States and put into service.

A similar bill, H.R. 17165, to provide for the duty-free entry for the open-top hopper cars repaired in Canada was introduced in the 93d Congress on October 8, 1974. However, no action was taken on that bill prior to adjournment of the 93d Congress.

Public hearings were held by the Subcommittee on Trade of the Committee on Ways and Means on April 23 and 24, 1975, on duty-free entry and temporary duty suspension bills. During these hearings favorable testimony and written comments were received on H.R. 3361, a bill similar to H.R. 7731. Favorable reports were also received from interested executive branch agencies except the Department of State. No objections to this legislation have been received by the committee other than from one agency.

The committee unanimously reported this bill and recommends its passage by the House.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. Mr. Speaker, further reserving the right to object, I will yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Mr. Speaker, I would like to draw attention to the fact that yesterday it was brought to my attention that Amtrak let out a contract for 235 railroad cars, and in that contract some of the money was finding its way into West Germany, rather than to domestic firms. Coupled with that, we are now advised through this bill that a domestic car purchaser had seen fit to go outside the United States and actually is asking for sort of a subsidy to do so. I would like to raise the point as to whether or not we are preparing more or less for a time when we should be building some safeguards into the law to protect the American car manufactures and firms which repair rail cars.

Mr. GREEN of Pennsylvania. Let me say to the gentleman from Pennsylvania that these cars were not purchased overseas. They were purchased in this country. They were cars that were in very bad shape. They were put back into production. Every attempt was made by this manufacturer who purchased these cars to have the cars fixed up in this country. When that could not be done he went across the border to Canada, had them repaired there, and then brought them back to this country.

Mr. CONABLE. Mr. Speaker, if I may further interject, the gentleman from Pennsylvania should understand that this legislation is limited also to this special situation. Had there been any available shop or repair installation in this country that could have dealt with these hopper cars in the time it was necessary to repair them, which was at a time when there was a serious shortage of hopper cars, this legislation never would have been considered by the committee.

This measure is in no way prospective as a piece of legislation. If there are other cars being built outside of our country that could come into our country, as the gentleman from Pennsylvania suggests, those cars then will be subject to the duty in the normal way, just as these cars would have been if it were not for this special piece of legislation.

Mr. GREEN. If the gentleman will yield still further, I might add that these cars were, first, purchased in the United States, and second, the manufacturer did everything he could to have them repaired in the United States so he could continue the manufacturing process they were engaged in. They needed these cars in order to get the coal. If they had not done this the factory would have closed down. And every attempt was made to get domestic repair work done on these cars, and it was simply impossible.

Mr. MYERS of Pennsylvania. If the gentleman will yield further, in other words, would I be correct in saying that we are not setting a precedent, for when we approve several billion dollars for ConRail, will we in any way be committed to having ConRail repair work done in this way?

Mr. CONABLE. This is limited to this one situation, and there is no precedent being set here that would in any way affect the normal duties that would apply to the importation of railroad cars.

Mr. GREEN. And on this side, if the gentleman will yield further, we can give the same assurances to the gentleman from Pennsylavnia.

Mr. MYERS of Pennsylvania. I thank the gentleman.

Mr. CONABLE. Mr. Speaker, I support H.R. 7731, a bill to suspend the duty on open-top hopper cars exported for repairs or alterations on or before June 30, 1975.

The reason for this legislation stems from a general shortage of these cars, used for the transport of coal, in the Northeastern United States. In order to assure continued operation of one of its plants, which is dependent upon a steady supply of low sulphur coal, a New Jersey firm purchased 220 used open-top hopper cars in 1974. The cars needed to be restored to operating condition, but the company was unable to locate a facility within the United States which could perform the necessary repair work in time to meet its needs. A shop with the time and material to do the job was found in Quebec, Canada, and a contract was let. By January 1975, all 220 of these cars had been returned to the United States and put into service to transport the needed fuel. Unless the duty on the value of repairs is suspended, the domestic company will have to pay an 18 percent ad valorem duty on the repair costs, which amounts to $12,500 per car, for a total outlay of $495,000.

In view of the shortage of open-top hopper cars in the area, the domestic company's need to keep its plant in operation, and the unavailability of repair facilities in the United States, the committee unanimously agreed that the duty on these repair costs should be suspended.

It should be noted that the committee has very narrowly limited the suspension of duty to the value of repairs or alterations made outside the United States. The duty would not be suspended on new open-top hopper cars.

Mr. Speaker, the committee was informed that both labor and management in the industry involved favor this bill, and I recommend that the House approve it now.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7731

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 912.05 the following new item:

912.08	Open-top hopper cars exported for repairs or alterations (provided for in item 690.15, part 6A, schedule 6)	Free	No change	On or before 6/30/75

SEC. 2. (a) The amendment made by the first section of this Act shall apply with respect to articles entered on or after the date of enactment of this Act.

(b) Upon request therefor filed with the customs officer concerned on or before the ninetieth day after the date of enactment of this Act, the entry of any article—

(1) which was made after September 1, 1974, and before the date of enactment of this Act, and

(2) with respect to which there would have been no duty if the amendment made by the first section of this Act applied to such entry shall,

notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry had been made on the date of enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GREEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the several bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ENERGY RESEARCH APPROPRIATION BILL, 1976

Mr. EVINS of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8122) making appropriations for public works for water and power development and energy research, including the Corps of Engineers—Civil, the Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Nuclear Regulatory Commission, the Energy Research and Development Administration, and related independent agencies and commissions for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Indiana (Mr. MYERS) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Tennessee (Mr. Evins).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8122, with Mr. Ichord in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Tennessee (Mr. Evins) will be recognized for 1 hour, and the gentleman from Indiana (Mr. Myers) will be recognized for 1 hour.

The Chair recognizes the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, recognizing the lateness of the hour, we do not anticipate taking the 2 hours for general debate. I think that most people are familiar with this bill.

Mr. Chairman, we bring you today the public works for water and power development and energy research appropriations bill for 1976.

This is a vital bill.

This is an important bill.

This is a good bill.

This bill represents investments in the future of America—investments that will yield rich dividends in benefits for the American people.

This bill has been called the "All America bill" because the impact and effect of the programs and projects funded in the bill touch the lives of virtually every American in every region and every State.

This bill funds some 15 agencies and more than a score of programs.

The purpose of this bill is to strengthen America—to build a stronger America.

This bill represents a continuing response to the energy crisis by providing appropriations for a wide range of energy research and development programs.

These programs will assist in solving the energy crisis and will move this country further down the road to energy self-sufficiency. Mr. Chairman, this bill was unanimously reported by the subcommittee and by the full committee.

By providing for water resource development we provide needed electric power, vital and essential public water supplies, flood control and beach erosion control, reclamation, irrigation, navigation, and other essential services for our expanding population.

Certainly I want to commend all the members of our subcommittee who have contributed to the preparation of this bill—all have participated.

This bill has been developed by all members of our subcommittee—and we bring you a unanimous report.

I want to commend the gentleman from Massachusetts (Mr. Boland), the gentleman from Mississippi (Mr. Whitten), the gentleman from West Virginia (Mr. Slack), the gentleman from Louisiana (Mr. Passman), the gentleman from Alabama (Mr. Bevill); the genial ranking minority member, the gentleman from Indiana (Mr. Myers), and the gentleman from California (Mr. Burgener).

I want to also commend our excellent, efficient committee staff: Hunter Spillan, George Urian, John Plashal, and Maxey Irwin.

OVERALL SUMMARY

By way of summary, the President's budget recommends $7,057,460,000 for public works and related water and power development and energy research and development for fiscal 1976.

These programs also provide for research and development for certain defense and defense-related missions.

This bill also provides appropriations for 507 vital and important projects of the Corps of Engineers and the Bureau of Reclamation.

I should point out that appropriations in this bill will provide for extensive energy research and development in many areas of technology—including nuclear, solar, geothermal, and fusion research among others.

No new construction starts were recommended in the budget.

The budget, as we all know, was proposed several months ago when the Nation's great concern was to combat inflation.

Subsequently, the emphasis has shifted to fighting the recession and unemployment which now exceeds 9 percent nationally.

This bill provides needed public facilities—essential electric power—capital assets for the Nation—and jobs for our people.

In this connection, our committee exercised its prerogatives and set some priorities in the national interest.

This bill includes 17 new planning starts and 19 new construction starts that were not proposed in the budget.

The committee is recommending $7,211,401,500—an increase of $153,939,500 over the budget request.

FOUR TITLES

This bill has four titles.

Title I is concerned with funding for the Energy Research and Development Administration—ERDA—for which we are recommending an increase of $28,463,000.

Title II provides funding for the programs and projects of the Corps of Engineers throughout the Nation—and we are recommending an increase of $99,912,000 over the budget.

Title III is concerned with funding of certain programs in the Department of the Interior including the Bureau of Reclamation, power agencies, and the allied Colorado River project—and an increase of $33,587,500 is recommended for this title.

Title IV is concerned with funding various independent agencies—including the Appalachian Regional Commission, the Federal Power Commission, the Tennessee Valley Authority, and the Nuclear Regulatory Commission, among others—and we are recommending a cut and reduction of $8,023,000 in this title of the bill.

This limited number of new projects will provide needed capital assets and will create employment at a time when new jobs are urgently needed.

The committee has recommended several reductions in the level of appropriations for some projects and programs, while increases are recommended for some other projects and programs—as the committee exercised its discretion and judgment in the public interest.

The net effect and net result is a bill slightly over the budget request—as a matter of fact, the increase comes to something like 2 percent over the budget.

BENEFITS OF COMPLETED PROJECTS

I want to say for the record that completed projects have made an enormous contribution to the growth, progress, and development of America.

Specifically, these are some of the benefits:

There are 11,246 million gallons of water provided for 21 million Americans—approximately one-tenth of our total population.

Forty-four million kilowatts of installed generating capacity with gross revenues of more than $1 billion.

Prevention of flood damages estimated at $41.9 billion based on total expenditures for flood control of $8,400,000,000.

More than 2 billion tons of commerce transported on waterways.

More than 9 million acres reclaimed and irrigated—adding $3.9 billion to the annual value of crops produced in the Nation.

The current benefits from the 1975 bill—annual benefits—from projects funded in that bill alone total $7,808,996,000.

ENVIRONMENT

Let me stress and point out that the programs funded in this bill offer a balanced approach between development of our national resources and the preservation of our environment.

The items in this bill will contribute to an economic development policy that will promote progress and at the same time enhance the environment.

This balanced bill will provide for preserving, promoting, and protecting our environment while developing vital natural resources to assure needed services for our people.

I repeat for emphasis:

This bill provides for a balanced program of progress serving the public interest.

The programs funded in this bill—for example—fulfill a dual role by providing economic growth and enhancing the environment through flood control and beach erosion control which in turn protects human life, ecology, and property.

Multipurpose dams generate clean, pollution-free electricity through hydropower—provide water supplies for municipal and industrial use—assure irrigation for millions of acres and provide recreational facilities for millions of Americans.

Although there may be some amendments offered today by our colleagues concerned with the environment, I want you to know that the committee shares their concern for the environment.

This is pointed out in detail in our

report which I recommend to you for a careful reading of the report.

And, I must point out, the several agencies in this bill are increasingly aware of the importance of preserving the environment and have instituted changes in the planning process and in actual construction to minimize any adverse effect—of their work—on the environment.

The major emphasis of the Energy Research and Development Administration and the Nuclear Regulatory Commission is to meet the expanding requirements for energy while having a minimal impact on the environment.

I repeat—the guiding policy of our committee has been to achieve a balance between protecting the environment and assuring needed development in the public interest.

I might point out that to date the Corps of Engineers has completed about 250 flood control reservoirs and 500 local protection projects—1,000 channel and harbor projects. The corps operates 264 locks and 178 navigational dams which they have constructed—and by the end of 1976, an estimated 66 multipurpose projects will be in operation with a capacity of 16-million kilowatts—greatly increasing our energy supply.

We are all dedicated to the proposition of achieving energy self-sufficiency and this bill will move this Nation closer to achieving this goal.

I should now like to discuss the various specifics of the bill in some detail.

TITLE I—ERDA

As you know, the Energy Research and Development Administration—known now as ERDA—was created by the Congress last year as a part of the Energy Reorganization Act of 1974.

This act brought together and consolidated the major Federal activities in energy research and development.

This is the first annual appropriations bill for ERDA.

Funds recommended in this bill provide for all ERDA programs except for the fossil energy research programs and certain conservation programs—these are funded in the Department of the Interior appropriations bill.

At the time that the committee was considering the 1976 appropriations for this agency, the committee was aware that ERDA was undertaking a review of its funding priorities.

This review was initiated because the agency came into existence on January 19 of this year—after the President's budget was submitted to the Congress.

The committee while aware of this review felt nevertheless that vital research programs be speeded up and, therefore, we did not wait for the completion of the agency's reevaluation.

The committee therefore recommends a total of $3,908,142,000 for ERDA for fiscal 1976 and $1,115,225,000 for the transition quarter.

For fiscal 1976 this is an increase of $673,203,000 over 1975.

For the nonnuclear and fusion research and development programs, the bill provides a total of $553,700,000 for 1976.

This is $141,031,000 above the budget estimate and $296,755,000 above the appropriations for 1975.

SOLAR

This bill increases the costs for solar energy research from $15,900,000 for fiscal 1976 to $73,000,000.

Appropriations for solar energy has gone up from $35,997,000 in fiscal year 1975 to $127,700,000 for fiscal year 1976—a $57,400,000 increase over the budget—and a 254 percent increase over 1975.

In 1975, the cost was $8,770,000.

The budget estimate for 1976 is $57,100,000 and the cost has now gone up to $73,000,000.

This represents an increase in cost of 732 percent over 1975 and 28 percent over the budget estimate for 1976.

I repeat: Costs of solar energy have increased 732 percent since 1975 and 28 percent over the budget estimate for 1976.

Solar energy holds great promise as a source of energy for mankind, and I might point out that there have been similar large increases for other nonnuclear research.

The solar energy cost recommended for the transition period is $24,500,000.

ERDA is rapidly expanding its solar research—some of the research programs have near term applications and others are for the long term.

Certainly with this program expanding rapidly ERDA must exercise care and vigilance to make certain the funds are wisely expended.

GEOTHERMAL

The geothermal research program is designed to encourage industry to exploit the Nation's geothermal resources.

The $33,370,000 we are recommending in costs for geothermal research and development is an increase of $19,570,000 over 1975 and $5,000,000 over the budget request—an increase of 141 percent.

The overall goal and objective of this program of research is to encourage industry to develop the Nation's geothermal resources. The committee feels that industry by cost-sharing should participate substantially in this program.

One objective at this time is to have on line by 1985 some 20,000 to 30,000 megawatts of power from this source.

Research will be conducted in hydrothermal systems, geopressured systems and an advanced geothermal concept which would utilize dry hot rock.

I direct the attention of my colleagues to a printing error in the report. On page 12 of the report under the heading "Energy Research and Development Administration Operating Expenses Appropriation," the last three numbers for the line item "Total, nuclear energy development" were incorrectly printed for the transition quarter.

The items should be corrected as follows:

Budget estimate, $472,439,000;
Committee bill, $454,539,000, and
Bill compared to budget $17,900,000.

PHYSICAL RESEARCH

The committee recommends a total of $315,500,000 in costs for physical research—a 12 percent increase over 1975.

This represents an increase of $33,900,000 over 1975 and $3,000,000 over the budget request.

This program involves basic research into the structure and behavior of matter and its relationship to energy.

There are a number of experimental and theoretical research programs in physical research.

There has been some comment to the effect that nonnuclear energy is not being emphasized.

To the contrary, nonnuclear energy is being emphasized with substantial appropriations for research and development for solar, geothermal, fusion, nuclear and other types of advanced energy systems.

The following table—page 14 of the report—illustrates this commitment to nonnuclear energy research and development:

	Budget	Committee bill	Bill compared to budget
FISCAL YEAR 1976 (COSTS)			
Solar energy buildings and facilities:			
Heating and cooling demonstration	$12,400,000	$15,250,000	+$2,850,000
Research and development	9,200,000	9,800,000	+600,000
Solar thermal	11,000,000	14,275,000	+3,275,000
Photovoltaic	10,000,000	12,000,000	+2,000,000
Wind energy conversion	9,000,000	10,500,000	+1,500,000
Bioconversion to fuels	3,000,000	4,200,000	+1,200,000
Ocean thermal energy conversion	2,500,000	3,500,000	+1,000,000
Resource analysis	0	900,000	+900,000
Solar storage	0	1,000,000	+1,000,000
Solar Institute	0	1,575,000	+1,575,000
Total operating expenses	57,100,000	73,000,000	+15,900,000

	Budget	Committee bill	Bill compared to budget
TRANSITION QUARTER (COSTS)			
Solar energy buildings and facilities:			
Heating and cooling demonstration	$3,300,000	$4,500,000	+$1,200,000
Research and development	1,600,000	2,600,000	+1,000,000
Solar thermal	3,200,000	5,100,000	+1,900,000
Photovoltaic	2,900,000	4,700,000	+1,800,000
Wind energy conversion	2,500,000	3,200,000	+700,000
Bioconversion to fuels	400,000	1,000,000	+600,000
Ocean thermal energy conversion	600,000	1,600,000	+1,000,000
Resource analysis	0	500,000	+500,000
Solar storage	0	600,000	+600,000
Solar Institute	0	700,000	+700,000
Total operating expenses	14,500,000	24,500,000	+10,000,000

A brief description of each of these programs follows:

Solar Heating and Cooling of Buildings and Facilities.—Heating and cooling through the utilization of solar technology will be demonstrated on single and multi-family homes, commercial and industrial buildings and schools. ERDA testified that commercialization of solar heating and cooling systems leading to their installation in 10 percent of new building starts by 1985 could provide a savings equivalent to approximately 100,000 to 200,000 barrels of oil per day. Also, substantial research and development, to develop more advanced technology for this program, is being conducted.

Solar Thermal.—The major goals of the solar thermal program are to provide a full system capability for the widespread production of supplementary electric and thermal power in the 1980's to meet electric utility requirements and to provide a full system capability for total energy systems for Government installations, urban and rural communities, and industrial load centers.

Photovoltaic Research.—The overall objective of the Photovoltaic Research program is to develop economically viable photovoltaic electric power systems suitable for a variety of applications and capable of providing a significant amount of the Nation's energy requirements by the year 2000.

Wind Energy Conversion.—The primary purpose of this program is to develop the technology base of large-scale economically viable wind energy systems suitable for supplying commercial electric power, and to accelerate their commercial implementation through demonstration of large-scale experimental systems.

Ocean Thermal Conversion.—Objective of the program is to establish a technically and economically viable technology base leading to the demonstration and commercial implementation of large-scale floating power plants capable of converting ocean thermal energy into significant quantities of electrical energy.

Bioconverison to fuel.—The goal of this program is to establish the commercial practicability of producing significant economic quantities of plant biomass and converting this biomass and other products currently considered wastes into clean fuels.

Four major sources of energy feedstock are considered: urban solid wastes, agricultural residues, terrestrial and marine energy crops. Fuels and energy products that may be produced include synthetic natural gas, alcohol fuels, solid fuels, heat, electricity, fertilizer, and petrochemical substitutes.

Solar Resource Analysis.—This program will obtain important data necessary for any economic evaluation of solar energy application.

Solar Storage.—This program will develop economic solar energy storage systems required by the various solar energy conversion technologies.

Solar Institute.—This program would fund the start-up costs of the Solar Energy Research Institute established by P.L. 93-473. This institute would perform research, development, and related functions as necessary in support of the National Solar Energy Program.

The National Academy of Sciences is presently conducting a study on the definition of the roles and missions of a solar institute.

CONSERVATION RESEARCH AND DEVELOPMENT

The committee recommends a total of $25,830,000 in costs for conservation research and development for 1976, which represents an increase of $13,658,000 over 1975 and $4,900,000 over the budget request—a 112 percent increase over 1975 and 23 percent above the budget.

Included are research aimed at developing more efficient, reliable, economical and environmentally acceptable methods of transmitting electricity—$11,830,000—and the development of energy storage techniques—$14,000,000.

NUCLEAR ENERGY DEVELOPMENT—FUSION

The committee recommends $140,000,000 in costs for fiscal 1976 and $40,500,000 for the transition quarter. This is an increase of $20,000,000 for 1976 and $3,500,000 for the transition quarter—64 percent over 1975 and 17 percent over the budget estimate.

This increase is to accelerate the development of this important program.

The essential fuel material which would be used in controlled thermonuclear fusion is a derivative of seawater. It is estimated that the energy that could, in theory, be produced by the fusion of the deuterium nuclei present in a gallon of water is equal to that obtainable from the combustion of about 300 gallons of gasoline. The enormous amounts of water available on Earth thus represent an inexhaustible potential source of energy. The production of energy from the controlled fusion process has certain unique characteristics which make it extremely attractive from the safety and environmental points of view. Thus, controlled thermonuclear fusion could well be a key answer to mankind's long-range energy problems.

LIQUID METAL FAST BREEDER REACTOR

The committee is recommending $400,675,000 in costs for the fission power reactor development program—with $109,845,000 allocated for the transition period.

Research on various advanced reactor concepts is included in this program—the Liquid Metal Fast Breeder Reactor, High Temperature Gas Reactor, Gas Cooled Thermal Reactor, Molten Salt Breeder Reactor and reactor safety.

The committee strongly supports the Liquid Metal Fast Breeder Reactor which will utilize uranium 70 times more efficiently than the present generation of reactors.

I want to emphasize that almost every industrialized nation in the world is moving forward rapidly with the development of this technology—and several nations have demonstration plants in operation at this time.

The Soviet Union has three fast breeder reactor demonstration plants in operation.

France has two fast breeder plants in operation.

Great Britain has two such plants in operation.

Japan, West Germany, and Belgium are developing their own versions of the fast breeder.

The committee feels that development of this technology is vital and important in the national interest.

We all know that America's supplies of oil and natural gas are limited—apparently very limited, based on the latest estimates of reserves. This technology offers a means of developing fuel which can be used by nuclear powerplants rather than mined uranium, which is also in limited supply.

The committee feels that we would be extremely short-sighted to discontinue or falter in this research and development program—it would be unwise and foolhardy in view of the continued expansion of energy needs.

The committee recommends a reduction of $60,500,000 in the LMFBR program to bring in line the pace of the funding with the pace of research.

The committee originally recommended a reduction of $35,000,000 in this program because of slippage.

However, as we know, the House on Friday last adopted the McCormack amendment which further reduced the breeder program up to $60,500,000—and the committee has accordingly revised its report in line with this reduction in the breeder program; $10.7 million was also cut for the transition quota for a total of $71.5 million.

The committee feels that it is most unwise to cut this program further.

The schedule for initial operation of the demonstration plan has been moved back from 1980 to 1982 because of slippage in procurement of components for the plant and lack of final approval of an environmental impact statement.

The cut and reduction brings funding in line with this new time frame.

NAVAL REACTOR DEVELOPMENT

The committee is recommending $186,200,000 in costs for the naval reactor program—with $52,900,000 allocated for the transition quarter.

The program involves the design and development of improved naval nuclear propulsion plants and reactor cores for future submarines and surfare ships.

The committee recommends no change in the budget estimates for this program.

NATIONAL SECURITY-WEAPONS

The committee is recommending $849,115,000 in costs for fiscal 1976 for the weapons program with $221,925,000 allocated for the transition period.

This program provides for research, development, testing and production of nuclear weapons.

The committee recommends a reduction in the amount of $4,000,000 from the $8,000,000 recommended for the off-continent test readiness program which preserves the Nation's capability for atmospheric testing.

Our committee is recommending a cut in the weapons program of $24,400,000.

In view of the test ban treaties, the committee feels that it is very unlikely that nuclear atmospheric testing will resume.

A reduction of $2,400,000 is recommended in the Minuteman III program.

While recognizing the need of advanced weapons to replace outmoded weapons, we are not convinced that we must develop so many versions of the B61.

The committee has requested a report on its recommendations that ERDA and DOD reassess the need for all of the new versions of this weapon.

LASER FUSION

For the laser fusion in costs program, the committee is recommending $57,000-000 for 1976 and $16,500,000 for the transition period.

This technology utilizes laser beams to produce energy through fusion and—as discussed previously—has a promising potential as a major source of electric energy.

NUCLEAR MATERIALS SECURITY

The committee is recommending $12,945,000 in costs for the nuclear materials security program and $3,606,000 for the transition period.

This program includes research and development into improved methods of safeguarding special nuclear materials.

ENVIRONMENTAL AND SAFETY RESEARCH

The committee is recommending $160,000,000 in costs for biomedical and environmental research, which is $27,785,000 over 1975 and $3,485,000 over the budget request.

This program performs biomedical and environmental research in support of all energy development—research includes development of an artificial heart.

The committee urges ERDA to place increased emphasis on the environmental impact of nonnuclear energy.

WASTE MANAGEMENT

The committee recommends $36,000,000 in costs for 1976 for waste management and $10,100,000 for the transition period.

This program has the responsibility for long-term management of radioactive waste.

The committee recommends increases above the budget for the—

Positron-electron joint project at Lawrence Berkeley Laboratory and Stanford Linear Accelerator Center to explore the structure of matter.

Tokamak Fusion Test Reactor to meet the need for a demonstration fusion reactor.

Fourteen MEV intense neutron source facility at Los Alamos Scientific Laboratory to test the effect of high energy neutrons on materials under consideration for use in fusion reactors.

Fourteen MEV high intensity neutron facility at Lawrence Livermore Laboratory for fusion research.

The Glass Laser Facility at Rochester, N.Y.

TITLE II—CORPS OF ENGINEERS

For the projects, programs and operations of the Corps of Engineers, the committee is recommending a total of $2,041,112,000 for 1976 and $652,581,000 for the transition period.

This represents an increase of $99,912,000 for 1976 and $72,706,000 for the transition period—over the budget estimates.

For General Investigations, we are recommending $63,924,000 for 1976 and $17,182,000 for the transition quarter. These involve relatively small increases in the budget estimate.

There are a total of 249 general investigations recommended throughout the Nation—and these projects are listed on pages 30 through 37 of the report.

For general construction projects, the committee is recommending $1,157,015,000 for 1976 and $408,883,000 for the transition period.

This represents an increase of $64,315,000 for 1976 and $48,883,000 for the transition quarter.

You may find the projects recommended for construction funding on pages 38 through 49 of the report.

There are a total of 441 projects recommended for construction throughout the Nation.

No new starts were recommended in the budget.

However, I am advised by the distinguished chairman of the Subcommittee on Foreign Aid Appropriations, who also serves as a member of the Subcommittee on Public Works Appropriations, that while no new starts were recommended for public works in this bill for our country, there are 400 new starts in the Foreign Aid Appropriations bill for projects in other nations.

And, of course, no cost-benefit ratio is required for foreign aid projects as required for projects in this country.

The committee is recommending $160,000,000 for flood control work on the Mississippi River and Tributaries for 1976 and $53,000,000 for the transition quarter.

HOPPER DREDGING

The committee has received extensive testimony concerning essential dredging requirements throughout the country.

Critical shoaling problems have occurred in most of the major ports.

In the committee's view, both the private sector and the Corps of Engineers must develop additional hopper class dredge capability.

The Corps is directed to proceed with the construction of one hopper dredge to replace the dredge McKenzie which was sunk last year.

In addition, the Corps should proceed with a review of its requirements and the designs necessary for additional hopper class dredges to complement the capability available in the private sector.

This action of the committee is not to be construed as a signal to diminish contract dredging work which should be accomplished as much as possible by private contractors.

TITLE III—DEPARTMENT OF THE INTERIOR,

BUREAU OF RECLAMATION

The committee recommends $611,759,000 for the programs and projects of the Bureau of Reclamation in the Department of the Interior.

The committee also recommends $182,989,000 for the Bureau of Reclamation for the transition quarter.

This represents an increase of $33,778,000 over the budget estimate for 1976 and an increase of $10,929,000 for the transition period.

The committee is recommending $20,892,000 for general investigations for 1976 and $6,794,000 for the transition period.

There are 62 studies or investigations recommended in 17 western reclamation States.

These are listed on pages 57 through 59 of the report.

For construction and rehabilitation, the committee is recommending $323,268,000 for 1976 and $97,884,000 for the transition period.

For the loan program, the committee is recommending $23,315,000 for 1976 and $6,155,000 for the transition period.

Under this program, loans are made to non-Federal organizations for construction and rehabilitation of distribution systems and for loans and grants to construct small irrigation projects.

ALASKA POWER ADMINISTRATION

The committee has recommended $652,000 for the Alaska Power Administration—a reduction of $8,000 from the budget request.

BONNEVILLE POWER ADMINISTRATION

No funds are recommended for the Bonneville Power Administration.

The appropriation last year was $172,000,000.

However, Congress has passed Public Law 93–457, the Federal Columbia River Transmission System Act of 1974.

This self-financing legislation provides the authority for the BPA to use its operating receipts and $1.25 billion in borrowing authority to finance its programs.

Since this legislation has been enacted, no further appropriations are required.

SOUTHEASTERN POWER ADMINISTRATION

The committee is recommending $1,000,000 for the Southeastern Power Administration which markets power generated at the Corps of Engineers hydroelectric generating plants in a 10-State area of the Southeast.

SOUTHWESTERN POWER ADMINISTRATIVE

The committee is recommending $680,000 for the Southwestern Power Administration for construction and $6,000,000 for operation and maintenance.

TITLE IV—INDEPENDENT OFFICES

APPALACHIAN REGIONAL COMMISSION

For the Appalachian Regional Development programs the committee is recommending $293,200,000 for 1976 and $50,000,000 for the transition quarter.

The committee recommends a reduction of $300,000 in the budget request.

The foundation of the Appalachian program is the development of a highway system.

This system currently consists of 3,278 miles of highways and a total of 2,685 additional miles have been authorized.

FEDERAL POWER COMMISSION

For the Federal Power Commission, the committee is recommending $35,610,000 for 1976 and $8,558,000 for the transition quarter.

This represents a cut of $300,000 in the budget estimate for 1976.

NUCLEAR REGULATORY COMMISSION

The committee is recommending $202,500,000 for the Nuclear Regulatory Commission for 1976 and $49,230,000 for the transition period.

This represents an increase of $67,335,000 over 1975 appropriations and a decrease of $17,435,000 from the budget estimate.

The Energy Reorganization Act of 1974 established ERDA and the Nuclear Regulatory Commission — NRC — and they both became operational on January 19, 1975.

The duties of the NRC include nuclear facility licensing and related functions—reactor safety research—and new programs and studies directed by the Energy Reorganization Act.

The regulatory duties of the Commission include the review and licensing involved with applications to construct and operate nuclear powerplants to assure maximum safety in operation.

The funds recommended in this bill provide for a total of 2,336 permanent positions which is an increase of 233 new positions over 1975.

It should be pointed out that the Second Supplemental Appropriations bill for 1975 provides $44,400,000 for the Nuclear Regulatory Commission.

These funds did not become available to the Commission until June so that

NRC has a substantial carryover balance from 1975 available for 1976—our Committee has taken this carryover of funds into account in setting the level of funding for 1976.

The committee strongly supports all of the activities of the Nuclear Regulatory Commission in the public interest.

TENNESSEE VALLEY AUTHORITY

The committee is recommending $99,754,000 for the Tennessee Valley Authority for 1976 and $27,984,000 for the transition period.

This represents an increase over the budget estimate of $11,954,000 for 1976.

Appropriations to the TVA are limited to the water resource development program and related activities in the area normally financed by the Federal Government.

All TVA power projects begun since the mid-1950's have been financed from its electric power revenues and through the sale of bonds and notes authorized by Congress in 1959.

The committee through the years has strongly supported the Tennessee Valley Authority and the committee reflects with great pride on its consistent and constant support of the vital and important programs of this agency.

TVA has many outstanding achievements, including flood damage prevented, electric power generated, navigation promoted, reforestation performed and industrial development promoted and encouraged.

The committee continues to be concerned over the escalation of electric power rates by TVA, especially in view of the fact that TVA generally is regarded as the low-cost power yardstick for the Nation.

In this connection, the committee recommends that TVA as quickly as possible develop its own coal resources and open its own mines on a larger scale to utilize its own coal supplies during this period of higher coal prices.

Hopefully, this will inject more competition into the coal market.

It should be pointed out that TVA is required by law to make annual payments into the Treasury which, in the current year, are estimated to be $91,371,000—which is $3,571,000 more than the fiscal 1975 appropriation of $87,800,000.

Over the years, TVA has paid $982,781,519 into the U.S. Treasury—and the total is estimated to rise to $1,078,781,519 by the end of fiscal 1976.

This total includes $245 million of repayment on the appropriation investment and $833,781,519 in interest on the investment.

In addition, TVA is required by law to make payments in lieu of taxes and it is estimated these payments will amount to $50,172,000 in fiscal 1976.

WATER RESOURCES COUNCIL

The committee recommends a total of $7,750,000 for the Water Resources Council—which is a decrease of $1,920,000 from the budget request.

CONCLUSION

As I said at the outset, Mr. Chairman, this is a vital bill, an important bill, a bill that touches the lives of virtually all Americans in every region and in every State.

This bill represents an investment in the future of America—an investment in capital assets that will yield rich dividends in services and benefits for our people.

To repeat: the committee is recommending $7,211,401,000—an increase of $153,939,500 over the budget estimate.

I urge approval of this bill in the public interest.

Mr. YOUNG of Texas. Mr. Chairman, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the distinguished gentleman from Texas.

Mr. YOUNG of Texas. Mr. Chairman, I want to compliment the distinguished chairman of the very fine Committee on Appropriations and the Subcommittee on Public Works and the Subcommittee on Energy and Development for the usual magnificent job they have done in bringing this matter to the floor of the House. We are all very proud of the constructive and progressive work that this committee does. Naturally, there are many of us who would like more in some areas than the committee has been able to furnish, limitations on funds being as they are.

I personally have some concern with regard to the reduction in the weapons program.

Mr. Chairman, I rise to express my deep concern for certain of the reductions recommended by the Appropriations Committee in the nuclear weapons research and development programs. One of the most significant impacts is related to the reduction of $2.4 million in funding for the Minuteman III warhead. The Joint Committee on Atomic Energy recognized that the President's budget request in this area had been held to the minimum acceptable since it took into account the length of time that current warheads will remain available for use until replacements could be developed and produced. The reduction in that funding level will impact unfavorably on operational readiness and reliability of the current ICBM force. If we are to retain a viable deterrent force of ICBM missiles, we simply are not in a position to risk the credibility of that deterrent.

Similarly, the Appropriations Committee has recommended a reduction of $5.5 million from the production funding of the B–61 bomb. This program will also be forced to absorb a significant portion of the $12.5 million the committee has euphemistically assigned to "slippage."

While the committee report refers to new versions of the B–61 bomb, only one model is being delivered with the fiscal year 1976 funding, the B–61, Mod 2. The reduction will cause a lengthy delay in the delivery of these new weapons. The significance here is that the B–61 is operationally superior, safer and more secure than the older bombs it will replace. It is difficult to understand why one would opt for less security and less safety and less deterrent credibility in light of the public clamor of late.

The new versions referred to in the committee report are options under study and some very long lead tooling to replace various weapon components with new safety and security features. The Joint Committee on Atomic Energy has long encouraged research and development to improve the safety and security of our nuclear weapons. It is highly desirable that these improvements be incorporated in the stockpile by replacement of our older weapons. There are firm schedules for the use of all B–61 components now in production. Production of new components will not begin until final decisions are made on new safety and security features.

Apart from the impact of our nuclear deterrent posture, the most disturbing aspect of these recommended reductions is their effect on employment. If this $24.4 million reduction is allowed to stand, over 700 ERDA contractor employees will have to be laid off. Hardest hit will be the Bendix Plant in Kansas City, Mo., and Union Carbide's Y–12 plant in Oak Ridge, Tenn. Employment in the weapons production plants is already scheduled to drop by over 2,000 employees. This added reduction comes at a very inopportune time.

Mr. Chairman, the United States is reaffirming its commitment and its determination to preserve peace and freedom. A nuclear deterrent posture second to none is essential to our national security. Particularly during the SALT II negotiations, our country must demonstrate its adherence to a policy of strong defense. In the interest of the security of our country and to avoid additional unemployment, there should not be any reduction in the funds for the ERDA weapons program requested in the President's budget.

Mr. Chairman, I recognize and appreciate the fine job our Committee on Appropriations has done in this complex and difficult bill. I would submit, however, that the $24.4 million reduction in weapons research and development is worthy of serious reconsideration at the appropriate time.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the distinguished gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I, too, wish to compliment the distinguished gentleman from Tennessee (Mr. EVINS) for doing such a remarkable job in bringing before the House this magnificent piece of legislation. I likewise compliment all the members of the subcommittee.

Mr. Chairman, I wish to thank the committee for including in the bill funds for the Red River Lake in my congressional district.

I have known the Red River Valley and its people for more than 45 years. In traveling through the area, many times I have been stopped by high water, and have had to detour many miles to get to where I was going.

Along an ordinarily peaceful looking little river, people have had to evacuate their homes—not just once or twice in a generation, but annually. And sometimes several times a year.

Places of business are flooded and merchants have seen their stock go floating down the stream. Crops are destroyed in the fields time and again. Fences are washed away and barns are damaged.

In a sudden rise, cattle can drown in

their bottomland pastures. More often they die of pneumonia or other disease as the high water recedes.

The losses run into hundreds of thousands of dollars when the Red River rises from its banks.

Recently, efforts to do something about these floods and to help these people have been threatened. The opponents wanted to strike the $1 million appropriation in the name of environmental preservation. This claim is without foundation.

They say that construction of the lake will damage the scenic and environmentally important Upper Gorge. This is the rugged area where the Red River cuts down through the western edge of the Cumberland Plateau. It is in fact a beautiful area that should be preserved. And that is why, years ago, it was included in the lands of the Daniel Boone National Forest. Even today the Forest Service is acquiring additional lands in the general area.

I can say to you honestly and finally that the Upper Gorge will not be destroyed by construction of the Red River Lake. The opposition to the project is based largely upon a misunderstanding about the dam site and about the levels of the proposed seasonal and flood control pools.

Let me give you a brief history of the project and attempt to show how the misunderstanding came about.

More than 20 years ago, residents of the valley in Powell, Menifee, Wolfe, Clark, and Estill Counties formed an organization called the Red River Valley Flood Protection Association. Their sole aim was to call attention to their problem, and to convince the State and Federal Governments that a dam should be built to restrain the floods that regularly plagued them.

A decade after the organization came into being, the Corps of Engineers recommended construction of a dam and flood control reservoir, and the Congress authorized it in the Flood Control Act of 1962.

The first $50,000 for advance engineering and design was appropriated in 1963, and the project was underway. We appropriated $400,000 with which to commence construction in fiscal year 1967.

It was at about this time that a number of environmental groups and interested individuals from outside the area raised the cry that the project would destroy a unique natural wilderness area, the Upper Gorge. As the project was then designed, the proposed seasonal pool level was 757 feet above sea level. It would indeed have intruded substantially into the floor of the Upper Gorge. Consideration then turned to an alternate site that had previously been studied by the Corps of Engineers, with the principal dam structure some 5.5 miles downstream from the original site. The seasonal pool level was determined to be 703 feet, and would extend only as far as 1.5 miles below the mouth of Swift Camp Creek, the downstream limit of the Upper Gorge.

The Sierra Club had been a vigorous opponent of the project at the upper site. But in congressional testimony before the Appropriations Committee in 1968, Mr. William R. Holstein, representing the Kentucky section of the Sierra Club, made this statement:

> As a choice between the two dam sites, certainly the lower site is the compromise that will come closer to satisfying all points of view. It costs more money, is worth more money. It provides for water supply, flood control, water controls, and a much wider range of recreational experiences. Therefore we are requesting that funds requested and approved for construction of the Red River Dam be used to proceed with the alternate downstream site.

Mr. Holstein was not alone in endorsing the lower site. In a filed statement, Mrs. Barry Bingham, vice president of the Courier-Journal and Louisville Times Co., speaking in her capacity as conservation chairman of the Glenview Garden Club, supported construction at the downstream site. And there were others.

Gov. Louie B. Nunn opposed the upper site, but put his State administration solidly behind the lower site construction.

Kentucky's greatly respected and admired Senator John Sherman Cooper, now our Ambassador to East Germany, saw to it that both opponents and proponents of the original dam site were treated fairly in the hearings. Both Senate and House committees gave careful attention to the testimony and the studies of the Corps of Engineers.

In the end, Senator Cooper came down solidly on the side of building the project at the lower site—the site for which President Ford's budget recommended $1 million for construction, and the site for which today's bill makes appropriation.

When the lower site was selected, it was viewed all around as a great victory for environmentalism and the environmentalists.

There followed several years of delays and impoundments of funds as one crisis after another beset the executive branch and its budget managers. We had filings of environmental impact statements, and then filings of responses. We had filings of expanded environmental impact statements, lawsuits, arguments in the press, bus tours, walks by a Supreme Court Justice, and various other species of activity.

In the meantime, we have continued to have floods. Valley residents have continued to be routed out of their homes regularly, and have continued to see their property damaged, their livestock crippled or killed, and their lives disrupted.

This spring, the floods have been particularly troublesome, for heavy rains have sent the Red River out of its banks several times.

Last month, at last, Secretary of the Army Callaway decided he had had enough of the argument. He told the Council on Environmental Quality that the environmental impact statement on the Red River project is adequate, and that it has dealt with all legitimate points of concern.

In a May 27 letter to Chairman Russell Peterson of the CEQ, he said:

> The final environmental impact statement recognizes that construction and operation of the project will have some adverse impacts, but we think that flood control, water supply, and recreational benefits which will accrue are sufficient to offset them. The project as presently formulated represents the best solution to the diverse needs of the basin.

The Army Secretary continued:

> Although there is organized opposition to this project, there is also significant support within the region from downstream landowners and many organizations. Congress has endorsed the project by providing funds for initiation of construction.

At a late hour in the proceedings, a suit seeking to halt the project was filed in Federal District Court in Louisville—some 125 miles from the Red River Valley where the people most concerned about this project live, and where the floods occur. But it was filed far away, in another Federal court district, where it was patently inconvenient for the local people to attend hearings and make their views known.

I am happy to tell you that the valley residents have now organized, employed a distinguished Kentucky law firm, and have filed to intervene on behalf of the United States. They do not want to see their project dissolve in a flood of useless litigation.

In my view, the suit to stop construction is but frivolous and vexatious litigation. Its purpose is not to preserve the gorge—that has already been taken care of. The gorge is going to be preserved. The purpose of the suit is simply to delay and drag out, and to thwart the will of the local people of the valley who overwhelmingly support the project. And they have supported it for at least two decades.

Even the Council on Environmental Quality, which has questioned some parts of the impact statement, concedes that the trail of opposition is at an end.

Chairman Peterson wrote in his May 5 letter to Secretary Callaway:

> The decision as to whether to proceed with this project, weighing benefits against costs, rests with the Army.

He is right.

The Corps of Engineers and the Department of the Army have complied with the law. The opponents have had their day—indeed they have had their months and their years. Their testimony has been spread upon the records of the appropriate committees of Congress year after year for nearly a decade. Their case has been presented in the press and in the house organs of their societies, often without the benefit of balancing views or demurrer.

Now, it all comes down to one point—The need of those hundreds of people in the Red River Valley for flood protection far outweighs any adverse impact—and it is slight indeed—upon the beautiful Upper Gorge.

I have asked the Corps of Engineers to give me a brief, concise statement of what the effect of the Red River Lake will be upon the Upper Gorge. This is the statement I received, and I want to share it with the Members:

> The upper gorge is generally defined as the section of the Red River running from Swift Camp Creek to Route 746 and is about 9.5 miles in length. This segment, which has been designated as a wild and scenic river by the Commonwealth of Kentucky, is completely undeveloped and is accessible only by

> foot trails or canoes. White water conditions with flows suitable for canoeing generally occur only two months during the spring in this segment.
>
> The project's major impact will occur below the area defined as the upper Gorge. The water supply pool at elevation 703 will extend only as far as a point 1.5 miles below Swift Camp Creek. The flood control pool at elevation 759 extends about 3 miles above Swift Camp Creek. As the top of bank elevation of the river in the vicinity of Swift Camp Creek is 725 feet, it would require the impoundment of floodwaters in excess of this elevation to have any effect on the area at all. Hydrologic studies have indicated floods exceeding this elevation will occur on an average of about once every 3 years during the fall and winter months (December through mid-April) when its impact on vegetation would be minimal.
>
> Floods above this elevation during the spring and summer growing season (mid-April through November) would occur infrequently (twice during the 30 year period of record) and would be of short duration so their impact on vegetation would be minimal. Based on the time of occurrence or the duration of flooding in the affected area of the upper gorge, it is believed that the project will not have a significant adverse impact on the area.

That is the end of the statement.

If there are those my friends who say, "Look here, even the corps admits that at full flood control pool at elevation 759, there will be some flooding in the Upper Gorge," the answer is simple:

Of course, there will be some flooding above elevation 759—estimated by hydrologists to be once every 3 years in winter and twice every 30 years in spring and summer. But the Upper Gorge floods now, with no dam at all. Water rises in the gorge, every time there is a big rain. Trees are pushed over. Wildlife scurries to shelter. Big boulders break off the cliffs and go tumbling down the gorge.

Yet somehow over the centuries, the tiny little darter fish, a unique species, is still there, going unconcerned about its fish business just as it has always done. They survived a 25-year logging period where splash dams were constructed to float logs downstream. And the unique association of beech and sycamore trees—a scientific marvel—is still there for squirrels to climb and visiting biologists to walk around and measure. There is not any perceptible change, and there is not likely to be any in the gorge.

But there may well be a change in the area surrounding the gorge and in the valley generally if this project is today spurred on to completion.

Red River Lake holds out the promise of development and prosperity that has not often shared in the good times the United States has experienced in the past. There is not much industry in Menifee and Wolfe Counties, where most of the gorge is located, or in Powell County, where most of the flood damage occurs.

In March of this year, Menifee County had an unemployment rate of 16.5 percent. By April it had risen to 20.7 percent. We do not know where it stands today, and the figures for Mary are not in yet.

Powell County had an unemployment rate of 18.4 percent in March. And in April it stood at 15.2 percent.

The development that Red River Lake is expected to spur will almost inevitably bring expanded employment opportunities into this neglected area. That has been the history elsewhere in the Nation.

This is an intangible that is not figured into the benefit to cost ratio of this project, but it is a real benefit all the same. I have every confidence it will be reflected in the economic figures of that area in the future.

On another point, let me assure the House that the controversy is not one of environmentalist versus destructionist.

The people of the Red River Valley have long practiced the kind of conservation policies promoted by the extension service of the State university, and have carried on practices of conservation dictated by their own native sense of thrift and good judgment. These are not people out to ravage the earth or to despoil the countryside in which they live—and in which some of their families have lived for nearly 200 years.

These are real environmentalists. They love their land and they work hard to preserve their farms and woodlands, their gorges, and their splendid natural bridges.

They do not see anything inconsistent—I do not think you will, either—in wanting a flood control reservoir that will preserve their country from rampant erosion and which does not impair or defile the many spots of wilderness splendor which they treasure.

As I have told some of you before, this is really a modest project. It does not span a broad river like the Mississippi or the Missouri, nor does it affect thousands of square miles as do some of the great Colorado River works.

The main structure is a little rock-fill dam 141 feet high, with a hill-to-hill crest length of about 1,800 feet—just about a third of a mile long.

At its normal water supply pool at elevation 703, the lake will be only 1,546 acres. You know we have many farms in central Kentucky bigger than that. And the flood control pool at tiptop capacity is only 3,177 acres. And please remember that it will not get brim full except once every 3 years in winter and about twice in 30 years in summer.

The 1975 cost estimate for the entire project is only $29,600,000. Congress has already appropriated $3.9 million of that, and the corps will have already expended about $2 million by the end of this month. That leaves only $24.6 million to go over the next several years when the project is under construction.

I might say to the House that the people down in the Red River Valley find it a little hard to understand the opposition to this little project.

To them, it seems a bit lacking in charity for some of their neighbors down in a place like Cincinnati, secure behind their floodwalls, or in Lexington, on a broad high plain where the floodwaters never come, to say "Save Red River."

When a fellow is busy trying to pull the mud out of his parlor after one of these floods, and has his wet mattress out drying on the roof, he is not likely to feel too kindly toward someone who assails him with a slogan—"Save Red River." Along about that time, he thinks there ought to be some concern for saving the people who live on the banks.

My people want to know why they cannot have flood protection, too. They are good citizens who pay their taxes and obey the law. And they are entitled to consideration by the Congress.

I am glad the House is today backing up the Secretary of the Army in telling the Corps of Engineers to proceed with this good work for the people of the Red River Valley.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Chairman, I want to add my comments to those of the gentleman in the well, who has done more to provide capital investment and jobs for this country than anybody I know of. I just want to express my sincere appreciation to the gentleman for the fine work he has done.

Mr. PATTEN. Mr. Chairman, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the distinguished gentleman from Perth Amboy, N.J.

Mr. PATTEN. Mr. Chairman, I am well acquainted with the larger work in these new areas that may be new to some Members of the House.

Mr. Chairman, I speak on a matter which is of great concern to me, my district, and most importantly, to the effort to find, as quickly as possible, promising alternative sources of energy.

The Tokomak fusion test reactor (Project No. 76–3–a) is an important and urgent project in the research and development off fusion power. Fusion looks very promising as a source of power for large-scale use in providing for the energy needs of the future. In contrast to nuclear fission plants, nuclear fusion employs inexpensive, readily available and inexhaustible fuels. It is an environmentally clean process that does not create waste disposal problems nor does it result in a product which could be used in nuclear weaponry.

The Tokomak project is long range in nature. If the schedule is met, construction of the test reactor will be completed in 5 years. The ERDA goal is for a demonstration fusion power reactor in the mid to late 1990's. The project is located at the Princeton Plasma Physics Laboratory in Plainsboro, N.J., where much of our important nuclear research has been performed.

Finally, although this project can hardly be considered only one of local New Jersey interest considering the future impact of such a good source of energy, it is very much one of concern to my constituents and the people of the State of New Jersey. My area alone has 33,000 people unemployed. A sizable portion of that is in the construction industry. Needless to say, this project is vitally important to the economic well-being of my State.

The Joint Report on Energy Research and Development Administration Authorization legislation (H.R. 3474) contained language which is highly supportive of the Tokomak project:

> This project is a major milestone required to meet the ERDA goal of a . . . reactor in the mid to late 1990's.
>
> During the Joint Committee hearings on this project, ERDA officials testified that authorization and appropriation of the $23

> million for fiscal year 1976 and the subsequent timely authorization and appropriation of the remaining funds needed for the project would permit the project to proceed more rapidly with anticipated savings of $10 million in costs and completion of the project one year earlier. The committee believes that EDRA should have the opportunity to attempt to realize these dollar savings and time savings, and accordingly recommends that an additional $15.5 million for fiscal year 1976 and $4 million for the transition period be authorized and urges that these additional amounts be appropriated for this project.

It seems only logical—considering the savings involved, considering the important nature of this project, and considering the economic impact on my State—that the Tokomak project should be funded at the recommended level of $23 million for fiscal year 1976 and $7 million for the transition quarter. Only with that funding can the project be completed on schedule without additional cost to the people of this country.

The ERDA authorization, passed by the House last week, contains a request for $23 million to get the project moving. The Public Works Subcommittee has recommended $15 million for fiscal year 1976. It might not appear to be important that the project be fully funded in its first year of construction, but it is indeed. Lacking the $8 million of the total amount of $23 million requested can automatically delay the project by up to a year and certainly contribute to increased costs over and beyond the $215 million projected for the 5-year program. The large motor generators so vital to the project require 4 years for delivery. Should the laboratory not be able to commence the design and order the generators, the scheduled date of completion is impossible. Lacking the $8 million, construction of facility and buildings will be delayed when they are needed to be raised immediately.

Also, it is quite understandable that at the present time, reasonable bids for construction would be more easily available than they might be in the future. I am sure that this body and Congress would very much like to save money in the process of developing and researching a promising source of energy for the future. As can be noted by the telegram below, the result could very possible mean a $10 million cost increase for the project. In short, a savings of $8 million this fiscal year, can very well mean an expenditure of $10 million in the end. Certainly, it is well worth the addition of $8 million in this bill.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. Mr. Chairman, I rise to commend the members of the Appropriations Committee, and particularly the Public Works Subcommittee, for the outstanding job they have done on the public works for water and power development and energy research appropriations for fiscal year 1976. I realize that it is very difficult to make the necessary hard choices to fund worthy projects all over the Nation, and therefore I am especially grateful to the committee for its wisdom in providing the Army Corps of Engineers with additional funds for studies, general construction, flood control, and operation and maintenance of our country's waterways.

As a Representative of the metropolitan area of New Orleans, the second largest port in the Nation, I am particularly pleased that the committee recognizes the critical problems caused by the shoaling which occurs at most major U.S. ports. Ports which experience this silting cannot consistently accommodate the largest, fully loaded vessels; in fact, during the first 2 months of 1975 the Port of New Orleans was deprived of more than $5 million in economic benefits because of shoaling in Southwest Pass. The entrances to our port area need to be maintained at all times and actually the passes should be deepened. To do this work we need more efficient dredges, and I was encouraged by testimony before the Public Works Subcommittee that the private sector plans to construct one to three new hopper dredges.

The committee report itself notes that it takes a long period of time to build this equipment which cost in excess of $20 million each. In light of the National Dredging Study completed in 1974 by the Arthur D. Little organization which found that 9 to 11.5 new dredges, at minimum, are needed in the next 10 years, the committee has directed the Army Corps of Engineers to begin construction of a new hopper dredge to replace the *McKenzie* which sunk last year. I am very pleased at this action, and I am hopeful that construction can get underway soon.

In addition the National Dredging Study recommends the wholesale upgrading of existing dredges in the corps' fleet; extensive work of this type takes 3 to 4 months, depending on the age of the equipment. As many of you know well, the Corps of Engineers' fleet of hopper dredges used to maintain our ports has been reduced in numbers by 44 percent in the past 35 years; in 1940 the corps operated 27 hopper dredges and today it has only 15. At the same time, the workload has increased drastically. Today the average age of these Corps of Engineers' dredges is 28.5 years, and each dredge spends an average of 1 month in repair. This month of repair plus work lost due to travel time from one job to the next represents a 20- to 25-percent loss of potential work-time for the already inadequate fleet that currently exists.

Clearly there is a critical need for more dredges to maintain U.S. ports, and I wish to praise the committee for allocating funds toward the construction of one new dredge and I fully welcome the entry of private dredging concerns into this vital field.

However, due to the time lag which necessarily exists in constructing these mammoth and sophisticated pieces of dredging equipment together with the fact that the corps' current fleet is rapidly deteriorating, I urge the committee to consider further direct hopper dredge appropriations in the near future. It has been estimated that even if the most optimistic projections of dredge construction prove true, there will still be a serious shortfall of dredges through 1992. For example, if the private sector were to build 19 dredges between now and 1992, and if the Corps of Engineers builds 6 replacement dredges—including the replacement of the sunken *McKenzie*—between now and 1983, there will still be a deficiency of 2 to 4 dredges per year between now and 1992.

An adequate and efficient dredge operation by both the Corps of Engineers and the private sector is required to maintain the entrances of U.S. ports so that shipping can proceed unimpeded. According to a report of the Maritime Administration. The foreign trade which passes through U.S. ports contributes $3 billion per year to the general funds of the U.S. Treasury in the form of customs collections; at the same time these 1.6 billion tons of commerce per year creates 4.1 million direct and indirect jobs and adds $1 billion per year to U.S. balance of payments. The foreign commerce which passes through our ports is a vital link in the intermodal transportation network of our Nation, and I respectfully urge the passage of this bill and further suggest that the committee consider in the near future making the needed investments in equipment to keep our ports open.

Mr. FITHIAN. Mr. Chairman, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the gentleman from Indiana.

Mr. FITHIAN. Mr. Chairman, as a new Member, I would like to express my appreciation to the gentleman from Tennessee (Mr. EVINS) and to the committee for this fine bill and what it will do in this country by putting people back to work.

Mr. Chairman, I would like to extend my appreciation not only to the gentleman from Tennessee (Mr. EVINS), but to the ranking minority member, the gentleman from Indiana (Mr. MYERS).

Mr. MYERS of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the subcommittee has brought a bill to the floor this evening, as the chairman has very ably presented, which is a very comprehensive and a very broad bill which will start to provide for the needs of this Nation for the future. The bill includes funds for energy research as well as funding for conservation of water, improved water transportation and national security. Tonight, we are facing a situation in the country which could because this country did not take the necessary action a few years ago to prepare for the needed energy of today and for the future. This bill that we are considering tonight makes an effort toward providing for energy for the future and for energy research for new sources of energy, trying to anticipate what the energy needs will be 5 years from now, or in the future at any point.

We recognize that it is going to take a lot of energy to run this great country of ours, so a major part of this particular bill does address itself to the energy needs of the future. Another facet of our economy which is very necessary is the conservation of water and other natural resources. This bill again addresses itself to the proper use of our water resources; storing water in the right areas; making water work for us instead of us working for water.

We are expanding in this bill somewhat the navigation capacity of our streams. We have these streams and they had better work for us for navigation.

In this bill we have 54 percent for Energy Research and Development Administration. Only 37 percent is in the Corps of Engineers and Department of the Interior and Bureau of Reclamation. But again, in this particular area we are addressing the fact of reclaiming arid lands in the West, providing for hydropower where it is practical, thus bringing on more energy. So again, we are disclosing solutions to the problems of the future.

In recent weeks, we have had several bills introduced and discussed in the Congress providing for "emergency"—and I use the word "emergency" in quotation marks because it has become a practice in the House if we want to get a bill passed, we attach the label "emergency" to its title. We have had several emergency employment bills. This bill does not increase the operation and maintenance of our systems. These are highly labor intensified, because in the past few years we have seen that we have not adequately acted on the maintenance of the locks and dams and natural resources of this country. Much work is needed. We are providing increased funds for this work.

So, this committee has addressed itself to the problem where it is a highly labor intensified type, where we can put people to work right away.

Mr. Chairman, 9 percent of this bill is for independent offices. The largest in this category is the Nuclear Regulatory Commission, a brandnew Commission. For the first time, this Congress will be funding the NRC, realizing that the regulatory commission for nuclear and atomic power is this agency. We are adequately funding this new Commission for the job it has to do and the largest part of the 9 percent goes to NRC.

Mr. Chairman, this bill, as the chairman of the subcommittee has said, does look to the future. It is allocating funds in the proper proportion. We have tried to make the proper allocation of those funds. The committee has worked hard. The nine volumes of our hearings indicate the hard work of the committee. I thank the chairman for his generosity in always being fair and giving the minority an opportunity to be heard. The minority had every opportunity to question witnesses.

Mr. Chairman, we thank especially the staff very much, because they all did a tremendous job. This bill came to the floor very quickly after the hearings. In fact, the staff put together the report the Members have in their hands, and they have been able to answer all the Members' questions. They did a tremendous job. On behalf of the committee, we do thank the staff for a very fine job.

Mr. EVINS of Tennessee. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, it is a pleasure to serve on this subcommittee, particularly in view of the membership and the work of the chairman and staff. I think we have brought out a very fine bill.

At this time, when we have removed silver from our coinage, gold from behind our currency, when we have major problems at home and abroad, it is imperative that we take care of and develop our land, our streams, and our harbors for it is to these resources we must look to meet our problems.

If we leave to our children a rich land, fully developed and protected, they can make it fine. If in turn we left them all the money in the world and a wornout land, then they would be like the people of India and other wornout countries of the world. Our distinguished Chairman, JOE EVINS of Tennessee, and Congressman MYERS of Indiana have pointed out the many projects and programs which we have provided for all our country. I shall limit myself to spelling out for the record, the projects included herein for my State of Mississippi.

CONSTRUCTION, GENERAL

	Budget estimate, fiscal year 1976		Committee allowance	
	Construction	Planning	Construction	Planning
(N) Tennessee-Tombigbee Waterway, Ala. and Miss	$52,000,000	--------	$72,000,000	------
(FC) Tombigbee River and tributaries, Mississippi and Alabama	700,000	--------	800,000	--------
(N) Yazoo River, Belzoni Bridge (advance participation)	150,000	--------	150,000	--------
Small projects for flood control and related purposes not requiring specific legislation costing up to $1,000,000 (sec. 205)	4,000,000	--------	5,300,000	--------

Cow Pen Creek, Horn Lake, Miss.—The committee has provided funds in the bill, under section 205 projects, for the Cow Pen Creek flood control project. The Corps is urged to proceed with this vitally needed flood control project.

	Committee allowance
Operation and maintenance:	
Biloxi Harbor	$93,000
Transition period	23,000
East Fork-Tombigbee River	200,000
Transition period	----------
Gulfport Harbor	631,000
Transition period	158,000
Okatibbee Lake	282,000
Transition period	70,000
Pascagoula Harbor	750,000
Transition period	188,000
W. Kerr Scott Dam and Reservoir	463,000
Transition period	116,000
Yazoo River	43,000
Transition period	15,000
Mississippi River and tributaries:	
General investigations:	
Wolf and Loosahatchie River and Nonconnah Creek [1]	100,000
Transition period	80,000
Yazoo River Basin	600,000
Transition period	100,000
Construction and planning:	
Mississippi River levees	11,000,000
Transition period	6,600,000
Channel Improvement	38,000,000
Transition period	15,000,000
Yazoo Basin:	
Arkabutla Lake	330,000
Transition period	30,000
Enid Lake	270,000
Transition period	130,000
Grenada Lake	660,000
Transition period	300,000
Sardis Lake	360,000
Transition period	400,000
Greenwood	290,000
Transition period	1,000,000
Upper Auxiliary Channels	1,000,000
Transition period	400,000
Main Stem	250,000
Transition period	100,000
Tributaries:	
Ascalmore-Tippo and Opossum Bayous	850,000
Transition period	360,000
All work except Ascalmore-Tippo and Opossum Bayous	2,980,000
Transition period	300,000
Streambank erosion control evaluation and demonstration	$1,000,000
Transition period	500,000
Big Sunflower River (including Steele Bayou) transition period	600,000
Yazoo backwater:	
All except Muddy Bayou control structure	5,420,000
Transition period	2,000,000
Muddy Bayou control structure	1,380,000
Transition period	----------
Mississippi River, East Bank, Vicksburg-Yazoo area (phase 1) [2]	100,000
Transition period	50,000
Mississippi River, East Bank, Natchez area (phase 1) [2]	100,000
Transition period	50,000
Greenville Harbor (phase 1) [2]	200,000
Transition period	100,000
Operation and maintenance:	
Arkabutla Lake [3]	584,000
Transition period	160,000
Big Sunflower River	60,000
Transition period	10,000
Enid Lake [3]	1,250,000
Transition period	175,000
Greenwood	130,000
Transition Period	45,000
Grenada Lake [3]	2,500,000
Transition period	190,000
Main Stem	450,000
Transition period	150,000
Sardis Lake [3]	1,030,000
Transition period	260,000
Tributaries	300,000
Transition period	225,000
Yazoo backwater	120,000
Transition period	20,000
Yazoo City	100,000
Transition period	30,000
Whittington Auxiliary Channel	100,000
Transition period	50,000

[1] Also report language as follows:

Nonconnah Creek, Mississippi—The Corps has taken too long to complete the study on the Nonconnah Creek flood control project. The needed flood control and other benefits which could be derived from this project are vital. The Corps should complete the work on this study and forward their recommendations to the Congress at the earliest possible time.

[2] Planning.

[3] See Report language as follows: Operation and Maintenance.—The Committee has recommended an additional $1,800,000 in fiscal year 1976 and an additional $700,000 in the transition quarter to be applied to needed maintenance for Lower Red River, Louisiana; Boeuf and Tensas River; Arkabutla Lake, Enid Lake, Grenada Lake and Sardis Lake, Mississippi.

The following language appears in title II of the bill under flood control, Mississippi River and tributaries.

Provided, That not less than $250,000 shall be available for bank stabilization measures as determined by the Chief of Engineers to be advisable for the control of bank erosion of streams in the Yazoo Basin, including the foothill area, and where necessary such measures shall complement similar works planned and constructed by the Soil Conservation Service and be limited to the areas of responsibility mutually agreeable to the District engineer and the State Conservationist.

APPALACHIAN REGIONAL COMMISSION

Report contains language as follows:

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

The Appalachian Development Highway System currently consists of some 3,278 miles. There are 435 miles on the system which have been rated adequate and do not require improvement. A total of 2,685 remaining miles have been authorized for construction assistance and are within the Congressional limitation of 2,700 miles. In addition, 1,600 miles of access roads to the development corridor have been authorized. In this connection, the Committee has included an additional $2,200,000 in 1976 and $2,500,000 in the transition quarter for this program. The funds are included to complete the long delayed construction of the highway 56 access road in Tennessee and the northwest extension of the Tupelo, Mississippi access road. By September 30, 1976, 1,600 miles of the access roads will be completed or under construction. An additional 1,050 miles of the development corridor and 30 miles of access roads will be in the design or right-of-way acquisition stage during 1976.

Tennessee Valley Authority:	
Budget	$87,800,000
Committee allowance	99,754,000
Transition quarter:	
Budget	27,500,000
Committee allowance	27,984,000

Increase includes an additional $1.3 million to accelerate the Bear Creek multipurpose water control system project.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

ESTIMATED COSTS IN THE STATE OF MISSISSIPPI

	Fiscal year 1976	Transition
Operating expenses:		
Solar, geothermal, and advanced energy systems development physical research [1]	$26,000	$7,000
Environmental and safety research biomedical and environmental research [2]	62,000	

[1] University of Mississippi research contract.

[2] Research by Mississippi Department of Agriculture at Oxford.

THE TENNESSEE-TOMBIGBEE NAVIGATION PROJECT

Mr. Chairman, this bill provides $72 million for construction on the Tennessee Tombigbee Waterway which goes through the eastern part of my district. This project, which had been studied since 1870, authorized in 1946, had not been started because of a lack of a favorable report by the Corps of Engineers, though my predecessors had made steady progress to its beginning.

In 1967, I was able to get my colleagues on this subcommittee to provide $500,000, which was approved by the Congress to initiate preconstruction and planning. The Corps of Engineers recognized from this action that Congress was for this project and the favorable report was forthcoming—and construction begun.

I could make a long speech on the benefits which will come to my district, to my State of Mississippi, from this project which will connect the Tennessee River with the Gulf of Mexico at Mobile. I shall not do so but shall repeat only its national benefits which I had Mr. Whitehead, Federal cochairman of the Appalachian Commission to present to our committee. At my request he provided the following information which I repeat.

Our colloquy follows:

TENNESSEE-TOMBIGBEE GEOGRAPHIC AREA

Mr. WHITTEN. If the gentleman will yield, would it be possible for you at this early stage to spell out for us the geographic area of the United States which, will receive direct benefits from the Tenn-Tom Canal:

Mr. WHITEHEAD. The Tennessee-Tombigbee Waterway is a 253-mile ice-free waterway which leaves the Tennessee River at Pickwick Lake and proceeds south on Yellow Creek. There it crosses the divide in a deep cut to Mackey's Creek and follows the East Fork of the Tombigbee which flows to Demopolis. At this point, it joins the canalized Black Warrior-Tombigbee waterway. The distance from Mobile, Alabama to the Tennessee River is 470 miles. The project will provide a nine-foot slack-water navigation channel with bottom widths of 280 in the divide cut and 300 feet on the remainder of the route. The waterway consists of three sections: 168-mile river section (four locks) from Demopolis north to Amory, Mississippi; 45.6-mile lateral canal section (five locks) north to Bay Springs lock and dam; and, 39.3-mile divide-cut/Yellow Creek section north to the Tennessee.

The potential advantages of connecting the north-flowing Tennessee River with the south-flowing Tombigbee River have long been debated and considered, but the obvious advantage for developing the waterway is connectivity—connecting Tennessee and northeast Mississippi with Gulf Coast ports, without the necessity of routing Tennessee River traffic through Kentucky and thence to Ohio and Mississippi River, and, finally, reaching the Gulf. Economists for the Corps of Engineers believe the waterway will speed the southeast's economic development by attracting additional heavy industry. It is estimated that by the 2020, there will be a $2.6 billion increase in industrial growth. As to the regional impact, the Corps of Engineers, has determined that 23 states will share in the navigation benefits, with at least 55 percent of the economic returns accruing to states other than Alabama, Mississippi and Tennessee. The primary beneficiaries will be those who directly produce and consume raw materials and grain in the tributary area of the river systems involved.

Also, transport economics for basic materials will be enjoyed by a large number of customers in the east and south. The waterway will reduce export costs for many products and will improve the position of American goods in competition with foreign goods, as well as competition with foreign commodities in American markets. The project will benefit economic development in many states, particularly in terms of industrial development. A study of the experience of TVA shows that about 1.5 billion dollars was invested in 138 private manufacturing plants and 74 terminals along the Tennessee River waterway from 1933 through 1965, of which 99 percent has been invested since the nine-foot channel to Knoxville at the head of the river became available in 1945. This growth stands in marked contrast to the valley's economy when the development of the modern Tennessee River waterway was started by TVA in 1933. At that time the Tennessee Valley was characterized by agriculture and extractive industries providing raw materials for processing in other sections of the nation.

The Tennessee-Tombigbee Waterway Development Authority was created in 1958 as an interstate compact by Congress and includes the States of Alabama, Florida, Kentucky, Mississippi, and Tennessee. While this five-state authority is the planning coordinator for the Tennessee-Tombigbee Waterway, it can easily be seen that its construction will have great importance to many other states. The following rivers and waterways and their tributaries are directly related to this project as are the states and cities identified:

Inland Waterway—Florida—Pensacola and Panama City

Tombigbee River—Alabama and Mississippi—Demopolis and Meridian

Tennessee River—Kentucky, Tennessee, Mississippi and Alabama—Knoxville, Chattanooga, Huntsville, Florence, and Paducah

Ohio River—Illinois, Indiana, Ohio, Kentucky, West Virginia, and Pennsylvania—Paducah, Cairo, Louisville, Cincinnati, Portsmouth

Cumberland River—Kentucky and Tennessee—Nashville and Carthage

Black Warrior River—Alabama—Tuscaloosa and Birmingham

Alabama River—Alabama—Montgomery

Obviously, there are far more cities which could be included in the above list.

Mr. WHITTEN. Mr. Chairman, again, I am proud to have had a part in leaving to the people of this Nation, this great project, important today and invaluable for the future.

Mr. MYERS of Indiana. Mr. Chairman, I yield 7 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, the amendment that my colleagues and I will offer to this bill will strike out all funding for the Dickey-Lincoln hydroelectric project in northern Maine. Our amendment will eliminate $1,060,000 in fiscal year 1976 and $395,000 in the transition quarter.

Dickey-Lincoln would be an environmental and economic outrage. In size, cost, and damage to the environment, this project is enormous and totally unacceptable.

The size is so large it is difficult to imagine. It would be 335 feet high and almost 2 miles long. So it would be higher than any building in Washington and it would stretch the entire length of the Mall.

To build the series of dams and dikes planned, 70 million cubic yards of earth and rock would have to be dug and quarried. Behind the dam a 57-mile long reservoir would flood the former bed of the incomparable St. John River.

I am opposed to the Dickey-Lincoln project, first of all, because it would destroy for all time the beautiful and wild St. John River. This is a unique and beautiful river, and this river basin is the last true wilderness area remaining in New England. For outdoorsmen it is a paradise. Blanketed with lush green forests, it fosters a large population of wildlife, including bear, moose, and deer. The river also offers challenging whitewater rapids for canoeing, in addition to some of the Nation's finest brook trout fishing.

In 1846, Henry Thoreau saw the St. John River and wrote this:

> It is even more grim and wild than you had anticipated, a damp and intricate wilderness, in the spring everywhere wet and miry.

The river has not changed since that time. But it will be finally and irrevocably destroyed if the Dickey-Lincoln project proceeds.

I am also opposed to Dickey-Lincoln on economic grounds. This project is going to cost the American taxpayers an enormous amount of money: certainly no less than $800 million, and more likely in excess of $1 billion. What are we going to get for this gigantic price tag?

First, we are going to get a dam that will produce 725 megawatts of power for just 2½ hours a day. That is right. This billion dollar dam will only run 2½ hours a day. But demand for peaking power in New England during the summer lasts 6 hours long. So where is the other 3½ hours of peaking power to come from?

More importantly, who says that New England needs more peak power capacity? All the forecasts of electricity demand in New England for the 1980's were done more than 2 years ago, before the price of oil went skyrocketing. Since then, with consumer electric bills much higher, power consumption in New England has decreased dramatically, by as much as 12 to 18 percent in the past year.

For example, the drop in peak power demand for the Boston Edison Co. in 1974, after including the growth in baseloan capacity, is close to 14 percent.

So demand for "peak power" is already shrinking, and new rate structures by the State and the Federal Government may shrink it even further. The Federal Energy Administration has recently proposed, and Vermont is already experimenting with a plan to readjust electric bills so that power consumed during peak periods would be priced higher than nonpeak periods. This seems like an eminently more sensible and less expensive way to solve the peak power demand problem.

The General Accounting Office has just published a report on the economic benefits and cost of the Dickey-Lincoln project, and there are several items that my colleagues should note carefully.

First, the GAO states that the electricity produced would comprise 95 percent of the benefits. But as I have shown, the power that will come from Dickey-Lincoln will be exorbitantly expensive and marginally needed. There are cheaper alternatives to get the same amount of power.

Further, the GAO notes that the Corps of Engineers also assigns large values to the recreation to be derived and to the equalization of the downstream flow of the St. John River. But these benefits will be enjoyed, as the GAO points out, by Canadians, not by Americans.

A benefit value is also assigned to the flood control capabilities of Dickey-Lincoln. But if flood control is one of our primary purposes here, then we should immediately build a set of dikes in the town of Fort Kent, which would only take a year and a half and cost $1.6 million. If flood control must wait for Dickey-Lincoln, then the people of Fort Kent will wait until 1985, and that will be too long for many of them.

Last year, this House voted funds for Dickey-Lincoln by a 16-vote margin. The key factor was a hysteria to do something about the energy crisis and the united stand of Maine's elected leaders. That panic to something about the energy crisis has receded. And the support for Dickey-Lincoln from its elected leaders has also dwindled.

Maine has a new Governor this year and he does not want Dickey-Lincoln. The president of the Maine Senate does not want Dickey-Lincoln, and the Maine Senate recently turned down a State power board for the Dickey-Lincoln power that would remain in Maine. And now the junior Member of the House from Maine is opposed to the project.

This shows the growing rejection of Dickey-Lincoln by the people of Maine. If they do not want it, I do not think that the Congress should force it upon them.

Thank you.

Mr. EVINS of Tennessee. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts (Mr. MACDONALD).

Mr. MACDONALD of Massachusetts. Mr. Chairman, I thank the chairman of the subcommittee for his kindness in yielding to me this time.

I only asked for 2 minutes in order to let the House know that our distinguished colleague, the gentleman from Massachusetts (Mr. CONTE), does not reflect necessarily, nor indeed in my judgment, very deeply represent the thinking of the other Members of the delegation which has been evidenced in the past by recorded votes and other ways.

I would like to point out one thing that has been really overlooked, and that is that what is being asked for and required in this bill is not the full amount of the construction of the dam and all this Aswan business that the gentleman from Massachusetts discussed, but, rather, about $1,600,000 to complete the study which has been undertaken under the direction of this Congress.

I am very interested in the gentleman's concern about the cost, inasmuch as the last time I heard the gentleman speak here on the floor of the House he was talking about $700 million for the benefit of the railroads at a time when no hearings of any sort had been held on the need for that $700 million had been held.

Mr. Chairman, I would also like to point out that I have been informed, unlike the allegations of the gentleman, and I am sure that the gentleman would not misstate knowingly, that the survey of the Dickey-Lincoln project is supported by both Maine Senators, the Governor, the leadership of the Maine Senate and the House, and based on a recent survey conducted by a reputable national polling firm, by an overwhelming majority of Maine citizens.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. MACDONALD) has expired.

Mr. EVINS of Tennessee. Mr. Chairman, I yield 1 additional minute to the gentleman from Massachusetts (Mr. MACDONALD).

Mr. MACDONALD of Massachusetts. Mr. Chairman, in finishing up, I would merely like to say that, of course, this will be discussed in greater detail, as was said by the gentleman during his discussion under the 5-minute rule. During that time I would like to find out where in the forested area that he so carefully detailed in such verbose language the bald eagles are. I have never heard that they are around there, but in any event, I would like to hear about them.

However, much more importantly, Mr. Chairman, the New England area needs power. It is about time that New England stopped asking the rest of the country to give it special consideration because we do not have any natural resources to speak of, and it is about time that New England shoulders up to its responsibility to use whatever natural resources it has so it can show the rest of the country and, indeed, this Congress that when we come here asking for help from the Congress, as in the mandatory allocation bill, we are doing so because we, too, are willing to do our share to try to alleviate the energy shortage of our country.

Mr. MYERS of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Maine (Mr. COHEN).

Mr. COHEN. Mr. Chairman, I will take just a few moments to address myself to several of the issues raised by the gentleman from Massachusetts (Mr. CONTE). I know he speaks with a great deal of conviction and sincerity, but when he talks about the size of this project, the overwhelming size that is higher than any building in Washington, I wonder whether the gentleman has considered that if we flooded the 86,000 acres, first of all, that timber would be cut down. Second, 86,000 acres in Maine is one-half of 1 percent of the total forested area in the State.

About 87 percent of the State of Maine is forested.

If we are talking about cutting down all these trees, we are talking about a comparatively small amount.

Second, the gentleman alleges that we are going to destroy the St. John. We are going to alter the St. John, but not destroy it. We are talking about flooding an area of 60 miles out of 400 miles of waterway.

He talks about the flooding of streams. Let us consider that Maine has 3,600 streams and lakes.

The gentleman talks about the cost with respect to the Allagash. It has been alleged that the Allagash is going to be destroyed.

The fact is that this Congress, working in conjunction with the State of Maine, has made the area a permanent wilderness area for people like the gentleman from Massachusetts (Mr. CONTE) and others to go there and enjoy it for centuries to come.

He talks about the total cost of this project. The Army Corps of Engineers has said this figure is some $484 million. The gentleman from Massachusetts (Mr. CONTE) says it is $800 million. Even assuming it is $800 million—and I do not assume that—but assume it is $800 million, every penny going into the construction of this dam for power-generating facilities is going to be paid back to the

American Treasury over the first 50 years.

Mr. Chairman, according to the Army Corps of Engineers, we are talking right now about a total cost to the American taxpayer of $17 million. That is the total cost involved.

The gentleman from Massachusetts (Mr. Conte) talks about peaking power and who needs it. This project is designed purely to provide peaking power to meet the needs of New England—for peak power traditionally is produced by hydroelectric projects.

The answer, the gentleman says, is to simply readjust the electrical rates. I know the gentleman from Connecticut (Mr. Moffett) has also raised a similar question. I think it is a legitimate and a very reasonable question to raise, and that is why not to cut down the amount of the peak power demand, adopt rates that will penalize consumers, or make it so prohibitive that they will not use it? It is an interesting thing to think about, but do the Members not recall that we have doubled the price of gasoline and the price of heating oil, and the consumption has not been reduced? It is true that we have been experimenting. Vermont is experimenting, and Connecticut is experimenting, but under those experimental programs it will take 2 or 3 years to find out the results, and in the meantime this project could be completed and then we can evaluate whether this sort of mechanism has cut off or diminished the needs of the people in New England.

The GAO reports according to the gentleman from Massachusetts (Mr. Conte) are in contradiction of the Army Corps of Engineers. In fact, I believe they actually confirm the figures of the Army Corps of Engineers.

The final point I wish to make is concerning flood control. Let me say that Fort Kent has been flooded in the last several years 10 times, and the answer of the gentleman from Massachusetts to this is that the Army Corps of Engineers could build a dike. Admittedly they could build a dike. A dike would provide only partial flood control, and it might protect the commercial areas of Fort Kent, but it would not provide flood control for all of the towns below Fort Kent against flood dangers.

Further, I notice that the gentleman from Massachusetts makes the statement that the Governor of Maine is opposed to this project. The fact of the matter is that he is a supporter of the study and has asked the Maine delegation, including my colleague, the gentleman from Maine (Mr. Emery) to support the funding of this study.

The gentleman is also in error when he says the President of the Maine Senate is opposed to this because I spoke to the President of the Maine Senate today, and he indicated that he is in full support of the study of this project.

It has the support of our two Senators, the support of the majority leader in the Maine House, and the support of editorials in the major Maine newspapers and, I might add, the overwhelming support of the people of Maine, and I hope we will reject the motion of the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. COHEN. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, first I want to set the record straight. Let me say that I never said at any time that it would destroy the Allagash River. I happen to know that part of the country as well as the gentleman from Maine.

Further, I am not disputing the figures of the Army Corps of Engineers, except to say that they were based on 1963 figures, based on a 3¼ percent interest rate with 100-year amortization rate. I wonder where in the world we can get such interest rates today.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EVINS of Tennessee. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. Boland) and then I hope that we can proceed to read the bill by title, since I have no further requests.

Mr. BOLAND. Mr. Chairman, I want to compliment the gentleman from Maine (Mr. Cohen) on his excellent statement. I do not think the gentleman from Maine indicated that the gentleman from Massachusetts (Mr. Conte) and my dear colleague, indicated that the Allagash is going to be destroyed or disrupted by this particular project. I am sure he was referring to statement constantly made by evironmental groups that are Allagash would be destroyed.

The gentleman from Massachusetts (Mr. Conte) complained about a 3¼-percent interest rate. I do not know why this project in New England ought to be treated any differently from any other area of the United States.

The fact of the matter is that the law with respect to the discount rate was changed some years ago. But all the projects that had been authorized up to that point were grandfathered in on the 3¼ percent interest rate or discount rate. Projects for New England are entitled to the same criteria applied to other areas. New England members have consistently supported projects built years ago, out in the Midwest, the Far West, the Southwest, the Southern part of this Nation $200, $300, $400 million projects. In today's dollars they would be far more costly.

What is the benefit-to-cost ratio here? Two point six to one?

Two point six to one. I can point to at least a half dozen or 10 projects in this bill that are less than that, some 1.5 to 1. I do not know why we should be treated differently in New England. Of course, we are interested in preserving the environment in the area. Let me say to the Members that Maine has the strictest environmental laws in the Nation. So this project will never be built if the environmental impact statement weighs against its construction. What we are voting on here today is $1,455,000 to continue preconstruction planning—$1,060,000 for fiscal year 1976 and $395,000 for the transition quarter. That is all we are asking for here. We are not asking to start the construction of this project. I cannot understand the opposition of the Members from New England on this particular project. When we have been supporting similar projects all over the Nation, and glady so, because we have been adding to the economic health of the United States.

Let me tell the Members this. This project has a payout in 50 years. Every dime that has been ascribed to power will be paid back in 50 years. What percentage of this particular project is ascribed to power—98 percent of it? The only part that is not paid back is that which is attributable to recreation and to flood control.

Sure, it is not a big flood control project. What my colleague, the gentleman from Massachusetts, says is probably true. We could build a flood dike or a floodwall to protect Fort Kent, and that is true, but we are not solely interested in flood control for Fort Kent. The big payoff is power for Maine and New England.

They laugh a little bit about the kind of peaking power we will get—2½ hours a day. The fact of the matter is that we need this kind of peaking power in New England. We have had blackouts and brownouts. Let me say that the only way really to correct that problem is by supplying a peaking power facility that is going to do the job in New England, and this helps to do it. Dickey-Lincoln would not supply all the region's needed peaking power—oh, not very much—only 18 to 20 percent—but neither will the other, the conventional plants in the area, the private utility companies.

Who is in favor of the project? Every Governor in New England—all six of them; a majority of the members of the delegation from New England. Who is in favor of it? The private utilities. The public power companies. That is why we were never able to carry the day in years past. We can carry it now because the private utilities are in trouble. They are in trouble because New England depends 80 to 90 percent on oil to generate its energy facilities up there. They support it now because they recognize the fact that our Nation is facing an energy crisis. This is one way to help. I know that.

We are all interested in the environment. We want to protect the environment. I think this committee has gone a long way in doing it. We are doing it by assuring that this $1,455,000 will, in a major way, have to address itself to the environmental aspects of that problem. If it impinges upon the environment too much, the State of Maine will not approve it and it will never be built. That is all we ask. We ask precisely to do what we ask of any other project that has been built in the United States.

Mr. Chairman, I would like at this time to further refute additional contentions made in the minority views of the distinguished gentleman from Massachusetts (Mr. Conte), which are to be found on page 81 of House Report 94–319, which accompanies H.R. 8122, the Public Works for Water and Power Development and Energy Research Appropriation bill, 1976.

It is said that Dickey-Lincoln will equal in size the Aswan Dam.

Yes, they are comparable in size, but this is the only spot in New England that is left that can offer hydroelectric opportunities. In an area that has no refineries of its own, depends totally on imported oil and is being bankrupted by these astronomical costs, Dickey-Lincoln offers clean, cheap electric peaking power for all New England for many years to come.

It is said that Dickey-Lincoln will mean the destruction of the last major wilderness river in New England. The Allagash will remain completely unspoiled by the project. The recreational opportunities for New Englanders will be vastly increased and will be easier to reach than now. Maine is the most heavily forested State in the Nation. Only six-tenths of 1 percent of Maine's forest lands will be affected by the dams.

It is also said that the water flow of the St. John's is so light in the summer that draining and filling the reservoir will create an ugly bathtub ring of 25 to 40 feet. The average drop would be 3 to 4 feet over the period from June to October. The average daily drop would be 1 inch. Maximum draw down periods would be during the winter, when there is always a heavy snow cover.

It is said that the project provides a piddling amount of electricity. In terms of peaking power the amount of 725 megawatts is hardly piddling. It would provide from 18 to 20 percent of New England's peaking needs. It would save, in terms of comparable fuels, 1.5 million barrels of oil or 600,000 tons of coal or 9.2 billion cubic feet of gas annually.

It is further said that the project provides 2½ hours of peaking power when peak demand lasts 6 hours. Dickey-Lincoln is very flexible. It can produce 2½ hours a day for 7 days a week, or 3½ hours a day for 5 days a week. In peak months it could generate 7 hours a day, 7 days a week. In emergencies, it could generate continuously for a 35-day period.

It is said projections now show that New England peak power demand is slowing, even dropping. As the Nation recovers from the recession, rates will return to normal and increase. The problem in recent months has not been that Americans were conserving too much, but rather that they were, and are, consuming at rates that seem to ignore the energy shortages just over the horizon.

It is said that because plans for Dickey-Lincoln were drawn up in 1963 and 1967, they are obsolete.

Costs for the project were recomputed just last year and these are the figures being used by the corps today As the gentleman from Massachusetts knows from a private study done for him on the project by the Comptroller General, some changes may be made to the project's specifications. Nobody would deny that major changes—such as the addition of a pump storage facility at Dickey-Lincoln—could very well add to the price tag of the dams. The report points this out, but emphasizes, as has the corps, that because Dickey-Lincoln has lain on the planning tables for years gathering dust because of opposition and delay, it is still in the process of preconstruction planning. Things like the agreement with Canada and a possible change in transmission facilities arrangements are as yet unsettled, but neither of these factors appear to offer increased costs at present. Canadian powerplants below the damsites will benefit from increasedly regulated river flows and it now appears that private power transmission lines can carry electric output from the project instead of the lines the Government was going to have to build.

It is particularly said that the interest rate for the project is artificially low. As page 20 of the report to the gentleman from Massachusetts points out, this rate is authorized by law for all projects authorized before 1969. Absent the obstruction and delay that has thwarted this project all along, this project could have been completed long ago when that rate was prevailing. In any case, it would be grossly unfair for New England, which has no other hydroelectric sites that have Dickey-Lincoln's potential, to be unable to share the same benefits as projects in other parts of the country.

It is said that Dickey-Lincoln's benefit-to-cost ratio is "pumped up" by values given to recreational and downstream benefits, all of which will be enjoyed by the Canadians rather than us. Certainly as many Americans will be using the lake-reservoir as have in the past. In fact, many, many more people will now have access to this area. The Canadians that come to enjoy the area will also create jobs in the service industries that will grow up to serve tourists. Again, recreational benefits are figured in for every project of this nature across the country. Opponents of the dams are opposing it on the grounds for which every hydroelectric facility in this country was or is built.

It has been said that the environmental impact statement will be slanted because it will be written by the Corps. The Corps has retained an independent, highly respected contractor to prepare a scope-of-work study to identify all environmental, social, and economic impacts of the project. The Corps will then use this to prepare the EIS. Alternatives to the dam will be thoroughly explored in this document. The Corps regularly prepares all its EIS documents in the case of all its projects.

It has been said that Dickey-Lincoln will cost $1 billion, but only save New Englanders $12 million a year in electricity costs. The July 1974 corps estimate, as noted at page ii of the report to Mr. CONTE, is $521.8 million for the entire project. The annual benefits would be $50.6 million and the annual costs $19.2 million—for a benefit-to-cost ratio of 2.63 to 1. If a pumped storage facility is added or transmission adjustments are made, there will be changes in this estimate. However, the cost of fossil fuels is not going down. The report notes that when alternative power sources are estimated, fuel costs are factored as constant over the life of the facility. To those who oppose this project who complain about methods of computing efficiencies, I would like to mention this feature, which does not contemplate any increase in the price of oil. Yet, oil may go up $4 a barrel in a month or two. Dickey-Lincoln does not get the benefit of this factor in comparing it with fossil fuel plants when decisions are made. Despite all this, it comes out with a cost-to-benefit ratio of 2.63.

It is said that the project will not solve problems for Maine, but will create a boom-bust pattern that will really hurt the State. This country already has hit the "bust" part of the economic cycle. Jobs—especially jobs in the hard hit construction industry, which as the gentleman from Massachusetts knows, now experiences over 25 percent unemployment—are needed at this point in time in almost unlimited numbers. Dickey-Lincoln, moreover, is just like many other hydro projects in that it attracts skilled professionals to build the dams. Though these men eventually leave to construct other projects in other parts of the country, I have never heard of sensible opposition to such projects because these workers eventually left the area. This dam will mean improved roads and communication to an area that has hitherto been practically inaccessable. It will open up recreational opportunities. These improvements will also bring jobs—not as many as the construction crews—but they will be permanent jobs.

Other allegations concerning Dickey-Lincoln have been made, Mr. Chairman, in testimony submitted to the Appropriations Subcommittee on Public Works by the gentleman from Massachusetts.

For instance, it has been said that rock quarrying and fill digging for Dickey-Lincoln will deface some of the most beautiful country in the world. The corps has indicated that in response to environmental concerns, it has sought out and selected less environmentally objectional sites for quarrying. NEPA was not in effect when Dickey-Lincoln was first authorized and conceived and the project has been adjusted in accordance with the law.

It has also been said that 89,000 acres will be lost to productive lumbering when the dams are built. Ninety percent of Maine is heavily forested—17.7 million acres. Over 95 percent of this land—16.9 million acres—is classified as commercial forest land. The land for the project would represent only 3 percent of all the commercial forest land in Aroostook County, which has the most commercial forest land in Maine.

It is said that 200,000 acres will be isolated from the rest of the State by the reservoir. Access to this area is not restricted. Travel time will be increased, but not eliminated, access to Canada will be unimpaired.

It is said that the Governor of Maine is opposed to the project. This is untrue. He supports this appropriation and the preparation of the EIS. Both Senators, Congressman COHEN and the Maine House and Senate leaderships also support the appropriation.

Lastly, it is said that flood dikes for the Fort Kent area can provide the flood control necessary for the area at a cost of only $2 million.

Since termination of Dickey-Lincoln funding in 1967, three serious floods have hit Fort Kent. The local flood control project referred to above will provide protection for the commercial center of Fort Kent only, not surrounding areas. Dickey-Lincoln would provide complete protection for all flood prone areas downstream.

Lastly, Mr. Chairman, I would like to comment on several additional issues raised in a "Dear Colleague" letter dated June 23 and signed by several Members of the House.

Therein, it is said that deer, moose, bald eagles and brook trout will be greatly and adversely affected by the damming of the St. John. This is very speculative, something the environmental impact statement will delve into deeply. No studies are available to either side of this controversy at present, but, for example, a 1968 study of deeryards in the area to be flooded may not be accurate because so much heavy logging has been done in the area since then. The effect on fishlife is also speculative. The dam will fill so slowly that fish may move upstream or into tributaries. Eagles, presumably, will continue to be able to fly.

Lastly, and most erroneously, it is said that a GAO study shows that Dickey-Lincoln estimates are largely fictitious, based on obsolete, decade-old studies. GAO denies ever issuing such a study. There was a report published in September, 1974, entitled "improvements needed in making benefit-cost analysis for water resources projects," which recommended improved procedures for each of several agencies in this regard. However, the Corps was not cited for misleading the public. The GAO report to the gentleman from Massachusetts merely says that "several matters which could alter the planned project design and operations have not been resolved."—Page ii. This, as noted before, is a result of the planning process being cut off by a halt in appropriations for many years and because the preplanning process is still on-going.

Mr. Chairman, in closing, let me say only this. This project has been delayed before. The reasons have changed. The value, however, of 100 years of clean, cheap electric power, has only increased. I would like to ask opponents of Dickey-Lincoln, no matter under what banner they have entered the lists this time, to consider how this project fits in with that energy crisis and drive for energy independence about which we have heard so much in recent weeks. That fight did not end with the gas tax or the gas guzzler proposals. It continues here today.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MYERS of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. Conte).

Mr. CONTE. Mr. Chairman, I was just trying to have colloquy with my friend, the gentleman from Maine.

The president of the State Senate of Maine wrote a letter. I have never misquoted anybody on this floor in the 17 years I have been here. I have always tried to be on the level with my colleagues and not to mislead anyone. Here is his letter. I did not know that the president of the senate called him up this afternoon. Here it is, dated April 25, 1975, addressed to Col. John H. Mason:

> Dear Colonel Mason: The purpose of this letter is to formally express my views in opposition to the proposed Dickey-Lincoln Hydro-Electric Dam Project.
>
> In addition to the direct loss of 88,000 acres of land currently devoted to the production of wood fiber, Maine's most important product, we would spoil 64 miles of one of the most beautiful rivers in our State. The loss of these values to Maine would not be adequately compensated for by the small amount of peaking power which would be provided by the project.

Signed, "Joe Sewall, the president of the senate."

I have another letter here. I said the Governor of Maine was against this project and wrote to Mr. Evins. I have that letter here. Then I said on the floor subsequently he wrote another letter saying he favors a study. I am not trying to misquote anyone or give an incorrect interpretation.

Many people speaking on this amendment do not have a feel for the area. They have not been up there. This happens to be one of the last wilderness areas in the Northeast. I feel very strongly about it. I do not believe the economic ratio they speak about will come true, and when the amendment comes up for discussion on the floor we can discuss it further.

Mr. EVINS of Tennessee. Mr. Chairman, I hope we can reach agreement.

I yield to the gentleman from Alabama (Mr. Jones) 1 minute.

Mr. JONES of Alabama. Mr. Chairman, this is not an unusual type of debate. I recall the first time we had this proposition before the House. One of the ardent advocates was the gentleman from Massachusetts (Mr. Boland). I asked him after the debate whether he was personally acquainted with the physical facts of the projects and he said he was. Subsequent to that, during the recess, the gentleman went up and saw the project. He came back and he was the chief advocate of this proposition. He had studied it and he was learned on that as a result of the job that he had on the Appropriations Committee to evaluate projects.

There is no more knowledgeable person that the gentleman from Massachusetts (Mr. Boland) as far as being able to judge and assess the project of which the gentleman has just spoken.

Let me say this to the gentleman from Massachusetts. He says he has not been in the business of making analyses of projects. I have been in the business for 29 years of trying to evaluate the investment related to the profits to the U.S. Government. I will say to the gentleman today there has never been a proposal that was more consequential or of greater value than the one we have under consideration today.

Mr. Chairman, we will have no difficulty in passing this proposition.

Mr. McDADE. Mr. Chairman, I rise in support of H.R. 8122, the public works appropriations bill and to urge its adoption by the House.

Mr. Chairman, there is one provision in this bill that is absolutely vital to my constituents in northeastern Pennsylvania and to the thousands of tourists who come to the Delaware Water Gap area. I am referring to the appropriation of $4.6 million in funds to acquire the land and begin construction of U.S. Route 209 through the Delaware Water Gap National Recreation Area.

Mr. Chairman, the committee has agreed to provide funds to eliminate the worst traffic hazard in the entire Nation. One innocent victim is killed or injured every 48 hours here, because this 24-foot wide road has inadvertantly become the link between two interstate highways—84 and 80. Because huge truck haulers must commingle with tourists, schoolbuses, ambulances and emergency vehicles, we have here a tremendously dangerous situation, which unless corrected could lead to further loss of property and lives.

The committee has wisely recognized the extent of this threat and given its approval to the Corps of Engineers to acquire the remaining land necessary to relocate 23 miles of Route 209 through the Delaware Water Gap National Recreation Area. Once the land is acquired, construction of a safe, modern, four-lane highway, replacing the existing hazardous two-lane road can begin.

I believe that because of the tremendous Federal presence here, we have a Federal obligation to improve this road and protect property. Today the committee and the Congress are meeting that obligation. I am grateful for the tremendous cooperation of Chairman Evins, my colleague from Indiana (Mr. Myers), and all of the other members of the subcommittee who have expressed the willingness to solve this terrible problem.

Mr. FRENZEL. Mr. Chairman, I shall vote against this bill, because, like many of its predecessors, it is another barrel of pork, more than a billion dollars over last year's bill. It is more than 16 percent over last year's appropriation and 2 percent, $154 million, over the budget.

On the basis of gross cost alone, this bill should be defeated. But the allocation of gross cost is worse. The increases over budget for energy programs are modest—only $28 million of the $154 million. The lion's share of the increases, $104 million, are in the pork barrel sections, titles II and III, the sections of dams and reclamation projects.

At a time of enormous Federal deficit, I do not believe that we should be fattening up the pork barrel. H.R. 8122 should be defeated.

Mr. RUSSO. Mr. Chairman, I rise in support of H.R. 8122, the public works appropriations bill for fiscal year 1976 and the transition quarter. I want to commend both the subcommittee and the full committee, under the able leadership of the gentleman from Tennessee (Mr. Evins) and the gentleman from Texas (Mr. Mahon).

I especially want to call the attention of my colleagues a matter of the utmost importance to my constituents of the Third District of Illinois. For years, the people of the southern suburbs of Metropolitan Chicago have lived with polluted conditions of the Little Calumet

River, and we in Congress are finally in the position of being able to help them in their efforts to restore it to its once free-flowing state.

The first phase of the cleanup would entail the removal of fallen trees, roots, waste, and other debris along a 12-mile course of the river. The work would be carried out by the U.S. Army Corps of Engineers, which estimates the total cost for fiscal year 1976 and the transition quarter to be $290,000.

Over 200,000 people reside in the 16 communities through which the Little Cal River flows. Through the formation of concerned citizen groups, many of these people have conducted several river clearing projects on their own. For the successful completion of this project, however, these citizens need the help of the Federal Government.

Many beautiful rivers and lakes have been forever lost to us through our failure to act in time to save them from the effects of pollution. We must realize that it is imperative that we act now to restore the Little Calumet River while restoration is still a possibility.

The benefits of having this river cleared of obstruction and debris will be numerous. Besides ending the obvious hazards to public health and safety, the waterway will once again be available for recreational use.

By appropriating the necessary funds, the Congress will help the people of the Chicago area to take the first step toward restoring a once vibrant river as the lifeline of south suburban Cook County.

I urge the House to realize its responsibility to the people of our society and their right to enjoy this natural resource in its God-given state.

Mr. KEMP. Mr. Chairman, I rise in support of these appropriations for public works construction projects and studies for fiscal year 1976—the period beginning July 1, 1975.

As a new member of the Committee on Appropriations, I know the difficult task faced by its subcommittees in striking a proper balance between what Government wants to do and what we have the money to do. It is not an easy assignment. I think the chairman of the Subcommittee on Public Works, Mr. Evins of Tennessee, with whom I had the honor of serving on the Committee on Small Business, and the ranking minority member, Mr. Myers of Indiana, have done a commendable job in the bill they have reported to us. They are to be lauded for it.

At a time when unemployment in the construction industry nationwide is nearly 22 percent and is much higher than that in western New York—and at a time when Government ought to maximize the impact of every dollar it spends to create jobs through capital construction projects instead of make-work public service jobs, these appropriations become crucial. This is certainly true in western New York.

There are a number of projects and studies in an around Erie County, N.Y., which are important in meeting the objectives of utilizing properly our area resources, protecting life and property, and enhancing our environment.

The President's budget message of January requested funding for the following:

Harbor and channel maintenance:	
Black Rock lock and Tonawanda Harbor	$1,000,000
Buffalo Harbor	599,000
Dike disposal program:	
Black Rock lock and Tonawanda Harbor	610,000
Buffalo Harbor	4,025,000
Studies:	
Buffalo metropolitan area	194,000
Lake Erie wastewater management	310,000
Advanced engineering and design:	
Cattaraugus Creek project	110,000
Scajaquada Creek project	125,000

Both my colleague from New York (Mr. Nowak) and I appeared before the subcommittee and gave testimony in support of these requests, asking for an additional $81,000 to complete the Buffalo metropolitan area study in fiscal year 1976 instead of a full year later. The subcommittee has granted that request and has appropriated $275,000 for the Buffalo metropolitan area study.

Subsequent to the President's budget message the local authorities decided to pursue the Lake Erie wastewater management study through the section 208 program of the Federal Water Pollution Control Act, as amended, instead of through the authority of the Corps of Engineers. This request, in light of that development, was deleted from the bill, but the study will proceed on course and without delay.

I also appeared before the subcommittee in support of the Ellicott Creek flood control project—one vital to the protection of life and property along this frequently flooding creek. I ask the subcommittee for advanced engineering and design work funding in the amount of $195,000. As a matter of fact, I stated that its funding was my first priority.

The Ellicott Creek project is far behind schedule. For a number of years this project did not move forward because of basic disagreements between the Federal authorities and the State as to the type of improvements desired on the creek. Once the decision was made to not proceed with the construction of an upstream dam, but to proceed instead with a combination of downstream channelization and diversion channel improvements, local interests could not agree totally on specific project design proposals. The extent of the diversion channel, its location, the nature of the channelization and streambank alterations, the relocation of bridges and homes, et cetera, continued to delay the project. I have always felt that projects should enjoy strong support within the community—among the people for whom the benefits are intended, and a reasonable amount of delay—within which time local interests could come to common agreement—was acceptable.

I am pleased to inform the House, as I did the subcommittee, that this project now appears to be back on track—to such a degree that it will disspirit the local community if, after months of intense State and local attention to resolving substantially the disagreements, no funds for advanced engineering and design would be forthcoming for another full year. We should, therefore, make sure that these funds are included in this measure as it works its way through the legislative process. I am hopeful that the Senate Committee on Public Works and the subsequent joint House-Senate conference committee will include the $195,000 in funds which are here needed.

Local disagreements have, in fact, been resolved very effectively. Under the able leadership of Col. Bernard C. Hughes, the Buffalo District Director of the Corps, divergent interests, including especially those who supported differing concepts on the ultimate project design, were brought together. The concept has worked. Now, we are prepared to move to the phase I, general design memorandum and draft environmental impact statement. Even though a new requirement has been imposed on the corps through the Water Resources Council's principles and standards regulations, the project is prepared to move forward with phase I, GDM and DEIS work by November 1, 1975, if—and only if—funds are provided in the fiscal year 1976 appropriations bill. For us to wait until the fiscal year 1977 bill is considered next year would be to acquiesce in a 15-month delay. That would be unconscionable.

These developments were occurring at the same time the subcommittee was deliberating what course of action to take. I am sure that there may have been some unavoidable time lag in getting the encouraging, new information to the powers-that-be in the administration, the corps, et cetera. I have talked to the chairman, Mr. Evins of Tennessee, and am very much encouraged that this problem can still be resolved favorably. The help of the Senators, Mr. Javits and Mr. Buckley, will be very much welcomed when this matter comes before the Senate Subcommittee on Public Works.

Mr. BAUMAN. Mr. Chairman, I am happy to lend my support to the passage of H.R. 8122, appropriations for public works and water and power development and energy research for 1976. Other Members will be discussing a litany of good things which will result from this important bill, but just for a moment I would like you to consider the fate of 147,000 people.

I am speaking of the 147,000 Americans who live on the lower Eastern Shore of Maryland, hard-working and community-conscious citizens whose economic fate may be determined by the passage of this legislation. For them, as for the adjacent areas near Salisbury, the Wicomico River affects the transport and business conditions of the community by its navigability as a major transport waterway. The city of Salisbury and the lower Delmarva peninsula depend for their economic existence on the importation of oil and other bulk commodities brought through this route. A comprehensive dredging program is necessary to guarantee the river's transport effectiveness and this can be accomplished consistent with ecological standards. This Federal project has been authorized by law since 1890 and this illustrates the continuing acknowledgment by the

Federal Government of the importance of this area. Though these maintenance dredgings have been periodically renewed, years have elapsed since the last comprehensive maintenance and the river has silted to a dangerous point, slowing barge traffic and other commerce.

I am particularly heartened to win the committee's approval for the initiation of a new, more effective maintenance program to preserve and perfect the Wicomico. The bill we are considering will appropriate the necessary funds for this project, including $1.075 million for fiscal year 1976 and $150,000 for the transition period.

Early this year I testified before the House Subcommittee on Public Works Appropriations explaining that the project is not only economically crucial, but it will assure that oil spills and other ecologically disastrous consequences of siltation will be held to a minimum in this region. It will guarantee safety for this major transportation avenue for the introduction of petroleum into the lower Eastern Shore area, as well as southern Delaware and the eastern shore of Virginia.

The maintenance of the Wicomico, and other navigable waters is vital to the life of the communities concerned. I have fought for recognition and then for approval of these items, and I am glad to see these efforts realized in appropriation for this project.

I thank the chairman and committee member for their consideration.

Mr. JOHNSON of California. Mr. Chairman, I rise today in support of Public Works Appropriations proposals presented to the Congress today. At the outset may I commend the Committee on Appropriations and its fine Subcommittee on Public Works for an outstanding job in considering and making their recommendations on a very vital and important segment of our economy.

The public works for water and power development and energy research appropriations bill provides us with a substantial investment in the future of our Nation. There is no doubt in my mind that the investments we make today will reap major dividends in services and economic benefits for the people tomorrow. This legislation provides a long-range development program. All have been subjected to extremely demanding benefit criteria and all have met them.

An example of what we are building in this bill can be demonstrated in what has been accomplished in similar projects. Completed projects throughout the Nation have been providing nearly 2 billion gallons of water annually for 21 million people. They have generated 225 billion kilowatts of power each year. They have prevented nearly $42 billion in flood damage with an investment of slightly more than $8 billion. More than 9 million acres of irrigated lands have yielded a cash value on an annual basis of nearly $4 billion in fine farm products. More than 450 million annual visitor days of recreation have been enjoyed by the people of this Nation.

However, in this day of high unemployment, other benefits of equal value will be realized through moving ahead with construction into public works. That is, putting people to work in an industry which has been hardest hit by our sinking economy, the construction industry. Therefore, I believe that we must move ahead.

Turning for a moment to the impact of this legislation on the First Congressional District, I do want to say that the appropriations recommended here today will step up the pace on several projects. This is important for in several instances it will mean that these projects will be completed earlier than anticipated. As I have said on many occasions, the dollar returns and other benefits realized from public works projects cannot be realized until they are completed. In other words the cash register cannot ring until the job is done. Accordingly, I am glad to see that it is the wisdom of this committee that we should move ahead. May I especially commend the gentleman from Tennessee (Mr. EVINS), the chairman of the subcommittee, and the gentleman from Indiana (Mr. MYERS), and other members of the subcommittee, who have done an outstanding job in preparing this legislation.

Mr. VANIK. Mr. Chairman, I hope that the Andrews substitute to the Fraser amendment will clear the air on the Garrison project. I regret that uncertainty remains on the problem of Canadian objections.

Mr. Chairman, although there have been a host of charges and countercharges over many aspects of the Garrison unit project, I think that we should concentrate our consideration on two main areas: the long term and unchanged opposition by our best internationally ally—Canada.

Mr. Chairman, Canada first voiced doubts over the repercussions of the Garrison diversion in 1970. Since then, the Canadian equivalent of our Environmental Protection Agency has studied the potential polluting effects of the North Dakota irrigation system, and strongly questioned the impact on Canadian waters. The Canadian Parliament voted unanimously to seek a moratorium on the project, and numerous diplomatic exchanges have further illustrated the large concern of our Canadian neighbors.

Canadians are concerned that the runoff waters from the Garrison's irrigated lands will pollute at least two rivers that flow into Canada. Despite American "assurances," it appears that Canada presently has absolutely no guarantee that the Garrison system will not indeed pollute Canadian water.

Mr. Chairman, it is my hope that future funding for the Garrison project will be carefully reviewed to insure the protection of environmental interests and to determine if the benefit-ratio justifies the tremendous commitment of Federal funds.

Mr. GONZALEZ. Mr. Chairman, I am dismayed to see that we have not mustered the sense of urgency for a crash program—triple A priority—with respect to fusion power research and development.

The committee report reflects that only $40,500,000 is to be allocated for this vital work. Mr. Chairman, we say in Spanish that this is to "dejor lo mas por lo menos," which liberally interpreted means we are letting that which should be first be last.

About 7 years ago our country was first in fusion research. Today we are a weak third to England's second and Russia's first.

It would be no exaggeration to say that by so doing we are relegating our country to disaster.

The only real hope for mankind to develop a new, cheap, feasible source of abundant energy is fusion power.

Your own report reflects that it is estimated that the energy that could be produced by the fusion of the denterium nuclei present in a gallon of water—inexhaustible seawater—is equal to that obtainable from the combustion of about 300 gallons of gasoilne.

Mr. Chairman and fellow Members, for the sake of our Nation's survival, please wake up and give top priority to fusion power development.

Mr. McCLORY. Mr. Chairman, I am pleased, indeed, to note that the committee has recommended funds totalling $300,000 for further essential work in behalf of the Fox River Valley Basin project. As sponsor of the resolution which authorized this study, I am confident that these funds will contribute substantially toward alleviating the problems of flooding and pollution which plague this important waterway.

Mr. Chairman, the full utilization of the Fox River and its tributaries for recreational, domestic and other vital purposes, should be realized when the Corps of Engineers study is completed—and the essential recommended projects are developed.

Mr. Chairman, I am pleased to note that the State of Illinois is also appropriating funds for purposes which are more local in their impact—and there will be no duplication of effort and no lack of cooperation in fulfilling the needs of the people who are served by the Fox River.

Mr. Chairman, I am aware that the funds appropriated are in excess of the budget request. Early in May I had appeared before the House Appropriations Committee and emphasized the importance of providing adequate funds to meet the Army Corps of Engineers' capability on this project. The recommended appropriation of $300,000 attests to the wisdom of the committee—and I commend to my colleagues support of this legislation which will serve to benefit many of my constituents as well as other citizens who reside within the broad Fox River Valley of Wisconsin and Illinois.

Mr. ALEXANDER. Mr. Chairman, the bill before us today should hold special interest for the whole Nation and for countryside areas in particular. H.R. 8122, the public works for water and power development and energy research appropriation bill, 1976, contains funding for numerous projects which, while being directly located in nonmetropolitan areas are directly and indirectly beneficial to whole regions, indeed to the whole Nation.

Because of the regional and national scope of many of these programs and projects, if it is difficult to separate the funds going directly to the benefit of the countryside and the metropolises. Nevertheless, there are some aspects of this bill which I would like to examine in those terms.

I would like to begin by saying that I am particularly pleased to be having an opportunity today to vote for appropriations for an agency which has as its primary responsibility the research and development of solutions to our Nation's critical energy problems.

The Committee on Appropriations recommends that the House approve $3,903,142,000 for the Energy Research and Development Administration. This is an increase of $673,203,000 above the amount which has been appropriated for these activities in the current year. Approval of an amount no less than the committee's recommendations will be one of the most important actions this body will take this year.

I recognize that since some of ERDA's energy research and development programs are already in operation and were when this new agency came to life this year the funds for them are predestined to metropolitan or nonmetropolitan areas. I would hope though, that in making its decisions on new programs, and on expansions of those already working, ERDA will carefully consider the desirability of siting its activities or a significant portion of them in countryside areas.

In addition, I would urge that the appropriate congressional committees take care to see that ERDA, in its research and development programs, gives adequate response to the special energy needs and problems of nonmetropolitan areas.

The committee has recommended in this bill the appropriation of $293,200,000 for the Appalachian Regional Commission. As many will recall, the establishment of the ARC in the last decade was one of the major responses of Congress to the appalling poverty and desperate need for development in the nonmetropolitan regions of the States it serves.

During fiscal year 1974, the Appalachian Regional Commission actually spent $224.2 million. Of ARC's total fiscal year 1974 outlays, $160.84 million or 71.73 percent was used in nonmetropolitan counties. This is not the whole story. ARC spent $167.7 million for its development highway system, and 86.9 percent of this, $145.7 million, was used in nonmetropolitan counties. But, of the $56.5 million ARC spent in its Appalachian regional development program only $15.1 million, or 26.7 percent, was in nonmetropolitan counties.

This ARC situation with regard to spending for regional development programs raises some serious questions. Is this a case of the "haves," the metropolitan counties, getting and the "have-nots," the nonmetropolitan counties, being too poor to get the money meant to help the poor? Does Congress need to change the law governing use of ARC funds? Does ARC need to review its policies with regard to how it uses its money? I believe that the answer to all three questions, to a degree at least, is "yes."

These questions raised by the ARC example are not unique to that agency and the laws governing it. The time is long past for Congress to work with more care and understanding of economic reality in the countryside. If the rural areas had the money to buy Federal loans and grants that the big cities do, then the countryside areas would not have the crippling development problems that they have.

Mr. ANDERSON of California. Mr. Chairman, in 1969 I brought before this body the problem confronted by the sister ports of Los Angeles and Long Beach—pointing out that both ports were built to capacity, both wanted to expand, but neither could obtain approval to expand their facilities from the Army Corps of Engineers until a model study was constructed and the proposed expansion evaluated so as to protect the surrounding marine environment.

So we proceeded, with funds obtained from Congress, to build a miniature San Pedro Bay, a hydraulic model, which includes the Los Angeles and Long Beach Harbors, as well as the Long Beach Naval shipyard. Located in Vicksburg, Miss., the model was constructed by the Army Corps of Engineers to study all port expansion proposals and their effects on the environment.

At that time, we were told the project would take from 3 to 4 years. Now, 7 years later, the model itself is completed—but we still cannot get project approval until the studies are evaluated.

The wave machine, which will be used in the operation of the model, is to be installed in August—it is paid for—but additional Army Corp staff is necessary in order to proceed with the tests.

I am deeply appreciative of the work which went into the preparation of this bill before us today. Certainly, the chairman, members, and staff of the Appropriations Subcommittee on Public Works are to be commended for a job well done.

However, funding for the San Pedro Bay model study project as contained in this proposal is inadequate for the studies and analysis necessary in order to make use of the already completed model.

During hearings on this bill, I appeared before the subcommittee and requested additional funding for the San Pedro Bay model study. Briefly, my reguest was that funding for the project during fiscal year 1975 be increased by $300,000 to $750,000, and that the transition period funding be increased by $115,000 to $175,000.

The Army Corps of Engineers told the Chief Engineer of Long Beach Harbor, Bob Hofmaster, that they could not operate the model—could not gather the necessary data—without the additional $145,000 we requested. The same information was conveyed to Larry Whiteneck, Chief Engineer of Los Angeles Port.

Unless the Corps of Engineers is allowed to complete these studies using the hydraulic model in the near future, construction permits for the expansion of port facilities cannot be issued. This will mean an additional delay in the economic development of Los Angeles and Long Beach Harbors, which are of vital economic importance to the economies of many surrounding Southern California communities.

What are some of the projects that will be delayed?

To give some idea, here are a few of the planned developments which are awaiting construction permits from the Corps of Engineers.

In Los Angeles Harbor a liquefied natural gas terminal is planned, with an expenditure of $25 million by the Port of Los Angeles and $150 million by the gas company. This facility is needed to avert an expected brown-out in the area by 1978.

Also pending for the Port of Los Angeles is the construction of a crude oil terminal, at a cost of $35 million by port authorities, and $100 million by a private oil company. This terminal is to be used to handle Alaskan oil by 1977–78. It is estimated that the sister ports of Los Angeles and Long Beach will ultimately handle 2 million barrels of Alaskan oil a day.

The Port of Long Beach also has several developments being delayed because of the lack of permits. Development is planned at a level of $40 million, and a crude oil terminal is anticipated at an additional $100 million.

Plans are also underway for a major bulk cargo facility to handle soda ash shipped from Montana and Wyoming. A 200,000-barrel per day oil refinery is also trying to get cleared for the Port of Long Beach.

These and many other port expansions are of the utmost importance: Increased local employment is of course a fringe benefit. In the Port of Long Beach alone, it is estimated that 2,000 permanent new jobs will be created by the new facilities, in addition to jobs created by construction. And unless these facilities are completed soon, the Ports of Los Angeles and Long Beach will not be able to handle the expected increases in cargo during the next 5 years.

According to a study conducted by the Port of Los Angeles, facilities to handle liquid natural gas and crude oil must be completed and in operation hopefully as early as 1977—at the latest by 1980. If they are not, severe energy limitations and economic constraints could result throughout the Southwest.

Yet according to the Corps of Engineers, the current level of funding means that the reports of the study will not even be completed until June 1976. As I have noted, this study must be completed before permits can be issued and construction begun.

It is important to remember that these ports are a major source of income for the Federal Government.

In 1972, Los Angeles Harbor produced $495,589,564 in Federal revenues from customs alone moving through the port.

In return, the Federal Government has invested approximately $39,000,000 in capital improvements and $3,000,000 in maintenance dredging of navigation facilities in the entire San Pedro Bay for the period from 1871-1971.

Local agencies have invested approximately eight times the Federal investment in port facilities through which the Federal income is derived.

The Port of Los Angeles expects to invest more than $100,000,000 in port development within the next 5 years, or 10 times the estimated Federal expenditure for the same period.

The modest increase in funds reflected in my request is a small investment for the great return in employment and energy handling ability. All it would do is, to allow the hydraulic model study to proceed at full capacity. If this amount is not granted, a delay of at least 1 or 2 years in port facility construction could result.

I originally planned to offer these increases in funding on the floor today as an amendment. However, I have since decided that the proper place to obtain these vitally needed funds is through the conference committee between the House and the Senate. Hopefully, we will be successful in doing so, so that the Los Angeles and Long Beach Harbors will be able to begin their planned expansion.

Mr. EVINS of Tennessee. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. MYERS of Indiana. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE I—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

Operating Expenses

For necessary operating expenses of the Administration in carrying out the purposes of the Energy Reorganization Act of 1974; hire, maintenance, and operation of aircraft; publication and dissemination of atomic and other energy information; purchase, repair, and cleaning of uniforms; official entertainment expenses (not to exceed $15,000); reimbursement of the General Services Administration for security guard services; hire of passenger motor vehicles; $3,036,120,000 and any moneys (except sums received from disposal of property under the Atomic Energy Community Act of 1955 and the Strategic and Critical Materials Stockpiling Act, as amended, and fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7)) received by the Energy Research and Development Administration notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), to remain available until expended: *Provided,* That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further,* That the amount appropriated in any other appropriation act for "Operating expenses" for the Energy Research and Development Administration for the fiscal year ending June 30, 1976, shall be merged, without limitation, with this appropriation.

For "Operating expenses" for the period July 1, 1976, through September 30, 1976, $931,939,000, to remain available until expended: *Provided,* That the amount appropriated in any other appropriation act for "Operating expenses" for the Energy Research and Development Administration for the period July 1, 1976, through September 30, 1976, shall be merged, without limitation, with this appropriation.

Mr. EVINS of Tennessee (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, prinited in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

AMENDMENTS OFFERED BY MR. M'CORMACK

Mr. McCORMACK. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. McCORMACK: Page 2, line 24, strike out "$3,036,120,000" and insert in lieu thereof "$3,049,120,000".

Page 3, line 19, strike out "$931,939,000" and insert in lieu thereof "$941,439,000".

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the distinguished gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, the gentleman addresses himself to an increase for solar energy. There will be an opportunity for an amendment on that issue.

I have discussed this with the minority member and we recognize that the committee is proceeding with great emphasis on solar energy. We have no objection and we accept the amendments.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, the minority accepts the amendments.

Mr. McCORMACK. Mr. Chairman, I thank the chairman and the minority leader for supporting these amendments that bring the appropriation for solar energy R. & D. up to the amount requested by the authorizing Committee on Science and Technology. This amendment is supported by ranking subcommittee minority member, Mr. GOLDWATER.

This program was developed as the result of extensive hearings on the subject with the Office of Technology Assessment, many hours of hearings before the Energy Subcommittee, and repeated conferences with administration and staff personnel from the ERDA.

I urge your support for this amendment to firm up a responsible solar energy research and development program.

AMENDMENTS OFFERED BY MS. ABZUG TO THE AMENDMENTS OFFERED BY MR. M'CORMACK

Ms. ABZUG. Mr. Chairman, I offer amendments to the amendments offered by the gentleman from Washington (Mr. McCORMACK).

The Clerk read as follows:

Amendments offered by Ms. ABZUG to the amendments offered by Mr. McCORMACK: On page 2, line 24, strike "$3,036,120,000" and insert in lieu thereof "$2,187,005,000."

On page 3, line 19, strike "$931,939,000" and insert in lieu thereof "$710,014,000."

Mr. RICHMOND. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Seventy-two Members are present, not a quorum.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee of the Whole appears. Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The gentlewoman from New York (Ms. ABZUG) has been recognized for 5 minutes in support of her amendments to the amendments.

Ms. ABZUG. Mr. Chairman, I ask unanimous consent that the amendments to the amendments may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. ABZUG. Mr. Chairman, we had the opportunity to discuss this issue last week in connection with the authorization bill. All this amendment does is to strike the funds for nuclear warheads and testing which are authorized by the ERDA bill for the next 15 months.

It was generally argued—and I think it was not disputed even by the committee—on Friday that these funds did not belong in a civilian energy agency.

In the past half year the present administration has been trying to convince us to prepare for a limited nuclear war. I refer the Members to Mr. Schlesinger's statements on this matter for some time now and especially as expressed in an article in the Washington Post on Saturday. Only a change in our nuclear posture from that of deterrence to first strike capability and limited nuclear war capability could require the nuclear warheads which we are now being asked to produce and test and for which we are asked to appropriate over a billion dollars for over the next 15 months. In addition to increasing the number of warheads in our arsenal, the administration proposes to refine them in order to be able to carry out a counterforce strike, one designed to destroy Soviet missiles in their silos.

In other words, the administration, without any discussion of policy change in this country, without any discussion of policy change in either the House or the Senate, is seeking by various appropriations to change what has been our nuclear deterrent policy for a long time, a policy which I submit has prevented nuclear war. It has in a very dangerous and a very cavalier way, I think, proposed to shift the emphasis of our nuclear strategy by proposing to provide limited nuclear war capability, first-strike capabilities, which, I believe, will not only produce harmful results but will interfere with the SALT talks now taking place and hasten the date for that doomsday clock when we become embroiled in a nuclear war.

Such an important policy change and such an important policy consideration must be the subject of debate in this House and must be the subject of debate in the Senate before it is undertaken in this indirect way.

On the floor of this House in the debate on Friday no Member who spoke in opposition refuted the fact that we now have a superiority of nuclear warheads of at least a ratio of 3 to 1 to the Soviet Union. So there is no imminent threat and there is no imminent reason for us to appropriate these funds for these nuclear warheads.

Furthermore, on the floor of this House during the debate on Friday, no Member of this House was able to indicate what purpose was intended to be served by appropriating these additional funds for these additional warheads. No Member stated it was necessary for safety purposes, and no Member stated it was necessary for our present nuclear capability.

I repeat, therefore, that the administration's new nuclear strategy of flexible response is designed to enable us to conduct a limited nuclear exchange. Not only does this new strategy increase the chance for catastrophic error and enhance the policy for hair-trigger reactions but, in addition, it flies in the face of widespread expert opinion that there can be no such thing as a small nuclear war.

How do we limit a nuclear exchange once it begins? To risk a nuclear holocaust is to invite it. I believe that it is important for us here to recognize that.

Mr. Chairman, if those Members do not agree with me, or are not aware that this is the nuclear posture of the Government at this time, there is enough evidence, from the statements of the Government itself, such as by Mr. Schlesinger all during this past 2 weeks, that there is a desire to develop a limited nuclear capability to respond in Korea, for example. They propose a whole new civil defense strategy for the purpose of exploring caves and mines in which they propose to build new shelters for our population.

Even if the Members do not agree with me that these warheads and testing are not necessary, they must at least agree that there should be an opportunity to discuss and determine what our policy should be. Even if they feel that we might need more protection, nuclear production, and testing, I think the Members ought to recognize that we risk a great deal if we authorize these additional appropriations for nuclear warheads right now if there is any doubt. It will give the Government a blank check to conduct a limited nuclear war, to conduct a first-strike capability, and we have never agreed to it.

Mr. Chairman, what is being done here is treading on the toes of the responsibilities of the Congress of the United States. We have already seen how policies have developed and how a war can go on for 14 years without the consent of the Congress. I would hope that we would learn from the past and insist that we make policy before we appropriate.

Mr. Chairman, I urge the Members support this amendment.

Mr. EVINS of Tennessee. Mr. Chairman, I rise in opposition to the amendment.

The gentlewoman from New York (Ms. ABZUG) would strike $849,115,000 for weapons testing.

The committee has already reduced this amount by $24,400,000.

I agree with the gentlewoman from New York that this is not the right time nor is it the right place for cutting out the nuclear weapons program.

The B-61 is being built, and we have already cut out some weapons money. The underground testing program must continue.

We should recognize that the Soviet Union is continuing its nuclear weapon efforts and is establishing a vast civil defense organization for the evacuation and protection of its citizens.

We know that there are several nations with nuclear capability today, including Red China.

The technology of nuclear weapons changes rapidly and we must continue research and development in order to assure our citizens protection against the threat of nuclear attack in the national interest and in the interest of national security. America must maintain a strong and effective nuclear capability. We have no other choice. This is a fact of life today. We must maintain our position of strength.

Mr. Chairman, the authorizing committee has already authorized these programs. Our committee has already made a substantial reduction, and I would object to a further cut at this time.

Mr. Chairman, I urge that we vote down the Abzug amendments and then vote favorably for the McCormack amendment.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, as the chairman of the committee has said, we have already cut this weapon fund back.

The treaty agreement, the Threshold Ban Treaty, which provides for our ceasing and ending the high-yield test of 150 kiloton and above will terminate our testing on March 31, 1976. That is just 9 months from now.

The committee has been advised that present plans are to underground test three top-priority, high-yield weapons in this period, which are the B-77 full-fusing weapon, the W-78 Minuteman warhead, and a new MIRV-type warhead which is still experimental and being developed.

They have also indicated that they would be testing three intermediate and low-yield types of weapons.

Mr. Chairman, these tests are being held to the absolute minimum. It would be absolutely unthinkable, in my judgment, for this country, at this particular time, to sit back and let other nations around the world continue to develop new weapons and test them while we do nothing.

We are not adding additional weapons to the arsenal. These weapons and testing proposed are replacements with a more sophisticated and safer type of weapon. They are merely replacements. The nuclear material in the weapons being retired will be placed back into the system for fuel; and if these proposed weapons are not needed, the fuel will be taken back into the system and used for reactor-type fuel.

It is not really advocating a war position for this country at all. In fact, quite to the contrary, history has indicated that the stronger a nation is the more apt it is to maintain peace. This is an investment in our security.

Testing is very much needed to improve the weapons, to make sure they are safe, and to replace some outdated weapons in our present arsenal. I hope everyone will give a strong, resounding "no" to this amendment.

Mr. YOUNG of Texas. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to this amendment. The gentlelady from New York, in cutting nearly a billion dollars, would eliminate the deterrence to war provided by our credible strategic strike force. I stress the word "credible" for it is there—and not in any debaters' numbers game—that the true value of the deterrent rests.

If a potential enemy—one which knows full well the value and the need to replace nuclear weapons which have very specific shelf-lives—if that enemy were to see the United States eliminate its weapons R. & D. and production capability, that enemy could—and would—calculate the date on which U.S. weapons will become unusable.

Mr. Chairman, the House has heard—on seemingly countless occasions—of the gentlelady's objections to strategic force levels. Many of us share her concerns for the high costs and for the potential nuclear weapons represent. However, it is precisely because the weapons stockpile is so formidable and precisely because it raises concerns for their destructive capability that they are effective. To suggest that we degrade that deterrent—that we telegraph to potential adversaries the timetable upon which the strategic deterrent of this country will become obsolete, mandates the defeat of the amendment.

I would point out that the bill recommended by the committee has, in itself, undertaken certain risks which cause some concern. The Appropriations Committee has reduced the weapons production portion of this bill by $24.4 million below what the House and the Joint Atomic Energy Committee authorized.

This reduction causes concern in several areas: The potential layoffs of over 700 workers at the Bendix plant in Kansas City and the Union Carbide plant at Oak Ridge; the elimination of certain Minuteman III warhead improvements; the reduction in numbers of B-61 bombs; and a general reduction assigned to "slippage." These reductions in an already austere budget request are in the nature of a calculated and educated risk. They should be of grave concern but they are not intolerable.

The amendment pending before this committee falls in another category. It is not a calculated risk—and I question whether it is an educated risk. The amendment appears to be either irresponsible or a grandstand play for publicity. I would suggest that if the critics of the weapons research and development program and the weapons production program were serious about their positions, they might bring their views to the concerned committees and participate in the debate at that, more appropriate, point.

As it stands, Mr. Chairman, the amendment will not bring about the reduction in world tension which the gentlelady and all my colleagues desire so very deeply. In fact, it will cause the exact opposite to happen. I submit that the amendment must be defeated in order that all Americans, from the Statue of Liberty to the Golden Gate and Diamondhead, may rest in the knowledge that their nuclear deterrent has retained its viability and credibility.

Mr. MADDEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, on yesterday the House Committee on Rules held hearings on rules for three appropriation bills. The gentleman from Texas (Mr. MAHON), the Chairman of the full Committee, the subcommittee chairmen, and minority members of three subcommittees, testified in favor of granting a rule for all three bills.

These three bills involved the appropriation of multimillions of dollars for the necessary operation of our Federal Government.

The gentleman from Texas (Mr. MAHON), the chairman of the full Committee on Appropriations, has 10 other subcommittees under his jurisdiction. These 13 congressional subcommittees have been holding hearings weekly for 5 months, recording testimony from hundreds of witnesses and organizations.

On yesterday before the Committee on Rules both the Democrats and the Republicans on the committee were in unanimous agreement on the type of rule, including points of order, which would govern debate on the floor of the House.

The passage of these three complex and controversial legislative bills being considered today and tomorrow demonstrates outstanding statesmanship on the part of the gentleman from Texas (Mr. MAHON), the Chairman of the full committee, the minority member, the gentleman from Michigan (Mr. CEDERBERG), and all 55 members of the House Committee on Appropriations.

Mr. Speaker, the House membership and the readers of the CONGRESSIONAL RECORD can secure better information on the mammoth work involved by reading a brief breakdown of the numerous legislative expenditures in these three appropriation bills now under debate today and tomorrow. I include this complex breakdown with my remarks:

Three appropriation subcommittees, 10 additional subcommittees not included.

H.R. 8122: Public Works for Water and Power Development and Energy Research Appropriation Bill, 1976.

Members who testified. Chairman Mahon, Congressman John T. Myers, Congressman Cederberg.

H.R. 8070: Department of Housing and Urban Development—independent agencies appropriation bill, 1976.

Members who testified: Chairman Mahon, Congressman Edward P. Boland, Congressman Talcott, Congressman Elford A. Cederberg.

H.R. 8121: Department of State, Justice and Commerce, the Judiciary and related agencies appropriation bill for fiscal year 1976.

Members who testified: Chairman Mahon, Congressman John M. Slack, Congressman Elford A. Cederberg.

All members supported the request for a rule on each of the appropriation bills.

H.R. 8070

H.R. 8070—Department of Housing and Urban Development appropriation bill.

This bill makes appropriations in the amount of $51,429,024,000 for fiscal year 1976 and $5,434,617,000 for the transition period.

It provides the following appropriations:

Department of Housing and Urban Development—$29,782,323,000 for fiscal year 1976 and $212,743,000 for the transition period.

Council on Environmental Quality—$2,736,000 for fiscal year 1976 and $697,000 for the transition period.

Consumer Product Safety Commission—$42,790,000 for fiscal year 1976 and $10,697,000 for the transition period.

Environmental Protection Agency—$768,520,000 for fiscal year 1976 and $188,916,000 for the transition period.

Federal Home Loan Bank Board—$35,070,000 for fiscal year 1976 and $8,753,000 for the transition period.

NASA—$3,486,622,000 for fiscal year 1976 and $925,028,000 for the transition period.

National Science Foundation—$711,100,000 for fiscal year 1976 and $167,634,000 for the transition period.

Selective Service System—$40,000,000 for fiscal year 1976 and $8,300,000 for the transition period.

Veterans' Administration—$16,431,764,000 for fiscal year 1976 and $3,880,050,000 for the transition period.

H.R. 8122

H.R. 8122—Public Works Appropriation Bill.

This bill makes appropriations in the amount of $7,211,401,500 for fiscal year 1976 and $2,091,228,000 for the transition period.

It provides the following appropriations:

Energy Research and Development Administration — $3,908,142,000 — fiscal year 1976 and $1,115,225,000 for the transition period.

Corps of Engineers, Bureau of Reclamation, Power Agencies of the Department of Interior—$2,662,040,500 for fiscal year 1976 and $838,209,000 for the transition period.

Federal Power Commission—$35,610,000 for fiscal year 1976 and $8,558,000 for the transition period.

Nuclear Regulatory Commission—$202,500,000 for fiscal year 1976 and $49,230,000 for the transition period.

Tennessee Valley Authority—$99,754,000 for fiscal year 1976 and $27,984,000 for the transition period.

H.R. 8121

H.R. 8121—Department of State, Justice, Commerce, and the Judiciary Appropriation Bill.

This bill makes appropriations in the amount of $5,675,330,000 for fiscal year 1976 and $1,500,956,000 for the transition period.

It provides the following appropriations:

Department of State—$801,282,000 for fiscal year 1976 and $357,901,000 for the transition period.

Department of Justice—$2,083,387,000 for fiscal year 1976 and $539,177,000 for the transition period.

Department of Commerce—$1,484,834,000 for fiscal year 1976 and $356,428,000 for the transition period.

The Judiciary—$330,025,000 for fiscal year 1976 and $81,021,000 for the transition period.

Arms Control and Disarmament Agency—$10,500,000 for fiscal year 1976 and $2,700,000 for the transition period.

Commission on Civil Rights—$7,700,000 for fiscal year 1976 and $1,925,000 for the transition period.

Equal Employment Opportunity Commission—$63,040,000 for fiscal year 1976 and $18,290,000 for the transition period.

Federal Communications Commission—$49,500,000 for fiscal year 1976 and $12,325,000 for the transition period.

Federal Maritime Commission—$7,840,000 for fiscal year 1976 and $1,960,000 for the transition period.

Federal Trade Commission—$45,927,000 for fiscal year 1976, and $12,000,000 for the transition period.

Renegotiation Board—$5,400,000 for fiscal year 1976 and $1,335,000 for the transition period.

Securities and Exchange Commission—$46,885,000 for fiscal year 1976 and $12,425,000 for the transition period.

Small Business Administration—$388,350,000 for fiscal year 1976 and $9,335,000 for the transition period.

U.S. Information Agency—$273,230,000 for fiscal year 1976 and $72,989,000 for the transition period.

Mr. EVINS of Tennessee. Mr. Chairman, I wonder if we could arrive at an agreement on a limitation of time on the amendments?

I ask unanimous consent that we limit debate to 5 minutes on the pending amendments and all amendments thereto.

The CHAIRMAN. The Chair would inquire if the gentleman means the amendments offered by the gentleman from Washington (Mr McCORMACK) and all amendments thereto?

Mr. EVINS of Tennessee. Mr. Chairman, that is correct; the McCormack amendments and all amendments thereto. I ask unanimous consent that all debate on the McCormack amendments and all amendments thereto close in 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. SEIBERLING. I object.

Mr. RICHMOND. I object.

The CHAIRMAN. Objection is heard.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. I think that no matter how you stand on how many or what kind of nuclear weapons, the question is why should this issue be in this bill? It seems to me the logical place for nuclear weapons should be in the armed services military procurement bill. We do not know if any of this money will go for MARV testing.

Mr. Chairman, I have several major questions I hope all the Members will think about before putting any of the money into continuing of the MARV testing program. We are talking in Geneva, at the SALT talks, about how to limit nuclear weapons, and the only way to verify a limit on MARV is by verification of the testing, because we can verify testing. Once we move through the testing phase on MARV, then we can have no verification procedure that can limit MARV.

Many of us heard the discussion that has recently gone on between the Secretary of State and the Secretary of Defense saying that was one mistake this country made when we went into the MIRV testing program. We allowed MIRV to be tested, and then there was no way we can reach a SALT agreement on MIRV limitation because it could not be verified since testing was the only verification process. There is no way we can verify how many MIRV's each side has now. Our history with MIRV should be a lesson before we go full speed ahead with MARV testing before we attempt a MARV limit at the SALT talks.

As I recall the debate during authorization, the question of whether there was any money for MARV testing was never answered. Even if there is no money in here for MARV testing, I think we should go very slowly. I do not like seeing weapons tucked away in other bills. I think there is a real problem with that.

I sit on the Seapower Subcommittee of Armed Services. Admiral Rickover would come in and say, "I have a reactor, and now I want to build a ship around it."

Where did he get the reactor? He had the reactor tucked away in the Atomic Energy budget somewhere. Now that we have the reactor, we have to build a ship to go with it. That is fine, but comes as a surprise to those of us on the Seapower Subcommittee who thought we were in control of the Navy inventory. That is one thing we should think about. This item should not be packaged in this bill which people think is going for our domestic energy research—not our nuclear weapons inventory.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from California.

Mr. JOHN L. BURTON. I thank the gentlewoman for yielding.

The thing that disutrbs me is that during the debate on the authorizing amendment, no one knew what this money was going to be spent for, why it was going to be spent, whether it was for more bombs, less bombs, safer bombs, or unsafe bombs, and there were people on both sides of the aisle who expressed concern over the authorization without really knowing where the money was going to be spent or what it was going to be used for. I am just wondering if anything happened over the weekend where all of a sudden the information was made available that we know where this some $800 million is going to be spent.

Mrs. SCHROEDER. I agree with the gentleman from California. I also think that it is interesting that that committee does not know what we have in the nuclear weapons stockpile or whether we need to replace weapons in the stockpile, and that information should come out of the Committee on Armed Services.

Does this committee have this expertise, and why is this item in this budget? It seems to me that to really make an analysis as to whether or not this is needed—and this is almost a $1 billion item—this information should come from the committee that is in charge of the weapons, not domestic energy research.

Mr. JOHN L. BURTON. If the gentlewoman will yield further, the point was that the Committee on Appropriations appropriated for the authorization, but the authorization committee did not have one answer as to what the $800 million was going to be used for except research in nuclear warheads. They could not come up with any valid answer as to why this kind of money should be spent at this time of fiscal austerity.

Mrs. SCHROEDER. I agree, and I also pointed out that the Committee on Armed Services does have a Research and Development Subcommittee, and that we approve research and development on many nuclear weapons in that committee. I do not understand why these weapons are unique and cannot come under the jurisdiction of the Committee on Armed Services and the Research and Development Subcommittee.

Mr. Chairman, I yield back the balance of my time.

Mr. RONCALIO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I take this time to also respond to my good friend, the gentlewoman from Colorado, who first began her statement for the amendment offered by our friend from New York, on the basis that this appropriation was improperly placed before this committee. I submit that the only place for this item is before this committee. It is exactly in the proper place. It is ERDA's appropriation, it does not belong in the DOD. If it ultimately goes DOD, we would be hard put to ask questions regarding any further element of the appropriation.

The gentlewoman from Colorado mentioned the name of Admiral Rickover a little bit ago. I happen to have had the pleasure of being on the telephone with that eminent great American for a few minutes today. His observations were appropriate on nuclear power. First, let us recognize that had it not been for Admiral Rickover, there very well might not have been today some 150 safe nuclear powerplants in the world and in America.

Second, let us recognize that the entire light water reactor program was a result of his excellence. His safety program is unparalleled in the world.

Third, let us recognize that our peacemakers, both at the SALT talks in Geneva and the mutual balanced force reduction—MBFR—talks in Vienna, rely upon certain tactical nuclear positions in all negotiations in their hope for reductions with the Warsaw Pact countries. If we now unilaterally cut the entire 100 percent of the appropriation for nuclear research in the Armed Forces of our country out from under them, we are being in my opinion terribly close to irresponsible.

These are reasons that I think preempt asking what specifically is this to be used for. I do not care whether it is to be used for a 125-millimeter artillery shell or an 80-millimeter mortar shell improvement, or a new strategic-type research. I am satisfied that ERDA is now in charge, that it is a civilian agency, and it can look after the civilian requirements over and above the military for the remainder of the nuclear weapons program in this country.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from California (Mr. JOHN L. BURTON).

Mr. JOHN L. BURTON. Mr. Chairman, I am concerned that the $800 million is being spent and no one on the authorizing committee or Appropriations Committee will say what they are going to do with it so that we can make a decision. I believe a proper procedure would be to take this out of the authorizing bill and out of the appropriation bill and come back with a separate measure so we could discuss it. In the ERDA program we are trying to discuss alternate sources of domestic energy and here we find ourselves going to super bombs for the Navy.

Mr. RONCALIO. The point was made last week.

Mr. JOHN L. BURTON. And 2 days later we are voting the money.

Mr. RONCALIO. Last year it was all under the joint Atomic Energy Commission, and there were complaints. Now we have reformed, now we have ERDA for the authorization and little by little we are making improvements. We listened last week, and next year we may very well separate the military and civilian authorizations in the ERDA matters, and it may very well be done that way next year, but not this year, since this is the first year after the Joint Committee on Atomic Energy yielded the jurisdiction.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman.

Mr. MOFFETT. Mr. Chairman, I respect the gentleman's views and his ability in this matter, but I share the viewpoint of the gentlewoman and the gentleman from California.

I think in ERDA we dealt with the domestic energy peacetime problems. There is no doubt about that. I do not want to suggest we are engaging in deception, but I would say the public perceives one thing very clearly and many Members voted on the basis of voting for energy for peacetime domestic research and it seems to me most unfortunate the committee would come to us with what is not entirely a peacetime domestic energy research bill by any stretch of the imagination.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

(By unanimous consent, Mr. RONCALIO was allowed to proceed for 1 additional minute.)

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, the gentleman from Colorado made the point that this program is not in the DOD bill. DOD submits requests to ERDA to develop, test, and produce nuclear warheads and bombs. The authorizing bill has been passed. What we are doing is passing the appropriation to fund it.

Mr. RONCALIO. I thank the gentleman from Tennessee for his comments.

Mr. Chairman, at the appropriate time I will seek unanimous consent to insert in the Record at this point an excerpt from the Washington Star on this matter.

Mr. SEIBERLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am very gratified that the gentleman from Wyoming (Mr. Roncalio) has joined the chorus asking that next year we separate the weapons part from the energy research part of the authorizing legislation. Perhaps in the appropriations bill it is not quite as much problem as combining them in an authorization bill, but I think it ought to be a separate bill, so that it is not buried in the energy legislation and we can have a full debate on the implications of the weapons program. Of the various aspects, one has been mentioned in terms of nuclear strategy overall. The gentlewoman from Colorado (Mrs. Schroeder) discussed MARV. I would like to discuss another aspect of nuclear strategy, for which some of the money in this bill may be intended. Unfortunately, we do not know for sure, since neither the report on the authorization bill nor the report on this bill give us enough information to determine what weapons this one billion dollars will produce.

I believe the time has come for Congress to assume a greater role in shaping the Nation's policies and strategy in determining nuclear warfare. If anything is within the province of Congress, such policies and strategies should be.

In recent newspaper articles, the Secretary of Defense is reported as having adopted a strategy of "limited nuclear warfare," which we must assume has the approval of the National Security Council and the President. On June 14, the Washington Post reported:

> U.S. Air Force bomber crews have been ordered to start training for fighting a limited nuclear war in case the United States should want to exercise that option . . . These instructions represent another big step in the Ford Administration's decision to prepare the nation for a small nuclear war . . .

On June 20, Jack Anderson, in his column printed in the Washington Post, reported that Defense Secretary Schlesinger wants to put North Korea on notice that it may risk nuclear retaliation if it attempts to revive the Korean war. Mr. Anderson reported that Schlesinger "has pushed the development of mobile nuclear weapons as the best defense against future Koreas and Vietnams." The column goes on to say that our allies are apprehensive over Schlesinger's emphasis on limited nuclear warfare and quotes from a confidential NATO document that indicates that, while supporters of this change claim it gives the President greater flexibility:

> Critics now maintain that in making the use of nuclear weapons more feasible, it increases the possibility of nuclear war; also, it is destabilizing in that the USSR could interpret it as a move toward first strike capability.

Secretary Schlesinger, the very next day, in effect confirmed the Anderson column in a Pentagon news conference. The Washington Post reported, on June 21, that Secretary Schlesinger stated that the United States "cannot foreclose any option" for retaliation if North Korea should launch an attack on South Korea. To underscore the warning, Schlesinger officially disclosed for the first time:

> We have deployed in Korea tactical nuclear weapons as is, I believe, well known.

Mr. Chairman, while it is true that, throughout the Korean war and the Vietnam war, the possibility always existed that nuclear weapons would be used, the fact is that such a decision has never been taken and properly should not be taken. The reasons are obvious. Once nuclear weapons are resorted to in a world where more than one nation possesses such weapons, there is no way of assuring that their use will not escalate into an all-out nuclear war, with all its awesome consequences.

In his press conference, the Secretary is reported to have reiterated his advocacy of a major civil defense program as an accompaniment of his championing of a U.S. policy to conduct "limited nuclear war." For the last few years we have had reason to believe that the executive branch had abandoned the idea of any such civil defense program as being incredibly costly and, in fact, counterproductive. Yet now the Department of Defense seems determined to revive it. In Parade magazine for June 15, an article entitled "The Pentagon's New Plan—Mine Shafts Will Be Nuclear Shelters," reported that the Pentagon is currently developing a plan to use abandoned mines as nuclear fallout shelters and to move millions of Americans into them in times of crisis.

The article states that this plan is "part of a new civil defense project called crisis relocation," under which the populations of all major U.S. cities and other "high risk areas" such as military installations would be evacuated to "low risk" areas. The article further states that:

> Crisis Relocation is part of a new strategic policy called Flexible Response. . . . Basically, what Flexible Response means is that the U.S. is prepared to fight various kinds of limited nuclear war with Russia instead of just one big war.

The article goes on to state that the Defense Department's Civil Preparedness Agency—DCPA—acknowledges that—

> even if everything 'worked perfectly,' 50–135 million Americans would still die in an all-out attack.

The article adds that crisis relocation planning has been underway at least a year now.

My friends, how far from reality can one get? Can you imagine the implications of evacuating the entire population of even one major city, say Chicago or New York, and maintaining the population in abandoned mines for weeks? Can you imagine the enormous traffic jams, the chaos, the looting of empty homes, the police state regime?

If these are the implications of a limited nuclear warfare policy, then surely it is time that we in Congress insist that such a policy be scrapped and that we return to the only nuclear military policy short of universal nuclear disarmament that is compatible with a free society; namely, the policy of strategic deterrence in which the population of each side is, in effect, held hostage to the other. When all is said and done, that is the only rational reaction to the so-called flexible response policy. A policy that would accept as one of its features the death of 50–135 million Americans is hardly an acceptable "option."

Mr. Chairman, following the completion of debate in the Committee of the Whole, I will request unanimous consent to include the Jack Anderson and Parade articles in the Record following these remarks:

[From the Washington Post, June 20, 1975]

Risk of Nuclear War in Korea Hinted

(By Jack Anderson and Les Whitten)

Defense Secretary James Schlesinger has been trying to send a message to Pyongyang. He wants to put North Korea's Premier Kim Il-sung on notice, according to competent sources, that Kim may risk nuclear retaliation if he attempts to revive the Korean War.

Schlesinger has placed increased emphasis lately on limited nuclear warfare as a military option. In the backrooms of the Pentagon, he has suggested striking North Korean targets with tactical nuclear weapons if the Communist forces attempt to cross the 38th Parallel.

Schlesinger would like to get this word to the recklessly ambitious Kim who for months has been tunneling under the demilitarized zone and has now deployed armored forces for a possible offensive.

Schlesinger has issued public warnings of a direct attack upon North Korean military forces if a conflict should flare up. He has been careful, however, not to mention nuclear retaliation in public.

The cautious warnings have had the approval of President Ford, who had hoped to deter Pyongyang without alarming Peking and Moscow. The President has taken pains also not to stir up Congress. He has given private assurances to congressional leaders that he will not order U.S. forces into combat in Korea without formal congressional approval.

Meanwhile, Schlesinger has pushed the development of mobile nuclear weapons as the best defense against future Koreas and Vietnams. The Strategic Air Command has sent top secret briefing teams to explain the new nuclear policy to bomber crews and missile wings. In military shorthand, the secret briefings are called NUWEP, which means Nuclear Weapons Employment Policy.

This is more a change of emphasis than a change of policy. The Limited Nuclear Option, or LNO in military parlance, has been available to the President since the early 1960s. Throughout the Vietnam War, for example, the possibility always existed that nuclear weapons might have been used against selected targets in Vietnam.

We have established that some U.S. planes actually flew combat missions with tactical nuclear weapons. Competent sources told us that in the mid-1960s an F–102 pilot fired a nuclear missile by accident against some North Vietnamese gunboats in Haiphong Bay. The error reportedly was caused by a crossed wire in the firing safety mechanism.

We did our best to check out the incident but were never able to confirm it. Although we were given the name of the pilot who allegedly misfired the nuke, we were never able to track him down.

Our allies, meanwhile, are apprehensive

over Schlesinger's new emphasis on limited nuclear warfare. The controversy is summarized in a confidential NATO document in our possession.

Nuclear attack would be met by whatever scale of launch the circumstances demanded, including, for example, "a precision strike against Soviet military targets," states the document.

"Supporters of this change claim that it gives the U.S. President greater flexibility in decision making; that it adds to the credibility of the nuclear guarantee to Europe; and it informs the USSR that United States is prepared to continue the arms race if necessary.

"Critics, however, maintain that in making the use of nuclear weapons more feasible, it increases the possibility of a nuclear war; also it is destabilizing, in that the USSR could interpret it as a move towards a first strike capability."

THE PENTAGON'S NEW PLAN—MINE SHAFTS WILL BE NUCLEAR SHELTERS

(By Phil Stanford)

WASHINGTON, D.C.—Anyone who saw Dr. Strangelove several years ago will probably remember the mine-shaft gap. Dr. Strangelove, of course, was the funny movie about blowing up everything in a nuclear war, and the mine-shaft gap was just another of its nutty jokes. In the film the United States was supposedly in grave danger of falling behind Russia in the number of mine shafts that could be used as fallout shelters.

Well, it isn't a joke anymore.

The Pentagon is currently developing plans to use abandoned mines as nuclear fallout shelters and to move millions of Americans into them during times of crisis.

"Our estimates now," says a researcher for the Defense Department's Civil Preparedness Agency (DCPA), "are that under Crisis Relocation Planning criteria, there is a potential for sheltering 50 million people in level, dry and readily accessible mines."

It is clear that the idea of using mines as blast and fallout shelters is more than just a matter of idle speculation within the Pentagon. Recently, in what was called a "feasibility study," Pentagon civil defense officials tested generator-powered lighting and ventilation equipment in a mine near Kansas City. "The fans," reported the DCPA, "moved sufficient air through the mine to support 80,000 people for an indefinite length of time."

FINDING SPOTS

The DCPA says it has already found space for "6 million people in some 2000 mines" around the country. Montana, Utah and Missouri are cited as states with lots of usable mine shafts. According to DCPA reseach, 70 per cent of the population of Missouri would fit into the state's mines and caves. A study in Pennsylvania, which is considered another prime location because of its coal mines, "demonstrated that the entire population of Pittsburgh could be sheltered in mines within 70 miles of the city."

"The very high quality of nuclear protection offered by America's underground mines has not been fully appreciated," concludes a report in an official DCPA publication. "Now is the time to rectify that situation."

The plan to put people in mines and caves to protect them from nuclear attack is part of a new civil defense program called Crisis Relocation. Under Crisis Relocation, the populations of all major U.S. cities and other "high risk" areas such as military installations would be evacuated to "low risk" areas during a period of "international tension."

ADEQUATE WARNING

The whole idea, of course, is based on an assumption that there will be some sort of warning before a nuclear attack. Since it takes intercontinental ballistic missiles only about 30 minutes to reach their targets, an evacuation of any kind would otherwise be impossible. "However," says a DCPA document, "most authorities have concluded that it is probable that a period of increased international tension will provide a period of strategic warning prior to an attack. Given two or three days and good plans, a successful relocation of population could be achieved." Secretary of Defense James R. Schlesinger is among those who believe that this is the most likely "scenario" for the outbreak of a nuclear war.

Crisis Relocation is part of a new strategic policy called Flexible Response. Nuclear strategy is naturally a very complicated business, but basically what Flexible Response means is, the U.S. is prepared to fight various kinds of limited nuclear wars with Russia instead of just one big war. According to those who believe in Flexible Response, this helps to deter any enemy from making limited attacks against the United States, because, presumably, the other side realizes that if they attack one of our missiles, we will attack one of theirs; if they attack two of our missiles, we will attack two of theirs; if they attack one of our cities, we will attack one of theirs, and so on.

The key word in Flexible Response is Options. According to Dr. Schlesinger, being able to move people out of cities—and thereby remove them as possible targets for enemy missiles—is an important strategic option.

If the Russians are able to evacuate their cities in time of crisis, the United States, he says, must be able to do the same. This year, in his annual message to Congress, Schlesinger said that the Russians have already developed extensive plans for evacuating their cities.

He outlined two ways that Crisis Relocation might be used. Option 1, he said, would be for a Soviet threat against just our missiles. It would involve the "relocation of the population from high risk areas near key military installations and the protection of the rest of the population against fallout." This, he said, could reduce fatalities to "well under one million." Option 2 would be for an all-out Soviet attack. This would require "the evacuation of the bulk of the population from our major metropolitan areas" and could save as many as 70 million lives.

DCPA officials acknowledge that even if everything "worked perfectly," 50 to 135 million Americans would still die in an all-out attack. But they say those statistics only emphasize the importance of proper planning.

Most people probably believe that such ambitious civil defense plans went out in the 1960's, after the great fallout-shelter debate. Although Crisis Relocation obviously has the greatest implications for national strategic policy—and for the comfort and safety of tens of millions of Americans—so far it has received little public attention.

NEW PLANS

It is now possible, however, by assembling information from various official sources, to put together enough facts to form the basis for further discussion. These are the basic facts:

Crisis Relocation planning has been underway for at least a year now. Last year the Civil Preparedness Agency drew up a list of 400 "prime targets" in the U.S. (It was nothing fancy. Just a compilation of U.S. cities with populations of more than 100,000 plus likely military targets.) The DCPA also began work on computerized "allocation plans" for 10 pilot cities. The cities are Tucson, Ariz.; Great Falls, Mont.; Colorado Springs, Col.; Oklahoma City, Okla.; Macon, Ga.; Dover, Del.; Springfield, Mass.; Duluth, Minn., and Utica and Rome, N.Y.

The Pentagon acknowledges that it has now passed beyond making preliminary studies. In a little-noticed appearance in April before a Senate subcommittee, DCPA director John E. Davis testified that his department had finished work on "Phase One" for the 10 pilot projects and was now working on "operational concepts needed to carry out the movement of people and shelter and sustain them in safer locations." Secretary Schlesinger says that studies show it will be possible to keep them for up to two weeks. Davis asked Congress for $1.3 million to hire more people to work on these plans.

This is how DCPA director Davis says the order to evacuate might be given: "All residents of City W with zip code XXXXX should proceed south on U.S. Highway YY to the town of Z. More detailed instructions will be provided there." Civil Defense officials have already begun printing sample brochures to be handed out to evacuees. The brochures contain information on evacuation routes as well as helpful hints on how to survive a nuclear attack.

The Pentagon is now seriously considering using abandoned mines and caves as fallout shelters for the millions of people who will be evacuated during a crisis. "The potential of using mines as nuclear shelters is particularly attractive," says an official publication, "when viewed in the context of Crisis Relocation Planning—contingency planning to move people away from likely target areas to protective shelter in less dangerous areas over a period of two or three days during an intense international crisis. While many large mines are not located within or next to major metropolitan areas, they are close enough to be reached within two or three days by city dwellers."

With any luck at all we should be able to close the mine-shaft gap.

Mr. FASCELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have no quarrel with the jurisdictional problem. That is the matter for the authorizing committees, and if they want to make a swap like that, I suppose it can be recommended.

But, I am concerned about this issue, obviously, or I would not take the time to address the committee right now. Page 20 of the report on this bill deals with the subject under discussion in this amendment. I want to take just a minute to read it:

A. Weapons, $849,115,000:

Transition Quarter, $221,925,000:

This program provides for search, development, testing and production of nuclear weapons.

The Committee's recommended reductions are in the following areas:

Off-continent test readiness	$4, 000, 000
Minuteman III warhead	2, 400, 000
B61 bomb	5, 500, 000
General reduction for slippage	12, 500, 000
Total	24, 400, 000

And that is it, Mr. Chairman. That is the total discussion in this report to sustain a $1 billion item of appropriation. The rest of the discussion in the report discusses the committee's recommendations with respect to the cuts which they have suggested.

Mr. Chairman, I just want to read one part of it to emphasize why this discussion at this time on this amendment carries considerable importance. This is a discussion of the B-61 in the committee report, on page 20:

The Committee recognizes and supports the need for advanced weapons to replace those in the stockpile which are outmoded in order to provide for a strong defense program in the national interest. However, the Committee is not convinced of the need for all of the new versions of the B61. The new

> versions are in addition to the B61s presently in the stockpile.
>
> ERDA, in conjunction with the DOD, should reassess the need for all of the new versions of this weapon. This study should include but not necessarily be limited to areas such as potential changes in planned deployment and the impact of such changes on the need for the new versions, the need for and technical problems associated with development of improved protective devices, an analysis of the advantages/disadvantages vs. the cost of producing all of the new versions, and the need for the new high yield version.

There we have a reasonable discussion with a recommendation for reducing the production of the B–61. But we do not have that same opportunity to make the same judgment with respect to all of the other items of production in the $1 billion appropriated. Perhaps all the information is classified, and perhaps all of the work is done pursuant to contract between the Department of Defense and ERDA. The Armed Services Committee does not seem to get a crack at the contract or to review the specific items requested for research, development, improvement, or production; or any change in the weapons system or even the rationale behind the system.

The only point I am making is that there is at least some basis and discussion for making a judgment on the B–61. But we do not have that same opportunity with respect to any other matter of research or production covered in the $1 billion item in the appropriation and neither the committee report nor the debate gives us any basis on which to support the committee's request.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, I appreciate the gentleman reading the two pages from the committee report on this matter which the authorizing committee acted upon last week. As the gentleman read, we reduced this program by $24,400,000. We had extensive hearings on the B–61 program and Minuteman program and all of the weapons programs, which are available for public reading and inspection.

Mr. FASCELL. Mr. Chairman, I thank the gentleman for pointing out that the hearings are available. But that does not change the fact that there is only one line of explanation in the committee report for a billion dollar item; and the debate either in the authorization and appropriation sheds little light on the subject. There has been little or no discussion on need, expected results, strategy changes, if any, on which need is predicated, or foreign policy implications for any of the weapons for the $1 billion appropriated in this bill.

This is not only a blank check, but we are asked to vote for this gigantic sum of money with a blindfold on.

Mr. CARR. Mr. Chairman, will the gentleman yield for a question?

Mr. FASCELL. Yes, I yield to the gentleman.

Mr. CARR. Does this bill contain any money for MARV testing?

Mr. EVINS of Tennessee. If the gentleman will yield, the bill has no funds for testing.

The CHAIRMAN. The question is on the amendments offered by the gentlewoman from New York (Ms. ABZUG) to the amendments offered by the gentleman from Washington (Mr. McCORMACK).

The question was taken; and on a division (demanded by Ms. ABZUG), there were—ayes 35, noes 55.

RECORDED VOTE

Ms. ABZUG. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 93, noes 320, not voting 20, as follows:

[Roll No. 345]

AYES—93

Abzug
Badillo
Beard, R.I.
Bedell
Bingham
Blouin
Brademas
Brodhead
Brown, Calif.
Burke, Calif.
Burton, John
Burton, Phillip
Carr
Chisholm
Clay
Conyers
Corman
Dellums
Downey
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Fascell
Fisher
Ford, Tenn.
Fraser
Green
Gude

Hannaford
Harkin
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holtzman
Howard
Johnson, Colo.
Jordan
Kastenmeier
Keys
Koch
Krebs
Leggett
Lehman
McHugh
McKinney
Maguire
Matsunaga
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mink
Mitchell, Md.
Moakley

Moffett
Nolan
Nowak
Ottinger
Pattison, N.Y.
Pressler
Rangel
Rees
Richmond
Riegle
Rosenthal
Roybal
St Germain
Sarbanes
Schroeder
Seiberling
Solarz
Spellman
Stark
Stokes
Studds
Thompson
Tsongas
Van Deerlin
Vanik
Waxman
Weaver
Whalen
Wirth
Yates
Young, Ga.

NOES—320

Abdnor
Adams
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, Tenn.
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.

Butler
Byron
Carney
Carter
Casey
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fenwick

Findley
Fish
Fithian
Flood
Florio
Flowers
Foley
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hansen
Harris
Harsha
Hastings
Hayes, Ind.
Hays, Ohio
Hefner
Heinz
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Horton
Howe
Hubbard
Hughes
Hungate

Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McKay
Macdonald
Madden
Madigan
Mahon
Mann
Martin
Mathis
Mazzoli
Michel
Milford
Miller, Ohio
Mills
Mineta
Minish
Mitchell, N.Y.
Mollohan
Montgomery
Moore

Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Reuss
Rhodes
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rostenkowski
Roush
Rousselot
Runnels
Ruppe
Russo
Ryan
Santini
Sarasin
Satterfield

Schneebeli
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Vander Jagt
Vander Veen
Vigorito
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—20

Addabbo
Collins, Ill.
Diggs
Downing
Erlenborn
Flynt
Ford, Mich.

Forsythe
Fulton
Hébert
Karth
Mosher
Murphy, N.Y.
Nedzi

Scheuer
Sullivan
Udall
Ullman
Waggonner
Wilson, C. H.

So the amendments to the amendments were rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Hébert against.

Mr. Diggs for, with Mr. Waggonner against.

Mrs. Collins of Illinois for, with Mr. Murphy of New York against.

Mr. Scheuer for, with Mr. Karth against.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER resumed the chair.

The SPEAKER. The Chair will receive the message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries.

The SPEAKER. The Committee will resume its sitting.

PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ENERGY RESEARCH APPROPRIATION BILL, 1976

The Committee resumed its sitting.

AMENDMENTS OFFERED BY MR. GOLDWATER TO THE AMENDMENTS OFFERED BY MR. M'CORMACK

Mr. GOLDWATER. Mr. Chairman, I offer amendments to the amendments.

The Clerk read as follows:

Amendments offered by Mr. GOLDWATER to the amendments offered by Mr. McCORMACK: Page 2, line 24, strike out "$3,049,120,000" and insert in lieu thereof "$3,054,960,000".

Page 3, line 19, strike out "$941,439,000" and insert in lieu thereof "$943,239,000".

Mr. GOLDWATER. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GOLDWATER. Mr. Chairman, I rise in support of the amendments offered by my colleague, the gentleman from Washington (Mr. McCORMACK). The gentleman and I share the responsibilities of the authorization subcommittee which has the responsibility for most of ERDA's programs under consideration today in this appropriation bill. The amendments offered by the gentleman from Washington would increase the appropriations in the bill for solar energy research by $13 million in 1976. These totals correspond to those originally reported in the authorization bill by the Committee on Science and Technology and reported out of the House last week. To provide much less would be clearly irresponsible in light of our Nation's continued dependence on imported oil and our fast depleting domestic fuel reserves.

Mr. Chairman, I have also risen to offer an amendment to the amendment of my friend, the gentleman from Washington (Mr. McCORMACK).

Consistent with my strong support for the actions of our authorizing committee, I feel a strong obligation as the ranking minority member to offer an amendment to further increase the ERDA appropriations for geothermal energy to the levels authorized by the subcommittee and approved by the House. Geothermal energy has a significant role to play in our Nation's energy picture in the future. This amendment would provide $5,840,000 in addition for fiscal year 1976 and for the transition period.

Both research and development and demonstration would, therefore, be funded. As I stated last week in our debate and again a few minutes ago, the authorization increases included in the authorization bill were well considered and, in my opinion, well founded. I firmly believe that they are technically prudent and fiscally responsible. They constitute the proper balance between research and development acceleration and fiscal responsibility. Most importantly, they provide all the funding ERDA can effectively utilize in getting out of the starting blocks of the long race to energy self-sufficiency. But I believe we must act now to provide that level of funding in these critical energy research areas. That geothermal research should receive complete support is well documented in the Committee on Science and Technology report that we considered last week.

Mr. Chairman, in summary, therefore, the amendment of my colleague, the gentleman from Washington (Mr. McCORMACK) would increase solar energy by $13 million above the Committee on Appropriations' actions. My amendment would increase the geothermal research and development and demonstration programs by $5,840,000 above the Committee on Appropriations' action.

These figures would bring us up to the authorization levels which were well considered and well debated and I feel were prudent and responsible. I would therefore urge my colleagues to support these increases so that we can continue to move toward self-dependency and accelerate these essential programs.

Mr. EVINS of Tennessee. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we are proceeding with this bill quite rapidly. It was only last week that we discussed the energy research authorization bill which was passed. We have followed almost immediately with the appropriations bill.

The appropriation for geothermal research has risen significantly. In 1974 it was $6 million; in 1975 it was $13.8 million; for next year, 1976, we are recommending $33,370,000. That is a 150-percent increase over 1975.

How much faster can we proceed? The Energy Research and Development Administrator, Dr. Seamans, says that we cannot just throw money at them because they cannot utilize it all. We have gone up by 150 percent since last year and the committee has increased it significantly over the budget estimate. I think this is sufficient. I hope the amendment will be defeated.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, is it not true in the geothermal projects ERDA has said it can spend at this level for that project, at the authorization level?

Mr. EVINS of Tennessee. We do not have information to that effect.

Mr. ROUSSELOT. My understanding is because of the substantial interest in finding alternative sources of energy and because it is now apparent we have a great number of areas, for instance the Salton Sea area in California, where it is anticipated geothermal resources do exist that in fact this development money could be put to use in a good demonstration project way.

Mr. EVINS of Tennessee. That is the reason why we added an amount significantly over the budget.

Mr. ROUSSELOT. But my colleague, the gentleman from California (Mr. GOLDWATER), has asked only that the funding level under the appropriation be taken to the authorization level that was voted in the bill authorizing it.

Mr. EVINS of Tennessee. The gentleman knows we do not fully fund all authorizations. We are appropriating to the level that ERDA can efficiently utilize.

Mr. ROUSSELOT. I do realize that and I do support many of the items to keep the appropriation bills from exceeding the authorization levels, but in this case my understanding is that ERDA has said that they can use the funding for this development work and especially since it is the development of an alternative source of energy which we so desperately need in this country. Is that true?

Mr. EVINS of Tennessee. They have not informed the committee that all the money could be used.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. EVINS of Tennessee. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, is it not true that Dr. Seamans in his testimony before our committee advised us that a full investigation of all the research priorities was under consideration by ERDA and they would be making another recommendation to the President and would be sending it to the Congress sometime in about a month from now? We cannot jump into something now when the ERDA is presently reviewing its funding priorities. I recommend voting against this amendment.

Mr. EVINS of Tennessee. I thank my friend, the gentleman from Indiana.

We are sympathetic to the approach of the gentleman from California but we think he goes too far.

Mr. RICHMOND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I urge that the amendment offered by the gentleman from California be defeated so that I may offer an amendment to the amendment offered by the gentleman from Washington reinstating $50 million for solar energy research and development which was authorized last week by this House with the passage of the ERDA authorization bill, H.R. 3474.

I would like to take the privilege of explaining this $50 million authorization when my amendment is read after this amendment is defeated.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California (Mr. GOLDWATER) to the amendments offered by the gentleman from Washington (Mr. McCORMACK).

The amendments to the amendments were rejected.

AMENDMENTS OFFERED BY MR. RICHMOND TO THE AMENDMENTS OFFERED BY MR. M'CORMACK

Mr. RICHMOND. Mr. Chairman, I offer amendments to the amendments offered by the gentleman from Washington (Mr. McCORMACK), and ask unanimous consent that the amendments be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. RICHMOND to the amendments offered by Mr. McCORMACK: Strike out the figure "$3,049,120,000" and insert in lieu thereof the figure "$3,103,220,000".

Strike out the figure "$941,439,000" and insert in lieu thereof the figure "$951,339,000".

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. **RICHMOND**. Mr. Chairman, I know the hour is late, but this is a very important subject. This amendment will increase solar energy research and development appropriations to the level authorized by this House last week. There are those who will criticize this amendment on a number of grounds but, hopefully, the House will in its wisdom agree to this amendment, which will adjust the appropriations and increase solar research and development from 4.2 percent of ERDA's total budget to 6.2 percent of the total budget.

I believe this amendment is important, because this House must show leadership in guiding the way for America on the path toward energy independence, not only for the United States but for all the industrialized countries.

The simple fact is, solar energy research, development and applications are tremendously important throughout the world and we here in the United States have fallen behind. Japan already has 2 million homes using solar energy. Israel is almost entirely powered by solar energy. Scandinavia has been among the leading innovators in this field; but the commitment by the United States to what may be our best hope for the future has yet to materialize. This country has learned time and time again that when we allow ourselves to be dependent on foreign sources for material we desperately need, that we live to rue the day.

In World War II, when we were cut off from strategic supplies of rubber, it was only through a crash effort that we were able to synthesize a substitute which allowed us to put together a war effort equal to the task.

Two years ago we again learned what happens when we put ourselves in the hands of others, when the oil boycott forced American citizens to shiver through the winter while waiting in gas lines, because it suited the political purposes of other governments.

We in this Congress cannot return to our districts once again this year without telling the American people that this Congress is willing to go all out in an effort to prevent this from happening again. This is why I believe the House voted the other day to raise the authorization to the level that these appropriations amendments will provide.

But besides the need to insure that America should not be at the hands of another government, there are sound and practical reasons why these appropriations amendments should pass.

The first is that solar energy works. There are technical problems, but there is no one that says these technical problems cannot be solved.

That is not true of the main recipient of funds in this bill, nuclear energy; some say it will work, some say it will not.

I think that a 2-percent increase for solar energy in this bill is little enough to make sure that no matter who is right on the nuclear debate, we will still have a fully developed alternative source of nuclear energy in this country, should the crunch hit again.

The second reason is that it is a sound investment for America. The money we invest here will not be squandered in this year's budget and be forgotten. The money will create new devices and new techniques that will bring money to the Federal Government in the form of increased taxes, royalties, and patent fees. It can reduce our trade deficit by providing devices the whole world can use.

It will reduce our need for energy wasting pollution control devices, while at the same time providing the practical research that can be the basis for a whole new industry which will provide thousands of jobs, which we really need.

If every government expenditure were as practical and productive, I believe no citizen would ever criticize government spending. Those who will oppose this amendment will say that ERDA cannot spend the money. I am sure the Members will agree that this is a novel statement for a Government agency to make, that it cannot spend the money, but since it is so novel, it has the ring of truth. On the other hand, solar research is not like nuclear research or space research. It does not require colossal facilities and fancy devices, and those who are competent to do the research are not in short supply, unlike those in more sophisticated fields. They are available and they can do the research which will make us independent.

In fact, I think the entire country could profit if ERDA did not do all the research, but passed it through other Government agencies such as HUD, the Agricultural Research Service, the Bureau of Standards and other agencies which really believe in solar energy and would like an opoprtunity to do some research and development in this most important field.

In addition, there are thousands of inventors and scientists who are in the universities and laboratories of the country who could possibly blow some fresh air into our energy bureaucracy which seems to be becoming so stultified that it does not even do what all bureaucracies do best—spend money.

Mr. Chairman, I urge the Members of the Committee to step forward and support this amendment which is supported by Common Cause, the Sierra Club, Friends of the Earth, Consumer Action Now, and most other environmental and conservation groups, as well as hundreds of small solar energy manufacturers all over the country.

Mr. **EVINS** of Tennessee. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have just rejected an amendment to increase the bill by $5 million. This amendment would increase the bill by $50 million. Let me tell the Members how much is presently in the bill.

There is $127,700,000 in the bill and the McCormack amendment would raise that $13 million more, bringing it to $140,700,000.

The appropriation of $140,700,000 in this bill for solar energy is skyrocketing. In 1974, it was only $4,300,000. In 1975, it was $35,997,000. In 1976, the budget request was $70,300,000. Recommended in this bill is $127,700,000. This is an increase of 255 percent over 1975.

The gentleman from New York just spoke of raising the budget, but in effect we are actually recommending 255 percent over the 1975 level. We cannot just continue to throw money at the agency. We are appropriating all that we feel the agency is prepared to use efficiently.

Mr. Chairman, I ask that the amendment be rejected.

Mr. **OTTINGER**. Mr. Chairman, I move to strike the last word, and I rise in support of the amendments.

Mr. **TSONGAS**. Mr. Chairman, will the gentleman yield?

Mr. **OTTINGER**. I yield to the gentleman from Massachusetts.

Mr. **TSONGAS**. Mr. Chairman, I thank the gentleman for yielding to me. I will not use up the 5 minutes, but let me just make one point.

The Energy and Environmental Subcommittee of the Interior Committee held 2 weeks of hearings on nuclear energy. There were three members of the committee and some of the staff who worked with the gentleman from New York (Mr. RICHMOND) to structure this amendment. These figures are not just taken out of the blue. What they represent are the figures recommended by Mitre Corp. and referred to in committee testimony as that amount of spending which could be used for an accelerated solar and solar derivative program.

The rationale is very much like the breeder program. We will have technology available to us by 1980 so that we can make a decision as to what the energy future of this country is going to be.

I represent an area outside Boston which has a number of people involved in the field of solar energy. We asked them to tell us whether or not this figure was viable. Their response was that it is too low. There are far more people in the field and far more work could be done. This is not a figure taken out of the blue. It is a well thought out figure recommended by Mitre Corp., which is lower than the figure the AEC came up with.

It was passed in committee and passed on the floor in the authorization process Thursday. I think the same rationale applies today. I ask the committee to support the amendment.

Mr. **FREY**. Mr. Chairman, will the gentleman yield?

Mr. **OTTINGER**. I yield to the gentleman from Florida.

Mr. **FREY**. Mr. Chairman, I would like to rise in support of this amendment. We have so much in solar energy that we are not doing that it is really a shame. Let me take one of the projects it cuts back upon.

That is something called ocean thermal gradient. And for my colleagues who have not been working with it, it is a process by which we can use the temperature of the water at the surface and the water underneath the surface and use that temperature gradient to develop power. There is a potential within 5 years to have plants in the southern part of our country, along the gulf coast, and the potential to get maybe 5 or 10 percent of our total energy by the year 2000. Why we do not spend the few extra dollars, in view of this potential, I just do not know. We can invest millions of dollars in make-work public service jobs, but here is the chance to get in there and get the energy, and not only get the energy but get the jobs, so I do not understand why this House does not pass the increase and go forward.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman.

Mr. SEIBERLING. Mr. Chairman, I thank the gentleman for yielding.

The House of Representatives on Friday voted to increase the amount to $194 million. I suspect that there has not been time for that to be reflected in this appropriations bill. But now we have the opportunity to reaffirm the action we took last Friday, and I think we should. Therefore, I support the gentleman's amendment.

Mr. OTTINGER. Mr. Chairman, there has been a 200-percent increase on this. This puts much more emphasis on it.

Mrs. FENWICK. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

This is the greatest source of innocent, harmless energy we have. People can experiment with the development of this energy without danger to themselves or to others. As proof, I have in my own district two women who have 14 patents on solar energy, who, with the local carpenter, are now processing a portion of the sewage of the borough of Princeton.

This is not some amateur project. It shows what can be done; and we ought to be doing it all over the Nation. I hope very much for the adoption of this amendment.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendments.

Mr. Chairman, there comes a time when, no matter how attractive something looks, we have to be responsible. I am not saying to the people who want this extra money that they are not being responsible, but I am saying that attempting to spend an extra $50 million above the $150 million the committees have agreed to for solar energy next fiscal year would not be responsible. I want to make it quite clear we have done a tremendous amount of work on solar energy in the last 4 years in the Committee on Science and Technology. I want to point out we have taken this program from $1.2 million in fiscal 1971 to $1.7 million in 1972, to about $4 million in fiscal year 1973, to about $12 million in fiscal year 1974, to about $50 million this year, and we are now requesting about $150 million. Thus, we are tripling our solar energy R. & D. funding this year over last.

We should not delude ourselves. When somebody comes along and says that it is going to take $10 billion to cure cancer, some one may say, "Here is the $10 billion. Solve it next week." We cannot act like that, and we know it. It is the same as any research and development program. ERDA is just getting established. They do not even have a director yet for the solar energy heating and cooling demonstration program. We are already in the fiscal year. ERDA has told us repeatedly in conference in the last 2 months they do not see how they can possibly spend the money we are already authorizing and appropriating, even without this amendment.

Mr. Chairman, I think we can be quite proud of what we have done. We are tripling the solar energy authorization and appropriation. That is a significant step forward. We have programs for every category that has been discussed here tonight.

These include the following:

Heating and cooling, $40 million; solar thermal conversion, $28½ million; photovoltaics, $29½ million; wind energy, $18 million; bioconversion, $6½ million; ocean thermal gradients, $11½ million; and other categories, including educational programs, $9½ million.

There is a limit to how much we can do, and I say sincerely to the Members that this amendment to throw $50 million on top of the committee recommendations as has been suggested, is not responsible.

Mr. Chairman, I urge a vote against the amendment.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, the gentleman is making a strong argument, but I would like to have one question answered before I would be willing to buy it.

How does the amount we are spending for solar energy, which we know, even without much experimentation, will work, compare with the amount that we are spending for nuclear research, for example?

Mr. McCORMACK. Mr. Chairman, the amount spent for solar energy is about one-fifth of what we are spending for nuclear research this year. But the reason, of course, is because our nuclear programs have been underway for a long time and we are well into the fusion project where we are spending $200 million this year, and on the breeder programs, which require that we build large machines, and in the fission research field where we need a good bit of expensive equipment. We are nowhere near that state of the art in solar energy. We will be there in 5 or 10 years, but an all out solar energy research program does not require the amount of money today that nuclear R. & D. does.

Mr. HAYS of Ohio. Mr. Chairman, if the gentleman will yield further, he is saying that we cannot speed it up by 50 or 100 percent?

Mr. McCORMACK. Certainly we cannot.

Mr. HAYS of Ohio. I do not see why we cannot.

Mr. McCORMACK. Mr. Chairman, energy research in many cases amounts to materials research. If we start talking about building windmills that generate energy, we must realize we have not even started doing the testing on materials, and we just cannot go on and build windmills without that preliminary work. This is an example.

Mr. HAYS of Ohio. But how about energy to heat houses? Can we not do a lot of research in that field?

Mr. McCORMACK. Well, the research in heating houses calls for a very small amount of money, and we are already past the research stage in heating houses. We are into the demonstration stage in that field, and we are out putting panels on buildings, on schoolhouses, and on Government buildings all over the country. This does not require that kind of research money. The amount of research money required for straight heating and cooling of buildings is extremely small. The area we are working in for the most part there is demonstration programs and legal and zoning problems, and retrofitting houses and this sort of thing.

But the research and development money we need to have for these other categories such as converting solar energy into electricity, is much greater, and we are just starting in those fields.

Mr. HAYS of Ohio. Mr. Chairman, I think there is more promise in solar energy in the long run to solve our needs than there is in nuclear energy. I do not know, of course, because I am not a scientist, but that is the way I feel about it.

Mr. McCORMACK. Mr. Chairman, I sympathize with the gentleman's position, but there is a matter of timing involved here. Speaking about solar energy, even the advocates of solar energy talk about getting 1 percent or so of our needs by 1985 or 1990 and then having it supply a significant amount of our needs by the year 2000. That is because we are only in the early stages of research.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I am glad to yield briefly to my colleague, the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, I rise to see if we can perhaps agree on a limitation of debate on this amendment of 5 minutes.

The CHAIRMAN. The gentleman is referring to the amendment offered by the gentleman from New York (Mr. RICHMOND).

MOTION OFFERED BY MR. EVINS OF TENNESSEE

Mr. EVINS of Tennessee. Mr. Chairman, I move that following the discussion by the gentleman from California (Mr. ROUSSELOT) all debate on the amendment and all amendments thereto to terminate in 5 minutes.

The motion was agreed to.

Mr. ROUSSELOT. Mr. Chairman, as I did when the debate occurred on the authorization bill, I rise in support of this effort to accelerate what I think is one of the better alternatives in the field of energy—solar development.

We have had a lot of discussion in this House about the improvement in our ability to cope with the problem of energy and alternative sources. Now, as a result of the work of the Committee on Science and Technology, we have provided for some 4,000 solar demonstration projects in individual homes to be built across this country.

Mr. Chairman, I believe this $50 million cannot only be used to accelerate more rapidly the development and proof of the capability in solar energy, as the gentleman from Ohio indicated, but also, as our good chairman from that subcommittee in the authorizing committee has said that we are already accelerating our efforts in conjunction with schools and in conjunction with the use of solar energy in hospitals.

I believe that that effort should, in fact, be accelerated. This is not a wild expenditure on something with which we have had no experience. We have used it in our space program, and now the time has come to move from pure research to more practicable development.

Under the ERDA administration, they do not have to run out and hire a lot of bureaucrats to accomplish this development. The agency is able to do it by putting out what we call requests for proposals. These type contracts move to the private market system. There are many small and medium-sized companies in this country that are more than willing and prepared to bid for that kind of activity.

Mr. Chairman, my belief is that we should encourage and accelerate that activity. We should not discourage the development. We should make it clear that as a Congress, that our U.S. Government move aggressively, both in the private sector and in the Government sector, to develop solar energy, which is one of our most available resources.

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. Yes, I yield to the gentleman from Massachusetts.

Mr. TSONGAS. On that point, I would simply state that the CRW came before our committee and testified that they are prepared for a prototype of ocean thermal gradients. There is simply not the money in the budget, as we have it now, to vote for that. It is one example of an ongoing system that is not properly funded.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's comments.

I know that there are many other groups which, either on a joint-venture basis or as individual corporations, are ready to bid on this kind of request or proposal.

Mr. FREY. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. Yes, I yield to the gentleman from Florida.

Mr. FREY. Mr. Chairman, I would just like to associate myself with the gentleman's remarks and point out to him that in the committee hearings, this theme ran over and over again. There are many persons who can see only in the nuclear direction. That is the only way they look.

I think there are many of us who feel that we should look in the nuclear area, but we should look at the other areas.

I am from the Cape area. I talked to many of the engineers there, and they said, "If we had more money, we could go ahead into solar energy heating and cooling."

These are the things we can do today.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman. I do not believe that this is an unwise expenditure. We made this kind of commitment in the atomic energy field. I think we should now make it in the solar energy field because the initial research period is past; although there is some additional research work to be done, we have gone through that first stage. Now my belief is that we should move into the development stage.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. Yes, I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, I am sure the gentleman is aware that 2 years ago the chairwoman of the Atomic Energy Commission said that by fiscal year 1976—and that was 2 years ago—we should spend up to about $190 million on solar energy.

Mr. ROUSSELOT. I thank the gentleman. That was brought out in debate the other day.

Mr. HARKIN. That is right.

Mr. ROUSSELOT. Since that time, obviously, the opportunities in this field have accelerated.

Mr. Chairman, I urge my colleagues to support this amendment. It is a reasonable expenditure.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. Yes, I yield to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, I am amused by the gentleman's rationale in support of an increase of some $50 million, with the statement that these moneys could be well spent.

Does the gentleman know for a fact whether they will be well spent?

Mr. ROUSSELOT. Yes.

Mr. GOLDWATER. And whether, in fact, they do have programs in which to fit this?

Mr. ROUSSELOT. Yes, on the basis that many of the corporations in our own State have said that they are willing to bid on this material.

The Chair will recognize the Members standing at the time of the limitation of debate for approximately 1 minute each.

The Chair recognizes the gentleman from Florida (Mr. FREY).

Mr. FREY. Mr. Chairman, there is just one specific point that I would like to make. The gentleman from California mentioned something about what projects could be done in this connection, and I come back again to the ocean thermal gradient which is something that I really think is one of the most exciting things that I have run into since I have been in the Congress, the continued reusable use of the energy of the ocean. It is here, and with the $5 million we could not go into it and expect to get anything from it but a pilot program. But if we could do it, we could have two plants that would take care of the south end of Florida. We will eventually have to spend some $400 million for the first plant, but I hope that we can go ahead with this.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from New York, (Mr. OTTINGER).

Mr. ECKHARDT. Will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, It is with a great deal of enthusiasm that I rise to support the Richmond amendment providing additional sums of solar energy research and development. The interest in solar energy exists, and programs are already in operation to take advantage of these funds. In my own area of the country, the University of Houston has already begun a major solar energy research project. Certainly, the University of Houston could utilize a portion of these funds and I am sure many other schools and institutions would be embarking on such research if funds were forthcoming.

Solar energy once efficiently harnessed could provide us with an almost inexhaustible source of energy. Public funds are necessary for its development because conversion to solar energy will not provide a steady profit to the energy companies. Once solar equipment is installed in a home, there will not be a monthly fuel bill. The sun, rather than the utility company, will power the house. Thus, it is not surprising that most corporations have been less than enthusiastic about the development of reliable solar energy equipment.

I wholeheartedly support the increased appropriations for solar R. & D.

Mr. OTTINGER. Mr. Chairman, I think the distinguished chairman of our subcommittee (Mr. MCCORMACK) would admit that ERDA has really done a pretty sad job in preparing itself in the solar energy field. The fact that they have not as yet appointed a director for the solar program casts some reflection on the degree of their commitment to solar energy.

As a result, many of the members of our subcommittee urged ERDA to move forward faster in this field. All they have said is that they have had problems with OMB, and they are still getting themselves organized. I think it is about time they got themselves organized.

Mr. McCORMACK. Would the gentleman yield?

Mr. OTTINGER. In one minute, if I have any time left.

Mr. Chairman, this is a vital area of development. It is a source of clean energy. I think we ought to show ERDA we mean what we say. I have no question but if they get this money they will spend the money and gear up to spend it well.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, I rise in strong support of this amendment. I believe that 6.2 percent of the total ERDA budget spent for solar energy is not unreasonable. We have heard it said that this is an increase of hundreds of percent for solar energy. Well, the increase from zero to one is an infinite increase. That is all we are talking about. We are talking about starting out with a very small amount of money and boosting it up just a little bit.

I would remind the Members that just for one project, the Clinch River Project, which we fought against and lost, and I voted against it, but for that single project we are spending $131 million just for one nuclear project. Now we are talking about approximately $190 million for the total solar energy field. I would ask the Members to keep that in mind.

I think solar energy is one source of energy that will pull ERDA into compliance with what this body wants to do, and what the people of the country want to do during this period, and that is to move ahead in the solar energy field.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee (Mr. Evins).

Mr. EVINS of Tennessee. Mr. Chairman, I would like to repeat that there is $140,700,000 with the McCormack amendment which is pending. This is 255 percent over the 1975 amount, and 100 percent over the budget. I ask for a vote against the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. Myers).

Mr. MYERS of Indiana. Mr. Chairman, it seems that many of the Members fail to realize that the committee has already increased the appropriation for solar energy research by almost 1,000 percent from last year's level. But to fully authorize the potential of solar energy research there is a limit, a limitation on just how rapidly any program like this can grow and develop without a waste of money.

The activities that would be funded by this program in the bill would be for the development of solar energy systems for the heating and cooling of buildings and houses, as well as electrical generation through both thermal and photovoltaic conversion-type systems.

The committee fully realizes the need for solar research. The chairman and I have earlier agreed to accept the $13 million increase of the amendment by the gentleman from Washington (Mr. McCormack). Dr. Seamans in his testimony before the committee has said:

> However, I must emphasize, as I did before the authorization committees, that the President's budget provides for significant increases over previous spending levels for energy R&D, and there is a limit to which programs can be accelerated in any one year.

Dr. Teem, Deputy Administrator for Solar, Geothermal, and Advanced Energy Systems, testified before our subcommittee that the program is a well-balanced program of support for solar energy.

This amendment by the gentleman of New York (Mr. Richmond) would just be throwing money away on a program that is already well funded by the committee.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York (Mr. Richmond) to the amendments offered by the gentleman from Washington (Mr. McCormack).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. TSONGAS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 190, noes **219**, not voting 24, as follows:

[Roll No. 346]

AYES—190

Abzug
Ambro
Anderson, Calif.
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Biester
Bingham
Blanchard
Blouin
Bolling
Brademas
Brinkley
Brodhead
Brown, Calif.
Brown, Ohio
Buchanan
Burke, Calif.
Burton, John
Burton, Phillip
Carney
Carr
Casey
Chisholm
Clausen, Don H.
Clay
Conable
Conlan
Conte
Cornell
Coughlin
D'Amours
de la Garza
Delaney
Dellums
Derrick
Dickinson
Dodd
Downey
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Esch
Fascell
Fenwick
Findley
Fish
Fisher
Ford, Tenn.
Fraser
Frey
Gilman
Goodling
Green
Gude
Guyer
Hagedorn
Hall
Hannaford
Hansen
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holtzman
Jacobs
Jeffords
Jordan
Kasten
Kastenmeier
Kelly
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Lloyd, Calif.
Lujan
McClory
McCloskey
McCollister
McHugh
McKinney
Madden
Maguire
Matsunaga
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Mottl
Neal
Nolan
Nowak
Oberstar
Obey
O'Neill
Ottinger
Patterson, Calif.
Pattison, N.Y.
Pepper
Pettis
Peyser
Pressler
Rangel
Rees
Reuss
Richmond
Rinaldo
Rogers
Roncalio
Rooney
Rosenthal
Rousselot
Roybal
Runnels
Ruppe
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Simon
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Stokes
Studds
Teague
Thompson
Thone
Tsongas
Vander Veen
Vanik
Waxman
Weaver
Whalen
White
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Yatron
Young, Alaska
Young, Ga.

NOES—219

Abdnor
Adams
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Barrett
Bauman
Beard, Tenn.
Bevill
Biaggi
Boggs
Boland
Bonker
Bowen
Breaux
Breckinridge
Brooks
Broomfield
Brown, Mich.
Broyhill
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Corman
Cotter
Crane
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Dent
Derwinski
Devine
Dingell
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
English
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fithian
Flood
Florio
Flowers
Fountain
Frenzel
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Goldwater
Lott
Gonzalez
Gradison
Grassley
Haley
Hamilton
Hammerschmidt
Hanley
Harsha
Hefner
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jarman
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kemp
Ketchum
Kindness
Landrum
Latta
Lent
Levitas
Litton
Lloyd, Tenn.
Long, La.
Long, Md.
McCormack
McDade
McDonald
McEwen
McFall
McKay
Macdonald
Madigan
Mahon
Mann
Martin
Mathis
Mazzoli
Metcalfe
Michel
Milford
Minish
Mitchell, N.Y.
Montgomery
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nichols
Nix
O'Brien
O'Hara
Passman
Patman, Tex.
Patten, N.J.
Perkins
Pickle
Pike
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Risenhoover
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Roush
Russo
Satterfield
Schneebeli
Sebelius
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Snyder
Spence
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Stratton
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thornton
Traxler
Treen
Van Deerlin
Vander Jagt
Vigorito
Walsh
Wampler
Whitehurst
Whitten
Wiggins
Winn
Wright
Wydler
Wylie
Yates
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—24

Addabbo
Collins, Ill.
Conyers
Diggs
Downing
Erlenborn
Eshleman
Flynt
Foley
Ford, Mich.
Forsythe
Fulton
Hébert
Karth
Mills
Mosher
Murphy, N.Y.
Nedzi
Poage
Rhodes
Riegle
Udall
Ullman
Waggonner

So the amendments to the amendments were rejected.

The Clerk announced the following pairs:

Mr. Addabbo for, with Mr. Hébert against.

Mr. Diggs for, with Mr. Waggonner against.

Mr. Conyers for, with Mr. Karth against.

Mrs. Collins of Illinois for, with Mr. Murphy of New York against.

Mr. Riegle for, with Mr. Nedzi against.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Washington (Mr. McCormack).

The amendments were agreed to.

The CHAIRMAN. If there are no further amendments to title 1, the Clerk will proceed with the reading of title II.

The Clerk proceeded to read.

Mr. EVINS of Tennessee. Mr. Chairman, in view of the lateness of the hour, I wonder, since we passed by the energy section and the Corps of Engineers, whether we could have a limit on the entire bill.

Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS of Tennessee. Mr. Chairman, I ask unanimous consent that all debate on the remaining portion of the bill end in 30 minutes, with 5 minutes reserved for the proponents of the Dickey-Lincoln amendment and 5 minutes for the opponents.

The **CHAIRMAN**. Are there any points of order to any of the remainder of the bill?

If not, is there objection to the request of the gentleman from Tennessee?

Mr. **FRASER**. Mr. Chairman, reserving the right to object, I would like to ask the chairman with respect to the Garrison Reservoir amendment, how much time do we get on that amendment?

Mr. **EVINS** of Tennessee. There will be 20 minutes remaining on the amendments.

Mr. **FRASER**. How many amendments are there altogether?

Mr. **EVINS** of Tennessee. Mr. Chairman, I would ask unanimous consent that there be 5 minutes debate on the Garrison Reservoir amendment.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Tennessee?

Mr. **FRASER**. Mr. Chairman, reserving the right to object, does the gentleman want me to have 5 minutes?

Mr. **EVINS** of Tennessee. Divide the time.

Mr. **FRASER**. Divide the 5 minutes up into pieces? The chairman is overwhelming in his generosity.

Could I suggest to the chairman that as each amendment comes along, he try to set the time?

Mr. **EVINS** of Tennessee. Most of the Members have come to me and want to limit debate.

MOTION OFFERED BY MR. EVINS OF TENNESSEE

Mr. **EVINS** of Tennessee. Mr. Chairman, I now move that all debate on the remaining portion of the bill and all amendments thereto conclude in 30 minutes.

The **CHAIRMAN**. The question is on the motion offered by the gentleman from Tennessee (Mr. Evins).

The question was taken; and on a division (demanded by Mr. Fraser) there were—ayes 135; noes 56.

So the motion was agreed to.

The **CHAIRMAN**. Members standing at the time the motion was made will be recognized for 40 seconds each.

AMENDMENT OFFERED BY MR. CONTE

Mr. **CONTE**. Mr. Chairman, I offer an amendment.

(The portion of the bill to which the amendment relates is as follows:)

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by law; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration or participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction): $1,157,015,000, to remain available until expended: *Provided*, That no part of this appropriation shall be used for projects not authorized by law or which are authorized by law limiting the amount to be appropriated therefor, except as may be within the limits of the amount now or hereafter authorized to be appropriated: *Provided further*, That $1,900,000 of this appropriation shall be transferred to the United States Fish and Wildlife Service for studies, investigations, and reports thereon as required by the Fish and Wildlife Coordination Act of 1958 (72 Stat. 563–565) to provide that wildlife conservation shall receive equal consideration and be coordinated with other features of water-resource development programs of the Department of the Army.

For "Construction, general" for the period July 1, 1976, through September 30, 1976, $408,883,000, to remain available until expended.

The Clerk read as follows:

Amendment offered by Mr. Conte: Page 6, line 21, strike out "$1,157,015,000" and insert "$1,155,955,000".

Page 7, line 10, insert immediately before the period the following: ": *Provided further*, That none of the funds appropriated under this act shall be available for the multi-purpose Dickey-Lincoln School Lakes project".

Page 7, line 12, strike out "$408,883,000" and insert "$408,488,000".

The **CHAIRMAN**. The Chair recognizes the gentleman from Massachusetts (Mr. Conte).

PREFERENTIAL MOTION OFFERED BY MR. CONTE

Mr. **CONTE**. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. Conte moves that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The **CHAIRMAN**. The Chair recognizes the gentleman from Massachusetts (Mr. Conte) for 5 minutes.

Mr. **CONTE**. Mr. Chairman, on behalf of the cosponsors of this amendment—Mr. Giaimo, Mr. Dingell, Mr. McKinney, and Mr. Emery, I rise to offer an amendment to strike out all funds in this bill for the Dickey-Lincoln hydroelectric project in Maine.

We do this because Dickey-Lincoln would be an environmental disaster and spectacular waste of taxpayer funds.

The real issue on this amendment before the House is simple: Is the Federal Government going to spend over a billion dollars to build a gigantic dam in the virgin wilderness of Maine for a piddling amount of electric power? I certainly hope the answer is no.

Picture for yourself the size of the Dickey-Lincoln Dam. It would be 335 feet high—higher than any building in Washington and about two-thirds as high as the Washington Monument. It would be about 2 miles wide—about as far as this House floor to the Lincoln Monument. To build it will require that 70 million cubic yards of rock and dirt, including an entire nearby mountain, be quarried and dug up and dumped into the path of the St. John. And behind the dam will rise a new manmade lake 57 miles long, covering 89,000 acres of virgin wilderness area.

What would the environmental effect of Dickey-Lincoln be on northern Maine and the St. John River? We do not need a team of experts to confirm that it would be a disaster. The St. John River Basin is an outdoorsman's paradise. Blanketed by rich forests, teeming with deer, moose, bear and bald eagles and unsurpassed brook trout fishing and white-water canoeing, the St. John River Valley is a unique and irreplaceable region.

Flooding this area with a lake, in a State that already has 3,500 other lakes, would be a crime perpetrated on future generations.

Would the economic benefits of Dickey-Lincoln compensate for the frightful environmental damage it would cause? Again, the answer is no. For an immense expenditure of money, the dams at Dickey-Lincoln would produce an insignificant amount of power. The larger dam at Dickey would generate 725 megawatts of "peak power" for only 2½ hours a day.

After that period, the water must be shut off and the generators stopped so the reservoir does not run dry. As it is, in the summertime, when the flow of the St. John shrinks to a trickle and canoeing becomes impossible, the reservoir level behind the Dickey-Lincoln Dam will drop by 25 to 40 feet, leaving a massive 30,000 acre "bathtub ring" surrounding the lake.

Is this peaking power from Dickey-Lincoln absolutely essential for New England? The answer is no. My colleagues should be aware that the peak demand period for electricity in southern New England—where most of this power would go—comes during the hottest days of summer. It does not come during the chill of winter. And my colleagues should also be aware that there are less expensive ways to generate this amount of peaking power.

The newest and most innovative idea now being tried in the Boston area is a solid waste incinerator. The plant, which will open in September, is designed to burn solid waste materials, recover valuable metals and glass, and generate either steam power or electricity. For a $30 million investment this plan will save 400,000 barrels of oil and dispose of 440,000 tons of solid waste a year.

A larger plant is being built in New Jersey. For $120 million investment, this plant will generate one billion kilowatts of electric power, save 1.4 million barrels of oil and dispose of 1.3 million tons of solid waste a year. In power output and oil savings, this New Jersey plant will match Dickey-Lincoln. Moreover, this solid waste plant will generate its energy in close proximity to its customers and will not require a 410-mile transmission line to be built. So, on balance, a solid waste power is a much preferable alternative.

Will Dickey-Lincoln help the depressed employment situation in Maine? The answer, for the long run, is no. It will impose a boom and bust employment specter on Maine. Moreover, the number of construction jobs will not become significant until 1981, 1982, and 1983, and even then the total number of jobs will never exceed 1,800. On the other hand, hundreds of jobs in Maine's timber and paper industries will be lost because of the flooding of 89,000 acres of timberlands and the loss of access to another 200,000 acres.

Will Dickey-Lincoln bring recreational benefits to northern Maine? The answer in this case is yes—if you are a Canadian. According to the GAO report, most of the people who will enjoy the

Dickey-Lincoln Lake will be from Canada. However, with the 25- to 40-foot "bathtub ring" around the reservoir during the summer, I do not know how even the Canadians will enjoy it too much.

On the other hand, Dickey-Lincoln will destroy forever a vast wilderness area and its irreplaceable recreational values, such as hunting, fishing, hiking, canoeing, camping, tracking, and related sports.

Last year, this House heard arguments that Dickey-Lincoln had to be built to solve the energy crisis in New England.

This year, we are hearing some new arguments.

First, the proponents of Dickey-Lincoln say that this year's appropriation will be used primarily to finance an environmental impact statement and that it is curious that environmentalists would be opposed to that. The answer to that is simple: You do not have to stick your finger in a light bulb socket to know that you are going to get a shock. Similarly, it is not necessary to consult a team of "experts" to recognize every environmental disaster.

The second argument against this amendment is that the economic justification for Dickey-Lincoln was "confirmed" in the GAO report released on Thursday. This statement is a gross exaggeration of the truth.

What the GAO report really said was that if once all the assumptions and facts used by the Corps of Engineers in figuring up the cost estimate for Dickey-Lincoln were accepted, then the project would be economically justified. However, the GAO report then went on to list the assumptions and half a dozen major contingencies that promise to shoot the cost of the project over the billion dollar mark.

Mr. Chairman, I urge support for my amendment to strike out all funds for Dickey-Lincoln. It is a billion-dollar boondoggle. It will not contribute much to New England's energy needs. It will not provide relief to local unemployment and flood control problems. It will destroy finally and irrevocably the last major wilderness river left in New England. It is just a bad investment.

I urge the adoption of the amendment.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the preferential motion.

(By unanimous consent, Messrs. PERKINS, JAMES V. STANTON, MOAKLEY, and BURKE of Massachusetts yielded their time to Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, the amendment offered by my friend, the gentleman from Massachusetts (Mr. CONTE) to strike out all planning funds for Dickey Lincoln, both the $1,060,000 for fiscal year 1976 and $395,000 for the transition fund, offers the same old rhetoric played to the same old new refrain.

I do not know why we should be treated any differently in New England—I have said this many times—than any other area of the United States.

The $1,060,000 is for preconstruction planning. I would hope that the new Members, the freshmen Members, would remember this: It is for preconstruction planning with a priority on an environmental impact statement. Therefore, before this project can ever be constructed, it will be necessary to file an EIS. If the EIS comes to the conclusion that it ought not to be built, it will not be built. Beyond that, the State of Maine has the strictest environmental laws in all the Nation, so that if it does not comply with the environmental laws of the State of Maine, it will never be built.

Maine has 1,600 streams and 2,000 lakes. The St. John, as has been said here, is in a fine area. It is a magnificent river, 400 some-odd miles long—absolutely magnificent.

Mr. Chairman, I have sat on this Committee on Appropriations funding rivers and harbors and flood control projects all over this Nation, great dams, great reservoirs built at a tremendous cost. Ten or 15 years ago it was $200 million or $300 million. Figured in dollars today it would probably be up in the $700 million or $800 million range. That does not bother me too much. This project might very well cost $800 million, but even at that, the benefit-to-cost ratio is 2.6 to 1. That is a great benefit-to-cost ratio.

There are at least 10 other projects in this bill that do not come up to that benefit-to-cost ratio, some of them nowhere near it.

How much of the cost of this project is ascribed to power? The fact is that 98 percent of the cost of the Dickey Lincoln Reservoir project is ascribed to power. Do we get it all back? We get every dime of it back in 50 years. Therefore, the cost to the Federal Government is very little indeed.

That is the way we have built projects all over the United States.

Oh, there has been a lot of misinformation on this project in many areas by environmentalists.

I belong to the environmentalist group that was organized in this session of Congress. I applaud the efforts—the well-founded efforts based on facts—of environmentalist groups and of what those interested in the ecological impact of public works to preserve and protect the environment. But they cannot have it every way; they cannot have it both ways. They don't even want an EIS on this project.

I have often said that I wish the United States was settled from the west to the east coast, and we could have had the great States, the big States in the great areas, and we could have had similar great hydroelectric projects that have been built all over the land.

I repeat, all over the land. We do not have them in New England. We do not have one Federal hydroelectric project in all of New England—not one. And let me tell the Members this. If it is every built, this is the only one that will ever be built, and it will be the last one.

Yet we have been able, in the years that I have been here, sitting in this committee, to fund other projects. I have defended projects in all sections of the United States, out in the grain fields of Kansas, the Midwest, the Far West, the Southwest, and in the South, projects that many Members were interested in and good projects for America.

Who supports this project? It is supported by all the Governors of New England. Someone has said here that it is not supported by the Governor of Maine. Well, the Governor of Maine did have some opposition to it, and sent a letter to the chairman of the subcommittee indicating opposition to it, but when he found out that the study was for the preconstruction planning, and was going to be zeroed in on the environmental impact of the project on the area, he said he would support it, so he does support it.

All of the public power companies in New England, as a matter of fact, all over the United States, support the project as well as the municipal power companies and rural electrics. The private utilities that for years have opposed this project now support it.

So, maybe hopefully—hopefully—let me say to a lot of the new Members from New England here that we will get a majority of the Members of the New England delegation to support it. We did it last year, we had their support. We never had it before, but we had it last year, because we had a problem on energy in New England.

The CHAIRMAN. The time of the gentleman has expired.

The Chair will advise the gentleman from Massachusetts, Mr. BOLAND, that the Chair will now put the question on the preferential motion, and after that time the Chair will recognize the gentleman from Massachusetts (Mr. BOLAND) for the remainder of the time.

The question is on the preferential motion offered by the gentleman from Massachusetts (Mr. CONTE).

The preferential motion was rejected.

The CHAIRMAN. The Chair now recognizes the gentleman from Massachusetts (Mr. BOLAND) for 2 additional minutes.

Mr. COHEN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. Mr. Chairman, I am delighted and happy to yield to the distinguished gentleman from Maine (Mr. COHEN).

Mr. COHEN. I thank the gentleman from Massachusetts for yielding to me.

Mr. Chairman, I rise in opposition to the attempt by the gentleman from Massachusetts, Mr. CONTE, to strike these funds from the program.

I guess that no two words have generated more heat in this Chamber and less electricity than "Dickey-Lincoln."

I think we have finally an opportunity to conduct an environmental impact statement which is necessary before there can be any implementation of the program. All of this has been debated earlier, but I just want to make one point, Mr. Chairman, to the gentleman from Massachusetts (Mr. CONTE), and that is I want to consider the tenability of the position of the gentleman that we do not have to have an environmental impact statement.

More than a third of the funds involved will go for an environmental impact statement.

The gentleman from Massachusetts (Mr. CONTE) has said that you do not have to stick your finger in a light socket to know you are going to get a shock.

Consider if the situations were reversed. Suppose we came up with a power project, and we said to the environmentalists, "Look, it is not going to cause much harm, it will be negligible, and we do not need an EIS."

Can the Members imagine the howl that would come from the gentleman from Massachusets? I can hear the purple prose flowing now. Why, he would yell that it is a rape of the NEPA law passed by this Congress, a travesty of justice, an emasculation of congressional intent and national purpose.

So, now, when a project seeks to comply with our environmental laws he seeks to gut the program so that we cannot comply with the requirements. But that gentleman supported a bill requiring the filing of an environmental impact statement, and in his remarks just a few weeks ago he said that we really cannot reliably analyze the cost-benefit ratio here, because we have too many contingencies involved that would affect the fate of Dickey-Lincoln, such as an environmental impact statement.

And he now attempts to strike all of the funds for the environmental impact statement. I ask the Members, what fairness is there in that?

This program should be passed. I have not yet committed myself irrevocably to the entire project, but I do support the conducting of the necessary studies including environmental impact statement so we will know what the effect of the project will be.

AMENDMENTS OFFERED BY MR. EMERY AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. CONTE

Mr. EMERY. Mr. Chairman, I offer amendments as a substitute for the amendment.

The Clerk read as follows:

Amendments offered by Mr. Emery as a substitute for the amendment offered by Mr. Conte: Page 6, line 21, strike out "$1,157,015,000" and insert in lieu thereof "$1,162,415,000".

Page 7, line 10, insert immediately before the period the following: ": *Provided further*, That none of the funds appropriated under this act shall be available for the multi-purpose Dickey-Lincoln School Lakes project; but shall be available in an amount not to exceed $5,400,000, for the construction of flood control projects at the Town of Fort Kent, Aroostook County, Maine".

Page 7, line 12, strike out "$408,883,000" and insert in lieu thereof "$408,488,000".

The CHAIRMAN. The Chair first inquires of the gentleman from Maine as to whether the substitute has been printed in the Record previously.

Mr. EMERY. No, it has not.

Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

(By unanimous consent, Mr. Fish yielded his time to Mr. Emery.)

The CHAIRMAN. The Chair recognizes the gentleman from Maine.

Mr. EMERY. Mr. Chairman, although I am opposed to the proposed Dickey-Lincoln project in northern Maine, I recognize a great and definite need for flood control in the town of Fort Kent in northern Maine. My amendment addresses itself to that problem.

This amendment provides $5.4 million to construct the necessary system for flood control in Aroostook County which will solve the primary problem that those unfortunate residents of that northern Maine community face every spring; millions of dollars of destruction and damage to their homes, businesses, and property. The passage of this amendment will solve the most serious problem and prevent further environmental damage in northern Aroostook County.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mrs. Fenwick yielded her time to Mr. Emery.)

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. EMERY. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I thank the gentleman for yielding.

Does the gentleman's amendment in effect terminate the Dickey-Lincoln hydroelectric project and provide solely for that small flood control dam at Fort Kent?

Mr. EMERY. Yes, indeed, it does.

Mr. GIAIMO. If the gentleman will yield further, what is the cost of that flood control dam?

Mr. EMERY. $5.4 million.

Mr. GIAIMO. $5.4 million. So in effect it would terminate the hydroelectric project which would cost hundreds of millions of dollars, and which I think, and many think, is one of the biggest boondoggles that has ever hit this Nation?

Mr. EMERY. The gentleman is correct.

I rise in support of the elimination of funds for the so-called Dickey-Lincoln School hydroelectric project in northern Maine. To the best of my knowledge, my opposition to this project marks the first instance in which an elected Maine Congressman or Senator has opposed Dickey-Lincoln funding. I do so only because I am firmly and unalterably convinced that this project will not produce nearly enough electricity, recreational advantages, or jobs to justify its great expense. Other Congressmen and many Maine citizens have commented that it is indeed strange for an elected official to oppose such an extensive public works appropriation in his own State. I agree that indeed it is. However, I campaigned on fiscal responsibility, I spoke against the Dickey-Lincoln project on many occasions and, therefore, I feel that it is imperative not only for me to oppose this project with my vote, but to explain my reason for doing so to the House of Representatives and my constituents back home.

The Dickey-Lincoln project is not new. It was conceived some 30 years ago as a potential source of hydroelectric energy to serve Maine, New Hampshire, parts of Canada, and even New York State. Since it was first conceived, however, many significant changes in our national energy requirements, and changes in methods of producing electrical energy have rendered the Dickey-Lincoln project both inefficient and inadequate. The appropriation upon which we are voting this afternoon is to provide an additional $1.1 million for another feasibility study to be conducted by the Army Corps of Engineers. You have undoubtedly heard, as you will continue to hear this afternoon, many different representations of the project's feasibility, cost to benefit ratios, and other statistical data, all of which can be used by proponents and opponents alike in their attempts to strengthen their respective arguments.

There is one basic fact, however, which will render all of these discrepancies to be insignificant by comparison. I refer very simply to the basic purpose of the Dickey-Lincoln project—and that is to generate electricity. In short, the Dickey-Lincoln project can never produce enough electricity to justify its construction cost, compared to other methods of generating electricity.

Let me give you an example. The latest construction cost estimates from the Army Corps of Engineers, dated July 1974 and escalated to reflect January 1975 price levels, indicates a construction cost of $435 million plus an additional $145 million for power transmission facilities, for a total estimated profit of about $580,000,000. I personally believe that this estimate is low by as much as $350 million and I base that estimate on the increased expense of interest rates, labor costs, and capital construction costs, plus purchase of materials and equipment. The electrical output of the entire Dickey-Lincoln project is 830,000 kilowatt hours of electricity—approximately the same electrical output as a light water reactor nuclear powerplant which can be constructed at a cost of $660 million including all transmission facilities. That estimate reflects the actual cost of the proposed nuclear powerplant at Sears Island near Searsport, Maine. Due to characteristics of the St. John River system, the Dickey-Lincoln proposal can operate at a maximum of only 17.5 hours per week. Theoretically, that same nuclear powerplant can operate for 168 hours per week. Essentially, then, for the same construction cost the nuclear powerplant can produce nearly 10 times the electricity, and even allowing for necessary refueling and maintenance shutdowns, that figure would only be reduced to eight or nine times. Clearly, then, if our goal is to generate electricity, at least this one alternative can be proven far more advantageous than the Dickey-Lincoln project.

There are many additional factors which have convinced me to oppose the Dickey-Lincoln project. The St. John River system in Northern Aroostook County, Maine, is one of the last unspoiled wilderness areas in the Eastern United States. The construction of the necessary dams would unavoidably change the ecology of that entire river system. It would flood 88,600 acres of wildland, inundating more than 17,600 acres of deeryards, which are lowland areas in which thousands of deer find food to survive the long northern winters. It would also flood some 57 miles of the St. John River, 23 miles of the Big Black River, 25 miles of the Little Black River, and 69 other miles of small streams which comprise some of the best trout fishing in the United States. On top of that, in three locations, the waters would back up across the Maine boundary into Canada flooding three Canadian rivers, the St. Roch River, Ruisseau Leau Clare, and Riviere Noire.

In addition, Dickey-Lincoln would destroy a sustained yield of at least 40,000 cords of wood valued at $8 million in wood products annually—and would jeopardize these related jobs.

The flow of water in the St. John and Allagash Rivers is far from constant. It varies greatly from season to season. Often in the spring, floodwaters rage and threaten the northern Maine community of Fort Kent. However, in the late summer and fall, the river is very low and is definitely unable to sustain even a small hydroelectric project, because after the spring waters fill the 89,000-acre lake behind the dams, the river flow is no longer sufficient to keep the lake full. Consequently, the water can be run through the dam for only 2.5 hours a day, for if it is run longer, the lake would run dry, changing part of the lake area behind the dam into a many-thousand-acre mudhole and eliminating the possibility that any more electricity could be generated until the next spring season filled the lake again. Consequently, the Dickey-Lincoln project can be used only for peak power requirements and then only for 2.5 hours per day. In the summer, New England requires at least 6 hours of peaking power per day. The characteristics of this river system also preclude the use of this manmade lake for recreational purposes, because during the summer and fall, the water level, of necessity, would become too low for most recreational purposes.

Interest in the Dickey-Lincoln project has increased with our growing dependence on imported petroleum. Proponents of hydroelectricity—and I am one—correctly state that electricity generated by flowing water provides the least expensive method of generating, requiring the least amount of upkeep and practically no fuel costs. However, a hydroelectric system, as any other system, must produce a usable output in sufficient quantity, and for a sufficient length of time, to render it a significant contribution to our overall energy requirements. The fact is, however, that the output of Dickey-Lincoln is insignificant compared to New England's daily requirements.

It would increase New England's electrical capacity by only 1.1 percent, which is far below the annual growth of electrical energy consumption. The nuclear plant previously discussed would increase that capacity by nearly 10 percent. Even if we could assume that this project could operate for 24 hours per day—and it can only operate for 2.5 hours per day—it could save only 1.9 million barrels of oil per year. Operating as a peaking unit, it would save 2.5 million barrels per year. Therefore, the only difference to New England would be the difference of 600,000 barrels of oil or 0.7 of 1 percent of the 90 million barrels consumed annually. Several cost-to-benefit ratios have been calculated for the Dickey-Lincoln project since it was first proposed. These figures, are, in reality, little more than "fudge factors" that do not relate to any true standards. Any engineer can calculate different cost-to-benefit ratios for exactly the same project depending on what he includes in his study—for example, interest on borrowed money, purchase of equipment, loss of jobs such as incurs with the destruction of timberlands and elimination of revenue from valuable forest products—all of which have impact on cost-to-benefit ratios. These factors have not been uniformly considered by the various surveys that have been conducted.

I specifically criticize the cost-to-benefit ratios that have been most commonly quoted for the Dickey-Lincoln project for three basic reasons: First, interest on borrowed money and drastic escalation in construction costs have made the Army Corps of Engineers cost figures low; second, not all of the true construction costs have been considered—such as the relocation of fill, transportation of men and equipment, and access to the area; and third, techniques used to calculate benefits of hydroelectric power generation for this project have led to some oversimplications. Therefore, the two cost-to-benefit ratios that I have seen most often—2.61 and 1.89—both appear to be significantly too high. A more realistic figure would appear to be between .9 and 1.2. This estimate was derived by Prof. A. Myrick Freeman III, Department of Economics, Bowdoin College, in his analysis of the project dated June 14, 1974.

Another factor in the Dickey-Lincoln question is the importance of flood control in and around the town of Fort Kent, Maine. In recent years, spring time flooding along the St. John River has caused much damage to homes and business in Fort Kent. This public works appropriation is designed for meeting flood control and similar purposes. It is interesting to note, however, that fully 99.8 percent of this estimated project cost involved this dubious hydroelectric power project and only .2 percent involves flood control—clearly, a misuse of the purposes of this act.

On May 27 of this year, the Northern Maine Regional Planning Commission and municipal officers from the town of Fort Kent met with the Maine congressional delegation—Congressman COHEN, Senators MUSKIE and HATHAWAY, and me—as well as the Governor of Maine, James B. Longley, here in Washington to discuss a proposed $5.4 million community development project which would incorporate a new flood protection concept for this community. This project, if financed, would eliminate the flood threat to the town of Fort Kent, and could be completed within 2 to 5 years.

The best estimates of the Dickey-Lincoln range between 8 and 12 years for construction. Portland Press Herald on June 4, 1975, reported that:

> Senator William D. Hathaway urged the delegation to go slow in endorsing the plan since he said it might also jeopardize congressional action on the pendng Dickey-Lincoln project. He also reportedly "asked the delegation to hold up any endorsement on the new Fort Kent proposal until after the coming House vote on Dickey. He agreed with Senator Muskie that the power project might be jeopardized by it.

I strongly support this flood control project for northern Maine. It is economical, timely, and is within the financial limitations of this Congress and the State of Maine. It is my desire to move ahead with all deliberate speed to approve flood control funds for Fort Kent and I would hope that the defeat of this Dickey-Lincoln proposal would, as Senator Hathaway suggests, speed up our efforts to provide that very badly needed project for the citizens of Fort Kent.

Mr. Chairman, in summary, I oppose the Dickey-Lincoln appropriation for several basic reasons:

It would not produce a significant savings of oil.

It would not generate a significant amount of electricity, compared to other projects of the same cost.

It would destroy valuable timberlands worth $8 million a year to northern Maine's economy.

It would destroy 174 miles of unspoiled rivers and streams.

It would destroy 17,600 acres of deer yards.

A true analysis of cost-to-benefit ratios shows that it is only marginally feasible.

It would not provide badly needed flood control for Fort Kent within a reasonable amount of time.

Mr. Chairman and members of the committee, I urge the passage of the Conte amendment.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendments offered by the gentleman from Maine (Mr. EMERY) as a substitute for the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and on a division (demanded by Mr. EMERY), there were—ayes 30, noes 92.

So the amendments offered as a substitute for the amendment were rejected.

The CHAIRMAN. Is there further discussion on the amendment offered by the gentleman from Massachusetts (Mr. CONTE)?

Mr. MACDONALD of Massachusetts. Mr. Chairman, I rise to take the time that I believe was allotted to me.

The CHAIRMAN. The Chair will advise the gentleman from Massachusetts the time is now 30 seconds because the preferential motion did come out of the total time limit, so the Chair at this time recognizes the gentleman from Massachusetts (Mr. MACDONALD) for 30 seconds in opposition to the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

Mr. MACDONALD of Massachusetts. Mr. Chairman, the Dickey-Lincoln appropriation provides the necessary money for the completion of an environmental impact statement. There is very little definitive environmental information known about this northern Maine area, and thus it is absolutely essential that all the facts are brought to light before a final determination is made on the Dickey-Lincoln issue. The appropriation is not for construction but merely for continuing study and preconstruction planning. A vote for the Conte amendment will doom this project before all the questions have been answered. This would be a disasterous waste of the money that has already been funded for this project and would be a completely illogical approach to an assessment of the relative worth of the project.

A published result of a GAO study indicating that the cost/benefit ratio for this project is 2.6 to 1. This is a greater cost/benefit ratio than many Corps of Engineers public projects.

The Dickey-Lincoln project is a peak power utility project and should be compared with alternatives to providing peak power capacity. Recognized alternatives for peak power electricity include gas turbine utilities and pump storage. Gas turbines obviously must be discontinued in view of the shortage of natural gas—especially in New England. Pump storage may provide an alternative for some electricity needs, but this process uses more energy than it produces.

Friends of the St. John and other environmental groups are quick to compare the Dickey-Lincoln project with such novel projects as the new waste disposal plant outside of Boston—Saugus—and another novel plant in New Jersey. They argue that a substantial amount of electricity can be generated at a much smaller capital cost. While this may be true there are a number of fallacies in this argument. One, these are new ideas and as such have not been technologically perfected. Perhaps the waste disposal plants offer feasible electricity alternatives, but they certainly have not been proven. More importantly comparing waste disposal projects with Dickey-Lincoln is comparing apples to oranges. The waste disposal generating capacity is for base load capacity—Dickey-Lincoln provides peak power. Alternative solutions must be kept in the correct context.

In an effort to stop the Dickey-Lincoln project, Friends of the St. John, and so forth, have been providing congressional offices with a great deal of misinformation. For example, they have claimed that the Governor of Maine, James Longley, is in opposition to Dickey-Lincoln. Governor Longley met recently with the Maine delegation and assured them that he supported this appropriation and thought it essential to complete the environmental impact statement. Second, the environmentalist claim that while Dickey-Lincoln would save the Nation 1,700,000 barrels of oil, the Saugus waste disposal would save 405,000 barrels and the New Jersey plant would save 1,430,000. These figures are not correct.

Opponents must be aware of the fact that while this project is expensive, by the very nature of it hydroelectric projects are capital investments. To fully appreciate the costs they must be looked at over the life of the project and not as an initial cost. Dickey-Lincoln ultimately will not be more expensive than alternative plants because fuel costs are zero and maintenance costs are low.

There have been a number of Dear Colleague letters that have been circulated in opposition to Dickey-Lincoln. They point to three key areas.

First, power: Opponents contend that Dickey-Lincoln would provide only three-fourths of 1 percent of New England's energy needs. Once again they are comparing apples to oranges with manipulated statistics. Dickey-Lincoln supplies peak power and must be compared to peak power needs. The Corps of Engineers estimated New England peak power needs between 1980 and 1990 and they estimated that Dickey-Lincoln would provide 10 percent of New England's peak power needs. Obviously, 10 percent is a significant portion of the total peak power needs.

Second, economics: Dickey-Lincoln would save the consumer $11.7 million annually. Also using a savings of 1,700,000 barrels of oil per year Dickey-Lincoln would save an estimated $20 million in oil costs thus reducing the balance-of-payments deficit and reducing the New England area and the Nation's dependence on foreign oil producers.

Third, employment: Opponents contend that with Maine's unemployment rate of 11.7 percent Dickey-Lincoln would reduce the State total to merely 11.2 percent. While this may be true, on a statewide basis the regional unemployment rate would be decreased much more dramatically. The construction area of Dickey-Lincoln—near Fort Kent, presently is an Economic Development Area and has an 18 percent unemployment rate. Dickey-Lincoln would unquestionably alleviate this horrendous unemployment situation. Also, it is very conceivable that the Dickey-Lincoln project could ease unemployment with spinoff development.

Fourth, environmental: Opponents contend it would destroy the area. There is no basis for that assertion because an environmental impact statement has not been published. There is no way to assess the environmental damage until this appropriation is passed and the impact statement becomes available in August of 1976.

The Dickey-Lincoln project is supported by both Maine Senators, the Governor, the leadership of the Maine Senate and House, and based on a recent survey conducted by a reputable national polling firm, by an overwhelming majority of Maine citizens.

I have not found any information on the number of people that use the St. John's Wilderness area. However, in 1974, 1,492 parties—a party varies from 2 to 30 people—used the Allagash River. The Allagash is very popular, and it is a safe bet that the number of parties that used the St. John's River last year is somewhere around 500 parties—maybe 3,000 people.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I hope the House will vote for my amendment. Dickey-Lincoln Dam project has been defeated in this House many times. This is the first time we ever have had any planning money, which was put in last year, a small amount of money.

The figures of the Army Corps of Engineers in 1963 were based on a 3¼-percent interest rate and 100 years amortization. This project is devastating to the environment and a colossal boondoggle. Let us put it to sleep once and for all.

The CHAIRMAN. If there are no further Members seeking recognition on the amendment offered by the gentleman from Massachusetts (Mr. CONTE) the Chair will put the question.

PARLIAMENTARY INQUIRY

Mr. EMERY. Mr. Chairman, a parliamentary inquiry. Do I have any time left?

The CHAIRMAN. The gentleman has been recognized for his time in debate. He can offer an amendment, but there would be no debate at this time.

Mr. EMERY. I thank the Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONTE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 162, noes 246, not voting 25, as follows:

[Roll No. 347]

AYES—162

Abzug
Ambro
Andrews, N.C.
Archer
Armstrong
Ashbrook
Aspin
Badillo
Baldus
Bauman
Bedell
Bell
Bennett
Biester
Boggs
Brinkley
Brodhead
Broomfield
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Fla.
Burton, John
Carney
Carr
Chisholm
Clancy
Clawson, Del
Cleveland
Collins, Tex.
Conable
Conlan
Conte
Cornell
Coughlin
Danielson
Derwinski
Devine
Dingell
Drinan
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Emery
Esch
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Fisher
Florio
Fountain
Frenzel
Gaydos
Giaimo
Gilman
Goldwater
Gonzalez
Grassley
Gude
Hagedorn
Hamilton
Hammerschmidt
Harkin
Hayes, Ind.
Hechler, W. Va.
Hefner
Heinz
Henderson
Holt
Holtzman
Hutchinson
Jeffords
Johnson, Pa.
Kasten
Kastenmeier
Kemp
Ketchum
Keys
Koch
Lagomarsino
Lehman
Lent
Long, Md.
Lott
McClory
McCloskey
McDade
McDonald
McHugh
McKinney
Madigan
Maguire
Martin
Meyner
Michel
Miller, Calif.
Miller, Ohio
Mitchell, N.Y.
Moffett
Moore
Moorhead, Calif.
Mottl
Myers, Pa.
Nolan
Obey
Ottinger
Preyer
Quie
Randall
Richmond
Rinaldo
Roe
Roncalio
Rose
Rosenthal
Roush
Rousselot
Roybal
Ruppe
Santini
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shriver
Shuster
Snyder
Solarz
Spellman
Spence
Stanton, J. William
Stark
Steelman
Steiger, Wis.
Stuckey
Studds
Symms
Talcott
Taylor, N.C.
Thone
Tsongas
Vander Jagt
Vander Veen
Vanik
Vigorito
Waxman
Wilson, Bob
Winn
Wirth
Wolff
Wydler
Wylie
Yatron

NOES—246

Abdnor
Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Ashley
AuCoin
Bafalis
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bergland
Bevill

Biaggi
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brooks
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carter
Casey
Cederberg
Chappell
Clausen, Don H.
Clay
Cochran
Cohen
Corman
Cotter
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Dickinson
Dodd
Downey
Duncan, Oreg.
Duncan, Tenn.
Edwards, Calif.
Eilberg
English
Evans, Colo.
Evins, Tenn.
Fithian
Flood
Flowers
Foley
Ford, Tenn.
Fraser
Frey
Gibbons
Ginn
Goodling
Gradison
Green
Guyer
Haley
Hall
Hanley
Hannaford
Hansen
Harrington
Harris
Harsha
Hawkins
Hays, Ohio
Heckler, Mass.
Helstoski
Hicks
Hightower
Hillis
Hinshaw
Holland
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Ichord
Jacobs
Jarman
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Kelly
Kindness
Krebs
Krueger
LaFalce
Landrum
Latta
Leggett
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lujan
McCollister
McCormack
McEwen
McFall
McKay
Macdonald
Madden
Mahon
Mann
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mikva
Milford
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers, Ind.
Natcher
Neal
Nichols
Nix
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Price
Pritchard
Quillen
Railsback
Rangel
Rees
Regula
Reuss
Rhodes
Risenhoover
Roberts
Robinson
Rodino
Rogers
Rooney
Runnels
Russo
Ryan
St Germain
Sarasin
Shipley
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Staggers
Stanton, James V.
Steed
Steiger, Ariz.
Stephens
Stokes
Stratton
Sullivan
Symington
Taylor, Mo.
Teague
Thompson
Thornton
Traxler
Treen
Van Deerlin
Walsh
Wampler
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, C. H.
Wilson, Tex.
Wright
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—25

Addabbo
Collins, Ill.
Conyers
Diggs
Downing
Erlenborn
Eshleman
Flynt
Ford, Mich.
Forsythe
Fulton
Fuqua
Hastings
Hébert
Karth
Mills
Mosher
Murphy, N.Y.
Nedzi
Poage
Riegle
Rostenkowski
Udall
Ullman
Waggonner

So the amendment was rejected.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. Thone yielded his time to Mr. Winn.)

(By unanimous consent, Mr. Steiger of Wisconsin yielded his time to Mr. Steelman.)

The CHAIRMAN. The Chair recognizes the gentleman from Kansas (Mr. Winn).

AMENDMENT OFFERED BY MR. WINN

Mr. WINN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Winn: On page 7, after line 13, add the following paragraph:

"None of the funds appropriated in this Act for the Corps of Engineers shall be used for the Tomahawk Lake project, Kansas."

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. WINN. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, I wish to state that the committee will accept the gentleman's amendment, which will result in the withdrawing of this project from the bill.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. WINN. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, the minority concurs, and we will accept the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas (Mr. Winn).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STEELMAN

Mr. STEELMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Steelman: Page 7, line 10, immediately before the period at the end thereof insert the following: ": *Provided further*, That no part of this appropriation shall be used to conduct any study which includes navigation alternatives with respect to the Trinity River Project, Texas."

The CHAIRMAN. The Chair will inquire of the gentleman from Texas (Mr. Steelman), has this amendment been printed in the Record?

Mr. STEELMAN. Yes, Mr. Chairman. It was printed on page 20288 of the Record on June 23, 1975.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. Steelman).

Mr. STEELMAN. Mr. Chairman, this amendment which is offered by the gentleman from Texas (Mr. Eckhardt) and by myself will forbid the expenditure of any money for a study of the Trinity River barge canal.

The Corps of Engineers has been in business since 1802. The Trinity River project in Texas is the largest single Corps of Engineers project in the history of the United States. The Garrison diversion project, the Dickey-Lincoln project, and these others we have been talking about today have all been questioned, as indeed they should have been, but with respect to the Trinity River project, it is not just a question of the Congress listening to the gentleman from Texas (Mr. Eckhardt) and to myself versus comments by the gentleman from Texas (Mr. Wright) and other Members who will be speaking against the amendment. We had an election in Texas. We know what the local people think about this, and we know they do not like it.

On March 13, 1973, in the most hotly contested bond election the Trinity River Basin has ever seen, we put this question to a vote. And lo and behold, on March 13 the majority of the people and the majority of the counties said, "No." Fifty-six percent of the popular vote and 9 of the 17 counties, 2 of those being urban counties and 7 of them being rural counties downriver, said they did not want it.

Mr. Chairman, I put together a collage of newspaper articles which was sent to all the Members in a "Dear Colleague" letter on the question of this canal.

One of these from the Dallas Morning News is headlined "Texas Voted Down a River Project."

The headline in the Washington Post was "Texans Kill $1.6 Billion River Plan."

In the Dallas Times Herald there appeared this editorial headlined "The Trinity Defeat":

> The voters in the Trinity Basin, and particularly in Dallas County, spoke out authoritatively against the plan to tax them for the Trinity River Development Program.

The people voted no.

Historically, local areas have been willing to put up relatively small shares in order to get the rest of the money from the other 49 States, but we in the Trinity basin, in these 17 counties, were not even willing to put up 10 percent in order to get 90 percent Federal funding.

The Congress should not override this expression of local sentiment, especially when it involves the Members' putting their constituents' dollars into the project that the local people of Texas will not even put their money into.

What does it cost? Who pays for it? Who benefits from it?

It is a barge canal, with not just one lock, but with 17 locks along the 500-mile route.

What does it cost? It costs over $2 billion. It is the most expensive single corps project in the history of the United States.

Who pays for it? My taxpayers pay for it and the taxpayers represented by the other Members of the House pay for it.

Who benefits from it? Certainly not the taxpayers represented by other Members, and very few of the people in the Trinity basin benefit from it, except the shippers who pay nothing to ship and the few landowners.

What is the cost benefit? When figured at the unrealistically low 3.4 percent discount rate in 1965, it was 1.2 to 1. At a 7-percent discount rate—and one cannot borrow money anywhere at a 7-percent discount rate these days—it is 0.67 to 1. Sixty-seven cents for every dollar invested is what we get back over the life of the project. This means that the United States gets back $280 million less what it puts in.

I know that in speaking against this amendment the point may be made that there is no money in here for the Trinity River, that is earmarked here. However, the Corps of Engineers told me yesterday, and the committee report is clear, that they intend to study the navigation features. The corps told me that about $380,000 of $800,000 will be spent for navigation studies.

Mr. Chairman, in the light of all these factors, it is important that each Member carefully consider the merits of this appropriation.

President Ford stood here in this Chamber during his State of the Union address this year and he pledged to battle spending and inflation. He said—and I remember it well—that he had spoken against pork-barrel projects in Oklahoma and the other States, but supported it as an important and necessary spending in his own district.

I would say to my colleagues that this is pork-barrel in my district, and it is especially pork-barrel in your district.

While we are talking about pork, the supporters of this project for 45 years have been trying to make a silk purse out of this sow's ear.

During the time that Will Rogers was alive, he had comments to make about most aspects of American life, and the Trinity River was one of them. Some of the city fathers brought him down to the river and pointed over the side and said, "We are going to make that a barge canal."

Will Rogers said:

> It would be a lot cheaper if they would just pave the thing, and put wheels on the barges.

Mr. Chairman, it is a bad project, both environmentally and economically. The people are against it, and the Congress should be against it.

Mr. EVINS of Tennessee. Mr. Chairman, I rise in opposition to the Steelman amendment.

The testimony before our committee was that the people of Dallas County and the Trinity area voted against imposing taxes on themselves. They did not vote against studying the project. We are providing funds to provide the facts and the alternatives. The majority of the Texas delegation want the facts, and they want the information regarding the alternatives.

So we are proposing a study for the alternatives, and that is all.

I now yield the balance of my time to the gentleman from Texas (Mr. Wright).

Mr. WRIGHT. I thank the gentleman for yielding to me.

The CHAIRMAN. The Chair would inquire whether the gentleman from Tennessee (Mr. Evins) is yielding the balance of his time to the gentleman from Texas (Mr. Wright)?

Mr. EVINS of Tennessee. That is correct, Mr. Chairman.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I rise to oppose the amendment offered by my good friend from Texas (Mr. Steelman). We represented different points of view on the issue of "navigation of the Trinity River" when we both first sought election to this body in 1972, and we continue to differ on this question today.

However, Mr. Chairman, the issue before us here is not navigation of the Trinity River. Rather, it is whether or not we continue to plan toward the sound development of the Trinity River Basin in Texas.

I have read this committee report, and I concur with it fully as it deals with the Trinity River. I would like to tell you something that this bill does not do. It does not appropriate 1 red cent to construct any part of any navigation channel from Fort Worth to the Gulf of Mexico. There is no item in this bill which would, as he puts it, "fund a barge channel on the Trinity River in Texas." The $1.1 million item related to the Trinity River project is for planning, and is clearly labeled as such. These funds cannot be used to build so much as a curb or a drainage ditch. This is what the bill does not do.

Now let me tell you what Mr. Steelman's amendment does not do. It does not, despite considerable rhetoric to the contrary, eliminate a single penny of appropriated funds from this bill. What it does do is write into the law the kind of language which, I strongly feel, should be left for committee reports.

Mr. Chairman, these are some clarifications which I believe should be made so that Members of this body will fully understand what they are voting on here today.

There is a larger issue before us as we consider this amendment. If it is adopted it will literally stalemate us so far as planning for the future development of this great river basin is concerned. That is something this Nation can ill afford, whatever the reasons for causing the stalemate.

This amendment appears to assume that the year 1975 will continue forever, so far as water development and transportation needs are concerned. Or—it assumes that "should the water development and transportation pictures change, we can suddenly—overnight—create plans to reflect the changed picture." Mr. Chairman, I contend that either of these assumptions is naive.

Projects such as the Trinity are called multipurpose for good reason, and the planning for these projects must be multipurpose. Water supply, flood control, generation of electric power, and, yes, commercial navigation, must be considered if there is to be planning for the full future utilization of a river with potential for all these things. The Trinity is one of these rivers.

The full extent to which this river is to be developed will be decided by future Congresses, just as the level of development currently achieved has been decided by past Congresses. Future Congresses, which must make the decisions and should be able to make them based upon full and complete planning and planning alternatives. It would not only be presumptuous and unfair of us to deny them the benefit of this planning, it would be irresponsible.

The area served by the Trinity River project—the area stretching from the Dallas-Fort Worth metroplex on the north to Houston on the south—is one of the fastest growing areas of this Nation, and it is an area were water is of short supply. Regardless of what any of us think about growth, the growth is happening. The precious water resources of the area must be developed to serve this growth.

While the gentleman's speech discusses development aspects other than navigation, his amendment concerns itself only with navigation and navigation planning.

I would like to talk a moment about navigation.

It is true that the voters in Texas rejected a bond issue to provide the local portion of funds for the navigation project, as it was presented at that time. I am an elected representative of the people who turned down that bond issue, and, as an elected representative, I abide by their will. And there is nothing in this bill nor in this committee report which goes contrary to the will of the people as expressed in that vote.

On the other hand, I do not believe that vote rejected the concept of navigation of the Trinity River forever. It did not say to me that we should never consider navigation in any way, shape, fashion, or form at any future time.

The energy shortage in this country, today and in the projected future, is already causing some long-overdue reassessment of our transportation modes along with all other traditional uses of energy. Barge transportation is now, and will continue to be, the most efficient transportation for bulk commodities. At some time in the future this consideration may outweigh other considerations in a decision on that part of development of the Trinity. If this time comes, it is prudent that we be prepared. This bill, without the gentleman's amendment, looks toward that time.

Mr. Chairman, my colleagues, please do not tie our hands by adopting this amendment. Please do not force us into a possible situation in the future when we might be forced to act with haste and without due and reasoned consideration of alternatives. Please give us the best and broadest planning possible with a view toward the time when we may need to use that planning. Please reject this amendment, and put this body on record as supporting, in principle and in fact, a sound approach toward future eventualities which cannot be predicted with accuracy today.

(By unanimous consent, Mr. Milford yielded his time to Mr. Wright.)

(By unanimous consent, Mr. Kazen yielded his time to Mr. Wright.)

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, I support the position of the gentleman from Texas (Mr. Wright).

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas (Mr. Steelman). The multi-purpose channel of the Trinity River has been the subject of much study by the Corps of Engineers and years of consideration by the Congress. Opponents of the proposal just do not understand the Trinity River master plan and have referred to the multipurpose channel as a barge canal. It will not be a concrete lined ditch. The multiple purpose channel is an important integral part of the overall program of restoration of the Trinity and its soil and water resources to the true favorable environment that it enjoyed many years ago, in addition to providing clean, low-cost water transportation. The savings that will emanate from this water transportation to the Dallas-Fort Worth area will be passed on to everyone living in the Trinity basin. If steel, sand, and gravel can be brought into any town or city within the basin at lower costs, it will naturally cost less to build every home, office, warehouse, hospital, factory, and highway.

Mr. Chairman, recently the Arkansas River multiple purpose channel was completed to Tulsa. All of the communities on the river, from Tulsa to Pine Bluff, Ark., have benefited substantially. More than $1 billion worth of new plants and ports are being constructed along the river now. The quality of life within the basin has been greatly enhanced and it is drawing industries from far away because of the low-cost transportation available.

In fact, we in Texas have lost some industry from the northern portion of our State to the Arkansas area. In addition, within the past several years, with the winding down of aerospace effort, great numbers of people in the Dallas-Fort Worth area have lost employment. The smaller cities and towns up and down the river which borders the eastern side of my district have been faced with declining economies. They are losing their population. New industries as a result of ease of low-cost water transportation would take up this void and provide the new jobs and money for the area.

Mr. Chairman, it is true that when the bond issue was considered in 1973, that a majority of the voters turned down the bond issue; but one must study the figures to understand where the majority came from. They were located in the great metropolitan area; while those downstream from the Dallas-Fort Worth area living in the rural counties which make up my district supported the bond issue. Opponents point to the unfavorable benefit-cost ratio; but do not tell you that the multipurpose channel is only one of many phases of the Trinity River project, and when the entire project is considered, the cost-benefit ratio is favorable.

I would close, Mr. Chairman, with the reiteration that the entire project has been studied many times by the Corps of Engineers and at the time of authorization by the Congress of the entire project the Congress asked the corps to do a restudy of the navigable features of the project to reaffirm the feasibility, the economic feasibility of the channel portion of the project. The restudy which was completed furnished to the Congress in 1968, indicated that the navigation features would be a favorable portion of the total project.

I urge my colleagues to vote down this amendment.

(By unanimous consent, Mr. TEAGUE yielded his time to Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I thank the distinguished chairman, the gentleman from Tennessee (Mr. EVINS) and my colleagues for yielding me their time. I think it is quite significant, Mr. Chairman, that all of the Members save one, all of the Members who reside in the Trinity watershed, are opposed to this amendment.

Let us get into focus just what this amendment does.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Houston (Mr. ECKHARDT) who does not reside in the Trinity watershed.

Mr. ECKHARDT. Mr. Chairman, let me say that I reside in the area which is most affected on Galveston Bay, that is where the fish are killed if we deprive them of water at the wrong time.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, I would ask the gentleman from Texas what is the position of the governing body of the city of Houston where the gentleman from Texas (Mr. ECKHARDT) comes from?

Mr. WRIGHT. It has officially endorsed this.

Let me simply say, in order to put this in its proper perspective, Mr. Chairman, as to just what this amendment offered by the gentleman from Texas (Mr. STEELMAN) would do.

This amendment would deny any funds for any study which includes navigation alternatives. It would deny funds for ongoing studies, any of the ongoing studies would be denied. Let me say further that there is no money in the bill for the completion of the canal. There is money for ongoing studies. To vote for the amendment offered by the gentleman from Dallas (Mr. STEELMAN) would be to say we would want to deny to the public the results of those studies that are now ongoing.

The gentleman said in his "Dear Colleague" letter that the bill provides funds for a multi-purpose barge canal. That is inaccurate. It provides no such funds.

The gentleman later in his "Dear Colleague" letter says that the amendment would preclude the use of funds for the planning or construction of a multi-purpose canal. That too is inaccurate because his amendment says that no part of the appropriations shall be used to conduct any study——

Mr. STEELMAN. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Which includes navigation alternatives.

If the gentleman from Texas says that I am wrong in reading from the gentleman's amendment, I will yield, although the gentleman did not yield to me, but I am reading it verbatim. It says that no part of this appropriation shall be used to conduct any study which includes navigational alternatives.

It is quite true that the citizens of the gentleman's community in Dallas voted against the bond issue which would provide money for construction. But many of them defended that vote on the ground that they wanted to await completion of environmental studies. Those studies are ongoing. I say it does no harm to complete the studies, and let the public know the results of those studies. What the gentleman would do by his amendment would be to foreclose not only consideration by members of his community, which if they do not want it, I do not want them to have it, but to all of those other small communities on downstream represented by the gentlemen from Texas, Mr. WILSON, Mr. TEAGUE, Mr. ROBERTS, and Mr. MILFORD.

Mr. CHARLES WILSON of Texas. Mr. Chairman, would the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. Does the gentleman agree with me that I, Congressman MILFORD, Congressman TEAGUE, and Congressman BROOKS represent roughly 300 miles of the Trinity Canal?

Mr. WRIGHT. I do.

Mr. CHARLES WILSON of Texas. Does the gentleman further understand that our constituents, the voters of our district, voted for the canal?

Mr. WRIGHT. They voted very heavily for the canal.

Mr. CHARLES WILSON of Texas. Does the gentleman further understand that the gentleman from Dallas (Mr. STEELMAN) represents about 3 miles of the canal and the gentleman from Houston (Mr. ECKHARDT) represents none of the canal?

Mr. WRIGHT. The gentleman fully understands that.

The CHAIRMAN. The time of the gentleman has expired.

PARLIAMENTARY INQUIRY

Mr. DERWINSKI. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Illinois will state his parliamentary inquiry.

Mr. DERWINSKI. Was there not a condition attached to Texas' joining the Union that gave that State the right to secede at any time they wished without any conditions?

The CHAIRMAN. The gentleman from Illinois knows the answer to that question.

The question is on the amendment offered by the gentleman from Texas (Mr. STEELMAN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. STEELMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 178, noes 228, not voting 27, as follows:

[Roll No. 348]

AYES—178

Abzug
Ambro
Anderson, Ill.
Archer
Armstrong
Ashbrook
Badillo
Baucus
Bauman
Beard, Tenn.
Bedell
Biester
Bingham
Blanchard
Blouin
Bonker
Brinkley
Brodhead
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burke, Calif.
Burke, Fla.
Burton, Phillip
Butler
Carr
Cederberg
Chisholm
Clancy
Clawson, Del
Cleveland
Conable
Conte
Cornell
Coughlin
Daniel, R. W.
Dellums
Derwinski
Devine
Downey
Drinan
Duncan, Tenn.
du Pont
Eckhardt
Edgar
Edwards, Calif.

Emery
Esch
Evans, Ind.
Fenwick
Findley
Fish
Fisher
Florio
Fraser
Frenzel
Frey
Gilman
Goldwater
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Hamilton
Hansen
Harkin
Harrington
Harris
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Hillis
Hinshaw
Holt
Horton
Hutchinson
Hyde
Jacobs
Jeffords
Johnson, Colo.
Johnson, Pa.
Kasten
Kastenmeier
Kelly
Keys
Kindness
LaFalce
Lagomarsino
Lent
Lott
McClory
McCloskey
McCollister
McDonald
McHugh
McKinney
Madigan
Maguire
Martin
Melcher
Metcalfe
Mezvinsky
Michel
Miller, Calif.
Mitchell, N.Y.
Moakley
Moffett
Moore
Moorhead, Calif.
Mottl
Myers, Pa.
Nolan
Obey
O'Brien
Ottinger
Pattison, N.Y.
Pettis
Peyser
Pike
Pressler
Pritchard
Railsback
Regula
Reuss
Richmond
Riegle
Rinaldo
Robinson
Roe
Rogers
Roush
Rousselot
Ruppe
Ryan
Santini
Sarasin
Sarbanes
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shriver
Shuster
Simon
Smith, Nebr.
Stanton, J. William
Stark
Steelman
Steiger, Wis.
Stratton
Studds
Symms
Talcott
Thone
Treen
Tsongas
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Whalen
Whitehurst
Wilson, Bob
Wirth
Wydler
Wylie
Young, Fla.

NOES—228

Abdnor
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Bafalis
Baldus
Barrett
Beard, R.I.
Bell
Bennett
Bergland
Bevill
Biaggi
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brooks
Brown, Ohio
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Byron
Carney
Carter
Casey
Chappell
Clausen, Don H.
Clay
Cochran
Cohen
Collins, Tex.
Conlan
Corman
Cotter
Crane
D'Amours
Daniel, Dan
Daniels, N.J.
Davis
de la Garza
Delaney
Dent
Derrick
Dickinson
Dingell
Dodd
Duncan, Oreg.
Early
Edwards, Ala.
Eilberg
English
Evans, Colo.
Evins, Tenn.
Fascell
Fithian
Flood
Flowers
Foley
Ford, Tenn.
Fountain
Gaydos
Giaimo
Gibbons
Ginn
Gonzalez
Haley
Hall
Hammerschmidt
Hanley
Hannaford
Harsha
Hayes, Ind.
Hays, Ohio
Hefner
Helstoski
Henderson
Hightower
Holland
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jarman
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Kemp
Ketchum
Koch
Krebs
Krueger
Landrum
Latta
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
McCormack
McDade
McEwen
McFall
McKay
Macdonald
Madden
Mahon
Mann
Matsunaga
Mazzoli
Meeds
Meyner
Mikva
Milford
Miller, Ohio
Mineta
Minish
Mink
Mitchell, Md.
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers, Ind.
Natcher
Neal
Nichols
Nix
Nowak
Oberstar
O'Hara
O'Neill
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Pickle
Poage
Preyer
Price
Quie
Quillen
Randall
Rangel
Rees
Rhodes
Risenhoover
Roberts
Rodino
Roncalio
Rooney
Rose
Rosenthal
Roybal
Runnels
Russo
St Germain
Satterfield
Scheuer
Shipley
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, James V.
Steed
Steiger, Ariz.
Stephens
Stokes
Stuckey
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thornton
Traxler
Van Deerlin
Wampler
Weaver
White
Whitten
Wilson, C. H.
Wilson, Tex.
Winn
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—27

Adams
Addabbo
Collins, Ill.
Conyers
Danielson
Diggs
Downing
Erlenborn
Eshleman
Flynt
Ford, Mich.
Forsythe
Fulton
Fuqua
Hastings
Hébert
Karth
Mathis
Mills
Mosher
Murphy, N.Y.
Nedzi
Rostenkowski
Udall
Ullman
Waggonner
Wiggins

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FRASER

Mr. FRASER. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

CONSTRUCTION AND REHABILITATION

For construction and rehabilitation of authorized reclamation projects or parts thereof (including power transmission facilities) and for other related activities, as authorized by law, to remain available until expended, $323,268,000, of which $140,000,000 shall be derived from the reclamation fund: *Provided*, That no part of this appropriation shall be used to initiate the construction of transmission facilities within those areas covered by power wheeling service contracts which include provision for service to Federal establishments and preferred customers, except those transmission facilities for which construction funds have been heretofore appropriated, those facilities which are necessary to carry out the terms of such contracts or those facilities for which the Secretary of the Interior finds the wheeling agency is unable or unwilling to provide for the integration of Federal projects or for service to a Federal establishment or preferred customer: *Provided further*, That the final point of discharge for the interceptor drain for the San Luis Unit shall not be determined until development by the Secretary of the Interior and the State of California of a plan, which shall conform with the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters.

The Clerk read as follows:

Amendment offered by Mr. FRASER: Page 13, line 11, immediately before the period insert the following: *Provided*, That no part of any appropriation contained in this Act shall be used to continue construction of or to acquire land for the Garrison Diversion Unit of the Pick-Sloan Missouri Basin Program.

Mr. FRASER. Mr. Chairman, members of the committee, this amendment deals with the Garrison Diversion project which seeks to channel water from the Missouri River eastward through a series of rivers and into the Red River, which is the border between Minnesota and North Dakota, and which flows into Canada.

It would also seek to divert some of the water northward to a river known as Souris River, which comes out of Canada and goes back into Canada. There are serious problems with this project. The Canadian Government has raised objections to the project going forward without some provision being made that the water that is discharged into Canada is not in violation of the 1909 treaty under which we have agreed not to discharge polluted water across national boundaries.

Mr. Chairman, in addition, the State of Minnesota, speaking through its official Pollution Control Agency is concerned that the water that goes east and ends up in the Red River, which is the boundary between Minnesota and North Dakota, will similarly be incumbered with added nutrients and a higher salt content which will impair the quality of the water, and which will ultimately work its way into Canada. Canada allegedly is concerned about that, as well.

In working and in speaking with the gentleman from North Dakota (Mr. ANDREWS) who has a primary interest in this project, we have come to an understanding about this about which I would like to engage the attention of the gentleman from North Dakota.

The understanding is that so far as our role as Members is concerned, that no further funds will be sought for construction or land acquisition on the project until the problems raised by the Minnesota Pollution Control Agency have been reasonably met. One million dollars in additional funding will be requested by Mr. ANDREWS to provide funds for such studies by the Bureau of Reclamation on return flows in the Red, Souris, and James Rivers including alternatives as may be required in order to provide the basis for a sound environmental decision on whether or not to proceed with the project. At the request of Mr. PRESSLER, every effort will also be made to resolve the questions concerning the James in South Dakota. Mr. NOLAN of Minnesota also took part in the discussions leading to this understanding.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield at that point?

Mr. FRASER. Yes; I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. I thank the gentleman for yielding.

That is the understanding I have. This project was authorized 10 years ago, it is under construction right now, it is a project that is much needed by North Dakota and we feel it can stand the scrutiny of study. The gentleman states the concern of the Minnesota PCA. My colleague from Minnesota (Mr. BERGLAND), whose district encompasses the area affected, and I are both solidly in favor of this project, and we sent out a "Dear Colleague" letter asking your support. We would like to resolve this question once and for all. I will, therefore, offer a substitute to the gentleman's amendment adding $1 million for a study so that this can be resolved, the issue of return flows, compensation of landowners, and all of the rest of the alternatives, so that we can resolve it for all time, so that we can get ahead with the facts instead of innuendos and rumors. I have such a substitute ready to offer. Since I do not want to do anything that is going to hurt the environment of the area we are privileged to represent.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. Fraser) has expired.

Mr. ANDREWS of North Dakota. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to point out that this project is compensation for our State for giving up land for a reservoir that is providing flood protection for seven separate downstream States, saving them tens of millions of dollars each year.

We were to get 250,000 acres of irrigated land to compensate for the land we gave up. We were to get augmented stream flow in the rivers of eastern North Dakota.

We do have an environmental problem in our area, and we sent around a copy of an issue of the biggest newspaper in the district represented by the gentleman from Minnesota (Mr. Bergland) and myself showing the dead fish and tragic consequences that occur periodically when there is no water flowing in the Red River.

We hope to augment this flow with this project, and yet we want to be responsive to the concerns of the gentleman from Minnesota (Mr. Fraser). I have invited my colleague, the gentleman from Pennsylvania (Mr. Moorhead), who also has expressed concern, to bring his subcommittee out into the State and see first-hand what the actual facts are.

I want to point out that there are no funds in this bill for construction beyond the Lonetree Reservoir, as the gentleman pointed out, so there would be no interdiction of the Red River until the fiscal year 1978, by which time we expect the study will have resolved the question.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I would be glad to yield to my friend, the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I certainly have nothing to do with what goes on in Minnesota or North Dakota, but I am not willing to stand here and let the gentleman's statement stand unchallenged that Canada has strenuous objections, because I have heard that before and I have gone into it. There are some minor things that the Canadians would still like to have ironed out, but in principle and in general I think the agreement that has been worked out with the Canadians stands. As I say, there are some minor things, but their objections certainly are not strenuous. I think that was a poor choice of words.

Mr. ANDREWS of North Dakota. Mr. Chairman, the gentleman, who is on the Committee on International Relations, makes a good point. The Canadians agreed to resolve this by referring it to the International Joint Commission. Mr. Smith, our former colleague, who is chairman of that commission, will be in North Dakota this fall, and I can assure the Members that the IJC will be helpful by the studies my substitute calls for.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Pennsylvania.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, is the gentleman going to offer the substitute amendment that he discussed?

Mr. ANDREWS of North Dakota. Yes, with the support of my colleague, the gentleman from Minnesota (Mr. Bergland). This substitute will help to give us the information that my colleague, the gentleman from Minnesota (Mr. Fraser), seeks.

AMENDMENT OFFERED BY MR. ANDREWS OF NORTH DAKOTA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. FRASER

Mr. ANDREWS of North Dakota. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. Andrews of North Dakota as a substitute for the amendment offered by Mr. Fraser: page 12, line 16, strike 323,268,000, and insert 324,268,000.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota (Mr. Andrews) for 1 minute under the time limitation.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, the committee is very pleased to know that the gentlemen from Minnesota, as well as the gentleman from North Dakota, have agreed, and we accept the substitute amendment.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Pennsylvania.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I first want to thank the gentleman for inviting the subcommittee to come out and investigate this, because this problem is more serious with Canada. The Canadian Embassy did deliver a note to our State Department yesterday reiterating their objection to the return flows and stating that they requested the State Department to bring it to the attention of the committees of Congress.

However, in the spirit of accommodation and with the understanding that there will be further studies, I think that the gentleman's substitute amendment should be agreed to.

Mr. PRESSLER. Mr. Chairman, I wish to call the House's attention to this letter I today received from the U.S. Environmental Protection Agency. In particular I would like to point out that based on the April 10, 1974, letter from Russell Train to the Commissioner of Reclamation cited on page 1 that a principal objection of EPA would include the disposition of Garrison return flows that would affect the James River in South Dakota. I would like to read the letter:

DENVER, COLO.,
June 18, 1975.

HON. LARRY PRESSLER,
House of Representatives,
Washington, D.C.

DEAR MR. PRESSLER: I am replying to your letter of May 29, 1975, requesting information in regard to the Oahe Irrigation project. Since your letter asks me very specific questions in an outline form, I will follow this outline in my replies.

1. What environmenal questions and factors, if any does EPA regard as being unanswered or insufficiently treated in the Bureau's Final Impact Statement for the Oahe Project?

EPA responded to the final EIS for the Oahe project by letter of April 10, 1974, from Russell Train to the Commissioner of Reclamation. It was EPA's position that a commitment to construction of the main features of the Oahe project should await a resolution of some serious environmental issues. The principal objections included:

(a) degradation of the water supply at Huron with a likely violation of standards.

(b) the need for channelization of the James River.

(c) destruction of wildlife habitat in the James River and in other project areas.

(d) the disposition of Garrison return flows that could affect the James River.

(e) other environmental problems such as potential downstream flooding, degradation of other downstream James River water uses, etc.

2a. Has EPA through its offices . . . reviewed the Institute of Ecology's analysis of the Final EIS . . . for Garrison? If so, what is EPA's reaction to that assessment?

EPA did briefly review the Institute of Ecology's (TIE) analysis of the FEIS for Garrison at the request of Representative Charles Vanik. EPA responded to Representative Vanik's inquiry by letter of May 7, 1975. EPA's comments indicated that we were in substantial agreement with the conclusions reached in the Institute's analysis, particularly in regard to the water quality issues. I have included a copy of the letter to Representative Vanik as TAB A.

2b. To what extent is the Garrison project and the final EIS for it similar to and different from the Oahe project and final EIS for it; and to what extent does the Institute of Ecology's (TIE) analysis of the Garrison EIS fairly apply to the Oahe EIS?

Those issues that were raised and analyzed by TIE—economics, water quality, impacts on people, vegetation and wildlife impacts and fisheries and recreation are similar for both projects. Garrison, of course, raises profound legal issues dealing with the disposition of return flows to Canada and the Boundary Waters Treaty of 1909.

The Oahe project's water quality impacts are more concentrated and may have a more serious impact on South Dakota. At the heart of the Oahe project and opposition to it is the fate of the James River. Channelization may be necessary for proper operation of the system. The salt leachate entering the river could foreclose present uses of the river for a drinking water supply and even affect downstream irrigation.

3. Is the EPA pursuing its questioning and analysis of the water quality issues associated with the Oahe project? If so, what is the status of its studies and of studies done by the Bureau?

As part of EPA's position regarding the environmental issues surfaced in the final EIS, it was recommended that the water quality modeling studies developed for Garrison by the USBR be similarly completed for Oahe before the present project was implemented. It was felt that this information would be invaluable in assessing the effects on the water supply at Huron and downstream users, as well as to better indicate the need for channelization of the James River.

Subsequent to the release of our comments, the Governor of South Dakota called upon the USBR to develop a coordinated Federal-State-Citizens effort to attempt to answer the unresolved environmental issues facing the Oahe project. This effort became known as the James River Study Team of which EPA was a member along with SCS, the Corps, USBR, USFWS and various departments of the State of South Dakota. A number of meetings were held in 1974 in various cities of South Dakota to develop study areas and responsibilities, and to answer questions of interested citizens.

Part of EPA's effort in this study was to maintain and evaluate the water quality modeling effort. I have sent the USBR an interim review of the water quality modeling results so far released by the USBR by letter of May 9th. A copy of this letter was enclosed in my letter of May 16th to you.

EPA will continue to evaluate such information as it becomes available and I shall be happy to provide you with such an evaluation as it becomes available.

4. What Oahe environmental issues does EPA deem to be yet unresolved?

Those issues that EPA raised in regard to the final EIS for Oahe were made the focus of the James River Study Team effort. There has been no further progress in this study team effort since November 26, 1974. It would be EPA's position that the issues raised on the final EIS are as yet unresolved. There may well be other issues such as soil salinization and wildlife impacts that are outside of EPA's area of legislative responsibilities that are nevertheless important issues.

5. What studies has EPA made to determine the likelihood of soil salinization and water logging problems attending irrigation of the lake plain soils? Is this a yet unresolved environmental issue?

In the comments on the final EIS, EPA did raise questions in regard to soil salinization and waterlogging that had been identified by others. It appeared that these were never discussed in the EIS process. However, these areas are not specifically part of EPA's legal authorities. For this project, however, there are no studies planned or underway by EPA in these areas. The James River study team, through its Corps of Engineers & Soil Conservation Service representation, should be able to address these topics.

6. Has EPA changed its recommendation that no work be done on delivery canals, reservoirs, etc., until critical environmental issues are resolved? If so, what is its present position on this matter, and what consideration brought about the change?

EPA still believes that resolution of the water quality and channelization issues are critical to the design of the entire project. The water quality modeling results to be released by the USBR are an essential source of information for determining the most likely water quality impact from this project and future directions for resolving the issues. The interim information we have received from the USBR on modeling indicates that the water quality will be substantially worse than that projected by the final EIS. To rectify the water quality problems, either dilution water, water pollution treatment or different lands for irrigation may be required. The fate of the east lake plain for irrigation as well as the manner in which it would be supplied water is as yet undetermined. The need for channelization has not yet been established or negated. I would therefore conclude that while such studies are still in progress to answer these basic questions, it would be a mistake to commit the Cahe project to the present design arrangements through construction at this time.

I hope that this information adequately answers your questions in regard to the Oahe project at this time. EPA stands ready to provide environmental assistance on this or any other environmental matter at your request.

Sincerely yours,

John A. Green,
Regional Administrator.

Because of the questions raised in the letter, I am asking to join the proposed agreement between Mr. Fraser of Minnesota; Mr. Andrews of North Dakota; and Mr. Nolan of Minnesota. I shall also ask Mr. Moorhead to bring his committee to South Dakota this fall to look into some of the environmental problems the James River may or may not experience, because of the Garrison project.

The CHAIRMAN. All time under the limitation has expired.

The question is on the amendment offered by the gentleman from North Dakota (Mr. Andrews) as a substitute for the amendment offered by the gentleman from Minnesota (Mr. Fraser).

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. Fraser), as amended.

The amendment, as amended, was agreed to.

Mr. EVINS of Tennessee. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. O'Neill) having assumed the Chair, Mr. Ichord, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8122) making appropriations for public works for water and power development and energy research, including the Corps of Engineers—Civil, the Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Nuclear Regulatory Commission, the Energy Research and Development Administration, and related independent agencies and commissions for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

Mr. EVINS of Tennessee. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken.

RECORDED VOTE

Mr. EVINS of Tennessee. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 377, noes 28, not voting 28, as follows:

[Roll No. 349]

AYES—377

Abdnor
Abzug
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Davis
de la Garza
Delaney
Dent
Derrick
Dickinson
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frey
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grassley
Green
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Ohio
Mineta
Minish

Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Scheuer
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steiger, Ariz.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOES—28

Archer
Conable
Conlan
Conte
Crane
Dellums
Derwinski
Devine
Frenzel
Gradison
Gude
Holtzman
Kasten
Kelly
McDonald
Michel
Miller, Calif.
Obey
Rousselot
Santini
Schneebeli
Schroeder
Stark
Steelman
Steiger, Wis.
Symms
Wydler
Wylie

NOT VOTING—28

Adams
Addabbo
Bingham
Collins, Ill.
Conyers
Danielson
Diggs
Downing
Erlenborn
Eshleman
Flynt
Forsythe
Fulton
Fuqua
Hastings
Hébert
Karth
Mathis
Mills
Mosher
Murphy, N.Y.
Nedzi
Rostenkowski
Teague
Udall
Ullman
Waggonner
Wiggins

So the bill was passed.

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Fuqua.

Mr. Hébert with Mr. Fulton.

Mr. Waggonner with Mr. Bingham.

Mr. Karth with Mr. Adams.

Mr. Diggs with Mr. Danielson.

Mr. Conyers with Mr. Rostenkowski.

Mr. Murphy of New York with Mr. Downing of Virginia.

Mr. Udall with Mr. Erlenborn.

Mr. Ullman with Mr. Eshleman.

Mr. Nedzi with Mr. Flynt.

Mrs. Collins of Illinois with Mr. Mills.

Mr. Teague with Mr. Forsythe.

Mr. Mathias with Mr. Hastings.

Mr. Mosher with Mr. Wiggins.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 8122) just passed and include extraneous matter.

The SPEAKER pro tempore (Mr. O'NEILL). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

ADJOURNMENT TO 11 A.M. WEDNESDAY, JUNE 25, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a.m., on tomorrow.

The SPEAKER pro tempore (Mr. O'NEILL). Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. MAGUIRE. Mr. Speaker, I would like to have the RECORD show that I was detained in my office during the voting on H.R. 8070, the Armstrong amendment, rollcall No. 341. Had I been present, I would have voted nay.

PERSONAL EXPLANATION

Mr. DEVINE. Mr. Speaker, earlier today when the Armstrong amendment was being considered on H.R. 8070, I was delayed by constituents in my office. Had I been present, I would have voted yea.

EMERGENCY HOUSING ACT OF 1975—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-199)

The SPEAKER pro tempore (Mr. O'NEILL) laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am today returning, without my approval, H.R. 4485, the proposed Emergency Housing Act of 1975.

After careful examination of this bill and its provisions, it is my considered judgment that H.R. 4485, due to its cost, ineffectiveness, and delayed stimulus, would damage the housing industry and damage the economy.

This Administration is committed to a prompt recovery of the housing industry and to getting the construction workers back to work—which are crucial elements in our overall economic recovery.

To reaffirm my commitment to such prompt recovery and my support of the existing Federal mortgage assistance program, I am today directing the release of the remaining $2 billion in these funds and requesting Congress to authorize another $7.75 billion in this assistance for housing. I will also support a workable plan to prevent mortgage foreclosures for home-owners who are out of work.

But H.R. 4485 is not acceptable for these reasons:

—It could not be implemented without substantial delay, and probably would actually provide a disincentive to some home purchases. Consequently it would delay for months putting construction workers back to work.

—It is in some respects inequitable. In some areas of the country, families with $25,000 of income could qualify for benefits, while in other areas of the country, families with $6,000 of income could not qualify.

—The levels of mortgage subsidies (down to 6% in some cases) would give some buyers an excessive benefit at the taxpayers' expense.

—For the modest benefits that might come in housing, this bill is too expensive—over $1 billion in additional Federal expenditures in FY 76, and more in years to come.

This bill's provisions for the protection of home-owners who are presently unemployed or under-employed due to our economic conditions and who face foreclosure on their homes, though well intentioned, unnecessarily place the Federal government in the retail loan-making business as a sole means of relief. Depository institutions have a stake in avoiding foreclosures and should be active participants in any such mortgage payment relief program.

I believe there is a better way both to stimulate jobs in construction and to provide standby protection for home-owners who may be threatened by foreclosure:

1. To add impetus to the industry's recovery and to put the building trades back to work, I am today directing the Secretary of Housing and Urban Development to make available, immediately, under existing law, $2 billion previously authorized for mortgage purchase assistance. We know this program works, and this action will make new mortgage money available immediately from thrift institutions and other lenders. But since the mortgages the Federal government purchases can be later resold, the cost to the Federal government is relatively low—$60 million for FY 76.

2. To continue this effective tandem authority program, I propose that Congress extend this program beyond its expiration date in October, and to expand it to cover conventionally financed multi-family housing, including condominiums. In addition, I request authorization from Congress to put $7.75 billion more into this program to insure financing is available if needed to sustain the recovery of the housing industry.

3. To protect home-owners against foreclosure, I commend the efforts of the sponsors of legislation recently introduced in the Congress that would confer standby authority on the Secretary of Housing and Urban Development to make mortgage payment relief loans or to co-insure lenders who refrain from foreclosing on homeowners who are temporarily out of work. We want to preserve

the good relationship between the home-owner and the bank or other institution which holds his mortgage—and at the same time provide some fiscal protection to the lender who assists a homeowner.

While there continue to be many problems in the housing industry, and while there is far too much unemployment among housing construction workers, there are clear signs of recovery in this vital part of the American economy.

During the current calendar year, funds needed for mortgage loans have been flowing into savings institutions at record levels—$19.7 billion net during the first five months of this year alone, nearly quadruple the level of the same period last year. With this flow of funds, interest rates have fallen substantially from their peaks of last summer.

Meanwhile, the government has been providing unprecedented support to the housing industry. Since last October, the Government National Mortgage Association has committed to purchase nearly $9 billion in conventional, FHA and VA mortgages with interest rates down to 7¾ percent. And this March, a tax credit for unsold new homes was enacted into law.

There are now strong indications that new home construction and sales are responding to these actions. New home sales increased 25 percent in April, the largest increase in 12 years. Home building permits climbed 24 percent in April and an additional 9 percent in May. Also in May, housing starts—which represent not only new homes but new jobs—rose sharply.

These favorable trends, however, do not mean that we have overcome our problem in housing. To the contrary, the level of home construction is still too low, and I fully agree with those who believe that a swift recovery in housing is a prime objective of national economic policy.

We must accelerate the improvement in housing that now appears to be coming about.

My action today to commit $2 billion for mortgage purchase assistance under the Emergency Home Purchase Assistance Act of 1974 will exhaust the current authorization under that Act. In proposing that this Act be extended, broadened to multifamily housing, and expanded by $7.75 billion. I am affirming that we have a tried and tested mechanism for supplementing and reinforcing housing construction.

Unfortunately, while H.R. 4485 does contain the multifamily amendment I have recommended, it fails to extend the current law, increase its authorization or effect any other improvements. Worse, it would authorize a variety of new and untried subsidies, including provisions for mortgages with mandated 6 and 7 percent interest rates and $1,000 down-payment grants. Since there appears to have been no consensus in favor of any one of these new subsidies, the bill adopts all of them in the hope that *something* will work.

The full implementation of these new subsidies, together with other provisions of the bill, would add over $1 billion to the fiscal 1976 deficit and ultimately cost more than $2 billion. An addition to the budget of this magnitude to benefit a few home-buyers is inequitable as well as costly.

It is most important to housing that we maintain a firm line against ill-considered spending that adds to the growing deficit and necessitates Federal government borrowing which tends to drive up interest rates and depress housing construction. I believe that budgetary restraint is a key element in our effort to instill the kind of consumer confidence in the future that is essential to a vigorous housing market.

Proponents of H.R. 4485 have argued that the budgetary costs of this bill would be outweighed by stimulating an upturn in housing starts, jobs and tax revenues. But critical defects in the bill concerning its relative cost, impact, timing and long-term implications will prevent it from achieving these objectives.

First, the levels of subsidy provided are excessively deep and costly. Under H.R. 4485, mortgages would be heavily subsidized so that they could bear lower interest rates than any previously available to other home-owners during the last ten years. These deep subsidies would require substantial Federal outlays. Moreover, experience demonstrates that a strong and healthy housing industry can be maintained without the deep subsidies contained in this bill.

Second, the bill would not work as intended even if it could be immediately implemented. Although supporters of H.R. 4485 have claimed that it would produce hundreds of thousands of additional housing units, evaluation by HUD and OMB does not suggest that the bill would have any impact of this magnitude or that the units produced would necessarily be additional to those that would be produced in the absence of such large subsidies. Those most likely to be influenced to buy under the bill would be families near the top of the eligibility range. These same families would be most apt to buy even without subsidy assistance on the scale proposed.

Third, because the bill could not be immediately implemented, it would actually impede an early recovery in housing starts. The subsidies which would be authorized include new approaches that have never been tried before. To make this assistance available, it would not only be necessary to secure appropriations and write regulations, but also to prepare a variety of new forms, establish procedures and familiarize government, lender and builder personnel throughout the country with them. Even given top priority, months could be required before implementation is completed. Thus, H.R. 4485—far from helping during the coming months—would actually inhibit home purchases among those eligible for assistance, since these families would understandably want to wait until the subsidies become available.

Fourth, the bill has long-term impacts and implications that are inappropriate and undesirable for an "emergency" measure. One of the subsidy options included in the bill would require home-owners with 6 percent interest rate mortgages to make increasing monthly payments in the future, up to the full payments that would be required at current market interest rates. I believe there will almost certainly be intense pressures for relief against these phase-up provisions in years to come—and thus for a continuation of the deep subsidies this option involves. Moreover, even if this approach works as intended, it would require substantial government outlays in future years when the economy may be operating at full capacity with inflationary forces at or approaching their peaks.

Fifth, the subsidy provisions of H.R. 4485 pose substantial problems of equity among those who would and would not be eligible for the relatively large subsidies provided. As the bill is written, substantial subsidies would be made available to families within a given income group. Other families with similar or even less income would receive no subsidy at all and would be expected to pay full market rate mortgages. These discrepancies would be very sharp and hard to justify. In some areas, it would permit families with incomes well over $25,000 to qualify while, in other areas, families with incomes as low as $6,000 would be ineligible.

Sixth, H.R. 4485 would make a number of undesirable changes in our housing and community development laws. For example, the bill would extend the homeownership program authorized under Section 235 of the National Housing Act. It would also extend and expand the program of subsidized government rehabilitation loans authorized under Section 312 of the Housing Act of 1964. These provisions would reverse decisions the Congress itself enacted last year after one of the most extensive reviews of Federal housing policy ever conducted. Also objectionable are the provisions which would divert funds from the new leased housing program, and establish special rules for certain State agency housing projects assisted under Section 236 of the National Housing Act.

Finally, the foreclosure provision of H.R. 4485 is too limited in its mechanism for providing relief. This provision reflects the concern that mortgage foreclosures may soar during the recession. To date, no such trend has developed because private lenders have been cooperating with home-owners through forebearance and common sense arrangements. In fact, foreclosures rates have remained stable—actually, at a level lower than that experienced during the mid-1960s.

Nonetheless, I can appreciate the desire of Congress to enact legislation, and I will support legislation which would protect home-owners from loss of their homes due to temporary economic hardship and which recognizes the provisions of such relief is both a matter of concern for the federal government and the depository institutions or other mortgagees involved.

Good housing is one of our greatest national assets, and our objective was and is to assist in the recovery of the housing construction industry and to help get the building trades workers back to their productive and meaningful skills. I shall be glad to work with the Congress toward this objective.

Gerald R. Ford.

The White House, *June 24, 1975.*

The **SPEAKER** pro tempore. The objections of the President will be spread at large upon the Journal and the message and bill will be printed as a House document.

Mr. **McFALL**. Mr. Speaker, I ask unanimous consent that further consideration of the bill and veto message of the President be postponed until Wednesday, June 25, 1975.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

HATHAWAY ASSUMES INTERIOR HEAD

(Mr. SKUBITZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. **SKUBITZ**. Mr. Speaker, I wish to add my congratulations to those already bestowed upon the new Secretary of the Interior, Stanley K. Hathaway. In addition, I would like to commend President Ford for his perceptivity in selecting a Cabinet officer with the experience and judgment, requisite of one who will act as the Nation's arbiter in the management of our natural resources.

Mr. Hathaway, as former Governor of Wyoming, has already demonstrated a keen sensitivity toward enhancing the quality of life in America; simultaneously, he has strived to preserve scenic natural beauty without jeopardizing the flow of mineral resources vital to our industrialized society. Now, as the preeminent policymaker on energy matters, on natural resources, and on environmental questions, the future decisions of Mr. Hathaway will mold American living standards for generations to come. Fortunately, Mr. Hathaway possesses the integrity and cool-minded objectivity to carry out these grave responsibilities, balancing conservation against increased demands for accelerated resource exploitation.

Perhaps, at no other time in American history has the challenge to the Department of the Interior been greater. Mr. Hathaway's remarks during his swearing-in ceremony provide a testimonial to the dedication with which he approaches his new post; hence, I include his convictions in today's Record:

Remarks of Secretary of the Interior Stanley K. Hathaway

> Mr. President, Members of the Cabinet, Members of Congress, Members of the Press, Ladies and Gentlemen: Mrs. Hathaway and I want to thank you all for coming this morning. I hope you haven't had to wait too long for this event. Mr. President, it is a great honor and privilege to be able to serve in your Cabinet. I am grateful for your confidence and I very much look forward to serving you as your Secretary of the Interior. I also look forward to my associations with the Vice President and other members of your Administration.
>
> During my terms as Governor of Wyoming and throughout these past weeks, I have learned a great deal about the Department and its mission. I have gained an understanding of the complex and diverse nature of the Department and the critical tasks it faces in the months and years ahead. I have also come to respect the dedication and professionalism of its employees, and I am grateful for the moral support you have given me during the confirmation process.
>
> Events of the past few years have placed this Department in the limelight. The Nation has learned the necessity of conserving the use of our resources, especially energy resources. We have also learned that we cannot rely on conservation alone to provide the energy security we need to sustain our economy and our way of life. We must develop, in a prudent and rational manner more of our domestic energy resources. At the same time, there is an equally urgent need to preserve and restore the quality of our air and water and land. In addition, we must carry out, with resolution and understanding, our trust responsibilities to our Indian citizens and to the people of the Territories. The responsibility of meeting these separate but interrelated goals falls largely to this Department.
>
> These tasks will challenge us all, but I am confident that the Department possesses the expertise and the capability to carry out our mission effectively. I am eager to begin, and I have much to learn; but I look forward to working with the Congress, with other Agencies of the President's Administration, with state and local governments and with the employees of this fine Department as we face these critical resource issues.

AN ANSWER TO DR. BURNS' MISLEADING LOBBYING CAMPAIGN AGAINST THE AUDIT BILL

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Patman) is recognized for 30 minutes.

Mr. **PATMAN**. Mr. Speaker, as I informed the House last Thursday, the Federal Reserve has launched a major lobbying campaign to halt the proposal to require a full-scale audit of the entire Federal Reserve System.

Dr. Arthur Burns, the Chairman of the Federal Reserve Board, is now in the middle of the fight with letters to Congress once again distorting the nature of the legislation and rolling out the old scare tactics.

These letters—one in my possession dated June 23—are coming forth from the same Dr. Burns who dodged the subcommittee hearings on the audit despite repeated and vigorous efforts on my part to obtain his testimony. Repeatedly during April of this year—when the hearings were in progress—Dr. Burns pled the press of business and told us the real expert was Gov. George Mitchell whom we reluctantly accepted.

DR. BURNS REFUSES TO APPEAR BEFORE SUBCOMMITTEE

One reason we were so anxious—and so insistent—for Dr. Burns' testimony was because we knew that the Federal Reserve Chairman—at the crucial moment—would be lobbying against the legislation in a forum which would prevent cross-examination by the Members. That is exactly what is happening. When Dr. Burns refuses to appear before the subcommittee—as he did—I think it is improper for him to now lead the charge against the bill in these private communications.

The reason Dr. Burns refused to appear in open session is because he knew that his arguments against the legislation were paperthin and would not bear even the most surface questioning.

FEDERAL RESERVE MISLEADS ABOUT PROVISIONS OF H.R. 7590

In a letter I have seen in the past 24 hours. Dr. Burns makes a number of false and misleading statements about the legislation.

First, he charges that H.R. 7590 would "jeopardize the capacity of the Federal Reserve to render independent judgment in the sensitive area of monetary policy."

As Dr. Burns well knows, H.R. 7590 specifically prohibits the General Accounting Office from including recommendations as to monetary policy in its audit reports to Congress. Yet, Dr. Burns raises this question as a scare tactic.

In addition to the flat prohibition contained in H.R. 7590, Comptroller General Elmer Staats directed himself to the fears about Federal Reserve independence in his testimony before the subcommittee and I quote:

> The suggestion that a G.A.O. audit would interfere with the independence of the management in reaching decisions on monetary policy reflects a basic misunderstanding of our procedures. We would not interfere any more than the System's own auditors interfere. We do not "tell" any agency what to do. When we make recommendations for improving operations or procedures, we do so only after full consultation with the agency officials concerned and even then our recommendations are not binding.

As Mr. Staats points out, the GAO conducts hundreds of audits each year and does not interfere with the operations of the agencies. The GAO successfully audits the Defense Department without telling the generals how to fight the wars.

GAO SUCCESSFULLY HANDLES "SENSITIVE" MATERIAL FOR OTHER AGENCIES

Dr. Burns also trots out the cliche about the "sensitive" nature of the Federal Reserve's documents and the fear that the auditors would reveal the supersecrets of this mysterious agency.

This is absurd on its face. The GAO audits all major agencies of the Federal Government including the State Department, the Defense Department, and the regulatory agencies all of which have "sensitive" material—often much more sensitive than anything within the marble halls of the Federal Reserve. I know of no complaints about the breaching of "confidentiality" on the part of the GAO.

Again, let me quote from Mr. Staats' testimony:

> In the first place, we have access in other agencies of the Federal Government to information that is just as sensitive if not more so than any in the custody of the Federal Reserve System. We have very stringent procedures for handling it to make sure that improper disclosure is never made by or through us. To our knowledge, we have never failed to properly protect this kind of information.
>
> Secondly, the fact that we have had access to the information has not interfered in any significant way with the activity being audited. Third, it is not possible to do satisfactory audit work on behalf of the Congress if the agency being audited is author-

ized to withhold pertinent information. If the auditor is deprived of important information, there is no way he can be expected to make a fair and objective audit that takes into account all important factors relating to the problems being evaluated.

FALSE CONCERNS ABOUT BANK EXAMINATION REPORTS

In the same vein, Dr. Burns raises false concerns about bank examination reports which the Congress needs to have the GAO inspect to determine the efficiency and effectiveness of the Federal Reserve's large role as a supervisor of banks. Dr. Burns and his colleagues have raised this issue in an attempt to work the banks into a lobbying frenzy against the bill.

The fears generated in this area are totally false.

Again, Mr. Staats—who will have charge of the auditing procedures—discusses this question:

> One concern that I would like to dispel is the fear that we would include in our published audit reports detailed identifiable information drawn from bank examination reports. We foresee no reason to do this and in any event there would be no occasion to include data on individual loan transactions.

In addition, it should be pointed out that the GAO does have access to examination reports and working papers at the Federal Home Loan Bank Board and this committee has never received complaints about the way in which the GAO handles this sensitive material. If it is proper for the GAO to look at these reports as they relate to the savings and loan industry, then why are not the same auditing procedures proper in relation to the Federal Reserve's supervisory functions relating to commercial banks?

In any event, as Mr. Staats points out:

> To evaluate effectively the nature and effectiveness of the supervision exercised over member banks, the independent auditors have to have access to the primary documents that pertain to this function. Those documents include the bank examination reports and the working papers and other records in support of those reports.

So, if the auditors are to be able to give the Congress information on these functions, we have to give them access to the basic information. It would be a fraud on the American public to tie the hands of the GAO by statute and then expect to have an audit report worth anything.

IN-HOUSE AUDITS DO NOT MEET CONGRESS NEEDS

Finally, as one last lobbying pitch, Dr. Burns cries duplication and claims that the Federal Reserve is worried about the cost of the audit.

First, the duplication argument. The Federal Reserve, in an attempt to head off the GAO, has talked at length about its in-house, internal auditing procedures. Despite all the puffery—which is repeated in virtually every lobbying letter reaching Capitol Hill—no one can honestly accept a "self-audit" as a legitimate substitute for the independent judgment which the Congress would get from the GAO reports.

SHOULD TAXPAYERS BE ALLOWED TO AUDIT THEIR OWN RETURNS?

The Federal Reserve's logic on this point would allow individual taxpayers to conduct audits of their own tax returns, hire their own auditors, and then report the results they wanted to the IRS. No one in their right minds would accept this and there is no more reason to accept Dr. Burns' claims that the internal auditing procedures of the Federal Reserve are sufficient.

The idea that GAO audits would duplicate anything was refuted time after time in the subcommittee hearings and as the testimony pointed out, the Federal Reserve's self-generated audit touches only a limited aspect of the operations. The massive transactions of the Open Market Committee and the individual Federal Reserve banks and their branches are not touched by any outside audit.

But, the important thing is that Congress must have an independent judgment regardless of the nature or scope of these internal procedures.

Discussing the objections about "duplication," Mr. Staats makes this response:

> While these objections may be regarded as valid by the Board, I do not believe that they should be so regarded by the Congress itself. the primary purposes of auditing by GAOT, which functions as an agent of the Congress, is to provide independent and objective evaluations of how well the agencies are carrying out their responsibilities, to make recommendations for improvements if needed, and to provide other information for the Congress to use in carrying out its legislative and oversight responsibilities.

Other witnesses touched on this point and Prof. Robert J. Freeman, of the University of Alabama, and a nationally recognized expert in the field of government and private accounting procedures, directly attacked the Federal Reserve's claim that its internal auditing was an answer to a GAO audit. I quote from the professor's testimony before the subcommittee:

> It is a misconception that subordinate agency internal audits or audits by public accountants engaged on behalf of the subordinate agency (the Federal Reserve), are sufficient—that audits by external government auditors or public auditors engaged by higher authority (Congress) are unnecessarily duplicative and are not required. . . . This erroneous notion is analogous to suggesting that the plaintiff should rely on the defense attorney for legal advice. . . . Both types of auditing serve useful roles, but the former is not a substitute for the latter. Only the latter may be considered sufficient from the higher authority's (Congress) standpoint. . . .

GAO AUDITS SAVE MONEY

Dr. Burns' 11th hour claims about the cost of a GAO audit are equally misleading and contorted. First of all—and most importantly—audits, as private business has learned, invariably save money.

Certainly, this has been true in the case of the General Accounting Office. Last year alone, the efficiencies instituted as a result of GAO audits saved the Government—the taxpaper—$562 million. In addition, many of these savings will recur year after year, resulting in billions of dollars of tax funds saved.

But, specifically to the Federal Reserve audit itself. Mr. Staats has informed us that he believes the audit can be conducted by the GAO for about $750,000—subject to the GAO's examination of the Federal Reserve's own auditing procedures. At the present time, the Federal Reserve's jerry-built internal auditing procedures cost about $8½ million annually with the results virtually meaningless from the standpoint of providing Congress with the kind of information it needs for legislative and oversight purposes.

So, Dr. Burns' claims about costs—like his claims about duplication—are fantasy.

H.R. 7590 WOULD MAKE FEDERAL RESERVE SUBJECT TO SAME AUDITS AS OTHER AGENCIES

Mr. Speaker, once again all we are asking is for the Federal Reserve System to be subject to the same types of audits by the GAO as other major Federal agencies. The hearings—and all of Dr. Burns' lobbying efforts—have not produced a single legitimate reason for this agency to operate in secrecy with the Congress and its auditing agency locked out.

H.R. 7590 is a test of the public interest and open government versus the self-interest of the Federal Reserve and its banker and business constituency which prefers to maintain its cozy arrangements with its regulators in dark secrecy.

I trust the Congress will opt for the public interest.

MALPRACTICE NO. 2

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 5 minutes.

Mr. CRANE. Mr. Speaker, suddenly Americans have been shocked into a realization of the growing malpractice crisis. Skyrocketing insurance premiums, cancelled policies, and resulting slowdowns in medical services have all added to the aura of mystery that surrounds malpractice. The sense of fear at being caught without adequate medical care has brought urgent calls for action by the Government.

All of us sympathize with those who are shocked and frightened by the possible reduction in available medical care due to the inability of physicians to obtain reasonably priced insurance. We all see the necessity of providing the best available care at the lowest possible price.

Action is needed to cure the problems so evident in the malpractice insurance crisis. But let us not attack the problem with our eyes closed and the taxpayers' pocketbooks open. Rather let us take a considered view of the crisis, isolating and defining the problems and only then deciding what actions will best address the problems.

Legislators have found it far too easy over the past 30 years to ignore the difficult study which the problems in our modern world require. They have opted instead for facile bureaucratic solutions or the old standby, taxpayer dollars and rhetoric.

Political reactions to our difficult problems fail in two respects. First, they ultimately cost more for all consumers and put the greatest burden on those least able to afford it, the middle-income taxpayers and the very poor. Second, they seriously diminish the quality and availability of, in this case, medical care by restricting the freedom of a doctor to practice.

The malpractice crisis has already hit the middle-income family and the poor. Many poor people must rely on inner-city hospitals and low-priced medical services which both hospitals and doctors are unable to give due to the tremendous increases in malpractice insurance premiums. These costs, which are passed on to the consumer, are accompanied by an increase in "defensive medicine" needed to protect a physician against any possible future malpractice claim. The speculated 1 to 7 million-dollar price tag for this is also passed on to the consumer.

It is easy to blame the doctors for this problem and to respond by legislating away their freedom and by passing on the costs of this regulation to the already over-burdened middle-income taxpayer. But a deeper look reveals that the doctors are not the cause but a victim just as the public is.

There are of course many factors contributing to the precipitous rise in malpractice insurance premiums but none is as important as the increase in claims filed and awards paid.

Awards granted by juries have grown much faster than the inflation rate to which they are indirectly attached. An even greater problem is the modern trend to multimillion-dollar claims. Although these are still few in an absolute sense, the publicity they create has served to increase the average claim.

Claims themselves have increased 300 percent in the last 10 years and they now total close to 20,000 per year.

Those justifiable claims made and paid by the insurance companies are not the problem. An injury caused by negligence should be paid for by the practitioner through his insurance company. But the distressing fact is that the grieved party receives only 16 cents out of every dollar of insurance paid out.

Obviously, the cause is to be found in the 84 percent of insurance payments used to pay administrative and court costs, lawyers' fees, and most especially the money spent in the filing and defense of false claims.

Insurance companies estimated that only 46 percent of the claims made in 1970 were meritorious. This evidence is supported by data collected as a part of the Secretary of Health, Education, and Welfare's Special Commission formed to study malpractice. In their report they noted that:

> Contingency fees tended to discourage the acceptance of legally meritorious cases involving minor injury and relatively small potential recovery, and we view this as a wholly undesirable and unfair result of the system.

In the final analysis the real criminal is not the doctor, or the increasing awards paid on justifiable claims, but those claims made in the hope of convincing a jury that the grieved party deserves some award to compensate for his misfortune and the lawyer deserves a big award for his time and persuasive tactics.

The problem is definable and solutions are possible, but not on the Federal level. This conclusion is agreed upon by Secretary Weinberger, by his Special Assistant Dr. Roger Egeberg, by the American Medical Association, the American Hospital Association, and by all of the other responsible medical associations. They view the problem on a State-by-State level and know that it is only possible to solve it at that level.

I well realize the capacity the States have to interfere with the system in a pejorative manner by reducing the freedom of doctors to practice and by usurping control over the free enterprise insurance system. But in this case the States can also provide the changes needed in the tort system to eliminate the increasing number of fallacious suits.

It is the genius of our American Federal system which allows the various States to attempt solutions to a problem, though common to all, unique in its specifics in each State. The States can serve as laboratories and resource centers. In this way each State can learn from its own and the others mistakes, while still providing solutions for its specific problems.

Washington's tendency dogmatically to hand down political solutions in response to practical problems while etching its mistakes indelibly on the governmental and bureaucratic process must be resisted if we are to solve this critical problem.

Already Indiana has passed a landmark bill which other States including California, Texas, Arkansas, Massachusetts, Florida, Pennsylvania, Idaho, and Arizona have examined and adapted either in proposed bills or in law in their own States. In fact in every State in which a crisis exists legislation has been considered or passed. Granted, several of the States have passed bills which restrict a doctor's individual liberties and the free enterprise system as well as increasing costs of medical care to its consumers. But it is not the duty of the Federal Government to harass these States into more mistakes through irresponsible national action.

It is up to the individual States to pass laws which will control contingency fees, revise the statute of limitations, invalidate oral contracts, revise the use of res ipsa loquitur, and perhaps even examine the use of the tort system in medical negligence cases.

To return to the second point, further Federal encroachment or ill-advised State action will only serve to restrict the freedom of a doctor to decide from whom and in what way he will insure himself. It will further penalize those doctors in "low risk" areas and specialties by making them support those doctors in "high risk" areas and specialties. Most importantly though, it does not attempt to solve the problem but only to cover it up with taxpayer's money and newly devised "doctors' taxes."

Let us examine some of the proposals already made at the Federal level which attempt to deal with the crisis.

The short-term proposal is to establish a Federal reinsurance corporation to back up the private insurance companies with taxpayers' dollars. It takes no astute observer to see that this feeble suggestion in no way addresses itself to the issues involved.

Federal involvement in any reinsurance scheme would only be "throwing good money after bad" in a stopgap solution of guaranteed high cost to the taxpayer with little or no chance of even initial success. It would also provide a disincentive to the States to establish programs which would fit their specific needs.

John Tovey, assistant dean at the Delaware Law School, in examing this possibility noted that:

> It offers no real answers and the surety of further state (or federal) interference in medical care," because "there is nothing to indicate that any government agency can perform these functions (investments and reinvestments to secure adequate operating capital) better than a private insurer."

He went on to cite the accompanying higher bureaucratic costs and the invasion of the physician-patient confidential relationship.

Another popular "solution" is the no-fault concept of insurance fame. Its chief attribute once again is that it ignores the problem. It seeks to eliminate the crisis by eliminating malpractice. Its hope of solving the problem is accompanied by fantastic amounts of taxpayers' dollars. Presumably anyone who was not 100 percent satisfied with his medical progress could file a claim. The costs would be inestimable, and the refusal to place responsibility or to determine neglect would reflect adversely on the medical profession. No physician should be forced to carry the stigma of a "no-fault" claim raised with no recourse to proving his ability. Furthermore no incentive exists to raise the quality of care in a no-fault system.

"Workman's compensation" has also been the model for proposed legislation. Basically it would provide for those who had no health insurance and could not prove neglect in order to win a malpractice award. Once again it necessarily avoids the controversial issues and thus fails to solve the problem. It substitutes the Government and your and my tax dollars for the insurance company's. It effectively eliminates malpractice insurance from the free enterprise system.

The latter two approaches avoid the critical issues of the crisis and simplistically hope to solve the problems from which individuals suffer by papering it over with increased taxes. It also lumps together the problems of malpractice and maloccurrence which is unfair to doctors. It jeopardizes the reputation of the whole medical profession by refusing to determine negligence or inability.

It is simply not possible to avoid this problem in order to solve it. Bureaucratic solutions and rhetoric will never delve to the heart of the problem. These proposed solutions are unfair to both the taxpayer who will be forced to support them and the medical profession whose reputation will fail along with their personal freedoms.

It is not possible either to command State behavior according to a Federal directive. The issue of malpractice, though important in all States, is not the same in all States and thus to command the States to conform to some minimum level would be counterproductive by removing incentives and the possibility of State-by-State experimentation.

For a moment let us stop and consider the realities of the situation. Commonsense tells us of the inefficiency of the Government as administrator and regulator. It is seen in the social security system, the post office, the railroads. Specifically in the case of the Department of Health, Education, and Welfare, the history of failure in their attempted administration of the medicare and medicaid programs can only bode ill for any further governmental involvement in the health care field.

If we are to solve this problem it will be necessary for us to return to the ideals of a free enterprise economy and personal liberty upon which our Nation was founded.

Let us as legislators represent the interests of the American people and find a solution not in Government largesse but in the strength and genius of our American Federal system and the American people.

THE PROPOSED ENERGY CONSERVATION AND CONVERSION ACT IS A RECIPE FOR SHORTAGES AND IS COUNTERPRODUCTIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, last week the House passed the so-called Energy Conservation and Conversion Act, sending it to the Senate for its deliberation.

I opposed that bill because I believe its provisions to be a recipe for shortages and to be counterproductive.

We had nearly 10 day's time devoted to its floor consideration, and a staggeringly high 160 amendments were proposed with many offered and accepted.

Something must be—and here is—very wrong with a bill which needs that much work and that many changes after it has been in committee for nearly 6 months.

This bill, should it become law, would be counterproductive to our national goals of assuring an adequate supply of domestic energy sources, overcoming our economic slump and alleviating its high unemployment, reducing the role of government in the economic lives of the people, and recovering natural energy supplies with the least amount of disruption to our environment.

There are many reasons why this bill should never become law.

THIS BILL JEOPARDIZES JOBS

A foundation stone of America's material prosperity has been its abundance of natural resources, and adequate energy resources have provided us with the means for developing all other resources. We have had an abundance of running water, coal, oil and gas to mine, transport, refine process, and manufacture. In the process we have produced a quantity and quality of goods never before realized in man's history. We continually created new jobs for a growing population, returning higher real wages to the work force and stable and growing dividends for investors.

Without an abundance of energy, this progress is clearly and immediately jeopardized. Yet, the bill does nothing to insure adequate energy. As a matter of fact, it is specifically designed to reduce our energy uses until we all "feel the pinch." Frankly, this is absurd and could not be more counterproductive to our employment and productivity goals.

Through the imposition of quotas the bill would reduce our import of foreign oil. At the same time, the bill does nothing to increase our production of domestic oil. Taken together and with awareness that economic recovery will generate more demand for oil and gasoline and that inadequate natural gas supplies this winter will generate higher demands for oil, we simply will not have enough oil and gas to meet all our demands.

Factories will need more than they can get, and that will mean layoffs when production falters. Shippers and truckers will need more than they can get, and that will mean delays and shortages—and that, in turn, again means layoffs. Utilities will need more than they can get, and that means increased chances of brownouts and curtailment of service. Small businesses, taxi cabs, and people like you and me who own cars will not be able to get enough oil and gas, and that means economic hardships, gross inconveniences, and most probably long lines at the gasoline pumps.

We should put the Nation's economic future ahead of the emotionalism—which has the inevitable consequence in this instance of being antijobs—of those who demand we establish quotas to keep the oil out of the country that we so badly need to heat our homes, run our plants, drive our trucks, cars, planes, ships, and trains.

Import quotas would be particularly harmful to the Northeast and Middle-Atlantic States, including New York, for they are heavily dependent on foreign oil. In western New York we receive nearly three-fourths of the crude oil we refine and use there from Canada. In the New York City area—and throughout New England—the oil used comes from foreign sources too. If we tighten oil imports, through these quotas, we are simply tightening the noose around the neck of our own economy. If the same volume of oil that we are now getting from Canada in western New York has to be brought all the way up from the Southwestern States, we will end up paying a much higher price for it. And, if we cannot get enough domestic oil and gas, we will worsen our already bad unemployment.

The bill would hurt jobs in other ways, too. One out of every six jobs in this country depends directly or indirectly on automobiles—ranging from steel manufacturing to gas jockeying. This bill threatens these jobs, and we are all aware of the severe unemployment in this industry already. The proposed 23-cent-per-gallon tax on gasoline—penalty, if you will—was stricken from the bill—even though it could still be included on the Senate side and even though it could still become law—but there are other provisions which hurt these jobs too that still remain in the bill. There are, of course, the quota restrictions, and one can rest assured that if there is not enough oil and gas, there will be fewer car purchases. There is also the gasoline efficiency tax—a tax on automobiles geared to the miles per gallon they get in gasoline consumption. This is offered to us as a tax on the automobile manufacturer, but do not believe it for one moment. Only the people pay taxes, and this tax on the manufacturer will be passed directly to the purchaser in the form of a higher cost for the automobile. Higher auto prices mean less purchases, and less purchases mean a loss of jobs, something our depressed auto industry does not need, nor our Nation.

Look also at the impact of inflation on our economy. Inflation was the singlest biggest factor in creating the recession. But, the impact of the quota system and so-called efficiency taxes will be inflationary. If there is not enough gas and oil available, demand exceeds supply. When demand exceeds supply, prices go up. That is inflationary. The efficiency tax will push up the cost of cars, and that will be inflationary. Apparently, the need to control inflation does not apply to energy causes of inflation. And, imposing a quota will not drive down the costs of foreign oil. To the contrary, it will force the foreign producers to ask for more dollars per barrel in order to maintain their own income. The immediate inflationary impact will also have a ripple effect through the economy, as the higher costs of basic oil and gas will be passed on as higher costs for items manufactured or delivered by them.

With the imposition of quotas, we can rest assured that our Nation's refinery capacity will grind to a halt. New refineries will simply not be built, because we are aware that domestic production is going down. No corporation will invest in construction of a refinery—the cheapest of which now run $500 to $600 million and can run up to nearly $2 billion—when it is not assured of an adequate supply of crude to refine. Here again, we are talking about jobs—jobs for construction of the refineries and their subsequent operations—as well as the jobs dependent on maintaining adequate fuels.

THIS BILL JEOPARDIZES OUR FUTURE SECURITY

By imposing a quota system upon us, we will leave to the rest of the industrialized nations of the world the oil and gas now found in other producing countries—the Middle East, Venezuela, and Canada. We will be forced to use our own supplies. More accurately put, we will be forced to use up our own supplies.

This bill has been characterized as the "Drain America First Bill," because the quotas would force us to use up our own supplies. I think that is an apt description.

The Federal Energy Administration has informed us that there are about 4,000 days of known reserves of oil left in this country—about 11 years. If we add to those known reserves, first, all the oil on the Alaskan slopes; second, all the oil believed to be lying off the Outer Continental Shelf; and last, all the oil we hope is here but is yet undiscovered—we still will have only about 35 years of oil. Think about those two figures for a minute—11 years at worst, 35 years at best—and one should see quite graphically in what a situation this bill will place us.

What kind of position are we putting the United States in, as far as our future is concerned? We will not be able to run our plants, to transport goods, to operate cars, or to do anything else dependent on oil and gas or their by-products. This is no conjured up prediction. That 35-year estimate is provided through the U.S. Geological Survey, the agency charged with knowing. We will not even have enough fuel to defend ourselves. In short, we are subjecting ourselves to untold pressures. It would make the Arab blackmail of 1973–74 look like a mere picnic. It would be much, much worse.

What worse position could we get ourselves in than to use up our most precious natural resources before and at a much more rapid rate than we should be exhausting it? If we put on these quotas, it is the only result which is possible.

The whole idea that the largest and wealthiest industrial Nation in the world can or should attempt to make itself self-sufficient in all forms of energy through writing off all the vast oil reserves in other nations smacks of an isolationism that is inconsistent with the American spirit. It sets forces into motion which could trigger panic reactions, when supplies become crucially short. It certainly does nothing for the cause of peace.

We might as well forget stockpiling strategic reserves of oil, for with a quota system in place, we must decrease our imports, even though domestic production is going down too. Instead of having a surplus to put into strategic reserves, all oil and gas would have to go to meet immediate demands.

Quotas also lead to concentration in the oil and gas industries, and this is not consistent with consumer interests. The gentleman from Vermont (Mr. JEFFORDS) gave us statistics last week—not opinions—on the consequences of oil quotas on corporate concentration. During the 10 years of the last quota system, the effects in New England were to reduce the number of deepwater refined petroleum product wholesalers from 22 to 6, to reduce the independent's share of the wholesale fuel oil market from 70 percent to 40 percent, and to reduce the number of independent retail heating oil distributors from over 4,000 to 2,400. Quotas, thus, have the proven effect of being anticompetitive, and the consumers range of choice is narrowed.

In short, a quota is a self-imposed embargo—and all the consequences will be the same, just as if the Arab States had imposed another total oil embargo upon us.

COMPULSORY HIGHER PRICES DO NOT DRIVE DOWN CONSUMPTION

The assumption that taxes, penalties, and higher prices for fuels drive down consumption is not supported by the facts.

Higher taxes—and thus higher costs—have been imposed on such commodities as alcohol and tobacco. They have not decreased consumption.

We are paying higher prices for gasoline and other crude oil derivatives. Consumption has not declined. After the President imposed the first $1 per barrel tariff, consumption dropped some. After 2 months, it was back to its previous level. We are consuming more now than we did last year this time, and as we come out of the recession, we will consume even more. The reason is because of the alternative to level or increased consumption. People are willing to pay more to insure jobs, production, and our way of life.

With these facts clearly before us, domestic production ought to be stimulated, but this bill does nothing to produce new supplies of energy.

Mr. Speaker, there are many more reasons why this bill should not become law, but time does not permit me to deal with each of them.

I think what I have outlined—counterproductive to assuring adequate supplies of domestic energy, overcoming our economic slump and alleviating high unemployment, reducing the role of Government in our economic lives, and recovering natural energy supplies with the least amount of disruption to the environment—show why this bill should never become law. But, we do not have to acquiesce in the status quo.

I believe the most effective fuel conservation device is to remove Government interference and to place greater reliance on the price mechanism of the marketplace. This will result in three immediate benefits:

First, incentives to conserve; second, incentives to produce; and last, incentives to develop alternative sources of energy.

Encouraging maximum domestic energy production must be our prime concern. From experience we know that the pricing mechanism of the free market is the most equitable, economical and productive way to allocate scarce resources.

In the broad overview of options, our alternatives are, at best, limited. Regulation of oil and gas against deregulation; rationing against supply and demand; import tariffs, taxes, fees, or quotas against tax incentives and disincentives for domestic and foreign energy investments, respectively. These are the major points of contention, and the major points to be decided in the formulation of a comprehensive approach to energy.

Increased Federal controls would probably force the Federal Government to impose a quota to limit imported oil, as a readily available means of forcing domestic market investment in both new and old energy sources. Even with this negative incentive, the bulk of costly research and development would still have to come from the Federal Government. Price controls would also be imposed to prevent the reduced oil supply from forcing the price out of reach. Rationing, to allocate available supplies would then almost certainly follow.

With an import fee, import quota, and/or rationing in effect—even if coupled with corporate tax incentives and "plowbacks" for energy related investments—consumer prices would not reflect accurately the limited supply and large demand for oil products, and thus, the investable capital would be substantially reduced.

There is no question that decontrol of natural gas at the wellhead and decontrol of domestic oil will result in higher prices at first. However, it is important to note that the increased cost at the wellhead represents only 20 percent of the total cost of gas at the burner tip. The estimated increase that I see as most realistic is about 10 percent at its peak. With decontrols—combined with measures to eliminate foreign investment tax credits and with windfall profit taxes on any additional profits not reinvested in energy development—individuals and businesses would be deciding which uses of energy should be reduced or forgone, rather than the Federal Government. Continued regulation, on the other hand, would effectively drive the price up as it caused greater dependence on imported liquefied natural and on synthetic natural gas.

The experiences we have had in the past several years with Federal regulations and controls on the pricing system in the free market—the failures associated with the Federal bureaucracies inefficient and anticompetitive interference with supply and demand—leads me to the conclusion that decontrols are the key to effective domestic energy recovery.

Because I strongly support deregulation as the most positive means to establish energy priorities. I believe better alternatives exist to the import and proposed excise tax on domestic crude. First, deregulation will permit the price of oil to rise. Combined with a fee, tax, or quota on imports, that price would be greatly accelerated and would place too heavy an immediate burden on the economy. Certainly, western New York would be severely hurt by action of this nature. Our supply of Canadian oil would be reduced immediately, as would our access to Arab oil and domestic oil.

I support decontrol of natural gas and decontrol of domestic oil, together with positive incentives for capital investment in energy research and development. I am convinced that this is the way to permanent energy recovery.

RESOLUTION TO PROVIDE FINANCIAL ASSISTANCE TO ALASKA FOR DAMAGES RESULTING FROM PIPELINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, I am today introducing a resolution that is of vital importance to the immediate welfare of the State of Alaska and the construction of the Trans-Alaska pipeline.

Since the start of the pipeline construction, Alaska has found her roads deteriorating into impassable rubble. The movement of unprecedented loads of supplies, materials, and heavy equipment over our pioneer roads is destroying the sparse State highway system.

As you know, the State will not receive its revenues from the oil for several years. Consequently, the State of Alaska is precariously near bankruptcy, and in no position to reconstruct and repair the highway system to accommodate the heavy duty loads of Alyeska.

Inasmuch as the timely completion of the pipeline is a matter of some national urgency, I do not believe that I am out of line in requesting the Secretary of Transportation to initiate measures to provide financial assistance to Alaska for the repair and reconstruction of the roads vital to pipeline construction. This is a matter of national interest and I hope the House and Senate will concur.

H. CON. RES. 523

Concurrent resolution requesting the Secretary of Transportation to provide financial assistance to Alaska for purposes of repairing and reconstructing highways damaged by traffic resulting from the construction of the trans-Alaska pipeline

Whereas completion of the trans-Alaska pipeline is of vital importance to the national interest in mitigatng the effects of the energy crisis;

Whereas construction of the trans-Alaska pipeline is an immense project which involves the movement of unprecedented amounts of supplies, materials, and equipment over Alaskan highways;

Whereas the present rural highway system in Alaska was not designed to accommodate the volume of traffic resulting from construction of the trans-Alaska pipeline;

Whereas the population of Alaska and the use of its highways have greatly increased since the time of the construction of such highways, and both should continue to increase in the future;

Whereas the highway conditions in Alaska hamper efficient construction and timely completion of the trans-Alaska pipeline, and jeopardize the lives of drivers and the safety of cargoes;

Whereas Alaska cannot afford the necessary expenditures for repair and reconstruction of its highways, particularly since revenues from the trans-Alaska pipeline are not anticipated for a number of years; and

Whereas principles of equity demand that Alaska not bear the burden of pipeline construction unaided by other States which will benefit from the trans-Alaska pipeline: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Secretary of Transportation is urgently requested to initiate such measures as may be necessary to provide Federal financial assistance to Alaska for purposes of repairing and reconstructing any highways damaged by traffic resulting from the construction of the trans-Alaska pipeline.

OSHA EXEMPTION FOR SMALL EMPLOYERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, the HEW appropriation bill scheduled for tomorrow authorizes $108 million to create 300 additional OSHA enforcement officer positions. This will make possible a much more thorough enforcement of the law than in the past.

I will offer an amendment to exempt small firms from enforcement—but only until field compliance officers are permitted to give advice on first inspection, a service which is now prohibited.

The law presently requires OSHA compliance officers to issue citations on first-instance inspections even for minor innocent violations of regulations that are often vague or ambiguous.

The problem, of course, is that the OSHA regulations are incredibly complex and many small businessmen cannot understand them nor afford to hire a consultant who can. The regulations which a businessman must read total 500 pages of fine print—more than 750,000 words. If you add to that all of the materials to which the regulations refer, the stack of reading materials could reach more than 17 feet high. Almost everyone agrees that this is unfair and must be changed.

My colleague from Wisconsin (Mr. STEIGER), who is a coauthor of the Occupational Safety and Health Act of 1970, has noted the problems faced by "small businessmen who would like to come into compliance with the standards but lack the technical staff resources to interpret how the standards apply to them." Accordingly, Mr. STEIGER has been a vigorous proponent of proposals to provide onsite consultation to small employers and many of us have supported his proposals.

The gentleman from New Jersey (Mr. DANIELS), who chairs the Health and Safety Subcommittee has recognized that the single most important problem of OSHA "is the inability of the small businessman to learn what is expected of him." In fact, I understand that the Committee on Education and Labor itself has endorsed the need for a comprehensive program of onsite consultation.

The Department of Labor agrees, too, and for years has been trying to find ways, in a sense, to circumvent the Federal law by funding State consultants who provide the onsite consultation which neither State nor Federal inspectors can provide. Yet, at present only 19 States provide any form of consultation at all. And the 31 States which have none include the heavily industrialized regions of Illinois, New York, Pennsylvania, New Jersey, and Ohio. Tomorrow, as we vote to send 300 additional Federal inspectors into the field, 60 percent of the labor force will be working in businesses located in States which do not provide onsite consultation. The States which currently provide no onsite consultation are: Alabama, Arkansas, Delaware, Florida, Georgia, Idaho, Illinois, Iowa, Kansas, Louisiana, Maine, Massachusetts, Mississippi, Missouri, Montana, Nebraska, New Jersey, New York, New Hampshire, New Mexico, North Dakota, Oklahoma, Ohio, Pennsylvania, Rhode Island, South Dakota, Texas, Utah, West Virginia, Virginia, Wisconsin.

Though some of these States are currently negotiating with OSHA to begin onsite consultation programs, the majority are not.

In those States with OSHA approved onsite consultation programs, there are only 131 OSHA nonenforcement consultants.

Without any expense, without increasing this appropriation or any other by one dime, we can put 1,150 OSHA consultants in the field simply by permitting compliance officers to make onsite consultations for small businessmen. Since 87 percent of the OSHA inspections are of firms with 25 or fewer employees, the effect of that one action would be dramatic.

For Congress to continue to authorize the hiring of additional separate people to make compliance inspections, when consultation does not exist, just does not make sense.

The AFL–CIO agrees that there should be onsite consultation. So does the National Safety Council. Even the Administrator of OSHA himself. The small businessman, the retailers, are virtually unanimous.

This is not an attempt to turn back the clock or repeal OSHA. Employees are entitled to decent standards of health and safety whether they work in small or large plants. But those who have to meet the payrolls and keep a business solvent are entitled to decency too. Small firms cannot afford to hire health and safety engineers. OSHA officers calling on these firms for the first time should be permitted to issue advice instead of fines.

This amendment will bring an important element of fairness to the enforcement of OSHA.

Here is the text of my amendment:

On page 10, after line 22, insert the following:

"None of the funds provided by this act shall be used to formulate or carry out a program under which first-instance citations for violations must be issued against firms employing 25 or fewer persons."

FRASER AND MONDALE JOINTLY INTRODUCE SSI OUTREACH AND PASS THROUGH LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, during testimony on June 6 before the House Subcommittee on Public Assistance, I made two basic recommendations concerning changes in the supplemental security income program:

First, that the Congress mandate that all SSI recipients receive the full Federal 8 percent cost-of-living increase scheduled to take effect on July 1; and

Second, that Congress authorize an SSI outreach program aimed at locating potentially eligible recipients and enrolling them in the program.

Today, Senator MONDALE and I are introducing two bills which would implement my recommendations.

SSI PASSTHROUGH

On July 1, SSI recipients believe they will receive an 8 percent cost-of-living increase in benefits. But, in at least half the States, this Federal increase will be meaningless for many, if not most, SSI recipients.

Those recipients who receive State supplementation in addition to their Federal benefits are likely to find that their State grants have been cut back by an amount equal to the Federal increase. Recipients who now receive $146 a month in Federal benefits and $20 a month in State supplements will receive an $11 increase in their Federal payment. However, their State benefit may be cut back from $20 to $9. As a result, they end up no better off than they are now.

In Minnesota, for example, recipients now receiving State supplementation will come out slightly ahead. They will receive a 4-percent increase in State benefits, while the State will recoup a like amount by cutting its supplementation.

It seems ridiculous to me for Congress to say on the one hand that it recognizes that those living on low incomes need to have their benefits increased to reflect rises in living costs, and then on the other hand, to allow these Federal dollars to have the effect of enriching State treasuries while leaving SSI recipients financially unprotected and unaided. I cannot imagine an action by a State legislature more calculated to put in question the degree of concern it has for the citizens of its State.

To remedy this situation, today Senator Mondale and I are introducing legislation which will require States to pass through the full 8-percent Federal SSI increase, unless a State specifically legislates to cut its State implementation level. This is the language which was approved by the Senate last year during consideration of H.R. 8217.

We are aware that there are many aspects of SSI which, after the program's first year and a half of operation, are in need of reform. The large number of bills on SSI introduced in this Congress reflects the concern of Members. We are also aware that some of these bills contain passthrough provisions. However, our purpose today, is to emphasize a legislative problem we think deserves the highest priority for action, and to offer another approach to the problem for consideration by the appropriate House and Senate committees. In submitting this proposal, my personal commitment to a full passthrough remains unchanged.

According to information we have received from the Social Security Administration, as of mid-May only eight States—California, Idaho, Maine, Missouri, Nebraska, Pennsylvania, Vermont, and Washington—have decided to passthrough the full Federal increase. Five other States—Hawaii, Iowa, Minnesota, Montana, and Rhode Island—have decided thus far, to provide a partial passthrough, or small parallel increase in State supplements. Eighteen States—Alabama, Arkansas, Florida, Georgia, Indiana, Kansas, Kentucky, Louisiana, Massachusetts, Mississippi, North Carolina, South Carolina, Tennessee, Wisconsin, Wyoming, Virginia, West Virginia, Texas will provide no passthrough; and 20 others—Alaska, Arizona, Colorado, Connecticut, Delaware, District of Columbia, Illinois, Maryland, Michigan, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, and Utah—have not yet decided what they will do. This will mean that approximately 791,000 recipients of federally administered State SSI supplements in 24 States and 236,000 recipients of State administered State supplements in 18 States, will not benefit from the Federal cost-of-living increase.

Mr. Speaker, I believe that Congress, if it is to be honest with the American people, must provide the legislative mechanism which would create the opportunity for a passthrough for all SSI recipients who receive supplementation. All but eight States could pass along the full amount of the Federal increase without any additional outlays required from either the State or the Federal Government. A full passthrough in most places would mean merely that States could not cut back their outlays at the expense of the recipients.

I know the claim has been made that State supplementation should be of no concern to the Federal Government. When we orginally enacted the supplemental security income program in 1972, we may have thought that we were creating a Federal program with one uniform benefit level throughout the country. However, I think we need to recognize that most recipients live in States where benefits are now, and will continue to be, a shared Federal-State responsibility. If we continue to argue over whether the Federal Government or the States have the primary responsibility for raising benefits, the only losers will be the recipients.

SSI OUTREACH

The second bill Senator Mondale and I are introducing today is aimed at correcting a basic failing of the SSI program—the fact that after a year and a half of operation, recent estimates by the Social Security Administration, SSA, indicate that only about 4 million out of approximately 7 million potential recipients are now receiving benefits.

Supplemental security income is an entitlement. People have a right to receive benefits if they are eligible. Yet millions of potentially eligible recipients may not even know that the program exists. In Minnesota, only about 40,000 out of an estimated 120,000 potential beneficiaries currently participate in the program.

While I can appreciate the administrative difficulties inherent in starting any new Federal assistance program, it seems apparent that without sufficient effort and funds devoted to outreach, the public will not know that it is entitled to benefits, thus dooming any program to fall short of its objectives.

The Fraser-Mondale bill is an effort to make sure that eligible individuals receive the benefits to which they are entitled. Recent successful court challenges to the adequateness of the food stamp outreach program developed by the Department of Agriculture have pointed out the need for outreach legislation to be more specific and demanding than the generally vague provisions in the Food Stamp Act (7 U.S.C. sec. 2019(e)(5)). Our bill responds to this need.

Under our bill, the Social Security Administration would be required to undertake a comprehensive SSI outreach, information, and referral program. SSA would be required to provide information concerning the eligibility requirements for SSI by employing the media, as well as certain specified public welfare and social service agencies. Social security would have the authority to contract with State and local welfare departments and private nonprofit organizations to implement the outreach requirements of the bill, and would be required to report to the President and the Congress at least once every 6 months on the progress and accomplishments of the outreach program.

The urgent need for this legislation is, I think, illustrated by two groups of recipients which have been written off by SSA as unreachable. One of these groups is those people who stand to gain only a few dollars under SSI. SSA believes that these people have decided that it is simply not worth the effort to apply for such small benefits. While I do not deny that this may be the case in many instances, I do not feel these potential beneficiaries should be disregarded. Often, people in this category do not realize that their receipt of public assistance, no matter how small, automatically makes them eligible for medicaid benefits. In fact, in 15 States, only persons receiving public assistance are eligible for medicaid.

Another underserved group consists of blind and disabled children who became eligible for Federal income support for the first time as a result of the 1972 act. SSI participation rates for children in most States is miniscule. In Minnesota, for example, only 490 disabled and 34 blind children were receiving SSI benefits as of February 1975. We have no reliable estimates of the number of potentially eligible children in our State, but it is clear that there are far more than 34 blind children in the entire State who would qualify for benefits.

I recognize that the low participation rates for children are due in part to administrative problems with the program. Nevertheless, a coordinated outreach program can, and should, identify those children who can be helped.

Finally, my colleagues might be interested to know that I have asked the General Accounting Office to conduct a State-by-State study of SSI outreach so that we will have more reliable data by which to judge the effectiveness of current and future outreach efforts. I have also asked GAO for an evaluation of the SSI Alert project conducted by the Red Cross for SSA.

Mr. Speaker, I am hopeful that in the weeks ahead, more of our colleagues will join in cosponsoring both these pieces of legislation, and that Congress will move forward to strengthen the SSI program, a program which clearly will continue to have a major impact on the lives of millions of our most needy citizens.

THE NARCOTICS PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Murphy) is recognized for 5 minutes.

Mr. MURPHY of Illinois. Mr. Speaker, I am pleased to join in this special order with my colleagues who have labored for years to bring the narcotics problem to the attention of the public as well as the country's leaders. My remarks are not an attack on the general theme of the President's message on crime. In fact, I might begin by commenting on what I consider to be its more positive points.

I am sympathetic to the idea of imposing reasonable mandatory minimum sentences. I agree that criminals should know with some certainty that a conviction for armed robbery, hijacking and kidnapping will bring them a specified number of years in jail without probation. I also agree that our sentencing procedures are often inadequate, erratic and inconsistent and, further, that there is a desperate need for rethinking Federal statutes which only serve to complicate our criminal justice system.

But overhauling the system and keeping criminals in jail will not wipe out crime in this country. This Ford message was billed as a program to combat crime but when it came to addressing the connection between crime and narcotics, the President devoted a mere three paragraphs to the discussion.

The President admitted that drug habits cost $15 billion in stolen property to support. He said he was committed to supporting a strong Federal Drug Enforcement Administration. He said he recognized the need for what he called "compassionate" treatment and rehabilitation for the addicted. He concluded by saying that his Domestic Council would take a look at all aspects of the Federal attack on drugs to insure that "our programs, policies, and laws are appropriate and effective." I am not at all certain that such an investigation could guarantee anything of the sort.

President Nixon declared war on drugs in 1971, but creating agencies and staffing them with experts does not mean you are solving a problem. People like PETER RODINO, LESTER WOLFF, CHARLIE RANGEL, and myself labored long and hard to convince the administration of the importance of the 1972 Turkish ban on opium. When it became clear that Turkey was considering lifting the ban, the President and his Secretary of State refused to personally intervene with a plea for a reconsideration.

The same administration which prided itself on personal diplomacy stood by and watched while the Turkish Government resumed its planting of poppies. The Ford administration has continued the policy of accepting the Turks' decision and somehow believing it will not mean the renewed flow of drugs from that area of the world.

It is interesting to note the tone of Secretary Kissinger's address last evening in Atlanta to the Southern Council on International and Public Affairs and the Chamber of Commerce. He set limits as to how far America will be pushed by her "allies." He warned countries threatening to pull out of U.S. treaty commitments if they do not get their own way; that their tactics will backfire. They will simply find themselves without our support in the end.

I was encouraged by these remarks. I detected a newness in the Secretary's approach to diplomatic relations. He said there comes a time when America's commitment to herself must take precedence over her commitment to foreign countries. A foreign country which attempts to use its alliance with us to force us to concede on foreign policy issues may not be worth our commitment.

I only wish I could begin to see this toughness of posture in our dealings with foreign countries responsible for growing and refinining the drugs which cross our borders. There is nothing more devastating than narcotics to the health and welfare of our people but the administration fails to convey its appreciation of this fact when it delegates administration officials to do the job only the President and his Secretary of State can accomplish.

It is interesting that President Ford singled out the Drug Enforcement Administration in his remarks on drugs. It is this same agency now under investigation by the Senate Permanent Investigations Subcommittee chaired by Senator HENRY JACKSON.

JACKSON's hearings to date imply that DEA is lacking in good management, paralyzed by personality differences and bureaucratic rivalries, and riddled with corruption. The former head of DEA, John Bartels, was unceremoniously asked to resign June 6 by Attorney General Levi under orders from President Ford. Rather than face these recent developments headon, explain Bartels' dismissal, and respond to the charges lodged against the agency, Mr. Ford chose instead to speak in generalities and ignore the obvious need for clearing the air of innuendoes and suspicions.

Another criticism of the report is its failure to discuss the causes of criminal behavior. We must first understand what motivates people to turn to a life of crime before we can ever hope to fight against it. It is a considerably more comfortable solution to put the onus on State and local governments or propose a fund to compensate the victims of crime that is in part subsidized by the criminals. Mr. Ford did not specify how these criminals would be expected to produce the money. Not all criminals have savings accounts.

We must reevaluate our goals as a nation and decide where materialism, the accumulation of things, fits in. We must evaluate the effectiveness of individual criminal justice programs and not merely fund existing programs year after year. We must not be afraid to be innovative and free thinking in our approach. Traditional methods of combating crime are not working. We must make jobs available to men and women who are willing to work.

We cannot afford to pour money down the drain and waste more manpower hours in a seemingly futile effort to lower the crime statistics. I believe Clayton Fritchey of the Washington Post said it best when he urged "long-term rational anticrime programs rather than the short-order emotional 'fixes' that have been such a disappointment."

The President hammered away at the need to guarantee domestic tranquility and protect innocent victims of crime. I admit I have something of a personal credibility problem when Mr. Ford concludes:

> It is time for law to concern itself more with the rights of the people it exists to protect.

Early in this session, I introduced a House resolution urging President Ford to make his appointments to the National Commission on Individual Rights, created by the Organized Crime Control Act of 1970.

The Organized Crime Control Act gave Government investigators broad powers to fight organized crime. The authors of the legislation recognized, however, that the misuse of these powers would have a devastating effect on the individual freedoms of law-abiding citizens. They therefore included language in the bill which established a National Commission to monitor all Federal agencies, laws, and procedures which could abuse, ignore, or even destroy these precious rights.

On March 12, I asked President Ford to make his appointments to the Commission without delay. My response from the White House came in a March 17 letter from Deputy Assistant to the President Vernon C. Loen, who assured me that my comments would be brought to the President's attention "at the earliest opportunity." There has been no response as of this date and I have no reason to expect any. The House and Senate have complied with the law year after year and appointed their respective members to the Commission. There is no justifying this President's failure to comply with the same law.

In conclusion, I would only add the oft-used phrase—our time is running out. In the case of the narcotics problem in this country, these words take on a special meaning. Our law enforcement officials and narcotics agents warn us that direction must come from the White House. The pushers on the streets know that, without this direction, their jobs are secure.

It is not enough that President Ford direct the Domestic Council to review the situation. Time limits must be imposed on the study. A sense of urgency about what can happen between now and the time this study is completed must be conveyed to the American people. Otherwise, we can expect no lasting and significant reduction in crime.

LABOR-HEW APPROPRIATIONS AND THE U.S. EMPLOYMENT SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, I have been very concerned with the effects of the unemployment crisis on the U.S. Employment Service. The Service has the potential of playing a vital role in easing the burden of the recession. But, the Service can only fulfill this potential with adequate staff and funding. As this recession grows longer, it is essential that

Congress support the functions of the Employment Service.

However, I was particularly disturbed by action that the Department of Labor recently took in cutting needed funding to the U.S. Employment Service. Last fall Congress passed the Labor-HEW appropriations bill for fiscal year 1975 that included an additional $18.5 million to increase staffing levels for the Employment Service. Due to vague wording in the conference report on the appropriations bill last fall, however, the Department of Labor determined that it was only necessary to maintain the lower staffing levels that existed at that time.

This determination was unfortunate in view of the demands that the recession has placed upon the Employment Service. In addition to fulfilling placement functions, the Employment Service must also act as a guarantee to the unemployment insurance claims offices that claimants are actively pursuing work in order to qualify for unemployment compensation.

The Employment Service staff levels had been reduced from 30,647 positions in 1973 to 28,658 positions in November 1974. In addition, the budget request originally asked for funding for only 27,300 positions for fiscal year 1976. I find these cutbacks unconscionable in view of the current unemployment rate of 9.2 percent and the long lines in overworked, understaffed employment offices. Every effort must be made to help the unemployed find meaningful work, and cutbacks in needed employment services run directly counter to such a priority.

I am encouraged by the Appropriations Committee's recommendation in H.R. 8069 to reestablish the fiscal year 1974 staffing levels of 30,000 man-years. I am also pleased with the specific declaration of purpose that is included in the committee report on this bill. There can be no mistaking that the additional funding that the committee has provided in this bill is to revitalize the Employment Service by recreating the nearly 3,000 needed positions that the Service was reduced by in the past few years.

I hope that should this bill come to conference, that the conferees will be sure to include such specific language in their report. We cannot tolerate another abuse of congressional intent.

THE ENERGY CONSERVATION AND CONVERSION ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 10 minutes.

Mr. DRINAN. Mr. Speaker, in the last 2 weeks the House of Representatives has been debating an alternative energy program to the one proposed by President Gerald Ford. The Energy Conservation and Conversion Act of 1975, H.R. 6860, represents a complicated piece of legislation which includes five major titles. Due to the complexity and the length of H.R. 6860, I would like to take this opportunity to describe briefly the bill as enacted by the House and to explain the positions which I arrived at in the consideration of the bill's provision.

TITLE I—IMPORT RESTRICTIONS ON OIL

As passed by the House, title I of the energy bill imposes mandatory oil import quotas of 7 million barrels a day in 1975 and 1976. Thereafter, the import quotas would restrict supplies of oil to 6.5 million barrels for 1977, 6 million barrels for 1978, and approximately 6.5 million barrels from that time forth. The President would have the authority to adjust the quotas within certain ranges.

Title I also provides the President with the authority to impose energy tariffs ranging up to 10 percent on crude oil and petroleum products.

On the other hand, the President's existing authority, by which he has imposed a $2 per barrel tariff, would be repealed. The existing fees of $2.21 on crude oil and $1.23 on petroleum products would be ended if H.R. 6860 becomes law, offset somewhat by the House enacted 10 percent tariff authority.

Mr. Speaker, my grave reservations with respect to the imposition of oil import quotas caused me to oppose this provision of the energy bill. My experience with previous oil import quota programs which operated from 1959 through 1973 has convinced me that this system could jeopardize the economic security of not just New England, but the country as a whole. These previous programs kept supplies tight, prices high, competition muted, and made the oil companies wealthy at the expense of the consumer.

The quotas' major advantage supposedly lies in the fact that they keep prices down for fuel while not significantly cutting needed energy supplies. However, by restricting foreign oil supplies it is my opinion that prices will almost inevitably have to rise. Demand will increase for heating and residual fuels, and I fear that shortages will occur. In short, quotas do not allow for economic recovery and growth—they are one of the causes of the problems which we have today, not part of the cure.

The remaining section of title I, Mr. Speaker, abolished the oil tariffs imposed by President Ford while substituting a 10-percent tariff in its place. I was gratified to be able to vote to eliminate this heavy tax increase imposed by the President before its implications were fully understood. Indeed, if the total energy package proposed by the President were enacted in full, the total cost to consumers would be at least $30 billion in 1975 alone. The ripple effect of these higher energy prices would be felt throughout the economy and would come at a time when a recession has already strangled the Nation's prosperity.

Before moving on to the next title of H.R. 6860, I would like to make it clear that the quotas provided for in the bill as passed would not apply to petrochemical feedstocks or to oil imports for any strategic reserves. I believe this is crucial in the petrochemical area in particular, as petroleum supplies are absolutely needed in the manufacturing processes of many businesses whose demands for energy are inelastic. Imposition of quotas here could cause the shutdown of major plants which would only exacerbate our current economic difficulties.

TITLE II—GASOLINE TAX PROGRAM

Title II of the original energy bill would have imposed a 3-cent-per-gallon excise tax on gasoline, beginning in January of 1976. If consumption of gas continued to rise, a trigger mechanism could have allowed for a boost in the gas tax of up to 20 cents per gallon. The entire gasoline conservation tax, however, was stricken from H.R. 6860, and therefore, no additional tax on gasoline is called for under this legislation.

Mr. Speaker, I opposed the gas tax on the grounds that it is regressive and impacts most on low- and middle-income groups. The rationale for this tax was based on the need to cut fuel consumption by making its use more expensive, but its effect is simply to punish those who must commute long distances or spend a proportionately higher share of their earnings on gasoline.

The inadvisability of implementing a gas tax is further shown by studies which indicate the tax is not effective in bringing about energy savings. Recently completed analysis demonstrates that a gas tax and certainly not one of this magnitude, is not likely to cause major changes in driving habits.

TITLE III—OTHER ENERGY CONSERVATION PROGRAMS

Title III of the bill, Mr. Speaker, mostly provides for taxes on so-called gas-guzzling automobiles. Under the act's provisions as amended, auto efficiency fuel standards would be enforced through fines, rather than the fuel efficiency tax, as proposed in the original bill. Fleet average mileage standards would be 18 miles per gallon for the 1978 model year, rising to 28 miles per gallon for 1985 and beyond. The bill would also impose a $50 civil penalty based on miles per gallon to account for the company's sales in different types of gas mileage cars. Companies would have to meet the fleet average standard separately for their domestic and foreign car production.

In addition to the auto efficiency standards, title III provides for a number of tax incentives. The excise tax on radial tires is repealed, and tax credits are granted for the installation of home insulation, for solar equipment installed in residences, and for the purchase of electric cars.

Mr. Speaker, I believe that a tax on energy inefficient automobiles is the most effective way to increase fuel conservation. As a result, I supported a strengthening amendment offered by Representative JOSEPH FISHER which would have imposed a per car exise tax beginning in 1977 on gas-guzzling cars. This amendment was preferable to the committee version in my view because the latter taxed the average mileage of a manufacturer's automobiles rather than each individual car. This means that if General Motors sold enough subcompacts whose auto efficiency was above average, it could sell quite a number of Cadillacs with no excise tax imposed in spite of the fuel inefficiency of this type of car.

I am sorry to say that the strengthening amendment was not adopted by the House, but I am hopeful that the version that did pass will make a difference in this country's auto fuel consumption.

This is one area where energy conservation is clearly needed, and I feel that this can be achieved through the manufacturing of automobiles whose efficiency is markedly better than those owned by most Americans now.

The rest of title III is largely comprised of tax loopholes and exemptions which will be the target of future tax reform efforts. Providing tax credits for the installation of home insulation, solar equipment, and the purchase of electric cars will help to conserve some energy. However, the expense to the Federal Government cannot justify the codification of such giveaways. If the Congress is going to give tax credits for these purposes, it should at least insure that only those who are most in need will receive the benefits. As it is now, the upper-income groups will be the main receipients of these tax breaks while lower- and middle-income groups will continue to bear the main brunt of this country's taxation.

I do applaud the intent of the devices which are specified in title III, Mr. Speaker, but we in the Congress must be very careful in implementing further tax incentives. Today's desirable tax incentives become tomorrow's unjustified loopholes.

TITLE IV—ENERGY TRUST FUND

Title IV creates a trust fund to be used for research and development of new energy technologies. The money set aside in the trust fund would be available for such purposes as basic and applied research programs, development and demonstration of alternative energy sources, and R. & D. projects for more efficient public transportation.

The fund revenues are to come from the oil import tariffs, and from business conservation taxes. Fund receipts may not exceed $5 billion annually through fiscal year 1983, with the fund terminating as of October 1, 1985.

On the surface, Mr. Speaker, the trust fund does sound like an ideal vehicle for bringing about important energy research and development. However, I am surprised that the Congress would resort to such a mechanism in view of the past failures of similar trust funds. History has clearly demonstrated that the trust fund concept is an inefficient and retrogressive one. The trust raises the prospect of intense pressure to spend these energy R. & D. funds regardless of the effectiveness of the programs initiated. In the end, it is quite possible that such programs would only have the effect of channeling additional billions of dollars of Government subsidies to the oil industry, further tightening their monopoly over the Nation's energy resources. I am certainly in favor of expanding our energy R. & D. efforts, and indeed, I have introduced a number of bills to this effect. But I do not believe that the energy trust fund is an appropriate means of bringing these desirable means about.

TITLE V—ENCOURAGING BUSINESS CONVERSION

Title V of H.R. 6860 impose a five year tax beginning in 1977 on the business use of oil and natural gas as fuel. When fully effective, the taxes would be 17 cents per 1,000 cubic feet of gas and/or $1 per barrel of oil. Exemptions are given, however, for apartments, farming, tax exempt groups, all vehicles, and for another of other entities. A study by the Federal Energy Administration will review the need for further exemptions under the act. Title V also incorporates various tax benefits that would encourage the use of waste burning plants, and the industrial use of solar equipment.

Mr. Speaker, I object to many of the tax incentives in title V for the same reasons that I opposed them in title III—over the years, the incentives prove to be loopholes. This is particularly true of one provision in this title, involving a tax credit which is stipulated for recycling. These tax credits would be allowed for business which recycle such materials as paper, steel, and iron scrap. Companies would get a credit equal to 10 percent of the cost of these recycled materials, but could apply these credits against up to 25 percent of the cost of building a recycling facility. If the credits were used, then the recycling facilities would not be eligible for the regular 10-percent investment tax credit.

Again, Mr. Speaker, we have a section whose intent is admirable, while its implementing mechanism is woefully inadequate and inefficient. In reality, recycling tax credit will do little more than subsidize junk dealers, encouraging little recycling that is not being done already. While the Treasury estimates the cost of such a credit to be over $1 billion for a 5-year period, the credit will only increase recycling by about 2 percent. Indeed, the tax credit for "post-consumer" waste is an extremely inefficient way to encourage recycling. The credit as now set forth in the bill will only provide windfalls to scrap dealers and to those who already use scrap as a normal part of their production process. Therefore, I oppose this section of the bill.

Stepping back and looking at H.R. 6860 as a whole, Mr. Speaker, we can see that the bill as amended will raise revenues of approximately $477 million for calendar year 1976. This figure will then rise to $2.4 billion by 1980, softening the effect that the legislation will have on the current depressed state of the economy. This contrasts with the program of the President's, which would introduce a severe energy tax on those businesses and individuals who are already economically hard-pressed at this time.

In conclusion, I have many grave reservations about the contents of the Energy Conservation and Conversion Act of 1975. I feel that many of its provisions utilize the wrong mechanisms to bring about desirable results. I am particularly concerned by the codification of a number of tax items which I feel sure will amount to little more than loopholes in retrospect. However, I did vote for the final passage of H.R. 6860 as an energy package much preferable to that of the President's, which I fear would induce a substantial drag on America's economic recovery.

In the coming months, Mr. Speaker, I am hopeful that the Congress will be able to move forward in providing the necessary research and development for the future utilization of new and promising sources of energy. In addition, we must insure that we are properly availing ourselves of the latest energy conservation technology, to save much of the fuel that is now being wasted. I feel that with this kind of a major effort, America can meet its energy commitments while not sacrificing the interests of those who are least able to afford dramatic price increases or heavy taxation.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Oberstar) is recognized for 5 minutes.

Mr. OBERSTAR. Mr. Speaker, on Friday afternoon, June 20, I had to leave Washington on official business and necessarily missed record votes numbered rollcall 324 through rollcall 329. Had I been present, I would have voted as follows:

ROLLCALL NO. 324: AYE

(H.R. 3474) An amendment which sought to cut $803.8 million in authorizations for production of nuclear energy weapons and other programs. (Rejected, by a vote of 102 yeas to 246 nays.)

ROLLCALL NO. 325: AYE

Final passage of H.R. 3474, to authorize appropriations to the Energy Research and Development Administration. (Passed, by a vote of 317 yeas to 9 nays.)

ROLLCALL NO. 326: AYE

(H. Res. 533) The rule under which the bill H.R. 7001, the Nuclear Regulatory Commission was considered. (Passed, by a vote of 281 yeas to 1 nay.)

ROLLCALL NO. 327: AYE

(H.R. 7001) An amendment to prevent the export of nuclear fuel and technology to countries that are not members of the nuclear non-proliferation treaty. (Rejected, by a vote of 117 yeas to 139 nays.)

ROLLCALL NO. 328: AYE

(H.R. 7001) An amendment to prohibit the transportation by air of plutonium until the Nuclear Regulatory Commission certifies to the Congress that a safe container, which will not rupture in a crash, has been developed. (Passed, by a vote of 165 yeas to 79 nays.)

ROLLCALL NO. 329: AYE

Final passage of H.R. 7001, the Nuclear Regulatory Commission Act. (Passed, by a vote of 233 yeas to 2 nays.)

MATERNAL CHILD HEALTH AND CRIPPLED CHILDREN'S APPROPRIATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. Wirth) is recognized for 5 minutes.

Mr. WIRTH. Mr. Speaker, Representatives Roybal and Conte plan to offer an amendment to the Labor-HEW appropriations bill for fiscal year 1976, to raise maternal child health and crippled children's appropriations from $288.4 million to $319.4 million. I fully support these efforts to fund adequately these programs under title V of the Social Security Act. The moneys for this section go to support many activities across the country and in my State of Colorado. The maternal and infant care program, for one, provides needed health care for mothers and infants whose income prevents them from obtaining care elsewhere.

This health service reflects a sound philosophy—stressing early and continuous care, administering preventive treatments to avoid long-term complications, and providing thorough health education. In testimony to the effectiveness of this type of health care, prenatal mortality has been cut in half in the Denver area alone.

Why would funding for these services be reduced? The Department of HEW claims that the States can and should take up more of the financial burden of running these programs. HEW is confident that the States can pick up more money from other sources. I hear a different story from the health officers in Colorado, and I would like to share their thoughtful response to HEW's suggestion with my colleagues. The following letter, from Dr. Robert S. McCurdy, Mr. Daniel J. Gossert, and Dr. Clinton D. Govan, of the Colorado Department of Health, states convincingly the plight of States which would have to look for those mythical "other sources" of funds:

COLORADO DEPARTMENT OF HEALTH,
Denver, Colo.

DEAR CONGRESSMAN WIRTH: We are writing to let you know that the Appropriations Committee on Health, Education, and Welfare is recommending a funding level for Title V Maternal Child Health and Crippled Children's Services Program that is 6.4 million dollars less than this year's appropriation of 294.8 million. As you know, Representative Roybal of California is going to sponsor an amendment to increase that funding level to 319 million dollars.

We understand that the administration, in their HEW testimony, said that funding could be reduced with the exception that states could increase their share of funding and that more third party payment including Title XIX Medicaid could be utilized. As far as Colorado is concerned, and we suspect as far as many other states are concerned, the administration's posture is ill-informed and they are simply not in touch with the facts.

In both our Handicapped Children's Program and Maternal Child Health Programs we have had provider status under the Medicaid Program. All of our programs have used Title XIX funding to its fullest extent bearing in mind that only about 15% of our families are eligible for Medicaid anyway. In the Handicapped Children's Program this fiscal year, $160,000 of our approximate $1,000,000 for care comes from Medicaid. There is no way to increase the amount of Medicaid reimbursement in our programs. Furthermore, Medicaid does not cover all of the items provided in our Handicapped Children's Program and we are in a position of having to pay additional dollars for those families anyway.

As far as other third party payments is concerned, the Handicapped Children's Program has for years actively inserted that private insurance coverage be regarded as a first dollar resource. In other words, we do not pay anything that is covered by private health insurance. Only about 50% of our families have any private insurance coverage and coverage varies from very good to very, very poor. In addition to the million dollars that we spent for care last year, about $300,000 dollars additional was paid by private insurance. Again, there is no way to expect increased payment on the part of insurance companies.

In relation to the state's ability to increase their funding share, it is interesting to note that the only increase in funding in our programs has already come from the state level. The Colorado legislature has appropriated to the Handicapped Children's Program an additional $300,000 for the next fiscal year. This will raise the state share to a little over $1,000,000 and when compared to the $548,000 of current funding for the Handicapped Children's Program you can see that the state is already putting in approximately $2.00 for every $1.00 of Federal funding. Also, as would be easily confirmed by our Governor and the Joint Budget Committee of the Colorado Legislature, funding requests have not been met because of the serious revenue problems that exist due to the current recession.

We would hope that these facts could be made known in considering Mr. Roybal's amendment for a better funding level. Thanks for your help and interest.

THE RELATION OF NARCOTICS AND CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, I have asked for this special order as chairman of the ad hoc subcommittee in International Narcotics Control, because I am very distressed at the meaning and the implications of the President's message of June 19 on crime. What disturbs me most is the President's cavalier treatment of the relationship of narcotics trafficking to crime. I am joined in this special order by three distinguished colleagues, Chairman RODINO who leads the committee to which the President's crime statement has been referred for consideration and Representative MORGAN MURPHY and Representative CHARLES RANGEL, all of whom have been long-term advocates of constructive antinarcotics trafficking programs. Let me reset the background to which the President's message sought to respond.

President Ford states:

> Because of crime in our streets and in our homes, we do not have domestic tranquillity.

I am in agreement with the President of this characterization. One only needs to add the FBI's recent crime figures which document a 17-percent increase in serious crimes from 1973 to 1974 to fill out the picture. Where I take issue with the President, and in this I am supported by the Director of the FBI, is that one of the major reasons for our current level of serious crime is our narcotics problems. For us to control crime we are going to have to stop the flow of hard drugs from foreign lands, over our borders, and into the bodies of our youth. The President's program fails to deal constructively with the fact that although the DEA has reported a record level of hard drug seizures this year, we are still in the throes of a heroin epidemic. Drug addiction levels are rising not only in our major urban centers but our small towns throughout this country as well.

To this the President has responded:

> The emphasis is in our efforts must be providing protection for the victims of crime.

The President continues by observing:

> The fact is, however, that the Federal role in this fight against crime, particularly violent crime is a limited one.

I disagree wholeheartedly with the President. Although I have been one of the original cosponsors of legislation to compensate the victims of crime, I feel that this remains a treatment of the symptoms and not the problem.

Failing the elimination of demand in the U.S. market, and I feel we must continue to strive to reform the conditions which make addiction and escape seem like an attractive end, I propose that we focus our attention on keeping the heroin and other addicting drugs from ever reaching our country. Unfortunately, heroin has a tendency to create its own market. This leaves one with the sole option of preventing its importation. All of the humane and constructive treatment programs for addicts, although necessary are still responses to symptoms and not to the root cause. The President's three-point program of, first, providing leadership to State and local governments by enacting a criminal code that can serve as a model for other jurisdictions to follow; second, enacting and enforcing criminal laws within the Federal jurisdiction; and third, providing financial and technical assistance to State and local governments and law enforcement agencies, "will never succeed unless they are complemented by an unending commitment to cut off the supply of narcotics at their source." The problem really centers around the way the President has arranged the pecking order among his narcotics advisers. No longer is the head of the DEA able to serve as the senior adviser to the President on international narcotics trafficking and Federal programs. Instead the senior adviser is a member of the State Department and predictably considers our foreign relations more important than our domestic relations—our responsibility to our own children and citizens. International narcotics trafficking has been relegated to a secondary position in the name of protecting the stability of our foreign relations.

I am tired of seeing the enhancement of our desire to insure domestic tranquillity, to use the President's phrase, replaced by our desire not to upset our allies. I cannot accept the reasoning that it is more important to maintain a working relationship with Turkey than it is to cut the number of heroin addicts in this country in half and similarly reduce the level of property crime on our streets. Similarly, I cannot accept the argument that is more in line with our national interest to be allowed to have an Ambassador in Rangoon, Burma where he is unable to even leave the city or have the counsel of a single DEA agent than it is to cut off 50 percent of the world's illicit opium crop. And yet even though Turkey was once responsible for up to 80 percent of the heroin which fueled our heroin firestorm of the late 1960's and early 1970's and the Golden Triangle is now producing by DEA estimates from 15 to 30 percent of the heroin injected into American veins, this is the position the State Department narcotics advisers are advocating. I say that it is time that we reorient our priorities in the field of foreign and domestic policy and bring them back into line with our national interest—the realization of domestic tranquillity and the ability to pursue one's own happiness without fear of being assaulted or robbed.

Furthermore, if the President is seriously interested in combating organized crime, all he must do is cut off the flow of narcotics and we will interrupt the flow of the mother's milk of the underworld.

The President's conclusion to his message is certainly commendable:

> There are two direct ways to attack the spiral of crime. One is through improvements in the law itself. The other is through improvement of the criminal justice system so that it functions more swiftly, surely, and justly.

My fear is that we may not be in a position to wait for these general goals to be reached. Furthermore, the way to combat our narcotics dilemma is not by reducing the funds for the DEA as the size and complexity of the problem grows nor is it accomplished by decreasing the funding for narcotics treatment—both of which are reflected in the President's latest budget. The time is long overdue to back up the administration's lofty rhetoric with the level of funding and manpower which is called for.

I am more than distressed that it is only in one of the last paragraphs of his message the President states:

> I am particularly concerned about the illegal trafficking in narcotics and dangerous drugs.

He goes on to say:

> In addition to the human toll, the property crimes committed to finance addict's drug habits are estimated at $15 billion each year.

To this astounding observation he states:

> The Administration is committed to maintaining a strong Federal Drug Enforcement Administration to provide leadership in this fight.

And yet the DEA budget does not reflect this. All that can be pointed to is yet another review of the overall Federal drug abuse prevention treatment and enforcement effort to insure that our program, policies, and laws are appropriate and effective.

I am hopeful that the Domestic Council will conduct a responsible investigation. I am discouraged though that this is the course the administration has chosen. For too long we have been fed optimistic statements reflecting our progress in combating international trafficking and domestic abuse and yet our problems according to all of the drug enforcement and treatment experts confirm just the opposite—our situation is getting worse. It is time for the administration to complement rhetoric with constructive programs and combat the root cause of serious crime and cease emphasizing responding to the symptoms. We must not allow our foreign relations to dictate our domestic policy.

Mr. RODINO. Mr. Speaker, I would like to take this opportunity to join with Mr. WOLFF to express my deep concern that we are rapidly losing the war on drug abuse which was declared by the Congress and the President in 1971.

The events of recent months clearly demonstrate that immediate and decisive action must be taken by both the executive and legislative branches of Government if we are to bring the current drug problem under control.

In 1972 and in the early months of 1973 we saw tremendous progress in stemming the drug menace and in my opinion this was directly attributable to the decision of the Turkish Govrenment to ban the cultivation of opium poppies. Subsequent to that decision the availability of hard drugs on the streets of our major cities in the United States declined sharply, as well as the addiction rate among American youth. This enabled those officials concerned with the drug problem to focus their attention on programs to educate and rehabilitate drug offenders.

However, it must be noted that the situation which exists in the United States today is far more serious than that which existed in the United States in 1971 when the U.S. Government initially declared its war on drug abuse.

There are several reasons for this, both domestic and international. First of all, on the international level we have witnessed the resumption of opium poppy cultivation in Turkey. It is inevitable that, despite Turkey's announcement that every effort will be made to prevent the illegal diversion of opium and their adoption of the "poppy straw" method of extracting opium, large quantities of opium will be processed into herion and will be injected into the veins of American youth. Likewise, members of my staff who were recently briefed by the Secretary General of Interpol have informed me that increasingly clandestine laboratories which process the opium into heroin are being located closer and closer to the source of heroin—in poppy fields of the Near and Far East. As a result, they are often beyond the control and jurisdiction of governments which are deeply interested in stemming this serious problem.

The Secretary General of Interpol also informed my staff of the beneficial effects of Turkey's 1971 decision prohibiting the growing of poppies and he stressed the need for close international cooperation in order to control the illicit production and distribution of heroin in the future.

I am even more distressed by events which have occurred in the United States and which indicate to me that Federal efforts to combat the drug problem are in a state of total disarray.

I recall very well, Mr. Speaker, the promises that accompanied Reorganization Plan No. 2 which called for a coordinated Federal attack on the drug problem. However, the months of interagency feuding and competition that flowed from the reorganization plan have seriously eroded Federal antidrug efforts. I am extremely disappointed that the objectives of this plan have not been achieved. At the same time, I am discouraged by the current disorganization of the Drug Enforcement Administration and the confusion resulting from recent criticism of that agency. Consequently, it is apparent that drastic action must be taken to quickly reverse recent trends which indicate a dramatic increase in both the use and availability of hard drugs.

In his message to the Congress last week, the President stated:

> This Administration is commited to maintain a strong Federal Drug Enforcement Administration to provide leadership in this field.

The President also added that he is deeply concerned over these recent developments respecting the drug problem and, as a result, he has directed his "Domestic Council to undertake a comprehensive review and assessment of the overall Federal drug abuse prevention, treatment, and enforcement effort to insure that our programs, policies, and laws are appropriate and effective."

I share the President's deep concern, but I am somewhat dismayed that the President's crime message recommends further study and review of the problem rather than concrete proposals—legislative or administrative—to reaffirm the Federal commitment to the eradication of drug abuse. Certainly, as the President indicated, we need "leadership" as well as a complete study of the Federal approach to the drug problem, but at the same time we need action, particularly when we consider the human suffering associated with drug abuse as well as the close correlation between drug addiction and street crime.

Statistics clearly indicate that heroin addiction is responsible for an enormous amount of crime against both persons and property and some have indicated that addicts in New York City alone were responsible for stealing almost $9 billion worth of merchandise in order to support their habit. In his message the President estimated that property crimes committed to finance an addict's drug habits are approximately $15 billion each year. These estimates clearly demonstrate the magnitude of the problem and the need for immediate action both on the international and the domestic level to eliminate the plague of heroin addiction.

Mr. RANGEL. Mr. Speaker, the President's crime message seemed reminiscent of the law and order rhetoric that was quite prevalent in the Nixon-Agnew administration. He cited the increased incidences of murders, robberies, rapes, and other violent crimes and argued that if left untreated they will threaten our domestic tranquility. However, when it came time for the President to suggest ways in which he can act to halt this increasing rate, his speech was painfully thin on positive steps which he might take.

Clearly the President recognizes that the Congress lacks jurisdiction in most of the areas of crime that he mentioned. These matters are left to the States and local governments to deal with. However, I believe that a responsible President who is truly concerned about crime in America would support and urge that Congress enact as one of its first priorities strong gun control legislation which includes gun registration. President Ford said he would not ask Congress to do this. At the same time he says that he wants to help the States and localities in their battle against crime. It appears that this offer is more political than substantive.

I also believe that a President would understand the relationship between a growing unemployment rate and an increase in the crime rate. One would think that the administration would commit itself to placing people on jobs and not on welfare. President Ford vetoed the jobs bill. How does this action coincide with his rhetoric about reducing crime? The localities cannot do it by themselves, Mr. President.

On another front, and one of particular concern to me, the President stated that he is committed to maintaining a strong Federal Drug Enforcement Administration, so that they can deal with the drug problem. A President who just recently fired the DEA Administrator, when he warned the administration of the tremendous amount of opium which will be on our streets, because of Turkey's removal of its opium ban, is hardly committed to dealing with the drug menace. The way to illustrate a commitment in this area is to cut off the opium at the source. As I have stated and will continue to state, the embargo we imposed on assistance to Turkey should remain operating until she stops growing that deadly drug. I do not think that the President can truly talk about being committed to ending the drug crisis until this step is taken.

I guess it is very easy and politically advantageous to talk about crime and not suggest that any of the hard actions which are clearly warranted, be taken. Some of us in Congress recognize what is needed to help stem the alarming and potentially destructive crime rate. If the President will not take these actions, we will have to.

THE CONGRESS

(Mr. STEED asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. STEED. Mr. Speaker, now and then in this tired old world, through the uproar of complaining and blaming, one hears a word so wise, so fair and so well spoken that it commands the right to be remembered.

On Monday morning last, I was fortunate to hear our colleague, Hon. Barbara Jordan of Texas, speak an editorial on the morning news hour of CBS television. While I cannot convey the masterful voice with which she made these remarks, I am privileged to pass on to my colleagues and to the world her words on a subject of great interest, inside and outside the Congress. These impressive remarks are as follows:

Editorial

The public has despaired of the Congress, daily newspapers, weekly news magazines, radio and television commentary are critical of the Congress.

One wonders why this representative body . . . the people's choice—is so often criticized.

Some say the Members of Congress are preoccupied with the next election and thus avoid issues which cannot be labeled "safe."

Others say that the overriding concern of the Member of Congress is special interests as contrasted with the people's interests.

Some say there are too many Democrats. All want solutions. There are no simple solutions. Congress is big, cumbersome, and unwieldly.

In a sense, it is the public reflection of 200 million Americans, self-centered, wanting to do right, not always knowing what is right, but trying—

The voting behavior of a Member of Congress cannot be explained by referring to the need for party loyalty. It can only be understood by a clear view of the constituency represented by the Member. That constituency is not homogeneous. It is rural and urban; black and white; rich and poor; learned and illiterate. To fail to reflect these constituent differences is to fail to represent.

The Member of Congress was not elected to do the will of the President, nor the will of the congressional leadership, **but to act** in behalf of the people.

Representing the people is a sobering trusteeship, a responsibility that cannot be discharged to the satisfaction of all.

So it has been for 200 years and may it ever be so.

REPORT OF THE NEW YORK STATE COMMISSION ON INVESTIGATION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, prison reform is a subject that has received much lip service, but little action by those who should be concerned: the public. Indeed, all of us are affected, for so long as the recidivism rate remains high; society pays the bill in two ways.

First, is the cost of maintaining a person in prison. It costs over $6,000 to keep someone in a Federal prison for a year—more than to send someone to Harvard for a year. Perhaps we should send more offenders to school—not necessarily Harvard—but schools that will give prisoners, parolees, and ex-prisoners skills and an education that will make them productive citizens.

The second cost of recidivism is the toll of assault levied time and time again by the same individuals who go to jail and come out even more antisocial. The antisocial feelings are reinforced because of what happens to them when they are placed in jail. Too often they are brutalized and sexually assaulted by other inmates and sometimes even by guards.

When a State agency is charged with the responsibility of investigating abuses and fails to do so, it deserves a special condemnation. This is exactly what has occurred in the instance of the State commission of correction in New York.

In a report issued by the State commission of investigation last Friday, it was revealed that officials of the State commission of correction had ignored irregularities in the prison system and crimes committed by jail authorities. The SCI reported that the correction group had adopted a general policy of a "no action commission that was not supposed to rock the boat and not make waves." Morton G. Van Hoesen, the former administrative head of the correction commission, admitted in testimony that instead of making unannounced inspections of the few prisons it visited, it forewarned prison authorities of an impending visit. He said that he had made a commitment to the State Sheriffs Association that inspectors would conduct investigations only after notifying the sheriff in charge of the facility. The SCI report also indicated that the commissioners had made a poor record of visiting jails and attending monthly meetings.

The SCI has called for the resignation of the four remaining members of the watchdog agency. The other three commissioners have already resigned. I commend the investigation commission for its forthrightness and energy in this matter.

I also have a special pleasure in seeing this first report of the new SCI appointed by Gov. Hugh Carey because the chairman of that commission, David W. Brown, served on my staff as counsel for 5½ years. I personally know how able he is and am pleased that the State of New York is now seeing something of his abilities with the issuance of the commission's first report to which he so ably contributed.

The New York Times article of June 21 which follows gives additional information on the matter:

State Correction Panel Urged To Resign

(By Selwyn Raab)

Declaring that the State Commission of Correction failed to investigate abuses in New York's prison system properly, state investigators yesterday called for the resignations of the remaining four members of the watchdog agency.

In a report, the State Commission of Investigation essentially substantiated charges that officials of the beleaguered prison agency had ignored irregularities and possible crimes by jail authorities.

The S.C.I. said it had found that the correction group had adopted a general policy of a "no action commission that was not supposed to rock the boat and not make waves."

Denying the charge, Albert Berkowitz, chairman of the correction agency, said most of his panel's shortcomings had been caused by budget and staff limitations. He said he would not resign unless asked to do so by Governor Carey.

A bill expected to be approved by the Legislature in this session would bring about a major reorganization of the correction commission. It would replace seven part-time commissioners with three full-time commissioners responsible for supervising prison investigations and reviewing grievances.

The investigation commission said that the current correction commissioners had failed to "fulfill their statutory obligations," declaring:

"They have attempted to explain away this failure by claiming their role was only as a citizens' board—despite statutory language to the contrary. It would appear to this commission that such a misconception of their role arose for reasons of convenience rather than conviction.

"Furthermore, using their own standard of acting as a citizens' board, the incumbent commissioners even failed to satisfy the lesser demands of this more modest role."

In the aftermath of the 1971 riot at the Attica state prison, which resulted in the death of 43 persons, the correction commission was severed from the Department of Correction and reorganized as an independnet, ombudsman-type agency in January of 1973. The commission was given vast powers by the Legislature to remedy prison complaints, including the closing of substandard institutions.

Last April 10 The New York Times disclosed that investigators for the correction commission said they had been prevented from completing inquiries into accusations of brutality, narcotics smuggling, homosexual acts by guards and other irregularities in at least four county prisons.

It was also disclosed that staff members had worked on state time as private investigators for a commission member and that the commission had spied on Burton Schoenbach, a former commissioner who had become an outspoken critic.

Since those disclosures, Morton G. Van Hoesen, administrative head of the commission, and three commissioners have resigned.

"THE BEST WE COULD"

Putting the blame for the inadequacies cited in the S.C.I. report on budget and personel shortages, Mr. Berkowitz, the commission chairman, said: "We have 400 prisons to oversee and we did the best we could with the staff we had."

Mr. Berkowitz, a former Republican State Senator and District Attorney from Washington County, said in an interview that he agreed that the commission required full-time leadership instead of the present part-time group, which is paid on a per diem basis.

In addition to the resignations, the investigations commission recommended the following:

Unannounced inspections of prisons. In private testimony to the investigation commission, Mr. Van Hoesen acknowledged that he had made a "commitment" to the State Sheriffs Association that inspectors would conduct investigations only after notifying the sheriff in charge of the facility.

The use of mandated powers, including subpoenas and court orders compelling prison officials to comply with directives.

More public hearings into prison conditions and frequent reports so as "to enlist support for needed changes and improvements."

POOR RECORD OF VISITS

The commission also urged that a study be undertaken to determine if sheriffs should run county jails—the present practice in most upstate areas.

According to the agency, the commissioners showed a poor record of visiting jails and attending monthly meetings.

Policy matters at the correction commission are in the hands of the commissioners appointed by the Governor and approved by the State Senate. Each commissioner is paid $100 a day for his services up to $5,000 a year.

The commission appointed Mr. Van Hoesen as the first staff administrator. He headed a staff of 35 with a budget of $930,000 last year.

R. Robert Byers, the former head of the prison agency's special investigations unit, who was dismissed by the commission last March after publicly complaining of "coverups" and "whitewashes," said the S.C.I. findings were "excellent."

He urged, however, that many officials who moved over to the watchdog group from the State Correction Department be dismissed "because of their inherent bias against any complaints that come from inmates." Another staff member, Stephen Rahavy, was dismissed after similar complaints.

MR. PRESIDENT, LET US NOT BE DEVIOUS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the friends of President Ford and the President himself feel that he should have a swimming pool. I certainly agree that if the President feels he needs a pool to stay in shape and remain healthy, he should have one. But the President was quite adamant that "no tax money should be utilized" in the construction of the pool. I have always respected President Ford's integrity, both intellectual and otherwise, and therefore must express my distress that tax dollars are indeed being utilized. True, there has been no specific authorization or appropriation by Congress. But, by allowing donations for the pool to be tax-deductible, the President in effect is saying that tax dollars can be utilized. Because those donations are tax-deductible, the Treasury suffers a revenue loss, which must be recouped by taxing the rest of us. We must begin to realize that a tax deduction is an expenditure from the Treasury just as a direct appropriation is.

Mr. Speaker, I am not opposed to deductions for donations to churches and charitable organizations, but should the President be considered an object of charity? If the friends of President Ford want to give him a swimming pool, they should do so, but without the assistance of the Federal Treasury through the tax code. It remains a shadowy business to do otherwise. And I certainly do not want to see deviousness creep into this administration. Do you not agree, Mr. President?

I am appending my correspondence with the White House for the information of my colleagues:

WASHINGTON, D.C.,
May 23, 1975.

GARY EVERHARDT,
Director, National Park Service,
Interior Building, Washington, D.C.

DEAR MR. EVERHARDT: I have received reports from my constituents that the National Park Service is building a new swimming pool for President Ford from tax-deductible contributions. I would like to know the accuracy of these reports. Also, if this is indeed true, I would appreciate your comments as to the procedure which was followed in using the funds.

Sincerely,

EDWARD I. KOCH.

MAY 28, 1975.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: I am pleased to acknowledge your inquiry on behalf of Ms. Rosemary Taubert concerning the proposed swimming pool at the White House.

In the interest of expediting a reply to you, I have asked the appropriate official in our National Capital Parks to respond directly to you.

Sincerely yours,

GARY EVERHARDT,
Director.

THE WHITE HOUSE,
Washington, D.C., June 19, 1975.

Congressman EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Since I have been working closely on the White House swimming pool project over the past few months, your recent inquiry to the National Park Service has been referred to me for reply.

Here are some facts that may be helpful in replying to constituents:

The swimming pool is being built for the use of the current President and all future Presidents.

The White House and its grounds are under the jurisdiction of the National Park Service. When it was decided to build a swimming pool, President Ford laid down very strict guidelines—the most important of which is that no tax money should be utilized. In order to ensure that there would be no tax money spent, it was thought wise to utilize the National Park Foundation as the organization which would receive and account for donations from the public. The Foundation is a charitable, non-profit corporation established by public law to accept and administer gifts in connection with the National Park Service. It was created by the 90th Congress and has been approved for tax exempt donations since 1970.

The White House swimming pool project was undertaken after a vote by the Board of Trustees of the National Park Foundation. A Statement by the President of the Foundation is enclosed.

In projects of this type, it is not uncommon that the funds be received through an organization which has tax exempt status. Those of us who were involved in planning this project felt strongly that the public would be better served by utilizing the National Park Foundation.

Sincerely yours,

LARRY SPEAKES,
Assistant Press Secretary.

STATEMENT OF JOHN L. BRYANT, JR., PRESIDENT, NATIONAL PARK FOUNDATION, MAY 15, 1975

The National Park Foundation has undertaken to receive, account for, and disburse funds contributed to it by private citizens for the construction of a swimming pool on the White House grounds in order to assure that this pool will be built entirely with funds donated by private individuals, and that no federally appropriated money will be used in the construction.

The grounds of the White House are Reservation Number One of the National Park Service, and are under its care and management.

The National Park Foundation was chartered in 1967 by the Congress of the United States to provide a means for concerned citizens to support the programs and activities of the National Park Service. The affairs of the Foundation are managed by a Board of sixteen private citizens. Under its charter, the Chairman of the Foundation is the Secretary of the Interior, and the Secretary of the Foundation is the Director of the National Park Service.

NATO'S SOUTHERN FLANK

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, on June 19, the Christian Science Monitor carried an editorial outlining important political developments along NATO's southern flank. Taken together all these matters raise serious questions about the future of the alliance which is at the center of U.S. foreign policy. As Congress considers legislation which affects any of our NATO allies, we would do well to bear in mind the ultimate impact on the entire aliance which seemingly unrelated actions may have.

The text of the editorial follows:

REPARING THE SOUTHERN FLANK

What Winston Churchill called the "soft underbelly of the Axis" must not be allowed to become the soft underbelly of NATO. Yet stability along the southern flank of Europe has been threatened by recent events from Portugal to Turkey. And it is vital that the allies take care that their basic solidarity of concern for peace with freedom is not undermined by conflicting national interests or internal political developments.

As the most powerful of the NATO members, the United States is particularly challenged to play a positive role in relation to fast-breaking developments. President Ford's European swing did not come any too soon for fostering a climate of hope and cooperation in which to meet unfolding problems. And this week's meeting of Western defense ministers in Monterey, California, continued the impetus toward mutual understanding.

Though these talks on nuclear matters were mainly private, it can be presumed that few phases of nuclear prospects and dangers went untouched. It was timely to have such an airing not only in the light of Soviet and American technoligical developments and their strategic implications, but in the light of the German sale of nuclear energy equipment to Brazil—not to mention the increasing problem of proliferation and providing adequate nuclear safeguards.

One question no doubt was to what extent nuclear information can be shared with Portugal, where the growth of communist influence raises fears that such information would wind up being shared with the Russians, too. The Portuguese military government now bears a heavy burden of matching assertions of working toward democracy with deeds to make the assertions persuasive.

It has not done so in the volatile case of the Socialist newspaper Republica. A definition of democratic journalism is hardly met by, in effect, turning over the paper of one party to control by the representatives of another—in this instance, to Communist employees. If this turns out to be the final outcome, the Socialists—and NATO—will be that much more justified in doubts about Portugal's future.

However, as long as there are other signs of democracy hanging on there, the U.S. is right in the policy disclosed last week—of working with Portugal rather than "ostracizing Portugal into communism," as one official put it. The links ought to be kept and the support given to help Portugal toward that self-reliance which would be a barrier to outside ties with communist states—unless Portugal goes pell-mell into the arms of communism anyway.

"Representatives of Turkey and Italy were at the Monterey meeting. And it is to be hoped they gave and received assurances about support for their roles in keeping NATO's underbelly from going soft.

The unusually high Communist vote in the Italian local elections does not necessarily mean Communist participation in the national government. But it indicates dissatisfaction with economic and other internal matters in which Italy needs to take, and be helped in taking, steps to blunt the deceptive attractions of a Communist alternative.

Turkey is more directly engaged with the U.S. at the moment, threatening some alteration in the status of U.S. military bases there unless the U.S. arms embargo is lifted. This newspaper has recognized the legal justification for the embargo after Turkey's use of arms in Cyprus, but also sees how Turkey could feel that its action resulted from previous U.S. inaction. On balance, considering Turkey's position as a NATO outpost near the Soviet Union, we continue to urge Congress to lift the embargo. However, Turkey's use of what amounts to an ultimatum is not necessarily the best way to persuade an American Congress, particularly one confronted by a Greek lobby at home.

As in every issue among NATO allies, this is a time for quiet, conciliatory efforts, not open displays of put up or shut up.

BETTERING THE QUALITY OF LIFE FOR ELDERLY CITIZENS

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, Congress created the National Institute of Aging last year to build a strong independent Institute within the National Institutes of Health to substantially broaden the scope of scientific knowledge regarding aging and degenerative diseases. The Institute hopes to spearhead such vitally important research projects as learning the causes of senile dementia—thereby reducing the population of our nursing homes—and testing drugs to slow the rate of aging.

The $15.5 million figures suggested by the Labor-HEW Appropriations Subcommittee will not even begin to make a modest expansion in the Institute's intramural research programs not to mention the building of an independent Institute of Aging.

For this reason I will offer the following amendment to H.R. 8069 at the appropriate time tomorrow:

Page 20, line 6, strike out "$15,526,000" and insert in lieu thereof "$29,500,000".

Our colleagues, the gentleman from Florida, (Mr. ROGERS), the gentleman from Missouri, (Mr. RANDALL), the gentleman from California (Mr. WILSON), and the gentleman from West Virginia. (Mr. STAGGERS) join me in sponsoring this amendment to better the quality of life for our elderly citizens.

OPTIONS ON EDUCATION

(Mrs. CHISHOLM asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. CHISHOLM. Mr. Speaker, as education issues become more complex, there is a real danger that the American public will become confused and disillusioned, even to the point of being unwilling to continue to support public education. That is why it is especially important that the award-winning "Options on Education" series be singled out today as making a unlue contribution to clearing up some of the confusion. "Options on Education" is the only regularly scheduled nationwide coverage of education on either radio or television. The series is a coproduction of the Institute for Educational Leadership and National Public Radio, and broadcast over nearly all of NPR's 176 member stations across the United States.

Recently, the Education Writers Association and the National Council for the Advancement of Education Writing honored "Options in Education" for the best reporting about education on either radio or television in 1974. The judges, who included Norman Counsins, Martin Mayer, and Lawrence Cremin, said of the "Options" program examining the disputes about public school textbooks:

> This is a thorough examination of a critical issue affecting American education: who chooses the books for our schools. The program not only explored the basic pros and cons of the controversy, but also sought out persons with solutions to the problems. The interviews were thoughtful and covered the widest possible range of views, not settling for those alone that were emotional but insubstantive. They were also intelligently edited and attractively presented.

Because the question of textbook censorship deserves our most serious attention, and because "Options in Education" has covered the issue so thoroughly, I am inserting the transcript of "Censoring Textbooks: Is West Virginia the Tip of the Iceberg?" in the RECORD.

CENSORING TEXTBOOKS: IS WEST VIRGINIA THE TIP OF THE ICEBERG?

KEY

A. Announcer Mike Waters.

JM. Reporter John Merrow

P. Various parents.

C. Various children.

AH. the Reverend Avis Hill.

EG. the Reverend Ezra Graley

CQ. the Reverend Charles Quigley.

AM. Alice Moore, member, Kanawha County School Board.

RD. Robert Dornan, representative of Citizens for Decency through Law.

JL. the Reverend James Lewis.

NW. Mrs. Nell Wood, English Teacher, Charleston, W. Va.

KU. Kanawha County School Superintendent Kenneth J. Underwood.

DT. West Va State Superintendent Daniel Taylor.

MK. Margaret Kuhn, Guardians of Traditional Education, Prince George's County, Maryland.

OM. Dr. Ona Lee McGraw, Citizens United for Responsible Education, Montgomery County, Maryland.

JH. James Harris, President, National Education Association.

JAMX. John Maxwell, National Council of Teachers of English.

A. From National Public Radio in Washington, I'm Mike Waters with "Options on Education".

(Voices of two parents).

Those were West Virginians on opposite sides of a prolonged and often violent battle. While others, more complex issues have fueled the conflict, textbooks provided the spark. In fact, public school textbooks have been the subject of protests across the nation, not just in Kanawha County, West Virginia. Bedford County, Virginia; South St. Paul, Minnesota; Keyport, New Jersey; Montgomery County, Maryland, New Hanover, North Carolina; Prince George's County, Maryland; and Houston, Texas, to mention a few, have been the scene of organized protests against the educational materials used in public schools. This rash of protests may well be spontaneous, although some charge that they are financed and controlled from outside the communities themselves. Who is protesting what, and whether such protests are likely to continue, are the questions we're asking on this edition of "Options on Education". We're calling it, "Censoring Textbooks: Is West Virginia the Tip of the Iceberg?"

(MUSIC) "Teach Your Children".

Certainly the protest in Kanawha County, West Virginia, has received the most national attention. That protest has also been the most violent. Over the past three months Kanawha County, with 45,000 students has been the scene of bombings, beatings, a walkout by local miners, and a boycott of the schools. At one point more than 10,000 students were kept out of school by their parents, who charge that the 325 textbooks recently chosen for english and language arts classes are obscene and anti-Christian.

Most of the protestors are from the villages and towns in the mountains outside Charleston, the state capital, and several protest leaders are fundamentalist Christian ministers. You will meet them later in the program, and you will also hear from the defenders of these particular textbooks.

However, not everyone on this edition of "Options on Education" is from Kanawha County, and not everyone thinks that textbooks are really the issue. Some—from both sides—argue that what really is at stake is something far more important—like the future of public education, or the morals of American children.

Let's begin with the protesting parents, and their kids. Some of them were at a rally in Charleston, West Virginia, on November 30, when they talked with John Merrow, of the Institute for Educational Leadership. (rally noises)

JM. Are your children in public school?

P. No, they are not. They're in a private Christian school.

JM. Will they go back to school if the textbooks are withdrawn?

P. Yes, they will.

JM. How about you?

P. Well, mine are not in school either. They went for four days since school started, and I just think it is a bunch of trash.

JM. Do you think parents ought to be the ones really to decide on what textbooks are used?

P. Yes, I believe so. Yes, they're our children, and we want what's best for our children.

JM. I see your sign says "we want prayer and Bible reading back in the school." Is that part of this protest?

P. Part of it, yes, sir.

JM. You not only want the textbooks withdrawn, but you'd like to see prayer and Bible reading restored?

P. Well, I feel that the teachers ought to teach part of the Bible, and that these textbooks are strictly against the Bible cause I never did find that big word SOB written in the Bible. It is in the textbooks.

JM. Now some of the articles I've read in the national newspapers have said that you people down here are trying to turn your backs on the twentieth century.

P. What would you say the twentieth century is?

JM. What would you say? I'm suppose to ask the questions.

P. I would like to turn back to teaching God and Christ, and not have fairy tales and things like that, but when God comes up, teach what God is, who God is, who Christ is, and that He died for us.

JM. You don't think that the church and the state should be separate?

P. No, I think if we are all Christians, we are going to the same place. We are not going to be separated in heaven.

JM. Of course, a lot of Americans who are not Christians. What about them?

P. I haven't met but just one or two people that don't believe in God, but I do believe that the American people believes in God. If the textbooks get out of Kanawha County, out of West Virginia, and they try to teach Christ the way he is supposed to be taught, I think it will be back peaceable. But I don't think Kanawha Valley is going to be peaceful until the books are out.

P. I proudly wear these buckskins as symbolical of my fathers who gave us this country and as a sign of the fathers who gave this country to us. I for one will do all that I can to leave my country safe for our children. This Scotch Tam that I wear, as you know, in this country the early settlers were primarily German first and then Scotch Irish, and they came to this country because of religious persecution.

JM. Well tell me now, why are you here at this particular protest rally?

P. The reason why I'm here is because the same satanic forces that forced our fathers to emigrate to this country in the first place, the same satanic forces are seeking to destroy our freedom.

JM. But you think the textbooks are a real threat to that heritage?

P. That is because really you talk about multi ethnic culture and so forth, where has our heritage and our culture been taught? You can hear in schools about social studies and this and that and the other, but this satanic power that is trying to enslave our children is more fearful of Jesus Christ when he has a following of Scotch Irish and the German peoples, when they bow their knees to Jesus Christ, it makes the devil tremble.

JM. Some where else I read that the kids are going to learn these words anyway, in the halls or in locker rooms. How do you feel about that?

P. Well, they might do that, but you don't have to teach it to them.

P. That's right, you don't have to drum it in their heads eight hours a day, one of those professional teachers drum and beat into their heads. Those are professionals. They know what they are doing.

JM. What do you mean, are they doing this on purpose?

P. Well, no, not exactly, but you take a five year old child and try to teach it, its ABC's at home and you see how long it takes a parent to teach it. But give it over to one of our professional teachers and watch how long it takes them to teach something to it. Watch how long it takes them to drum it into their head.

JM. And you think kids should learn their ABC's and not their SOB's?

P. That's exactly right. That's the way we want it.

P. We've got good teachers, but that board of education is rotten.

JM. Well, why are they trying to put these textbooks here in the first place?

P. That's what we would like to know. We would like to know what is really behind this. Besides communism.

JM. Communism? Explain what you mean.

P. You should know what I mean (laughter).

JM. You think superintendent Underwood ought to leave this position in Kanawha County?

P. I sure do.

JM. How?

P. Well, we would like to ride him out on a rail.

JM. Are you sending your children to private school?

P. Right.

JM. How much does it cost you?

P. Forty-five dollars a month for three of them.

JM. For three children?

P. For three children.

JM. What impact does that have on your own family budget?

P. Well, we are going to have to, today I'm giving up the newspaper. We will take it Sunday only. We've been considering giving up the telephone. I will have meat only on Sunday. I have already given up soft drinks, and well, we've given money, you know, to fight against these textbooks, given to various things to help fight it. Christmas will be rather slim at home this year, but I imagine that some day the children will thank us for it.

(MUSIC) "Teach Your Children"

P. We all feel, and I think the children feel about the same way, no education at all this year would be better than be educated out of these books.

C. They talk about a better education for kids and like you have got to put your kids back in school, but if we went to school now with the books in, it wouldn't be an education. It would just be trash, because that's all there is in the schools now.

C. I've been going all year now. It is mainly because we could figure out that the school was getting pretty bad anyway, because we'd have "class day" at school and everybody would get high on drugs and stuff. My parents and myself, neither one, didn't want me in this kind of atmosphere, and so they just figured we better be putting me in Christian school than have me messed up in this stuff. A Christian can't go in the lord and be put down by the devil at the same time, it just won't work. I've only been saved for about 4½ to 5 months and since then a lot of my so-called friends aren't my friends anymore, because they don't like the way I believe. They go to public school and they make fun of me, because I'm trying to be different.

JM. What's in the textbooks?

C. A bunch of cursing and stuff.

JM. Haven't you heard the curse words anyway?

C. Yes, I've heard them, but they are trying to teach them to these little kids.

JM. Do you think that if the books are withdrawn you guys will go back to public school?

C. Yes, Probably.

JM. But you are here today, you are marching?

C. Yes.

JM. You seem kind of young to be carrying signs. What are you carrying signs about?

C. About the textbooks. (rally sound bad)

A. Those were parents and kids at a protest rally in Charleston, West Virginia on November 30. That rally attracted about 2,000 protestors, including Representatives of the John Birch Society and the National Front for Moral Regeneration. Among the speakers was the Reverend Carl McIntire, a well known leader of anti-Communist causes. While you will hear him in the background, our attention is focused on the local leaders in Kanawha County, especially three fundamentalist ministers, Avis Hill, Ezra Graley, and Charles Quigley. These three men have helped establish private Christian schools in the county today, they have an enrollment of less than 1,000, as far as we could determine. As a fundamentalist minister, Avis Hill sees the battle over textbooks as a nationwide religious struggle. John Merrow wanted to find out who favors the textbooks.

AH. The educators are the ones who support the books. NEA is the great leader of the education movement of the teachers. They are the powerful institution. They have a lobby in Washington, D.C., almost like the oil companies do, and they have the power to dictate really, them and the publishers, what's going into the books without the parents having the opportunity to know. We the parents are beginning to open our eyes and realize now that the educators in the system are trying to tear our system down across this nation, so we are opening our eyes and we are standing in objection to the things that are in the books.

JM. What do those textbooks in your view, threaten to do to your children?

AH. Demoralize, demoralize completely I mean to teach that it's fine to deceive, to lie, to cheat, to steal, even to kill, and to believe that there is no God. I mean you have your right and everyone else has a right to believe whether there is a God or whether there isn't, and I went along, I accepted it when the Bible was taken out of the school, but I can't accept the fact that the Bible be brought back into the schools and taught right along beside a myth. I can't believe that. It's been taught long enough as evolutionist theory, but I can't go along with them bringing it back into the school system and teaching it right beside a myth. I can't do that.

A. In addition to the concerns about morality expressed by Avis Hill, The Reverend Ezra Graley challenges the educational value of the textbooks.

EG. We feel that there is no educational value at all to the books. We've read some of them, and it just takes you around in circles, and after you read them you don't know any more than did before you started. Also they have told in several papers, Washington Post and different ones, that we are against books period, but we are not against books. We are against these filthy books.

A. A third leader of the protest is the Reverend Charles Quigley, who feels that it's not an academic argument.

CQ. I think it's your very life hinging upon what happens to these textbooks, because if we can make the Board of Education listen to us, then our government had better stand up and listen to the very fact that when we say that we don't want something, then we don't want it. Now if the Board of Education comes over and tries to close us down, or tries to put pressure on us, then I'll fight. They can't have my daughter, they can't have my daughter. I have one daughter, and I'll fight them until my death. She's going to school where I want her to go to school, she's going to do what I tell her to do, not what some Board of Education or some government tells her to do. That's my right, that's our responsibility. You raise corn, you train children.

A. For Avis Hill and the other ministers, private Christian schools, and supplementary instruction at home for those who cannot afford the private Christian schools, are only temporary solutions.

AH. Get your basic textbooks, your reader, and your arithmetic and your spelling book and instruct your child at home until this fear is over. The only way I can see this fear ending in Kanawha County is for those books to be taken out of the schools and go back to what it was last year. As far as I am concerned, I think we ought to go back to the old McGuffey reader.

A. Mrs. Alice Moore is the only member of the 5-person school board who has consistently supported the protest. Unlike the three Fundamentalist ministers, Mrs. Moore sees the situation in political terms.

AM. I think in our case, because we have had not only nationwide attention but worldwide attention, that it is almost essential that we *not* win, because if we did win the parents all over this nation really would feel that they could take over schools again and really have an influence on schools, I think we are going to win eventually, but I really think that for the sake of the establishment, the educational establishment, it is just essential that we couldn't win here.

JM. The victory would be a symbol to the rest of the nation?

AM. Absolutely. We have a policy now that says no child has to study any book to which his parents object, so in effect if our parents wanted to, they could get together and everyone could agree to object to *every* other book used by every other child. We can put all kinds of pressure on the school system. We can make it extremely tough. They think they have won a victory, well, we can make it extremely uncomfortable in their victory. There are many things we can do even if we leave the children in school. We can let them know, we can send letters and let them know that they are not to ask our children *any* personal questions and they're not to interfere in any way in the parent-child relationship. They're not to use any textbooks that contain any kind of offensive language, and if they're not sure whether the language is offensive, they can call us up and ask us. I'm just suggesting to parents that if you have to leave your children in there are many things you can do. You're not just trapped. For weeks and weeks we had literally 10,000 children out of school. We even had up to 15 or 16,000 out at one time. Most of those children are back in school now but in the upper Kanawha Valley area, around Cabin Creek, those books aren't going to be used up there, that's for sure. They're very strong, I tell you I admire those people up in that end of the country. You know, of course, they have decided that since they are not going to be able to control their schools, they're just going to take the *country* with them. They'll take the whole thing.

A. Not all the protestors are local. Robert Dornan lives in California, where is a national spokesman for Citizens for Decency through Law, an organization based in California. For Dornan, the issue is the school's role in the teaching of values. Dornan came to Kanawha County after the protest erupted and then spent several months assisting the protest leaders. He is no longer in Kanawha County.

RD. If you tried to structure your object to the whole series of books, there is one side-bar problem that has nothing to do with the books directly, and that is media coverage of the whole incident here. From the three television networks to the local newspaper coverage to the local television coverage, there has never been an attempt really to show the upper middle class and the general middle class objection to these books. I feel after going for two or three months this way, it's a deliberate attempt to give a class warfare complexion to the whole issue. That it is quote "the fundamentalist under-educated creeker people", the ones that I like to refer to as mountaineers, versus some how or other "the sophisticated flat landers who work in the chemical industry". That's phony and false, so you have had this media problem exaggerating the frustration.

A. John Merrow did not find evidence of a class struggle in Kanawha County, and you will hear from anti-textbook people who are clearly not mountaineers, including Dornan himself.

RD. OK now to come back to the problem directly. There is an over all, over laying problem here that I describe as "parent power". It's nationwide, I assume probably culture wide in all of western civilization, that teachers, although they may be professionals, have no right to say that parents should get lost. Parents aren't just animals that supply their offspring, their young, to be educated by teachers having total control—particularly when they dip into value systems. Parents have the primary obligation for the spiritual upbringing of their children, and they also have the primary obligation for making sure they get an education, period. Teachers must realize that parents are their employers, so that "parent-power" problem affects the whole range of specific issues.

Now, after approaching the basic education failure problem, we say "if you're failing to teach them properly, where do you get all the time for this cute experimentation by putting in the books (whether it's supplementary reading books or primary text) criminals, thugs, rapers, wierdos, radicals? What material do you kick out to put this in? Does Dickens go out the window, Alfred Lord Tennyson, Shakespeare? There are only so many hours in the classroom, and something has to be taken out to put in this quote" reality," and they even preface some of these stories with those very words, "a realistic story." It's in I think a fourth grade book; it's called a "A New Street Game," and it tells how when an oriental American woman moves into the ghetto and puts in flower boxes, the little Black kids tear it up, destroy it, and the closing line in the story is, "that dumb lady should have known better than to try and fix up this crummy neighborhood." No value judgement is given after that, and then the other side of this double issue (one being, what do you take out to put in? If these aren't ethics classes where these are shown as gross examples of anti-social conduct. They're just thrown at them without any explanation at all. Now I can see that some of it should be discussed in current events classes, possibly as some aspect of social studies, but why is this necessary in grammar books? Are questions in arithmetic also going to involve this junk material now? I mean we are battling over English books; wait till next spring when the social studies books come, then you're really going to see a revolution.

There are observable evils in makind that must be condemned and, no, the school system is not a Judeao-Christian culture some neutral body that throws a lot of garbage some good and some bad out to the kids and says "lots of luck, kids, pick your value system."

A. Most opponents of the textbooks focus on their contents. They feel that the six elementary texts are sacreligious and anti-Christian, and they say that many of the 319 secondary school English books are obscene. On the other side, the Reverend James Lewis, an Episcopalian minister who favors the books, believes that the protestors are reacting to more than alleged blasphemy and obscenity.

JM. Is there something in here about challenging, about questioning, that people have a problem with?

JL. Yes, for example, the textbook might ask a child how he feels about a particular sight or emotion, or for example, instead of asking a child to write a story cold, to create a story, it may ask a child to get in touch with it's own feelings and be able to put those feelings on paper. Because that's where literature comes from, from the inside of people. It's that kind of approach. Now the opposition has said that it is an invasion of privacy—well, all literature is an invasion of privacy. That's something that they haven't come to grips with. Some of them are obviously worried about some of the words that are used and to the whole perspective of education being in realistic setting. These books are designed, many of them that there has been opposition to, are designed to appeal to a child who is not particularly turned on by books, not into the world of literature and reading, and these books are designed to *hook* a child at that point and grab him and help him understand that there's something real in those books for him.

There is a tradition, a fundamental tradition in our nation (fundamentalists they are called), and I think this mind set says there's one way salvation, there's one way to education, there's one way to morality. They are having a hard time dealing with a pluralistic society. Many of us have wondered where there support was coming from and how closely they were aligned to causes way over on the right, and I think it is fairly clear from that rally here this past weekend when they brought in Carl McIntire and one of their leaders from the John Birch Society and they came in and started talking about Blacks and about Jews, and about the National Council of Churches.

It's a party line almost that many of us have heard before. It's raising its head. To hook on to Carl McIntire is, for example, not going to be helpful for them. I think it is tactical error. I think the whole system of public education is under seige in our country right now, from what I see in Kanawha County particularly. Whether we can continue to live together and be educated in the same school system is up for grabs right now.

A. That was the Reverend James Lewis, an Episcopalian Minister who favors the textbooks. The 325 textbooks were chosen by a committee of five English teachers—as required by State law—and by subcommittees made up of 20 more English teachers. In all, the Kanawha County school board spent approximately $425,000 on the controversial textbooks. Mrs. Nell Wood, who teaches English at George Washington High School in Charleston, headed the selection committee that chose the books. She spoke with John Merrow.

JM. Do you regret in anyway the selection of the textbooks?

NW. Not at all. I think if I had it to do all over again I would make exactly the same choices given the same instructions in the beginning. I'm not sure there is any way this could have been avoided at this particular time.

JM. What books did you choose that the protestors are specifically objecting to?

NW. It's a little bit difficult to say who's objecting to what. That's a question you might ask from the protestors, because the area of protest varies, and it is not consistent from series or from even article to article. We have had some objections on a series which is a literature series that is basic; it is in it's fifth edition and it's been around since 1952. I'm not quite sure how I can explain that one. We also have some objection to contemporary material. Now, much of the objection came at a level of material that was for advanced senior high school students working on college level, but then there were objections to elementary material even to first grade material.

JM. You brought 325 volumes. How many sets did you buy?

NW. Now, it is a bit difficult to say how *we* bought, because we *didn't* buy. The committee only made selections, made recommendations for using a particular series and then each school within its particular program made selections from that list to suit its program. Nobody buys *all* of the books. There wouldn't be that much money, but each school, each English department made the selections that would work best for them.

JM. Do you regret the process by which the books were selected in any way? Would you for example want to include parents in the selection process?

NW. The process I don't regret, because I think the process was a democratic one. I'm not sure that I would want to include parents in a voting capacity because I don't think they have the background information. Unless it was somone who keeps up with a particular field in a very intense way, I'm not sure that person could be qualified. Now I recognize that parents are interested in books, but we have a great deal of parental input in schools in Kanawha County. It's not a cold calculating school system that doesn't see parents or listen to parents.

JM. Do you think that parents who feel strongly that the curriculum materials are inappropriate have a right to insist that their children not be exposed to those materials?

NW. That has *always* been a policy in Kanawha County Schools. That's what makes this whole protest so incomprehensible. Parents in Kanawha County have always had the right to read their children's materials and ask that a child be removed from any or all the particular set of materials, but that is not what we have at this point.

It is far more important than the books. I think the books have ceased to be important here since, oh, last summer. I think the issue is one of the control of the schools. It's an issue of total mistrust of school system, of teachers, almost a desire to go back to the days before there was scientific knowledge. There's a great deal of mistrust of the scientific method. There is a great deal of mistrust of any inquiry in a classroom, a great deal of fear of students talking about what they *think* and *feel*. We've been told we are not supposed to ask students what they think. We're supposed to tell them what to think. There is a basic disagreement as to what education is all about. There is on the one side a feeling that education is supposed to be indoctrination in a party line, and then there is on the part of the teachers the feeling that education trains students to think; it gives them tools to deal with their world.

JM. Do you have in any way the feeling that the people themselves are being led further down the road by their leaders, by the ministers?

NW. That seems entirely possible. I know for example that many incorrect statements have been made about the books. I know that many incorrect flyers have been issued about the books. I know that material that has not been a part of the selection process has been xeroxed and distributed. For example, once on Capitol Street, I saw two different copies of a sexual book that has nothing to do with the material. There is a flyer that's being put out by one of the agencies with a plea for help that contains sexual diagrams. I mean it's a rather weird thing. People's fears are being played upon. I would not want such material being taught in the schools, but I know that material is not in fact a part of the selection, and I question really the methods of people who use materials of this sort.

A. Mrs. Wood's accusations about misinformation were confirmed by John Merrow, who brought back several leaflets from the November 30th rally that contained sexually explicit material that is *not* in the controversial textbooks. Mistrust has gone hand in hand with misinformation, and the person the protestors probably trust least is the superintendent of schools, Kenneth J. Underwood. John Merrow asked Dr. Underwood what role he played in the textbook selection.

KU. Actually none. My role as superintendent is to accept the recommendation of the five teachers who make up the committee and then pass that right on to the board.

JM. So that when the protestors want to ride you out of town on a rail for choosing the textbooks, they're making a major error there, you really didn't play any role at all?

KU. Well, I passed it on to the board, and as you know being a superintendent that's where it all stops, so that when they want to ride me out on a rail, that is expected as superintendent.

JM. Is it over, or is it nearly over?

KU. No, I think this a long way from being over, a long long way.

JM. What about the textbooks themselves. What is in them some people find so objectionable?

KU. I think—may I go deeper then just the question itself? If we were to take literally what some of the protestors are saying, specifically those being led by the four or five ministers, we would throw out every one of these 325 books which in my estimation would completely sterilize public education and then again I think we have to understand what public education is. Public is for all; it isn't for a few; it isn't for one specific segment of the society here in Kanawha County; it's for all children. Then you take a look at Kanawha County. I'm relatively new to West Virginia. I have been here 3 and a half years now. I have never seen a state or a community anywhere where I have ever lived where they are more distrusting of public officials and by public officials I'm talking again about the school board, administrators, teachers and all. I think there is a reason for this, and if you go back into West Virginia's history it is easy to see. West Virginia is a state in my estimation (I'll have to use a four letter word but I think it is descriptive) I think West Virginia and its people have been raped, and they've been raped by people from outside of the state, of their natural resources which is really their thing. Most of this has gone out of state and not stayed in state. They had public officials in the last decade, a governor who is still in federal prison, they have been taken by public officials apparently time and time again, so I can't blame them for this.

JM. Have you heard from many superintendents elsewhere in the country?

KU. Oh, all over. Superintendents from around the country in the beginning called and laughed, just as I would have, (It is an in-house joke) "what are you doing down there, Ken?" Well, after the first month they quit laughing, they understood that this was extremely serious, I think the calls and letters and everything I'm receiving now and have been for the last two months have been, "Ken, tell us what happened." Because I think they realize that this covers more than just Kanawha County. This whole thing could go into their school system as well as this one here.

A. Dr. Underwood thinks that the battle about textbooks in West Virginia is far from over, but in fact school attendance is nearly normal today. While the 319 secondary school English textbooks are in normal use in classrooms, the six elementary school language arts books are now kept in the school library, and kids cannot use them without parental permission. The books may not be used in the classroom. The West Virginia State Superintendent, **Dr. Daniel Taylor**, believes that the decision to remove the elementary textbooks from the classroom represented a victory for the protestors. John Merrow wanted to know about national implications of the protestors' apparent victory.

JM. Do you think that if word gets out now around the country that in fact this amounts to a victory for the anti-textbook people that this would lead to more protest of this kind around the country?

DT. Oh I don't know. That is awfully difficult for me to hypothesize about. I could ask you that question, I suppose, easier then you could ask me. What I think will really happen is that the textbook publishers will view this circumstance and sporadic concerns around the country and from an economic motivation simply begin to tone down some of the kinds of things that were being included in textbooks under the name of "relevance" for example, rather than antitextbook people exercising censorship by bring pressures to bear on boards of education, in board rooms of publishing concerns they will look around and decide that they had better publish a slightly different kind of material than they thought was going to sell in late 1960's and early 1970's. Any censorship that will be imposed will be imposed by textbook publishers themselves, not wanting to lose Texas, for example, or Georgia, or, heaven forbid, California because if they lose Texas and California for example in their textbook adoptions they're economically in considerable difficulty, so I think that's the kind of circumstance that will result rather than any concerted effort in local boards of education removing certain kinds of material.

JM. Do you think the issue is dying here in Kanawha County?

DT. No, I would have just about been ready to pronounce it until the latest rally, and I don't know how much enthusiasum that's going to continue to engender. I think that if we're left alone (I don't mean that to you personally) but I think if we are left alone here over the next six or eight months, that this particular problem will have pretty much been taken care of.

JM. Well, you are not going to be left alone. The National Education Association (the NEA) and National Council of Churches are coming in to hold hearings.

DT. I have talked with the NEA people. I have not talked with National Council of Churches, and I think the timing is terrible. I don't think the timing could be any worse on the part of the NEA, and I've expressed that directly to them. I think it is tremendous that at some point all the factors be looked at and reexamine and decisions made whether it relates to establishing legislative initiative or whether it has to do with academic freedom or the rights of teachers, but I think to begin to do that this week or next is irresponsible on the part of NEA, and I have so expressed that to them.

A. As state superintendent Daniel Taylor mentioned, the recent rally may have revived the protest. It did attract people from approximately 15 states.

JM. Where have you come from for the rally?

P. Columbus, Ohio.

JM. Is that right. How many people came down from Ohio?

P. There are other people who are interested but they didn't come with us. There are three with us. For many years I have been following this sort of thing, and I realize the kind of things that are in them, and the parents have been unable to do away with them. This is one of the few places where the parents have banded together to do something about this, and I think it is extremely important. You see, it is a matter of parents rights.

JM. Where has the same problem existed in Ohio also?

P. It exists nationwide. I was alerted to it because it was in other states beyond Ohio, and then I look at my own state and I find the same thing going on there.

P. In Buffalo where I live, even when I was in school ten years ago, I noticed a lot of the same things and some good friends of mine brought some of their books home from school, like *Catcher in the Rye* and others just like that, and personally I sure don't feel that they belong in a public school. Personally I will get a big thrill out this Rally to see if there is this many good people still left around here and also just to get more publicity.

JM. Why are you here today?

P. To help the West Virginia parents protest this. If it doesn't stop here, then we've got to fight it somewhere else.

P. I think that we have to go all the way to the top. I think this is where we come in with our Congressmen and Senators and we don't want them to change our children and we questioned what are they changing our children into?

(Music) "Country Road."

A. But parental concern about textbooks is not limited to West Virginia. Neither is the meeting of groups to express that concern. Mrs. Margaret Kuhn is an official of the Guardians of Traditional Education in Prince George's County, Maryland. John Merrow asked her about that organization.

MK. The Guardians is a parent group formed in Prince George's County two and a half years ago as a result of the forced busing in Prince George's County. We learned after the children were bussed of these programs in the schools, and we started digging and we found most of them coming out of HEW, NEA, the Office of Education and this type of thing, so this is where we've spent most of our time researching. We've known about the dirty textbooks for almost three years now, but we feel that this is more than just a textbook issue. The issue is humanism, it's a philosophy and this filters down through the textbooks. Textbooks are just a symptom of the real issue.

JM. So the issue is humanism. Are you pro humanism or against humanism?

MK. We are opposed to humanism.

JM. Explain what that is?

MK. Well, humanism is I think where basically man believes in man, that he is the supreme being, they do not believe in absolutes. We as Christian parents, at least in my group and I think the movement throughout the United States, we do believe in absolutes, we do believe that schools should not be teaching these things but it should be inculcated within the curriculum to where these kids automatically know that wrong is wrong and right is right. Throughout this humanistic philosophy it's a situation ethics type thing; you do whatever you want to do whenever you feel like it.

JM. How many parents or how many people belong to Guardians of Traditional Education?

MK. Well, we have no exact number but I would not be afraid to say that we are in the thousands. I'll say it like that. It isn't just the state or in Prince Georges County but now we are also an affiliate group of Coalition of Children, which is a national movement, and we have representatives in 50 states. There are thousands of parents in every state that feel the same way Reverend Hill feels, but we have known for some time. This isn't just something sudden. The people like myself and others that have worked in this thing, some for twenty years.

JM: Would private schools be an answer?

MK. I think that this is really the only choice for parents that feel so strongly about this. I think what we are actually saying and we are screaming is, "we want our academic freedom too."

A. Trouble is brewing in neighboring Montgomery County, Maryland. Dr. Ona Lee McGraw is one of two hundred members of Citizens United for Responsible Education in Montgomery County, and, like Mrs. Kuhn, Dr. McGraw believes that the textbooks are not the real issue.

OM. It's a question of values that are in the textbooks. It's a question of the values and the philosophy that's in teacher training methods and in the philosophy of the National Education Association and some of your establishment educationist groups who don't necessarily reflect the attitudes and opinions of teachers generally.

JM. So I hear you saying it's two questions then: it's one of values and it's also the ultimate question of "who controls the public schools?"

OM. That's right.

JM. Let's talk about the values then. You apparently object to the values that you feel are being taught in the public schools today, at least in Montgomery County?

OM. Yes, and we have found that this is a nationwide problem. Actually it relates to the general direction of American public education itself; ever since the 1930's it's been falling into this concept of life adjustment with a de-emphasis on basic academic skills. It has shifted away from the development of the intellect as the primary purpose of education into life adjustment, personality development, this kind of activity, and this is what we object to. We are saying that we basically feel most parents send their children to school to get a basic academic education, and most parents feel that they can do the job at home of developing their children's character and personality.

JM. Are you saying there is too much emphasis on how the student feels, what the students thinks, rather than on reading, writing, thinking?

OM. This is exactly the problem. They are going completely into the area of how the child reacts to the material.

JM. What's wrong with that?

OM. Well I think it's number one, it's a violation of privacy and number two...

JM. No one else is supposed to know how a child feels?

OM. Well, the problem is that the material is becoming intensely personal. Instead of talking about something is objective or outside of the child that we can discuss in a classroom discussion, the material is intensely personal. The difference is that in basic education the children would read the stories and then discuss them, but they would not be forced to discuss how they personally feel in terms of life, and love and all these gut issues...

JM. And you think it's some way dangerous to discuss gut issues like that in the classroom?

OM. I think that it tends to make these kinds of issues a matter of opinion, merely a matter of sociological background.

JM. That's the notion of situation ethics?

OM. This is situation ethics. We are saying if there are parents who don't share our values and they want their children to have situation ethics and rap sessions about how they feel, that's fine; let them have it.

JM. How can they have it now, if we have truths conflicting? If your truth conflicts with my truth and that conflicts with Nancy's truth, what do we do?

OM. For me and I think for growing numbers of parents the only solution is alternative schools.

JM. Within the public school system?

OM. I think we have to work for choice. Parents have to work for parental rights and parental freedom of choice in a broad range of alternatives.

JM. Do you here in Montgomery County feel a kinship with the protesters down in Kanawha County, West Virginia?

OM. Yes, very much, because we feel that they are raising an issue there that goes beyond simply objecting to certain passages in books or certain kinds of stories. The issue is much more profound than that, and it relates to what are the ultimate rights of parents. Do parents have indeed any rights at all?

JM. Almost every parent I talked to down there said, "if the textbooks are withdrawn, I'll send my kids back to school." Now, that's not what you are saying.

OM. Well, I was down there I guess it was about three weeks ago, and I talked to quite a few of the people. They know what humanism is; they talked about this; they talked about situation ethics, and I know that many of them are very concerned about the profounder aspects, but I think that the NEA response to the people of West Virginia is an indication of how serious they know it is.

A. Dr. McGraw is not the first person thus far to attack the National Education Association, which is the largest teacher organization with 1.6 million members. Recently James Harris, President of the NEA, said that the West Virginia protest was a "Well financed, well organized resurgence of extremist activity," and the NEA has sent a team of investigators to Kanawha County. He restates his concern.

JH. Yes, there are reasons to believe that it is just that, that it is a well-financed effort, that many individuals who are present there, there is evidence to believe that they are part of other kinds of similar actions in other places, and that is not just a spontaneous "hit and miss" operation.

JM. Who are some of the individuals or organizations?

JH. I actually don't have the names, but I have been briefed and we have staff people that have been there and have indicated to me that this is true, but I don't actually have the names on hand.

JM. When I mentioned that to the people themselves they scoffed at that and said the NEA is trying to tar this movement with that brush of the John Birch Society, for example.

JH. Well, I'm certain that there would be efforts to try to rid themselves of any kind organized effort behind it, but nevertheless we have fairly substantial information to suggest that the allegations that we have made are in fact true. As far as it being a nationally established organization that is programmed from some national office, it's not that kind of thing that we are saying.

JM. But I want to make sure that I don't misunderstand your position. You are saying that there may be some parents who feel that way, but by and large the flurry is a result of people who make a habit of this kind of criticism of the schools, and in that sense it represents a well financed right wing conspiracy?

JH. That's the point.

JM. What if forty percent, say (just to pick a round figure), of the parents felt they wanted schools that in fact indoctrinated their children and did not tell them about other ways of living?

JH. Well, I think that would be unfortunate because it is not the role of the public school system to indoctrinate students into a way of living. A public school system has the obligation of teaching, of broadening students, producing mature students that are capable of dealing with various kinds of situations that they are going to confront in life.

JM. On the notion of the indoctrination of schools that in fact teach, almost preach, a specific and traditional value system and do not teach about other forms of living, you're saying that is not the role of public schools?

JH. That is not the role of public school.

JM. So if parents want that kind of education for their kids then I infer what they have to do is pay a second time to a private school of some sort?

JH. Well I think there are a number of areas where parents want their children indoctrinated or preached to, and some of them get this in a church school setting that supplements their public school experience, some get in a parochial school setting that replaces the public school setting, some provide some kind of summer camp experience or retreat experience where they get this special education that they want their kids to have, so there are ways for parents to get that part indoctrinated into their kids that they want to have.

A. Is the protest in West Virginia a well-financed resurgence of right wing activity, as NEA president James Harris charges? Perhaps the NEA's own investigation will resolve the question. However, the more dramatic aspect of conspiracy should not be allowed to cloud the more important debate about the aims of education. Many protestors maintain that public education today is undermining traditional values. The defenders, like the NEA's Harris and John Maxwell of the 50,000-member National Council of Teachers of English, believe that the issues are the separation of church and state, tolerance for diverse value systems, and censorship. John Maxwell talked by telephone with John Merrow.

JMax: We are opposed to the local minorities, persons with a rather extremely minor point of view on lets say morality, taste or aesthetic dominating the selection process. That too often happens in what we call instances of censorship. It is not a case of broad segment of the community at all but a very small part of the community with a special axe to grind, a case to make, a concern to put forth.

Jim. You also and I don't want to put words in your mouth, but it sounds to me as if you are taking a position that it's important for students to be exposed to, or to consider, different value systems along the way to getting an education.

JMax. Yes, all of us have value systems, we inherit them for the most part, and the ones we inherit are the deepest and most abiding ones, and that's why when I talk to parents I say you need not be afraid because what you have said to that child through the years and what you have exemplified to them, those are the values they're going to live by for the most part. Now they run into some different value systems some place in their experience, either now or later, and they're going to have to wrestle with alternative value systems, with things that they don't understand, and the chances are very very high they're going to reject those systems, but they have to examine them, because when they are on their own they will not be prepared to meet with chicanery and fraud and so forth that may be actually part of those alternative value systems. Literature forms an arena, a possibility, a means by which youngsters can examine those systems without getting burned. The primary value of literature is to think about himself, make his decision eventually and examine the things these authors have set forth.

A. The differences between the protestors and the defenders, whether in West Virginia, Maryland, or anywhere else in the United States are fundamental, and perhaps irreconcilable. Protestors believe that public schools ought to teach one single true value system. The Pro-Textbook forces believe that public school must teach about many different value systems in order to prepare children for life in a complex, pluralistic society.

A way out of the impasse might be publicly financed alternative schools. Some communities are experimenting along those lines.

We began by asking whether textbook protests will continue? We think they will. But another large, violent outbreak like that in Kanawha seems unlikely. A unique set of circumstances there—most notably the walkout by coal-miners—propelled Kanawha County into the headlines. However, national discontent about the public schools is as strong as it has ever been: discipline problems, disrespect for authority, poor academic performance, rising costs, vandalism, busing. These are the common complaints heard from different segments of the public. Because textbooks are an easy, highly visible issue to build around, school books are likely to be cited as a major issue in subsequent protests. Onlookers would do well to probe for larger issues behind the books.

There will be much more at stake.

Protests about textbooks will never be as black and white as printed words on a page.

(Music) "For What It's Worth".

If you would like a transcript of this program, send fifty cents to "Options on Education," Room 310, 1001 Connecticut Avenue, NW, Washington, D.C. The ZIP is 20036.

Some of the material for this program was collected by Jennifer Roth of Station WVWC in Buckannon, West Virginia.

This program was produced by Midge Hart and John Merrow.

Funds for this program were provided by the Institute for Educational Leadership of the George Washington University, and the Corporation for Public Broadcasting.

This is NPR, National Public Radio.

THREE-MONTH EXTENSION TO AIRPORT DEVELOPMENT ACT

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, today eight colleagues and myself have introduced H.R. —, a bill to amend the Airport and Airway Development Act of 1970. This amendment simply extends the Airport and Airway Development program authority until September 30, 1975.

The Airport and Airway Development Act expires on June 30, 1975. Unless this extension is passed, airport planning and development programs across the Nation will be placed in limbo.

Mr. Speaker, the other body passed this bill this afternoon. Rapid action, on the part of the House, will allow airport and airway development to continue uninterrupted until both Houses of Congress can complete work on the new Airport and Airway Development Act of 1975.

A new and revised act is being drafted at this time in the House Committee on Public Works and Transportation. The Aviation Subcommittee is ready for markup at this time.

However, the other body has some problems. Senate hearings on the new act have not been started. In view of this and the August recess, congressional action on the new Airport and Airway Development Act of 1975 would not be possible before September of 1975. This 3-month extension will allow vital programs and planning to continue.

SECRETARY DUNLOP OPPOSES AMENDMENT TO THE LABOR-HEW APPROPRIATIONS BILL AFFECTING THE OCCUPATIONAL SAFETY AND HEALTH ACT

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I have just received by special messenger a strongly worded letter from the Secretary of Labor to Speaker Albert opposing the amendment to be offered by Mr. Findley which will exempt businesses having 25 or fewer employees from first-instance sanctions for violations of OSHA regulations.

The Secretary shares my own view that the amendment would essentially eviscerate the law that was designed to protect the health and safety of America's 60 million workers. I do not believe that the majority of my distinguished colleagues would wish to repeal this vital law by amending an appropriations bill, and yet, this is precisely what would happen if the House were to adopt the Findley amendment.

As the Secretary of Labor points out in his letter, many employers with fewer than 25 employees are engaged in "extremely hazardous work." Such as the construction and logging industries. Do we really want to leave workers in these industries unprotected? I think not.

Mr. Speaker, the eloquent letter of the distinguished Secretary of Labor speaks for itself. By way of additional comment, may I just say that adoption of the Findley amendment would essentially repeal a law that millions of working men and women depend upon to insure a safe and healthful working place, and would undermine all the reports that have been made by the Department of Labor, working in concert with the Congress, in developing a fair and meaningful on-site construction program to help businessmen understand and comply with the law.

Mr. Speaker, the letter from the Secretary of Labor is included at this point in my remarks:

U.S. Department of Labor,
Washington, D.C., June 24, 1975.

Hon. Carl B. Albert,
Speaker of the House of Representatives,
Washington, D.C.

Dear Mr. Speaker: I understand that Congressman Findley intends to introduce a floor amendment to the LABOR-HEW 1976 appropriations bill which would, in the case of employers of 25 or fewer employees, curtail the application of provisions of the Occupational Safety and Health Act of 1970, which require the issuance of citations when violations are first discovered by an OSHA inspector.

I am deeply concerned about this Amendment. In enacting OSHA, the Congress, after lengthy deliberation, concluded that citations with reasonable abatement dates must be issued to employers when violations are first discovered at workplaces. By eliminating the requirement for the setting of enforceable abatement requirements, the amendment would effectively deny the protection of the Act to employees of 90 percent of the employers in the Nation.

The Occupational Safety and Health Act covers some five million workplaces. Congress clearly recognized that the Labor Department would not have the resources to inspect all those establishments. OSHA has been in effect for four years and, while over 200,000 inspections have been conducted under the Act, that figure represents inspections of only four percent of the five million workplaces covered by the Act. If first-instance citations and penalties were not mandated when an OSHA inspector first discovers a violation of the Act's requirements, the employer would, in my view, have far less incentive to make corrections of unsafe and unhealthful working conditions before the plant is ever inspected. These early corrections of hazards by the employer are fundamental to the successful achievement of the goals set by Congress in the Act.

Statistics of the Labor Department indicate that many employers with fewer than 25 employees are engaged in extremely hazardous work. For example, most of the employers in the logging industry, which is a particularly hazardous industry, have fewer than 25 employees. Another example is the large number of small employers in the construction industry which also involves very dangerous activities. The effect of this amendment would therefore jeopardize large numbers of employees with the greatest need for protection.

While I strongly believe in the necessity of retaining the requirement of the first-instance citation and sanction, I am also a strong advocate of providing additional means to achieve pre-inspection compliance by employers. The Department has begun providing advisory centers in the field offices, the publication of "plain language" bulletins, and is planning an increased educational program to acquaint specific sectors of small businessmen with health and safety standards. The enactment of this Amendment would remove much of the impetus for employers to become involved in these programs.

In addition, States may provide on-site consultation as a part of their plans. For non-plan States, $5 million was earmarked in both 1975 and 1976 for the contracting of on-site consultation by non-plan States. Regulations governing the conduct of these state on-site consultation inspections were recently published in the Federal Register.

At my direction, a full study and evaluation of OSHA programs and management is underway, and I assure you that many new initiatives will be implemented in the next few months. I consider OSHA's education and training activities, particularly among small employers, to be an essential aspect of our program and I intend to expand these activities to the fullest extent.

Sincerely,

John T. Dunlop,
Secretary of Labor.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 30 minutes today and tomorrow, June 25, and to include extraneous material.

(The following Members (at the request of Mrs. Fenwick) to revise and extend their remarks and include extraneous material:)

Mr. Crane, for 5 minutes, today.

Mr. Kemp, for 15 minutes, today.

Mr. Young of Alaska, for 5 minutes today.

Mr. Findley, for 5 minutes, today.

Mr. Michel, for 30 minutes, Wednesday, June 25, 1975.

(The following Members (at the request of Mr. Carr) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Fraser, for 10 minutes, today.

Mr. Murphy of Illinois, for 5 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Koch, for 5 minutes, today.

Mr. Drinan, for 10 minutes, today.

Mr. Oberstar, for 5 minutes, today.

Mr. Wirth, for 5 minutes, today.

Ms. Holtzman, for 10 minutes, today.

Mr. Wolff, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Dominick V. Daniels, on H.R. 7706 today, the temporary suspension of duty on natural graphite.

Ms. Chisholm and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,320.50.

Mr. Seiberling to include extraneous material following his remarks on the debate of H.R. 8122 this afternoon.

Mr. Pressler, following the remarks of Mr. Andrews of North Dakota prior to the adoption of his substitute amendment.

(The following Members (at the request of Mrs. Fenwick) and to include extraneous matter:)

Mr. Myers of Indiana.
Mr. Ashbrook.
Mr. Madigan.
Mr. Kemp in three instances.
Mr. Young of Alaska in two instances.
Mr. Moore.
Mr. Hastings.
Mr. Sarasin.
Mr. Michel.
Mr. McKinney.
Mr. Kasten.
Mr. Myers of Pennsylvania.
Mr. Gradison in two instances.
Mr. McClory.
Mr. Ketchum.
Mr. Gilman.
Mr. Kelly.
Mr. Jeffords.
Mr. Frenzel in five instances.

(The following Members (at the request of Mr. Carr) and to include extraneous material:)

Mr. Gonzalez in three instances.
Mr. Anderson of California in three instances.
Mr. McDonald of Georgia.
Mr. Fisher in two instances.
Mrs. Chisholm.
Mr. Traxler in two instances.
Mr. Evins of Tennessee.
Mr. Ginn.
Mr. Murtha in two instances.
Mr. Fauntroy.
Mr. Moorhead of Pennsylvania in two instances.
Mr. Beard of Rhode Island.
Mr. Jones of Tennessee.
Mr. Fraser in three instances.
Mr. Vanik.
Mr. Eilberg.
Mr. Harrington.
Mr. Florio.
Mr. Harkin.
Mr. Murphy of Illinois.
Mr. Mazzoli.
Mr. Bedell.
Mr. Rosenthal.
Mr. Baldus.
Mr. de Lugo.
Mr. Carney.
Mr. Zeferetti.
Mrs. Lloyd of Tennessee.
Mr. Mezvinsky in two instances.
Mr. Hawkins in two instances.
Mr. Mikva.
Mr. Hungate.

BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on June 23, 1975 present to the President, for his approval, bills and a Joint Resolution of the House of the following titles:

H.R. 37. An act to authorize appropriations to carry out the Standard Reference Data Act;

H.R. 6054. An act to authorize further appropriations for the Office of Environmental Quality, and for other purposes;

H.R. 6698. An act to amend section 1113 of the Social Security Act to make permanent the program of temporary assistance for U.S. citizens returned from abroad, subject to specific limitations on the aggregate dollar amount of such assistance which may be provided and on the period for which such assistance may be furnished in any particular case, and for other purposes; and

H.J. Res. 499. Joint resolution making continuing appropriations for the fiscal year 1976, and for other purposes.

ADJOURNMENT

Mr. CARR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 2 minutes p.m.), under its previous order, the House adjourned until Wednesday, June 25, 1975, at 11 o'clock a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. EILBERG: Committee on the Judiciary. Senate Joint Resolution 23. Joint resolution to restore posthumously full rights of citizenship to Gen. R. E. Lee (Rept. No. 94–324). Referred to the House Calendar.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 6844. A bill to amend the Consumer Product Safety Act, and for other purposes; with amendment (Rept. No. 94–325). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEARD of Rhode Island:

H.R. 8164. A bill to amend the Internal Revenue Code of 1954 to exempt from income tax any pension or annuity received under a public retirement system; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 8165. A bill to amend the act of August 31, 1922, to prevent the introduction and spread of parasites harmful to honeybees, and for other purposes; to the Committee on Agriculture.

By Mr. CEDERBERG:

H.R. 8166. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. FISHER:

H.R. 8167. A bill to amend the Internal Revenue Code of 1954 to allow an income tax deduction for State and local public utility taxes; to the Committee on Ways and Means.

By Mr. FLOOD:

H.R. 8168. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. HENDERSON (for himself and Mr. Derwinski):

H.R. 8169. A bill to amend title 5, United States Code, to provide that the Director of the Office of Management and Budget be paid the annual rate of basic pay prescribed for level I of the Executive Pay Schedule; to the Committee on Post Office and Civil Service.

By Mr. MOLLOHAN:

H.R. 8170. A bill to provide additional fiscal assistance to local governments and to extend revenue sharing for local governmental units for 6 additional years, and for other purposes; to the Committee on Government Operations.

By Mr. MOLLOHAN (for himself, Mr. John L. Burton, Mr. Biaggi, Mr. Bedell, Mr. Broyhill, Mrs. Burke of California, Mr. Chappell, Mr. Carney, Mr. Robert W. Daniel, Jr., Mr. Fascell, Mr. Florio, Mr. Ford of Tennessee, Mr. Fulton, Mr. Hannaford, Mr. Hechler of West Virginia, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Hicks, Mr. Hinshaw, Mr. Jenrette, Mr. Jones of North Carolina, Mr. Ketchum, Mr. Long of Maryland, Mr. Mitchell of New York, and Mr. Mitchell of Maryland):

H.R. 8171. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disabilitay is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

By Mr. MOLLOHAN (for himself, Mr. Moorhead of Pennsylvania, Mr. Montgomery, Mr. Nichols, Mr Patterson of California, Mr. Peyser, Mr. Pressler, Mr. Roe, Mr. St Germain, Mr. Steelman, Mr. Thompson, Mr. Whitehurst, Mr. Charles Wilson of Texas, Mr. Won Pat, Mr. Yatron, Mr. Young of Florida, and Mr. Zeferretti):

H.R. 8172. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

By Mr. MOLLOHAN:

H.R. 8173. To authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. NOWAK:

H.R. 8174. A bill to amend the Surplus Property Act of 1944 to allow the Administrator of General Services to convey or dispose of to any State, political subdivision, municipality, or public district, without monetary consideration to the United States, surplus personal property which is essential, suitable, or desirable for the development, improvement, operation, maintenance, or use of a public port; to the Committee on Government Operations.

By Mr. REES (for himself, Mr. Ashley, Mr. J. William Stanton, Mr. Brown of Michigan, Mrs. Fenwick) (by Request):

H.R. 8175. A bill to provide for the participation of the United States in the Financial Support Fund; to the Committee on Banking, Currency and Housing.

By Mr. ST GERMAIN:

H.R. 8176. A bill to amend the Buy American Act to prevent the purchase of foreign-made smoke detectors for public buildings; to the Committee on Government Operations.

By Mr. STEIGER of Arizona:

H.R. 8177. A bill to authorize the Secretary of the Interior to construct, operate, and maintain facilities to deliver a water supply for the city of Yuma, Ariz., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BENITEZ (for himself Mr. de Lugo, Mr. Won Pat, Mr. Phillip Burton, Mr. Corman, Mr. Fulton, Mr. Rangel, Mr. Stark, and Mr. Vander Jagt):

H.R. 8178. A bill to amend title XVI of the Social Security Act and related laws to extend the supplemental security income benefit program to Puerto Rico, the Virgin Islands and Guam on the same basis as the States; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 8179. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BROWN of Michigan (for himself, Mr. Fish, Mr. Lagomarsino, Mr. McEwen, Mr. Jeffords, and Mr. Rinaldo):

H.R. 8180. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. FRASER:

H.R. 8181. A bill to amend title XVI of the Social Security Act to insure that cost-of-living increases in supplemental security income benefits are granted to recipients of such benefits in all States, and for other purposes; to the Committee on Ways and Means.

By Mr. FRASER (for himself and Mr. Karth):

H.R. 8182. A bill to amend title XVI of the Social Security Act to provide for the establishment of an outreach program to assure that potentially eligible recipients of supplemental security income benefits will be fully informed of the availability of such benefits and the steps to be taken in obtaining them; to the Committee on Ways and Means.

Ms. HOLTZMAN (for herself and Mr. Bingham):

H.R. 8183. A bill to provide a supplementary housing allowance to SSI recipients; to the Committee on Ways and Means.

Ms. HOLTZMAN (for herself, Mr. Bingham, Mr. Hannaford, and Mr. Matsunaga):

H.R. 8184. A bill to amend title XVI of the Social Security Act to insure that cost-of-living increases in supplemental security income benefits are granted to recipients of such benefits in all States, to provide a housing supplement to certain recipients of such benefits, to prevent reductions in such benefits because of social security benefit increases, to allow recipients of such benefits in cash-out States to elect to receive food stamps, to provide for emergency assistance to recipients, and for other purposes; to the Committee on Ways and Means.

Mr. MILFORD (for himself, Mr. Wright, Mr. Mineta, Mrs. Lloyd of Tennessee, Mr. Roncalio, Mr. Goldwater, Mr. Henderson, Mr. Howe, and Mr. Levitas):

H.R. 8185. A bill to amend the Airport and Airway Development Act of 1970, as amended, so as to extend the airport and airway development program authority; to the Committee on Public Works and Transportation.

By Mr. RIEGLE:

H.R. 8186. A bill to increase the number of weeks of unemployment benefits under the emergency unemployment compensation program; to the Committee on Ways and Means.

H.R. 8187. A bill to increase for a temporary period the rate of the Federal unemployment tax, to provide that the additional tax will be used to repay advances made to the unemployment funds of States during the current recessionary period, and to extend the period in which such advances must be repaid; to the Committee on Ways and Means.

By Mr. ROONEY (for himself, for Skubitz, Mr. Hungate, Mr. Metcalfe, Mr. Hefner, Mr. Santini, Mr. Florio, Mr. Staggers, Mr. Matsunaga, Mr. Howe, Mr. Frey, Mr. Rhodes, Mr. O'Neill, Mr. McFall, Mr. Rogers, and Mr. Hastings):

H.R. 8188. A bill to amend the International Travel Act of 1961 to authorize additional appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSE (by request) (for himself, Mr. Andrews of North Carolina, Mr. Broyhill, Mr. Fountain, Mr. Hefner, Mr. Henderson, Mr. Jones of North Carolina, Mr. Martin, Mr. Neal, Mr. Preyer, and Mr. Taylor of North Carolina):

H.R. 8189. A bill to amend the Communications Act of 1934 to declare that the communications policy of the United States shall be to encourage, so far as possible, the establishment and maintenance of rates for local telephone service which are within the economic reach of every household; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TREEN:

H.R. 8190. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. VANDER JAGT:

H.R. 8191. A bill to continue until the close of June 30, 1978, the existing suspension of duties for metal scrap; to the Committee on Ways and Means.

By Mr. CLEVELAND:

H.R. 8192. A bill to amend title XVIII of the Social Security Act to authorize payment for any emergency inpatient hospital services furnished in Canada or Mexico to individuals entitled to hospital insurance benefits; to the Committee on Ways and Means.

By Mr. HUNGATE:

H.J. Res. 527. Joint resolution proposing an amendment to the Constitution to permit the States to regulate or forbid abortion; to the Committee on the Judiciary.

By Mr. MURPHY of New York (for himself, Ms. ABZUG, Mr. ADDABBO, Mr. BOLAND, Mr. BRODHEAD, Mr. CARNEY, Ms. COLLINS of Illinois, Mr. D'AMOURS, Mr. FORSYTHE, Mr. LEHMAN, Mr. LENT, Mr. MCHUGH, Mr. MIKVA, Mr. MINISH, Mr. MURPHY of Illinois, Mr. PEYSER, Mr. REES, Mr. SANTINI, Mr. JAMES V. STANTON, Mr. THOMPSON, Mr. WHITEHURST, and Mr. ZEFERETTI):

H.J. Res. 528. Joint resolution to express the sense of Congress that the Secretary of Defense, in administering Public Law 94–11, which appropriates foreign assistance for fiscal year 1975, include in the $300 million foreign military credit sales appropriated to assist the State of Israel, F–15 fighter planes, electronic countermeasures, and other sophisticated weapons necessary to insure the continued viability of Israel; to the Committee on International Relations.

By Mr. BINGHAM (for himself and Mr. HEINZ):

H. Con. Res. 322. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. YOUNG of Alaska:

H. Con. Res. 323. Concurrent resolution requesting the Secretary of Transportation to provide financial assistance to Alaska for purposes of repairing and reconstructing highways damaged by traffic resulting from the construction of the trans-Alaska pipeline; to the Committee on Public Works and Transportation.

By Mr. VANIK:

H. Res. 566. Resolution to amend the Rules of the House of Representatives to reform the procedures for the analysis of legislation introduced in the House of Representatives; to the Committee on Rules.

PETITIONS, ETC.

Under clause 1 of rule XXII,

160. The SPEAKER presented a petition of J. James Exon, Governor of the State of Nebraska, relative to the definition of "navigable waters"; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 8069

By Mr. ROYBAL:

On page 13, line 25, strike out $522,736,000 and insert in lieu thereof $553,685,000.

EXTENSIONS OF REMARKS

EASTERN OIL AND GAS SHALE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, as many of my colleagues know, the Conservation, Energy, and Natural Resources Subcommittee of the House Committee on Government Operations is conducting an investigation into the state of Federal preparedness to deal with the natural gas shortage emergency which America will face this winter.

The subcommittee also has held hearings on the need to develop natural gas and oil supplies from the so-called eastern oil and gas shales, sometimes referred to as the Devonian and Mississippian deposits. In that connection, I am pleased to note that the Appalachian Regional Commission adopted on June 18 a resolution sponsored by Governor Rhodes, of Ohio, urging the Federal Government to speed the development of the eastern shales. The text of that resolution follows:

APPALACHIAN REGIONAL COMMISSION RESOLUTION

A resolution urging the Energy Research and Development Administration to place at least $100 million on research for the production of natural gas from Devonian shale and for related purposes

Whereas, the Nation's energy needs require the development of all of its energy resources; and

Whereas, the Appalachian Region faces immediate and drastic curtailments of supplies of natural gas which can result in plant closings, adversely affecting hundreds of thousands of employees in the Region; and

Whereas, the Nation and the Appalachian Region have deposits of natural gas, including large deposits of Devonian shale throughout much of the Appalachian Region which can yield the natural gas needed to keep industry working; and

Whereas, the Energy Research and Development Administration is charged with developing new and improved technologies to provide the Nation with the capability to expand use of its domestic energy resources, including fossil fuel resources, in an economic and environmentally acceptable manner; and

Whereas, it is currently estimated that the Energy Research and Development Administration will expend over $2 billion in energy research and development in FY 1976 but only $356 million in fossil fuel research and development and only $25 million of that amount for petroleum and natural gas; and

Whereas, the need for increased supplies of natural gas is immediate and the Devonian shale gas deposits of Appalachia represent a potentially tremendous supply of natural gas;

Now, therefore, be it resolved, that:

The Appalachian Region Commission urges the Energy Research and Development Administration to place urgent priority upon the immediate development and application of improved technologies for the production of natural gas, especially upon the production of natural gas from fracturing of Devonian shale, and to reallocate, commensurately with the emergency and magnitude of the need, a far greater portion of the funds available to the Energy Research and Development Administration in FY 1976 to such purposes and to include at least $100 million for research and development of Devonian Shale Gas in [the 13] Appalachian States and Michigan, Indiana and Illinois.

McKEESPORT ELKS NO. 136 SALUTES "FLAG DAY"

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. GAYDOS. Mr. Speaker, June 15 was "Flag Day" and throughout the land ceremonies were held to pay tribute to our Nation's flag, rekindling in each of us the spirit that has made Americans walk proud and stand tall.

One such program was held in the city of McKeesport by the officers and members of Lodge No. 136, Benevolent Protective Order of Elks. Principal speaker at this event was Col. Donald F. Neff, U.S. Marine Corps, retired.

In his address Colonel Neff reminded us that the American flag is not just a light cloth floating in the wind. It is an honored symbol of our Nation's unity, its hopes, achievements, glory, and high resolve. The Flag symbolizes the protection of the rights and privileges granted all Americans under the Constitution. It is a promise of the fulfillment of hopes, principles, and ideals.

Colonel Neff declared America is not a nation that lost its way, as some would have us believe. Instead, it is a great nation striving to find a better way. America, he emphasized, has always been a land of divisions and we should recognize that complete unity will never come to pass. We should never demand or expect an America of one mind, the colonel said, but instead, we should strive to achieve an America of one spirit.

Also highlighting the Elks Flag Day observance was the presentation of savings bonds to five participants in the Elks National Foundation Scholarship Contest. Receiving the awards from Mr. Edward Zambo, past exalted ruler of Lodge No. 136, were:

Theresa Marie Williams of 2903 Boyd Street, McKeesport; Denise Rita Breit of 201 Upper Heckman Road, North Versailles Township; Joseph G. Stevens of 1612 Shaw Avenue, McKeesport; Dianne B. Jozwick of 137 Carmella Drive, White Oak; and Marvin L. Dally, 202 North Water Street, West Newton.

Mr. Speaker, I believe the officers and members of Lodge No. 136, BPOE, should be commended for their public demonstration of loyalty to our country and its flag. In particular, I would like to cite those who arranged and participated in the tribute.

Mary Smith, organist at St. Perpetua Church; Mr. Zambo; the choir of St. Perpetua's, directed by Arthur Antontella; the McKeesport Majorette Drill Team and Drum and Bell Lyre Section; Mr. Andrew Ogurchak, exalted ruler of Lodge No. 136; Joseph Hirak, chaplain of the lodge; Paul W. Jones and Stanley Sieracki, past exalted rulers of the lodge; Robert Englert, chairman of the Flag

Day committee, and his coworkers, including Harry James, Ray Giles, William Payne, Jr., and Wally Jones.

ON INTRODUCTION OF A BILL TO PROHIBIT THE CONTROL OF ALTERNATIVE ENERGY SOURCES BY INTEGRATED OIL COMPANIES

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. HARRINGTON. Mr. Speaker, on March 6, I introduced legislation to ban the major oil companies from controlling alternative energy sources. It has become increasingly clear, in the past decade, that concentration of ownership within the energy industries has approached monopolistic proportions. Approximately 84 percent of American refining capacity is controlled by major oil firms, as is 72 percent of our natural gas production and 30 percent of our domestic coal reserves; 7 out of the 15 largest coal producers in the United States are oil companies; 17 oil companies account for approximately 55 percent of our uranium reserves. Last year the first lease for developing geothermal steam resources on Federal lands went to the Shell Oil Co. And several months before that, the first lease for developing the Nation's oil shale resources went to Gulf and Standard Oil of California.

By prohibiting oil firms from owning corporations concerned with coal, oil shale, tar sands, uranium, geothermal or solar energy development, my bill would halt this accelerating thrust toward complete horizontal integration of our energy sources.

It has always seemed to me that the oil companies are in violation of the Clayton Anti-Trust Act of 1914, which stipulates—

> No corporation engaged in commerce shall acquire directly or indirectly the whole or any part of the stock or other share capital, and no corporation subject to the jurisdiction of the FTC shall acquire the whole or any part of the assets, of another corporation engaged also in commerce, where in any line of commerce in any section of the country, the affect of such acquisition may be substantially to lessen competition, or to tend to create a monopoly.

The legislation I have introduced would fulfill the letter and spirit of the Clayton Act by making absolutely explicit prohibitions, which in my opinion is clearly justified by the act.

We must seek relief from the current plague of high energy costs. Price competition has to be restored in order to achieve a lowering of these costs. It seems to me that domination of alternative energy sources by the major oil firms clearly presents a conflict of interest situation that most certainly should be prevented. If the oil industry is permitted to acquire new energy sources, then how can we expect to see the restoration of price competition? For example, there exists no reason for an oil company to develop residential solar heating devices to the point where they would compete with home heating oil.

The most well-intentioned and public-minded corporation should never be expected to precipitate a price war concerning its own interchangeable fuel sources.

My proposed legislation differs from a bill introduced into the U.S. Senate by Senator Abourezk, in that the prohibitions I am discussing here would only apply to the integrated oil companies. It is my feeling that the nonintegrated independent entrepreneurs within the oil industry ought to be permitted to engage in the production of alternative energy sources. In fact, shut off as they are from any major role in the production of oil, the independents might very well face economic ruin if they are not afforded the opportunity to develop the country's other energy sources.

The bill I have submitted would, in addition to addressing the problems of high prices and inadequate supply, create new challenges for us as a nation. If the major oil companies are not allowed to acquire and control new sources of energy, they will, of course, withhold their capital from developing these sources. So it is imperative that we begin now to create new centers of energy research and development funding and expertise—in the private sector, in government and in the universities.

In fact, by keeping the major oil companies out of these economic areas, we can create additional opportunities for our Nation's sophisticated research and technology industries, hard hit by the recent economic situation. I suggest that this is the direction in which we must go, if we are to solve our energy scarcities without creating a scarcity of competition in the process.

UNAVOIDABLY ABSENT

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. KASTEN. Mr. Speaker, on Friday, June 20, I was unavoidably absent from the House of Representatives and missed four votes. Unfortunately, I had made commitments several months ago in Wisconsin that I felt I had to keep.

For the record, if I had been present and voting, I would have voted for H.R. 3474, a bill to authorize appropriations for the Energy Research and Development Administration; for House Resolution 533, providing for the consideration of H.R. 7001, a bill to authorize appropriations to the Nuclear Regulatory Commission; against the amendment to H.R. 7001 to prevent the export of nuclear fuel and technology to countries that are not members of the nuclear nonproliferation treaty; for the amendment to H.R. 7001 to prohibit the air transport of plutonium fuel until the Commission certifies to the Congress that a safe container, which will not rupture under crash, has been developed; and for the final passage of H.R. 7001.

A TRIBUTE TO FRANK C. UNDERWOOD, JR.

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. GINN. Mr. Speaker, Mr. Frank Underwood, a very outstanding educator and long-time friend of mine from Chatham County was recently selected as "Man of the Year" by both his city and county government. At this time, I would like to have inserted in the Record the article which appeared in the Savannah magazine outlining some of Mr. Underwood's great contributions and accomplishments in the field of education.

The article follows:

A Tribute to Frank C. Underwood, Jr.

Frank Underwood was born August 16, 1910 in Quitman, Georgia. He graduated from Quitman High School and received a BS Degree in Electrical Engineering in June, 1932 from Georgia Tech.

On June 15, 1936, he married Miss Marion Hayes; they have three children: Marion and Frank III (twins) and Benjamin H. Underwood.

At the age of twelve, he was selected member of a campaign team to raise funds for constructing a hotel in Quitman and was so successful as a campaigner, he was made Honorary Member of Brooks County Chamber.

He served as President of Quitman and Brooks County Kiwanis Club in 1939 and received a plaque for "Outstanding Community Service."

In May, 1941, he was invited by the Savannah-Chatham Board of Public Education to join the Staff of Savannah Vocational School to coordinate a war production Training Program. In the same year he joined Bull Street Baptist Church, the Savannah Kiwanis Club and became active in the Community Chest Drive.

During 1942 Mr. Underwood was selected by the Board of Public Education to head its Communications School which provided training in Radio Operation, Radio Repair, Teletype Operation and Maintenance for enlisted personnel of the Eighth Air Force and the Third Air Force.

In 1943 he was named Director of Savannah Vocational School by the Board of Public Education.

Mr. Underwood served as President of the Savannah Kiwanis Club in 1956, and as Lt. Governor of Kiwanis in 1958. He received the Kiwanis "Golden Service Award" in 1965.

Mr. Underwood initiated "Teacher of the Year" recognition in Georgia and Dr. M. D. Collins, State Superintendent of Schools, presented "The Underwood Award" plaque to its first recipient, Mrs. Marian Anderson of the Savannah Commercial High School faculty in November, 1955. The plaque read:

"Underwood Award presented to Mrs. R. E. Anderson in recognition of the meritorious, faithful and unselfish services performed as the Chatham Teacher Of The Year, Chatham County Public Schools 1954–1955."

This award pioneered the way for the "Star-Pupil—Star-Teacher" awards.

During his 20 years of service as General Superintendent of the Bull Street Baptist Sunday School, Mr. Underwood was elected to a three-year term (1955–1958) as President of the Georgia Baptist Sunday School Convention comprising over 600,000 members.

In June, 1949, Mr. Underwood was appointed by the Board of Public Education to the position of Assistant Superintendent of Schools—Business and was listed in "Who's Who In American Education."

The Youth Museum of Savannah was founded October 17, 1955. Mr. Underwood was not only a charter member but served as its first Treasurer.

Governor Marvin Griffin appointed Mr. Underwood to a 5-year term on Herty Foundation and was elected Vice-President of the Foundation, serving four 5-year terms. When he was first appointed, rumors indicated that Herty Laboratory would be moved from Savannah. Mr. Underwood not only prevented that move but was instrumental in getting a $300,000 State Grant to build a new laboratory.

He served as President of the Savannah Union Mission for three years (1954–1957).

He received one of the first appointments as Director of the Savannah Civil Defense Council in 1957 and has served continuously since that time.

The F. C. Underwood, Jr. Family of Savannah was named "Family of the Month" for the Southern Baptist Convention (representing 20 states) by Home Life Magazine for September 1949. The story of "The Underwood Family" and photographs were contained in the feature article "They Make America Great."

Mr. Underwood was campaign chairman in 1949 for raising funds to erect a statue of the late Senator Walter F. George, which was placed on the Court House Square in his home town of Vienna, Georgia.

Mr. Underwood possesses a happy attitude that spreads like contagion. He has a listening ear, a warm heart, and an ever-ready and willing hand extended to fellow administrators, principals, teachers, students and civic-minded citizens who come to him with school problems—or any problems. The entire student body joins the Blue Jacket staff in wishing Mr. Underwood "Godspeed."

Incidentally, Frank was this week selected as one of the four Savannah's most outstanding citizens in the fields of education, philanthropy, industry-business and culture. Frank was selected from the education field, the judges being the heads of 16 civic clubs in Savannah. He was named the winner of the Herschal V. Jenkins award for outstanding contribution to education.

In 1956, Mr. Underwood was presented an Honorary Membership to Georgia Prep Sports Hall of Fame Association. His citation reads:

"Dedicated to the recognition of those persons who through their talents and unselfish contributions of time and interest, have rendered outstanding achievement and enduring service to Georgia Prep Sports and to the preservation of the historical records and lore, the ideals and standards of prep school sports in Georgia."

Mr. Underwood served for many years as Chairman of the Education and Americanism Committee for all Scottish Rite Masonic Bodies in Georgia.

Mayor John Rousakis appointed Mr. Underwood to the Civic Center Grand Opening Committee in 1971.

He was appointed Member of the Board of Directors for the first Economic Opportunity Authority in Savannah.

He was named Member of the Board of Trustees, Birney Endowment Fund for a 5-year term by Mrs. Leland Bagwell, State PTA President.

Mr. Underwood was assistant to Dr. Darnell Grawner, Chairman of the Centennial Committee Celebration of "A Century of Public Education in Georgia" March 21, 1966. This affair continued for a week, featuring a mammoth parade with each school providing a float, numerous luncheons, banquets, school displays, etc. We have the oldest school house in Georgia in continuous use—Massie School.

In 1959, on his completion of two years of service as Savannah Chapter Chairman, the American Red Cross honored Mr. Underwood with special laudatory resolutions: "Frank Underwood has contributed much to our community over a period of many years. As an educator and citizen, his services to his fellowman have exceeded in both time and personal effort, that which could be reasonably expected from any citizen."

Mr. Underwood became a grandfather for the first time on Father's Day, June 21, 1959 with the arrival of Dudley Augustus Cheney, Jr. He now has seven grandchildren.

He served as Vice-President of the Savannah Chamber of Commerce from 1957–1958 and initiated the "New Teacher Orientation Program." In 1956 he was Chairman of the Chamber's Convention and Publicity Committee.

In February, 1957, he was appointed Member of the first Georgia School Building Authority by Governor Marvin Griffin, for a five-year term.

A full page in the Savannah High School annual "Blue Jacket of 1957" was dedicated to Mr. Underwood and carries pictures of him at his desk, captioned "A Builder in Deed."

In 1974, he was appointed Trustee of the Baptist Village, Waycross, Georgia.

Some of his favorite quotations are:

"When faced with a mountain
I WILL NOT QUIT!
I will keep on striving until
I climb over, find a pass
through, tunnel underneath—
or simply stay and turn the
mountain into a gold mine,
with God's help!"

"If you don't have time to do it right,
When will you have time to do it over?"

"Wisdom is knowing what to do next.
Skill is knowing how to do it.
Virtue is getting it done."

HONORS

1974 recipient Golden Deeds Award for Savannah and Chatham County Savannah Exchange Club for "Outstanding Educational Leadership."

1956 recipient Herschel V. Jenkins Award for "Outstanding Leadership in the Field of Education."

1957 recipient Martha Berry School Awards for Savannah and Chatham County "Outstanding Contribution to Education."

Honorary Degree "Georgia Planter"—Future Homemakers of America.

Honorary Life Membership Distributive Education Clubs of America.

Honorary Life Member—National Congress of Parents and Teachers.

Honorary Life Member—Georgia Congress of Parents and Teachers.

Honorary Life Member—American School Food Service Association.

Life Member—National Education Association.

Member Phi Delta Kappa—Honorary Educational Fraternity—Armstrong State College.

Member Ioto Lamda Sigma—Honorary Educational Fraternity—Mercer University.

Member Kappa Phi Kappa—Honorary Education Fraternity—Emory University.

Listed in "Who Who in American Education."

Delegate from Georgia to President Eisenhower's White House Conference on Education.

Was the 48th public school official in the nation to qualify for highest designation "Registered School Business Administrators" ASBO by National Association of School Business Officials.

Named "Ambassador" Alee Temple Shrine.

General Chairman—United Way Campaign 1976.

APPOINTMENTS AND COMMISSIONS CONFERRED UPON F. C. UNDERWOOD, JR. BY SEVEN GEORGIA GOVERNORS FOR PAST TWENTY-FIVE YEARS

Governor Herman Talmadge, 1951 Commodore on Governor's Staff.

Governor Marvin Griffin, 1955 Lt. Colonel on Governor's Staff, 1955 Trustee of Herty Memorial Foundation, 1957 Member of State School Building Authority.

Governor Ernest Vandiver, 1959 Lt. Colonel on Governor's Staff, 1960 Trustee of Herty Memorial Foundation.

Governor Carl Sanders, 1963 Lt. Colonel on Governor's Staff, 1965 Trustee of Herty Memorial Foundation.

Governor Lester Maddox, 1967 Lt. Colonel on Governor's Staff, 1970 Trustee of Herty Memorial Foundation.

Governor Jimmy Carter, 1971 Lt. Colonel on Governor's Staff, 1973 Georgia National Commission for National Bicentennial Celebration.

Governor George Busbee, 1975 Lt. Colonel on Governor's Staff, 1975 Georgia National Commission for National Bicentennial Celebration.

We find no record of any other Georgian having been so honored.

ADMINISTRATIVE OFFICES

Past President Savannah Y.M.C.A.

Past Chairman Savannah Chapter American Red Cross.

Past Chairman Public Schools Commission for 16 Southern States.

Chairman of Finance Committee United Way.

Vice Chairman Herty Memorial Foundation for 20 years.

Past President Savannah Kiwanis Club.

Past President Brooks County Kiwanis Club.

Past Lt. Governor, Georgia District, Kiwanis International.

Past President Area Georgia Tech Alumni.

Past State Vice-President Georgia Education Association.

Past State President Georgia Association of Vocational Directors.

Past State President Georgia Vocational Association.

Served as General Sunday School Superintendent, Bull Street Baptist Church for 20 years.

Past President Union Mission.

Served as President Georgia Baptist Sunday School Convention for 3 years (600,000 members).

Chairman, Savannah '76 Bicentennial Commission.

Chairman, Board of Deacons, Bull Street Baptist Church.

Member Board of Directors, Hall of Fame.

First Treasurer Youth Museum of Savannah.

Past Vice Chairman, Savannah Chamber of Commerce.

Chairman, Area Georgia Tech Scholarship Committee.

Treasurer, United Way.

Treasurer, Board of Public Education.

Treasurer, Young Men's Christian Association.

After having devoted 34½ years to public school education, Frank Underwood is retiring as of October 31, 1975. He plans to devote the next 34½ years to full time Christian Service and says at the expiration of this period, he will have reached the age of 100 and will make further plans at that time.

His expressed philosophy:

Some people think themselves into failure. Others think themselves into success.

Too many people have a tendency to say negatively, "I can't do it, so why try." In so doing they are actually expecting to fail.

Things go better when you expect the best. The reason is that such expectation tends to free you from self-doubt. And self-doubt is probably the greatest contributor to human failure. When you get free from self-doubt, the mind is able to put all its power behind the will to succeed. No resistance can stand in the way of the man who focuses his entire self on a goal and keeps the pressure going.

When every physical and mental resource is focused, one's powers to solve a problem multiply tremendously. There is even a word for this. It is called "synergism." Now, that's a really complicated word and it's becoming popular with modern scientists. All it means, really, is that the actions of two or more substances, which could not achieve a desired result individually, can, when they are used together, become capable of effects that each one alone could not produce.

But it is not all that new. Long before the word was applied to modern science, it was used in theology to express the fact that with Divine help plus your own, you could overcome enormous difficulties which otherwise might overwhelm the average human being. It means simply that people are often defeated, not because they lack ability, but because they try to "go it alone." If they add negative expectation, they're out. Instead add positive expectations and success will be yours.

Everyone wants to succeed. They start out giving full energies to a project. But they often refuse to use the aids that are open to them, including the help of other people and spiritual help as well. Their need is to be synergized, to get a team going for them.

A major key to success in life, to attaining that which you deeply desire, is the ability to get completely released from self-doubt and then to throw your entire self in the struggle to reach your goal. To win in this life you simply have to give your all, every bit of yourself. Hold back nothing. Life cannot deny itself to the person who gives life everything. And as you use your energies, remember the good Lord is always there to help you, to support you at all times.

A famous athletic coach once said that most people, some athletes as well as nonathletes, are "hold outs." They are always holding back, keeping something in reserve. They do not invest themselves 100 per cent in competition. Because of that quasi self-giving they never achieve the highest degree of their capacity. Don't be a "hold out." Be an "all out." Do this and life will not hold out on you. You can count on that for sure.

Mr. Underwood's daily prayer:

"I will try this day to live a simple, sincere, and serene life, repelling promptly every thought of discontent, anxiety, discouragement, impurity, and self-seeking; cultivating cheerfulness, magnanimity, charity, and the habit of holy silence; exercising economy in expenditure, generosity in giving, carefulness in conversation, diligence in appointed service, fidelity to every trust, and a childlike faith in God.

"In particular I will try to be faithful in those habits of prayer, work, study, physical exercise, eating, and sleep which I believe the Holy Spirit has shown me to be right.

"And as I cannot in my own strength to this, nor even with a hope of success attempt it, I look to thee, O Lord my Father, in Jesus my Savior, and ask for the gift of the Holy Spirit."

GAO ASKED TO PROBE COMMUNITY BOARD

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. HARKIN. Mr. Speaker, an issue that I feel is of much importance to the farmers of Iowa and of this Nation has recently been brought to my attention. I speak of certain questions that have been raised about the conduct of the Chicago Board of Trade and the USDA in their handling of the case of Bernard Rosee, a commodity trader who was removed from his seat on the Board for alleged fund shortages.

This issue was well reported to the people of Iowa in the June 22 issue of the Des Moines Register in an article by Clark Mollenhoff. I would like to have this article inserted in the RECORD so that my colleagues will have the opportunity to be more thoroughly apprised of this situation.,

The article follows:

GAO ASKED TO PROBE COMMODITY BOARD

WASHINGTON, D.C.—The General Accounting Office (GAO) has been asked to investigate the Chicago Board of Trade in the ordeal of veteran commodity trader Bernard Rosee, who claims to have been fraudulently ousted from a seat on the Board of Trade.

The request for the GAO investigation of Chicago Board and with the Department of Agriculture was made by Representative Berkley Bedell (Dem., Ia.).

In a letter to Comptroller General Elmer Staats, Bedell said he is concerned with the implications of abuse of power by the government agency involved as well as by the Chicago Board of Trade.

POWER OF GIANTS

"As a small businessman, I am always concerned when it appears that there is abuse of the power of the giants of the business world and the power of government that results in injustice to smaller independent businessmen who are the strength of our system," Bedell said.

Two judges—one federal and one Illinois state court judge—have stated that Rosee, a 76-year-old commodity trader, was "cheated" and "defrauded" by the now-defunct Baggot and Morrison commission house on commodity trades of several hudred thousand dollars.

But the firm partners—James Baggot, Jr., and Donald Morrison—continue to be members in good standing of the Chicago Board.

The Chicago Board of Trade's critics assail the inconsistency of its actions. The board expelled Rosee on questionable allegations by the Baggot and Morrison firm that he was short $30,000 in his account.

CUSTOMER FUNDS

Yet the board has taken no action against Baggot or Morrison, who have been found guilty by the Agriculture Department of being consistently undersegregated in customer funds and who are subject to a $700,000 court judgment for defrauding Rosee.

Department of Agriculture officials who have investigated the matter acknowledge that Rosee was the subject of various "injustices" but have contended they were powerless to obtain records or testimony from the Board of Trade officials, or to compel the Chicago Board to reinstate Rosee.

"I, like many members of Congress, am concerned that the U.S. government, department agencies, the Congress and private industry all provide services void of collusion, graft and corruption," Bedell wrote to Staats.

"I am requesting that the General Accounting Office conduct an investigation into this case as a possible door-opener to further inquiries into the Chicago Board of Trade," Bedell wrote and enclosed a six-page summary of facts and questions dealing with the responsibility of government agencies and the various commodity exchanges to protect the public interest.

ONLY GAO

"Only a GAO investigation can give us a thorough and objective picture on how the federal commodity laws were administered and enforced under the old CEA, and how the new Commodity Futures Trading Commission (CFTC) may be able to protect the public interest," Bedell told The Register.

Bedell, who is a member of both the House Agriculture Committee and the Small Business Committee, said he hopes to use the GAO investigation and report as a base for possible congressional hearings.

Bedell said he is particularly interested in the GAO trying to reconstruct the commodity trading records and to establish responsibility for the disappearance of some important records from the files of the Chicago Board of Trade and the Commodity Exchange Authority.

SUPPORTING EVIDENCE

In his summary of evidence to the GAO, Bedell said that briefs filed by Rosee's lawyer in the Illinois court indicate evidence to support Rosee's charge that he has been victim of:

"1. A conspiracy to violate the civil rights of Rosee by depriving him of his livelihood.

"2. A conspiracy to obstruct justice by CEA officials who used false and misleading reports on their investigations, including false and misleading summaries of Rosee's trading record and fabricated records to mislead the federal court, their superiors in the CEA, and some officials of the Chicago Board of Trade."

Bedell's summary says that "for 15 years, Rosee has been barred from access to those records that he contends will establish the truth of his contentions and the criminal conspiracy against him."

Bedell noted that the Chicago Board of Trade has defended its arbitration hearing by declaring it was not required to grant Rosee a due process of law hearing.

UNKEPT PROMISE

Bedell noted that the record shows that Warren Lebeck, now president of the Chicago Board of Trade, was secretary to the Chicago Board in 1960 when he promised Rosee that he would be permitted access to all of his original trading records with the Baggot and Morrison firm in the arbitration hearings.

Those records, including more than 70,000 commodity trading cards of the Baggot and Morrison firm, have not been produced to this date. Bedell said, Bedell posed the following questions for the GAO:

"1. Did Rosee's hearing before the CBOT (Chicago Board of Trade) fulfill standards of due process of law? If not, what features of the new CFTC rules will prevent such future miscarriages of justice?

"2. Did Rosee's hearing in fact meet the standards of the CBOT? If it did not, why did the CEA fail to act to correct the situation since it was responsible for the operation of the market in question?

"3. How thorough was the CEA's investigation of Rosee's complaints against Baggot and Morrison subsequent to his suspension? Did it include an examination of the original trading cards and daily clearing house reports on Rosee's trades and daily equity positions? Have those records been kept by the CEA past the five-year period required since litigation has been in process? If the records were destroyed, who was responsible? If they still exist, why have CEA officials refused to supply them during the course of Rosee's court appeals?"

Bedell said the situation "indicates that federal government officials, either through gross negligence or collusion, have been parties to a grave wrong through maladministration of government."

SUPPORT THE CONTINUATION OF OUR RESEARCH EFFORTS OF THE CLINCH RIVER BREEDER REACTOR PROGRAM

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. JONES of Tennessee. Mr. Speaker, I would like to address myself to the question of the Energy Research and Development Authorization Act; more specifically, I would like to take this opportunity to support the continuation of our research efforts on the Clinch River breeder reactor program.

While I am certainly not in favor of unlimited utilization of a chemical as toxic as plutonium, I am in favor of continuing our research efforts toward the solution of the long-range energy needs of this Nation. As pointed out in several instances by several of my colleagues, the Clinch River project is a demonstration; it is the demonstration phase of a very large research effort, and to deny this phase of the project may jeopardize all of the advancements that have been made up to this date.

I also think it is quite important for all of us in this body to remember that this country's energy situation is critical. While we must continue to step up our efforts to find new energy resources for our short-term needs, we must also maintain a long-term research program to insure that future generations will also have an adequate supply of energy.

The continuation of the Clinch River breeder reactor program will give us a closer look at what direction we need to go. It will allow us to take a first-hand look at breeder reactors as an alternative, futuristic energy resource. It will also allow our scientists to have a first-hand look at its problems and an actual working model on which to base their approach to the solutions of those problems.

The answer to the question of our energy resources, then, must be a long-term approach to the exploration for new resources. We cannot falter in our quest to develop new sources of energy. The breeder reactor may be part of the solutions we seek. I would endorse the continuation of the Clinch River breeder reactor program.

I am convinced that, potentially, this project will tell us a great deal regarding the use of breeder reactors. The program, as it now stands, is a search for information. Let us continue our search for that much needed information.

I am proud of this body's action in passing H.R. 3474 last week. Our research effort to find new energy resources is greatly needed and should be funded at a level that all forms of heretofore unused or underused energy resources may be explored to their fullest.

TAX RELIEF TO OFFSET CONSUMERS' RISING UTILITY COSTS

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. FISHER. Mr. Speaker, today I am introducing a bill to allow consumers a Federal income tax deduction for the State and local public utility taxes which they pay. In light of the deductibility of other State and local taxes, denial of a deduction for utility taxes is not fair. Recent rises in utility rates have accentuated the unfairness.

In some States, such as Virginia, consumers pay State or local utility taxes which are not deductible as part of a general sales tax. To residential consumers, for whom utility costs are not an expense of doing business, such taxes currently are not deductible under the Federal income tax. These nondeductible public utility taxes are not insignificant in amount. For example, in 1974 Virginians paid local utility taxes of $85 million on electricity, telephone, and natural gas. Residential consumers paid much of this amount. These taxes on consumers are in addition to the millions of dollars in State and local taxes paid by utility companies and passed on to consumers in the form of higher utility rates.

For an average family, nondeductible utility taxes can add up. In Virginia's Fairfax County, where residential consumers paid about $7.4 million in local taxes on electricity, telephone, and natural gas in 1974, a typical family using 750 kilowatt hours of electricity a month could expect to pay about $43 in electricity taxes for the year. Taxes on electricity represented only about a third of the nondeductible utility tax revenues collected by the county. Since Virginia income tax law conforms to Federal, consumers paid both State and Federal income tax on these amounts.

Recent inflation and the disproportionately large increases in coal and oil prices have caused enormous rises in utility rates. Although the Nation's use of electricity increased little in 1974 and use of natural gas decreased, the Library of Congress estimates that during the same period electric and gas utility bills rose almost $10 billion. The higher costs of fuel used by utility companies accounted for about two-thirds of this price rise.

Rates charged by Virginia Electric & Power Co. illustrate the change. In November 1973, before the Nation felt the effects of the oil embargo, a Virginia resident who used 750 kilowatt hours of electricity a month could expect a pre-tax monthly electric bill of $17.97. Seventy cents of this amount was a "fuel adjustment charge" reflecting the cost of fuel used to produce the electricity. By February 1975, the same Virginia resident using the same amount of electricity could expect a bill of $31.26, including a fuel adjustment charge of $9.11. This price jump represents a 1300 percent increase in fuel adjustment charge and a 74 percent increase in overall rate.

Similarly, a Virginia residential user of 2,000 kilowatt hours per month could expect to pay $34.84 plus tax for electricity in November 1973 and $66.23 in February 1975—a 1,300-percent increase in fuel adjustment charge and a 90-percent increase in overall rate. With utility rate increases like these, no wonder one Virginia county found it possible to lower its electric and gas tax rates from 14.6 to 8 percent without losing revenues.

Last year American consumers paid more to cover utility rate increases than they had paid over the previous 25 years and, judging from the magnitude of pending rate requests, more increases are on the way. Consumers have lowered their thermostats in winter and raised them in summer, they have turned off lights and televisions, and they have reduced their use of appliances and telephone—yet still their utility bills climb. Some homeowners find their utility bills approaching the size of their mortgage payments, and some retired persons on fixed incomes find their utility bills a significant factor in pushing their standard of living down. High utility costs reflect the Nation's long-term energy problems, and we cannot expect a sudden change.

To ease the burden of steeply rising utility costs and to remove discrimination against consumers in States and localities which rely on utility tax revenues, I urge Congress to allow consumers a Federal income tax deduction for State and local public utility taxes. At present, the Internal Revenue Code permits taxpayers to deduct State and local taxes on real property, on personal property, on income, on gasoline, and on general sales. Like most of these taxes, utility taxes are levied on necessities, not luxuries. In fact, use of water, telephone, natural gas, or electricity may be less discretionary than use or purchase of an automobile or other item for which taxes are deductible.

In 1964 Congress eliminated deductions for a number of State and local taxes, primarily on the ground that taxpayers had difficulty reporting these taxes accurately. However, utility taxes do not present the recordkeeping problems of other nondeductible State and local taxes. Totalling up taxes from monthly utility bills is much easier than keeping track of taxes paid on numerous random purchases of alcoholic beverages, cigarettes, tobacco, or wine, or admissions to entertainment events. In fact, keeping accurate records for utility taxes may be easier than for gasoline taxes, which the law already asks taxpayers to do.

Some may criticize a utility tax deduction because it would benefit only homeowners and renters who pay their own utility bills. However, under present law, landlords who pay their tenants' utility costs may deduct utility taxes as a business expense and pass the benefit of this deduction on to their tenants. Moreover, a utility tax deduction surely would be more equitable than the existing deduction for real property taxes because, while only homeowners pay taxes on real property, many renters pay their own taxes on telephone and other utilities.

Others may criticize a deduction for utility taxes simply because it is a deduction. By definition, deductions convey no benefit on persons who pay no tax or on taxpayers who do not itemize their deductions. However, unless most personal deductions are to be eliminated, Congress should not be unwilling to add a new deduction which would achieve greater equity in determining taxable income.

A Federal income tax deduction for State and local public utility taxes would help consumers bear today's unprecedented rises in utility costs and would remove discrimination against consumers in States and localities which rely on utility tax revenues. Where State income tax law conforms to Federal, the change would bring double relief. In my judgment, a Federal income tax deduction for State and local public utility taxes is needed, and it is needed now. I urge the Ways and Means Committee to consider my utility tax deduction bill during its forthcoming hearings on tax reform and to report out the measure promptly.

LAKE BLUFF AMERICAN LEGION HONORS VETERAN MEMBERS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. McCLORY. Mr. Speaker, it will be my privilege to again serve as parade marshal at the Fourth of July celebration arranged in my home town community of Lake Bluff, Ill. This traditional event is organized under the direction of Lake Bluff American Legion Post No. 510, which this year is celebrating its 56th anniversary.

Mr. Speaker, in addition to commemorating the 199th anniversary of our birth as a free and independent Nation, I will join in honoring a group of Lake Bluff citizens whose military records and ensuing service in the American Legion have been recognized recently.

Those who received special awards from Post Commander Charles David Maley were past commanders Thomas J. Evert, Sr., J. Bronson Gridley, and William T. McQuaid. Others honored were Louis D. Neill for 42 years of service, Elmer B. Vliet for 45 years, Elmer C. Anderson for 47 years, Col. Stanley R. McNeil and Lee J. Quassey for 51 years, Chauncey L. Calkins for 52 years, and Norris A. Pitt for 55 years. Certificates for the full 56 years since the Lake Bluff was established were presented to Sam Gizzi and to Adolph Edgren who also received a special award as service officer.

Mr. Speaker, it is appropriate to recall at this time the military and American Legion service which these venerable citizens have contributed, and to again recognize them at our Lake Bluff Fourth of July celebration. It is with pride that I call this to the attention of my colleagues, and to add my good wishes and sincere congratulations to these honored friends and neighbors from my hometown of Lake Bluff.

PROBLEMS FACING NONIMMIGRANT FOREIGN STUDENTS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. FRASER. Mr. Speaker, on June 12, the Subcommittee on Immigration, Citizenship, and International Law of the House Judiciary Committee held an oversight hearing on foreign student problems. The subcommittee has indicated that at least one more hearing may be held. These hearings provide an effective forum for a critical and comprehensive examination of a number of important issues, including the problems confronting nonimmigrant foreign students who wish to obtain off-campus work permits during school vacation periods.

The Immigration and Naturalization Service—INS—ruled last year that the authority to grant off-campus work permits to nonimmigrant foreign students would be transferred from colleges and universities to the INS district offices. Citing the high unemployment rate among young Americans and the reluctance of campus authorities to refuse permit requests, the INS stated that students who arrived on campus after fall 1974 would be granted permits only if an "unforseen change of circumstances" could be demonstrated.

This policy change sent waves of shock throughout much of our system of higher education. Representatives of foreign student offices alleged that the new regulations would pose undue hardships on foreign students and would serve to discourage their attendance at American institutions. Although the Service's concern about the increasingly tight job market is understandable, a responsible examination of the problem must also take into consideration the arguments advanced by the colleges and universities.

First, there is evidence that there has been a significant decline in the number of permits issued since the redelegation of authority. Congressman GEORGE BROWN, JR., reports that the number of permits granted by the Los Angeles Immigration Office declined by 75 percent from 1973 to 1974.

Second, the decision affects many students who arrived in the United States under visa issuance rules which presumed that permission for off-campus summer employment would be granted under more liberalized conditions. At the University of Minnesota, 80 percent of the nonimmigrant foreign students fall into this category.

Third, the transfer of authority has resulted in uneven application of the "unforeseen change in circumstances" test. According to the University of Minnesota's International Student Advisor's Office, the proportion of approved applications ranged from a high of 91 percent in one district to a low of 25 percent in another.

Fourth, foreign students face unusually high educational costs. Foreign students pay either nonresident university tuition or tuition in private institutions which constitutes as much as 40 to 50 percent of their total expenses in the United States. The difficulties posed by tuition structures are compounded by the limited availability of financial aid. Fellowships, assistantships, scholarships, and on-campus employment opportunities are open to foreign students. Too often, however, these funding sources fail to cover a foreign student's expected financial needs. The University of Minnesota has estimated that the 1974–75 shortfall among its foreign students approaches $300,000.

Finally, the policy change has served to markedly increase the delay between an application and action by the INS. In Minnesota, it now takes as long as 60 to 90 days to process an application.

I would suggest that the strength of these arguments militates in favor of a serious reassessment of current policy. The subcommittee's hearings can facilitate and encourage such a reassessment. Two articles recently appeared in the Minnesota Daily which describe the problems facing University of Minnesota foreign students—I commend these articles to the attention of my colleagues. The articles follow:

FOREIGN STUDENTS FACE FINANCIAL BIND DUE TO LIMITED JOB CHANCES

(By Barbara Jones)

No one says things are easy for foreign students these days. A continuing difficulty in obtaining permits to work in this country, a tuition increase of as much as 22 percent for non-Minnesota residents and the generally rising level of unemployment mean increasing financial problems.

In April 1974, the chances for a foreign student to get a work permit were made more difficult by an Immigration and Naturalization Service (INS) ruling that universities and colleges can no longer issue summer work permits. The situation hasn't changed much since then, according to Forrest Moore, director of the International Student Adviser's Office (ISAO).

To be eligible for employment, a student who arrived on campus after fall 1974 must demonstrate an "unforeseen change of circumstance," Moore said, as well as good academic standing and an intent to register for classes the following fall quarter.

The interpretation of an unforeseen circumstance is very rigid, Moore said. Death in the student's sponsor family or a natural disaster such as a drought are included in the definition, but inflation is not unless a student has been in the United States for a considerable length of time, Moore said.

However, William Carty of the INS district office said that tuition or cost-of-living increases may be considered as part of a larger reason, such as a natural disaster, for a student to qualify for a work permit.

Fluctuations in international monetary exchange rates may also cause problems, even for students who arrived this year, Moore said. A students' parents or sponsor may be reluctant to send money here because it loses value, he explained.

"By sending rupees (from India) here you lose six out of seven dollars (in the exchange). There is pressure on students not to spend that money," if it is available to them, Moore said. "The rulings are saying, 'You've got to spend that money, whether you want to or not.'"

Students from Vietnam, whose support may have been cut off when their government fell, will eventually become eligible for all federal student assistance programs if they obtain permanent resident status, according to Charles Saunders, director of the American Council on Education's Office on Governmental Relations. But this process may take six months or longer per case, he said.

In the meantime, "if a (University) student from Vietnam can show that he depended on funds from home, he can get an off-campus work permit" while waiting for a decision, Moore said.

The INS internal council ruled last year that the director could not delegate to the schools permission to grant off-campus permits.

"Delegation is no longer an issue," Moore said. Off-campus work permits must be granted by the U.S. immigration office after being screened by the University, but on-campus permits may be granted by the University, Moore said.

Two bills in the U.S. House of Representatives may improve the situation for foreign students.

A bill introduced by Rep. George Brown (D-Calif.) would give the immigration director power to delegate the authority to grant work permits. If the bill passes, work permits might be easier to get, Moore explained, because the director "couldn't deny that he had the power to delegate (authority to the universities) but he might decide not to."

The idea of a bill to give the schools the authority to grant work permits was not seriously considered, because it would probably have had "no chance of passing," Moore said.

Rep. Peter Rodino (D-N.J.) introduced a bill that would make it a crime for an employer to hire anyone without a work permit.

Sen. Edward Kennedy (D-Mass.) has introduced a bill similar to Rodino's, but it is more protective of legal aliens' rights to work, Moore said.

Since it has not yet had a hearing, the Brown bill probably has little chance of passing this session unless it is attached to a larger bill such as the Rodino bill, Moore said.

Last year, ISAO processed between 400 and 500 applications for employment permits, Moore said. Of those, 121 were sent to INS to be approved for off-campus employment permission.

Of the 121, all but two received final approval.

The rest of the applicants received permission to look for on-campus employment, except for a few who had other financial resources or who were unable to prove that they couldn't already meet their expenses, Moore said.

There is sometimes a delay of up to 90 days in receiving work permits, according to Tayo Poroye, president of the Minnesota International Student Association (MISA).

"A lot of students may ask for a permit, meet the necessary requirements and it may still take up to 90 days. We have tried to talk to the immigration service—the general response is 'we are doing our best,'" he said.

"Generally, if there's delay, there's something wrong with the application," the INS' Carty said.

Delays are more common at the end of a year, Carty said. "For the most part, we're getting things out fast."

Sometimes applications have to be double-checked because they are inconsistent with a student's previous applications, Carty said. "Very definitely" students sometimes lie about the amount of financial support they receive, he said.

Foreign Students Face Fund Shortages

(By Linda Sanderson)

"We are now caught between the unfortunate irony that on one hand the United States is encouraging some foreign students to come here (for educational purposes) and on the other hand foreign students already here are being seriously discouraged from staying," Forrest Moore, director of the International Student Adviser's office, said Monday.

Moore was referring to efforts by some American colleges to recruit students from Venezuela and the Middle East while foreign students now in the United States are not receiving adequate funds to remain here and have been hindered in their attempts to raise money by a recent U.S. Immigration and Naturalization Service' ruling that makes it very difficult for foreign students to obtain work permits.

"This situation reflects a lack of overall educational planning on the part of the United States," Moore said.

Unlike several universities and colleges across the nation, the University has not been involved in recruiting foreign students from oil-producing countries, were officials are interested in spending some of the country's money on education.

"In fact, we've done just the opposite," Moore said.

He explained that he has discouraged many foreign students from coming to the University unless they can bring enough money to pay for at least two years of college.

However, the number of students from oil-producing countries has risen approximately 5 percent in the last year while the number of students from "developing" countries has fallen approximately 20 percent.

Moore explained that, in at least one known instance, local business firms are coaxing foreign students to come to the United States.

"Of course, these firms have education in mind when they ask the students over and we end up working with them (the firms) although the idea of bringing the students over was not our idea," Moore said.

Moore said the University is "fully engaged with the resources we have" and that foreign students are already lacking $250 thousand in financial aid this year.

He said he is interested in keeping a mix of students from all countries and that recruiting only the students who can afford to come limits diversity.

"Unless students can get work permits and earn their own money once they get to the United States we won't be able to get the variety of students that we'd like," Moore said.

But foreign students continue to arrive in the United States without adequate funding to carry them through two years of American education.

"Some of them end up commiting acts that at least the immigration service says are unlawful," Moore said.

If there's nothing irregular about an application, it should be on its way back to the student within a week, Carty said.

Poroye also said that many foreign students don't bother to apply for work permits because they have heard the permits are difficult to obtain. Other students have had problems proving a need to work. One student from India, who preferred not to be named, said that she "was told that the chances are pretty dim to get even on-campus employment."

Moore said that it was possible that students who can't get permits might try to work illegally.

About 10 students were cited last year for working illegally, Moore said, and given 30-day notices to leave the country. INS extended their stays until this month when a review of the students' financial needs showed they had cause to work, Moore said.

"Some had an unforeseen change of circumstance but didn't do what was necessary (to inform INS). We're now in the process of negotiating most of those," Moore said.

The University may be able to provide some help for foreign students from a scholarship fund designed to help make up the difference between resident and nonresident tuition. A University-wide fund of $278,000 has been allocated by the state legislature for that purpose. However, no more than one half of one percent of all students at the University are eligible for this tuition assistance, according to Martin Snoke, assistant vice president for student affairs.

The amount students will be eligible to receive will depend on what the final tuition rates are. Regulations about eligibility for the scholarships, which must be repaid if a foreign student stays in the United States, are still being formulated, Snoke said.

DISTRICT OF COLUMBIA YOUTH WINS SPECIAL NAVY SCIENCE AWARD AT 26TH INTERNATIONAL SCIENCE AND ENGINEERING FAIR

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. FAUNTROY. Mr. Speaker, I just would like to take this opportunity to bring to the attention of my colleagues the outstanding achievement of one of my constituents, who was also a senior at Gonzaga High School in the District of Columbia.

Reginald K. Jenkins, who turned 19 just slightly more than 1 month ago, has been awarded a 10-day trip to Sweden to attend the Nobel Prize Ceremonies in December as a prize for his winning entry in the 26th International Science and Engineering Fair.

I bring the achievements of this young man to the attention of my colleagues, because I believe that it is important that we consciously encourage our youth to pursue the hard questions in science and mathematics in an effort to improve the quality of life for all of our citizens. I am particularly proud that this young man is from the District of Columbia and that we, in this city, are doing such an excellent job in some of our schools to educate and encourage persons like Reginald in their academic pursuits.

I am attaching copies of news stories that have appeared in Washington papers so that each of my colleagues will be able to read what the press has said about this young man:

[Department of the Navy Release]

District Youth Wins Navy Award

A high school senior from the District of Columbia is the winner of a special Navy science award presented at the 26th International Science and Engineering Fair, held May 12–17 in Oklahoma City.

Reginald Kevin Jenkins, 19, who will graduate in June from Gonzaga High School, won one of the two top prizes given by the Navy at the ISEF, an expense-paid trip to Stockholm, Sweden, in December to attend the Nobel Prize Ceremony, banquet and ball. He and the other Navy winners and alternates were chosen from among the 396 regional science fair finalists whose science projects were exhibited at the ISEF, the annual "World Series" of science fairs sponsored by Science Service, Inc. also of Washington, D.C. As one of the Navy's top winners, Jenkins also received an engraved onyx desk set, $100 from the Navy League and an electronic pocket calculator donated by the Hewlett-Packard Company.

Jenkins' project, entitled "Effects of Chalones on Transformed Lymphocytes", involved treating certain types of white blood cells (lymphocytes) with hormones (chalones), then measuring the effect of the hormones on the cells. The study, which falls into the category of biochemistry, is directly related to some areas of medical research, notably leukemia treatment.

The project was rated outstanding by the Naval Research Reserve officers and Navy scientists who did the judging for the Navy, and Jenkins was selected a top Navy winner. He also won third prize in biochemistry from Science Service, Inc.

Jenkins will be joined on his trip to Sweden by two other students, the winners of special awards given at the ISEF by the Army and the Air Force, respectively. Besides attendance at the Nobel Prize ceremony and all its related activities, the trip includes sightseeing and other social activities, with Swedish students acting as hosts, and a stopover in London to visit the scientific branch offices of the three services.

The Nobel Ceremony Visit Award, as it is called, was introduced by the Army, Navy and Air Force as part of the Special Awards Program at the ISEF in 1972. The other Navy (and Army) award is an expense paid trip to Tokyo to attend the Japanese Science Fair, won this year by Darcy P. McGinn, a high school senior from Alamogordo, New Mexico. Fourteen other awards were presented by the Navy, as well as eight "honorable mentions."

The Navy science awards are part of the Navy's program to encourage and reward scientific achievement among high school students and to motivate them to consider careers in science and technology. The program is managed for the Navy by the Office of Naval Research in Arlington, Virginia.

[From the Washington, D.C. Catholic Standard, May 1975]

Gonzaga Science Whiz Headed for Nobel Rites

(By Norman McCarthy)

A childhood gift of a chemistry set and the dedication of a Jesuit biology teacher started a Gonzaga High School senior on a scientific journey that will take him to Stockholm this year for the Nobel Prize ceremonies.

Reginald K. Jenkins, who turned 19 last week, was awarded a ten-day trip to Sweden for his entry in the International Science and Engineering Fair held recently in Oklahoma City.

The annual fair, which drew several hundred contestants, is administered by the Science Service of Washington, and three Nobel visits are provided by the armed services. Reginald was the student chosen by the Navy. The first Washingtonian and the first black to win this award, he also placed third in the fair.

His winning **exhibit** was "The Effects of Chalones on Transformed Lymphocytes." Chalones, he explained, are internal secretions that can inhibit cell division of the white blood cells called lymphocytes. The process is related to leukemia research.

In Stockholm, Reginald and the two students chosen by the Army and Air Force will attend receptions and banquets along with the Nobel laureates. The students also will visit a Swedish high school and spend time sight-seeing.

The Gonzaga senior's interest in science began at age 9 when he was given a chemistry set, which, with some expansion, is still in use at his home at 505 G St., S.W.

"I'm an inquisitive person and my first experiments led to others," he said. "They eventually led me into the biology field and I continued to study and experiment."

While at Kramer Junior High School, Reginald entered the D.C. Science Fair with a zoology exhibit. It was at that time he learned of the highly regarded science program at Gonzaga. He enrolled at Gonzaga at the beginning of his sophomore year.

At the Jesuit school, he studied under Father Raymond Lelii, S.J., the science advisor who consistently turns out students who excel in science.

"He is the best biology teacher and one of the most dedicated men I've met," Reginald said of Father Lelii.

Father Lelii is equal in praise. He believes his student's accomplishments "probably will never be repeated in the Washington area."

In 1973 Reginald was awarded first prize in microbiology in the D.C. Science Fair and in the following two years won the overall grand prize in the fair.

During those three years he also did research work at Children's Hospital and the National Institutes of Health. In 1973 he worked in the Children's Hospital laboratory with Mrs. Movita Hercules, a research technologist. He continued his research with an American Cancer Society summer grant.

The following year he was awarded a National Science Foundation grant for research at NIH. The past year he did work in biochemistry at Children's Hospital.

In addition to his area and national awards, Reginald also is one of the 300 honors group of the Westinghouse Talent Search. He was the Washington representative at the Academy of Sciences held this year at the U.S. Military Academy at West Point.

Elated about the Sweden journey, Reginald also is pleased to be entering premedical school this fall at Georgetown University. He hopes to continue through medical school and enter the field of medical research.

[Science Service Release]

Gonzaga Student Wins Trip to Nobel Ceremonies

Reginald K. Jenkins, 18, a student at Gonzaga College High School, Washington, D.C., has won a 10-day trip to attend this year's Nobel Prize Ceremonies as a reward for his winning entry in the International Science and Engineering Fair, held earlier this month in Oklahoma City. He is the first Washingtonian—and the first Black—ever to win this award.

The fair is administered annually by Science Service of Washington, D.C., and three Nobel Visit Awards are provided by various armed services. Jenkins was the student chosen by the Navy.

Jenkins' winning exhibit was entitled "The Effects of Chalones on Transformed Lymphocytes." Chalones (KAY-lones) are hormones that can inhibit cell division of the white blood cells called lymphocytes (LIM-fo-sites). The student first studied this inhibitory effect after treating the lymphocytes with a chemical that usually induces division, called phytohaemagglutinin (FI-toh-hee-ma-CLU-tin-in), and then examined the structure of the lymphocytes after receiving the hormone.

This is the 75th anniversary of the Nobel Prize and many past winners are expected to attend the ceremonies in Stockholm. The three high school students will be guests, along with the Nobel laureates, at the ceremonial receptions and banquets. They will also visit a local Swedish high school and do some sight-seeing.

Science Service is a non-profit corporation established in 1921 for the diffusion and popularization of scientific knowledge.

ABSTRACT FORM—26TH ISEF

"The Effects of Chalones on Transformed Lymphocytes," Reginald K. Jenkins, Gonzaga High, Washington, D.C. 20001; 505 G St. SW., Washington, D.C. 20024.

Abstract: The purpose of these experiments was to examine the effects of spleen calf chalone, a cell specific, endogenous, mitotic inhibitor, on lymphocytes transformed by the mitogen phytohaemagglutinin (PHA).

Chalones are specific mitotic inhibitors responsible for the controlled division of normal lymphocytes. These chalones can be obtained from melanocytes, granulocytes, kidney cells, cells of the lense, and from spleen and thymus glands.

Studies of the physiological effects of chalones on lymphocytes stimulated by PHA have shown that the chalone is most effective when introduced during stimulation of the lymphocytes with PHA. Experiments using PHA transformed lymphocytes that have been stimulated for 3 hrs. and washed of PHA, show that the inhibition observed is due to true inhibition and not PHA denaturization. Next we must consider the question of how chalones effect the morphology of transformed lymphocytes.

Lymphocytes are stimulated by PHA and at the same time treated with 50Ug of purified spleen chalone and their morphology, with respect to viability, cell size, and cell vacuolization, observed each day for three days. The results showed that cells treated with chalone retain their normal cell size, vacuole number, and a relatively stable viability. Those uninhibited PHA cells showed the characteristics common of lymphoblasts (many large vacuoles, enormous cell size, and an increase in cell number).

[From the Washington Afro-American and the Washington Tribune, May 24, 1975]

Science Fair Winner To See Sweden at Nobel Rites

Reginald Kevin Jenkins, a senior at Gonzaga College High School won third place in the 1975 International Science and Engineering Fair held recently in Oklahoma, becoming the first black to place in that competition.

In addition to the honor he was chosen to represent the U.S. Navy in Stockholm, Sweden for the 75th Annual Nobel Prize Winners Awards Ceremony next Dec. 10.

Mr. Jenkins received a cash prize of $50, an award, and a desk set for his science project, "Effects of Chalones on Transformed Lymphocytes" which won third place among 36 predominantly white competitors in the field of bio-chemistry.

The 19-year-old son of Marcus and Shirley Griffith of 505 G St., SW, Reginald will attend Georgetown University as a pre-med major in the fall.

Mr. Jenkins plans to earn an M.D. as well as a Ph.D., enabling him to practice medicine as well as do research in bio-chemistry.

He said that he was inspired to pursue the topic of chalones (mitotic inhibitors) as a result of a research paper and the project "took three years, off and on" to complete.

He has received numerous awards and honors in the field of bio-chemistry including the first place winner of the D.C. Regional Science Fair three consecutive times (1973, 1974, 1975); a research internship at Children's Hospital; research grants from the American Cancer Society and the National Institute of Health (NIH); and a third place in the Metro Science and Technical Writers contest.

Mr. Jenkins said he first began his scientific pursuits as a hobby however, his other recreational activities include; photography, writing short stories and poems, swimming, tenns, chess, listening to music, and reading.

[From the Washington Post, May 23, 1975]

District of Columbia Youth Invited to Nobel Rites

Reginald K. Jenkins next December will attend the Nobel ceremonies in Sweden as a prize for his winning entry in the 26th International Science and Engineering Fair in Oklahoma City earlier this month.

Jenkins, a 19 year-old senior at Gonzaga High School, has won first place in biochemistry at the D.C. Science Fair for the last three years and this past year added the first grand prize to qualify for the Oklahoma fair.

There, he won third prize in biochemistry for his study of "The Effect of Chalones on the Morphology of Transformed Lymphocytes" and was chosen one of three from the United States to attend the Nobel ceremonies in Stockholm.

Jenkins, who plans to attend Georgetown University this fall—he also was accepted at Yale and George Washington—as a premedical, biochemistry major began his project three years ago. He had been selected as one of several Gonzaga students to work in scientific research at Children's Hospital.

An A student, he won an American Cancer Society grant to work there through the summer of 1973 and then received a National Science Foundation grant to work at the National Institutes of Health in the summer of 1974.

Jenkins lives at 505 G St. SW with his parents, Mr. and Mrs. Marcus M. Griffith, two brothers and a sister.

Last week he explained the project to a group of admiring teachers, family and sponsors of science fairs at the Cosmos Club.

In simplified terms, he was inducing lymphocytes, a type of white blood cell, to divide in a way similar to cell division in leukemia victims. He was then treating the cells with chalones, hormones that inhibit cell division, and measuring the effect of the hormone.

The inhibiting action of chalones is of potential importance in both leukemia treatment and tissue rejection, a key factor in organ transplants.

Jenkins said his first scientific project, undertaken in junior high school, had been to give testosterone, a male sex hormone, to rooster chicks.

"It made them more aggressive. It changed the pecking order," he said.

Edward Sherburne, president of Science Service, which sponsored the international fair, said at the Cosmos gathering, "Reginald has got an obligation now to help convince other black kids that they can make it in science and engineering."

AMERICAN HELLENIC EDUCATIONAL PROGRESSIVE ASSOCIATION—AHEPA

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. FLORIO. Mr. Speaker, recently I had the great honor of being initiated as a member of the American Hellenic Educational Progressive Association, Camden Chapter 69, in my State, New Jersey. My purpose in informing my colleagues of AHEPA is because I believe that in the potentially dangerous world climate in which we are engulfed, that there is much to be learned and admired by the efforts of the Greek American people as displayed in the philosophy and accomplishments of AHEPA. The association was founded in the early 1920's on the premise that the Greek immigrants had much to overcome in establishing a new life here in America, not the least of which was the xenophobia expressed by the established communities in which they resided. AHEPA embraced a philosophy geared to the needs of the people who were to become lifetime residents of the United States, helping them to overcome the cultural shock and ease the process of assimilation into the American community. However, much to their credit, AHEPA conducted their activities while also maintaining pride in their ancestral and historic roots.

AHEPA exemplified this philosophy in their philanthropic endeavors and educational programs, which, though focusing on the Greek American, did not exclude other Americans simply because they were not of Greek ancestry. If these principles were applied on a larger scale perhaps the potentially dangerous world climate could be diminished and we would live in a climate of greater civility. I strongly feel that we as a nation can learn much from the example of the American Hellenic Educational Progressive Association who have shown the positive effects of applying humanitarian principles rather than militant activities in helping those from different cultures to understand and live with one another peacefully and compatibly.

ENERGY AND THE STEEL INDUSTRY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MURTHA. Mr. Speaker, some portions of Pennsylvania have not been as hard hit by the past year's economic difficulties as other sections, because of the basic strength retained by the steel industry. Not too long ago, though, a pair of noted economists appearing before a congressional committee differed on the future of steel—one man said steel's economic problems were still to come; the other said this industry would probably avoid any massive economic disorders.

There is less doubt, however, that the focus has not been intense on the steel industry during the last year, largely because of the severe problems felt by the auto industry, housing industry, and others. Some remarks by the chairman of the Bethlehem Steel Corp., Mr. Lewis W. Foy, recently focused my attention on steel, and its needs over the next few years. I would like to integrate some of my own thinking with Mr. Foy's cogent and instructive remarks.

Let me begin by stating my own prejudices: Bethlehem Steel employs over 5,000 persons in the district I represent and Allegheny Ludlum Steel employs as many as 2,000 more. Also, Mr. Foy and I agree that the use of coal—which is abundant in the 12th District of Pennsylvania—will be essential to the future strength of the steel industry.

Like every other industry, steel depends on energy. The situation is noted by Mr. Foy:

> The steel industry is energy intensive. Vast amounts of energy are consumed in all phases of iron and steelmaking . . . Coal accounts for 67% of the BTUs consumed yearly in the steel industry; natural gas about 20 percent; residual fuel oil over 7 percent; and purchased electricity about 4 percent.
>
> A cutback in any of the steel industry's major sources of energy could seriously hamper its ability to supply the steel needed to implement new energy programs or expand existing ones. Shortages in steel shipments due to energy cutbacks would only complicate and intensify the nation's economic and energy problems.

Yet, working with the FEA, Mr. Foy reports that Bethlehem used 4.4 percent less energy in 1974 than in 1973. The energy problem encountered by many industries is shown by the fact that despite consuming 23 trillion fewer Btu's in 1974, Bethlehem's energy costs rose by 74.1 percent.

There is no doubt coal is essential to the steel making industry, particularly high-grade metallurgical coal needed for coking. But Mr. Foy mentions a new problem in the use of this coal:

> What's happened is that stringent environmental regulations have forced some utilities to buy metallurgical coal in place of lower-cost steam coal, just because the metallurgical coal is low in sulfur. This action has resulted in shortages of metallurgical coal and grossly inflated prices.

Thus, Mr. Foy points to the first policy need to insure a strong steel industry: Shaping a policy to insure sufficient metallurgical coal for the steel industry and not seeing it being wasted where other fuels and grades of coal can and should be used.

Mr. Foy's second point is that for the future of steel and many other industries, we must rely on coal to see us through the middle-range energy needs of our Nation until alternative sources can be developed.

The Project Independence report talks about doubling our Nation's coal production in the next 15 years. But if we are to do that Congress must develop a coordinated plan for tapping that coal. We must deal with many obstacles.

First, capital incentives must be provided. Ten years ago it cost $7 to $9 a ton to open a new underground mine; today that figure is $25 to $30 a ton. We must help financially to stimulate the production of coal.

Second, Mr. Foy mentions the need for insuring delivery of coal:

> The number of coal cars in service declined from over 400,000 in 1970 to some 353,000 by 1974, with only 7,100 new cars delivered last year. At this rate it will take many years to restore the coal fleet of hopper cars to its 1970 level, let alone expanding it sufficiently to carry the volume expected in 1985.

A third problem is one of rail lines. I will shortly be introducing legislation to include in the national rail plan all lines with the potential to add to our coal production, because we cannot afford to abandon the lines at this time.

Fourth, we will have to encourage new men into the mine fields of our Nation, improve safety, and provide decent wages and fringe benefits for these miners.

The energy problem is intimately integrated with the economic strength of America throughout the remainder of this century. The steel industry and the remarks of Mr. Foy provide yet another example. It is clear that Congress must develop a coordinated, long-range policy or we will face a series of economic disasters over the years ahead.

HOUSING: A WORKABLE ALTERNATIVE

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. McKINNEY. Mr. Speaker, my concern for the depressed condition of the housing industry and the ripple effect which this depression was having on the economy as a whole, caused me to strongly support both the Emergency Middle-Income Housing Act and the Emergency Home Owners Relief Act. I believed in early March when the legislation was voted out of the Banking, Currency and Housing Committee, and I continue to believe, that the housing industry and this Nation needs the stimulus which the Middle-Income Housing Act would have provided. In addition the tenuous state of our economy over the last few years necessitated a protective measure which would enable those temporarily out of work to maintain their payments on homes that they have worked all their lives to purchase.

While both the House and Senate agreed on the need for these two pieces of legislation, they choose to use the conference on these two bills not as a comprehensive program of economic recovery, but rather as a vhicle for the inclusion of extraneous nongermane housing amendments, which have no place in "Emergency" housing legislation.

Construction of homes and apartments rose sharply in May, to the highest levels in 8 months. While this fact can be taken as an indication that our recession has bottomed out, it seems clear that we are not yet out of our period of economic insecurity, for behind this large increase in housing productions remains the sad fact that housing units are still being started at the lowest rate on record for a May. Thus while the need for emergency legislation is still evident the conference report attempts at assistance has resulted in an "Overkill" solution.

My specific objections to the conference report lie in title III which attempts to confuse the intent of the two major provisions of the legislation by foisting provisions which have not been previously discussed as a means of housing assistance or have been voted on by the House, but rejected or modified.

For example, title III authorizes an extension of section 312 rehabilitation programs, a program which had been replaced by the House in the $3 billion community block grant program. It further extends the life of the section 235 program through July 1, 1977, a program which the House had decided to eliminate. Title III also would allow for the lowering of rental requirements, while permitting the admission of indivduals in higher income brackets into section 236 public housing programs. In addition title III includes provisions for modifications in the areas of flood insurance, subsidized supplemental loans, Indian housing, and elderly housing processing.

These are all areas which I believe should be or already have been given individual attention. The substantive features in addition to the fiscal impact which each of these measures will have deserves more than cursory study by the conferees, assigned to confer on two pieces of major legislation geared at assisting a specific problem area in our economy.

For these reasons, I will sustain the President's veto of the conference bill and cosponsor, what I believe to be a constructive alternative, which will provide specific assistance to those who wish to purchase a new home at a reasonable interest rate, and to those who wish to keep their homes, but find it difficult due to economic factors beyond their control.

Thus, H.R. 8123, will provide an additional $10 billion for the purchase or mortgages by GNMA, 80 percent of which would be directed to the median and slightly above income family at a fixed interest rate of 7½ percent; and would combine a direct loan and coinsurance program to provide relief to a mortgage facing the loss of his home by authorizing payments of up to $250 per month for up to 24 months. It is my hope that this new legislation will be accepted quickly by the House, Senate, and administration so that the relief, so badly needed, but so long delayed, will finally become a reality.

TRIBUTE TO GREAT WESTERN ROSE CO.

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. KETCHUM. Mr. Speaker, Great Western Rose Co., in McFarland, Calif., has just received the Sears, Roebuck & Co. "Symbol of Excellence" award for the third time. This annual award is not handed out lightly. In fact, less than 500 of the 12,000 merchandise sources employed by Sears have been so honored. The award stands for quality merchandise, dependable supply, and initiative in developing new and improved products. The ability, morale, and pride of employees and management are all saluted with such a presentation.

I find this high standard of performance achieved by Great Western Rose Co. a fine example of what free enterprise can achieve. Each employee within the company has proven that individuals performing to the best of their ability, motivated by their own pride in production and enjoyment of their craft, are what please the marketplace. In turn, the marketplace has rewarded them in the form of consumer preference. The cycle of supply and demand is complete, and everyone involved receives the best possible reward.

I am pleased to be able to congratulate Great Western Rose Co. for its achievement, for its diligence, and for its contribution to the American way of life. I know that my colleagues will be pleased to echo this praise.

LAFAYETTE LAKE AND THE ENVIRONMENTAL IMPACT

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. FITHIAN. Mr. Speaker, the development of Lake Lafayette will mean long-range stabilization of an important part of our region. With its permanent green areas around the entire shoreline—and the potential for wildlife preserves—it will be a buffer against any commercial or residential overdevelopment of this area in the decades ahead.

This long-range stabilizing effect may well prove to be more important than any short-range ecological effects—especially in that the immediate impact of the lake on the flora and fauna of the area will be minimal.

According to the most recent environmental report of the Wildcat Creek area, prepared by an independent Indiana consulting firm, the majority of animal species found in the county will be unaffected by Lafayette Lake. The report, the only comprehensive study of the area ever taken, covered 344 species of fish, reptiles, amphibians, birds, waterfowl, and mammals found in Tippecanoe County.

The study found that none of the three rare or endangered species to be found in the State will be affected by the project. These species, which include the bald eagle and the peregrine falcon, are not common in our area.

The greatest environmental impact will be among waterfowl. According to the report eight species of waterfowl, including the Canada, the ring-necked duck, ad other game birds, will be benefited by the project. Some have already suggested that the upper reaches of the lake could be reserved as a waterfowl preserve to increase the potential for waterfowl conservation. With careful planning the creation of this type of wildlife preserve would be possible.

Only one species of fish, the smallmouth bass, will be adversely affected by the project, according to the report. Concern for the quality of bass fishing on the lake could lead to careful conservation measures, such as stocking the lake or construction of an on-site game-fish hatchery. Panfish already present in the stream are expected to thrive after completion of the lake. The study found that 41 species of mammals found in the county would be untouched or only slightly affected by the lake. Four species, including the eastern gray squirrel and the white tailed deer would, however, be moderately affected. Experimental game conservation measures, including reforestation and rent-free crop sharing agreements with local farmers have been sponsored by the Department of Natural Resources and the Army Corps of Engineers in occasionally flooded upstream areas of other Indiana reservoirs. These efforts have met with considerable success in reducing habitat loss for many species.

None of the 201 species of birds which are found in the county will be seriously affected, although a slight impact will be felt by 26 species common to the area. None of the 26 are listed as rare or endangered species.

The report states that none of the 34 species of reptiles and amphibians will be adversely affected.

Because Lake Lafayette and the green areas around it—including wildlife preserves—can be a permanent stabilizing influence on the environment, it has great potential for ecological good. Whether or not the potential will be realized must be up to the people of Tippecanoe County.

If we play an active role in planning the development of the lake, we can assure that the lake's potential is achieved.

TRUTH IN GOVERNMENT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MAZZOLI. Mr. Speaker, I have joined my distinguished colleague, Congressman Donald Fraser, in introducing H.R. 7846, which seeks to correct a major inconsistency in the law.

Section 1001 of title 18 of the United States Code provides penalties of up to 5 years in prison or up to $10,000 in fines for individuals found guilty of lying to Government officials. This prohibition against knowingly making false statements to the Government includes statements not made under oath.

The code, however, does not provide similar sanctions for Government officials who knowingly lie to the public. Yet the latter problem is as dangerous to the proper operation of a democratic government as the former.

At the foundation of democratic decisionmaking is the free flow of information. Citizens cannot exercise freedom of choice when the facts needed to make these choices are hidden from them.

An important problem facing Government today—at all levels and in all branches—is the public's lack of faith in the truthfulness and accuracy of official Government statements.

This public skepticism carries over to the probity and forthrightness of individual public officials—again, at every level of Government.

If stiff penalties against an individual's lying to the Government make it less likely a citizen will lie, then similar penalties against a government's lying to the public might likewise deter officials from lying.

Even if there were no prosecutions under this act, its mere existence on the statute books would demonstrate that Government deception is intolerable and is not in the national interest.

H.R. 7846 is a simple bill, and it may require modification to avoid unanticipated, undesirable "side effects." But, it is a start and it puts into practice the rule of "equality under the law."

THE COVERUP AT ARMED SERVICES

HON. PAUL E. TSONGAS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. TSONGAS. Mr. Speaker, in today's edition of the New York Times, Tom Wicker properly condemns the punative action taken by the House Armed Services Committee against our colleague Michael Harrington. That Mr. Harrington should be penalized for having drawn his colleagues' attention to the blatantly illegal acts of our Central Intelligence Agency in Chile in the early 1970's, while the Armed Services Subcommittee on Intelligence remained mute and acquiescent, is one of the wildest affronts to reason I have encountered in this Congress.

I am inserting Mr. Wicker's article in the Record at this point for the attention of my colleagues:

SECRECY TRIUMPHANT

(By Tom Wicker)

By what weird process have skeptical Americans, who once thought Mr. Dooley and Will Rogers had the last word on politics, come to regard "Government information," particularly when it is "classified Government information," as sacred?

Almost any voter will tell you, after all, that politicians are crooks, or at least clowns and snake-oil salesmen. Yet, even in the wake of Watergate and Agnew and the infinite deceptions of the Vietnam years, let one of those supposedly tricky politicians become a Government official and classify a document, and those supposedly cynical voters begin bowing and scraping before his rubber stamp. Let one of those reputed clowns merely whisper "national security" and otherwise sensible Americans put their fingers in their ears and close their eyes.

Look what's happened just in recent weeks, with scarcely a peep of protest:

The House Armed Services Committee has voted to deny access to secret information to Representative Michael Harrington of Massachusetts, because it was Mr. Harrington who disclosed secret testimony last year that the C.I.A. had conducted covert operations against the Government of Salvador Allende Gossens in Chile.

When the Rockefeller Commission made its report on illegal C.I.A. domestic activities, it recommended nothing more stringent to stop such irregularities than Presidential admonishments and Congressional oversight. But the commission recommended that it be made a statutory offense, subject to criminal penalties, for any C.I.A. employe ever to disclose classified information obtained while he worked for the C.I.A. No exception was made for disclosing classified data that might concern illegal C.I.A. activities.

Pending in the Senate, with both liberal and conservative support, and under the aegis of the Ford Administration, which inherited it from the Nixon Administration, is S.1, a bill to recodify the Federal criminal laws. This far-reaching and complex legislation would provide at least the following new restrictions on public knowledge:

¶Make journalists liable to criminal penalties for posessing or publishing the contents of any Government report without official permission.

¶Make journalists liable to criminal penalties for receiving and publishing virtually any "national security" information without Government authorization.

Make present or former Government employes liable to criminal penalties if they give to the press, without approval of their superiors, any classified information, including material about officials who violate the law, lie to the public or take secret action contrary to official policies.

All this would have effectively prevented press disclosure of the Watergate scandals and the Pentagon Papers. Yet, the Supreme Court has moved in the same direction, albeit tacitly, by refusing to review an appeals court ruling upholding the C.I.A.'s censorship of a book by a former C.I.A. employe. The ruling imposed a lifetime prior restraint on the author's right of free speech respecting information obtained while he worked for the C.I.A., and asserted that he could not disclose information the C.I.A. considered classifiable, whether or not it was classified, or even if he had learned it from other sources after leaving the agency.

Attorney General Edward Levi, in a speech covering the general subject of Government information and its disclosure, seemed to argue more insistently for the Government's right to keep secrets than for the public's right to know what its Government is doing. Moreover, as Nicholas M. Horrocks of The New York Times has pointed out, public response to various C.I.A. investigations and to the Rockefeller report suggest that a substantial number of people believe these inquiries already have gone too far—that they endanger "national security."

Even the leading newspapers, whose duty is to publish what they know under protection of the First Amendment, acquiesced in the C.I.A.'s appeals not to print the extraordinary Glomar Explorer story—despite the repeated Watergate disclosures of how cynically Government officials right up to Mr. Nixon himself were willing to hide irresponsible or mistaken or criminal behavior under the dark cloak of "national security."

No item in this sad catalogue is more depressing than the House committee vote to penalize Michael Harrington for alerting the public to C.I.A. excesses. That vote was a blow to the tradition—never as strong or as deep as it should be in this country—of speaking one's conscience against whatever arbitrary restrictions. It undermined Congress's own need for information from concerned officials about inefficiencies and misdeeds in the executive branch. It bolstered the Administration's power to undertake clandestine operations against other governments without the knowledge or approval of Congress, let alone the public.

It was a vote that valued conformity over conscience and mocked the very idea of Congressional "oversight" of secret government.

VETERANS NEED OUR HELP

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. TRAXLER. Mr. Speaker, I recently had the honor of addressing the delegates to the 50th annual Michigan State Convention of the Disabled American Veterans. I told the 3,000 members of the DAV meeting in Bay City, Mich., that our veterans deserve the best that we can do for them. Our gratitude for their devotion to our country must be expressed in terms of concrete action in the form of much-needed improvements in Federal programs for veterans. I outlined my program for increasing their pension benefits, employment opportunities, disability benefits, and improving health care for veterans. I urge my colleagues to consider the following proposed changes and improvements in our system for veterans and to express their gratitude to our veterans by supporting these programs.

The address follows:

ADDRESS OF HON. BOB TRAXLER

It is indeed an honor to attend this 50th annual Michigan State Convention of the DAV. In every war, from the American Revolution to Vietnam, American citizens have responded generously to their country's call to arms. America in return has always accorded its veterans a position of special honor. Of all our veterans, those most deserving of honor are you who suffered disability in the service of your country. I am very pleased to have this opportunity to address you.

Michigan holds an especially important position in the history of this illustrious organization. Fifty-four years ago the first national convention was held in Detroit. I am particularly pleased that my own home of Bay City was chosen for this 50th annual state convention.

Over the years, your organization has proven to be an effective advocate on behalf of disabled veterans, and all veterans, with respect to government care and benefit programs. Immediately following World War I this country committed itself to a comprehensive program of benefits for disabled veterans, but in those early years too many of the programs were fragmented among different government agencies and all too often the level of care was disgracefully inadequate. Thanks to the tireless, persistent advocacy of groups like the DAV, today's veterans programs are far more comprehensive and far better managed than those in 1921. Your organization can be proud of its 54 years of representing the interests of all disabled veterans. I am confident that the DAV will maintain in the coming years this fine record.

Despite advances made in these programs, I know that you are concerned, and I share these concerns, about needed improvements in federal programs for disabled veterans. Proposals have been brought before the House Veterans Affairs Committee relating to increased compensation rates, improving the VA hospital system, enlarging on-campus programs for veterans, and improving employment opportunities for all veterans, including the disabled.

These proposals are at various stages in the legislative process right now, but I think it is safe to say that action of some kind will be taken upon most of them by the end of the year.

One very important bill passed the House just this past week and I was proud to add my vote in favor of it. This bill provides increases in compensation from 6.3% to 8.2% for veterans rated 10% to 50% disabled. Cases rated 60% disabling are increased by 10%. Other statutory awards, relating to more serious disabilities outlined specifically by law would also be increased by 10%. The additional amounts for dependents in cases of veterans with service-connected disabilities of at least 50% would be increased by about 10%. Dependency and indemnity compensation for widows and children would also be increased by 10%. An additional provision of this bill would allow eligible members to convert their Servicemen's Group Life Insurance to Veterans' Group Life Insurance or a commercial private policy within 120 days from his date of discharge or release from service.

I am happy to say that this bill passed the House by a vote of 389 to 0—and I think that that is an indication of the commitment and concern we have in the Congress for the disabled veteran. I am hopeful that the Senate will pass this legislation soon so that it will become law.

As a new member of the Appropriations subcommittee which oversees the Veterans Administration budget, I have learned a great deal in these past few months about our system of care and benefits for those who served their country. The VA, with a budget of over $16 billion a year, now provides a comprehensive system of benefits for America's 29 million veterans and their dependents and survivors. Many of these benefits are particularly designed to serve disabled veterans. For example, the budget for this coming fiscal year includes $3.7 billion to provide monthly benefits for veterans with service-connected disabilities. This includes an estimated 52,000 World War I veterans, 1,300,000 from World War II, 240,000 veterans of the Korean conflict, 425,000 veterans of the Vietnam era, and nearly 200,000 veterans of other periods.

In addition, the 1976 budget includes $873 million for service-connected compensation for veterans' survivors, over $3.8 billion for medical care for both service-connected and non-service-connected disabilities, and over $4 billion for education and training and other special assistance for disabled veterans.

Our country, thus, has a veterans benefit program of which we can all rightly be proud. But, this does not mean that it is perfect or that ways to improve it cannot be found. For example, a perennial problem which veterans face is the erosion of the purchasing power of their veterans benefits as prices rise. In the past, Congress has met this need by periodically enacting increases in benefit rates after hearing testimony from the DAV and others as to the amount of increase needed. Among the bills I have introduced is one which would insure that recipients of veterans' pension and compensation would not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

Furthermore, I believe that the pension program should be revised so that VA pensioners can receive cost-of-living adjustments in their pension payments tied to the automatic increases now available to social security recipients once a year.

Another area in which we share concern relates to employment opportunities for veterans. A recent study showed a sample of disabled Vietnam-era veterans had an unemployment rate of 11.4% in mid-1973, long before our current recession began. The rate now is much higher.

The Department of Labor, in cooperation with other Federal agencies, has attempted to implement the goal of reducing veteran unemployment rates. In February 1974, it launched a project designed to expand classroom or skill training, on-the-job training, placement, or other manpower services to disabled veterans.

Outreach is an important component of two other Labor Department efforts to assist disabled veterans. In conjunction with the VA and the National Alliance of Businessmen, the Department is currently exploring the preparation of "mini-résumés" by the employment service for service-disabled veterans referred by the VA. Distribution of the mini-résumés to the maximum number of potential employers is expected to enhance the employment prospects of disabled veteran applicants.

In the second case, the Department of Labor has contracted with the Blinded Veterans Association to work closely with national, state and local organizations in helping blinded veterans prepare and circulate resumes, improve their interview skills, and seek out job leads.

In addition to compensation levels and employment opportunities, one of the most important concerns that I have is with the VA medical system. In 1974, the Veterans Administration conducted a major study of the quality of patient care at VA hospitals and clinics. That study concluded that one of the most critical problems confronting the VA's Department of Medicine and Surgery was its difficulty in recruiting and retaining well-qualified medical and health care personnel. The single greatest barrier to successful recruitment and retention was the inadequacy of pay schedules for VA physicians.

The principal reason for the low level of VA physicians' compensation is the $36,000 ceiling imposed on all Federal employees salaries. Four out of every ten VA physicians now have their salaries frozen at that maximum figure, and cannot look forward to a salary increase in the forseeable future. The inevitable result has been an exodus of experienced and highly qualified physicians from the VA system.

Clearly, the need exists for us to come to grips with potentially the most serious threat to quality VA health care delivery in the past thirty years. It is a threat compounded by inflation, and made more difficult to solve by the hard fiscal times confronting the nation and the Congress. But to the many fine men and women who work in VA health care facilities, and to the millions of veterans who depend upon them, we owe our best efforts to deal effectively with this challenge. We on the Appropriations Committee stand ready to fund increases in compensation for health personnel. I am confident that the House and Senate Veterans Affairs Committee will come forward in the near future with authorizing legislation that will present a viable solution to this problem.

America has always been grateful to those valiant citizens who have suffered disability in its service. But gratitude is not enough. Gratitude must be expressed in terms of concrete action designed to assist disabled veterans. By continually evaluating our system of veterans benefits and promoting necessary changes and by assisting disabled veterans to fully utilize that system, the DAV has enabled our country to express its gratitude in an effective way. We in the Congress are committed to serving the interests of the disabled veteran, and by working closely with the DAV, we can assure that those interests are well served.

HOMER D. BYRD WINS CORBETT-FULTON AWARD

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. GAYDOS. Mr. Speaker, once again it is my pleasure to bring to the attention of my colleagues a Federal employee who has been singled out for special recognition by his coworkers—Mr. Homer D. Byrd.

Mr. Byrd is the 1975 recipient of an award established in memory of two former Members of the House—the late Robert J. Corbett and James G. Fulton—and presented each year to the Federal employee displaying the highest degree of skill and ability in the administration and performance of duty. It is announced at the annual civil service banquet sponsored by Pittsburgh Area Council of Locals, American Federation of Government Employees, the Federal Business Association of Pittsburgh, and the Pittsburgh Federal Executive Board.

Mr. Byrd, in addition to having been president of Local 1627, AFGE, since 1971, is a rating board legal specialist with the Veterans' Administration. He also has the distinction of being the only local president who, as a member of the Pennsylvania Bar Association, can practice before all local, State and Federal courts. He was presented his award by Mr. Royal L. Sims, national vice president of AFGE.

The principal speaker at this year's banquet, which is held in conjunction with a labor-management conference, was Mr. Louis Aronin, Deputy Director of Labor Management Relations in the Civil Service Commission. In his address before several hundred persons, Mr. Aronin paid tribute to the career workers who serve the public interest. He also discussed new developments in the field of Federal labor relations.

Mr. Speaker, I commend those responsible for staging this cooperative event each year, in particular the officers of the council of locals: Mr. Robert Huffman, president; Philomene I. Fischione, first vice president; Clara Shaughnnessy, second vice president, and Mary Stock, secretary-treasurer.

A SPECIAL ELECTION IN RHODE ISLAND ON BOND ISSUES

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. BOLAND. Mr. Speaker, on Tuesday, June 24, 1975, a special election was held in the State of Rhode Island having to do with a series of special bond issues affecting many aspects of Rhode Island's educational, industrial, governmental, and recreational development.

As many Members of this Chamber know, special elections seldom attract the number of voters that general elections do. I felt that I must do as much as anyone could possibly do in galvanizing the interest of voters in Rhode Island to come out and vote on these important bond issues. My chief concern in my district is the continuing high unemployment and the passage of these bond issues would assure a large number of jobs for my constituents. At my own expense, I flew from Washington to Providence to vote in person in my district. This meant missing one quorum call, a tally which indicates presence or absence in the Congress but it is my firm belief that the importance of this special Rhode Island election took precedence over every other consideration. I hope my constituents feel the same way.

GRADISON POSITION ON H.R. 6860

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. GRADISON. Mr. Speaker, because of the length and complexity of the debate over H.R. 6860, the Ways and Means Committee energy bill, I would like to insert in the Record the reasons for my votes on this bill. The number of amendments offered indicate the lack of consensus on this issue and the piecemeal approach the House took despite the need for a comprehensive, forward-looking energy program.

The committee bill was defective for two reasons. First, it lacked any provision to encourage increased domestic energy production to make up for cutbacks of oil imports. Second, the method it took to curb imports was discriminatory in applying only to gasoline users and not all consumers of crude oil products.

Given these problems, amendments to the bill have greatly weakened it by eliminating the unfair gas tax altogether. Therefore, the bill has little or no meaning and is in no way a comprehensive energy policy. The following is an explanation by title of my votes on the amendments to H.R. 6860.

TITLE I

The first amendment, offered by Mr. Mikva, of Illinois, would have made the U.S. Government the sole purchasing agent for foreign petroleum and petroleum products. This authority would have put the Federal Government in the oil business, and we have seen the result of Federal intrusions into other businesses. This amendment would actually have strengthened the OPEC cartel by allowing them to bargain with only one purchaser, instead of having to bargain with a number of companies. Fortunately, this amendment was defeated 152 to 265.

The second vote was related to the Federal oil purchasing authority. A committee amendment was offered to strike the provision which gave the President discretionary authority to use this power. I voted for this amendment to strike such authority, and this amendment passed 216 to 196.

The heart of title I was a quota system on oil imports. The quotas would have really begun to bite in 1979 and thereafter, when imports would be limited to 5.5 million barrels per day. I am firmly opposed to any such quota system because it could ultimately lead to gasoline rationing. In addition, this quota system would be enacted in the absence of a plan to increase domestic production, guaranteeing shortages and long lines at gas stations.

Therefore, I voted for the Gibbons amendment to strike the quota provisions from title I, but it was defeated 185 to 224. Mr. Waggonner offered another opportunity to loosen the quota system by increasing the levels from 5.5 million barrels per day to 6 million per day in 1979 and to 6.5 million barrels per day for 1980 and thereafter. I voted for this amendment which passed 211 to 200 and, therefore, the quotas will be somewhat less restrictive.

In a further attempt to make the quotas realistic, Mr. Conte introduced an amendment to raise the quotas in any quarter of the year sufficiently to offset any curtailments in natural gas supplies. I felt this amendment was a realistic attempt to offset natural gas cutbacks. The current lack of incentive to explore and develop natural gas fields is causing serious shortages already and without that incentive those shortages will become more severe. I voted for the amendment but it was defeated 195 to 213.

TITLE II

This section included a 3-cent excise tax on gasoline for the establishment of an energy trust fund and a graduated formula for taxes of up to 20 cents a gallon if gasoline consumption for any year exceeded the 1973 level. I felt that this gasoline tax was unfair because it put the whole burden of efforts to curb consumption on automobile drivers. Private gasoline use accounts for only 12 percent of all energy consumption in the United States. This would be especially unfair to workers who drive to work. I voted for Mr. Stark's amendment to eliminate the additional 20-cent gas tax and that amendment passed overwhelmingly 345 to 72. Any tax to curb consumption should be on the entire barrel of imported oil, so that all consumers share the burden, not just automobile drivers.

As a followup to the Stark amendment, Mr. Alexander then moved to strike the entire title II, including the 3-cent tax for the Energy Trust Fund. This motion was narrowly adopted 209 to 187 and I voted "yes" because any tax on gasoline would have that same discriminatory effect.

TITLE III

With the deletion of title II, the House next considered the fuel efficiency section of the bill. The committee version provided for a tax on the manufacturer if his entire fleet of cars failed to achieve an average miles per gallon standard. This average increased each year from 18 miles per gallon in 1978 to 20 miles per gallon in 1980.

The Fisher amendment would have placed a tax on each car which failed to meet a certain miles per gallon standard. The result would have been that a car would be taxed for each mile per gallon below the standard. I believed this would have been unfair to drivers who are compelled to drive low mileage cars, such as station wagons. These cars are often more passenger-efficient than small cars. I voted against the amendment and it was defeated 166 to 236.

Mr. Jacobs offered a similar per car penalty. However, his amendment would have imposed a civil penalty for cars which failed to meet the minimum standard. This penalty would have meant these cars could not even be built, or if they were, they could be confiscated. I voted against this extreme measure and it was defeated 79 to 319.

Mr Ottinger made the civil penalty for each car $100 per mile it fell below the standard of 15 miles per gallon in 1978 increasing 1 mile per gallon per year to 22 miles per gallon in 1985. This amendment was also defeated 127 to 271, and I voted against it.

The Sharp amendment used the committee fleet average measure, but imposed civil penalties to the manufacturers and increased the per gallon mileage from 18 to 18.5 for 1978 and correspondingly through 1980. I voted against this amendment because of the civil penalty feature. By using a sales-weighted average, the bill would put the manufacturer at the mercy of the buyer. If they bought enough cars to lower the average below the minimum level, the manufacturer would be penalized. The tax in the committee bill would and should be passed onto the consumer for buying those cars. I believe the final decision should remain up to the buyer because it is in his best interest to buy a car with good mileage considering his needs. The amendment did pass however, 309 to 86.

Mr. Guyer of Ohio then offered an amendment to reinstate the excise tax provision on radial tires. Mr. Guyer felt that small manufacturers of tires who are in the process of developing radials might be put out of business now by a flood of radial tires at cheaper prices. I voted against this amendment because radial tires do help conserve energy and should be utilized more fully. Mr. Guyer's amendment failed 117 to 270.

Moving to the tax credit for home insulation, Mr. Jacobs introduced an amendment to repeal this tax credit. 1 voted for the Jacobs amendment because the energy savings resulting from insulation techniques should be an adequate incentive.

The Wylie amendment changed the solar energy purchase credit from 40 percent of the first $1,000 incurred to 25 percent of the first $8,000. This amendment was approved with my support 244 to 132, after it became apparent that $8,000 was the minimum cost of installing a solar energy unit in homes, including heating and cooling systems. The testimony of scientists who had done extensive work with solar energy systems supported this formula.

TITLE IV

Title IV concerns the Energy Trust Fund, which originally was to be funded out of the 3-cent excise tax on gasoline. However, with the elimination of the excise tax, funding became a question. Mr. Archer introduced an amendment to insure that only the net revenues raised in the bill from other taxes should be used in the trust fund. I voted for this amendment because if this provision were not included, money for the fund would have to be taken from general revenues, thus increasing the Federal deficit.

I also voted for the Steiger amendment to strike the entire title IV, the Energy Trust Fund. I believe that there is no need for such a separate fund because any programs should go through the regular authorization and appropriation process. Establishment of such a fund increases the chances for funding of nonessential projects. However, this amendment was defeated 162 to 247.

Ms. Abzug introduced an amendment to insure that at least 25 percent of the Energy Trust funds should go to local and regional transit systems. This amendment was soundly defeated 117 to 240. I voted against it because there is no way to adequately determine the correct percentage for transit at this time. The mandating of these funds should be left to the proper authorization and appropriation committees.

TITLE V

Mr. Archer introduced an amendment to title V to allow solar energy manufacturers a more rapid depreciation of expenses incurred in order to spur entry into the industry. This amendment failed 159 to 247, and I voted against it because the bill already aided purchasers of solar energy equipment. I felt it would be unnecessary and excessive to offer an increased writeoff to manufacturers as well.

Mr. Green then moved to eliminate the credit for recycling secondary scrap materials. I voted for this amendment along with a majority of my colleagues because it would be an unnecessary windfall to those who are already in the business of recycling. The amendment passed 249 to 170.

At the end of the debate a motion was offered by Mr. Steiger of Wisconsin to recommit the bill. I voted for this motion because the bill had been so weakened by amendments that it was in no way a comprehensive energy program. To have tried to pass it off as such would have been deceptive.

In addition, what remained was a quota system which could lead to a rationing system without a commensurate increase in domestic supplies. I felt that the bill should have been returned to committee to add a windfall profits tax provision for oil and natural gas in order to pave the way for decontrol of old oil and deregulation of natural gas. Adding a plowback provision to the windfall profits tax would provide an incentive for the producers to further their exploration and development of our domestic supplies. Unfortunately, this motion was defeated 150 to 270.

Finally a vote was taken on final passage of the bill and in keeping with my strong objections to what was left of the original bill, I voted against it. The final vote was 291 to 130.

BUDGET CRISIS IN NEW YORK CITY

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. SCHEUER. Mr. Speaker, the budget crisis in New York City is causing difficult and frequently illogical choices in determining where funds will be spent.

Currently, there is a proposal to cut back on senior citizens centers in an effort to save an estimated $2 million. I believe that of all the debts that my city and our country have accumulated, none takes precedence over our debt to those who built this great country: our parents and grandparents.

Today in New York a group of senior citizens came together to convey their dismay at the proposed cutbacks in this critical service. I have conveyed to them my personal sense of amazement that such cutbacks are being considered, as phrased in the following statement:

> The seniors of our city have built this city with their hard work, their industry, their taxes and their concern for New York. I cannot believe that the small return we provide to our Senior Citizens through Senior Centers can now be withdrawn. Of all the incredible debts that city has accumulated—many of them of questionable value—our debt to Senior Citizens is true and real and must be paid. I pledge to you my support in Washington and with our state and city leaders to ensure that Senior Citizens will be able to hold onto that which they have earned through building this city.

CHILD CARE SCANDAL IN NEW YORK CITY EXPOSED—PART V

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. BIAGGI. Mr. Speaker, I submit for the Record the fifth in a seven part series done by the New York Daily News on the scandals associated with the private child care agencies of New York City.

Today's exposé deals with the deplorable conditions which exist in many of these agencies and foster homes. These facilities designed to care for the children instead in many cases practice the most heinous forms of abuse on these children. This article also points to the fact that foster parents instead of working to find permanent homes for these children keep them under their control so they can continue to receive their monthly care allowances from the city.

This horrifying situation cries out for reform. As one of the original sponsors of the Child Abuse Prevention and Treatment Act, I am appalled that these conditions exist and hope that the provisions of this legislation can be applied to remedy this situation.

Mr. Speaker, I now insert the fifth article entitled "Child Care Horrors Abound But City Sees No Evil":

Child-Care Horrors Abound, but City Sees No Evil

(By William Heffernan and Stewart Ain)

> New York City is turnings its back on the thousands of children it is dumping into the laps of private child-care agencies each year by assuming a handsoff policy toward the physical and emotional abuse, the neglect and even torture that many of these children experience in agency-approved foster homes.
>
> In fact, the city never looks into these homes unless a problem develops and a complaint is registered. And the state, which licenses each foster family, issues licenses

without ever checking the foster family or even setting foot in their home.

A three-month investigation by The News has revealed that the agencies themselves conduct only a cursory examination of the foster homes into which they place the children.

At no time is a police check requested by these agencies to determine whether foster home applicants have either a criminal or child-abuse record.

Most foster parents treat their foster children well, but many subject the children to beatings, neglect, malnutrition and sexual abuse.

These homeless children, it was found, have become the lifeblood of these private agencies, which thrive on the millions of dollars the city pumps into them each year. These agencies systematically keep children in their jurisdiction so that a constant level of government funding is maintained.

Carol Parry, head of the city's Division of Children's Services, said that while it appears that these agencies are deliberately keeping children under their wing, her agency is powerless to act because of understaffing. She said that if she could assign one person to each of the city's 77 childcare agencies, she could "double the number of adoptions each year."

This extra manpower would cost the city $700,000 a year, Ms. Parry said but the savings, once these children were adopted and payments to agencies ended, would be nearly $4 million a year.

City records indicate that a child remains in the care of private agencies an average of four to five years before being placed in an adoptive home or sent back to his parents.

On the other hand, it takes the city a full year less to do the same job with 3,000 difficult-to-place children whom the private agencies have refused to care for because they are "impossible to control." These are children kept in city-run shelters and foster homes.

Many agencies admit that they keep children much longer than five years. The Salvation Army Foster Home and Adoption Service says that the average length of stay for children in foster homes is nine years.

And Spence-Chapin Services for Children says that about one-fourth of its children have been "in care" from birth until well into their teens.

Jane Edwards, executive director of Spence-Chapin, said many of these children have not been adopted because "they are black and homes for black children are very difficult to come by. The best way to get these children adopted is to have their foster parents adopt them."

But Mrs. Edwards conceded that most of the Spence-Chapin children have remained with the same foster parents with whom they were placed when they were 5 years old, without ever being adopted.

Foster parents are under no obligation, moral or otherwise, to adopt. Nevertheless, the agencies have failed to persuade them to do so—despite the fact that the adoption subsidy since 1968 has been only $5 less than the basic foster care allowance of $175 a month.

In its investigation, The News found countless instances of children being mistreated by their foster families. Odessa Carrion, who worked as a supervisor for five years in a private child care agency, said she has found that "child abuse in foster homes is fairly common."

"Agencies regularly use their poorest workers to find foster and adoptive homes," Mrs. Carrion saild. These workers have no clinical experience and, as a result, the agencies often end up with extremely pathological foster families whose interests and energies are wrapped up in themselves."

NEAR DROWNING

Within the first few months she worked for one agency, Mrs. Carrion said, she closed half the foster homes in her care because she found the foster parents "unfit."

"In some homes I closed, the children were not even getting proper clothing," she said.

In one of her foster homes, on Long Island, Mrs. Carrion learned that a foster mother had almost drowned her 3-year-old foster child.

"She took him into the bathroom and put his head in a tub of water to punish him for wetting the bed," she said. "But she kept his head under too long and he began floating in the bathtub."

She said the woman immediately rushed the child to a hospital, where doctors revived him.

In another foster home, Mrs. Carrion said four sibling foster children were regularly "beaten with straps, sticks or anything their foster parents could get their hands on."

THREATENS PUBLICITY

"When I told the agency director about this and informed her I was closing the home, she went into a tailspin. She said that at the rate I was going I would be closing all of her homes—unless she got rid of me.

"But when I threatened to go to the newspapers about this, she reluctantly agreed to close the home," Mrs. Carrion said, adding that when the four siblings were removed from the home they were also found to be suffering from malnutrition.

Mrs. Carrion said that working in the system for five years convinced her that agencies regularly hold on to children "in order to maintain their financial existence. If they didn't have children in care, they would be forced to either tap their own resources or go out of business."

One way to keep the children is to do as little as possible to rehabilitate their parents. Mrs. Carrion said that about one third of the parents of children in her agency's care could have been "rehabilitated" if efforts had been made.

THEY DON'T TRY

"But I don't know of anyone in the agency who ever tried," she said.

"My agency director once asked me why I was worrying about these kids, since they weren't my own and were never going to amount to much," she recalled. She said I was acting like I was dealing with dukes and counts and that I should just place them in foster homes and forget them."

The News also spoke to 16-year-old Diane, who has lived in four foster homes since she was 3.

When she was 6, the foster parents she had been living with for four years suddenly expressed an interest in adopting her.

"But the agency wouldn't let them do it," Diane said. They told me it was because I was Protestant and my foster parents were Catholic and they didn't want me being adopted by a Catholic family."

Diane said the agency immediately decided to move her to another foster home.

"They just pulled me out," Diane said. I didn't want to leave but they forced me to, and after that I didn't care if I was ever adopted."

Diane said she was sent to another foster family. And then, a year later, she was moved to yet another foster home. There, she said, her life became a "nightmare."

"My foster father used to hit me with a leather belt on the back of my legs. It didn't take much to get him to do it. He seemed to like doing it.

"And my foster mother used to take pots and hit me on the head and pull my hair. I was even afraid to tell anybody. I thought if I did they would really get me."

SHE RUNS AWAY

Last year Diane decided she could take the abuse no longer and she ran away from her foster home. It took seven years to gather the courage to run away, she said, and when she telephoned her caseworker she said she would "keep on running" if she wasn't moved to another home.

Another child, 15-year-old Betty, had lived with her foster parents from the time she was 3. When Betty was 7, her real mother remarried and signed a surrender form, making her legally free for adoption.

But her foster parents could not afford to adopt her and the agency never bothered to tell them about the availability of adoption subsidies.

Last year, the agency pulled Betty out of her home, saying that her foster parents, who were in their late 50s, could no longer adequately care for her. The agency then put her in a group home with seven other girls. Within eight months she was failing in school for the first time in her life.

SIX GET PREGNANT

The girl's foster parents reported that there was very little food in the group home and that because of lax supervision most of the girls had taken to the streets and become involved with sex and drugs. Six of them became pregnant.

When informed of The News' findings, officials in the city's Division of Children's Services could do little but express despair over their inability to control private agencies.

"We're like the blind leading the blind," one division supervisor said. "We have only enough personnel to visit each agency once a year, and we never get inside an agency foster home unless we receive a report that a problem exists.

"Unfortunately," the supervisor added, "we usually learn of those problems only if the agency reports it. If they do not, we simply never know it happened.

"Accountability, as far as these kids are concerned, is only a word," the supervisor said. "It has never existed in fact and, if things continue on as they are, it never will."

PROTECTING AMERICAN WORKERS SEEKING JOBS

HON. GARY A. MYERS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MYERS of Pennsylvania. Mr. Speaker, recently a situation arose in my State of Pennsylvania in relation to a $167 million contract for 235 Amtrak rail cars. The initial report indicated the entire order was going to a West German concern instead of American producers. While my investigation revealed the initial information to be less than the full story, I believe Members of this body should keep a wary eye on all contracting in the future involving taxpayer funds, since, as I understand our efforts here, our objective is to decrease unemployment, reduce welfare rolls, and cut inflation.

What better way to achieve this objective, Mr. Speaker, than giving bids by federally subsidized corporations to American builders and producers, even if the price is somewhat higher than labor costs in foreign lands?

I am convinced, Mr. Speaker, that by protecting American workers seeking jobs we cannot only reach our objectives but cut Government costs by cutting unemployment compensation, welfare and public service job costs at a price far below what it would cost the Federal Government to require accepting domestic bids somewhat above those of foreign producers.

SUPER SLURPER

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MICHEL. Mr. Speaker, the current issue of Agricultural Research, a publication of the U.S. Department of Agriculture, describes some important research being conducted at the Northern Regional Research Laboratory in my hometown of Peoria, Ill.

Scientists there have developed a substance known as a "super slurper," a remarkable chemical compound which has the capacity to absorb 2,000 times its weight of water.

Development of the substance has important implications for areas as disparate as soil erosion and diaper manufacturing. I want to congratulate the scientists at the Northern Laboratory, and so that my colleagues may be more familiar with the important work they are doing, I include the article at this point in the RECORD:

SUPER SLURPER: COMPOUND WITH A SUPER THIRST

A new super slurper is expected to intensify the interest of industry, agriculture, and science. Besides having a potentially useful "split personality," the new generation slurper can absorb 2,000 times its weight of distilled water.

The new slurper represents the third research generation of a family of water-laboratory starch products discovered at the Northern Regional Research Laboratory, Peoria, Ill.

A first generation slurper earned the family name by absorbing 300 times its weight of water. A member of the second generation confirmed the family trait by absorbing 1,400 times its weight of water, half in 30 seconds and most of it in 10 minutes.

Super slurpers, chemically identified as hydrolized starch-polyacrylonitrile graft copolymers, are under study by ARS chemists M. Ollidene Weaver, George F. Fanta, Neil W. Taylor, and William M. Doane and engineer Edward B. Bagley, at the Northern Laboratory. With other scientists in ARS, State experiment stations and industry, they are studying slurpers as absorbents, thickening agents, and soil additives.

The researchers are providing information and samples in response to requests from Europe and Japan as well as all parts of the United States. Super slurper has caught the attention of manufacturers of products from disposable diapers and kitty litter to soil conditioners and seed coatings. More than 50 potential applications have surfaced in several hundred letters of inquiry that have been received by scientists at the Northern Laboratory.

Super slurper III has a "split personality" built in by mechanical treatment. It is a laboratory specimen produced in test tube quantities by Dr. Bagley and Dr. Taylor in basic studies that have been aimed at learning what makes a slurper and how to control it.

Unlike earlier slurpers—which disperse in water to form gels that are difficult to pour—slurper III dissolves, and the solution pours like water. It easily penetrates such porous materials as cloth and sand. When the solution dries and is aged or heated, super slurper III reverts to the family behavior. It forms gel dispersions when water is added again. Slurper III studies show how to make a slurper with a selected capacity of up to 2,000 times its weight of water.

Filling requests for research samples, Miss Weaver and Dr. Fanta regularly make slurpers that absorb 700 to 800 times their weight of water or 55 times their weight of simulated urine. (Simulated urine contains urea, salt, magnesium sulfate and calcium chloride in water.) Against pressure 180 times that caused by gravity, these slurpers have almost 40 times the urine absorption capacity of cellulose fibers.

Cellulose is the main absorbent used in disposable diapers, bed pads, bandages, and surgical sponges. Shortages and rising costs of cellulose are increasing the demand for absorbents that cost less, absorb more, and have less bulk. Bulky materials cause problems in sewage disposal.

What about costs? Estimating the cost of corn starch at 8 cents a pound, engineer Virgil E. Sohns estimates that super slurper could be made for less than 20 cents a pound in a plant with a capacity of 5 million pounds a year.

Dry super slurper can be made as films; thin, cushiony mats; flakes; or powder. When a film takes up water, it expands to a sheet of gel but retains its dry shape. Films of the original slurper, taking up 300 times their weight of water, expanded 33 times in surface area.

Gel sheets contract and become rubbery in dilute acid. They expand again in dilute alkali solution.

Coatings with these properties can be formed on sand grains, straw, wood shavings, all kinds of natural and synthetic fibers, seeds, and other materials where water-absorbent properties would have value. Super slurper can be added in different proportions for different effects to a variety of porous materials like cloth or soil.

Only 1 percent of the slurper (dried in sand) is needed to bind sand firmly enough to be used for molds in metal castings, Dr. Bagley says. As little as 0.1 percent would hold sandy soil surfaces against wind erosion. In either situation, slurper and sand would absorb and hold more water than sand alone.

Super slurper increased water-holding capacity of sand and greatly enhanced the top growth of oats planted in it in greenhouse tests at Iowa State University, Ames. William D. Shrader, professor of soil management, compared the growth of oats in sand and in a mixture of 1 part slurper to 250 parts sand. He saturated and then drained both the sand and the mixture just before he seeded the oats.

The sand retained only 24 grams of water compared with 317 grams of water held by the sand-slurper mixture. Oats in the sand died 14 days after seeding. The top growth weighed 0.03 gram. By contrast, oats in the slurper-treated sand lived 11 days longer, dying 25 days after seeding. The top growth weighed 0.32 gram.

Dr. Shrader is among more than 700 scientists in agriculture and other industries who have obtained research samples of super slurper from the Northern Laboratory. Other scientists are obtaining samples from General Mills Chemicals, Inc., Minneapolis. General Mills, one of five companies that have licensed a super slurper patent application (Serial No. 456,911), is the only supplier of developmental quantities of the absorbent.

Super slurpers are a branch of the family of starch graft copolymers on which Charles R. Russell, now chief of cereal products research, started research at the Northern Laboratory early in the 1960's. Grafts of acrylonitrile to starch were studied extensively by Dr. Russell, chemists Lewis A. Gugliemeli and Robert C. Burr, and Carl E. Rist, now retired, and others.

MEMO TO GOVERNMENT LEADERS

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. FISHER. Mr. Speaker, Matthew J. Kerbec, president of Output Systems Corp., recently provided me with a memo to Government leaders regarding the economy. I am inserting it into the RECORD in order to bring it to the attention of my colleagues:

MEMO TO GOVERNMENT LEADERS

Top government officials are stating that the recession is ending. Their biggest reason for this belief is the drop in inventories. This is a tremendously dangerous belief not warranted by the facts. The following articles show why this is true.

Total factory inventories for April were about $150 billion. Inventories dropped by $1.15 billion in April (0.8%). This is not much of a bite but this is only the beginning of this misleading statistic. The $1.15 billion drop in inventory must be compared to a drop of $1.5 billion in backlogs or new sales which have declined seven months in a row. Essentially, this means that layoffs will continue while inventories are contracting and there is a long way to go. Although new orders for factory goods went up to $4.71 billion in April, all of this increase was due to shipments (see Article 1) of goods that had been ordered months before or in the case of machine tools twelve or more months previously.

There is absolutely no reason for optimism in these figures when sales are dropping faster than inventories. Assuring people the recession is bottoming out based on these figures obscures the real situation and leads to actions or lack of actions that are based on false information. There is a real danger that we are heading into another major depression. In the 1930's when demand went down prices went down. This is not happening in the 1973–75 Cost Push instigated inflation/recession. Energy prices are controlled by a foreign monopoly so they are artificially pegged which puts an inflationary price bottom on all products produced by industries requiring large amounts of coal, natural gas and oil. Add to this the expanded profit margins generated by the basic industries whose prices remain high while demand declines and you have an explosive situation that drains away purchasing power by inflation and worker layoffs. Most workers are not receiving wage increases that equal inflation so the economy will become progressively worse in terms of more unemployment and higher budget deficits unless pricing actions are taken in the basic industries and programs instituted to increase consumer buying power.

I belive the people should be told the truth and strongly recommend all means be taken to see that there is a national awareness of the real facts. The great tragedy is that this false optimism breeds an attitude that opposes needed pricing actions and programs that will restore consumer buying power. One victim of this attitude was the veto of the $5 billion job program. It is not possible to overemphasize the political and social consequences associated with our deteriorating economy and it is worsening daily. Also many people are buying stocks and making other financial commitments based on this type of slanted news.

Sincerely,

MATTHEW J. KERBEC, *President*.

[From the Wall Street Journal, June 3, 1975]

ARTICLE 1

FACTORY ORDERS POST BIGGEST RISE IN OVER 20 YEARS—INCREASE IN APRIL WAS 6.4 PERCENT; INVENTORY FALL CONTINUED; GREENSPAN IS OPTIMISTIC

WASHINGTON.—New orders for factory goods showed their sharpest rise in more than 20 years in April, and inventories continued to shrink substantially, the government reported.

*Bookings for manufactured products increased 6.4% in April to a seasonally adjusted $78.59 billion, up $4.71 billion from March, when orders had fallen $2.26 billion, or 3%, according to the Commerce Depart*ment. April's rebound was the steepest since December 1954's 7.3% rise.

The strong report on factory orders came as the chief White House economist told Congress that the economic outook is brightening. *"We are seeing fairly clear evidence that the recession's forces are spent." Alan Greenspan, chairman of the President's Council of Economic Advisers, told a hearing of the Joint Economic Committee.*

The economic outlook for the next six months, Mr. Greenspan said, "isn't pessimistic at all." *He said business inventory reductions are going faster than expected, and consumer spending, except for autos, is holding up better than forecast.*

INVENTORIES CONTRACTED

The Commerce Department report showed that inventories of manufacturers contracted $1.15 billion, or 0.8%, in April to an adjusted $150.04 billion. The decline, the largest since May 1958's 1.1% drop, is the second in a row, following March's 0.5% decrease. The last time inventories fell for two consecutive months was in July–August 1971. A drop in inventories is a healthy sign for the economy, as it portends expanded production to replace the depleted stocks.

A 9.7% spurt in orders for durable goods contributed most to the rise in overall factory bookings. The durable increase, which was little changed from an initial estimate made 12 days earlier, reflected big boosts in orders for electrical machinery, autos and parts, and primary metals. Bookings for nondurables rose 3.3% in April following March's 1.9% slide.

Shipments rose in April for the first time since last August, climbing 4% to an adjusted $80.14 billion. It was the biggest increase since August 1972's 4.3% gain.

UNFILLED ORDERS FELL

Unfilled orders continued to decline, as shipments outpaced new orders again. The backlog dropped 1.3%, for the seventh decline in a row.

In his appearanec on Capitol Hill, Mr. Greenspan said the main reason for the improved outlook is the unexpected strength in consumer spending. As a result of this strength and the further reduction in inventories, the Ford administration's just-revised economic forecast for 1976 is somewhat brighter than that originally made in February.

In presenting revised budget estimates last Friday, the administration predicted *the economy's decline this year will be slightly sharper than forecast in February but the expected recovery in 1976 will be a bit more vigorous than originally predicted.*

Mr. Greenspan and James Lynn, director of the Office of Management and Budget, both reiterated White House arguments against additional actions by Congress that would increase federal spending and budget deficits. "When this economy gets moving," Mr. Greenspan cautioned, "we don't know how much momentum there is." He said economic growth in 1977 could be considerably stronger than the 6.5% assumed in administration projections.

Comment: The basic definition for New Orders according to the Department of Commerce is:

Shipments/current month+(unfilled orders/current month—unfilled orders/prior month)=New Orders—as defined in the above article.

Shipments are based on orders received at some prior time. If current and prior ordes are both minus (as in the above article) it means shipments are what improved—not new orders or new sales. Far from this being good news it is bad in that shipments ate up 0.8% in inventories but actual sales declined 1.3%. Again it is a case of sales dropping greater than inventories.

There is great potential for disaster in this situation. Although worker layoffs, in general are a lagging indicator there is a point where they become a cause. That is, at some point their contribution to lost purchasing power starts another sales decline which leads to more layoffs and the process feeds upon itself. If this process continues long enough a point can be reached where there is no return. The resources needed to fix that kind of economic situation will require more resources than the government can produce. When this happens the economic system can break down in terms of feeding and housing urban groups which could lead to a number of levels of antisocial and criminal acts. Certainly, the people should be given the full story with equal emphasis on both the good and bad news.

ARTICLE 2

[From the Wall Street Journal, Apr. 28, 1975]

MACHINE-TOOL ORDERS IN MARCH ACCELERATED 27 PERCENT—DESPITE RISE FROM FEBRUARY, LEVEL REMAINED SLUGGISH, SHARPLY TRAILING 1974

Machine-tool orders in March rose 27% from February, but they remain extremely sluggish, producers of these key capital goods report.

Most producers continue to eat into backlogs, as new orders total well under half the current shipping rate. Some machine-tool sales executives report a rise in inquiries, but customers still are very reluctant to commit themselves to make purchases.

March orders for all types of machine *tools rose to $79.4 million from February's dismal $62.6 million, but they remained only about a quarter of the exceptionally high* $321.1 million of a year earlier, according to National Machine Tool Builders' Association figures.

Orders for lathes, grinders, machining centers, milling machines, boring mills and other machines to shape metal by cutting totaled $62.1 million in March, up 33% from $46.7 million in February, but were only a fraction of the $254.3 million booked a year earlier, the association reported.

March orders for metal-forming press and other machines to shape metal with pressure rose 8.5%, to $17.3 million from $16 million in February. In March 1974 orders totaled $66.8 million, the association said.

CANCELLATIONS CONTINUED HIGH

Machine-tool-order cancellations continued relatively high in March, totaling $40.8 million. That was down from $55.4 million in February, which included a big foreign cancellation, but was nearly twice the more typical $23.6 million of March 1974. Cancellations nearly doubled last October from the September rate, and have remained high for five consecutive months.

Many producers believe the high cancellation period is nearly over, however. They think their current order backlogs are relatively firm.

"We see the order declines and order cancellations bottoming out, and we look for a gradual upturn this summer," said W. Paul Cooper, president of Acme-Cleveland Corp. "We're currently living off our backlog, but this appears, from every indication, to be quite firm," he added.

The sharpest cutbacks in ordering have come from the auto industry and from small jobs shops, machine-tool producers say.

"The small job shop customers aren't ordering," said P. A. O'Reilly, vice president of Houdaille Industries Inc., Buffalo. "They are always the first to go down in a recession and the last to come up again when the economy recovers," he added.

On the other hand, "some of the larger, more-liquid companies are continuing to order under their capital-spending programs," Mr. O'Reilly said. "In general, the newer, more-sophisticated and better-productivity machines are continuing to sell better than the standard machines," he added.

INCREASE IN ACTIVITY

"We have noted some increase in quotation activity in quite a number of areas," said George J. Becker, vice president of Gidings & Lewis Inc., Fond du Lac, Wis. "But we don't expect buying of machine tools to improve appreciably until late in the third quarter," he added.

Eventually, the higher investment tax credit should shake loose some additional orders, machine-tool executives believe. But there probably won't be a major upturn until metal-working companies see an increase in their own business.

The factory-utilization rate, which many machine-tool executives say is fairly closely related to machine-tool ordering, was at only 68.3% in the first quarter, the lowest level on record, according to the Federal Reserve Board. In 1974's fourth quarter factories operated at 75.7% of capacity, and the previous low was 72.5% in 1958's second quarter.

Machine-tool shipments continued strong in March, rising 13% to $244 million from February's $216.6 million, according to the association. In March 1974 machine-tool shipments totaled $176.9 million.

Industry backlogs were reduced again in March, for the seventh consecutive month. Unfilled orders as of March 31 totaled $2.13 billion, down from $2.30 billion a month earlier and a high of $2.82 billion at the end of August 1974, according to the association's figures.

That backlog still exceeds 1974 industry shipments, but it isn't equally distributed among producers nor among product lines of each producer. Some layoffs have already taken place, particularly among engineering personnel.

COMPARATIVE NEW ORDERS FOR METAL-CUTTING MACHINES

	March 1975	February 1975	March 1974
Domestic	$51, 200, 000	$40, 900, 000	$215, 550, 000
Foreign	10, 900, 000	5, 750, 000	38, 700, 000
Total	62, 100, 000	46, 650, 000	254, 250, 000

3-month total for 1975: $176,500,000; for 1974: $597, 850, 000

NEW ORDERS FOR METAL-FORMING MACHINES

Domestic	$13, 150, 000	$10, 450, 000	$56, 800, 000
Foreign	4, 150, 000	5, 500, 000	10, 000, 000
Total	17, 300, 000	15, 950, 000	66, 800, 000

3-month total for 1975: $48,800,000; for 1974: $154,350,000.

SHIPMENTS OF METAL-CUTTING MACHINES

Domestic	$147, 500, 000	$124, 600, 000	$111, 050, 000
Foreign	31, 450, 000	2 7, 300, 000	18, 250, 000
Total	178, 950, 000	151, 900, 000	129, 300, 000

3-month total for 1975: 454,200,000; for 1974: $309,250.

SHIPMENTS OF METAL-FORMING MACHINES

Domestic	$52, 800, 000	$53, 600, 000	$40, 800, 000
Foreign	12, 250, 000	11, 050, 000	6, 800, 000
Total	65, 050, 000	64, 650, 000	47, 600, 000

3-month total for 1975: 182,500,000; for 1974: $124,050,000.

Comment: "Machine Tool Orders in March Accelerated 27%" instills a false sense of optimism. Actually this article should have emphasized the fact that (1) orders for machine tools are down about 75% compared to March 1974 and (2) the factory utilization rate was 68.3% in the first quarter which was the lowest on record. The real tragedy is that government leaders quote this kind of news as a reason for not taking actions that will increase spending power and jobs.

Machine tool orders include shipments which were ordered anywhere from 6 to 24 months ago. This indicator shows that based on an assumed one year delivery cycle, March 1976 machine tool shipments could be down by 75%. This also could indicate a much weaker economy in 1976.

NBC BLASTED AT RCA ANNUAL MEETING

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the question of bias of the news networks has been a concern for some time. The organization, Accuracy in Media, Inc., has been working to try and insure that some balance is restored. Recently, AIM succeeded in getting a resolution before the RCA stockholders' meeting as to the matter of bias in news reporting. The report of this meeting, as contained in the AIM Report for May 1975, follows:

NBC BLASTED AT RCA ANNUAL MEETING

RCA chairman Robert Sarnoff and NBC chairman Julian Goodman had their ears burned for forty-five minutes at the annual RCA shareholders' meeting on May 6. Successive speakers supported the AIM resolution proposing the employment of an ombudsman by NBC. They charged that NBC had been slow in responding to complaints of lopsided and inaccurate programs and had been unwilling to take corrective action. The speakers cited examples of failures to report important news, such as communist atrocities in Vietnam and Cambodia, and charged NBC with pervasive bias which favored America's enemies and domestic critics of our economic and political system. The speakers were brutally frank, pulling no punches. They were enthusiastically applauded by the audience, which numbered about 1500.

Mr. Sarnoff listened stoically and said little. He asked Julian Goodman, Chairman of the Board and chief executive officer of NBC to respond to the criticisms, but Mr. Goodman also had little to say except to claim that NBC was proud of its objectivity and accuracy. He denied that there was any need for an ombudsman to handle complaints, saying this was being properly handled by the executives of NBC.

The AIM resolution won the support of shareholders owning 2,768,090 shares, 5.1 per cent of the total outstanding, well over the 3 per cent minimum required to permit us to place the resolution before the shareholders again next year. At the current value of RCA shares, nearly $50 million worth of stock was voted for the AIM resolution.

This represents a significant moral victory for AIM. We did not anticipate that our proposal would be accepted on the first try, and we are highly pleased to have received such a large measure of support. Most shareholders automatically give their proxies to management, and they pay little, if any, attention to the resolutions they are asked to vote on. It seems safe to say that most of the 51.6 million votes cast against the AIM resolution were probably of this category, and another 20 million shares were not even voted.

It seems likely that our resolution will gain additional support if it is put before the shareholders again, and RCA will certainly not be looking forward to a re-run of this year's discussion.

BENEFICIAL EFFECTS EVIDENT

We have already seen some beneficial effects from our resolution. **In February, after** the Securities and Exchange Commission refused to permit RCA to omit our resolution from its proxy material, NBC News hurriedly issued a statement setting forth their "operating policies" or code of ethics.

This was a significant step forward. Here is what they said about accuracy and corrections:

"Factual accuracy in our news reporting is a primary goal of NBC News. Complaints claiming significant errors of fact in reports by NBC News staff should be carefully considered. If such an error of undisputed fact is made by an NBC reporter and it can be corrected on a timely basis, such a correction should be made on the air as soon as possible."

The new code also stipulates that "unidentified sources should be used only when we have reason to be convinced of the accuracy of the information and confidentiality is clearly necessary to protect the source."

We have already had occasion to cite these rules in complaints made to NBC. We suggest that you bear them in mind and refer to them in any correspondence you may have with the network where they may apply.

A second beneficial effort of our resolution is the designation by NBC of Mr. Benjamin D. Raub, Vice President and Assistant General Attorney, to handle AIM complaints.

This appears to be a response to the charge made by Reed Irvine, AIM's chairman, at the RCA meeting that NBC was very slow in responding to complaints and it was not clear who was responsible for handling them. Mr. Irvine described the difficulty AIM has encountered in getting responses from NBC. He noted that in one case it took two months and twenty days to get a response from an NBC owned-and-operated station in Washington, D.C., about a one-sided program on the Black Panthers. More recently, it took over five weeks to get NBC to respond to a complaint about statements made on the Today Show by Amy Conger alleging that she had been tortured while under arrest in Chile.

In neither case had NBC been willing to do anything to correct or balance these programs. Mr. Irvine noted that the new operating standards of NBC would be meaningless unless someone was given the task of enforcing them with vigor. Mr. Irvine argued that this was why an ombudsman was needed. Mr. Raub obviously does not have the powers that we proposed for the ombudsman, but it appears that he is under instructions to insure that AIM complaints do get prompt attention.

THE FLAVOR OF THE CHARGES

Space does not permit reporting all the statements made in support of the AIM resolution at the RCA meeting, but we want to give you some of the flavor of the debate. Excerpts follow.

Irvine: The operating policy on fairness is excellent. It says: "NBC News presents the significant conflicting views on controversial public issues, to develop public awareness of the issues, to clarify their nature, and to provide information and background on the issues so that the public can understand their significance and meaning."

Beautiful words, but we see little evidence that they have any operational meaning. The "pensions" case is a perfect example. Here was a complex subject that Congress was being asked to act upon. NBC did not inform the voter about the issues of vesting, portability and funding and the *pros* and *cons* of the reform proposals that the legislators were struggling with. NBC presented a tear-jerking tale of failures and disappointments, giving many viewers the impression that these were the rule, not the exception . . .

More recently, we raised questions concerning NBC coverage of the 1968 atrocities at Hue, noting that the failure of the media to expose this horrendous atrocity had contributed to the difficulty of the American public in understanding the panic that struck the Vietnamese in recent weeks as they were threatened with another communist occupation . . . We asked about the failure to cover AFL–CIO President George Meany's April 18 statement on the bloodbath already beginning in Indochina. NBC ignored that important statement . . . Finally we asked how much was paid to the communists in East Germany for the communist propaganda film that NBC aired April 9 on the communist occupation of Hue. I note that NBC paid $12,000 in 1967 to the communists of East Germany for a propaganda film showing how well our prisoners of war were being treated in Hanoi. It was demonstrated afterwards, of course, that it was completely false and that our prisoners were being tortured. This corporation actually paid the communists $12,000 to air their propaganda, which they would have been only too happy to have paid you to air.

Murray Baron (Member of AIM's National Advisory Board): I am the individual who was cooperating with the AFL–CIO and President George Meany, who received absolutely overwhelmingly documented evidence coming by trans-Pacific telephone from State Department sources, giving chapter and verse of an on-going bloodbath in the communist-occupied territory of the now defeated South Vietnamese. I sought here at the highest level to submit this documentation, assuming that we didn't have to wait for a Vietnamese version of Solzhenitsyn some decades hence, to let the world know what is transpiring behind the communist-controlled borders . . . What is taking place now is a disaster of major proportions, and I think that the suggestion of an ombudsman in a democracy, to create the missing check and balance upon an institution of the media is the least we can anticipate . . .

I say to you as soberly as I know how, that you are playing with the very existence of this republic unless you impose upon yourself the necessary constraints to give the American people the balanced truth of what has transpired.

Charles Wiley: Why does NBC News always, until the fall of Vietnam, refer to the "Saigon regime," as the "Thieu Government," to the "Thieu regime," but *always* refers to "The Peoples Republic of China," never the "Mao regime," never the "Mao Government?" . . . When the American embassy was being evacuated from Phnom Penh your reporter said that with the evacuation of the Americans, "the future of the country is in the hands of the Cambodians, where it was before 1970," the concept being that the American invasion in 1970 brought Cambodians into the war. There were 100,000 North Vietnamese soldiers in Cambodia six to ten years before Americans ever set foot there. To say that America brought Cambodia into the war is simply an historical lie . . .

But this problem goes far beyond the news or the documentaries. You have the problem of your daytime shows, your talk shows, your women's shows, program after program beyond the news, who interview only the Shirley McLaines about China, never asking the hardline question. . . But for the stockholders here, there is something even more important. That is that in your dramas, in almost all phases of your entertainment, the people who are sitting here, the stockholders, are inevitably the "bad guys" on every situation program . . . The people who are here are *bad*, but the people who want to destroy the system that made RCA possible are always portrayed as the "good guys." . . . Let us have somebody look over the whole program presentation of NBC to make sure we are defending the American system.

David Lichtenstein (Member AIM National Advisory Board): I would like to point out to you that implicit in the NBC position is a vision of American institutions as a vast corrupt enterprise and investigative reporters as the vigilantes engaged in sweeping out the villains. The purpose of journalism is now to challenge the forces of evil, especially represented by government. This constitutes, in my opinion, an implicit attack on the legitimacy of American institutions. An inevitable consequence of this distorted vision of journalism is that NBC fails to even provide many of the basic facts essential to understand the simple issues of political and social problems.

Sarnoff: It is NBC's declared policy to present news and public affairs programming in a fair, accurate and balanced manner. RCA also approved this policy as most appropriate to RCA's corporate responsibility. Since the implementation of this policy is the responsibility of NBC management, I am going to ask Mr. Julian Goodman, who is Chairman and Chief Executive Officer of NBC as well as a director of RCA, to respond to the various comments that have been made.

Goodman: We have an ombudsman at NBC News, and it is in the executive management of NBC News. . . We think in the course of what we have done at NBC News, we have every reason to be proud. We have served with objectivity. We have served with accuracy, to the best of our ability, and some have given their lives in that cause. We think what we are doing now is the best way to continue to do it, to have the management of NBC News get the best reporters we can and the best executives we can employ to exercise their many daily responsibilities, and that is the functioning of an ombudsman. And anyway, as you can see, we serve such a large country, it is not possible to serve everybody with exactly what he would want in reporting news during the difficult years we have had. Besides, Mr. Irvine, I am not sure that an ombudsman would serve the purpose if he didn't agree with your point of view. Thank you very much.

NO ANSWERS FROM MR. GOODMAN

This was what one news report described as a "vigorous" reply by NBC. Mr. Goodman evaded all the issues. Mr. Irvine subsequently tried without success to pin him down on the question of the difficulty in getting timely responses from NBC. Mr. Goodman would only say that NBC replied to AIM promptly, ignoring all evidence to the contrary.

Mr. Sarnoff did promise to see that outstanding questions that had been raised would be answered in writing. AIM subsequently received two letters from Mr. Benjamin Raub of NBC in response to our inquiries. Here are the questions we asked and the answers supplied.

1. How much coverage did NBC give to the massacre of over 5000 residents of Hue by the communists during their occupation of that city in February 1968?

Reply: Mr. Raub was unable to cite a single broadcast that dealt specifically with this massacre.

2. How much coverage did NBC give to My Lai in comparison with the 21 seconds devoted to the slaughter of 300 civilians at Ban Me Thuot by the communists on April 17, 1975?

Reply: "In the judgment of NBC News this is not a relevant measure (comparison). The My Lai killings were extraordinary from any point of view because they involved Americans whose standards of warfare do not normally include the assassination of civilians and because My Lai also involved a whole series of interconnected background developments in uncovering the assassinations which subsequently led to public trials." (*You can infer from this that the side that commits atrocities on a vast scale as a matter of course need not worry about getting adverse publicity from NBC. But if the side that sins rarely slips, NBC will give its one slip massive publicity*).

3. What explanation is there for the failure of NBC News to report on communist atrocities at Phanrang, Phuoc Long, Hue, Danang and the merciless shelling of 100,000 refugees trapped on a river bank at Phu Yen?

Reply: "NBC News did not cover executions at Phanrang, Phuoc Long, Hue or Danang because these were based on unconfirmed hearsay unlike the killings at Ban Me Thuot, which we were able to confirm." (*No comment was made about the failure to cover the shelling of the refugees at Phu Yen which was easily confirmable. Of course it is difficult to confirm atrocities which the communists wish to hide. The now infamous massacre at Hue would not have been confirmed if the area had not been recaptured and the mass graves discovered. Silence in the absence of solid confirmation in such cases plays into the hands of the communists, while the same reluctance to report unconfirmed charges is frequently not observed when it is the U.S. or our allies that are the target of the charges*).

4. Would you comment on the failure of NBC News to report on AFL-CIO President George Meany's letter to members of Congress urging that action be taken to restrain Hanoi from a new bloodbath, which he charged had already begun?

Reply: Mr. Raub misunderstood the nature of George Meany's letter. He thought it referred to an appeal to evacuate the South Vietnamese. He said that they had reported other stories on the evacuation.

5. How much did NBC pay the East German communists for the film showing how wonderful everything in Hue is today?

Reply: "The April 9 film was in fact acquired without fee from Eurovision, an association of Western European broadcasters, under our arrangement with them . . . Not only was the label 'East German Television' superimposed on the film, but Mr. Chancellor stated that western reporters were barred from the captured South Vietnamese ports, while journalists from Communist countries were allowed in as he stated, 'presumably because they can be counted on to accentuate the positive' from the Communist point of view." (*So how did NBC News "confirm" the content of the film to the degree that would justify showing it?*)

6. We noted the failure of the news media, including NBC News, to adequately alert the American people to the serious consequences of our defeat in Vietnam for our future security and to the significance of the spread of communist control over increasing territory and large populations.

Reply: "Certainly you are aware of the large number of times that Presidents Johnson, Nixon and Ford have addressed the American public about Vietnam and the complications of a defeat there. This has also been emphasized through appearances by many members of Congress, critics and a wide variety of spokesmen on differing points of view on issues raised by the war and its significance to our national interest." (*Mr. Raub did not cite any specific instance in which NBC in recent months had reported on the specific impact of a defeat in Vietnam for American credibility and prestige and on the likelihood of the domino effect being realized*).

WHY DRUG CHIEF LOST "CONNECTION"

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MURPHY of Illinois. Mr. Speaker, CHARLIE RANGEL of New York is not known on Capitol Hill as a man who minces his words. When he approves of your conduct, you know it, and when he disagrees with you, you learn by experience to give his point of view thoughtful consideration.

Bob Wiedrich of the Chicago Tribune wrote this week about CHARLIE RANGEL and his regard for John Bartels, former head of the Federal Drug Enforcement Administration. Wiedrich reported RANGEL's contention that Bartels was fired not because he was incompetent or corruptible but because he became an embarrassment to an administration which refused to put pressure on Turkey to reimpose its ban on poppy production.

John Bartels advocated a tough U.S. position on the Turkish ban. He argued that there was no way Turkey could police its growing to insure that opium did not enter illegal channels on its way to refining laboratories. He advocated good diplomatic relations but he refused to promote such relations at the expense of a renewed flow of Turkish drugs to our shores.

The June 22 Wiedrich column talks about politicizing the fight against narcotics. Wiedrich, like RANGEL, calls the shots as he sees them. I include the article in the RECORD at this time for the benefit of my colleagues:

WHY DRUG CHIEF LOST "CONNECTION"

John Bartels, Jr. was fired as chief of the nation's global narcotics war because of his outspoken criticism of the Turkish resumption of opium production.

That is the conclusion reached in a congressional speech by Rep. Charles Rangel [D., N.Y.], a longtime foe of the flood of overseas heroin into the Harlem district he represents.

In a scathing denunciation of the State and Justice Department officials he blames for Bartels' abrupt ouster June 6, Rangel charged the Ford administration with being more concerned in soothing Turkey's diplomatic feathers than blocking a large scale renewal of high-grade European heroin trafficking to North America.

"Since administration officials have admitted the Turkish government previously could not control opium production . . . and there is no evidence that Turkey has initiated any greater effort to control illicit diversion of this deadly crop, it is clear that those in the administration responsible for our policy toward Turkey have decided to close their eyes to the menace of the new Turkish opium crop," Rangel declared.

Rangel singled out Ambassador Sheldon Vance, drug abuse chief of the State Department for special attention.

"Ambassador Vance's approach to the problem has been to receive without question any and all unsubstantiated assurances from Turkey that the opium poppy ban could be lifted without diversion of opium into the illegal market," he said.

Vance assumed this posture, he charged, at the very time Bartels was strenuously warning that the Turkish decision to break its opium ban agreement with the United States could result in a renewed tide of heroin.

"Could it be that Mr. Bartels, by strongly voicing his objections . . . caused the administration some embarrassment and thereby failed in his responsibilities to echo the party line?" Rangel asked.

Forced resignations of federal narcotics officials whose statements have grated State Department diplomatic sensibilities are not without precedent, Rangel asserted.

He recalled that at the height of the onslaught of Turkish opium thru heroin refining laboratories in Southern France before the two-year dope embargo, another American narcotic agent was dismissed from his post for speaking out.

Jack Cusak, then U.S. nacrotics boss in France, was sent home because of his "failing to mouth the party line" when the French were virtually ignoring the refining labs that produced billions of dollars 'n pure heroin for the North American market, Rangel charged.

Congress, however, heeded Cusak's warnings, Rangel said, and pressure from Washington prompted the French to carry out an unprecedented crackdown on the international heroin apparatus functioning in the Marseille area.

Rangel expressed dismay that Bartels had been summarily sacked after 11 years of impeccable service with the Justice Department by Atty. Gen. Edward Levi while others who had fought the narcotics war reorganization under the Drug Enforcement Administration retained their jobs.

He did not directly refer to the public hearings now under way before a permanent subcommittee on investigations chaired by Sen. Henry Jackson [D, Wash.], whose staff has waged a yearlong campaign of leaked charges and innuendo against Bartels and DEA.

However, the inference was clear, for the subcommittee's two star witnesses have been ranking DEA officials whom Bartels has accused of fighting the 1973 reorganization and fostering bureaucratic wrangling.

"It might be well the administration was effective in silencing Mr. Bartels, but they cannot silence my colleagues in this body who have refused to be intimidated by the niceties of diplomatic understandings and other initiatives involving the Turkish government," Rangel said.

"If the Turkish government has such influence that official criticism of its violation of an executive agreement with our country causes the removal of our top drug abuse enforcement official, our country is in deep trouble."

Rangel pointed out that Bartels was fired by Levi without minimal due process, even tho he was assured his integrity was not in question. At the time, Bartels was told Levi wanted to beat Sen. Jackson to the punch by dismissing Bartels before Jackson could open hearings into allegations of DEA wrongdoing.

"Turkish opium production is not on the State Department's list of priorities and Bartels was the only guy in the administration with the courage to speak out," Rangel told us in an interview.

Rangel has raised some disturbing questions about foreign policy considerations versus the heroin white death. And President Ford should order Atty. Gen. Levi to answer them now, before the international narcotics war is sacrificed on the altar of Sen. Jackson's presidential ambitions and Turkish greed.

INTRODUCTION OF THE LEGISLATIVE DIGEST AMENDMENT OF 1975

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. VANIK. Mr. Speaker, today I am introducing a resolution to reform the recently enacted House procedures for analyzing legislation introduced in this body. Under the Committee Reform Amendments, enacted in the closing weeks of the 93d Congress, the Congressional Research Service is directed to prepare a summary of all the public bills and resolutions introduced by the House membership and publish this summary in the Congressional Record.

Nearly 6 months have passed since the amendment to the House rules became effective, and I seriously doubt whether the rule has had any impact in improving House procedures. The original intent of the reform was apparently to provide an accurate, nonpartisan appraisal of each piece of legislation submitted for consideration by the House. Aside from improving committee referral practices, it was hoped that the reform would eliminate the need to rely on the legislation descriptions provided by the short titles of the legislation. Oftentimes, these short titles are incomplete and drafted to serve some political purpose for the sponsor.

As originally reported from the Select Committee on Committees, the Committee Reform Amendments included a provision that each bill or resolution introduced in the House contain a factual description of no more than 100 words prepared or approved by the Congressional Research Service. This analysis was to have been printed on the first page of each bill or resolution and in the Congressional Record. In subsequent consideration of the reform amendments it was decided that this provision may prove to be a burden to Members who needed legislation introduced quickly. As a compromise a new clause 5(d) was added to rule X of the Rules of the House. This clause provides that factual descriptions of introduced legislation be printed in the Record "as soon as possible after introduction."

THE COSTS OF LEGISLATIVE ANALYSIS

As well intentioned as this reform in House procedures may have been, it appears to be little more than an expensive make-work project for the Congressional Research Service and the Government printer. By the latest statistics I was able to gather, the CRS has compiled factual summaries of some 7,000 public bills and approximately 300 resolutions. Printing these summaries in the Record has occupied to date about 217 pages. At a cost of $278 per page, the total printing cost runs to over $60,300 to date. At this rate, it is likely that the printing cost of complying with clause 5(d) will approach $150,000 in the 94th Congress.

But this expense is not alone. The CRS, in order to comply with this new rule, has had to hire an additional 14 employees in its Bill Digest Office. In the legislative branch appropriations bill that recently passed the House, $168,500 was appropriated to fund these new positions during fiscal year 1976. Projecting these costs over the 94th Congress, over $300,000 will be spent by CRS to comply with the directive of clause 5(d). In short, the printing and manpower expenses of compiling legislative descriptions in the Record is likely to exceed $450,000 during the 94th Congress.

WHAT DO THESE LEGISLATIVE DESCRIPTIONS ACCOMPLISH?

What are we getting for this expenditure of nearly half a million dollars? Take, for example, H.R. 2443, introduced on January 30, 1975, by Representative Fuqua. The short title of this legislation reads:

> A bill to expand the membership of the Advisory Committee on Intergovernmental Relations to include elected school board officials.

The summary of H.R. 2443 prepared by CRS reads:

> Expands the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials.

It is true that in other instances, the CRS description is more detailed than that provided by a bill's short title. On the same day, Representative Harris introduced H.R. 2446 with a short title, as follows:

> A bill to amend the Internal Revenue Code to reduce individual income taxes and to remove certain tax preferences available to oil and gas producers.

The CRS description is more detailed:

> Amends the Internal Revenue Code to increase the percentage standard deduction, the low income allowance, and the personal exemptions. Allows a credit against the income tax based on the amount of income earned by eligible individuals.
>
> Disallows the deduction from gross income of intangible drilling costs and the income tax credit for the payment of foreign taxes on oil or gas wells located outside the United States.
>
> Terminates the percentage depletion allowance for oil and gas wells.

Clearly, the CRS description is in some cases more helpful in understanding the substance of legislation introduced in the House. But that is really not the issue. The question that should be of concern to my colleagues is whether the service provided by CRS is so useful as to justify the expenditure of nearly half a million dollars in this Congress alone. I do not think it is.

PREVIOUS PROCEDURES ADEQUATE

Prior to passage of the Committee Reform Amendments, the CRS already had an extensive effort underway to digest and summarize legislation introduced in both the House and Senate. Published periodically as the "Digest of Public General Bills and Resolutions," this compendium analyzes—often in extensive detail—the various provisions of legislation introduced in Congress. In view of this resource, it seems not only redundant but also wasteful to require that similar summaries be published in the CONGRESSIONAL RECORD.

Some would argue that the Digests are not timely enough. In truth it does take time for the CRS to compile these summaries and publish them. For example, the latest Digest currently available for the 94th Congress analyzes legislation introduced up until May 22, 1975. But the RECORD summaries are not any more current. The most recent summaries go through H.R. 7000, introduced on May 14, 1975. It would appear we are paying a high price for very little.

It seems the principal function of the bill digests is to provide quick, accurate summaries of legislation. Neither service is particularly timely. As for accuracy, the Digest provides more detailed information than the RECORD inserts for the simple reason that the Digest is not subject to the 100-word limitation.

Beyond this fact, however, we must realize that bill digests serve only a limited function in providing information to the Members and their staffs. Any in-depth analysis of a piece of legislation of course would require a reading of the bill or resolution. In short, bill digests can be useful as an indicator of the substance of legislation, but the Digest itself is inadequate for a more substantive understanding of the legislation.

A PROPOSAL TO AMEND CLAUSE 5(d)

To eliminate what I view as an extremely inefficient procedure I am introducing legislation today to free CRS from the obligation of compiling legislative digests for publication in the RECORD. This resolution would not affect the excellent work CRS does in compiling its Digest.

It is my hope that this procedure can be suspended pending a review of this question by the House Commission on Information and Facilities. This Commission, authorized by the Committee Reform Amendments, is to conduct a thorough study of the information problems of the House. The Commission should evaluate the performance of CRS and its bill digest office and determine how Congress can most efficiently perform this function.

Mr. Speaker, I hope that my colleagues will support this effort to bring some economy to Government. I include my resolution in the RECORD at this point:

H. RES. 566

Resolution to amend the Rules of the House of Representatives to reform the procedures for the analysis of legislation introduced in the House of Representatives

Resolved, That paragraph (d) of clause 5 of Rule X of the Rules of the House of Representatives is amended to read as follows:

"(d) After the introduction in the House of each bill or resolution the Congressional Research Service of the Library of Congress shall prepare a factual description of the subject involved therein; such description shall be published in the Digest of Public General Bills and Resolutions as soon as possible after introduction."

EPA FAVORS CONSTRUCTION MORATORIUM ON GARRISON DIVERSION UNIT

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the Garrison Diversion Unit project has generated considerable controversy in the United States and Canada because of the environmental and economic consequences that will result from its continued construction.

The Canadians have called for a moratorium on the project on grounds that it violates the 1909 Boundary Waters Treaty between the United States and Canada, a matter that has been referred to the International Joint Commission for study. The primary questions to be considered by the IJC are the amount of salinity that will result from irrigation return flows from the Souris and Red Rivers crossing the Canadian border as a result of Garrison and what acceptable alternatives exist for the present project. The Boundary Waters Treaty committed the United States to prevent pollution of water crossing the boundary that might endanger health or property in Canada.

While the Canadian problem is an issue which deserves the full and complete attention of this body in the upcoming debate on the Public Works Appropriations bill, we should not lose sight of the very serious domestic environmental problems that would be generated by continued construction of the Garrison project. These problems are discussed in an answer to a question posed to the Environmental Protection Agency in recent EPA oversight hearings held by the Conservation, Energy, and Natural Resources Subcommittee in April. The EPA has taken a strong stand in opposition to the project. I think their reasons for opposing the project are significant and deserve close attention by this body. In order that my colleagues might have the benefit of the EPA's comments on the Garrison project, I insert them at this point in the RECORD:

EPA FAVORS CONSTRUCTION MORATORIUM ON GARRISON DIVERSION UNIT

Question 16. What is EPA's position on the Garrison Project and do you concur with the need for a moratorium on further construction?

Answer. EPA's foremost concern with respect to the Garrison Diversion Unit is the unresolved issue involving the Boundary Waters Treaty Act of 1909 with Canada. In our opinion, no action should be taken which would foreclose any option available for dealing with this issue. Additionally, in our comments on the Interior Department's final environmental impact statement (EIS) for the Garrison project, EPA expressed concern over "forthcoming construction activities which would commit the Bureau of Reclamation to an irreversible course of action, notwithstanding adverse environmental effects." In particular, we have recommended that DOI consider postponement of land acquisition activities for the construction of Lonetree Reservoir until resolution is reached on the serious environmental objections raised in our comments. (EPA August 16, 1974, comments on the final environmental statement for Garrison Diversion Unit, Initial Stage).

In brief summary our comments raised the following points:

(1) The final EIS leaves many important environmental questions unanswered, and more importantly, project proposals as presented in the final EIS do not include sufficient built-in plans for mitigating adverse environmental impacts, especially with regard to enforcement capabilities for irrigation management and water quality protection. We believe that if project construction proceeds, measures to mitigate the adverse effects on the natural environment should be implemented simultaneously.

(2) Information available in the final EIS indicates that many environmental effects of constructing and operating the Garrison Diversion Unit will be severe and continuing. Examples of such effects include water quality degradation, flooding potentials, wetland loss through drainage, and loss of critical wildlife habitat. Environmental studies and re-evaluations which are planned or now underway may reveal alternative project configurations which could eliminate or substantially reduce some of these effects. Given the serious nature of these impacts, all reasonable options for their mitigation should remain open to consideration.

However, as construction of the Principal Supply Works progresses, we feel that possibilities for implementing project changes may become severely limited, for economic as well as engineering reasons.

(3) Impacts of constructing the McClusky Canal have already been severe. Wetlands have been drained, farm operations severely disrupted, and groundwater tables lowered.

(4) Many environmental issues of a serious nature are yet to be resolved. These include: relations with Canada and the disposition of irrigation return flows in the Souris Loop area;[1] water quality impacts, especially for water quality parameters other than total dissolved solids (TDS); effectiveness of irrigation management techniques designed to increase irrigation efficiency and minimize water quality impacts; flooding problems from return flows and canal seepage; and the effectiveness of presently designed wildlife mitigation areas. The issue of Canadian non-acceptance of Garrison return flows is especially important, and no action should be taken which would foreclose options for solving this problem.

(5) While the final EIS for the Garrison Diversion Unit presents more information than was contained in the draft EIS, we do not feel that the final EIS adequately addresses the "overall, cumulative impacts" of the project.

HUMAN RIGHTS IN CHILE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. FRASER. Mr. Speaker, I would like to insert in the RECORD a story which appeared in the June 20 issue of the Washington Post. It relates that the Post's Latin American reporter, Joanne Omang, has been prohibited from returning to Chile. Ms. Omang wrote a series of articles revealing that serious violations of human rights continue in Chile.

---

[1] Refer to: Note No. 432 dated October 23, 1973 from the Canadian Embassy to the U.S. State Department; Note dated February 5, 1974, from the U.S. State Department to the Canadian Embassy; Note dated March 7, 1974 from the Canadian Embassy to the U.S. State Department.

By its action the Government of Chile appears more interested in preventing such reporting than in remedying the abuses which are the subject of such reporting. This is disappointing to those of us who had hoped that the Government of Chile would actually improve its observance of internationally recognized human rights.

CHILE BANS POST REPORTER

SANTIAGO, CHILE.—Chile on Thursday canceled the credentials of Joanne Omang, Latin American correspondent for The Washington Post, on the ground that she gave The Post's readers "false information" about the ruling military junta.

The cancellation means that Omang, who resides in Buenos Aires, cannot legally report from Chile and will also presumably be prevented from entering the country.

The articles that aroused the anger of Chilean officials appeared in The Post while a full meeting of the Organization of American States was being held in Washington.

The subject of human rights in Chile was brought up during the meeting and several delegates discussed charges of torture quoting court documents and other sources.

Omang left Chile for another Latin American country several weeks ago.

BAN THE HANDGUN

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. BINGHAM. Mr. Speaker, I was sorry to see President Ford's crime program fall so short in the area of gun control. The President proposed a ban on cheap handguns—Saturday night specials—which, if enacted, will be only a small step in the right direction and will be ineffective in stemming the tide of violent crime committed with handguns.

All we really know about crime committed with the Saturday night special is that a majority of the handguns used in crime and recovered by the police fall into that category. We do not know anything about all the guns that are not recovered. Certainly, most family pistols kept in the mistaken belief that they represent protection for the home, are not Saturday night specials, and yet they are responsible for nearly 3 of every 4 handgun murders.

The President, Mr. Speaker, has simply ignored the fact that it is not the quality of the handgun that presents a problem; it is the availability of the handgun. Not until we end that easy access to a pistol, both for the professional criminal and for the ordinary citizen who winds up killing in a moment of passion, will we turn the corner in the fight against gun violence.

The article below, which was condensed from Good Housekeeping and appeared in the February 1975 issue of Reader's Digest, explodes the myth of the handgun as protection. I commend it to the attention of my colleagues:

SAFER WITH A GUN? DON'T BELIEVE IT!

It was too much for Gary Cohen, a Chicago boy of 13. First, his mother died of cancer. Then, his 15-year-old sister accidentally shot and paralyzed herself while handling a gun from her father's weapons collection. After months of brooding by his crippled daughter's bedside, Gary's father took one of those same guns and committed suicide. Gary found him dead in a bedroom, a note nearby telling of his misery. Three days later, Gary, too, was drawn to the deadly gun collection. He took down another of his father's guns and shot himself.

For some 27,000 Americans each year, the world disappears in a shattering blast from a gun. The arsenal possessed by America's 50 million gun owners accounts for more than 11,000 murders a year—many of which would not have occurred if guns were not so widely available. Our nation also suffers 13,000 suicides by firearms or explosives a year (most of them by firearms) and some 27,000 fatal gun accidents—totally unnecessary, unpremeditated tragedies.

To monitor the nation's newspapers for handgun accidents during any given month is to gather a shocking series of these tragedies:

Chester, Pa. Shawn Armstead shoots himself after apparently finding a .45-caliber revolver in a dresser. His life ends at four years of age.

Palm Desert, Calif. Plinking at tin cans among sand dunes near their home, Juan Diaz, 19, accidentally kills his brother with a .22-caliber pistol when a companion jostles his arm.

Colorado Springs, Colo.—Robert Burns Martin brings home a pistol he is thinking of buying from a friend. As the Fort Carson soldier examines the weapon, which he believes to be unloaded, it discharges. His wife, Suzanne, 22, is fatally struck.

Cities, sexes and ages vary in the pathetic litany each month. But one pattern is clear: the main culprit is the handgun. (An estimated 30 million pistols and revolvers are loose in America, and each year two million more are added to that total; police say a new one is sold every 16 seconds. Given these figures, it is not so surprising that every 19 minutes an American is killed with a handgun.)

According to both Harris and Gallup polls, two thirds of our citizens favor more effective gun controls, including registration of all firearms and licensing of all gun owners. Yet legislation requiring such strong measures has met with little Congressional success. For example, the federal Gun Control Act of 1968 sought among other things to dry up the flood of inexpensive, foreign-made "Saturday Night Specials." But the law failed to ban the import of parts. Thus, "Specials" assembled here from foreign parts continued to be sold at record rates.

Several senators, seeking a total ban on the sale and possession of handguns, have attemoted to make progress by emotional appeals to public sentiment, esnecially after the assassination of Robert Kennedy and Martin Luther King, and the crippling of Alabama Gov. George Wallace. But such isolated incidents tend to recede from the public memory, while the continuing rise of crime and violence in our cities does not. On the contrary, it prompts anxious urban dwellers to seek even more weapons for defense, if not offense.

The most substantial obstacle to stricter gun control is the National Rifle Association, a nonprofit, tax-exempt organization whose million or more members are hunters, sport shooters, collectors and dealers. The NRA lobbies against more gun controls, championing, instead, stricter enforcement of current regulations.

While NRA advocates lawful gun ownership, and stresses sense and safety in handling guns, some of its advice is specious. One of its pamphlets, "What Every Woman Should Know About Self Defense," counsels: "In cities or towns where it is legal . . ., a firearm is excellent protection, providing you are trained to use it properly and safely." But how does a terrified woman shoot a prowler or a burglar "properly and safely"? The way Judy Bowman, a San Jose housewife, did when she shot a 15-year-old youth she believed was a prowler? Is a gun good protection, as the NRA maintains? Or does it create a greater threat at home than any it is designed to combat?

One of the most recent studies of civilian-owned-gun mishaps is a Cleveland report presented to the American Public Health Association at a San Francisco conference in November 1973. Its conclusion: *A gun kept by a civilian for protection is six times more likely to kill a family member or friend than an intruder or attacker*. The researchers who worked on the report, two Cuyahoga County coroners and two Case Western Reserve University professors, corroborate the national statistic that at least 70 percent of people killed by handguns are shot by people they know, most often a relative or acquaintance. Equally disturbing, the Cleveland report showed that death rates from gun accidents in Cuyahoga County had increased fourfold for the urban population and tripled for suburban communities since 1958.

When will the needless killing stop? On the national political front, the situation promises to get worse before it improves, with antis and pros in Washington locking horns and pawing the ground furiously, but making little progress. Meanwhile, four states—New Jersey, New York, Massachusetts and California—adopted their own restrictive measures, as have some local communities. In November 1973, the Dade County Commission in Miami passed three ordinances over the thundering protests of gun enthusiasts. One banned the Special. Another called for licensing all people involved in selling handguns. The last, and most noteworthy, required the buyer to pass a handgun proficiency test on gun use, safety and laws before acquiring a handgun.

Though such local controls may not be the final answer, they have already produced hopeful results. In Philadelphia, since 1965, gun buyers have been required to furnish fingerprints and a photograph in order to obtain a permit. In one year, this plan weeded out almost 200 people with records of burglary, robbery, rape, addiction—plus 27 individuals who had been convicted of intent to kill and 96 others with police records for carrying concealed weapons. Currently, the nation's rate of murder-by-firearms as a percent of all murders is 67 percent. In Philadelphia it is only 58 percent. Toledo, once cast as the "gun capital" of the Midwest, initiated a plan similar to Philadelphia's in 1968. By 1970, its yearly handgun-murder rate had dropped 22 percentage points.

All this is encouraging, but it alleviates only slightly the larger problem: the massive numbers of handguns still loose in the land. City and state controls can reduce the number of guns in criminal hands, but can't begin to resolve the problem of millions of lawful, if misguided, gun owners—ordinary householders who feel safer with a gun by their bedside. What these people need to know is that in the vast majority of instances a weapon offers only an illusion of protection, not the real thing.

If what you want is to protect yourself and your family, don't wait for stern measures to be handed down from Washington. Start your own gun-control program and start it now. If there's a gun in your house, turn it over to local authorities. Get rid of it, before it gets rid of you.

THE OUTER CONTINENTAL SHELF

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. EILBERG. Mr. Speaker, on June 9, in Harrisburg, Pa., I participated in the Gulf Forum on Public Affairs sponsored by the Gulf Oil Corp.

The purpose of the forum was to discuss the Nation's energy problems as they relate to oil and I was invited because of my membership on the Ad Hoc Select Committee on the Outer Continental Shelf.

At this time I enter into the RECORD the general statement I made at the opening of the forum. It reflects my thinking on the development of this critical area:

DEVELOPMENT OF THE OUTER CONTINENTAL SHELF

(Statement of Representative JOSHUA EILBERG)

As a member of the Ad Hoc Select Committee on the Outer Continental Shelf, I hope to participate in the formulation of legislation that will promote the acceleration of the development of the oil and gas resources in the Outer Continental Shelf, not only in proven areas, but also in the so-called "frontier areas."

Of course, any legislation must insure that such development is consistent with the need to protect the coastal and marine environment, the safety of those working in offshore installations, and the long range defense and security needs of the United States.

In addition, some provision must be made to involve and aid those coastal and noncoastal States that will be impacted by offshore development. Adequate planning and preparation must be undertaken by industry, Federal, State and local governments, and effected residents for the economic, environmental and social consequences of offshore development.

As a Member of Congress it is my belief that it is the job of the Congress to legislate in the best interest of the people and at this time it does not appear that these interests coincide with the desires of the major oil companies. We must make sure that the development of the resources of the Outer Continental Shelf be carried out with the purpose of providing energy to the consumer over the longest period of time at the lowest possible cost.

At the same time it should be in the interest of the people to promote competition in the oil industry and this means the protection of the small and independent firms in the industry, including the distributors and retailers.

I remember that during the oil embargo last year my office received numerous calls from independent gas station operators and individual oil distributors who were being forced out of business by the oil companies which were withholding supplies from them. This action was apparently nation-wide and served to build up a great deal of distrust in government and in the public at large for the major oil companies.

Additionally, there are the most recent reports about the actions of the Gulf Oil Corporation. On may 17th Bob R. Dorsey, chairman of the board of Gulf Oil told a subcommittee of the Senate Foreign Relations Committee that his company had secretly made a $50 thousand contribution to a vague organization seeking "a better understanding in America" of the Arab position on various issues. Dorsey admitted that this was a public relations campaign on behalf of the Arabs to promote the Arab position on Middle East political affairs.

I can assure you that this action did absolutely nothing for the public relations image of Gulf Oil in my mind or in the minds of my constituents.

It is incidents such as these which have served to build a great distrust by the public of the oil industry. At this point I want to emphasize that I am not against private industry or companies making a profit from their activities, but in the field of energy we can no longer push ahead blindly with no thought to the future and no motive other than increased dividends for stockholders.

We know that all energy resources are limited and they must be conserved and used for the greatest possible public good.

WILL ASK TO DISCHARGE JUDICIARY COMMITTEE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. HUNGATE. Mr. Speaker, I rise to give notice to the Members of the House that tomorrow or Thursday I will ask unanimous consent to discharge the Judiciary Committee from further consideration of S. 1549 and to take up and consider the bill immediately. I will do this in accordance with approval of this bill by the Judiciary Committee in order to give the House a chance to pass the bill before July 1.

S. 1549, which the Judiciary Committee has ordered reported favorably, seeks to restore some language to rule 801 the House version of the Rules of Evidence. This language was originally in the House version of the Rules of Evidence that passed by a vote of 377 to 13 on February 6, 1974. As passed by the House, 801(d)(1) read:

> A statement is not hearsay if . . . the declarant testifies at the trial of hearing and is subject to cross-examination concerning the statement, and the statement, and the statement is . . . one of identification of a person made after perceiving him.

The Senate version of the Rules of Evidence struck this language from the rules: "one of identification of a person made after perceiving him." The effect of the Senate's action is to eliminate evidence of lineup identifications from criminal trials.

The Senate strongly insisted upon its version of rule 801(d)(1) at the conference. The House acquiesced in the Senate version and agreed to a conference report that embodied it.

The Senate now has changed its mind and is willing to accept the House version. S. 1549 is the means of doing this.

The Federal Rules of Evidence take effect on July 1, 1975—a week from tomorrow. If S. 1549 is processed in the normal fashion, it will not be signed into law by that time. The result will be that one rule will be in effect for several weeks and then it will be superseded by a different rule. This ought to be avoided if we can. The language in S. 1549 ought to become effective at the same time as the rest of the Federal Rules of Evidence. We can do this if there is unanimous consent to my requests and if the bill then carries.

I make this announcement in order to give Members notice of my intent. Any Member who has questions about the bill is invited to contact me or the staff of the Subcommittee on Criminal Justice.

STATE DEPARTMENT AUTHORIZATION ACT

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. FRENZEL. Mr. Speaker, earlier this week, I voted against the State Department Authorization Act for fiscal year 1976. I did so for two reasons.

First, this is another in the line of budget busters which Congress seems insistent upon passing. This authorization is almost $40 million over the administration request. While I approve of the committee's action of including $20 million for refugee assistance, this amount could have been met by the savings of the $19.8 million requested for the obsolete International Commission on Control and Supervision in Vietnam. Of the other committee increases, I find merit in only two; the $450,000 for International Women's Year activities and the gratuity pay to survivors of foreign service officers killed in the line of duty. The amount of the committee increase over last year's appropriation is 17.7 percent; well over the rate of inflation.

Second, the act as passed contains authorization for United Nations dues over our supposed maximum contribution of 25 percent. The gentleman from New York, Mr. WOLFF, offered an amendment which would have limited our dues contribution to 25 percent, but unfortunately it was ruled out of order. Hopefully, we will be able to discuss this issue fully when the Appropriations Act is before us.

My difference with the total authorization as passed would appear to be small; only $20 million. However, this bill is 2.4 percent over budget. If extended throughout the appropriations and authorization process, we would add over $8 billion to our already overstretched debt for next fiscal year. Obviously, this would add greatly to the chances of renewed inflation after economic recovery gets into full swing.

Mr. Speaker; I have voted against numerous budget busting proposals in recent months, even though some were popular. The Agriculture-Consumer Protection Act, the emergency employment appropriations, the Maritime Authorization Act, the Emergency Middle Income Housing Act, the National School Lunch and Child Nutrition Act amendments, and the Military Procurement Authorization Act are just a few of many I have voted against. As long as our fiscal condition remains in deep deficit, I will continue to vote against these extravagent proposals, even if the $40 million figure seems inconsequential in our $375 billion budget.

Moreover, the Ways and Means Committee is now engaged in the overdue work of tax reform. Many changes are needed to make our tax structure more equitable, but most changes will end up costing the Treasury billions "Soak the rich" schemes may be desirable to a limited extent, but they raise only limited amounts of revenue. Simple needed reforms, such as single taxpayer equality with married taxpayers, would cost greatly, over $15 billion. With Congress continually amassing a larger and larger deficit, it will become more and more difficult to bring any semblance of equity into our tax reform efforts without having to make painful budget cutting decisions.

My differences with the State Department may seem slight, but it is the principle of living within our means of a $60 billion deficit which was the motivating factor in my negative vote. I hope that the House will consider seriously the effect of continual authorizations and appropriations over targeted budgets and show greater restraint in the future.

JAMES A. BENNERSON, OUTSTANDING CITIZEN

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. DE LUGO. Mr. Speaker, I would like to take this opportunity to acknowledge and commend one of the Virgin Islands outstanding citizens, James A. Bennerson, of Frederiksted, St. Croix. A respected speaker and civic-minded individual whose community involvement record is unsurpassed, Mr. Bennerson has devoted his life to the welfare of the citizenry of St. Croix. His dedication is exemplified by his participation in a number of socially beneficial service organizations. These include: member, advisory council of the Boys' Club of St. Croix, Inc.; past chairman and first vice president of the Christian Council; coordinator of court for volunteer program; executive officer of the American Legion; and board member of Disabled American Veterans. In every capacity he has distinguished himself as an unselfish worker and supporter.

Mr. Bennerson is probably most admired for his oratorical acumen. His ability to entertain an audience results in a wide variety of speaking engagements that he joyfully accepts and performs. During the past few weeks he has been the master of ceremonies at the building dedication for the Boys' Club of St. Croix, master of ceremonies at the annual banquet of the Women's Missionary Society of St. Luke, master of ceremonies at the St. Luke's pastor appreciation dinner at Gentle Winds and presentor of a petition during the prayer of the faithful at the St. Joseph High School commencement exercises. Jim Bennerson's generous gift of time and service characterizes his sincere dedication to the people of the Virgin Islands and hopefully his fine example will be followed by many more citizens.

ENERGY PROGRAM STILL LACKING

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. GRADISON. Mr. Speaker, it is very disheartening that despite 6 months of hearings and debate, Congress is still no closer to the enactment of legislation to deal positively with the energy crisis than we were last January.

The energy legislation passed by the House last week, H.R. 6860, does not even go part of the way toward the development of a positive national energy program. H.R. 6860 is merely a jumble of fines and exemptions, taxes, and tax credits.

To pass legislation such as H.R. 6860 is really worse than to take no action at all. For passage of H.R. 6860 gives the appearance of action when no meaningful action has been taken.

There are several areas in which Congress should take action toward the development of a comprehensive policy. First of all, there are positive steps we can take to spur production in the United States. Gradual decontrol of old oil and deregulation of natural gas prices would provide an incentive for exploration and production. Combining deregulation with a windfall profits tax would effectively control excessive gains made by producers. Adding a plowback provision for research and development would even further encourage exploration.

While the need for a windfall profits tax on the producer as a part of a decontrol plan is apparent, studies have shown that the increased cost to the consumer will be considerably less than previously projected. My colleague from Ohio (Mr. BROWN) has stated in the RECORD of June 5 that decontrol of old oil over a 4-year period would result in an increase of 1.3 cents per gallon per year. The FPC Task Force on Deregulation of Natural Gas concluded that costs to present consumers would rise gradually over a period of years as old contracts expire.

In addition, the benefits to users who otherwise would be curtailed offsets this gradual price increase. The cost of curtailment or conversion to other fuels is one factor often overlooked in the discussion of the effects of deregulation of natural gas.

Certainly one of the main problems with the development of a national energy policy is the conflict of varying congressional committee jurisdictions in the energy field. While the Ways and Means Committee has made it clear that they do not have jurisdiction over decontrol provisions, they do have the power to enact a windfall profits tax with a plowback provision as a comparison to decontrol. However, their failure to work with the Commerce Committee on a program which would incorporate those provisions postpones any action which would lead to the decontrol of oil prices.

If the committee system as it is presently structured is unable to enact a national energy policy, I would recommend the establishment of a special committee on energy which would have the power to develop a forward-looking program. There is a glaring need for leadership on energy issues in the Congress, and such a committee would provide direction for the development of these policies.

There are a number of other specific steps the Congress can take to promote development of domestic energy sources. First, we should resolve the difficulties surrounding the development of the Elk Hills Naval Reserve oil field and proceed with production as soon as possible. Second, Congress should take action to clarify national policy with regard to production of oil from the outer Continental Shelf. Third, efforts should be made to accelerate development of coal gasification and liquefaction processes and oil shale recovery techniques. Fourth, a review of utility regulations especially concerning rate increase requests and plan expansion and construction should be undertaken.

A rational energy policy should recognize the need for a gradual trade-off between foreign and domestic production. This substitution process is not accomplished by slapping on quotas and penalizing particular segments of the population. It is accomplished by insuring increasing domestic exploration and production while imports are being discouraged. To begin one without the other is not realistic.

GILMAN HONORS WEST POINT COACHES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. GILMAN. Mr. Speaker, I recently had the pleasure of presenting Congressional Medals of Merit to several remarkable men who are members of the coaching staff of the U.S. Military Academy at West Point. As you know, Congressional Medals of Merit are presented to those who have made outstanding contributions toward good government and community service.

A Congressional Medal was presented to Coach Carl Crowell whose cross-country track teams have finished with a .500 record or better for the past 17 years and two of his squads, the 1958 and 1965 teams completed unbeaten seasons. Four of his Army cross-country teams have won the Heptagonal Cross Country Championships. Coach Crowell's indoor track teams have captured the Heptagonal track championship five times—1951, 1960, 1963, 1967, and 1968. Since his arrival at West Point in 1951, every indoor and outdoor academy track record with one exception, has been broken.

Another distinguished coach, Jack

Riley has completed 25 years at West Point and was named "Coach of the Year" on two occasions and has 17 winning seasons in that time. Two of Coach Riley's hockey teams, 1968–69 and 1973–74 won 20 games which stands as an Army hockey record. His Army hockey teams competed in the Eastern College Athletic Conference playoffs five times. Jack Riley coached the U.S. Olympic team in 1960, to its only Olympic and World Championship in Squaw Valley.

Coach Joe Palone is the Military Academy's soccer coach. For the past 13 years, Coach Palone's teams have won seven or more games and in 10 of the last 12 years his Army teams have been invited to the NCAA soccer tournaments. Coach Palone had the distinction of coaching the first Army player to have been selected by a professional soccer league, the New York Cosmos of the North American Soccer League. In addition to his coaching duties, Coach Palone also instructs in the Office of Physical Education of the U.S. Military Academy. During the off-season, Coach Palone officiates at college and high school basketball games.

Mr. Speaker, it is with pleasure that I share the outstanding records of these coaches of the U.S. Military Academy with my colleagues. We can be proud, indeed, to know that we have men of the caliber of Coach Carl Crowell, Coach Jack Riley, and Coach Joe Palone instructing the future officers of our Nation's Army.

EUGENE C. PULLIAM, A FRIEND AND A TIRELESS NEWSPAPERMAN

HON. JOHN T. MYERS

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 24, 1975

Mr. MYERS of Indiana. Mr. Speaker, on June 23 we lost a friend and a tireless newspaperman, Eugene C. Pulliam. He had a distinguished career and, though an announced Republican, he gave his support to candidates of good reputation regardless of their party affiliation.

He was born in 1889 in Kansas and studied there at Baker University and at DePauw University in Greencastle, Ind. He began his newspaper career as a reporter on the Kansas City (Miss.) Star in 1910, and 2 years later, at the age of 23, became this Nation's youngest publisher, of the Atchinson, Kansas Daily Champion.

From there, Gene became editor of the Franklin (Ind.) Star, president of newspapers in Muncie, Ind. and Phoenix, Ariz., and publisher of newspapers in Muncie, Phoenix, Indianapolis, Huntington, and Vincennes, Ind. Gene was a philanthropic, civic-minded man who served as director or advisor for the Thunderbird Graduate School International—now American Graduate School of International Management—the Freedoms Foundation; William Allen White Foundation; Nieman Foundation, and Union Printers Home Association. He was an elector to the Hall of Fame of the Society of Newspaper Editors and decorated a Knight of Grand Cross of the Order of Isabel the Catholic—Spain. He was also recipient of the Golden Plate award from the American Academy of Achievement and the John Peter Zenger award.

Our Nation has lost one of its outstanding newspaperman. He shall be missed by all who knew him and a vacuum in the industry.

To his wife Nina, his son and daughters, my gratitude for sharing Gene's friendship, and my heartfelt sympathy.

POLITICIZATION OF THE U.N. SPECIALIZED AGENCIES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. ROSENTHAL. Mr. Speaker, I wish to commend to my colleagues' attention an excellent New York Times editorial on the risks to world peace and progress inherent in Arab efforts to politicize the United Nations' specialized agencies. These agencies make invaluable contributions to the welfare of all the world's peoples. Their effectiveness depends upon their ability to muster a world consensus on matters within their specific jurisdictions. Attempts to make these agencies into sounding boards for the airing of political issues threaten to divert the limited resources of these agencies from their essential missions and risk upsetting the precarious nonpartisan alliances on which they depend.

Such attempts are potentially destructive even where the cause being pressed has great merit and enjoys wide popular support. Where the position being espoused is inhumane and parochial and depends for its support upon extortionist pressure, the effect upon these agencies is catastrophic.

There is no doubt into which category fall certain recent Arab activities in the specialized U.N. agencies. In May, Arab states maneuvered a vote in UNESCO excluding Israel from two Mediterranean conferences on education. Only the United States among the over 35 nations represented raised its voice in opposition. This action only compounds earlier tragic steps taken by UNESCO, instigated by Arab States, to deny Israel membership in any regional UNESCO grouping, the only interested state so excluded, and to refuse Israel all UNESCO grants. The self-destructive character of the latter move is particularly evident since Israel's contribution to UNESCO far exceeds the amount it receives from that organization. Other Arab-inspired actions before U.N. agencies include granting the P.L.O. observer status at the International Labor Organization and discussion by members of the World Health Organization of the expulsion of Israel. The former action prompted a walk-out by the American delegation who properly pointed out that the P.L.O. was a political, not a labor, organization under the terms of the I.L.O. charter.

The United States has opposed these ill-conceived and immoral efforts to turn the U.N. agencies into political arenas. America's efforts toward this end must be vigorous and unrelenting. I applaud recent statement by the newly appointed chief American delegate to the U.N., Daniel P. Moynihan, that these Arab activities are viewed most critically by the United States. Mr. Moynihan deserves the full support of the Congress in these activities. I only hope more nations will follow the American lead in resisting the politicization of these agencies. The alternative is the end of the United Nations system and a grave setback for international welfare and security.

A copy of the New York Times editorial which appeared on June 24, follows:

GNAWING AT THE U.N.

The condemnation and isolation of Israel from the regional councils of the United Nations Educational, Scientific and Cultural Organization is proving far more destructive than originally perceived.

The Pyrrhic victory scored by the Arab, Third World and Soviet bloc in Paris last fall has emboldened these countries to make new attempts to cut off Israel from the specialized agencies and to politicize activities that have nothing at all to do with the Middle East conflict.

The International Labor Organization and the World Health Organization are the latest targets of the Arab offensive against Israel. At the conference of the I.L.O. in Geneva, the Palestine Liberation Organization was granted observer status. The American delegation walked out, calling the vote a tragic decision because the P.L.O. was a political, not a labor, entity under the I.L.O. charter. And the American position was made official by Secretary of Labor John T. Dunlop, who had planned to address the conference but refused to attend after the vote to seat the P.L.O.

UNESCO itself has already suffered. Some of its important programs are imperiled because the United States and other concerned nations have properly resisted making contributions to the agency while it violates its mandate and tradition of nonpartisanship. The other day the original creators of the UNESCO headquarters and its art works—including Marcel Breuer, Alexander Calder, Joan Miro, Henry Moore and Isamu Noguchi—called for an end to all sanctions against Israel. Instead, UNESCO again succumbed to Arab pressure and hardened its position.

The United States contributes a significant amount of funding to the specialized agencies, in some instances as much as a quarter of their total budgets. The $16-million contribution to UNESCO has been held up; the $29 million for W.H.O. in next year's authorization measure has also been delayed. A large group of members of Congress have warned W.H.O.'s director general that expulsion of Israel would undermine support and confidence in the international health organization.

It has become clear that the Arab bloc—the greatest beneficiaries, along with the Third World nations, of U.N. aid and expertise—is willing to risk destruction of the specialized agencies even if this means depriving millions of people, including its own, of health, welfare, educational and other direct assistance. And too many shortsighted members of the U.N., prey to Arab petro-politics, have acquiesced or abstained when the agencies are locked into positions that degrade the organization's charter and covenants.

Politicization of the organization's specialized agencies—the most effective and humanizing parts of the U.N. structure—needs to be resisted by all countries; at stake may be the future of the United Nations itself.

BALDUS FAVORS CONTINUED PROGRESS ON THE DAM

HON. ALVIN BALDUS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. BALDUS. Mr. Speaker, as Representative of the interests of the Third District, I favor continued progress with construction of the LaFarge Dam and roads in the surrounding area.

There is little doubt that some kind of dam ought to be built across the river channel at LaFarge. Since the earthen structure in either case—whether the dam is wet or dry—will be the same, common sense and the will of the taxpayers would dictate that construction of the embankment ought to proceed. The road across the top will be the same in either case. The embankment will provide an adequate and equal amount of flood control regardless of the decision eventually made by experts on the amount of water, if any, to be retained in back of the dam.

Commonsense led to construction of the dam in the first place. The dam was authorized by the Congress together with the consensus of the people of the valley, in response to regular and severe flooding problems. Anticipation of the construction of an embankment goes back nearly 20 years; and road building has been held up for much of that time pending the dam's completion. The problem to be met then was flood control and it still is.

The will of the taxpayer is not served by abandoning this effort at flood control within $5,264,000 of obtaining it. At this point in time, more than $14 million has been expended on the project. However, most of this construction work has been in preparation of laying the embankment; it is questionable public policy to stop now within 20 percent of finishing it.

The total LaFarge project authorizes not only the dam, but also road relocation work, preparation of the valley floor, dikes and levies for communities downstream, and development of recreational opportunities in the area. The bulk of the construction work to date has concentrated on road relocation and preparation for the embankment, accounting for the fact that the embankment phase is now 80-percent complete.

Continued progress on construction of the embankment still leaves wide flexibility in decisions affecting other areas of the project.

Questions remain relating to the valley floor. Construction of the embankment does not require clear-cutting of the valley floor; clear-cutting need not and should not be done while progress on the embankment continues until all the questions relating to the plant life and geologic formations in the area behind the dam are completely settled.

Nor will continuation of construction of the embankment jeopardize the interests and needs of communities downstream from the construction site. Every alternative solution for their unique and additional flooding problems—whether it be relocation, a series of dikes and levies, or a combination of both—will still be available for funding or consideration under the presently authorized project. But those decisions can take place in those communities provided with the flood protection that the completed embankment will afford.

Construction of the embankment does not preclude the valley from eventual park status. The uniqueness of the valley, its geological and glacial significance provide ample evidence that park status for the valley is possible. A point of great weight in the argument for park status is that the land surrounding the project's path has already been acquired by the Federal Government. This fact, coupled with the valley's significance, favor the park alternative. National park status would favorably affect the area's recreational and economic well-being. Naturally, the embankment keeps viable the possibility of a lake for the area's recreational and economic development.

The relative economic and recreational merits of park status and a lake need further study, but are not in any way precluded by further progress on the embankment.

Several positive benefits accrue to the valley which ought not go unnoticed if work proceeds. The most significant is local jobs for the area. This is especially true for road construction and relocation around the dam site, which can proceed regardless of how other questions are resolved.

For the reasons above, I support this $4.4 million appropriation and further construction of the project.

THE ART OF HAPPINESS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MURTHA. Mr. Speaker, two very good friends of mine, Nunzio and Theresa Medile, recently sent me a copy of some verse called "The Art of Happiness" from "The Art of Living" by Wilfred A. Peterson. I insert it in the RECORD to share it with my colleagues and the readers of this journal:

THE ART OF HAPPINESS

Happiness does not depend upon what happens outside of you but on what happens inside of you; it is measured by the spirit in which you meet the problems of life.

Happiness is a state of mind. Lincoln once said: "We are as happy as we make up our minds to be."

Happiness doesn't come from doing what we like to do but from liking what we have to do.

Happiness comes from putting our hearts in our work and doing it with joy and enthusiasm.

Happiness grows out of harmonious relationships with others based on attitudes of good will, tolerance, understanding and love.

The master secret of happiness is to meet the challenge of each new day with the serene faith that: "All things work together for good to them that Love God."

RENE KIRBY OF BURLINGTON HIGH SCHOOL

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. JEFFORDS. Mr. Speaker, I would like to call to your attention the following comments regarding Rene Kirby, a student from Burlington, Vt., High School. Most casual observers would term Rene handicapped, but even though he does indeed have a severe handicap, Rene would dispute that description.

He is a participant here in Washington in the Skill Olympics in Small Engine Repair after having won a similar competition in the State of Vermont. I wish him luck.

Mr. Speaker, the Education and Labor Committee, on which I serve, has recently reported the Education of All Handicapped Children Act, a bill I cosponsored. During the process of developing that bill, I learned the value of appropriate education for our handicapped. I believe that Rene Kirby is a testament to the fact that, given an equal chance, handicapped individuals can do as well if not better than many of us.

I commend to your attention, Mr. Speaker, the following:

RENE KIRBY

Rene Kirby of Burlington High School will represent the State of Vermont, along with other Vermont Vocational Educational students, on June 22–June 26 at the 11th Annual Conference of the Vocational Industrial Clubs of America (VICA) in the Skill Olympics competition in Small Engine Repair in Washington, D.C.

Kirby, a senior from Burlington, emerged victorious over participants from ten Area Vocational Centers in the Vermont Skill Olympics in Middlebury on May 7. When the State award was presented, Kirby received a standing ovation from the more than five hundred people in attendance.

Kirby is a paraplegic, paralyzed from the waist down. He has been that way for the full twenty years of his life.

People who first see Rene Kirby automatically classify him as a very handicapped individual. There is one person who disputes this fact, and that is Rene himself. "I don't consider myself handicapped at all. People are only handicapped if they want to think that way." The enthusiastic Kirby goes on to say, "I do things that everybody else does—participate in sports, dance, drive—you name it, I try to do it."

Although the award last week was a tremendous honor, Rene, who is powerfully built, is not unaccustomed to receiving awards. He is one of the outstanding gymnasts in the state, having been crowned Vermont State Gymnastic Champ for the past two years on the rings and is also undefeated on the "side horse" in three years of high school competition.

Burlington guidance counselor, Richard Happy, stated, "Rene is a very ingenious and very independent person who makes his own way. It's amazing to see how his positive philosophy reinforces and encourages everybody. His enthusiasm and vigor are contagious."

Rene, who will drive to Washington for the VICA National Conference, will spend the rest of the summer lining up a career in the automotive field. "I just hope I'm hired because of my ability, not because I'm considered handicapped. People don't have to feel sorry for me. I think I've done all right in everything I've undertaken."

That's an understatement.

SOME VALUABLE OBSERVATIONS ON THE STATE OF THE NATION

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. SARASIN. Mr. Speaker, Lloyd W. Elston, president of the Peter Paul Candy Co., of Naugatuck, Conn., and a truly public-spirited constituent of mine, recently was invited to contribute a guest column in the Naugatuck Daily News. I found this column to contain some valuable observations on the state of the Nation and thoughts about where we should be going. I am submitting this column for inclusion in the RECORD and I urge my colleagues to give thoughtful consideration to the point of view expressed:

SOME OBSERVATION'S ON THE STATE OF THE NATION

(By Lloyd Elston)

When an editor invites a businessman to write a column for him, he shows a great deal of courage! Russ Sumpf set no limits on my subject but very thoughtfully reminded me that not only the Naugatuck News but I as well will be subject to libel if I am not careful! So—to set the stage, clear the air, create no false impressions, what follows is my opinion, cannot necessarily be documented in fact, will probably be biased—I leave it to our readers to determine in what direction. But this is clearly opinion not news.

Our country faces critical challenges, perhaps the most critical ever, short of full scale war. To meet these challenges, we will need courage, confidence and cooperation. Courage, we Americans have—and regularly, demonstrate it as needs demand. Confidence and cooperation are the necessary ingredients—and these depend upon the institutions of our society, the degree to which they are trusted and the effectiveness of their functions.

I want to discuss four major institutions—government, media, labor and business. By omitting education, religion, the professions, etc., I mean no insult but feel the four I cite are critical. Each of these institutions—and remember they are people—share a very low rating in public opinion polls. The major reason for this low rating is the general lack of understanding of the role each must properly play in our society and the power each has to solve our problems.

Government on the federal, state and local level can and must do things differently, more efficiently. On the national scene, government must, through its regulatory activities, see that the small percentage of cheats and sleazy operators do not take advantage of the public. There are adequate laws for this now, and no more super bureaus are needed. We must see that laws protecting the public both physically and economically are up-to-date, designed for today's problems and then vigorously enforced. Old laws developed for earlier and much different times should be taken off the books or amended. And, some regulatory activities seem to work against the best interests of the general welfare in today's economic climate.

Through its taxing power, government can encourage, discourage or direct in certain ways the economic activity of our society. Economists cry for greater productivity. More jobs, more production they say will help inflation and the recession. But, only when proper incentives are provided for investment in new machinery, new plants, new products will more jobs and greater productivity really come. A good example of a bad situation is that of our own State with respect to budgets, new taxes on business, higher sales tax, income tax on dividends. These new taxes put Connecticut business at a distinct disadvantage with most other industrial states, so a businessman will think twice about expanding in Connecticut.

Government cannot solve all our problems; and both our politicians and we the governed must constantly remind ourselves of this. Government should protect, encourage, permit, allow, regulate and enforce for the general interest. Business, labor and others of our society who are the producers should do, provide, serve, create, and employ. Government cannot make all the decisions necessary to keep a complex economy and marketplace like the U.S. in tune.

Witness the ill fated price-wage controls of the early 1970's which created shortages and only postponed our inflation. Our free market economy, where consumers have the ultimate choice of what they buy or don't buy, what they feel is value or not of value, has served well for nearly 200 years. Business gets to know very quickly when consumers like or don't like its products or prices.

Labor—the large, powerful, national organizations—must reassess its priorities and see if the restrictive hiring, training, production practices of the past really serve today's needs. If the building trade is flat on its back, what good is it to insist on premium wages for unemployed home builders? Labor should review its position on tax laws, profit, investment, for only through sound tax laws encouraging sound business growth will jobs be created and assured. When a headline reads "Business gets tax break," we should read the rest of the article and realize this may lower prices, may encourage new jobs through new investment, may return more to society through dividends to owners. The opposite may happen when new taxes hurt business.

Business likewise must give up some of its restrictive practices, must really compete to give customers best value and must realize through its charter that it exists to serve the needs of society—consumers, employees and investors. And, so long as society is reasonably well served, it will permit business to continue as it has. Business must stop its tendency to go to Washington or Hartford to get help in solving a problem it alone should be solving. Special pleading, protective tariffs, etc., only weaken the real fabric of our economy and may lead not only to less value for our consumers, but more government—which we can't afford, don't need and which won't help us in the long run.

Business will serve its own, labor's and America's interests very well if it will communicate its needs, its views, its abilities to our legislators. Business has sold products and ideas very well, but it has not sold and told the vital need for business to be healthy. We cannot blame a Congressman for not understanding the effect of proposed legislation of business if we don't explain it to him. Likewise, business must operate with and insist on adequate profits—and explain why it is necessary to the health of our country.

Government, business, labor must work together to keep the U.S. healthy, to help each play its unique role in the economy. We must avoid the adversary roles of the past and develop cooperation to solve common problems.

Lastly, I see our media—TV, newspapers, radio, books—as a tremendous influence upon how well society operates. Our dependence upon the media grows as problems become more complex (energy for example) and as time for solutions grows shorter. We have come to expect instant solutions for problems.

I believe our citizens and consumers and voters (all the same people!) are confused, frightened in some ways, and misled by inaccurate, incomplete news coverage. A two minute "in depth" review on Walter Cronkite's TV news cannot do justice to complex problems. Likewise, as our company has experienced just recently at the hands of two national newspapers, biased, ignorant or incomplete reporting can hurt! Retractions and apologies do little good once the first impression is made. The quality of news coverage must be improved and guaranteed. Consumers expect perfection from manufactured products and deserve it—but they get less than that in their news coverage and many times do not know it!

Books printed on diets, as another example, have made lots of money for publishers and authors, but have misled, perhaps even hurt, readers who took them all for fact. Americans' interest in good health has been exploited terribly. Consumers have followed the advice of anyone who might publish a book, have accepted practices in eating, exercise, etc., which can do them harm because they are not specifically designed for their problem—if they have one!

As readers and viewers and listeners, we must be alert to what I call the "half inning report." So biased are some reports—particularly consumer oriented issues in the wire service stories—that they are like the New York Times printing only the Yankee half innings of a baseball game. They forget to tell you how Detroit did in their half of the innings! Sports pages are much more accurate! Much of the news on the front pages of our dailies or on the TV screens or radios is factual. Some, however, is biased, incomplete and opinion only but not labeled as such. Half a story may be reported while the other half is not. Comments from a "man on the street" may evoke a certain emotion in us, but they may not get at the facts of the story. Look for the other "half inning."

We have laws for "Fair Labeling & Packaging," "Truth in Lending," "Truth in Advertising." I believe we must push now for "Truth in Reporting." Our media exert a tremendous influence on our thinking on our voting, and if we expect to understand our economy and its problems, we must rely on facts and truth from our news sources. Publishers and editors should look at their front pages as well as their editorial page and reassess what "Freedom of the Press" implies.

A last comment; painting with a broad brush—generalizing—in anything can throw paint where you don't want to! There has to be a lot of good things about our government, labor, business and the media or we wouldn't be what we are today—the world's strongest, freest country. And going strong at age 200. But, let's be on our guard! Make our institutions serve our country's needs as they can and should through intelligent people cooperating with the confidence born of knowledge, history, trust and faith.

STATE DEPARTMENT AND PEACE CORPS AUTHORIZATION

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MOORE. Mr. Speaker, yesterday we were faced with two authorizations, one for the State Department and one for the Peace Corps, over which I deliberated extensively before casting my votes.

The State Department bill, which totaled $853,415,000 in final form, contained several items which took it out of the realm of simply providing funds for the operation of our missions abroad and departmental headquarters here in Washington. These include the following: international organizations, $270,118,000; international commissions, $19,993,000; educational exchange, $89,000,000.

In addition, there is a separate authorization for $20,000,000, as a contribution to the United Nations University Endowment Fund for fiscal year 1977. This is on top of some $78 million to the U.N. itself and its constituent agencies. These contributions are still riding above the statutory 25-percent limitation, but even that percentage is too high. I have cosponsored H.R. 4676, which calls for a limit in proportion to our population compared to that of other member states, because I think we are being taken advantage of by the U.N. The oil-rich Arabs are in arrears, and small countries with the same vote as we have are combining their efforts to our detriment.

I therefore decided to cast my vote against this authorization in protest against the excessive funding of these international activities. This money could be better spent.

On the other hand, there is much to be said in behalf of the Peace Corps authorization. As one who has consistently opposed our massive foreign aid giveaway programs, I find the Peace Corps a unique method of assisting friendly poor nations to help themselves at a minimal cost to American taxpayers.

Instead of spending billions of dollars each year for traditional foreign aid, this bill authorizes only $116.4 million over the next 15 months—about the same level as last year after providing for inflation and the devaluation of the dollar.

Instead of sending money and goods, not to mention American "advisers" who live in fine houses and shop at commissaries, the Peace Corps send people with the specific skills requested by the host country. These volunteers live among the people and help them learn the skills they need to do the job themselves. Last year some 6,500 volunteers went to 68 developing countries, and their efforts have been of greater diplomatic benefit to the United States than all the foreign aid in the world.

The mix of volunteers we are sending abroad has changed significantly in the last few years. Instead of the starry-eyed youngsters fresh out of liberal arts colleges, who went abroad in the Kennedy era, present volunteers concentrate in agriculture, health and nutrition, conservation, business and public management, and public works.

Then too, the host countries have a stake in the success of Peace Corps programs. Their contributions have risen from $3.9 million in 1974 to $4.3 million this year, and this is expected to jump another 40 percent to $6 million in 1976.

All this is not to say that the Peace Corps has not had its problems: Unlike most agencies, however, it seems to be solving them. In the last year it has cut nearly 15 percent of its Washington staff (which should be encouraged throughout the Federal bureaucracy). Also, Congress has received assurances that Peace Corps programs in countries which can afford to pay for their own development will be phased out.

On balance therefore, and as an alternative to the big giveaway programs of foreign aid and the State Department, I decided to support the Peace Corps as a more effective and efficient expenditure of funds.

AIDING RETIRED VETERANS

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. ZEFERETTI. Mr. Speaker, in previous wars, care and services offered by the Government to veterans was a hit-or-miss affair until the post-World War I era, when the U.S. Government began a wide-ranging program of services to these people. After World War II, this program was broadened to include many areas of care for veterans that had never been offered previously. By doing so, our people and Government established a precedent. And, by doing so, we guaranteed that those who fought the good fight for America would not have to pay from their own pockets the expenses for care required as a result of disabilities incurred in the defense of our country.

However, periodically, the Government does something thoughtlessly that has the effect of eroding that commitment to our veterans. Such a mistake was made when the Department of Defense decreed that veterans with service-connected disabilities would only be able to receive Government health services at Veterans' Administration or military hospitals. This became effective on March 9, 1975. Previously, these exservicemen and women could obtain treatment at civilian medical facilities under a program referred to by the Department of Defense as the civilian health and medical program of the Uniformed Services, CHAMPUS.

The curtailment of the CHAMPUS program for servicemen for their service-connected disabilities is first of all an insult to these people. Second, it is an inconvenience to them for obvious reasons. Third, it is a very short-sighted act by the DOD that will inevitably result in the even more overcrowded conditions in our VA and military hospitals. And, it will result in an extra expense to both the Government and individual veterans.

Therefore, as a result of this new policy, we now have all the ingredients for a classic bureaucratic nightmare. For example, a retired veteran with both service-connected and non-service-connected disabilities would not be able, in most cases, to be treated for both ailments at a VA or military hospital; the VA hospital would only treat his service-connected disability. His medical records would have to be divided so that different physicians could treat him for his different problems.

In addition to the problem of division of medical records for civilian and veteran hospital physicians, another difficulty will emerge; the distinction that will have to be made with regard to the difference of a service-connected and non-service-connected disability. The difficulties involved in making those decisions would necessitate VA Board aid, medical evaluations of every potential patient, and increased costs to the Government.

It seems to me that mandatory use of the VA facilities imposes an inequity on military retirees. A retired service person with no service-connected disability could receive all of his care from a family physician and have the major part of the expense paid for by CHAMPUS. However, on the other hand, one with a service-connected disability, would divide care costs with CHAMPUS and a VA or military hospital.

All of this will have the effect of reducing the quality of care while imposing a needless burden on disabled veterans. Many of them will have to travel considerable distances to a VA or military facility for treatment, due to the fact that in a number of States, there is only a single VA hospital. All in all, therefore, this change in policy is a classic example of how well-meaning Government can make a totally erroneous judgment.

As a result, I have joined in sponsoring H.R. 7766, a bill that would restore CHAMPUS benefits to retired veterans with service-connected disabilities.

When the United States becomes involved militarily, the voice of the patriot is heard in the land. Regrettably, however, once the sounds of battle have died away, we tend to forget about the sacrifices of those who have returned home, those who have been wounded and forced to live with service-connected disabilities for the rest of their lives. It is not enough to pay lip-service to what these men and women have done for us. Rather, it is for our country to see to it that as veterans, they receive the health and educational benefits they have been promised and have so rightfully earned.

Therefore, it is important that this bill pass. It is also important that we realize how vital it is to insure that mistakes like this are avoided in the future at the expense of our veterans. Congress has a responsibility to these people on behalf of the entire country. I sincerely hope that we shall not only rectify this mistake, but learn from it as well.

MSGR. ANDREW PROKOP, PASTOR OF THE IMMACULATE HEART OF MARY PARISH, CELEBRATES 40TH ORDINATION ANNIVERSARY

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. CARNEY. Mr. Speaker, on Sunday, June 22, 1975, I had the pleasure and privilege of attending a Mass of Thanksgiving in honor of Rev. Msgr. Andrew Prokop, pastor of the Immaculate Heart of Mary Parish in Austintown, Ohio.

The celebration began with a mass of thanksgiving at the Immaculate Heart of Mary Parish, in which Monsignor Prokop served as the principal celebrant. Following the mass was a public reception in the school hall.

Monsignor Prokop was ordained on April 28, 1935, in Cleveland, Ohio, by the late Archbishop Joseph Schrembs. On January 15, 1954, Bishop Emmet M. Walsh named Monsignor Prokop first pastor of Immaculate Heart of Mary. Since that time, Monsignor Prokop has presided over the growth of both his church and parish. Not one to let grass grow under his feet, Monsignor Prokop has been active in many diocese, civic, and fraternal organizations throughout his many years of service to the community.

I am fortunate to be considered a personal friend of Monsignor Prokop, a man who has enriched the lives of all who have come in contact with him.

Mr. Speaker, I would like to take this opportunity to extend my congratulations and sincere best wishes to Monsignor Prokop. I insert in the RECORD excerpts from the Mass of Thanksgiving program, as well as a newspaper article from the Catholic Exponent on his service to our community over the past 40 years:

MASS OF THANKSGIVING, JUNE 22, 1975

Celebrant: Rt. Rev. Msgr. Andrew A. Prokop.

Concelebrants: Rev. John F. Lyons, V.F.; Rev. Francis S. Snock, Rev. Felix Carosso, S.S.P., Rev. John P. Tully.

Presiding: Most Rev. William A. Hughes, D.D., Ph.D., Auxiliary Bishop of Youngstown.

Chaplains to the Bishop: Rt. Rev. Msgr. William P. Maxwell, Rt. Rev. Msgr. Gordon G. Gutman.

Homilist: Rt. Rev. Msgr. Glenn W. Holdbrook.

Master of Ceremonies: Rev. Mr. Edward P. Noga, Jr.

Lectors: Sister Mary St. Andrew, S.N.D., Mr. Lad Sklenar.

Gospel: Rev. Daniel M. Venglarik.

Gift Bearers: Mr. Louis Gawron, Mr. John McAndrew, Mrs. Helen Venglarik, Mrs. Theresa O'Connell, Mrs. Marlane Passarelli, Mrs. Kay Haydu.

Organists: Sister Mary St. Lucy, S.N.D., Miss Debbie Blank.

Music Director: Mr. Lawrence B. Propri, Sr.

Folk Group Director: Mr. Peter L. Dumas.

Honor Guard: Fourth Degree Knights of Columbus, I.H.M. Boy Scouts, Cub Scouts, and Officers.

Tributes Presentations: Most Rev. William A. Hughes, Auxiliary Bishop, Charles J. Carney, U.S. Congressman, Harry Meshel, Ohio Senator, George Bindas, County Commissioner, George Beelan, President, Austintown Trustees, William F. Courtney, Past President, Parish Council.

RECESSIONAL: "HOLY GOD"

Holy God, we praise thy Name;
Lord of all, we bow before thee;
All on earth thy rule acclaim,
All in heav'n above adore thee;
Infinite thy vast domain,
Everlasting is thy reign.
Hark! The loud celestial hymn
Angel choirs above are raising;
Cherubim and Seraphim
In unceasing chorus praising;
Fill the heav'n with sweet accord:
Holy, holy, holy Lord!

FIRST IHM PASTOR—MONSIGNOR PROKOP WILL MARK 40TH

Msgr. Andrew Prokop, pastor of Immaculate Heart of Mary Parish, Austintown since its founding in 1954, will be the principal celebrant of a concelebrated Mass of Thanksgiving, to mark his 40th ordination anniversary, at 2 p.m. Sunday in the Church.

A public reception in his honor will be held 3 p.m. to 5 p.m. in the school hall.

Presiding at the ilturgy will be Bishop William Hughes. His chaplains will be retired pastors, Msgr. William Maxwell and Msgr. Gordon Gutman.

Concelebrants will include Father John Lyons, pastor St. Joseph, Austintown and former assistant at the parish; Francis Snock, pastor St. Matthias; and John Tully of the Ursuline High School faculty, and Pauline Father Felix Carosso of St. Paul Monastery, current non-resident assistants at the parish.

Msgr. Glenn Holdbrook, retired, will be homilist and Deacon Edward Noga, Jr., a member of the parish, will be master of ceremonies.

Father Daniel Venglarik, also a "parish son," now an Ursuline High faculty member, will read the Gospel and lectors will include Notre Dame Sister Mary St. Andrew, parish school principal, and Lad Sklenar.

Lawrence Propri Sr., music director, and Peter Dumas, folk group director, will be in charge of music. Organists will include Debbie Blank and Notre Dame Sister Mary St. Lucy.

Offertory gifts will be presented by representatives of various parish groups including Louis Gawron, council; John McAndrew, boosters; Mrs. Helen Venglarik, Altar and Rosary; Mrs. Theresa O'Connell, Garden Club; Mrs. Marlane Passarelli, Home and School; and Mrs. Kay Haydu, Ladies Bowling League. Honor guard will be provided by Fourth Degree Knights of Columbus, and parish Boy Scouts and Cub Scouts.

Msgr. Prokop was ordained April 23, 1935, in Cleveland by the late Archbishop Joseph Schrembs. He first served as an assistant at St. Clement, Lakewood, before coming to Youngstown in October, 1935 to be assistant at St. Brendan Parish. He was born June 11, 1908 in Lakewood and attended John Carroll U.; St. Mary Seminary, Cleveland; and Catholic U.

In 1937 Msgr. Prokop was assigned to establish a mission in North Jackson and offered the first Mass for area residents at Jackson-Milton High School. He established a temporary church in a local store until March 1943 when he offered the first Mass in the present St. James Church.

That same year Msgr. Prokop was named the diocese's first vice chancellor and secretary to the diocese's first bishop, Bishop James McFadden. He was named a monsignor Feb. 3, 1948.

Bishop Emmet M. Walsh named Msgr. Prokop first pastor of Immaculate Heart of Mary on Jan. 15, 1954. Mass was offered at Fitch High School until December when the auditorium of the present school was used, upon completion of the parish structure, a three-story combination church, school and convent.

In 1959, a new auditorium-type church was completed adjacent to the initial structure that was converted into classrooms to accommodate increasing school enrollment. Under Msgr. Prokop's leadership, parishioners volunteered their labors in various remodeling jobs to help keep costs low.

The parish, formed from the western portion of St. Brendan Parish, subsequently gave up portions to form St. Michael Parish, Canfield, and St. Joseph, Austintown.

Msgr. Prokop has been active in many diocese, civic and fraternal organizations. He served on diocese committees including Catholic Charities and education. He served on committees for the International Eucharistic Congress in Cleveland in 1935 and the Cleveland Diocese Eucharistic Congress, held in Youngstown, in 1936.

He was CCD supply teacher for Youngstown, Austintown and North Jackson high schools 1944–46. He has served as chaplain for both St. Brendan and Immaculate Heart civic, parish and CYO groups and was organizer and faithful friar for Fourth Degree Knights of Columbus Assembly 274 and Msgr. Mears Assembly 3940, Austintown.

Msgr. Prokop is a member of the Austintown Ministerial Association and has also served as chaplain for Fitch football squads, township police and fire departments. Slovak is the second language and he can speak and understand French, Italian and Polish. He once broadcast talks over Radio Free Europe while on vacation in Italy.

SOCIALIZED HEALTH INSURANCE WILL CAUSE HIGHER MEDICAL COSTS IN THE UNITED STATES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. KEMP. Mr. Speaker, there is growing concern that a totally federalized national health insurance program will increase substantially the costs of medical care in the United States.

This is an important question for all to consider.

If medical costs escalate—if such a program goes into effect—it could cost the taxpayer—as taxpayer and as patient—a total of billions more in health care each year. It could become one of the costliest programs administered by the Federal Government—and without any guarantee that there would be an increase in the quality of medical care.

A valuable addition to this discussion was made several weeks ago by Mr. I. D. Robbins, a civic affairs activist in New York City, in an article entitled "Health Costs—A One-Way Street."

Mr. Robbins concludes that expanded medical insurance coverage—expanded either as to the number of people covered or as to the types of services covered—invariably pushes up the cost of medical care.

As medical costs increase, there is a rising demand for additional insurance coverage to defray—from the patient and to the insurer—those rising costs. If medical services A, B, and C—for example—are covered, while service D is not, there is a demand to include service D in future coverage. Once the patient does not have to pay for those services, they typically increase in cost.

The conclusion is that the more services there are which are covered for a greater percentage of patients, the greater the ultimate cost.

Mr. Robbins summarized this phenomenon in these words:

> No matter what national health program is finally adopted by Congress, medical costs are sure to go higher, if only because of the natural law that the cost of illness increases in proportion to the ability to collect for it.

He then sets forth six specific ways in which he feels costs can be more effectively controlled:

1. Carefully control capital expenditures for hospital construction and expansion.
2. Make a conscious effort to increase the ratio of out-patient to in-patient care.
3. Require better hospital operating rules and controls.
4. Develop and try to enforce proper ratios for control.
5. Eliminate the use of a fee-for-service basis for certain practitioners, particularly surgeons, radiologists, anesthesiologists and pathologists who are hospital-based and, instead, hire distinguished specialists at high salaries.
6. Stop the construction and public subsidizing of new medical schools and change the present emphasis in training programs to fill whatever voids in professional coverage legitimately exist.

I do not necessarily concur with every one of these points, but I think they are worthy of the attention of this Congress and its committees, as we continue to make inquiries into what future health policies ought to be.

We should never believe that nationalized health insurance is the panacea for our medical insurance problems. There are other—and less costly—ways to achieve similar objectives, not the least of which is controlling medical and hospital costs through the measures enumerated by Mr. Robbins. We ought to explore fully those other alternatives.

The cost of health care should be within the reach of every American family, but the cost must also be within the reach of the American taxpayer. When the British instituted their national health service in 1948, the government estimated the total cost at $400 million. It is now nearly 20 times that amount. The very reasons cited by Mr. Robbins in his analysis of American medical costs were among those which induced the 2,000-percent increase in British costs.

It is for these reasons—together with the experiences in Western Europe which show clearly that such systems result in a decline in the quality of health care—I believe a system of catastrophic coverage would be less cost-inducing and more appropriate to the circumstances in which we now find ourselves. Those circumstances are the number of people who need coverage and the type of coverage needed for those long-term illnesses which are so devastating to the savings of low- and middle-income working people.

A recent survey of American hospitals, conducted under the auspices of the Heritage Foundation of Washington, D.C., illustrates this point.

Only 9 percent of all patients had hospital expenses in excess of $2,000, and only 1.4 percent had expenses in excess of $5,000. In addition, of those having expenses in excess of $5,000, a large portion were either psychiatric patients or patients qualifying for medicare. Existing insurance—private or Government—covered the overwhelming majority of these patients.

Where present insurance leaves off—at the dollar ceiling for reimbursable expenses—is where the Government should pick up through a catastrophic health insurance program. For Government to start its coverage at virtually a zero-dollar-patient-contribution base is unnecessary, would be very costly, and would undercut our country's high quality of health care.

There is no such thing as "free" medical care. It has to be paid for by either the patient, private insurance, or Government. Since insured parties pay premiums to private insurance carriers and since the taxpayers foot the bill for Government insurance, it is those same people who must pay the full bill. Government money for this program—like all others—would have to come from tax dollars—yours.

It is within this context that I include the text of Mr. Robbins' article, and I commend it to the attention of all Members:

HEALTH COSTS—A ONE-WAY STREET

(By I. D. Robbins)

A characteristic of most health and hospital programs in the United States is that there is no effective control of costs except by those who stand to gain by increasing costs: the physicians, dentists, hospitals and their staffs.

Today, 65% of all hospital costs are paid by so-called "third party payers," reflecting the increased financial dependence no Medicaid, Medicare, Blue Cross and various insurance carriers. The patient, who pays the bill indirectly, may think he is getting away cheap, but he is all wrong.

In the past 10 years, the federal bill for health services went up from $1.7 billion to $26.3 billion, of which $22.4 billion is for Medicaid and Medicare, with an equal amount paid by the states and localities. No matter what new bill, either by Sen. Kennedy or the administration, is passed by Congress, medical costs are sure to go higher, for health care seems to be controlled by that natural law that says the number of sick people will tend to increase to fill every bed that can be supplied. Or follow the other natural law that says the cost of illness increases in proportion to the ability to collect for it.

George Crile Jr., the eminent Cleveland surgeon, offers evidence of equally discouraging non-economic effects in an article in the current Harper's. "Blue Shield's payment plans (two to three times as much for a radical as for a simple [breast cancer] operation)," he says, "may have something to do with the fact that the United States, virtually the last Western nation still dominated by a fee for service system, is likewise the last to give up the radical procedure."

Recently, on behalf of the City Club of New York, I worked with Robert Foster, a former executive of the New York City Finance Administration and a former chief budget officer and analyst for Blue Shield, on an analysis of the city's public hospital system. The report, which indicated that first year savings of $60 million could be made in the annual budget of $1.2 billion, was well received. Still, it was criticized by executives of the City's Health and Hospitals Corporation for failing to note that voluntary hospitals (the typical American voluntary hospitals) have most of the faults of city-owned and operated hospitals.

The city administrators had a good point. The private hosipitals, too, have protocols designed to maximize income. They, too, insist on a chest X ray every time a patient enters the hosiptal, even though he may come in five times a year. They tend, too, to hospitalize patients just to fill empty beds, resist discharges before the weekend, bring patients in on Friday when there is no medical service available until Monday. They, too, know how to get the most milk out of the Blue Cross cow.

A PARTNERSHIP WITH THE DEVIL.

As any businessman knows, cost-plus is a partnership with the devil. Yet Blue Cross, private insurance and the federal government operate on a reimbursement of costs basis. The various hosiptals determine how they want to operate, what they want or need to spend, and present their bills. While there is some audit or control, conscience, notoriously stretchable, is the only real deterrent. And hospital administrators tend to be rewarded and regarded in proportion to their ability to increase revenue, not reduce costs.

From 1952 to 1972, wages in the health industry, responding to the push from unions and the pull of availability of funds, increased 128.4%. In the same period the staff-to-patient ratio rose from 2.3 to 3.1 and the number of beds increased by 13.6%, while daily bed use declined by 13.8%. If the use of beds declined, why did we add more? Was it because money was available to build them?

There is no way to avoid the conclusion that as long as income is obtained by hospitals on the present basis, waste serves the interest of those who furnish medical care. This applies whether the care is provided by a private hospital operated for profit, a voluntary hospital operated by an eleemosynary organization or a city or county-owned and operated hospital.

When the Medicaid daily reimbursement rate for in-patients is four times as high as for out-patients, what should we expect? Add opportunities for selling extra paid services and it is not hard to see why a patient is treated lying down rather than standing up and gets surgery instead of ice packs and penicillin for his appendicitis.

Probably no activity attracts more dedicated and qualified volunteers than the typical American community hospital. Thousands of men and women spend hours each week not only as members of boards of trustees wrestling with budgets and contending with the needs and claims of doctors, nurses, technicians and attendants, but also as fund raisers, gray ladies and candy stripers. There is no volunteer activitiy quite like it, a triumph of the human spirit.

Yet in the final analysis, the volunteers, at whatever level, are not in control. Both the administration and the cost of hospitals are determined by physicians and especially by surgeons. Somehow this condition must be changed and hospitals forced to operate with reasonable efficiency for the convenience of the community and in ways that will reduce the enormous drain on national resources and personal income now being devoted to health care—without a sacrifice of quality. Can it be done?

We must start with a new public policy

objective: To provide higher quality health care at a significantly lower cost.

To achieve this objective the government agencies and insurance carriers who pay the bills and the hospitals who get and spend the money will need to adopt certain operating policies and controls. There are many ideas in this field. Here are a few of them:

Carefully control capital expenditures for hospital construction and expansion. Most states have programs for deciding where new facilities are needed or should be permitted. But community and political pressures can be overpowering. Hospitals also are naturals for the philanthropically inclined, but once built, even with charity funds, they still have to be paid for every day, mostly out of the public purse.

Perhaps the way to start is to declare a moratorium on all hospital construction, then start over by deciding under what strict standards (population growth, shortage of beds, distance to nearest hospital, availability of medical personnel) we should permit a hospital to be built. The deciders should probably not be politicians or local leaders or fellow hospital administrators given to long-rolling, but dispassionate outsiders such as medical school deans from another state with a commitment to independent evaluation.

Make a conscious effort to increase the ratio of out-patient to in-patient care. This probably can best be done by using separate out-patient centers, staffed with able personnel, where patient records are maintained. This would encourage the patronage of patients who have no local or family doctor and have increasingly been attached to hospital clinics or emergency rooms, from which it is a short step into bed. Patients should instead identify with an out-patient facility. A good one will keep them out of hospitals. Productivity goals could be set for each hospital through a review and analysis mechanism. It is hard to believe that the 9 to 1 ratio of revenue from in-patients as compared with out-patients in New York City's public hospitals couldn't be changed readily and for the good of the patients. But present reimbursement schemes work against it.

BETTER CONTROLS NEEDED

Require better hospital operating rules and controls. Most such controls are well known and have been adopted, though they are not always conscientiously followed. They include "peer review of doctors' performance," outside professional evaluations of medical practice and experience data, required refresher courses and re-examinations. Also, mandatory second opinions before surgical procedures (which helps avoid unnecessary surgery) and outside review of protocols, work rules and procedures to eliminate unnecessary testing, for example.

One of the most obvious requirements which third party payers could enforce is the "seven day rule"—that the hospital's facilities be available throughout the week. Most hospitals are not properly staffed over weekends. As a result several recent studies showed that patients admitted on Friday spend 1.6 days to 4 days longer in the hospital. A corollary is that those who enter on the busiest day, Monday, also have trouble getting treated promptly.

To encourage hospitals to fight restrictive practices imposed by their employes, state educaiton laws could be changed to accredit hospitals to carry on and be responsible for certain activities which can now be performed only by licensed personnel. The objective should be to return management options to the managers, not consider them "professional prerogatives" of the hospital's employes.

4. Develop and try to enforce proper ratios for control. What is the ideal staff distribution? Are there too many surgeons? Why do we perform so more surgery here than in England or Sweden where the public's health and longevity are just as good? What is a reasonable ratio to population for tonsillectomies, appendectomies and hysterectomies? And if we cannot induce doctors and hospitals to prescribe generic drugs, we can at least reduce third-party reimbursement to the proper amount to cover only generic drugs.

5. Eliminate the use on a fee-for-service basis of certain practitioners, particularly surgeons, radiologists, anethesiologists and pathologists who are hospital-based and, instead, hire distinguished specialists at high salaries. Many leading institutions have already done this. If surgeons cut their work loads when they no longer get paid on a piecework basis, it is not necessarily bad. As Dr. Crile wrote, many an unnecessary operation may then not be performed.

IT WON'T BE EASY

If 65% of all costs are paid by the government or insurance carriers and the costs are out of control, then certainly the customers are entitled to have some bargaining power. But it will not be easy to reduce waste in any hospital.

When the City Club of New York recommended that the city close inadequate or inefficient hospitals (Gouverneur Hospital's costs are $460 per day per bed patient) or convert them into nursing homes or neighborhood clinics, the local communities and the employes complained bitterly. Even the most marginal institutions have their constituencies. Arguments that better medicine exists a few miles away are of no avail. The head of the city's municipal employes union countered, "Not one hospital should be closed. We'll find plenty of sick people to put in those beds."

For those who want to improve care and to cut waste in the health industry it is not an easy fight, but the stakes are so big it is worth the effort.

AMENDMENT TO H.R. 8069 TO INCREASE FUNDING FOR COMMUNITY ACTION PROGRAMS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. HAWKINS. Mr. Speaker, the 1976 appropriations bill for the Departments of Labor; Health, Education, and Welfare, and related agencies will be considered by the House on Wednesday, June 25.

At that time, I plan to offer, along with Congressmen Carl Perkins, John Buchanan, and William Steiger, an amendment to restore funding for the Community Action program under the Community Services Administration. The fiscal 1975 level is $330,000,000. The appropriations bill proposes cutting that amount to $295,000,000 for fiscal 1976.

The rationale for the cut offered by the administration in its initial 1976 budget request for the Community Services Administration was that the Community Services Act of 1974 reduced the Federal share for Community Action programs over the next 2 fiscal years. The diminution in Federal funds assumes that increased financial assistance will be forthcoming from State or local agencies to maintain Community Action programs at their current level.

In fact, this has not been the case, and a decrease in Federal funds will simply translate into a cutback in Community Action programs.

The 1974 Community Services Act provides that for Community Action agencies with more than $300,000 funding, the local matching share rises from the present 20 percent to 30 percent in fiscal year 1976 and 40 percent in fiscal year 1977. For Community Action agencies with $300,000 or less annual funding, the non-Federal portion would increase by 5 percent to 25 percent in fiscal 1976 and 30 percent in fiscal 1977. The law provides that the non-Federal share may be in cash or in kind.

The evidence is mounting that, although local CAA's may be able to meet the increased match through in-kind contributions, they will be unable to raise the additional cash required to offset Federal fund reductions and maintain current program levels.

The combined impact of inflation and recession have rendered local Government agencies incapable of allocating the additional resources needed by CAA's.

The Subcommittee on Equal Opportunities met on June 13 to consider the impact of the increased local share requirement, and heard forceful testimony from the U.S. Conference of Mayors, the National Association of Counties and others to the effect that local governments will be unable to replace the proposed decrease in Federal funds with local cash. For the benefit of my colleagues, I would like to insert the testimony of John R. Caldwell, Commissioner of Jefferson County, Pa., on behalf of the National Association of Counties; and John J. Gunther, executive director of the U.S. Conference on Mayors addressing this issue.

The testimonies follow:

Statement of John R. Caldwell

Mr. Chairman and distinguished members of the Equal Opportunity Subcommittee, I am John R. Caldwell, chairman of the county commissioners of Jefferson County, Pennsylvania. I am currently president of the Pennsylvania State Association of County Commissioners. It is a great privilege to appear before your subcommittee to discuss the views of the National Association of Counties and Jefferson County concerning the matching share requirement in the Community Services Act of 1974. I am pleased to be accompanied by Mr. Jack Smith, Executive Director of the Jefferson/Clarion County Economic Opportunity Association.

I wish to discuss the hardship to the local supporters of rural community action agencies (CAAs) if the federal financial assistance for CAAs is decreased.

The provisions of the Community Services Act of 1974 stipulate that the level of federal support for CAAs will decrease in each of the next two fiscal years. For CAAs with federal financial assistance over $300,000 a year, the federal portion will decrease to 70 per cent in fiscal 1976 and to 60 per cent in fiscal 1977. For the smaller CAAs, the federal portion will decrease to 75 per cent in FY '76 and 70 per cent in FY '77.

"The potential loss of federal cash is the most significant aspect of the cut-back in percentage of federal assistance to CAA's. Because of the legislated decrease, the Administration requested $35 million less to fund community action agencies fiscal year. CAA's can hardly increase local in-kind contributions to compensate for the loss of federal cash. In-kind provides office space, certain materials and supplies, and occasionally services, but in-kind will not meet payrolls. Unless CAA's can replace the proposed decrease in federal funds with local cash, they will be forced to cutback personnel. This means programmatic and service cutbacks."

I would like to describe for the committee how our local CAA fits in with other Jefferson County human service programs, and how it is supported.

Jefferson County is a rural county. In 1970, the total county population was 43,100. Our largest town is Punxsutawney, population 7,800. The only other population center is the county seat, Brookville, with 4,300 people.

Jefferson County has its share of economic problems. In March, county unemployment had risen to 11.2 per cent.

Nevertheless, Jefferson is a county which tries to meet the human service needs of its citizens. Seven-eighths of our current General Revenue Sharing funds will be spent to replace our outmoded "county home." The county home serves the aged or destitute with physical or mental disabilities who need custodial care.

Jefferson County will spend about 45 percent of its county budget for human service programs: county home operations, child welfare, juvenile and adult probation and correction, mental-health/mental retardation, hospitals, Red Cross and the community action program.

The county will spend over one million dollars providing these human services. Most of the expenditures are for state-mandated programs. That is, as a subordinate unit of state government, the county is required by state law to provide certain services to its citizens, at levels which meet state regulatory standards.

Jefferson County is a strong supporter of the local community action agency, the Jefferson/Clarion Economic Opportunity Association (EOA). I have been an active board member of our CAA for the past ten years, and have, in my capacity as the county's chief elected official worked, on frequent occasions, in cooperation with the staff of this agency. Most recently, the county and EOA are cooperating on an integrated social services project.

The Economic Opportunity Association receives $86,000 in federal assistance from the Community Services Administration. Jefferson County presently provides $12,000 in cash—$10,000 from general revenue sharing and $2,000 from the county's general fund. The balance of the local share is supplied by Clarion County's local in-kind, and state funds.

Pennsylvania is one of the few states which appropriates state funds for local community action programs. The level of support depends upon yearly action of the state legislature. Whether next year's state support will equal this year's is uncertain, because the legislature faces revenue reductions like everyone else.

If Pennsylvania cuts its portion of financial support for local CAAs and the Administration succeeds in cutting the federal share, our local CAAs and the Administration succeeds in cutting the federal share, our local CAA may need two or three times more cash assistance from Jefferson County to maintain its programs at present effectiveness. Even for an agency as well-regarded as EOA, I doubt if the Board of Commissioners would see its way to provide such an increase.

It is my view and that of NACo that local governments will not be able to help CAAs meet their increased need for non-federal cash. The reason is simple: our voters do not think we can afford it. Many of the voters know the toll which inflation, recession and shortages have taken on the county budget. They certainly know the effects on their own budgets. Most voters are tightening their belts. They expect local government to do the same.

In addition to the financial straits of counties, I know from my experience as president of the state association of counties that rural voters across the state tend to be skeptical of Congress and the Administration's commitments to continue federal programs. They fear that their local governments will be left holding the bag. A reduction in the federal financial assistance for CAAs would serve to confirm their fears. There is no way that local county commissioners can satisfy their voters that the federal government is not in the process of pulling out of anti-poverty programs completely.

It might interest the committee to know that the President of the Pennsylvania/Delaware Association of Community Action, at my request, polled the community action agencies of the Commonwealth of Pennsylvania to find how the proposed funding formula would affect them. The response to this poll was that all CAAs would have difficulty in meeting the new matching requirements and three agencies would be unable to continue operation. Further, those CAAs who would be able to remain operational would be forced to restructure agency staffing.

The studies of the National Association of Counties show that my county is more fortunate in terms of available resources and human services programs than most rural counties in America. The 444 rural CAAs serve some of the nation's poorest counties. About 70% of the 3,106 counties in the United States are rural. There are 908 counties in the United States which lack a population center of at least 2,500 people. An indication of how difficult it is for these sparsely populated counties to provide even the most basic of human services is that 140 American counties in 1972 did not have a single physician.

Generally, it is the counties with the most need of the programs provided by CAAs which are least able to support them. Many rural counties cannot generate adequate resources even in the best of times. Under present economic conditions, there are even less resources available for human service programs, even though that demand is increasing. This was noted by Congressman William Moorhead on May 6, 1975, when he released a staff study of the Joint Economic Committee. Congressman Moorhead said:

"This study clearly demonstrates that the recession has had an absolutely devastating effect on state and local government budgets. Demands for services have soared, while revenues have fallen far short of expectations. The combination of increased service demands and revenue shortfalls has produced a fiscal crunch of unparalleled proportions."

It was because of the inadequacy of county resources that the National Association of Counties formally adopted full funding of CSA programs as one of its 1975 legislative priorities. Our priority states: "NACo urges Congress to refuse to accept the President's requested budget level for the Community Services Administration and to appropriate full and adequate funding for all CSA programs authorized by law."

Many counties and CAAs have moved from the confrontations of the 1960s to a posture of accommodation. The National Association of Counties Research Foundation operates a Rural Human Resources Program with funds from the Community Services Administration. Coordinators in eight selected states are working to strengthen relationships between counties and CAAs. We find that concerned counties and effective CAAs are natural allies. In very rural areas, counties can be the only local public providers of human services, and CAAs are frequently the single agencies in rural areas with flexible funds and outreach capabilities. We were pleased that Congress established a Community Partnership program in the Community Services Act to encourage innovative cooperation between CAAs and state and local government.

Mr. Chairman and subcommittee members, in conclusion, we appreciate your concern and attention to the problems of the poor. We are pleased that you are holding these hearings on the matching share requirement. We particularly want to thank you for giving us this opportunity to testify and would be happy to answer any questions you may have.

STATEMENT BY JOHN J. GUNTHER

Mr. Chairman, I am John Gunther, Executive Director of the U.S. Conference of Mayors. I am pleased to appear before the Subcommittee to discuss proposed changes in the Community Services Act of 1974, Public Law 93-644.

Surely this committee recognizes that the Mayors have been prominent among the supporters of the original Economic Opportunity Programs since their inception in 1964. Thus, the passage of the Community Services Act of 1974 and the aggressive leadership of this committee in particular, was applauded by local officials throughout the country. We are convinced that by your action, a continued and coordinated effort to fight poverty and increase opportunities for millions of poor Americans can be maintained.

It is not my intention today however, to dwell upon issues that this committee knows so well, namely that the poor have traditionally been victims of the most inhuman conditions and they have been forced into total dependence on federal state and local financial assistance for essential social services. A view is also shared among many of us, the poor included, that the budget crisis of our central cities, worsened by the national economic situation, threatens to reduce the availability of local contributions needed to receive any infusion of federal dollars into local communities.

Mr. Chairman, this is not a new conclusion drawn by the nation's Mayors to gain support for a public pity campaign for bailing out our cities. It is but one of the very difficult decisions facing locally elected officials today. Mayors simply must closely examine those programs in which receipt of federal funds is predicated on the cash or in-kind contributions which must be provided from local revenues.

Last year, on behalf of the Mayors, I appeared before the Full Committee and expressed concern over the provision of the Community Services Act, Section 225(c) which calls for a 80 percent federal/20 percent local share for assisted programs in FY 75 and an increase of 10 percent local each succeeding year through FY 77. Since the exception of 25 percent local share in FY 76 in PL 93-644 and 30 percent in FY 76 applied to community action agencies receiving less than $300,000 annually, the majority of the 750 cities above 30,000, for whom I speak today, can take no solace even in this exception. Local governments today are simply unable to provide the 20 percent local share which was supported by us as a maximum percentage in April 1974.

As I stated then and I reiterate with more certainty today, that any match requirement whether in-kind or cash, will further exasperate the problems of our over-burdened tax structures particularly when there is no emergency intergovernmental fiscal assistance to those localities hit hardest by our recession. The insistence on a match requirement as contained in Section 225(c) will hurt local programs and local governments and affect most severely, those local governments least able to cope with this program. The poorest communities, and the elected officials of these communities will be forced into untenable choices in favoring or eliminating certain programs to produce matching funds.

And, the number of cities which fall into this category is increasing daily. Gentlemen, the current economic conditions of our cities are intolerable and are predicted to get even worse. Mayors and local elected officials have come before this Congress on innumerable occasions in every conceivable forum and with increasing rapidity stating one clear fact: the combined forces of inflation and recession have taken and continue to take a devastating toll on cities' budgets. Cities throughout the nation are presently facing or will be facing major gaps between revenues and expenditures. Mayor Beame's situation is not unique—In Detroit, a budget deficit of between 65 million and 85 million dollars is projected. Buffalo will end the current fiscal year (June 30) with about a $17 million deficit. Property tax collections alone in that city are running at a more than 8 percent delinquency rate. In Boston, this rate may reach 10 percent by the end of the fiscal year, June 30. Boston's original budget estimates assumed a delinquency rate of 6 percent—a $14 million difference. The recent study conducted by the Joint Economic Committee on current fiscal positions of State and local governments substantiates these facts. According to the Committee, state and local governments have lost over $20 billion in revenues this year alone due to the recession.

Because of these losses in revenues, local governments have had to make significant budget adjustments since, as you are well aware, local governments must, by law, balance their budgets. The Joint Economic Committee study reveals that cities will enact an estimated $1.5 billion in new taxes and will reduce expenditures by approximately $1.4 billion. Reductions in expenditures are being achieved through personnel layoffs, cut-backs in municipal services and delays or elimination of capital improvements. No matter the actions being taken at the local level, those who are being hit the hardest are those who can least afford the consequences—the elderly, the poor, the unemployed and underemployed, the youth and the minorities.

At the time our fiscal capacity is declining, public demands are increasing. As economic activity declines and unemployment rises, greater and greater demands are being placed on the public sector and especially upon local governments. In sum, gentlemen, what I am pointing out to you is that cities are presently in a "no-win" situation.

It is, therefore, unrealistic for the federal government to expect that urban communities would be able to come up with the currently-required 20 percent local share let alone the 30 percent level which is to take effect in FY 76. We strongly urge this Committee, in its deliberations over this issue, to eliminate all match requirements under the current Community Services Act of 1974.

Mr. Speaker, the assumption that the Community Services Act mandates a reduced Federal appropriation is an erroneous one. The 1974 act requires an increased local share and a correspondingly reduced Federal share; but does not restrict the dollar amount of the total program effort. In fact, the legislative history of this act rejects this principle. During the Subcommittee on Equal Opportunities' mark-up for this legislation a proposed amendment to reduce the authorization for appropriations over the 3 years of the act was rejected. At no time during full committee consideration, House or Senate debate, or conference on this act, was this declining authorization endorsed.

Further, section 225(a) of the act provides that:

> The Director shall insure that for the fiscal year ending June 30, 1974 and for each succeeding year, no State shall be allotted for programs under section 221 [local initiative] or Section 222(a) [Special Programs and Assistance] an amount which is less than the amount received for use with such State for programs described in such section during the fiscal year ending June 30, 1974.

This section provides a hold harmless to the 1974 level of $330,000,000.

In testimony before the Labor/HEW Appropriations Subcommittee, the Comptroller of the Community Services Administration stated that the reduced Federal appropriation would in itself conflict with the "hold harmless" provision, and only if the local matching share increased in cash would the total program be fulfilled at the 1974 level mandated by section 225(a).

The minimum level stipulated in the hold harmless provision reflects an appropriation which has not been raised since 1973, and a reduction from prior year levels. Given the rate of inflation of over 25 percent during this period, an appropriation of $330,000,000 represents an effective reduction in program support.

Mr. Speaker, the Subcommittee on Equal Opportunities is carefully reviewing the impact of the newly imposed reduction in Federal share. The testimony which the subcommittee has received as well as reports from mayors and other local officials indicates that this requirement may have a crippling effect on the community action program. A preliminary survey of approximately half of the CAA's conducted by the National Center for Community Action indicates that between 551 and 605, or two-thirds of all the CAA's in the United States, will be unable to meet the requirements of the non-Federal share or are doubtful of their ability to meet these non-Federal share requirements.

Based on this evidence of mounting hardship, the subcommittee is considering either administrative or legislative remedies to delay or lessen the hardship on local communities. However, whatever action the Congress may take with respect to the Federal share question will be nullified if the total amount appropriated for community action is reduced to the level contemplated in the appropriations bill before us.

I urge my colleagues to review the legislative history of the Community Services Act and the accumulating evidence of the effect of the proposed reduction of Federal funds and support our amendment to maintain funding for community action at the current level of $330,000,000.

THE RIGHT TO BE KILLED BY EXPENSIVE GUNS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MIKVA. Mr. Speaker, last week President Ford presented to the American people an anticrime program which includes the right of every American, just like Bernard Jones of Washington, D.C., to be killed by an expensive handgun.

I would like to bring to the attention of my colleagues Jimmy Breslin's June 23 column in the Washington Star in which Mr. Breslin, in his own inimitable way, points out the deadly futility of the President's "Saturday night special" proposal.

The article follows:

ALL BECAUSE OF A GUN

It is as if once a problem has been defined, we confer upon it permanency. Never is it to be altered or dissolved; enough that it has become discovered and debated.

In 1940, in the town of Terni, in Italy, 70 miles northeast of Rome, there was manufactured a rifle called the Mannlicher-Carcano, model 91. The Mannlicher-Carcano, with its small bore and underpowered cartridges, made a peculiar sound for a rifle, a firecracker sound. One Mannlicher-Carcano made that year lasted through the war and the years that followed and in 1963 this particular rifle was in America, in the mail to Texas, going to Lee Harvey Oswald. And now the popping sound was heard in the noon sun in Dallas, and a president's head came apart.

It was at this time that the problem of controlling guns was raised for the first time and defined on a national level. Once recognized, once explored; always.

From 1963 on, more Americans were killed by violence, primarily gunfire, in this country than were killed in the war in Vietnam. In Washington, the arguments rose, subsided, rose again, subsided again. Bullets pierce flesh, but are harmless to words. Hearings always hear.

Last Wednesday, Gerald Ford, President of the government of the United States, announced in a national message on crime that, "I am unalterably opposed to federal registration of guns or the licensing of gun owners. I will oppose any effort to impose such requirements as a matter of federal policy."

Three days later, on a brilliant morning in Washington, they brought the body of Bernard Lee Jones into the New Southern Rock Baptist Church on Buchanan Street, Northwest Washington, in the country of the United States. Jones was a 30-year-old junior high school teacher. On the night of June 10, he found a man breaking into his car. Jones was powerful, and the guy trying to break into the car took the only way out: He blew Jones' chest open with a .38.

At the funeral, two of Bernard Jones' friends, William Saunders and Hewitt Brantley, stood across the street and waited until it was time to go inside for the services. The two men were dressed in fine blue suits, the waists pinched, arms folded across chests, the sleeve material straining its way across great biceps.

"Bernard taught at Paul Junior High, taught black studies," Saunders said. "Out of the crew we went to school with, we didn't figure he'd ever go to college and be a teacher."

Brantley said, "They looked at us, they never figured them two to be policemen. That's for sure."

"Beautiful fellow, Bernard, always joking," Brantley said. "He loved what he was doin'. The few you save keep you goin'."

"Do they know who did it?" they were asked.

"Lookin' for somebody," Saunders said. "They know who he is."

Later in the day, police would arrest Daniel Turnage, a mechanic.

"What kind of gun was used," Saunders was asked.

"Thirty-eight."

"No, Saturday Night Special," Brantley said.

"Lot of guns around here?" they were asked.

"What town you say you live in?" Saunders said.

"A place where they get a lot of guns."

"Then you live in a place like Washington."

"Do you think you could do anything about guns?" Saunders was asked.

"Sure."

"How?"

"We'd take 'em off the street. But you got to stop manufacturing them. What good is sayin' you want gun control if you don't stop manufacturing them? Shippin' them around, mailin' them."

Brantley said, "You just make one big wheel if you don't stop manufacturing them. You take 'em out, they keep puttin' 'em back in."

"Why do people have guns?"

"Kill somebody with."

Across the street, the light brown coffin was going up the stairs into the church. The two men walked across the street and got onto the line of mourners, a large, magnificent group, walking slowly in the sun, two by two, the old faces pushed in by life, the eyes so full of the knowing of the occasion, the younger men with strong chins coming out—Bernard Jones played high school and college football and most of his friends are large. Many of the women wore straw hats and held handkerchiefs in their hands. Inside the church a choir of women began singing, bosoms heaving under black dresses, great Southern tones tearing at the crowd, bringing forth from them the first moans of the long day. Suffering is the art of the poor.

A member of the Paul Junior High School faculty spoke. Then Jimmie Dougan, a friend of Bernard Jones, walked down the aisle, faced the crowded church, and sang "Keep Your Head to the Sky." It was Bernard Jones' favorite song and Jimmie Dougan sang in high notes, in unwavering notes:

Keep my head to the sky
For the clouds to tell me why

The Rev. N. G. Barr told them, "Nobody can correct God. We can't put it in a book to tell God when we want Him to come for one of us. But we can correct ourselves. Here in the Nation's Capital where laws are made we have 435 congressmen, 100 Senators, a vice president, a President, yet all of us here, the people who have to live here, we can't walk the streets safely. We have lost so much beauty today. Must we always lose our beauty because of these streets? Must be somethin' better, must be somethin' better, must be somethin' better."

The choir sang "When We All Get to Heaven" and people filed by the casket for their last look at Bernard Jones' full, strong face. Outside in the sun, the two detectives, Saunders and Brantley, stood with tears sliding from under their sunglasses.

"Put down how good he was," Saunders said, "Man like this, all because of a gun."

Memory, for the moment, brought forth a young man named Roy Gutmann, who once was a brilliant student at the University of Chicago. At 9 o'clock one night Gutmann was walking on 56th Street, in the university area, when he was shot to death by 16-year-old boys. The shooting upset terribly the president of the University of Chicago, Edward Levi. Levi now is the attorney general of the government of the United States. He was on television the other day defending President Ford's program on gun control.

RODINO PRAISES MADAME JERITZA OF THE MET

HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. MEZVINSKY. Mr. Speaker, the distinguished chairman of the House Judiciary Committee, the Honorable PETER W. RODINO, JR., achieved great distinction during the constitutional crisis created by the Watergate scandal which posed a threat to our system of government. He directed the Committee on the Judiciary in a fair and judicious manner as we considered the possible impeachment of the President of the United States. For those of us who had the privilege of working intimately with the chairman through the long months, we each gained insight into the many dimensions which comprised the character and depth of PETER RODINO.

The sum total of our past experiences certainly contributes to creating the character which evolves. The article written by Mr. RODINO, which I have inserted, is merely a glimpse of a part of the chairman's experiences and concerns—that music and opera be made available to broader segments of our society, educating and exposing its beauty to all individuals—and once again illustrates the depth and dimensions of the man who successfully led our country through its gravest constitutional crisis.

The article follows:

[From the Washington Star-News, June 1, 1975]

PETER RODINO ON THE MET, INSTEAD OF THE METS

(By PETER W. RODINO, JR.)

There was no major league baseball team where I grew up, in Newark, N.J.

If there had been, maybe I'd have spent my youth trying to outhit Lou Gehrig or outpitch Walter Johnson. Instead, I remember trying to shatter the light bulb with the power of my voice—the way my father used to tell me Enrico Caruso could.

I actually heard Caruso once in "Pagliacci," though not at the Met in New York. I don't remember much about the occasion, other than that I had a real seat for the performance, something I didn't have the first time I came to the old Met. I do remember how excited my father was as he stood in the back of the hall that day, but I'm not sure I knew very much else at the time. Rosa Ponselle was singing "La Gioconda."

In those days, the Metropolitan Opera was going on 40, and already had become an integral part of our cultural heritage. Since then, of course, it has more than doubled its age and immeasurably deepened its rich tradition.

At the end of this, its 90th New York season, it had presented 12,848 performances of 226 different operas. Included are 578 performances of "Aida," 531 of "La Boheme," 426 of "Carmen," 423 of "La Traviata" and 414 of my own personal favorite, "Tosca."

There have been many great Floria Toscas, of course, since Milka Ternina first introduced her to New York in 1901. Emmy Destinn, Geraldine Farrar and Maria Callas come to mind. But to me the greatest Tosca was Maria Jeritza.

On the occasion of Jeritza's Tosca debut in 1921, the great critic W. J. Henderson commented on her "enthralling vitality" and her "luminous intelligence." Giulio Gatti-Casazza, for 27 years the Met's general manager, recollected that the ovation that followed Jeritza's great aria that night was the greatest he ever heard in a theater. But most of all, for me, no individual more completely embodies the true living spirit of Vissi d'arte in Tosca than this great lady.

Madame Jeritza has been a close and prized personal friend to me and my wife for more than 25 years. She is godmother to my granddaughter, who bears her name. At her home in New Jersey it has been my great privilege to socialize with some of the great artists of our time, men and women whose brilliance has given so much to the nation and the world—Tucker and Farrar, Schipa and Gigli, De Luca and Martinelli.

And no photograph of the many I value is more dear to me than one Madame Jeritza gave me, showing Puccini himself presenting her with a score of one of his works. It enjoys an important spot in my home in New Jersey.

Jeritza, of course, is more than a great artist; she is a humanitarian whose work and spirit have brought aid and joy throughout the world.

And that, in a sense, is the great legacy of the Met itself as it completed the milestone of this, its 90th anniversary. It is the human spirit that the Met has exalted, it is the noblest of man's achievements—his art—that the Met has celebrated and perpetuated.

As this country marks its own anniversary—its Bicentennial—it is important that we reaffirm our most basic commitment as a free people. Surely, among our genuine needs, there is room for a renewed commitment to the arts, to music, to the Met. It is more than merely important to keep alive this great institution, it is a joyous responsibility.

That responsibility offers a great and real challenge that must be met, but another challenge, too, looms before us. We must make music, and opera, and the beauty of the Met, more widely available to broader segments of our citizens. In all of the world, there are few national treasures as priceless and as inspiring as our own Metropolitan Opera. We must not only preserve this rare resource, we must give it the broadest and most accessible exposure.

So there is much work to be done, even as we pause to salute this grand company on the occasion of its landmark anniversary season. No one person, of course, can begin to pay tribute to the Met. From the opening strains of "Faust" on that Monday nearly a century ago to the final chords of "The Siege of Corinth" and "Boheme," the Met has been paying tribute to us all.

Peter W. Rodino Jr., a Democrat, represents the 10th District of New Jersey in the House of Representatives and is chairman of the House Judiciary Committee.

AMERICA'S AMAZING SUCCESS STORIES ARISE FROM COMPETITION AND INGENUITY IN THE PRIVATE SECTOR OF THE ECONOMY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1975

Mr. KEMP. Mr. Speaker, America's amazing success stories over the years have arisen from competition and ingenuity in the private sector of our economy. Government action—no matter how well-intended—can never duplicate those successes because the incentives are so vastly different between entrepreneurship and inventiveness on one hand and Government programing on the other.

The great advances of civilization—whether in agriculture or painting, in science or literature, industry or agriculture—have never come from centralized government.

Newton and Leibnitz, Einstein and Bohr, Shakespeare and Pasternak, Whitney and McCormick, Edison and Ford, Jane Addams and Florence Nightingale. Not one of these opened new frontiers in human knowledge and understanding in response to government directives. Their achievements were the product of individual genius, of strongly held minority views, and of a social and economic climate permittng variety and diversity. Centralized setting of objectives and means to achieve them—inherent to centralized government—thwart that genius, those minority views, and that climate of opinion and expression.

This point was brought to our attention quite graphically in the July issue of Readers Digest. In article illustrating the great successes of American business ingenuity—which produces jobs and a high standard of living for the work force—we are shown that the American success story of "rags to riches" is so commonplace we hardly pay it a second notice. Yet, unless we nurture that creativity through assuring Government forces will not interfere with it, we run the risk of losing it. And, a decline in our economy, and a loss of jobs would be inevitable.

This article, prepared by the Business Roundtable, follows:

AMERICA'S AMAZING SUCCESS MACHINE

Is there an American dream? Inventor Nathan Zepell thinks so. In fact, he says he's *living* it—in a sun-flooded, spacious home on a mountainside overlooking Santa Barbara, Calif. Chances are that you have used one of Zepell's creations. More than 100 million of his pens have been sold under various names all over the world.

But Zepell's dream began with a nightmare.

It was the end of World War II. His name then: Nathan Zepelovitch. Home: Riga, Latvia. Age: 29. Weight: 87 pounds. Last address: Buchenwald concentration camp. Family: all killed by the Nazis. His house and his small furniture hardware factory: destroyed in the war.

In 1949, Zepell arrived in the United States—in his head the ideas he had nurtured since his teens to improve man's writing instruments. Worn and hungry, the immigrant walked the streets of New York, bewildered by waiting endlessly in outer offices. Initially, he knew only two words of English—"all right." But things weren't all right. Time after time, representatives of pen companies told him that there wasn't a new idea about pens not already checked out. There were already 10,000 pen patents registered in Washington, D.C., including the original ballpoint patent of 1888. "Give this up, Nathan," an attorney friend told him. "Get a job and start eating again."

But Zepell wouldn't give up. Finally, after nine years, Columbia Pen and Pencil Co. listened to the intense, handsome man with the idea for a ballpoint "pen that remembers." To fasten the pen in your pocket, you had to snap the clip outward from the barrel, which automatically retracted the ballpoint, thus preventing ink stains on your shirt.

The pen caught on almost immediately, and Nathan Zepell was on his way. "It wasn't just a matter of the invention; it was a matter of America," he says. "I could have invented the pen anywhere, but where else could I find a market like this and rewards so great?" Now he has secured 28 patents, including a flat plastic ballpoint that writes in two colors and serves as a bookmark.

If Nathan Zepell's life story is inspiring, it is also somewhat familiar. The term "rags to riches" is a cliché to the average American—because it's so true, so possible. It's the upward way traveled by many a person who has thought of some new or better way to benefit the public. There's no guarantee it will be easy, no guarantee against jolting failure; but our system's inherent faith in people and their ideas has paid off—not just for the Thomas Edisons and Henry Fords of the past but for uncounted Nathan Zepells of today.

The payoff ripples through the entire economy, affecting consumers, workers, everyone. New ventures or inventions mean new factories, the creation of new jobs, new homes and businesses, and often a real enhancement of our way of life. Ultimately, America's economic magic depends on men who are free to create and are given the prospect of generous rewards.

Some outstanding examples of success:

Byron Godbersen started on his way to a fortune because the hydraulic hoist on his farm wagon was too heavy and inefficient. He designed and built a lightweight hoist with an ingenious "movable fulcrum." Other farmers wanted "one just like it," and Midwest Industries was born in 1954. The company, in Ida Grove, Iowa, does an annual business of $10 million in farm machinery and marine products. And Byron Godbersen is rich beyond any dreams he might have had when he set out to make farming a little easier—for himself and others.

Irvin Robbins and his brother-in-law, Burt Baskin, went into business in 1947 with a modest ambition: "We wanted to make 75 bucks a week, and enjoy ourselves doing it." Thus were born the little California ice-cream stores that would become Baskin-Robbins. Their business credo: stick to ice cream only, offers a variety of flavors and *never* compromise on quality. Soon the partners were selling stores to reliable managers, taking royalties for supplying the ice cream and promoting the name. An ice-cream empire of more than 1500 shops developed. Baskin died in 1967. Millionaire Robbins looks after B-R franchises and devotes much time to encouraging young people to plunge into "the most amazing and rewarding business system ever devised."

The list could go on endlessly: A New York woman who scraped together a few thousand dollars, to found what is now a major chemical company.

A plasterer from Atlanta's black ghetto who is today a contractor, banker and part owner of professional basketball and hockey teams. Two former college roommates, in their twenties, who pooled their savings five years ago to build what is now a $12-million-a-year business, designing and making casual clothes for the booming youth market. A secretary in Texas who devised a way to "paint out" typing errors, started the Liquid Paper Company, and not only made her fortune but made work easier for millions of secretaries.

Curious thing—people like these seldom set out to "make a million." Their success comes on the wings of ideas—to create something new, build something better, provide some fresh service. Maybe it's as basic as a reliable pen or improved farm machinery. Or maybe it's something that simply makes life a little more fun, like ice cream. But success results because people's needs and desires are fulfilled.

Kemmons Wilson, traveling with his family, wasn't at all happy about their overnight accommodations. Why shouldn't the average traveler be able to find clean, dependable, comfortable lodging at a reasonable price wherever he goes? Wilson answered the question himself, with a concept called Holiday Inns. In the process he revolutionized the motel business.

Such stories happen all the time in this American system that John Davenport in his book, *The U.S. Economy*, calls "a continuous and living development where one competitive breakthrough leads to another." Between 1963 and 1973, the number of new U.S. businesses incorporated each year climbed from 186,000 to 330,000. Failures? There are some—certainly. But thousands do succeed—not necessarily paying off in millions, but as solid, viable businesses. The former waiter who starts his own restaurant; the lathe operator who founds a small machine-tool company; the widow whose small bookstore expands into a healthy stationery and office-supply firm. And each success has an influence beyond itself—a chain reaction of jobs and opportunities that is in the end the greatest asset of a sound economy.

Even as you read this, new inventors and business innovators are plugging into our amazing economic machine. They all have one thing in common; they don't think "it's all been done" yet. They make the American dream come true every day.

SENATE—*Wednesday, June 25, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by Hon. ERNEST F. HOLLINGS, a Senator from the State of South Carolina.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God our Father, we beseech Thee to help us through this day that we may bring help to others, be a credit to the Nation, and ever honor Thy name.

Keep us from impatience, from irritability, frustration or despair.

Help us ever to love Thee, to keep Thy law, to be loyal to our ideals, and steadfast in our convictions.

Help us to be cheerful when things go wrong, persevering when things are hard, serene when things are disturbing.

May each duty, great or small, be done to Thy glory so that work becomes worship.

Grant us through this day something of the grace and beauty which shone through the Master, and at night grant us the peace of those whose minds are stayed on Thee.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 25, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ERNEST H. HOLLINGS, a Senator from the State of South Carolina, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HOLLINGS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, June 24, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE JURISDICTION IN THE ENERGY AREA

Mr. MANSFIELD. Mr. President, I have had some informal meetings with the distinguished Republican leader about the possibility of achieving, in time, a single energy committee in the Senate.

I have been instructed by the Democratic Conference to hold these informal meetings with the distinguished Republican leader (Mr. HUGH SCOTT) for the purpose of seeing what could be done in the future to create a single committee on energy in the Senate.

The genesis behind this idea is that the responsibility and the authority covering energy encompasses a number of committees and subcommittees. I point out that on yesterday the distinguished Republican leader placed in the RECORD a letter which he had received from Mr. H. Hollister Cantus, Director of the Office of Congressional Relations for ERDA.

In that letter, according to their estimates, the list of committees to which ERDA is subject and committees which have claims on ERDA, totals 33 committees, 65 subcommittees, and 1 panel.

The letter continues:

> As of this date—

And the letter is dated June 3—

> ERDA witnesses have testified for 109 hours of formal hearings before 6 Full Committees and 27 Subcommittees of 13 different committees. Also of note is the fact that ERDA is only 135 days old, having been activated on January 19, 1975.

Something has to be done about a realinement of the situation which confronts us in this body today, and something has to be done in time, because as time goes on energy is going to become a more and more dominant and important issue.

Mr. President, I ask unanimous consent to have printed in the RECORD the article by the distinguished Republican leader (Mr. HUGH SCOTT) entitled "Committee Jurisdiction in the Energy Area," and also an editorial in today's New York Times entitled "Congress' Oil Jungle."

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

COMMITTEE JURISDICTION IN THE ENERGY AREA

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD a letter and attachments sent to me by H. Hollister Cantus, Director of the Office of Congressional Relations at the Energy Research and Development Administration.

There being no objection, the letter and attachments were ordered to be printed in the RECORD, as follows:

U.S. ENERGY RESEARCH
AND DEVELOPMENT ADMINISTRATION,
Washington, D.C., June 3, 1975.

Hon. HUGH SCOTT,
Minority Leader, U.S. Senate, Washington, D.C.

DEAR SENATOR SCOTT: I was out of town last week when you indicated your desire to see the Senate reorganize its committee jurisdiction in the energy area. I want to take this opportunity to express my personal support for that recommendation.

For your information, I have attached a list of the Congressional Committees which could make some jurisdictional claims upon the Energy Research and Development Administration. According to our estimates, the list presently totals:

33 Committees.
65 Subcommittees and
1 Panel.

As of this date, ERDA witnesses have testified for 109 hours of formal hearings before 6 Full Committees and 27 Subcommittees of 13 different committees. Also of note is the fact that ERDA is only 135 days old, having been activated on January 19, 1975.

I trust this information is of interest to you. If there is anything I can do to be of assistance to you, please do not hesitate to call.

With sincere best wishes, I remain
H. HOLLISTER CANTUS,
Director, Office of Congressional Relations.

Enclosure.

COMMITTEES OF CONGRESS HAVING SOME JURISDICTIONAL CLAIM OVER ERDA

(*Indicates ERDA witnesses appeared this year)

A. SENATE

1. *Aeronautical and Space Sciences
2. Agriculture and Forestry
a. Environment, Soil Conservation, and Forestry
3. Appropriations
a. Defense
*b. Interior
c. Public Works
4. Armed Services
a. Arms Control
*b. Research and Development
5. Banking, Housing and Urban Affairs
a. Small Business
b. Housing
6. Budget
7. Commerce
a. Environmental
b. Oceans and Atmosphere
c. Oil and Gas Production and Distribution
*d. Science Technology and Commerce
e. Surface Transportation
8. Finance
a. Energy
b. International Trade
c. International Finance and Resources
9. Foreign Relations
10. Government Operations
*a Ad Hoc Subcommittee on Export Reorganization
b. Intergovernmental Relations
c. Investigations
*d. Oversight Procedures
11. *Interior and Insular Affairs
*a. Energy Research and Water Resources
b. Environment and Land Resources
c. Minerals, Materials and Fuels
d. Integrated Oil Operations
12. Judiciary
a. Patents, Trademarks and Copyrights
13. Labor and Public Welfare
a. Health
14. Public Works
a. Environmental Pollution
(1) Panel on Environmental Science and Technology
b. Buildings and Grounds
c. Water Resources
15. Select Committee on Intelligence Activities
16. *Select Committee on Small Business
a. Environmental, Rural and Urban Economic Development

B. JOINT COMMITTEES

17. *Atomic Energy
*a. Agreements for Cooperation
*b. Communities
c. ERDA, Environmental and Safety
d. ERDA, Nuclear Energy
*e. Legislation
f. National Security
*g. Ad Hoc Subcommittee on Breeder Reactors
18. *Economic
19. Printing

C. HOUSE COMMITTEES

20. Agriculture
a. Conservation and Credit
21. Appropriations
*a. Defense
*b. Interior
*c. Public Works
22. Armed Services
a. Research and Development
*b. Seapower and Strategic & Critical Materials
23. Budget
24. Government Operations
*a. Conservation, Energy and Natural Resources
b. Intergovernmental Relations and Human Resources
c. Legislation and National Security
25. Interior and Insular Affairs
*a. Energy and the Environment
b. Mines and Mining
c. Water and Power Resources
26. International Relations
a. Future Foreign Policy, Research and Development
b. International Organizations
c. International Resources, Food, and Energy
d. International Trade and Commerce
27. Interstate and Foreign Commerce
a. Energy and Power
b. Health and Environment
*c. Transportation and Commerce
28. Judiciary
a. Administrative Law and Governmental Relations
29. Merchant Marine and Fisheries
a. Fisheries and Wildlife Conservation and the Environment
30. Public Works and Transportation
a. Public Buildings and Grounds
*b. Surface Transportation
31. *Science and Technology
*a. ERDD
*b. ERDD (Fossil Fuels)
*c. Environment and the Atmosphere
d. Science, Research and Technology
32. Small Business
a. Energy and Environment
33. Select Committee on Intelligence

[From the New York Times, June 25, 1975]

CONGRESS' OIL JUNGLE . . .

The performance of the House Democrats in scuttling their own efforts at a coherent and equitable energy policy, including the key gasoline tax and rebate plan, reflects an extraordinary paradox. Few Congressmen have shown the political courage to impose a gas tax or other necessary belt-tightening on their constituents yet, instead of staying away from the issue, most have insisted on a piece of the action.

In the twenty months since the Arab oil embargo, energy has become the hottest game in Washington and a good way to get a politician's name into print. An amazing number of Senate and House committees and subcommittees have pushed themselves into the talkfest, taking up a vast amount of time of Administration policy-makers and many other experts—only to frustrate the kind of action that is needed.

So far this year, top officials of the Energy Research and Development Agency—and much the same is true of the Federal Energy Agency—have had to testify before eleven subcommittees of the House and a similar number in the Senate. They have had to appear before the House Appropriations Subcommittees on Defense, on Interior and on Public Works; the Armed Services Subcommittee on Seapower, the Government Operations Subcommittee on Conservation, Energy and Natural Resources; the Interior Subcommittee on Energy and Environment; the Commerce Subcommittee on Transportation and Commerce; the Public Works and Transportation Subcommittee on Surface Transportation; the Science and Technology Subcommittees on Energy Research and Development Demonstration, on Fossil Fuels and on Environment and the Atmosphere.

All in all, 14 House committees and 28 subcommittees, 16 Senate committees and 30 subcommittees, three joint Congressional committees and seven subcommittees claim some jurisdiction over E.R.D.A. alone, as Representative Rhodes of Arizona, the minority leader, has noted. The House committees, in addition to those above, include Agriculture, Budget, International Relations, Judiciary, Merchant Marine and Fisheries, Small Business and the Select Committee on Intelligence. Administration energy proposals have also been pending before such other House committees as Ways and Means, Banking and Currency, Housing and Rules.

This jurisdictional jumble undoubtedly is an important factor in the inability of the Congress to act comprehensively on one of the nation's most pressing problems. Mr. Rhodes' bill to establish a single House energy committee—or, even better, a joint Congressional committee for both houses—is one obvious solution. It already has the backing of the Senate majority and minority leaders. What is lacking is the agreement of the House majority leadership, which ought to be helping to clean up the mess at the Capitol that now is discrediting the Congress and injuring the country.

CRIME: THE VICTIM AND THE GUN CONTROL

Mr. MANSFIELD. Mr. President, last week the President expressed his views on crime in America and how he intended to deal with it. I read his message with interest and choose now to make a few observations on some of the issues raised.

Included in his remarks, to begin with, was an emphasis on the criminal victim, on the plight of those most directly affected by violence—"the poor, the old, the young, the disadvantaged minorities, the people who live in the most crowded parts of our cities." To them is owed, said the President, "protection and personal safety"—measures they cannot provide for themselves.

In this fashion the President has advocated revising the criminal justice system; changing it so as to take into account the needs of the victims of crime. He urges us—here in Congress—to pass legislation to meet the uncompensated economic losses of victims through a fund provided by fines imposed against convicted offenders.

May I say, Mr. President, that insofar as the U.S. Senate is concerned, these words of the President expressed in behalf of the victim were uttered not a moment too soon. Indeed, five times in the past has the Senate responded to the victim's plight. On five past occasions the Senate expressed this same deep concern for the neglected member of the criminal justice system—the victim.

Five times the Senate voted overwhelmingly to compensate the economic losses of those ravaged by crime and violence in our society. There was the Victims of Crime Act of 1970; the Victims of Crime Act of 1971; the Victims of Crime Act of 1972; the Victims of Crime Act of 1973; and the Victims of Crime Act of 1974. All recognized the special needs of the victim. All would have compensated his personal suffering and loss. All passed the Senate of the United States. This year, there is the Victims of Crime Act of 1975—S. 1399—now pending before the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary.

What has the Senate said with this record and what is the President saying by at long last endorsing it?

One thing that is said, of course, is that society has failed utterly in its efforts to provide protection and personal safety. Your chances of being mugged, robbed, raped, assaulted, or murdered are pretty good—about 1 in 250 by conservative estimate, as much as 1 in 50 by more realistic appraisal. If you are poor, they are even better.

What recourse have you? About all you can do is sue your assailant—the one who fractured your skull, slit your throat, or blinded or paralyzed you. But to do that you have to catch him. And even if you do, what are the prospects for recovery? Less than 2 percent according to one study.

The bill passed so often by the Senate would have remedied this. The concept embraced last week by the President would remedy this. His views are in accord with the provisions of S. 1399 which will come before the Senate later this year.

As one who long ago singled out the criminal victim for legislative concern and attention, I applaud the President for aiding this effort. I look forward to the remainder of this session of the 94th Congress encouraged by the increased prospects for restoring the criminal victim to his proper place within our system of criminal justice and in doing so, for translating what is now citizen apathy and disinterest into citizen concern for crime and violence.

Aside from focusing on victims for "primary concern," the President advocated additional approaches to crime particularly insofar as the criminal defendant is concerned. Among these is a concept which I have long embraced. It relates specifically to the gun criminal—to stricter sentences that would guarantee his incarceration. Some years ago I authored a mandatory sentencing provision to be invoked against those who chose to resort to a gun in committing a crime.

The act itself of using or carrying a gun became a crime and if found guilty, the perpetrator was compelled to face prison. In the case of second offenders, the sentence was not to be suspended, nor was the gun sentence to be imposed concurrently with the sentence meted out for the underlying crime. That is the law today. Insofar as those who carry guns and other deadly weapons are concerned, it is a correct approach.

It says to perpetrators of violence that their mere act of selecting such a weapon is wrong and will be punished no matter what. No ifs, ands, or buts will stand in the way of punishment. Particualrly in cases of second offenders is this notion so compelling. In his case there is no room for discretion, there can be no argument based on immaturity, ignorance or whatever. The second or subsequent gun offender is a threat, a danger to society. He did not learn. He made that clear by choosing a gun for his crime not once but twice or more.

So I sympathize with stricter sentencing concepts, particularly as they relate to gun criminals. What I would like to know but cannot seem to ascertain, however, is the experience to date under current stricter sentencing laws—under the mandatory sentencing provisions now on the books. To this end I have written the Department of Justice, I have written to the Federal Judicial Center and to the Administrative Office of the U.S. Courts.

The response to each of these requests has indicated that no such records are retained on the mandatory sentencing sections of the Criminal Code. There is no way to determine, I am informed, how many defendants have been indicted under the gun-crime sections, how many have been convicted, how many have received the stricter sentence, how many the mandatory sentence, and so forth. There is simply no facility within our Federal Government—I am led to believe—that retains this detailed experience record. This is rather startling.

We are so quick to make sweeping generalizations about judges being too rough or too lenient or both. We are so ready to conclude that criminals are deterred or not deterred by sentencing factors. Even the Attorney General has entered this dialog and yet when I requested a breakdown to prove or disprove these questions, I was advised that no relevant data in these areas has been compiled or retained by the Department of Justice.

From this, it appears that a very wide gulf exists in our criminal justice system; a gulf widened by our neglect in failing to draw upon past experience—of analyzing who commit crimes and why, who are found guilty, who serve sentences, who do not, who are repeat-ers, who are not, who use weapons, who do not, and what role judges play in all of this. But these are the questions that must be answered if we are ever as a nation going to begin to resolve the issues of crime, of deterrence and recidivism. Most assuredly the identities of those involved must be guarded with the utmost vigilance. But that is not to say that modifications are not required in our information system as it relates to crime to the end that a better and more practical experience table is obtained in order to provide a more rational basis for all of our decisions.

The need for such information, however, does not diminish, in my judgment, the need to protect society from the gun criminal. He is a danger, per se. And it is to him again that I turn with a suggested modification of the Criminal Code—on that would apply solely to the offender whose choice to use a weapon alone would be singled out for special punishment.

INTRODUCTION OF S. 2005

Mr. President, I send a bill to the desk, and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks. This proposal would permit the preventive detention of a gun carrier who is adjudged a threat to society. This measure would apply to the gun user before trial. It would address the problem of pretrial recidivism—to the repeater who uses his weapon for crime before he is tried for his initial wanton act of violence or while he appeals his conviction. Specifically, in cases where an offender is charged with carrying or using a firearm in the commission of a crime, the judge, under this proposal may find that the defendant poses a threat to the community and order him detained.

In my judgment, one who is found with a weapon during an alleged offense is violent and represents a threat to the community. That is the message which I seek to convey with this proposal. It is the message that guns are tools of violence and that those who resort to guns for criminal actions deserve little leeway. Nor do I believe that such a provision would lie outside the framework of the eighth amendment to the Constitution. There it is prescribed only that—and I quote—"Excessive bail should not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted."

Surely, to detain a gun offender before trial because he poses a genuine threat to his fellow citizens is not unreasonable. I might point out, too, that notions of so-called preventive detention have already been enacted insofar as they relate to criminals within the District of Columbia. This bill would narrowly extend the concept to the Federal criminal system.

As drafted, it may be that the measure contains certain impediments; that the procedural protections of due process should be spelled out more fully. I will leave it to the normal distillation and refining process of the legislative system to correct any such impairments. My intention is clear. It is to continue to promote and shape a consistent national policy against gun violence and gun offenders. This proposal would provide an additional element in that policy.

Finally, Mr. President, crime in America must be continually addressed. The President has sought to do just that and is to be commended for highlighting so specifically the neglected criminal victim. Speaking for the countless thousands of victims of crime, we in the Senate welcome his support for this proposal. To that issue and to the question of gun crime I am confident that the Senate will devote the very highest priority.

As to other issues raised by the President and to those now pending in the Senate in the context of S. 1 and other crime-related measures, a great deal of investigation, review and analysis remains. To those, for example, that relate to the death penalty, to riot controls, entrapment, wiretaps, document classifications, obscenity and other matters, the most careful attention must be devoted to the end that there is struck an appropriate balance between the rights of the accused, the protection of society, the awareness of the public or whatever preeminent constitutional and policy interests are at stake. Those questions are relevant. Their resolution goes to the essential purpose of the legislative process.

It is primarily to the crime victim and the gun criminal that my personal attention is directed. To the victim because he has been too often the forgotten—though most affected party involved; to the gun criminal because I think his burden must be made intolerable if we are ever to control the violence he espouses.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD at this point.

S. 2005

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 18, United States Code, is amended by inserting immediately after section 3146 the following new section:

"§ 3146A. Release in connection with firearm related offenses

"Notwithstanding the provisions of section 3146 of this title, any person charged with an offense involving the use of a firearm in the commission of that offense, or involving the unlawful carrying of a firearm during the commission of that offense, shall be treated in accordance with the provisions of section 3146 unless the court or judge has reason to believe that no one or more conditions of release will reasonably assure the appearance of the person as required or will reasonably assure that such person will not pose a danger to any other person or to the community. If such a risk of failure to appear or of danger is believed to exist, the person may be ordered detained."

SEC. 2. The chapter analysis of chapter 207 of title 18, United States Code, is amended by inserting immediately after the item "3146. Release in noncapital cases prior to trial." the following:

"3146A. Release in connection with firearm related offenses.".

COMMITTEE ON FINANCE MEETING DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Finance be allowed to meet at 10 o'clock today for the purpose of considering the increase in the public debt.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE RESOLUTION 192 AND SENATE RESOLUTION 193—RESOLUTIONS TO PERMIT WITHDRAWAL AND RELEASE OF CERTAIN DOCUMENTS AND PAPERS

Mr MANSFIELD. Mr. President, on behalf of Senator JACKSON, I submit two resolutions and ask unanimous consent for their immediate consideration en bloc.

The resolutions (S. Res. 192 and S. Res. 193) were read, considered by unanimous consent, and agreed to as follows:

S. RES. 192

Whereas the United States Attorney for the Central District of California has requested certain documents, memorials, notes, and other papers to assist his office's grand jury investigation of certain Prepaid Health Plans; and

Whereas the Senate Permanent Subcommittee on Investigations has certain documents and other papers which had been secured by members of said Subcommittee during the course of their duties as employees of the Senate; and

Whereas by the privileges of the Senate of the United States and by Rule XXX of the Standing Rules of the Senate no memorial or other paper presented to the Senate shall be withdrawn from its possession except by Resolution of the Senate; therefore, be it

Resolved, That the Permanent Subcommittee on Investigations may release the documents, memorials, notes and other papers relating to Prepaid Health Plans for the use of assisting the Office of the United States Attorney for the Central District of California in their grand jury investigation.

S. RES. 193

Whereas the Attorney General for the State of Michigan has requested certain documents and other papers relating to the activities of Arnold H. Kambly and the University Center, located in Ann Arbor, Michigan, to assist them in the prosecution of Arnold H. Kambly for criminal activities related to the operation of the University Center and the CHAMPUS program; and

Whereas the Senate Permanent Subcommittee on Investigations has certain documents and other papers which have been secured by members of said Subcommittee during the course of their duties as employees of the Senate; and

Whereas by the privileges of the Senate of the United States and by Rule XXX of the Standing Rules of the Senate no memorial or other paper presented to the Senate shall be withdrawn from its possession except by Resolution of the Senate; therefore, be it

Resolved that the Permanent Subcommittee on Investigations may release the documents and other papers relating to the activities of Arnold H. Kambly and the University Center to assist the Office of the Attorney General of the State of Michigan in the prosecution of Arnold H. Kambly for criminal activities related to the operation of the University Center, located in Ann Arbor, Michigan, and the CHAMPUS program.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Washington (Mr. JACKSON).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR JACKSON

These resolutions are to permit the withdrawal and release to the United States Attorney's Office for the Central District of California and the State of Michigan, Attorney General's Office of certain documents that have been received by the Permanent Subcommittee on Investigations of the Committee on Government Operations.

The United States Attorney for the Central District of California, by letter of May 7, 1975, has requested certain documents that are not of public record but have been collected by the Subcommittee during the course of its investigation of prepaid health plans. The United States Attorney's Office has informed us that such documents and materials are to be used in a grand jury investigation with regard to California prepaid health plans.

The Michigan Attorney General's Office, by letter of June 12, 1975, has requested documents and other information relating to the activities of Arnold H. Kambly and the University Center located in Ann Arbor, Michigan, to assist them in the prosecution of Arnold H. Kambly for criminal activities relating to the operation of the University Center and the CHAMPUS program.

The Government Operations Committee has unanimously approved both requests.

THE PRESIDENT'S CRIME MESSAGE

Mr. HUGH SCOTT. Mr. President, the President's crime message warrants prompt action by Congress.

In this body we have S. 1, into which we can build the structure of the recommendations.

I agree that provisions for the compensation of victims are timely and in fact it should have been done a long time ago.

There may be some differing points of view on this matter, but I do feel that there is no other way by which we can compensate people who are far more damaged than a great many people who are being compensated by the Federal Government now for a variety of reasons.

The bill addresses itself to one factor which interests me particularly, and that is the certainty of punishment in the event of conviction. To me, it does not matter whether the sentence be 1 year or 20 years. That is for the judge; and that, of course, is a matter of the offense charged and the circumstances under which it was permitted. But once a sentence is imposed, if a criminal knew that he actually would have to serve the sentence, that would be the single greatest deterrent to the commission of crime.

I have been a prosecutor, as have many others in this body, and some have been attorneys general of their States. They know that the prosecutor convicts a defendant in the frontroom. The defense attorney secures many delays before trial, hoping the witnesses will disappear or change their minds. The prosecutor then visits the judge. Prominent citizens of the community visit the judge, to do a favor for an old friend. The judge is busy and may feel himself overworked, and he reduces the sentence from 3.5 to 7 years down to 1 year. Then the defendant is committed; and after a few weeks, the sentence is quietly changed in the backroom. He has served a few weeks—if, indeed, he serves any time at all.

I think that one of the greatest flaws in the criminal justice system is the fact that a very high percentage of judges in this country, whether they like my saying it or not, are inclined to be lenient in the imposition of sentence and even more lenient in their insistence that the original sentence be carried out.

So the need here is the certainty of punishment of the guilty, and we are not going to get it unless we provide for mandatory penalties and for no parole whatsoever as to the mandatory part of the sentence. That would do more good, in my mind, than these colorful 99-year sentences handed out consecutively while the newspaper people are in the courtroom and quietly removed after press and public have ceased to pay any attention to the situation.

The criminal with a gun, in possession of a "Saturday night special," often is let out on bail, and he buys another gun. Then he commits another crime in order to pay the bail bondsman. Do not think that has not happened. I used to be head of the bail division of the district attorney's office in my county.

The citizen has some rights in this country. The citizen has a right to security of person and property, and he is not getting it. He is not getting it, because the criminal, the thug, the thief, the murderer, the rapist is taking it away from him.

I strongly support and intend to press very hard for any provision which will cut into the great problem of the lenient judge. We have some judges—some are in the District of Columbia—who, instead of acting as judges for the imposition of sentences in accordance with the statutes, seem to me to be acting most of the time as courts of general jail delivery, which is the old name of our criminal trial court in my county, but I use it in the other sense. They would empty the jails and turn the criminals loose on the people, because they do not have the guts to stand up to a persuasive defense lawyer or to some friends of the court who assert that dear little Willie, who shot four people, is really a nice boy and should be given another chance.

Mr. President, I hope that we will draft this legislation wisely, that we will take to heart the President's suggestions, and that we will enact it promptly, because it has been long delayed.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. HATHAWAY). Under the previous order, the Senator from Hawaii (Mr. FONG) is recognized for not to exceed 15 minutes.

Mr. FONG. Mr. President, because of the circumstances surrounding the New Hampshire election contest which is before the Senate, several of my colleagues who are prepared to deliver statements in connection with South Korea will submit their statements instead. They will do this so as to expedite the Senate's proceedings on this important election matter.

Therefore, I ask unanimous consent that all statements placed in the RECORD today on South Korea be printed together.

The PRESIDING OFFICER. Without objection, it is so ordered.

A PLEA FOR POLICIES TO DETER WAR IN KOREA

Mr. FONG. Mr. President, today, the 25th anniversary of the outbreak of war in Korea, I rise to plead for action by the Congress and the executive branch that will prevent another outbreak of war on that Western Pacific Peninsula, that will deter another attack by North Korea on the people of South Korea.

I plead for policies that will avoid a repetition of the devastating 1950-53 war in Korea that cost the people of the Koreas immense suffering and that cost the United States of America 53,000 men and more than $10 billion.

Under the auspices of the United Nations, several other nations also paid a price in terms of men and materiel in defense of freedom and self-determination against naked aggression.

On July 27, 1953, an armistice designed to end armed hostilities in Korea was signed. In the 22 years since then, the people of South Korea have lived in constant peril of a bellicose neighbor, who has posed a continuing threat to peace in that area of the world.

With the fall of Vietnam, Cambodia, and the imminent demise of Laos as free nations and now under Communist domination, coupled with the failure of the United States to fulfill its promises in Indochina, the peril facing South Korea today is grave indeed. With the U.S.S.R. and the People's Republic of China no longer burdened with supplying arms and ammunition to North Vietnam and other Communist forces in Indochina, it is only understandable that Premier Kim Il-sung would be tempted to seek their support for some military venture against South Korea.

It is understandable too, that the Premier may well want to test America's reliability and steadfastness toward a nation with whom we have a mutual security pact.

Today, there are those who question the role America should play in the Republic of Korea and who call for a reevaluation of the effect of American military and economic aid on that country.

Mr. President, having been to Korea 15 years ago when evidence of the devastating war was still quite visible, then returning to South Korea just last fall, I can personally attest to the success of the latest economic miracle in Asia. The first time I visited the Republic of Korea, poverty was widely evident, the main source of power was men's backs and legs, and life as a whole was best described as spartan.

When I returned after just a decade and a half, private automobiles, buses, bicycles, and taxis filled the streets, high-rise buildings were everywhere and Seoul was suffering from the ailments all cities face from developing so fast in so short a period of time—smog, traffic jams, and busy sidewalks.

Today the Republic of Korea is being hailed the "miracle along the Han."

When in 1945 the Korean peninsula was divided at the 38th parallel with Soviet forces occupying the North and the U.S. forces occupying the South, the major portion of the natural resources needed for development of industry, electrical power sources, and food-producing regions were all concentrated in the Communist-controlled North. By contrast, the South was quite poor in the essentials needed for modernization.

Then, too, during the Korean war, Seoul, the capital of the Republic of Korea, was twice captured by the Communists so that by the war's end, only the capital building was left standing in the once bustling city.

Despite such overwhelming obstacles, the Republic of Korea is well on its way to becoming a fully industrialized nation. In 1961, Korea had a per capita GNP of only $83. Now, with a population of over 34 million, it has quadrupled to $373, giving it one of the highest per capita GNP among developing nations. In a 5-year period of planned growth between 1967 and 1971, the Republic of Korea enjoyed an average per annum growth in GNP of 11.4 percent.

Already rivaling the Republic of China on Taiwan and Japan in certain export markets, in 1972, the Republic of Korea exported $1.7 billion worth of goods. Textiles, shoes, electrical equipment, and ironworks from the Republic of Korea are all in very high demand. Pianos and other musical instruments, chemical products, furniture, and plastic products, along with the traditional ginseng and silk have all found large markets throughout the world.

Always a sure sign of a healthy atmosphere, tourism has rocketed from 15,000 visitors in 1962 to almost 700,000 in 1973. Korean Airlines, the flagship of the Republic of Korea provides daily jumbo jet service into the Pacific, Southeast Asia, Japan, and the United States. Thus, despite their physical handicaps, South Korea leads North Korea in practically every aspect of their economy.

Following in the footsteps of Japan and the Republic of China on Taiwan, the Republic of Korea is well on the way as the newest economic power in Asia.

Zygmunt Nagorski, Jr., a staff member of the Council of Foreign Relations, who spent 3 years in South Korea as a Foreign Service officer, wrote for the New York Times in "Standing Up for South Korea"—June 14, 1975:

> The case of South Korea . . . has been a success story in Asia. It is a country which has gone through a trauma of a Communist war and a Communist occupation that left deep scars. [However] The mere fact of the existence of a democratic opposition in Korea is a success story. Add to it the Korea economic growth wihch made that little peninsula one of the most rewarding experiences for the American economic assistance program.

Yes, Mr. President, Americans can be proud of contributing to the foundations of yet another economically self-reliant nation—the Republic of Korea.

In the years following World War II, South Korea has made considerable progress also toward democratic government and liberties for its people after decades of foreign domination.

As we here in America know, democracy is the most difficult form of government to implement. It is a tribute to the South Korean love of liberty, individual dignity, and desire for self-determination that so much progress has been made in so short a time.

The tribute is particularly meaningful when we stop to realize that since the 1953 armistice, the people of South Korea have existed in what can only be described as a state of siege.

Seoul is situated only 30 miles south of the Demilitarized Zone—DMZ—within artillery range of North Korean guns. During the winter, the Han River freezes over and can permit foot soldiers to be deployed against the city. Residents still remember the agony Seoul suffered during the war 25 years ago.

Today, with the North Koreans in possession of much more sophisticated weapons, Seoul, with its population of 6 million, is even more vulnerable. North Korean surface-to-surface missiles—Frogs—are entrenched at sites on the North Korean border within easy range of the city. After crossing the DMZ, a Mig fighter, of which the North Koreans possess 300, would take only 3 minutes to reach the city. Then, in a third mode of attack, the North Koreans could deploy their 800 to 1,000 tanks in a blitzkrieg attack.

Mr. President, it is almost impossible for Americans, who have not faced an invasion in over 150 years, to conceive of a situation similar to the one the South Koreans are presently facing.

History has shown us, however, that Americans react to situations with considerably less forbearance than the South Koreans are presently showing. When a small band of roving Mexican bandits led by Pancho Villa periodically raided border towns in the Southwest just prior to World War I, President Woodrow Wilson ordered Gen. John Pershing to pursue them into Mexican territory, in violation of our treaty agreements. In 1962, President Kennedy called out the Navy and America came perilously close to war in reacting to Soviet missiles on Cuba.

Imagine what our reaction would be if there were three times as many missiles, plus tanks, almost a half-million hostile troops and several hundred modern planes stationed on the Canadian border. That would be a nightmare for Americans.

The South Koreans have lived in this state of siege for over two decades. If it were just a case of continuing to face uncertainty, the South Koreans have the stamina to persevere.

However, recent developments in North Korea have aroused the fears of the South Koreans that, instead, they may face guerrilla warfare, armed incidents, or all-out war.

The leader of both the Democratic People's Republic of Korea and the Communist Party—Korean Labor Party—Kim Il-sung has recently journeyed to Africa and Eastern Europe, the People's Republic of China, and other socialist countries in an obvious search for support. Similar intercourse between North Korean and Soviet officials prefaced the beginning of the Korean war 25 years ago.

While we do not know whether the People's Republic of China or the Soviet Union extended Premier Kim the full support he sought, we must ask ourselves, irrespective, "Would China or Russia sit by passively in the event North Korea launched a new war against the South?"

With the ever-widening rift between the two Communist powers, could either country allow the other to gain ascendancy in North Korea?

The People's Republic of China fears that the Soviet Union would use a war in Korea as a pretext for moving troops near her southern Manchurian border, thus, threatening China's industrial center.

On the other hand, Russia cannot allow China to dominate in Korea, as China would then be strategically placed to block the Soviet port of Vladivostok, the Soviet Union's sole warm water port in the Pacific.

Could either China or Russia ignore the possibilities an outbreak on the Korean peninsula presented for strategic maneuvering?

I am not predicting that either the Soviet Union or the People's Republic of China would encourage a new war by North Korea. Given North Korea's present strength, Kim Il-sung could act on his own, confronting his two neighbors in the north with an accomplished fact and then expecting them to assist him as the two Communist nations assisted North Vietnam.

Today, North Korea holds the decisive military advantage over the south. On the land, the two sides are about even. While South Koreans have a larger standing army, the North Koreans have a large, trained civilian militia and clearly possess a more powerful artillery.

The North Koreans reportedly have about 1,180 tanks and 6,300 artillery pieces and mortars plus missiles that can reach Seoul.

The South Koreans have only 750 tanks and about 1,000 artillery pieces. While they possess both surface-to-surface and surface-to-air missiles, none has the destructive capacity of the North Korean missiles.

In the sea, the North Koreans have a slight advantage in the number of ships they maintain.

However, it is in the air that the north is strongest and where the war could well be decided. Pyongyang has about 600 combat planes, including 130 Russian-built Mig-21 fighters, the most sophisticated plane in the Soviet Union. On the other hand, the South possesses only 200 combat planes, including 110 F-86's dating from the Korean war and 18 F-4 Phantoms.

With such an arsenal, Kim would not need military aid from either of his Communist allies for quite a while. Instead, he could hope that his strike to the South would be swift enough and decisive enough to win a quick victory over the South Koreans. Without a doubt, if it were not for the presence of 42,000 American troops in South Korea and American air bases in Japan and

South Korea, North Korea now possesses the means to achieve such an end.

These external outreachings of Kim have been accompanied by a stepup in rhetoric that bears a remarkable similarity to the rhetoric of 1950 prior to the attack. For example, on April 18, 1975, in Peking, Kim Il-sung observed:

> If revolution takes place in south Korea, we, as one and the same nation, will not just look at it with folded arms but will strongly support the south Korean people.
>
> If the enemy ignites war recklessly, we shall resolutely answer it with war and completely destroy the aggressors.
>
> In this war, we will only lose the Military Demarcation Line and will gain the country's reunification.

This increasingly militant and threatening rhetoric has been matched by the growing reluctance of the North Koreans to carry on peaceful negotiations with the South. For a while several years ago, it appeared that the two sides were finally working toward the realization of the dream of all Koreans—the peaceful reunification of the peninsula. A series of Red Cross conferences discussed ways to achieve the reunion of families separated by the border zone.

Then on July 4, 1972, Seoul and Pyongyang simultaneously announced their mutual agreement to renounce the use of force and to seek peaceful reunification without outside involvement. The spirit of this accord was in agreement with the armistice signed July 27, 1953. Accordingly the South-North Coordination Committee was established. In a series of meetings held in both Seoul and Pyongyang, the committee discussed possibilities for ending nearly 30 years of stalemate.

Unfortunately, the North recently reverted to a recalcitrant and unreasonable position. Breaking an agreement reached in the July 4, 1972, accord, the North has set up loud speakers on the DMZ to continually broadcast its propaganda. They have also cut off all negotiations. In a statement issued on November 8, 1974, Ho Tam, Vice Premier of the Democratic People's Republic of Korea's Administration Council and Foreign Minister, established guidelines along which the North was willing to return to the discussion table.

Among these demands were that President Park step down from office and that all foreign troops, including the United Nations peace keeping force, withdraw from the Republic of Korea. Obviously, if the South Koreans were to agree to such demands, they would not only be sacrificing their national sovereignty, but also placing their lives in greater jeopardy.

Then there are those tunnels under the DMZ. Some of these tunnels stop only 800 meters short of the South Korean border. With the appropriate equipment, the North could send commando teams through the tunnels into South Korea in a replay of the terrorist attacks of 1968.

In those raids, North Korean commandos repeatedly clashed with South Korean and American troops stationed on the border. In doing so, North Korea blatantly violated the armistice. Among the most infamous of those raids, 20 North Korean raiders got as far as the Presidential mansion, the Blue House, in their attempt to assassinate President Park.

Given the memory of these past experiences, Mr. President, is it any wonder that the South Korean Government has increased its vigilance with the discovery of 15 of these tunnels?

Unfortunately, the presence of these tunnels is just one element in a series of North Korean attacks on peace in the region. The capture of the American ship *Pueblo* in January 1968 was America's most remembered contact with North Korean irresponsibility. Last year, an agent of North Korea from Japan infiltrated into South Korea and attempted an assassination of the President, killing Mrs. Park instead. In recent months, intelligence reports make very clear that North Korea has moved some armoured and tactical air units closer to the demilitarized zone. In toto, the South Koreans can only see these developments as pointing to one thing—a repeat of the tragedy of 1950.

Given these circumstances, curtailment of some of the people's rights in South Korea is a bit more understandable.

Even in our own country, political repression was implemented in time of national peril.

During the Civil War, President Lincoln, surely one of history's staunchest supporters of human liberty saw it, necessary to rescind the right of habeas corpus, the right of freedom of assembly and other civil liberties to insure a strong nation in time of war.

More recently, during World War II, the United States, in an act more irrational than any South Korea has enacted, placed Americans of Japanese descent in internment camps. During the Vietnam war, troops were stationed in our Nation's Capital to maintain order while large-scale demonstrations took place. Many people were arrested and put in jail, illegally according to a later court ruling.

So, Mr. President, we should not be so fast to condemn President Park and the South Korean Government.

Acting Assistant Secretary of State for East Asia and Pacific Affairs Arthur W. Hummel, Jr., in his statement last year before the House Foreign Affairs Subcommittees on International Movements and Organizations and Asian and Pacific Affairs put the situation very well:

> The South's (South Korea's) development has been confronted at every stage of the past quarter century by a hostile North Korean regime demonstrably prepared to thwart at almost any cost democratic growth in the South. The manifestation of this threat has ebbed and flowed and its nature has varied over the years, but the specter has remained constant. Memories of a bitter war still remain in the South, and, in the past, most Koreans have been prepared to sacrifice some of their personal liberties in order to maintain national security. The problem South Korea faces today is determining what that price should be. While we share Korean aspirations for truly responsive government, the decision is a determination only the people of South Korea can make.

The point that Mr. Hummel makes is most apropos for despite all the opposition Mr. Park faces today, the opposition leaders—everyone from the Christians to the students—are all agreed that national vigilance against an attack from the North must be maintained at all times.

Mr. President, while in the Republic of Korea last fall, everyone I talked with—our Embassy officials, our military leaders, Government officials, and private citizens—agreed that national security was of paramount importance. In manifestation of this spirit, the 92d session of the Korean National Assembly on May 20, 1975, unanimously adopted the "Resolution on National Security." The resolution, supported by bipartisan legislatures, declared in part:

> The entire Korean people, firmly united, resolve resolutely to crush any type of north Korean provocation and aggression, thus safeguarding the nation's legitimacy as well as guaranteeing the right to survive for a free democracy in this country.

Mr. President, this resolution affirms once again the strong desire of the people of South Korea to maintain their independence, their freedom, and their democratic way of life.

Imperfect as their fledgling democracy is, the people of South Korea vastly prefer it to the alternative of Communist rule by North Korea. The people of South Korea know that liberty and human rights do not flourish under Communist rule.

Even columnist Jack Anderson, hardly a past defender of American foreign policy, who last year journeyed to Korea to investigate for himself the allegations of atrocities and widespread repression in the Republic of Korea, reported December 7, 1974:

> South Korea's growth rate, now at an astonishing 15 per cent, is the highest in the world. The people, clearly are more free, more prosperous and altogether better off than their cousins north of the 38th Parallel.
>
> I found that Park's opponents are quite free to denounce him and to demonstrate against him. Seoul's daily newspaper carry cautious accounts of these demonstrations.
>
> The democratic processes clearly have been curtailed, but democracy is not dead in South Korea. And economically, the country has made astonishing progress under President Park.

I do not argue with those who claim that there has been a curtailment of civil rights in the past year. I do not disagree with those who argue that political freedom in South Korea does not exist to the same degree as in the United States. All these claims have been well-documented and admitted to by the South Korean Government. After almost 200 years, our Nation has not perfected democracy, despite our Anglo-Saxon democratic heritage of more than 1,000 years.

Mr. President, in a statement in the Senate last December, I reported that when I was in South Korea, I witnessed one of the most democratic practices that can be found anywhere. The South Korean Prime Minister and his cabinet were undergoing 2 weeks of intensive public, face-to-face, sometimes abrasive questioning by members of the opposition in the South Korean legislature.

So, Mr. President, as we in America contemplate what our future policy toward South Korea should be, we should look at the broad picture and at the alternatives.

Surely, it is unrealistic to expect all our friends and allies around the world to be models of perfection, without flaw, without sin. That is a standard so high that even the United States of America does not meet it.

In foreign policy and in our relations with other nations, we must keep in mind our Nation's broad objectives, our primary goals, our needs, and our solemn treaty pledges.

In view of the recent debacle in Indochina, where America's failure to fulfill our commitment to resupply South Vietnam raised grave doubts around the world as to the reliability of the United States, our Government must fulfill its promise to South Korea to modernize its defense forces.

Our basic commitment to the Republic of Korea is the Mutual Defense Treaty signed in 1954. As part of this agreement, we presently have 42,000 troops stationed in South Korea. These troops, stationed between the DMZ and Seoul, are as important to deter war in South Korea as U.S. troops in Europe are to deter war there.

In 1970, the United States reaffirmed its commitment to South Korea by pledging itself to 5-year modernization program, a program that was to be completed by the end of the current fiscal year—June 30, 1975.

However, as has happened all too frequently in the past, America has again failed to live up to its promises. By June 30, America will fall $362.8 million short of our promised aid—about 29 percent short.

One of the most important steps the Congress of the United States could take to help avert the outbreak of war in South Korea would be to provide funds to expedite modernization of Republic of Korea forces.

At this critical juncture, we must maintain our force levels in South Korea. Withdrawal of any sizable numbers of U.S. troops could well lead North Korea's Kim Il-sung to miscalculate our resolve and our intentions, just as he miscalculated our resolve and our intentions in 1950, after our Secretary of State excluded South Korea from our Pacific defense perimeter.

President Ford has repeatedly enunciated his determination to fulfill our promises and our treaty obligations to South Korea. The Congress should back up the President in the effort to avert further outbreaks of war against the South Korean people.

The United States should recognize that South Korea is a key portion of the democratic strongholds in the Western Pacific, which include Japan, the Republic of China, and the Philippines as well. As such, South Korea is very important to U.S. interests in the Pacific.

Should South Korea fall under the domination of Communist North Korea, Japan would be in dire jeopardy, for the Korean peninsula geographically is like a pistol aimed at Japan.

Japan has only some home defense forces and relies on the United States for its national security. Therefore, we must stop whittling away our bases in Japan. Otherwise, we leave South Korea without modern air cover and we leave Japan naked to aggression.

What a catastrophe it would be for America if South Korea, Japan, the Republic of China, and the Philippines were to lose their independence and come under Communist rule.

What a tragedy to lose to Communist rule 35 million South Korean people, 107 million Japanese people, 16 milion Republic of China people, and 40 million Filipino people—people who now enjoy freedom far exceeding that of the citizens of any Communist nation.

What an array of hostile nations we would face from our shores in Guam, Hawaii, Alaska, and the lower west coast. How our defense and security problems would be magnified.

What a blow it would be to our economy and to American jobs if we lost our good trading partners: Japan, the Republic of China, South Korea, and the Philippines.

Such trade now far surpasses our trade with all Communist nations combined.

What a blow to the free world to lose to the Communist orbit the industrial might and technological skills of Japan, third greatest producer in the world, the output, ingenuity, and skill of the Republic of China and South Korea, and the resourcefulness of the Filipino people.

America has a very great stake in the continued independence of South Korea, Japan, the Republic of China, and the Philippines. It is a stake that encompasses the very economic lifeblood of our Nation, the jobs of millions of American workers, and indeed the security of our country.

So today, Mr. President, on this the 25th anniversary of the North Korean attack on South Korea, I plead with my colleagues in Congress and with the American people to do everything we can to avert another attack on South Korea. Such an attack, if successful, would have adverse repercussions extending far beyond South Korea to the entire Western Pacific, leaving America facing a hostile array of nations.

Let us have the foresight, the wisdom, the courage, and the staying power to help maintain independence and freedom for South Korea, one of our strongest, most faithful, and dependable allies in the world.

We must deter war, not only for the sake of the 35 million people of South Korea, but for the sake of 213 million Americans and the generations to come.

Mr. President, I yield to my distinguished colleague from North Carolina (Mr. Morgan).

THE 25TH ANNIVERSARY OF COMMENCEMENT OF THE KOREAN WAR

Mr. MORGAN. Mr. President, I am pleased to join with my distinguished colleague this morning in noting the 25th anniversary of the commencement of the Korean war. On June 25, 1950, North Korean troops launched a full-scale attack across the 38th parallel. U.N. forces, under the unified command of the United States, acted quickly and decisively to combat the Communist invasion. Later, despite Communist China's provision of military equipment and manpower for the enemy cause, limited objective offensives by allied forces created such havoc with enemy forces that they requested a cease-fire. Two years of negotiations produced an armistice which brought peace to Korea again.

Mr. President, I served in the U.S. Navy during the Korean conflict, and I saw firsthand our country's courageous efforts on behalf of the Republic of Korea. I saw 27 of my shipmates make the supreme sacrifice. By playing such a vital role in preserving South Korea's freedom, the United States underscored the commitment to its allies in Asia. Our swift and vigorous response to North Korea's invasion signaled to the world our ardent opposition to Communist military aggression against countries of the Free World.

Today, 25 years later, we must again focus our attention on Korea. With Indochina having now fallen into Communist hands, widespread speculation is that the next clash in Asia may well occur on that divided peninsula.

The situation in Korea is especially perilous since the interests of the United States, Japan, U.S.S.R. and Communist China all converge there. China and Russia have contiguous borders with North Korea, and historically have supported the Communist regime there with economic and military assistance. During the Korean conflict, for example, many of the Communist troops were commanded by Soviet officers. And Red China supplied some 300,000 soldiers for the enemy cause. North Korea is assured of continued support since it has treaty relationships with both Russia and Red China which were negotiated in 1961.

As for our relations with South Korea, significant trade and economic ties have developed. Since World War II, we have invested over $11 billion in military and economic assistance to the Republic of Korea. And in addition, we sacrificed more than 50,000 lives and sustained in excess of 100,000 wounded in the Korean war. Up until 1973, we were South Korea's largest trading partner.

Japan's relationship with South Korea should not be understated. Japan replaced the United States in 1973 as the Republic of Korea's best customer and now rivals U.S. investment there. During the Korean war, Japan served as a logistical base and transhipment point in support of U.N. forces in Korea. To carry on military operations effectively in Korea, Japanese bases are essential.

If tension mounts on the peninsula, therefore, all four nations must make decisions regarding what actions to take. North Korea would look for support from Red China and Russia, while South Korea would undoubtedly seek assistance from the United States and Japan.

If the three major military powers, as well as Japan, became involved in hostility in Korea, the results would certainly be disastrous. Détente between the United States and Russia would be destroyed and hopes of improved relations with the People's Republic of China irreparably harmed. Japan could not hope to establish relations and expand contacts with Russia or China. And there is certainly the very real possibility that fighting could not be restricted to the peninsula, but would spill over into other areas.

It is clear, then, that the United States must do everything within its power to avert a military conflict in Korea. This means we must continue to give strong military and economic support to the Government of South Korea. In doing so, we give visible evidence of the determination of our commitment to that region.

A comparison today of the strength of the North and South Korean Armed Forces indicates them to be about even on the ground and at sea. But the North Koreans hold a great advantage in the air. The Communists have about 600 combat planes, 130 of which are Russian-built Mig 21 jet fighters. The South Koreans, on the other hand, have only about 200 combat planes, including 110 F–86's used in the Korean war, and 18 F–4 Phantom jets. U.S. forces in Korea presently total about 42,000 troops. Included in this contingent is one USAF fighter wing. The fighter wing serves to balance the South Korean Air Force with that of the North Koreans'.

These forces serve as a clear indication of our commitment to the Republic of Korea. If we withdrew these forces, we might avoid involvement in some unwanted conflict, but we would surely lose valuable influence in the area. Also, a withdrawal of our forces may tempt North Korea into taking offensive actions against the South Koreans.

The potential for North Korean aggression is clearly evident. Just recently tunnels dug by the Communists have been discovered under the demilitarized zone by South Korean patrol squads. In describing the nature and possible usefulness of the tunnels, a New York Times June 12, 1975, article stated,

> Thus the tunnels appear to be routes for small bands of guerrillas, saboteurs, North Koreans in South Korean uniforms infiltrated to create confusion, or similar units intended to attack the South Korean front lines from the rear.

Covert actions such as this one make it imperative that we continue our support of the Government of South Korea.

And so, Mr. President, as we enter a new age in foreign policy, with the collapse of Southeast Asia, and the dissension among some of our NATO partners, I would ask my colleagues to carefully examine the present situation in Korea. Upon such careful consideration, as have I, that we cannot afford to retreat from our commitment and support of South Korea.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order the Senator from South Carolina (Mr. THURMOND) is recognized for not to exceed 15 minutes.

THE CONTINUED FREEDOM OF THE REPUBLIC OF KOREA

Mr. THURMOND. Mr. President, today my colleagues and I consider a subject of exceedingly vital importance to the United States: The continued freedom of the Republic of Korea. In light of the recent Communist takeovers in South Vietnam and Cambodia, the Republic of Korea, or, as it is commonly known, South Korea, remains as a fortress against Communist aggression on the Asian mainland. The United States must continue to give its full and unqualified support to our staunch ally, South Korea.

The Republic of Korea has an estimated population of 34 million people situated in an area of approximately 38,000 square miles, which is slightly larger than our State of Indiana. This ranks South Korea with Japan and the Republic of China, in density of population. Amazingly, the literacy rate in South Korea is approximately 90 percent.

Mr. President, by merely looking at a world map, one can easily grasp the significance of the Korean peninsula to the four major powers in the area: The People's Republic of China, the Soviet Union, Japan, and the United States. The United States and Japan have considerable interests in the Korean peninsula. Both countries have substantial economic ties as trading partners with South Korea. In 1973, South Korea sold goods worth over $1 billion to the United States. Since then Japan has surpassed the United States in dollar volume of trade with South Korea and is now that country's No. 1 trading partner.

Communist China and the Soviet Union have contiguous borders with North Korea. Historically, these two countries have supported the North Korean Communist regime with economic and military assistance. As is well known, Chinese troops were used in Korean conflict, and Red China was branded an aggressor by the United Nations for this support of North Korea.

Mr. President, the Soviet Union and the People's Republic of China are constantly supplying the North Koreans with weaponry with which to conduct war. This has been done and is being done on a massive scale. The extent of this continuing support is aptly illustrated by the fact that North Korea has a three-to-one air superiority over South Korea. Approximately, one-quarter of the North Korean Air Force consists of the modern Soviet Mig–21 fighter interceptors. Of South Korea's approximately 200 combat planes, 110 are U.S. F–86's dating from the Korean war of the early 1950's, and only 18 are F–4 Phantom jets.

Mr. President, in 1971 the United States embarked on a $1.5 billion program to modernize the South Korean Armed Forces. Unfortunately, Congress has not appropriated sufficient funds for this purpose. The Republic of Korea has already been informed by our Government that this modernization program cannot be completed by the end of fiscal year 1975 and must be extended. As of June 15, 1975, $363 million in military assistance plans and foreign military sales credit remains to be programed; in addition, $112 million in nonreimbursable transfers has not yet been programed. Mr. President, this is totally inexcusable. If the South Koreans are going to be able to adequately defend themselves against armed aggression from North Korea, they must have the equipment with which to do it. The South Koreans are determined to resist aggression. The South Korean people recognize the value of their freedom and will fight to preserve it. The Congress should act immediately to appropriate the full amount of aid promised our ally, South Korea.

Mr. President, as I have previously stated, North Korea has contiguous borders with both the Soviet Union and Communist China. Thus, in the event of war, it would be relatively simple for the North Koreans to be resupplied by their allies. South Korea, on the other hand, must be resupplied by the United States and Japan. In the case of military equipment and hardware, resupply would come almost entirely from the United States. Considering the logistics problem that would be involved in a resupply effort for South Korea, does it not make eminent sense that the South Koreans not be forced at the outset into a posture of inferiority insofar as military equipment is concerned?

North Korea has treaty relationships with the Soviet Union and Communist China which were negotiated with both countries in 1961. The treaty with Communist China has no termination date, and the treaty with the Soviet Union was negotiated for 10 years and is renewable for 5 additional years. Although it appears that Communist China would not prefer a North-South confrontation at this time, as advocates of wars of "national liberation," they would probably not deny North Korea at least tacit support for a guerrilla insurgency in South Korea

Mr. President, the United States must stand by its treaty commitments to South Korea. Our Mutual Defense Treaty contains four principal operative provisions: First, the parties will seek peaceful views of settling disputes; second, the parties will consult in the event either is threatened by external armed attack; third, each party recognizes that an armed attack in the Pacific area on either country would constitute a danger to their peace and security and agree to meet the common danger in accord with their constitutional processes, and fourth, Korea recognizes the deployment of U.S. Armed Forces in its territory, subject to the mutual agreement governing such forces.

Mr. President, I feel that the recently enacted war powers resolution is not substantially in disagreement with the provisions of this Mutual Defense Treaty. Under the war powers resolution, the President, under his constitutional powers, may introduce U.S. Armed Forces into hostilities or where imminent involvement in hostilities is clearly indicated. This reflects the Presidential power to introduce additional armed forces into Korea if our forces are attacked there. By requiring the President to consult with Congress in every possible instance before introducing U.S. Armed Forces and consult regularly thereafter, the war powers resolution implements, to a large degree, the consulting provisions of the Mutual Defense Treaty and the treaty's qualification that action with respect to use of force take place in conformance with constitutional processes.

Mr. President, the reasons the United States must adhere to her treaty commitments to South Korea and remain a viable force in this area of the world are many and varied. From 1950 to 1953, the United States was involved in a bloody and costly war in South Korea. At the end, we were able to help South Korea maintain her freedom and independence, but at a cost of over 33,000 American dead and 103,000 wounded. We cannot, 25 years later, abandon our ally whose freedom was preserved by the sacrifices of these valiant Americans.

The continued independence of Korea is vital to another of America's staunchest allies, Japan. As I noted earlier, Japan is now Korea's No. 1 trading partner, having recently surpassed the United States in this regard. More importantly, however, is the strategic importance of a free South Korea to Japan. A swift glance at a map makes this crystal clear. If all of Korea were under Communist control, it would be a dagger pointed at the heart of Japan. If this were the case, Japan would most certainly feel insecure and would be forced to rearm. I note that President Marcos of the Phillipines, an old friend and staunch ally of the United States, has recently returned from Communist China, a trip he felt he had to make due to recent events in Southeast Asia. Japan is also watching the United States to see if we will fulfill our commitments. I suggest, Mr. President, that if South Korea were to fall to the Communists, Japan, the third largest producing country in the world, would feel like a tortoise without its shell, naked and defenseless. America cannot afford to let that happen.

Finally, Mr. President, recent events occurring in Korea point out the need for continued U.S. presence in this area. in November 1974, a South Korean patrol discovered a tunnel under the demilitarized zone which had been constructed by the North Koreans. Other tunnels have since been uncovered, and it is estimated that there may be some 15 or more tunnels under the DMZ. Additionally, recent statements by North Korean officials, and the reported movements of two North Korean armed divisions closer to the DMZ are cause for concern. In light of these developments, President Park of South Korea has stepped up the alertness posture of his country.

Mr. President, around the first of this year I visited the Republic of Korea, and was deeply impressed by their Armed Forces. These forces are modern, well-trained, and well-disciplined—they possess the will to fight for the preservation of their freedom. This combat capability was most recently proven in South Vietnam. However, these soldiers must have equipment equal to that of their enemy. The United States should fulfill its promise to modernize the South Korean Armed Forces. In addition to a well-equipped, well-trained, South Korean Army, the presence of the U.S. 2d Division in South Korea is visible evidence of the U.S. commitment to peace in this area. These U.S. forces have provided an important deterrent to any North Korean aggression across the DMZ. Withdrawal of these forces would eliminate this essential deterrent.

Mr. President, I would like to remind my colleagues that the last time the United States withdrew its ground forces from Korea was in 1949. Twenty-five years ago today, the North Koreans attacked South Korea, and the United States became embroiled in the Korean war. There is no guarantee that history would not repeat itself. Let us rededicate ourselves today in support of our ally, South Korea—a country which may well be the key to stability and peace in her part of the world.

Mr. President, I ask unanimous consent that an article which appeared in the Rising Tide, dated June 23, 1975, entitled "1,200,000 at International Rally in Korea," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

1,200,000 AT INTERNATIONAL RALLY FOR KOREA

60 NATIONS REPRESENTED IN SEOUL

A thousand delegates from over 60 nations joined more than a million residents of Korea June 7 in pledging to give their lives in the defense of freedom on the Korean Peninsula.

Featured speaker at the huge rally was the Reverend Sun Myung Moon, founder of the international Unification Church. Rev. Moon is also founder of the International Federation for Victory over Communism.

The internationally known evangelist denounced Communism as the "enemy of both God and man" and said that his followers from throughout the world had pledged to come to Korea and die if necessary to defend against any attack by North Korean dictator Kim Il-sung.

Representatives from 16 other religious groups also addressed the huge congregation of believers, including the leaders of the Chondo-gyo religious sect and several Buddhist and Christian denominations.

Neil A. Salonen, President of the Freedom Leadership Foundation represented the United States and addressed the rally.

"We have come here with three purposes, Salonen said:

To awaken the people of the free world to the great danger for all of us which exists in the current crisis in Korea.

To warn the Communists, especially in North Korea, that we the people, regardless of what the governments may do, will not tolerate renewed aggression.

To call upon all people of all religions to join us in this humanitarian crusade to demonstrate for the freedom for all those who are trapped in Communist countries against their will, and (to demonstrate) for God."

Rev. Moon emphasized the religious theme in his address to the huge congregation.

"Today two ideologies are facing each other," he told the crowd which had gathered at Yoido Island on Seoul's south side.

"One thinks that there is a God and the other thinks that there is no God. One world is centered on material and the other is centered on spirit. The world that believes in God is on God's side. The world that does not believe in God is on Satan's side.

"Therefore the fight to defeat Communism is the fight of God.

"The protection of Korean freedom is not only for Korea," Rev. Moon said, but for the sake of the whole free world and for the defense of eternal freedom and to bring to God a final victory.

Referring to the suppression of religious and other human rights in Communist countries Rev. Moon declared, "when these two world ideologies confront one another the result will determine God's existence."

Several speakers gave personal testimonies to the utter destruction of religious worship in Communist countries, especially in Communist North Korea.

Open letters were adopted to U.S. President Gerald Ford, Korea President Park Chung Hee and other free world leaders.

A letter of warning was approved by the congregation, addressed to North Korean President Kim II sung, and declaring that aggression would be strongly repulsed.

(The following additional statements on Korea are printed at this point in the Record by unanimous consent.)

THE UNITED STATES WILL ACT DECISIVELY IN SOUTH KOREA

Mr. HELMS. Mr. President, I commend the distinguished Senator from Hawaii (Mr. Fong) and my distinguished colleague from North Carolina (Mr. Morgan) for their eloquent statements here this morning. I am pleased to associate myself with their remarks.

As they have made clear, Mr. President, we have a piece of unfinished business in South Korea, some business that the casual observer might think we are ready to liquidate. Let us state it clearly at the outset, "such a casual observer would be wrong." I am very pleased to participate in this discussion with my distinguished colleagues in order to help emphasize the point. We want to send a message to the whole world, and to North Korea in particular, that we here in the Senate today are ready to support decisive action should any unmistakable aggression from the North occur.

I want to make it clear that I am underlining the word "decisive" when it is combined with support for whatever action might be necessary. I think we learned a tragic lesson in Vietnam about protracted warfare in which men's lives are doled out one by one, by the dozen—even by the score even—to bolster some diplomat's empty gesture, or to "contain" warfare within "reasonable" boundaries.

I do not think that any man who ever served in battle would agree that there is anything reasonable about war. War might better be described as the failure of reason, the failure of credible deterrence. That is why the only course of response to armed aggression is an effort to win the war and win it quickly. So-called civilian advisers who shrink from the costs of victory may think that they are limiting the horrors of war through controlled escalations, limited targets, and negotiated settlements; but these devices have all been discredited in the shame of Vietnam. They are more costly in the long run. We know that more U.S. casualties occurred after the so-called peace negotiations began than before. So too, in Korea almost as many casualties occurred after the negotiations began on July 10, 1951, as before. We have learned some hard lessons in Asia. Never again will we allow a protracted war, or a false peace to blind us to the ongoing protracted conflict.

That is why I welcome the public statement of Secretary of Defense James Schlesinger that we have tactical nuclear weapons ready for use in Korea, and that we would use them if necessary. We all know about the imbalance in the opposing indigenous forces on the Korean peninsula. We also know about the role of the United States in the unified command structure.

The experts have told us about the vulnerability of certain exposed targets and geographical centers in the South. There has been the suggestion that there is really no effective defense for these areas, and that the formidible North Korean forces might try to capture these targets in order to demoralize the opposition in the South and to test the American will to allow U.S. troops to enter hostilities. The statement of Secretary Schlesinger deals a mortal blow to this speculation. The nation that depends merely upon technology or wealth for its survival will surely falter, but the nation that possesses both the will to win and the means is already half way to victory. The name of the game is to stop aggression before it starts by making the would-be aggressor fear the consequence of his actions. The statement of Secretary Schlesinger lays out the consequences most forthrightly. And those consequences would occur before the pacifist lobby in this country gets cranked up.

For, indeed, already we are hearing that we have no business in Korea at all, and that in South Korea is not a worthy recipient of the benefactions of our armaments. The answer to this is twofold:

First. We are not ready and primed in Korea for the primary benefit of the South Koreans, and

Second. Therefore, the internal problems of South Korea should not be our business.

Frankly, we are in Korea now as earlier because Korea is the front line of the Pacific. It is a shield thrust forward in front of Japan; and if Japan were directly exposed and threatened, her intricate economy—interwoven so closely with the needs and stability of the Western economies would collapse. It is fashionable to imagine in some quarters that the United States is defensible beginning at the sands of Waikiki, or perhaps at the Golden Gate. Of course it is not. Our influence, our ability to lead other nations to work toward common goals, our willingness to defend freedom depend upon our allies perception of our decisiveness and resolution.

But is South Korea, as some seem to doubt, a "bastion of freedom" in the consecrated phrase? What about the controlled press in South Korea, the stern measures against subversives, the emergency decrees concentrating power in the hands of the executive? I cannot defend such actions out of hand; I have only read about them in our own newspapers, and it would be rash of me to come down on one side or the other of such controversy.

But if I were in a position to investigate such charges, I would realize that our own media's reputation for objectivity is so low that I would not want to take at face value the stories that have thus far filtered down to the public at large. Nor would I omit to recall that the history of the United States includes such incidents as Abraham Lincoln's suspension of the rights of habeas corpus during the War Between the States, detention without trial for whole groups of suspected collaborators during that war—and other wars—and the military trial, without constitutional safeguards, of those accused in the plot to assassinate Lincoln.

When we cannot justify our own history, how can we accuse others of the same crimes? Suffice it to say that the perspective of war is lost upon those who study events in tranquillity.

Besides, too many, even in our own country, have forgotten the basic components of freedom. The rights of complete freedom of speech and democratic participation in government are exotic plants grafted upon the more sturdy roots of life, liberty and property. The man who can draw his family about him, provide the necessities and a little more, choose his abode and mode of employment or enterprise enjoys far more basic freedoms than the man who is constrained by a Communist state or than the man whose liberties are hamstrung by socialism or whose necessities are provided by welfare.

The South Korean economy needs no apology, and it is relatively efficient at distributing the fruits of labor and invention according to initiative. A nation that can provide this while faced by an implacable enemy deserves our support and is more in the American tradition than the Third World Socialists so fashionable in our media.

I think it is clear that the United States will take a stand in South Korea and act decisively if that is necessary. Our President, as Commander in Chief, has shown that he has the will and the authority to act in a way which will not be misinterpreted. Let no one draw another conclusion.

THE KOREAN SITUATION

Mr. GARN. Mr. President, any discussion of the Korean situation today must address the similarities and differences between Korea and Vietnam. Our mistakes in Vietnam must not be repeated in Korea, and I would like today to consider some ways in which the two countries are alike and different.

One lesson which should have been learned from Vietnam, Mr. President, is the psychological component of modern warfare. We were constantly told, toward the end of the Vietnamese conflict, that the impact of the media was extremely important in the conduct of the war, perhaps even determinative of the outcome. At the least, it became obvious that the psychological condition of the American public was as important as the military equipment of the two armies on the battlefield. In part, the perceptions of the people resulted from decisions made by the media, but in part, those who were responsible for the official conduct of the war committed a serious strategic error in the way they elected to treat the war. To quote Norman Hannah, the U.S. Consul General in Sydney, Australia, the key question is "how did the reality of the war in Indochina differ from our perception of it?" Mr. Hannah goes on, in an article in the June 20 issue of National Review, to discuss four ambiguities about the conduct of the war, ambiguities which led eventually to our loss on the battlefield, and the delivery of 14 million of God's children into a system of government which thrives on violating the rights of individuals. I will not discuss each of the ambiguities, but I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GREAT STRATEGIC ERROR

(By Norman B. Hannah)

To start with, let us change the question from "Who lost Indochina?" to another question: "How did the reality of the war in Indochina differ from our perception of it?" This is the key question in one of history's most complexly multifaceted and ambiguous wars.

Ambiguity is the key word—the key to the war, to North Vietnam's success and to our difficulties, particularly during the period of our initial commitment and military buildup running to the Tet offensive of February 1968. Communist strategy was based on preservation of a screen of ambiguity beneath which they could operate at their own level of capability without presenting a clear target to our infinitely greater and more sophisticated capabilities. The screen was briefly withdrawn during the Tet offensive, then quickly restored in the wake of Hanoi's military defeat and political victory, and most recently withdrawn again for the final North Vietnamese victory. We recognized the various aspects of this ambiguity as empirical data and in some cases took vigorous (if not wholly effective) action. But we did not act on a perception of the whole fabric of ambiguity as the means by which the Communist side forced the war into a pattern which channeled our efforts into directions which Hanoi found tolerable (although hurtful), while not depriving it of its own ability to operate on the ground at its own level of military capability.

This cultivated ambiguity had several aspects:

1. *In military tactics,* the North Vietnamese (with their subordinate Vietcong elements) fought like guerrillas simulating the role of an indigenous civil insurrection although they had been largely sent from North Vietnam.

2. In *military strategy,* the North Vietnamese used the forest canopy and the ineffective neutrality of eastern Laos and Cambodia to cover their movement of reinforcements and supplies to South Vietnam.

3. *Politically,* Hanoi used a quadruple canopy under the 1962 Geneva Accords on Laos—the Pathet Lao, the spurious "troika" coalition, the ineffective ICC, and the deadlocked UK–USSR co-chairmen—to protect their use of eastern Laos as a military route to South Vietnam.

4. *Psychologically,* they cast a worldwide veil of obscurity on their actions by refusing (as a totalitarian state can do and others cannot) ever to acknowledge that they had any forces in South Vietnam, Laos, and Cambodia, thereby denying the world a specific target for criticism.

If ambiguity was the weapon on the Communist side, unequivocal clarity should have been our weapon as it traditionally has been. Americans have been criticized for casting complex issues into overly simplified categories of black and white, ignoring the shades of gray, perhaps sometimes a valid criticism in dealing with abstract principles. But when the stage of war has been reached, there are only two sides, "theirs" and "ours." Here, our perception of the ambiguity of the Vietnam War failed us. Instead of tearing away the veil of ambiguity and forcing the war into the kind of clearly demarcated sides which would enable us to extract full measure from our strengths, we cast our response to North Vietnam's ambiguous attack in a pattern which permitted Hanoi the continued use of the ambiguity on which its strategy was based. I am not implying support for extreme notions such as the use of nuclear weapons, or occupying North Vietnam, or "bombing Hanoi back to the Stone Age," or threatening Communist China. What is involved is only the effective dovetailing of political ends and military means. The following four points are consecutively apposite the four numbered points above.

1. We deployed our forces throughout South Vietnam *as if* we were opposing an indigenous insurgency rather than external attack, however masked.

2. We responded to Hanoi's use of the routs through Laos by bombing which was only marginally effective without follow-up exploitation, and we never effectively insulated South Vietnam against the essential route of external attack.

3. We exercised this restraint because of our desire to maintain the "framework" or, more properly, the "facade" of the Geneva Accords on Laos for future use, despite the fact that under the umbrella of the Accords Laos was being used by Hanoi as the key instrument in its campaign to bring down South Vietnam—literally a gun pointed at the heart of South Vietnam.

4. Because of the foregoing, Hanoi was never forced to acknowledge its participation publicly or to defend its actions, a situation to which the world soon grew accustomed and thereafter berated Hanoi infinitely less for what it refused to admit than the U.S. for what it openly proclaimed.

How did this happen? We were imprecise in our perception of the nature of the problem in South Vietnam. To what extent was it an external attack from North Vietnam and to what extent a genuine internal uprising against the government and its internal weaknesses? This was the fundamental question on which our whole role in South Vietnam should have turned. We needed to sort out the external and internal elements, to determine the role played by each—which was primary and which secondary. A conclusion that the war was *primarily indigenous* and only secondarily supported from North Vietnam would have constituted a strong prima facie case against committing any U.S. forces, although economic and military assistance (not U.S. forces) might still have been indicated. If, on the other hand, the war resulted *primarily* from an *external attack*, benefiting only secondarily from certain internal weaknesses, there would have been ground to consider: a) whether appropriate means were available to assist South Vietnam in coping with its own internal weaknesses and, b) if so, whether to introduce armed forces against the external attack but not against indigenous resistance, in other words, "to insulate" South Vietnam against the external attack, buying time to work on the internal problems.

Viewed in this manner, we had two choices, depending on our analysis of the problem—either to keep U.S. forces out of Vietnam or to deploy them against the external threat. Unfortunately, our perceptions were not formulated in such precisely defined terms. Either of these two choices would have been more logical than the one we chose—to split the difference by deploying U.S. forces internally to fight against a simulated insurgency.

How did this confusion occur? Not because of inadequate intelligence information, at least not after 1961. But, during the early 1960s, as Hanoi's role grew and our knowledge of it increased, our perception was distorted into a misapplication of the new doctrine of "counterinsurgency." This doctrine was predicated on the idea that Communist subversion flourished in poorly organized, newly independent, underdeveloped countries afflicted with internal weaknesses, including ineffective internal security. It followed that it would be cheaper and more effective to cope with these internal weaknesses in their incipient stages than to wait until they grew into crises of major proportions. Counterinsurgency offered a way of coping with Communist subversion before it reached the stage of nuclear confrontation, as it did in Cuba in 1962.

The doctrine had much merit and it provided a pattern for applying our resources broadly across social, economic, agricultural, educational, administrative, and internal security needs and problems. It included a heavy component of internal security emphasis on the training, organizing, and equipping of police and gendarmerie forces. This kind of aid seemed to meet the real needs and capabilities of some countries better than more costly military assistance programs based on large armies loaded with sophisticated electronics, missiles, jets, and major naval units.

So far, so good, but at this point the counterinsurgency doctrine was twisted askew to accommodate South Vietnam. Hanoi's ambiguous attack, masking as an indigenous uprising, came to be called an 'insurgency," thus blanketing it under the new doctrine which was originally designed to cope with truly "internal" problems. The result was inevitable. Hanoi's infiltrated aggression was treated as the insurgency it pretended to be while its external origins were treated as of secondary, almost incidental importance. Thus did the doctrine of counterinsurgency provide the matrix out of which our policies and strategies in South Vietnam were fabricated.

The doctrine included the concept of "advisors," a concept which was greatly expanded in the early 1960s to include up to 20,000 military advisors in South Vietnam, with many assigned down to the platoon level and operating with Vietnamese forces in the field. Steadily, the external input from North Vietnam mounted and eventually, in response, U.S. forces were committed to protect the security of the bases at Danang and Bien Hoa, then to the Central Highlands, and progressively in all kinds of combat roles throughout South Vietnam.

It had been known since 1962 that North Vietnam had forces in eastern Laos in defiance of the Geneva Accords of the same year and that the Ho Chi Minh trial was being used to move supplies and men to South Vietnam. Later, we saw the flow of equipment and men through eastern Laos into South Vietnam mounting in the middle Sixties to cover 100,000 men per year while much heavy equipment was shipped by sea to Cambodia and moved through the forests to South Vietnam. But U.S. forces were already committed to fighting throughout South Vietnam in accordance with the doctrine of counterinsurgency, not against the external attack. The process fed on itself. As our forces secured one town, their perimeter had to be expanded in self-protection, thus requiring more men and more logistical and air support. Then, as we brought our heavy military might to bear, we grievously frayed the Vietnamese socio-political fabric, thus increasing its dependence on us. Meanwhile, the flow through Laos and Cambodia to the enemy proceeded steadily.

As the impact of external reinforcements increased to a stage which could no longer be tolerated, we deployed our Air Force progressively mile by mile further north in Laos and North Vietnam. Thus, we tried to meet the external threat by increasingly heavy air action without following it up with ground exploitation—to cut the routes in Laos—despite the clear lesson of both Germany and Korea that air power not followed up by ground exploitation cannot be decisive.

How did this happen? Here, we reach another element of ambiguity. Under the Geneva Accords of 1962, Laos was supposed to become a buffer state governed by a neutral tripartite government including Communists, neutralists, and non-Communists, under the auspices of the Accords which internationally guaranteed Laotian neutrality and provided for the withdrawal of all foreign forces.

But the Accords were predicated on a confusion of "neutrality" with "coalition." Neutral buffers exist and in some cases perform a useful function by insulating what might otherwise be contentious borders between Communist and non-Communist areas. Austria is one and Afghanistan another. However, in these cases, neutrality is rooted in a unified government prepared to behave in a unified neutral manner. In Laos, the tripartite coalition did not function as a unified neutral government and could not do so, as North Vietnam never withdrew its forces. Moreover, the history of Communism strongly suggests that while Communists are sometimes prepared to respect genuine neutrality and may be prepared to reach detente on a territorial basis, they will not do it on a political basis which require an overt ideological merging. For a Communist Party to submerge itself in a full-fledged coalition indefinitely would be incompatible with Communist ideology.

There was concern that effective military counteraction against the North Vietnamese in Laos would result in the destruction of the Geneva Accords. It was hoped that maintaining the facade of the Accords would make it possible at some later time to use them as the framework for a real peace. But when? It was widely believed that the Laos problem was subordinate to South Vietnam and that once the problem of South Vietnam was settled, the situation in Laos would then be adjusted accordingly. Because our strategy in South Vietnam has been cast in a counterinsurgency pattern and because we were dedicated to the preservation of the facade of the Laotian Accords, our perception was blinded to the fact that Laos, far from being secondary or subordinate to South Vietnam, was indeed the principal instrument being used by Hanoi against the South. In fact, Laos became not a neutral buffer but a highway of aggression.

A different point of view would have been to perceive Hanoi's violation of the Geneva Accords on Laos as a) a measure of the importance of Laos to North Vietnam's attack on South Vietnam, b) a measure of Hanoi's attitude toward solemnly negotiated agreements, and c) a measure of the real value of the Accords themselves.

Implicit in the concept of counterinsurgency was the concept of "measured response," that is, a response no greater than necessary to accomplish a specified limited objective. The important thing is that the objective be specific measurable, and achievable. As applied in Indochina, however, "measured response" became "gradual escalation" which was intended to increase the pressure incrementally so that at any moment it could be relaxed in response to some possibly favorable sign from the other side. Gradualism was believed also to minimize the danger of provoking a dangerous Great Power reaction.

There is something to be said for gradualism if the graduated scale is closely geared to specific, realistic, *achievable* objectives. Unfortunately, gradualism in Vietnam was imprecise, based on such unmeasurable criteria as "tightening the screws" or "getting the message to Hanoi." This is why escalation seemed to proceed unproductively upward. The goal which gradualism pursued was simply an indication of Hanoi's willingness to call it all off, which reflected a far too low perception of Hanoi's tenacity and its ability to withstand today's harsh punishment as the price of tomorrow's reward.

Let it also be said, parenthetically, that the proponents of "de-escalation" were equally imprecise in defining the point at which their specific objective would be reached, perhaps not wanting to look ahead to the logical conclusion any more than the proponents of ungeared escalation did. In a sense, gradualism was like a violin string which could be tightened or loosened by turning the peg but unfortunately that peg lacked a "sticking point" in the form of a specific objective achievable by our own resources without the cooperation of the enemy. Once the peg was finally released without a sticking place at the taut level, it was inevitable that the string would unwind to its flaccid end.

Gradualism, as practiced in Vietnam, was directed at inducing the enemy to agree to give us our objectives. This tested Hanoi's endurance without achieving our ends. Thus, the war was reduced to a contest of political attrition to determine which side was capable of sustaining longer the cost of an inconclusive and seemingly endless war. Militarily, the U.S. was far stronger, but politically the American people needed an unequivocally clear confrontation with a visible enemy and specific military objectives which could be portrayed on a map of front lines and progress measured. Hanoi, however, less vulnerable to democratic political forces, was able to go on indefinitely as long as it could continue to fight the war in its own way—that is, behind a screen of ambiguity which left the route through Laos open and allowed North Vietnam to fight at its own level while steeling itself against the harsh but inconclusive blows from the air.

It was not enough to say we wanted "Hanoi to stop doing what it is doing" or that we wanted negotiations or that we wanted full implementation of previous treaties. Of course, we wanted all these things but we were at war precisely because Hanoi was doing the opposite. Having resorted to arms, a logical military goal would have been to use force to achieve what we wanted on the ground—the insulation of South Vietnam against external attack—and then to wait until tht enemy became ready to negotiate as he would be more likely to do if already deprived by the military insulation of South Vietnam of his ability to carry on the only kind of war he was capable of fighting.

It may be argued that there was no way to convert the Vietnam War into an open military confrontation and fight it to a military standstill along a ceasefire line as happened in Korea. I would disagree, but the point is arguable since the effort to do so was not made. The point is that American military success depended on doing so—on tearing away the screen of ambiguity and forcing the war into a pattern which favored *our* military and political strengths, not Hanoi's. If this were deemed to be impossible because of the intrinsic nature of the war (or alternatively, because of fear of direct Chinese intervention), then we never should have entered it. The tragedy is that our flawed perception led us in two contrary directions—on the one hand to commit forces bravely to oppose what we saw as a thinly masked aggression and on the other hand to allow our strategy to be shaped by Hanoi's ambiguity—the ambiguity of simulated insurgency, the ambiguity of supply and reinforcement under the jungle canopy of Laos, the ambiguity induced by the lack of a line drawn on a map, the ambiguity that allows the enemy to fight while denying that he is fighting.

In the early 1960s the new wisdom of counterinsurgency was to meet the enemy on his own ground at his own level of combat rather than to risk a Great Power confrontation. Unfortunately, in South Vietnam we responded mainly to Hanoi's simulated insurgency rather than to its real but concealed aggression, as a bull charges the toreador's cape, not the toreador. Thus, in 1975 we look back on an indecisive war in which the sides and objectives were imprecisely defined and which deprived us of the full advantage of our own strengths. Historically, the American people fight decisive wars and are not likely to fight another inconclusive one.

There may be room for difference on how important Indochina is—the future will answer that question. There is room for difference on whether we should have been involved or not. But, having become involved, there is little room to doubt that the means we chose failed to achieve the desired result.

We were not evil. Our motive was honorable—to help a friendly country defend itself against attack. But there was a fatal hiatus between the end and the means.

This is only a part of the story but it is an important part.

Mr. GARN. Mr. President, Mr. Hannah's ambiguities are relevant to our consideration of Korea, and we ought not to lose sight of reality. The ownership of the real estate in question is not the important point. Rather, it is the power relationship between competing governmental systems. At the present time, the influence of the United States is waning in the world. We have lost in Indochina; NATO is in disarray; communism is firmly established in Portugal; Communists have just made significant electoral gains in Italy; Communist-inspired insurgencies are brewing in Panama, Angola, Peru, and in other areas of Africa and South America. While it would not do to overemphasize the connection between these events, it would be worse to ignore it completely. We are engaged in a struggle, Mr. President, one which is deadly serious, and Korea is an important counter in the game.

A South Korean mobilization was reported over the weekend, and the military situation in Korea could be serious. The North Koreans are tunneling under the demilitarized zone and making periodic infiltrations into the south; but there is no question about the ability of the South Korean Army, backed by American firepower, to repulse any invasion at this time. The critical factor is the condition of the will of the people of this Nation. This is a truth which is much more widely recognized since Vietnam, although it was widely recognized by the Communists during that conflict. In an article which also appeared in the June 20 issue of National Review, Anthony Bouscaren describes the situation following the 1972 bombing of the north, which President Nixon ordered, in these terms:

> A real and lasting peace could only have been achieved at this point if he had been in a sufficiently strong position, in terms of American will, to threaten the continuation of the war and of the bombing and mining for as long as necessary. That the U.S. Government no longer had the will to see through its commitment was now crystal clear to Hanoi and Moscow.

I ask unanimous consent that the entire article appear at this point in the Record, and call the attention of my colleagues particularly to the role of psychology in the defeat in Vietnam.

There being no objection, the article was ordered to be printed in the Record, as follows:

ALL QUIET ON THE EASTERN FRONT

WHAT HAPPENED?

(By Anthony T. Bouscaren)

America has become "a simpering, defeatist, isolationist nation. The damage done to America by the Vietnam debacle is inestimable. It is going to work a spell on America for 25 years. America is going into a national eclipse, and it is going that way willingly. It is bad enough for me personally to leave a place where I had planned to build a life. I don't expect anyone to give a damn about that. But America has lost its honor, and no one cares about that either." So spoke Peter Glick, a 35-year-old American businessman who lived and worked in Saigon for nine years before being evacuated.

The *Canberra Times* editorialized on April 6: "It seems unfortunately true that the prestige of the U.S. as an ally will suffer. . . . Thailand now apparently deems it unwise to continue its links with the U.S. . . . tremors will reverberate through South Korea, Taiwan, and perhaps also the Philippines and Indonesia. Should Australia also begin to re-examine its position with the U.S. alliance?"

The same day Tokyo's respected *Mainichi* noted: "The political withdrawal of the U.S. from Indochina will have far-reaching effects. The declining prestige of the U.S. in Southeast Asia is causing policy changes in the area."

According to Alexandra Dor-Ner, a young American-born photographer married to an Israeli television director, the collapse of Indochina, despite America's commitment and guarantees, has been impressed upon Israel's collective awareness in a fearful montage of past and present. Television news clips of refugees fleeing Danang trigger memories of narrow escapes from Europe's concentration camps. Kissinger's failed peace treaties become "peace in our time."

The *London Spectator* went so far as to say: "It is now doubtful how long American commitment to Europe will last. . . . All around the world American horns are being drawn in."

A new wave of revisionism now informs us that we should never have tried to defend Indochina in the first place, that we did more damage to the people concerned than the Communists, that the South Vietnamese forces did not fight, that the victory of the Communists was inevitable, and that we should never again come to the assistance of a threatened government of that type.

It is useful, before the dust has settled, to look at the record, especially since the time of the North Vietnamese invasion of Easter 1972.

At the end of 1970, Hanoi's Politburo was much encouraged. The moratoriums at the end of 1969 had been followed by violent demonstrations over Cambodia in 1970. In subsequent statements and broadcasts President Nixon had sounded apologetic and more defensive on the Vietnam issue. The failure of the Republicans to make any real gains in the midterm elections suggested that the President's popularity was waning. Hanoi drew the conclusion that he would be vulnerable in an election year. Just as they had succeeded in overthrowing the Joseph Laniel Cabinet in France in 1954, and President Johnson in 1968, so it appeared to the members of the Politburo that they could do so to President Nixon in 1972. They were encouraged in this view by antiwar visitors to Hanoi during 1970. "If peace was the objective of these visitors they certainly went to the right capital; unfortunately they had exactly the opposite effect," wrote Sir Robert Thompson in *Peace Is Not at Hand.*

Hanoi was concerned about the growing offensive capability of the South Vietnamese forces early in 1971. Communist efforts in neighboring Cambodia and Laos were also losing their momentum. Throughout 1971 Soviet military hardware poured into North Vietnam: MiG 21s, SAM missiles, T-54 tanks, the unrivalled 130 mm. guns, 130 mm. mortars, and, for the first time, SA 7 heat-seeking missiles, together with spares, ammunition, trucks, and POL (petroleum, oil, and lubricants) in unprecedented quantities.

Within South Vietnam Vietnamization and pacification continued to progress; there was an excellent harvest, and greater stability and prosperity than ever before. President Thieu was re-elected in October 1971 and the POW issue had given a new impetus to the end-the-war movement. Thus 1972 was the right year for the next invasion.

The South Vietnamese could see enemy forces building up in four areas. First, the NVA (North Vietnam Army) was cranking up an attack force in the north from Khe Sanh and across the DMZ (with the 304th and 308th divisions), including a strike east from the Laotian border toward Hué (the 324th division). The objective of these units was to defeat the ARVN (Army of Vietnam) forces in Region I, capturing Hué and threatening the major supply port and air base at Danang (sixty miles to the south).

A second attack force (the 2nd and 320th divisions) was aimed at the Central Highlands, especially Kontum. Further south, in Region III, the 5th, 7th, and 9th NVA divisions could be expected to attack toward Saigon, either down Route 13 through An Loc or down the more densely populated route through Tay Ninh and along Route 1. The fourth thrust included the 3rd division in the mountains in northern Binh Dinh Province and the 1st division on the Cambodian border south of the Mekong River.

The prospect of defending South Vietnam from attacks on all these fronts, when the choice of place and time rested with Hanoi, was not good. With the defensive forces stretched thin, it was necessary to hold the reserves until the main enemy thrust could be identified.

At 0200 hours on March 30, the invasion started across the DMZ, with secondary strikes in the Central Highlands toward Kontum and in Binh Long Province toward An Loc. Some 120,000 men were involved, supported by Russian T-54 tanks and 130 mm. guns which outranged the American 105 mm. and 155 mm. howitzers in the fire bases by more than six miles. The invasion would result in battles greater than any seen in the world since Korea twenty years before, and bigger than those in the Six Day War in the Middle East.

The widespread nature of these attacks was praised by many commentators as showing the brilliance of General Giap's strategy and the flexibility of his forces. The imminent collapse of South Vietnam was expected, and "the whole press was busy sharpening its knives-through-butter smiles" (Thompson). This time the ARVN was on its own, although with American volunteer advisors and crucial air support. On April 6, the Nixon Administration resumed bombing North Vietnam.

After initial reverses in the north, the ARVN held a defensive line 25 miles north of Hué, then prepared for the counteroffensive which was to recover Quang Tri. To meet the attack from the northwest, the ARVN held at the defensive position, Fire Base Bastogne. At both points three ARVN divisions held off six NVA units. The defensive forces at An Loc were completely cut off and had to be supplied by parachute drops. It was to become the symbolic battle of the invasion. At Kontum the ARVN 2nd division held, and on May 30 President Thieu flew in to promote the divisional commander and proclaim the victory.

The fighting qualities of the ARVN soldiers in defense, and the weight of American air power were vital factors, but so were the mistakes of the NVA. The attacks in the different sectors were not coordinated, nor were the tank and infantry attacks. Over 3,000 NVA tank crews had had five months training at the Russian armored school in Odessa. They were taught to drive and maintain, but were not taught the tactical use of tanks.

ARVN's numerical strength and fighting capability increased throughout the invasion. Over 84,000 recruits completed their full training from May through July, which more than offset the casualties. There were so many volunteers for the elite divisions, such as the airborne and marines, that drafting was not required. Meanwhile American M-48 tanks, TOW antitank missiles, and 175 mm. guns were pouring into Saigon together with large quantities of aircraft and other replacements. The U.S. Air Force had developed new laser- and television-guided "smart bombs" which were quite devastating in their accuracy. The publicized effectiveness of the bombing had important morale effects for both sides.

American credibility was restored by the mining of Haiphong and other North Vietnamese ports on May 8. It was clear to all the world, and especially to Moscow, that the United States was not going to acquiesce in the destruction of an ally. Far from weakening President Nixon's hand at the Moscow Summit, it strengthened it. There was not a word of criticism from Mr. Brezhnev.

Not a single provincial capital, out of 44, had been captured and held, although the NVA did occupy Quang Tri briefly. Hanoi's strategy now was to switch the war back to the negotiating table, and then prepare for the next strike when it became clear that the peace would not be enforced. The men of violence have learned that they do not have to accept compromise solutions even when the concessions are higher than they deserve. All they have to do is take the concessions and resume the violence. In these circumstances a bad agreement is worse than no agreement.

President Nixon and Secretary of State Kissinger made important concessions to Hanoi to achieve "peace." The terms were intended to look attractive to the American public, offering, as they appeared to do, an "end to the war" and the return of the prisoners. Sir Robert Thompson's comment "that it was South Vietnam which would have to live or die as a result of breaches, abuses, and misinterpretations of the agreement did not worry the appeasers and deserters who equated the withdrawal of the United States with peace. . . ."

Having gained a dominant bargaining position as a result of the highly successful bombing of North Vietnam in December 1972, Nixon found he could not press his advantage because of increased domestic pressures to accept a ceasefire on any superficially acceptable basis. Nor could he press for concessions that really would have ended the war, such as the withdrawal of the NVA into North Vietnam. A real and lasting peace could only have been achieved at this point if he had been in a sufficiently strong position in terms of American will, to threaten the continuation of the war and of the bombing and mining for as long as necessary. That the U.S. Government no longer had the will to see through its commitment was now crystal clear to Hanoi and Moscow.

The January 1973 agreement allowed the NVA invasion force of 170,000 troops to remain in the northern part of South Vietnam. The provision that they were not to be reinforced could not be supervised. The British Vietnam expert P. J. Honey noted in the London Telegraph several weeks later: "Dr. Kissinger's conduct of the whole negotiations appears quite extraordinary, for he made concessions to the Communist side without reciprocation, deliberately kept the South Vietnamese allies in ignorance of what he had conceded, and finally forced an unwilling President Thieu to sign the agreement by a harsh ultimatum."

Thieu was especially concerned about the 170,000 Communist troops in South Vietnam. Mr. Nixon wrote to him on November 14, 1972:

"But far more important than what we say in the agreement of this issue—the presence of North Vietnamese troops—is what we do in the event the enemy renews its aggression. You have my absolute assurance that if Hanoi fails to abide by the terms of this agreement it is my intention to take swift and severe retaliatory action. Above all we must bear in mind what will really maintain the agreement. I repeat my personal assurances to you that the United States will react very strongly and rapidly to any violation of the agreement."

On January 5, 1973, President Nixon threatened President Thieu with dire consequences if he did not go along with the U.S. concessions, concluding with this statement: "Should you decide, as I trust you will, to go with us, you have my assurance of continued assistance in the postwar period and that we will respond with full force should the settlement be violated by North Vietnam."

Thieu signed only after being assured that the United States would help the ARVN, as it had in the Easter offensive of 1972, in the event of another invasion. By March 1973 the Communists were already bringing new equipment and troops into South Vietnam in violation of the agreement. In his news conference of March 15, 1973, President Nixon declared: "We have informed the North Vietnamese of our concern about this infiltration and . . . violation of the cease-fire . . . the North Vietnamese should not lightly disregard such expression of concern." The following month Nixon was preparing to resume the bombing of North Vietnam, but rescinded the order the day John Dean testified about the Watergate story.

The North Vietnamese not only violated the agreement in South Vietnam, but in Cambodia and Laos as well. But when Nixon tried to provide significant aid to Cambodia, Congress responded by demanding an end to the bombing of the Communist enemy in Cambodia by August 15, 1973.

In November 1973, the War Powers Resolution passed the Congress. This resolution forbade the President from using U.S. armed forces in defense of any part of Indochina. Then in 1974 Congress cut U.S. aid to South Vietnam in half. After a trip to Vietnam, Representative Ryan of California, a liberal antidefense Democrat, stated: "If the Congress makes further cuts in U.S. assistance programs, it should be done with the realization that the action will weaken the military capability of the South Vietnamese to a dangerous level. The result will probably be a Communist takeover." Ryan found the South Vietnamese army to be "an effective fighting force" but he pointed out that "its ability to defend South Vietnam is being hindered by the lack of materiel." Sizable amounts of equipment lie idle, Ryan reported, "because of a lack of ammunition and/or fuel, thus preventing any counterattacks."

Another visitor to Vietnam was Senator Sam Nunn, a moderate Democrat from Georgia. He noted: "Since the reduction of U.S. aid the military initiative has shifted to the North Vietnamese." This sharp reduction in aid "has reduced mobility for the South Vietnamese forces." The drawdown on available stocks of such things as ammunition, fuel, spare parts, and medical supplies has "already had a negative psychological effect," he said, and "if continued, will inevitably destroy the initiative and aggressiveness of the South Vietnamese forces."

In January 1975, President Ford asked Congress for $300 million in military aid to South Vietnam, and comparable amounts for Cambodia. Not only did Congress not act, but the Democratic caucus resolved not to send *any* military aid to either country. The upshot was the Communist attack in Phuoc Long Province in January, culminating in the major Communist victory at Ban Me Thuot in early March, which led to President Thieu's decision to pull back from the Central Highlands the better to defend South Vietnam with shortened supply lines. The supply of spare parts was less than 50 per cent of estimated requirement; military vehicles and aircraft were limited to about 50 per cent of their past consumption of fuel. The consumption of ammunition had to be curtailed as the U.S. cut back on its contractual maintenance of weapons. The result was that a significant proportion of South Vietnam's planes and helicopters could not be used.

While the United States reduced its aid to South Vietnam, the Soviet Union sent record stockpiles of military supplies to North Vietnam—$1.7 billions worth in 1974. By late 1974 the Communists were preparing to take advantage of their new-found military superiority.

The official journal of the North Vietnamese Communist Party, *Hoc Tap*, was very much aware of the impact of congressional cutback of aid to South Vietnam. Shortly before the January offensive, it noted: ". . . the intensity of firepower and the amount of mobile equipment of the puppet troops has decreased markedly. . . . This situation indicates that the bomb and ammunition reserves of the puppet troops have decreased and that they are encountering great difficulties in the fuel and maintenance, repair and use of various types of tanks, combat vessels, and heavy weapons. . . ."

Between mid-January and mid-March the Communists launched a series of probing actions against the ARVN, designed to test a) the reaction of the weakened South Vietnamese forces, and b) the reaction of the United States. They had reason to be satisfied on both scores. On March 10, at 3 a.m. the NVA massively attacked the capital of Dar Lac Province, Ban Me Thuot, 150 miles northeast of Saigon. They had attacked before, in 1972 and 1968, only to be repulsed. But this time the ARVN was weaker, and there was no U.S. air power to worry about. After three days of heavy fighting, the NVA was in possession of the capital. A shortage of spare parts and gasoline had precluded the kind of massive resupply and reinforcements which had spelled the difference in the two previous invasions, as far as the defensive forces were concerned. The jungle-covered highlands afforded excellent cover for Communist guerrillas and supplies infiltrating the country from Laos. The U.S. had refused to provide South Vietnam with bombers which might have slowed down the buildup. Hanoi decided this was the time to press the advantage.

On the night of March 13, President Thieu decided to abandon the Central Highlands, saving what could be saved of the army and the people. The President made it known that commanders in the north (Quang Tri and Hué) were to prepare contingency plans to evacuate population and troops, if need be, rather than hold to the last and suffer huge numbers of killed and wounded. Many of his generals and some American advisors had long urged such a policy. Vietnam expert Douglas Pike, with whom I shared these anxious hours, told me that considering the lack of U.S. aid, a successful withdrawal from the relatively uninhabited highlands to shorter defense lines made good sense.

Communist destruction of the 23rd ARVN division in capturing Ban Me Thuot dramatized to Thieu the altered power balance. But contrary to popular belief, he gave no precipitate order. On March 13, Gen. Ngo Quang Truong, commanding the 1st Corps in the North, flew to Saigon to confer with Thieu. The President ordered Truong to withdraw, abandoning Hue if necessary, but to make a stand at Danang. Truong agreed, adding that he would defend Hué if possible. On March 14, Thieu summoned a top secret council of war at the military base at Cam Rahn Bay, with five generals attending: Thieu; Prime Minister Tran Thien Khiem; Gen. Cao Van Vien, Chief of Staff; Lt. Gen. Dang Vang Quang, the President's military advisor; and Maj. Gen. Pham Van Phu, commander of the 2nd Corps headquartered at Pleiku in the Central Highlands.

It was decided to abandon Pleiku and Kontum in the Highlands. The plan was to regroup, then counterattack at Ban Me Thuot. Just when Pleiku and Kontum would be abandoned was left open, a vagueness of historic importance. Four of those present thought the pullout was to take place gradually the last two weeks of March. The fifth man, 2nd Corps commander, Gen. Phu, had a long and valorous record in combat, not only during the 1972 and 1968 invasions, but at Dienbienphu. But he fits a familiar ARVN pattern: a first rate division commander unable to cope with complexities of corps command.

Returning to Pleiku late on March 14, Phu inexplicably ordered the withdrawal that very night without preparation. In the old days American advisors would have restrained him, planned an orderly withdrawal, and mocked up the Ban Me Thuot counterattack. Abandoning equipment worth tens of millions of dollars, Phu's troops set east on Routes 19B and 7B, the latter a road to hell. 7B is an unimproved road with no bridges, which became chaotic as heavy trucks chewed up river fords. Retreating troops, trailed by 200,000 refugees, were ambushed at Cheo Reo by the 320th North Vietnamese division. The result was more chaos, massacres, and a calamitous retreat.

The disaster on Route 7B quickly spread. Fearing isolation in the North, Gen. Truong ordered a withdrawal from Hué. But the order was countermanded by President Thieu. Countermarching, Truong's forces collided with streams of refugees and soon turned south again. His prized 1st division disintegrated, making the defense of Danang impossible. Thus, premature withdrawal from Pleiku cost South Vietnam five infantry divisions, the country's northern half, and ultimately the country itself.

The seriousness of the situation seemed not to worry Washington. Congress took off on a leisurely Easter vacation, having taken no action on President Ford's repeated pleas for military aid to South Vietnam and Cambodia (which meantime fell to the Khmer Rouge). President Ford himself departed for a golfing vacation in southern California.

Saigon despaired. One prominent opposition legislator, Nguyen Minh Dang, denounced what he called "the betrayal of the United States." He appealed to the conscience of the American people not to betray the South Vietnamese people because of their personal interests, not to abandon an ally "that fought, side by side, for the ideal of freedom." A prominent paper, *Doc Lap*, declared: "A United States attitude of abandonment will indicate the beginning of the rapid decline of the non-Communist world."

Perhaps the most stinging rebuke came from moderate Dr. Tran Van Do, a longtime friend of the U.S. and a former Foreign Minister who represented South Vietnam at the ill-fated Geneva Conference of 1954. Dr. Do said:

"For the last few days, we have seen pictures in newspapers of Vietnamese refugees evacuating by the hundreds of thousands. The pictures are heartbreaking. They are victims of a most tragic and destructive war. They are victims because they are very simple-minded people who have put faith in the solemn promises, in the respect of the signature, of the most powerful, richest nation in the world on an international agreement. This nation is the United States of America. This promise is the promise to help South Vietnam defend its freedom and territorial integrity, by five American Presidents. This agreement is the ceasefire signed in Paris on January 27, 1973. South Vietnam is being abandoned by a big brother in whom it has put all its faith. So the big brother has betrayed. Nobody can ever believe in American promises."

What was remarkable about the ARVN was that after the precipitous retreat from the north and the abandonment of Danang, it established a defensive perimeter from Tay Ninh to Xuan Loc, and fought back with great courage although outnumbered 2 to 1, from the end of March until the government crisis following the resignation of President Thieu on April 21. Although they had ammunition shortages and the lack of gasoline greatly restricted helicopter and fighter-bomber strikes, the 5th, 18th, and 25th divisions, plus elements of the airborne division, fought well. At Go Dau Ha, a vital highway junction town 32 miles northwest of Saigon, the ARVIN were limited to a few rounds of ammunition per day for their 105 mm. and 155 mm. guns. Government air strikes were curtailed drastically because of shortage of spare parts and aviation fuel. But the infantry fought hard.

ARVN troops defending Xuan Loc and the Delta did not run when shells and rockets began to hit their positions. Tangible proof of the stubborness of the Xuan Loc defense was exemplified by the burned-out hulls of T-54 tanks destroyed in the first five Communist attacks. Xuan Loc, a key defensive point forty miles east of Saigon, was defended by the 18th infantry division and an airborne brigade, supplied the last two weeks by helicopters. The attackers included the NVA 7th and 341st divisions. Brig. Gen. Le Minh Dao, Commander of the ARVN 18th division, was asked how come the South Vietnamese fought back at Xuan Loc but not in the north: "How can I speak for them? I can only speak for myself, and we have fought."

The continued pleas of President Ford and Secretary of State Kissinger to the Congress were to no avail. A group of distinguished American scholars, including some top Vietnam experts, Frank Trager of New York University, Wesley Fishel, Howard Penniman, Robert Scalapino, and Paul Seabury, among others, pleaded for last minute assistance: "The fate of Vietnam will be decided in the next several days . . . the tenacious and heroic resistance now being offered at Xuan Loc and other points proves that the South Vietnamese army *does* have the desire to remain free of Communist control. The desperate flight of over one million refugees from the advancing Communist armies demonstrates this fact beyond any doubt. All Americans have been deeply moved by the plight of the refugees . . . Humanitarian efforts have sprung up spontaneously to help the orphans, the homeless, and the destitute. But all these humanitarian gestures will have little meaning if the Communists take over Vietnam. As one Vinetnamese told the Washington Post, the orphan airlift was 'a nice humanitarian gesture. . . . But what about millions of orphans-to-be whose parents are going to be executed by the Communists?' The ultimate humanitarian act is sufficient U.S. military and economic aid to the South Vietnamese so that they can maintain their freedom."

The opportunity to send help to the desperate people in Saigon fighting for their existence passed. The Congress seemed to be impervious to all calls for help. That same day, President Thieu, under great pressure from his political opponents and from Washington, resigned. He recounted the pledge from President Nixon to help if there was another invasion, and the record of sustained Soviet assistance to the invaders. He declared: "I accept all responsibility for what has happened in South Vietnam during my terms as President, whether good or bad. . . . The Americans promised—we trusted them. But you have not given us the aid you promised us. . . ."

The last week of freedom for South Vietnam was one of desperation for the new government (led by Vice President Tran Van Huong), the ARVN, and the people. All knew there was no hope, yet many units fought to the end. President Ford and Secretary of State Kissinger believed that the $700 million in requested U.S. military aid might stabilize the situation and give South Vietnam some bargaining power. But Congress would not be moved. Referring to the USSR and Communist China, Ford told the American Society of Newspaper Editors: "It appears that they have maintained their commitment. Unfortunately the U.S. did not carry out its commitment." The next day Kissinger declared: "We shall not forget who supplied the arms which North Vietnam used to make a mockery of its signature on the Paris Accords."

At the end of April, when Tan Son Nhut airport was closed by enemy shelling, Americans and some South Vietnamese were evacuated by helicopter to waiting carriers in the South China Sea. Many South Vietnamese who wanted to leave could not be accommodated. Meantime the pathetic Duong Van Minh was made president so South Vietnam could surrender to the invaders. Millions of refugees who had first fled from North Vietnam in 1954, plus victims of the 1968, 1972, and last invasion, who kept fleeing south, were left to their fate, except for the relatively few who were evacuated or who fled by boat. Peregrine Worsthorne, columnist for the London Sunday Telegraph, wrote: "There is general concern at the appalling scale of human suffering involved. But what is surprising, and worrisome, is the lack of any accompanying sense of indignation or moral outrage aimed at those who are causing it; the power-hungry rulers of North Vietnam, ruthlessly bent on conquest and domination over the whole of Indochina."

The tens of thousands aboard the huge evacuation armada, sailing away from Vietnam have told endless stories of heroism, loyalty, and love in the last hours.

But for millions of Vietnamese and not a few Americans the dominant memory will be sorrow and betrayal and guilt.

There was scarcely an American in the final weeks who was not forced to share personally in that intense feeling of guilt. It was only the Americans who could do almost anything: cash checks, cut through maddening bureaucratic impediments that had been erected both by Saigon and Washington, and, most of all, get a few Vietnamese to safety.

Nonetheless, countless Vietnamese, knowing they would remain despite all, worked for their American friends to the last. Some who knew they could not leave, however much they wanted to, tried to send out last precious parts of themselves—photographs, the ashes of ancestors, keepsakes, and children.

A few minutes before one of the last groups of distraught Americans rushed from their ravaged offices and hotel rooms to look for a bus to the airport, a Vietnamese friend arrived to say farewell. Some of the Americans were in tears, and the Vietnamese, seeking to comfort them, patted their shoulders and tried hard to reassure them:

"You may hear after you leave that some here have died, perhaps even at their own hand. You must not spend the rest of your lives with the guilt. It is just a part of Vietnam's black fate, in which you, all of you, became ensnared for a time. Fate is changeless and guiltless."

South Vietnam was just getting on its feet by the end of 1974. The people were recovering from war and the rice crop was good. There was the prospect of a shot to the economy by the discovery of offshore oil. There was real hope for the future. But the Communist world did not want South Vietnam to live; and the American Congress did not care. It was still debating an aid bill on April 29 when the "Option 4" evacuation was ordered by President Ford. The events overtook a Congress which had refused to move for four months. Right after the debacle, 72 congressmen refused to vote for a resolution condemning Hanoi's invasion.

Peter Kahn, Pulitzer Prize-winning correspondent for the Wall Street Journal, wrote an "Obituary for South Vietnam", in the May 2 issue of that newspaper. He noted that South Vietnam "did manage to resist" for 25 years "and not always with a great deal of American help." Few societies "that I can think of would have struggled so long." He asked: "Was Mr. Thieu really any less of a leader than scores of other retired generals who rule semideveloped nations around the world? I think not. He was, by his own lights, a Vietnamese patriot. And, before being too hard on failed South Vietnamese leaders, perhaps one ought to stop to list the names of truly popular and successful statesmen anywhere in the non-Communist world." If only because the South Vietnamese government was never very efficient, South Vietnam, unlike North Vietnam, never qualified as a totalitarian state. There were some limitations on the power of the president, there was fairly widespread criticism of government policies, there was a surprising diversity of individual opinion and behavior. Kahn asks: "Might South Vietnam have fared better had it been more authoritarian, more rigid and ruthless?"

As to the social structure: ". . . the disparities in Vietnam actually were less glaring than those in a score of other American-allied states from the Philippines to Brazil. The South Vietnamese peasant, when the war was not being fought in his particular paddy, was a prosperous farmer by Asian standards . . . there were some millions of small farmers who owned their own land and made a fair living from their crops. The South Vietnamese peasant, in short, was not a downtrodden serf waiting for liberation from some slave master."

As to the ARVN: "It was an army that stood and fought with great courage and competence on a few occasions you remember, like the siege of An Loc. It stood and fought well at a score of places whose names we have forgotten. And it stood and fought well in a thousand little engagements and in a thousand little mud-walled outposts whose names no American ever knew. . . .It was an army that for years watched the Americans try to combat Communists with every wonder of modern weaponry and which then, all too suddenly, was left to face the Communists with American-style tactics but without any American-style resources. . . . It was an army that for years was ordered to defend every inch of Vietnamese territory and which tried, with greater or lesser success, to do just that. . . . Several hundred thousand of these soldiers died. More than half a million were wounded. And, in the final weeks of war, when every American in Saigon knew the war was lost, some of these soldiers continued to fight at places like Xuan Loc and thereby bought a bit of time for the Americans and their chosen Vietnamese to escape with their lives. It was a much better army than it appeared to be at the end."

Nor was it "unreasonable for the Vietnamese to sometimes shrug off responsibility for their own failures, to blame the U.S. for their problems, and, toward the end, when America lost heart for the war and lost interest in Vietnam, to be bitter at America and Americans." Kahn concluded: ". . . the stronger side is not necessarily the better side. 'Better' becomes a question of values and much as I may respect Communist strength and stamina I cannot accept that the Spartan Communist society of North Vietnam is *better* than the very imperfect South Vietnamese society that I knew."

We forced South Vietnam to sign the very imperfect agreement of January 1973, promising to help as in 1972 should the Communists again invade. The Communists did invade again, convinced that Congress would block effective defensive action. The Communists knew more about our Congress than the President of the United States.

Mr. GARN. Mr. President, there are, of course, serious differences between Vietnam and Korea. The opposition to communism among opponents of the Thieu government was never as overriding in Vietnam as it is in Korea. There are political factions in South Korea, but all factions agree in their opposition to government by Communists, or domination by the North. The respected columnists Evans and Novak have been reporting in the Washington Post on a recent visit to South Korea, where they report the nature of the opposition to the Park government, and the degree of unity on the question of position to communism. Their column for June 19 begins with these words:

> The most important political development in this potential battleground for a shooting war is a deepening feeling by President Park Chung Hee's political opponents that, much as they deplore his harsh security measures, the anti-Park campaign by American liberals poses a worse danger to South Korea.

Mr. President, those are sobering words. It is my hope that our efforts on the floor of the Senate today can go a long way toward countering the "anti-Park campaign by American liberals." The truth is, Mr. President, that the downfall of the Park government, if it were to be followed by an invasion by the North, or a spurious "insurgency" incited by northern agitators moved south by the Communists, would be an unmitigated distaster to American foreign policy. And there should be no doubts about the intentions of the Government of North Korea. A recent article in the New York Times described the tunneling activity, and the uses to which such tunnels are directed. I ask unanimous consent that the Times article apear at this point in the Record, and also the Evans and Novak column mentioned earlier.

There being no objection, the material was ordered to be printed in the Record, as follows:

WAR SCARE EASES IN SEOUL, BUT BOTH KOREAS REMAIN IN A HIGH STATE OF MILITARY ALERT

(By Richard Halloran)

Seoul, South Korea, June 7.—The war scare that swept through this city after the fall of Indochina seems to have died down.

But that only means a return to the normal state of tension between Communist North Korea and South Korea. The chances for belligerent accusations, shooting incidents, subversion and even open hostilities still exist.

Informed American military officers here said, however, that no major redeployment of North Korean or South Korean forces had taken place during the last two months despite widespread speculation that this divided peninsula might be the next scene of conflict in Asia. They pointed out that both sides were already in a high state of alert.

The American military sources said that a new North Korean armored division had been detected north of the demilitarized zone but said that they could not tell whether it was an additional unit or one reorganized from existing smaller units.

THREAT TO ISLANDS SEEN

The military officers, in positions to receive the latest and most detailed intelligence reports, further said that no massing of North Korean units for an attack on Seoul, only 30 miles from the demilitarized zone, had been detected.

It would take several days to deploy such units in positions to strike, they said, and they were certain that movements could be spotted in time to warn South Korean and American forces.

Similarly, the officers said that North Korean naval forces on the west coast of the peninsula had long been in position to attack five groups of small islands held by the South Koreans, and were not recent arrivals in the area.

Those western islands, which appear to be highly vulnerable, are a source of considerable concern here since they appear likely targets for a North Korean test of American and South Korean will.

South Korean officials maintain that the islands would be defended to the last man should the North Koreans attack. But American officers said that the decision would have to be made jointly by the highest authorities in Seoul and Washington, since the islands are officially under the control of the United Nations Command headed by an American general.

In addition, the North Koreans are reportedly continuing to dig tunnels under the demilitarized zone even though two have been discovered. Ten to 12 more are suspected because of sounds heard through sensors and information given by Northern defectors.

SHAFTS LACK VENTILATION

Everyone here has his own theories about why the North Koreans started digging the tunnels. American military officers have discounted South Korean contentions that whole divisions could be moved through one tunnel in an hour.

Rather, they said that units of up to 400 or 500 men could be run through one tunnel in a short time—if a way were found to get air down to them. There are no ventilators in the tunnels, and several South Korean soldiers exploring those that have been discovered have died from lack of oxygen.

Thus, the tunnels appear to be routes for small bands of guerrillas, saboteurs, North Koreans in South Korean uniforms infiltrated to create confusion, or similar units intended to attack the South Korean front lines from the rear.

The American military sources, in assessing the comparative strength of the North Korean and South Korean armed forces, contended that they were about even on the ground. The North Koreans have an advantage in armor and artillery, the South Koreans in manpower and in military experience they gained in Vietnam.

The authoritative International Institute for Strategic Studies in London, in its most recent estimate, said that North Korea's total military manpower was 470,000, with 408,000 of this in the army. South Korea has a total of 633,500, with 560,000 in the army and 29,600 marines.

NORTH HAS MORE SHIPS

The North Koreans were reported to have about 1,180 tanks and 6,300 artillery pieces and mortars, plus missiles that can reach Seoul. The South Koreans have about 750 tanks and 1,000 artillery pieces, plus Honest John surface-to-surface missiles and Hawk and Nike-Hercules surface-to-air missiles.

At sea, the North Koreans have a slight edge in number of ships but they are at a disadvantage because their geographic position requires them to have two fleets, one for each coast. Naval manpower is about the same, 17,000 for the North and 18,900 for the South.

The North's main advantage is in the air.

The Communists have about 600 combat planes, including 130 Russian-built MIG–21 jet fighters. The South Koreans have about 200 combat planes including 110 F–86's dating from the Korean war of the nearly nineteen-fifties and 18 F–4 Phantom jets.

The United States has been modernizing the South Korean forces in a $1.5-billion program agreed on in exchange for the dispatch of South Korean forces to Vietnam during the fighting there. But the program is behind schedule because Congress has not appropriated sufficient funds.

Besides the South Korean forces, there are about 41,000 American troops here with an incalculable advantage—nuclear weapons. The great unknown is whether these would be used and under what circumstances.

Some confusion has arisen over the strength of American forces here but Army officers said that recent increases did not reflect a sudden increase in strength to meet or deter an expected attack. Similarly, they said that an anticipated reduction in coming months did not mean a withdrawal.

LEVEL EXPECTED TO DROP

The military services are authorized 42,000 men here and had about 38,000 until last winter. Then the level went up as the Army sent in new men but did not send other men home for lack of funds. In addition, the Army recruited more men than expected because of unemployment at home. During level is expected to drop again as men are returned to the United States in normal rotation.

The American forces are strung out the length of South Korea from a 500-yard-wide strip along the demilitarized zone where two outposts are maintained. Behind these posts, but in front of Seoul, the sprawling capital, is the Second Infantry Division.

In this city itself are headquarters units for the Eighth Army and United States Forces Korea. Farther back is Osan Air Force Base and, farther south, the logistics headquarters at Taegu and the main ports at Pusan.

A succession of senior officers here have said that there was no military reason for Americans to be in Korea, save for air power to make up the difference between the North and the South.

Instead, the American soldiers are, in effect, hostages—a tripwire to insure that the United States would be involved in hostilities here from the start. American officials justify that as a deterrent against a North Korean attack, and call it an insurance policy rather than a risk.

Military officers also said that they were here to protect certain sophisticated weapons, meaning nuclear arms that are an open secret neither confirmed nor denied, in the official formula, by American officials.

The American forces are here under the 1954 mutual defense treaty that is the basic commitment of the United States to South Korea. The treaty, however, seems considerably less firm than much of the political rhetoric today makes it appear.

For one thing, the United States is obliged to aid Korea only in the event of "external armed attack." The Senate, in consenting to the treaty, specifically laid on the condition, accepted by the Koreans, that neither party was obligated to aid the other "except in case of an external armed attack." That would appear to rule out helping to put down an insurgency or a guerrilla war like that in Vietnam.

Second, the treaty declares that each nation "would act to meet the common danger in accordance with its constitutional processes." That is generally interpreted to mean that Congressional approval is required to declare war.

But the physical presence of American forces here may present Congress and the President with a political dilemma in the event of a North Korean attack. The question they will face then is whether to commit the United States to another land war in Asia, which is not likely to be popular among the American people, or to withdraw under fire, risking severe damage to American credibility in Japan and Western Europe.

KOREA: POLITICS AND SURVIVAL

(By Rowland Evans and Robert Novak)

Seoul.—The most important political development in this potential battleground for a shooting war is a deepening feeling by President Park Chung Hee's political opponents that, much as they deplore his harsh security measures, the anti-Park campaign by American liberals poses a worse danger to South Korea.

That feeling stems from widespread acceptance here of this axiom: internal disunity might induce North Korean dictator Kim Il Sung to attack or the U.S. Congress to remove American forces. If there was not a threat from the North, one highly placed opposition leader told us, "we would be in the streets denouncing Park. But now we must be quiet." He and his colleagues accordingly look with apprehension at American congressmen, clergymen, civil libertarians and liberals for fear they will send the wrong message to Pyongyang and Washington.

The right message is that united opposition to communism takes precedence over internal politics with a totality never approached in South Vietnam. Furthermore, one reason for restraint by Park's political foes is that his security measures, while probably excessive, fall short of thorough repression. Less than democracy today, South Korea is not a true police state either. Thus, it would be tragic irony if concern over Korean human rights triggered a war with ominous world implications.

Central to politics here is a conscious decision by Gen. Park after coming to power 14 years ago. Heeding the teachings of Mao Tse-tung, Park courted the countryside by channeling a disproportionately high share of Korea's runaway prosperity (17 per cent annual growth before the world oil crisis) to rural areas. The results: a countryside that not only delivers huge election majorities for Park and strongly supports him today but is immune to guerrilla warfare. Communist agents slipping down from the North are immediately reported to the police.

The antithesis is the anti-Park urban middle class of Seoul, particularly intellectuals and students who are Park's loudest critics and the target of his security decrees. But the students lack broad support. Leaders of the opposition New Democratic Party (NDP), generally deploring Park's suppression of dissent in his May 13 decree, say privately his ban on student demonstrations is probably necessary while the northern threat continues.

Actually, the May 13 decree has resulted in only two arrests, both nonpolitical, a fact derived from opposition and diplomatic sources—one arrest for forged travel documents, the other for currency manipulation. A demonstration at Seoul National University was halted and the students expelled, but nobody was imprisoned.

The decree has ended all public criticism

but not all political discourse, as witness what happened here after a U.S. Senate subcommittee revealed a clandestine $4 million contribution by Gulf Oil to Park's ruling Demoncratic Republican Party in 1971.

Although not a word appeared in the shackled Seoul press, news spread through the city's political grapevine. Accordingly, Oh Le Sung, a tough young NDP leader, rose in the national assembly under protection of parliamentary immunity to ask the Prime Minister a pointed question about Gulf's payment.

But outside the assembly where he has no immunity, we heard Assemblyman Oh roast Park in front of pro-Park assembly members. A private citizen saying the same thing might promptly have been visited by the Korean Central-Intelligence Agency, the nation's secret police force. But the existence of even limited criticism indicates less than total repression.

Security restrictions are challenged with Park's government. Foreign Minister Kim Dong Jo, a diplomat (former ambassador to Tokyo and Washington) in a government of generals, is quietly attempting some relaxation of controls. There is no secret that he is supported, discreetly, by the U.S. embassy.

But Park, as we reported after our interview with him, is not budging. He tells aides he is determined to control the students and not permit them to become a disruptive political force, as in Thailand. Noting lack of American response when he released 200 political prisoners in February, the President privately suggests he would not get much credit from critics in Washington for anything he did.

What worries both friends and foes of Park is this question: Will he step down in 1978 when his term ends? In one recent private conversation, he expressed a desire to retire before he died and added poignantly that his wife, assassinated last year, would be alive today if he had done so earlier. If Parks stays on, he might start losing support rapidly—including businessmen, increasingly important in this now industrialized society.

Although Park's future may decide the fate of Korean democracy tomorrow, the watchword here today is national survival. That Koreans regard becoming another domino a far worse calamity than infringement of civil liberties is a fact to be pondered by American congressmen who suggest the U.S. abandon Korea as it did Vietnam because Park Chung Hee is insufficiently democratic.

Mr. GARN. To sum up, Mr. President, we often discuss the areas of conflict between our system of government and the Communist systems in terms of sports, with nicely chosen sides, and rules to be observed on all sides. We speak in terms of counters, and scores, and victories and losses. In all of this, Mr. President, we are accurately reflecting the fact that there is a contest going on, but we run a risk of minimizing the importance of the conflict. The truth is that the conflict is a mortal one, with almost infinite stakes on each side. It is a conflict in which the force of arms is only one technique, and by no means the most important one, employed. For my part, I wish to make it clear that I support the present Government in South Korea, without excusing its faults. We cannot hope to see in other nations the blessings that have come from 200 years of government restricted by law. We must content ourselves with allies which provide some degree of individual freedom and initiative to their citizens, and who are not characterized by the expansionist philosophy which so clearly marks our Communist opposition.

Korea is important to the stability of the international situation at this time. We must be prepared to defend Korea against Communist aggression whether overt or covert. In this effort, we must educate the American people and leaders to the nature of the threat and the seriousness of the stakes of the game. Communist activity is heating up in Korea because of our perceived weakness following the defeat in Vietnam. We cannot afford another such defeat. The future of the free world depends on our standing firm.

SOUTH KOREA

Mr. McCLURE. Mr. President, it is interesting to note that one of the most common complaints about our Government is that it is unresponsive. That is first a rather vague remark. But you hear it so often it is worth examining. Congress particularly gets low marks with the citizens of the United States. That in itself is surprising. Judges on the bench and entrenched executive bureaucrats have less reason for immediate sensitivity to the citizens than do those who are daily involved in responding to their constituents.

Maybe we do not really do our homework—and I stress the home part of the word. After all the Washington Post will tell us Jane Fonda's side of any story, but not what hundreds or thousands of your constituents or mine who express themselves along more conventional lines.

It should not come as a shock to Congress that a Harris Survey, taken in May after the fall of Vietnam and Cambodia and after the *Mayaguez* incident, showed that 43 percent of the American people favor using U.S. troops, air power, and naval power to defend South Korea in the event of an invasion by the North. Opposed were 37 percent. But should that invasion occur, I can well imagine that the response of much of the press and of the Congress would be to the effect that we should depart immediately and leave the Koreans to decide their own future. It would be considered unfair, doubtless to suggest that their future would be determined by Communist Chinese. Abandonment of Korea would not constitute a provision of choice for the Korean people. It would only preclude any possibility of choice.

If the United States does not live up to her Korean commitment, and if this failure is in the name of peace, the results may prove ironic. Peace achieved by running away could promote still graver problems for the future. The United States must learn what the Communists know so well. Nothing exists in a vacuum. For every act there is a consequence. It became fashionable to scoff at the domino theory—after first inflating it out of all recognition. Now that the dominoes are down, the phrase is conveniently being phased out.

It is not exactly coincidental to the fall of South East Asia that we are facing renewed threats in Korea today. I point this out not to play the unpleasant game of "I told you so," but in the hope that we can look somewhat more realistically at the future.

It is important to determine what the long-range significance of Korea is. Korea, the ancient land bridge between Japan and Asia mainland is now, in the words of one official, cocked like a pistol at the head of Japan. The effect of a Stalinist Communist Government like that of President Kim backed by a combination of Communist and Soviet Communists would require careful analysis.

First, we must ask how likely is an invasion of Korea. We should look beyond press reports of increased tension at what the Communists logically might conclude from recent events. What could President Kim of the North be expected to conclude? First and most certain, that the United States does not help her friends. Second—and additionally ironic—she does not abide by her treaties. Third, that when she defaults on an obligation, she is not on the side of aggression, like the Soviets, but in the premature acceptance of defeat, or desire to avoid conflict. At this point, the West should consider the remark of Lin Piao, "Revolutionaries never take a gloomy view of war."

Some are encouraged by the fact that North Korea shares borders with both China and the Soviet Union, presumably this could serve as an additional wedge in their mutual strife but President Kim would probably be justified in concluding that however reluctant the two powers might be at assisting him in an invasion of the South that they would in the end have no other choice. He might draw, from his own point of view, an even more hopeful conclusion. This would be a result of analysis assistance given North Vietnam by the major Red powers. Their disagreement was generally productive of Communist aims, far from providing self-canceling influences. They were competitive in their efforts to assist the local Communists in South East Asia. The competition continues today as Moscow makes invidious comparisons between the disorganized Chinese effort to change life in Cambodia and its own more efficient and less provocative approach in Vietnam. The United States should learn that all disagreements between Communists do not militate in our behalf.

The next point to examine is what the possible effects of isolation might be upon Japan. In the short run she might tend to be as accommodating as possible to the Communists. This could hardly redound to the benefit of the United States. Japan, as the third largest economy of the world, absorbs the bulk of American agricultural exports and exports more to the United States than to any other country. Why, Mr. President, is it necessary to wait for any or all of this to happen before we can react to it? The United States has not only no strategic sense, she credits no one else for it either—even when that strategy is laid before her.

Why is it so hard and getting harder for Americans to examine the possibilities and come up with plans. You do not have to talk militaries. Maybe it is obscure to ask why the United States does not examine the options and establish priorities but the long-range solution for Japan in view of the United States neglect is to build her own nuclear arsenal. While it is true her Constitution now prevents rearmament, that problem could be rectified. While the United States speaks grandly of the evils of nuclear proliferation, we at the same time seem to do our best to achieve it.

We speak of not expending lives for foreign countries, but we will not help those countries help themselves. We complain about the cost of living up to our international obligations, but fail to recognize that strong allies are the cheapest resource available. We talk of achieving world peace, but by a series of backward steps encourage our antagonists to test our commitments to it by a series of limited wars.

We must be sure to avoid the kind of logical trap the United States has fallen into before. We begin by proclaiming our adherence to détente. We insist this involves some nebulous form of good will shared by the Soviet Union. The Soviet Union then assists our enemies in a way clearly articulated by the Secretary of State as not in the spirit of détente. Specifically, it may "exacerbate confrontation" and "threaten civilized life." At this point the U.S. liberals always cite the reason for our country's nonresponse as the preservation of détente. Détente is therefore the end for which the Soviets strive and the means by which the United States accommodates them.

In the long run this can lead by a series of surgical excisions to isolation. Now isolation may be a position the United States wishes to take. Look at what our raw materials situation is—How can we replace our import and export trade, what will we do for energy and a host of other problems that would follow upon the isolationist posture?

It would also be useful if the United States were to plan within the announced context of the struggle as defined by official Soviet spokesmen. It might be as well to analyze and put in context such remarks as:

> Today the content of the alliance between world socialism and the national liberation movement and the content of the entire world revolutionary process consist in the joint offensive against imperialism and capitalism as a system of social relations, in the struggle for the victory of socialism.

Another idea to explore before determining any national policy is that there is a sense in which any geographical entity is equal to any other. The basis for this equivalent would depend upon whether or not we are defending a philosophy embodied in a free way of life, or simply a series of islands and peninsulas which happen to have some traditional status as allies. It seems clear to me that the Americans represented in the Harris poll have answered that question.

Mr. President, I do not know what answers the Congress would give to these questions. I hate to think. I can guess what the majority of the eastern press would say. But I think perhaps the Congress and press might do better to listen to the people than to lecture them.

There are several things we can do now to remember this sad anniversary in a manner consonant with U.S. history. We can live up to our commitments to Korea under the 5-year plan.

We can also make it quite clear to the Communists that the *Mayaguez* incident was not a freak. Small targets serve Communist purposes in that they are useful in perpetuating "limited wars." They have a disproportionate value. But the value does not have to be all on the other side as we compare, for example the *Mayaguez* and *Pueblo* incidents.

On the military side we must not withdraw or give the appearance of withdrawing any support of South Korea. To do so could be to give the signal to the North to invade.

With respect to the Communist propaganda let us continue to speak candidly and honestly. Let us discuss how the North furthers détente by building under the demilitarized zone. How is peaceful coexistence furthered by arrangements to place armed infantry troops behind southern lines? Why does a nation with no subversive intent find it necessary to provide a means of entry for infiltration agents during peacetime? Let us be sure we keep the argument where it belongs in other spheres as well. Before I hear any explanation of South Korea's partial restrictions of civil liberties I want to know why there is a total restriction in the North and when it will end. The South can be discussed only when the North catches up.

THE REPUBLIC OF KOREA

Mr. BUCKLEY. Mr. President, the Korean peninsula has been the scene of major clashes between the major powers of the world on three occasions during this century because of its contiguous borders with both China and the Soviet Union and its linkage to the security of Japan. The best way to prevent another clash between the major powers is to maintain the military balance between the two Koreas so that neither side has an incentive to initiate a new conflict, a conflict that could involve the use of nuclear weapons.

We are in danger of falling into the same syndrome which was directly responsible for the catastrophe in Vietnam. While we pay lip service to fulfilling a "commitment" as in the case of the 1973 Paris Accords on Indochina, and in the case of Korea, to our commitment to modernize the South Korean Army and Air Force, but in practice we do not live up to it by failing to provide the military assistance in the form of vitally needed military hardware.

The Soviet and Chinese allies of North Korea have not been similarly reluctant to supply needed hardware for their ally. While the United States has fallen $474.5 million short of its undertakings to make military equipment transfers and sales to modernize the Korean Armed Forces, the North Koreans have received sufficient aircraft to provide them with a 3-to-1 superiority in combat aircraft, and a significant advantage in armor, especially tanks.

The problem faced by the South Korean Armed Forces is exacerbated by the terrain of the Korean Peninsula. A ridge of mountains runs down the Korean Peninsula from north to south inhibiting cross-country movement by Korean troops in an east-west direction. The United States has not supplied the Koreans with adequate mobility equipment to permit the rapid redeployment of troops in Korea from one side of the country to the other. Thus, although there is a nominal advantage to South Korea in terms of manpower, this advantage is dissipated due to the problems of moving troops. The manpower advantage attributed to the South Korean Armed Forces disappears entirely when one counts the paramilitary civilian organizations in North Korea which perform most of the support functions normally performed by military personnel in South Korea.

Too often the strategic significance of this peninsula is not well understood, which at least partially explains the willingness in some quarters to ignore events in the region. The common border of Korea with both China and the Soviet Union has made the area a focus of big power rivalry for many years. Moreover, Japan has always considered it vital to her security interests to have a nonhostile nation occupying the south portion of the Korean Peninsula nearest to the Japanese mainland. Following the Russo-Japanese War in the early years of this century, Japan occupied Korea and continued to do so until she was expelled by American and Soviet forces in 1945. Since that time, South Korea has been in friendly hands, and has thereby facilitated the feelings of security in Japan which has been further enhanced by the U.S. nuclear umbrella. If South Korea should suffer the same fate as South Vietnam, the changes in the political-military complexion of Japan could be enormous. Thus, the security interests of the United States in the peace and stability of the military situation are directly involved.

A somewhat less appreciated fact about South Korea is the economic dynamism which has been unleashed in the past decade. Since 1965, the Korean economy has been growing at a 10-percent annual rate making it one of the most prosperous of the developing nations of the world. Its exports are nearing the $2 billion mark with the United States and Japan as its major trading partners. South Korea is clearly a nation which can survive economically providing the military equilibrium in Korea is maintained.

On this, the 25th anniversary of the Soviet-sponsored invasion of South Korea, our attention should be drawn to the importance of maintaining a military balance in the area to guarantee that the North Koreans are not provided by our inaction with the temptation to launch another war.

THE REPUBLIC OF KOREA

Mr. CURTIS. Mr. President, today marks the 25th anniversary of a day of infamy, the Soviet sponsored invasion of the Republic of Korea by the puppet regime of North Korea. That regime is led now by the same man who was put in office by the Soviet Union after World

War II to run the local Communist regime in North Korea, Kim Il Sung. The same regime is now uttering statements which have the same aggressive ring that similar statements had on the eve of the invasion of South Korea in 1950.

We all know too well that the bitter no-win war cost us over 33,000 combat deaths and a total of more than 160,000 casualties. The war concluded with an armistice, not a peace treaty. The territory of the two Korean states has remained approximately where it was drawn by the occupying U.S. and Soviet forces at the end of World War II, at the 38th parallel. The ambitions of the North Korean regime, like that of the North Vietnamese was to challenge the status quo when they perceived a moment of opportunity.

Less than 2 months ago the North Vietnamese took advantage of congressional unwillingness to provide adequate military assistance to the Republic of Vietnam, and were then able to overturn the status quo established by the 1973 Paris Accords.

The collapse of congressional resolve in Southeast Asia has encouraged the North Korean regime to believe that congressional resolve may also fail in Korea if an attack is launched by the North.

To this end, the North Korean regime has not had to suffer from any uncertainty over generous support from their Soviet and Chinese allies; allies whom, it should be noted, share a common border with North Korea. The North Koreans now enjoy a 3-to-1 advantage in the number of combat aircraft. Moreover, fully half of the South Korean aircraft are F–86's; which have been obsolete for 20 years.

One cannot underestimate the importance of sufficient aircraft for the maintenance of air superiority in Korea. We must not forget that the demilitarized zone is less than 50 miles from the center of Seoul, the capital of South Korea. Thus, if the South Korean Government loses the ability to control the airspace in the vicinity of the DMZ, it exposes millions of its citizens to aerial bombardment. In addition, the South Koreans would lose the ability to reduce the North Korean tank threat by being able to attack the swarms of tanks the North has available with air power. Without air power, the South could have its GNP-producing potential almost entirely destroyed in a matter of days because of the weight of North Korean arms.

There is a considerable degree of confusion in the press as to the balance of military power in Korea because of the statistic cited of the larger number of troops in uniform in South Korea versus the number in the North Korean Army. It is stated that because the South Korean Army has 625,000 men under arms compared to only 467,000 men under arms in North Korea that there should be no danger to South Korean security from enemy forces.

As a practical matter elements of organization, terrain, and logistical issues tend to offset the difference between the two armies. The North Koreans tend to have large civilian paramilitary organizations conscripted to carry out support functions normally done by military forces in the south. Moreover, the South Korean Army must be spread out along the entire DMZ to prevent the North Koreans from conducting a flanking attack around Seoul. The North Koreans need only mass their forces in one place for an attack. We have had a policy of not providing the South Korean Army with adequate equipment for mobility on the grounds that we did not wish to be "provocative" by providing the South Koreans with the means to move north. As a result, they do not have adequate means to move their forces quickly from one part of South Korea to the other to respond to the massing of North Korean forces. Thus, the South Koreans must maintain a larger force-in-being.

In addition to the military dimension of the Korean problem, we cannot overlook the political significance of Korea to peace in Asia and peace in the world.

An accident of geography has made the Korean Peninsula of immense strategic interest to three major powers, the Soviet Union, Communist China, and Japan. Communist China and the Soviet Union share a common border with the North Korea, and thus would almost certainly be involved with the resupply of the North Korean armed forces. The portion of China bordering North Korea, Manchuria, is the most industrialized portion of China, and has by far the best transportation system in China facilitating Chinese support. The Soviet Union would almost certainly be a major participant in any future conflict with two Koreas if for no other reason than the rivalry between the two Communist nations.

The Korean Peninsula is separated from the main Japanese islands by a narrow body of water which is normally traversed by a ferry. Korea has always been a vital security concern of Japan; a hostile regime occupying the southern portion of the Korean Peninsula would almost certainly create a substantial political shock wave in Japan which could result in a change in the attitude of that economic giant toward military forces and nuclear weapons with untold consequences for history.

The Korean Peninsula has seen three wars in this century; all of which have had major involvement including the Russo-Japanese war in 1905, World War II, and the Korean war. In every case, Korea has been the prize which has resulted from the weakness of one of the major powers in the area. We cannot afford to allow such a development to occur again.

The Korean people are determined to make the sacrifices necessary to prevent their domination from the North. Whatever the faults one may find with the current government in Seoul, there is no doubt that given the choice the Korean people have, it is considered by them to be preferable to the Communist alternative. We can help to insure that Korea will not become the world's next crisis point by strong congressional resolve to provide with adequate materiel, moral, and diplomatic support in the midst of the bombastic propaganda assaults from the North Korean regime.

SOUTH KOREA

Mr. GOLDWATER. Mr. President, this week marks the 25th anniversary of our assistance to South Korea when it was invaded by North Korea. In recent years there have been increasing cries from some segments of the American public for us to reduce our military presence and assistance in South Korea, especially since our withdrawal from Indochina. There are others who advocate total withdrawal of both U.S. forces and assistance.

Mr. President, I would not want any nation to believe that those views are in any way representative of U.S. policy toward South Korea. They are not. Other nations must not confuse our withdrawal from Indochina as being indicative of our future relations with South Korea.

Over the past 25 years we have seen South Korea mature to become a prosperous and significant ally in northeast Asia. Let us not forget that during our trial in South Vietnam, she was the only ally that made a really significant manpower contribution to the ground forces. It is true the United States bore the cost of that effort but, we could not buy the will and the gallantry displayed by the South Korean troops. South Korea has proven herself as a loyal and worthy ally.

Mr. President, we should remind ourselves of our commitment to South Korea and how continued stability in northeast Asia bears directly on our own security. Our commitment there was undertaken more explicitly, more openly and with greater consensus than was our commitment to South Vietnam. Let us not lose sight of this important distinction. Our commitment to Korea is much deeper and much more crucial to stability in Asia.

Let us also not forget the character of the North Korean regime. It is the most militant of all the Communist states. Its leader is a tyrant and the regime has no sense of direction other than the forceful subjugation of South Korea. The North Korean Government, if one can call it that, mistreats its own citizens just as it treated illegally the crew of the *Pueblo*.

Mr. President, what is the attitude of South Korean citizens toward North Korea? While there has been some disagreement among South Korean citizens about their own Government, they are completely united in their hatred of what the North Korean Government stands for. Under no circumstances are they interested in uniting the two Koreas as long as the character of North Korea remains as it now is.

Our commitment to South Korea continues to be based on the belief that nations have the right of self-determination and should not, unwillingly, be subject to the military power of another nation that would destroy that right. But, Mr. President, I do not delude myself that this commitment is not also in our interest. Certainly it is and it will continue to be in our interest for sometime to come.

Nevertheless, we should not expect present arrangements to last forever. However, changes should come slowly and be well thought out by both the United States and South Korea. Let us not forget that the South Koreans are a proud people and an industrious people. They do not want our military presence and assistance a day longer than is required and they are working hard for total independence.

Mr. President, our actions to assist South Korea 25 years ago are something we can be proud of as being representative of the finest American ideals and traditions. Those ideals and traditions are still valid today and they have continued to stand the test of time as they will stand the test of the future.

PANAMA CANAL

Mr. STENNIS. Mr. President, as we all know, the State Department for about 18 months has been trying to renegotiate the treaty governing the Panama Canal and Canal Zone. As early as February 1974, Secretary of State Kissinger and Panamanian Foreign Minister Tack reached agreement on the general principles which would serve as guidelines for the new Panama Canal treaties. Negotiations on these matters are apparently proceeding satisfactorily as far as the negotiating parties are concerned.

I have followed these negotiations closely, Mr. President, and have now gone into the entire question of our interest in the canal as thoroughly as possible. I am greatly concerned by the possibility that new agreements will be negotiated which will be inimical to our vital national security interests. I fear that our fundamental commercial and security interests will not be adequately safeguarded unless the United States continues to exercise responsibility for the defense of the canal as well as sovereignty and jurisdiction within the Canal Zone area.

We are all aware of how strategically important the canal has been to us in the past—World War II, for example. It may very well be equally important in the future. We would be in a very difficult situation militarily if we became again engaged in a two-ocean war and found that we were denied the use of the canal. In addition, the defense of the canal itself is essential and that is the vital strategic function performed by the U.S. military in the Canal Zone. We must insure that we maintain a sufficient military presence within the zone to protect our interests in the canal directly and to deter the ambitions of powers hostile to the United States.

Negotiation of the proposed new treaties, Mr. President, has met substantial opposition in the Congress, the Department of Defense, and many interested groups in this country. Recognizing that the approval of any new treaties will require a two-thirds vote of the Senate, I hope the State Department will go very slowly in its negotiations, and will consider carefully before reaching any final agreement. While improved relations with Panama are possible under the existing treaty I do not think, at this time that we can surrender the rights and status which presently exist.

I shall pursue this matter further with the utmost interest. It is clear to me that we are such a vital and necessary force in the free world, our problems will not quickly disappear and could well increase during the next decade.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from New York (Mr. JAVITS) is recognized for not to exceed 15 minutes.

BALANCED GROWTH AND ECONOMIC PLANNING ACT OF 1975

Mr. JAVITS. Mr. President, when Senator HUMPHREY and I introduced the balanced growth and economic planning bill last month, I said that I viewed this as the opening of a great national debate on the American economy and its future. I am greatly pleased by the tremendous response that this bill has received. We had expected that there would be substantial interest in the bill, but even we had not expected the outpouring of editorial comment and in-depth analysis of economic planning.

This is precisely the sort of response that rekindles one's faith in the political process and its ability to generate ideas and reach out to gather inspiration from the American people. In fact, it is this sort of response that the planning bill seeks to engender and systematize with regard to national economic objectives. In the process of this debate, it is inevitable that there will be misinformation and misunderstandings, deliberate and unintentional, about the type of economic planning we have in mind and the specifics of our bill. It is important to set the record straight at this point so that an accumulation of misunderstandings and false labels, such as "garden variety socialism" to quote the Wall Street Journal, does not weigh down the bill and prevent a fair consideration on its merits.

For, a major portion of the bill deals with securing local participation and commentary on proposed plans and that calls for adequate understanding to begin with. As Mr. George Hagedorn, chief economist of the National Association of Manufacturers, emphasized in testimony on economic planning before the Joint Economic Committee last week, planning means a different thing to almost everyone who talks about it. Mr. Hagedorn—and I intend to quote his very thoughtful comments on planning at some length later on—made it clear that he would welcome certain types of planning but would vigorously oppose planning that treated the economy as if it were a wet lump of clay to be molded by the Government. I feel that opponents of even voluntary economic planning—without any effort really to examine the details of our planning bill—have set up the strawman of the most extreme definition of economic planning in order to try to discredit the bill.

For example, Leif Olson, vice president of First National City Bank, managed to drag in a quote from Premier Kosygin of the U.S.S.R., in his testimony on economic planning, even though he admits that there is absolutely nothing in our legislation that requires the private sector to conform to the plan.

Similarly, in a Wall Street Journal editorial of June 17, on the planning bill, the editorial writer manages to pin a label of "garden variety socialism" on the bill—a term which would surely puzzle Marx or Lenin—while simultaneously admitting that there is nothing in the bill calling for the Government control over—let alone take over—of the means of production, the standard measure of socialism as a policy.

I am delighted to have our bill debated on the merits, but I am distressed that a generally reputable and thoughtful newspaper like the Wall Street Journal would indulge in name calling.

Although Senator HUMPHREY and I have both repeatedly stated that our planning bill is neither mandatory nor self-operative and has nothing whatsoever to do with the centralized planning of socialist states which set production targets and worker and consumer norms—I find it necessary to keep repeating those denials. Because economic planning is a novel concept to Americans, the first inclination in some is to think of the socialist model. Planning must be an integral part of the Soviet economy, because there it is true that planning supplants the free market. However, even the Soviets have learned that it is necessary to subject some portions of their economy to a limited free market system if their plants are not to spew out millions of unwanted left shoes.

On the other hand, Americans are probably less acquainted with economic planning in France and the Scandinavian countries, where there is substantial evidence that it has had a salutory effect on their economies. A recent article on Sweden in the Wall Street Journal makes it clear that although Sweden is a welfare state in spending, it has managed to encourage capital investment, saving, and productivity much more successfully than either Great Britain or the United States. This is achieved by providing business with a relatively stable economic climate—in contrast to our on-again off-again approach as for example in our handling of the investment tax credit in the United States—and by providing Swedish corporations with generous incentives. The result is that in 1972 Sweden collected 3.9 percent of its tax revenue from company income taxes while the comparable figure for the United States was 11.2 percent. The Swedish example makes clear a point I have repeatedly stressed—that planning is a neutral tool that adapts to the character of the country. This simple truth should allay fears that we are introducing a socialist device, at the same time that it tempers our expectations that planning will solve every problem in this society.

There are a number of arguments made against Government economic planning and I will try to list these arguments and deal with them. It should be clear from what I said previously that certain arguments rest upon the assumption that our planning bill intends to supplant the free market. Hence, I state once more that our planning bill will only set economic objectives and determine what resources are available to meet them. Yet, even if we set aside this basic misconception relating to displacing the free market, we must nevertheless deal with arguments against any type of planning.

First, it is argued that economic planning is inconsistent with less Government regulation and interference with the economy.

This argument, best illustrated by Walter Wriston's article in Newsweek, assumes that the inevitable direction of Government planners is to substitute their judgment for individual judgments. However, it is clear that our bill grants no such powers to planners even if it were their inclination. As I have stated previously, opponents of planning do not seem to want to believe that it can be a force for improving competition or abolishing outdated government regulation.

But more important there is good evidence that planners do not necessarily have a proclivity toward police state behavior. As an example, the Wall Street Journal of June 18, 1975, contained a very interesting article by Timothy D. Schellhardt, on the success of the tiny Council on Wage and Price Stability in forcing other Government agencies to examine the economic impact of their rules and regulations on business and consumers. When one recalls the hue and cry raised in Congress by conservative forces and the business community when the Council on Wage and Price Stability was established, it is interesting to find that its actions have drawn praise from the business community. This is once again an example of the business community's often negative approach to government initiative only to discover later that these were actually in their interest. Just as business has discovered that the Council on Wage and Price Stability can be a flexible tool to make the operation of Government more efficient, it is just possible that they may discover the same thing about an Economic Planning Board.

It is worthwhile to look at some of the criticisms of the Employment Act of 1946 by business representatives who expressed alarmist fears. It is as if the needle stuck in the same groove of the same old record for 30 years.

James Donnelly, executive vice president of Illinois Manufacturers Association, said in testimony opposing the Employment Act:

> The result would be a system of so-called planned economy with lower standards of living, more government spending, an avalanche of legislative panaceas and bureaucratic mandates, impairment of confidence, and eventually, the destruction of economic and political freedom.

Likewise, Nathan S. Sachs of Sachs Quality Furniture, Inc., said on May 10, 1945:

> This bill, if enacted, would ultimately lead to such planned economy and regimentation which is dramatically opposed to the free enterprise that has made this country so great. Under such a planned economy and regimentation, our very democratic way of life might ultimately be in the balance and lost to us forever.

Therefore, it is most appropriate for me to quote my famous predecessor from New York, Senator Wagner, who replied to such arguments as follows:

> In earlier years, it was customary on the part of those who yearned for the past and feared the future to brand every proposal as being a step toward regimentation and the destruction of the American system. More than a century ago this argument was used against those who proposed free public schools. Later, it was used against Abraham Lincoln when he campaigned for internal improvements for the country. The same argument was made against the creation of the Federal Reserve System, the enactment of the income-tax law, the regulation of the stock exchanges, and the establishment of the right to collective bargaining.

Second, the free market, while not perfect, is the best system available and should not be interfered with—so goes the second argument.

In the first place, I have already stated that our bill does not in any fashion supplant the free market. However, no one seriously believes that is the intention of our bill.

The real fear is that planning means the Government will intervene more frequently and systematically in the economy. Without planning the Government will follow its consistently inconsistent course of limited intervention—in certain areas and times, especially hard times, but without a systematic approach.

But let us get to the heart of the matter. The President speaks about more individual initiative and hard work and his audience is the small business community. These qualities should, of course, be greatly encouraged and the small businessman can do a great deal for himself and the country. But though small business numerically is the overwhelming proportion of private enterprise in the country and even employs somewhat more than one-half of the work force, standing alone it is not the final answer to our Nation's economic problems and if this were the President's only target he could miss the real problem by miles.

Indeed, we have to worry about small business precisely because big business has demonstrated such effectiveness in determining the nature of markets and the success of the economy. The individual initiative and hard work which the President called for are certainly admirable but the spirit reflected is addressed essentially to the theory of a stable economy attributable to multitudinous private transactions. This essentially pre-World War I or perhaps even pre-World War II approach—though 1932 was the occasion of its greatest breakdown—has some relevance, but it is not decisive because today our society has determined that it cannot accept the privation for many of the rank and file which go with the indispensable peaks and valleys of a multitudinous transactions free enterprise economy. Hence, the Roosevelt administration saw the opening of an American economic era that called for governmental intervention to absorb as much as possible the shocks and disappointments of an economic system based on the multitudinous transactions system.

The prime consideration, of course, is the fact that we wish to keep the great majority of our population in private employment as the surest guarantee of political freedom. Side by side with this development has been the development of new concepts of technology, marketing, and financing. In today's world many corporations are as big as nations. In many cases they are impervious to normal market pressures of a free enterprise economy. They are sometimes able to increase prices while demand declines. They are frequently able to frustrate demand or create artificial demand for given products.

This is quite apart from the effort to manipulate both the public and public officials to ward off efforts to end abuses and to right the economic balance on behalf of workers and consumers.

It is this frame of reference which demonstrates that hard work and individual initiative alone will not suffice for thousands of untrained teenagers who want a job, or for workers in automobile factories who have no wish to be laid off but are, because of the failure of economic policies of the last few years.

If we really took off all Government regulation, can we guess what the results might be? They might include a rapacious competition for energy without regard for the social cost; continued production of unsafe, low mileage, pollution-producing automobiles; aerosol sprays with ozone destruction capabilities; outrageously priced or downright dangerous drugs; nutritionally inadequate, but heavily energy-intensive packaged foods; an even more and increasingly inadequate national transportation system; plus vastly increased pollution, more consumer frauds, and the starvation of already inadequate consumer services.

There are already major areas where the free market does not operate such as oil and transportation. It is perfectly possible to secure greater competition through more careful planning, but merely getting the Government out of certain aspects of the economy will not restore competition—in fact, it may reduce it.

As I have said before, government is more involved in our economy because it is more complex, because we face environmental and resource limitations for the first time, and because social objectives are pursued more vigorously. None of these constraints will vanish in the absence of planning. We cannot turn the clock back to the agrarian society of open spaces, and clean air and water, at the time of our independence. Our greatness as a nation has rested on our ability continually to interpret our Constitution while clinging to fundamental values to meet changing circumstances. We are not true to ourselves if we pretend that 18th century economic solutions are adequate to today's world. To follow such antiquated path will cause ever increasing numbers of Americans to become misfits in the economic system, and thus cause their economic powerlessness to vent its frustration in the political nihilism. Let those who would have us blunder through our own and the world's complex economic system look to and be responsible for the consequences of their acts.

Third. A third, and related argument, is that planning seeks to substitute government choice by planners for individual decisions. The implicit assumption in this argument is that people are now free to make a vast variety of meaningful choices.

I wish first to challenge the assumption. It is undoubtedly true that people have major choices among trivia, such as the types of razor blades they wish to use. They can also choose from among a vast assortment of deodorants, hair sprays, frozen foods, tires, shoes, and various other items. It is beneficial to be able to choose among these items, and as we are reminded ad nauseam the Russians are not fortunate enough to be able to make such choices. What is lost in the obfuscation on this issue is that the Swedes can make the same choices, but also get a national health care scheme, and a safer environment.

There are more fundamental choices than the trivial ones—in employment, housing, education, and leisure time use. Americans are fortunate in the great scope of freedom in these significant areas, but let us not get carried away as to what freedom means in certain contexts. Before the JEC hearings on planing last week the witness was incensed because the Government imposed a minimum wage which he said:

> Prevents the young and the unskilled from exercising the fundamental freedoms of negotiating for a job on their own terms.

This is known as freedom for employers to control the job market for their benefit, but I do not think you will find many teenagers or unskilled workers who would be enthusiastic about this freedom.

At the most important level in our lives we have very narrow options open to us, or perhaps no options at all. Our system is not adequately equipped to deal with trade offs between public and private services. There is a vast market for canned dog food, but why should our elderly be forced to subsist on inadequate diets? The dogs are lucky to have owners who care for them—the old people should be so lucky.

Or in education we have vast sums available for violent or simple minded television programs, but our education system produces virtual illiterates in too many cases. Could we not strike some better balance?

We cannot really choose between less polluted air and big, gas guzzling cars, because someone else's choice pollutes my air.

Do we really need so much plastic packaging if it litters the landscape permanently?

I want to single out in particular a statement by a "high official" close to the President, quoted by Philip Shabecoff in an article in the New York Times on planning, who insisted that economic planning was really a euphemism for an imposition of values on the public by government. People may make bad choices about the kind of television programs they watch or the kinds of cars they buy, but they are their choices, he said. With centralized planning, the Government would impose those choices, he asserted.

Note first of all the typical erroneous assumption about the powers in our bill; next the ease with which he passes judgment on the choices people make, allowing him to slide easily past the possibility that the fault lies not with the people, but with resource allocation, the allocation of its use and the absence of national goals and objectives in our society.

Fourth, one school of thought finds planning perfectly acceptable for corporations, but quite unacceptable for Government. The reason for this, as stated by the Wall Street Journal, is:

> Unlike corporate planning, which generally leads to decisions with an eye to maximizing efficiency and profits, government economic planning is dictated by political goals that are often inimical to efficiency.

Aside from the near revolution such a statement should inspire a number of comments on this argument. It is correct that political goals sometimes may be inimical to efficiency but efficiency is neither the exclusive property of private enterprise nor necessarily the highest virtue in our society—ours is not yet a corporate state.

It just may be that one source of our current economic problems is too great concern with "efficiency" in Government. In the name of efficiency millions of Americans could be consigned to the scrap heap of endemic unemployment in order to try to shave some fractions off inflation. Even if the trade-off works, our society has larger, more humane goals than efficiency alone.

It is likely that the development of a plan under our bill will require political compromise, and that is altogether proper. That is after all what the political system is about—to articulate and set in a legal framework the goals and means to achieve those for the society. Economic policies, to be accepted politically, must serve social ends, not vice versa.

That does not mean that there is a direct causal link between political compromise and economic "boondoggling" as the Wall Street Journal implies—planning like any other human activity can be voluntary and good or involuntary and bad.

The Government makes hosts of economic decisions, some based on a good deal of political compromise, without any traces of inefficiency or boondoggling; that is, the rate of growth in the money supply, tariff levels, income tax regulations and collections, international monetary matters, Eximbank credits, mortgage, casualty, and investment insurance, and on and on. It is plain that the Federal Government will make thousands of economic decisions in the future—even millions.

The question is whether these will be informed or haphazard, related to other economic decisions or unrelated, with adequate data or without, with some thought for the future or none.

If corporations are to take a look at where their companies and the economy are heading, it seems appropriate for the Government to do the same. In fact, it might just assist them with their planning if they knew with greater certainty what Government intended. For example, Business Week recently ran a very thoughtful article on corporate planning dealing with a slower rate of growth in the United States and its implications. Precisely the same issue ought to engage the Economic Planning Board, in considering the implications of slower economic growth on employment opportunities and the educational system. The manipulation of aggregate demand is inadequate to deal with such a problem.

There is a great potential for updating and harmonizing our information gathering system, for presenting this data to Congress and the people in a form useful for decisionmaking, and for realizing that the planning process is one that will help us choose more wisely and in less ignorance. No planning mechanism can prevent Congress from acting in willful ignorance, but at least with planning of the type we propose the people can see our shortcomings more clearly and both Congress and business—including labor—will see the nettles which have to be grasped and the available options. Just as the new Budget Act holds our feet to the fire, so will the Balanced Growth and Economic Planning Bill.

Fifth, a final argument made against planning is that recent government economic policy does not give one great confidence in the ability of government to be farsighted. A corollary is that if the plan and the economy began to diverge, the Government would be tempted to enforce the plan rather than change it.

In many ways, this is the most difficult argument of all because of the erratic nature of our economic policy in the last decade. Economic planning will introduce no magic stability into this decisionmaking arena, and will only be worthwhile if it is used wisely.

However, one can think of many examples of how it might have been used in recent years to avert poor decisions. Even then it requires a political will to act on better information. As examples, the devaluation of the dollar and the imposition of wage and price controls on domestic sales in 1971 caused an unexpected and very substantial outflow of basic materials and food from the United States, contributing to shortages at home and ultimately to higher prices. The Economic Planning Board might have pointed out the interconnection between the two.

Our agricultural policies have been extremely short-sighted and ill-planned. Everyone knows of the Russian grain deal, but perhaps we have forgotten the freeze on meat prices, which led to meat shortages, or the slaughter of calves when feed grain prices shot up beyond the ability of farmers to make a profit on raising calves. And, acreage restrictions continued long after shortage of grain was well known.

Although over the last few years we had a plethora of reports on the shortage of natural resources, especially the possibility of energy supply disruptions, we still have not developed a national energy and resource policy. This is perhaps the most discouraging failure of Government today. Planning would offer no panacea, but it might have forced us to deal with the issue much earlier, with more attention to the totality of the problem and with a more realistic perception of our options.

Planning can give us a road map of where we are going. It cannot force us to choose the road we take. But it helps the driver to know whether the road is paved or bumpy—the same can be said of the alternatives the Economic Planning Board will present.

Our hope is that the planning bill will introduce a longer term view in Government economic policy. Since the plan is only a tool, and since our bill calls for revisions of the plan every 2 years, it is our clear intention that we will change the plan with circumstances rather than vice versa.

I have tried to present what I see as the five main arguments against Government economic planning, and my answers to these arguments. In the course of doing this, I have made several arguments in favor of economic planning as embodied in the balanced growth and economic planning bill. I think these points are summarized most effectively by a distinguished representative of the National Association of Manufacturers, Mr. Hagedorn, the chief economist who testified before the Joint Economic Committee last week as follows:

Mr. Hagedorn said:

I suppose the reason we are all here is that all of us sense that something has gone wrong in the American economy. A lot of things have gone wrong in the American economy. We have an accumulation of problems, macro-economic problems, inflation, unemployment, under-utilization of our productive capacity. Then we have a whole sequence, a cumulative sequence of special problems, energy, transportation, health care, a problem of a shortage of capital and what seems to have been happening is that none of these problems really gets solved so that we keep adding new problems without really eliminating any from the list. And the problems that we have seem to get worse rather than better.

Now, I think probably all of us would agree too that this indicates a need for planning at least in the general sense that we have to take a more rational, systematic look at our economy and figure out what has gone wrong with it, what has been the causes of the various troubles we have seen, and what are the cures. Not deal with surface symptoms, but really analyze the problem out. We sense the need for that type of planning.

We need to plan too in a way that we, and especially you in Congress, can consider all of the consequences of your actions, not just the immediate results, but the results over a longer period. And the indirect as well as the direct effects, effects of the choices that they make as a nation, the ultimate as well as the immediate impact of what may be done.

Our machinery is, our machinery for policy making has concentrated on short-range problems, immediate problems and direct effects of what we may do. We need to take a longer, more critical look at all of these things.

I could not have stated the need for our program of economic planning better than Mr. Hagedorn. It is extremely important that we engage a wide spectrum of opinion in the debate on economic planning. Business unfortunately has an almost congenital tendency to be negative about any innovation in Government, and thus Mr. Hagedorn's open-minded approach is particularly refreshing.

Planning should not be an ideological issue. Planning will not alter the fundamental values on which this Nation is based and it must be in keeping with the character of the society. I have long believed that our freedoms are based upon the tension and interplay between Government and the private sector.

No one wishes to see the balance destroyed by bloated Government slowly squeezing out the private sector. But that balance cannot be maintained through ignorance. The private sector, with its narrow focus on profits, is interested in economic freedom only in the sense of its corporate objectives; and corporate power is already too strong and concentrated to ignore this danger.

The planning bill is a means for providing the information, analysis, and alternatives we need in this frighteningly complex world so that we can continue to nourish our traditional dedication to human freedom in the midst of technological change.

Mr. President, I ask unanimous consent to have printed in the RECORD with my remarks various newspaper analyses respecting the pending bill.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 8, 1975]

FINANCIAL CRISIS DEMANDS LONG-RANGE FORECASTING

(By Robert Lekachman)

General Motors plans model changes three years in advance. Your telephone company buys whole forests to supply telephone poles 10 to 15 years in the future. Prudent parents begin saving for college shortly after the blessed event.

The federal budget is a plan for the spending of something like $350 billion a year. Congress has now adopted a budget procedure under which it sets a target level of appropriations every year instead of doing it piecemeal.

In other words, as far as they are able, prudent men and women, alert corporations and efficient governments do their best to make provision for the future.

Of course, the trouble with all these plans is that they are often made on the basis of inadequate information for periods that are much too short to resolve the problems toward which they are addressed. In the wake of the 1973 Middle Eastern war and the oil embargo which followed, for example, the federal government was unable to plan a rapid response because the only data about existing stocks of oil were in the possession of the oil companies themselves—and in fragmentary and ill-coordinated form at that.

For many national policies, including defense, energy development, restoration of the railroads and environmental protection, the 12-month federal budget cycle is simply much too short. What we need is an orderly, rational way of handling on a national scale over a period of years—sometimes of decades—the priorities which now are registered in a disorderly, sometimes inconsistent fashion by existing political mechanisms.

It should be clear by now that orthodox policies, such as manipulating taxes, federal spending or the money supply, simply do not control inflation, allow full employment or offer answers to specific crises like the depletion of American energy resources.

Intelligent businessmen like Robert V. Roosa of Brown Bros., Harriman & Co., J. Irwin Miller of Cummins Engine and Felix Rohatyn of Lazard Freres and Co. have come to perceive that planning is an essential answer to the economic crisis. They have been joined in this realization by labor leaders such as the United Automobile Workers' Leonard Woodcock and eminent social scientists like Harvard's Nobel laureate in economics, Wassily Leontief.

Fortunately, the signs are becoming ever more numerous that Congress, too, is moving in the direction of national economic planning. Last month Sens. Jacob Javits (D–N.Y.) and Hubert Humphrey (D–Minn.) introduced the Balanced Growth and Economic Planning Act of 1975 which breaks new ground in economic policy. The bill establishes an economic planning board in the executive office of the President charged with developing a growth plan which incorporates "coherent and realizable long-term economic goals consistent with the nation's economic resources" and identifies "the policies and actions that would be required to attain such goals."

It should be emphasized that the planning procedures which Javits and Humphrey propose are not a substitute for normal political processes. Both the President and Congress will have ample chance to revise, reject and modify proposals made by the Economic Planning Board. On occasions, when the country is in a conservative mood, it is likely that the economic plan adopted by Congress will emphasize the interests of large corporations and affluent individuals. When liberals are in office, by contrast, the plan will no doubt place more emphasis on income maintenance, tax reform and redistribution of large fortunes.

The promise of planning is its capacity to move more efficiently and more consistently toward any set of objectives which the political process determines to be important. During the 1950s, for example, President Eisenhower's Paley Commission on raw materials warned that we were using up such assets as oil, metals and lumber at a dangerously rapid rate. If there had been an orderly mechanism of long-run planning in those days, it is possible that we would not now be scrambling for a solution to the problems which OPEC has thrust upon us.

Planning, in short, is the application of organized rationality to enduring problems of national importance. Our present mini-depression exemplifies the consequences of failure to plan. The Ford Administration has publicly accepted the probability of high rates of unemployment for the next 3 years. President Ford is widely praised as a man of kindly disposition and good intentions. High unemployment in 1976 obviously will not improve his chances of staying in the White House and swimming in the new White House pool. Why does this good man accept a situation which destroys the hopes and aspirations of millions of Americans and loses the United States more than $150 billion each year of unproduced Gross National Product? It is because his conservative advisers with their limited techniques see no way to do anything substantial about unemployment without irritating the inflationary dragon which has just begun to calm down.

The alternative to planning, let me emphasize, is not free markets. It is disorder and drift. At many places in the economy today we do not have free markets. We have varying degrees of market control by large corporations, plus regulation by public agencies. Planning will not eliminate free markets where they now exist. Planning will allow businessmen—like the rest of the community—to make individual provision for the future within a stable and predictable national economy.

[From the Washington Post, March 20, 1975]

"PLANNING" THE ECONOMY

(By Hobart Rowen)

Back in 1962, when President Kennedy instructed his chief economic adviser, Walter

Heller, to study economic planning in Europe, "planning" was a dirty word. And it still is. To some, "planning" means government regimentation, socialism, and the end of the free enterprise system.

Of course, it doesn't have to mean any of those things. More and more enlightened businessmen, such as Henry Ford II, have come to realize that a certain amount of intelligent planning may make the difference between the prosperity of the private sector and economic chaos.

A nation that could successfully plan to put a man on the moon ought to be able to come up with a blueprint for social and economic needs, and achieve it without the worst extremes of boom and bust.

Utopia? Maybe, but maybe not. Anyway, the whole question of planning has been surfaced again by a group of thoughtful businessmen and labor leaders under the co-chairmanship of UAW President Leonard Woodcock and Wassily Leontief, the Nobel Laureate in economics from Harvard University.

It has strong backing in Congress from Sen. Hubert Humphrey (D-Minn.), Sen. Jacob Javits (R.-N.Y.) and others. And there is cautious support for the general idea among influential Ford administration officials, including Vice President Rockefeller and the new Secretary of Labor John T. Dunlop.

The Woodcock-Leontief proposal is to coordinate economic policymaking functions now distributed among the Council of Economic Advisers, the Budget Office, and other government agencies, in a new Office of National Economic Planning.

Its main responsibility would be to collect and analyze information from all sources, and then submit alternative intermediate (5 to 6 years) and longer-term (15 to 25 years) plans to the President and Congress. The final choices among alternatives proposed would be in the hands of Congress.

Myron E. Sharpe, coordinator of the Woodcock-Leontief group, notes that the planning office "would not set specific goals for General Motors, General Electric, General Foods or any other individual firm.

"But it would indicate the number of cars, the number of generators and the quantity of frozen foods we are likely to require in, say, five years. And it would try to induce the relevant industries to act accordingly."

The intent, the sponsors say, is not to replace the "market" system, but to give it better information to work on. This is a bit disingenuous. Obviously, a planning system that is worth the trouble is going to mean more government intervention in the economy.

But it need not be a planning system, French style, which relies on the European cartel tradition. As Williams College Professor John Sheehan observes in the current Challenge Magazine, "If ITT were a French corporation, the Planning Commission would be its natural ally."

What we require, instead, is an agency in Washington that will begin to think in terms of rational economic growth, and how to get there.

Without planning, what happens? We wake up these mornings to find that Congress is trying to bail out Lockheed, Pan Am and Chrysler with tax handouts, and that the Rock Island railroad is going broke—with its trackage to be distributed to other roads.

In transportation, as in other areas, Woodcock observes, the nation must decide how much it should depend on cars, how much on rapid transit, how much on other forms. After debating alternatives, he says, "we should decide on a plan of action instead of leaving it to chance. . . . Let's match the resources with our goals, and our goals with the resources. That's what we mean by planing."

Is the climate right for such a major exercise in economic planning? There is a growing skepticism, based on bad performance over the past few years, of the ability of economists to project into the future. But defining goals would be more than an economic or computerized forecast. The process would have to draw on the advice and wisdom of state and local officials, union leaders, businessmen, consumers and others.

Almost everyone understands, by this time, the growing degree of international economic interdependence. If the energy crisis did nothing else, it drove home the lesson that natural resources are not inexhaustible.

The choice, as New York banker Robert V. Roosa says, "is not between plan and no plan, but between coherent planning and chaotic planning."

[From the Christian Science Monitor, May 27, 1975]

DEBATE ON LONG-TERM ECONOMIC PLANNING BEGINS

(By David R. Francis)

BOSTON.—Senators Jacob K. Javits (R) of New York and Hubert H. Humphrey (D) of Minnesota rapped the gavel last week on what they figure will be the opening of "a great national debate."

They introduced legislation to set up a governmental system for the formulation of long-term economic planning for the United States.

Actually, the debate—and it promises to be a hot one—got going late last February when a new private group calling itself the "Initiative Committee for National Economic Planning" announced its formation and goals. Its cochairmen are Leonard Woodcock, president of the United Automobile Workers, and Prof. Wassily Leontief of Harvard University, originator of input-output economics.

Members of the group are prominent enough that some conservatives immediately saw a grave threat.

For instance, Walter B. Wriston, chairman of Citicorp, the nation's second largest bank, holds that the Initiative Committee's program, if adopted, "could bring about the step-by-step destruction of the free market system, and, as a consequence all personal liberty.

"There is no case of government planning not implemented in the end by coercion."

Adding some rhetoric, he told the Society of American Business Writers earlier this month: "In place of the NRA (National Recovery Administration) and Mussolini's Blackshirts of another era, we have new groups with new names selling the same worn-out concept of government planning as 'Progress.' "

Those are strong words for referring to a group of liberal—but deeply democratic—individuals backing the national planning idea. It was obviously a case of overkill.

But "planning" is a word that has an enormous emotional content for those raised in a period of thriving communism and socialism. The automatic reaction for many is to think of the authoritarian and rigid planning of the Soviet Union or other communist nations.

The fact is that national planning is a neutral economic tool. It can be used to impose fascistic or communistic governmental authority on a people. Or it can be substituted for the ad hoc "planning" already implemented in the United States. Indeed, a national plan could be devised that would reduce the amount of regulation imposed on industry.

After decades of legislation, businessmen today face thousands and thousands of rules and regulations that attempt to shape their activities in line with national needs as seen by Congress. Dealing with environment, competition, safety, job conditions, etc., these rules are sometimes contradictory, often expensive, usually complex. They already direct economic activity to a large extent.

"Let's face it," says Mr. Woodcock. "We don't live in a small laissez faire economy any more. We live in a large, complex, technological society in which planlessness means massive dislocations."

Because of the forcible opposition the new planning drive has aroused among many businessmen, Senator Javits stressed that the planning provisions in the bill "do not permit any economic coercion, direct or indirect."

That is apparently so. Nevertheless, it also is likely that competent planning might result in Congress deciding on new regulations or financial incentives and penalties to steer private enterprise toward various goals. These could replace or add to present interference in the market place.

The hope of the planning enthusiasts, however, is that planning would produce better information and thus more intelligent direction.

Professor Leontief argues that various aspects of the country's economic life should "be analyzed not in isolation, but as the interdependent problems they really are. We suggest the development of alternative courses of action—plans, if you will. These should be tested for international consistency and technical feasibility and offered for public inspection, debate, and then decision, in accordance with the rules of the political process."

For this purpose, the Javits-Humphrey bill would set up an Economic Planning Board in the Executive Office of the President. It also provides for congressional review and approval or disapproval of each plan developed by the Board. And it provides procedures for public participation in the planning process.

Today, the nation has many problems in such areas as energy, transportation, food and raw material requirements, urban conditions, and pollution that need long-term solutions. Intelligent planning—rather than short-term remedies—could help.

[From the New York Times]

FIVE STEPS TO ECONOMIC HAPPINESS

(By Robert Lekachman)

(NOTE.—Robert Lekachman is Distinguished Professor of Economics at Herbert H. Lehman College of the City University of New York.)

Full employment did not cause the Great Inflation of 1974 and 1975. At a shade below 5 per cent, 1974's average unemployment was high enough to lose elections in Western Europe.

The greedy labor unions didn't start inflation. A few outsize construction contracts aside, wages have been lagging far behind the cost of living.

Huge Federal deficits don't explain double-digit inflation. The deficits grew because tax revenues fell. They fell because people lost jobs, small businessmen went broke and large corporations cut payrolls instead of prices.

Inflation is explained by (1) OPEC price policies; (2) global boom in demand for American farm products; (3) Federal Reserve expansion of money and credit during the 1972 Presidential campaign; (4) two devaluations of the dollar; (5) the tendency of large corporations (as in autos) to raise prices while demand shrank.

We have been experiencing lots of unemployment and lots of inflation. Yet between 1961 and mid-1965, more sensible economic policies steadily reduced unemployment while allowing the cost of living to rise a mere 1.5 per cent annually.

When Gerald Ford, Treasury Secretary William Simon, Arthur Burns, chief of the Federal Reserve, and Alan Greenspan, chairman of the Council of Economic Advisers—the Four Horsemen of economic calamity—warn Congress not to stimulate an economy which is producing $200 billion less than its full employment capacity, they tacitly admit that dominant corporations will inflate prices at the first sign of recovery and compel unions in self-defense to play catch-up.

Claiming that the United States cannot afford full employment, the Ford Administration advises June graduates to wait around three or four years until unemployment sinks to 6 per cent in 1979. These partisans of unemployment tell women, blacks, and Hispanics to bear uncomplainingly layoffs from jobs that affirmative action got them only a year or two ago.

The United States really can't afford unemployment. Each extra 1 percent unemployment costs 900,000 jobs, $50 billion of unproduced goods and services, and $14 billion in uncollected taxes. This is the financial bill. Human costs include destroyed hopes, exacerbated group tensions, reduced standards of life, and more crime, drug abuse, and mental illness.

Americans can enjoy price stability and full employment at the same time, but not by accepting Nixon-Ford economics. The five essentials of a new approach are these.

(1) Return to the objective of full employment. The Humphrey-Hawkins Equal Opportunity and Full Employment Act greatly strengthens the 1946 Employment Act by committing Congress and the President to full employment and budgeting and policies.

(2) Increase economic stimulation immediately. By cutting taxes only $21 billion, Congress has thus far done less than half its work. As soon as possible, it should appropriate $10 billion to create a million new public service jobs, another $10 billion for public works, and a final $5–10 billion for social benefits.

(3) Harness the Federal Reserve. Congress should reassert its constitutional role by directing the President, subject to Congressional approval, to set money supply goals for the Federal Reserve.

(4) Regulate concentrated industries. Once recovery begins, market power asserts itself. Congress should bite the bullet and create a permanent price control agency empowered to roll back extortionate price increases and require notice and justification of proposed price alterations.

(5) Move toward sensible, democratic planning, the response screamed for by policy disarray in energy, food, environment, and employment. The Humphrey-Javits Balanced Growth and Economic Planning Act proceeds in the right direction.

The only alternatives to rational direction of a disordered economy are mass unemployment, rapid inflation, or a mixture of the two.

[From the New York Times, Mar. 16, 1975]

THE CASE FOR GOVERNMENT PLANNING—THE ECONOMIC SHIP MAY RIGHT ITSELF, BUT SOMEBODY IS NEEDED TO STEER

(NOTE.—The following proposal was made recently by the Initiative Committee for National Economic Planning, a new group headed by Wassily Leontief, the Harvard University economist, and Leonard Woodcock, president of the United Auto Workers.)

Few Americans are satisfied with the way in which the economy is now operating. Unemployment is increasing and prices are rising. Inflation in the United States has become a source of instability in the world at large. No reliable mechanism in the modern economy relates needs to available manpower, plant and materials. In consequence we have shortages of housing, medical care, municipal services, transportation, energy, and numerous other requirements of pressing importance.

We have not made it our business to foresee these critical problems and to take steps to forestall them. We do not plan. But in a modern economy, planning is not a matter of preference or ideology. It is one of immediate need. In its absence we will all suffer. This suffering is avoidable.

We therefore urge that provision be made for planning at the highest level of the United States Government and through regional, state and local units of administration. This effort must be backed by education, by the widest public discussion of the methods and objectives of planning, and by full public participation in the planning process.

We believe that economic leadership must be exercised in a new way through an Office of National Economic Planning. This agency must be in a position to perceive our country's economic and social needs now and for many years to come and to provide the public, Congress and the executive branch with alternative plans of action—not only to enable us to avert hardship and disaster, but to guide the economy in a direction consistent with our national values and goals.

Planning is neither strange nor unfamiliar. Every individual and business plans for the years ahead. Our space program is a good example of planning in its most sophisticated and successful form. It also illustrates the magnitude of the effort that must go into national economic planning.

Nevertheless, the principles are simple. First, from a set of feasible alternatives, a definite and realizable goal was decided upon: to carry a man to the moon and bring him back to earth. This required setting up a long-range program to fulfill the mission. All the necessary information had to be gathered in a consistent and useful form. Then, step by step, the program had to be carried out in the required sequence, the results monitored, and corrections made whenever necessary.

Just as it would have been impossible for a man to go to the moon and back by accident, it is impossible for us to achieve our economic objectives by accident.

But the most striking fact about the way we organize our economic life is that we leave so much to chance. We give little thought to the direction in which we would like to go. We make no consistent effort to balance different parts of the economy. We do not attempt to ensure the resources are allocated to meet our most urgent national needs. In fact, we know that they are not so allocated.

Instead of systematically trying to foresee the needs of the nation in years ahead, we have dozens of separate, uncoordinated agencies making policy in this area and that, without any thought of how it all fits together. We have over 50 Federal offices collecting economic data, in most instances insufficiently detailed, frequently obsolete, often contradictory and incompatible.

No single office is responsible for setting appropriate standards and bringing these data together so that they can be used to pursue coherent national objectives. We make economic policy from quarter to quarter or year to year without any perspective on where the economy is going or where we want it to go.

The mere cataloguing of these problems discloses the inadequacy of our present economic techniques. We therefore recommend that the Office of National Economic Planning be established with these features:

Plenary power to accumulate and analyze detailed economic information from all sources;

A mandate to examine major economic trends and work out realistic alternative long-term economic programs for periods of 15 to 25 years, to be submitted to the President and Congress;

A mandate to work out alternative plans of intermediate length, such as five or six years, to be submitted to the President and Congress, designed to carry us toward our long-range objectives; and

Responsibility to specify the labor, resources, financing and other economic measures needed to realize these programs and plans.

Needless to say, all programs and plans must be periodically reviewed and revised as changing circumstances require.

Let us examine how the planning office would go about its work. Its function would be to develop programs in specific areas where there are discernible national needs. Energy, transportation and housing are obvious examples. But it is clear that a planning office cannot look at energy alone, transportation alone, housing alone, or at any other sector of the economy in isolation. All these sectors interact, draw on scarce resources, require definite numbers of workers with specific training and require financing.

Above all, planning is a way of looking at economic problems as a whole, providing the information needed to set explicit priorities in the use of resources, and guiding all sectors of the economy toward the attainment of our chosen goals. A planning system must balance resources with needs, set goals that can be realized, and inform the public what the choices really are.

The heart of planning is to go from information to action. Most of the action in the United States economy takes place in the private sector. Democratic planning is not a substitute for a decentralized economy nor does it replace the millions of private decisions that are made in the market every day. Rather, to reach democratically chosen objectives, it influences those decisions with a consistent set of economic techniques.

The means of influencing those decisions are already familiar to us. Some, such as tax incentives and disincentives, and traditional monetary and fiscal policies, influence individual actions indirectly. Others, such as selective credit controls, guidance of basic capital flows, limits to the use of air, water and land, and mandatory resource allocation, affect individual actions directly.

All these measures have been used at one time or another by the Federal Government, but—save in World War II—in a haphazard fashion, with no view to their overall effect. The purpose of planning is to provide that view.

It should be clear that the planning office would not set specific goals for General Motors, General Electric, General Foods or any other individual firm. But it would indicate the number of cars, the number of generators and the quantity of frozen foods we are likely to require in, say, five years, and it would try to induce the relevant industries to act accordingly.

One of the best persuaders available to the planning office is information. The flow of goods, services and money from one industry to another can be grasped in great detail through the use of input-output and other programing techniques. The planning office can provide a continuous stream of detailed information about how various sectors of the economy mesh—and are expected to mesh in the future—enabling individual companies, as well as Federal, state and local governments, to make enlightened and coherent decisions about production and consumption.

In order to be effective and useful, an

Office of National Economic Planning must be set up at the center of our economic and political life as one of our most influential institutions. To provide leadership at the highest level, we propose the establishment of such an office within the White House, provided with sufficient funding and supported by a professional staff large enough to carry out its many functions.

The director of the new body should be designated as the chief adviser to the President for economic affairs. The office should oversee the implementation of the national economic plan within the executive branch. Accordingly, the membership of the board of this office should be composed of high Administration officials and be supported by an advisory group representing the best talent of business, labor, farmers, consumers, minorities and other sections of society.

We also propose that the President's Council of Economic Advisers be made a part of the office and continue to concentrate on short-run problems of full employment and stabilization, usefully supplementing the long-run concerns of the office.

It goes without saying that the final choice among all feasible alternative planning objectives and programs belongs to Congress and that the execution of all laws embodying planning policy is the responsibility of the Administration. Congress and the executive branch must be equal partners in planning. We therefore recommend that a Joint Congressional Planning Committee, supported by a Congressional Office of Planning, with the necessary funding and technical assistance, be established to oversee all planning activities and to initiate and review legislation.

But to be successful, planning has to be undertaken with the full understanding, acceptance and support of the public. The participation of representatives of all important economic and social interests in every phase of planning is essential. Regional, state and local units of government must fully share in the planning process.

Every national forum—the press, Congress and the executive branch—should be used for a continuing airing of opinion on planning goals and methods. A network of committees representing every area of economic life should be available for mutual consultation with members of the planning office.

No one can possibly argue that planning will solve all our problems. Nor will it reconcile conflicting interests among different sections of our society. These will continue to be contested in the political arena as before. But planning can spare all of us the sense of helplessness we feel as the economy drifts from crisis to crisis and replace frustration with a sense of hope, with the conviction that we can, in fact, exert some control over our affairs.

Nor is planning an easy task. It is one of the most difficult enterprises that any society can undertake. But the technical capability and know-how exist to do the job. We believe that the hard thinking, work and experimentation required by a planning effort will be repaid many times over.

National economic planning has become an economic and social necessity.

[From the New York Times, June 18, 1975]

PLANNING THE ECONOMY—DESPITE APPEARANCE OF TENTATIVE STEPS, FORD REMAINS DEVOTED TO "FREE MARKET"

(By Philip Shabecoff)

WASHINGTON, June 17.—Recent developments in this city would seem to suggest that the United States Government is taking some tentative steps toward a planned national economy. On Capitol Hill, Senators Hubert H. Humphrey, Democrat of Minnesota, and Jacob K. Javits, Republican of New York, have introduced a bill to establish a national economic procedure under a new Federal agency called the Economic Planning Board.

In the White House, President Ford has strengthened the executive committee of the Economic Policy Board and directed it to meet daily to consider short- and long-range national economic problems. The committee is now working on such problems as capital formation, the international economy and the role of Government in the private sector.

Also in the White House, the President's Domestic Council is setting up "review groups" to look at such long-range problem areas as food, transportation and energy and to propose programs to deal with these problems.

LESS THAN MEETS THE EYE

But there is somewhat less going on here than meets the eye. Judging by comments from members of their staffs, the two White House groups are interested in ways of reducing, rather than increasing, the impact of the Government on the marketplace.

The Humphrey-Javits bill, it is acknowledged here, would be, if enacted, a major step toward central economic planning, albeit on a voluntary basis. The proposed Economic Planning Board would be empowered to submit a "balanced-economic-growth" plan, which, after review by advisory groups, would be submitted to the President and to Congress.

A plan providing guideposts for economic decisions for as long as four years in advance would then presumably be adopted.

REMINISCENT OF COOLIDGE

But the Ford Administration is not likely to go along with a central economic planning agency. President Ford is probably the least receptive chief executive toward Government intervention in the marketplace since Calvin Coolidge.

Mr. Ford made clear today just how firmly he might be expected to reject any suggestion of central economic planning by the Federal Government. In a speech to the National Federation of Independent Business he set forth his fundamental view of the relationship with business and industry.

"In the months ahead," he said, "we face a critical choice: Shall business and Government work together in a free economy for the betterment of all? Or shall we slide head-long into an economy whose vital decisions are made by politicians while the private sector dries up and shrivels away?

"My resources as President—and my resolve as President—are devoted to the free-enterprise system.

"I do not intend to celebrate our Bicentennial by reversing the great principles on which the United States was founded."

Some of the President's close advisers in the White House tempered this rhetoric somewhat in their comments, conceding that planning could sometimes be appropriate.

L. William Seidman, Assistant to the President for Economic Affairs, noted in an interview that the Government had an important planning role in supplying information about the economy, which the marketplace could use in reaching its decisions.

The Federal Government also engages in planning for the budget and on monetary policy, he observed.

There are, in addition, some areas where market forces do not operate freely, he said. One of these is the energy area, which is dominated by the Organization of Petroleum Exporting Countries. Therefore, some Government planning in energy is required and appropriate, Mr. Seidman said.

But there is a basic difference between the Ford Administration and the kind of view embodied in the Humphrey-Javits proposal, he added.

"Basically, the difference is that we think that the private sector can and should be the ultimate decision maker as to what we should produce rather than some politicians," he said.

Another high-ranking economic adviser to the President asserted that central planning of the economy by the Federal Government was an impossibility because "the technical capacity of economists for that kind of planning is nonexistent."

He said that economists could make projections of what would happen to the economy and that plans could be constructed on those projections.

"But what happens when the economy veers from the projections?" the aide asked rhetorically. He then answered that the plan would fall apart. He said the objection of the Administration to the Humphrey-Javits plan, which would be based on politically agreed on goals, was that the economy did not function in a way that made reaching those goals possible.

In the view of this official, and presumably of Mr. Ford and his Administration, the free-market economy is already "planned" in the sense that private enterprise makes millions of decisions that balance the economy.

PLANNING SEEN AS IMPOSITION

This official, who is close to the President but did not wish to be identified, insisted that economic planning was really a euphemism for an imposition of values on the public by Government. People may make bad choices about the kind of television programs they watch or the kind of cars they buy, but they are their choices, he said. With centralized planning, the Government would impose those choices, he asserted.

"That is what the debate on planning is all about," he said.

Those who advocate planning, of course, argue that the free-market system is not working so perfectly as the Administration claims. Critics point to the artificially induced oil-price increases, high food prices and food shortages, shortages in steel and a chaotic transportation system as evidence that some guiding hand is needed.

These critics also point out that the free market suffers from increasingly wider swings from inflation to recession.

Finally, these critics point to the increasing concentration of economic power in great corporations as evidence that the free-market system is less than free and, therefore, is in need of Government-directed planning.

CONCENTRATION OF POWER

But the Administration officials, while conceding the validity of some of the criticism, shrug them off as aberrations in an otherwise proven, continuingly effective system. There is no way, they let it be known, that the Ford Administration is going to accept even a semblance of national economic planning.

The prospects for the Humphrey-Javits bill, therefore, are none too bright. But now that the concept has been made formal in a legislative proposal, the stage has been set for a debate on central economic planning.

The issue has been debated before, but never in a world quite like today's. The debate could be a lively one.

Mr. JAVITS. I wish to read one paragraph from a piece of that kind published in the Los Angeles Times on Sunday, June 8, 1975, written by the prominent economist Robert LeCage. It reads as follows:

> General Motors plans model changes three years in advance. Your telephone company buys whole forests to supply telephone poles 10 or 15 years in the future. Prudent parents begin saving for college shortly after the blessed event.

Only the Federal Government, among huge administrative entities, Mr. President, shuts its eyes and blindly refuses to look into the future beyond the 1 year that the Budget Committees and the Budget are in charge of; and even that 1 year, Mr. President, is a brandnew innovation, to take effect in 1976, not even in 1975.

HEW REGULATIONS AND WOMEN'S RIGHTS

Mr. JAVITS. Mr. President, in June of 1972, Congress enacted legislation providing that—

> No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any education program or activity receiving Federal financial assistance.

Sex discrimination in education takes many forms. Some courses are closed to members of one sex; pension and employment rights vary; athletic programs are restricted and financial aid distributed in a biased manner. Clearly we wanted to remedy these situations. But should sex education classes, for example, be coed? Should men and women be on the same collegiate wrestling teams, and should American colleges be barred from participating in the Rhodes scholarship program simply because it is offered only to males? Should textbooks and curricula be censored to eliminate sexism, or would that contravene both the first amendment and the traditional State and local role in this area? All these difficult dilemmas were thoughtfully weighed by HEW, and, I believe, effectively resolved in the regulations.

HEW had an extremely elaborate and participatory process which consulted relevant and affected parties. Rather than be accepted as the capricious whim of unknowing bureaucrats, as some have maintained, the method of arriving at these regulations is a model of responsive reaction to publicly expressed comment in the rulemaking process. For example, HEW held 12 regional meetings throughout the United States to discuss and explain the proposed rules when first issued. Its officials addressed over 50 meetings of interested parties. In addition, it allowed an extraordinarily long comment period so that all views would have the opportunity for expression and review by HEW prior to carrying out the statutory responsibility of promulgating regulations. HEW received and considered approximately 10,000 responses from citizens.

No conceivable set of regulations would be perfect. The HEW regulations as they now stand represent a series of difficult decisions which were made in the process described above both to implement protection of the necessary rights of women and to address transitional difficulties which could impair the education system. Let me emphasize that in no case is the law equivocal. The rights of women to an equal educational opportunity are a matter of statute and a matter of simple justice. However, moving the current education system to a situation where it is able to insure these rights is a major administrative task. It will require a great deal of good will, and also some enforcement activity by the Federal Government under the legal authority vested in the Office of Civil Rights.

I believe that, by and large, the educational community welcomes this guidance and is currently, without outside prodding of active enforcement under regulations, making major steps toward eliminating sex discrimination. However, as with all such matters, there needs to be proper regulatory authority and enforcement action when an educational system is unwilling or unable to carry out the law. For example, I find that HEW has used appropriate restraint in deciding not to take sex discrimination prohibition enforcement activity into the important field of curriculum and textbooks. As we have seen recently, the nature of curriculum material is of great interest to the general public, which has consistently demanded to maintain local control. I support local control of curriculum, but such local control cannot violate the law. A Federal intervention at this time in textbook and curricular matters would be, in my judgment, impossible to administer judiciously. Therefore, HEW has wisely maintained that sex stereotyping in curricular and textbook materials would not be within the scope of this set of regulations. Often critics of these regulations have maintained HEW is extending beyond the law. I find the instant restraint to be an important example of their respect for the intent and purpose, as well as the letter, of the law.

HEW has not been shy in accepting constructive criticism, and in modifying previously held views or proposals as to how to best carry out the title IX authority. However, after serious and prolonged consultation it now has the regulations which would implement the title IX authority, thus carrying out more effectively the intent of Congress in passing the original title IX legislation in 1972. The period for deliberation has been completed. This is not a time for a retreat. Congress has an opportunity to enhance HEW's ability to enforce the law against sex discrimination. It is an opportunity that must not be missed.

Mr. President, I ask unanimous consent that three editorials be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

And Attacking Sex Bias

The new rules approved by Mr. Ford for ending educational discrimination against schoolgirls and college women are welcome.

Not so welcome is a companion HEW proposal to stop responding to individual civil-rights complaints. Such a step which would permit HEW's Office of Civil Rights to pick and choose among complaints before investigating, could mean lessened enforcement of racial as well as sex discrimination laws.

The Department of Health, Education, and Welfare was required under Title IX of the 1972 equal rights law to formulate rules to end discrimination against women in education. The administration's proposals, if approved by Congress after hearings, would open traditionally sex-stereotyped courses like shop to boys and girls, eliminate sex-based favoritism in admissions and scholarships, and require equality in noneducational facilities such as housing on campuses. These nonathletic regulations will likely have greater significance for the equality of opportunity for women than the new physical education rules, which are attracting the most controversy.

The athletics proposals do not require institutions or school systems to raise spending on female athletics to current men's levels. But they do require that girls be allowed to compete, if qualified, on boys' teams in noncontact sports, or have the chance to play on a girls' team. In the lowerschool grades, schools receiving Title IX funds must merge gym and field classes for boys and girls, while maintaining separate locker-room facilities.

It would be well for the public not to be diverted by argument over the new sports rules, such as whether they imply that girls are the equal of boys athletically. Considered as individuals, many girls may be superior athletically to many boys. To note that in many physically demanding endeavors, like dance, the female performer reaches levels of vigor, endurance, and style at least equal to that of men is not to dismiss the distinction between male and female in expression, where that is relevant. Such arguments are best left to statistics and philosophy. It is not necessary to read sex-role significance into running, throwing a ball, or other elementary sports action.

Particularly for women, the general level of physical education in the U.S. is low—from instruction in basic posture and movement to athletic and recreational skills. The automobile and TV set have turned the country's youths, like their parents, into nonwalkers and nonparticipants. The female in society is, during her school and college years, directed into even more of a spectator role by school spending policies that imply sports are for "men."

The new physical education rules may have practical flaws. For instance, collegiate women's athletic groups are apprehensive that the male-dominated organizations are poised to take over their programs, threatening reduced rather than expanded female sports opportunities. But on balance the rules affirm women's rights to equal educational opportunity in admissions, scholarships, instruction, and facilities—athletic as well as academic.

HEW's Rules on Women and Education

With all the hullabaloo over the impact on college sports of the new federal sex bias rules, it is easy to overlook the real importance of those rules which is that they should open the country's educational institutions to women in a way they have never been open before. That will mean, in the long run, more female scholars and college teachers, more females in technical jobs, and, to some extent, more female athletes. The rules mean, simply, that the nation is taking another significant step toward a time when intellect and talent and competence in general will be recognized as such in all endeavors—whether academic or athletic—regardless of the sex of the person concerned.

In that sense, the fight over what these rules will do to sports and athletic programs is a side issue. The real impact of them will be on things that matter much more in life—things like admission to vocational and professional schools and public colleges, access to courses and scholarship funds, and employment practices. In these areas, as well as in athletics, educational institutions at all levels have consistently discriminated against women down through the years. The new rules, if they are properly enforced by HEW, will do much to eliminate that discrimination.

There is also a matter of basic fairness involved in the athletic programs and if it takes a complete change in the nature of intercollegiate sports to produce that fairness, so be it. There is something fundamentally wrong with a college or university or, for that matter, a lower level school, that relegates its female athletes to second-rate facilities or second-rate equipment or second-rate travel arrangements solely because they are female. There is nothing in the Constitution or in the nature of the world that says only males can be athletes or that male athletes are entitled, if they are good enough, to free education, free food and free medical care.

Indeed, we suspect that there are a good many university presidents who, way down deep inside, are cheering that part of the HEW rules having to do directly with sports. The emphasis on all too many campuses has reached the point where it appears the purpose of the university is not to educate young people but to produce winning football or basketball teams. The presidents know this—and despair at what it is doing to their institutions—but many of them have felt unable to tackle the problem because of the power their athletic departments have with alumni. These new rules may provide the impetus they need to begin to bring the right perspective back to the campuses. If so, HEW's efforts will serve not only to give to women what is rightfully theirs but to restore some balance between what is meaningful in higher education and what is fun and games.

Against Sexist Schools

The new Federal guidelines against sex discrimination in the nation's schools and colleges combine a much-needed emphasis on equal opportunity for women with enough flexibility to prevent a dispiriting homogenization of educational institutions. Such a sensible approach to what is still an irrationally controversial area of social reform—and nowhere more explosively irrational than in sports—can be expected to draw fire from both ideological extremes.

Although some of the more esoteric aspects of sex discrimination are likely to attract most public attention, the crux of the matter is the prohibition of any bias blocking equal opportunity for female students and teachers at any educational level. Absolute equality is crucial in school and college admissions, financial aid, counseling and, in the case of teachers and other educational personnel, employment, pay and promotions.

The new rules quite properly prohibit the kind of sex stereotyping in education that barred girls from shop classes and boys from home economics. The justifications for such "male" or "female" subjects once put forth have long since been rendered obsolete.

The Department of Health, Education and Welfare has wisely resisted pressures to include the content of textbooks in its guidelines. Expert studies have provided ample illustrations that many of these teaching materials are indeed infected with male chauvinism, but Federal censorship is not the remedy. Local school boards and educators can better re-educate authors and publishers through care in selecting teaching materials.

In another constructive limitation of the general rules, the department sanctioned the continued existence of single-sex schools and colleges. Far from being an example of sexism, that exemption is an essential recognition of the importance of diversity in American education.

Far more vulnerable than any of the guidelines themselves, however, is the announcement that H.E.W. will no longer investigate individual complaints of discrimination. While some discretion is clearly in order to distinguish esoteric or crank complaints from legitimate grievances, any policy that ignores individual calls for justice can scarcely be considered law-enforcement. Secretary Weinberger cannot be faulted for appealing to the educational institutions' "good faith"; of * * * deeply ingrained habits of prejudice and exclusion in the absence of an effective mechanism for assessing well-documented individual complaints.

Mr. JAVITS. Mr. President, has my time expired?

The PRESIDING OFFICER. The Senator's time has just expired.

Mr. JAVITS. I thank the Chair.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The PRESIDING OFFICER (Mr. Hathaway). Under the previous order, the Senate will now resume the consideration of Senate Resolution 166, which the clerk will state.

The assistant legislative clerk read as follows:

A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

The PRESIDING OFFICER. The 1 hour for debate provided under rule XXII will now begin, with the time to be equally divided between and controlled by the Senator from Nevada (Mr. Cannon) and the Senator from Pennsylvania (Mr. Hugh Scott) or his designee. Who yields time?

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the time for the quorum call will be charged against both sides. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Morgan). Without objection, it is so ordered.

Mr. WEICKER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is amendment No. 627 by the Senator from Pennsylvania.

Mr. WEICKER. What is the business of the Senate at noon? Has that been ordered? Is that the cloture vote at a time certain?

The PRESIDING OFFICER. The vote is not at a time certain, but the live quorum preceding the vote will come at 11:52 a.m.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time? The time is equally divided. On whose time does the Senator suggest the absence of a quorum?

Mr. WEICKER. On the time of the distinguished Senator from Pennsylvania.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it i so ordered.

Mr. HUGH SCOTT. Mr. President, I withdraw my amendment, which is the pending amendment, and send another amendment to the desk, on behalf of myself and the Senator from Connecticut (Mr. Weicker).

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. Hugh Scott), for himself and Mr. Weicker, proposes and amendment to Mr. Allen's amendment No. 605, as modified:

Strike all after the word "that" on line 2 to the end and insert in lieu thereof the following: "notwithstanding any other provision of this Resolution, the Senate seat from the State of New Hampshire for the term commencing January 3, 1975, is hereby declared vacant effective June 25, 1975.

On line 7 renumber (1) as (1) (b).

Mr. WEICKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The yeas and nays were not ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent to have printed in the Record a column written by Mr. George F. Will, published in the Washington Post of Wednesday, June 25, 1975.

There being no objection, the column was ordered to be printed in the Record, as follows:

Stealing a Senate Seat

(By George F. Will)

The Senate Democrats' attempt to steal a New Hampshire seat is a timely reminder that brazen majorities abuse power.

Last November's election produced a 355-vote margin for Republican Louis Wyman. A recount produced a 10-vote lead for Democrat John Durkin. Finally the state's bipartisan Ballot Law Commission examined protested ballots and unanimously declared Wyman a two-vote winner.

Without charging misdeeds, Durkin appealed to the Senate, which referred the matter to the Rules Committee.

In January the Democrats reduced the committee from nine to eight members by reducing Republican membership to three. No other nine-member committee was reduced.

Consider the Democrats' subsequent behavior:

On "skip candidate" ballots the voters marked the circle denoting a party-line vote, and added superfluous marks next to the names of individual party candidates, but skipped senator. In New Hampshire such ballots are always counted as votes for all party candidates, individually marked or not, so Wyman's representatives challenged only one Democratic "skip candidate" ballot, and that inadvertently.

But Durkin challenged 12 such Republican ballots, and the committee split 4–4 (Alabama's James Allen breaking with fellow Democrats) to exclude these ballots from the count.

Chairman Howard Cannon (D-Nev.) ruled that a tie vote on a disputed ballot eliminated the ballot count. This ruling, if upheld by the full Senate, will cost Wyman 12 votes.

The committee refused Wyman permission to protest the Democratic "skip candidate" ballots that he, obedient to state practice, had not protested.

The committee voted 5–3 to count as valid two absentee ballots allegedly cast by a

> couple who were asked by a Democratic campaign worker to apply for ballots. The man has testified that neither he nor his wife ever received the ballots, and that he is not even registered. The signatures on the applications and ballots do not match.
>
> The committee refused Wyman's request for a complete retally, although the Senate has voted retallies on three occasions. And so it has gone.
>
> The full Senate (Democrats dominating, 61–38) will resolve 35 disputes that produced 4–4 committee votes. But the Democrats have been blindly partisan since January when they broke precedent, refusing to seat Wyman pending the investigation, in spite of the fact that his victory was affirmed by the highest official New Hampshire authority, and he possessed a valid certificate of election.
>
> Republican senators and Wyman note that the number of disputed or missing ballots (some were destroyed before final review) far exceed any possible margin of victory. They want the Senate to declare the seat vacant so New Hampshire can have another election.
>
> Durkins says he, personally, favors another election, but, alas, "We are on a constitutional trolley. We can't get off." But he could stop the trolley by telling the Senate Democrats that he will not serve unless they let the voters vote.
>
> With his inane trolley metaphor Durkin is suggesting this: Because the Senate has examined New Hampshire's results, the Senate is somehow honor-bound to keep the issue away from New Hampshire voters.
>
> This conclusion follows from nothing. It oozes from a tortured construction of the Constitution's provision that "each house shall be judged of the election of its members." That is, Democrats who bother to pretend that their attempted larceny reflects reverence for the Constitution say: The Senate will have failed to judge this case if it concludes that a new election is equitable.
>
> This self-serving theory is based on perverse interpretation of the verb "to judge." The interpretation is that a judgment in favor of a new election is, somehow, no judgment. This theory does not merit confuting, other than noting that it is novel: The Senate on other occasions has judged that disputed elections should be settled by new elections.
>
> Even with swollen majorities, Democrats have been too undisciplined to produce programs relevant to the nation's problems. But Senate Democrats are a virtually solid brute vote against letting New Hampshire pick New Hampshire's senator.
>
> If "Watergate" now is an all purpose term denoting abuse of power, the Democrats are committing a Watergate in broad daylight, an especially raw abuse because it reflects their cynical assumption that the public is beyond disgust.

Mr. WEICKER. Mr. President, Mr. Will's column is entitled "Stealing a Senate Seat." It reads:

> The Senate Democrats' attempt to steal a New Hampshire seat is a timely reminder that brazen majorities abuse power.
>
> Last November's election produced a 355-vote margin for Republican Louis Wyman. A recount produced a 10-vote lead for Democrat John Durkin. Finally the state's bipartisan Ballot Law Commission examined protested ballots and unanimously declared Wyman a two-vote winner.
>
> Without charging misdeeds, Durkin appealed to the Senate, which referred the matter to the Rules Committee.
>
> In January the Democrats reduced the committee from nine to eight members by reducing Republican membership to three. No other nine-member committee was reduced.

The column then goes on to cite various examples of Democrats' behavior in this matter. But what I think is important is the last portion of the article, which states:

> Durkin, says he, personally, favors another election but, alas, "We are on a constitutional trolley. We can't get off." But he could stop the trolley by telling Senate Democrats that he will not serve unless they let the voters vote.
>
> With his inane trolley metaphor, Durkin is suggesting this: Because the Senate has examined New Hampshire's results, the Senate is somehow honor-bound to keep the issue away from New Hampshire voters.
>
> This conclusion follows from nothing. It oozes from a tortured construction of the Constitution's provision that "each house shall be judge of the elections of its members." That is, Democrats who bother to pretend that their attempted larceny reflects reverence for the Constitution say: The Senate will have failed to judge this case if it concludes that a new election is equitable.
>
> This self-serving theory is based on a perverse interpretation of the verb "to judge." The interpretation is that a judgment in favor of a new election is, somehow, no judgment. This theory does not merit confuting, other than by noting that it is novel: The Senate on other occasions has judged that disputed elections should be settled by new elections.
>
> Even with swollen majorities, Democrats have been too undisciplined to produce programs relevant to the nation's problems. But Senate Democrats are a virtually solid brute vote against letting New Hampshire pick New Hampshire's senator.
>
> If "Watergate" now is an all purpose term denoting abuse of power, the Democrats are committing a Watergate in broad daylight, an especially raw abuse because it reflects their cynical assumption that the public is beyond disgust.

I am delighted to note that, slowly but surely, the public is becoming very aware as to what it is that is going on here. That is the intention of this Senator: to keep the issue out in the sunlight, so that what is being done, for whatever reason, in whatever way, will come to the attention of the public. I am not going to stand here and accuse my colleagues on the other side of the aisle of stealing an election. I am going to say that I think their judgment has come very much into question. I think their ability has come very much into question. I think their perceptions have come very much into question. I think their commonsense has come very much into question.

I am delighted to see that the distinguished Senator from Pennsylvania, has, once again, offered to the Senate the only fair, commonsense, and decent way to resolve this very confused issue—specifically, to allow the voters of New Hampshire to make a decision.

I understand that there is a lot of talk that there is an unfair bias in favor of Mr. Wyman, because New Hampshire, by tradition, is a Republican State. I point out that if New Hampshire shares the plight of the rest of the Nation, certainly, their economic condition today is not any better than it was in 1974, probably a lot worse. Obviously, those matters are always blamed on the party in power, more specifically the party in power as it is reflected in the White House. So I do not think there is any question in my mind that the atmosphere is probably well-balanced up in New Hampshire should a new election take place. It is not with that in mind that Republicans are advising that it go back to the home State; rather that, regardless of the outcome, we can all have a sense of pride in that outcome. If Mr. Durkin is the winner, it will have been done fairly. More importantly, I think, it will have reflected favorably on this body and given it, too, its credibility.

It is amazing. I cannot help but point out to my Democratic friends that they have been unable to muster any sort of drive or solution to any problem confronting this country today. I am just as harsh on my friend down at the White House, also. Insofar as these huge majorities are concerned, both in the Senate and in the House, the Democrats have been unable to muster them and devise constructive alternatives to what the President is proposing. Yet on this one issue, totally a political issue, they have managed to get all their muscle together.

I think the Nation would be a lot better off if they would use that muscle to devise alternatives on energy, to devise alternatives to the problems of the economy, to devise alternatives on housing and on transportation. I do not think that the present incumbent in the White House has all the answers. I think his solutions can be improved upon. But, oh, no, they are unable to do that; but on a political matter, they are able to get it all together and sit here and try to ram through a decision which is patently unfair, patently biased, and patently ignores the facts as they have been presented before this body.

I suppose that is what is so discouraging to this Senator. We came out of the box, here, not in the mind of being able to put up technical roadblocks, but, rather, to present situations that, on their face, were illegal, on their face were fraudulent, on their face involved terrible judgment. And, really, the vote did not change at all—not at all; as if there were a predetermined result. I think that is what really stands to the disgrace of this body.

As I say, yes, I knew Louis Wyman when we served together in the House. But I am not out here arguing for him. I am arguing for a principle. The principle specifically is that we have given this enough scrutiny so that we ought to realize that we cannot do right by the State of New Hampshire. People keep on saying, oh, the Scott amendment or the Weicker amendment, whichever one they mention, is premature. It was premature in January, when we had substantial accord on the difficulties that were going to be involved. Then we put it up again somewhere around the beginning of June and, after 6 months, it was still premature. Then, when we made certain criticism or selected some of the issues and started discussing them this past weekend, again Senator Brock and myself were called premature. Yesterday we were called premature.

But now the argument generally shifts. Now it is no longer premature. I heard the distinguished Senator from Nevada say yesterday that we have voted on this already, so why vote on it again, even though before we should have turned it down, because it was premature.

Nobody wants to face up to the best way of doing things. It is too simple. It is too straightforward. It is too logical.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. WEICKER. I yield to the distinguished Senator from Pennsylvania.

Mr. HUGH SCOTT. Mr. President, the Senator has been talking about reactions, patterns. I think the pattern to take this election away from the people of New Hampshire began in January, at the time when the majority decided that the membership on the Senate Committee on Rules would no longer be five Democrats and four Republicans, it would be five Democrats and three Republicans. They deprived us of a member on that committee. It was the only nine-member committee in the Senate which was so reduced at that time. The purpose is pretty obvious.

Had we retained the 5-4 ballots, it is clear now that the Committee on Rules would have reported not 4-4 ties, not two separate reports, it would have come in with a 5-to-4 report on most of these tied issues, surely, certainly on the "skip-candidate" issue. The Senate majority would then have been confronted by the embarrassing fact that their own committee had recommended, 5 to 4, the adding of various ballots and the subtracting of various ballots in a formula which would have prevented them from doing what they always intended to do, take the seat away, unless they then decided to vote down their own committee.

So, from the beginning, there has been a sort of pattern here to take the election away. The holding back of these 12 "skip-candidate" ballots until nearly the last minute, then the assembling of them in a group so that, until then, the people on this side were not aware of the fact that they were more than a random selection of protests, and then deciding them in a group 12 times, contrary to the law of New Hampshire—all of these things, I suggest to the distinguished Senator from Connecticut, are part of the same pattern. That is why Mr. Will, in today's Washington Post, says.

> If "Watergate" now is an all purpose term denoting abuse of power, the Democrats are committing a Watergate in broad daylight, an especially raw abuse because it reflects their cynical assumption that the public is beyond disgust.

Only in the last 24 hours, a very distinguished senior Democrat, whose name I shall not call because it was a statement made to a small group—nevertheless, simply by illustration I mention it—said that he had been back to his home area and had visited other areas of the country, and had found not one single soul—that gentleman knows all of us—who did not think that the Senate was misbehaving, who did not think that the Senate ought to send this election back. He did not find anybody, and he said, "I think this is the worst mistake my party has made in many years, and it is going to come back to haunt them."

Now, please do not accuse me of making this up because I would have to then indicate in confidence to some of the people who questioned it just who that was.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

The Senator from Nevada has 22 minutes.

Mr. HUGH SCOTT. I thank the Chair.

Mr. CANNON. Mr. President, I would like to talk just a little bit about this because it seems that our colleagues on the other side of the aisle are bent and determined that we shall not vote on these ballot issues that are before the Senate as a result of the tie votes. So I would like to talk a little bit about those ballots and, at least, let some of the people know, if they are interested, what the situation is.

Mr. MANSFIELD. Mr. President, will the Senator yield before he starts?

Mr. CANNON. Yes, I will yield.

Mr. MANSFIELD. How many days have we been considering Senate Resolution 166?

Mr. CANNON. I think this is the 11th day, I believe, we have been on that.

Mr. MANSFIELD. How many hours has the Senate used in facing up to this resolution?

Mr. CANNON. Well, the staff advises me it is over 50. I have not tried to get a correct analysis so I do not know.

Mr. MANSFIELD. How many live quorum calls has the Senate had during the past 11 days or 10 days?

Mr. CANNON. I believe the figure yesterday was stated to be 16, if I remember correctly. Perhaps one of the staff people can advise whether 16 is correct. Sixteen is correct.

Mr. MANSFIELD. How many votes has the Senate had on this issue apart from the resolution itself?

Mr. CANNON. When the Senator says "on this issue," I would have to qualify that we really have not had a vote on the issue.

Mr. MANSFIELD. Apart from the resolution itself.

Mr. CANNON. We have had 16 votes apart from the resolution itself, and a number of votes——

Mr. MANSFIELD. All right.

Have we voted on the first issue?

Mr. CANNON. No, although some of our Republican colleagues have said that we really have voted on the essence of some of these issues. That may or may not be, but we have not voted on the first issue; we have not voted on the second issue; we have not voted on any of those issues.

Mr. MANSFIELD. How many are there?

Mr. CANNON. Eight issues.

Mr. MANSFIELD. Eight issues?

Mr. CANNON. And 27 ballots. We have not voted on any of those 35 issues. As a matter of fact, 1 of those 8 has 2 parts to it so really I guess you could say there are 36 total issues, and we have not voted on a solitary one.

I may say to the majority leader, I would repeat now, as I told him when we started this matter, that I would be willing to agree to any reasonable time limit from a half-hour on up on any one of the issues so that we could debate it, and so that the Senate could vote and work its will.

The minority side seems to have the impression that everyone over here is going to vote together on these issues. We have never voted together on any of them yet, on any of the issues that have been voted on so far. I do not believe—well, maybe I should not say we have not voted together on any, we may have voted together on one or two, but I would point out that the minority has voted solidly together on every issue that has been up, every issue but one.

Mr. MANSFIELD. Could the distinguished chairman of the Committee on Rules and Administration, the manager of the bill, give the Senate an estimate of how many times he, the assistant majority leader, I and others on this side of the aisle over the past 11 days, including today, have asked consent that a time limitation be agreed to?

Mr. CANNON. I would have to guess, but my belief would be it would be something in excess of 30 times in various forms and on various issues and with various limitations.

Mr. MANSFIELD. I would say that would be a conservative estimate.

Would the Senator say that this side has been unwilling to face up to the issues of the resolution which was reported unanimously 8 to 0 by the Committee on Rules and Administration or would the Senator say we have been trying to expedite progress so that this issue could be settled and New Hampshire be given the second Senator to which it is entitled?

Mr. CANNON. Mr. President, I would respond by saying we, on this side, have certainly been trying to face up to the issue and try to dispose of it, try to dispose of it under reasonable limits.

I may say to my leader that in the committee we even agreed on time limits there, and the same people who agreed on time limits in the committee to vote on some of these issues are now objecting to time limits here on the floor simply because they lost a vote or they did not happen to be on the prevailing side. I should not say they lost. Some of those were 4-to-4 votes, but they happened to not be on the prevailing side.

We got a time limit in the committee and followed that, and it was for a time for presentation of the arguments, and that is the thing I have been hoping we could get to agree to here.

Mr. MANSFIELD. How many days did the Senator spend in committee considering the New Hampshire case?

Mr. CANNON. Well, it seems to me that we have been on it almost every day since the first of the year, but that is not correct. We have had, I think, either 46 sessions of the committee or more than 46 sessions.

Mr. MANSFIELD. How many votes have you had in the committee considering the New Hampshire contest?

Mr. CANNON. Well, we had, I think—we disposed of about 900 issues that are in the box, the ballot box. We disposed of over 600 on votes alone, on ballots alone, both masked and unmasked. And, as the Senator from West Virginia pointed out very ably a few days ago, there is not a man alive who can tell now who is ahead in this race, whether Mr. Wyman is ahead, as a result of those rulings, or Mr. Durkin is ahead as a result of those rulings, because they are all contained in that ballot box which we hope to bring up here if and when we are ready to vote on these ballots that are before us now, so that once the Senate votes on these issues they can go into the box, and then, after the votes are all had on the ballots, we can have an independent team from GAO or some place else which the Senate determines to tally them, apply those to the base of the ballot law commission, which starts off with Mr. Wyman being two votes ahead.

We know he is more than that ahead based on some of the actions we have taken because he started two votes ahead. The committee, in its wisdom, voted to open and count two absentee ballots at the urging of his lawyer, the opening and counting of which was denied both by the Secretary of State and by the ballot law commission because it did not comply with New Hampshire, and we knew when we opened that they would be ballots for Mr. Wyman, but we still voted to open them and count them.

I stated to Mr. Wyman's lawyer at the time:

> You certainly are not naive enough to believe that this committee does not know how those ballots were cast that you are petitioning us to open,

because, being the good lawyer that he is, he certainly has gone out and checked—he has checked everything he could think of in the State, including the elderly Mr. Michaud, and now contesting the ballot of the lady who died some 8 days after the election, and so it was not reasonable to assume that he did not know that those ballots would be for Mr. Wyman, and they were. We tallied them for Mr. Wyman even though under New Hampshire law neither of them could properly be counted on election night.

There was also another issue which we settled, and we settled that contrary to Mr. Brown's position that he presented to us. That was the ballot that is similar to ballot No. 22. That was ballot No. 36. On ballot 22, Mr. Brown argued that that should be a no-vote, and the committee voted that it was a no-vote by four of the committee, and a ballot for Mr. Durkin by the other four, so it is a tie issue before us.

But on ballot No. 136, precisely the same set of circumstances, that is, a write-in candidate, such as the name of the Senate candidate. In that case, the vote was for Mr. Wyman so the committee voted 6 to 2 to give that to Mr. Wyman.

So that is a vote that obviously he did not have before because Mr. Brown argued to us that that proposition was a no vote.

So we have one here on a tie and one in the ballot box that was given to Mr. Wyman, so three ballots the committee awarded Mr. Wyman that he did not have before and those three, of course, added to the two he went in with would give him five ahead. Assuming the committee followed along on its other rulings with the ballot law commission, that is where he would stand.

Mr. MANSFIELD. May I say to the distinguished Senator, I just wanted to make the record clear to emphasize the fact that the Rules Committee has done its duty and carried out its responsibilities to the best of its ability, and, furthermore, to state that everything which has occurred down here has been on the record for all to see and all to judge.

I commend the distinguished Senator for carrying on as patiently and considerately as he has in trying to bring to the Senate the situation and in trying to get the Senate to face up to its responsibilities so that we can at least begin voting on the first of 30, 35, or 37 issues and other questions which confront us.

We will have to let the record speak for itself.

Mr. CANNON. Mr. President, may I say to my majority leader that the issues that are here to be voted on have been talked about for days and days, except the precise issue on the ballots, and they are not all the same.

The so-called skip-Louie ballots are not even all the same because in that situation we have some ballots there which involve more than one skip, and other evidence, for example, ballot No. 256 had a skip of three people besides Mr. Wyman, but it had other evidence on the ballot. The evidence was that the voter had marked in the X in Mr. Wyman's square and then had taken his pencil and erased the X out of the square.

Now, how in the world anyone can contend that that voter intended his ballot to go for Mr. Wyman is far beyond me, but that is one of the things that Senators ought to see on the ballot up here. They ought to listen to the arguments briefly and then ought to make up their own minds. That is all I am trying to say.

Mr. MANSFIELD. Will the Senator yield further?

Mr. CANNON. Yes.

Mr. MANSFIELD. Did the Senator make some reference to the GAO, or some other agency, during the course of his remarks?

I am just trying to recollect.

Mr. CANNON. Yes. I said that what I hoped was that we could vote on these issues, vote on the ballots one by one after the arguments had been made, have Dr. Riddick take the slips off before we vote on them, the slips from the secretary of state and the ballot law commission, so that no Senator here would know what the action of the ballot law commission or the secretary of state was, let the Senate cast its vote on them and have Dr. Riddick look at that vote, reattach the slips and put that ballot in the big box that we hope to have brought over here that has the 900-odd ballots in it at the present time that both of the parties decided they wanted to protest to the committee out of the 3,500. That is all they elected to present to us.

Then I said I thought we ought to have a team from the GAO go through and tabulate those ballots, the votes that the committee already voted on and the ones the Senate would have voted on, apply those totals by adding or taking from the respective count as identified by the ballot law commission and then report that.

May I say that I have an amendment to the resolution at the desk that I hope to call up, if and when it is appropriate, and I would like to read it to the distinguished majority leader.

Mr. MANSFIELD. I am delighted to hear it.

Mr. CANNON. The amendment would be as follows:

> On page 2, strike out lines 19, 20, and 21 and insert the following:
>
> (6) The Senate hereby directs the Committee on Rules and Administration (A) to tabulate all the ballots which it has previously voted to count and those ballots voted upon by the Senate under section 2 of this resolution, such tabulation being made by three counters from the General Accounting Office in the presence of the committee panel consisting of Mr. Riddick, Mr. Duffy, and Mr. Schoener, (B) to add the ballots so tabulated to, or substract the ballots so tabulated from, the final figures certified for each candidate by the Ballot Law Commission of New Hampshire, and to express the results thereof in a Senate resolution, and (C) to report such resolution to the Senate not later than July 20, 1975. If the committee fails to report such resolution by July 20, 1975, the committee shall be discharged from its further consideration and it shall be placed on the calendar.

In other words, I am trying to find some way to bring a resolution to this.

Mr. GRIFFIN. Will the Senator from Nevada yield?

Mr. CANNON. Yes.

Mr. GRIFFIN. This procedure seems so appropriate there, it would be just exactly what would be helpful and useful, if we would apply that to issue No. 1, there is the protest by Mr. Wyman having to do with the tally of 10 precincts and it would be very simple and very quick to have that kind of a nonpartisan panel just retally those ballots and see whether or not the count was right.

I just wonder if the chairman would not amend his proposal to include that.

Mr. CANNON. Well, I may say to my colleague that he is well aware, and I have repeated it dozens and dozens of times on the floor here, the record is very complete, all of the matters referred to in issue No. 1 were raised by Mr. Wyman's attorneys to the ballot law commission, protested it the night of the recount to the ballot law commission, and he satisfied himself on every issue.

I read the minutes of December 4 before the——

Mr. GRIFFIN. Why does the Senator not give the people of New Hampshire the benefit of the doubt?

Mr. CANNON. December 4, before the ballot law commission, in which Mr. Brown said he had questions about four of those precincts. The others, he was not pressing, because he had satisfied himself on this.

Then on December 20, after he checked the matters on the other four precincts, he came along and said that he was satisfied with those precincts.

This is Mr. Brown, if I may again restate his position, Mr. Brown being the very able lawyer for Mr. Wyman.

First, before I read this, but asking it may come later, I ask for the yeas and nays on the pending Scott amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, Mr. Brown said, speaking to the ballot law commission:

> Mr. BROWN. So far as the precinct recount requests—and I had four of them—

Now, these were the 4 remaining of the 10 that are set forth in issue No. 1, after he had satisfied himself on 6 of them:

> Chairman SNOW. Gilford, Bedford, Somersworth Ward 1 in Gorham.
>
> Mr. MILLIMET. You didn't mention Somersworth.
>
> Chairman SNOW. I was going to ask you about it.

Now, this is Mr. Brown, the very fine lawyer of Mr. Wyman, and he is a good lawyer, he has made an excellent presentation to the committee throughout:

> Mr. BROWN. I am not pressing on any of those, but I may have some live testimony with regard to the Somersworth situation, depending upon how my brother's case develops, and I withdraw the request for the precinct reviews.
>
> Chairman SNOW. Gilford, Bedford, Somersworth Ward 1, and Gorham.
>
> Mr. BROWN. Yes.
>
> Chairman SNOW. Did you get that?
>
> Commissioner RUDMAN. Yes, I did.
>
> Commissioner CROWLEY. I got it.

I do not think anything could be more settled than that issue of the 10 precincts in issue No. 1.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. I would like to ask if it is necessary that the amendments now at the desk, which were there before the cloture vote yesterday, must again be considered as having been read. Is it necessary to have a restatement of that request today to have them qualify under rule XXII?

The PRESIDING OFFICER. It would not be necessary on those amendments, but for any amendments that have come in during the interim it would be necessary.

Mr. CANNON. May I ask if there are amendments that have come in?

The PRESIDING OFFICER. Yes, there are.

AMENDMENTS CONSIDERED AS READ UNDER RULE XXII

Mr. CANNON. Then, Mr. President, I ask unanimous consent that amendments that have come in that are at the desk be considered as having been read for the purpose of rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Will the Senator yield for one question?

Mr. CANNON. Yes.

Mr. NELSON. A few moments ago the distinguished Senator from Nevada made reference to absentee ballots that were not counted by the ballot law commission, because it would not be in compliance with New Hampshire law.

Mr. CANNON. That is correct.

Mr. NELSON. What was the issue?

Mr. CANNON. The issue on one of them was that the ballot apparently had been returned erroneously to the wrong ward. The election clerk had opened it, but the man was not on the checklist in that ward so they did not count it. She carried it around in her purse for a day or two and then turned it in. We said this was a technical irregularity. On the other, the man was not on the registration list.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. NELSON. I ask unanimous consent to proceed for 60 seconds.

The PRESIDING OFFICER. The time for the debate has expired. The clerk will read the motion to invoke cloture.

Mr. NELSON. I ask unanimous consent to continue for 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. NELSON. Would the chairman of the Committee on Rules respond to this question: What was the vote to count those two ballots?

Mr. CANNON. My recollection was that the vote was 8 to 0 on both of them. The committee felt that they should be counted. We were leaning over backwards to try to keep from disenfranchising a voter. We felt that this was the type of an irregularity that the committee should disregard. We did disregard it and the two ballots went for Mr. Wyman.

Mr. NELSON. But they clearly could not be counted pursuant to New Hampshire laws?

Mr. CANNON. Both the secretary of state and the ballot law commission had so ruled.

Mr. NELSON. So it is correct that a number of the members of the Committee on Rules who were objecting to not counting the "skip-Louie" ballots on the grounds that they did not comply with the law were perfectly willing to count two Wyman ballots even though they, too, were not precisely in compliance with statutory law; is that correct?

Mr. CANNON. The Senator is absolutely correct.

Mr. DOLE. Mr. President, I intend to vote against invoking cloture on this issue. I have in the past, on other matters before this body, voted for limiting debate on occasion, and against limiting debate on occasion.

Knowing that one man's filibuster is another man's "elucidation of the issues," I have always, when voting to limit debate, done so with some regrets that such measures must be resorted to from time to time.

In this instance, however—I am as sure of this as I have been on any issue to come before the Senate in my tenure here—that cloture now would be inappropriate, premature, counter to the best interests of the people of New Hampshire and counter, too, to the best interests of the Senate.

Mr. President, should we invoke cloture now on this matter, we will in effect be saying to ourselves, to the country, and most particularly to the people of New Hampshire that this is an issue which the Senate feels can be limited.

We will be saying that this fundamental issue—which involves an interpretation of the Senate's high constitutional authority to be the judge of its own members, which involves fundamental constitutional rights accorded to the voters of a sovereign State, which involves the fundamental constitutional issue of the rights of States themselves, and which, not incidentally, has taken the Rules Committee of this Senate 5 months after which the Members still could not resolve at least 35 separate and distinct, very complicated issues—we will be saying that the full Senate is willing to ignore the complexities and force a vote.

The Senator from Kansas believes very strongly that we should hasten a decision on this matter. And he believes that the decision we should hasten is that a resolution of this contested election is not properly the Senate's decision to make. But the Senate has already expressed its will, on more than one occasion, not to send this dispute back to the voters of New Hampshire to decide.

The Senate has indicated by previous votes that it intends to go into the issues and to decide those matters which the Rules Committee could not decide on. A decision today to cut short the debate on these matters would not be compatible with our intention to resolve this disputed election ourselves.

The record of the Senate in this matter, to date, is not a proud record. By majority vote, the Senate has refused to honor the certificate of election which the State of New Hampshire has awarded. The Senate has allowed a situation to exist for 6 months in which the State of New Hampshire has been underrepresented in this body. The Senate now contemplates substituting its will for the will of the voters of the State of New Hampshire.

Shall we compound this miscarriage of justice by now voting not only to have the Senate do the job of the people of New Hampshire, not only to have the Senate do that job badly, but also to have the Senate do it with ill-considered haste by limiting debate?

If we do, Mr. President, I can assure you it will not be with my support.

We are discussing not just the plight of the State of New Hampshire. We are not engaged in mere discussion of a political dispute from within that State. Mr. President, the Senate has taken it upon itself to consider a matter which goes to the very foundation of our Federal system and the very essence of the concept of State sovereignty which underlies it.

What we decide in the case of New Hampshire will, by virtue of the precedent we set, be of considerable importance to the State of Kansas, of Maryland, of California, of indeed every State in this Union.

I shall not vote to cut off debate on this issue, not at this time nor at any time in the foreseeable future.

Mr. FANNIN. Mr. President, this morning's Washington Post carries an excellent column by George F. Will regarding the double standard being followed by the Senate majority party in attempting to overthrow the will of New Hampshire voters.

In his nationally syndicated column headlined, "Stealing a Senate Seat," Mr. Will gives a concise summary of the key points and the inevitable conclusions. If Louis Wyman is denied the Senate seat given him by the voters of New Hampshire, and if John Durkin is seated to add to an already considerable Democratic majority, thoughtful citizens of America can reach no other conclusion than the seat was indeed stolen. For the majority to proceed under the ground rules it has dictated is indeed Watergate morality—a clear abuse of power by the majority.

As Mr. Will points out, for the Senate to decide that a new election is the fair way to settle the dispute would constitute a judgment and the Senate would be fulfilling its obligations under the Constitution. This is the only fair solution.

Mr. President, I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STEALING A SENATE SEAT

(By George F. Will)

The Senate Democrats' attempt to steal a New Hampshire seat is a timely reminder that brazen majorities abuse power.

Last November's election produced a 355-vote margin for Republican Louis Wyman. A recount produced a 10-vote lead for Democrat John Durkin. Finally the state's bipartisan Ballot Law Commission examined protested ballots and unanimously declared Wyman a two-vote winner.

Without charging misdeeds, Durkin appealed to the Senate, which referred the matter to the Rules Committee.

In January the Democrats reduced the committee from nine to eight members by reducing Republican membership to three. No other nine-member committee was reduced.

Consider the Democrats' subsequent behavior:

On "skip candidate" ballots the voters marked the circle denoting a party-line vote, and added superfluous marks next to the names of individual party candidates, but skipped senator. In New Hampshire such ballots are always counted as votes for all party candidates, individually marked or not, so Wyman's representatives challenged only one Democratic "skip candidate" ballot, and that inadvertently.

But Durkin challenged 12 such Republican ballots, and the committee split 4–4 (Alabama's James Allen breaking with fellow Democrats) to exclude these ballots from the count.

Chairman Howard Cannon (D-Nev.) ruled that a tie vote on a disputed ballot eliminated the ballot count. This ruling, if upheld by the full Senate, will cost Wyman 12 votes.

The committee refused Wyman permission to protest the Democratic "skip candidate" ballots that he, obedient to state practice, had not protested.

The committee voted 5–3 to count as valid two absentee ballots allegedly cast by a couple who were asked by a Democratic campaign worker to apply for ballots. The man has testified that neither he nor his wife ever received the ballots, and that he is not even registered. The signatures on the applications and ballots do not match.

The committee refused Wyman's request for a complete retally, although the Senate has voted retallies on three occasions. And so it has gone.

The full Senate (Democrats dominating, 61–35) will resolve 35 disputes that produced 4-4 committee votes. But the Democrats have been blindly partisan since January when they broke precedent, refusing to seat Wyman pending the investigation, in spite of the fact that his victory was affirmed by the highest official New Hampshire authority, and he possessed a valid certificate of election.

Republican senators and Wyman note that the number of disputed or missing ballots (some were destroyed before final review) far exceed any possible margin of victory. They want the Senate to declare the seat vacant so New Hampshire can have another election.

Durkin says he, personally, favors another election but, alas, "We are on a constitutional trolley. We can't get off." But he could stop the trolley by telling Senate Democrats that he will not serve unless they let the voters vote.

With his insane trolley metaphor Durkin is suggesting this: Because the Senate has examined New Hampshire's results, the Senate is somehow honor-bound to keep the issue away from New Hampshire voters.

This conclusion follows from nothing. It oozes from a tortured construction of the Constitution's provision that "each house shall be judged of the elections of its members." That is, Democrats who bother to pretend that their attempted larceny reflects reverence for the Constitution say: The Senate will have failed to judge this case if it concludes that a new election is equitable.

This self-serving theory is based on a perverse interpretation of the verb "to judge." The interpretation is that a judgment in favor of a new election is, somehow, no judgment. This theory does not merit confuting, other than by noting that it is novel: The Senate on other occasions has judged that disputed elections should be settled by new elections.

Even with swollen majorities, Democrats have been too undisciplined to produce programs relevant to the nation's problems. But Senate Democrats are a virtually solid brute vote against letting New Hampshire pick New Hampshire's senator.

If "Watergate" now is an all purpose term denoting abuse of power, the Democrats are committing a Watergate in broad daylight, an especially raw abuse because it reflects their cynical assumption that the public is beyond disgust.

CLOTURE MOTION

The PRESIDING OFFICER. The time for debate under the unanimous-consent agreement having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon Senate Resolution 166, relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mike Mansfield, Robert C. Byrd, Jennings Randolph, Gaylord Nelson, Abraham Ribicoff, Floyd K. Haskell, John Glenn, Harrison A. Williams, Alan Cranston, Walter D. Huddleston, John O. Pastore, Patrick J. Leahy, Richard (Dick) Stone, Quentin N. Burdick, Claiborne Pell, William D. Hathaway, and Walter F. Mondale.

CALL OF THE ROLL

The PRESIDING OFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 43 Leg.]

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Wyoming (Mr. MCGEE) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is necessarily absent.

The PRESIDING OFFICER (Mr. CLARK). A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the resolution (S. Res. 166), relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Wyoming (Mr. MCGEE) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is necessarily absent.

The yeas and nays resulted—yeas 56, nays 41, as follows:

[Rollcall Vote No. 251 Leg.]

YEAS—56

Abourezk
Bayh
Bentsen
Biden
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stevenson
Stone
Symington
Talmadge
Tunney
Williams

NAYS—41

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Brooke
Buckley
Case
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Javits
Laxalt
Mathias
McClellan
McClure
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Stafford
Stennis
Stevens
Taft
Thurmond
Tower
Weicker
Young

NOT VOTING—2

McGee
Hatfield

The **PRESIDING OFFICER**. On this vote, there are 56 yeas, 41 nays. Three-fifths of those duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. **WEICKER**. Mr. President, I hope that now we will take a positive way out of this dilemma; that the Senate will see fit to handle this matter in an impartial way, in a neutral way, in a nonpartisan way.

Mr. **ROBERT C. BYRD**. Mr. President, may we have order?

The **PRESIDING OFFICER**. Senators will please take their seats. The Senate will please be in order. The Senate is not in order.

Mr. **WEICKER**. I hope that we will send the election back to New Hampshire, let the people of New Hampshire decide; that we will support the amendment of the distinguished minority leader, the Senator from Pennsylvania.

I see no point in hassling each other any more. We are doing too much of it as it is. I hope not much time will expire before we get to the matter of voting.

Mr. **NELSON**. Mr. President, may we have order? There are still Members of the Senate conversing in the aisle.

The **PRESIDING OFFICER**. The Senator is correct.

Will Senators please take their seats?

Mr. **WEICKER**. Mr. President, I yield to the distinguished Senator from Pennsylvania.

Mr. **HUGH SCOTT**. Mr. President, if I may, I yield to the distinguished Senator from Virginia, without losing my right to the floor.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **WILLIAM L. SCOTT**. Mr. President, I appreciate the Senator yielding to me.

My only purpose in taking the floor at the time is to read an editorial from the Richmond Times-Dispatch. This is our leading newspaper in Virginia. It is generally regarded as a Democratic newspaper, although it is often thought of as a conservative paper. This is the lead editorial of yesterday, Tuesday, June 24, and it is entitled, "Let the Voters Decide." It is a very well-thought-out editorial on the problem that is now before the Senate, and I shall read it in its entirety:

> Let the Voters Decide
>
> The U.S. Senate has certainly not distinguished itself in its handling of the disputed New Hampshire senatorial election.
>
> For half a year members of "the world's most exclusive club" have haggled over admission of a new member to represent New Hampshire. Meanwhile, the state has had only one of the two senators it is constitutionally entitled to.
>
> The issue came to the Senate because the New Hampshire returns last November were the closest of any senatorial election in the nation's history.
>
> The first announced results after the initial counting of ballots gave Republican candidate Louis C. Wyman the victory by a slim 355-vote margin. Then a recount took the apparent victory away from Wyman and gave it to Democrat John A. Durkin by 10 votes. Next, the State Ballot Law Commission reviewed disputed ballots and certified Wyman the winner by two votes.
>
> Democrat Durkin took his fight to the Senate, which is topheavy with Democrats, with 61 of them in the upper chamber as against 38 Republicans. But instead of settling the issue, the senators have spent nearly six months arguing over contested ballots and other issues.
>
> Many Americans probably are wondering why there is such a big fight over one senatorial seat, when the outcome would have little effect on the overall Democrat-Republican division in the Senate. The explanation is that the makeup of committees is in proportion to the party makeup of the Senate itself. If the Democratic candidate is declared the winner, for example, it could mean that a Republican might have to be ousted from one or more important committees to make room for another Democrat.
>
> There is no question but that the Senate has a constitutional right to deal with the contested election. The Constitution provides that "each House shall be the judge of the elections, returns and qualifications of its own members . . ."
>
> But the question is not whether the Senate has legal authority to choose between the two contenders, but, rather, whether it is acting in the public interest in handling the problem in the manner of the past six months.
>
> With one candidate and then the other having been declared the winner before the issue reached the Senate, and with the certified results being fantastically close, the common sense solution to the problem would be for the Senate to call for a new election between Messrs. Wyman and Durkin. Polls show that this is what the people of New Hampshire want, and in all probability the vast majority of the people of the nation as a whole would agree. But the Senate gives no sign of adopting this reasonable, sensible solution. The outlook is for continued political squabbling, while New Hampshire remains with half its deserved representation in the Senate.
>
> If the Senate is determined to make the choice between Democrat Durkin and Republican Wyman, great weight should be given to the fact that the properly constituted state authority for such matters certified the latter as the winner. But the common sense solution, we reiterate, would be to turn the whole question back to the people most directly affected—the voters of the state of New Hampshire.

Mr. President, I think this is a very sensible, reasonably stated editorial on the matter that is before us. If we follow the wishes of the people of New Hampshire, Senator Wyman will be seated as the Senator from New Hampshire. But it is close. I think the second best thing, and the sensible approach, is to send this back to have another vote, to let the people of New Hampshire decide finally, once and for all, whom they want to represent them for the remainder of this 6-year term.

I thank the Senator from Pennsylvania for yielding.

Mr. **ROBERT C. BYRD**. Mr. President, will the distinguished Senator from Pennsylvania yield briefly?

Mr. **HUGH SCOTT**. In just 1 minute. We do not intend to delay the Senate. I yield and then I have something briefly to say.

Mr. **ROBERT C. BYRD**. Mr. President, I should like to acknowledge that the Richmond Times-Dispatch is a very reputable and time-honored newspaper. I should like to have follow in the Congressional Record the editorial by the Richmond Times-Dispatch that has been read into the Record by the distinguished junior Senator from Virginia (Mr. William L. Scott) just 16 words from a document that is even more time-honored and certainly more basic to our Republic. They are these words which are to be found in section 5, article I of the Constitution:

> Each house shall be the judge of the elections, returns, and qualifications of its own members.

As far as I am concerned, that takes care of the editorial. There was one thing in that editorial, however, that I shall comment on briefly which is indicative of the many false assumptions that are being made regarding the New Hampshire election dispute by various editorial writers and commentators. I have read a good many columns and editorials bearing upon this issue. I find that in many instances, the writers of those editorials and columns are proceeding on the basis of assumptions that are not necessarily valid.

There was a reference in the editorial to the possible removal of minority members from committees in the event the Senate were to seat Mr. Durkin. In the first place, the Senate may, in the final analysis, seat Mr. Wyman. No individual on the Committee on Rules, in the Senate or elsewhere, knows what the result of the counting of the ballots will ultimately be. It could very well be Mr. Wyman who will be seated, in which case no Republican would be bumped. Certainly, if it were to be Mr. Durkin, I know of no inclination on this side of the aisle to bump any Republican member off any committee as a result of the outcome of that election. So, that is one false assumption in that editorial that I hope will not be persuasive of votes in the Senate. I am sure that every effort would be made in any event to assure that Republican committee assignments would not be affected during the remainder of this Congress. What I really rose for was to inquire of the distinguished Republican leader if it might be possible to get a time limitation on this amendment, so that the Senators will know when the vote will occur.

Mr. **HUGH SCOTT**. I think we could. I do not believe the Senator from Connecticut has any desire to talk. I think we can probably vote in 10 minutes if there is no objection, if I could have 5 of that. We could vote at 12:45.

Mr. **WEICKER**. Reserving the right to object, I do not think unanimous consent has been requested, but I wish to state that I shall follow by position in this matter, which is that I will not agree to any time limitation. I am prepared to vote right now.

Mr. HUGH SCOTT. I am not opposed to a time limitation, but I believe we can yield our time in just a very few minutes.

Mr. President, the most specious argument we have heard here is the one that appears to rely on the constitutional provision that the Senate shall be the judge of the election of its Members. No one questions that is as it is stated. But it is specious to argue from that, and it is self-serving to argue that their perverse interpretation of the verb "to judge" implies that the Senate makes no judgment in referring the case back to New Hampshire. The decision to refer back is a judgment. The decision to refer back is a judgment that it cannot pass yet on the qualifications of a Member from New Hampshire, because the decision in New Hampshire is too confusing for the Senate to arrive at that conclusion.

Moreover, a statement has just been made by the Senator from West Virginia, "We do not know who is ahead."

I think the Senator from West Virginia had better assume that we on this side know who will be ahead if they do the counting. The fact that they want to do the counting is sufficient warning.

Mr. ROBERT C. BYRD. Will the Senator yield on that point?

Mr. HUGH SCOTT. Yes.

Mr. ROBERT C. BYRD. I hope that the Senator will not make that implication. He sat on the Committee on Rules with the rest of us and he knows that we did everything we possibly could to be fair and objective in the actions there. I should want to assume that every Senator in this body is going to try to be fair and objective and honest in his votes in relation to this issue.

Mr. HUGH SCOTT. My reference is simply to the fact that if the majority does the counting, the majority is going to decide 34 out of these 35 issues in a way that will favor the candidate the majority wanted. That is my prediction. I think it is a justified one. I am not sure they are willing to take away from us the vote of the lady who died. I think that is a little too raw. But they have the majority to take the others away.

Mr. ROBERT C. BYRD. The Senator will remember that we did not take away from Mr. Wyman the vote of the lady who carried the ballot home in her purse.

Mr. HUGH SCOTT. Carrying a ballot in a purse is a good deal different from dying.

Mr. LONG. Will the Senator yield?

Mr. CURTIS. Will the Senator yield.

Mr. HUGH SCOTT. I yield to the Senator from Louisiana; then to the Senator from Nebraska.

Mr. LONG. What troubles me most about this matter has to do with the matter of the "skip" ballots. If the committee is not going to permit to be counted those ballots on which Mr. Wyman or Mr. Durkin's name was skipped, although the person marked the X in the bull's-eye for the straight party ticket, then I should think that, at a minimum, we ought to go back, if either party wants it and take out all the other ballots of that sort, if any are to be found in the whole 180,000. That would sound to me as though we were looking for one ballot in about every 300 and take out those ballots and not count them, either. It may well be that all of the so-called skip ballots are not in the contested group.

Am I correct in my understanding that Mr. Wyman contends that if we go into that 180,000 ballots, we are going to find other ballots there where names were skipped over, particularly the ones where the two senatorial candidates were skipped?

Mr. HUGH SCOTT. The Senator is correct. Mr. Wyman contends, and supports it by affidavits of the former Governor of New Hampshire, Mr. Gregg, that there are many more such ballots in toto. The Committee on Rules did not do what we urged them to do. It at first agreed to do it by a 5-to-3 vote on a motion, and then refused to give the effect of their motion to go back and count them by a motion to reconsider, which was tied. So what we get here is a tie vote and not the 5-to-3 vote.

Mr. LONG. Well, as far as I am concerned, I have voted for cloture in order that the committee can count the ballots and bring its recommendation in here. I do not believe I would be able to vote for cloture if, after the committee has gone back and sought to count these ballots, it then appeared that, in spite of such affidavits of people who say that there are other "skip" ballots in that 180,000,—the committee or the Senate were to refuse to look at those other ballots. Then I do not think I could vote for cloture or to bring this thing to a conclusion, because, in my judgment, it would be totally inexcusable. I do not think that any conscience can defend a situation where we would say that we would throw out ballots that, according to the law and practice of that State, would have been counted with regard to 3,500 ballots, and decline to do it with regard to the 180,000 other ballots.

Mr. HUGH SCOTT. If the Senator would be good enough to keep the debate open long enough for us to try to persuade a majority of Senators to agree to that, I would be delighted.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. Because this has been turned down by the committee, turned down on the floor. The majority thus far has been unwilling to go out and retrieve those ballots. They only want to count the ballots that they grabbed hold of, namely, the one dozen.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. HUGH SCOTT. Yes.

Mr. ROBERT C. BYRD. May I say to the distinguished Senator from Louisiana that this is an issue we would hope to get to if we could invoke cloture, and the Senate could speak its will on this. But here we have——

Mr. HUGH SCOTT. At 102 seconds a Senator.

Mr. ROBERT C. BYRD. Not necessarily. I have heard that said, too, may I say, by the distinguished minority leader a number of times, but I would hope he will yield and let me address myself to that.

If cloture were invoked, there would certainly be an inclination on this side, as there has been all along, to work out a time agreement which would then have the purpose of allowing every Senator more time.

Mr. HUGH SCOTT. Well, the Senators need, even if you have invoked cloture, 1 hour on any issue they want to discuss, not the 102 seconds. If you want to discuss 35 issues at 1.7 minutes per issue, that is what you are doing when you try to shut off debate. This is going to rise to haunt people later.

Mr. ROBERT C. BYRD. I suppose what I said escaped the distinguished minority leader. What I am saying is if cloture were invoked it would still be possible to work out a time agreement in lieu of that, of the time that operates under the rules, which would allow Senators to have more than the 102 seconds.

Mr. HUGH SCOTT. My answer is the Senate has been given its opportunity. It has refused to take it. The Senator from Louisiana is quite right. The Senate ought to take it. The Senate is only looking at a favored dozen ballots. The Senate is unwilling to look at the others. The others are there and, if the affidavits are right, if Mr. Wyman is right, there are literally hundreds of such ballots, so the evidence asserts. The Senate up to now has refused to look because it prefers to blind itself to that issue, not to find what is there.

Mr. NUNN. Mr. President, will the Senator yield for just a brief comment and question?

Mr. HUGH SCOTT. I am glad to yield.

Mr. NUNN. I am very impressed by what the Senator from Louisiana has had to say here on that particular issue.

The Senator from Georgia has not made a final determination on how he will vote on the so-called skip-Louie ballots, and I think the Senator from Louisiana made a very strong point that if you are going to throw out or continue one set of "skip-ballots" it would seem fair to me that you would do the same thing to both even if it requires going back and looking at other ballots.

But I understood that the Senator from Alabama had an amendment that went to that very point that we have not voted on yet. Am I under a misimpression in that regard?

Mr. HUGH SCOTT. The amendment of the Senator from Alabama is to simply go in and find 12 such ballots and count them. My amendment was to do as the Senator from Louisiana said, to go in and retrieve the ballots. I will be glad to offer it again if we can get that kind of a vote on it, but I do not think the Senator should be lured into thinking that we are going to get a vote on it after cloture, should that happen, because then we will be confronted by pretty solid ranks.

Mr. NUNN. Would the Senator from Pennsylvania explain the difference between his amendment and the amendment of the Senator from Alabama?

Mr. HUGH SCOTT. Yes. My amendment is not presently pending because I have withdrawn it in order that the

Weicker amendment can be voted on, but I have an amendment which I offered in the Rules Committee which was tied, and that is that the Rules Committee go back to the ballots, not even to New Hampshire, they are in the basement right here, go back to the basement, open up the ballot boxes and see if those people who signed the affidavits, including the former governor, are right; pick out any "skip-candidate" ballots, whether they affect Mr. Durkin or Mr. Wyman, bring them back and ask the committee to tabulate them, presumably using the same standards they have been using before.

Mr. NUNN. In other words, either throw them all out or count all of them.

Mr. HUGH SCOTT. Throw them all out or count them or set up a standard by which they can count all the ballots.

Mr. NUNN. Is not the final result the same, but just going about it in a different direction, for, it seems to me, the Senator from Alabama, in going out and retrieving 12 and saying, "We are going to have the same number of 'skip-Durkin' as 'skip-Wyman' ballots," the net result would be the same thing because, presumably, all of those which are not pulled out, all of those ballots not pulled out, under the amendment of the Senator from Alabama would be counted, because they would still be in the total; am I incorrect in that?

Mr. HUGH SCOTT. No. All those ballots now have been counted in New Hampshire in a certain way as straight tickets. If you pull them out and apply the standard which some of the members of the committee wanted to apply you have to reverse the decision on all of these ballots you pull out. Instead of finding them to be straight-ticket ballots, as New Hampshire did, you would get these hundreds of ballots—let us say you got 100 "skip-Durkin" ballots and 100 "skip-Wyman" ballots. You would have to determine exactly the opposite since that is what is being sought here. You would have to reverse your situation and decide that these are not straight-ticket votes, but the so-called straight-ticket votes for Durkin belong to Wyman and the so-called straight tickets for Wyman belong to Durkin.

Mr. NUNN. The final result of what the Senator from Pennsylvania is seeking, as I understand it, is whatever the Senate does with the "skip-Durkin" ballot it does the same thing with the "skip-Wyman" ballot; is that correct?

Mr. HUGH SCOTT. That is right. The difference between the proposal of the Senator from Alabama and my proposal is that he proposes to do what he believes will work, a simple rule of fairness, to match 12 ballots with 12 ballots. But to comply with the protests of Mr. Wyman and the affidavits of his supporters, they say that if you are going to pick out 12 "and catch us pretty much by surprise with the 12 you ought to go back, in fairness, and pick them all out, and we do not know what the result is."

I believe them. I do not believe either side knows. We think instead of just matching 12 to 12, we have some people on this side of the aisle who argue on that if you do that a fraud has already been committed in taking these 12 ballots away from Mr. Wyman, so why do you try to equalize the fraud by taking 12 ballots away from Mr. Durkin. In other words, you do not do justice then. They feel you do injustice.

There is another argument by which you can justify the Allen amendment, and I lean toward the other argument, but I have to cite both.

I yield to the Senator from Louisiana.

Mr. LONG. The way it seems to me is that the law of New Hampshire, the court decisions, and the established practice by which people have been counting votes up there for 50 years are that you would count those "skip" ballots where one had put an X in the circle for the nominees of that party.

Mr. HUGH SCOTT. That is absolutely correct.

Mr. LONG. If the committee does not want to count those ballots that way, according to the law, according to the court decisions and according to the established way that those people have been doing business up there for 50 years, the committee can decide if it wants to not count those ballots that way. But if it does not want to do so it ought to be consistent and it ought to say, "All right, we are going to look through the whole 180,000," and pull out every "skip" ballot in there, which might be about 1 in 300, based on a sample of 3,500 contested ballots of which 13 are "skip" ballots.

If that is to be the case at least one could say, if he wants, that when one marks a so-called skip ballot it is not clear who the person wanted to vote for and, therefore, the ballot should be thrown out, at least one could then say he was being consistent. But how could a Senator contend he is doing justice if it looks at 3,500 contested ballots and proceeds to adopt a rule of counting which is contrary to the established way the people up there count those ballots, and count 3,500 in that fashion and then refuse to look at the other 180,000 ballots?

To do that would leave the Senate wide open to the charge that it was partisan, that it was unfair, that it was stealing an election.

Now, for all you know the evidence might be right there in the 180,000 ballots to prove Mr. Wyman won the election hands down, for all you know. So how can you justify not looking at them?

Now, one can say that adequate security has not been maintained over those ballots.

Well, Mr. President, if someone were trying to steal an election he would have to be the most sophisticated vote-stealer in history to know that the way to steal for the Republican would be to mark the ballot for the Democratic column and leave Mr. Durkin's name blank, where the practice of the people of that State, the court decisions and the practice in that State would have required to count the vote for Mr. Wyman. It is not very likely that any vote-stealer would manage to get his hands on those ballots and put them in to steal the election for Mr. Wyman which under the law would be counted for Mr. Durkin. It is not very likely.

Mr. HUGH SCOTT. I would say to the Senator that I agree with him and I agree with his objective.

No matter what assurances the Senator gets, that objective is not going to be achieved unless we keep the debate open. If cloture is voted, it gets washed down the drain with all the rest of the laundry.

Mr. NUNN. Will the Senator yield for a question?

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. HUGH SCOTT. But if we do not permit the cloture to take effect, then we are open to a discussion on this point and I will gladly entertain such.

Mr. NUNN. Will the Senator yield for a question?

Mr. HUGH SCOTT. I yield to the Senator from Georgia.

Mr. NUNN. The Senator from Louisiana and the Senator from Pennsylvania, I think, are making a logical point here. I have not made a final decision on this, but what I am curious about is why we do not go ahead and get to this point and vote on it.

Mr. ROBERT C. BYRD. That is the question.

Mr. NUNN. Somebody is presuming the Senator from Georgia will vote for the Democrat no matter what the position is. I resent that presumption. I intend to vote my conscience and I believe most people on this side of the aisle will, just like most people on that side of the aisle.

So why not get to the heart of it and start voting on it. I believe there is too much presumption of bad faith around in this Chamber on both sides of the aisle.

Mr. ROBERT C. BYRD. Will the Senator yield to me?

The distinguished Senator from Georgia has made my speech.

Mr. LONG. Will the Senator yield to me?

Mr. HUGH SCOTT. Yes.

Mr. LONG. Let me make it clear that my position with the leadership on this side of the aisle has been and continues to be that I will vote for cloture to give the committee a chance to bring this matter in here, but if the committee comes in here proposing to throw out those dozen skipped ballots and declines to look at the other 180,000, I will never vote for cloture.

In other words, I am willing to send it back to the committee and vote on the issues, but when they come back with it, if it comes out with the inconsistency of having declined to look at the other ballots, looking only at the skipped ballots presently here, but not the other 180,000, then I do not think I will vote for cloture.

I think I have indicated I would not think that to be fair, that it might well be that there might be 50 or 100 ballots in there with Mr. Durkin's name skipped over, for all I would know.

Mr. HUGH SCOTT. Let me read my amendment and see if the Senator and I are not saying the same thing and the Senator from West Virginia says we can have a vote on it.

Now, if we get a vote on this amendment and the Senator from Louisiana is denied what he seeks, then I would hope he would give us a chance for further discussion rather than cloture, because I in good faith will offer the amendment and the Senator from West Virginia is willing to have it come up.

We are going to see, I am pretty sure, that those Senators who opposed this in the Rules Committee will oppose it here, they will vote down my amendment, they will proceed to do what the Senator from Louisiana wants.

Mr. NUNN. The Senator from Pennsylvania is assuming everybody on this side of the aisle will agree with the Senator on the Rules Committee. I think that is a questionable assumption.

Mr. HUGH SCOTT. The Senator from Georgia is right and I withdraw it. Let us say I have this fear because of the way the votes have been going, but I am willing to try it and I hope we can see a different result.

My amendment would do this, it would instruct—

> the staff of the Committee on Rules and Administration, accompanied by a representative of each contestant, shall retrieve from the ballots in the custody of the United States Senate any and all of the so-called "skip candidate" ballots and shall present them to the committee for its review and ruling.

Is that what the Senator is trying to get at?

Mr. LONG. Yes, I think that is fair.

Now, may I make a proposition?

Mr. HUGH SCOTT. Yes.

Mr. LONG. Assuming we can get the Senate to vote for this amendment, will the Senator then be willing to bring this matter to a close, at least insofar as letting the Senate vote on the other issues?

Mr. HUGH SCOTT. We will certainly give that the utmost consideration and try to achieve it.

I do not want to be misunderstood; we will try to achieve it, but I first want to find out before we do anything else whether this is going to pass.

Mr. LONG. Let me say frankly, I discussed this matter with my colleague, and I hope he will forgive me for saying this, but suggesting we do exactly what the Senator is talking about, and my understanding is that he has made that suggestion to Senators associated with the Democratic leadership and that that has been turned down on this side of the aisle.

So far, we have both sides turning it down. But, to me, that is the only direction that makes any sense if we want to resolve this thing, that if we are going to eliminate those skip-ballots, and I am the only Democrat who voted this the last time we voted, but if we are not going to count those, we should not count for either man, and should not just do that when we know we are favoring Mr. Durkin by a 12–1 margin, but treat both the same, take out any such ballot in the 180,000 and treat them the same, by a uniform rule, whatever the rule may be.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. HUGH SCOTT. Well, that may open some other negotiations, if we get to that.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. HUGH SCOTT. Yes.

Mr. ROBERT C. BYRD. Mr. President, I do not know what the distinguished Senator from Louisiana has reference to when he says that some matter was brought to the attention of the leadership on this side of the aisle and rejected. I do not know what he is talking about, but I am sure he is probably laboring under a misunderstanding because I do not know of it.

But I say to the distinguished Senator from Louisiana that if the other side would allow us to get on with the votes on the issues in the resolution, we would get to the very issues that the distinguished Senator from Louisiana is talking about.

We ought to be voting on those issues because eventually we have to vote on those issues, up or down, before we can dispose of this resolution and all of this flag waving and window dressing and shoveling of smoke about offering amendments and getting votes on them and getting the position of the Senate, one way or the other, is just pure hogwash and nothing else.

Mr. PACKWOOD. Will the Senator yield?

Mr. ROBERT C. BYRD. Here are the issues in the resolution, now let us vote on the issues.

Issue No. 6 and issue No. 7 (a) and (b) are on the very objection that troubles the Senator from Louisiana, and I can see his viewpoint and I respect him for his viewpoint, and it may very well be that the distinguished minority leader is assuming a little too much.

Mr. HUGH SCOTT. It may well be. I have discovered that.

Mr. ROBERT C. BYRD. When he assumes the members of the Rules Committee, once we get down to vote on the issues, will vote against the provisions.

Mr. PACKWOOD. Will the Senator yield?

Mr. ROBERT C. BYRD. So I say, let us vote on the issues.

Mr. LONG. Will the Senator yield at that point?

Mr. HUGH SCOTT. Yes, I yield to the Senator from Oregon.

Mr. LONG. May I say that if the situation were just exactly the other way around, if this were a contest where the Democrats had 38 votes and the Republicans had 61 votes over there, I would be just as much afraid that if permitted to invoke cloture the other side would run over my people roughshod, as the Republicans are at this moment.

That is why, as far as this Senator is concerned, I would just like to see us move toward assuring one another we will do what is fair and try to be consistent in doing it and proceed on some basis where we have a certain amount of mutual respect.

I just think what is being suggested by the Senator from Pennsylvania is absolutely right. But I think if we agree to that, his side ought to be willing to move a peg and say, "All right, if the other side is willing to treat us fairly in this respect, then we will let the Senate vote on the other matters, however the Senate wants to vote on them, reserving our rights," which of course, would give the other side the right to wage unlimited debate if it wanted to, if they are not happy about the way it goes thereafter. But at least they should be willing to move forward on this resolution.

Mr. HUGH SCOTT. I yield to the Senator from Oregon.

Mr. PACKWOOD. I want to ask the Senator from Louisiana to be sure I understand the parliamentary situation. The Senator from Louisiana says he is not going to vote for cloture if we are not going to go back and examine——

Mr. ROBERT C. BYRD. I did not understand that. I understood the Senator from Louisiana to say that once this is sent back, if the committee does not do thus and so, then he would not vote for cloture again because this would have to come back and be put on the calendar. The only way we could ever get to it again and resolve it would be probably by a cloture vote. The Senator is saying he would not vote for cloture then. There may be others who would not at that time.

Mr. PACKWOOD. If we vote cloture first on the issue we are now on, is the Senator from Louisiana going to be precluded henceforth? It does not matter then how the matter comes out in the "skip ballots."

Mr. LONG. Let me state my position again. My position has been that I am willing to vote cloture to get to a vote on these various matters in this Senate resolution, no matter how the Senate votes on that. That puts it back in the Rules Committee.

Mr. PACKWOOD. Right.

Mr. LONG. When it comes back from the Rules Committee, if the committee has insisted on throwing out those skip ballots among the 3,500 contested ballots which would tend to put Mr. Durkin over Mr. Wyman, if they do that and refuse to look at the other 180,000 ballots where we are led to believe there may be a lot of other skip ballots, then, as far as I am concerned, that type of inconsistency I could not countenance. I would then be forced to vote against cloture on a motion to seat Mr. Durkin if that was how it was to be arrived at, by throwing out 12 Wyman votes and declining to look to see whether there might be an even greater number of votes where one had skipped over the other man's name.

Mr. MANSFIELD. Will the Senator yield?

Mr. HUGH SCOTT. Yes.

Mr. MANSFIELD. Is it not true that the resolution now before the Senate was reported by the Rules Committee unanimously by a vote of 8 to 0?

Mr. HUGH SCOTT. I believe the committee agreed to report, in effect, that it had disagreed and agreed to submit two propositions. So our report was simply sent to the floor of the Senate and we were in strong disagreement on at least 35 issues. We could not file a majority committee report.

Mr. GRIFFIN. Will the minority leader allow me to add that a number of Senators, including the junior Senator from Michigan and the Senator from Pennsylvania, reserved their rights on the floor.

Mr. MANSFIELD. But it was reported 8 to 0.

Mr. HUGH SCOTT. Yes.

Mr. MANSFIELD. In other words, unanimously. I assume on that basis the inference was that the Senate would have the chance to face up to the 25, 35, or 37 issues which the Rules Committee could not agree on. Is that correct?

Mr. HUGH SCOTT. Including a motion in the Rules Committee to send it back to New Hampshire, yes.

Mr. MANSFIELD. Yes. And we voted, I believe, on that particular motion two or three times already in some form or other.

Mr. CANNON. Four times.

Mr. MANSFIELD. Four times. So why can we not start 1, 2, 3, 4, 5, 36, 37, 38, 39, and bring this matter to a head as the Rules Committee decreed when it reported out the resolution that is now pending?

Mr. CANNON. Will the Senator yield?

Mr. HUGH SCOTT. I yield.

Mr. CANNON. May I point out, partly in response to the Senator from Louisiana, that what we are trying to do is to get to vote on these issues. These are tie vote issues that are here. That is why they came here. It is what the Senate has to decide. These so-called "skip-Louies" are ones that the Senators themselves will have to decide and they are not all in the same catgeory. There are single skips; there are more skips; there are more than one; there are ballots on which there is other evidence on the ballot, other than a skip. These are the tie votes that the Senate is going to have to try to decide.

If the Senate makes a decision on those points, then it should make the further decision as to what it should do. It may well decide that the skip ballots results should be completely different than what is being assumed on the minority side.

Mr. HANSEN. Will the distinguished floor manager of the bill yield on that point?

Mr. CANNON. I do not have the floor. The Senator from Pennsylvania yielded to me.

Mr. HUGH SCOTT. I am trying to get to a vote, but I will yield.

Mr. HANSEN. I thank my distinguished colleague from Pennsylvania. Probably the editorial in this morning's Washington Post has already been printed in the RECORD. It was written by George F. Will.

Mr. CANNON. Twice, I think.

Mr. HANSEN. I will not ask for its reinsertion.

Mr. MANSFIELD. What was the title of that commentary? It was not an editorial.

Mr. HANSEN. I thank the Senator. I am glad he asked. The editorial is titled "Stealing a Senate Seat."

On the point made about the "skip Louie" votes, I think this ought to be noted, and I take this occasion to read another part that was called——

Mr. CANNON. It was all read into the RECORD and printed in the RECORD.

Mr. HANSEN. I think it might bear hearing again. It seems to me we have heard the Constitution read by the distinguished majority whip.

Mr. ROBERT C. BYRD. I hope Mr. Will will read the Constitution also.

Mr. HANSEN. I suspect he has.

Mr. ROBERT C. BYRD. It is not reflected in his column.

Mr. HANSEN. Of course, that is a matter of the Senator's interpretation. I am not a lawyer. I would have to believe that maybe a majority of Americans perhaps feel that Mr. Will is quite well aware of what the Constitution says.

Let me say that with reference to that column written by a man for whom I have the highest respect, I quote from the column:

> Chairman Howard Cannon (D-Nev.) ruled that a tie vote on a disputed ballot eliminated the ballot count. This ruling, if upheld by the full Senate, will cost Wyman 12 votes.
>
> The committee refused Wyman permission to protest the Democratic "skip candidate" ballots that he, obedient to state practice, had not protested.
>
> The committee voted 5–3 to count as valid two absentee ballots allegedly cast by a couple who were asked by a Democratic campaign worker to apply for ballots. The man has testified that neither he nor his wife ever received the ballots, and that he is not even registered. The signatures on the applications and ballots do not match.
>
> The committee refused Wyman's request for a complete retally, although the Senate has voted retallies on three occasions. And so it has gone.
>
> The full Senate (Democrats dominating, 61–38) will resolve 35 disputes that produced 4–4 committee votes. But the Democrats have been blindly partisan since January when they broke precedent, refusing to seat Wyman pending the investigation, in spite of the fact that his victory was affirmed by the highest official New Hampshire authority, and he possessed a valid certificate of election.

Mr. President, the point I want to make is simply this: None of us can say with assurance, with confidence, that we are right, with finality, how anyone is going to vote over here. I join with most of my colleagues in asserting my great confidence in the fairness, the basic decency and the integrity of all Members of the Senate. But it does seem to me that the point that was being made by the senior Senator from Louisiana deserves our very close attention.

He is saying, as I understand his presentation today, that if we are going to look at the thing objectively, then we ought not to be bound by an earlier decision made to exclude only those "skip Wyman" votes.

What we will do, I have no idea of knowing. I think the Republican dilemma can be summarized in this fashion: We are fearful, knowing our own caprice and I am fully aware of mine to be partisan. I think if the situation were reversed there would be very strong pressures indeed put upon Republicans to see that the person who was finally seated was a Republican. So in saying that, I can understand the concern that may be shared by others. I do not impugn the integrity of anyone on the other side at all. I simply call attention to what I think is the basic fairness of the statement made by the distinguished Senator from Louisiana, and to point out that the difficulty in trying to agree, as the distinguished majority whip has repeatedly solicited us to do, is starting down the road to a point of no return.

If we agree to a time limitation, if we agree to vote on a final issue, then, if there should be some political partisanship displayed—and I do not make that charge, but if it should develop that way—we on this side know full well that the time will come, the 102 seconds, the 1 minute and seventh-tenths per issue that has been referred to repeatedly by the distinguished minority leader will have run out, and we will have no alternative.

I am persuaded to take what to many might think to be an untenable position in opposing cloture because I believe this: that not only in the State of New Hampshire, but in every other State in the United States, all 50 of them, the overwhelming judgment of all the people of America is that the people in the State of New Hampshire ought to be able to say who is going to represent them in the Senate of the United States; and, reluctantly, I conclude that the only way I can do the best job I am capable of doing to achieve that end is to say I shall agree to no time limitation on a resolution of all of the issues.

I thank my colleagues.

Mr. WEICKER. Mr. President, will the Senator from Pennsylvania yield?

Mr. HUGH SCOTT. Mr. President, having no time limitation in mind, I am, however, now ready to vote.

The Senator from West Virginia asked me to yield to him first.

Mr. ROBERT C. BYRD. Mr. President, I shall be very brief, and I thank the distinguished Republican leader for yielding.

I simply wish to say again that, as we have tried diligently and repeatedly to secure a time limitation which will assure all Senators of ample time to discuss the various issues, I will certainly be glad to renew my efforts in that regard, so that Senators will not be limited to 110 seconds or whatever the number of seconds may compute out to be.

Even in the event that cloture were invoked, I would be happy to try to get an agreement that if cloture is invoked, it would be vitiated in favor of a time limitation that would assure all Senators of ample opportunity for debate.

Mr. HUGH SCOTT. I understand, and I thank the Senator.

I yield to the Senator from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from Pennsylvania.

Mr. President, just before voting on the question of sending the matter back to New Hampshire, I think my colleagues might be interested in the matter which follows:

About 3 weeks ago, Representative JAMES C. CLEVELAND, of the Second District of New Hampshire, sent out to every one of his constituents in New Hampshire an inquiry concerning this question. It was a completely nonpartisan list of questions, available to everyone.

As of 10 a.m. today, 3 weeks later, he had received 5,500 replies. Of the 5,500, 4,512, or 83 percent, voted in favor of a runoff. Seventeen percent, or 949, voted in favor of having the Senate decide.

In a small State such as New Hampshire, this is an amazing response, but it clearly points out what the outside world feels ought to be done in this instance, whether they are Republican or Democrat.

So I hope the Senate will support the amendment of the distinguished Senator from Pennsylvania.

Mr. HUGH SCOTT. Mr. President, I am ready to vote.

Mr. CANNON. Mr. President, I shall take 1 minute, to simply point out that on June 17 the Senate voted on the Weicker amendment to declare the seat vacant, and defeated it 43 to 55. On June 18, the Senate voted on the Allen amendment to declare the seat vacant, and defeated it 40 to 59. On June 20, the Senate voted on the Helms amendment to declare the seat vacant, and it was defeated 29 to 52. And on June 24, the Senate voted on the Scott amendment to declare the seat vacant effective June the 24, and it was defeated. This amendment changes the date to June 25.

I am ready to vote, Mr. President.

Mr. HUGH SCOTT. I thank the Senator.

Mr. President, if 83 percent of the people of New Hampshire want it back, I would like 51 percent of the Senate to agree with 83 percent of the people of New Hampshire. I am ready to vote.

The PRESIDING OFFICER (Mr. GLENN). The question is on agreeing to the amendment of the Senator from Pennsylvania (Mr. HUGH SCOTT). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Wyoming (Mr. MCGEE), the Senator from Alaska (Mr. GRAVEL), and the Senator from Indiana (Mr. HARTKE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 42, nays 53, as follows:

[Rollcall Vote No. 252 Leg.]

YEAS—42

Baker
Bartlett
Beall
Bellmon
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Case
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Javits
Laxalt
Mathias
McClellan
McClure
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NAYS—53

Abourezk
Allen
Bayh
Bentsen
Biden
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Gary W.
Hart, Philip A.
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stevenson
Stone
Symington
Tunney
Williams

NOT VOTING—4

Gravel
Hartke
Hatfield
McGee

So Mr. HUGH SCOTT's amendment was rejected.

Mr. CANNON. Mr. President, I send a perfecting amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nevada (Mr. CANNON) proposes an amendment:

Insert the following paragraph at the end of line 7 of the Allen amendment, numbered 605, as modified:

The Senate shall not conduct a recount of the following precincts because of alleged inaccuracies in the tally sheets of the Secretary of State of New Hampshire: Merrimack, Meredith, and Lancaster.

Mr. CANNON. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, this is issue No. 2 of the so-called resolution, and I assure my colleagues now that they are going to have the opportunity to vote on issue No. 2. We have been prevented from voting on any of these issues so far. This will assure that at least we get a vote on one of them. I shall try to insure that we vote on every one of them as rapidly as I can get to them.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 44 Leg.]

Allen
Bellmon
Brock
Byrd, Harry F., Jr.
Cannon
Dole
Fannin
Glenn
Griffin
Hansen
Hart, Gary W.
Hathaway
Humphrey
Inouye
Javits
Johnston
Leahy
Mansfield
McClure
McGovern
Muskie
Schweiker
Stennis
Stevens
Stone
Weicker

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bartlett
Bayh
Beall
Bentsen
Biden
Brooke
Buckley
Bumpers
Burdick
Byrd, Robert C.
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Domenici
Eagleton
Eastland
Fong
Ford
Garn
Goldwater
Gravel
Hart, Philip A.
Hartke
Haskell
Helms
Hollings
Hruska
Huddleston
Jackson
Kennedy
Laxalt
Long
Magnuson
Mathias
McClellan
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Williams
Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment of the Senator from Nevada.

The yeas and nays have been ordered.

Mr. ALLEN. Mr. President, the Senator from Alabama has had the amendment before the Senate for 2 or 3 days and has been hopeful that he would get a vote on the amendment.

I believe it is a basic amendment, an amendment, I believe, which would allow the Senate to make progress on this very difficult, complex, and knotty problem.

Amendment 605, as modified, has to do with the matter of "skip-candidate" votes, and would require the Rules Committee to obtain from the 185,000 ballots on hand an equal number of "skip-Durkin" ballots to the number of "skip-Wyman" ballots presently before the Rules Committee and, under the Resolution 166, before the Senate.

It would require actually 11 ballots because there is one "skip-Durkin" ballot and 12 "skip-Wyman" ballots, and would allow this question of what to do with the "skip-candidate" ballots to be decided as to both candidates on the same basis.

As I stated, Mr. President, when I introduced the resolution it would decide 15 questions, 15 out of the 35 questions, as certified to the Senate under Senate Resolution 166, and would be almost one-half of the entire task that the Senate has been assigned by the Rules Committee.

Why we are not willing to vote on that issue the Senator from Alabama does not understand. One amendment after another is filed to his amendment, and we are not able to get a vote on a basic amendment that could be decisive of 15 issues and that, in my judgment, would break the logjam that has developed here in the Senate.

The distinguished Senator from Nevada, the chairman of the Rules Committee, has offered still another amendment—this is the first amendment he has offered—but it is still another amendment to my amendment and, naturally, would be voted on first, and we still would not have a vote on the one amendment that has some chance of breaking the logjam and, in one vote, deciding 15 of the 35 issues before the Senate.

So, having 15 issues embraced in one vote under amendment No. 605, as modified, and the distinguished Senator from Nevada (Mr. CANNON) having injected still another issue into the matter pending before the Senate, it is going to be my purpose to modify my amendment by adding the pending amendment of the Senator from Nevada (Mr. CANNON) to my amendment.

While I have the floor, Mr. President, I want to commend the distinguished Senator from Nevada for the manner in which he conducted the hearings on this matter, for his dedication, his hard work, for his mastery of the intricacies of the problem, for his good-faith efforts. It just so happens that the Senator from Alabama on some 35 occasions out of somewhat over 900 votes disagreed with the conclusion that the Senator from Nevada reached with respect to specific ballots and issues.

So, Mr. President, in order to add still another issue to the 15 issues already covered by the amendment from the Senator from Alabama, I modify my amendment by adding to it the provisions of the pending amendment offered by the Senator from Nevada (Mr. CANNON). Inasmuch as the distinguished Senator is not present here in the Chamber, having now offered the modification, as soon as the modification is stated, the Senator from Alabama will put in a quorum call in order that the Senator from Nevada can be in the Chamber to face the changed conditions of the parliamentary situation.

So I ask that my amendment be modified and ask that the clerk state the modification.

The PRESIDING OFFICER (Mr. STEVENS). The amendment is so modified and, since it is so modified, the amendment of the Senator from Nevada falls.

The clerk will state the amendment, as so modified.

The legislative clerk read as follows:

Between lines 6 and 7 on page 1 add the following:

"(1)(a) It is the sense of the Senate that the Committee on Rules and Administration retrieve from the ballots, of a skip-candidate type, a number of skip-Durkin votes equal to the number of skip-Wyman votes before the committee, and that all such skip-candidate votes be considered by the committee.".

The Senate shall not conduct a recount of the following precincts because of alleged inaccuracies in the tally sheets of the Secretary of State of New Hampshire: Merrimack, Meredith, and Lancaster.

On line 7 renumber (1) as (1)(b).

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. CRANSTON. I would like to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CRANSTON. What was the effect of the action taken?

Mr. GRIFFIN. I was going to ask the same question, Mr. President.

The PRESIDING OFFICER. The effect of the action, as I understand it, was to modify the amendment of the Senator from Alabama, to incorporate the amendment of the Senator from Nevada and, as such, the amendment of the Senator from Nevada falls.

Mr. GRIFFIN. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Was the Senator from Alabama entitled to so modify his amendment without unanimous consent?

Mr. ALLEN. I did not understand the question.

Mr. GRIFFIN. Was the Senator from Alabama entitled to modify his amendment without unanimous consent?

Mr. ALLEN. I did not ask unanimous consent. I modified it.

The PRESIDING OFFICER. The Senate had taken no action on it. The yeas and nays were not ordered, and the Senator was entitled to modify his amendment.

Mr. CRANSTON. Mr. President, I still do not understand the final word which was said, the amendment falls?

Mr. ALLEN. It has been embraced in my amendment. I have accepted his amendment and added it to mine.

Mr. CRANSTON. Well, I ask for a division then on the Senator's amendment.

The PRESIDING OFFICER. The Senator from California wishes to divide?

Mr. CRANSTON. Yes.

The PRESIDING OFFICER. The two issues?

Mr. CRANSTON. So that there can be a separate vote, one on each issue.

The PRESIDING OFFICER. The amendment is so divided.

Mr. ALLEN. Mr. President, that then would call for the amendment of the Senator from Alabama to be voted on first, rather than the amendment of the Senator from Nevada, which under the previous situation would have been voted on first, is that not correct?

The PRESIDING OFFICER. The Senator from Alabama is correct.

Mr. ALLEN. Mr. President, I might state——

Mr. CRANSTON. May I make one parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. CRANSTON. Does that mean the Senate could vote down one or the other, and if one prevailed and the other did not it would stand by itself?

For example, if we vote down the Cannon amendment and vote up the Allen amendment, the Allen amendment is carried. If we do the opposite, the Cannon amendment carries.

The PRESIDING OFFICER. The Chair, understanding there is now one amendment, it has been divided into two issues, the original Allen amendment to be voted on first and then the Cannon language to the Allen amendment voted on second. They will be voted upon separately and should either be adopted by the Senate, the language would survive as an amendment.

Mr. CRANSTON. I thank the Chair.

Mr. ALLEN. Mr. President, I am perfectly willing to vote on my amendment. I have not been discussing it because there are other amendments to my amendment which have been pending. I am perfectly willing to set a time limit to vote now or to vote at any time certain in the future, and I would throw out the suggestion and the hope to the membership of the Senate that a time certain be set on the amendment.

Mr. GRIFFIN. Will the Senator from Alabama yield?

Mr. ALLEN. Yes.

Mr. GRIFFIN. I am going to take it upon myself, although I have not had an opportunity to consult with some I know have an interest, and suggest that maybe if we were to vote about 4:30 on his amendment, that that might be acceptable.

There are some Senators from both sides who are down at the White House right now for a matter, that would prevent us from voting anywhere in the near future, but I think 4:30 would be an acceptable time, perhaps we could consider that.

Mr. ALLEN. That would be satisfactory with the Senator from Alabama.

Is the request going to be made to that effect?

Mr. GRIFFIN. That would be on the first item of the divided amendment that we are talking about.

Mr. CRANSTON. Well, in the absence of the Senator from Nevada whose amendment it is, it would seem to me it would be appropriate to set a time for voting on both portions of the amendment, the Senator from Alabama's first and then the Senator from Nevada's second and a time——

Mr. GRIFFIN. I would say to the Senator from California, these are two entirely separate, different issues.

The Senator from Alabama has had his amendment pending now for several days. We have not had debate on the issue that has now been tacked on as an amendment, or as a modification of his amendment.

Mr. CRANSTON. Will the Senator yield?

Mr. GRIFFIN. Since his is going to be the pending question, even though it has been pending, he has not had much opportunity to talk about it and we have not had much opportunity to give it over here. We would be willing to vote on his amendment, that is, the first part of the amendment as it has been divided, but we want to reserve time on the second part.

Mr. CRANSTON. Reserve time, but fix a time?

Mr. GRIFFIN. I am not in a position at this time to suggest a time on this.

Mr. CRANSTON. I would like to correct one statement that the Senator made.

We have had a considerable discussion of the matter involved in the Cannon amendment. Perhaps there has not been an opportunity for everybody who wishes to speak on it, but there has been discussion of that matter.

Mr. GRIFFIN. The Senator may well be correct.

As far as the amendment of the Senator from Alabama, however, it is important, it represents an important variation from the concept that all skip-ballots would be retrieved and treated on the same basis.

His does not do that and there are some other arguments that apply to his amendment that do not apply to the concept of retrieving all the skip-ballots.

Mr. ALLEN. I thank the distinguished Senator for his suggestion and his pointing out of the difference.

I might say that I feel that taking out a given number, rather than to go through the entire 185,000 looking for skip-candidate ballots, would be much more practical, because under the law of New Hampshire the skip-candidate ballots with the straight-ticket marking on the ballot would cost a vote for every candidate in that column whether or not the square opposite his name, the small square, had a mark in it or not.

If several hundred of these ballots are brought in and the law of New Hampshire is applied, giving those votes in exactly the same fashion that they were given by the secretary of state and the ballot law commission, we have just compounded a nullity. We have done something that is absolutely futile, to bring in all of the ballots.

On the other hand, affidavits indicating that there are several hundred skip-Durkin ballots in the mass of 185,000 and Mr. Wyman not having contested those at the New Hampshire level and the New Hampshire authorities having counted those ballots for the candidate in the straight ticket column, then there is no need of bringing out more than enough to offset the ones that are before the committee and to take out more would just be a useless exercise.

So it seems to the Senator from Alabama that this amendment of his would decide 15 specific issues. Issue No. 6 in Senate Resolution 166, issue No. 6, issue No. 7, and issues 12 through 24 are both inclusive.

Going the other route, we would have a mass of several hundred ballots, and if they were thrown out then that would decide the election on a misapplication and misconception of the New Hampshire law.

But if they were granted to the person that they were given to by the secretary of state and the ballot law commission, what is the use of having brought them out?

So with very little trouble, possibly one day's time, 11 such ballots could be found, brought in, to accomplish the one skip-Durkin ballot before the committee and before the Senate, that would offset the 12. Now, that does not say count them either way.

Just count both groups alike. Either disallow them or give them all to the candidate who supposedly was skipped, but who in actuality, under the law, received the vote by virtue of the straight ticket marking in the circle under the emblem.

Mr. HARRY F. BYRD, JR. Going beyond the scope of the Senator's amendment, did I understand the Senator correctly that under the New Hampshire law and customs, if a ballot is marked with an X at the top of the ballot, that carries with it a vote for all of the party candidates whose names are listed under that X?

Mr. ALLEN. That is correct. It differs from the Virginia law, where a straight ticket cannot be voted, as I understand it.

Mr. HARRY F. BYRD, JR. Virginia does not have a straight ticket procedure.

Mr. ALLEN. That is correct.

Mr. HARRY F. BYRD, JR. Personally, I do not approve of the straight ticket procedure, but the people of New Hampshire are entitled to have whatever procedure they wish to have. I feel obligated to follow the New Hampshire law, if I can understand just what is the New Hampshire law.

If a person marks an X at the top of a particular ticket and then goes down the list, he or she, as I understand it, has the right to strike out by a pencil mark or otherwise a particular name. If that is the case, then is my understanding correct that it is a straight ticket except for that individual whose name is stricken through?

Mr. ALLEN. That is correct.

Mr. GRIFFIN. Will the Senator from Alabama yield to me to add to the answer?

Mr. ALLEN. Yes.

Mr. GRIFFIN. I think it would be appropriate, if I might suggest, to read at this point from chapter 59, section 58 of the statute of New Hampshire, which reads as follows:

> On receipt of his ballot, the voter shall forthwith and without leaving the enclosed place retire alone to one of the voting shelves or compartments and shall prepare his ballot by marking a cross in the circle if he desires to vote a straight ticket. If he desires to vote for a candidate whose name is not printed under the circle in which he has marked, he shall erase or cancel the name of the candidate in such column for whom he refuses to vote and may vote for the candidate of his choice by marking a cross in the square opposite the name of such candidate or by writing in the name of the person for whom he desires to vote in the right-hand column prepared for that purpose.

Mr. HARRY F. BYRD, JR. Would it be correct, then, to assume that once an individual marks an X in the circle at the top of the ballot, that carries with it a vote for everyone below the circle unless the voter takes affirmative action to strike out and insert, or at least strike out?

Mr. GRIFFIN. This is the understanding of the junior Senator from Michigan of the law of New Hampshire. It was also the understanding of all the precinct officials, so far as we know, who counted similar ballots. The affidavit evidence is that there are hundreds of such ballots in the 180-some-thousand ballots.

It was the understanding of the secretary of state, who passed on this question, and it was the understanding of the bipartisan ballot law commission, which also passed on this question, and who counted all of those as straight party votes.

In other words, it is not necessary to vote twice for a candidate.

The difficulty of trying to apply so-called voter's intent to this "skip" ballot situation is this: We can only speculate whether the voter started out by putting an X in the circle and then went down and deliberately put X's in certain squares and not in others. He might have done it that way. Or he might have started out by making the X's in squares opposite the candidates' names intending to leave out a candidate or certain candidates. But then maybe he got to the end of that and said, "Well, I will just give them a straight party vote."

There is no way that we can know which of those two procedures the voter followed. So we have to follow the law.

In my State, if a voter votes on a machine, a person goes in and pulls the straight party lever. That automatically puts an X in the square opposite all of the candidates in that party column. It just automatically happens. This is the same thing, constructively.

If a voter is voting on a machine in my State and he pulls the straight party lever and then does not want to vote for one of the candidates in that particular party column, he goes back and has to do something affirmatively to cancel his vote. He can do that. He can go back and pull up the little lever beside that candidate's name and then he can cancel out that vote. But unless he does that, he has given a straight vote. It is the same way on a paper ballot under the laws of New Hampshire.

Mr. HARRY F. BYRD, JR. Will the Senator yield further?

Mr. ALLEN. I yield.

Mr. HARRY F. BYRD, JR. As I gather from the comment of the Senator from Michigan, all the evidence presented to the committee was that in the State of New Hampshire the election officials counted the ballots, marked at the top for all of the candidates under that party label unless a candidate's name was stricken or unless it was stricken and the individual opposite his name on the other party for the same office was marked?

Mr. GRIFFIN. I do not want to mislead the Senator from Virginia. The attorneys for Mr. Durkin presented the argument before the Rules Committee that this is not the law of New Hampshire; that it is only necessary to determine what the voter's intent is. Under that broad umbrella or concept they could disregard what the statute clearly said. This is their argument.

Mr. HARRY F. BYRD, JR. I am referring to how the ballots were actually counted by the officials in New Hampshire.

Mr. GRIFFIN. That is correct. But, as a matter of fact, there is no dispute that I am aware of to the fact that they were counted at every level in the State of New Hampshire as a straight party vote by the precinct officials, by the secretary of state, and by the bipartisan ballot law commission. Every indication we have had is that that has always been the law of New Hampshire.

I recognize, of course, that there is a Senator from New Hampshire present who probably has something else to say.

Mr. CRANSTON. Will the Senator yield to me first? I checked with Senator CANNON and he is willing to agree to a 4:30 vote on the Allen amendment, if that is the desire. Can we get the yeas and nays so we know we are voting?

Mr. GRIFFIN. We can get the yeas and nays but I would like to have a few moments to check. I am not ready to agree at this moment.

Do we have the yeas and nays?

Mr. ALLEN. No. They have not been requested yet.

Mr. McINTYRE. Will the distinguished Senator from Alabama yield?

Mr. ALLEN. I will be glad to yield the floor, I say to the distinguished Senator, and let him make his statement. Is that satisfactory with the Senator?

Mr. McINTYRE. Does the Senator yield the floor?

Mr. ALLEN. I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. McINTYRE. Mr. President, there is no doubt that there is a difficult decision to be made on the so-called "skip-Louie" and "skip-John" ballots. For the benefit of my colleagues, I want to offer some clarification of New Hampshire law on this issue. While the statute indicates that a mark in the upper circle, the straight ballot circle, so to speak, carries with it, by legislative fiat, a constructive X or a vote in all of the candidates' squares beneath, this is a legislative enactment only. The Supreme Court of New Hampshire has ruled on several occasions that this legislative direction does not control in an inquiry as to how the ballot should be counted.

In the leading decision, the Murchie case, the court held that and I quote, "the legislature may enact the method by which a man or woman shall vote, but the legislature cannot direct how the ballot he casts shall be counted." Therefore, our courts have said that they will not be bound by this legislative fiat; that they, in their judicial capacities, will take a look at the whole ballot, to determine the intention of the voter.

So, as one examines the skip-John or the skip-Louie ballots, there must arise in any reasonable person's mind the question of what the voter intended when he or she put the big X in the circle, and then voted for the Governor, and then, unfortunately for Mr. Wyman, did not put an X in the candidate box beside Mr. Wyman's name, and then went on, in every case, to vote for the remaining candidates on the ballot.

The argument is further strengthened by the fact that, according to my recollection, subject to being corrected, before the ballot law commission the Durkin forces were challenging or had challenged a number of ballots where voters, voting the straight Republican ticket, had voted, say, for Governor, had skipped Louie, and then skipped two or three other candidates. In those cases, because it watered down the significance of that lone box with no X in it, the Durkin forces receded from advancing the claim that this was a no-vote for either party.

The important thing for my colleagues to remember—and I realize a difficult judgment must be made—is that the intention of the voter is supreme, and that the courts in New Hampshire have ruled consistently that statutory language must give way in the face of other evidence of the voter's intent.

In other words, Mr. President, when the voter puts that big X up there at the top, that is not the end of it. The other markings on the ballot, or the absence of other markings on the ballot, must be taken into account, because it is the intention of the voter that is paramount.

That is why I had no difficulty in voting against the Brock amendment yesterday.

I do not pretend to tell the Senate what the law in New Hampshire is. I give you only my conclusion that the skip-Louie votes and the skip-John votes should not be counted.

AMENDMENT NO. 627

Mr. GRIFFIN. Mr. President, I submit, on behalf of the distinguished Senator from Pennsylvania (Mr. HUGH SCOTT), an amendment to the pending Allen amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 1, line 2, strike all after the word "That" and insert the following: "the staff of the Committee on Rules and Administration, accompanied by a representative of each contestant, shall retrieve from the ballots in the custody of the United States Senate any and all of the so-called "skip candidate" ballots and shall present them to the committee for its review and ruling.".

The PRESIDING OFFICER. It is the Chair's understanding that this is an amendment to the first division of the Allen amendment. Is that correct? The Allen amendment has been divided into two parts. Is the Senator offering this amendment to the original Allen language?

Mr. GRIFFIN. It is not necessarily limited to that. I ask for the Chair's ruling as to what the effect would be.

The PRESIDING OFFICER. It is the Chair's ruling that this amendment would apply only to the original Allen language, or division 1 of the Allen amendment as divided.

Mr. GRIFFIN. Does the fact that the division has been requested preclude an amendment which would strike out the second section in connection therewith,

The PRESIDING OFFICER. The second division of the Allen amendment is not before the Senate until the Senate has voted on the first division of the Allen amendment, and that first division is amendable.

Mr. GRIFFIN. I thank the Chair.

Mr. President, this amendment would give the Senate an opportunity, it seems to me, to vote in a logical sequence, if we are going to address this matter of the "skip-candidate" ballots.

The amendment of the Senator from Alabama proposes that the Senate retrieve from those ballots which were not in the group of 3,500 that came before the Rules Committee, proposes that we go into the 180,000-some-odd ballots and retrieve only an equal number of ballots. In other words, I take it the purpose of this amendment is to render this issue moot.

That has a certain amount of appeal, I suppose. It would be nice if we could take a sticky or thorny issue and somehow just put it aside, erase it, or forget about it.

But it does not seem to me—and I expressed this view in the committee—that this is really an appropriate or proper way to determine the outcome of this election. I do not see how we can constitutionally do that. Each voter in New Hampshire is entitled to one vote, and if we are not going to count all of those skip-type ballots in the same way, regardless of what our decision is as to what the New Hampshire law is, then we have denied some of the voters their franchise in determining who is to be the Senator for the State of New Hampshire.

So, much as I admire and often agree with the Senator from Alabama in his positions with respect to this New Hampshire election contest, I disagreed with him in the Rules Committee on this as a solution.

The Brock amendment, I thought, made sense, where the Senate was offered the opportunity to make a decision to count the ballots that came before us in the same way that the ballot law commission counted those ballots, with respect to others that did not come before it. Whatever the number is, we have had affidavits that there are hundreds of skip-type ballots that were just counted, never protested, and never came before the committee.

We had the opportunity, in the Brock amendment, to just go ahead and count the 12 ballots in that category in the same way that all the rest of them were counted. But the Senate voted that down.

If the Senate is going to take the position that those are not straight party votes, and they are going to be ruled out and counted as no-votes, then I do not see how we can logically apply that decision by only pulling out an equal number of skip-Durkin ballots from the 180,000 group and saying that we have thereby settled the issue. We will have avoided the issue.

I do not know what the result would be, because I do not have any idea how many ballots of one type or the other are in that group of 180,000 ballots. But we will not have determined the election in accordance with the vote of the people of New Hampshire if that should be our procedure.

I yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, despite my high regard for the Senator from Alabama, I doubt that I can support this amendment, certainly not at the moment.

What I feel obligated to do is follow, as best I can, the law and the customs of the State of New Hampshire.

What the Senator from Alabama offers does not follow, so far as I can judge, the laws and the customs of the State of New Hampshire.

Is that the understanding?

Mr. GRIFFIN. That is my understanding, in that it accepts the decision or the idea that we are going to change the law, not follow the law with respect to those Wyman ballots that are before us, in other words, not count them, and then we are going to do the same thing to an equal number of Durkin votes.

Mr. HARRY F. BYRD, JR. So, what it does do is to moot the question, but it does not, should we say, solve the problem insofar as the legality of the proceedings is concerned?

Is that the attitude of the Senator?

Mr. GRIFFIN. That would be my view.

Mr. NUNN. Mr. President, will the Senator yield for a brief question on this?

Mr. GRIFFIN. I yield.

Mr. NUNN. I follow the theoretical logic of the dialog between the Senator from Virginia and the Senator from Michigan which is, if we went by the amendment of the Senator from Alabama and pulled 12 skip-Durkin ballots out and equated that with 12 skip-Wyman ballots, and did not count any of those, that we would be treating those 12 on each side differently from presumably others that are being counted in the remaining ballots. I understand that theoretically.

But getting away from theory a minute and getting down to practicality and equity, it seems to me that is what the Senator is proposing. I have not made up my mind how I will vote on that amendment. It seems to me that there could be no quarrel with the equity of this situation, that there can only be a quarrel with the theory, because what the Senator from Alabama is doing is putting both parties on exactly the same footing, that is, all of their skip ballots that are in the 180,000 that are not being pulled out would be counted presumably under the New Hampshire law, and yet the 12 ballots of each of them would be knocked out.

It just seems to me that that is perfect equity. Perhaps I am not following it.

What is inequitable about that position, in any sense? What is inequitable about it?

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. NUNN. Yes.

Mr. BARTLETT. He used the word "theory," but is the Senator not actually talking about principles, principles of voting? The Senator is equating the result of setting aside so many skip-Durkin ballots to offset the skip-Wyman ballots, and that would be the same as if he counted all of the straight party ballots according to the New Hampshire law, as I interpret it, for Durkin and for Wyman. What the Senator is saying brings him to the same result, but it brings him to the same result in a different way.

Mr. NUNN. That is why I differentiate between theoretical and practical. I think we would have the same result. Unless I am arithmetically confused, which is always a possibility, we could either take those 12 out on each side or we could count them on each side.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. NUNN. We would have the same result, would we not?

Mr. BARTLETT. If the Senator will yield, though, we get, then, to the point of counting all the ballots, which I think is a very important thing to do, if we are going to not send this matter back to the New Hampshire voters.

Mr. NUNN. Counting all the skipped ballots.

Mr. BARTLETT. Counting all the ballots. I think we are kidding ourselves when we talk about deciding this question and not considering the count of every single ballot cast in the election.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. NUNN. I say to the Senator from Oklahoma, in response—and I am not sure I have the floor, but I am assuming I do for the moment—it seems to me we would have the same result whether we took those 12 out on each side or whether we included those 12 in.

Mr. HELMS. So far as equity is concerned.

Mr. NUNN. I do not know what the big debate is. It looks like to me that this side of the aisle is debating a point that is a distinction without a difference.

Mr. McCLURE. Mr. President, may I make a suggestion?

Mr. NUNN. If I were one of those 12 voters and theoretically they kicked out my ballot, as long as they did it to the other fellows, too, it would not make any difference to me as long as the result were the same. We eliminate 12 on both sides or we count 12 on both sides, and we get exactly the same result.

I do not think there is any constitutional or any law involving elections that is not really aimed at doing equity.

I think that is what we ought to be trying to do here in the Senate. So, I am not really arguing for the amendment of the Senator from Alabama which I may be misinterpreting, but I am just trying to arrive at some kind of logical conclusion about why anyone on this side of the aisle would oppose it.

I can understand why some people on my side of the aisle might oppose it, assuming there may be some partisan spirit going around here, which I would hope would not prevail in the long run, but I just cannot understand why anyone on the Republican side of the aisle would oppose it, unless we assume the Republicans are all theoretical and do not have any practical concern about the result of this situation. I am not sure I would labor under that assumption.

Mr. McCLURE. I think we are concerned about the practical and not the theoretical.

Mr. NUNN. I would think so.

Mr. McCLURE. I would think that the Senator from Georgia is proceeding under the assumption that either there would be no search for the "skip-Durkin" ballots; therefore, the committee would just simply say, "We assume they are there, and they will cancel out; therefore, they will end up even," or the Senator from Georgia must assume that they actually go back into the ballots and look for "skip-Durkin" ballots until they come up with a number equal to the 12.

Mr. NUNN. Based on the affidavit that the Wyman position has brought forth of the former Governor, then I am assuming that affidavit is accurate and that there are ample "skip-Durkin" ballots or there would be no difficulty finding 12.

Mr. McCLURE. Does the Senator assume they actually go back and look for them and actually find them?

Mr. NUNN. Maybe I am misinterpreting the Allen amendment, but I thought that was what the Allen amendment was all about.

Mr. McCLURE. All right. That is what I understand it to be also.

But assume for a moment with me, if the Senator will, that as they go back to look for the "skip-Durkin" ballots they find more "skip-Louie" ballots. What then does the Senator from Georgia do or the Senator from Alabama do?

Mr. NUNN. I would have to go back and look at the amendment very carefully, but I assume the search would be only to equate the number of "skipped-Wyman" with the "skipped-Durkin."

Mr. McCLURE. So if the Senator finds more "skipped-Louie" ballots he ignores them, pretends he does not see them, and looks only for the "skipped-Durkin" ballots until he finds 11 more?

Mr. NUNN. Under the amendment of the Senator from Alabama that is the way I would interpret that amendment.

Of course, if the Senator wanted to go to the broader situation, the only alternative to that is to go to the amendment of the Senator from Pennsylvania, go back through all of the ballots, look for all of the skips, and bring all of them together, and then treat them one way or the other.

Theoretically, the Senator would arrive at the same result as under the Allen amendment, the way I see it. One would arrive at the same result. The only problem is that some people are concerned, and perhaps legitimately so, that in the 180,000-odd ballots, there has been what, four, five, or six recounts, and they have not had complete security; therefore, we may be opening the door to an awful lot of possible changes in the ballots if we go back and look at all of them.

Mr. McCLURE. I would say to the Senator when we get into the question of ballot security or the issue of recounts, and there are a couple of other things that ought to be said about that, but let us confine ourselves for the moment to the skip ballots.

Mr. NUNN. The Senator from Alabama has just come into the Chamber. We are discussing the amendment of the Senator from Alabama, and the Senator from Georgia is trying to decide in his own mind why anyone on this side of the aisle would oppose the Allen amendment. I made the statement that I had not arrived at a conclusion on it, and I can understand why someone on this side of the aisle might oppose the Allen amendment, but it seems to me the Allen amendment is aimed at doing equity and treating both parties exactly alike and doing it in a manner that we would not have to recount all the ballots.

Mr. ALLEN. That is exactly right, of course. The Senator from Alabama does not understand why anyone on either side of the aisle would be against his amendment.

Mr. NUNN. The Senator from Alabama is so bipartisan in his spirit that I would assume that would be his logic.

But even assuming there was partisanship on this side and partisanship on the other side of the aisle, which I would hope would not prevail in the final analysis, as I said, it seems to me, even presuming that that there would be very little difficulty for anyone on this side of the aisle to be opposed to the Allen amendment unless they were more interested in theory than they were in equity.

Mr. GRIFFIN. I think one answer to it, I will say very candidly, to the Senator from Georgia, is that the skipped-candidate issue is not the only issue in this case. There are some other very important issues, and some of those, if the Senate is going to do its job adequately, fairly and completely will involve going back into those ballots on some other issues, specifically retallying, for example, not judgment calls as to whether they are Durkin or Wyman votes, but retallying the number of votes in certain precincts.

I think that one of the things that concerns us is the assumption or the likelihood that the Senate might think it has done its job by only doing this little bit; whereas, actually, we should go back and look at all of the skip-type ballots that were cast and treat them all the same. It may well be that the vote would come out different. It might help Mr. Durkin. I do not know.

Mr. ALLEN. I hardly feel that just because there does not seem to be any immediate prospect of gaining several points on behalf of Mr. Wyman's position, it would prevent looking at this issue objectively.

The Senator from Alabama, throughout the entire proceedings, has tried to look objectively at this whole issue. He feels that he has succeeded in doing that.

When he made the motion in the Rules Committee on which this amendment is based, he asked no one's opinion of the merits of the motion that he made in the Rules Committee.

I might say that on the first vote on this motion of the Senator from Alabama in the Rules Committee, it received five votes affirmatively and only three against it. So, apparently, at one time, even a majority of the Rules Committee thought it was an equitable solution.

If this logjam that exists in the Senate is to be broken, I believe resolving these 15 issues that are embraced in amendment 605, as twice modified, would be the way to break this logjam. If these 15 issues are decided, I have every reason to hope that a time limit can be agreed upon with respect to the other 20 issues. Certainly, I believe we would be moving in that direction.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. BARTLETT. The Senator from Oklahoma feels that he sees the practical result of the amendment of the Senator from Alabama. I ask the Senator from Alabama this question: Does he feel that the treatment by the Rules Committee of the "skip-Louie" or "skip-Wyman" ballots was according to the New Hampshire law?

Mr. ALLEN. I point to the vote of the Senator from Alabama, which was to count the ballots for Mr. Wyman, feeling, according to my construction of the law, that he was entitled to those votes; further, that the secretary of state of New Hampshire, who should have some little knowledge of New Hampshire law, and the ballot law commission, which should have some little knowledge of New Hampshire law, had counted these votes for Mr. Wyman.

That information does not come about by anyone peeking at the backs of the ballots. That came out in testimony before the committee—that the ballot law commission had allowed these votes to go to Mr. Wyman.

So the Senator from Alabama is merely trying to call each and every one of these issues as he sees fit, and he is ready to vote on any issue at any time. He certainly has sought a vote on his own amendment; but, for some reason or other, it seems to be ensnared in parliamentary maneuvers on the floor. The Senator is surprised that such a thing would take place. But somewhere along the line, he hopes that there will be an up and down vote on his amendment, because he believes that it will help solve this issue.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. McCLURE. I had asked the Senator from Georgia this question earlier. In a procedural sense, I assume that the Senator from Alabama does not merely conclude, without an actual search of the ballots, that there actually would have to be a physical review of the ballots.

Mr. ALLEN. Yes. There are affidavits in the record that there was a large number, and statements made by Mr. Wyman's side that there were several hundred. Unless the law of averages went astray here, it would not be necessary to examine possibly more than 10,000 or 15,000 ballots to get 11. It will take only 11 ballots.

Mr. McCLURE. Mr. President, will the Senator yield further?

Mr. ALLEN. I yield.

Mr. McCLURE. If, in the process of going through those ballots, there were more "skip Louie" ballots discovered, would the Senator's amendment have those counted or ignored?

Mr. ALLEN. They would be ignored, because the effort would be made to put the candidates on exactly the same basis. It would not tell the committee how to count these ballots, to say whether they were skipped ballots or ballots cast for the candidate alleged to have been skipped. It would simply assume that the Rules Committee would apply the same yardstick to the exact question before the committee.

Mr. NUNN. Mr. President, will the Senator yield for a question on that point?

Mr. ALLEN. I yield.

Mr. NUNN. From an equity point of view and from a result point of view in the election, it would not make any difference, once they found 12 ballots that were skip-Durkin type ballots and they had 12 ballots that were skip-Wyman—it would not make any difference whether they did or did not count them.

Mr. ALLEN. That is right.

Mr. NUNN. Because the remainder would be in there and would have been counted under New Hampshire law.

Mr. ALLEN. That is right. It would have to be applied to all 24. You could not say that it did not make any difference as to the new ones found. It would not make any difference whether you counted all skip-ballots for the candidate or against the candidate.

Mr. NUNN. So long as it was consistent.

Mr. ALLEN. That is right.

Mr. NUNN. And so long as you treated the skip-Durkin ballots the same as you treated the skip-Wyman ballots.

Mr. ALLEN. That is right.

Mr. NUNN. The Senator's amendment does not instruct the committee one way or the other?

Mr. ALLEN. It does not.

Mr. NUNN. The committee could count them all or come back and say they are not going to count them all, and the Senate at that stage could override whatever the committee did, could it not?

Mr. ALLEN. It could, but I will not anticipate that.

Mr. NUNN. In the final analysis.

Mr. ALLEN. As a matter of fact, the committee would not certify anything over to the Senate, because it would have decided that issue.

Mr. NUNN. The Senate would have the ultimate review of it.

Mr. ALLEN. That is correct.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. BARTLETT. If there were this offset, by taking the same number, 11 or 12 "skip-Durkin" ballots, and let us say the committee insisted on its ruling that the New Hampshire law would not be followed, and actually there were more than 11 or 12 "skip-Durkin" ballots, then would not unfairness be displayed on the part of the committee and the Senate in the counting of the ballots?

Mr. ALLEN. The trouble is that under the amendment, the committee would stop when they reached 11. I say 11 because there are 12 "skip-Wyman" votes—one "skip-Durkin" vote, and it would necessitate locating 11 and then stopping. As I stated a moment ago, any further "skip-Wyman" votes would not be taken into custody.

Mr. BARTLETT. So far as the 12 "skip-Wyman" votes are concerned, is that the maximum number of "skip-Wyman" votes?

Mr. ALLEN. Presently before the committee, yes. Under the amendment of the Senator from Alabama, yes. The ultimate limit of "skip-Durkin" votes, 12—one before the committee and the Senate; 11 more to be sought, if they are there.

I think the Wyman forces would be taking some chance on this, because I heard the distinguished Senator from Louisiana say a couple of days ago that he did not think there were any "skip-Durkin" ballots in the 185,000.

If they are not, after the representation has been made before the committee that there are several hundred of them there, I should say it would be a damaging blow to the credibility of the Wyman position if they are not there.

Mr. BARTLETT. In other words, the Senator from Alabama is saying that if the Senate would follow the leadership of the committee in not following the New Hampshire law in counting the "skip-candidate" ballots, if there are not 11 additional ballots found, then this would work against Wyman; if there are 11 additional ballots——

Mr. ALLEN. Yes, it would not be decisive of the question, then, because it would still come up in these later questions later on. But I would say it would still be damaging to the credibility of the Wyman position.

Mr. BARTLETT. If there were 11 Wyman ballots found, then it would be a washout?

Mr. ALLEN. That is right, as I see it.

Mr. BARTLETT. If there were more ballots than 11——

Mr. ALLEN. We never would find out, because it would stop at 11.

Mr. BARTLETT. If there were more, the Senator's amendment would preclude finding out if there were more?

Mr. ALLEN. That is correct.

Mr. BARTLETT. And this would work against Wyman if the decision were still to not follow the New Hampshire law in the missed-candidate vote.

Mr. ALLEN. I had never contemplated it to be more, because I felt that it was futile to seek more, because I thought the New Hampshire law required that they be cast for the person in the column above which the straight ticket mark had been made.

Mr. McCLURE. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. McCLURE. If the New Hampshire law is as the Senator from Alabama believes it and as the Senator from Idaho believes it, that the "skip" ballot, where there is no other marking on the ballot, is a valid vote for all those listed in that column, then if that law is applied, these 12 ballots that we are talking about—13 actually—should be counted, 12 for Mr. Wyman and 1 for Mr. Durkin, is that not correct?

Mr. ALLEN. Yes, that is right.

Mr. McCLURE. And the only purpose of balancing it is one of two; that is, if the Senate should decide not to apply New Hampshire law, it would be, then, to achieve a parity between the two, so far as the application of the new rule is concerned by the Senate?

Mr. ALLEN. Yes. I might say that the contention of Mr. Durkin, though, is that they were applying the New Hampshire law on the basis of ascertaining the intent of the voter and that there is no concession on the Durkin position that the committee is not applying New Hampshire law.

Mr. McCLURE. I understand that. I just wanted to set that issue of the law aside for a moment, because if the law is as the Senator and I believe it to be, then these 12 ballots should be counted for Mr. Wyman and the one ballot should be counted for Mr. Durkin. If that is the case, then the Senator's amendment would simply mean nothing, because they would have been counted. His amendment would mean something only in the event that the Senate did not agree with his interpretation and my interpretation of the New Hampshire law.

Mr. ALLEN. That is a fair statement.

Mr. McCLURE. Or that they decided that they were not going to follow New Hampshire law, regardless of their interpretation of the New Hampshire law?

Mr. ALLEN. Yes. I do not believe the Senate is going to do that, however. I think they will follow the New Hampshire law.

Mr. McCLURE. I am not certain in that respect, because the chairman of the Committee on Rules said, in earlier colloquy, that we are not bound by New Hampshire law. He did not see any reason why we had to follow New Hampshire law.

As a matter of fact, there is an amendment pending at the desk which specifically states we are not going to follow the New Hampshire law.

Mr. NUNN. May I ask a question of the Senator from Alabama along this line?

Mr. ALLEN. Yes.

Mr. NUNN. Under the amendment of the Senator from Alabama, just assuming, for the purpose of discussion for the moment, that there is any kind of suspicion that New Hampshire law will not be applied by the Senate in the final analysis—that is to say, if the so-called "skip" ballots are not counted—then if the same assumption carries with it another assumption, that there are more in the overall if we went back and counted all of them, that there are, say, twice as many "skip-Wyman" ballots as there are "skip-Durkin" ballots, then, going to the practical matter, if those two assumptions were considered—that is, that the Senate in the final analysis is not going to count any "skip" ballots and that there are more "skip-Wyman" ballots—assuming that—than there were "skip-Durkin" ballots, would not, from a practical point of view, the Wyman position be in a better position with the Allen amendment than it would be with the Scott amendment?

Mr. ALLEN. Oh, yes, unquestionably.

Mr. DOMENICI. How about the reverse, if the Senator will yield?

Mr. NUNN. If we reverse those assumptions, then the Durkin position would be better.

Mr. McCLURE. Would it be correct to say that the amendment of the Senator from Alabama has the effect of washing out two arguments, one in which the Durkin people say that these ballots should not be counted, they would lose that advantage. On the other hand, the Wyman people lose the possibility of finding more "skip-Durkin" ballots, and therefore, it is simply a practical resolution of the impasse which confronts the Senate?

Mr. NUNN. The position of the Senator from Alabama defuses the whole issue about whether the New Hampshire law is going to be followed or not followed.

Mr. ALLEN. It does.

Mr. NUNN. It wipes out the issue and insures equity to both parties.

Mr. McCLURE. It defuses the issue so far as the "skip" ballot is concerned.

Mr. NUNN. It does. In effect, what it does is apply New Hampshire law in practical effect, because it counts all of the "skip" ballots except 12 on each side, which means that, the 12 means a balanced position between both parties, and the New Hampshire law applies.

I repeat, I have not decided how I am going to vote on this, but the Senator from Georgia cannot understand why the people on that side of the aisle would not favor the Allen amendment. It just does not make any sense to me. I cannot understand it from a theoretical point of view or a practical point of view. Therefore, I simply wonder whether I am misreading the Allen amendment, or whether my interpretation of it is correct. The Senator from Alabama says it is basically a correct interpretation.

Mr. ALLEN. I fear that any opposition by those forces who are for Mr. Wyman's position would not be a very pragmatic approach. I think they would be discarding the resort to commonsense for insistence upon a mere theoretical practice. I feel that the amendment I have offered is backed by commonsense, is backed by logic, is backed by New Hampshire law. I really feel that if we can get this amendment adopted, it will break this logjam. That is my prediction of what would happen.

GASOLINE SHORTAGES AND THE FORD ADMINISTRATION'S MISMANAGEMENT OF THE ENERGY SYSTEM

Mr. JACKSON. Mr. President, we are now entering the summer vacation period, when increased travel raises the demand for gasoline by American families. As so many Americans look forward to visiting their families or their Nation's natural and historic sites, what is the gasoline supply picture?

We face a situation in which Americans may have to wait on gas lines to pay outrageously high prices for motor fuel. It is clear that gasoline inventories have been drawn down to the point that spot shortages in some regions of the country are a very real possibility. It is also clear that as a result of these shortages steep gasoline price increases are a near-certainty.

There are strong indications that the shortage is artificial, that it is contrived, and that it is in fact designed to raise gasoline prices and to set the stage for enormous windfall profits if Federal authority to control oil prices is terminated on August 31.

The oil industry will make huge windfall profits if the Allocation Act is permitted to expire and price controls are terminated. This is a prime example of the administration's energy policy: Higher prices for the consumer and higher profits for the oil companies. The public interest is buried by a continuation of administration mismanagement, bureaucratic indifference, and industry pressure.

These threats to the American consumer are real. They have emerged over the past few months because the agency designated by the Congress to monitor and regulate the oil industry—the Federal Energy Administration—has, by incompetence or inaction, permitted the oil industry to exercise its enormous market power to run roughshod over the interests of the consuming public by reducing gasoline supplies to drive up gasoline prices.

In response to these developments, Mr. President, I am undertaking an in-depth investigation of the oil industry and the FEA to find out why gasoline inventories have been permitted to fall to dangerously low levels over the past 4 months. What we must determine is whether, as now seems to be the case, the industry has been building up their stocks of crude oil, instead of refining it into gasoline and other needed products, because the industry knows that President Ford's policy will produce a crude oil inventory windfall profit of up to $2 billion if price controls are removed.

What has been happening? There is a puzzle here, but the pieces to it are relatively few in number:

First, abundant crude oil is available to all domestic refineries:

Second, a progressive and steep decline in the utilization of refinery capacity has caused curtailed production of gasoline;

Third, there has been a rapid drawdown of gasoline stocks to bare minimum levels just prior to the season of peak gasoline demand; and

Fourth, the price of gasoline has been rising sharply as evidence of impending shortages mounts.

1. BACKGROUND

A. GASOLINE PRODUCTION AND INVENTORIES DECLINE

The gasoline situation what is reflected in the statistics published by the American Petroleum Institute is both obvious and ominous. Over the past 5 months—since the announcement of the administration's energy tariff and price decontrol proposals—the rate at which crude oil has been run through U.S. refineries has dropped substantially. For 10 weeks prior to the President's state of the Union message domestic refinery utilization—total refinery runs as a percentage of available capacity—averaged just under 88 percent. In the weeks that followed utilization dropped steeply, and during the months of March, April, and May only 81 to 83 percent of available refining capacity was being used.

As a result, production of refined products dropped all across the board. Inventories of gasoline, which stood at over 240 million barrels in February, plummeted steeply—week by week—for over 4 months. Those inventories now stand at the lowest levels of the last 2 years—lower than during the embargo and virtually identical to the levels which accompanied the gasoline shortages of 1973. Although normal industry practice at this time of year is to increase refinery runs to increase gasoline production and to maintain gasoline stocks, precisely the opposite has occurred over the past 4 to 5 months.

B. INVENTORY PERIL POINT

Historically analysts familiar with the oil industry both in and out of Government have considered 195 million barrels of gasoline stocks to be the peril point: The minimum level the system can tolerate without the onset of spot shortages. In fact during the serious gasoline shortages of 1973 the lowest stock level recorded was approximately 198 million barrels. Current inventories stand at 199.8 million barrels. The difference between this level and the minimum of 195 million barrels represents slightly more than one-half day's consumption at current rates. Apparently the existence of the allocation program—which spreads available supplies evenly across the country—is currently the only thing preventing low inventories from producing gas lines and station closings right now.

Gasoline inventories have been traditionally used to accommodate the ebb and flow in demand. With production down and gasoline inventories at bottom, any surge in demand or any loss in refinery capacity could bring on serious spot shortages. Unless refinery utilization is substantially increased, these shortages could escalate into a major headache for the consumer and the American economy.

C. CRUDE OIL GLUT

Ironically, this situation occurs at a time when there is no shortage of crude oil. Although U.S. production continues to decline, U.S. crude oil stocks are at all-time high levels—284 million barrels—and these stocks have been maintained at high levels while gasoline inventories are declining. There is a virtual glut of crude oil on the world market. Worldwide excess producing capacity is at least 12 million barrels per day. U.S. imports have remained high. Yet refinery runs and gasoline inventories have been steadily declining week after week.

D. GASOLINE PRICE INCREASES

While gasoline inventories decline, gasoline prices are rising. Since November of 1974, the average price of gasoline nationally has risen by over 4 cents per gallon, despite the administration's claim that the first dollar tariff imposed by the President would cause increases of only 1.5 cents per gallon, and the impact of the second dollar has yet to be felt. As recent articles in the oil industry trade press clearly indicate, the current threat of shortages is already driving gasoline prices far higher—up approximately 5 cents per gallon on the spot market since May 1. Mr. President, I ask unanimous consent that an article on the "Impending Gasoline Crisis" which appeared in the June 20 Oil Daily and an excerpt from the Oil and Gas Journal Newsletter of June 23, 1975, be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

2. ADMINISTRATION RESPONSE TO THE GASOLINE SHORTAGE

Mr. JACKSON. Mr. President, where has the Fedral Energy Administration been during the period that these trends were emerging? Mainly, the FEA has been arguing, in testimony before Congress and in speeches by FEA officials in all parts of the country, for the decontrol of oil prices and an end to the Petroleum Allocation Act. Although this situation has been building for the past 4 months, no comment and no action was taken by FEA on the sharp decline in refinery utilization or the precipitous drop in gasoline inventories until last week.

A. DISMANTLING WEEKLY ENERGY DATA COLLECTION

Not only has the FEA failed to monitor the oil industry effectively itself, it is now also failing to collect and make public the objective, accurate, and up-to-date data which would permit the Congress, independent analysis or members of the public to monitor industry operations themselves.

In March, the FEA terminated the weekly energy information series it had published domestic refinery operations. Since that time, the only public source of up-to-date information on oil supply and demand has been the American Petroleum Institute—the oil industry's Washington lobby. We cannot compare the API figures which reflect the impending shortage with FEA's data because no FEA data is available describing the months of April, May or June.

B. FEA'S AUTHORITY AND ATTITUDE

The FEA now says that gasoline shortages will be prevented. This claim is based on assurances given to FEA privately—over the telephone—by the oil companies. FEA makes this claim despite the admission of FEA Administrator, Frank Zarb, as quoted in the June 20 Washington Star News, that—

> He cannot explain why U.S. refineries have been operating at reduced capacity—cutting gasoline output—at a time when crude oil stocks are up 5 percent.

There has been no request by FEA for additional authority to deal with the situation. No alteration in FEA regulations has been proposed. No manadatory directives have been issued to refiners.

FEA has behaved as if it was blind, incompetent or indifferent—or all three—during the period this situation was building. FEA now intends to rely on the oil companies themselves to rectify the situation which they created.

Mr. President, I do not believe that the country can or should rely on FEA press releases or the private assurances of oil companies that there will not be a gasoline shortage this summer and that short gasoline supplies will not be used to drive up gasoline prices.

The facts on inventories and refinery runs show that gasoline shortages are a real possibility. The trend in rising gasoline prices—far beyond the impact of the President's tariff—which has accompanied the drop in supply is clear to anyone who looks at the data.

This situation is a textbook example of the fallacy of assuming that unregulated "market forces" in the petroleum industry will protect the interests of U.S. consumers. The petroleum industry is able to repeal the law of supply and demand because it controls the supply. The precise reason for the existence of the Emergency Petroleum Allocation Act and the Federal Energy Administration is the necessity of monitoring and regulating the very natural drive of this industry to maximize its profits at the expense of the consuming public.

The Emergency Petroleum Allocation Act provides the President with all of the authority necessary to insure that gasoline shortages will not occur. What is lacking is the will in the administration and especially in the FEA, to use the act to insure that the public interest is not bulldozed once again by the oil industry.

C. REQUEST TO FEA FOR A FULL REPORT

I have written to the FEA demanding an explanation and a full report on the gasoline situation and what actions the administration proposes to take. The public has a right to demand that FEA be in a position to determine—on very short notice—

First, the reasons for the decline in gasoline inventories;

Second, the reason for the drop in refinery utilization, including a public accounting of who is reducing refinery runs and why;

Third, the measures which are needed to insure adequate gasoline supplies at reasonable prices;

Fourth, the reasons why the Congress and the public had to find out about this situation from the trade press and industry data and, apparently, bring it to FEA's attention; and

Fifth, the measures which are available to cope with gasoline or heating oil shortages if the Allocation Act is allowed to expire or its extension is vetoed as representatives of the Administration have threatened.

3. CAUSES OF THE SHORTAGE

Mr. President, we must go beyond a cataloging of the trends illustrated by the figures on refinery runs, inventory levels and pump prices to determine the reason and motivation which led to this dramatic and dangerous decline in gasoline availability, and a coincident rise in gasoline prices.

A. ECONOMIC AND REGULATORY FACTORS

A number of hypotheses have been offered to explain this situation. These explanations come from representatives of oil companies, from observers of the industry, and from Government analysts. Some of the reasons advanced assume the situation to be a result of responses by individual oil companies to market demand and/or Government regulation. These reasons include:

First, that consumer demand for gasoline is weak;

Second, that refinery profit margins are limited by Federal regulations;

Third, the operation of FEA's entitlements program; and

Fourth, that gasoline inventories are expensive to maintain.

I have serious reservations as to the adequacy of any of these hypothesis for explaining the current low levels of gasoline inventory.

Consumer demand has, in fact, been growing stronger not weaker over the past four months.

Profits in the oil industry are and have been for the past year at all time record levels.

The whole point of the FEA's entitlements program is to grant equal access to the benefits of low-priced crude oil to all refiners. If the regulations do not accomplish this they can and should be amended.

Finally, the industry has normally maintained gasoline inventories at levels millions of barrels higher than current stocks.

B. INDUSTRY MOTIVATION AND ADMINISTRATION ENERGY POLICY

There are other hypotheses, however, which involve serious questions concerning industry motivation and administration mismanagement of an essential component of domestic energy supply.

These allegations, if true, also raise very, very serious questions of public policy.

First, that the reduction in gasoline supply is a deliberate effort on the part of the industry to use scarcity to drive up the price of gasoline;

Second, that the President's import tariff, which raises the price of uncontrolled domestic oil as well as the price of imported oil, has encouraged the industry to acquire and hold the maximum amount of crude oil in inventory awaiting windfall profits which become available as each dollar of tariff is added; and

Third, that the oil industry is withholding supply in anticipation of termination of the mandatory allocation program on August 31. Expiration of the Allocation Act would, at one fell swoop, remove all Federal authority for equitable allocation of crude oil and refined products and all Federal authority to maintain price controls on domestic oil, or restrain further price increases on refined products such as gasoline. The administration is opposed to extension of the act, and representatives of the administration have threatened a Presidential veto if Congress votes such an extension.

Termination of the Allocation Act will trigger truly enormous windfall profits on each barrel of crude oil hoarded in inventory by the industry. Moreover, if the Allocation Act authority is terminated in a situation of severe gasoline shortages, the stage will be set for the consolidation of gasoline market position of the major oil refiners by the systematic squeezing of supply to the independent sector of the industry.

4. THE ADMINISTRATION TILT TOWARD INDUSTRY

A. GASOLINE DEMAND INELASTICITY

Mr. President, at the present consumption rates, the addition of a single cent to the price of gasoline generates nearly a billion dollars for the oil industry on an annual basis. The incentive for the oil industry to try every conceivable strategy to capture these revenues is enormously strong.

Those who guide the oil industry know that gasoline use is very inelastic with respect to short-term price increases. Our entire lifestyle—the way we get to work—those who still have jobs—our shopping patterns, the transportation of food and manufactured goods—all depend on abundant supplies of gasoline. Only very substantial increases in gasoline prices can change these patterns. And should this route to reduced consumption be chosen, the result would be enormously painful and the political repercussions immense. For this reason it is essential from the point of view of the oil industry to impose moderate increases in gasoline prices, but to impose them steadily. In fact, since the 1974–75 winter we have seen a slow but steady rise now totaling over 4 cents per gallon in the price of gasoline.

It is clear that administration policy has abetted energy price increases. The administration's whole philosophy of rationing energy supplies by price is based on the need for and desirability of making energy more expensive. This philosophy and the climate it creates cannot help but lead to higher prices.

B. ADMINISTRATION BIAS

However, I am afraid that the administration's consistent tilt toward the oil industry may now be having far more expensive and dangerous implications for the American consumer. At least four things are clear:

First, it is clear that the President's oil tariffs have encouraged gasoline price increases in excess of the simple pass through of added costs due to the tariff itself;

Second, it is obvious that each dollar of tariff added by the President increases the price of domestic, new, released and stripper oil and creates a short-term incentive to slow the refining of uncontrolled oil in anticipation of the windfall to be provided at each increase in the President's tariff; and

Third, it is apparent that the administration's opposition to extension of the Allocation Act, their repeated statements in favor of releasing all control over domestic oil prices and continued threat of a veto of congressional attempts to extend price control authority have created a real incentive for domestic producers to hoard crude oil. It is wholly predictable that some producers would gamble on the outcome of the contest between the Congress and the President over the extension of the Allocation Act beyond August 31. Inventories of crude oil are now at a near alltime high of 284 million barrels. It is probable that a high percentage of this crude oil inventory is "old" oil. If price controls on oil are removed, the value of this "old" oil inventory will increase overnight by $8 to $9 per barrel, depending on whether the President's third dollar of tariff is added before expiration of the act. There is potential windfall profits to the industry here in excess of $2 billion on these crude oil inventories alone.

Moreover, a short supply of gasoline when price controls and allocation authority terminate will result in an upward surge in gasoline prices. Because buyers will not have a right to an allocation, many independent marketers will be forced out of business by inability to obtain supplies.

These incentives created by administration policy account for both of the effects observed in refinery statistics describing crude oil and gasoline stocks.

Finally, the present gasoline situation implies that FEA's monitoring and surveillance of the petroleum industry is either incompetent or enormously inefficient. An attempt to rectify this situation with promises of a few oil company presidents is simply not an appropriate response, particularly when the administration is systematically endorsing the industry's drive to extract even higher profits from consumers already burdened with high prices.

5. PRIORITIES

Mr. President, our first priority must be to turn around the trends which show that we are on the road to a shortage. There is time to accomplish this, but it will require leadership in the industry, in the administration, and in the Congress. And we must begin at once.

First, I call upon the President to direct the Federal Energy Administration to establish minimum stock and inventory levels for gasoline, heating oil, and other refined products.

The President has adequate authority in the Allocation Act to prevent overreaching and to require the oil industry to run their refineries at full capacity.

In addition, we must understand the reasons the present situation arose and move effectively and firmly to set up an incentive structure to prevent its reoccurrence. In no sense, however, is the Congress going to accept total deregulation of the oil industry as the "solution" to the problem of shortages.

It serves no purpose to ignore or attempt to wish away the tremendous impact on the domestic economy the petroleum price increases of 1973–74 have had. It makes even less sense to pretend that we can now afford the greater economic impact of decontrolling the domestic oil industry and permitting the same kind of price increases for domestic oil. Both the size and suddenness of the administration's crude oil decontrol proposals make them totally unacceptable.

There have been reports in the trade press that some industry spokesmen attribute the decline in gasoline stocks to price controls and profit margin limitations. There is a curious parallel between these statements and the all-out effort now underway by the administration and the oil companies to prevent any extension of price control and allocation authority and to deregulate natural gas prices.

The actions of the industry and the inaction of the FEA do not constitute blackmail, but they clearly appear to be designed to build support for decontrol of oil prices. They are yet another example that this administration seems far more interested in winning the favor of oil companies than it is protecting the public.

The solution is not to give in and grant the oil industry new "incentives" in the form of permission to charge OPEC cartel prices for all domestic oil. Nor will an acceptable and equitable solution involve elimination of these Federal regulations designed to preserve and maintain competition in the petroleum industry and based on an overwhelming congressional mandate.

We would be foolish to relinquish control over our energy prices to the managers of the OPEC cartel, and we would be doubly foolish to permit the conditions created by the cartel's monopoly power over world oil to force the domestic oil industry to an even greater degree of market power concentration than now prevails. The solution will lie in regulation. If the current law and regulations are inadequate, they should be improved. But we must work within a regulatory framework, and the sooner the administration and the oil industry accepts this, the quicker real progress in energy policy can be made.

Exhibit 1

Impending Gasoline Crisis?

(By Jim Drummond and Roxy Cuddy)

Houston.—A rapid rise in the Gulf coast spot cargo market for gasoline became a rush Thursday after fresh reports of refinery curtailments and planned curtailments, including the shutdown of a newly expanded 150,000 barrels daily Pennsylvania plant.

Oil Daily raised its cargo range for regular grade motor fuel to 34.50–36.00 cents a gallon from 33.00–34.00 cents amid reports at least two deals had been consummated at 36.50 cents. The May 1 quotation was 28.25–28.75 cents.

Offers to sell, few and far between, were reported at figures as high as 37 cents a gallon for July delivery and 37.25 cents for no-lead. There were unconfirmed reports that gasoline arriving on the West Coast had been bought for 40 cents a gallon at some domestic point—whether at the Gulf or elsewhere was unclear.

The distillate market also was firming despite its abundant supplies, with Oil Daily's Gulf coast cargo quotations rising to 26.75–27.25 cents a gallon from 26.50–27.00. Traders advanced these reasons:

Crude oil costs are escalating, partly in anticipation of higher products price cost pass-throughs based on President Ford's second dollar a barrel of oil imports excise tax.

Utilities, which have installed history's largest amount of storage, have used up most of the high priced fuel oil obtained during last year's supply pinch and are beginning to buy more.

Distributors are stocking up on the premise that you can't bet on two mild winters in a row.

Biggest new refinery casualty occurred at Marcus Hook, Pa., where BP Oil Inc. wholly owned subsidiary of Standard Oil Co. of Ohio, shut down all gasoline production at a newly expanded 150,000 barrels daily plant (up from 105,000 b/d) when a bulky catalytic reformer finally required major surgery.

A BP advisory which reached dealers through company marketing channels last weekend indicated there might be supply trouble ahead. It came Monday when refinery crewmen started tearing down the reformer, BP dropped its marketing allocation to 60% of the adjusted base period level from 130%.

Charles H. King, BP's marketing vice president, said the refinery had been carrying low motor fuel inventories because of interruptions where the reformer was having catalyst recirculation problems. ("The catalyst wasn't going to the bottom of the unit," said another spokesman. "Sometimes it would burn, however, and unplug itself.")

King thought some runouts might occur in BP and William Penn service stations (supplied by BP) in major marketing areas. He said various retail units might have to "redistribute" their operating hours or close temporarily. The company's retail territory extends from New England down the eastern seaboard to Virginia.

The Marcus Hook plant is expected to be operating normally again in about two weeks. Meantime, BP is asking the Federal Energy Administration to help by permitting it to use some of the product it has contributed to state set-asides, held for emergencies.

There was no immediate estimate how much gasoline production is being lost at Marcus Hook. Best horseback guess among marketers is 50,000 to 75,000 b/d.

The amount of gasoline output curtailed, if any, at two other refineries which have lowered runs recently was an even bigger question mark.

Kyso's 240,000 b/d Pasagoula, Miss., refinery has shut down one of two crude units for modification so it can start running Arabian oil. The changeover is expected to be complete by Sept. 1, when rated plant capacity will rise to 280,000 b/d and the crude mix will be about 50% Arabian.

However, a Kyso spokesman said the refinery, by planning ahead, had accumulated enough products components to continue turning out a close-to-capacity flow. Asked about a report downtime had been extended by difficulty in getting parts, he said forward planning had taken long parts delivery lead times into consideration, so no trouble resulted.

Atlantic Richfield's 185,000 b/d refinery again was running 130,000 b/d of crude, same as before a just-completed turnaround, a spokesman said. A reformer went back on stream Wednesday after being down 20 days.

Products distribution didn't suffer, the Arco man reported, the company having been able to draw down previously heavy inventories.

Champlin Refining was said to plan a routine turnaround at its 65,000 b/d Corpus Christi, Tex., refinery starting July 1. The estimated downturn in gasoline production for the duration is 20,000 to 25,000 b/d.

Oil Daily previously reported a minor fire and maintenance requirement which forced shutdown of the 180,000 b/d refinery of Gulf Oil Co.-U.S. at Alliance, La., south of New Orleans. It's due back on stream June 20 or 21.

A fire also knocked out two or three days production by Sohio's Lima's O., plant, and Crown Central Petroleum's Passadena, Tex., plant was resuming normal products production after a month's outage.

No one seemed to have any viable estimate of the gasoline not manufactured in recent weeks because of refinery problems. However, an independent marketer who compared American Petroleum Institute refinery production figures with API's weekly statistics on U.S. gasoline inventories came up with a startling conclusion:

Consumption has been outstripping output by more than 500,000 b/d in the last four or five weeks.

"I'm afraid outsized demand is going to be the unpleasant surprise when we get around to clocking it," he said. "The amount may be a shocker.

"You can get some clues already. Just drive along the Houston-Dallas freeway and look at all the traffic."

Exhibit 2

Gasoline Supply

U.S. gasoline market is tightening up fast. Demand of 6,972,000 over last 4 weeks is highest since Sept. 13, 1974. Refinery output of the fuel of 6,466,000 represents a decline running since first of the year. Stocks, as a result, are now down to 199,842,000 bbl, lowest since Aug. 24, 1973.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BAKER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, there has been a good deal of discussion about credentials in the course of this debate on Messrs. Durkin and Wyman and the question has arisen as to which set of credentials should be honored when two candidates appear each with a set of credentials certified and then that set of credentials is changed by the same certifying authority.

I would like to have printed in the RECORD the citation from a case that occurred in my own State of Rhode Island, Elisha R. Potter against Asher Robbins.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

[Twenty-third Congress, First Session]

ELISHA R. POTTER V. ASHER ROBBINS OF RHODE ISLAND

[Citations: S. Jour., 23d Cong., 1st sess., 1833–1834, pp. 5, 35, 166, 285, 300, 313, 314, 328, 329, 340; S. Docs. No. 139 (majority) and 246 (minority), 23d Cong., 1st sess.; Cong. Debates, vol. 10, pt. 1, 1833–1834, pp. 2–11, 13–14, 19, 804–807, 1229–1230, 1252–1257, pt. 2, pp. 1813, 2021, 2037–2038; Cong. Globe, 23d Cong., 1st sess., pp. 1, 13, 127, 214, 215, 282, 283, 287, 289, 301, 405, 436, 464, 468; Hinds' Precedents, vol. I, § 627; S. Doc. No. 1036, 62d Cong., 3d sess., p. 179]

Statement of the Case: On January 19, 1833, Asher Robbins was elected Senator by the Rhode Island Legislature for a 6-year term beginning March 4, 1833. On January 28, 1833, the Governor issued his certificate which was presented to the Senate on February 4, 1833, and entered on the Journal. Robbins failed to appear to qualify and the State legislature at a new session convened on the last Monday of October, declared Robbins' election "null and void and of no effect" and the office vacated. On November 1, 1833, the legislature elected Elisha R. Potter and on November 5, 1933, a new Governor issued a certificate to Potter. On December 2, 1833, when a new session of Congress convened, Potter's credentials were laid before the Senate.

Question of prima facie right: Conflicting credentials, each regular in form, being presented at different times, those (of Robbins) first issued and presented were honored after the circumstances had been examined. A motion that the oath be administered to Robbins was agreed to on December 2, 1833. The Senate by a vote of 19 to 15 refused to refer the motion to seat Robbins to a select Committee.

Question of final right: (1) Was the commission of Robbins made and executed in conformity with the provisions of the United States Constitution and the laws and usages of Rhode Island prescribing the time, place, and manner of choosing Senators? (2) Was Robbins, at the time of his election, eligible, according to the United States Constitution to the office of Senator? (3) Was he chosen by the legislature of the State? The committee reported that if these questions be answered affirmatively, it is unnecessary to inquire into the validity of the subsequent election of Potter.

The right of the minority to make a report and whether a minority report should be responsible to the majority report were debated.

Decision of the Senate: Where conflicting credentials, each regular in form, are presented, those first presented will be honored and the person named therein seated and the credentials of the contestant be referred to a select committee; but the motion to seat the Member will not be referred to a committee. The Senate by resolution on May 27, 1834, as recommended by the majority report of the committee, declared Robbins to be entitled to the seat. Vote: yes, 27; nays, 16.

Potter was by a special appropriation paid the compensation of mileage and the per diem allowance of a Member of Congress for the time he actually attended at Washington during the contest.

Mr. PELL. This was a Senate decision in the 1830's—a little while ago—but the decision of the Senate was:

> Where conflicting credentials, each regular in form, are presented, those first presented will be honored and the person named therein seated and the credentials of the contestant be referred to a select committee; but the motion to seat the Member will not be referred to a committee.

Mr. Robbins was chosen first and issued a certificate, but failed to appear to qualify. Elisha Potter was chosen later, but Robbins was seated.

In other words, the credentials first presented were honored.

Mr. President, I suggest the absence of a quorum.

Mr. GRIFFIN. Would the Senator from Rhode Island give me the date of that?

Mr. PELL. Absolutely. The case occurred in 1833, I do not have the specific date here.

Mr. GRIFFIN. That is enough, 1833, it will give me a chance to check it out. I appreciate that.

Mr. PELL. Very well.

Mr. GRIFFIN. I think there is an answer to it and we will provide it.

Mr. PELL. I thank the Senator.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that without prejudice to the pending business the Senate go into executive session to consider nominations under New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

CIVIL SERVICE COMMISSION

The assistant legislative clerk read the nomination of L. J. Andolsek, of Maryland, to be a Civil Service Commissioner.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

FEDERAL RESERVE SYSTEM

The assistant legislative clerk read the nomination of Philip C. Jackson, Jr., of Alabama, to be a member of the Board of Governors.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business and the pending business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ORDER FOR RECOGNITION OF SENATOR LEAHY AND SENATOR MONDALE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow after the two leaders or their designees have been recognized under the standing order, and after the consummation of any other orders that previously have been entered, Mr. LEAHY and Mr. MONDALE be recognized, each for not to exceed 15 minutes, and in that order.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, if I may have the attention of the distinguished Senator from Alabama and the distinguished Senator from Michigan, who I understood were the interested parties, I ask unanimous consent that the vote on the pending amendment occur at the hour of 4:30 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Reserving the right to object, Mr. President——

Mr. MANSFIELD. I had understood the request had been made before, and the Senator from Michigan wanted time to think about it.

Mr. HUGH SCOTT. Mr. President, we are talking with various people about it. I think we can vote around 4:30, but I would rather not make a time agreement. We have some who will not agree to that. But if the Senators will be here at 4:30, I think it would be a pretty safe prediction that we will be voting.

Mr. ALLEN. Reserving the right to object, and I shall not object, because I want to vote on all of these amendments, and certainly I want to vote on my own amendment, I believe the situation has changed somewhat since the matter was under discussion before. Is the amendment the Senator speaks of the Scott amendment to division 1 of the Allen amendment?

Mr. HUGH SCOTT. This is the Scott-Griffin amendment to retrieve all of the ballots, which is an amendment to the Allen amendment.

Mr. ALLEN. It seeks to amend item 1 of my amendment, 605.

Mr. HUGH SCOTT. Yes. It seeks to amend the first part of the amendment of the Senator from Alabama.

Mr. ALLEN. I have no objection to the time limit.

Mr. HUGH SCOTT. I do not think there are any objections on our side to voting at 4:30. We just want to avoid a time agreement because there are two or three people we have not directly consulted. But I think we can be satisfied.

Mr. ALLEN. Might we then agree to vote on item 1 of my amendment following that?

Mr. MANSFIELD. Following that, yes.

I will yield to the Senator from California.

Mr. CRANSTON. We were discussing the time on Senator ALLEN's amendment at the time we had the discussion. If we can reach a time agreement on his amendment, that would be fine.

Mr. ALLEN. I would not insist, but I hope it can be arranged.

Mr. HUGH SCOTT. I hope we can consult on that right after the vote on the Scott-Griffin amendment.

Mr. ALLEN. I believe it is the one amendment that would have a chance of breaking the logjam here in the Senate on this resolution.

Mr. MANSFIELD. Is there not an Allen amendment to the Scott-Griffin amendment?

Mr. ALLEN. No, sir.

Mr. CRANSTON. It is vice versa.

Mr. HUGH SCOTT. It is the Scott-Griffin amendment to the Allen amendment.

Mr. GRIFFIN. I believe the Senator will agree that if the Scott-Griffin amendment should be adopted, the Allen amendment would be moot.

Mr. ALLEN. Yes, of course. If it is adopted, the Scott-Griffin amendment would be substituted for it, yes.

Mr. GRIFFIN. Of course, it is our hope, if not our expectation, that the Scott amendment will be adopted.

The **PRESIDING OFFICER.** Is there objection to the unanimous-consent request?

Mr. GRIFFIN. The unanimous-consent request is that the vote will occur on the Scott amendment at 4:30; is that correct?

The **PRESIDING OFFICER.** Will the Senator from Montana restate his request?

Mr. MANSFIELD. Any amendment, whatever is pending.

The **PRESIDING OFFICER.** It is the Chair's impression that the request would provide for a vote at 4:30 on the pending question?

Mr. MANSFIELD. That is correct.

Mr. McCLURE. A parliamentary inquiry, Mr. President.

The **PRESIDING OFFICER.** The Senator will state it.

Mr. McCLURE. What is the pending question?

The **PRESIDING OFFICER.** The pending question is the Griffin-Scott amendment to division 1 of the Allen amendment, which is at the desk and carries No. 605, as modified.

Mr. McCLURE. I thank the Chair.

Mr. GRIFFIN. Mr. President, have the yeas and nays been ordered?

The **PRESIDING OFFICER** The yeas and nays have not been ordered.

Mr. MANSFIELD. Has the request been granted?

The **PRESIDING OFFICER.** The unanimous-consent request is still pending. Is there objection?

Mr. CRANSTON. A parliamentary inquiry.

The **PRESIDING OFFICER.** The Senator will state it.

Mr. CRANSTON. Are amendments in order to the Scott-Griffin amendment?

The **PRESIDING OFFICER.** It is in the second degree. Amendments would not be in order.

Mr. HUGH SCOTT. I ask for the yeas and nays, Mr. President.

Mr. MANSFIELD. What about the unanimous-consent request?

The **PRESIDING OFFICER.** That is still pending. The request for the yeas and nays is in order notwithstanding the unanimous-consent request pending.

Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered.

The **PRESIDING OFFICER.** Is there objection to the unanimous-consent request?

The Chair hears none, and it is so ordered.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

Mr. McCLURE. Will the Senator withhold that?

Mr. GRIFFIN. I withhold that.

Mr. McCLURE. I would like to address a question to the Senator from Alabama concerning his amendment 605, as modified, division 1.

As I read that, it requires that the Rules Committee retrieve from the 180,000 or 200,000 ballots an equal number of "skip-Durkin" ballots. That would be 11 more than are now before the committee.

Mr. ALLEN. Yes; it being 11 because there are 12 "skip-Wyman" ballots and one "skip-Durkin" ballot before the committee and the Senate.

Mr. McCLURE. And the amendment further requires that the skip-candidate votes be considered by the committee.

Mr. ALLEN. That is correct. It does not direct the committee as to how to rule with respect to those ballots, but it would assume, I assume, that the committee would apply the same uniform standard to the decision. If it recognized any of the ballots, it would recognize all of them, and if they turned down some of them, they would turn down all of them.

Mr. McCLURE. The Senator very appropriately anticipated my question. The amendment does not require the committee to rule on all of them in the same fashion.

Mr. ALLEN. It does not, but that would be a fair assumption, that they would. I would have confidence that the Rules Committee would apply exactly the same standard to similar ballots.

Mr. McCLURE. Would the Senator agree also that if the Senate were to adopt the amendment which he has suggested, that this would render moot any of the questions with respect to whether or not protests were filed in a timely manner?

Mr. ALLEN. It would.

Mr. McCLURE. At least so far as these 24 ballots might be concerned.

Mr. ALLEN. That is correct.

Mr. McCLURE. I thank the Senator for yielding and answering these questions. I think it is important that we have an understanding at this point of what it is that the Senator from Alabama has in mind with regard to the action of the Rules Committee if they have these 24 ballots before them. There is nothing on the face of the amendment which would require the committee to apply the same judgment to all 24 ballots.

Mr. ALLEN. Yes; I might state that the Scott-Griffin amendment that sought to be substituted for 605 is a situation of overkill and would open up the door for still another question. It might conceivably have 400 or 500 additional ballots with this question still unanswered. It would be conceivable for the Rules Committee to misapply New Hampshire law and, in effect, award the election to that candidate that had fewer skip ballots counted for him. I feel that the Scott-Griffin amendment is unwise because it would bring in an entirely new question and create more problems, more complexities, and it would supposedly accomplish the same thing, which would be to count all ballots of a "skip-candidate" nature for the candidate alleged to have been skipped under a straight party ticket vote.

Mr. McCLURE. It would be the understanding of the Senator from Idaho that all of the ballots of the skip type have now been counted for the candidates, with the exception of the 13 that are pending before the committee. Is that the understanding of the Senator from Alabama?

Mr. ALLEN. That is correct. It is not only my understanding, but the exact fact.

Mr. McCLURE. That does not raise the issue of ballots in which there is a skip but also some other marking on the ballot which might be some evidence. This refers only to those where a skip ballot is involved?

Mr. ALLEN. Yes.

Mr. McCLURE. Where one, two, three, or more individual boxes were not marked?

Mr. ALLEN. Yes.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. CANNON. While the Senator is here, and as a followup, I would like to pursue that matter a little further.

As the Senator knows, the so-called skip ballots are not all in the same category. Some of them skip one candidate only. Some of them skip more than one candidate, but with other evidence.

What does the Senator envision with respect to retrieving other ballots, if there are any? Does he envision that all ballots would be retrieved that had an X in the circle, and then had any other mark on the candidate list, or would he envision that only those that had the mark in the circle and had only one candidate skipped would be retrieved?

Mr. ALLEN. I think that would be something—I do not think it is necessary for the Senate to give the Rules Committee specific guidelines in the minutest of details. I think that would be an area for the Rules Committee to decide.

My notion of what would be fair would be, since there are supposed to be several hundred of these ballots in the 185,000, to as nearly as possible choose ballots of exactly the same circumstances that the Rules Committee now has.

Mr. CANNON. So that those 11 ballots would coincide as nearly as possible with the ballots that are retrieved?

Mr. ALLEN. That is correct. So that the Rules Committee would be determining exactly the same question in passing on these 24 ballots.

Mr. CANNON. Would the Senator consider, at the proper time, a possible modification of his amendment to direct that these ballots be retrieved, let us say, by an impartial panel, to avoid any tieup in the Rules Committee?

Mr. ALLEN. I think our Riddick panel would certainly be satisfactory. I would have absolutely no objection to any group. I would be glad to have any panel that the Senator would suggest. But there again, that would be up to the Rules Committee, I believe. I think the Senate would certainly trust its Rules Committee to come up with something fair on that. I do not believe we would have any trouble.

But as far as such a modification is concerned, surely, I would be glad to entertain that.

Mr. CANNON. One of the so-called skip-Louie ballots here is one in which the X was put in Mr. Wyman's box, and then later erased. Does the Senator anticipate that we would try to find a similar one on Durkin? If we could not find a similar one, what does the Senator envision would be done there as an offset ballot?

Mr. ALLEN. Well, I think whether it is one, two, or three, recognizing that a skip of two is a weaker argument for it being a skip ballot than just one skip, I think the central question is the same: Is the vote to be withheld from a candidate where the box opposite his name did not contain an X, even though the circle under the party emblem did have a cross?

I think the point is exactly the same. I think these other circumstances are just matters of detail. But I would have no objection to trying to match them up.

Mr. CANNON. Finding one to offset that had an X in the same place, if possible?

Mr. ALLEN. If possible, yes.

Mr. CANNON. What does the Senator propose the outcome would be in the event that the panel, if his amendment is adopted, were unable to find 11 comparable "skip-Durkin" ballots?

Mr. ALLEN. Well, I think the situation would exist, then, that the Rules Committee would have before it, certainly, the 13 ballots it has now, and if they had only 5 more found, it would have those, and it would rule any way that it wanted to on those, and it is still not decisive; we would still have the individual votes on these ballots later on.

I do not think we would throw it out. I would think if there are not at least 11 there, I would say that the statements made before the Rules Committee to the effect that there are hundreds there would have been proved to be inaccurate.

Mr. CANNON. I thank the Senator.

Mr. ALLEN. I thank the distinguished Senator from Nevada.

COMMENDATION TO THE INTERNATIONAL LADIES' GARMENT WORKERS' UNION ON ITS 75TH ANNIVERSARY

Mr. WILLIAMS. Mr. President, I send to the desk a resolution and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 194) to commend the International Ladies' Garment Workers' Union on its 75th anniversary.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. WILLIAMS. Mr. President, the resolution I have offered for myself, the Senator from New York (Mr. JAVITS), and the Senator from Rhode Island (Mr. PELL), commends and congratulates the International Ladies' Garment Workers' Union, one of the best known and most outstanding labor organizations, on the occasion of the observance of its 75th anniversary.

The ILGWU was founded on June 3, 1900, and on June 23 of that year, it received its charter from the American Federation of Labor.

In its 75-year history, the ILGWU has won worldwide recognition as a pioneer and champion of wholesome working conditions for its members. Its successful crusade to bring safety, sanitation, and healthy conditions to an industry long plagued by the sweatshop is one of the brightest periods of labor history. Its industrial statesmanship and visionary approach to employer-employee relations helped stabilize an industry once torn by constant conflict.

But the contributions of the ILGWU have not been confined to its members and its industry. In 1909, the union began its own campaign for women's rights in both the economic and political worlds. It has come to the aid of the unfortunate everywhere, working for better medical care, housing, education, care of the aged, scholarships for the young, and recreational activities to enrich the lives of people of all ages. Their beneficiaries have been the victims of poverty, discrimination, tyranny, disease, warfare, and natural disasters.

The ILGWU has won plaudits for its policy of open membership, welcoming into full participation peoples of all religions, races, and nationalities.

For these reasons and many others, Mr. President, I believe it is fitting that the Senate confer its commendations and congratulations on the International Ladies' Garment Workers' Union in commemoration of its 75 years of continuous progress toward the goal of a better life for all.

Mr. JAVITS. Mr. President, I am pleased to join with my colleague from New Jersey (Mr. WILLIAMS) and others in presenting a Senate Resolution commending and congratulating the International Ladies' Garment Workers' Union on the occasion of its 75th anniversary.

When the union was founded on June 23, 1900, conditions of employment in the manufacturing of women's clothing were among the worst for any employees in any industry in this Nation. In its 75-year history, the ILGWU has constantly striven—and successfully to improve the social and economic welfare of its members. The efforts of the ILGWU are primarily responsible for ending sweatshop conditions which employees in the so-called needle trades were, for far too long, forced to endure. A major achievement of the ILGWU has been the stabilization of labor-management relations in an industry with a history of strife and unrest.

In addition to these traditional trade union goals, the ILGWU has been also a pioneer in demonstrating its awareness of the social needs of its members, and of the community at large. It was among the first unions to recognize that its responsibilities extended into such areas as education, health care, and recreation for its members and it has been a leading factor in helping its members.

The ILGWU also stands as an example of a trade union that has welcomed into the ranks of its membership any and all persons, without regard to religion, race, ethnic origin, or sex.

It is, therefore, highly appropriate that the Senate offer its commendation and congratulations to this great trade union on the occasion of its 75th anniversary, in recognition of its service to its membership, the communities it serves, and the cause of industrial peace.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 194) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. Res. 194

Whereas, the International Ladies' Garment Workers' Union was founded on June 3, 1900, and

Whereas, in the ensuing 75 years, this union has achieved world renown as a pioneer of safe, sanitary, and humane conditions of work, achieving its goals through industrial statesmanship and a new vision of employer-employee relationships, and

Whereas, it has come to the aid of the unfortunate everywhere who were victims of poverty, discrimination, tyranny, disease, warfare, and natural disasters and has opened new vistas in medical care, housing education, sports and other leisure activities, care of the aged, and scholarships for youth, and

Whereas, it has promoted the right of women in both the economic and political worlds and welcomed into full membership peoples of all religions and all races from many lands, and

Whereas, the International Ladies' Garment Workers' Union received its charter from the American Federation of Labor on June 23, 1900: Now, therefore, be it

Resolved, That the Senate hereby commends and congratulates the International Ladies' Garment Workers' Union for its multitude of contributions to the well-being of its members and of all peoples on the occasion of the observance of its 75th anniversary.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the Secretary of the Senate be instructed to send a copy of the resolution to the executive board of the International Ladies' Garment Workers' Union.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. HUGH SCOTT. Mr. President, if the Senator from Alabama will yield, on the matter of the panel——

Mr. ALLEN. Yes.

Mr. HUGH SCOTT. I would hope that if this goes to the Rules Committee in that form, whatever panel we set up would not consist of the majority counsel presiding and overruling the minority counsel. It would require a three-member panel and, therefore, I would hope we would reserve the right to discuss what kind of a tally group we would select.

I still prefer my way of doing this, so that all the Wyman protests would be considered as well as all the Durkin protests, but I would think at a minimum the very least we can do is to treat the same member with equal fairness.

I would like to stress also that this is only one issue. Lest Senators think this settles the whole question, it does not. It settles one of the 35 issues. There are some other ballots and situations where we want the most careful examination.

But I take it that the Senator is not tying himself into any form of panel, but leaving that matter open to conclusion as to how we could get one which would retrieve the requisite number of ballots, and then the committee would determine what standard would be applied in tallying them.

Mr. ALLEN. No. The Senator from Alabama is not talking about locking in his position on the Rules Committee. But he does not feel there would be a great deal of difficulty treating on this almost ministerial text. I do not believe we will have any difficulty.

I might ask the distinguished Senator from Pennsylvania who would retrieve these supposed several hundred ballots under the Senator's amendment. There are only 11 ballots that have to be retrieved under the amendment of the Senator from Alabama and a potential several hundred under the amendment of the Senator from Pennsylvania.

Mr. HUGH SCOTT. It is my thought they would also have to be retrieved by a panel designated by the Rules Committee.

Mr. ALLEN. The Senator from Alabama would agree to the same panel that the distinguished Senator from Pennsylvania would have on his amendment if either of them were agreed to.

Mr. HUGH SCOTT. I thank the Senator.

Mr. ALLEN. I thank the Senator.

Mr. HUGH SCOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, will the Senator from Alabama take the floor and engage in a dialog?

Mr. ALLEN. Yes, I am delighted to.

Mr. BARTLETT. It seems to the Senator from Oklahoma that a vote for his amendment would be indicating an opinion that the Rules Committee did not rule correctly in ruling that the skipped Wyman votes not count for Mr. Wyman. Would that be correct?

Mr. ALLEN. That is one possible assumption. The other assumption would be that the Rules Committee may have taken the position that this protest under the charter that the Rules Committee sets for itself of considering any protest that might be filed at any stage of the proceeding was merely allowing Mr. Wyman to protest the same number of skipped candidate ballots that Mr. Durkin had been allowed to protest. That is another possible assumption.

Mr. BARTLETT. Regardless of who challenged which ballots, should not the charge of the Senate be to determine the winner if we are in fact going to count the ballots?

Mr. ALLEN. I did not quite understand the Senator.

Mr. BARTLETT. Should we be restricted just by challenges that have been made or should we count all the ballots consistently?

Mr. ALLEN. I think that that is an exercise in futility to count all of them because the Senator from Oklahoma takes the position that all of these skipped-candidate ballots should be counted for the candidate in the straight-ticket column, even though no cross was made in the small box opposite his name. Assuming that and knowing that all of the skipped-candidate ballots have been so counted at the secretary of state level and the ballot law commission level, what is the need, then, of bringing several hundred ballots in before the Rules Committee and counting them again like they had been counted before? That is the fallacy in the agrument or the question of the distinguished Senator from Oklahoma, and that is the reason that it should be limited to the offsetting number and put both candidates on the same basis and have the same decision made, whether it be to allow the ballots or disallow the ballots, with respect to all of the ballots.

Mr. BARTLETT. The Senator from Oklahoma was not trying to get into the issue of counting all the ballots, so I am sorry I led in that direction, but I was advancing this thinking that if a person would think that the Rules Committee was right in their judgment in disallowing the "skip-Wyman" ballots to be counted for Mr. Wyman, if they thought they were wrong, they could support the Senator's amendment and erase that wrong action; on the other hand, if they thought they were right and that the "skip-Wyman" ballots should not be counted, then to be consistent they should count all the "skip-Durkin" ballots and remove those that would properly qualify as "skip-Durkin" ballots. It seems to me the amendment of the Senator has the effect of first being based on an action that I consider to be inconsistent with the laws of New Hampshire; second, one in which Mr. Wyman is the only one taking any gamble, and he is taking the gamble that there may not be as many as 11 "skip-Durkin" ballots; and third, he is suffering from the fact that a decision to disallow "skip-candidate" ballots is only being carried up to the limit of the 11 additional "skip-Durkin" ballots on top of the one that already has been counted.

Mr. ALLEN. The Senator says that the Wyman side would be taking the risk under the amendment of the Senator from Alabama, because there might not be 11 "skip-Durkin" ballots in the 185,000. That same risk would be involved under the Scott-Griffin amendment because, if there are not that many there, we know there are 13 "skip-candidate" ballots before the Rules Committee, and the same risk would be involved there.

I might say, further, that the Senate turned down the Brock amendment, which would have sought to count all of the "skip-candidate" ballots before the Senate for the candidate in the column headed by the straight ticket party.

Mr. BARTLETT. The Senator from

Oklahoma would be of the opinion that our goal was not to just offset one series of errors by the Rules Committee with a similar number of votes and series of errors by our action, but would be to properly answer the question of the "skip-candidate" ballot and then be consistent with all "skip-candidate" ballots following that decision.

Mr. ALLEN. Very well. But why draw in a bushel basket of ballots of a "skip-candidate" nature and then say, "Well, all of these are to be counted, I would like to count them before the Secretary of State, I would like to count them before the ballot law commission."? Why is not that an exercise in futility? If we do not count them that way, then if we go the other route of, as the Senator would say, misapplying the New Hampshire law, then we would let the election be decided on the basis of the candidate who had the fewer "skip-candidate" ballots cast regarding him.

So either way, one being just OK, what has been done down in New Hampshire and the other alternative and the other phase to the Scott-Griffin amendment, would be to decide the whole election under a misconception and a misapprehension of what New Hampshire law is. Either one of the routes that have to be followed under Scott-Griffin would not be a logical pursuit in the opinion of the Senator from Alabama.

Mr. BARTLETT. It seems that the Scott-Griffin amendment is a logical amendment to adopt if the "skip-candidate" ballots are not going to be counted. If the New Hampshire law is going to be followed, because the inconsistency is important, of course, then we would not have this issue.

I believe that to try to create a wash-out, with one more series of 11 wrongly counted votes, has some very questionable aspects. This was the aspect of this matter that I wanted to explore with my very good friend, a person I admire very much, the distinguished Senator from Alabama. I thank him very much. I do have some concern about his amendment.

Mr. ALLEN. I have some concern about the substitute. I believe it is an exercise in futility. I do not believe anything can be accomplished under it that is not more easily accomplished under the amendment I offer. That is for the Senate to decide. I thank the distinguished Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I should like to address some questions to the distinguished Senator from Nevada.

I understand that the distinguished Senator from Nevada has objected to the amendment now under consideration on the basis that Mr. Wyman has, in effect, foreclosed any reopening of the ballots as a whole, because he had limited his challenges to a given number. Is that correct?

Mr. CANNON. Well, no, the Senator is not correct on any one of the premises that he made there.

Mr. BUCKLEY. I seek education.

Mr. CANNON. I have not objected to it. I intend to oppose it, I intend to vote against it, for a variety of reasons. If for no other reason, I would oppose it at this time on the ground that it is completely premature, because the Senate itself has not determined the tie-vote issues on the so-called skip types of ballots, and I think it would be premature to do anything about going and retrieving other ballots until such time as the Senate made a determination as to what it wanted to do on the so-called skip-candidate ballots.

In other words, there are about three different categories of the "skip" type ballots, and if the Senate voted what it was of a mind to do—for example, let us say the Senate were to vote that all of those should be counted for Mr. Wyman. Then it would be nonsense for us to go back and try to retrieve any additional ballots in any way, shape, or form, because the whole argument is that you need to retrieve all "skip" ballots based on a fear of what the Senate is likely to do. So I just say I would consider it premature in any event irrespective of anything else that happens.

Then if we go beyond that, I would say this to my colleague, that I do not know whether he has ever participated in a recount, but I have. When a person makes a protest or a challenge to a ballot in a recount, the other side, if they have smart lawyers, immediately makes a defensive type challenge to all of the same kind of ballots, because they do not want to get caught short. That is what Mr. Wyman is arguing here or the minority is arguing, that he is going to get caught short, because he did not protest it. In fact, he gave his people instructions that they should not protest that type of ballot. Well, it is rather interesting to note that those instructions were dated back in 1964, some 10 years before the particular election. They bear the date on it, it is on the bottom of the instruction sheet, as the Senator will note.

But in any event they did protest one of those. Now, whether there were more or not I have no way of knowing, but I would say, as a candidate who has gone through a recount, I myself and my people would have protested everything that the other side was protesting, and I think that is borne out by the fact that of the 3,500 ballots the parties protested on election night—not on election night but on the recount—only 400 of those were presented for ruling at the ballot law commission.

Then, these same 3,500 were brought down here and the parties went through them again and, in going through them again, they came up with a few more than the 400 at this time, but they waived any protests that they had on all except 900-odd that they presented to the committee.

Mr. BUCKLEY. Mr. President, I thank the Senator for the clarification. It does, in effect, support the point I was generally making in that there has been an argument of waiver, of estoppel, of failure to identify and, therefore, it is inappropriate to go into the other ballots at this time.

Mr. President, I was seeking clarification here for a very important reason. I believe the theory on the basis of which the distinguished chairman has been proceeding is that it is up to the Senate, as a matter of constitutional duty, to determine what was, in fact, the will of the people of New Hampshire, and it is for this reason——

Mr. CANNON. As expressed at the polls, yes.

Mr. BUCKLEY. That is right, as expressed at the polls. And it is for this reason that the chairman argues that the Senate is not bound by the clear law of the State of New Hampshire.

Mr. CANNON. No; that is not a correct statement of the Senator's position, I may say.

Mr. BUCKLEY. Let me put it this way: Certainly there are many on this floor who have drawn that conclusion. That, perhaps, suggests that we have not had sufficient debate, with sufficient Senators present, in order to understand the precise nature of the arguments made.

Mr. CANNON. I understand why that conclusion has been drawn, if the Senator will permit me, on that side of the aisle, because they have not been willing to listen to the arguments on the ballots. If we get one of those ballots up there then they would listen to the arguments on both sides.

Mr. BUCKLEY. At another time, Mr. President, perhaps I will pursue that particular area.

But the Senator has stated that it is the constitutional obligation, the prerogative of the Senate, to determine what it was the voter intended to do.

Mr. CANNON. That is right.

Mr. BUCKLEY. I believe that we cannot invoke any theory of waiver of estoppel, because we are not talking about whether or not Mr. Wyman or Mr. Durkin ought to be seated; we are not talking of them as principals who are entitled to waive an argument or a defense. We are trying to determine the will of the people of the State of New Hampshire.

So I believe we ought to totally erase from further discussion any question as to whether or not a challenge was timely. Rather we ought to be devoting ourselves to as open a reexamination as possible of what that intent was. That means we ought to raise no objection whatsoever, no technical, no procedural objection to any desire by either party to reexamine any vote, any precinct, any machine.

Mr. GRIFFIN. Mr. President, will the Senator from New York allow me to make an observation? His argument is entirely consistent with the practice of the Senate in the past. Where the Senate has undertaken to do any recounting they have recounted all of the ballots, which is the most appropriate thing. Just go ahead and recount the whole election, and then we do not get into these questions of protest.

Mr. BUCKLEY. It occurs to me that

the amendment now before us precisely operates on that philosophy. It precisely says that if there is a question which has arisen in the course of the deliberations of the committee as to which the committee tied, if we are to treat one set of ballots in this manner—we have an obligation to the people of New Hampshire—we ought to examine all of the ballots to see what other ballots may fit into this situation at the same time. Thus we may apply consistent principles to a determination of what was, in fact, the will of the people of New Hampshire. This, it seems to me, is what we are talking about.

Mr. GRIFFIN. I think the Senator is making an important contribution. Of course, the position of the Wyman forces is there never was any waiver of their rights. They have maintained and reserved them. But the argument, it seems to me, that the Senator from New York is making is so valid that that really need not be a question before the Senate. We have the constitutional right and responsibility to not even look at that question because our job is not to decide something like a lawsuit where private parties' interests are involved. It really does not matter in a real sense whether one lawyer made a mistake or another made a mistake. It seems to me that our responsibility, our function, is to determine what the will of the people of New Hampshire was on November 5 if we are going to approach it on that basis.

Mr. BUCKLEY. Mr. President, I wonder if I might ask the distinguished Senator from Michigan, who is an experienced lawyer, this question: Might a voter in New Hampshire whose ballot was not challenged have a right to complain of any attempt by Mr. Wyman to waive that voter's right to have that ballot examined in accordance with the same rules that are being applied to the challenged ballots?

Mr. GRIFFIN. I will not pretend to give the Senator an authoritative answer, but, it would seem to me, that particularly in light of the concern of the court as well as Congress for civil rights of individual citizens, of voting rights, of equal rights, one-man, one-vote, and the things that we are so interested in and so concerned about, that the Senator makes a very good point. It seems like such a citizen would have a standing and a right to say that his vote should be counted along with and under the same standards as all the other votes that are voted in that particular State. That is the reason why it just seems incredible to me that we would even consider taking the "skip" type ballots and apply one rule to those that happen to be in a group of 3,500, knowing that a different rule was applied to all the similar ballots in the larger group, 180,000, that we do not want to go into or some of the Senate do not want to go into.

If I may, while the Senator has yielded to me, the Senator from Nevada, the chairman of the committee, made reference to the fact that the instruction sheet given by Mr. Wyman to his challengers at the precincts was dated 1964. I do not know exactly what the chairman may have intended to infer or imply by that. That is true. These particular instructions for challengers at precincts were drawn up and used in the 1964 election but were also used by Mr. Wyman and his forces in this election, which only reinforces the fact that that has consistently been the law as observed by those who have operated as challengers in elections during that period of time.

I want to read again. Here is how Mr. Wyman's attorney is adopting and using these instructions, their understanding of the law. No. 9 as it appears in this instruction sheet says:

> A cross in party circle and a cross in some boxes, *but not all*, under the same party column, is still to be counted as a straight ticket, because no names in the party column have been crossed out or erased.

Then there is a citation of the New Hampshire statute which provides precisely that, and it seems to me that rather than detracting from the case to be made, it strengthens and reenforces the case.

Mr. BUCKLEY. I think the point made by the Senator from Michigan is an important one.

We are talking, in effect, about boilerplates. The boilerplate for challenge, the totally accepted law of the State of New Hampshire for determining whether a vote is valid or not valid, and I assume nothing happened between 1964 and 1974 to change that understanding.

Mr. GRIFFIN. The Senator is correct.

Mr. BUCKLEY. I would like in this connection to read into the Record an affidavit executed by a former member of the New Hampshire Ballot Law Commission who had served over a number of years in that capacity and who states in that affidavit that during his experience no one has ever thought of challenging a "skip-candidate" ballot.

It is dated Nashua, N.H., June 16, 1975:

> I, James L. Sullivan, having been duly sworn, depose and say as follows:
>
> 1. I am a native of Nashua, New Hampshire, and with the exception of six years in the nineteen thirties have been a resident of Nashua since 1905.
>
> 2. I am an attorney-at-law and served as a member of the New Hampshire Ballot Law Commission from July 1, 1954 to June 30, 1962.

This brings us back another decade before those printed instructions.

> 3. During the years of my service on the New Hampshire Ballot Law Commission, to my best knowledge and recollection, no ballots of the "skip type" were protested and brought before the Commission for a determination of their validity and effect.

I regret that the distinguished senior Senator from New Hampshire is not here because it is my understanding that during the period of this affidavit he, in fact, was engaged in a contested election before this very commission on which Mr. Sullivan was then serving and according to this testimony, at least, the distinguished Senator from New Hampshire (Mr. McIntyre) did not challenge any "skip" ballots of his opponents.

Mr. GRIFFIN. I might say, at the present time Mr. McIntyre seems to be both the senior and junior Senator from New Hampshire.

Mr. BUCKLEY. There are, of course, those of us who believe Mr. Wyman is in possession of the certificate of election and that he ought to have been seated pending these considerations.

Mr. STONE. Mr. President, will the distinguished Senator from New York yield for a question?

Mr. BUCKLEY. I will gladly yield to the Senator.

Mr. STONE. A little while ago the Senator said that it would, in effect, be a travesty to treat these "skip-candidates" ballots in that way.

By treating them in that way, or such a way, I assume the Senator referred to treating them by nullifying them. Is that what the Senator had in mind?

Mr. BUCKLEY. I am trying to recall my exact words.

What I was addressing myself to was to treat the identical fact situation in different ways, in a consistent way.

Mr. STONE. Right. Now, how can the Senator know how the Senate is going to treat at least three different varieties of "skip-candidate" ballots?

For example, just as a hypothetical, suppose one of these "skip-candidate" ballots has the name of Mr. Wyman crossed off; suppose one of these "skip-candidate" ballots has other markings on the ballot; suppose another one of these "skip-candidate" ballots skips all but one individual signature; suppose one of these "skip-candidate" ballot marks includes the individual X'd in all but one?

In other words, there are a variety of "skip-candidate" ballots, according to the series of questions and answers the Senator from California (Mr. Cranston) asked the distinguished chairman of the Rules Committee last night, and they are not all the same.

How can the Senator assume that the Senate is going to treat them in any way until we get a chance to debate and vote?

Mr. BUCKLEY. Mr. President, I believe the Senator from Florida was not here when I began my remarks.

Mr. STONE. Yes, I was.

Mr. BUCKLEY. Well, my remarks were addressed to the amendment now under consideration that would require that all 180,000 ballots be searched for "skip-candidate" types.

All I am arguing is that if we are going to apply one set of rules——

Mr. STONE. That was my question. What set of rules did the Senator assume we were going to apply?

Mr. BUCKLEY. The set of rules that I suggest, at least, is being advocated by the chairman, is that we ignore the stated law of New Hampshire with respect to designation and attempt to determine the intent of the person who marked a particular ballot.

And I am not going to second guess if we are ignoring New Hampshire law as to how this body would determine ballot A, versus ballot B, versus ballot C. What I am saying is if we are going to apply this kind of standard of examination to the ballots that are now before us, we have a duty to go into the other

180,000 and find other of the skipped-ballot types in order that we may apply the same kind of examination ballot by ballot.

Mr. STONE. The Senator from New York gave a brilliant display of his familiar erudition in the length of the sentence, so I could not break in at the right time. He said at the beginning of the sentence, "If the Senate applies such a rule," and that is the point of the Senator from Florida.

How does the Senator from New York know what rules or what decisions the Senate is going to apply?

It is true that the chairman of the Rules Committee and others in the Rules Committee advocate a certain approach, but it is just as true that the vote was 4 to 4 on these points and the Senator from Florida is very anxious, along with other Senators, to get into the analysis of each one of those tie votes, because it is very possible that if in some of these circumstances a standard is adopted, any standard, that the arguments then of retrieval become somewhat relevant.

Then we can get into the question of what we are retrieving, but until, until the Senate really votes and rules on what yardsticks could be applied to what type of "skip-candidate" ballots, or all, it seems to the Senator from Florida that we are spinning our wheels.

Mr. BROCK. Will the Senator from New York yield?

Mr. BUCKLEY. I yield.

Mr. BROCK. Mr. President, may I say to the Senator from Florida that I tried to say exactly what he has said. I agree with it, but I think we have chosen, at least by negative action, another course of action.

When I offered an amendment to apply New Hampshire law to all candidates, that amendment was defeated. That was yesterday or the day before yesterday. I am losing track. Now we are in the position where the Scott amendment is before us.

The PRESIDING OFFICER. The Chair will observe that the hour of 4:30 having arrived, the question is on agreeing to amendment No. 627. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. JOHNSTON), the Senator from Wyoming (Mr. MCGEE), the Senator from North Carolina (Mr. MORGAN), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent because of death in the family.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 45, nays 48, as follows:

[Rollcall Vote No. 253 Leg.]

YEAS—45

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Brooke
Buckley
Byrd,
  Harry F., Jr.
Case
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Hart, Philip A.
Helms
Hruska
Javits
Laxalt
Long
Mathias
McClure
Nunn
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Stafford
Stennis
Stevens
Taft
Thurmond
Tower
Weicker
Young

NAYS—48

Abourezk
Bayh
Bentsen
Biden
Bumpers
Burdick
Byrd, Robert C.
Cannon
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Gravel
Hart, Gary W.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Kennedy
Leahy
Magnuson
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stevenson
Stone
Symington
Talmadge
Williams

NOT VOTING—6

Hatfield
Johnston
McGee
Montoya
Morgan
Tunney

So the Scott-Griffin amendment (No. 627) to Mr. ALLEN'S amendment (No. 605), as modified, was rejected.

Mr. CRANSTON. Mr. President, I send to the desk an amendment to the Allen amendment, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HANSEN). The amendment will be stated.

The legislative clerk read as follows:

> At the end of Division 1 of the Allen amendment No. 605, as modified, add the following:
>
> "Vote numbered 120, to be counted for Durkin."

The PRESIDING OFFICER. The Senate will be in order.

The Senator from California may proceed.

Mr. CRANSTON. If I may briefly explain the purpose of this amendment, a number of efforts have been made, primarily by the members of the Rules Committee on this side, to get a vote on the various issues that were unresolved by the Rules Committee and have come to us for a decision.

Those efforts related to some of the substantive differences on the recounting of precincts or on voting machines, and so forth. All of those efforts have failed. This represents an effort which is similar, but different in this respect; that it deals with one of the contested individual ballots. The purpose is just to see if we can consider one particular ballot that is in dispute, that came out of the committee with a 4-to-4 tie, and make a decision on that particular ballot at this time.

I think the most orderly way to proceed would be first to have the chairman of the committee make a presentation of the view of those who felt it was a Durkin ballot, and then, if they would, to have the members of the Rules Committee holding the opposite view present their view.

Therefore, I yield the floor to the chairman.

Mr. HUGH SCOTT. Mr. President, before he yields, may I ask the Senator a question?

Mr. CRANSTON. Yes.

Mr. HUGH SCOTT. We have been asking all along, on this side, to be able to call up some of these 35 matters out of order. We have been denied that. That is part of what the argument is about. The reason we are still on issue No. 1 is because we were not allowed to go on any of the others.

I understand that the Senator proposes to do what we were not permitted to do up to now. I was told that under the wording of the committee coming from the Rules Committee that we could not skip around, as the Senator now proposes. There are certain practical objections.

If the Senator will name the ballot number I can reply.

Mr. CRANSTON. 120.

Mr. HUGH SCOTT. The practical objections are that ballot 120 is not here tonight before the Senate, and the key to the ballot box is in Oregon with the Senator from Oregon (Mr. HATFIELD). So I do not know how the Senate can act without looking at the ballot unless it wants to begin to look like the Rules Committee, not that we did not look at the ballot, but we had a lot of evidence that minds were made up beforehand.

Mr. CRANSTON. Let me say, in answer to the latter part first, and then I will go back to the first point of the distinguished minority leader, we do have very large photocopies that can be placed on the easel there and everyone can look at this photocopy. If there is any feeling that it is not a fair representation of the ballot, of course, that question can be raised. But I believe that there is a valid photocopy we can look at. It is very plain what the issue is on this ballot.

Second, on the matter of not being able to bring up the other unresolved matters beyond issue No. 1, we have had a great many issues offered at one point or another in the form of amendments. Plainly anyone who wished to at any time could have done what I am seeking to do by taking one of these issues and offering it as an amendment to something pending in the Chamber which automatically places it before the Senate.

Mr. HUGH SCOTT. I say that the committee discussed this whole matter of photocopy.

I thought we were unanimous, or nearly so, on the fact that we did not want to rely on photocopies, that there were certain questions in many of these ballots which were distorted on the photocopies. We tried enlargements of ballots, and we threw that out after a couple of tries.

I understand the committee agreement when it sent this matter to the Senate was that we would see the actual ballots.

Mr. CRANSTON. If the Senator will yield, this particular ballot, was selected in part because it is so clear cut that there cannot be any question about this being a fair representation of that ballot.

To explain just briefly what happened here: the voter put a diagonal mark in each of the boxes opposite the name of each candidate he chose to vote for; it happened to be all those in the Democratic column. Then the voter, called by some people the lazy voter, drew one line all the way down as his way of making the cross in each mark. Instead of lifting the pencil between each box he simply drew a line all the way down which was his way of turning those into an X.

It is very clear that the only issue is should those be counted as valid votes or not counted as valid votes. Anyone who looks at that can tell what the issue is.

There is no other mark or smudge on, or question about that particular ballot. One can see the ballot by looking at this representation of it.

I think I have explained exactly what the issue is, although there could be differing views as to whether or not this should be counted as a valid vote or not. If it is not counted as a valid vote for Durkin, then those who say it is not a valid vote allege that whoever cast this ballot went and marked it in this way for the purpose of not casting a vote for anyone, which is not a very logical assumption.

Presumably when people go to vote, they intend to vote for someone, and they do not intend to indicate they are not voting for anyone.

That is, I guess, the issue in this particular case.

I would like to yield to Senator CANNON, who was asking me to yield awhile ago, to allow him to make whatever comments he would like to make at this point on this particular matter.

Mr. HUGH SCOTT. I will not ask the Senator to say anything more except to point out that we do not have the ballot, and we do not have the key to the ballot box. If the Senator wants to pick one that he thinks is a better one for his point of view and try to establish some sort of a trend here, contrary to what we thought we were doing, that is, looking at the ballots, he can do it, but it strikes me as not exactly kosher.

Mr. CRANSTON. I would like to ask the Senator how long the Senator from Oregon is going to be absent with the key to the ballot box, and how long a time that means we can never get to the issues or to vote cloture and what would happen then?

Mr. CANNON. Mr. President, will the Senator yield?

Mr. CRANSTON. Certainly.

Mr. CANNON. I ask the Senator if it is not a fact that one of the members of the staff on the minority side has the key, not only the other key to the room containing the ballots, but also I have the key to the ballot box right here. If one of the minority staff members has the key to the room, and I believe that he does, we have both keys to the room irrespective of the Senator from Oregon. Will the Senator respond to that?

Mr. HUGH SCOTT. I can only ask and inquire, because I was told that the Senator does not have a key, that the key to the ballot box is in the hands of the Senator from Oregon.

Mr. CANNON. The key to the ballot box is right there. That is the key. Now everyone can see it right here. That is the key to the ballot box.

Mr. HUGH SCOTT. There are not two keys, that are to be used at the same time?

Mr. CANNON. Not to the ballot box; I do not think so.

Mr. HUGH SCOTT. Are they not to be opened in the presence of the chairman and senior ranking Senator?

Mr. CANNON. There is one lock.

Mr. HUGH SCOTT. And two keys, yes. Are they not to be opened in the presence of the chairman and senior ranking Senator?

Mr. CANNON. The ballot box has never been opened except in the presence of the Rules Committee.

Mr. HUGH SCOTT. Then the Senator may have the key. I do not know. Do we? Does any of the staff? One of the staff members has the key to the room.

Mr. CANNON. That is what I thought.

Mr. HUGH SCOTT. We still do not have the ballot in front of us.

Mr. CANNON. Mr. President, I would be very happy to have the debate on this issue. We have a photocopy of the ballot up here.

If there is a desire to wait until the morning, I would ask unanimous consent that the minority side produce their key to the room that contains the ballots. I shall produce the other key. We have two locks on the doors.

I ask unanimous consent that the big box containing the ballots be brought right up here and that the boxes containing the tie votes be brought right up here and that we go through the process of presenting the original ballot on the board for all of the Senators to see.

The PRESIDING OFFICER. Is there objection?

Several Senators addressed the Chair.

Mr. BROCK. Mr. President, reserving the right to object.

The PRESIDING OFFICER. There is objection.

Mr. CRANSTON. The objection was the ballot was not here. What is the objection now?

Mr. CANNON. If this is what the Senator wants—to bring it here——

Mr. GRIFFIN. Mr. President, if the Senator will yield, may I respond?

Mr. CANNON. Certainly.

Mr. GRIFFIN. As the Senator from Pennsylvania said, we are running into the consistent argument by the chairman of the committee that we are supposed to take the things in order. At least we ought to take them section by section in order. We have these other issues today. Why would he pick out one ballot out of section 2 and present it in this way? It seems to me when we get to the matter of reviewing the ballots we ought to do it in an orderly way. It is certainly not appropriate at all to——

Mr. CRANSTON. The Senator from Maine stated the desire to count ballots one by one, and this is a ballot that is very clearly portrayed, with no questions about any other marks on it, by the reproduction there.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. CRANSTON. Any Senator could have done what I did and could have offered one of these as amendments, and put it in such a form so that the chairman of the committee does not have the power of preventing any Senator from doing what I have done.

Mr. CANNON. If the Senator will yield, I say the impression here that I have been given is that I objected to bringing up of amendments. I pointed out earlier, we voted on one amendment five times, in five different forms, including the one today. I must say I am a little disappointed that we cannot get to some of the issues, but I never objected to any of these issues being brought up as proper amendments to any part.

As a matter of fact, I even offered issue No. 2 as an amendment to the Allen amendment, and it is now pending. It is pending to the divided part of the Allen amendment which is the pending business.

This is the perfecting amendment, as I understand it, to the Allen amendment.

Mr. CRANSTON. That is right.

Several Senators addressed the Chair.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. CRANSTON. Yes, I yield to the Senator from Connecticut.

Mr. WEICKER. I think in response to the distinguished Senator from California the difficulty, as has been stated, is the fact that there has been objection by the other side going out of order. The fact is, the Senator says this ballot is clear cut, and I am happy to agree. I might add I just took a look at it. Reserving a final decision on the basis of the arguments I hear, it looks to me very much like a Durkin ballot. That is my opinion.

The fact is that we presented arguments on issues on the floor of the Senate for the last several days which were just as clear cut, and we got rolled over. The problem is not that I, personally, do not think that is a clear-cut ballot. I do. And it looks very much to me like a Durkin ballot.

The problem right now is the distrust that exists between the various sides because of what has transpired, be it procedural or factual, over the last several days. Many things have happened here today which would indicate that many of the Members feel that there should be some movement other than the stated positions of the chairman of the Rules Committee or as enunciated on this side. I think that perhaps a little thought given here this evening to the problem may be of assistance, not only on this issue but on other issues as well.

Mr. CRANSTON. Will the Senator join me in a unanimous-consent request with respect to this amendment—that the Senator from Connecticut or anyone he designates be authorized to call up a ballot he would like to consider?

Mr. WEICKER. I am not authorized to speak for the leadership on this side.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. WEICKER. I indicate that since there does seem to be movement on both sides, why should that not be explored, rather than catching each other short and getting all boiled up now?

You have something that is clear-cut; we have something that is clear-cut. There is no point in getting excited at each other again. I think there seems to be a willingness to identify things—whether it was the Senator from Louisiana earlier today or the Senator from West Virginia relative to committee assignments. It seems to me that rather than springing it on each other at this time, we would be well advised to do a little talking.

Mr. CRANSTON. I point out another thing that totally baffles me.

The PRESIDING OFFICER (Mr. STONE). Will the Senator suspend?

The Senate will be in order.

Mr. CRANSTON. I am baffled by the suggestion that I have broken some precedent by bringing up 1 of the 35 issues out of order, before we have disposed of the first. The fact is that my amendment is an amendment to Senator ALLEN's amendment, and Senator ALLEN's amendment presents issue No. 7 to the Senate. So I am following the precedent that was set by the Senator from Alabama, if not by others earlier—and I think other Senators earlier offered amendments which contained the substance of other issues.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. CRANSTON. I yield to the Senator from Nevada so that he can give a presentation of this issue. It is before the body. Whether the body likes the fact that it is before body or not, I think the body would like to hear a discussion about it. If we do not come to a vote on it—I understand that I do not have the power to bring it to a vote.

Mr. CANNON. Mr. President, on this ballot, as one can see from the copy—I have marked on the overlay a rough representation of what it is—the slash mark is marked in every square in the Democratic column, every square. New Hampshire law says that you can vote with a slash mark as well as the check as well as the X's, and we have consistently followed that in the committee.

This is what we call the lazy man's ballot, because after the man marked the slash in every square, he took his pencil or pen and drew a line all the way down through every one of the squares. With that long line, it actually makes an X; and without the line, the slash would be good, in any event.

The argument that was made is that this was an attempt on the part of the man to cancel his vote. It is a rather unusual way to attempt to cancel a vote, because he took the trouble of entering the slash marks in every solitary square in the Democratic column.

The repeated thrust of the New Hampshire law is that of the enfranchisement of the voter and not the disenfranchisement.

The PRESIDING OFFICER. The Senate will be in order. Senators around the blackboard will hold down their conversation.

Mr. CANNON. This concept is clearly delineated in the case of Stearns against O'Dowd, a New Hampshire case, at page 361, which states:

> The presumption that the voter intended the paper prepared by him as a ballot; and, to prevent loss of his vote, his main purpose would be carried out by giving to the mark made by him the only interpretation possible.

In addition, the New Hampshire statute states:

> Only when it is impossible to determine the voter's choice should the ballot be regarded as defective.

This voter took the time, on November 5, 1974, to go to the polls. He certainly did not intend to cast a nullity. To count this ballot as a no-vote rather than a vote for Durkin is to count it as a no-vote in every one of the races on that sheet. Therefore, the ballot would be a nullity. The voter would be disenfranchised.

I submit to my colleagues that the ballot is quite clear.

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. CANNON. Let me just complete my statement.

I do think the Senator has made the point that we do not have the exact ballot here; but, as I said earlier, the ballot is downstairs, under lock. The minority counsel and I have the keys to the ballot room. The ballot box could be brought up here. We do not even have to have the key to the tie vote ballots, because they are in a separate box that Dr. Riddick put them in, pursuant to the instructions of the Senate. I do not think that box is even locked, but it is in the locked ballot room, under guard by the Capitol Police, with two locks on the doors, one of those keys being held by the minority and one being held by the majority.

I am perfectly willing—and I will make a unanimous-consent request shortly—that we bring the boxes up here tomorrow, and that we display the exact ballot on the board, so that people do not have to rely on one sheet up here which is a photocopy, and the other is a drawing of a representative copy, and my big mark on the overlay is just one that I drew with the crayon.

I yield to the Senator from Alaska.

Mr. GRAVEL. With respect to the ballot, as the Senator from Nevada stated, there were other members of the government of the State of New Hampshire who were voted for on that ballot. With respect to that particular ballot, I do not know if it is valid or not——

The PRESIDING OFFICER. Will the Senator suspend momentarily?

Will Senators please take their seats? Senators cannot hear the colloquy.

Mr. GRAVEL. Take a House Member or a member of the State Legislature of New Hampshire: Was the vote for him nullified in that election, or did the government of New Hampshire count that ballot toward the election of that individual?

Mr. CANNON. I have no way of knowing how that ballot was counted by either the secretary of state or the ballot law commission. My suspicion would be that it probably was counted as a valid Durkin vote, but I do not know that.

Mr. GRAVEL. I am not saying Durkin; I am saying the other members.

Mr. CANNON. The only one I can speak to is the Durkin situation. But I would assume that the other people from New Hampshire who had that kind of vote—I would assume that the vote was counted for them, else the voter would have been completely disenfranchised, and that is not the law of the State of New Hampshire.

Mr. HUGH SCOTT. Mr. President, if the Senator will yield, I wonder whether we could get some understanding that we get the actual ballot up here tomorrow morning and then go ahead and vote on it.

Mr. CANNON. Mr. President, I ask unanimous consent that when we recess tonight, the question of ballot No. 120 be the pending business in the morning.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, I object.

Mr. CANNON. I should like to conclude.

That we have a time limit of——

Mr. HUGH SCOTT. Instead of a time limit, say we vote 1 hour after the vote on the cloture motion

Mr. CANNON. That we vote 1 hour after the vote on cloture; that the Sergeant at Arms and Dr. Riddick be authorized and directed to bring up from the ballot box room the big box containing the ballots that have been voted on and the box containing the tie vote ballots; that at that time, the ballot in question be stripped of its identifying previous action marks and be placed on the easel for all of the Senators to see, and that we vote on this question of No. 120 1 hour after the vote on cloture.

Mr. BELLMON. Will the Senator yield?

Mr. CANNON. Yes; I am happy to yield.

Mr. BELLMON. I believe the Senator's comment was that he did not know whether this ballot was counted for Durkin or not originally. Is this true?

Mr. CANNON. Yes; what the committee did was have Dr. Riddick strip off the ballots the identifying mark indicating how the ballot was counted by the secretary of state and how the ballot was ruled on by the ballot law commission. That was our procedural action in the committee.

Then we instructed that, after we voted on the ballots, Dr. Riddick reattach those slips to the ballots and place them in the box.

Mr. BELLMON. So the Senate will know ultimately how this ballot was originally counted?

Mr. CANNON. I hope not. The Senate can do what it wishes, but I should hope that those slips will be removed from the ballot when it is placed up here, so that the Senate will not be influenced in any way by what the secretary of state or the ballot law committee might have done.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. Reserving the right to object, Mr. President, I shall not object.

I point out to the distinguished chairman that this amendment of the Senator from California is an amendment in the second degree and its being put into effect would depend on the acceptance of the amendment of the Senator from Alabama. Until such time as the amendment of the Senator from Alabama is agreed to, carrying with it the Cranston amendment, it would have no efficacy. It would have no power or standing at all. I wonder if it would not be the better part of wisdom to vote first on the pending amandment in the first degree so that some of these issues can come up as amendments in the first degree. I wonder if the Senator has considered that.

Mr. CANNON. I should be reluctant to see us vary the procedural rules at this time. I do recognize the validity of what the Senator says. I think that what we would have to do is have that ballot kept separated from the big box if we vote on it until such time as we determine if the Senator's amendment is adopted. If his amendment is not adopted, we would have to revote on this at some point, in some other form, but we would have at least established our views on it.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Reserving the right to object, I was not certain that I understood the response to the question of the Senator from Oklahoma with regard to the identifying marks. Did I correctly understand the Senator from Nevada to say that the identifying marks had been removed from the ballot by Dr. Riddick while it was being considered by the committee and then reattached to the ballot by Dr. Riddick after consideration by the committee? Is that correct?

Mr. CANNON. The Senator is correct, but I do not think he ought to use the words "identifying marks." The ballot slips, the certificates, were removed.

Mr. McCLURE. The material that identified the action that had been taken with respect to that ballot at a prior time?

Mr. CANNON. The Senator is correct.

Mr. McCLURE. I understand the unanimous consent request to be that that material will again be removed by Dr. Riddick prior to the time it is presented to the Senate for its consideration.

Mr. CANNON. The Senator is correct.

Mr. McCLURE. I am to understand that that identifying material could again be reattached after the Senate has taken its action?

Mr. CANNON. That was the motion. It would be reattached, because if we do not reattach it, then we get into a problem of how we apply to that ballot the results of the ballot law commission.

Mr. McCLURE. That is the point I was not certain is being made clear. If it is the understanding that that material will be reattached to the ballot following the action of the Senate, then I think there is no problem. I would have no objection to the procedure.

The PRESIDING OFFICER. Is there objection?

Mr. CURTIS. Reserving the right to object, Mr. President, I wish the manager of this controversy would explain to us what he means by removing marks from the ballot? Will not this ballot remain intact, just as it was when it was cast?

Mr. CANNON. Yes; I say to the Senator that, under New Hampshire procedure, at the recount before the secretary of state, when either party, or both, protests a ballot, the secretary attaches to it a little slip—I believe it is a little smaller than this sheet of paper. He attaches the slip to the ballot, and it says, "Ballot protested by" Durkin or Wyman, or in some instances, by both. It has a blank filled in it—"protested by Durkin," "protested by Wyman." It also says "counted for."

The secretary of state enters on that slip whom the ballot was protested by and whom the ballot was counted for, and fastens that to the ballot. It goes on to the ballot law commission and the ballot law commission considers it, then attaches their slip to it as to how they treated it.

On their slip, they said either that the ballot law commission sustains the position of the secretary of state or overrules the position of the secretary of state.

Mr. CURTIS. What was the action of the Committee on Rules with regard to this particular ballot?

Mr. CANNON. The action of the Committee on Rules on this particular ballot was a 4 to 4 tie. Four members of the committee voted that that was a good Durkin ballot and four of the Committee on Rules voted that it was no vote, they taking the position that that long line down through there evidenced an intent to cancel all of those votes.

Mr. CURTIS. What did the ballot law commission rule?

Mr. CANNON. I cannot tell the Senator that, because the slips were taken off before it was presented to us. I am sure that either Mr. Wyman or Mr. Durkin could tell us, because I think they know how the rulings were on all of these.

Mr. CURTIS. That is what I wonder. If there are people here who know what this is about, what is the purpose of all these charades? What is the purpose here?

Mr. CANNON. The purpose of that is so that the Senate, when they look at that ballot, can make a decision without reference to what the ballot law commission did or the secretary of state did.

Mr. CURTIS. It is not a question of whether we look and of not knowing whether we are deciding for Durkin or Wyman?

Mr. CANNON. Oh, no; we know that here, there is no claim it could be a valid Wyman vote, because there is nothing on the Republican side. But when the Senate looks at that vote, they are either deciding that it is a valid Durkin vote or that it is no-vote. That is the decision. There is no question about it being a Wyman vote.

Mr. CURTIS. But it seems to me that we ought to accept the premise that the Committee on Rules, which sits as the appellate court for the ballot commission, having a tie vote, did not overrule the ballot law commission. If we are going to proceed de novo to count some of the ballots, we ought to do that with all of them.

Mr. CANNON. I simply point out that——

Mr. CURTIS. How many ballots are in this proposal for the unanimous-consent request?

Mr. CANNON. One.

Mr. CURTIS. Well, the Senator from Nebraska has tried to be here on the floor all that he could, but this afternoon, there was a conference over the Unemployment Compensation Act that expires on July 1. I never heard this controversy before.

The PRESIDING OFFICER. Is there objection?

Mr. CURTIS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HUGH SCOTT. Mr. President, will the Senator yield for a comment on this ballot?

Mr. CANNON. Yes, I yield.

Mr. HUGH SCOTT. I think we should point out that there has been this situation where the Committee on Rules decided that a slash mark was a valid mark and counted it exactly the same as if it were an X, which is the argument here, followed by the argument that the so-called lazy voter drew his line down and, thereby, covered all the slash marks and, in effect, twice indicated his desire to vote for, in this case, Mr. Durkin. The other equally valid conclusion, since we try to read his mind, is that he drew the line down in order to strike out his previous choices.

The inconsistency that I want to point out here is that the same committee, seeing the same kind of slash mark on another ballot—I do not know whether that was ballot 22 or not. On that one, we had an example in the column, in the line of one candidate for the Senate; we had a clear line slash mark in the box of the other candidate for the Senate, and four Senators on the Committee on Rules said that was not a double vote.

They said the slash mark did not count because there were two marks on one side and only one mark on the other.

On this one they say the slash mark is a vote. I am only pointing this out so you will be consistent when you get to these others where you will see an X on one side and a slash mark on the other, and we have said those are both votes and, being both votes, it is a double vote, and it cannot count for anybody. It is an invalid vote.

If you are going to hold a slash mark is good in this case; namely, this one, you ought to hold a slash mark is good in the next case you get, and the next, because what is happening here is an attempt to bring up what evidently the Senator from California thinks is his best case. He has what he believes is his strongest ballot in first, and I do not know that that follows, but I think that is the intent here because he has skipped around. This is 120, and we have some ballots before this we debated, and we had some ballots afterward. So we are saying now what we have been denied all the way through this debate, and that is the right to hunt and peck around until we can get our teeth into a ballot which some people on the other side think may be their best chance.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I will be glad to yield.

Mr. CRANSTON. The Senator mentioned another ballot. I just ask if the Senator was referring to ballot No. 88.

Mr. HUGH SCOTT. I am not sure whether it is 22 or 88 or not.

Mr. CRANSTON. Is it one of the ballots that is before us, one of the disputed ballots?

Mr. HUGH SCOTT. It is a disputed ballot.

Mr. CANNON. I may say that it is.

Mr. CRANSTON. Eighty-eight.

Mr. GRIFFIN. I would like to refer——

Mr. CANNON. Mr. President, did I have the floor?

The PRESIDING OFFICER (Mr. STONE). The Seantor from Nevada has the floor.

Mr. CANNON. Yes; I would say the Senator did raise the question. It is ballot No. 88, only the situation is a little different, as the Senator remembers it. Ballot 88 had a cross in Mr. Wyman's square this item right over here, and right over in Mr. Chimento's over on the other side voted a slash, which is a valid voting mark. So he had double-voted in that race.

But, I may say to my colleague, the Senator from Pennsylvania voted that that was a valid Wyman vote, not that it was a no-vote; that he wanted to disregard the slash in this particular one, according to the records here.

There were 4 in that case who voted, and that is ballot 88, voted that it was no-vote, and because it was a double vote, and 4 of my colleagues voted that it was a vote for Mr. Wyman.

Mr. CRANSTON. Will the Senator from Pennsylvania respond to my question, was it ballot 88 he was talking about?

Mr. HUGH SCOTT. Well, not entirely ballot 88. I think the Senator from Michigan will further discuss this, but we have in mind ballot 112, which is marked just the same way, only it is marked for Mr. Wyman and not counted. Then we have ballot 343, which is partially marked the same way, and then scratched up and down, and was treated by the committee, I believe, as an erasure, although we contested it. These two ballots were voted against Mr. Wyman even though ballot 112, it seems to me, is the precise situation for Wyman as ballot 120 is for Durkin.

Mr. GRIFFIN. Mr. President, if I could observe—this is for background to realize why the committee might have voted the way they did on a particular ballot—it is important to realize what the committee did on other ballots.

On other ballots, recognizing that in the law of New Hampshire it involved the requirement that an X be placed in the square, and also recognizing that checkmarks were to be valid marks, the committee was confronted with ballots marked in a similar way where Mr. Wyman would have gotten the vote, a lazy man's vote, so to speak, and in those instances those ballots are not before us. Why not? Because the committee did not tie on it. A majority of the committee denied the vote to Mr. Wyman, and they are not even here. But that explains why you would have had a tie on a similar ballot where the same situation came up, and it would have been a vote for Mr. Wyman.

So it is not surprising at all that there were more votes denied to Mr. Wyman of a similar character than this one here, which has not yet been denied to Mr. Durkin. It is only a tie vote.

Mr. CRANSTON. I wish to ask the Senator this question about ballot number 88 in relationship to this ballot. It has been suggested by those who say this is vote a vote, that the voter voted by the slash mark he put down, the sideways diagonal marks, and that when he canceled out those votes by means of the straight line.

On the other hand, in ballot 88, a voter put an X in Louis Wyman's square and then he put a slash mark in the square of the American Party candidate for the Senate, Mr. Chimento. There were four members of the Rules Committee who voted that that was a Wyman vote, and that a slash mark was not a vote for Mr. Chimento. This is inconsistent with the position that these slash marks were votes until they were crossed out.

Mr. CANNON. That is correct.

Mr. WEICKER. Mr. President, will the distinguished Senator yield to me?

Mr. CANNON. I yield.

Mr. WEICKER. I would hope my colleagues on this side of the aisle would consider the unanimous-consent request of the distinguished Senator from Nevada. I understand exactly how we have been treated on clear-cut issues during several days. But the fact is that this does afford some chance for movement, and I think that is all on the plus side.

I do not think we really can use the argument that this is coming out of order for the simple reason that basically, even though the majority cannot refute it, we have been going out of order in our amendments where we have raised issues, even though that has been denied by the majority. The fact is we have been raising issues as amendments to section 1.

The reason why we are not getting flak from the majority is because it is their position we have not been raising issues so they cannot come back at us now and make that parallel. But, indeed, we have gone out of order in the amending sense.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for an observation?

Mr. WEICKER. Yes, if I could just finish here.

As I have indicated, I tried to explain why it is we are so sensitive on this side to a "clear-cut issue" because we have presented clear-cut issues and they have pretty much gone down the line against us.

The fact is that there are many of us on this floor who are honestly trying to do a conscientious job, a fair job and, regardless of what the orders are from higher-ups, I am inclined to think there is a far greater independence present than would seem to be the case on the surface. I speak strictly as the Senator from Connecticut.

I see no harm at all in bringing those boxes here, having this matter discussed and, quite frankly, voted on after cloture, and I would just hope that regardless of what the history has been up to this point, if there is an approach toward reasonableness and the possibility of minds getting together, it would emanate from this side.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WEICKER. I certainly do yield.

Mr. CURTIS. Having been the Senator who objected, I would like to make this statement.

My reason for objecting is twofold: In the first place, I have been here a good deal of the time. I have never heard the issues debated in this matter. There have been no court cases cited of how a court might have decided a similar marked ballot. To my knowledge, there has been no one to arise and say they have searched all the cases and there is no precedent either way. It is an amendment that has been called up this evening. There has been, I am informed, and I know there has been none while I have been here, no real debate on reasons why that ballot should be counted one way or the other.

Now, that is reason No. 1. I think we ought to debate these things before we by unanimous consent start to apply cloture.

The second reason is this, if we refer to the resolution, page 2, lines 15 through 18, the Rules Committee asked us to decide this question:

> Is it the sense of the Senate that, with respect to all ballots on which the committee vote is tied, the ruling of the highest authority of the State of New Hampshire shall remain in effect?

Now, if New Hampshire took certain action and there was not a majority of the Rules Committee that overruled it, would not that stand?

If we have a tie on this floor, it counts as no vote. If there is a motion to reconsider and there is a tie, it is a no vote. If someone offers an amendment and it is a tie, it is no vote.

I do not know all the history of all these items that occurred in the Rules Committee, but they have asked us to make such a determination and that determination is very material to this item they have just brought up in the last few minutes, very material.

If we decide this first, then we have confused the issue in reference to this question that the Rules Committee asked us to vote on.

Mr. McCLURE. Will the Senator from Nebraska yield?

Mr. CURTIS. I do not have the floor.

Mr. GRIFFIN. Will the Senator yield to me for an observation?

Mr. CANNON. I have the floor. I yield to the Senator.

Mr. GRIFFIN. If I might, I would like to state it the other way, that if we vote on that proposition first, as we should, because it is in section 1 and comes ahead of section 2 which enumerates the ballots, and if the Senate should answer this question in the affirmative, that it is the sense of the Senate with respect to tie ballots the ruling of the highest authority of New Hampshire shall stand, then we will not have to look at any of the ballots in section 2 because the ruling of the Ballot Law Commission with respect to that particular ballot Mr. CRANSTON has offered the amendment about, we would not have to pass upon it.

So we are taking an action here that we might not have to take.

Mr. CANNON. Yes. I may say to the Senator that is exactly the argument that I used against the amendment of the Senator from Michigan and the Senator from Pennsylvania that was defeated just a little while ago because the argument there on that was that until we act on the "skip" ballots, we did not know what we were trying to go back to retrieve, and it might become moot. We might say that every one of those "skip" ballots should be Wyman votes, and if we do, then the question is moot.

That is the same argument I made. I wish the Senator would have made it to himself a few minutes ago and he might have voted with me on that particular issue.

I may say also, before I lose track of this and forget about it, the Senator from Pennsylvania also related to ballot No. 112, which he says we took away from Mr. Wyman in a similar situation.

I would like to read the record on ballot No. 112, and this is under No. 112:

> Mr. BLAIR. Mr. Chairman, this is a ballot on which the voter apparently made a mistake. He voted by checkmarks—he has eight valid checkmarks.
>
> And in the Republican column there were checkmarks. He has drawn a line through all the checkmarks and written the word "void" above them.
>
> There was once a checkmark in Mr. Wyman's square. There are two lines through that square. There is no vote for Mr. Durkin or Mr. Chimento, but I think the intent of this voter is clear. He intended to void all the votes he had made in the Republican column, including Mr. Wyman's, and I think it should be a no vote.
>
> Mr. VAN LOAN. Gentlemen, this is, I think, a very difficult ballot. And Mr. Blair I think is characterizing this ballot in one fashion, which is probably inaccurate. It is for you gentlemen to decide.
>
> But he has suggested to you that the voter wrote a line down this column and wrote the word "void". If you will examine this ballot very carefully, you will note that there are double votes. There is a double vote in the Governor's race, there's a double vote in the representative for the general court race, and there is a double vote in the register of probate race.
>
> The voter had double voted in some races. There is no double vote in the U.S. Senate race and there is no double vote in a lot of other races.
>
> We unfortunately have a lot of very uninformed voting officials in New Hampshire——

Now, this is Mr. Van Loan speaking, not me:

> and they do silly and unfair things to people's ballots.
>
> And I suggest that an election official wrote that down there and wrote "void" because he was referring to double votes.
>
> The CHAIRMAN. The clerk will call the roll.

Now, I will bet we cannot guess what the vote was on that particular ballot that supposedly we took away from Mr. Wyman. I will read it:

> [The committee vote was unanimous for "no vote."]

Now, that is ballot No. 112 we took away from Mr. Wyman. The committee vote was unanimous for no-vote.

Mr. HUGH SCOTT. Will the Senator yield?

Mr. CANNON. Certainly.

Mr. HUGH SCOTT. What we are arguing is that here we had the slash marks and the line coming through the Republican column, and we all agree, and that is why it is not among the ties, that it was a no-vote.

Now, up here on the board we have No. 120, which to that extent, putting aside the fact that there was some double vote, but as far as the U.S. Senate was concerned and most of the places were the same, or slash marks on 120, the same old line running down, and now the argument of the Senator from California is that we should count that for Mr. Durkin.

The committee unanimously refused to count a similar ballot for Mr. Wyman, and that is why I say it is inconsistent.

I may not have stated it very clearly, and as I look back on it I do not think I did, but that is why it is inconsistent.

Here, we all joined in knocking out ballot No. 112 for Mr. Wyman.

Mr. NUNN. Will the Senator yield?

Mr. CANNON. Yes.

Mr. NUNN. Does the Senator have a copy?

Mr. HUGH SCOTT. Yes, and I will send it to the Senator.

Mr. CANNON. I have the floor.

The other ballot referred to by the distinguished chairman from Pennsylvania was 123, so I would like to read about ballot No. 123:

> Mr. BROWN. Mr. Chairman, for Mr. Wyman I will stipulate that this should be counted a good vote for Mr. Durkin, although there is an equally good X in Mr. Wyman's box, which has been blacked out, in my judgment.
>
> The CHAIRMAN. No. 123 is stipulated for Mr. Durkin. Dr. Riddick is authorized to cast a unanimous ballot for Mr. Durkin.

Now, those are the two votes that the Senator said we took away from Mr. Wyman.

Mr. HUGH SCOTT. I did not say ballot No. 123.

Mr. CANNON. Yes, I wrote it down very carefully, 112 and 123.

Mr. HUGH SCOTT. 112 and 343.

I will show the Senator what I was reading from, 343.

Mr. CANNON. Well, 123 was what I wrote down.

Mr. HUGH SCOTT. Yes.

The PRESIDING OFFICER. What is the will of the Senate? The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I was still trying to look at ballot 343. It does not appear to me that ballot 343 is anywhere close to the proposition advanced by the Senator from Pennsylvania.

I may say again on 343, and I have my place now, on 343 the vote was unanimous, a unanimous committee vote, as a no-vote in that particular case. So there was no question about taking any ballot away from anybody. It was a unanimous vote of the committee on 343.

Mr. HUGH SCOTT. If the Senator will yield, I point out that is my point. On this ballot we are arguing that when these situations happened in the Democratic column, we are being asked to count that vote as a vote for Durkin. I am citing two situations that appeared in the Republican column where the committee unanimously, on both sides, agreed that it could not be counted for Wyman.

We are saying that on these two ballots they would not let them go to Wyman, and we agreed, yet where there is a similar ballot they are trying to argue that should go to Durkin and we are saying they are inconsistent. That is the point I am making.

Mr. ROBERT C. BYRD. Mr. President, can we determine whether or not there will be another rollcall vote tonight?

I would ask unanimous consent that rollcall votes occur——

Mr. CANNON. We had an objection on the part of the minority—not on the part of the distinguished minority leader, as he was willing to agree—an objection to having the vote 1 hour after the cloture tomorrow and bringing in the ballots in the meantime. I am willing to agree to any reasonable time limit on it.

I am willing to bring the ballots in and let everybody look at the ballots before they make up their mind.

I think, as the Senator from Connecticut has said, he is convinced now that—well, the photocopy of the ballot is on the board. Maybe we can vote without bringing the ballot in, if that was the objection on the part of the minority. I am not certain.

UNANIMOUS-CONSENT REQUEST

Mr. ROBERT C. BYRD. Mr. President, so that Senators will know what the outlook is for the remainder of the day, I ask unanimous consent that a vote occur on the pending question at 6 p.m. today.

Mr. CURTIS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, that being the case, there will be no further rollcall votes today.

Mr. President, will the distinguished chairman yield further?

Mr. CANNON. I yield.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 166, relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

Mike Mansfield
Robert C. Byrd
Alan Cranston
Jennings Randolph
Richard "Dick" Stone
Clairborne Pell
Wendell H. Ford
Birch Bayh
Frank Church
Dale Bumpers
Ernest F. Hollings
Philip A. Hart
Edmund S. Muskie
James Abourezk
George S. McGovern
John O. Pastore
Daniel K. Inouye

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. HANSEN. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HANSEN. What is the pending business?

The PRESIDING OFFICER. The amendment of the Senator from California (Mr. Cranston).

Is there a sufficient second?

Mr. CRANSTON. I ask for the yeas and nays.

The PRESIDING OFFICER. Will those Senators wishing to second the rollcall vote request raise their hands?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, may I ask unanimous consent that Miss Louise M. McPherson, of the staff of the Rules Committee, be admitted to the floor of the Senate during the remainder of debate on the New Hampshire contest?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. I yield.

TIME-LIMITATION AGREEMENT—H.R. 5398

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield for a unanimous-consent request?

Mr. CANNON. I yield.

Mr. ROBERT C. BYRD. Mr. President, I have a unanimous-consent request which has been cleared with the distinguished Senator from Wisconsin (Mr. Proxmire) and I understand with the distinguished Senator from Texas (Mr. Tower), that there be a 30-minute time limitation on a bill which is at the desk, which deals with the subject of housing, which has been prepared subsequent to the President's veto of the housing measure.

I ask unanimous consent that there be a time limit on that bill of 30 minutes to be equally divided between Mr. Proxmire and Mr. Tower, with the understanding that if there is a rollcall vote on final passage that rollcall vote will occur tomorrow immediately following the vote on cloture. I reserve the right to object momentarily.

Mr. GRIFFIN. Reserving the right to object—Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Will the Senator withhold that momentarily?

Mr. GRIFFIN. I withhold.

Mr. CRANSTON. Will the Senator yield to me for a moment.

Mr. CANNON. I yield.

(Subsequently the following proceedings occurred:)

Mr. HANSEN. What is the consent request?

Mr. ROBERT C. BYRD. The request was that there be a 30-minute time limitation on the housing bill equally divided between Mr. Proxmire and Mr. Tower and if there is a rollcall vote on final passage, that rollcall vote occur tomorrow, immediately following the rollcall vote on the cloture motion.

I would have to also include in that request that there be a time limitation on any amendment of 20 minutes, to be equally divided in accordance with the usual form, and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Now, Mr. President, I renew my request with respect to H.R. 5398.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a brief period for routine morning business so that statements, bills, resolutions, and so forth may be introduced by Members.

The PRESIDING OFFICER. Does the Senator from Nevada yield the floor for that purpose?

Mr. CANNON. I yield.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR A MESSAGE FROM THE HOUSE ON H.R. 8030 TO BE HELD AT THE DESK TEMPORARILY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a message from the House of Representatives on H.R. 8030 be held at the desk temporarily, pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Hollings) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:05 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 7709. An act to continue for a temporary period the existing suspension of duty on certain istle;

H.R. 7710. An act to amend the Tariff Schedules of the United States to provide duty free treatment to watches and watch movements manufactured in any insular possession of the United States if foreign materials do not exceed 70 percent of the total value of such watches and movements;

H.R. 7715. An act to extend until the close of June 30, 1978, the period during which certain dyeing and tanning materials may be imported free of duty;

H.R. 7727. An act to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk; and

H.R. 8030. An act to increase the temporary debt limitation until November 15, 1975.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the enrolled bill (H.R. 6387) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 3 months.

The enrolled bill was subsequently signed by the President pro tempore.

At 1:12 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the House disagrees to the amendments of the Senate to the bill (H.R. 6900) to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Ullman, Mr. Burke of Massachusetts, Mr. Burleson of Texas, Mr. Corman, Mrs. Keys, Mr. Schneebeli, and Mr. Steiger of Wisconsin were appointed managers of the conference on the part of the House.

The message also announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 7706. An act to suspend the duty on natural graphite until the close of June 30, 1978;

H.R. 7716. An act to amend the Tariff Schedules of the United States to suspend the duty on certain forms of zinc until the close of June 30, 1978;

H.R. 7728. An act to suspend until the close of October 31, 1975, the duty on catalysts of platinum and carbon used in producing caprolactam;

H.R. 7731. An act to suspend the duty on open-top hopper cars exported for repairs or alterations on or before June 30, 1975;

H.R. 8070. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; and

H.R. 8122. An act making appropriations for public works for water and power development and energy research, including the Corps of Engineers—Civil, the Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Nuclear Regulatory Commission, the Energy Research and Development Administration, and related independent agencies and commissions for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

At 3:13 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the bill (H.R. 4485) to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources, returned by the President of the United States with his objections, on reconsideration by the House and two-thirds of the Members thereof not having voted to pass same, failed of passage.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EAGLETON, from the Committee on Labor and Public Welfare, without amendment, and without recommendation:

H.R. 3922. An act to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such act, to prohibit discrimination on the basis of age, and for other purposes (Rept. No. 94–254).

By Mr. EAGLETON, from the Committee on Labor and Public Welfare, with an amendment:

S. 1425. A bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such act, and for other purposes (Rept. No. 94–255).

FIRST REPORT ON THE CONDUCT OF MONETARY POLICY (REPT. NO. 94–256)

Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs, submitted a special report entitled "First Report on the Conduct of Monetary Policy," pursuant to House Concurrent Resolution 133, 94th Congress, 1st session, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Michael M. Uhlmann, of Virginia, to be an Assistant Attorney General.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 7709. An act to continue for a temporary period the existing suspension of duty on certain istle;

H.R. 7710. An act to amend the Tariff Schedules of the United States to provide duty free treatment to watches and watch movements manufactured in any insular possession of the United States if foreign materials do not exceed 70 percent of the total value of such watches and movements;

H.R. 7715. An act to extend until the close of June 30, 1978, the period during which certain dyeing and tanning materials may be imported free of duty;

H.R. 7727. An act to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk;

H.R. 7706. An act to suspend the duty on natural graphite until the close of June 30, 1978;

H.R. 7716. An act to amend the Tariff Schedules of the United States to suspend the duty on certain forms of zinc until the close of June 30, 1978;

H.R. 7728. An act to suspend until the close of October 31, 1975, the duty on catalysts of platinum and carbon used in producing caprolactam; and

H.R. 7731. An act to suspend the duty on open-top hopper cars exported for repairs or alterations on or before June 30, 1975; to the Committee on Finance.

H.R. 8070. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and office for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; and

H.R. 8122. An act making appropriations for public works for water and power development and energy research, including the Corps of Engineers—Civil, the Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Nuclear Regulatory Commission, the Energy Research and Development Administration, and related independent agencies and commissions for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; to the Committee on Appropriations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MANSFIELD:

S. 2005. A bill to amend the provisions of title 18, United States Code, relating to the release of an individual charged with an offense involving the use of a firearm, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. THURMOND:

S. 2006. A bill to amend the Internal Revenue Code of 1954 to provide that members of reserve components of the armed forces who are not serving on active duty or as National Guard technicians may establish individual retirement accounts. Referred to the Committee on Finance.

S. 2007. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for wages paid in new jobs. Referred to the Committee on Finance.

By Mr. TUNNEY:

S. 2008. A bill to protect the constitutional rights and privacy of individuals upon whom criminal justice information has been collected and to control the collection and dissemination of criminal justice information, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. EASTLAND (for himself and Mr. Stennis):

S. 2009. A bill to amend the Federal Seed Act (53 Stat. 1275), as amended. Referred to the Committee on Agriculture and Forestry.

By Mr. JACKSON (by request):

S. 2010. A bill providing for the improvement of law enforcement and the determination of civil and criminal jurisdiction and law in Indian country, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. SCHWEIKER (for himself and Mr. Javits) (by request):

S. 2011. A bill to extend appropriations authorizations for emergency medical services systems, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 2012. A bill to amend the Public Health Service Act and the National Research Service Award Act of 1974 to strengthen and improve the program of National Research Service Awards, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. HANSEN:

S. 2013. A bill to authorize the Secretary of the Interior to engage in a feasibility investigation of a potential resource development. Referred to the Committee on Interior and Insular Affairs.

By Mr. MONDALE (for himself, Mr. Philip A. Hart, Mr. Williams, Mr. Packwood, Mr. Javits, Mr. Stone, Mr. Humphrey, and Mr. Kennedy):

S. 2014. A bill entitled "The Emergency Mortgage Relief Act of 1975." Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. EAGLETON (for himself, Mr. Abourezk, Mr. Bayh, Mr. Brooke, Mr. Cannon, Mr. Case, Mr. Clark, Mr. Cranston, Mr. Culver, Mr. Dole, Mr. Eastland, Mr. Fannin, Mr. Haskell, Mr. Hatfield, Mr. Hathaway, Mr. Humphrey, Mr. Inouye, Mr. Javits, Mr. Johnston, Mr. Kennedy, Mr. Leahy, Mr. McIntyre, Mr. Metcalf, Mr. Mondale, Mr. Moss, Mr. Packwood, Mr. Pastore, Mr. Pell, Mr. Randolph, Mr. Schweiker, Mr. Hugh Scott, Mr. Sparkman, Mr. Symington, Mr. Taft, Mr. Thurmond, Mr. Tower, Mr. Tunney, Mr. Williams, and Mr. Young):

S. 2015. A bill to amend title 39, United States Code, to assure that certain publications of institutions of higher education continue to qualify as second-class mail. Referred to the Committee on Post Office and Civil Service.

By Mr. ROTH:

S. 2016. A bill entitled "Emergency Mortgage Relief Payments." Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MANSFIELD:

S. 2005. A bill to amend the provisions of title 18, United States Code, relating to the release of an individual charged with an offense involving the use of a firearm, and for other purposes. Referred to the Committee on the Judiciary.

(The remarks of Mr. MANSFIELD on the introduction of the above bill are printed earlier in today's RECORD.)

By Mr. THURMOND:

S. 2006. A bill to amend the Internal Revenue Code of 1954 to provide that members of reserve components of the Armed Forces who are not serving on active duty or as National Guard technicians may establish individual retirement accounts. Referred to the Committee on Finance.

Mr. THURMOND. Mr. President, the Employee Retirement Income Security Act of 1974 introduced a new concept into the pension area—the individual retirement account—IRA. This concept is contained in section 408 of the Internal Revenue Code of 1954. Section 408 provides that eligible individuals may establish an IRA and place up to 15 percent of their earned income, but not in excess of $1,500 each year, into these special designated accounts, and take their contribution as a deduction for tax purposes.

In general, section 219 of the Internal Revenue Code provides that tax deductible contributions to IRA's are not allowed to individuals who are active participants in a plan established or maintained by the U.S. Government or a State, or who are active participants in a qualified plan established under section 401(a) of the Internal Revenue Code.

Mr. President, as you may be aware, members of the reserve components of our Armed Forces accrue retirement points by virtue of their membership and participation in our Reserve forces. Should these individuals ultimately satisfy all the necessary requirements, they may eventually qualify for benefits under the Reserve Retirement Act and any applicable State retirement program.

It has recently come to my attention that the Internal Revenue Service is taking the position that National Guard and Reserve personnel are not eligible to establish individual retirement accounts.

The Service asserts that participation in the Reserve retirement plan alone constitutes active participation in a Government plan sufficient to deny the favorable tax benefits accorded by the IRA. The Internal Revenue Service points to the legislative history of ERISA—report of Committee on Ways and Means, House of Representatives, on H.R. 12855, Report No. 93-807 at page 129—as indicating that an individual is an active participant in a plan if he is accruing benefits, whether or not such benefits are forfeitable. Short of a specific exemption for members of the Reserve components, the IRS apparently will not make a reasonable and justified interpretation by allowing our citizen soldiers to use IRA's. I cannot believe the Congress ever intended this inequitable result—it appears that what the bureaucrats will not accomplish administratively, we must do legislatively. This area is in urgent need of clarification.

The blatant discrimination existing against our reservists and National Guardsmen can be illustrated by the example of two employees, one a member of a Reserve component and one who is not. If the employer of these two employees does not have a pension plan, or has one but these individuals choose not to participate, the reservist cannot set up an IRA, but the nonreservist can. This prohibition exists even though the reservist's participation in the Reserve retirement program is incidental in relation to his full-time employment and even though the Reserve retirement system offers no vested interest until the participant has 20 years of service and no realization of benefits until he attains age 60. Furthermore, the amount of retired pay may be very limited and many members may not be interested in Reserve retirement. The accrual of retirement points as a result of the reservist's participation in a Reserve component should not prejudice him. Does this Congress want to discourage membership in the Reserve components of our Armed Forces just at the time when we are relying more and more on the Reserves and at a time when they are already experiencing recruiting problems? I would hope not.

Mr. President, I think it appropriate to mention a major problem with the Employee Retirement Income Security Act of 1974 that may well relate directly to the discriminatory treatment of our Reserves that I have pointed out today. It is feared the growing number of retirement plan terminations that are occurring across our Nation are a result of the expense and bureaucratic redtape of complying with the extensive reporting and disclosure requirements of ERISA. This is a serious problem since ERISA appears, in this instance, to actually be working to the detriment of those it was intended to help—the employees. It is my hope that legislation exempting small business from many of the provisions of ERISA will be favorably acted upon by this Congress in the near future. Meanwhile, these plan terminations will result in additional situations where a reservist or National Guardsman will want to establish an IRA for several reasons, including the deposit of distributions from the terminated plan to take adavntage of the tax-free rollover provisions of ERISA.

Mr. President, I send to the desk a bill which would amend section 219 of the Internal Revenue Code to remove the prohibition that presently exists for members of our Reserve components from receiving the tax benefits of the individual retirement account. I call on my colleagues to give prompt and favorable consideration to this legislation and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2006

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 219(c) of the Internal Revenue Code of 1954 (relating to definitions and special rules for retirement savings deduction) is amended by adding at the end thereof the following:

"(3) PARTICIPANTS IN GOVERNMENT PLANS FOR RESERVE COMPONENT MEMBERS.—A member of a reserve component of the armed forces (as defined in section 261(a) of title 10) is not considered to be an active participant in a plan described in subsection (b)(2)(A)(iv) solely because he is a member of a reserve component unless—

"(A) he is serving on active duty (other than for training), or

"(B) he is employed as a National Guard technician under section 709 of title 32."

SEC. 2. The amendment made by this Act applies to taxable years beginning after December 31, 1974.

By Mr. THURMOND:

S. 2007. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for wages paid in new jobs. Referred to the Committee on Finance.

Mr. THURMOND. Mr. President, on March 10 of this year, the president of the National Small Business Association testified before the Finance Committee in the course of its consideration of the Tax Reduction Act of 1975. President Stewart made an excellent proposal in his statement, outlining a plan which could put up to a million people to productive work in business and not on government payrolls. Today, I am introducing legislation to implement that plan.

The job creation tax credit plan would allow businesses to take a tax credit of 50 percent of the cost of up to two new employees, in newly created jobs, with a maximum credit of $20,000. One of the most attractive features of this plan is that it will not cost a cent unless a job is actually created. We do not have to guess at this plan's effectiveness. If it does not work, it does not cost.

This is a better idea than loading down government payrolls. It will also help many thousands of people learn useful jobs in business—jobs that will still be available when the economy can support them. No retraining will be required, for on-the-job training will already have taken place.

The investment tax credit does not reach many smaller businesses, but the job creation plan is actually designed to direct help not only to jobless people but also to small businesses, who are finding it hard to finance the expansion moves essential to economic recovery.

I ask unanimous consent that this bill be printed in the RECORD and referred to the appropriate committee.

I also ask unanimous consent that articles from the Daily News of Palatka, Fla., and the Herald of Biloxi-Gulfport, Miss., be printed in the RECORD.

There being no objection, the bill and articles were ordered to be printed in the RECORD, as follows:

S. 2007

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowed) is amended by redesignating section 45 as 45A and by inserting after section 44 the following new section:

"Sec. 45. New Jobs.

"(a) General Rule.—There is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to one-half of the amounts paid or incurred by the taxpayer during the taxable year in a trade or business as wages to not more than 2 new employees in that trade or business.

"(b) Limitations.—

"(1) Dollar amount.—The amount of the credit allowed by subsection (a) for the taxable year may not exceed $20.000.

"(2) Date on which wages are paid or incurred.—No credit is allowed under subsection (a) for any amounts paid or incurred by the taxpayer as wages after December 31, 1976.

"(3) Number of employees.—No amount shall be allowed to a taxpayer under subsection (a) with respect to more than two employees.

"(4) Married individuals.—In the case of a husband or wife who files a separate return, the amount of the limitation applicable under paragraph (1) is $10,000 rather than $20,000. This paragraph does not apply if the spouse of the taxpayer claims no credit under subsection (a) for the taxable year.

"(5) Controlled groups.—In the case of a controlled group of corporations (as defined in section 1563(a)), the $20,000 amount specified under paragraph (1) shall be reduced for each component member of the group by apportioning $20,000 among the component members of the group in such manner as the Secretary or his delegate shall prescribe by regulations.

"(6) Subchapter s corporations.—In the case of an electing small busines corporation (as defined in section 1371)—

"(A) the amount of credit allowable under subsection (a) for each taxable year shall be apportioned pro rata among the persons who are shareholders of such corporation on the last day of such taxable year, and

"(B) any person to whom any amount has been apportioned under subparagraph (A) shall be treated (for purposes of this section) as the taxpayer with respect to the wages paid for which the credit is allowed.

"(7) Estates and trusts.—In the case of an estate or trust—

"(A) amounts allowable as a credit for any taxable year shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each, and

"(B) any beneficiary to whom amounts have been apportioned under subparagraph (A) shall be treated (for purposes of this section) as the taxpayer with respect to the wages paid for which the credit is allowed.

"(8) Limitations with respect to certain other persons.—In the case of—

"(A) an organization to which section 593 applies;

"(B) a regulated investment company or a real estate investment trust subject to taxation under subchapter M (section 851 and following); and

"(C) a cooperative organization described in section 1381 (a),

rules similar to the rules provided in section 46(e) shall apply under regulations prescribed by the Secretary or his delegate.

"(9) Geographical limitation.—No item shall be taken into account under subsection (a) with respect to any expense paid or incurred by the taxpayer with respect to employment outside the United States.

"(c) Recapture of Credit for Certain Terminations of Employment.—

"(1) General rule.—Under regulations prescribed by the Secretary or his delegate if the employment of any employee with respect to whom amounts are taken into account under subsection (a) is terminated by the taxpayer at any time during the first twelve months of such employment (whether or not consecutive) or before the close of the twelfth calendar month after the calendar month in which such employee completes twelve months of employment with the taxpayer, the tax under this chapter for the taxable year in which such employment is terminated shall be increased by an amount (determined under such regulations) equal to the sum of the amounts allowed under subsection (a) for such taxable year and all prior taxable years attributable to wages paid to that employee.

"(2) Recapture not to apply in certain cases.—

"(A) In General.—Paragraph (1) does not apply to—

"(i) a termination of employment of an employee who voluntarily leaves the employment of the taxpayer,

"(ii) a termination of employment of an individual who, before the close of the period referred to in paragraph (1), becomes disabled to perform the services of such employment, unless such disability is removed before the close of such period and the taxpayer fails to offer reemployment to such individual, or

"(iii) a termination of employment of an individual, if it is determined under the applicable State unemployment compensation law that the termination was due to the misconduct of such individual.

"(B) Change in Form of Business, Etc.—For purposes of paragraph (1), the employment relationship between the taxpayer and an employee shall not be treated as terminated—

"(i) by a transaction to which section 381 (a) applies, if the employee continues to be employed by the acquiring corporation, or

"(ii) by reason of a mere change in the form of conducting the trade or business of the taxpayer, if the employee continues to be employed in such trade or business and the taxpayer retains a substantial interest in such trade or business.

"(3) Special rule.—Any increase in tax under paragraph (1) shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any other credit allowable under this subpart.

"(d) Definitions.—For purposes of this section—

"(1) Wages.—The term 'wages' means cash remuneration (including amounts deducted and withheld).

"(2) New employee.—The term 'new employee' means an individual first employed by the taxpayer after June 30, 1975, whose employment does not fill a vacancy existing prior to July 1, 1975, and the employment of whom does not displace any other individual from employment by the taxpayer.

"(e) Application With Other Sections.—No credit is allowable under subsection (a) for any amount for which a deduction is claimed under section 162 or 212, or for which a credit is claimed under section 40, for the taxable year.

"(f) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section.".

(b)(1) Section 56(a)(2) of such Code (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (vi), by striking out the semicolon and "and" at the end of clause (vii) and inserting in lieu thereof a comma and "and", and by inserting after clause (vii) the following new clause:

"(viii) section 45 (relating to credit for new jobs); and"

(2) Section 56(c)(1) of such Code (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (F), by striking out "exceed" at the end of subparagraph (G) and inserting in lieu thereof "and", and by inserting after subparagraph (G) the following new subparagraph:

"(H) section 45 (relating to credit for new jobs), exceed".

(3) Section 6096(b) of such Code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44" and inserting in lieu thereof a comma and "44 and 45".

(c) The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 45. New jobs.
"Sec. 45A. Overpayment of tax.".

Sec. 2. The amendments made by the first section of this Act apply to taxable years ending after the date of enactment of this Act.

[From the Biloxi-Gulfport (Miss.) Herald, March 23, 1975]

Economic Plan May be Too Sensible

(By Robert McHugh)

The professors of economics and the politicians in Washington are applying poultices of every description to the wounds in the nation's economy.

Some of them sound like the western cowboys' favorite remedy for healing gaping sores left by the horn of a steer—five cc's of chewing tobacco.

It is indeed a gaudy mixture being prepared on Capitol Hill. We are looking at a $5.9 billion public jobs bill, a billion or more for health insurance for the unemployed, and a $2.5 billion railroad rebuilding plan, along with the tax cut which nobody objects to. But will all of this help or is it like the snake oil the oldtime medicine men used to con our grandparents with? Only time will tell.

Meanwhile, the small voice of the National Small Business Assn. has been raised. What this organization is proposing is, of course, somewhat self-seeking, but in today's world that should surprise no one.

What is particularly intriguing about the NSBA suggestion is that it sounds sensible and just might work.

The organization has asked the Senate to consider "job creation credit," which could lead to swift hiring of up to two new employees by each of the nation's small businesses.

The plan would work this way: Small businesses would be permitted to hire one or two new employees and take a tax credit of up to 50 per cent of the cost of the added help, up to a maximum of $20,000.

The NSBA had some other thoughts for the Senators, too, but the job proposal sounded best. Other suggestions were for a cut in taxes on those several million firms which earn less than $25,000 per year, an increased investment credit up from the current 10 per cent to 20 per cent for manufacturers who are small by Small Business Administration standards, and incentive tax writeoffs for small businesses just getting started during this time of a soft national economy.

All but the jobs part of the package is little more than whistling in the dark. Big business gets the breaks in Washington. Witness the futile efforts to eliminate the oil-depletion allowance.

But why shouldn't Congress take the NSBA jobs plan seriously? It would provide useful jobs in the private sector, which indeed could and probably would become permanent as the economy turns upward later this year.

And what is important here is that the jobs would be useful. They would come from private firms contributing to the growth of the Gross National Product, not from the federal government trying to create jobs for the sake of creating jobs. And the type of jobs which the government will provide aren't likely to be the productive type which boost the GNP.

In addition, the NSBA proposal would become a training school for thousands. Those employed would be learning useful skills in a wide variety of occupations.

Raising the skills of the employable so that they can go on to better jobs, increasing the GNP and the simple act of creating jobs are widely believed to be the remedy for recession.

The NSBA job plan would do all three of these things, probably at a smaller price than the plans being rushed through Congress.

But don't make any bets that the plan will get off the ground. It is too sensible and it comes from small business, which has a smaller voice than big business whose shouts are usually heard loud and clear in the halls of Congress.

[From the Palatka (Fla.) Daily News, March 18, 1975]

Distance From Washington to Grassroots Often Far

(By Lora Sinks Britt)

The long distance between Washington and the grass roots all over this country was never better pointed out than recent comments by Secretary of the Treasury William Simon before a panel of newsmen.

Comfortably seated in an atmosphere-controlled room and talking about unemployment and the economy in general, Mr. Simon said that the average income for people of the United States is $14,000 a year and that President Ford would surely see about the unemployment problem. Wasn't he already doing so with the many manpower programs in effect?

Someone should tell Mr. Simon that while $14,000 may be the average American income, it takes six $8,000 incomes and one $50,000 income to come up with that average. In many areas of the country, including most of the South, $8,000 incomes are far more "average" than $14,000 incomes. In an area like Washington where incomes are high, it probably is hard for Mr. Simon to realize that many families never see even $8,000 a year.

Wasn't Mr. Ford already doing something about unemployment with the many manpower programs in effect? asked Mr. Simon rhetorically when questioned by the panel.

These words might have allayed the Washington reporters whose world also revolves around the nation's capital; however, not those who are in direct contact at the grassroots.

In Putnam County, for example, during February, 868 unemployed make application for unemployment claims. This number did not include the unemployed who did not file claims. One hundred seventy-five of these were new claims. At the same time, under CETA, a federal program created especially for the unemployed, 7 positions were made available and filled. At this rate, the government's program will hardly be a drop in the proverbial bucket.

Undoubtedly, Mr. Simon and others in Washington mean well in their observations about the country's economy, but with statements like those of the Treasury Secretary heard on the panel discussion, it is hard to believe that they have a true picture.

The country must look to other ways to resolve the recession, because creating jobs by the government will not do it all, nor is it giving substantial assistance, if CETA figures are a gauge.

One way to generate up to a million new jobs in private business has been proposed by the National Small Business Association (NSB). Milton D. Stewart, president of NSB, has asked the Senate Finance Committee to provide a "job creation credit" which could lead to the swift hiring of up to two new employes in thousands of small businesses.

Under the NSB plan, after Congress enacted legislation which would authorize the plan, small businesses would be notified that they could hire one or two new employes and take a tax credit of up to 50 per cent of the cost of the new employes, up to a maximum of $20,000.

Also included in the plan would be a special tax cut for several million companies that earn less than $25,000 a year, provide a 20 per cent investment credit for several hundred thousand small manufacturers, for thousands of new businesses, being formed despite the recession, grant a write-off of up to $25,000 a year for the first three years.

Stewart put the present situation well when he said "As the Federal Reserve Board kept slamming harder and harder on its worncut brakes, trying to hold the big business juggernaut, as usual it did not seem to notice that its small business passenger was half-way through the windshield. It is now time for Congress to enact 'seat belt' legislation for small businesses."

"By the time data collectors catch up with small business reality," he said, "it is far, far too late for federal counter-cyclical action."

Which is true. By the time that unemployment figures go from the grassroots to Washington level through the mounds of paper work required in our bureaucracy, they are long since outdated. Meanwhile, the actual February unemployment figure at the national level could be far higher, or it could even be lower.

Sometimes, it can be a long way—and a long time—between Washington and the grass roots.

By Mr. TUNNEY:

S. 2008. A bill to protect the constitutional rights and privacy of individuals upon whom criminal justice information has been collected and to control the collection and dissemination of criminal justice information, and for other purposes. Referred to the Committee on the Judiciary.

Mr. TUNNEY. Mr. President, today Congressman DON EDWARDS of California, chairman of the House Judiciary Subcommittee on Civil and Constitutional Rights, and I are introducing identical bills to control the collection and dissemination of criminal justice information and to protect the privacy and the constitutional rights of the individuals upon whom such information has been collected.

This legislation represents the culmination of 4 years of intensive investigation by both subcommittees into the abuses created by the increasingly automated dissemination of criminal justice information. The present bill is a compromise between the provisions of the two bills introduced earlier this year in both the House and Senate—H.R. 61, S. 1428 and H.R. 62, S. 1427—measures which were originally introduced last year by the Justice Department and Senator Ervin.

The new legislation incorporates the best features of the Justice Department and Ervin bills. It represents an awareness of both the legitimate needs of law enforcement to have timely and accurate information and the constitutional right of American citizens to have their privacy protected. It is stronger than the old Justice Department bill in its protection of the individual. It is less complex than the Ervin bill and more conducive to the preservation of efficient law enforcement.

The purpose of the legislation is to provide a uniform body of law governing the exchange of criminal justice records, intelligence and investigative information and the release of such information to the public. It sets out specific restrictions on the dissemination of such information to other agencies. In accordance with its provisions, only conviction records can be freely distributed to law enforcement agencies. Acquittal and arrest records can be dispersed for specified purposes and to authorized personnel.

The legislation requires the sealing of criminal records that are out of date or that relate to arrests that are not followed by criminal charges or to arrests followed by charges not prosecuted in a a timely manner. It gives any individual the right to review criminal records concerning him or her which are maintained by law enforcement agencies and the right to institute proceedings to correct or modify inaccurate or incomplete information. It includes civil remedies for persons aggrieved by violations of any of its provisions and criminal penalties for those who knowingly violate the act.

The bill severely limits the types of criminal records that can be made available to such law enforcement agencies as credit bureaus, State licensing bureaus or employment agencies, and includes restrictions on the purposes for which these agencies can use the records. It also contains provisions limiting the circumstances under which intelligence and investigative information concerning an individual may be collected and maintained and places strict controls on the use and dissemination of this information to other agencies.

The measure provides for the creation of a Commission on Criminal Justice Information with the responsibility for implementation and enforcement of the act. The members of the Commission are to be appointed by the President and confirmed by the Senate, and a majority of the membership is to be drawn from State and local law enforcement agencies, the principal users of the information regulated by the act. The Commission will have the authority to issue regulations governing the collection, use and dissemination of criminal justice information by all agencies subject to the act, including Federal agencies. Specifically, it will have the authority to decide such controversial issues as the extent to which Federal law enforcement agencies may perform telecommunications and identification functions for interstate systems.

The legislation recognizes the principle that each State should be free to regulate the collection, use and dissemination of criminal records consistent with uniform national standards. It permits each State to establish a board or agency to enforce the provisions of the act within that State. The national Commission would defer to such a board with respect to enforcement of the act. In addition, the bill permits States with laws that are stricter than the Federal law to enforce their own provisions concerning transactions within that State.

Finally, like its two predecessors, the measure guarantees that the public and the press will continue to have access to police blotters and court records, information which has traditionally been within the public domain.

Because of the increasing use of computers for processing and transmitting criminal justice information, the need for this legislation is critical. The recent Watergate revelations have made us all painfully aware that raw intelligence and investigative files in the hands of the wrong people including some Government officials can result in grave injustices to innocent people. In addition, a number of court cases in the last year have underscored the fact that abuses of individual liberties do occur from widespread dissemination of inaccurate or incomplete criminal records.

Hearings on this bill are scheduled to be held by the House subcommittee on July 14 and 17 and by the Senate subcommittee on July 15 and 16. Congressman EDWARDS and I are conducting these hearings in an effort to accommodate the Justice Department and State and local criminal justice agencies in their desire to have a specific criminal justice bill enacted before September 27, 1975, when the Privacy Act of 1974 goes into effect.

Mr. President, I ask unanimous consent that the criminal justice data banks legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2008

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Criminal Justice Information Control and Protection of Privacy Act of 1975."

TITLE I—PURPOSE AND SCOPE

FINDINGS

SEC. 101. The Congress hereby finds and declares that—

(a) The responsible maintenance, use, and dissemination of complete and accurate criminal justice information among criminal justice agencies is recognized as necessary and indispensable to effective law enforcement and criminal justice and is encouraged.

(b) The irresponsible use or dissemination of inaccurate or incomplete information, however, may infringe on individual rights.

(c) While the enforcement of criminal laws and the regulation of criminal justice information is primarily the responsibility of State and local government, the Federal Government has a substantial and interconnected role.

(d) This Act is based on the powers of the Congress—

(1) to place reasonable restrictions on Federal activities and upon State and local governments which receive Federal grants or other Federal services or benefits, and

(2) to faciliate and regulate interestate commerce.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "Automated" means utilizing electronic computers or other automatic data processing equipment, as distinguished from performing operations manually.

(2) "Dissemination" means any transfer of information, whether orally, in writing, or by electronic means.

(3) "The administration of criminal justice" means any activity by a criminal justice agency directly involved the apprehension, detention, pretrial release, posttrial release, prosecution, defense, adjudication, or rehabilitation of accused persons or criminal offenders or the collection, storage, dissemination, or usage of criminal justice information.

(4) "Criminal justice agency" means a court or any other governmental agency or subunit thereof which as its principal function performs the administration of criminal justice and any other agency or subunit thereof which performs criminal justice activities but only to the extent that it does so.

(5) "Criminal justice information" means arrest record information, nonconviction record information, conviction record information, criminal history record information, and correctional and release information. The term does not include criminal justice investigative information or criminal justice intelligence information.

(6) "Arrest record information" means notations of arrest, detention, indictment, filing of information, or other formal criminal charge on an individual which does not include the disposition arising out of that arrest, detention, indictment, information, or charge.

(7) "Criminal history record information" means arrest record information and any disposition arising therefrom.

(8) "Conviction record information" means criminal history record information disclosing that a person has pleaded guilty or nolo contendere to or was convicted of any criminal offense in a court of justice, sentencing information, and whether such plea or judgment has been modified or reversed.

(9) "Nonconviction record information" means criminal history record information which is not conviction record information.

(10) "Disposition" means information disclosing that a decision has been made to bring criminal charges or that criminal proceedings have been concluded, abandoned, or indefinitely postponed.

(11) "Correctional and release information" means information on an individual compiled in connection with bail or pretrial or posttrial release proceedings, reports on the physical or mental condition of an alleged offender, reports on presentence investigations, reports on inmates in correctional institutions or participants in rehabilitation programs, and probation and parole reports.

(12) "Criminal justice investigative information" means information associated with an identifiable individual compiled by a criminal justice agency in the course of conducting a criminal investigation of a specific criminal act including information pertaining to that criminal act derived from reports of informants and investigators, or from any type of surveillance. The term does not include criminal justice information nor does it include initial reports filed by a criminal justice agency describing a specific incident, not indexed or accessible by name and expressly required by State or Federal statute to be made public.

(13) "Criminal justice intelligence information" means information associated with an identifiable individual compiled by a criminal justice agency in the course of conducting an investigation of an individual relating to possible future criminal activity of an individual, or relating to the reliability of such information, including information derived from reports of informants, investigators, or from any type of surveillance. This term does not include criminal justice information nor does it include initial reports filed by a criminal justice agency describing a specific incident, not indexed or accessible by name and expressly required by State or Federal statute to be made public.

(14) "Judge of competent jurisdiction" means (a) a judge of a United States district court or a United States court of appeals; (b) a Justice of the Supreme Court of the United States; (c) a judge of any court of general criminal jurisdiction in a State; or (d) for purposes of section 208(b)(5), any other official in a State who is authorized by a statute of that State to enter orders authorizing access to sealed criminal justice information.

(15) "Attorney General" means the Attorney General of the United States.

(16) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

APPLICABILITY

SEC. 103. (a) This Act applies to criminal justice information, criminal justice investigative information, or criminal justice intelligence information maintained by criminal justice agencies—

(1) of the Federal Government,

(2) of a State or local government and funded in whole or in part by the Federal Government,

(3) which exchange information interstate, and

(4) which exchange information with an agency covered by paragraph (1), (2), or (3) but only to the extent of that exchange.

(b) This Act applies to criminal justice information, criminal justice intelligence information and criminal justice investigative information obtained from a foreign government or an international agency to the extent such information is commingled with information obtained from domestic sources. Steps shall be taken to assure that, to the maximum extent feasible, whenever any information subject to this Act is provided to a foreign government or an international agency, such information is used in a manner consistent with the provisions of this Act.

(c) The provisions of this Act do not apply to—

(1) original books of entry or police blotters, whether automated or manual, maintained by a criminal justice agency at the place of original arrest or place of detention, not indexed or accessible by name and required to be made public;

(2) court records of public criminal proceedings or official records of pardons or paroles or any index thereto organized and accessible by date or by docket or file number, or organized and accessible by name so long as such index contains no other information than a cross reference to the original pardon or parole records by docket or file number;

(3) public criminal proceedings and court opinions, including published compilations thereof;

(4) records of traffic offenses maintained by departments of transportation, motor vehicles, or the equivalent, for the purpose of regulating the issuance, suspension, revocation, or renewal of drivers' licenses;

(5) records relating to violations of the Uniform Code of Military Justice but only so long as those records are maintained solely within the Department of Defense; or

(6) statistical or analytical records or reports in which individuals are not identified and from which their identities are not ascertainable.

TITLE II—COLLECTION AND DISSEMINATION OF CRIMINAL JUSTICE INFORMATION, CRIMINAL JUSTICE INVESTIGATIVE INFORMATION, AND CRIMINAL JUSTICE INTELLIGENCE INFORMATION, DISSEMINATION, ACCESS, AND USE OF CRIMINAL JUSTICE INFORMATION—CRIMINAL JUSTICE AGENCIES

SEC. 201. (a) With limited exceptions hereafter described, access to criminal justice information, criminal justice investigative information, and criminal justice intelligence information shall be limited to authorized officers or employees of criminal justice agencies, and the use or further dissemination of such information shall be limited to purposes of the administration of criminal justice.

(b) The use and dissemination of criminal justice information shall be in accordance with criminal justice agency procedures reasonably designed to insure—

(1) that the use or dissemination of arrest record information or nonconviction record information is restricted to the following purposes—

(A) The screening of an employment application or review of employment by a criminal justice agency with respect to its own employees or applicants.

(B) The commencement of prosecution, determination of pretrial or posttrial release or detention, the adjudication of criminal proceedings, or the preparation of a presentence report,

(C) The supervision by a criminal justice agency of an individual who had been committed to the custody of that agency prior to the time the arrest occurred or the charge was filed,

(D) The investigation of an individual when that individual has already been arrested or detained,

(E) The development of investigative leads concerning an individual who has not been arrested, when there are specific and articulable facts which, taken together with rational inferences from those facts, warrant the conclusion that the individual has committed or is about to commit a criminal act and the information requested may be relevant to that act.

(F) The alerting of an official or employee of a criminal justice agency that a particular individual may present a danger to his safety, or

(G) Similar essential purposes to which the information is relevant as defined in the procedures prescribed pursuant to this section; and

(2) that correctional and release information is disseminated only to criminal justice agencies; or to the individual to whom the information pertains, or his attorney, where authorized by Federal or State statute, court rule, or court order.

IDENTIFICATION AND WANTED PERSON INFORMATION

Sec. 202. Personal identification information, including fingerprints, voice prints, photographs and other physical descriptive data, may be used or disseminated for any official purpose, but personal identification information which includes arrest record information or criminal history record information may be disseminated only as permitted by this Act. Information that a person is wanted for a criminal offense and that judicial process has been issued against him, together with an appropriate description and other information which may be of assistance in locating the person or demonstrating a potential for violence, may be disseminated for any authorized purpose related to the administration of criminal justice. Nothing in this Act prohibits direct access by a criminal justice agency to automated wanted person information.

DISSEMINATION, ACCESS AND USE OF CRIMINAL JUSTICE INFORMATION—NONCRIMINAL JUSTICE AGENCIES

Sec. 203. (a) Except as otherwise provided by this Act, conviction record information may be made available for purposes other than the administration of criminal justice only if expressly authorized by Federal or State statute.

(b) Arrest record information indicating that an indictment, information, or formal charge was made against an individual within twelve months of the date of the request for the information, and is still pending, may be made available for a purpose other than the administration of criminal justice if expressly authorized by Federal or State statute. Arrest record information made available pursuant to this subsection may be used pursuant to this subsection may be used only for the purpose for which it was made available and may not be copied or retained by the requesting agency beyond the time necessary to accomplish that purpose.

(c) When conviction record information or arrest record information is requested pursuant to subsections (a) or (b), the requesting agency or individual shall notify the individual to whom the information relates that such information about him will be requested and that he has the right to seek review of the information prior to its dissemination.

(d) Criminal justice information may be made available to qualified persons for research related to the administration of criminal justice.

(e) A criminal justice agency may disseminate criminal justice information, upon request, to officers and employees of the Immigration and Naturalization Service, consular officers, and officers and employees of the Visa Office of the Department of State, who require such information for the purpose of administering the immigration and nationality laws. The Attorney General and Secretary of State shall adopt internal operating procedures reasonably designed to insure that arrest record information received pursuant to this subsection is used solely for the purpose of developing further investigative leads and that no decision adverse to an individual is based on arrest record information unless there has been a review of the decision at a supervisory level.

(f) A criminal justice agency may disseminate criminal justice information, upon request, to officers and employees of the Bureau of Alcohol, Tobacco, and Firearms, the United States Custom Service, the Internal Revenue Service and the Office of Foreign Assets Control of the Department of the Treasury, who require such information for the purpose of administering those laws under their respective jurisdictions. The Attorney General and the Secretary of the Treasury shall adopt internal operating procedures reasonably designed to insure that arrest record information received pursuant to this subsection is used solely for the purpose of developing further investigative leads and that no decision adverse to an individual is based on arrest record information unless there has been a review of the decision at a supervisory level.

(g) The Drug Enforcement Administration of the United States Department of Justice may disseminate criminal record information to federally registered manufacturers and distributors of controlled substances for use in connection with the enforcement of the Controlled Substances Administration Act.

(h) Nothing in this Act prevents a criminal justice agency from disclosing to the public factual information concerning the status of an investigation, the apprehension, arrest, release, or prosecution of an individual, the adjudication of charges, or the correctional status of an individual, if such disclosure is reasonably contemporaneous with the event to which the information relates. Nor is a criminal justice agency prohibited from confirming prior arrest record information or criminal record information to members of the news media or any other person, upon specific inquiry as to whether a named individual was arrested, detained, indicted, or whether an information or other formal charge was filed, on a specified date, if the arrest record information or criminal record information disclosed is based on data excluded by section 103(b) from the application of this Act.

DISSEMINATION, ACCESS, AND USE OF CRIMINAL JUSTICE INFORMATION—APPOINTMENTS AND EMPLOYMENT INVESTIGATIONS

Sec. 204. (a) A criminal justice agency may disseminate criminal justice information, whether or not sealed pursuant to section 208, criminal justice intelligence information, and criminal justice investigative information to a Federal, State, or local government official who is authorized by law to appoint or nominate judges, executive officers of law enforcement agencies or members of the Commission on Criminal Justice Information created under section 301 or any State board or agency created or designated pursuant to section 307, and to any legislative body authorized to approve such appointments or nominations. The criminal justice agency shall disseminate such information concerning an individual only upon notification from the appointing or nominating official that he is considering that individual for such an office, or from the legislative body that the individual has been nominated for the office, and that the individual has been notified of the request for such information and has given his written consent to the release of the information.

(b) A criminal justice agency may disseminate arrest record information and criminal history record information to an agency of the Federal Government for the purpose of an employment application investigation, an employment retention investigation, or the approval of a security clearance for access to classified information, when the Federal agency requests such information as a part of a comprehensive investigation of the history and background of an individual, pursuant to an obligation to conduct such an investigation imposed by a Federal statute or Federal executive order, and pursuant to agency regulations setting forth the nature and scope of such an investigation. Arrest record information or criminal history record information that has been sealed may be made available only for the purpose of the approval of a security clearance. For investigations concerning security clearances for access to information classified as top secret, criminal justice intelligence information and criminal justice investigative information may be made available pursuant to this subsection. At the time he files his application, seeks a change of employment status, applies for a security clearance, or otherwise causes the initiation of the investigation, the individual shall be put on notice that such an investigation will be conducted and that access to this type of information will be sought.

(c) Any information made available pursuant to this section may be used only for the purpose for which it is made available and may not be redisseminated, copied, or retained by the requester beyond the time necessary to accomplish the purpose for which it was made available.

SECONDARY DISSEMINATION OF CRIMINAL JUSTICE INFORMATION

Sec. 205. Any agency or individual having access to, or receiving criminal justice information is prohibited, directly or through any intermediary, from disseminating such information to any individual or agency not authorized to have such information; except that correctional officials of criminal justice agencies, with the consent of an individual under their supervision to whom the information refers, may orally represent the substance of the individual's criminal history record information to prospective employers or other individuals if they believe that such representation may be helpful in obtaining employment or rehabilitation for the individual.

METHOD OF ACCESS TO CRIMINAL JUSTICE INFORMATION

SEC. 206. (a) Except as provided in section 203(d) or in subsection (b) of this section, a criminal justice agency may disseminate arrest record information or criminal history record information only if the inquiry is based upon identification of the individual to whom the information relates by means of name and other personal identification information. After the arrest of an individual, such information concerning him shall be available only on the basis of positive identification of him by means of fingerprints or other equally reliable identification record information.

(b) Notwithstanding the provisions of subsection (a), a criminal justice agency may disseminate arrest record information and criminal history record information for criminal justice purposes where inquiries are based upon categories of offense or data elements other than personal identification information if the criminal justice agency has adopted procedures reasonably designed to insure that such information is used only for the purpose of developing investigative leads for a particular criminal offense and that the individuals to whom such information is disseminated have a need to know and a right to know such information.

SECURITY, ACCURACY, AND UPDATING OF CRIMINAL JUSTICE INFORMATION

SEC. 207. (a) Each criminal justice agency shall adopt procedures reasonably designed at a minimum—

(1) to insure the physical security of criminal justice information, to prevent the unauthorized disclosure of the information and to insure that the criminal justice information is currently and accurately revised to include subsequently received information and that all agencies to which such information is disseminated or from which it is collected are currently and accurately informed of any correction, deletion, or revision of the information;

(2) to insure that criminal justice agency personnel responsible for making or recording decisions relating to dispositions shall as soon as feasible report such dispositions to an appropriate agency or individual for inclusion with arrest record information to which such dispositions relate;

(3) to insure that records are maintained and kept current for at least three years with regard to—

(A) requests from any other agency or person for crimial justice information, the identity and authority of the requestor, the nature of the information provided, the nature, purpose and disposition of the request, and pertinent dates; and

(B) the source of arrest record information and criminal history information; and

(4) to insure that criminal justice information may not be submitted, modified, updated, or removed from any criminal justice agency record or file without verification of the identity of the individual to whom the information refers and an indication of the person or agency submitting, modifying, updating, or removing the information.

(b) If the Commission on Criminal Justice Information finds that full implementation of this section is infeasible because of cost or other factors it may exempt the provisions of this section from application to information maintained prior to the effective date of this Act.

SEALING AND PURGING OF CRIMINAL JUSTICE INFORMATION

SEC. 208 (a) Each criminal justice agency shall adopt procedures providing at a minimum—

(1) for the prompt sealing or purging of criminal justice information when required by State or Federal statute, regulation, or court order;

(2) for the prompt sealing or purging of criminal justice information relating to an offense by an individual who has been free from the jurisdiction or supervision of any criminal justice agency for a period of seven years, if the individual has previously been convicted and such offense is not specifically exempted from sealing by a Federal or State statute;

(3) for the sealing or purging of arrest record information after a period of two years following an arrest, detention, or formal charge, whichever comes first, if no conviction of the individual occurred during that period, no prosecution is pending at the end of the period, and the individual is not a fugitive; and

(4) for the prompt purging of criminal history record information in any case in which a law enforcement agency has elected not to refer the case to the prosecutor or in which the prosecutor has elected not to file information, seek an indictment or other formal criminal charge.

(b) Criminal justice information sealed pursuant to this section may be made available.

(1) in connection with research pursuant to subsection 203(d);

(2) in connection with a review by the individual or his attorney pursuant to section 209;

(3) in connection with an audit conducted pursuant to section 304 or 310;

(4) where a conviction record has been sealed and an indictment, information or other formal criminal charge is subsequently filed against the individual; or

(5) where a criminal justice agency has obtained an access warrant from a State judge of competent jurisdiction if the information sought is in the possession of a State or local agency, or from a Federal judge of competent jurisdiction if the information sought is in the possession of a Federal agency. Such warrants may be issued as a matter of discretion by the judge in cases in which probable cause has been shown that (A) such access is imperative for purposes of the criminal justice agency's responsibilities in the administration of criminal justice, and (B) the information sought is not reasonably available from any other source or through any other method.

(c) Access to any index of sealed criminal justice information shall be permitted only to the extent necessary to implement subsection (b). Any index of sealed criminal justice information shall consist only of personal identification information and the location of the sealed information.

ACCESS BY INDIVIDUALS TO CRIMINAL JUSTICE INFORMATION

INFORMATION FOR PURPOSES OF CHALLENGE

SEC. 209. (a) Any individual shall, upon satisfactory verification of his identity and compliance with applicable rules or regulations, be entitled to review any arrest record information or criminal history record information concerning him maintained by any criminal justice agency and to obtain a copy of it if needed for the purpose of challenging its accuracy or completeness or the legality of its maintenance.

(b) Each criminal justice agency shall adopt and publish rules or regulations to implement this section.

(c) The final action of a criminal justice agency on a request to review and challenge criminal justice information in its possession as provided by this section, or a failure to act expeditiously on such a request, shall be reviewable pursuant to a civil action under section 303.

(d) No individual who, in accord with this section, obtains information regarding himself may be required or requested to show or transfer records of that information to any other person or any other public or private agency or organization.

CRIMINAL JUSTICE INTELLIGENCE INFORMATION

SEC. 210. (a) Criminal justice intelligence information may be maintained by a criminal justice agency only for official criminal justice purposes. It shall be maintained in a physically secure environment and shall be kept separate from criminal justice information.

(b) Criminal justice intelligence information regarding an individual may be maintained only if grounds exist connecting such individual with known or suspected criminal activity and if the information is pertinent to such criminal activity. Criminal justice intelligence information shall be reviewed at regular intervals, but at a minimum whenever dissemination of such information is requested, to determine whether such grounds continue to exist, and if grounds do not exist such information shall be purged.

(c) Within the criminal justice agency maintaining the information, access to criminal justice intelligence information shall be limited to those officers or employees who have both a need to know and a right to know such information.

(d) Criminal justice intelligence information may be disseminated from the criminal justice agency which collected such information only to a Federal agency authorized to receive the information pursuant to section 204 or to a criminal justice agency which needs the information to confirm the reliability of information already in its possession or for investigative purposes if the agency is able to point to specific and articulable facts which taken together with rational inferences from those facts warrant the conclusion that the individual has committed or is about to commit a criminal act and that the information may be relevant to the act.

(e) When access to criminal justice information is permitted under subsection (c) or when such information is disseminated pursuant to subsection (d) a record shall be kept of the identity of the person having access or the agency to which information was disseminated, the date of access or dissemination, and the purpose for which access was sought or information disseminated. Such records shall be retained for at least three years.

(f) Direct remote terminal access to criminal justice intelligence information shall not be permitted. Remote terminal access shall be permitted to personal identification information sufficient to provide an index of subjects of criminal justice intelligence information and the names and locations of criminal justice agencies possessing criminal justice intelligence information concerning such subjects and automatically referring the requesting agency to the agency maintaining more complete information.

(g) An assessment of criminal justice intelligence information may be provided to any individual when necessary to avoid imminent danger to life or property.

CRIMINAL JUSTICE INVESTIGATIVE INFORMATION

SEC. 211. (a) Criminal justice investigative information may be maintained by a criminal justice agency only for official law enforcement purposes. It shall be maintained in a physically secure environment and shall be kept separate from criminal justice information. It shall not be maintained beyond the expiration of the statute of limitations for the offense concerning which it was collected or the sealing or purging of the criminal justice information related to such offense, whichever occurs later.

(b) Criminal justice investigative information may be disclosed pursuant to subsection 552(b)(7) of title 5 of the United

States Code or any similar State statute, or pursuant to any Federal or State statute, court rule, or court order permitting access to such information in the course of court proceedings to which such information relates.

(c) Except when such information is available pursuant to subsection (b), direct access to it shall be limited to those officers or employees of the criminal justice agency which maintains the information who have a need to know and a right to know such information and it shall be disseminated only to other governmental officers or employees who have a need to know and a right to know such information in connection with their civil or criminal law enforcement responsibilities. Records shall be kept of the identity of persons having access to criminal justice investigative information or to whom such information is disseminated, the date or access or dissemination, and the purpose for which access is sought or files disseminated Such records shall be retained for at least three years.

(d) Criminal justice investigative information may be made available to officers and employees of government agencies for the purposes set forth in section 204.

TITLE III—ADMINISTRATIVE PROVISIONS; REGULATIONS, CIVIL REMEDIES; CRIMINAL PENALTIES

COMMISSION ON CRIMINAL JUSTICE INFORMATION

SEC. 301. CREATION AND MEMBERSHIP.—

(a) There is hereby created a Commission on Criminal Justice Information (hereinafter the "Commission") which shall have overall responsibility for the administration and enforcement of this Act. The Commission shall be composed of thirteen members. One of the members shall be the Attorney General and two of the members shall be designated by the President as representatives of other Federal agencies outside of the Department of Justice. One of the members shall be designated by the President on the recommendation of the Judicial Conference of the United States. The nine remaining members shall be appointed by the President with the advice and consent of the Senate. Of the nine members appointed by the President, seven shall be officials of criminal justice agencies from seven different States at the time of their nomination, representing to the extent possible all segments of the criminal justice system. The two remaining Presidential appointees shall be private citizens well versed in the law of privacy, constitutional law, and information systems technology, and shall not have been employed by any criminal justice agency within the five years preceding their appointments. Not more than seven members of the Commission shall be of the same political party.

(b) The President shall designate one of the seven criminal justice agency officials as Chairman and such designation shall also be confirmed by the advice and consent of the Senate. The Commission shall elect a Vice Chairman who shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office.

(c) The designated members of the Commission shall serve at the will of the President. The Attorney General and the appointed members shall serve for terms of five years. Any vacancy shall not affect the powers of the Commission and shall be filled in the same manner in which the original appointment or designation was made.

(d) Seven members of the Commission shall constitute a quorum for the transaction of business.

SEC. 302. COMPENSATION OF MEMBERS.—

(a) Each member of the Commission who is not otherwise in the service of the Government of the United States shall receive a sum equivalent to the compensation paid at level IV of the Federal Executive Salary Schedule, pursuant to section 5315 of title 5, prorated on a daily basis for each day spent in the work of the Commission, and shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from his usual place of residence, in accordance with section 5 of the Administrative Expenses Act of 1946, as amended.

(b) Each member of the Commission who is otherwise in the service of the Government of the United States shall serve without compensation in addition to that received for such other service, but while engaged in the work of the Commission shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from his usual place of residence, in accordance with the provisions of the Travel Expenses Act of 1949, as amended.

(c) Members of the Commission shall be considered "special Government employees" within the meaning of section 202(a) of title 18.

SEC. 303. DURATION OF COMMISSION.—The Commission shall exercise its powers and duties for a period of five years following the first appropriation of funds for its activities and the appointment and qualification of a majority of the members. It shall make a final report to the President and to the Congress on its activities as soon as possible after the expiration of the five year period and shall cease to exist thirty days after the date on which its final report is submitted.

SEC. 304. POWERS AND DUTIES.—

(a) For the purpose of carrying out its responsibilities under the Act, the Commission shall have authority—

(1) after consultation with representatives of criminal justice agencies subject to the Act, and after notice and hearings in accordance with the Administrative Procedures Act, to issue such regulations, interpretations and procedures as it may deem necessary to effectuate the provisions of this Act, including regulations limiting the extent to which a Federal criminal justice agency may perform telecommunications or criminal identification functions for state or local criminal justice agencies or include in its information storage facilities criminal justice information or personal identification information relative to violations of the laws of any state.

(2) to conduct hearings in accordance with section 305;

(3) to bring civil actions for declaratory judgments, cease-and-desist orders and such other injunctive relief as may be appropriate against any agency or individual for violations of the Act or of its rules, regulations, interpretations or procedures;

(4) to make studies and gather data concerning the collection, maintenance, use and dissemination of any information subject to the Act and compliance of criminal justice agencies and other agencies and individuals with the provisions of the Act;

(5) to require from each criminal justice agency information necessary to compile a directory of criminal justice information systems subject to the Act and publish annually a directory identifying all such systems and the nature, purpose and scope of each;

(6) to conduct such audits and investigations as it may deem necessary to ensure enforcement of the Act; and

(7) to delay the effective date of any provision of this Act for up to one year, provided that such delay is necessary to prevent serious adverse effects on the administration of justice.

(b) The Commission shall report annually to the President and to the Congress with respect to compliance with the Act and concerning such recommendations as it may have for further legislation. It may submit to the President and Congress and to the chief executive of any State such interim reports and recommendations as it deems necessary.

SEC. 305. HEARINGS AND WITNESSES.—

(a) The Commission, or, on authorization of the Commission, any three or more members, may hold such hearings and act at such times and places as necessary to carry out the provisions of this Act. Hearings shall be public except to the extent that the hearings or portions thereof are closed by the Commission in order to protect the privacy of individuals or the security of information protected by this Act.

(b) Each member of the Commission shall have the power and authority to administer oaths or take statements from witnesses under affirmation.

(c) A witness attending any session of the Commission shall be paid the same fees and mileage paid witnesses in the courts of the United States. Mileage payments shall be tendered to the witness upon service of a subpena issued on behalf of the Commission or any subcommittee thereof.

(d) Subpenas for the attendance and testimony of witnesses or the production of written or other matter, required by the Commission for the performance of its duties under this Act, may be issued in accordance with rules or procedures established by the Commission and may be served by any person designated by the Commission.

(e) In case of contumacy or refusal to obey a subpena any district court of the United States or the United States court of any territory or possession, within the jurisdiction of which the person subpenaed resides or is domiciled or transacts business, or has appointed an agent for the receipt of service or process, upon application of the Commission, shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee thereof, there to produce pertinent, relevant, and nonprivileged evidence if so ordered, or there to give testimony touching the matter under investigation; and any failure to obey such order of the court may be punished as contempt.

(f) Nothing in this Act prohibits a criminal justice agency from furnishing the Commission information required by it in the performance of its duties under this Act.

SEC. 306. DIRECTOR AND STAFF.—There shall be a full-time staff director for the Commission who shall be appointed by the President by and with the advice and consent of the Senate and who shall receive compensation at the rate provided for level V of the Federal Executive Salary Schedule, pursuant to section 5316 of title 5. The President shall consult with the Commission before submitting the nomination of any person for appointment as staff director. Within the limitation of appropriations and in accordance with the civil service and classification laws, the Commission may appoint such other personnel as it deems advisable: *Provided, however,* that the number of professional personnel shall at no time exceed fifty. The Commission may procure services as authorized by section 3109 of title 5, but at rates for individuals not in excess of the daily equivalent paid for positions at the maximum rate for GS–18 of the General Schedule under section 5332 of title 5.

STATE INFORMATION SYSTEMS REGULATIONS

SEC. 307. (a) The Commission shall encourage each of the States to create or designate an agency to exercise statewide authority and responsibility for the enforcement within the State of the provisions of the Act and any related State statutes, and to issue rules, regulations, and procedures, not inconsistent with this Act or regulations issued pursuant to it, regulating the maintenance, use, and dissemination of criminal justice information within the State.

(b) Where such agencies are created or designated, the Commission shall rely upon such agencies to the maximum extent possible for the enforcement of the Act within their respective States.

(c) Where any provision of this Act requires any criminal justice agency to establish procedures or issue rules or regulations, it shall be sufficient for such agencies to adopt or certify compliance with appropriate rules, regulations, or procedures issued by any agency created or designated pursuant to subsection (a) of this section or by any other agency within the State authorized to issue rules, regulations, or procedures of general application, provided such rules, regulations, or procedures are in compliance with the Act.

CIVIL REMEDIES

SEC. 308. (a) Any person aggrieved by a violation of this Act or regulations promulgated thereunder shall have a civil action for damages or any other appropriate remedy against any person or agency responsible for such violation. An action alleging a violation of section 209 shall be available only after any administrative remedies established pursuant to that section have been exhausted.

(b) The Commission on Criminal Justice Information System shall have a civil action for declaratory judgments, cease and desist orders, and such other injunctive relief as may be appropriate against any criminal justice agency in order to enforce the provisions of the Act.

(c) If a defendant in an action brought under this section is an officer or employee or agency of the United States the action shall be brought in an appropriate United States district court. If the defendant or defendants in an action brought under this section are private persons or officers or employees or agencies of a State or local government, the action may be brought in an appropriate United States district court or in any other court of competent jurisdiction. The district courts of the United States shall have jurisdiction over actions described in this section without regard to the amount in controversy.

(d) In any action brought pursuant to this Act, the court may in its discretion issue an order enjoining maintenance or dissemination of information in violation of this Act or correcting records of such information or may order any other appropriate remedy, except that in an action brought pursuant to subsection (b) the court may order only declaratory or injunctive relief.

(e) In an action brought pursuant to subsection (a) any person aggrieved by a violation of this Act shall be entitled to actual and general damages but not less than liquidated damages of $100 for each violation and reasonable attorneys' fees and other litigation costs reasonably incurred. Exemplary and punitive damages may be granted by the court in appropriate cases brought pursuant to subsection (a). Any person or agency responsible for violations of this Act shall be jointly and severally liable to the person aggrieved for damages granted pursuant to this subsection: *Provided, however,* that good faith reliance by an agency or an official or employee of such agency upon the assurance of another agency or employee that information provided the former agency or employee is maintained or disseminated in compliance with the provisions of this Act or any regulations issued thereunder shall constitute a complete defense for the former agency or employee to a civil damage action brought under this section but shall not constitute a defense with respect to equitable relief.

(f) For the purposes of this Act the United States shall be deemed to have consented to suit and any agency of the United States found responsible for a violation shall be liable for damages, reasonable attorneys' fees, and litigation costs as provided in subsection (e) notwithstanding any provisions of the Federal Tort Claims Act.

(g) A determination by a court of a violation of internal operating procedures adopted pursuant to this Act should not be a basis for excluding evidence in a criminal case unless the violation is of constitutional dimension or is otherwise so serious as to call for the exercise of the supervisory authority of the court.

CRIMINAL PENALTIES

SEC. 309. Any government employee who willfully disseminates, maintains, or uses information knowing such dissemination, maintenance, or use to be in violation of this Act shall be fined not more than $10,000.

AUDIT AND ACCESS TO RECORDS BY THE GENERAL ACCOUNTING OFFICE

SEC. 310. (a) The Comptroller General of the United States shall from time to time, at his own initiative or at the request of either House or any committee of the House of Representatives or the Senate or any joint committee of the two Houses, conduct audits and reviews of the activities of the Commission on Criminal Justice Information under this Act. For such purpose, the Comptroller General, or any of his duly authorized representatives, shall have access to and the right to examine all books, accounts, records, reports, files, and all other papers, things, and property of the Commission or any Federal or State agencies audited by the Commission pursuant to section 304(a)(6) of this Act, which, in the opinion of the Comptroller General, may be related or pertinent to his audits and reviews of the activities of the Commission. In the case of agencies audited by the Commission, the Comptroller General's right of access shall apply during the period of audit by the Commission and for three years thereafter.

(b) Notwithstanding any other provision of this Act, the Comptroller General's right of access to books, accounts, records, reports, and files pursuant to and for the purposes specified in subsection (a) shall include any information covered by this Act. However, no official or employee of the General Accounting Office shall disclose to any person or source outside of the General Accounting Office any such information in a manner or form which identifies directly or indirectly any individual who is the subject of such information.

PRECEDENCE OF STATE LAWS

SEC. 311. Any State law or regulation which places greater restrictions upon the maintenance, use, or dissemination of criminal justice information, criminal justice intelligence information, or criminal justice investigative information or which affords to any individuals, whether juveniles or adults, rights of privacy or other protections greater than those set forth in this Act shall take precedence over this Act or regulations issued pursuant to this Act with respect to any maintenance, use, or dissemination of information within that State.

APPROPRIATIONS AUTHORIZED

SEC. 312. For the purpose of carrying out provisions of this Act, there are authorized to be appropriated such sums as the Congress deems necessary.

SEVERABILITY

SEC. 313. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

REPEALERS

SEC. 314. The following provisions of law are hereby repealed:

(a) The second paragraph under the headings entitled "Federal Bureau of Investigation; Salaries and Expenses" contained in the Department of Justice Appropriations Act, 1973; and

(b) Any of the provisions of the Privacy Act of 1974, Public Law 93-579, 88 Stat. 1896, applicable to information covered by this Act.

EFFECTIVE DATE

SEC. 315. The provisions of sections 301 through 307 and of sections 310 and 312 of this Act shall take effect upon the date of enactment and members, officers, and employees of the Commission on Criminal Justice Information may be appointed and take office at any time after that date. Provisions of the remainder of the Act shall take effect one year after the date of enactment: *Provided, however,* That the Commission may, in accordance with section 304(b), delay the effective date of any provision for up to one additional year.

By Mr. JACKSON (by request):

S. 2010. A bill providing for the improvement of law enforcement and the determination of civil and criminal jurisdiction and law in Indian country, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, at the request of the National Congress of American Indians, I introduce, for appropriate reference, a bill providing for the improvement of law enforcement and the determination of civil and criminal jurisdiction and law in Indian country, and for other purposes.

The purpose of the bill I introduce today is to enable certain Indian tribes to reacquire jurisdiction which was assumed by States pursuant to Public Law 280. That public law was adopted by the 83d Congress and signed into law on August 15, 1953. It was adopted during a period in which the expressed Federal policy toward Indians sought to terminate Federal responsibility for, and special relationships with, Indian tribes. The avowed purpose of Public Law 280 was to give all of the States the option of assuming civil and criminal jurisdiction over Indan reservations within their borders. Prior to that time, State jurisdiction over Indian reservations was limited to that conferred by special acts of Congress or judicially recognized because of the involvement of non-Indians. Jurisdiction over civil and criminal matters between Indians on their reservations rested with either the tribal governments or the Federal Government.

As adopted in 1953, the statute subjected, with three exceptions, the Indian tribes in five specified States to the civil and criminal jurisdiction of those States, and gave the consent of the United States to the assumption of such jurisdiction by all other States. The right to initiate the assumption of such jurisdiction was given entirely to the States. Despite the objections of several Indian representatives, no requirement that the consent of the Indian tribes affected be obtained was included. A 1968 amendment to Public Law 280 gave Indian tribes the consent privilege over prospective acquisition of civil and criminal jurisdiction by the States.

Mr. President, I am introducing the measures at the request of the National Congress of American Indians. My introduction of the bill neither reflects my support nor opposition to its various provisions. The bill represents the official position of the National Congress of American Indians with respect to Public Law 280 and the public policy issues emanating from that public law. As the attached letter from the president of the national congress indicates, they have requested that I introduce their bill so that it might be considered along with other pending measures that will be the subject of hearings before the Subcommittee on Indian Affairs in the near future.

Several of the Indian tribes in my home State of Washington are constituent members of the National Congress of American Indians and as an accommodation to those tribal groups, as well as the national congress in general, I am introducing the proposed legislation as a service to the organization.

In conclusion, I want to reiterate my belief that the position of the National Congress of American Indians with respect to Public Law 280 deserves consideration along with other pending proposals to be considered at the forthcoming subcommittee hearing.

I ask unanimous consent that the bill, together with the national congress letter to me, be printed in the Record.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 2010

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Indian Law Enforcement Improvement Act of 1975."

TITLE I—DETERMINATION OF CIVIL AND CRIMINAL JURISDICTION AND LAW

Sec. 101—The Congress, after careful review of the Federal Government's historical and special legal relationship with the American Indian people, finds that:

(a) The Federal Government has heretofore recognized the sovereignty of Indian tribes through treaties, agreements, and executive orders and statutes;

(b) Congress has heretofore declared it to be the policy of the United States to guarantee self-determination to American Indians and to preserve the Federal Government's relationship with and responsibility to Indian tribes;

(c) The lack of a consistent Congressional Indian policy in the past has resulted in the unclear jurisdictional status of Indian country with varying patterns of jurisdictional checkerboarding, overlapping and inconsistencies which show little or no promise of clear and workable judicial determination;

(d) It has not been finally judicially determined whether the application of tribal, state, and federal civil and criminal jurisdiction and law in Indian country is exclusive or concurrent;

(e) Jurisdictional problems of increasing severity and magnitude in Indian country have demonstrated that subjecting Indians and Indian country to state or federal civil and criminal jurisdiction and law without regard to the unique cultural, political, geographic and social factors of each Indian tribe and reservation is unjust and unworkable;

(f) The Indian tribes will never surrender their right to determine civil and criminal jurisdiction and law within the Indian country;

(g) True self-determination of Indian tribes and the solution of jurisdictional problems in Indian country require that Indian tribes design their own legal and judicial systems and determine how the exercise of civil and criminal jurisdiction and law in Indian country be shared by tribal, state and federal governments and whether such jurisdiction and law be exclusive or concurrent; Indian tribal government and sovereignty must therefore be nurtured and strengthened by comprehensive federal assistance in the improvement of law enforcement in Indian country.

Sec. 102(a)—As used in this Act, the term "Indian country" includes:

(1) all land within the exterior boundaries of any federally recognized Indian reservation, notwithstanding the issuance of any trust or fee patent, and including any right-of-way running through the reservation;

(2) all dependent Indian communities within the borders of the United States, whether within the original or subsequently acquired territory thereof, and whether within or without the limits of a State;

(3) all trust or restricted Indian allotments or lands including any rights-of-way running through them; and

(4) all trust or restricted land outside the limits of any Indian reservation held by the United States for any Indian tribe, band, community, group, or pueblo.

(b) As used in this Act, the term "tribe" shall, where appropriate, mean federally recognized Indian tribe, band, community, group, or pueblo.

Sec. 103(a)—In any case in which, pursuant to the provisions of sections 2, 4, 6, or 7 of the Act of August 15, 1953, 67 Stat. 588, the Act of February 8, 1887, 24 Stat. 390, the Act of May 27, 1902, 32 Stat. 245, the Act of May 31, 1902, 32 Stat. 284, the Act of May 8, 1906, 34 Stat. 182, the Act of May 6, 1910, 36 Stat. 348, the Act of December 30, 1916, 39 Stat. 865, the Act of June 14, 1918, 40 Stat. 606, the Act of April 28, 1924, 43 Stat. 111, the Act of June 26, 1936, 49 Stat. 1967, the Act of August 25, 1937, 50 Stat. 806, the Act of June 25, 1948, 62 Stat. 827, the Act of July 2, 1948, 62 Stat. 1224, the Act of September 13, 1950, 64 Stat. 845, the Act of August 27, 1954, 68 Stat. 868, the Act of June 18, 1956, 70 Stat. 290, the Act of August 8, 1958, 72 Stat. 545, the Act of April 11, 1968, 82 Stat. 73, or the Act of November 25, 1970, 84 Stat. 1358, or court decisions, any area of Indian country or person therein is subject to State civil or criminal jurisdiction or law, the Indian tribe affected is authorized to adopt resolutions indicating its desire (1) to have the United States reacquire all or any measure of such civil or criminal jurisdiction and to have all or any measure of the corresponding civil or criminal law of the State no longer applicable, and (2) to determine whether tribal, civil, or criminal jurisdiction or law shall be concurrent with all or any measure of Federal or State civil or criminal jurisdiction or law.

(b) Any such resolution shall be adopted by the tribal council or other governing body of such tribe, or shall be adopted by the initiative or referendum procedure contained in the tribal constitution and bylaws: *Provided, however*, That if the tribal constitution and bylaws contain no initiative or referendum procedure, the resolution may be adopted by majority vote of the eligible voters who are enrolled members of the tribe residing on its reservation in a referendum election upon a petition signed by at least 25 percent of the eligible voters of the tribe who are enrolled members residing on its reservation.

(c) Ninety days following receipt by the Secretary of the Interior of any such resolution adopted in accordance with the provisions of this Act, the resolution shall be effective unless the Secretary of the Interior has within that period formally disapproved the resolution for the reason that (1) the tribe has no applicable existing or proposed law and order code, or (2) the tribe has no plan for fulfilling its responsibilities under the jurisdiction sought to be reacquired or determined.

(d) Whenever the resolution shall become effective, (1) the United States shall reacquire, in accordance with the provisions of the resolution, all or any measure of such civil or criminal jurisdiction in such area of Indian country or parts thereof occupied by the tribe, and all or any measure of the corresponding civil or criminal law of the State shall no longer be applicable therein, and (2) tribal civil or criminal jurisdiction or law shall, in accordance with the provisions of the resolution, be concurrent with all or any measure of Federal or State civil or criminal jurisdiction or law.

(e) Upon disapproval by the Secretary of any such resolution, the Secretary shall immediately assist the tribe under title II hereof in preparation of a law and order code or plan, and when such inadequacies are alleviated, the Secretary shall approve the resolution. In the event of disapproval by the Secretary of any such resolution, the tribe affected may appeal the disapproval to the Federal Court for the District of Columbia in which original jurisdiction for any such appeal is hereby vested, and the Secretary shall have the burden of sustaining his findings upon which the resolution was disapproved.

Sec. 104.—No action or proceeding pending before any court or agency of any State immediately prior to the reacquisition or determination of jurisdiction pursuant to this Act shall abate by reason thereof. For purposes of any such action or proceeding, such reacquisition or determination of jurisdiction shall take effect on the day following the date of final determination of such action or proceeding.

Sec. 105—Section 6 of the Act of August 15, 1953 (67 Stat. 588) is hereby repealed, but such repeal shall not affect any cession of jurisdiction validly made pursuant to such section prior to its repeal.

TITLE II—IMPROVEMENT OF LAW ENFORCEMENT ON INDIAN RESERVATIONS

Sec. 201 (a) The Secretary of the Interior is authorized and directed to establish and implement programs to improve law enforcement and the administration of justice within Indian reservations and Indian country.

(b) In implementing such programs the Secretary is authorized to make grants to, and contracts with, Indian tribes, to implement programs and projects to—

(1) determine the feasibility of Federal reacquisitions of jurisdiction and determination of jurisdiction over such Indian country or parts thereof occupied by such tribes, including preparation of law and order codes, substantive laws, codes of civil and criminal procedure, and establishment of plans for fulfilling tribal responsibilities under the jurisdiction sought to be reacquired or determined;

(2) establishing and strengthening police forces of the tribes, including recruitment, training, compensation, fringe benefits, and the acquisition and maintenance of police equipment;

(3) establishing and improving tribal courts in order to assure speedy and just trials for offenders, and appointment, training and compensation of qualified judges, and the appointment, training and compensation of qualified Indian prosecution officers, and the establishment of competent legal defender programs;

(4) the establishment and maintenance of correctional facilities and the establishment and strengthening of correctional personnel departments, including recruitment, training, compensation, and fringe benefits.

June 18, 1975.

Hon. Henry M. Jackson,
Chairman, Interior and Insular Affairs Committee, U.S. Senate, Dirksen Office Building, Washington, D.C.

Dear Mr. Chairman: Please accept a belated note of congratulations on your being selected as one of the recipients of our award at this year's fund-raising banquet.

Your work on behalf of legislation for the benefit of American Indians is greatly appreciated, and I extend that sentiment to you on behalf of NCAI and its membership across Indian Country.

I would also like to apprise you of the extent to which we have involved ourselves with the problems of P.L. 83-280. The tribes have gone through considerable expense and time to attend a series of national conferences to arrive at a measure of consensus concerning 280 and the proposed Abourezk bill. We, in no way, wish to undermine his efforts, but we would respectfully request that your office introduce an alternate bill (attached) written by NCAI, which we feel best incorporates the tribal feelings on the jurisdiction question.

I realize only too well the time contraints. However, your help in introducing the bill in time to provide additional focus for the tribes' consideration at the hearings set for the 23rd and 24th of this month, would be greatly appreciated.

Sincerely,

Mel Tonasket,
President, NCAI.

By Mr. SCHWEIKER (for himself and Mr. Javits) (by request):

S. 2011. A bill to extend appropriations authorizations for emergency medical services systems, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. SCHWEIKER. Mr. President, at the request of the administration, I introduce, with my colleague from New York (Mr. Javits), S. 2011, a bill to extend appropriations authorizations for emergency medical services systems, and for other purposes. This bill would extend to the end of fiscal year 1978 the appropriations authorizations for emergency medical services systems—EMSS—now due to expire at the end of fiscal year 1976.

Mr. President, I ask unanimous consent that the letter of transmittal of the proposed legislation and the text of the bill be printed in the Record.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 2011

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

Section 1. Section 1203(c)(3) of the Public Health Service Act is amended—

(1) by striking out "for" each time it occurs and inserting instead "in", and

(2) by striking out "June 30, 1976" and inserting instead "September 30, 1978".

Sec. 2. Section 1206(e) of the Act is amended—

(1) by striking out "authorized by this title" and inserting instead "authorized by section 1202, 1203, or 1204", and

(2) in clause (1), by striking out "1207" and inserting instead "1207(a)".

Sec. 3. Section 1207(a) of the Act is amended—

(1) in paragraph (1), by—

(A) striking out "and" after "June 30, 1974",

(B) inserting ", and $22,600,000 for the fiscal year ending June 30, 1976" after "June 30, 1975", and

(C) striking out everything after "under sections 1203 and 1204" and inserting instead "there are authorized to be appropriated $22,600,000 for the fiscal year ending September 30, 1977, and the same amount for the succeeding fiscal year.", and

(2) by striking out paragraphs (3) and (4).

May 15, 1975.

Hon. Nelson A. Rockefeller,
President of the Senate
Washington, D.C.

Dear Mr. President: Enclosed for the consideration of the Congress is a draft bill "To extend appropriations authorizations for emergency medical services systems, and for other purposes."

The draft bill would extend to the end of fiscal year 1978 appropriations authorizations for emergency medical services systems (EMSS), now due to expire at the end of fiscal year 1976. Specifically, the proposal would (1) revise the appropriation authorization for FY 1976 to provide, consistent with the 1976 Budget, an appropriation authorization of $22.6 million for grants and contracts for studying the feasibility of, planning for, establishing, initially operating, expanding, and improving EMSS; (2) authorize to be appropriated for FY 1977 and FY 1978 $22.6 million for grants and contracts for establishing, initially operating, expanding, and improving EMSS; and (3) repeal the required percentage allotments of funds among the various purposes. The research appropriations authorization expiring at the end of FY 1976 would not be extended, as this authorization duplicates existing general research authorities.

We urge the prompt and favorable consideration of this legislation.

We are advised by the Office of Management and Budget that enactment of this proposal would be in accord with the program of the President.

Sincerely,

Caspar W. Weinberger,
Secretary.

By Mr. SCHWEIKER (for himself and Mr. Javits) (by request):

S. 2012. A bill to amend the Public Health Service Act and the National Research Service Award Act of 1974 to strengthen and improve the program of National Research Service Awards, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. SCHWEIKER. Mr. President, at the request of the administration, I introduce, with my colleague from New York (Mr. Javits), S. 2012, the National Research Service Award Amendments of 1975. This bill would amend the Public Health Service Act and the National Research Service Award Act of 1974.

Mr. President, I ask unanimous consent that the letter of transmittal of the proposed legislation and the text of the bill be printed in the Record.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 2012

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Research Service Award Amendments of 1975".

Sec. 2. Authorizing NRS Awards for Research at Federal Hospitals and Other Federal Facilities.—Sections 472(a)(1)(A)(iii) and 472(a)(1)(B) of the Public Health Service Act are each amended by striking out "non-Federal".

Sec. 3. Determination of Subject Areas of Shortage; Allocation of Awards in Accordance With Determination.—(a) Subject Areas.—The Public Health Service Act is further amended by adding after section 473 a new section 474 to read as follows:

"Sec. 474. After considering the recommendations made under section 473(a) in so far as pertinent, the Secretary shall annually determine, and promulgate by September 1 of each year for the 12-month period ending June 30 of that year, those subject areas or aspects of subject areas (1) for which there are, during that period, or for which within the five calendar years following that year there are likely to be, significantly inadequate numbers of individuals who possess the qualifications or proficiency determined by the Secretary to be necessary to perform any aspect of biomedical or behavioral research and (2) with respect to which subject areas or aspects of subject areas, the capacity to train individuals to perform that research, or to perform it with the necessary proficiency, is insufficient materially to remedy that inadequacy and will not become materially sufficient without Federal support. The Secretary shall include, as part of his promulgation, a description of the methodology used to determine those subject areas or aspects of subject areas."

(b) Allocation. Section 472 (a)(3) of the Act is amended to read as follows:

"(3) Effective July 1, 1976, with respect to National Research Service Awards under section 472(a)(1)(A)(iv), the Award shall be given only for research or research training in those subject areas or aspects of subject areas for which there is a need for personnel as determined under section 474."

Sec. 4. Liberalization of Payback Formula. The last paragraph of subsection (c) of section 472 of the Act is redesignated as paragraph (5), and paragraph (4)(a) of that subsection (as so amended) is amended by striking out

$$``A=\varphi(\frac{t-\frac{1}{2}s}{t})"$$

and inserting in lieu thereof

$$``A=\varphi(\frac{t-\frac{3}{4}s}{t})".$$

Sec. 5. Extension of Authorization. Section 472(d) of the Act is amended by inserting ", and $136 million for each of the next three fiscal years" after "1975".

Sec. 6. Personnel Studies. (a) Section 473(a) of the Act is amended to read as follows:

"Sec. 473. (a) In order to provide guidance and information on which to base Federal policies relating to the training of biomedical or behavioral research personnel, the Secretary shall, in accordance with subsection (b), arrange for the conduct of a study to—

"(1) estimate (A) the Nation's overall need for biomedical and behavioral research personnel, (B) the subject areas in which such personnel are needed and the number of such personnel needed in each such area, and (C) the kinds and extent of training which should be provided such personnel;

"(2) assess (A) current training programs available for the training of biomedical and behavioral research personnel which are conducted under this Act at or through institutes under the National Institues of Health and the Alcohol, Drug Abuse, and Mental Health Administration, and (B) other current training programs available for the training of such personnel;

"(3) identify the kinds of research positions available to and held by individuals completing such programs;

"(4) determine, to the extent feasible, whether the programs referred to in clause (B) of paragraph (2), or alternative programs that could be developed, would be adequate to meet the needs established under paragraph (1) if the programs referred to in clause (A) of paragraph (2) were terminated;

"(5) recommend what modifications in the programs referred to in paragraph (2) are required to meet the needs estimated under paragraph (1);

"(6) recommend those subject areas for which there are or are likely within 5 years to be significantly inadequate numbers of qualified research personnel and in which current training capacity is inadequate and will not develop without Federal support; and

"(7) provide a detailed description of the methodology by which the subject areas provided in paragraph (6) were recommended."

(b) Section 473(c) of the Act is amended (1) by inserting "preliminary" before "results" and (2) by striking out "March 31 of each year" and inserting "August 15, 1975" in lieu thereof.

(c)(1) Section 473 of the Act is further amended by adding at the end a new subsection (d) to read as follows:

"(d) A report of the final results of such study shall be submitted to the Secretary not later than March 31, 1977. The Secretary shall submit such study with his comments to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate not later than June 30, 1977."

(2) Section 473(b)(2) of the Act is amended by adding "and subsection (d)" after "subsection (c)".

(3) Section 473(c) of the Act is amended by striking out "March 31 of each year" and inserting "August 15, 1975" in lieu thereof.

SEC. 7. STATEMENT OF PURPOSE.—(a) Section 102(a) of the National Research Service Award Act of 1974 is amended (1) by inserting "and" at the end of paragraph (1), (2) by striking out "and necessary" in paragraph (2), (3) by striking out "; and" at the end of paragraph (2) and inserting a period in lieu thereof, and (4) by striking out paragraph (3).

(b) Section 102(b) of that Act is amended by striking out "increase" and inserting "ensure" in lieu thereof.

SEC. 8. EFFECTIVE DATE.—This Act is effective with respect to appropriations for fiscal years beginning after June 30, 1975.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
May 13, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for the consideration of the Congress is a draft bill "To amend the Public Health Service Act and the National Research Service Award Act of 1974 to strengthen and improve the program of National Research Service Awards, and for other purposes." The bill would be cited as the "National Research Service Award Amendments of 1975."

The draft bill would extend the National Research Service Award Act of 1974 (title I of the National Research Act, Public Law 93–348) for three years, fiscal year 1976 through 1978.

The 1976 Budget includes funding of $136 million for research training through the National Institutes of Health (NIH) and the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA). At this level, an estimated 12,000 trainees will be supported during 1976.

Currently, we are responsible for three types of research training support. First, we are continuing to support training grants and fellowships that were awarded prior to January, 1973. Because of the impact of released fiscal year 1973 funds that were obligated in fiscal year 1974, this aspect of our research training support currently involves the obligation of about $200 million for the support of 12,000 full-time trainees and 5,000 part-time trainees.

Second, in July, 1973, we announced a new fellowship program, limited to post-doctoral awards. A limited number of institutional awards were to be made under this program in shortage specialty areas where support was needed to provide training environments of types not in existence

Third, the National Research Service Award Act of 1974, enacted in July, 1974, provided consolidated research training authority for NIH and ADAMHA. It superseded the previous research training authorities of NIH and ADAMHA which had been used. The new Act authorizes individual fellowships and institutional awards for biomedical and behavioral research and research training at both the pre- and post-doctoral levels. In return for Federal support, individual recipients must agree to a service payback obligation. The Act also requires the Secretary to contract with the National Academy of Sciences for a study of research personnel and training programs to identify those specific subject areas in which there are shortages of research personnel. Effective July 1, 1975, research training awards are to be granted only to train investigators in those shortage subject areas, as identified by the National Academy of Sciences.

The enclosed bill recognizes that extensive Federal assistance for biomedical research and research training is no longer necessary. In the 1960's, biomedical research grants grew at an average rate of about twenty-two percent annually. In the context of such rapid growth, a large amount of research training support was provided to attract and educate an increasing number of qualified individuals in a short period of time.

Now, however, partly as a result of past research training supports, institutional training capacity and student interest in such research have grown to the point at which the number of biomedical and behavioral researchers is in overall balance with national need. There remains, however, a chronic shortage of highly qualified research personnel in a few selected subject areas. Accordingly, we believe that Federal expenditures for research training should now be focused specifically on the alleviation of this shortage.

The 1976 Budget therefore contemplates that NRS Awards will be limited to awards to individuals for post-doctoral fellowships in areas in which there are insufficient numbers of research personnel. The 1976 Budget provides for 1,100 new fellowships because it brings the number of trainees roughly in line with the number of new researchers supported annually on research grants. Individual fellowship support was chosen because it is consistent with the Administration's general higher education policy of concentrating support on individual students in preference to support of institutions. Moreover, this post-doctoral support does not further aggravate any problems of excess supply of researchers because training will be only in areas of need. Furthermore, the approach will prevent institutions from becoming even more directly dependent than at present on Federal funds to pay faculty salaries.

The enclosed draft bill is predicated upon this reorientation of administrative objectives under the NRSA Act.

Section 3 of the bill would require the Secretary annually to determine the subject areas for which there are, or shortly will be, significantly inadequate numbers of individuals qualified to perform biomedical or behavioral research, and with respect to which subject areas research training capacity is materially insufficient to remedy this inadequacy.

The Secretary would allocate Awards on the basis of this annual determination, making Awards only for research or research training in shortage subject areas.

One of the key elements of the current authority is a study to be undertaken by the National Academy of Sciences under which there will be identified the specific subject areas of need for additional research personnel. However, the Act is unclear that the NAS recommendations are intended only to be advisory to the Secretary. The bill would resolve this point and, in other respects, somewhat expand and clarify the purposes of the study. We do not believe that an annual NAS study is necessary, however, and have proposed to amend the Act to provide, instead, for only one such study, to be completed by March 31, 1977.

In this regard, current law provides that no NRS Awards may be made for research or research training after June 30, 1975, except in subject areas determined to have need for research personnel by the NAS study authorized by section 473. Inasmuch as NAS will not have completed its study to determine these areas with the specificity necessary to guide the making of these awards in time to meet this date, the bill would extend the date to June 30, 1976.

The draft bill would also somewhat ameliorate the harshness of the formula under which an individual who has failed to complete his service obligation must repay his Award. Under it, an individual who has served only part of the service commitment period receives only half credit for the actual length of service in the payback formula. As we would modify it, an individual who fails to complete his service commitment would receive three-fourths credit for the time served.

Finally, the draft bill would authorize NRS Awards for research at Federal hospitals and other Federal facilities.

We urge that the bill receive prompt and favorable consideration.

We are advised by the Office of Management and Budget that enactment of this proposal would be in accord with the program of the President.

Sincerely,

CASPAR WEINBERGER,
Secretary.

By Mr. MONDALE (for himself, Mr. PHILIP A. HART, Mr. WILLIAMS, Mr. PACKWOOD, Mr. JAVITS, Mr. STONE, Mr. HUMPHREY, and Mr. KENNEDY):

S. 2014. A bill entitled "The Emergency Mortgage Relief Act of 1975." Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. MONDALE. Mr. President, I continue to believe that President Ford's veto of the Emergency Housing Act of 1975 was an unfortunate action on his part.

That bill could have meant 800,000 new jobs, 400,000 new homes, $12 billion in construction activity over the next year, and an important stimulus to the entire economy.

All of this was prevented by this unfortunate veto. However, Mr. President, another extremely important provision of H.R. 4485 also was prevented from becoming law because of the President's veto.

I speak, of course, of the portion of H.R. 4485 which was designed to help 100,000 American homeowners save their homes from mortgage foreclosure. I have been working on this program for more than 2 years. I offered this proposal as an amendment to the housing bill during Senate consideration in April.

My amendment would have authorized the Department of Housing and Urban Development to make payments of up to $250 monthly for a period of no longer than 2 years on behalf of homeowners facing foreclosure because of unemployment or underemployment during our current economic difficulties.

With unemployment in this Nation at 9.2 percent, foreclosure has become an immediate and tragic problem for thousands of Americans. Because of President Ford's veto, these unfortunate citizens will lose their homes in the coming months if Federal help is not forthcoming.

While I cannot accept the President's objections to H.R. 4485, it is clear that he is firmly against enactment of new programs of interest subsidies and downpayment incentives to help our troubled housing industry.

I am not convinced, however, that the President is totally opposed to a program of foreclosure relief. It is in the hope that the President and the Department of Housing and Urban Development will be receptive to helping the thousands of American families faced with foreclosure that I introduce this legislation today.

The proposal I send to the desk embodies the foreclosure relief amendment I offered to H.R. 4485 on the Senate floor. This provision has been overwhelmingly approved by the Senate, by the House, and by the House-Senate conferees.

A similar proposal has long been sponsored in the House by Congressman LUD ASHLEY of Ohio.

It is a narrow provision, designed to specifically address a specific problem. There is, of course, a foreclosure relief measure currently pending on the Senate Calendar. That bill, S. 1457, continues to have my full and enthusiastic support. It embodies many of the concepts which I have submitted to both the 93d and the 94th Congress.

Unfortunately, however, I fear that even this excellent bill, brought to the floor by the distinguished chairman of the Senate Housing Subcommittee (Mr. SPARKMAN) who has long been a supporter of the mortgage relief concept, may be too broad for the administration. In the thought that this might be the case, I am introducing the narrow measure, which has been approved by the House and the Senate overwhelmingly, as a separate bill.

I am pleased that I am joined in introducing this bill by a bipartisan group of Senators, including several members of Banking, Housing and Urban Affairs Committee. These Senators are listed on the bill.

Mr. President, I implore my colleagues to act quickly and decisively on a mortgage relief bill. Thousands of American families face the frightening prospect of foreclosure in the immediate future.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2014

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Mortgage Relief Act of 1975."

HOMEOWNERS RELIEF

SEC. 2. (a) The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") is authorized to make repayable emergency mortgage relief payments on behalf of homeowners who are delinquent in their mortgage payments.

(b) Emergency mortgage relief payments shall not be approved with respect to any mortgage unless—

(1) the holder of the mortgage has indicated to the mortgagor its intention to foreclose;

(2) the mortgagor and holder of the mortgage have indicated in writing to the Secretary and to any agency or department of the Federal Government responsible for the regulation of the holder that circumstances (such as the volume of delinquent loans in its portfolio) make it probable that there will be a foreclosure and that the mortgagor is in need of emergency mortgage relief authorized by this title, except that such statement by the holder of the mortgage may be waived by the Secretary if in his judgment such waiver would further the purposes of this title;

(3) payments under the mortgage have been delinquent for at least 2 months;

(4) the mortgagor has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make the full mortgage payments;

(5) there is a reasonable prospect that the mortgagor will be able to make the adjustments necessary for a full resumption of mortgage payments; and

(6) the mortgaged property is the principal residence of the mortgagor.

As used in this title, the term "mortgaged property" includes, but is not limted to, property owned in fee simple, condominium units, mobile homes, or multiunit dwellings.

(c) Mortgage relief payments on behalf of a homeowner may be in an amount up to the amount of the principal, interest, taxes, ground rents, hazard insurance, and mortgage insurance premiums due under the mortgage, but such payments shall not exceed the lesser of $250 per month or the amount determined to be reasonably necessary to supplement such amount as the homeowner is capable of contributing toward such mortgage payment.

(d) Mortgage relief payments may be made by the Secretary for up to 12 months, and may be extended once for up to 12 additional months. The Secretary shall require the mortgagor to report any increase in income which will permit a reduction or termination of mortgage relief payments during this period.

(e) Mortgage relief payments made under this title shall be repayable by the homeowner upon such terms and conditions as the Secretary shall prescribe, except that interest on such payments shall not exceed 8 per centum per annum. Interest shall not begin to accrue until after the last payment made by the Secretary in behalf of the homeowner. The Secretary may defer repayment of the mortgage relief payments until the disposition of the property or the completion of the period of amortization for the mortgage. The Secretary shall require such security for the repayment of mortgage relief payments as he deems appropriate and may secure such repayment by a lien on the mortgaged property. The Secretary may make such delegations and accept such certifications with respect to the processing of mortgage relief payments as he deems appropriate to facilitate the prompt and efficient implementation of the assistance program authorized by this title.

NOTIFICATION

SEC. 3. Until 2 years from the date of enactment of this Act, each Federal supervisory agency, with respect to financial institutions subject to its jurisdiction, and the Secretary, with respect to other approved mortgagees, shall (1) take appropriate action, not inconsistent with laws relating to the safety or soundness of such institutions or mortgagees, as the case may be, to waive or relax limitations pertaining to the operations of such institutions or mortgagees with respect to mortgage delinquencies in order to cause or encourage forbearance in residential mortgage loan foreclosures, and (2) request each such institution or mortgagee to notify that Federal supervisory agency, the Secretary, and the mortgagor, at least 30 days prior to instituting foreclosure proceedings in connection with any mortgage loan. As used in this section the term "Federal supervisory agency" means the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration.

AUTHORIZATION AND EXPIRATION DATE

SEC. 4. (a) There are authorized to be appropriated for purposes of this title not to exceed $500,000,000. Any amounts so appropriated shall remain available until expended.

(b) Mortgage relief payments shall not be made after July 1, 1976, except with respect to mortgagors receiving the benefit of payments on such date.

REPORTS

SEC. 5. Within 60 days after enactment of this title and within each 60-day period thereafter prior to July 1, 1976, the Secretary shall make a report to the Congress on (1) the current rate of delinquencies and foreclosures in the housing market areas of the country which should be of immediate concern if the purpose of this title is to be achieved; (2) the extent of, and prospect for continuance of, voluntary forbearance by mortgagees in such housing market areas; (3) actions being taken by governmental agencies to encourage forebearance by mortgagees in such housing market areas; (4) actions taken and actions likely to be taken with respect to making assistance under this title available to alleviate hardships resulting from any serious rates of delinquencies and foreclosures; and (5) the current default status and projected default trends with respect to mortgages covering multifamily properties with special attention to mortgages insured under the various provisions of the National Housing Act and with recommendations on how such defaults and prospective defaults may be cured or avoided in a manner which, while giving weight to the financial interests of the United States, takes into full consideration the urgent needs of the many low- and moderate-income families that currently occupy such multifamily properties.

By Mr. EAGLETON (for himself, Mr. ABOUREZK, Mr. BAYH, Mr. BROOKE, Mr. CANNON, Mr. CASE, Mr. CLARK, Mr. CRANSTON, Mr. CULVER, Mr. DOLE, Mr. EASTLAND, Mr. FANNIN, Mr. HASKELL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HUMPHREY, Mr. INOUYE, Mr. JAVITS, Mr. JOHNSTON, Mr. KENNEDY, Mr. LEAHY, Mr. MCINTYRE, Mr. METCALF, Mr. MONDALE, Mr. MOSS, Mr. PACKWOOD, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, Mr. Schweiker, Mr. Hugh Scott, Mr. Sparkman, Mr. Symington, Mr. Taft, Mr. Thurmond, Mr. Tower, Mr. Tunney, Mr. Williams, and Mr. Young):

S. 2015. A bill to amend title 39, United States Code, to assure that certain publications of institutions of higher education continue to qualify as second-class mail. Referred to the Committee on Post Office and Civil Service.

Mr. EAGLETON. Mr. President, I am introducing legislation today which would reaffirm congressional intent regarding the maintenance of the 68-year-old second class mailing privilege for colleges and universities. Forty of my colleagues in the Senate have joined me in cosponsoring this needed legislation.

LEGAL BACKGROUND

At least since 1907, colleges and universities in every State have mailed catalogues and other course listings at second class mail rates. This practice was reaffirmed by legislative language written in 1912 which said:

> All periodical publications of . . . a regularly incorporated institution of learning, or . . . a regularly established state institution of learning supported in whole or in part by public taxation . . . shall be admitted to the mails as second class matter . . .

In 1970, when the Postal Reorganization Act passed and all aspects of the mails were examined, this policy remained unchanged.

Recently, however, the U.S. Postal Service has begun removing this second-class mailing privilege from a large number of colleges and universities. Thus far 84 percent of those institutions of higher education reviewed by the Postal Service have been denied second-class rates.

The Postal Service now claims that many catalogs and other course listings mailed by colleges and universities do not qualify as periodical publications. The Postal Service bases its claims on a strict interpretation of a 1904 Supreme Court decision—Houghton against Payne—which lists the criteria for a periodical publication. The Postal Service claims that most college bulletins do not meet the criteria of, first, appearing at stated intervals; second, incompleteness of single issues; third, continuity between the different issues; and fourth, the requirement that the issues form a publication. This strict interpretation is presently under challenge by some affected colleges and universities.

The definition of a "periodical publication" contained in the 1904 Supreme Court decision was settled law when most college bulletins and catalogs were first admitted to second-class mail. The definition remained settled law for the past several decades during which the entitlements of these publications to second-class rates remained unquestioned and unchallenged. Since the character of these publications has not changed subsequent to their admission to second class, the actions of the Postal Service in suddenly attempting to revoke their second-class privileges are tantamount to making new law by administrative fiat.

THE IMPACT ON COLLEGES AND UNIVERSITIES

Thus far in my home State of Missouri, St. Louis University, Northwest Missouri State, and the University of Missouri have been notified that they will lose their second-class mailing privilege. According to C. Brice Ratchford, the president of the University of Missouri, the Postal Service's action will cause cost increases equivalent to the employment of two assistant professors.

The University of Texas at Austin has calculated that it will pay an additional $53,000 each year to maintain present delivery schedule through first-class mail. If the University of Texas substantially sacrifices delivery speed by mailing through third and fourth class, it will still have to pay an additional $18,000 each year.

Generalizing from these and other schools which have calculated the financial impact of this Postal Service decision, one can roughly conclude that switching from second class mail to third- and fourth-class mail would cost each institution approximately a tenfold increase in postage. Switching from second class to first class, in an effort to maintain good delivery service, would increase postage costs 30 times.

This is no time to be placing unnecessary financial burdens on colleges and universities. Increases in fuel costs, salary adjustments to keep abreast of inflation and other unavoidable cost-push increases have substantially upped tuition charges. In the last 10 years the cost of 4 years of tuition has increased from $5,500 to $9,000 in private colleges—which account for half the country's institutions of higher education. In public colleges 4 years of tuition has gone from $1,300 to $2,300. These figures do not include 4 years of books, fees, room, board, et cetera.

Increases in postal expenditures by institutions of higher education may very well be passed on and borne by the students. This kind of disincentive will not help the uncertain college enrollment trends of the last few years.

THIS BILL AND POSTAL REORGANIZATION

The Postal Reorganization Act of 1970 maintained the existing system of mail classification and created a new entity, the Postal Rate Commission, to issue, on the basis of detailed criteria specified by the Congress, a recommended revision of that system in the form of a new mail classification schedule. The bill I am introducing today does not reverse the intent of the 1970 Postal Reorganization Act and put the Congress back into the mail classification business. Instead, it affirms the act by maintaining the present classification schedule regarding colleges and universities.

Also, since Postal Reorganization, the subsidy for religious, scientific, fraternal and educational mail is not paid for by the U.S. Postal Service and, therefore, does not contribute to its deficit. Thus, these efforts of the Postal Service to cut back on educational postal expenditures by the Government do not even reduce the postal deficit but rather pertain to those areas specifically funded by Congress.

THE ECONOMICS OF THE ACTION

The congressional subsidy of college catalogs amounts to approximately 25 percent of the postage. Thus, in the case of Purdue University, the Postal Service action cuts approximately $660 from the Federal budget and requires the University to collect and expend an additional $18,000, at the very least. I question the economic wisdom of a policy which transfers the burden and also multiplies it. Even if the Postal Service were otherwise on solid ground, which it clearly is not, a policy which save one dollar and at the expense of $27 to $87 is not purdent.

THIS BILL NOT ANOTHER "WORTHY CAUSE" ISSUE

It is particularly important to note that this bill is not another in the long line of legislative proposals to reduce postage rates for pet "worthy causes" at the taxpayers' expense. The situation that has developed for colleges and universities has put them in a unique category. Their postage rate is already in the law and in practice. This bill is being introduced because the Postal Service has targeted them for removal.

According to the Postal Service the only other mailers who fit the category of being an ongoing program that is targeted for extinction by the Postal Service are: First, a few companies which mail looseleaf publications which provide current news concerning developments in the law and public policy for law offices, libraries, et cetera; second, a few companies which mail catalogs of "flowers by wire" florists; and third, a few companies which mail reprinted "tables of contents" for sale to the public.

Because colleges' second-class mail privileges are already in the law and in practice, maintenance of the program will not cost the taxpayer one additional cent. This is, of course, not true of pet "worthy cause" postage reduction bills.

THE NEED FOR IMMEDIATE ACTION

Of the 1,966 bills introduced during this session of Congress, only 10 have more cosponsors than this bill. Many of my colleagues who did not cosponsor the bill indicated that they would support its enactment.

The Postal Service purge of second-class mail for colleges and universities is an ongoing operation. Thus, expeditious congressional action is important. The cosponsors of this bill and I hope that the Senate Committee on the Post Office and Civil Service can schedule hearings on this issue as soon as is practicable.

By Mr. ROTH:

S. 2016. A bill entitled "Emergency Mortgage Relief Payments." Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. ROTH. Mr. President, I am today introducing legislation to provide Federal loans to help unemployed persons avoid home mortgage foreclosures. This legislation was a part of the Emergency Housing bill vetoed by President Ford yesterday. The housing bill had started out to be a measure to help prevent unemployed homeowners from losing their homes, but nearly $1 billion in questionable subsidies was added to the original bill during the floor debate.

What began as a commendable effort ended up as an unjustifiable measure which would have imposed substantial costs on the American taxpayers. The final version of the bill is inflationary, ineffective and unfair to the majority of taxpayers who would have to pay the bill, and I support the President's veto.

However, I do think it is important to act quickly on the provision of the bill to authorize loans to the unemployed to prevent mortgage foreclosures.

Specifically, this legislation would allow people who have lost their jobs through no fault of their own to seek Federal loans of up to $250 per month to avoid mortgage foreclosures on their home. These loans would have to be repaid, with interest, to the Government, and they would be made only to persons who would be able to fully resume their mortgage payments when the economy recovers.

I think it is important for the Congress to provide relief in this area. The loan program will help the victims of the recession keep their most valued possession, while not increasing the burden on the American taxpayers.

Mr. President, I ask unanimous consent that the legislation be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2016

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this act may be cited as the "Emergency Mortgage Relief Payments Act of 1975."

Sec. 101. (a) The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") is authorized to make repayable emergency mortgage relief payments on behalf of homeowners who are delinquent in their mortgage payments.

(b) Emergency mortgage relief payments shall not be approved with respect to any mortgage unless—

(1) the holder of the mortgage has indicated to the mortgagor its intention to foreclose;

(2) the mortgagor and holder of the mortgage have indicated in writing to the Secretary and to any agency or department of the Federal Government responsible for the regulation of the holder that circumstances (such as the volume of delinquent loans in its portfolio) make it probable that there will be a foreclosure and that the mortgagor is in need of emergency mortgage relief authorized by this title, execpt that such statement by the holder of the mortgage may be waived by the Secretary if in his judgment such waiver would further the purposes of this title;

(3) payments under the mortgage have been delinquent for at least 2 months;

(4) the mortgagor has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make the full mortgage payments;

(5) there is a reasonable prospect that the mortgagor will be able to make the adjustments necessary for a full resumption of mortgage payments; and

(6) the mortgaged property is the principal residence of the mortgagor.

As used in this title, the term "mortgaged property" includes, but is not limited to, property owned in fee simple, condominium units, mobile homes, or multiunit dwellings.

(c) Mortgage relief payments on behalf of a homeowner may be in an amount up to the amount of the principal, interest, taxes, ground rents, hazard insurance, and mortgage insurance premiums due under the mortgage, but such payments shall not exceed the lesser of $250 per month or the amount determined to be reasonably necessary to supplement such amount as the homeowner is capable of contributing toward such mortgage payment.

(d) Mortgage relief payments may be made by the Secretary for up to 12 months, and may be extended once for up to 12 additional months. The Secretary shall require the mortgagor to report any increase in income which will permit a reduction or termination of mortgage relief payments during this period.

(e) Mortgage relief payments made under this title shall be repayable by the homeowner upon such terms and conditions as the Secretary shall prescribe, except that interest on such payments shall not exceed 8 per centum per annum. Interest shall not begin to accrue until after the last payment made by the Secretary in behalf of the homeowner. The Secretary may defer repayment of the mortgage relief payments until the disposition of the property or the completion of the period of amortization for the mortgage. The Secretary shall require such security for the repayment of mortgage relief payments as he deems appropriate and may secure such repayment by a lien on the mortgaged property. The Secretary may make such delegations and accept such certifications with respect to the processing of mortgage relief payments as he deems appropriate to facilitate the prompt and efficient implementation of the assistance program authorized by this title.

NOTIFICATION

Sec. 102. Until 2 years from the date of enactment of this Act, each Federal supervisory agency, with respect to financial institutions subject to its jurisdiction, and the Secretary, with respect to other approved mortgagees, shall (1) take appropriate action, not inconsistent with laws relating to the safety or soundness of such institutions or mortgagees, as the case may be, to waive or relax limitations pertaining to the operations of such institutions or mortgagees with respect to mortgage delinquencies in order to cause or encourage forebearance in residential mortgage loan foreclosures, and (2) request each such institution or mortgagee to notify that Federal supervisory agency, the Secretary, and the mortgagor, at least 30 days prior to instituting foreclosure proceedings in connection with any mortgage loan. As used in this section the term "Federal supervisory agency" means the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration.

AUTHORIZATION AND EXPIRATION DATE

Sec. 103. (a) There are authorized to be appropriated for purposes of this title not to exceed $500,000,000. Any amounts so appropriated shall remain available until expended.

(b) Mortgage relief payments shall not be made after July 1, 1976, except with respect to mortgagors receiving the benefit of payments on such date.

REPORTS

Sec. 104. Within 60 days after enactment of this title and within each 60-day period thereafter prior to July 1, 1976, the Secretary shall make a report to the Congress on (1) the current rate of delinquencies and foreclosures in the housing market areas of the country which should be of immediate concern if the purpose of this title is to be achieved; (2) the extent of, and prospect for continuance of, voluntary forebearance by mortgagees in such housing market areas; (3) actions being taken by governmental agencies to encourage forebearance by mortgagees in such housing market areas; (4) actions taken and actions likely to be taken with respect to making assistance under this title available to alleviate hardships resulting from any serious rates of delinquencies and foreclosures; and (5) the current default status and projected default trends with respect to mortgages covering multifamily properties with special attention to mortgages insured under the various provisions of the National Housing Act and with recommendations on how such defaults and prospective defaults may be cured or avoided in a manner which, while giving weight to the financial interests of the United States, takes into full consideration the urgent needs of the many low- and moderate-income families that currently occupy such multifamily properties.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 123

At the request of Mr. Inouye, the Senator from Florida (Mr. Stone) was added as a cosponsor of S. 123, a bill to amend the Social Security Act.

S. 1268

At the request of Mr. Metcalf, the Senator from Massachusetts (Mr. Kennedy) was added as a cosponsor of S. 1268, a bill to establish congressional policy direction for the administration and management of the National Wildlife Refuge System; to establish the "National Wildlife Refuge Service"; to provide authority for study, review and establishment of additional units of the National Wildlife Refuge System, and S. 1293, a bill to establish the Charles M. Russell National Wildlife Range; the Charles Sheldon National Wildlife Range; and the Kofa National Wildlife Refuge as part of the National Wildlife Refuge System, and for other purposes.

S. 1303

At the request of Mr. Inouye, the Senator from Idaho (Mr. Church) was added as a cosponsor of S. 1303, a bill to regulate the foreign commerce of the United States by providing means to assure full disclosure of significant foreign investment in the United States, and for other purposes.

S. 1425

At the request of Mr. Eagleton, the Senator from Maryland (Mr. Beall), the Senator from California (Mr. Cranston), the Senator from Maine (Mr. Hathaway), the Senator from New York (Mr. Javits), the Senator from Massachusetts (Mr. Kennedy), the Senator from Nevada (Mr. Laxalt), the Senator from Minnesota (Mr. Mondale), the Senator from Wisconsin (Mr. Nelson), the Senator from Rhode Island (Mr. Pell), the Senator from West Virginia (Mr. Randolph), the Senator from Pennsylvania (Mr. Schweiker), the Senator from Vermont (Mr. Stafford), the Senator from Ohio (Mr. Taft), the Senator from New Jersey (Mr. Williams), and the Senator from Idaho (Mr. Church) were added as cosponsors of S. 1425, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such act, and for other purposes.

S. 1652

At the request of Mr. Stone, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 1652, a bill to amend the Internal Revenue Code of 1954 to provide that no interest is payable on income tax deficiencies in the case of returns prepared by the Internal Revenue Service until the expiration of 30 days after notice to the taxpayer of such deficiency.

S. 1777

At the request of Mr. Randolph, the Senator from Kentucky (Mr. Huddleston), the Senator from Minnesota (Mr. Humphrey), the Senator from South Dakota (Mr. McGovern), the Senator from Utah (Mr. Moss), the Senator from Rhode Island (Mr. Pell), and the Senator from Missouri (Mr. Symington) were added as cosponsors of S. 1777, a bill to require that new and, to the extent practicable, existing electric powerplant boilers and major industrial boilers which utilize fossil fuels be capable of utilizing coal as their primary energy fuel in conformity with applicable environmental requirements, and for other purposes.

S. 1804

At the request of Mr. Hansen, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 1804, a bill to amend the Internal Revenue Code of 1954 to exclude from gross income the amount of certain cancellations of indebtedness under student loan programs.

S. 1926

At the request of Mr. Schweiker, the Senator from Arizona (Mr. Fannin) was added as a cosponsor of S. 1926, the Health Maintenance Organization Amendments of 1975.

S. 1927

At the request of Mr. Biden, the Senator from Connecticut (Mr. Ribicoff) was added as a cosponsor of S. 1927, the Equal Opportunity Act Amendments of 1975.

S. 1989

At the request of Mr. Stone, the Senator from Rhode Island (Mr. Pastore) and the Senator from Florida (Mr. Chiles) were added as cosponsors of S. 1989, a bill to direct the preparation and submission to the President of information to assist in negotiations with oil-producing countries.

SENATE JOINT RESOLUTION 90

At the request of Mr. Domenici, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of Senate Joint Resolution 90, a joint resolution to authorize the President of the United States to designate "National Ski Week."

SENATE RESOLUTION 195—SUBMISSION OF A RESOLUTION RELATING TO CUBAN POLITICAL PRISONERS

(Referred to the Committee on Foreign Relations.)

Mr. STONE (for himself and Mr. Chiles) submitted the following resolution:

S. Res. 195

Whereas the subject of human rights in Latin America is recognized as a matter of great importance by the United States;

Whereas the concern of the United States with respect to this matter has been reemphasized by the present Administration;

Whereas the Government of Cuba has refused to allow any inspection of areas where political prisoners are confined;

Whereas the subject of political prisoners confined in Cuba has received considerable attention on the part of such organizations as the Inter-American Commission on Human Rights of the Organization of American States, the International Red Cross, Amnesty International, the Inter-American Press Association, and the International Commission of Jurists;

Whereas Secretary of State Henry Kissinger has stated the intention of the United States to support a reappraisal of inter-American relations with respect to Cuba; and

Whereas the United States is a member of the Organization of American States; Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretary of State should request the Organization of American States to consider as soon as possible the condition of Cuban political prisoners and the need for thorough international inspection of all areas and facilities in which they are confined.

Mr. STONE. Mr. President, from the 16th to the 28th of July, the Organization of American States will meet in Costa Rica to consider amendments to the Rio Treaty of 1947 which would permit the lifting of its trade embargo on the Cuban Government by a simple majority vote of the member-nations.

Being a signer of the Rio Treaty, the U.S. Senate will have to consider any amendments recommended by this forthcoming OAS meeting. However, before this body considers any aspect of the OAS trade embargo on the Cuban Government, the Senator from Florida wants each of his colleagues in Congress to bear in mind certain important facts regarding Castro's treatment of political dissenters in Cuba.

Although the human rights issue in Chile or Greece or Brazil has received much attention from Members of this body and from the news media, the same issue has often been ignored by many with respect to Cuba. Perhaps this was so because such groups as the Inter-American Commission on Human Rights of the OAS, Amnesty International, the International Red Cross, and the Inter-American Press Association were themselves looking into this affair.

On May 2, 1975, the Inter-American Commission on Human Rights of the OAS officially condemned the Cuban Government for violating "the right to life, liberty, and personal security; to equality before the law; to a fair trial; of protection from arbitrary arrest and to due process before the law."

It is indeed difficult to understand the OAS's intention to consider the lifting of its trade embargo against Cuba, the same government which its Human Rights Commission has just denounced for violating man's most essential human rights.

In view of the fact that the United States is a member of the OAS and that the OAS Human Rights Commission has just denounced the violation of human rights in Cuba, I am submitting this resolution asking the Secretary of State to request the OAS to consider the condition of Cuban political prisoners. This is especially important now that a number of OAS member-nations favor the reappraisal of relations with Cuba, and in light of Secretary Kissinger's determination to support this reappraisal.

Mr. President, I ask unanimous consent to have printed in the Record at this point two resolutions adopted by the Organization of American States relating to Cuba.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

Resolution on Case 1834 (Cuba)

Whereas:

By communication of April 16, 1974, various acts, imputable to the Government of Cuba, are denounced allegedly in violation of Articles I, II, XVIII, XXV and XXVI of the American Declaration of the Rights and Duties of Man.

In exercise of the authority granted it by Article 9 (bis) of its Statute, the Commission requested the Government of Cuba, by note of June 3, 1974, to provide the appropriate information and transmitted to it, at the same time, the pertinent parts of the aforementioned communication, in the manner established in Articles 42(1) and 44 of its Regulations.

At its thirty-fourth session (October 1974) the Commission considered a communication of October 24, 1974, furnishing additional information to that of April 16, in which the Government of Cuba is accused of acts and situations allegedly in violation of the rights to life, liberty and personal security; to equality before the law; to fair trial; of protection from arbitrary arrest and to due process of law.

Noting that the Government of Cuba had not replied to the request for information of June 3, 1974, it was also decided at that session to repeat the request with mention of the date on which the 180-day period of Article 51 of the Regulations would elapse and the application of the rule of the presumption of the confirmation of the allegations established in that article, and to transmit to the government, at the same time, the pertinent parts of the additional information submitted by the claimants and to request the appropriate information, as provided by Article 9 (bis) of the Statute and Articles 42(1) and 44 of the Regulations.

Pursuant to this decision a note was sent to the Government of Cuba on December 17, 1974.

The Government of Cuba has not responded.

Article 51 of the Regulations reads as follows:

"1. The occurrence of the events on which information has been requested will be presumed to be confirmed if the Government referred to has not supplied such information within 180 days of the request, provided always, that the invalidity of the events denounced is not shown by other elements of proof.

"2. The Commission may make an extention to the term of 180 days in cases in which it finds it justified."

Neither the formulation of observations nor, in general, the competence of the Commission to take cognizance of denunciations regarding violations of human rights committed in the territory of Cuba is barred by the measures adopted by the Organization of American States with respect to the present government of that country, since that government has not denounced the Charter of the Organization, provided for in Article 148 of the Charter, for which reason it is the duty of the Commission to continue to take cognizance of these deunciations.

In view of the systematic silence of the present Government of Cuba in the face of the numerous communications received from the Commission, it would serve no practical purpose to make the type of recommendations envisaged in Articles 9b and 9 (bis) b of the Statute. However, this does not prevent the Commission from making known its considered opinion on the allegations to the General Assembly of the Organization of American States.

The Inter-American Commission on Human Rights resolves:

1. To presume the confirmation of the occurrence of the allegations contained in the communications of April 16 and October 24, 1974, in application of Article 51 of the Regulations.

2. To include this resolution in the Annual Report that the Commission presents to the General Assembly of the Organization (Article 9 (bis) *c* of its Statute) making known that the allegations constitute a very serious case of the violation of the rights to life, liberty and personal security; to equality before the law; to a fair trial; of protection from arbitrary arrest and to due process of law, set forth in Articles I, II, XVIII, XXV and XXVI of the American Declaration of the Rights and Duties of Man.

3. To transmit this resolution to the Government of Cuba and to the claimants.

RESOLUTION ON CASE 1847 (CUBA)

Whereas:

By communication of July 11, 1974, the following was denounced:

"Since early June, 44 Cuban political prisoners are being punished and deprived of all food and medical assistance in cell row number 12 at La Cabaña prison in Havana. Among them is journalist Pablo Castellanos who is gravely ill. We urgently request the intervention of that Organization to avoid new deaths in the Cuban political imprisonment."

In exercise of the authority granted it by Article 9 (bis) of its Statute, the Commission requested the Government of Cuba, by cable of July 12, 1974, to provide the appropriate information and transmitted to it, at the same time, the pertinent parts of the aforemention communication, in the manner established in Articles 42(1) and 44 of its Regulations.

In view of the lack of response by the Government of Cuba and taking into account the seriousness of the allegations contained in the denunciation, the Commission, by cable of August 9, 1974, repeated the request for the appropriate information to the Government of Cuba.

At its thirty-fourth session (October 1974) the Commission, noting that the Government of Cuba had not responded to the aforementioned requests for information, decided to repeat once more to the Government of Cuba the request, with mention of the date on which the 180-day period of Article 51 of the Regulations would elapse and the application of the rule of the presumption of the confirmation of the allegations established in that article.

Pursuant to this decision a note was sent to the Government of Cuba on December 17, 1974.

The Government of Cuba has not responded.

Article 51 of the Regulations reads as follows:

"1. The occurrence of the events on which information has been requested will be presumed to be confirmed if the Government referred to has not supplied such information within 180 days of the request, provided always, that the invalidity of the events denounced is not shown by other elements of proof.

2. The Commission may make an extension to the term of 180 days in cases in which it finds it justified."

Neither the formulation of observations nor, in general, the competence of the Commission to take cognizance of denunciations regarding violations of human rights committed in the territory of Cuba is barred by the measures adopted by the Organization of American States with respect to the present government of that country, since that government has not denounced the Charter of the Organization, provided for in Article 148 of the Charter, for which reason it is the duty of the Commission to continue to take cognizance of these denunciations.

In view of the systematic silence of the present Government of Cuba in the face of the numerous communications received from the Commission, it would serve no practical purpose to make the type of recommendations envisaged in Articles 9 *b* and 9 (bis) *b* of the Statute. However, this does not prevent the Commission from making known its considered opinion on the allegations to the General Assembly of the Organization of American States.

The Inter-American Commission on Human Rights resolves:

1. To presume the confirmation of the occurrence of the allegations contained in the communication of July 11, 1974, in application of Article 51 of the Regulations.

2. To include this resolution in the Annual Report that the Commission presents to the General Assembly of the Organization (Article 9 (bis) *c* of its Statute) making known that the allegations constitute a serious and repeated case of the violation of the rights to a fair trial and of protection from arbitrary arrest, set forth in Articles XVIII and XXV of the American Declaration of the Rights and Duties of Man.

3. To transmit this resolution to the Government of Cuba and to the claimants.

SENATE CONCURRENT RESOLUTION 47—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING "UNITED STATES SPACE WEEK"

(Referred to the Committee on the Judiciary.)

Mr. **MOSS** submitted the following concurrent resolution:

S. CON. RES. 47

Resolved by the Senate (the House of Representatives concurring),

Whereas a purpose of the United States space program is the peaceful exploration of space for the benefit of all mankind; and

Whereas the United States space program and its technology directly and indirectly benefit relations among countries, astronomy, medicine, business, air and water cleanliness, urban development, industry, agriculture, law enforcement, safety, communications, the study of the earth resources, weather forecasting, and education; and

Whereas the United States space program has an efficient organization and strong moral leadership, both of which serve as good examples to the people of the United States and to the people of all nations; and

Whereas the National Aeronautics and Space Administration and other organizations throughout the world involved in space exploration programs have cooperated in the cause of the peaceful exploration of space for the benefit of all mankind; and

Whereas the United States space program, through Project Apollo and other space efforts, has provided our Nation with scientific and technological leadership in space; and

Whereas the United States aerospace industry and educational institutions throughout the United States contribute much to the United States space program and to the Nation's economy; and

Whereas in the week of July 16 through 22, 1969, the people of the world were brought closer together by the first manned exploration of the Moon: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the President is requested to issue a proclamation designating the seven-day period of July 16 through 22 of each year as "United States Space Week", and calling upon the people of the United States to observe such period with appropriate ceremonies and activities.

AMENDMENTS SUBMITTED FOR PRINTING

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE—SENATE RESOLUTION 166

AMENDMENTS NOS. 628 THROUGH 657

(Ordered to be printed and to lie on the table.)

Mr. **GRIFFIN** submitted 30 amendments intended to be proposed by him to the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

AMENDMENTS NOS. 658, 659, AND 660

(Ordered to be printed and to lie on the table.)

Mr. **STEVENS** submitted three amendments intended to be proposed by him to the resolution (S. Res. 166), supra.

AMENDMENTS NOS. 661 THROUGH 664

(Ordered to be printed and to lie on the table.)

Mr. **McCLURE** submitted four amendments intended to be proposed by him to the resolution (S. Res. 166), supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 553

At the request of Mr. TUNNEY, the Senator from Vermont (Mr. LEAHY) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of Amendment No. 533, intended to be proposed to the bill (S. 598) to authorize appropriations for the Eenergy Research and Development Administration.

AMENDMENT NO. 586

At the request of Mr. PEARSON, the Senator from Utah (Mr. GARN) and the Senator from Tennessee (Mr. BROCK) were added as cosponsors of Amendment No. 586, intended to be proposed to the bill (S. 692) the Natural Gas Production and Conservation Act of 1975.

ANNOUNCEMENT OF HEARING ON RESIGNATION OF DR. DIXY LEE RAY

Mr. PELL. Mr. President, on June 20, Dr. Dixy Lee Ray, Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, announced her resignation from that position.

In resigning, Dr. Ray stated that the Bureau which she heads was not permitted to play a significant role in the formulation of policy relating to matters for which the Bureau has statutory authority.

Mr. President, I regret very, very much that the Department is losing the services of Dr. Ray. She has exceptional experience, capabilities, and qualifications.

I am also deeply concerned over the status of the Bureau within the Department. The Bureau was established by congressional direction to strengthen and give added emphasis within the Department to policies involving the oceans and international environmental and scientific affairs.

Because of this concern, I announce that the Subcommittee on Oceans and International Environmental Affairs of the Foreign Relations Committee will hold a hearing at 9 a.m. on Thursday, June 26, 1975, in room 4221 of the Dirksen Senate Office Building to hear testimony from Dr. Ray.

WATER MARKETING ON THE MISSOURI RIVER—RESCHEDULING OF HEARING

Mr. CHURCH. Mr. President, I would like to announce for the information of the Senate and the public, the postponement of a hearing scheduled for June 26 before the Energy Research and Water Resources Subcommittee of the Senate Interior Committee.

The subject matter of the hearing is the recent signing of a memorandum of understanding between the Secretary of the Army regarding water marketing on the Missouri River.

The hearing has been rescheduled for July 18 at 10 a.m. in room 3110 of the Dirksen Senate Office Buliding.

ANNOUNCEMENT OF MARKUP ON PRODUCTIVITY LEGISLATION

Mr. RIBICOFF. Mr. President, I wish to announce that the Committee on Government Operations will meet to mark up legislation which would establish a National Center for Productivity and Quality of Working Life at 9:30 a.m., Thursday, June 26, in room EF 100 of the Capitol.

ADDITIONAL STATEMENTS

WE MUST NOT FORGET OUR MIA'S

Mr. BROOKE. Mr. President, last week I sent to President Ford a letter regarding the fate of the 1,300 Americans officially listed as missing in action in the Vietnam war. I did so because I am quite fearful that the fate of these brave men might otherwise be forgotten as we attend to other important national issues.

This must not happen; we must not forget these men. The U.S. Government has a very special responsibility to see that a full accounting of all our MIA's is forthcoming. This is the very least we can and must do for the families, friends and loved ones of these men.

Now, I am well aware of the lack of cooperation on the part of both Hanoi and the present government of South Vietnam in this matter. But this is no reason to abandon our responsibilities to our missing men. On the contrary, we should try to influence these governments to honor their commitment to help us obtain the full accounting we seek. In this regard I believe we should withhold any consideration of requests for economic aid to these governments until cooperation in this effort is forthcoming. And of course we should withhold any recognition of these governments until this matter is fully resolved.

Mr. President, I think it incumbent on all of us in Government to do whatever is necessary to clear up this vestige of the Vietnam war. I believe the issues I have raised with the President will help define the current status of our MIA accounting efforts, and I would like to bring them to the attention of my colleagues. Therefore, I ask unanimous consent that the full text of my letter to the President and the attached list of questions be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 19, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It has been well over two years since the United States signed the Paris Peace Agreements and withdrew its forces from Vietnam. But today 1,300 Americans lost in that war are still unaccounted for. As you are well aware, for the families of these men the War is far from over. The uncertainty, the agony and trauma linger on. I am sure we share a deep sense of urgency in resolving this grave issue.

I am well aware that the governments in North and South Vietnam have refused to cooperate in our attempt to account for these Americans. However, their reluctance to cooperate should not cause us to abandon the responsibility we have to the MIA's and to their families. Rather, the United States Government must now reaffirm the commitment it made in the Paris Peace Agreements to obtain a full accounting of all our men classified as "missing in action." These men and their families deserve no less, and to do any less would be to dishonor the sacrifice they all have made.

My association with the families of the MIA's has been a long and sympathetic one. Their courage and patience through the long, agonizing years of fruitless waiting deserve the respect of the whole nation. But these families have doubts that our Government is doing all that it can to obtain information on the whereabouts of their loved ones. Their concern is that in our desire to put the War behind us, we have forgotten that the tragic MIA situation is still with us.

In an endeavor to address their concerns, and to re-examine the United States Government's efforts on behalf of those missing in action, I have enclosed several questions for the Executive Office, the National Security Council, and the State Department. I would deeply appreciate your help in securing prompt responses.

The haunting memory of our Indochina experience will not soon leave our nation's conscience. Nor should it, when 1,300 of our men are still unaccounted for. We must do everything possible to account for these men and I stand ready to help in any way I can to accomplish our mutual goal.

With very best regards, I am,

Sincerely,

EDWARD W. BROOKE.

QUESTIONS

1. What has the Executive Branch recently done to obtain a full accounting of our missing in action?

2. Has contact recently been made with the governments in Vietnam, Cambodia and Laos to reassure them of our continued deep concern over the MIA issue and our steadfast unwillingness to let it fade away? What renewed attempts, if any, have been made to obtain information on the MIA's from these governments?

3. Have the allies of the Indochina regimes, most notably Moscow and Peking, been contacted and requested to communicate our concerns on this issue to the Vietnam Government?

4. What channels of communication have been used to communicate our concerns to the Vietnam Government?

5. Has the United Nations been used as a vehicle for obtaining information about MIA's?

6. What other international organization involved in the Indochina relief efforts have been utilized to communicate our concerns to the Indochina governments?

7. What is the status of the Defense Department efforts to reclassify MIA's as "dead" or "presumed dead"?

8. What impact does this reclassification have on the benefits received by the surviving families?

9. The League of Families of American Prisoners and Missing in Southeast Asia, veterans' groups, and several of my colleagues on Capitol Hill, have many times requested that a top-level citizens' commission be appointed to study the present MIA situation.

(a) What is the status of that request?

(b) Why has such a commission not been appointed?

10. What steps, if any, has the United States Government taken to ensure that Article 8(B) of the Paris Peace Agreements, pertaining to MIA's, is duly enforced?

Has the U.S. Government in any way protested the blatant violation of this provision by the Communist Government in Vietnam?

11. Article 10(A) of the Paris Peace Agreements mandates the establishment of a "Four Party Joint Military Team" to "insure joint action by the parties in implementing Article 8(B) of the Agreement."

(a) What is the present status of the Four Party Joint Military Team?

(b) What impact have recent political developments in Vietnam had on this Team?

(c) What provisions have been made, if any, to ensure that the Team's duties and responsibilities are carried out?

(d) Have these duties and responsibilities been transferred to some other body?

VIETNAM ERA VETERANS

Mr. KENNEDY. Mr. President, it is unfortunate that the continuing plight of the Vietnam veteran must again be brought to the attention of the Congress and the Nation.

This year, in the Labor Department's annual report on veterans' services, submitted to the Senate Committee on Veterans' Affairs, we still find that significant segments of our Vietnam veterans having difficulty finding employment. Specifically, younger veterans, ages 20 to 24, currently have an unemployment rate of 9 percent compared with 7.1 percent for nonveterans of the same age. Black veterans have a jobless rate of 9.1 percent compared with 4.4 percent for white veterans. Although there are no currently available statistics on the number and the rates of unemployment for disabled veterans, a 1973 sample indicated that disabled veterans had an employment rate of 11.4 percent.

The report indicates that with a shift in emphasis to these particular trouble areas, we can do much to lessen the impact of rising unemployment for these categories of veterans. It is understandable that the statistical indicators of many of the programs aimed at helping the veteran will fluctuate with the employment trends in the Nation as a whole. But we must remember we owe our veterans, especially our Vietnam veterans, special efforts in helping them find meaningful employment.

In receiving the testimony during the hearings before the Senate Committee on Veterans' Affairs, I was particularly disturbed with a report on the "National Evaluation of Manpower Services for Veterans," prepared by Kirschner Associates, for the Department of Labor.

This extensive study dealt primarily with evaluation, analysis, and conclusions of the major manpower services for veterans. The report pointed out that one significant obstacle confronting the Vietnam veteran today, when he seeks employment, is the social and economic environment. As one of its conclusions the study states:

> The current environment within which the Employment Service and other organizations must provide special manpower services to veterans is basically not supportive of and does not facilitate delivery of their services. Lagging aggregate demand for labor and a degree of indifference on the part of the public and public leaders regarding the employment problems of Vietnam era veterans contribute to the difficulty of providing effective manpower services to these veterans.

In this regard, the report further concluded that—

> The veteran returning today (1972) is not likely to be welcomed home as a hero (even if he is a hero) because he has been involved with the military during a period of an unpopular war and growing disenchantment with the military "establishment." The young veteran also faces a degree of disenchantment with persons of his age group, on the part of some employers and some segments of the public.

One employer revealed that he would not hire "murderers," referring to Vietnam veterans.

While the Kirschner study was completed in 1972, and technically we have no more returning Vietnam veterans, I believe that this feeling of indifference and, in rare cases, hostility toward the Vietnam veterans still exists today. This belief has been confirmed in conversations I have had with Vietnam veterans.

This type of attitude on the part of employers and some segments of the public are very disturbing. Without public concern over the plight of the Vietnam veteran, and without cooperation on the part of private employers, all the programs designed to help the veteran find employment become ineffective.

This country knows how to show its appreciation to those who have loyally served their country in time of war. We all remember the jubilation and public displays of gratitude, as well as the generous GI benefits, that awaited our returning veterans after World War II and Korea. More recently, we rejoiced at the release of our POW's. Our gratitude and appreciation should be no less for the millions who gallantly served in Vietnam.

We welcomed the peace in Southeast Asia that was so long in coming and the popular cliche today is to "put Vietnam behind us" and turn our attention to serious domestic problems. However, we must remember that the effects of Vietnam are more lasting on those who served. So while we should be "putting Vietnam behind us," we should not lose sight of the fact that we have a continuing obligation to our Vietnam veterans.

We must not allow the failure of our policies in Southeast Asia to transmit itself into a feeling of failure on the part of the men and women who served there. The vast majority of those persons served with honor, dignity, and bravery during a war that was more widely disputed and seriously questioned than any war in our country's history. They served in the highest traditions of our Armed Forces.

The Vietnam veteran deserves the same recognition, praise, and the benefits for his service as was bestowed upon our veterans of other wars. We must renew our efforts to provide assistance for the veteran in areas of health care, education, rehabilitation, treatment for drug addiction, and employment.

The Congress can enact programs and set up the machinery to provide the help that is needed for our veterans, but we cannot legislate public opinion. It is our duty as elected officials to be aware of public opinion. We should be in the forefront of a concerted effort to reverse the feeling of indifference toward our Vietnam veterans.

Mr. President, an address by Secretary of Defense James R. Schlesinger, on April 29, 1975, appeared in the Parade section of many of the Nation's newspapers on Sunday, June 15. These remarks carry a message of gratitude for the service rendered by the 2 million men and women who saw duty in Vietnam. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN GRATITUDE

(By James R. Schlesinger)

As the last withdrawal of Americans from Vietnam takes place, it is my special responsibility to address to you, the men and women of our Armed Forces, a few words of appreciation on behalf of the American people.

For many of you, the tragedy of Southeast Asia is more than a distant and abstract event. You have fought there; you have lost comrades there; you have suffered there. In this hour of pain and reflection you may feel that your efforts and sacrifices have gone for naught.

That is not the case. When the passions have muted and the history is written, Americans will recall that their Armed Forces served them well. Under circumstances more difficult than ever before faced by our military services, you accomplished the mission assigned to you by higher authority. In combat you were victorious and you left the field with honor.

Though you have done all that was asked of you, it will be stated that the war itself was futile. In some sense, such may be said of any national effort that ultimately fails. Yet our involvement was not purposeless. It was intended to assist a small nation to preserve its independence in the face of external attack and to provide at least a reasonable chance to survive. That Vietnam succumbed to powerful external forces vitiates neither the explicit purpose behind our involvement—nor the impulse of generosity toward those under attack that has long infused American policy.

Your record of duty performed under difficult conditions remains unmatched. I salute you for it. Beyond any question you are entitled to the nation's respect, admiration, and gratitude.

LAW ENFORCEMENT IN ARIZONA

Mr. FANNIN. Mr. President, I am pleased to bring to the attention of my Senate colleagues the superlative record of law enforcement that is being accomplished by the police department of Scottsdale in my home State of Arizona.

Because of its superb training programs and its highly skilled force, the Scottsdale Police Department has earned a well-deserved reputation among the citizens of Scottsdale and law enforcement agencies in Arizona and throughout the country for providing low-cost maximum efficiency and effective police protection. Crime statistics are now so low in Scottsdale that the ration of the number of police officers to the city's population is one of the lowest in the Nation.

One of the reasons for the Scottsdale law enforcement success story is the program of police assistants that the city's police department has been running for several years, which has been funded since 1971 by grants from the Law Enforcement Assistance Administration. This program has worked so well in Scottsdale, with considerable savings to the taxpayers, that it merits the consideration of my colleagues.

I am inserting into the RECORD today a short article which was published in the Arizona Republic of April 27 as a part of a supplement entitled "Crime and Justice—You Are Involved." This article describes the police assistants program, which is now operating in Phoenix and other Arizona cities.

Those Members who look skeptically on the LEAA's programs of assistance to local law enforcement agencies should consider the effectiveness of the police assistants program in Scottsdale, Ariz.

Mr. President, I ask unanimous consent that the text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLICE RATIO LOWEST IN NATION

A police department that saves money and successfully maintains one of the lowest ratios of police to population operates with maximum efficiency. The Scottsdale Police Department has achieved this largely through its highly effective program—"Police Assistants."

Begun under a LEAA Grant in July 1971 with an initial group of four college-bound assistants, the program in two years has saved 1,500 patrolman days in investigation and paperwork. The salary savings have amounted to $26,000.

More important, patrolmen were released from the endless detail duty of routine investigations and reports—some 5,500 of them—and zeroed in on the work they are trained to do: apprehending criminals.

In addition to being a major source of police recruitment, the program provides a crucial test by which young men and women discover whether they really want police work as a career. A year or more as a police assistant can be the deciding factor, thereby reducing the awesome costs of training unsuitable personnel or those who change their

> mind. Since its beginning, three men and two women have been promoted from Police Assistant to Police Officer. However, it is not a requirement that Assistants be potential police officers.
>
> Many large departments could usefully employ hundreds of assistants from among the handicapped. Many handicapped people make excellent detail workers. They are reliable and their absenteeism is one of the lowest in the work force.
>
> The normal duties of the Police Assistant consist of all types of report taking, preliminary investigation of crimes, missing persons, runaways, lost and found property, vehicular accident investigation and traffic regulation.
>
> In addition to Scottsdale, the City of Phoenix is now using Police Assistants.

MISSILES IN BERBERA

Mr. CULVER. Mr. President, the debate on the proposed U.S. base expansion on Diego Garcia has been unfortunately and unnecessarily focused on the issue of reported Soviet missiles at Berbera, in Somalia.

Reconnaissance photos have been displayed as if this were a replay of the Cuban missile crisis. But it is not.

The Soviet missiles said to be in Berbera are the old Styx type, which have been given to more than a dozen nations.

According to the best available public sources, this antiship missile became operational over 15 years ago—1959—has a limited range of only about 20 nautical miles, and carries only nonnuclear warheads. Even if a few have been sent to Berbera, they cannot be used until put aboard missile patrol boats.

The Russians have spread these missiles all over in the past—to the navies of: Algeria, Bulgaria, China, Cuba, Egypt, East Germany, India, Indonesia, North Korea, Poland, Rumania, Syria, Yugoslavia, and Iraq. While any weapon in hostile hands should be of some concern to us, we do not need to build a new Navy base and start policing the Indian Ocean because of a few missiles at Berbera.

In fact, the United States has its own array of antiship missiles, which can be fired from either ships or wide-ranging aircraft.

These missile scare tactics by the Pentagon have blurred the real issue surrounding Diego Garcia, which is whether we want to have a naval arms race in the Indian Ocean.

Despite repeated calls by the United Nations and the nations of the area, the United States has not approached the Soviet Union about mutual restraint in that area since 1971.

Our diplomats have been inactive, while the Navy has pushed ahead for this base. This military momentum for expansion is undercutting our foreign policy and is in arrogant disregard of the views of the countries along the Indian Ocean.

I do not think the American people want to become deeply involved and militarily committed to the Indian Ocean. Nor do I believe they will pay the high price tag of up to $8 billion for a three-ocean Navy.

The sad fact is, that the Defense Department has wanted to have this base for nearly 20 years, and would want it now, regardless of any Soviet activity. The reported missiles are just the latest argument on a long-playing record.

URBAN MASS TRANSPORTATION

Mr. GARN. Mr. President, as a member of the Subcommittee on Housing and Urban Affairs of the Banking, Housing and Urban Affairs Committee, at a hearing to consider S. 662, a bill to amend the Urban Mass Transportation Act of 1964, I heard testimony by Nassau, N.Y., County Executive Ralph G. Caso.

Without commenting on the specifics of his presentation, I was very interested in his closing comment. When speaking for the National Association of Counties—NACo—he stated a concern which I share regarding the overall transportation needs of the United States and how they must be a part of our Nation's energy policy.

I invite my colleagues to consider NACo's position and concern. I ask unanimous consent that the extract from his testimony be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

> We in NACo fully support this effort. We fully endorse the statement that it shall be a matter of national policy that the handicapped have the same right as other persons to utilize mass transportation facilities and service. Our only concern is that the policies that are adopted be consistent with the overall transportation needs of the United States and that they be flexible enough to permit and to encourage local initiative.
>
> In that light, I cannot close without urging the Congress to continue and to expand its support for public transportation.
>
> Support for public transportation must be a part—and a key part—of any energy legislation enacted. Gasoline prices are rising sharply, in part by executive action and in part by expected OPEC actions. There are predictions that the price of gasoline could rise to as high as one dollar a gallon. But the increase in the price of gasoline will not be an effective conservation measure, and will not deter energy consumption, unless we have made public transportation a viable alternative to the private automobile. If we have not, the increased costs of gasoline will be only an additional, and very severe, hardship on those who have no place else to turn.

THE FAIR MARKETING OF PETROLEUM PRODUCTS ACT—S. 323

Mr. McINTYRE. Mr. President, I am pleased that the Senate has passed S. 323, the Fair Marketing of Petroleum Products Act. The bill incorporates two issues that I believe are at the heart of the marketing of petroleum products.

First, it protects the Nation's independent branded gasoline dealers from arbitrary lease cancellation, and pressures from the Nation's major oil companies, big oil.

Second, this bill protects an entire segment of the Nation's small business community from predatory economic policies that many of the Nation's big oil companies have been pursuing, by limiting the number of company owned and operated service stations that can be opened in any marketing area.

In recent years, major market shareholders, the Nation's 16 largest oil companies, have been opening company operated service stations at an alarming rate, and this trend is continuing.

For instance, a few years back, Mobil Oil Co. had only 50 company operated stations that I suppose were used predominantly for training purposes. Now, though, the company has 363, or 5 percent of all its stations that are company operated. One hundred and fifty-eight of these are full service stations like the independent franchised, branded Mobil dealer.

More to the point, Mobil has 106 of these stations in New Jersey. That high percentage exists in that State because of a franchise law that Mobil did not like.

Last December, William B. Butler, Mobil's general manager for resale, wrote to dealers saying:

> We placed these stations on salary operation in response to a franchise act which took away the rights Mobil had as a property owner to determine the use of the property.

In other words, and these, Mr. President are Mobil's words, "we did this because we thought we had to."

Personally, I think that Mobil was afraid of its lessees and wanted to put them out of business.

The whole point of this is simple. If we passed a franchise protection act, without passing a section limiting the number of company owned and operated stations the 16 largest oil companies could run, we would find plenty of franchises, but no independent dealers to use them. They would be wiped out by the company stations selling on a predatory basis.

Therefore the combination of section 4 and section 5 of the bill will insure that the Nation's small business gasoline dealers get franchise protection and do not have their markets invaded by predators.

The entire point of this legislation is to insure that the Nation's small businessmen and consumers are protected.

This bill will encourage competition by protecting those forces which are competitive, the Nation's small independent branded gasoline dealers, from the unfair competitive advantage that occurs when a large, integrated major oil company drops in a new-company operated facility in a neighborhood which already has competition among the various segments of the industry. Big oil is not competing when that happens, it is smothering competition. As the independent operators are driven out, the consumer suffers.

Where is the consumer going to go for minor auto repairs at competitive prices? Who is the consumer going to call when he needs to be towed? When the unfair competitor has driven the independent businessman out of the retail or wholesale business, what is going to keep the price down? Not competition, because there will be none.

In the long run, the competitive system for delivery of petroleum products to consumers, which we currently have, the mix of independent branded franchisees and nonbranded independents, serves our communities best. The local dealers are our community leaders, our volunteer firemen, our churchmen, our Boy Scout leaders, our Little League supporters, our friends. They plow our driveways, they tow our cars, they repair our flat tires, they lubricate our cars, and then they put money back into our communities.

MAINE BECOMES THIRD STATE TO DECRIMINALIZE MARIHUANA

Mr. JAVITS. Mr. President, Maine has given final approval to a new marihuana decriminalization law and becomes the third State—and the second State this year—to remove criminal penalties and jail sentences for possessing small amounts of marihuana.

The Maine law was passed last week exactly 1 month after Alaska voted to enact similar legislation. Oregon was the first State to adopt the concept of a civil fine for marihuana use in 1973. As the Senate knows, I and Senators Cranston, Brooke, and Nelson have introduced S. 1450, now pending before the Senate Subcommittee on Juvenile Delinquency to substitute the civil fine approach for Federal criminal penalties for possession of up to one ounce of marihuana.

Gov. James B. Longley signed the bill on Wednesday morning, June 18, 2 days after the Maine Legislature gave overwhelming approval to the measure.

The new law, which becomes effective on March 1, 1976, calls for a maximum civil fine or not more than $200 for possession of up to one and a half ounces of marihuana. Enforcement is like a traffic violation, with a citation instead of an arrest. Misdemeanor penalties apply to possessing or transferring amounts in excess of one and a half ounces.

Maine's new marihuana law is part of an exhaustive legislative package that completely revamps the State's criminal code. The package is the result of nearly 3 years of work by a special criminal law revision commission headed by former Maine Attorney General Jon A. Lund.

GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, we have come to the point where ratification of the Genocide Convention is of importance to more than just America's image in the area of human rights. The danger of genocide is still real, and without ratification the United States will have no legal right to speak out.

This convention serves the fundamental American interest of building world law. It is an assertion by the community of nations that a certain particularly heinous act perpetrated against any group whatsoever is wrong not only in the domestic law of any State, but also in the law and opinion of the whole community of nations.

Our ratification would show that we are ready to go beyond professions of high principle and take a stand against destruction of groups of people because of their birth or their belief.

The decades that have passed since World War II have removed neither the recollection nor the threat of genocide in this 20th century world. Today, with all the technological improvements, the potential for genocide has been greatly enhanced.

The provisions of the Genocide Convention are fully in accord with the civil liberties and civil rights provisions in our Constitution. The convention is in all respects consistent with the laws and ideals of our Nation.

Genocide must be prevented from occurring, and the only feasible way is through an international convention. The failure of the United States to add its name to the list of signatory nations is a considerable embarrassment. I urge the Senate to take prompt action in ratifying the convention.

CAPT. THOMAS A. SMALL, 101, OLDEST LICENSED SKIPPER

Mr. GRIFFIN. Mr. President, in the troubled times we confront these days, it is heartwarming to learn of an occasional true story like the one I am about to relate.

I am indebted to Mrs. Frank V. Berklund of Gaylord, Mich., for bringing the information to my attention. It concerns her uncle, Capt. Thomas A. Small, who, shortly before he reached 101 years of age last October, was reissued his shipmaster's license. That made Captain Small the oldest licensed skipper registered in the records of the U.S. Coast Guard.

He was under 20 years of age when Thomas Small began his career. At the time of his retirement, Captain Small had sailed the Great Lakes for more than 70 years.

Comdr. Robert Ingraham, who heads the U.S. Coast Guard Merchant Personnel branch here in Washington, provided me with the following summary of Captain Small's service:

> Historically, licenses issued by the United States Coast Guard and its predecessor agencies are valid for a period of 5 years from their date of issuance. The issue number, which appears in the upper right hand corner of a license, will have two parts, the first part indicating the number of licenses issued to the holder in the present grade and the second part indicating the total number of licenses issued to the holder in all grades.
>
> The earliest record maintained at U.S. Coast Guard Headquarters for Captain Thomas A. Small concerned a license issued by a predecessor agency, the Department of Commerce and Labor, Steamboat Inspection Service. It indicates that on March 22, 1910, at Marquette, Michigan, that agency issued license 1, 4 to Captain Small, authorizing his service as master and first class pilot of steam vessels upon Lakes Superior, Michigan, Huron and Erie and connecting waters between Duluth, Chicago and Buffalo, unlimited tonnage.
>
> The evidence indicates that the previous three issues of license authorized his service as first class pilot.
>
> The records show that Captain Small was born in Collingwood, Ontario, Canada, on October 18, 1973, and became a naturalized citizen of the United States at a proceeding in Circuit Court, Au Train, Michigan, on February 17, 1899. His license was then subsequently renewed in 1915, 1920, 1925, and 1930 when it was increased in scope to include, "the Great Lakes and the connecting waters between Duluth, Gary and Buffalo", 1935, 1940, 1945, 1950, 1955 and 1960.
>
> This last license was allowed to expire but on June 19, 1969, the Coast Guard Marine Inspection Office at St. Ignace, Michigan, again renewed his license. The last record indicates that Captain Small renewed a license authorizing service as master and first class pilot of steam and motor vessels of any gross tons upon the Great Lakes and their connecting and tributary waters between Gary, Duluth and Buffalo at St. Ignace on July 17, 1974. The issue number of this license is 13–16.
>
> To the best of our knowledge, Captain Small is the oldest person to have been licensed to date and is the holder of the license with the highest issue number. It reflects having been licensed by the United States for upward of 75 years.

I commend Commander Ingraham and the Coast Guard for their thoughtfulness and consideration in reissuing Captain Small's license.

From Mrs. Berklund we learned that Captain Small is doing very well. Recently she wrote me as follows:

> He had always thought he would spend his last days in the Marine Hospital in Detroit but when that passed out of existence, as such, he found a good home in a privately owned home for elderly people, but they must be ambulatory and he is that. He has a bad knee and it is hard for him to walk. But he forces himself to exercise as much as possible, and he is mentally very alert—at almost 102."

I am pleased on this occasion to salute Captain Small, and to extend him warm best wishes for continued good health and happiness as the oldest living skipper.

RURAL DEVELOPMENT: A CASE OF UNMET NEEDS

Mr. HUMPHREY. Mr. President, I wish to point out a recent address by Representative Charles Rose on the inadequate way in which the Rural Development Act of 1972 has been administered by the Department of Agriculture.

As one of the main authors of this legislation, I have spoken on many occasions as to both the importance of this measure and the paucity of effort and funding which has been provided by the Department of Agriculture.

It is all too clear that the need for this program has not diminished, and with the investment of the modest sums that have been provided rather significant results can be achieved.

The conclusion of the statement of Representative Rose is that the Department has not utilized the authority provided in this act, and, in rather significant ways, the Department has attempted to downplay this program.

Mr. President, these rural development activities are significant to our rural people. They represent jobs and a better life. Our rural people deserve a better chance than they have had in the past. They are entitled to more than second class citizenship and limited economic opportunities. We need to see the flow of funds increasing for our rural areas.

Mr. President, I commend these remarks of Representative Rose to the attention of my colleagues, and I ask unanimous consent that his statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RURAL DEVELOPMENT: BROKEN PROMISES

Mr. Speaker, the Subcommittee on Family Farms and Rural Development of the Committee on Agriculture has just finished two exhaustive days of oversight into the administration of—and expenditures under—the Rural Development Act of 1972.

As Chairman of this Subcommittee, I was astounded and saddened to learn that the Department of Agriculture has used precious little of the authority given it under this legislation to improve the quality of life in rural America.

For the past two days, we have made a section-by-section analysis of the statute and asked Department officials for detailed responses on how they have implemented the specific mandates of the Act. Time after time we were told that some particular authority had not been implemented because some other agency within USDA or some other department or agency of the government was providing similar service.

After numerous such responses, I observed that if the officials of the Rural Development Service had been around two centuries ago when the Bill of Rights was being considered, they might have said it was a good idea. But why bother, since we already have the Ten Commandments?

Mr. Speaker, the Rural Development Act—duly enacted by the Congress and signed into law by the President—says that the Secretary of Agriculture "shall assume responsibility for coordinating a nationwide rural development program. . . ." The Act further directs him to "utilize to the maximum extent practicable" each of the offices within his Department "to enhance rural development."

That has not been done.

Specifically, the assistance to the small cities and towns of this country envisioned in this law has not been carried out.

Expanded grant and loan programs for water and sewer construction in rural America have not been implemented.

The mandate of Congress for adequate rural housing through rent supplements and other programs has been ignored.

Title IV of the Act providing a program of rural community fire protection has been totally neglected. The President even attempted to rescind the funds forced on the Department by the Appropriations Committee. Only after Congress rejected this effort did the money begin flowing to State forestry officials.

Minimal funding of Title V, which provides research and education monies, produced some spectacular success stories of dying towns given new life through self-help motivation. Yet, the Administration does not recommend that these efforts be continued, but argues instead that the Agricultural Research Stations or the Extension Service could do the job as well.

Hardly a protest was made when the Office of Management and Budget arbitrarily eliminated "Rural Development" as a functional category within the Federal Budget—yet the Secretary is charged with providing "leadership and coordination within the Executive Branch" by this law.

It is one thing, Mr. Speaker, to fight the good fight and lose. But not to fight at all is to betray the hopes and dreams of those millions of citizens who still have faith in rural America.

The facts presented at these hearings show that every time rural development comes up for funding, the Administration has consistently refused to request that funding. In addition, the Administration has shown a continuing disregard for the intent of the Act by transferring funds, ignoring mandates of the various titles of the Act and switching funding sources.

When the Congress passed the Rural Development Act, the directive to the Department of Agriculture was that this legislation was the vehicle to channel the tax dollars of rural America back to their communities.

From what we have seen during these hearings, the Department is laughing in the faces of rural America—laughter that I and other Members of the Subcommittee strongly resent.

In the past, as OMB has gone, so have gone the Members of Congress who were thoroughly intimidated by the awesome power of the Budget and the arm-twisting tactics of the Executive Branch.

But now, Mr. Speaker, there is new blood here—a new Congress, with a new Agriculture Committee and a new Budget Committee.

I told the Assistant Secretary of Agriculture for Rural Development, Mr. William W. Erwin, and a dozen of his associates responsible for administering this Act, that our Subcommittee was prepared to give them a little transfusion of courage so that they can fight for full funding for rural America.

Mr. Speaker, the New York Times this week headlined the results of new projections by the Census Bureau indicating the rural areas of the country are growing faster than urban areas.

People are moving out of urban areas at a greater rate than others are moving in. This trend is without precedent. Since 1970, our young agrarian nation has moved toward an urban society.

An old farmer in my District had a very profound comment about all the city folks moving into the rural areas: "Whatever it is they're trying to get away from, they're bringing it with them."

These problems—health, housing, pollution of water and air, transportation—are the problems caused by people. And these are the very problems the Rural Development Act is designed to confront.

The promise of a better life is still vivid for most of rural America. The Congress has given the Department of Agriculture the mandate and authority to make that promise come true. They must act to see that it does.

THE "MAYAGUEZ" INCIDENT

Mr. BROOKE. Mr. President, on May 15 of this year, during the final stages of the *Mayaguez* incident, I submitted a list of questions to Secretary of State Kissinger regarding that affair. My purpose in doing so was to obtain as much information as possible for the public record so that the Congress and the American people could make informed judgments regarding the decision to use force in effecting the release of the *Mayaguez* crew and ship.

I have now received replies to my inquiries, both from the Department of State and the Joint Chiefs of Staff office. The answers to my questions, while certainly not all inclusive regarding the *Mayaguez* affair, provide some useful insights into the events that took place and the decisionmaking that led to those events. Therefore, I ask unanimous consent that a letter I received from the President on the subject and the responses of the State Department and the Defense Department to my original letter be printed in the RECORD in full immediately after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BROOKE. Mr. President, I am convinced that the full account of the *Mayaguez* incident may not be available for many months and perhaps it may never be available in a form that will satisfy all interested parties. Yet, it is still possible, even at this early date, to identify certain lessons we should learn from this incident.

First, the evident inability to set up adequate communication channels between ourselves and the Cambodians, either directly or indirectly, indicates the great dangers of lack of communications between belligerents under crisis conditions. While these dangers were narrowly circumscribed in the *Mayaguez* incident, lack of ability to communicate intentions in an understandable and expeditious manner greatly increased the chances that force would be used to achieve some resolution of the crisis.

Second, the failure of the United States to provide adequate warning to U.S.-flag vessels and others of harassment by the Cambodians of other vessels that had taken place prior to the seizure of the *Mayaguez* indicates a further breakdown in communications, this time within our own communications network. There is evidently a need to strengthen our capacity to provide adequate warning of potential dangers of this nature on an immediate basis in potential or actual trouble spots.

Finally, the resort to force, whether or not it is justified, inevitably results in unforeseen and usually undesirable consequences. The sobering loss of life in the assault on Koah Tang island, and the subsequent revelation that the *Mayaguez* crew had apparently left the island prior to the assault, is indicative of the costly and imprecise nature of the use of force in achieving goals, limited or otherwise.

EXHIBIT I

THE WHITE HOUSE,
Washington, May 21, 1975.

HON. EDWARD W. BROOKE,
U.S. Senate,
Washington, D.C.

DEAR ED: I note that on Thursday, May 15, you spoke on the floor of the Senate regarding the SS MAYAGUEZ incident. I appreciate the questions you have raised, but let me assure you that I made the decision to use force after evaluating all of the options available. I kept the leadership of Congress fully informed of my decisions. I decided to use the Marine and military forces only after the Cambodian Government failed to give any response to our diplomatic protest and demand that the ship and the crew be released.

I think in retrospect my decision was correct.

With kind personal regards,
Sincerely,

JERRY FORD.

DEPARTMENT OF STATE,
Washington, D.C., June 20, 1795.

HON. EDWARD W. BROOKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BROOKE: The Secretary has asked me to reply to your letter of May 15, inquiring about the *Mayaguez* operation. Listed below are the answers to your questions in the order that they were given in your letter. In order to expedite the replies to the questions focused primarily on military matters, we have asked the Department of Defense to reply directly to you.

1. Did the *Mayaguez* violate any territorial or sovereign rights of Cambodia?

Answer: No. The vessel was on the high

seas in international shipping lanes commonly used by ships calling at the various ports of Southeast Asia. It was seized about seven nautical miles from the island of Poulo Wai. The United States recognizes a three nautical mile territorial sea and, in our view, the seizure took place on the high seas. Even if, in the view of others, the ship were considered to be within Cambodian territorial waters, it clearly would have been engaged in innocent passage to the port of another country. Thus, whatever view is taken regarding the legal status of these waters, the vessel's seizure was unlawful and involved a clear-cut illegal use of force.

2. What was the basis for our government's claim of the illegality of the seizure of the *Mayaguez* by the Cambodians?

Specifically:

(a) Was the island off of which it was seized a recognized possession of the Cambodian government?

Answer: Both South Viet-Nam and Cambodia have claimed this island.

(b) How far off the island was the *Mayaguez* when it was seized?

Answer: About seven nautical miles.

(c) What are the recognized limits of territorial control of waters off the islands in the area?

Answer: The United States recognizes a three nautical mile limit. South Viet-Nam previously claimed a territorial sea of three nautical miles. Cambodia previously claimed a territorial sea of 12 nautical miles. However, the positions of the current regimes on this question are uncertain.

(d) Do the Cambodians claim a twelve mile limit?

Answer: The former government claimed a twelve nautical mile territorial sea, but, to our knowledge, the present authorities have not announced any position regarding the matter of any specific width of territorial sea. They have, however, claimed that the *Mayaguez* was in Cambodian territorial waters when it was seized.

(e) Does the United States Government recognize only a three mile limit?

Answer: Yes, we recognize only a three mile territorial sea.

3. What cargo was the *Mayaguez* carrying?

Answer: It was carrying commercial cargo and Department of Defense cargo, including such items as spare parts and supplies but not including arms, ammunition or electronic gear.

4. What was the port of origin and the destination for this specific voyage of the *Mayaguez*?

Answer: The *Mayaguez* was enroute from Hong Kong to Sattahip in Thailand.

5. What was the purpose of the *Mayaguez's* voyage?

Answer: The purpose of the voyage was commerce.

6. Was the *Mayaguez* an armed ship?

Answer: No. The *Mayaguez* was unarmed.

7. What has been the scope of our intelligence gathering operations in the area where the seizure took place? Was the *Mayaguez* in any way connected with such operations?

Answer: The *Mayaguez* was not a spy ship nor was it in any way involved in intelligence operations. There were no U.S. intelligence activities underway in the vicinity.

8. Was the *Mayaguez* in prior contact with U.S. Government aircraft or ships prior to the seizure?

Answer: We have no record to indicate that it was in contact with U.S. Government craft. The distress message was picked up in commercial channels.

9. What was the specific and detailed time frame and sequence of such events from the point of seizure, the demand for the return of the ship and crew, the requests for third party help and time of the first U.S. attack?

Answer: We received first notification that the ship had been seized about 0500 Monday morning, May 12. On Monday afternoon, the head of the Chinese Liaison Office here came to the State Department at our request, and was given a message which was essentially the same as the President's public statement. When the Chinese refused to accept the message, we sent the same message to our mission in Peking for delivery to both the Chinese and Cambodians there. No reply came from either the Chinese or Cambodians. On May 12, U.S. reconnaissance aircraft, in the course of locating the *Mayaguez*, sustained minimal damage from small arms fire.

On the morning of the 13th, in order to prevent the movement of the *Mayaguez* to a mainland port, U.S. aircraft fired warning shots across the bow of the ship and gave visual signals to small craft approaching the ship. Subsequently, in order to stabilize the situation and preclude removal of the crew to the mainland where their rescue would be more difficult, U.S. armed forces were ordered to isolate the island and to interdict any movement between the ship or the island and the mainland, and to prevent movement of the ship itself, taking all possible care to prevent loss of life or injury to the U.S. captives. During the evening of May 13, a Cambodian patrol boat attempting to leave the island disregarded aircraft warnings and was sunk. Thereafter, three other Cambodian patrol craft were destroyed in the vicinity of the island. One boat, suspected of having some U.S. captives on board, succeeded in reaching Kompong Som after efforts to turn it around without injury to the passengers failed. In addition, five other Cambodian craft were later sunk in the efforts to protect the Marine forces on Koh Tang.

10. When did the United States Government first receive notice of the seizure, and what attempts were made at that time to communicate with Cambodian officials to register our protest and indicate our intentions to do what was necessary to obtain the release of the crew and its ship?

Answer: See answer to Question 9.

11. What attempts were made to obtain the intercession of third parties, including the United Nations, to effect a diplomatic resolution of the incident? Exactly who was contacted, what was requested of each, and what was the timing of those contacts in relation to the decision to resort to force and the actual use of force?

Answer: The timing of our approach to the Chinese is noted above as is the first use of force by U.S. armed forces. Since no reply had come from the Cambodians or the Chinese, early on the afternoon of May 14 we asked the Secretary General of the United Nations to use his good offices to obtain release of the *Mayaguez* and its crew. The Secretary General's effort elicited no response from the Cambodians until several days after the rescue of the ship and crew. Later that afternoon, orders were issued to begin the military operations for the recovery of the ship and crew. The Marines did not take action to recover the ship and crew until that evening.

12. What, if any, communications were received, directly or indirectly, from the Cambodian government prior to their radio announcement that they would be willing to return the crew and ship? What, if any, communications did we try to forward to that government prior to that announcement and prior to the use of force?

Answer: We received no communications from the Cambodian government prior to the public radio announcement received shortly after 2000 Wednesday. This was a domestic broadcast in the Cambodian language which did not state that the vessel and crew would be released but only said that the vessel would be released. It was not directed to the United States. As noted above, we tried to reach them directly in Peking and through the Chinese prior to any use of force and additionally tried to reach them through the UN before the Marines were ordered to recover the ship and crew. After receiving the public radio message, we took measures to inform the Cambodian government of the fact that we would stop all military operations when the crew was released. We also released to the press the statement we had broadcast to Cambodia.

Cambodian forces continued to attack U.S. forces on Koh Tang after the crew was released and therefore U.S. military action continued in order to effect the earliest possible extraction of the Marines on the island.

13. What exactly precipitated the initial attacks on the Cambodian naval vessels?

Specifically:

(a) Was there a Cambodian attempt to move the crew or the *Mayaguez* after the ship had been anchored off Tang Island?

Answer: Yes. For details, see separate answer by DOD.

(b) How many of our reconnaissance craft had been fired upon and hit prior to our resort to force?

Answer: To be answered separately by DOD.

(c) Were the Cambodian patrol craft that were destroyed or disabled moving toward the *Mayaguez* when they were interdicted?

Answer: To be answered separately by DOD.

(d) Had the crew of the *Mayaguez* been removed from the *Mayaguez* prior to the time we initiated our use of force?

Answer: To be answered separately by DOD.

14. What were the targets of our attacks on the mainland? Did our attacks serve any immediate purpose directly related to the rescue of the crew and the ship or were they primarily punitive in nature?

Answer: To be answered separately by DOD.

15. What are the details regarding the deaths and injuries of members of our armed forces?

Answer: To be answered separately by DOD.

16. Had there been other reported incidents of harassment of other vessels by Cambodia prior to the seizure of the *Mayaguez?* If so, why weren't instructions sent to all U.S. flag vessels to divert from the area?

Answer: Yes. Both the Department of State and the Department of Defense are involved in issuing special warnings to U.S. commercial vessels about the possibility of military action, but the need to issue such warnings has been relatively rare. This, coupled with the fact that it was not immediately apparent, to those throughout the government who received the information on Cambodia's attack on a South Korean freighter on May 4 and its detention of a Panamanian ship on May 7, that American ships happening to pass in the area might possibly be in danger, resulted in no warning being immediately issued. A special warning was issued on the day we learned that the *Mayaguez* was seized.

17. How many combat forces and how many ships were actually involved in the rescue operations?

Answer: To be answered separately by DOD.

18. How many combat forces were landed on the *Mayaguez* and on Tang Island?

Answer: To be answered separately by DOD.

19. Were troops transported to Thailand contrary to the express requests of the Thai government? What communications were received from the Thai government in reference to the incident and the potential and now actual use of U.S. bases in Thailand as staging areas? What was the U.S. reply to Thai requests?

Answer: As Secretary Kissinger recently pointed out, in the course of this decade it may be that a pattern of action has developed that made us assume that our latitude in using Thai bases was greater than the current situation in Southeast Asia would permit to the Thai government. Insofar as we caused any embarrassment to the Thai government, we expressed our regrets at those actions. The Thai subsequently stated that they were satisfied with our note expressing regret.

20. What was the degree of resistance encountered on Tang Island? How much ammunition was expended by our forces?

Answer: To be answered separately by DOD.

21. What were the number of U.S. and Cambodian casualties?

Answer: To be answered separately by DOD.

22. Exactly how were the crew members of the *Mayaguez* recovered? Were any of them harmed in any way? Were the crew members released by the Cambodians or were they actually rescued?

Answer: The crew members were taken off a Thai fishing boat. None were harmed by the Cambodians. The Cambodians released the crew to the Thai fishing boat following the several military and diplomatic actions summarized above.

We appreciate your interest in obtaining an understanding regarding the actions taken by the Administration in order to rescue the *Mayaguez* and crew. Although the subject is not specifically addressed in your questions, I am sure you are aware that the Administration's principal concern was to react swiftly and responsibly in order to save the lives of the crew and to recover the vessel.

The Administration acted to prevent that crew from being interned and their lives jeopardized, as the crew of the USS *Pueblo* was, and to make clear to the Cambodian Government and to all other governments that the safety of its sailors and the freedom of the seas for its vessels were matters of great concern to the American Government and people.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,
Robert J. McCloskey,
Assistant Secretary for Congressional Relations.

The Joint Chiefs of Staff,
Washington, D.C., June 18, 1975.

Hon. Edward W. Brooke,
U.S. Senate,
Washington, D.C.

Dear Senator Brooke: The Department of State has requested that I further respond to your letter of 15 May 1975 with regard to the rescue of the *Mayaguez* crew.

The following answers are keyed to your questions:

13a. Was there a Cambodian attempt to move the crew or the *Mayaguez* after the ship had been anchored off Tang Island?

Answer: The crew was initially taken to Kaoh Tang Island and later moved to Kompong Som subsequent to the anchoring of the ship off Koh Tang Island. Reconnaissance aircraft received indications thereafter that a possible effort to move the ship was being prepared. It was later determined that this was an erroneous indication.

13b. How many of our reconnaissance craft had been fired upon and hit prior to our resort to force?

Answer: Two reconnaissance aircraft were struck by small arms fire prior to the landing of the Marine Force on either the vessel or the island. Other aircraft were fired upon, but we have no exact count as to how many.

13c. Were the Cambodian patrol craft that were destroyed or disabled moving toward the *Mayaguez* when they were interdicted?

Answer: Reports currently available do not clearly indicate whether or not the Cambodian vessels were moving toward *Mayaguez* at the time they were attacked. The President's orders were to interdict any movement between the ship or the island and the mainland.

13d. Had the crew of the *Mayaguez* been removed from the *Mayaguez* prior to the time we initiated our use of force?

Answer: Yes.

14. What were the targets of our attacks on the mainland? Did our attacks serve any immediate purpose directly related to the rescue of the crew and the ship or were they primarily punitive in nature?

Answer: The attacks on the mainland were all related to the rescue of the crew and the ship or protecting the Marine Force on the island. None of them were punitive in nature. Targets included the Ream Airfield and Naval Base and Kompong Som Port Complex and Naval Facility.

15. What are the details regarding the deaths and injuries of members of our armed forces?

Answer: Of the forces involved in rescue of the *Mayaguez* and its crew, there were 15 killed in action, 50 wounded in action, 3 missing in action for whom there is little hope of recovery. Thirteen of the fatalities were personnel aboard the CH–53 helicopter that crashed and burned during the initial landing on Kaoh Tang Island.

17. How many combat forces and how many ships were actually involved in the rescue operations?

Answer: Approximately 300 Marines and 8 naval vessels were engaged in the rescue operation. They were supported by approximately 340 Air Force sorties. The naval vessels included an aircraft carrier from which approximately 60 sorties were launched.

18. How many combat forces were landed on the *Mayaguez* and on Tang Island?

Answer: There were about 240 Marines inserted on Kaoh Tang and about 65 were placed on the USS *Holt* for transfer to *Mayaguez*.

20. What was the degree of resistance encountered on Tang Island? How much ammunition was expended by our forces?

Answer: Resistance on the island was reported by the Ground Security Force Commander to have been stiff, determined, and professional. The resistance was characterized primarily by recoilless rifles, mortars, machine guns, and rifles. We have no exact count of ammunition expended by our forces.

21. What were the number of U.S. and Cambodian casualties?

Answer: US casualties were 15 KIA, 50 WIA, and 3 MIA. We believe that hostile casualties inflicted by the Ground Security Force are in the neighborhood of 25–30. No precise estimate of total casualties can be reasonably made although the nature of the mission and the ordnance employed were such as to ensure that civilian casualties on the mainland were minimized.

I hope this information is sufficient to your needs. In the event I may be of further assistance, please advise.

Sincerely,
Zane E. Finkelstein,
Colonel, JAGC, U.S. Army, Legal Adviser & Legislative Assistant to the Chairman, JCS.

HOUSING BILL VETO WILL PROLONG RECESSION AND DELAY HOUSING GOALS

Mr. BENTSEN. Mr. President, President Ford's veto yesterday of the Emergency Housing Act, which the Senate passed on April 24 by the overwhelming margin of 64 to 26, is a serious economic mistake that will prolong the recession and delay for years the achievement of our national housing goals.

Unemployment today is our most serious national problem. The unemployment rate has hit 9.2 percent, the highest it has been since the Great Depression. Over 8.5 million Americans are currently jobless, and during this year more than 25 million workers will experience the personal tragedy of being without work. This means 25 million families who will be without paychecks, who will see their savings eaten away, who will fall progressively deeper in debt, and may even see their homes and possessions imperiled by the threat of repossession.

While the economic prospects for these Americans is dismal, for many of those who depend on the construction industry for their livelihood the future holds nothing but despair. Unemployment among construction workers nationwide is now 21.8 percent, higher than the unemployment rate for any other sector of the economy. For housing workers, in certain areas of the country, the unemployment rate is as high as 40 percent.

The collapse of the housing industry last year led us into this recession and we need a strong housing industry now to help lead us out. But housing is still in a severe depression. Housing starts during the first 5 months of this year were 35 percent below last year's already depressed levels and only one-third the number needed to meet our national housing goals. The May upturn in housing starts was welcome, but a 1-month change is no sure harbinger of recovery—the number of starts for May was at a 28-year low for the month, and the number of building permits issued was 20 percent below the number for May 1974.

For the 900,000 idle construction workers and for hundreds of thousands of others in the furniture, home furnishings, and household appliance industries, the 800,000 construction jobs and the 400,000 new homes promised by this bill would have been a major step toward ending the recession. But President Ford's veto has almost guaranteed that these jobs won't be there.

The housing bill also provided relief for over 100,000 unemployed homeowners whose lives have been disrupted by the Damocles sword of possible foreclosure by mortgage companies and banks. For these 100,000 families, President Ford's veto means that the day of eviction and loss of a home moves steadily closer.

President Ford's announcement that he will, instead, provide $2 billion more for the Government National Mortgage Association and request authorization for an added $7.75 billion is no substitute for the vetoed bill. What the President proposes is just not enough.

The existing program is useful when mortgage money is unavailable, but that is not the case today. What is missing is purchasing power and confidence. The new housing legislation would have provided this.

At current housing prices and mortgage rate, less than 20 percent of American families can afford to buy homes. For too many American families, the dream of their own home has been shattered. The housing bill would have brought these families once again within sight of their dream by lowering mortgage rates to 6 percent, saving the average family more than $60 a month and stimulating 400,000 new homes within the budget of middle-income families. These families could not afford 8½-percent mortgages yesterday and they still cannot. President Ford's veto again shatters the dream of a new home for 400,000 American families.

Finally, if President Ford sincerely believes that the $2 billion in funds being released to GNMA to purchase mortgages and free funds for S. & L.'s and other mortgage lenders will stimulate new housing construction, why has he waited until now to do it? These funds were available months ago. Why did President Ford need prodding from Congress to take an action that anyone concerned about people and jobs would have taken long ago. This delay is just another instance of this administration's disregard for the real needs of the American people, for jobs, for paychecks, for homes.

The fact of the matter is that Congress, by enacting this legislation, took a much-needed step to breathe new life into the deeply troubled housing industry and President Ford, by his veto, has dealt it a new blow.

COMMENCEMENT ADDRESS BY MRS. HENRY M. JACKSON

Mr. **MONTOYA**. Mr. President, recently Mrs. Henry M. Jackson, a native of New Mexico, visited my State to give a commencement address at Highlands High School in Albuquerque.

We were delighted to welcome Mrs. Jackson, who is a native of New Mexico. She spoke movingly to our young people about the problems and possibilities of democracy in these troubled times. I ask unanimous consent that her address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Commencement Address by Mrs. Henry M. Jackson

During the past 25 years our country has experienced both triumphs and tragedies. On the one hand we have seen the development of peaceful uses of nuclear power, the exploration of space and six voyages to the moon. We elected our first Catholic as President of the United States, conquered polio, extended the life expectancy of our citizens by advances in medicine and science, invented television and the transistor, and granted full citizenship to American minorities.

On the other hand we have been tyrannized by the late Senator Joe McCarthy, frustrated by a difficult war in Southeast Asia, horrified by the assassinations of a President, his brother and Martin Luther King, and shocked by Watergate. We have seen the family as an institution put to severe tests and religious values questioned. We have watched with dismay the rise in crime and in unemployment, the widespread use of drugs, the bankruptcies of our cities, the pollution of our air, earth, and water.

If we are to cope with the problems which face our nation today, we must understand both our history and ourselves. Santayana has told us he who chooses to ignore history is forced to repeat it.

Every generation leaving high school during most of this century has had to face a nation and a world in change and turmoil. Some periods have been more chaotic than others but the American people has responded to the challenges. This is *not* a time to despair. This is a time to explore and to participate in helping to resolve the aftermath of one of the most explosive periods of our nation's history.

Having so recently passed through the Watergate experience, it would be easy to be cynical and disillusioned. But let us not forget the intellectual and spiritual strength of our people. What other country has enjoyed a similar diversity of backgrounds. We are a nation of immigrants—and we are proud of it. Our citizens are the most talented, best trained and educated of any in the world and we are capable of coping with whatever problems beset us, at home and abroad.

We must not forget that our democracy is dependent upon individuals, you and I, committed to its preservation. Was it not two citizens Judge John Sirica and Senator Sam Ervin who, utilizing the governmental structures of checks and balances given us by the Founding Fathers, preserved and protected our democratic system of government? Each of us must actively participate in the political process because what we do *can* make a difference. You are now able to vote at 18. I urge you to do so. Statistics reveal that persons in the 18 to 25 year old category cast the lowest percentage of votes of any age group. In a recent election one additional vote per precinct could have changed the outcome. Each of you should assist in the workings of government by learning about the candidates, working for those you admire, committing yourself to a political party, supporting measures which will benefit the community and exercising your franchise to elect people of intelligence, honesty, and courage.

A special word to the women graduates. I have seen enormous changes just in the past few years in the role of women in politics. No longer are we confined to the drudgery behind the scenes—the sticking and the licking. Now more women are actively involved in the political system, whether it is managing other candidates' elections or running for office themselves. We have seen the election of women to both the state houses and the United States Congress. Even candidates' wives are asked more for their opinions than their recipes.

At this time of your commencement, remember that the genius of America is to be found in our people. Despite our turbulent past, the integrity, character and steadiness of over 200 million Americans, who are determined and dedicated, can build a better America and a better world. I am convinced that at the center of all this is our concerned young people with high ideals who are motivated by a sense of excellence to do better than their predecessors. This is the spirit of youth, the spirit of America.

HUMPHREY BLAMES GAS SHORTAGE FEARS ON INDUSTRY AND ADMINISTRATION TARIFFS

Mr. **HUMPHREY**. Mr. President, the talk of a possible gasoline shortage this summer is more than talk. Our domestic refineries are systematically reducing production of gasoline despite an abundance of crude oil available for refining. Gasoline production last week fell to 6.4 million barrels per day from 6.55 million barrels both the preceding week and the same week in 1974. Yet crude oil stocks are 283 million barrels, some 8 percent above the June 1974 level of 265 million barrels reported by the Federal Energy Administration.

Further evidence that refineries are artificially creating a gasoline shortage is that they are operating at 83.2 percent capacity this past week, down from 90.3 percent this time last year.

Why are refineries reducing gasoline production in the face of abundant crude oil stocks and 17 percent idle capacity?

To quote William D. Smith from the New York Times, June 16, 1975:

> Oil company executives blame the product allocation system of the Federal Energy Administration for the situation. They contend it makes the incremental production of gasoline—above the amount the refiner needs for himself—more costly than the price it will bring in the market.

That reasoning is scarcely believable in view of the fact that this same allocation system has been in place for almost 2 years—yet, it is only in the past 4 months—since the administration imposed its tariff on crude oil—that gas production has been cut.

The gasoline shortage is the result of the administration's tariff and deliberate action by oil refiners—mostly owned by the large oil companies—designed to drive up gas prices, and profits.

Back in 1974, oil profits and gas prices were held down by two factors: First, Federal Energy Administration—FEA—limitations on profit margins, and second, weak gasoline demand arising from conservation efforts by motorists due to the 70-percent price jump. These factors eliminated any incentive in 1974 for oil companies to restrict production in order to raise prices—and profits.

But that changed when the $1 tariff was imposed by President Ford early in 1975. This tariff created a large amount of socalled bookkeeping "bank costs." For example, the 31 largest refineries experienced a 64-percent jump to $1.64 billion in "banked costs" from December 1974 to April 1975—when the tariff's full impact was felt. These "banked costs" could legally, under FEA regulations, be passed on to motorists through price increases—price increases which would significantly raise oil profits. But the market price for gasoline remained steady—oil companies could not raise prices and profits because motorists' demand for gasoline was still weak.

The solution: reduce the supply of gasoline thereby raising its price.

Now, all industries would like to raise their price to cover rising production costs, in this case the tariffs, but most cannot—competition prevents it. But when an industry is controlled by a handful of giants, they can cut production and raise prices. And that is what almost every refinery started to do in February and March of this year. Because of the tariff, they could legally raise prices and profits, so they decided—all at once and we are to believe, by accident—to cut supply and push that price up. As a result, gasoline reserves fell from over 240 million barrels in late winter to about 200 million barrels now—a 17-percent drop in 4 months.

It looks now like this scheme will work—gasoline prices are starting up and they could rise sharply if spot shortages occur.

How far can gas prices rise as a result of the tariff and oil industry-induced shortages?

The answer rests with the amount of

"banked costs" the FEA will allow oil companies to pass through as higher prices. Data for April, the latest month for which figures are available, reveal that refinery "banked costs" are close to $1.8 billion. Refineries can raise their prices—and profits—by $1.8 billion now under existing FEA regulations, if they can keep supply reduced.

Motorists use about 8 billion gallons of gas each month. If refineries pass all of their "banked costs" through to motorists as higher gas prices in July and August—when gas demand is highest—the average gallon of gas will rise 10.1 cents in price. That can be done legally under existing FEA regulations. And oil companies may not have to worry about having to cut prices after August—if President Ford is successful in achieving a phased de-control of so-called "old" oil when oil price controls expire on August 31.

Specifically, he promised to submit a decontrol plan to Congress over a month ago—and we still have not seen it. First the tariff, then FEA's tax monitoring of gas production by refineries, and now abolition of all oil price controls; the American motorist and consumer could be no worse off if the leaders of OPEC were setting our domestic oil policy.

What can we do?

First, the Congress must continue price controls on old oil for at least another 6 months. Decontrol will raise oil, coal and uncontrolled intrastate gas prices as much as $20 billion immediately—thereby severely disrupting our economic recovery. According to estimates by Chase Econometrics, decontrol could push prices up over 1 percent directly, and perhaps double that when ripple effects are taken into account. This will increase unemployment an additional 200,000 persons and keep over 8.5 million workers on the relief rolls until the summer of 1976 at a minimum.

Second, the President should instruct the Federal Energy Administration to immediately investigate the gasoline shortage and impose fines on refiners who are cutting gasoline production below 1974 levels in order to drive up prices.

Finally, the FEA must revise its gasoline allocation program to insure that independent gas dealers receive their full and traditional amount of gas from refineries. One tragic side effect of the growing gas shortage is that refineries cut off independent dealers by just selling to their own outlets. This can only hurt motorists because these independent dealers being driven out of business are the major force working to keep gas retailing competitive.

THE NEW HAMPSHIRE ELECTION

Mr. McINTYRE. Mr. President, I ask unanimous consent that a column from today's Boston Globe, entitled, "New Hampshire Election—the Real Issue," be printed in the Record, so that my colleagues will have an opportunity to read the views of Robert Healy, executive editor of one of our region's leading newspapers.

There being no objection, the article was ordered to be printed in the Record, as follows:

N.H. Election—The Real Issue

(By Robert Healy)

In the New Hampshire Senate seat contest between John Durkin, the 39-year-old Democrat, and former Republican congressman Louis Wyman, 58, the worry among Senate Democrats is that they will look greedy by grabbing another seat. The Democrats now enjoy a 61-38 voting majority in the Senate.

But that never was the issue. The issue is whether Durkin won the election as the recount showed and then had it stolen from him by a Republican controlled state Ballot Law Commission which overturned the results of the recount.

And more important is whether the voters of New Hampshire are being denied representation in the United States Senate.

What is being overlooked in the Republican cries of "steal" in the Senate is the fact that Durkin was certified as the legal winner of the New Hampshire election. He was certified by Republican Gov. Meldrium Thomson, after a recount which was conducted under the direction of Republican Secretary of State Robert Stark.

The Democrats should be asking why Thomson sent the election certificate (after the recount) back to the executive council to be declared invalid and why it was then turned over to the state Ballot Law Commission where the Republicans have a two to one majority.

It was in the state Ballot Law Commission that Durkin's 10 vote recount victory became a two vote victory for Wyman.

Wyman did win the initial count by 355 votes. But in this kind of close election, recounts are not infrequent. Once they are certified by the officer conducting the recount and by the governor, the winner and loser generally abide by the recount.

Stark, who conducted the recount, is a respected secretary of state.

What is equally significant is that the Republicans would like to have a new election. It is a generally accepted belief that in a special election, a Republican has a better chance of surviving than a Democrat. The Democrat vote tends to come from the working class sections of Manchester and these are not the highest turnout wards in special elections.

It is clear now that Wyman will bring his case to the courts if he is declared a loser by the Senate, which is now in the process of ruling on the disputed ballots.

Durkin wants the Senate to rule on the results of last November's election because he believes the recount process and the certification that followed to be a valid process of his election. He says that the law does not permit a second race and he suggests that Wyman's advocacy of a special election to settle the contest is an admission of defeat in the first. He asks: "Have you ever heard of a politician who won a six year term who wanted a new election?"

The Senate Rules Committee has screened 3500 ballots which both Wyman and Durkin had challenged for one reason or another in the initial New Hampshire counting. These contested ballots were trimmed to 800 protested by both sides.

The Senate Rules Committee could not agree on 27 ballots which the full Senate will be called to rule on. Wyman also has filed eight requests for rulings outside of the 3500 initially disputed ballots.

But the real issue is whether the state Ballot Law Commission overturned a legitimate recount where there was Republican supervision. It appears that the Democrats in the Senate have cold feet in dealing with that problem.

EXCESSIVE GOVERNMENT REGULATIONS STIFLE PRODUCTIVITY

Mr. HARRY F. BYRD, JR. Mr. President, well-intentioned legislation like well-intentioned individuals sometimes can do more damage than good.

Most certainly this applies to excessive Government regulation. The intention, no doubt, is good, namely to help the consumer and "the people."

But too often it has precisely the opposite effect.

Indeed, excessive Government regulations can stifle productivity, increase consumer costs and contribute to inflation.

President Ford, I am pleased to note, is addressing himself to this matter. He asserts that he wants small business relieved from the shackles of Federal red-tape.

I concur in this view.

U.S. News & World Report in its issue of June 30, 1975, brings out important facts in this regard.

I ask unanimous consent that the article from the U.S. News & World Report captioned "The 'Regulators'—They Cost You $130 Billion a Year" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The "Regulators"—They Cost You $130 Billion a Year

A storm of controversy is swirling about federal agencies whose decisions regulate business and industry—and affect what you pay for almost anything. President Ford is only one of many critics demanding changes.

A new campaign—perhaps the biggest yet—is opening against the unchecked and increasingly arbitrary powers that federal regulatory agencies wield over the lives of the American people.

President Ford has called a "regulatory summit" with chairmen of 10 federal agencies to discuss what he describes as "excessive Government regulations that stifle productivity, eliminate competition, increase consumer costs and contribute to inflation."

Says the President: "I want small business released from the shackles of federal red tape. I want to end unnecessary, unfair and unclear regulations—and needless paper work."

Mr. Ford places the annual cost to consumers of unnecessary and wasteful regulatory policies at $2,000 per family. This means the total cost to the public is an estimated 130 billion dollars.

That's shown in a chart on these pages.

On Mr. Ford's agenda: talks with Congressmen on ways to hasten cutbacks on the rising flood of federal regulations. Both houses of Congress are planning "comprehensive studies" of the agencies—their independence or lack of it, performance and impact on the economy.

Behind this rising fever—

Consensus is widening among politicians, businessmen and consumer groups that such agencies—designed to protect the public from marketplace excesses such as monopoly, fraud and inequity—are no longer working effectively in today's society. Many of their rules and restrictions are seen as a drag on an already weakened U.S. economy.

At the same time, paradoxically, concern also is deepening over evidence of too-close ties between some federal regulators and the industries they are supposed to regulate, to the disadvantage of the public interest.

HOW THE "SYSTEM" WORKS

Every day, decisions of the agencies affect 213 million Americans in almost innumerable and often invisible ways.

They influence the quality of television programs and advertising; the cost of airline fares; the cleanliness of air and water; the rates for telephone service and postal deliveries, and the utility charges for heat and light.

Instances of regulators' impact on the economy are plentiful. A few of them:

A General Accounting Office report on effects of environmental and land-use regulations found that more than 6 billion board feet of mature timber in national forests dies every year because federal rules prohibit its harvest.

Mandatory safety standards for power lawn mowers being developed for the Consumer Product Safety Commission could increase the cost of a $100 mower to $186 and might put 25 manufacturers out of business according to a Stanford Research Institute study.

A tire-quality grading system being developed by the National Highway Traffic Safety Administration could cost consumers as much as 150 million dollars a year and yet be too confusing to be of use to tire buyers, according to a report by the Rubber Manufacturers Association.

RANSACKING THE FILES

Equally a worry to many companies is what they see as damage, real or potential, to themselves and their customers through detailed ransacking of their files by bureaucrats.

Three federal regulatory bodies have begun operations to collect internal data on the activities and methods of large businesses—a development that many corporations view with alarm. Such disclosures, they contend, could ultimately damage the public interest and virtually destroy some firms.

The Federal Trade Commission, for example, proposes to collect and reveal publicly "line of business" data on sales, profits and product lines from 345 of the nation's biggest manufacturers. These firms assert the Commission has not right to delve into corporate files, and that the cost of providing such data would average $548,000 per company—a cost that ultimately would be passed on to the consumer.

The Securities and Exchange Commission seeks more disclosure of corporate dealings with the Defense Department, the Central Intelligence Agency and foreign governments. Many firms insist such revelations could damage national security without providing useful information to investors.

The Consumer Product Safety Commission is continuing an effort to force manufacturers of household products—such as paints and solvents—to file their formulas with the Commission, in case their ingredients are someday discovered to be hazardous. Many manufacturers say this would mean giving up valuable trade secrets to competitors.

Too, alleged instances of overregulation and outright abuses by federal agencies are producing a rising chorus of complaints.

In several rural northwestern Oklahoma towns, physicians said their community hospitals are struggling to survive under a "death sentence" imposed by required filing of reports on patients under the federal medicare and medicaid health programs. The doctors maintained that staffs at the small 20 and 30-bed hospitals could not handle the necessary paper work and continue to give adequate medical care.

An Alexandria, Va., trucking contractor who specializes in hauling heavy machinery has tried for three years to obtain a permit to contract with a steel fabricator. His application to enter the market was challenged by six other truckers who already had the authority to operate over substantially the same routes. Federal regulators upheld the existing carriers, thus keeping a bona fide competitor out of the marketplace.

WHO ARE THE REGULATORS?

These and other criticisms are directed at a relative handful of appointed men and women who serve as regulatory commissioners in the huge national and State bureaucracies. Scores of U.S. agencies exercise regulatory powers, but only a few are truly "independent," with only minor restraints on their legislative, judicial and administrative authority.

Others operate within Cabinet-level departments: for example, the Food and Drug Administration in the Department of Health, Education and Welfare; the Occupational Safety and Health Administration in the Labor Department, and two safety-regulation bodies in the Department of Transportation.

But much of the current criticism involves the "big six" regulatory bodies created in the last 88 years.

The first such agency to be authorized, in 1887, was the Interstate Commerce Commission (ICC).

The Federal Power Commission (FPC) was formed in 1930.

The Federal Communications Commission (FCC) and the Securities and Exchange Commission (SEC) sprang to life in 1934.

The Federal Maritime Commission (FMC) was born in 1936.

The Civil Aeronautics Board (CAB) was the last of the six, in 1938.

These six agencies alone have direct control over some 120 billion dollars a year in commerce.

Today, regulatory agencies continue to increase in numbers—and power.

In 1970, Congress created the Environmental Protection Agency (EPA) and the Occupational Safety and Health Administration (OSHA). The Consumer Product Safety Commission (CPSC) was created in 1972.

Already in 1975, two new regulatory agencies have begun operations—the Federal Elections Commission and the Commodity Futures Trading Commission—and Congress is in the process of creating the controversial Agency for Consumer Advocacy.

This growth in federal regulatory functions is spurred by Congress and by expressions of concern about the power of "big business"—particularly its role in continuing inflation, unemployment, and the energy crisis. Also feeding concern is the spreading mood of consumer protest.

A nationwide public survey commissioned by the Commerce Department and the Advertising Council recently showed that 56 per cent of Americans want even more Government regulation and only 35 percent want less.

WHAT BOTHERS THE CRITICS

Thomas E. Kauper, Assistant Attorney General for antitrust matters, says however, that many agencies serve as economic "gatekeepers" for the industries they regulate—determining which firms enter a field, the products or services they offer and the rates they charge.

Members of the Chamber of Commerce of the U.S., polled at a recent national conference, overwhelmingly favored abolishing or diminishing the power of major regulatory agencies, particularly the ICC and the CAB.

Carl H. Madden, the Chamber's chief economist, observes: "Given the danger to the future growth of the country with continued economic regulation, the weight of the public interest is overwhelming on the side of deregulation."

Consumer and public-interest groups have long espoused deregulation of railroads, truck lines and airlines. Consumer-advocate Ralph Nader observes:

"Our unguided regulatory system undermines competition and entrenches monopoly at the public's expense."

Says Mr. Kauper: "Regulatory reform has received considerable broad-based support in concept, but once particular oxen begin to be gored, those who support general concepts may find it difficult to support detailed change."

President Ford pinpoints another difficulty: "Nothing resists change more stubbornly than a comfortably entrenched bureaucracy, intent on self-preservation."

GOVERNMENT-RUN CARTELS

What is becoming clear is that federal regulations increasingly are creating higher prices for consumers by rewarding inefficiency and discouraging innovation.

Critics charge that many regulated industries, in effect, belong to elaborate cartels administered by Government agencies. These agencies may approve mergers and acquisitions, set rates and fees, grant market areas, approve transportation routes and license new operators.

Others point to regulatory actions they contend will protect the financial health of the industries being regulated more than public or customer interests. An example:

Along the main cross-country interstate routes between Cleveland, Ohio, and Jacksonville, Fla., trucks roll along with trailers empty—even though shippers at both ends of the line would eagerly give them cargo.

The truckers, are permitted to haul freight one way only, and must make the 1,000-mile return trip empty. Why?

It is because of regulations set years ago by the Interstate Commerce Commission—though the American Trucking Association with a staff of 240 to watch over industry interests at its Washington headquarters, argues that empty trucks on the highway are caused by "freight imbalances" along certain routes and by specialized vehicles, such as auto carriers, which can haul only certain kinds of loads.

Another example: A small airline operating only in Texas flies passengers between Dallas and Houston for as little as $15 per trip. An interstate airline, which operates under Civil Aeronautics Board regulations, charges $31 for the same trip. A similar disparity exists in California on flights between San Francisco and Los Angeles. In both cases, the State-regulated airlines turn comfortable profits while charging lower fares. This is described as "cream skimming" by their big competitors whose higher fares make up for less-profitable routes in their federally protected interstate schedules.

Commissions also are accused of becoming immersed in minutiae that prevent them from tackling big issues with speed and wisdom. For instance—

In April, the ICC labored over an application from the Yellowstone Molasses Service for permission to haul molasses from North Dakota to neighboring States. The commissioners also approved the rate for transporting molasses.

Earlier, the Federal Trade Commission had met "to reconsider the limitations set by Rule 19 (H) 2 under the Fur Products Labeling Act for iron and copper found in dressed ranch-mink skins.

Federal regulators also set forth Navel-Orange Regulation 311, which prescribed how many oranges may be shipped from certain counties in California and Arizona during a specific one-week period.

Early in May, the ICC took three pages of fine print to itemize the specific highway routes that a small moving company in Grandview, Mo., must use to haul household goods across the country. Even if the firm wanted to take a short cut, it was prohibited from doing so by the ICC.

And an Oregon company that operates three small TV stations reported that its FCC license-renewal application weighed 45 pounds—a relatively small paper-work burden considering the 5,146 different types of Government forms approved for public use, a figure that excludes all tax and banking forms.

AGENCIES STAY IN BACKGROUND

How did the U.S. end up in this regulatory swamp?

In his book "The Regulators," Louis M. Kohlmeier, Jr., explains it as a peculiarly American answer to Marxist formulas for managing the marketplace—leave production almost entirely in private hands but regulate commerce and industries most vital to the public interest.

Increasingly, in recent years, these regulatory commissions—whose members are appointed by the President—have functioned as anonymous and almost unchallenged forces in the Government and the economy.

Congress rarely has exercised any oversight of regulatory activities. As a result, say critics, the agencies have become even further removed from political pressures and more closely aligned with the industries they regulate.

Day-to-day actions of such agencies tend to be extremely complex, arcane and dull. In the past, the press has considered the "regulatory beat" one of the least glamorous in Washington and, until recently, devoted little more than cursory coverage to agency decisions. Public familiarity and scrutiny of the agencies has been kept at a minimum.

Yet almost from the beginning, thoughtful persons have expressed fears about the system—primarily the concern that Americans would look exclusively to Government to alleviate all problems.

Almost as important, in the eyes of many, is what U.S. Appeals Court Judge J. Skelly Wright, in a 1970 case involving the CAB, called "the recurring question which has plagued public regulation of industry: whether the regulatory agency is unduly oriented toward the interests of the industry it is designed to regulate, rather than the public interest it is designed to protect." Echoing that concern, former Deputy Assistant Attorney General Donald I. Baker declares: "The process of enforced intimacy between an agency and the industry it regulates tends to give the agency a sense of responsibility for the welfare of that industry, regardless of whether the statutes require it."

ROLE OF THE LOBBYISTS

This "enforced intimacy" produces what one former FCC commissioner calls a "subgovernment of lobbyists, powerful lawyers, special-interest groups and corporations involved in a cozy relationship with the bureaucrats and agency officials that are supposed to be doing the job of regulating."

Scores of corporations retain Washington counsel to look after their interests, and more than a hundred trade associations have relocated in the nation's capital in recent years.

Mark Green, author of a new book, "The Other Government: The Unseen Power of Washington Lawyers," says:

"Washington is filled with lawyers who are making a great living prolonging things at regulatory agencies. They can outlast anybody. Some decisions have been dragged out longer than 10 years."

Mr. Green also notes that a number of Washington lawyers began as staff members of regulatory agencies, learned the ropes, then left to "work the other side of the street" representing clients before the regulatory agency.

At high level, commissioners cross over, too.

In 1970, James Needham resigned as Chairman of the Securities and Exchange Commission to take his present position as president of the New York Stock Exchange.

James Quello, a former broadcasting executive in Detroit, took an appointment to the Federal Communications Commission in 1974.

Peter B. Hutt, who represented several food corporations for a major Washington law firm, became in 1971 chief counsel of the Food and Drug Administration.

Last year, a GAO study noted that 3 out of 5 commissioners on the Federal Power Commission had past associations of varying closeness with the oil and gas indutry.

Are such close association between regulators and regulated necessarily bad? Keith I. Clearwaters, a former Deputy Assistant Attorney General now in private practice, believes firmer measures are needed to avoid the appearance of conflicts of interest. His view:

"You can't stop people from going through the revolving door from industry to Government agency and back again. After all, the pool of expertise in such areas as transportation and petroleum is very small. But certainly Congress should examine appointees to regulatory agencies very closely, and strong codes of ethics should be enforced so that a person can't work on certain issues at a Government agency and then go out . . . and advocate the other side of the case."

Frank W. Lloyd, head of the Citizens Communication Center, a public-interest law firm that works on media issues before the FCC, notes salary is involved. He says: "When a person gains experience in fields like securities or communications at a federal agency, he becomes quite valuable to private industry, and a corporation will pay dearly for his services—far above Government salary levels. The pattern is to get a few years of solid background in Government policy, and then be lured away by tempting offers."

WHY BUSINESSMEN WORRY

While concern grows over this "cozy familiarity" between regulators and regulated, much of the recent impetus to alter federal regulatory policies flows out of fears of business interests themselves that Government is beginning to interfere too much in their affairs.

William S. Mitchell, president of Safeway Stores, Inc., the nation's largest food chain, articulated that concern when he called for an end to "the morass of ever-increasing Government meddling and muddling."

Speaking of the retail-food industry particularly, Mr. Mitchell charged recently that "some publicity-seeking politicians and Government agencies seem to be trying to turn our customers against us."

The food-chain president added:

"They seem to want us to end up as either a highly regulated industry or be broken up or both."

President John G. Kemeny of Dartmouth College, citing burdensome and often conflicting federal regulations governing admission, scholarship and hiring policies, believes federal power may be the most significant threat to higher education in the U.S.

"Federal agencies seem to be competing with each other in an effort to enforce a wide variety of regulations, and universities just cannot keep up with them. This red tape makes the administration of educational institutions vastly more complicated.

"The time may come when an institution will have to place itself deliberately in violation of some of these regulations in order to force a test case in the courts."

Many regulations to which business interests object govern social concerns—equality in hiring, occupational safety, consumer welfare and environmental quality.

Ray Burch, senior vice president and marketing director of Schwinn Bicycle Company, asserts that federal and State regulatory bodies increasingly are intervening in companies' internal operations. He adds:

"Government inspectors with little business expertise are permitted to walk into any company unannounced and dictate work rules. It's a wonder any product can leave the assembly line at a decent price."

Murray L. Weidenbaum, director of the Center for the Study of American Business at Washington University in St. Louis, and a former Assistant Secretary of the Treasury for economic policy, calls these social issues "the new wave of Federal Government regulation of business." He explained:

"No one can quarrel with the motives of bureaucrats in trying to improve working conditions, promote better products, eliminate job discrimination and reduce pollution. All too often, however, regulators simply ignore the costs of such advances—costs that frequently outweight the benefits."

The price of a U.S. auto, he points out, has increased an average of $320 per car because of federal safety and pollution standards. Another study found that federal drug standards caused delays in bringing effective drugs to the market and resulted in extra costs to consumers of between 200 and 300 million dollars a year.

Much of the theme of President Ford's campaign to reform federal regulatory agencies will rest on showing how such agencies worsen inflation through their policies. Says George Eads, assistant director of the Council on Wage and Price Stability:

"All we are asking is for the regulators to consider their actions in the spirit of value received for money spent. Since consumers end up paying the additional price brought on by regulatory actions, we want federal agencies to be sure the benefits equal the costs to society."

THE PROLIFERATION OF EXPENSIVE MEDICAL TECHNOLOGY

Mr. KENNEDY. Mr. President, increasing concern has been expressed recently concerning the rapid proliferation of high cost, high potency medical techniques, and the implications of continued proliferation of that technology for the rapidly rising costs of medical care. Questions have been raised in the recent past about the effectiveness of costly and complex technology in improving the health of the American people. The Board of the Office of Technology Assessment has recently authorized the creation of a panel to study the implications of high cost technology for medical care in the United States.

Dr. Lewis Thomas, president of the Sloane Kettering Cancer Research Institute in New York, delivered an address before the Institute of Medicine of the National Academy of Sciences in November 1972. In it, he outlines his concerns about the continued proliferation of expensive medical technology at the expense of basic biomedical research and simple preventive measures, which may, in the end, have a much greater impact.

I ask unanimous consent that his remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Aspects of Biomedical Science Policy

(By Lewis Thomas, M.D., Dean Yale University School of Medicine)

I

I should like to present two different points of view about policy for biomedical science. Although the two viewpoints will seem not only different but even in conflict, they are both my own. Personally, I do not believe them to be in conflict, although, since they concern quite different aspects of today's health care problem, they are, in fact, quite different.

The first view concerns the health of the people and the problems associated with medicine's role in its maintenance. The second concerns the problem of disease.

We spend $70 billion a year on health, as we keep reminding ourselves, or is it 80? Whichever, it is a socking sum, and just to mention it is to suggest the presence of a vast, powerful enterprise, intricately organized and coordinated. It is, however, a bewildering, essentially scatterbrained kind of business, expanding steadily without being planned or run by anyone in particular. Whatever sum we spent last year was only discovered after we'd spent it, and nobody can be sure what next year's bill will be. The social scientists, attracted by problems of this magnitude, are beginning to swarm in from all quarters to take a closer look. There doesn't seem to be any doubt about the amount of money being spent, but it is less certain where it goes and for what.

It has become something of a convenience to refer to the whole endeavor as the Health Industry. This provides the illusion that it is in a general way all one thing, and that it turns out, on demand, a single, unambiguous product, which is Health. Thus, Health Care has become the new name for medicine. Health Care Delivery is what doctors now do, along with hospitals and the other professionals who work with doctors, now known collectively as the Health Providers. The patients have become Health Consumers. Once you start on this line, there's no stopping. Just recently, in order to correct some of the various flaws, inequities, logistic defects, and near-bankruptcies in today's Health Care Delivery System, the government has officially invented new institutions called Health Maintenance Organizations, already known familiarly as HMO's, spreading out across the country like post offices, ready to distribute in neat packages, as though from a huge, newly stocked inventory, Health.

Sooner or later, we are bound to get into trouble with this word Health. It is too solid and unequivocal a term to be used as a euphemism, and this seems to be what we are attempting. I am worried that we may be overdoing it, taxing its meaning, in order to conceal an unmentionable reality that we've somehow agreed not to talk about in public. It won't work. Illness and death still exist and cannot be hidden. We are still beset by plain diseases, and we do not control them; they are loose on their own, afflicting us unpredictably and haphazardly. We are only able to deal with most of them when they have made their appearance, and we must use the methods of medical care for this, as best we can, for better or worse.

It would be a better world if this were not true, but the fact is that we do not develop diseases just because of being careless about the preservation of Health. We do not become sick only because of a failure of vigilance. Most illnesses, especially the major ones, are blind accidents that we have no idea how to prevent. We have considerably more rhetoric about disease prevention than can be justified by scientific proof today, and we are at risk in overstating the facts. To be sure, there are a few important diseases, such as glaucoma and cervical cancer, which can be more effectively treated if detected early; we might prevent lung cancer if we could only learn to prevent cigarette smoking, and we have some excellent techniques for immunization. But we really cannot extrapolate a very great distance from these achievements. The great majority of chronic disease, including heart disease, cancer, and stroke, remain largely beyond our control. We are really not all that good at preventing disease or preserving health, not yet anyway, and we are not likely to be until we have learned a great deal more about disease mechanisms.

There is disagreement on this point, of course. Some of the believers among us are convinced that once we get a Health Care Delivery System that really works, the country might become a sort of gigantic spa, offering, like the labels on European mineral water bottles, preventives for everything from weak kidneys to moroseness.

It is a surprise that we haven't already learned that the word is a fallible incantation. Several decades of Mental Health have not made schizophrenia go away, nor has it been established that a Community Mental Health Center can yet maintain the mental health of a community. These admirable institutions are demonstrably useful for the management of certain forms of mental disease, but that is another matter.

My complaint about the terms is that they sound too much like firm promises. A Health Maintenance Organization, if well organized and financed, will have the best features of a clinic and hospital and should be of value to any community, but the people will expect it to live up to its new name. It will become, with the sign over its door, an official institution for the distribution of Health, and if anyone thereafter develops, as they surely will, intractable heart disease, or multiple sclerosis, or rheumatoid arthritis, or that majority of cancers that can neither be prevented nor cured, or chronic nephritis, or stroke, or moroseness, the people will begin looking sidelong and asking questions in a low voice.

Meanwhile, we are paying too little attention, and respect, to the built-in durability and sheer power of the human organism. Its surest tendency is toward stability and balance. It is a distortion, with something profoundly disloyal about it, to picture the human being as a teetering, fallible contraption, always needing watching and patching, always on the verge of flapping to pieces; this is the doctrine that people hear most often, and most eloquently, on all our information media. We ought to be developing a much better system for general education about human health, with more curricular time for acknowledgment, and even some celebration, of the absolute marvel of good health that is the real lot of most of us, most of the time.

The familiar questions about the needs of the future in medicine are still before us. What items should be available, optimally, in an ideal Health Care Delivery System? How do you estimate the total need, per patient per year, for doctors, nurses, drugs, laboratory tests, hospital beds, X-rays, and so forth, in the best of rational worlds? My not entirely frivolous suggestion for a new way to develop answers is to examine, in detail, the ways in which the various parts of today's medical care technology are used, from one day to the next, by the most sophisticated, knowledgeable, and presumably satisfied Consumers who now have full access to the system—namely, the well-trained, experienced, middle-aged, married-with-family internists.

I could design the questionnaire myself, I think. How many times in the last 5 years have the members of your family, including yourself, had any kind of laboratory test? How many complete physical examinations? X-ray? EKG's? How often, in a year's turning, have you prescribed antibiotics of any kind for yourself or your family? How many hospitalizations? How much surgery? How many consultations with a psychiatrist? How many formal visits to a doctor, any doctor, including yourself?

I will bet that if you got this kind of information and added everything up, you would find a quite different set of figures from the ones now being projected in official circles or the population at large. I have tried it already, in an unscientific way, by asking around among my friends. My data, still soft but fairly consistent, reveals that none of my internist friends have had a routine physical examination since military service; very few have ever been X-rayed except by dentists; almost all have resisted surgery; laboratory tests for anyone in the family are extremely rare. They use a lot of aspirin, but they seem to write very few prescriptions and almost never treat family fever with antibiotics. This is not to say that they do not become ill; these families have the same incidence of chiefly respiratory and gastrointestinal illness as everyone else, the same number of anxieties and bizarre notions, and the same number—on balance, a small number—of frightening or devastating diseases.

It will be protested that internists and their households are really full-time captive patients and cannot fairly be compared to the rest of the population. As each member of the family appears at the breakfast table, the encounter is, in effect, a house call. The father is, in the liveliest sense, a family doctor. This is true, but all the more reason for expecting optimal use to be made of the full range of medicine's technology. There is no problem of access, the entire Health Care Delivery System is immediately at hand, and the cost of all items is surely less than for nonmedical families. All of the usual constraints that limit the use of medical care by the general population are absent.

If my hunch, based on the small sample of professional friends, is correct, it would appear that these people use modern medicine quite differently from the ways in which we have systematically been educating the public over the last few decades. It cannot be explained away as an instance of shoemakers' children going without shoes. Doctors' families do tend to complain that they receive less medical attention than their friends and neighbors, but they seem a normal, healthy lot, with a remarkably low incidence of iatrongenic illness.

The great secret, known to internists and learned early in marriage by internists' wives, but still hidden from the general public, is that most things get better by themselves. Most things, in fact, are better by morning. Obviously, it is a great time-saver and money-saver for the physician's family that anxiety about disease is not handled as though it were disease itself; there is perhaps a greater willingness to accept anxiety as a natural, often transient, phenonemon. And certainly there is much less ambition to deploy the full technology of medicine as a corrective for the human condition.

It is conceivable that we might be able to provide good medical care for everyone needing it, in a new system designed to assure equity, provided we can restrain ourselves, or our computers, from designing a system in which all 200 million of us are assumed to be in constant peril of failed health every day of our lives. In the same sense that our judicial system presumes us to be innocent until proven guilty, a medical care system may work best if it starts with the presumption that most people are healthy. Left to themselves, computers may try to do it in the opposite way, taking it as given that some sort of direct, continual, professional intervention is required all the time, in order to maintain the health of each citizen, and we will end up spending all our money on nothing but this. Meanwhile, there is a long list of other things to do if we are to change the way we live together, especially in our cities, in time. Social health is another kind of problem, more complex and urgent, and there will be other bills to pay.

II

If taken out of context, my remarks to this point might be interpreted as an argument against intervention—conceivably, as a case against expanding our efforts in medical care. This is not my intention. On the contrary, I believe that we are under obligation to do a great deal more than we are doing today, in both the prevention and treatment of disease. But before we can do the genuinely effective, decisive things that need doing, we are totally dependent on a kind of information about disease that does not yet exist. To explore this dilemma, I should like now to consider certain problems relating to the available technologies of medicine.

The technology of medicine has certain peculiar features that differentiate this field from all the rest. One difference has to do with the economics that seem to govern all other technological advances but have no discernible influence on the kinds of things we do, or *think* we do, in medicine. For example, we do not build new bridges at great cost without knowing in advance, quite precisely, what the transport requirements will be in the future and having some kind of assurance that the bridges will bear the traffic, meet all foreseeable demands, and stand up to all foreseeable stresses. But we will undertake the development of an artificial heart, at the cost of many bridges, without going through any sort of cost-benefit, logistic, or even moral analysis of what it is that we are making. Indeed, in medicine, it is characteristic of our technology that we do not count the cost, ever, even when the bills begin coming in. I should like to come back to the artificial heart business a bit later on.

This is, plainly, a defect in our system, if we can be said to have a system. It is, in part, explainable by our history, by the brand newness of any kind of technology at all in this field, and our consequent unfamiliarity with any methods, or indeed, any incentive in the first place, for technology assessment in medicine. We have had almost no genuine science to tap into for our technology until just the past three decades. As a profession, we go back a very much longer stretch of time, probably thousands of years. During most of our history, therefore, we have become accustomed to no technology at all, or to pseudotechnologies without science. We acquired the habit, long since, of improvising, of trying whatever came to hand, and in this way, we have gone through our cyclical fads and fashions, generation after generation, ranging from bleeding, cupping, and purging, through incantations and the reading of omens, to prefrontal lobotomy and metrazol convulsions, and we have all gotten quite used to this kind of thing, whether we will admit it or not. Early on, we became accustomed to the demand that a doctor must *do* something; doctors who didn't *do* something, no matter what, were not real doctors, any more than shamans were real shamans until they turned on the good spirits and turned off the bad ones.

During the long period when we knew of nothing to do about typhoid fever except to stand by and wait for the patient to struggle through, keeping an eye out for the hemorrhages and perforations that might kill him at any time, the highest level of technology was the turpentine stupe, an elaborate kind of fomentation applied to the belly, very difficult to make without ending up with a messy shambles, and capable, I believe, of doing absolutely no good whatever beyond making everyone feel that the doctor was *doing* something. This, by the way, is not a baroque item of our distant history. I learned to make a turpentine stupe at the Peter Bent Brigham Hospital in 1937; it is, therefore, in my view, a relatively recent, almost modern, example of the way we develop technology, and it is not yet all behind us, as we shall see. We still have our equivalents of bleeding and cupping and turpentine stupes, and they are all around us.

The trouble with this kind of pseudotechnology or magical technology, is that it has become unbelievably expensive in its more modern forms, and, at times, it is dangerous. It is particularly dangerous and expensive when it takes the form of strong drugs, or bizarre diets, or surgery, which it sometimes does.

We may be in danger of forgetting the real reason why we have always done such things in the first place. Why, when we do not understand, even faintly, the underlying nature of a fatal disease and can do nothing about it to change its course, do we feel an obligation to *do* something—and why does society expect us to try? The answer, of course, is that we must; it is in our nature to try; the very best definition of a physician's occupation ever given is the old one: "to cure sometimes, to relieve often, to comfort *always*." It is that word "always" that is operative. And one of the best ways to comfort is to keep trying, no matter what.

But now that science has entered medicine in full force, we must begin to sort out our affairs. From now on, we will need, as never before, to keep these central enterprises—"to cure, to relieve, to comfort"—clearly separated from each other in our minds. They do not really overlap, but we tend to view them, and the public takes, of course, the same view, as though they were all of a piece, all the same body of technology, all derived from science, all modern. I think perhaps one reason we do this is because of an unconscious conviction that dollar values must be placed on all human enterprises, and we do not like to confess to ourselves that so many of the things that we do are simply provided for comfort and reassurance. Somehow, this has come to seem a less significant product than a cure; so we try, consciously or unconsciously, to pretend that there is more continuity than is really there, that everything we do is directed toward the same end.

In fact, in real life, we are engaged in three, maybe four, entirely different kinds of technology in medicine. I have an idea that if we could conduct a sort of technology assessment on ourselves and come to some sort of general agreement about which technology belongs in which category, we might be in a better position to make intelligent plans and forecasts for the future, and we would almost surely be clearer in our minds about how to set priorities for the investment of scientific resources for the future.

Before beginning on my own version of a classification, I would like to make a general declaration of faith and a general confession of optimism. My dogmas are as follows: I do not believe, first of all, in the inevitability of disease; I concede the inevitability of the *risk* of disease, but I cannot imagine any category of human disease that we are precluded, by nature, from thinking our way around. Moreover, I do not believe that when we succeed in controlling or curing one kind of disease we will necessarily, automatically, find that it has been replaced by another.

Even if I am wrong about this, and it should turn out that there is some law of nature that mandates the doling out of new diseases up to some optimal number whenever old ones disappear (which strikes me as a piece of illogic as well as high improbability), I still cannot imagine remaining helpless before all the new ones. Nature is inventive, I grant, but not as inventive as to continue elaborating endless successions of brand new, impenetrable disease mechanisms. After we have learned enough to be able to penetrate and control the mechanisms of today's disease, I believe we will automatically be well equipped to deal with whatever new ones turn up. I do not say this in any arrogance, it just seems to me reasonable.

I have no more difficulty in imagining a disease-free human society, or at least a society in which major diseases are held under control, than I do with the idea that valuable stocks of animals, or varieties of plants, can be maintained *relatively* free of disease.

I believe that disease is, fundamentally, unnatural. It is not, in my view, a normal or natural part of the human condition for aging human beings to become paralzed and idiotic for long years before they finally die, any more than it is for young people to develop acute leukemia. I believe that disease results, generally, as the result of biological mistakes: misinterpretations, on the part of cells and tissues, of signals; misuse of information. I believe that there is a general tendency, amounting to a kind of universal natural force, for living things to attempt to join together, to pool resources, to establish symbiotic relationships. Parasitism is what happens when this fundamental drive forces partnerships upon inappropriate, wildly asymmetric partners. To protect against such collisions, we are all provided with chemical signals of identity, by which the life of the earth is regulated and kept balanced. Certain major varieties of disease are due to the panic produced by such signals; for example, most mammals, and even certain invertebrates like *Limulus*, read the signal of the lipopolysaccharide endotoxin extracted from Gram negative bacteria as the news of absolute doom, and so violent an inflammatory reaction is set up inside the whole vascular compartment that the circulation of the blood is brought to a standstill. This happens not because of any intrinsic poisonous properties of endotoxin, but because of the way the information contained in its molecule happens to be read by an animal host. In my view, much of human disease works in this way, and the mechanisms involved are, I believe, quite open to intelligent intervention and reversal whenever we learn more about how they operate.

To say it another way, I do not consider that the ambition to control or eliminate disease, which is an ambition shared by everyone in biomedical science, is their unthinkable or any distance beyond imagining. What makes it seem to many people like an outlandish, even outrageous, way to be talking is that it becomes assumed that we are talking about human happiness, which is really quite another matter, or about human mortality, which is also quite another matter. As to the first, it is, of course, true that disease has long been a major cause of human despair and wretchedness, but this is no reason to believe that we will all become happy, well-adjusted people by being rid of it.

We will still be left with an abundance of worrisome problems, and we will still have more than our share of ample reasons for despair, and no medical science—not even psychiatry—has any foreseeable contribution to make to these matters. War and bombs, failure and anomie, clouding of the sun by particles of our own waste, the shutting off of oxygen, the loss of room to move around—these are problems still to be with us, for some time to come, healthy or ailing, and I hope that no one will suggest that these are in any sense problems for medicine—or we will never get any of them solved. But perhaps human society will be better equipped to think its way through these imponderables if, at least, we no longer have today's roster of diseases to worry us at the same time.

As to mortality, I have a hunch that we will discover, someday, that disease and death are not as inextricably interrelated as we tend to view them today. All the rest of nature undergoes, in its variable cycles, the physiological process of death by the clock; all creatures, all plants, age finally, and, at the end, they all die. Diploid cells in tissue culture have finite life-span, which are different for different lines of cells and characteristic of particular cell stocks. Some live for 40 generations and then die, others for 70. They do not develop fatal diseases; it is not a catastrophe, they simply reach the end of a life-span programmed for them in their own genomes, and, at the end of that span, they die.

I believe that we are also like this. If we are not struck down prematurely by one or another of today's diseases, we live a certain length of time and then we die, and I doubt that medicine will ever gain a capacity to do anything much to modify this. I can see no reason for trying and no hope of success anyway. At a certain age, it is in our nature to wear out, to come unhinged and to die, and that is that. My point here is that I very much doubt that the age at which this happens will be very drastically changed, for most of us, when we have learned more about how to control disease. The main difference will be that many of us will die in relatively good health, in a manner of speaking, rather after the fashion of Bertrand Russell. Or we may simply dry up and blow away.

And even if our technology were to become so dazzlingly effective as to rid us of all the major diseases that now kill many of us off before our time of wearing out, I doubt that the increase in population caused by this would make more than a marginal difference to the general problem of world over-population. Indeed, it might help some, since there would be smaller numbers of us in hospitals or living out our lives in various degrees of incapacitation and suffering. Being over-populated is bad enough as social problems go, but to be over-populated with so many of us disabled by disease, especially by the chronic diseases of the elderly, let alone schizophrenia, presents an unthinkable prospect for the approaching century.

In any case, we do not really owe much of today's population problem to the technology of medicine. Over-population has been coming on for several centuries, and the alarming upward slope began long before we had developed a genuine capacity to change the outcome of disease. Modern medical science is a recent arrival, and the world population had already been set on what seems to be its irreversible course by the civilizing technologies of agriculture, engineering, and sanitation—most especially the latter. From here on, the potential benefits of medicine greatly outweigh any conceivable hazard; we will perhaps change slightly the numbers of us living at any moment in time, but it lies within our capacity to change very greatly the quality of life.

Well, where do we stand today as a science? This is not the same question, of course, as the one concerning the state of our technology. Our science is the science of the biological revolution, and we have scarcely begun to apply any of it. We do not, in fact, yet know where to begin. In contrast with today's genuinely high technologies of molecular biology, or neuprobiology, or cellular biology, with the immense power of their instruments for exploring the most fundamental questions about the processes of life, the condition of our knowledge of disease mechanisms has a primitive, 19th-century look, and our capacity to intervene in disease is not much better. This is the general shape of things today, but tomorrow will be very different indeed. I simply cannot imagine any long persistence of our ignorance about disease mechanisms, in the face of all that is being learned about normal cells and tissues. Our time for the application of science, on a major scale, is approaching rapidly, and medicine will be totally transformed when it happens. The hard problem just ahead will be for us to set priorities and make choices between options. We will be obliged, as never before in our history, to select between alternative possibilities in technology; we will be compelled to make long-range predictions as to the outcome of this course or that; in short, we will be thrust into the business of technology assessment, just like all the other great national enterprises.

It is a curious position that we are in today, poised as we are between the old world of trial-and-error empiricism, superstition, hunch, and resignation to defeat, and the new world, just ahead, of hard information and applied science. We seem to work, as of now, with three different levels of technology.

1. First, and necessarily foremost, is what might be termed the *high technology* of medicine, equivalent, in its sophistication and effectiveness, to the high technologies of the physical sciences. It is a curious fact that although the accomplishments here represent the major triumphs of medicine to date, most of us tend to take them for granted, and we often forget what they mean for the quality of life in modern society. This is the genuinely decisive technology of modern medicine, exemplified best by methods for immunization against diphtheria, pertussis, and various virus diseases and the contemporary use of antibiotics and chemotherapy for bacterial infections. The capacity to deal effectively with syphillis and tuberculosis represents a milestone in human endeavor, even though full use of this potential has not yet been made. And there are, of course, other examples: the treatment of endocrinologic disorders with appropriate hormones, the prevention of hemolytic disease of the newborn, the treatment and prevention of various nutritional disorders, and, perhaps just around the corner, the management of Parkinsonism and sickle-cell anemia. There are other examples, and everyone will have his favorite candidates for the list, but the truth is that there are not as many as the public has been led to believe.

The point to be made about this kind of technology—the real high technology of medicine—is that it comes as the result of a genuine understanding of disease mechanisms, and when it becomes available, it is relatively inexpensive, relatively simple, and relatively easy to deliver.

Offhand, I cannot think of any important human disease for which medicine possesses the capacity to prevent or cure outright where the cost of technology is itself a major problem. The price is never as high as the cost of managing the same diseases during the earlier stages of ineffective technology. If a case of typhoid fever had to be managed today by the best methods of 1935, it would run to a staggering expense. At, say, around 50 days of hospitalization, requiring the most demanding kind of nursing care, with the obsessive concern for details of diet that characterized the therapy of the time, with daily laboratory monitoring, and, on occasion, surgical intervention for abdominal catastrophe, I should think $10,000 would be a conservative estimate for the illness, as contrasted with today's cost of a bottle of chloramphenicol and a day or two of fever. The kind of technology that was evolving for poliomyelitis in the early 1950's, just before the emergence of the basic research that made the vaccine possible, provides another illustration of the point. It is the cost of those kinds of technology, and their relative effectiveness, that must be compared with the cost and effectiveness of the vaccine.

Pulmonary tuberculosis had similar episodes in its history. There was a sudden enthusiasm for the surgical removal of infected lung tissue in the early 1950's, and elaborate plans were being made for new and expensive installations for major pulmonary surgery in tuberculosis hospitals, and then the drug isoniazid and the antibiotic streptomycin came along, and the hospitals themselves were closed up.

It is when physicians are bogged down by their incomplete technologies, by the innumerable things they are obliged to do in medicine when they lack a clear understanding of disease mechanisms, that the deficiencies of the health care system are most conspicuous.

2. This brings me to the second level of technology in this classification, which I have termed the "halfway technology" of medicine. This represents the kinds of things that must be done after the fact, in efforts to compensate for the incapacitating effects of certain diseases whose course we are unable to do very much about. It is a technology designed to make up for disease, or to postpone death.

The outstanding examples in recent years are the transplantations of hearts, kidneys livers, and other organs and the equally spectacular inventions of artificial organs. In the public mind, this kind of technology has come to seem like the equivalent of the high technologies of the physical sciences. The media tend to present each new procedure as though it represented a breakthrough and therapeutic triumph, instead of the makeshift that it really is.

In fact, this level of technology is, by its nature, at the same time highly sophisticated and profoundly primitive. It is the kind of thing that we must continue to do until there is a genuine understanding of the mechanisms involved in disease. In chronic glomerulonephritis, for example, a much clearer insight will be needed into the events leading to the destruction of capillaries in the kidney. There is solid evidence that abnormal immunologic reactions are the basis for this destruction. If more information can be obtained, it should become possible to intervene intelligently, to prevent the process, or turn it around. When this level of understanding has been reached, the technology of kidney replacement will not be much needed and should no longer pose the huge problems of logistics, cost, and ethics that it poses today.

An extremely complex and costly technology for the management of coronary heart disease has evolved, involving specialized ambulances and hospital units, all kinds of electronic gadgetry, and whole platoons of new professional personnel to deal with the end results of coronary thrombosis. Almost everything offered today for the treatment of heart disease is at this level of technology, with the transplanted and artificial hearts as ultimate examples. When enough has been learned to know what really goes wrong in heart disease, we ought to be in a position to figure out ways to prevent or reverse the process, and when this happens the current elaborate technology will be set to one side.

The impending development of an artificial heart illustrates the kind of dilemma we are placed in by today's emphasis on halfway technology. Let us assume that heart disease, for all its manifold origins and its complexity, does represent an approachable scientific problem—that if we study the matter with sufficient imagination and energy, making use of all the new information about muscle structure and function and blood coagulation and lipid metabolism, and making capital use of new information along other lines as yet unguessed at by any of us, we will eventually solve this problem, and we will then learn how to intervene before the onset of irreversible muscle or valve disease, to prevent the process or to turn it around. As a non-cardiologist, an outsider, I have total confidence that this can be done, that sooner or later it will be done, and my colleagues who know a lot about heart disease have, I sense, this same kind of confidence for the long term.

This, then, is one option and an altogether wise one to adopt. But the artificial heart represents a completely different attitude, basically opposed. To be willing to invest the hundreds of millions of dollars that will probably be necessary for this one piece of new technology almost demands of its proponents the conviction that heart disease represents an unapproachable, insoluble biological problem. It tends, as I see it, to write off scientific research. It assumes that the best we will be able to do, within the next few decades anyway, is to wait until the underlying mechanisms of heart disease have had their free run, until the organ has been demolished and then to put into the chest this nuclear-powered, plastic-and-metal, essentially hideous engine. I am convinced that this is the worng way to go. Even if it works, which I am afraid, is not at all unlikely, I cannot imagine how society will solve the problems of cost, distribution, and priority. Who will be entitled to buy and have installed these engines? Those with enough wealth to pay for them? Those who strike the rest of us, or our committees, as potentially useful citizens? Once we have started on this endless line of insoluable problems, there may be no turning back. If ever there were an urgent, overwhelmingly important problem in biomedical science it is with us now. Someone simply *must* provide us with a solution, quickly, to the problem of coronary arteriosclerosis. If this can be done, the artificial heart can become, overnight, an interesting and ingenious contraption, something clever and decorative but no longer a practical thing, with some of the charm of a Tiffany lamp—a sort of instant antique—and we will all be the better off for his transformation. Otherwise, we are in for real trouble, just ahead, and I'm not sure we have the collective intelligence in medicine to deal with it.

Much of what is done in the treatment of cancer, by surgery, irradiation, and chemotherapy, represents halfway technology, in the sense that these measures are directed at the existence of already established cancer cells, but not at the mechanisms by which cells become neoplastic. The policy problems that confront us now, with the nation's declared commitment to conquer cancer, are somewhat like those involved in the artificial heart question. There will be, for a while, anyway, a running argument between opposing forces. There will be, on one side, those who believe that cancer is a still unsolved but eminently approachable scientific puzzle, requiring only enough good research by imaginative investigators, on a broad enough biological base, and that provided with enough financial support, and enough time, we will one way or another, find ourselves home and dry.

On the other side, there will be those who believe themselves to be more practical men of the real world, who feel that we have already come about as great a distance toward understanding cancer as we are likely to move for some time, and that we should give the highest priority to applying, on a much larger scale, what we know today about this disease—that with surgery, chemotherapy, and radiation we can now cure or paliate a considerable number of patients, and what we need at this time is more and better technology of essentially today's model. I do not know how this argument will come out, but I believe it to be an issue of crucial, symbolic significance; whichever way it goes, it is possible that this will be the drift of biomedical science for the next decade.

I only wish that we could find a more comfortable zone of middle ground between those who believe that everything remains to be learned about cancer and those who believe that we already know enough to cope with it by today's approaches. Personally, I would prefer the middle ground, for I like a comfortable position, but I am afraid that I belong with the first group of extremists in this one—for, to be honest, I regard cancer as an entirely open, entirely unsolved problem, wide open to research, and soluble, and I regard the technology of today's form of therapy as paradigms of halfway technology, directed at the results of the disease rather than at underlying mechanisms.

It is characteristic of this kind of technology that it costs an enormous amount of money and requires a continuing expansion of hospital facilities. There is no end to the need for new, highly trained people to run the enterprise. And there is really no way out of this at the present state of knowledge. If the installation of specialized coronary care units results in the extension of life for only a few patients with coronary disease (and there is no question that this technology is effective in a few cases), it seems to me an inevitable fact of life that as many of these as can be built will be put together and as much money as can be found will be spent. I do not see that anyone has much choice in this. We are obliged, by the very nature of our professional responsibility, to adopt a new technology that will benefit patients with otherwise untreatable diseases, even when only a very small percentage will be benefitted, even when the costs are very high. Neither we, nor any other sector of society, controls this aspect of our economy. We cannot, like other industries, withhold a technology from the marketplace because it costs too much money or benefits too small a percentage of patients. The only thing that can move medicine away from this level of technology is new information, and the only imaginable source of this information is research.

The best we can do when the economic or logistic problems associated with our technology verge on the insupportable, or when the odds are too high against the success of our procedures, is to try to improve the technology, or to discover an altogether new technology, as quickly as possible. Meanwhile, however, we must continue to employ the less than satisfactory ones.

The near-miraculous achievements of the antibiotic drugs in controlling or eliminating our most serious bacterial infections—such as typhoid or lobar pneumonia, or epidemic meningitis—are useful indicators of the future direction of technology in medicine. They are, in fact, pieces of solid evidence that technology does work. But they should not be mistaken for symbols of the whole of medicine.

And this brings me to the third level of technology. This is the large body of what is best termed "non-technology." It is, in effect, the substitute for technology that medicine has always been compelled to use when we are unable to alter either the natural course of disease or its eventual outcome. A great deal of money is spent on this. It is valued highly by the professionals as well as the patients. It consists of what is sometimes called "supportive therapy." It tides patients over through diseases that are not, by and large, understood. It is what is meant by the phrases "caring for" and "standing by." It is absolutely indispensable. It is not, however, a technology in any real sense.

It includes the large part of any good doctor's time that is taken up with simply providing reassurance, explaining to patients who fear that they have contracted one or another lethal disease that they are, in fact, quite healthy.

It is what physicians used to be engaged in at the bedside of patients with diphtheria, meningitis, poliomyelitis, lobar pneumonia, and all the rest of the infectious diseases that have since come under control.

It is what physicians must now do for patients with intractable cancer, severe rheumatoid arthritis, multiple sclerosis, stroke, and advanced cirrhosis. One can think of at least 20 major diseases that require this kind of supportive medical care because of the absence of an effective technology. I would include a large amount of what is called mental disease and most varieties of cancer in this category.

The cost of this non-technology is very high and getting higher all the time. It requires not only a great deal of time but also very hard effort and skill on the part of physicians; only the very best of doctors are good at coping with this kind of defeat. It also involves long periods of hospitalization, lots of nursing, lots of involvement of non-medical professionals in and out of the hospital. It represents, in short, a substantial segment of today's expenditures for health. It is not as great a financial problem for the future as halfway technology, but between them, non-technology and halfway technology will sooner or later drive any system of health care that we may devise into bankruptcy.

If I were a policy-maker, interested in saving money for health care over the long haul, I would regard it as an act of prudence to give high priority to a lot more basic research in biological science. This is the only way to get the full mileage that biology owes to the science of medicine, even though it seems, as used to be said in the days when the phrase still had some meaning, like asking for the moon.

FINANCIAL STATEMENT

Mr. MOSS. Mr. President, approximately every 2 years—in each Congress—I have made public disclosure of my income and financial assets. I made my last public disclosure in 1973—the disclosure I make today updates the record through June 1975.

Past statements have shown the equity which I have in my homes. This statement has been prepared by Touche Ross & Co., Salt Lake City, based upon my tax returns and based upon the cost figures at the time of purchase.

I should mention that I receive lecture fees of between $5,000 and $10,000 a year—last year $8,750, small royalties on my book, "The Water Crisis"—last year $151, and small dividends from several marketable securities that I hold—last year $23. These are my only earnings outside my Senate salary, with the exception of $462.26 gross a month which I draw as retired military pay for my service in the U.S. Air Force. My wife has no separate assets, income, or earnings.

I ask unanimous consent that my current financial statement be printed in full in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR FRANK E. MOSS—STATEMENT OF ASSETS AND LIABILITIES—JUNE 30, 1975

Assets	*Costs*
Cash	$3,500
Marketable securities	204
Notes receivable	12,607
Cash surrender value of life insurance policies	18,500
Automobiles	2,000
Real estate:	
House in Washington	46,000
House in Salt Lake City	31,086
House in Maryland	73,000
Condominium at Bear Lake	39,500
Unimproved lot in Salt Lake City	8,000
	197,586
	234,397
Liabilities	
Note payable	9,600
Mortgages on real estate:	
House in Washington	3,335
House in Salt Lake City	13,627
House in Maryland	61,047
Condominium at Bear Lake	34,428
	112,437
	122,037
Net assets	112,360

HELP OF AMERICAN COLLEGES OF AGRICULTURE NEEDED IN FIGHT ON HUNGER

Mr. HUMPHREY. Mr. President, although American universities are doing a great deal in the way of training foreign students in the field of agriculture, it is apparent that their role can and should be expanded.

In light of the food shortages that are presently being felt in many parts of the world, particularly in the less developed countries, it is of extreme importance that agricultural training be expanded. American colleges are yearly providing an agricultural education to 5,200 foreign students, 410 foreign professors and post-doctoral students, and 200 American faculty members are currently abroad on teaching assignments. Last year, American colleges conducted cooperative programs with 500 foreign institutions, but 378 of these programs were conducted by nine colleges. This is indicative of the way in which the agricultural training capacity of our American colleges is being underutilized.

I am proud to be able to report that the University of Minnesota is playing a leading role in the campaign to train foreign agriculturists and, hence, benefit the world food situation. Yet the universities can and must intensify their efforts as trainers of foreign students in the ways of modern agriculture.

One vehicle for doing just that, and intensifying training programs at American universities, is the Famine Prevention Act. This bill would provide for an expanded use of our land grant colleges in agricultural training programs.

In considering this bill, it is important that we are made aware of the facts of the present situation and the extent to which our colleges are presently providing training for foreign students.

Mr. President, I ask unanimous consent that a summary of international activities of U.S. Colleges of Agriculture, prepared by John Blackmore, director of international agriculture programs at the University of Minnesota be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

A SUMMARY OF INTERNATIONAL ACTIVITIES OF U.S. COLLEGES OF AGRICULTURE

(Prepared by John Blackmore, Director, International Agricultural Programs, University of Minnesota, May 1975.)

In March 1975 a survey was made of the international activities of the colleges of agriculture at U.S. universities. Data were collected from 58 colleges including 50 First Morrill Act land-grant colleges, 7 Second Morrill Act land-grant colleges, and Southern Illinois University.

The international record of the U.S. colleges of agriculture is impressive, but their potential for assistance on world food problems is even more impressive. These colleges are now providing instruction for more than 5,200 foreign students. More than 1,000 of their faculty members are engaged in internationally significant research, and more than 2,800 faculty members have foreign experience gained from service abroad in the past 10 years. Over the past 20 years these colleges have had cooperative activities with more than 1,000 foreign institutions.

The U.S. colleges of agriculture are an enormous reservior of experienced professional talent with skills relevant to the world's food needs. There are nearly 1,400 faculty members with Latin American experience, more than 1,000 with Asian experience, and more than 700 who have worked professionally in Africa. This capacity is not being fully utilized with only 320 faculty members from 58 universities currently on overseas assignments. The 320 U.S. faculty members now on foreign assignments come from 44 universities. Only 13 universities have 10 or more staff members abroad, 14 reported none abroad, and 22 reported having from one to five on overseas assignments.

These U.S. colleges of agriculture have a great capacity for training foreign students. There are more than 5,200 foreign students currently enrolled in colleges of agriculture, with nearly 4,000 of these being graduate students and about 1,200 undergraduates. Only nine colleges have as many as 200 foreign students enrolled, 29 have less than 50, and 18 have 25 or less. Clearly the capacity for training foreign students in the U.S. colleges of agriculture is underutilized.

It is worth noting that USAID and FAO together are supporting only 915 of the 5,200 enrolled foreign students. There is broad agreement that one of the most effective aspects of our foreign assistance to agriculture is technical training, but the number presently supported seems very small in relation to the needs and the available capacity of the U.S. colleges of agriculture.

One of the most significant ways to help the food-deficit nations is to assist in improving their own capacities to train professional agriculturists. This year there are a total of 410 foreign professors and postdoctoral students in residence in the U.S. colleges of agriculture. This is a small number in relation to the need for staff development in colleges of agriculture in the developing nations.

In the last year the U.S. colleges of agriculture offered special training programs to more than 500 groups of foreigners who came to the U.S. campuses. Much of this training was highly skill-specific and short-term. The underutilized capacity for such training is suggested by the fact that 378 of these training programs were provided by only nine colleges.

INTERNATIONAL ACTIVITIES OF COLLEGES OF AGRICULTURE AT 58 U.S. UNIVERSITIES*

Agriculture college faculty now on overseas assignments, 320.

Agriculture college faculty now carrying on "international" research, 1,125.

Total agriculture college faculty engaged in research, 10,386.

Agriculture college faculty members who have served abroad for 3 months or more in the last 10 years, 2,806.

Agriculture college faculty members with work experience in: Asia and/or Middle East, 1,059; Africa, 737; Latin America, 1,377.

Foreign students in U.S. College of Agriculture: Undergraduates, 1,253; Graduates, 3,975.

Foreign post-doctorals and visiting professors in U.S. colleges of agriculture, 410.

Foreign students in U.S. colleges of agriculture with support from USAID or FAO, 915.

On-campus training programs for groups of foreign trainees in 1974, 538.

Foreign institutions with which U.S. colleges of agriculture have had some kind of cooperative projects in the last 20 years, 1,161.

Colleges of Agriculture with 200 or more foreign students and visiting professors:

California, Davis	391
Cornell	363
Wisconsin	359
Virginia Polytechnic Institute	319
Michigan State	316
Louisiana State	285
Minnesota	261
Florida	215
Ohio State	212

Colleges of agriculture with 50 or more foreign undergraduate students:

Louisiana	208
Virginia Polytechnic Institute	101
Cornell	78
California, Davis	72
New Mexico	70
Oregon	67
Texas A & M	67
Minnesota	55

Colleges of agriculture with 100 or more foreign graduate students:

Wisconsin	283
California, Davis	282
Cornell	246
Michigan State	243
Virginia Polytechnic Institute	213
Ohio State	195
Minnesota	186
Florida	179
Kansas State	132
Illinois	126
Texas A & M	126
Mississippi State	112
Purdue	110
Arizona	104
Iowa State	102

Colleges of agriculture with 50 or more foreign post-doctorals and visiting professors:

Michigan State	62
Wisconsin	56
Cornell	39
California, Davis	37
Illinois	23
Colorado State	21
Iowa State	20
Minnesota	20
Wyoming	20
Florida	15
Purdue	15

Colleges of agriculture with 20 or more AID and FAO supported foreign students:

Michigan State	75
Wisconsin	70
Florida	54
New Mexico State	49
Minnesota	43
Ohio State	42
Oklahoma State	41
Illinois	39
California, Davis	37
Iowa State	36
Colorado State	35
Purdue	34
Arizona	33
Kansas State	33
Kentucky	28
North Carolina State	24
Mississippi State	21

Universities with 10 or more faculty members currently abroad on assignments:

Wisconsin	31
Michigan State	21
Purdue	17
Minnesota	16
Texas A & M	14
Cornell	13
Iowa State	13
Kansas State	13
Utah State	13
California, Davis	11
Kentucky	11
Florida	10
Penn State	10

Colleges of Agriculture with 15 or more

---

*Includes 50 First Morrill Act Colleges, 7 Second Morrill Act Colleges, and Southern Illinois University.

faculty members with work experience in Asia and/or the Middle East:

Cornell	84
Michigan State	83
Utah State	75
California, Davis	65
Illinois	61
Ohio State	60
Tennessee	48
Texas A & M	46
Oregon State	41
Kansas State	36
North Carolina State	35
Purdue	27
Kentucky	27
Washington State	27
Minnesota	26
Nebraska	26
Hawaii	25
Penn State	25
Missouri	21
Wisconsin	20
Wyoming	20
Virginia Polytechnic Institute	19
Maryland	18
Florida	17
Massachusetts	16

Colleges of Agriculture with 15 or more faculty members with work experience in Africa:

Oklahoma State	150
Texas A & M	74
West Virginia	70
Kansas State	43
Wisconsin	38
Michigan State	37
Minnesota	27
Cornell	24
Massachusetts	21
Illinois	20
Utah State	16
California, Davis	15
Ohio State	15

Colleges of agriculture with 15 or more faculty members with work experience in Latin America:

Texas A & M	180
Utah State	175
Purdue	130
Iowa State	82
Michigan State	77
Florida	61
Cornell	59
Ohio State	58
Wisconsin	53
Arizona	50
New Mexico	46
California, Davis	30
Oregon State	24
Penn State	24
Puerto Rico	23
Minnesota	22
Southern Illinois University	21
Missouri	21
Illinois	20
Kansas State	20
Nebraska	20
Virginia Polytechnic Institute	20
Connecticut	15
Georgia	15
Rutgers	15
Oklahoma State	15

Colleges of agriculture with 15 or more fully engaged in international research:

Florida	114
Arkansas	96
Michigan State	75
California, Davis	50
Wisconsin	50
Iowa State	43
Illinois	43
Virginia Polytechnic Institute	40
Minnesota	33
Oklahoma State	29
Georgia	25
Purdue	25
Cornell	25
Delaware	22
Colorado State	20
Southern Illinois University	20
North Carolina State	20
Rhode Island	20
Texas A & M	20
Utah State	20
Kentucky	18
Rutgers	18
Penn State	18
Kansas State	15

Colleges of agriculture with 20 or more special training programs for groups of foreign trainees:

Hawaii	135
California, Davis	35
Utah State	34
Auburn	29
Kansas State	29
Nebraska	26
Michigan State	22

Colleges of agriculture with cooperative programs with 15 or more foreign institutions in the last 20 years:

Auburn	125
Rhode Island	120
Michigan State	108
Utah	90
Purdue	81
Illinois	69
Mississippi State	58
Florida	50
Cornell	50
Hawaii	35
California, Davis	30
Virginia Polytechnic Institute	26
Oklahoma State	25
Ohio State	23
Vermont	20
Wisconsin	20
Kansas State	18
Arkansas University	17
Southern Illinois University	16
Minnesota	16
Iowa State	15
Texas A. & M	15

THE HOUSING VETO

Mr. BIDEN. Mr. President, the recent veto by the President of the Emergency Middle Income Housing Act, H.R. 4485, is only further evidence of this administration's lack of concern for the housing needs of our country.

The administration has already ignored the elderly and the handicapped. It has refused to implement the housing programs which we enacted to meet their needs last year. Only after the Comptroller General ruled that the funds had been impounded did the administration admit that it would begin to take action on these programs.

Through its haphazard implementation of the section 8 program which we enacted last year—implementation carried out at a snail's pace—the administration is clearly not moving to provide adequate housing for our poor. Furthermore, the number of new housing starts under this program for low-income people is far below anyone's expectations.

And now comes the latest blow. It is a blow not only to those middle-income taxpayers who want to purchase decent homes at a decent interest rate, but also to those who are unemployed and about to lose their homes. Furthermore, it is a conscious effort to ignore the unemployment rate in the construction industry—a rate which is approaching 20 percent.

H.R. 4485, which was vetoed by the President, would have enabled people to receive mortgage subsidies so they could purchase homes at a 7-percent interest rate. It would also have allowed the Department of Housing and Urban Development to make certain mortgage payments on behalf of those who are currently unemployed.

Most importantly, Mr. President, H.R. 4485 meant jobs. The number of jobs which would have been created under this bill has been conservatively estimated at 500,000 and may have been in the neighborhood of 800,000. At a cost of $1.25 billion, much of which was to be repaid to the Government, this is the cheapest form of way we know how to create jobs. And, it involved the private sector entirely.

Where do we go from here Mr. President? As unemployment continues to stay at a high level, we in Congress will be faced with more proposals to create public service jobs, proposals which are far more inflationary than the bill vetoed by President Ford. Furthermore, he may have no alternative but to sign those bills. We will also no doubt enact a watered-down version of H.R. 4485, a version which will probably be no more inflationary than H.R. 4485, but one which will not have nearly the effect.

Mr. President, as a member of both the Budget and Banking Committees of the Senate, I have become deeply concerned, as we all have, about the inflationary impact of Government spending. In this case, however, it has been pointed out that there would have been a net gain to the budget of between $2 and $3 billion. With our economy and our housing industry at their lowest points in over 30 years, I think it unconscionable that the President chose to ignore the needs of the middle-income taxpayer and the unemployed worker and vetoed this bill.

USING WATER TO SAVE OIL

Mr. METCALF. Mr. President, in our continuing debate over the best way to resolve the Nation's energy problems, I am amazed that mention is so seldom made of one of our most proven and cleanest sources of electrical energy.

I am speaking of hydroelectric power—a renewable source of energy which is too often taken for granted and too often neglected in our search for greater self-sufficiency in meeting the Nation's energy needs.

One of the advantages of hydroelectric power is its potential for saving finite fossil fuel resources, especially when used in conjunction with conventional and nuclear powerplants to meet peak demands for electricity.

The June 1975 issue of the magazine Electrical Contractor contained an article on this subject by the Commissioner of the Bureau of Reclamation, Gilbert G. Stamm. I commend this article to my colleagues and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

USING WATER TO SAVE OIL

(By Gilbert G. Stamm)

In its rush to develop new and alternative sources of energy—including such untested possibilities as solar, wind and geothermal power—America may be overlooking one of its already proven resources: hydroelectric power.

Although not the ideal solution in every case, hydro power still has plenty of untapped possibilities for easing U.S. dependence on foreign oil to generate electricity.

The use of hydropower both as a primary source of electricity and to meet peak demands for power in several areas throughout the country is already conserving a significant amount of costly oil, saving money for utilities and consumers while reducing the flow of petrodollars to the Middle East.

Hydroelectric plants currently account for about 14 per cent of total U.S. electric generating capacity. As of May 1974 about 1,430 conventional hydro plants, both publicly and privately owned, had an installed capacity of 54.9 million kilowatts capable of generating an average of 260 billion kilowatt-hours of energy per year. Some 60 per cent of this capacity is located in the Pacific and mountainous area of the western U.S.

While the amount of energy currently provided by hydropower is impressive, it represents only 30 per cent of the potential undeveloped conventional hyydroelectric capacity of the United States. A Federal Power Commission report published in January 1972, estimated the total potential of undeveloped hydro capacity at about 125 million kw, capable of generating 445 billion kilowatt hours annually.

If only half of this potential—220 billion kwh—were developed, it would provide a savings of one million barrels of oil per day, which is the stated conservation goal of the Administration.

Oddly enough, major potential sites for conventional hydropower facilities totaling more than 240 billion kwh have already been identified by the 1972 FPC study. They include these major drainage areas: North Atlantic, 18 billion kilowatt-hours; Ohio, 15 billion kwh; Missouri, 36 billion kwh; Colorado, 24 billion kwh; North Pacific, 123 billion kwh; and, South Pacific, 28 billion kwh.

Although some of the potential hydro capacity of the U.S. may never be developed for a variety of economic, environmental, or other reasons, dramatic increases in the cost of fossil fuels such as oil, gas and coal coupled with the growing demand for electric power is making the potential of hydropower development more attractive than ever before.

Why? Because conventional hydroelectric projects have the advantage of using a renewable resource—water—and producing electric power without consuming fuel resources or causing air or water pollution. Also, hydroelectric plants have a relatively long service life. Another major advantage of hydropower is its ability to supply power on short notice with little loss of efficiency, making hydro particularly attractive for meeting peak power needs.

Pumped-storage facilities—as distinct from conventional projects—function exclusively for peak power generation by acting as a kind of storage battery. Under this concept, water is pumped from a lower to an upper reservoir in off-peak load periods and is stored there waiting to be released when needed. The flow is reversed to generate power during periods when power demands are greatest.

The advantage of pumped-storage is that maximum power can be produced during that time of day when it is needed most. The generating units are able to start up quickly and make rapid adjustments in power output, and they operate efficiently whether they are used for one hour or for several. The disadvantage of pumped-storage is that it consumes three kilowatt hours to produce two.

Most hydroelectric projects, whether conventional or pumped-storage, are ideal for peaking service when operated in conjunction with large nuclear or fossil-fuel steam electric units which operate best at high plant capacity factors.

The concept is simple. Most electric utilities generate their basic load requirements by burning fossil fuels (oil, gas, coal) or by using nuclear power. But to meet peak demands during certain times of the day (and year) the utility must either have additional generating capacity on hand—an expense which is reflected in the utility's rate structure—or it must be able to obtain large amounts of power in a hurry. That's where hydro power comes in, either from the power company's own facilities or by purchases from other suppliers of hydropower such as the Bureau of Reclamation.

It works the other way, too. Often, when the demand goes down at night, the utility has a surplus of coal-fired or nuclear generated power which the Bureau will buy back from the utility to meet its firm commitments to other customers while reservoir water is saved to generate more hydropower during the next peak demand period.

This arrangement of "peaking with hydro" is already saving a significant amount of oil. Under a Bureau of Reclamation oil conservation program, the use of power from federal hydroelectric facilities in the Missouri and Colorado River Basins for peaking purposes saved an estimated 5.5 million barrels of oil in 1974—oil which otherwise would have been burned to meet peak demands for electricity in such cities as Minneapolis or Phoenix.

Hydropower not only saves oil in meeting peak demands for energy, it saves fossil fuel resources in meeting the daily requirements for electricity of millions of people throughout the nation.

The power produced and marketed by the Bureau of Reclamation, for example, would meet the residential requirements for one year of New York City, Washington, D.C., Dallas, Chicago and San Francisco. If the hydroelectric energy produced at Reclamation's 50 powerplants were produced from fossil fuels, it would require annually the equivalent of either 60 million barrels of oil (about $720 million worth of oil at $12 per barrel) or 17 million tons of coal.

In addition to the power produced at its own plants, the Bureau of Reclamation markets power from six Corps of Engineers plants and one plant owned by the International Boundary and Water Commission, with a combined capacity of over 2 million kilowatts.

Although the nation's hydroelectric capacity continues to grow, the amount of hydroelectric power as a percentage of total U.S. electric generating capacity is expected to decline because of increased generating from all sources—coal, gas, oil and nuclear.

Hydropower is not an instant solution to the nation's energy problems. There are upper limits to its development, both from an environmental and economic standpoint, and because of competing demands for water, especially in the west where many of the prime, undeveloped hydro potential sites are located.

Even so, this old and proven method of creating electricity by controlling the force of falling water can play a highly significant and beneficial role in reducing U.S. dependence on fossil fuels. The need for more energy which is both cleaner and less expensive demands that every possibility be explored.

INDEPENDENCE FOR MOZAMBIQUE

Mr. HATHAWAY. Mr. President, halfway around the world today a signal event is taking place—the Portuguese Colony of Mozambique today becomes an independent nation. This event deserves more thought and attention than I regret to say the United States seems inclined at this time to give it. For the birth of a new nation is not only an occasion of profound significance to its own citizens and to the other nations of the world; but it also can serve as a reminder of the origins of our own country and of who we are, what we stand for, and where we have come from.

The independence ceremonies taking place today in Mozambique are the culmination of the Mozambican people's long struggle to free themselves from foreign control. Mozambique has been a Portuguese colony for nearly 500 years, during which time its people have made repeated attempts to obtain what we know to be the right of any people: self-government. From 1550 until the early 20th century, wars, and rebellions demonstrated Mozambican unwillingness to be a cog in the Portuguese machine of empire. Indeed, the prolonged resistance to Portuguese intentions delayed full colonization of Mozambique until after World War I.

It has, for us, been nearly 200 years since we ourselves were a colony. It is easy for us to forget that a colony exists to serve the economic desires of the mother country. Mozambique, like British North America, was restricted to the production of raw materials while industrialization long remained the preserve of England. As colonies, our trade, our people, and our taxes were controlled by Great Britain not out of concern for how best they might benefit us, but rather in accordance with the needs and interests of England as she perceived them. Colonial rule does not change, even in 200 years.

For years, Portugal has pegged the purchase prices of Mozambique—produced sugar, cotton, tea, and sisul at artificially low prices, so as to be able to buy cheap in Mozambique and sell them dear on world markets at higher world prices and at good profit. But Portugal's practices went beyond mere commodities manipulation. Since 1909, Mozambique has provided 100,000 workers each year for the gold mines of South Africa. By the terms of an agreement between Portugal and South Africa, the Mozambican workers were actually paid only 40 percent of their salary. The remaining 60 prcent of their salaries was paid in gold bullion to a Mozambique bank at the official exchange rate of $32 to $42 per ounce. Using local currency, the Bank of Portugal then purchased the gold for later sale on the world market at prices recently exceeding $150 per ounce. It is no wonder that such milking of Mozambique for Portuguese profit invited a response from the Mozambicans themselves.

In 1962, a patriotic organization was established for the purpose of securing Mozambican independence. Called the Front for the Liberation of Mozambique, FRELIMO, it was led by Eduardo Mondlane, a sociologist who had received his graduate degrees at Northwestern University and who had worked for the United Nations. Starting in the fall of 1964, FRELIMO freedom fighters began the slow and difficult conquest of their own country. As areas were liberated from Portuguese control, FRELIMO agricultural technicians, medics and schoolteachers arrived on the heels of the troops in order to restore peaceful civilian rule as quickly as possible.

At the height of the war, Portugal had as many as 60,000 troops in Mozambique, while FRELIMO had an army of between 10,000 and 20,000. Its victory against such odds is a tribute not only to its military abilities but to the political esteem with which it has been held by Mozambicans, without which FRELIMO surely could not have survived.

By virtue of the test of the struggle, FRELIMO is a political party which has the confidence of the people and the confidence to rule. It is prepared to undertake the identification and solution of the many urgent problems it now faces. The new president, Samora Machel, is already a legend in his own time and ably replaced Dr. Mondlane as leader of the revolution upon the latter's assassination by the Portuguese secret police in 1969.

Unfortunately, throughout this recent history, the United States has actively supported Portugal at the expense of Mozambique. This is especially tragic in view of our national principles, beliefs and revolutionary beginnings. Something is terribly wrong when in our annual patriotic days of observance we speak of our noble revolution against tyranny and exploitation, but all the while, in our daily acts, we cynically support racist and colonial African powers and so make liars of our orators.

Our support of Portugal in its war against Mozambique has resulted in an understandable degree of Mozambican suspicion of the United States. It appears that we supplied helicopters, planes, napalm, and other war material to Portugal, notwithstanding a self-imposed embargo on supplying such aid and arms for this war. Something is askew in our character when our own early experiences as a new nation are forgotten, replaced instead by a preference for countries which support and maintain the very principles of George III which we threw off so long ago.

Mozambique today sees America not only as the supplier of bombers and napalm used against its people by the Portuguese, it also sees us as a supporter of racist regimes in South Africa and Rhodesia. Obviously, Mozambique and the rest of Africa see little in our actions to remind them of our fundamental political beliefs. In stark contrast, Portugal has changed its attitudes and is no longer perceived as an enemy.

It is thus no wonder, Mr. President, that representatives of the United States were not even invited to attend the ceremonies of independence taking place in Mozambique today, events at which the Portuguese are honored guests.

There was, however, a moment of hope last fall when Donald Easum, of our State Department, scored a great diplomatic breakthrough by being the first foreign diplomat to hold talks with the barely-formed transitional government of Mozambique. Mr. Easum enjoyed the trust of many African leaders and one might have expected that in our relations with Mozambique there was a chance to rectify past mistakes and misunderstandings. However, this was not to be. Shortly after his return from Mozambique, Mr. Easum was abruptly stripped of his post and replaced by Nathaniel Davis.

Because of his ignorance of Africa and his role in the downfall of the Allende government in Chile, Mr. Davis' appointment was seen by Africans as an unmistakably ominous sign that our policy in Africa was going to continue to ignore the needs and wishes of the scores of African nations which have secured their independence from European powers since 1957. This sort of policy insensitivity results in long-term losses to this country. We have recently seen further erosion of our African position in Zaire's expulsion last week of our representative to that country. Why? Because our African policies constitute an embarrassment, even to Zaire.

It is my hope, Mr. President, that with Mozambique we will now commence upon a more intelligent course. We should immediately recognize the new government of Mozambique as the legitimate government of people who have finally succeeded in gaining their independence from a foreign government located thousands of miles away in Europe. We ought to prepare to render technical and scientific help and training to Mozambique as well as other forms of assistance as it may be desired by Mozambique. We should encourage this new nation and its ambitious people.

In doing this, we may begin to rectify some of our past neglect of Africa and to begin again to live up to the principles on which our own country was built. Indeed, in this, our Bicentennial period, it would be most fitting that this oldest democracy, once a colony, renew its faith in itself by supplying to Mozambique—the oldest of colonies, the newest of nations—the recognition which we ourselves so welcomed and needed so long ago from those few nations who from the beginning had faith in the United States.

THE PRESIDENT'S VETO OF THE EMERGENCY HOUSING ACT OF 1975

Mr. HUMPHREY. Mr. President, in his veto message on H.R. 4485, the Emergency Housing Act of 1975, the President gave a variety of contradictory reasons in support of that veto. I would like to evaluate these reasons with my colleagues.

The President said it could not be implemented without substantial delay.

This is probably correct if we are to use HUD's behavior in slowly developing regulations for the section 8 program as a guide. The delay, of course, would occur only if the administration delays in promulgating the necessary rules and regulations. In that situation, the President is simply making a self-fulfilling prediction.

The President stated it would delay for months putting construction workers back to work.

A puzzling point to raise by the President who has offered nothing, other than a belated release of $2 billion provided by Congress last fall, to put these same workers back to work.

How quickly they regain work would be a direct function of the administration's speed in promulgating rules and regulations. Again, this is a self-fulfilling prediction.

Finally, under H.R. 4485, those construction workers would, in fact, have work later this year to perform. By the administration's own estimate, $770 million would flow directly into housing this coming fiscal year due to H.R. 4485—that means about 800,000 new jobs.

The President offers no alternative way to provide these 800,000 jobs.

Administration assistance to the housing industry is at unprecedented levels and has contributed to a housing recovery, "clearly under way".

Nothing could be further from the truth. The housing industry continues to be in its worst postwar depression:

Housing starts in May were at a 28-year low for the month of May;

The price of housing has been pushed by inflation beyond the reach of most Americans; a recent Joint Economic Committee study found that only 20 percent—a level one or 2 percentage buy the average-priced existing home; and a slight 15 percent could afford to buy the average-priced new home;

Unemployment in housing is close to 40 percent;

Mortgage rates are still close to 9 percent—a level one or 2 percentage points too high to spark a housing boom;

The stock of unsold homes, including condominiums, is 600,000 units—down only 20,000 or so units since the February record level.

I could go on and on.

But the fact is that the administration has declared that the housing industry is on the road to recovery—based on just a 1-month increase in May in housing starts and permit-issuance figures.

I suppose that any upward movement in the housing industry looks good from the bottom of a depression, but a 1-month rise is scarcely cause for jubilation. This is particularly true when we recall in the case of May's statistics that,

First, housing starts in May, traditionally a big construction month, were actually 25 percent below May 1974 figures; and

Second, building permits issued in May, traditionally a strong leading indicator for the housing industry, were 20 percent below the May 1974 level.

In short, the housing industry continues to be caught in the grips of a severe depression with no end in sight.

The President claimed it would increase Federal expenditures by more than $2 billion over the life of the program.

It would also create about 800,000 jobs and 400,000 houses—raising tax receipts $5 to $10 billion and thereby actually cutting the Federal budget deficit.

The budget impact is strongly positive because idle resources will be employed and taxes paid on the value of their production.

The President said the legislation would prescribe interest rates well below the level needed for a sound and healthy housing industry.

Yes; it would reduce interest rates in the housing industry. But it is simply inane—absurd—to contend that interest rates above 7 percent will yield a healthy housing industry.

The President mentions 1973, when more than 2 million housing units were started and interest rates were above 7½ percent. He should be aware that 400,000 of these units were publicly assisted—and that the average actual interest rate as a result was below 7 percent.

The President argued it would create enormous inequity among citizens of different regions of the country.

There are enormous inequities among citizens of different regions of the country, so the bill must treat them differently.

The well-to-do will receive no subsidy while middle-income working people will receive them.

Large families—who need larger housing—receive larger subsidies than smaller families.

Families and individuals living in high cost areas—like New York City—receive higher subsidies than those in low cost areas.

The legislation sought to and does dampen inequities and not as the President apparently feels, exacerbate them.

The President said the level of mortgage subsidies would give some buyers an excessive benefit at the taxpayer's expense.

That is half true. It would, for example, assist low and moderate income working families acquire sound housing—while not assisting well-to-do families at the same time.

It is not true that these benefits would be at the taxpayer's expense as I noted earlier—it would raise revenues as much as $5 to $10 billion.

Despite his veto, the President did come forward with a positive proposal to stimulate housing—he released about $2 billion in funds provided under the Brooke-Cranston bill of last fall—funds to be used for acquiring mortgages in the secondary mortgage market, thereby freeing up funds for homeowners to borrow.

He presented this proposal with a flourish.

Let us set the record straight.

Congress authorized that program with a total of $7.75 billion in funds almost 1 year ago. It was our intent to have the funds used then. But by Christmas, the President had released only one-quarter of the funds.

After extensive criticism last winter by Congress he released an additional one-half of the funds.

So, it has taken him almost 1 full year to release housing funds Congress wanted to use last fall in order to avoid the present housing recession.

He is taking credit for a step which is far too little and far too late.

FORMATION OF FOUR AD HOC TASK FORCES TO THE BUDGET COMMITTEE

Mr. MUSKIE. Mr. President, the new Budget Reform Act requires the Budget Committee to recommend to Congress concurrent resolutions establishing "appropriate" fiscal policy—appropriate not only in terms of the next year's spending and revenues, but in terms of the health and future growth of the American economy.

In this time of high unemployment and serious economic dislocation, and at a time when our free enterprise economy is being challenged by the international oil cartel, this is no small undertaking. It requires us to look ahead 5 years or more as we make every decision. It requires that Federal spending and taxing policy be mobilized in a coherent fashion. It requires that Federal fiscal policy support the productive resources of our free enterprise economy—labor, management, and capital—and insure that they are utilized in a way that will accommodate the fundamental changes which energy scarcity, for example, will bring.

Toward these ends, I am today announcing formation of four ad hoc task forces of the Budget Committee. Each will investigate a critical issue which must form part of Congress frame of reference in fiscal and economic decisionmaking. Each will report by February 15, 1976. There will be some interim reports before the second concurrent resolution this fall.

The four task forces are as follows:

Energy, Frank E. Moss, chairman; Ernest F. Hollings, Joseph R. Biden, Jr., Sam Nunn, J. Glenn Beall, Jr., James A. McClure, and Pete Domenici.

The energy task force will hold a series of seminars for the full Budget Committee during July, emphasizing the interrelationships between our energy options, our economy and fiscal policy. The task force will undertake specific investigations during the period remaining until February 15.

Defense, Ernest F. Hollings, chairman; Warren G. Magnuson, Alan Cranston, Lawton Chiles, James Abourezk, Robert Dole, and James L. Buckley.

The defense task force will undertake a "mission approach" to defense expenditures which will, the committee hopes, move us toward an evaluation of the defense budget in terms of broad foreign policy and military needs and objectives.

Tax policy and tax expenditures, Walter F. Mondale, chairman; Frank E. Moss, James Abourezk, Joseph R. Biden, Jr., Robert Dole, J. Glenn Beall, Jr., and Pete Domenici.

The Budget Act requires that tax expenditures be treated like spending programs—that is, with full recognition that they result in revenue sacrifices intended to achieve public policy objectives. They must be analyzed with the same perspective as any other spending program. The Budget Committee has a mandate to review these tax expenditures each year. This task force will provide you with the critically important spade work. The use of tax expenditures to encourage capital formation will be an area of major emphasis.

Capital needs, Lawton Chiles, chairman; Warren G. Magnuson, Walter F. Mondale, Sam Nunn, J. Glenn Beall, Jr., James L. Buckley, and James A. McClure.

There are at least two important dimensions of the capital needs problem:

Will the Nation allocate sufficient capital development over the next decade and beyond?

Will the Federal borrowing tend to crowd out private borrowing?

The capital needs task force will report on the latter by September, in time for the second concurrent resolution, and on the broader question of long-term capital needs by next February.

The Senate Budget Committee has studiously avoided involvement with "line-item" kinds of decisions which are the prerogative of the authorizing and appropriations committees. This policy is consistent with the need to acquire an understanding of the fiscal implications of broad areas of national policy. Our hope is that by melding these four investigations together, we will be able to provide the Senate with a frame of reference and long-term perspective for making responsible budgetary and economic decisions.

U.S. DISTRICT COURT OF CALIFORNIA DECISION IN GRIZZLY BEAR CASE

Mr. METCALF. Mr. President, another chapter has unfolded in the continuing controversy over management of grizzly bears in Yellowstone Park with the finding by a U.S. district court in California that the National Park Service was negligent in the death of Harry Walker, a young man who was killed by a grizzly bear while camping in the summer of 1972.

The controversy stems from the abruptness with which the Park Service closed garbage dump feeding areas to the bears. Agency officials disputed the contention of students of the grizzly bear, principally Drs. John and Frank Craighead, who maintained the dumps should be closed gradually and the bears physically transported to more distant parts of the park and fed there during their transition back to a wild state.

I ask unanimous consent that the court's decision, rendered by Judge A. Andrew Hauk, be printed in the Record.

There being no objection, the court decision was ordered to be printed in the Record, as follows:

[United States District Court, Central District of California—Civil No. 72-3044-AAH]

Modified Findings of Fact and Conclusions of Law and Order for Judgment

Dennis G. Martin, as Administrator of the Estate of Harry Eugene Walker, Deceased, Plaintiff, v. United States of America, Defendant.

Upon the Court's own motion, and the Defendant United States of America having on March 31, 1975, filed its Objections to Plaintiff's Findings of Fact, Conclusions of Law and Judgment, one day within the two week time period after Plaintiff lodged his Findings of Fact and Conclusions of Law and Order for Judgment on March 18, 1975, all as ordered by the Court on February 24, 1975; and

The Court having inadvertently signed and entered Findings of Fact and Conclusions of Law and Order for Judgment herein on March 26, 1975, prior to the receipt of Defendant's said objections; and

Good cause appearing therefor, the Court now makes, signs and orders entered the following Modified Findings of Fact and Conclusions of Law and Order for Judgment, after having fully considered defendant's said objections:

On December 20, 1972, a complaint under the Federal Tort Claims Act, being 28 U.S.C.A. Section 2671, et seq. and 28 U.S.C.A. Section 1346b, having been filed in this Court against the United States of America as defendant, by Dennis G. Martin, Administrator of the Estate of Harry Eugene Walker, Deceased, pursuant to Letters of Administration duly issued to said Dennis G. Martin by the Superior Court of the State of California, County of Los Angeles, case number EAP-9456, Zetterberg & Zetterberg, and Stephen I. Zetterberg, attorneys for plaintiff, claiming damages for the wrongful death of Harry Eugene Walker, on behalf of the surviving mother and father and three sisters of said decedent, Harry Eugene Walker; and

On or about September 14, 1972, the defendant United States of America having appeared by William D. Keller, United States Attorney, Frederick M. Brosio, Jr., Assistant United States Attorney, Chief, Civil Division, and William B. Spivak, Jr., Assistant United States Attorney, and said defendant United States of America having answered, and the Court having heard and disposed of all motions and pre-trial proceedings, and the case having been brought to issue; and, the case having duly come on for trial before this Court, the Honorable A. Andrew Hauk, Judge presiding, on January 9, 1975, before the Court without a jury pursuant to the Federal Tort Claims Act, testimony having been taken January 9 through January 17, 1975, and the case having been recessed, and further testimony having been taken February 18 through February 24, 1975, evidence, oral, written, and documentary, having been introduced, and defendant United States of America having submitted evidence offered in behalf of its defense, and the parties having rested, and due deliberation having been had thereon by the Court:

I do decide as follows:

FINDINGS OF FACT

1. Decedent Harry Eugene Walker, age twenty-five on the date of his death, was killed by a grizzly bear on the night of June 24–25, 1972, while camping in the Old Faithful Subdistrict of Yellowstone National Park, State of Wyoming, United States of America.

2. Defendant owned, operated and maintained said National Park as a place to which members of the public, including decedent, were invited for recreational purposes, to the benefit of defendant.

3. Defendant's Rangers on duty when the decedent entered the Park at the north entrance of Yellowstone National Park permitted the decedent to enter without paying the usual admission charge.

4. In particular, defendant invited and encouraged many people, including decedent, to camp within the confines of the Park, both within improved campgrounds and in backcountry, and defendant knew that many people did, at and before the date of decedent's death, in fact, camp and sleep out in the backcountry areas of the Park, and in the country in and adjacent to the developed area at Old Faithful, in the Old Faithful Subdistrict of the Park.

5. Defendant, through its various grizzly bear control programs, exerted control over the behavior of grizzly bears, including the particular bear that killed decedent, in that it could and did exert control over the number of bears, the ranges of the bears, including the bear that killed decedent, their diet, and the relative danger they posed to Park visitors.

6. Prior to decedent's death, defendant had abruptly closed backcountry garbage dumps, including Rabbit Creek garbage dump, about four miles from the Old Faithful developed area. This and other such garbage dumps had been used by grizzly bears for years as a part source of food. Defendant knew, from partial dump closures in 1968 and 1969, and from dump closures thereafter, that abrupt closure of the garbage dumps was an extremely hazardous activity. Defendant had been previously warned that if it carried out such abrupt closure, there could be a resulting visitor death from grizzly bear attack.

7. It was the duty of the defendant and its employees at Yellowstone National Park to warn all visitors, including the decedent, of park dangers known to the defendant. Whether the decedent be said to be a business invitee, a business licensee, a business visitor, or a gratuitous licensee, the defendant at all times had a duty of warning him and all other persons in Yellowstone Park of hidden dangers and of dangers of camping or sleeping or walking near to and including the area where the body was found, which the Court finds was within a developed area. The defendant had knowledge, prior to and at the time of decedent's death, that backpackers and hitchhikers were in the Old Faithful area, including the developed area, sleeping out at night. Warnings could have been made of the grizzly bear dangers to such campers resulting from the program of abrupt closing of garbage dumps undertaken by defendant. Such closing imposed an extra hazard of grizzly bear danger to campers and backpackers sleeping out in such area. Warnings could have been made by signs, and signs could have been made pointing to campgrounds and campsites within a reasonable distance. The Park willfully and intentionally failed to provide such warnings and place such signs despite the minimal cost thereof.

8. Furthermore, prior to 1968, the brothers Dr. Frank C. Craighead and Dr. John J. Craighead, through studies sponsored by many institutions, including the National Geographic Society, the National Science Foundation, and others, through the Montana Cooperative Wildlife Research Unit at the University of Montana, and by the Environmental Research Institute, by independent research conducted in Yellowstone National Park commencing in 1959, had developed a system of radio monitoring grizzly bears instrumented with radio collars, and of visually tagging grizzly bears, so that the habits, ranges, and movements of grizzly bears could be observed. The defendant, under the administration of Superintendent Anderson commencing in Yellowstone in 1968, willfully and intentionally stopped all of such radio monitoring and tracking as recommended by the Craigheads, and contrary to the defendant's own so called "Leopold" report, discontinued monitoring and visual tracking, and willfully and intentionally removed devices recommended by the Craigheads for such monitoring, despite evidence which showed that radio monitoring devices could have been furnished and installed for between $3,000 and $6,000. The evidence shows that the defendant's administration at Yellowstone National Park, instead of discontinuing the monitoring plan, should have radio monitored bears which were trapped for transplanting, including the bear trapped in 1970, identified as number 1792, which killed Harry Walker in 1972. The evidence showed increased grizzly bear activity in and around the developed areas of Yellowstone National Park, which had been near the garbage dumps which were closed. It was negligent on the part of the defendant, at the time it undertook the extra hazard of closing down the garbage dumps, willfully and intentionally to discontinue radio and visual monitoring as recommended both by the Craighead brothers and by defendant's "Leopold" committee. Defendant's own reports, including the report prepared for the defendant by the National Academy of Sciences, showed that before the stopping of radio monitoring and of identifiable visual color markings which had been used by the Craigheads in grizzly studies before the Park administration changed in 1968, information and statistics on grizzly bear activities were more reliable and better than those available after the system was curtailed, starting in 1968. The defendant should have allowed independent research on the grizzly bear such as had been conducted by the Craighead brothers prior to 1968. The need for continued research was confirmed by the study made for the defendant by the National Academy of Sciences, which in July, 1974, reported that the research program carried out by the National Park Service administration since 1970 has been inadequate to provide the data essential for devising sound management policies for grizzly bears in the Yellowstone ecosystem.

9. The defendant adopted the "abrupt" program for closing of the dumps, rather than following the "phasing out" closure procedures as recommended by Dr. Frank Craighead. Both Dr. Craighead, and the "Leopold" committee appointed by the defendant, had recommended supplementary "carrion feeding" of the bears in the backcountry as a procedure which should have been adopted during the phasing out of the garbage dumps.

10. The bear that killed decedent, number 1792, was an old female, with worn and broken teeth, that had been captured and trapped in, and transplanted approximately 18 miles from, the developed area of the Old Faithful Subdistrict of Yellowstone National Park, by agents and rangers of the defendant, on about October 14, 1970. When the defendant trapped grizzly bear number 1792, it failed to transfer the bear a sufficient distance, considering grizzly bear homing instincts of which defendant had knowledge, to return to the Old Faithful area. The bear did again visit the area, where it killed the decedent. The Park Service at Yellowstone could and should have removed the bear a sufficient distance so that she would not have come back.

11. Defendant failed to exercise due care toward decedent in the following respects:

a. Defendant failed to provide decedent and other Park visitors adequate warnings about the dangers posed by grizzly bears, which defendant knew to be dangerous animals within the Park.

b. In carrying out its program of grizzly bear management and control, defendant abruptly closed garbage dumps in Yellowstone National Park at which grizzly bears formerly fed, thus negligently creating an unreasonable danger to Park visitors, including decedent, from grizzly bears, including this grizzly bear.

c. Defendant failed to take adequate precautions to mitigate the extreme danger created by abrupt closure of the garbage dumps, and failed to warn visitors, including decedent, of the special danger, although it could and should have done so at minimal cost and expense to it.

d. Defendant was aware of the dangers of grizzly bears to Park visitors. Defendant, knowing such dangers, did undertake some inadequate precautions, but such precautions were carelessly and faultily planned, and negligently executed.

e. In 1970 defendant captured the particular bear that later killed decedent. Defendant then had knowledge that the bear was dangerous to visitors and was likely to return to the Old Faithful Subdistrict, but negligently failed to transplant the bear an adequate distance or to eliminate it from the grizzly bear population in Yellowstone National Park, in particular the Old Faithful Subdistrict thereof, including the developed area in and around Old Faithful Village.

Defendant was negligent in that it failed to act with reasonable prudence, considering the information available to it, concerning the particular bear that killed Harry Eugene

Walker. Prior to the capture and transfer of this particular grizzly bear in October of 1970, it had been seen four to six times in the developed area of Old Faithful Village near a garbage holding area behind a restaurant, in an area frequented by humans, thus displaying dangerous lack of respect for humans. Moreover, when the bear was captured in October, 1970, it was an old female grizzly; Dr. Frank Craighead testified that it would have been prudent to examine the bear's teeth, which in 1972 were found to be worn; the bear was less able to be competitive for food with younger and stronger bears, and therefore more likely to invade camp areas in search for food, making the bear unreasonably dangerous to humans. Further, at the time of its capture, defendant had knowledge that in late August or early September, 1970, along the Fire Hole River near the Old Faithful Developed area, a campsite had been destroyed by a bear, the owner of the campsite was missing, and never found, and the defendant rangers had determined the campsite had likely been destroyed by a bear, possibly a grizzly bear, but negligently failed to act with reasonable prudence in that defendant failed to consider the possibility that the bear which destroyed the said Fire Hole River Camp prior to October, 1970, could have been the bear which was trapped and transplanted in 1970, and which later killed Harry Eugene Walker.

12. As a sole, direct, and proximate result of each of the negligent acts and omissions of defendant, taken individually and together, including and as a direct and proximate result of the activity of abrupt closing of garbage dumps, and as a direct and proximate result of defendant's failure to avert an attack on the decedent by prudent control action on the grizzly bear which killed decedent, and as a direct and proximate result of the failure of the defendant and its employees to warn decedent of danger known to them but unknown to him, to wit, the danger of grizzly bears in Yellowstone National Park, and particularly in the Old Faithful Subdistrict and Old Faithful Village area of Yellowstone National Park, Harry Eugene Walker's death was caused.

13. The decedent was not contributorily negligent, and did not directly or indirectly contribute to the cause of his own death.

14. Decedent was trained and experienced in dairying, and particularly in operating the family dairy in Alabama, and plaintiffs had a reasonable expectation that he would operate the family dairy farm with his father, and manage and operate the farm on his father's illness and retirement, and his death caused the family, and each member thereof, loss of support, care, comfort, advice, society, and nurture in the amount hereinafter found as damages.

15. The practice of this part of Alabama was for dairies to be run in family partnership, including parent and son, or sons, and the decedent and his father had an understanding and agreement to so operate the dairy farm owned by decedent's mother and father.

16. Decedent's heirs entitled to recover damages for the wrongful death of Harry Eugene Walker are his father, Wallace R. Walker, his mother, Jessie Louise Walker, and his younger sister, Jenny Lynn Walker, who at the time of his death, and at the time of trial, was living at home. I make no award to decedent's older sisters, Betty Simmons and Caroline Crowe, since they had left home and established their own families prior to his death.

17. The family is entitled to recover burial expenses, loss of support, and loss of care, comfort, advice, society, nurture, in the proportion suffered by each. I find that the total damages suffered by the family to be: $1,217.67 paid by the father for burial expenses; $61,200.00 for loss of support, and $25,000.00 for non-pecuniary losses, totalling $87,417.67, plus costs, allocable as follows:

a. To the father, Wallace R. Walker, the sum of two-fifths (⅖th) of $61,200.00, that is, the sum of $24,480.00, plus $1,217.67 burial, plus $10,000.00 non-pecuniary loss, for a total of $35,697.67;

b. To the mother, Jessie Louise Walker, the sum of two-fifths (⅖th) of $61,200.00, that is the sum of $24,480.00, plus $10,000.00 non-pecuniary loss, for a total of $34,480.00;

c. To the sister, Jenny Lynn Walker, the sum of one-fifth (⅕th) of $61,200.00, that is, the sum of $12,240.00, plus $5,000.00 non-pecuniary loss, for a total of $17,240.00.

18. The plaintiff, Dennis G. Martin, is a resident of the State of California, and of the Central District of California, and is the duly-appointed Administrator of the Estate of Harry Eugene Walker, Deceased, appointed by order of the Superior Court of the State of California for the County of Los Angeles, and the judgment should be paid to him, to receive and disburse the funds in order to carry out the terms of the findings and the judgment.

19. Any Conclusions of Law deemed to be a Finding of Fact are hereby incorporated in the foregoing Findings of Fact.

CONCLUSIONS OF LAW

1. Defendant United States of America, in its administration of the National Park Service in Yellowstone National Park, was negligent, and failed to exercise due care towards the decedent, Harry Eugene Walker, in each of the several respects hereinabove specifically set forth in the findings of fact.

2. The negligence of the defendant, United States of America, was the sole, direct, and proximate cause of the death of Harry Eugene Walker on the night of June 24–25, 1972.

3. The decedent Harry Eugene Walker was not contributorily negligent and did not directly or indirectly contribute to the cause of his death.

4. The defendant has failed to establish any affirmative defense to plaintiff's action for wrongful death.

5. Plaintiff should have judgment in the amount of damages fixed by the Court in the foregoing Findings of Fact, and for costs.

6. Any Findings of Fact deemed to be Conclusions of Law are hereby incorporated in the foregoing Conclusions of Law.

[United States District Court, Central District of California—Civil No. 72-3044-AAH]

MODIFIED JUDGMENT

Dennis G. Martin, as Administrator of the Estate of Harry Eugene Walker, Deceased, Plaintiff, vs. United States of America, Defendant.

Upon the Court's own motion, and the Defendant United States of America having on March 31, 1975, filed its objections to plaintiff's findings of fact, conclusions of law and judgment, one day within the two week time period after Plaintiff lodged his findings of fact and conclusions of law and order for judgment on March 18, 1975, all as ordered by the Court on February 24, 1975; and

The Court having inadvertently signed and entered its Judgment herein on March 26, 1975, prior to the receipt of Defendant's said objections; and

Good cause appearing therefor, the Court now makes, signs and orders entered its Modified Judgment, as follows:

The above-entitled action came on for trial before the Court, the Honorable A. Andrew Hauk, United States District Judge, sitting without a jury, pursuant to the Federal Tort Claims Act, 28 U.S.C. 1346, et seq., on January 9, 10, 13, 14, 15, 16 and 17, 1975, and February 18, 19, 20, 21, and 24, 1975, at Los Angeles, California, the plaintiff, Dennis G. Martin, duly appointed Administrator of the Estate of Harry Eugene Walker, Deceased, appearing in person and by his attorney, Stephen I. Zetterberg of Zetterberg & Zetterberg, of Claremont, California, and the defendant United States of America appearing by the United States Attorney for the Central District of California, William D. Keller, and Assistant United States Attorneys Frederick M. Brosio, Jr., Chief, Civil Division, and William B. Spivak, Jr., William B. Spivak, Jr. in person appearing for said defendant, and the Court having rendered its decision and having filed Modified Findings of Fact, Conclusions of Law, and Order for Judgment herein, now, pursuant to said Order for Judgment, it is hereby:

Ordered and adjudged, that the plaintiff, Dennis G. Martin, as Administrator of the Estate of Harry Eugene Walker, Deceased, have judgment against the defendant in the sum of $87,417.67, to be allocated to the survivors of Harry Eugene Walker, Decedent, as follows:

To Wallace W. Walker, father of the decedent, $35,697.67;

To Jessie Louise Walker, mother of the decedent, $34,480.00;

To Jenny Lynn Walker, sister of the decedent, who is over the age of 18 years, the sum of $17,240.00; and for the costs and disbursements of plaintiff in this action, to be hereinafter taxed, on notice, and hereinafter inserted by the Clerk of this Court, in the sum of $——————.

ERDA'S FOOT DRAGGING ON SOLAR RESEARCH PROGRAM

Mr. HUMPHREY. Mr. President, the Energy Research and Development Administration, ERDA, is moving too slowly in funding solar energy research activities.

This foot dragging is of great concern because ERDA is the lead agency in our solar R. & D. program. In fiscal year 1975, it was appropriated almost 75 percent of all solar research funds. Our solar program goes the way ERDA goes, and ERDA is going slowly. For example, of its $38 million in fiscal year 1975 solar R. & D. funds, ERDA now predicts that by June 30, it will actually have spent only $9.3 million or 24 percent.

I do not need to emphasize the remarkably low nature of this figure. While it is unusual for an entire fiscal year's R. & D. appropriation to be completely spent within that year, it is quite common to spend a large portion.

Why is ERDA's solar R. & D. program moving so slowly? Why are solar research teams breaking up because R. & D. funds are only being dribbled out to them?

The answers rest directly with the administration more than with ERDA—and particularly with the President's Office of Management and Budget. ERDA has a staff now of about 50 persons—perhaps as little as one-third what its appropriation of $38 million justifies.

The staff may double this coming fiscal year. Yet, its budget may well more than triple.

In effect, OMB is holding ERDA's staff to inadequate levels—with a direct debilitating impact on our energy self-sufficiency program.

OMB's attitude toward solar R. & D. is perhaps best exemplified by its reaction to solar appropriation requests for fiscal year 1976. In November and December 1974, Federal agencies requested about $150 million in fiscal year 1976 solar research funds. OMB cut that request to $70 million in obligations—cut it by more than one-half. It now appears that Congress will authorize at least $140 million for fiscal year 1976.

Is OMB going to ignore this and hold ERDA staffing to a level consistent with its own designed funding level, or with that desired by Congress? Quite frankly, there is little reason to be optimistic—and great reason to mandate a larger staff in the upcoming ERDA appropriation legislation.

Lest anyone here forget the pressing urgency for rapid solar energy development, let me note the results of the recently released U.S. Geological Survey. They found our onshore and offshore domestic oil reserves may be actually only one-half the amount originally estimated to be present. Our natural gas reserves may be only one-third as large as estimated.

To become self-efficient in energy, we must rapidly develop cost-competitive solar energy devices for heating, cooling, crop drying, and electric generation as quickly as possible.

In addition to the inadequate rate at which solar R. & D. funds are being allocated, a recent GAO report raised three further questions about our solar program.

First, there are no formal safeguards against duplication by the various Federal agencies funding solar energy research:

Guidelines to avoid duplication in the solar R. & D. program have not been issued. This is a serious shortcoming of the executive branch's administration of the solar R. & D. program which should be corrected if we are to receive full return on our solar energy research dollar.

All major new Federal research programs must pass through a difficult period while new agencies and personnel adjust to new obligations and functions. This is particularly true when, as with the solar program, a number of agencies have research appropriations, including NASA, HUD, FEA, NSF, ERDA, USDA, DOT, DOD, Department of the Interior, and the U.S. Postal Service.

Absence of the coordination necessary to avoid duplication is not, however, a situation to be tolerated regardless of how new or how large a research effort is.

ERDA must immediately institute an ongoing review mechanism, perhaps built around the existing Interagency Panel for Terrestrial Application of Solar Energy, to prevent solar R. & D. duplication.

Second, a comprehensive certification or rating system for solar devices has not been established:

HUD, and ERDA are independently developing and supporting research on selective performance standards and certification programs for solar space-heating and cooling devices. This is simply inadequate.

Rapid public acceptance of solar devices vitally depends upon the capability of consumers to distinguish between efficient and ineffective solar devices. ERDA must both accelerate its solar device-rating research, and extend it to cover all types of commercial solar devices. The next year or two will see a proliferation of both good and bad solar devices for the home market. Consumers must be able to independently assess the quality and effectiveness of such devices or we risk dissatisfied consumers—which could needlessly delay the utilization of effective solar energy devices.

Third, established defense contractors are the major recipients of solar R. & D. grants made to private industry:

Among private solar R. & D. contractors, large defense contractors received almost three times the amount of grants made to small, high technology research firms. ERDA must make a specific effort to allocate a greater portion of research funds to small firms, lacking only the expertise to correctly file grant applications. We must not allow a "solar-industrial complex" to dominate private solar research. This is particularly true when such dominance by the large defense contractors is due only to long familitary with Defense Department or AEC grant procedures.

ERDA should immediately establish a small-firm screening mechanism to assist promising firms compete for solar R. & D. research funds with established firms. Such screening would select-out unpromising research proposals by small firms. ERDA could then assist in preparation of grant applications on behalf of the remaining proposals.

I will introduce legislation later this summer to ameliorate these and other shortcomings of our solar energy program. This legislation will include provisions to:

First. Establish a solar device testing and rating mechanism for consumers;

Second. Prevent duplication in solar energy research;

Third. Stimulate participation by small firms in solar research;

Fourth. Establish fiscal incentives for the use of solar devices, including tax credits, and loans;

Fifth. Accelerate Government utilization of solar energy;

Sixth. Establish the concept of sunshine rights as an integral component of private property rights;

Seventh. Accelerate public education efforts on behalf of solar energy; and

Eighth. Prohibit discriminatorily excessive hook-up charges on solar devices by utilities.

SOLAR UTILIZATION NOW

Mr. **FANNIN**. Mr. President, in my continuing series on current utilization of solar energy, I have been sharing information with my colleagues on existing projects. Today, I would like to report the existence of a short course offered by Arizona State University on the very subject of my interest. Titled "Solar Utilization Now," this course is intended for educators, engineers, architects, design professionals and other individuals concerned with construction or the manufacture of building equipment. No previous knowledge of solar energy is necessary, but an academic level of Bachelor's degree is suitable in the fields of engineering, architecture or related disciplines. A representative from my Phoenix office, Mr. Dan Halacy, attended the most recent 1-week offering of this course in May.

As the course brochure states:

> The field of solar applications is rapidly expanding.

Every day more people make the decision to switch to the sun. Arizona State University, like the University of Arizona and Northern Arizona University, is assisting, enthusiastically, in that transition. I ask unanimous consent to have printed in the Record information from the "Solar Utilization Now" short-course brochure, concerning the content and lecturing staff for this worthwhile program.

There being no objection, the information was ordered to be printed in the Record, as follows:

Why This Course Is Offered

The sun is the basis of all life on earth. The implication of solar energy to human activity has been as long as human activity in such passive processes as the photosynthesis of foods and the harnessing of the wind. However, the long dream of applying solar energy more directly to the needs of conditioning human shelter is a 20th century phenomena. It has only begun.

Both the economics and the ethics of solar utilization are arenas of debate. However, both the present state of fossil fuel supplies and all projections for the future indicate the increasing viability of solar energy to condition buildings. There are already many locations in which solar energy is the only reasonable choice for heating and/or cooling. Interests in clean energy sources and belief in self-sufficiency have added to the practical criteria of solar use. Successive demonstration projects are adding practical experience to many theoretical studies. The field of solar applications is rapidly expanding.

This course, being offered now for the second time, brings together a rich mix of many specialists that includes some of the most prominent solar leaders and authorities. This short course is a unique offering that concentrates on solar building applications for a full week.

CONTENT

The program will present a comprehensive approach to solar energy utilization for the heating and cooling of buildings. The entire field will be surveyed with emphasis being placed on those processes and techniques which are most viable today. Because of the great variety of climatic conditions, interior requirements, architectural criteria and solar techniques, no single approach is universally appropriate. Therefore a variety of systems will be presented.

The course will provide:

Consolidated design considerations of the many aspects of solar radiation utilization, including siting, architectural, energy consumption and conservation criteria.

Technical data and references for immediate application of various solar energy components and systems.

Analysis of the experience in applying solar energy criteria to a variety of systems.

Bases for optimizing architectural, and heating, ventilation and cooling systems designs for energy conservation.

Realistic and comprehensive technical and economic analyses of the present and future potentials of solar applications.

PROCESS

There is a need in the field of solar applications for a comprehensive basis of arriving at building decisions. This requires the coordination of fundamental data sources with both laboratory and field experience. The effective use of solar energy will evolve as a professional discipline only as design skills are integrated with reliable design criteria. This short course can serve the very useful purpose of disseminating basic and up-to-date information of the various areas of solar utilization in buildings.

LECTURING STAFF

Such a rapidly expanding area as solar energy applications requires a balance of input between the latest specialized information and the practical experience of field applications. All members of the resident solar team at Arizona State University were major participants in a collaborative study with TRW Systems of Los Angeles in an "Investigation of the Feasibility of the Solar Heating and Cooling of Buildings"—a Phase "O" contract in 1973–74 with the National Science Foundation. The ASU Solar Team has also been involved in a wide variety of solar related activities, including research, consultation, evaluation, lecturing, writing and testifying throughout the USA and abroad.

The visiting faculty of guests have been invited to represent broadly based experience in particular areas of specialization. Each has made a unique contribution to the field and is highly active in the developing front of solar utilization in buildings. Guests include some of the most distinguished leaders in solar energy.

ARMING FOR OPEC PRICE INCREASES

Mr. CHILES. Mr. President, there is no more important foreign influence on our domestic economy than the international price of oil set by the OPEC countries. Not only has this effect been amply demonstrated since the oil embargo a year and a half ago, but the OPEC price of oil continues to be a threatening cloud on the horizon.

Fortunately, the OPEC nations decided not to further increase the price of oil at the meeting just concluded in Gabon, but the OPEC nations will meet again in Vienna on September 24 to decide how much to increase the international price of oil on October 1. The OPEC countries are said to be willing to negotiate the size of the October 1 oil price increase with the industrialized world.

So the issue for the United States is how to approach negotiations with the OPEC nations. How we approach these negotiations is important not only to our foreign policy relations with OPEC but through these to our relations with the industrialized world and the developing countries and most importantly to our domestic economy as well.

A month ago I introduced with Senator BENTSEN and Senator INOUYE and Congressman FASCELL introduced in the House, Senate Concurrent Resolution 41, a concurrent resolution on United States-Latin American relations which in the economic sections outlined an approach to foreign economic policy issues which may be useful to us in negotiating with the OPEC nations. In fact, this was the intention of the resolution which was born out of a concern for the economic consequences for our Nation of actions by foreign governments affecting the price and supply of commodities and raw materials of vital importance to us.

What we advocate in this resolution is that the United States make clear its commitment to a negotiated approach to international economic issues as opposed to a unilateral, each-to-his-own kind of policy. We recognized certain legislative sanctions employed by the United States in cases of investment and trade disputes to be disruptive rather than helpful and recommended instead, both for bargaining purposes and ultimately as a means of retaliation if negotiations break down, that the United States try to limit trade disputes to trade policy actions and investment disputes to investment policy actions rather than allowing specific cases to poison our overall relations with other countries and entire regions.

What this means for negotiations with the OPEC oil producing countries is that we should take a hard look at our export policies toward OPEC to evaluate what leverage we have just as they have made a shrewd evaluation of their export policies toward us. Trade is not a one-way street. Trade weaves a web of mutual dependence and interconnection. The industrialized world may be heavily dependent on oil imports but the OPEC countries are dependent on the industrialized world for technology, equipment, and other things we produce. It is essential that we approach oil price negotiations with the OPEC nations with a clear understanding of the international economic leverage we have on their domestic economies. This is not a confrontationist strategy; this is simply a prudent appraisal of our own power.

In February of last year I introduced an amendment to the Export Administration Act which provided for the first time the legislative authority for the United States to be able to use export controls to limit the supply of U.S. goods to countries which are limiting the supply of their goods to us. With the help of Senator STEVENSON who is chairman of the International Finance Subcommittee of the Housing, Banking and Urban Affairs Committee, this new legislative authority was adopted. It reads as follows:

> It is the policy of the United States to use export controls, including license fees, to secure the removal by foreign countries of restrictions on access to supplies where such restrictions have or may have a serious domestic inflationary impact, have caused or may cause a serious domestic shortage, or have been imposed for purposes of influencing the foreign policy of the United States. In effecting this policy, the President shall make every reasonable effort to secure the removal or reduction of such restrictions, policies, or actions through international cooperation and agreement before resorting to the imposition of controls on the export of materials from the United States.

Now we have the authority to use export controls, if necessary, in a retaliatory manner. Next we need to make an assessment of our exports to the OPEC countries to see what leverage we might have on the price of OPEC oil through the price and supply of our exports to them. Senator STONE and Senator MANSFIELD have introduced and I am cosponsoring S. 1989 which will require a thorough inventory of our economic relations with energy producing countries.

OPEC imports of our exports increased from $3.6 billion in 1973 to $6.7 billion in 1974, an increase of 85 percent. More than two-thirds of this $3.1 billion increase in exports to Iran, Venezuela and Saudi Arabia. So in terms of amounts of exports, it is with these countries that our influence presumably would be the greatest.

But we need to know much more than this. We need to know what products are involved, what the alternative sources of supply would be, what their end use is, what percentage of the country's imports they are and so on to really understand their strategic value within a bargaining situation.

But we have enough information now to know that our exports are valuable enough to make it difficult for an importing country to switch rapidly from the United States to another country as a source of supply. Rapidly increasing exports to the OPEC countries include construction machinery, cooling equipment, pumps, civilian aircraft, automotive products, chemicals and steel. These are technical goods which require some training to operate and once a country has made that kind of investment and its people are familiar with the operation and handling of these goods, it is not easy to simply switch sources of supply because you are switching the type of good you are importing. Technical people have to be retrained. Maintenance operations change. Importing procedures are different. It costs to make the change in this type of good.

So it looks to me as if our exports have some real strategic value in bargaining with OPEC over the price of oil. The OPEC countries are making the claim that a further increase in the price of oil is needed to offset the increase in prices of exports from industrialized countries brought on by inflation. This claim flies in the face of the fact that inflation in industrial countries is importantly affected by the international price of oil. It ignores the fact that the OPEC oil price has significant effects on our domestic economy.

As a means of putting pressure on the OPEC governments in considering a future oil price rise, I propose that we establish through legislation a means of raising the prices of our exports to the OPEC countries after October 1st by the same percentage that they increase the price of oil exports to us October 1st. This is the one way that I see we can use the bargaining leverage we have to put downward pressure on the international price of oil and send a message that we find OPEC price increases against our interests and that we will use our power to fight off future actions of the same kind.

Whereas it is clear that we need to take actions to conserve oil, we send the wrong message if we impose a $2 import tax because we say to OPEC that they did not raise their prices enough. We make it worse when we suggest that we might take the $2 import tax off if they raise the price significantly in the fall. By saying that, as Secretary Morton did recently, we are saying that we might be willing to let them have the $2 a barrel rather than adding it to U.S. Government revenues.

In the short run, this country needs to put a halt to the oil price rise. Oil price increases now hurt us worst where we hurt most: higher inflation, lower growth and worse unemployment.

Mr. Michael K. Evans, president of Chase Econometrics Associates, was quoted as having said recently:

> For every 1 percent increase in prices, we would expect an 0.5 percent decline in real growth (in the economy and) for every 0.5 percent decline in real growth we would expect the unemployment rate to rise about 0.15 percent or about 140,000 jobs.

This is intolerable and unacceptable. We cannot let OPEC increase again the price of oil which will increase the rate of inflation, lower the rate of growth and increase unemployment. We must get these economic problems resolved first and then take the bull by the horns when the economy is on its feet again and use the price of oil as a conservation measure. For now, an increase in the oil price is an action against the American economy. It is one thing to raise the price ourselves. It is another to allow OPEC to raise the price without opposing their actions in the name of our own interests.

The legislation I will introduce later this week will add a tax on income earned on exports to OPEC countries after October 1 equal to the percentage increase in the OPEC price of oil October 1. The effect of this tax will be to raise the price of our exports to OPEC by the same percentage as they raise the price of their oil exports to us. This will put us in a live bargaining posture with the OPEC countries. It puts the onus on them to exercise restraint in oil pricing. And it shows that we are not going to just roll over and play dead.

It is an even handed approach. It is not an embargo on exports which might cut us out of the market and hurt our companies. It is a price rise that they themselves will have brought on and that they themselves can well afford to pay. I am hopeful that it will not hurt U.S. exporting companies at all, either because it deters OPEC from an oil price increase or because they continue to buy an increasing amount of U.S. exports.

I would strongly recommend that the President in implementing this legislation seek the cooperation of the Europeans and Japanese in taking similar actions so that switching markets will be to no avail.

EXPORT CREDITS

Export credits obviously facilitate the purchasing of exports. It seems unnecessary to me that the U.S. Government through the Export Import Bank should be facilitating OPEC's financial capacity to purchase U.S. exports when the major growth in financial outflow from the United States is for payment to OPEC countries for oil.

I have found that over the last 30 years gross authorizations for Export Import Bank credits, guarantees and insurance to OPEC countries totaled $5.5 billion. Of this, $2.6 billion was export credits. The OPEC price rise began in October 1973. Export Import Bank credits to OPEC countries from July 1, 1973 to June 30, 1974 totaled $408 million or over 15 percent of total export credits during the 30-year period. [See tables.]

It just does not seem wise to me to increase export credits to a region at a time when it has increasing financial resources of its own that it has gotten at our expense. It should be just the other way around. We should consider restricting export credits to a country or region when it is taking economic actions that are damaging to our economy.

I found that the legal authority to restrict export credits, insurance or guarantees to countries taking such actions does not now exist.

I shall introduce legislation that will provide the President with the authority to restrict export credits, insurance or guarantees to any country that is limiting its exports or increasing its export prices to us if he determines that these actions are "causing a significant adverse impact on the rate of inflation, the employment rate or the rate of economic growth of the United States."

I have no doubt that another oil price increase in October by OPEC would qualify under this amendment and thereby permit the President to cut back on Export-Import Bank activities with OPEC nations. This authority would provide the United States with another source of leverage in the oil price bargaining currently going on and which will come to a head on October 1st.

These are strong measures but they are better than resorting to military force. We are not the initiating party but we are not without sufficient resolve to respond in kind. We need to be fully aware of what our economic leverage is. I think by these measures we lay out what some of that leverage is and how it might be used. In the past we have appeared to have no leverage at all. This is not the reality and OPEC should know that. We have been invited to the ball—so my legislation suggests that we not only attend but that we bring our own fiddler and call the tune.

I ask unanimous consent to have printed in the RECORD the amendment on export credits, the tables on credits of the Export-Import Bank, and the economic sections of Senate Concurrent Resolution 41.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A bill to amend the Export-Import Bank Act of 1945 to authorize the President to suspend credit for exports to certain countries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(b) of the Export-Import Bank Act of 1945 is amended by adding at the end thereof the following:

"(7) If the President of the United States determines that any foreign country is restricting exports to the United States or is maintaining increased prices for exports to the United States and thereby is causing a significant adverse impact on the rate of inflation, the employment rate, or the rate of economic growth of the United States, he may direct the Bank not to guarantee, insure, extend credit, or participate in any extension of credit, to finance or assist the purchase or lease of any product or service by, or for use in or sale or lease to such country during any period when that country has such restrictions or increased prices in effect."

EXPORT IMPORT BANK AND OPEC (1934–1974)

(Million $)

	Gross Authorizations EXIM Credits, Guarantees, Insurance	*Credits*
Venezuela	1,529	467
Ecuador	331	79
Saudi Arabia	162	75
Iran	1,835	1,132
Kuwait	198	50
Libya	19	0
Iraq	27	14
Nigeria	145	47
United Arab Emirates	27	1
Algeria	669	294
Qatar	5	0
Indonesia	538	404
	5,485	2,563

SOURCE.—Export Import Bank of the United States, *Cumulative Records.*

EXPORT IMPORT BANK AND OPEC, JULY 1, 1973–JUNE 30, 1974

[In million dollars]

	Credits
Venezuela	24
Ecuador	3
Saudi Arabia	0
Iran	267
Kuwait	0
Libya	0
Iraq	0
Nigeria	2
United Arab Emirates	0
Algeria	72
Qatar	0
Indonesia	42
	408

SOURCE.—Export Import Bank of the United States, *Cumulative Record.*

THE ECONOMIC SECTIONS OF S. CON. RES. 41 INTRODUCED IN THE SENATE ON MAY 15, 1975

ECONOMIC FLUCTUATIONS AND DISRUPTIONS

SEC. 4. (a) FINDINGS.—The Congress finds that—

(1) there is an overwhelming interest that all nations share in a stable and dynamic world economy in which each nation can look forward to the possibility of continuous improvement in the quality of life which would be facilitated by a fair and equitable world trading system, uniform standards governing access to supplies and markets, and reasonable and stable prices for commodities and terms of trade for both supplier and purchasing nations;

(2) policies on commodities are among the most critical issues in hemispheric and global economic relations today;

(3) it is in the interest of the United States to assure a well-functioning and stable price and supply system for commodities; and

(4) questions of reforming the rules of monetary, trade, energy, commodities, and investment relations are to a certain degree inter-related and successful adjustment of interests in the commodity system will have a favorable impact on negotiations in these other fields.

(b) POLICY.—It is the sense of the Congress that the United States should

(1) reaffirm its commitment to seek structural changes in the institutions and rules guiding world trade practices which will be conducive to increasing world trade and furthering the trade potential of this hemisphere and stabilizing the supply and price of commodity resources of vital importance to the economies of this hemisphere both as imports and exports;

(2) support the elimination of special regional preferential trading arrangements which have the effect of creating discrimina-

tory regional trade blocks and which are in violation of international agreements;

(3) seek expanded trade relations by strengthening the commitment of governments in the hemisphere and throughout the world to the General Agreement on Tariff and Trade and other international means of guiding trade policies toward a more open, equitable and nondiscriminatory world economy unhampered by embargoes, monopolistic pricing and other unilateral measures which may cause disruptions and drastic difficulties in the domestic economies of other nations; and

(4) the United States should seek to mitigate the difficulties to producer and consumer nations caused by commodity fluctuations seeking to negotiate trade issues in multilateral, bilateral or other groupings using commodity agreements, supply contract arrangements, or compensatory financing, as a means of advancing these negotiations;

(5) conduct a thorough review of commodity trade leading to recommendations of actions that can be taken in the near future of importance in Inter-American trade in order to effectuate the significant change in United States policy towards commodity trade recommended in this subsection and to demonstrate that new negotiated arrangements can work; and

(6) seek the establishment of international and regional mechanisms for the exchange of commodity supply and demand information to facilitate global progress in the development of means of dealing with commodity issues.

ECONOMIC SANCTIONS

SEC. 5. FINDINGS.—The Congress finds that—

(1) given the primacy in United States policy of a multilateral approach to international economic relations, it is nevertheless necessary that the United States have the policy instruments available to deal bilaterally with economic disputes which are not resolved by multilateral means. United States law must provide the authority to act in a reciprocal manner and to an equivalent degree when actions by other governments restrain supply or increase price in such a way as to markedly disrupt the national economy of the United States. In several areas of foreign economic policy, these authorities do not now exist.

(2) recent history has shown that punitive United States policies are not effective in contributing to the resolution of economic disputes and in many instances have simply stiffened the determination of foreign governments to maintain an uncompromising posture. This has been especially true in the case of economic sanctions which come into play when foreign governments expropriate without compensation property belonging to a United States company. Investment disputes have in many instances in recent years unnecessarily soured overall United States relations with particular countries, and in some cases, with entire regions as in Latin America. The transformation of an investment dispute into a political issue seems to have been stimulated in part by legislation requiring policy actions to be taken outside the domain of foreign investment policy as retaliation against expropriation by a foreign government.

(b) POLICY.—

(1) recognizing on the basis of past experience with investment disputes that these broader policy actions have proven ineffectual, it is the sense of the Congress that the authorities for United States policy responses to foreign government actions should be limited to the policy area of the dispute in question. United States actions in a trade dispute should be limited to trade policies, and United States actions in an investment dispute should be restricted to investment policy.

(2) It is the sense of the Congress that the legislation should be repealed that requires the United States to suspend bilateral assistance or vote against multilateral economic aid and deny access to the generalized system of tariff preferences to countries expropriating United States property without compensation. Instead, it would be more appropriate to use investment policies to respond to investment disputes.

(3) It is the sense of the Congress that every effort should be made to resolve trade disputes through negotiations, either multilaterally or by other means, and to avoid reaching the stage where legislative mechanisms come into play, but that in the event that these efforts do not resolve the dispute, the United States government should have the authority to use export controls and export credits as a means of fashioning an equivalent reciprocal response to embargoes and monopolistic pricing by foreign governments which are damaging to the United States economy as a whole. The purpose of these carefully specified authorities should be (1) to give the United States government the policy leverage to bargain effectively with the foreign government to resolve the dispute, (2) to limit the use of these policy instruments to actions by other governments which have a significant impact on rates of growth, employment and inflation in the United States economy, and (3) to maintain the bounds of the trade dispute to the trade policy area. Consistent with these propositions, it is appropriate that the section of the Trade Act of 1974 be modified that denies access to the generalized system of tariff preferences to member States or the Organization of Petroleum Exporting Countries which have not withheld supplies of petroleum from the United States.

(4) It is the sense of the Congress that each investment or trade dispute should be carefully reviewed and that specific recommendations should be made to the President concerning the particular United States government policy response to each dispute. Consultation should occur with appropriate Departments and Agencies of the United States and with the Congress. This process would permit the President to be highly selective in shaping United States policy and to tailor the United States response in both degree and kind to the particular character of the dispute in question.

(5) Recognizing the need to demonstrate true respect for the sovereignty of developing nations, it is the sense of the Congress that just as it is inappropriate to require the curtailment of economic assistance in cases of expropriation, it is generally inappropriate to deny or reduce economic assistance in cases of violations of human rights. This is unwise because such policies would perhaps deny aid to people whose needs are greater in conditions adverse to basic human rights. But at the same time, it is the sense of the Congress that consistent policy requires that United States economic development and military assistance not be increased when violations of human rights have been substantiated. For these purposes, United States policy should be guided by the findings and recommendations of the Inter-American Commission on Human Rights or the United Nations Commission on Human Rights. Nevertheless, in cases of extreme or repeated violations, the United States should review its military assistance credit and sales policies in light of these violations, given the possibility that arms can be used for repressive purposes, and perhaps also re-evaluate its overall policies with the country concerned.

BARRIERS TO FREE TRADE WITH JAPAN

Mr. FANNIN. Mr. President, the Congress recently demonstrated its intense interest in the subject of international trade by enacting the Trade Act of 1974. I am certain my colleagues share my concern for a continuation of interest in this important issue on the part of the Congress.

Some 90 nations have begun negotiations in Geneva, Switzerland, which look toward a restructuring of international trade relationships and objectives. The Congress has made it clear that it will continue to share in the policymaking process as that policy relates to the United States and its trading partners.

It is my belief that the United States must drive a hard bargain at the Geneva negotiations. We must face the reality that our willingness to have American businesses bruised by foreign tariff and nontariff barriers has lost us respect in many areas of the world. This Nation's singular economic strength, which it enjoyed immediately after World War II, has vanished. We no longer can afford to absorb the world's products into the United States without insisting that our industries be permitted to compete on an equal footing in the markets of other nations.

Mr. President, I am proud of our Nation's historical lack of import barriers. We have resisted many times the cries for protective barriers. Of course, there are exceptions to this general rule, but our basic contention has been to promote free trade among nations by example. Unfortunately, this often has been a one-way street frequented only by the United States while our trading partners have engaged in sophisticated and simplistic trade barrier mechanisms.

Today I bring to my colleagues' attention a trade matter which has been of particular concern to me during my years in the Senate. My reference is to Japan's discrimination against the American citrus industry which is a principal economic factor both in my home State of Arizona and also in California, Texas, and Florida.

Mr. President, there are 12,000 citrus fruit growers in Arizona and California who have a combined capital investment of $3 billion, a payroll of $120 million annually paid to 37,000 employees, and a $150 million yearly export level. The Federal Government has registered strong support for the citrus industry by spending approximately $1.7 billion in Federal funds for water projects which have made citrus producing areas fertile.

Certainly the U.S. citrus industry is substantial. All Americans have benefited from the availability of inexpensive fresh citrus fruit, the quality of which is unsurpassed anywhere in the world. Yet, there are countries which consistently discriminate against American citrus.

It is my belief that Japan discriminates more severely against American citrus than does any other nation or group of nations. Their discrimination is many faceted. First, Japan maintains illegal quotas on fresh oranges and orange and grapefruit juices. The International Trade Commission confirmed this in its report on trade barriers to the Committee on Finance. Japan's quota on lemons was eliminated in 1964. Increased exports of lemons to Japan during the succeeding decade is convincing proof of the positive effect elimination of the quotas on other citrus products could have for American business. Exports of fresh lemons to Japan have increased from 37,600,000 pounds to 208,513,000 pounds during that period. Our trade negotiations must resolve this issue of quotas prior to negotiating other trade matters relating to citrus.

Second, Japan imposes excessive tariffs on the importation of fresh citrus. For example, Japan requires a tariff for fresh grapefruit of 20 percent ad valorem from June 1 through November 30, and 40 percent from December 1 through May 31. The United States, by contrast, has an ad valorem duty equivalent for fresh grapefruit of 8.5 percent for August 1 through September 30, 6.1 percent for October, and 7.8 percent for November 1 through July 31. There is no Japanese domestic production of grapefruits to protect. There is no doubt that the Japanese tariff on imported grapefruit should be reduced to at least 8.5 percent.

Third, Japan recently has engaged in the practice of rejecting American citrus due to the existence of traces of chemical fungicides. These fungicides are acceptable as effective in retarding spoilage by every nation other than Japan. Codex Alimontarius, the United Nations agency responsible for setting international standards on chemical food additives, also has approved use of these fungicides. American fresh citrus exporters strive to avoid the use of fungicides on fruit destined for Japan. However, regardless of how careful these exporters are, detectable traces remain which cause Japanese officials to reject the shipments. This rejection by Japanese of universally acceptable fungicides is a flagrant nontariff trade barrier.

Mr. President, this treatment of American citrus by the Japanese is typical of that nation's discrimination against American imports. Certainly other countries have erected similar trade barriers. The European Economic Community stands out as another major discriminator against imports from the United States.

It is my conviction that our negotiators must remain firm in their efforts to open the world's markets to American trade items as our Nation has allowed imports to compete in our domestic markets with few hindrances. I am certain that Special Trade Representative Dent and his two deputies, Messrs. Walker and Yeutter, are aware of this need to gain equitable treatment for American goods in foreign markets. Their efforts toward this end deserve the full support of the Congress.

AN ALTERNATIVE ENERGY PLAN

Mr. MATHIAS. Mr. President, I recently introduced S. 897 and S. 1950 and was consequently pleased by the favorable response that these measures have evoked from the Baltimore Evening Sun in an editorial of June 19, 1975.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Evening Sun, June 19, 1975]

OIL ALTERNATIVES

The House is making a shambles of the supposedly comprehensive energy bill. Gone is a tough proposal to damp down demand for gasoline by imposing a rising tax on consumption beyond certain levels. So is the basic surtax of 3 cents that was to finance development of alternative energy sources. The proposed taxes on inefficient, low-mileage gas-gulping big cars has been watered down significantly. Import quotas designed to cut American dependence on foreign oil have been revised to make them looser in the years ahead rather than tighter, as the Ways and Means Committee bill had provided. If this toothless, ineffective measure is to be the House's "alternative" to the crude presidential import tax on all foreign oil, where is the country to look for some sensible leadership?

The immediate answer is the Senate. Whether the senators will have more political courage than the representatives is not at all certain. But there is some hope in two bills introduced by Senator Mathias. The first, aimed at reducing consumption, incorporates the general principles of the original Ways and Means Committee bill in imposing rising taxes on gasoline consumption and on less efficient cars plus credits for energy conservation efforts in business and residential consumption. The second, introduced this week, is directed to reducing dependence upon imports.

In broad principle it follows the Ford plan of using taxes on foreign oil rather than quotas to discourage imports. But it is far more selective than the flat $1-, $2- and $3-per barrel tax on all foreign oil the President is putting into effect. Imported motor fuels such as gasoline would be subject to the stiffest tax of $4 a barrel. The middle distillates, including oil for home heating, would be subject to a tariff only half as high. Moreover there would be licenses which would permit importation of certain percentages of a 1972 base without payment of the tariffs, thus reducing the inflationary impact which the country is already feeling from the across-the-board Ford tariffs.

It is too early to underwrite the precise details of the Mathias proposals on imports: the probable impact in various areas requires a good deal of further examination. But both the consumption and import bills are solidly based on two principles—(1) Cut consumption by rising taxes on excessive use of oil products and (2) curb import dependence by selective taxation of foreign products. It's a constructive start, at last.

EUGENE C. PULLIAM

Mr. FANNIN. Mr. President, on Monday one of the greats of American journalism died. Eugene C. Pulliam was more than a great journalist, however. He was a very kind and generous man who used his wealth to help people and improve communities.

Mr. President, yesterday the Phoenix Gazette ran a very brief editorial pointing out that Mr. Pulliam cared deeply about people, and especially those who worked for him. In today's Arizona Republic was an article by the paper's editor, Fritz Marquardt, recounting the magnificent human qualities of publisher Gene Pulliam. I ask unanimous consent to have both of these articles printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Phoenix Gazette, June 24, 1975]

EUGENE C. PULLIAM

Suddenly, a great emptiness is felt throughout Phoenix Newspapers.

Our publisher, Eugene C. Pulliam, is dead at the age of 86.

One moment he was with us, his incisive mind and dedicated soul taking keen and active interest in the affairs of the community, the nation, the world.

The next moment he was gone, the spirit of a newspaperman for 80 enterprising years finally at rest.

Gene Pulliam will be eulogized in terms of greatness, as an American patriot, as a champion of individual freedom, as a vigorous fighter of corruption and bureaucratic despotism, as a giant of journalism. That is proper enough, for he is indeed among the greats of this century.

But he will be remembered among his family and friends for the more personal characteristics of his greatness: for his loyalty, for his kindness, for his sense of fairness, for his generosity, for his understanding of people.

His employees, from the oldest to the youngest, from the highest to the lowest, have been made to feel a real part of "his family." When Mr. Pulliam spoke of "the Republic and Gazette family," as he did last April 27 at Family Day at the Lazy R & G Ranch, he meant just that. Many an employee with a personal problem was quietly helped by him.

Mr. Pulliam's distinguished career in journalism, his contributions as a citizen and as a friend of Presidents and governors and other leaders, his harvest of honors, all are set forth in his obituary.

It may take some time, however, for Phoenix and Arizona to fully appreciate the contributions he has made to the growth and development of this community and state. One of his last crusades was to see that every effort be bent to get a National Solar Energy Research Institute located in Arizona.

Gene Pulliam's legacy is a commitment to make the Valley the best and most beautiful place to live in the world.

Carrying on that commitment with something like his energy will help fill the emptiness that is felt here at his parting.

[From the Arizona Republic, June 25, 1975]

EUGENE C. PULLIAM: LAST OF A GREAT BREED OF PUBLISHERS

(By Frederic S. Marquardt)

TOKYO.—Gene Pulliam was probably the last of a great breed of publishers. He was in a category that believed all newspapers should be run by newsmen, not by lawyers or bankers or accountants.

There was more of a personal touch in a publisher's attitude toward his employees back before the computers took over and newspaper stock was hawked on Wall Street. Pulliam and the rest of them came up from the news room.

"I was a damn good police reporter," he used to say, recalling the days when he worked for the Kansas City Star. If it hadn't been for the bigger challenges of running his own papers, he probably would have continued covering crime and politics.

In the end, it was his back, not his legs, that gave out. Many years ago, when spinal fusions were new and radical, he had two vertebrae fused. But when he called me on the phone, or sent me a memo, he sounded like he did when I went to work for him 28 years ago.

That was shortly after he acquired The

Republic and The Phoenix Gazette. I was on the Chicago Sun-Times and wanted to get out of the cold winters.

I wrote Pulliam a letter, asking if there were any jobs in Phoenix, and he sent word for me to call him in Indianapolis. That's where I thought I had blown it. I went to a pay station in a drug store, since no one ever made a personal call from the Sun-Times news room unless he wanted every copy boy to know what he said.

After getting Pulliam on the phone, I found I didn't have enough change to pay for the call. Gene heard me ask for time to get some change and told the operator to make the call collect. That's probably one of the few times when an applicant for a job made his prospective employer pay for the phone call.

Gene always wanted to meet the wife of anyone he was considering hiring in an executive capacity. So he asked me to bring my wife to the Drake Hotel in Chicago. This time I was afraid Alice had blown it. She had written a poem about how wonderful it would be if Pulliam hired me and she could live in Phoenix.

As my friends know, I loved Alice dearly and admired her sterling qualities. But writing poetry was not among her many gifts. So I carefully left the poem in our apartment when we went to the hotel. After I had been hired and we were safely in Phoenix, I showed the poem to Gene.

"Hell," he said, "if I had seen that earlier I would have hired her instead of you."

It was people, not money, that interested Pulliam.

"If money was my objective," he used to say, "I would have sold bonds, even a small commission adds up when it is collected on hundreds of millions of dollars worth of municipal and state bonds."

He did make money, of course, but it was mainly because he wanted to assure the financial independence of his newspapers.

Gene never used his greater circulation to take comic strips or syndicated material away from smaller competitors, although the syndicate salesmen offered to cancel contracts to his advantage.

Once, when the Indianapolis Times was at the end of its financial tether, Pulliam asked his lawyers if he could support the Times in order to keep large-scale competition alive. They told him such action would put him in jeopardy of antitrust suits.

Gene knew poverty in his youth, and he understood the need of keeping out of debt, but he never was chintzy. Once he heard a manager of The Republic had given a retiring printer a penny a day for each year he had worked for the paper. The total was about $150, a respectable retirement gift by any standards.

But Pulliam was incensed at the idea of valuing anyone's work at one cent a day. He ordered the cashier to draw a check for $1,000 and personally delivered it to the printer.

Aside from his relatives, Gene Pulliam was interested mainly in two groups of people—his employes and children of all ages.

For his employes in Phoenix he established the Lazy R and G Ranch, a 40-acre spread with an Olympic swimming pool, a baseball diamond, a railroad, a club-house and a covered dance floor.

There are no dues, and every employe is privileged to take his family to the ranch. It is run by a committee of the employes.

Gene contributed to every cause that promised to make the children of Phoenix happier. He was largely instrumental in getting the Phoenix Zoo started, and for years he paid its deficits after the original sponsor dropped out.

When he heard how many children visited the Heard Museum each year, he matched the income the museum receives from grants made by the Heards.

His gifts to hospitals, community funds, symphony societies, youth organizations, were as substantial as they were unpublicized.

But Gene most enjoyed giving direct help to someone whose child wanted to go to college, or whose wife needed medical attention, or whose father had died. No one will ever total up how many there were in these categories, but I was among them.

SUN CITY: NO. 1 HAVEN FOR RETIREES

Mr. FANNIN. Mr. President, one of the most dynamic communities in America is a retirement community—Sun City, Ariz. Although this is not an incorporated city, these 35,000 people have a tremendous feeling of being a community. They have the friendly, neighborly spirit, and the loyalty, which has been lost in too many of our cities.

It is always a treat for me to visit Sun City because these people enjoy life fully, and they have an intense interest in what is happening in the world and in our own country.

Mr. President, the current issue of the National Observer has an article entitled, "Sun City: No. 1 Haven for Retirees." I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Sun City: No. 1 Haven for Retirees

(By Edwin A. Roberts, Jr.)

In the 1950s there was nothing here but thousands of acres of cotton. Then, 15 years ago, the first house was built in what is now Sun City, the nation's biggest and best-known retirement community. The central question posed by the Sun City idea was this: Can older people live satisfying lives in a recreation-oriented city inhabited exclusively by older people?

The answer appears to be "yes"—with a muted "but" attached.

Some 35,000 retired people now live in Sun City, an unincorporated community near Phoenix. They're served by 300 stores, 30 financial institutions, 3 brokerage houses, 70 physicians, 9 dentists, a $6 million hospital, 9 golf courses, 20 restaurants, 3 swanky dining clubs, 5 immense and extravagantly equipped recreation centers, a 7,500-seat amphitheater, a 4,000-seat baseball stadium a symphony orchestra, 26 religious congregations, 5 Lions clubs, 3 Kiwanis clubs, 2 Rotary clubs—plus scores of recreational clubs ranging from the Cactus Bridge Club to the Cycle Mates.

A SENSE OF MOTION

There are also six liquor stores and two branches of Alcoholics Anonymous.

Sun City's houses and their gray-haired occupants both seem well maintained. Sun-tanned residents bustle about in cars, in their 3,000 golf carts, on bicycles, on adult tricycles, and—often briskly—on foot. There's a sense of motion here, and of purposefulness.

Most residents are Sun City boosters. They praise the Del E. Webb Development Co., which built the community, and the life-style the Webb organization built into the community. So they're vexed when critics say Sun Citians have withdrawn their talents from society and should feel guilty about spending their retirement years at play.

Residents say such criticism doesn't take a retired person's options into account. They note that old age is a time of physical slowing down, of increased vulnerability to illness and accident, of forced withdrawal from a life-time's career, of sadness as friends pass away one by one. Moreover, they add, a person's choices at retirement generally are these: Stay put; move in with a son or daughter; move to an age-integrated community; or move to a town designed expressly for older people.

"As far as I'm concerned," says Alicia Jackson as she shops the meat counter at Safeway, "the final years are a very special time of life. Nobody can understand how you feel at retirement except people who have been through it. Younger people don't like old people—that's plain enough. There's no sense staying in the old home town, especially if it's in a cold climate. Cold is hard on old bones. Live with my children? I'd rather die. Move someplace where it's warmer but you still feel out of everything because you're old? Who wants that? No, the best answer is a place like Sun City—if you have the money to afford it."

SALT, PEPPER, AND AT&T

Indeed, it does take money to live here. Most residents wound up their working years with high-middle and upper-bracket incomes. Whereas a dozen years ago you could buy a new two-bedroom, one-bath house here for less than $10,000, today houses and apartments cost $33,000 to $75,000. A house with a swimming pool and other extras costs up to $100,000.

On the bright side, dwellings can be purchased with low down payments and 30-year mortgages—no matter what the buyer's age. "The banks aren't insuring lives, after all," says Webb saleswoman Carol Hyland. "And they've got that property to back the loan."

What exactly is it like to live in Sun City, whose name to many people suggests only shuffleboard and sunny monotony for obsolete men and women?

Spencer Moore is a retired utility company executive from New Jersey who looks younger than his 70 years. As he sits in the Lake Club's handsomely appointed dining room, a meticulous waiter places a copy of an hourly stock-market report between the salt and pepper.

"That stock-market report is provided as an advertising device by a local broker," says Moore. "To begin with, Del Webb, who died a few years ago, did everything here to dignify the human spirit. We moved to Sun City in 1969. We had visited the Southwest many times before and we liked the desert. We could see that Florida—like the Fort Lauderdale-Miami area—had become engulfed with people; high-rise condominiums are all over the place. Also, Florida has high humidity and a lot of bugs. So we favored Arizona as a warm-weather place to retire."

What about all the friends you left behind in New Jersey?

NO LACK OF FRIENDS

"We have more friends here than we ever had in New Jersey. Retired people don't want to be oppressed by loneliness, and here they don't have to be. When a couple moves to Sun City, that couple is anxious to make friends, to be outgoing and congenial. When you move here all you have to do is go to a cocktail party and you meet 20 people. And you're off."

Moore's days are busy with much more than play. He is a past president of Recreation Centers of Sun City, Inc. The nonprofit organization runs the $7 million recreation centers that are jointly owned by all Sun Citians. The Webb organization included the centers' cost in the prices of homes, then turned the facilities over to the residents. For $30 a year they can use the centers' indoor and outdoor swimming pools, hobby craft rooms, bowling alleys, and billiards rooms.

Moore is currently vice president of the board of directors of the Walter O. Boswell

Hospital. It's named for its prime benefactor, who owned the cotton fields upon which Sun City was built. (The hospital, soon to be expanded, has an intensive-care area for electronically monitoring heart patients.)

CONSIDERATE OF WIDOWS

"One important difference in relationships here," says Moore, "is that the old competitive anxieties don't exist. One of my closest friends is the former president of a Pennsylvania electric company. We can talk now without feeling any competitive pressure."

Moore adds that Sun Citians are particularly considerate of residents who have lost a spouse. "Widows and widowers are invited to parties and get-togethers, because people of our age are acutely aware of each other's feelings. I think people try harder here to be good neighbors. There are frequent second marriages, because a man and woman who have lost their first spouses seek out each other's companionship. They tend to marry not for sex but for companionship and economic reasons."

The stories one hears about the healthfulness of Sun City's desert climate are, well, dramatic. One wonders why the place needs 70 doctors. Or one doctor.

"There's a man here," declares Moore, "who, when he first came, was bent over 90 degrees with acute arthritis. Today he walks around perfectly straight. Another man arrived in Sun City with a heart that could barely sustain life. He drove from Florida 100 miles a day. It took him a month to get here. Today he says he feels like a new man and thanks God he came to Sun City. Of course there are other people whom the Arizona climate doesn't help."

But not everyone is content with life here, and a few people move away each year—usually back to where they came from. A man at the Grand Center coin laundry looks up from his sorting to say: "We're leaving for good in a week. Can't stand this place in the summer; gets hot as hell—120 degrees. And the wife misses the grandchildren. I don't miss them, but she does, and I can't stand her moping around all the time and getting teary-eyed every night."

Others don't mind the hot summers because of the low (8 per cent) humidity and because every building is air conditioned. But there's no doubt the desert sun can be oppressive in July and August. About a third of the residents spend those months elsewhere. Many go to the high country of northern Arizona.

The difficulty some people find in moving far away from children and grandchildren seems to trouble them more than summer heat. This is especially true if the offspring still reside in the parents' home town. Air travel for back-home visiting is expensive, and, for those getting on in years, motor travel is tiring.

"But again," says one Sun Citian, "you must remember how mobile society is today. The children of retirees are likely to move from place to place anyway as the men change jobs or are transferred. My four children grew up on Long Island, but now they all live in widely separated cities. There's no way I could live near all of them."

Beyond that, many Sun Citians say, in effect, that they have paid their dues. They have worked hard for 40 or more years and made uncounted sacrifices for their children. Their remarks suggest that during the final years of life they want to live a little for themselves.

But this doesn't mean they live selfishly, they add. Thousands regularly engage in volunteer activities. Some 200 volunteers work at the hospital, going on duty as early as 6 a.m. Others deliver "meals on wheels." Others work through 14 men's service clubs to assist needy people in Sun City and throughout much of Arizona.

And there are needy people in Sun City. Most were among the first residents to move here in the early 1960s. They bought their little houses for under $10,000 and settled back to enjoy their retirement years on pensions and Social Security. But inflation has turned many of these once-self-sufficient folk into welfare cases.

Churches are crowded on Sunday morning, because, as one resident says, "Maybe we've begun to worry." The United Church, a multidenominational congregation, has a large concrete patio inscribed with a huge map of the United States. After services, the people gather on the map, each standing on his or her home state. Trite? Well, it helps get people together—and that's its purpose. And Sun City's.

AD HOC SUBCOMMITTEES OF THE COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES

Mr. MOSS. Mr. President, I wish to announce to the Senate the formation of two subcommittees of the Committee on Aeronautical and Space Sciences. These subcommittees will be ad hoc and will be:

SUBCOMMITTEE ON AEROSPACE TECHNOLOGY AND NATIONAL NEEDS

Members:

Wendell H. Ford, Chairman, John C. Stennis, Howard W. Cannon, Paul Laxalt, Ranking Minority Member, Jake Garn.

Ex Officio Members: Frank E. Moss, Barry Goldwater.

Counsel: James T. Bruce.

Jurisdiction:

There shall be referred to the subcommittee all proposed legislation and matters serving to identify and review those national needs in the foreseeable future to which aerospace science and technology could make a substantial contribution, either directly or indirectly; to specify the science and/or technology which could so contribute; to assess existing or modified mechanism for assuring that such contributions are in fact made in a timely, efficient and effective manner; and to submit to the full Committee such legislative or other recommendations as are deemed appropriate.

SUBCOMMITTEE ON THE UPPER ATMOSPHERE

Members:

Dale Bumpers, Chairman, Stuart Symington, Pete V. Domenici, Ranking Minority Member.

Ex Officio Members: Frank E. Moss, Barry Goldwater.

Counsel: James J. Gehrig.

Jurisdiction:

There shall be referred to the subcommittee all proposed legislation and other matters relating primarily to the upper atmosphere as set out at Title IV of the National Aeronautics and Space Act. Further, the subcommittee shall have jurisdiction to survey and review and to prepare studies and reports upon all activities dealing with the upper atmosphere of all agencies of the United States Government.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

EMERGENCY HOMEOWNERS RELIEF ACT

Mr. ROBERT C. BYRD. Mr. President, I assume that the two Senators would like to proceed to call up H.R. 5398 at this time. I, therefore, yield for that purpose.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5398) to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions.

The PRESIDING OFFICER. Without objection, the Senate will proceed to consider the bill.

Mr. PROXMIRE. Mr. President, I send my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes an amendment in the nature of a substitute, to strike out all after the enacting clause and insert the following:

Short title, section 1.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE's amendment in the nature of a substitute is as follows:

Intended to be proposed by Mr. PROXMIRE for himself, BROOKE, SPARKMAN, and TOWER to H.R. 5398, an Act to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions.

Strike out all after the enacting clause and insert the following:

SHORT TITLE

SECTION 1. That this Act may be cited as the "Emergency Housing Act of 1975".

TITLE I—EMERGENCY MORTGAGE RELIEF

SHORT TITLE

SEC. 101. This title may be cited as the "Emergency Homeowners' Relief Act".

FINDINGS AND PURPOSE

SEC. 102. (a) The Congress find that—

(1) the Nation is in a severe recession and that the sharp downturn in economic activity has driven large numbers of workers into unemployment and has reduced the incomes of many others;

(2) as a result of these adverse economic conditions the capacity of many homeowners to continue to make mortgage payments has deteriorated and may further deteriorate in the months ahead, leading to the possibility of widespread mortgage foreclosures and distress sales of homes; and

(3) many of these homeowners could retain their times with temporary financial assistance until economic conditions improve.

(b) It is the purpose of this title to provide a standby authority which will prevent widespread mortgage foreclosures and distress sales of homes resulting from the temporary loss of employment and income through a program of emergency loans and advances and emergency mortgage relief payments to homeowners to defray mortgage expenses.

MORTGAGES ELIGIBLE FOR ASSISTANCE

SEC. 103. No assistance shall be extended with respect to any mortgage under this title unless—

(1) the holder of the mortgage has indi-

cated to the mortgagor its intention to foreclose;

(2) the mortgagor and holders of the mortgage have indicated in writing to the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") and to any agency or department of the Federal Government responsible for the regulation of the holder that circumstances (such as the volume of delinquent loans in its portfolio) make it probable that there will be a foreclosure and that the mortgagor is in need of emergency mortgage relief as authorized by this title, except that such statement by the holder of the mortgage may be waived by the Secretary if in his judgment such waiver would further the purposes of this title;

(3) payments under the mortgage have been delinquent for at least three months;

(4) the mortgagor has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make full mortgage payments;

(5) there is a reasonable prospect that the mortgagor will be able to make the adjustments necessary for a full resumption of mortgage payments; and

(6) the mortgaged property is the principal residence of the mortgagor.

LIMITS OF ASSISTANCE

SEC. 104. (a) Assistance under this title with respect to a mortgage which meets the requirements of section 103 may be provided in the form of emergency mortgage relief loans and advances of credit insured pursuant to section 105 or in the form of emergency mortgage relief payments made by the Secretary pursuant to section 106.

(b) Assistance under this title on behalf of a homeowner may be made available in an amount up to the amount of the principal, interest, taxes, ground rents, hazard insurance, and mortgage insurance premiums due under the homeowner's mortgage, but such assistance shall not exceed the lesser of $250 per month or the amount determined to be reasonably necessary to supplement such amount as the homeowner is capable of contributing toward such mortgage payment.

(c) Monthly payments may be provided under this title either with the proceeds of an insured loan or advance of credit or with emergency mortgage relief payments for up to twelve months, and, in accordance with criteria prescribed by the Secretary, such monthly payments may be extended once for up to twelve additional months. A mortgagor receiving the benefit of mortgage relief assistance pursuant to this title shall be required, in accordance with criteria prescribed by the Secretary, to report any increase in income which will permit a reduction or termination of such assistance during this period.

(d) Emergency loans or advances of credit made and insured under section 105, and emergency mortgage relief payments made under section 106, shall be repayable by the homeowner upon such terms and conditions as the Secretary shall prescribe, except that interest on a loan or advance of credit insured under section 105 or emergency mortgage relief payments made under section 106 shall not be charged at a rate which exceeds the maximum interest rate applicable with respect to mortgages insured pursuant to section 203(b) of the National Housing Act.

(e) The Secretary may provide for the deferral of the commencement of the repayment of a loan or advance insured under section 105 or emergency mortgage relief payments made under section 106 until one year following the date of the last disbursement of the proceeds of the loan or advance or payments or for such longer period as the Secretary determines would further the purpose of this title. The Secretary shall by regulation require such security for the repayment of insured loans or advances of credit or emergency mortgage relief payments as he deems appropriate and may require that such repayment be secured by a lien on the mortgaged property.

EMERGENCY MORTGAGE RELIEF LOANS AND ADVANCES

SEC. 105. (a) The Secretary is authorized, upon such terms and conditions as the Secretary may prescribe, to insure banks, trust companies, finance companies, mortgage companies, savings and loan associations, insurance companies, credit unions, and such other financial institutions, which the Secretary finds to be qualified by experience and facilities and approves as eligible for insurance, against losses which they may sustain as a result of emergency loans or advances of credit made in accordance with the provisions of section 104 and this section with respect to mortgages eligible for assistance under this title.

(b) In no case shall the insurance granted by the Secretary under this section to any financial institution on loans and advances made by such financial institution for the purposes of this title exceed 40 per centum of the total amount of such loans and advances made by the institution, except that, with respect to any individual loan or advance of credit, the amount of any claim for loss on such individual loan or advance of credit paid by the Secretary under the provision of this section shall not exceed 90 per centum of such loss.

(c) The Secretary is authorized to fix a premium charge or charges for the insurance granted under this section, but in the case of any loan or advance of credit, such charge or charges shall not exceed an amount equivalent to one-half of 1 per centum per annum of the principal obligation of such loan or advance of credit outstanding at any time.

(d) The Secretary is authorized and empowered to waive compliance with any rule or regulation prescribed by the Secretary for the purposes of this section if, in the Secretary's judgment, the enforcement of such rule or regulation would impose an injustice upon an insured lending institution which has substantially complied with such regulations in good faith. Any payment for loss made to an insured financial institution under this section shall be final and incontestable after two years from the date the claim was certified for payment by the Secretary, in the absence of fraud or misrepresentation on the part of such institution unless a demand for repurchase of the obligation shall have been made on behalf of the United States prior to the expiration of such two-year period. The Secretary is authorized to transfer to any financial institution approved for insurance under this title any insurance in connection with any loan which may be sold to it by another insured financial institution.

(e) The aggregate amount of loans and advances insured under this section shall not exceed $1,500,000 at any one time.

EMERGENCY MORTGAGE RELIEF PAYMENTS

SEC. 106. (a) In the case of any mortgagee which would otherwise be eligible to participate in the program authorized under section 105 but does not qualify for an advance or advances as authorized by section 113 of this title or under section 10, 10b, or 11 of the Federal Home Loan Bank Act or otherwise elects not to participate in the program authorized under section 105, the Secretary is authorized to make repayable emergency mortgage relief payments directly to such mortgagee on behalf of homeowners whose mortgages are held by such financial institution and who are delinquent in their mortgage payments.

(b) Emergency mortgage relief payments shall be made under this section only with respect to a mortgage which meets the requirements of section 103 and only on such terms and conditions as the Secretary may prescribe, subject to the provisions of section 104.

(c) The Secretary may make such delegations and accept such certifications with respect to the processing of mortgage relief payments provided under this section as he deems appropriate to facilitate the prompt and efficient implementation of the assistance authorized under this section.

EMERGENCY HOMEOWNERS' RELIEF FUND

SEC. 107. (a) (1) To carry out the purposes of this title, the Secretary is authorized to establish in the Treasury of the United States an Emergency Homeowners' Relief Fund (hereinafter in this title referred to as the "fund") which shall be available to the Secretary without fiscal year limitation—

(A) for making payments in connection with defaulted loans or advances of credit insured under section 105 of this title;

(B) for making emergency mortgage relief payments under section 106 of this title;

(C) to pay such administrative expenses (or portion of such expenses) of carrying out the provisions of this title as the Secretary may deem necessary.

(2) The fund shall be credited with—

(A) all amounts received by the Secretary as premium charges for insurance or as repayment for emergency mortgage relief payments under this title and all receipts, earnings, collections, or proceeds derived from any claim or other assets acquired by the Secretary under this Act; and

(B) such amounts as may be appropriated for the purposes of this title.

AUTHORITY OF THE SECRETARY

SEC. 108. (a) The Secretary is authorized to make such rules and regulations as may be necessary to carry out the provisions of this title.

(b) Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real or other property by the United States, the Secretary shall have power, for the protection of the interest of the fund authorized under this title, to pay out of such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property, real or personal, acquired by the Secretary as a result of recoveries under security, subrogation, or other rights.

(c) In the performance of, with respect to, the functions, powers, and duties vested in the Secretary by this title, the Secretary shall—

(1) have the power, notwithstanding any other provision of law, whether before or after default, to provide by contract or otherwise for the extinguishment upon default of any redemption, equitable, legal, or other right, title in any mortgage, deed, trust, or other instrument held by or held on behalf of the Secretary under the provisions of this title; and

(2) have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon the Secretary by law, contract, or other agreement, and bid for and purchase at any foreclosure or other sale any property in connection with which assistance has been provided pursuant to this title. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, remodel and convert, dispose of, lease, and otherwise deal with, such property. Notwithstanding any other provision of law, the Secretary also shall have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation,

or other rights obtained by him in administering this title.

AUTHORIZATION AND EXPIRATION DATE

SEC. 109. (a) There are authorized to be appropriated for purposes of this title such sums as may be necessary, except that the funds authorized to be appropriated for section 106 shall not exceed $500,000,000. Any amounts so appropriated shall remain available until expended.

(b) No loans or advance of credit shall be insured and no emergency mortgage relief payments made under this title after June 30, 1976 except if such loan or advance or such payments are made with respect to a mortgagor receiving the benefit of a loan or advance insured, or emergency mortgage relief payments made, under this title on such date.

NOTIFICATION

SEC. 110. (a) Until one year from the date of enactment of this title, each Federal supervisory agency with respect to financial institutions subject to its jurisdiction, and the Secretary, with respect to other approved mortgagees, shall (1) take appropriate action, not inconsistent with laws relating to the safety or soundness of such institutions or mortgagee, as the case may be, to waive or relax limitations pertaining to the operations of such institutions or mortgagees with respect to mortgage delinquencies in order to cause or encourage forebearance in residential mortgage loan foreclosures, and (2) request each such institution or mortgagee to notify that Federal supervisory agency, the Secretary, and the mortgagor, at least thirty days prior to instituting foreclosure proceedings in connection with any mortgage loan. As used in this title the term 'Federal supervisory agency" means the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration.

REPORTS

SEC. 111. Within sixty days after enactment of this title and within each sixty-day period thereafter prior to July 1, 1976, the Secretary shall make a report to the Congress on (1) the current rate of delinquencies and foreclosures in the housing market areas of the country which should be of immediate concern if the purposes of this title is to be achieved; (2) the extent of, and prospect for continuance of, voluntary forebearance by mortgages in such housing market areas; (3) actions being taken by governmental agencies to encourage forebearance by mortgagees in such housing market areas; (4) actions taken and actions likely to be taken with respect to making assistance under this title available to alleviate hardships resulting from any serious rates of delinquencies and foreclosures; and (5) the current default status and projected default trends with respect to mortgages covering multifamily properties with special attention to mortgages insured under the various provisions of the National Housing Act and with recommendations on how such defaults and prospective defaults may be cured or avoided in a manner which, while giving weight to the financial interests of the United States, takes into full consideration the urgent needs of the many low- and moderate-income families that currently occupy such multifamily properties.

NONAPPLICABILITY OF OTHER LAWS

SEC. 112. Notwithstanding any provision of law which limits the nature, amount, term, form, or rate of interest, or the nature, amount, or form of security of loans or advances of credit, loans, or advances, of credit may be made in accordance with the provisions of this title without regard to such provision of law.

FEDERAL DEPOSIT INSURANCE CORPORATION ADVANCES

SEC. 113. Notwithstanding any other provision of law, the Federal Deposit Insurance Corporation is authorized, upon such terms and conditions as the Corporation may prescribe, to make such advances to any insured bank as the Corporation determines may be necessary or appropriate to facilitate participation by such bank in the program authorized by this title. For the purpose of obtaining such funds as it determines are necessary for such advances, the Corporation may borrow from the Treasury as authorized in section 14 of the Federal Deposit Insurance Act (12 U.S.C. 1824; 64 Stat. 890), and the Secretary of the Treasury is authorized and directed to make loans to the Corporation for such purpose in the same manner as loans may be made for insurance purposes under such section, subject to the maximum limitation on outstanding aggregate loans there provided.

TITLE II—AMENDMENTS TO THE EMERGENCY HOME PURCHASE ASSISTANCE ACT OF 1974

ACTIVATION OF PROGRAM

SEC. 201. Section 313(a)(1) of the National Housing Act is amended by inserting "or other economic conditions" immediately after "governmental actions".

LIMITATION ON INTEREST RATE

SEC. 202. Section 313(b)(C) of the National Housing Act is amended to read as follows:

"(C) such mortgage involves an interest rate not in excess of that which the Secretary may prescribe, taking into account the cost of funds and administrative costs under this section, but in no event shall such rate exceed the lesser of (i) 7½ per centum per annum, or (ii) the rate set by the Secretary applicable to mortgages insured under section 203(b) of the National Housing Act, and no State or local usury law or comparable law establishing interest rates or prohibiting or limiting the collection or amount of discount points or other charges in connection with mortgage transactions or any State law prohibiting the coverage of mortgage insurance required by the Association shall apply to transactions under this section;".

LIMITATION ON POINTS

SEC. 203. Section 313(b) of the National Housing Act is amended by adding the following paragraphs at the end thereof:

"(D) such mortgage is accompanied by a certification by the mortgagee that no points, discounts, or similar fees, other than a loan origination fee not in excess of 1 per centum of the original principal obligation, have been or will be assessed against the prospective buyer or seller in connection with the mortgage loan; and

"(E) such mortgage is purchased at par.".

GUARANTEE AUTHORITY

SEC. 204. Section 313(d)(1) of the National Housing Act is amended—

(1) by striking out "purchased" in the first sentence and inserting "eligible for purchase" in lieu thereof; and

(2) by inserting after the first sentence the following: "Such securities shall bear interest at a rate equal to the rate on the underlying mortgages less an allowance for servicing and other expenses as approved by the Association.".

LIMITATION ON FEES

SEC. 205. Section 313(f) of the National Housing Act is amended—

(1) by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(2) by adding at the end thereof the following:

"(3) charge a fee for making commitments to purchase mortgage loans or to guarantee securities under this section and for incurring other administrative expenses which shall not be considered a fee for the purpose of clause (D) of the last sentence of subsection (b), but the aggregate of all such fees, regardless of on whom imposed, shall not exceed 1 per centum of the amount of such commitments.".

FEDERAL FINANCING BANK FINANCING

SEC. 206. Section 313(d)(2) of the National Housing Act is amended by striking out the first sentence and inserting in lieu thereof the following: "The Association may offer and sell any mortgages purchased or securities guaranteed under this section to the Federal Financing Bank, and such Bank is authorized and directed to purchase any such mortgages or securities offered by the Association."

COVERAGE OF MULTIFAMILY AND CONDOMINIUM UNITS

SEC. 207. Section 313 of the National Housing Act is amended by adding the following new subsection at the end thereof:

"(h) Notwithstanding the provisions of subsection (b), the Association may make commitments to purchase and purchase, and may service, sell (with or without recourse), or otherwise deal in, a mortgage which covers more than four-family residences (including residences in a cooperative or condominium), or a single-family unit in a condominium, and which is not insured under the National Housing Act or guaranteed under chapter 37 of title 38, United States Code, if—

"(1) in the case of a project mortgage, the principal obligation of the mortgage does not exceed, for that part of the property attributable to dwelling use, the lesser of (A) the per unit amount specified in subsection (b) (B), or (B) the per unit limitations specified in section 207 of this Act in the case of a rental project or section 213 of this Act in a case of a cooperative project, or section 234 in the case of a condominium project;

"(2) in the case of a mortgage covering a housing project, the outstanding principal balance of the mortgage does not exceed 75 per centum of the value of the property securing such mortgage or is insured by a qualified private insurer or public benefit corporation created by the State which acts as an insurer as determined by the Association:

"(3) in the case of a mortgage covering an individual condominium unit, the mortgage is insured by a qualified private insurer or public benefit corporation created by the State which acts as an insurer as determined by the Association or has an outstanding principal balance which does not exceed 80 per centum of the value of the property securing the mortgage;

"(4) the mortgage is not being used to finance the conversion of an existing rental housing project into a condominium project or to finance the purchase of an individual unit in a condominium project in connection with the conversion of such project from rental to condominium form of ownership; and

"(5) the mortgage meets the requirements of subsection (b) except as modified by this subsection and any additional requirements the Secretary may prescribe to protect the interest of the United States or to protect consumers.".

AUTHORIZATION

SEC. 208. Section 313(g) of the National Housing Act is amended by adding the following at the end thereof: "Such total amount shall be increased on or after the date of enactment of the Emergency Housing Act of 1975, by such amount as is approved in an appropriation Act, but not to exceed $10,000,000,000, and the Association shall not issue obligations pursuant to this section utilizing authority which is conferred by this sentence or which is conferred by the first sentence of this subsection but uncommitted on October 18, 1975, except as approved in appropriation Acts."

EXTENSION

SEC. 209. Section 3(b) of the Emergency Home Purchase Assistance Act of 1974 is amended—

(1) by striking out "for a period of one year following such date of enactment" and inserting in lieu thereof "until July 1, 1976"; and

(2) by striking out "the expiration of such period" each place it appears and inserting in lieu thereof "such date".

TITLE III—EMERGENCY REPAIR AND REHABILITATION AUTHORITY

SEC. 301. (a) Section 312(h) of the Housing Act of 1964 is amended by striking out "one-year" and inserting in lieu thereof "two-year".

(b) Section 312(d) of such Act is amended by inserting "ending prior to July 1, 1975, and not to exceed $100,000,000 for the fiscal year beginning on July 1, 1975," after "each fiscal year".

SEC. 302. Section 518(b) of the National Housing Act is amended—

(1) by striking out "one or two" and inserting in lieu thereof "one, two, three, or four"; and

(2) by striking out "one year" the second time it appears in clause (1) of the first sentence of such section and inserting in lieu thereof "19 months".

PRIVILEGE OF THE FLOOR

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Ken McLean, Bob Mallakoff, Jerry Buckley, and Tom Brooks be permitted to be present on the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, the President yesterday vetoed the first measure passed by Congress with respect to emergency housing. The purpose of this bill, as amended, is to show the Nation that the Congress intends to pass legislation to aid home buyers and homebuilders—and the economy which is sputtering along at the lowest employment and production levels in 30 years.

The bill, as amended consists of three titles.

The first is a foreclosure relief measure to protect families who face the loss of their homes because of the current recession. This title is virtually identical to the President's recommendations for dealing with the foreclosure problem, and is entirely consistent with the measure passed by the Congress earlier this month.

The proposed foreclosure relief program would assist some 100,000 families who cannot meet their mortgage payments by authorizing HUD to co-insure mortgages in default, or to make monthly payments of up to $250 for as long as 24 months when lenders are unwilling or unable to forebear on their loans. The title would authorize $1.5 billion for co-insurance contracts, and a maximum of $500 million for mortgage relief loans. It is estimated that the mortgage relief program would operate at negligible cost to the Federal budget since the Federal funds used would be repaid when homeowners are back to work.

A similar program during the depression was one which actually made a profit for the Federal Government. The second title is a Home Purchase Assistance measure. This measure would expand the authority given the President last year to make mortgage credit available when housing starts are low. It would extend the existing Home Purchase Assistance Act to June 30, 1976, permit financing of condominiums and apartments, set a maximum rate of interest at 7½ percent, limit charges for points and fees, and provide for additional housing financing by the Federal Finance Bank. An additional $10 billion in mortgage credit would be authorized, subject to approval by the Committee on Appropriations.

This title is a compromise version of what we previously approved. It does not contain the assistance provided home purchasers through interest reduction and incentive payments included in the bill sent to the President.

That was one of the principal reasons, I suppose the principal reason, why the President vetoed that bill. It does not contain the proposal I made for an automatic starter to stimulate housing production during economic downturns, and for an automatic governor that would shut off the flow of Federal mortgage credit when starts were normalized.

We dropped that provision in conference, before the bill was sent to the President. The measure before us does extend and strengthen the home purchase assistance program initiated by the Congress last year to counteract the sharp decline in housing activity. This is the program that the President has adopted as his 1975 emergency program, a program where there is substantial agreement between the Congress and the President.

That is the second title, and I think really the planned short title for this bill as amended.

The third title includes critically needed housing rehabilitation and repair provisions. Under this title, the widely-supported section 312 rehabilitation loan program would be continued through August 1976 at an authorized level of $100 million. This provision is a compromise version of the provision vetoed by the President. It is included as emergency legislation at the insistence of local and State officials, and housing and citizen organizations all across the country.

The final provision of the bill before us would extend, by 7 months, the time period during which certain purchasers of older inner-city housing insured by FHA, could apply for compensation for correcting serious defects that were not detected at the time of purchase. This extension has not, to my knowledge, been opposed by anyone.

Mr. President, I have introduced these amendments to H.R. 5398 in order to salvage a badly needed program to stimulate housing and employment. The Nation needs a constructive housing program.

The President, as I said, has vetoed the emergency housing bill, which the Senate passed overwhelmingly. He has suggested, in a constructive veto message, however, that he would accept a modified program. This is an effort on our part to meet his objections, and then to beef it up somewhat, to provide what we think will be more housing starts, and also to provide the rehabilitation that people with modest incomes need.

I think this is a housing program that can get very strong and perhaps unanimous support in the Senate.

The Nation needs positive action now. We could come back and fight for another program, and try again to get it passed and to override the veto, but that would not help home buyers or builders meanwhile; it would perhaps take 6 months, and we might end up with nothing.

I think this program is the best we can do.

I ask unanimous consent that the names of the Senator from Alabama (Mr. SPARKMAN), the chairman of the Housing Subcommittee of the Committee on Banking, Housing and Urban Affairs, the Senator from Massachusetts (Mr. BROOKE), the ranking minority member of the Housing Subcommittee; and the Senator from Texas (Mr. TOWER), the ranking minority member of the committee, be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SPARKMAN. I am very glad that the chairman has brought up this measure. I think it is a measure that the President can accept, and I hope he will accept it, because we do need something done if we are to provide American families with the decent housing and sanitary housing which we promised them way back in 1949.

I think this bill will contribute greatly toward that end.

I am particularly glad that the foreclosure bill which I introduced in the committee and the committee reported out is being added to this measure. As a matter of fact, is it not true that the President himself endorsed that measure?

Mr. PROXMIRE. He did indeed. He has done it several times. He did it in his veto message just yesterday.

Mr. SPARKMAN. Yes. That, it seems to me, should add to this bill's acceptability, and I honestly hope he will find the bill acceptable.

Mr. PROXMIRE. I thank the distinguished Senator.

Mr. President, I reserve the remainder of my time.

Mr. BROOKE. Mr. President, this afternoon the House of Representatives failed to override the President's veto of H.R. 4485, the Emergency Housing Act of 1975. As one who worked on that bill and supported it throughout the legislative process, I was disappointed that the President saw fit to veto the bill for budgetary reasons.

There is no question that the housing industry is in a depression. Unemployment in the construction trades stands at approximately 20 percent and is over 40 percent in some areas. I know this is true in parts of Massachusetts and I know the hardships which the families of construction workers are experiencing. While housing starts showed a slight increase last month, and I sincerely hope this trend will continue, we have a long way to go before housing production reaches normal or acceptable levels. Meanwhile, we fall farther and farther behind in the effort to meet our goal of providing decent, safe, sanitary housing for all our people.

While the President vetoed H.R. 4485, he did indicate a willingness to sign a modified bill which would provide some help to the housing industry and to families who are faced with foreclosure.

Now we are faced with a choice. The President is willing to take a part of our program, and this part will provide some aid to the depressed housing industry and some relief to unemployed homeowners who are threatened with foreclosure. Should we adopt this partial program, although it is not what we had hoped for, nor all we would do ourselves, if we had the power to do so?

Our distinguished chairman, the Senator from Wisconsin (Mr. PROXMIRE), our distinguished member of the full committee, the distinguished Senator from Texas (Mr. TOWER), our distinguished chairman of the Subcommittee on Housing from Alabama (Mr. SPARKMAN), and I have discussed this matter fully, and we feel that it is better to do what we can for housing now rather than delay assistance which is desperately needed by the construction industry and unemployed homeowners. Relief has already been too long delayed.

As the Senator from Wisconsin has explained, the amendment which we offer today is substantially similar to the program which the President has said he would accept. There are some differences and some additions to be sure, and these are outlined in the factsheet which has been distributed to Members. These differences are not substantial. Both Senator PROXMIRE and I and other members of the Banking Committee feel strongly that the section 312 rehabilitation loan program must be extended, as should the provision to provide funds for repair of FHA-insured homes which have major defects. Implementation of the so-called defects provision of the 1974 Housing Act has been slowed by a delay in the issuance of HUD regulations. The defects provision is also modified to make it applicable to three- and four-family owner occupied homes of the kind found in Boston and other older cities.

I am pleased that the President has released $2 billion in additional funds under the Emergency Home Purchase Assistance Act, which Senator CRANSTON and I coauthored last year. The amendment which Senator PROXMIRE and I offer today would increase the GNMA's authority under the Brooke-Cranston Act by $10 billion.

Mr. President, many of our colleagues in this body worked with us to secure passage of H.R. 4485, and it was approved by a substantial, bipartisan majority. Many of our colleagues in the House worked hard to override the veto. We share their disappointment and that of the construction workers and homebuilders who worked for H.R. 4485. But now, we ask our friends to join with us in doing what can be done for housing. I urge my colleagues to support the amendment to H.R. 8095, which Senator PROXMIRE and I have offered and to vote for passage of this amended bill.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. BROOKE. I yield.

Mr. TOWER. Mr. President, I yield such time as I may require.

I join my distinguished colleagues, Senator PROXMIRE, Senator BROOKE, and Senator SPARKMAN in endorsing this measure.

I was in the unfortunate position of managing the opposition to the bill that was vetoed by the President. I did so very reluctantly because it is the first time I have ever opposed a major housing bill that has come out of the Committee on Banking, Housing and Urban Affairs.

Now that the President has vetoed it and the House of Representatives has sustained it, I am delighted that we are able to offer an alternative that I believe will be acceptable to the administration, and we will be able to afford some relief.

For the most part, this embraces what I consider to be one of the more important provisions of the bill that was vetoed by the President. But I am reliably informed that this section as now couched is not too disagreeable to the administration.

I raise one question with either the Senator from Massachusetts or the Senator from Wisconsin. Inquiry has been raised with me to the effect questioning whether or not modular homes and mobile homes are included in this act?

It is my impression that they are, because they are funded under existing programs, and I just ask the distinguished chairman of the committee to confirm that.

Mr. PROXMIRE. Yes, indeed. It is our intent that the modular and mobile homes would be included. They, of course, are a vital means of shelter for literally millions of people today and hundreds of thousands who buy mobile homes every year want to include them.

Mr. TOWER. That is particularly the low-income families.

Mr. PROXMIRE. That is correct.

Mr. TOWER. That is because it comes within the price range of the low-income family rather than the convention stick house.

I thank my colleague from Wisconsin.

Mr. PROXMIRE. Mr. President, I say that if this bill, as amended, is fully implemented, because it provides a 7.5-percent mortgage rate, with a limitation on points, and because the prevailing rate now is between 8.5 and 9 percent, maybe averaging around 9, because literally hundreds and hundreds of thousands of people who want to buy homes cannot buy a home because that rate is too high, in my view it could provide an additional 250,000 or 300,000 housing starts. If it did that, there are two-man years of work that would mean between 500,000 and 600,000 jobs.

So this is not only a good housing bill, it is a vital job bill at a time when we urgently need that, when unemployment in construction trades is 22 percent and in residential building is over 40 percent, so I think that, from the standpoint of the economy as well as from the standpoint of housing, this is sound legislation.

Mr. President, I understand that the pending measure is the amendment that was adopted to the House bill. Is that correct?

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. PROXMIRE. Mr. President, I yield back my time.

Mr. TOWER. Mr. President, I yield back all of my time.

Mr. President, I ask the distinguished deputy majority leader if he will propound a unanimous-consent request on a time to vote tomorrow on this measure.

Mr. ROBERT C. BYRD. Yes; I am glad to.

Does the Senator want any additional time? Does either Senator want any additional time tomorrow?

Mr. TOWER. I would think no additional time is required on this side.

Mr. ROBERT C. BYRD. Very well.

Mr. PROXMIRE. No additional time is required over here.

Mr. ROBERT C. BYRD. Very well.

Mr. TOWER. If I may note further to the Senator from West Virginia, several of our colleagues have wanted to be on record on this matter and requested a record vote.

Since the announcement has been made that there will be no more record votes tonight, I would appreciate it if the distinguished acting leader would accommodate us on a vote at a time certain tomorrow.

Mr. ROBERT C. BYRD. Yes, very well.

ORDER FOR VOTE ON H.R. 5398

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on final passage of the pending measure occur tomorrow immediately after the vote on cloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER VITIATING RECOGNITION OF SENATOR PACKWOOD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order that was previously entered for the recognition of Mr. Packwood tomorrow be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER DIVIDING TIME EQUALLY BEFORE CLOTURE VOTE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the 1 hour preceding the vote on cloture tomorrow be evenly divided between Mr. Cannon and the Republican leader or his designee.

The PRESIDING OFFICER. Without objection it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 9 a.m., following a recess. After the two leaders or their designees have been recognized under the standing order Mr. Leahy and Mr. Mondale will be recognized in that order, each for not to exceed 15 minutes.

The Senate will then resume consideration of S. Res. 166, and the 1 hour under rule XXII will begin running, prior to the establishment of a quorum and the vote on the motion to invoke cloture.

The clerk will call the roll at approximately 10:30 a.m. to establish a quorum, and at 10:45, or roughly thereabouts, the rollcall vote, which is automatic, will occur on the motion to invoke cloture.

Immediately upon the disposition of the cloture vote, the Senate will vote, and undoubtedly that will be a rollcall vote, on the adoption of H.R. 5398, as amended.

Upon the disposition of the vote, as of now, it appears that the Senate will resume consideration of Senate Resolution 166, but that decision can await the time.

So there will be rollcall votes tomorrow, the first to occur about 10:45 a.m.

RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 a.m. tomorrow.

The motion was agreed to; and at 6:11 p.m., the Senate recessed until tomorrow, Thursday, June 26, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 25, 1975:

Federal Home Loan Bank Board

Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board for the term expiring June 30, 1979 (reappointment).

Department of Justice

James B. Young, of Indiana, to be U.S. attorney for the southern district of Indiana for the term of 4 years vice Stanley B. Miller, resigned.

Sherman L. Hansford, of Kentucky, to be U.S. marshal for the eastern district of Kentucky for the term of 4 years vice Thomas E. Asher, term expired.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 25, 1975:

Federal Reserve System

Philip C. Jackson, Jr., of Alabama, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1968.

Civil Service Commission

L. J. Andolsek, of Maryland, to be a Civil Service Commissioner for the term of 6 years expiring March 1, 1981.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Wednesday, June 25, 1975*

The House met at 11 o'clock a.m.

The SPEAKER. The House is very honored to have the opportunity to have our prayer offered this morning by the Reverend Edward L. R. Elson, S.T.D., Chaplain of the Senate.

The Reverend Edward L. R. Elson, S.T.D., Chaplain of the U.S. Senate, offered the following prayer:

O God, our Father, we thank Thee for this new day and for the high privilege of serving the Nation in this place. Grant unto us to waste none of its hours, to soil none of its moments, to neglect none of its opportunities, to fail in none of its duties. May we grow in self-control and self-mastery. Use us for making a better nation and a better world. Grant to us the purity of heart of those who see God. May Thy kingdom come and Thy will be done beginning in us. Bring us to the evening at peace with ourselves, at peace with our fellow men, and at peace with Thee.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 6387. An act to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 3 months.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 792. An act to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes;

S. 1774. An act to reorganize the executive branch of the Government by abolishing the Federal Metal and Nonmetallic Mine Safety Board of Review and transferring the functions and powers of such Board to the Secretary of the Interior;

S. 1972. An act to amend the Airport and Airway Development Act of 1970, as amended, so as to extend the airport and airway development program authority; and

S. 2003. An act to amend the International Travel Act of 1961 to authorize additional appropriations, and for other purposes.

SHORTENED FOURTH OF JULY RECESS URGED

(Mr. DODD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DODD. Mr. Speaker, I do not think the House of Representatives can justifiably take this 10-day recess.

Under some circumstances, taking such a recess at the present time would be perfectly acceptable and appropriate. These circumstances do not exist at the present time.

Despite devoting long hours of debate to the severe economic and energy problems of this country, Congress has just not had enough time to come up with comprehensive solutions to these twin crises.

The energy dilemma is still with us, and the economic picture is still bleak.

Yet, after working long hours already on these problems, with much more remaining to be done, what is the House of Representatives now proposing to do?

Through this resolution we are proposing to postpone necessary action for another 10 days.

Mr. Speaker, we must not do this—especially after we have just returned from a lengthy Memorial Day recess and are planning to take another recess for the entire month of August.

Since returning from the Memorial Day recess, we have had only 18½ legislative days to work on important legislation aimed at dealing with the country's problems.

If we recess as scheduled tomorrow, there will only be another 17½ legislative days available between noon on July 8 and the close of business on July 31, when the August recess begins. We then will be on recess for 22½ days until September 3.

Mr. Speaker, all these figures mean that if the House recesses tomorrow, it will have had only 36 days in Washington to deal with important legislation—and it will have spent almost as many days, 32½, on recess.

We cannot do this in this time of economic and energy dislocation, when every legislative day counts.

To provide the House with more of the time necessary to work on pending legislation, I introduced a concurrent resolution last Friday to begin the recess at the end of business on July 3 and end it at noon on July 8.

This measure would provide for a 4½-day recess and give the House 5 more valuable days to work on vital legislation.

What is this vital legislation which we must work on? The measures include the Energy Conservation and Oil Policy Act, only ordered reported from the Commerce Committee yesterday.

The whip's office also reports that pending legislation could include the Health Manpower Act to finance education of health professionals.

The Emergency Employment Projects Amendments of 1975 is pending—a measure to fund more than 500,000 new public service jobs.

The list continues, Mr. Speaker.

Mr. Speaker, although we have tried hard so far to grapple with our Nation's problems, the House needs more time in Washington to continue working.

We cannot solve these problems with good intentions. We can only solve them by remaining in Washington and insisting upon the kind of programs which will force the economy to turn around and the energy to be conserved and developed rationally.

As you know, I have raised this issue before, and in doing so today, I am not asking that we subject ourselves to an unreasonable schedule. I am only saying that the problems of this country cannot wait.

With the upcoming August recess, there will be more than enough time to consult with and inform our constituents about what is happening in Congress.

Mr. Speaker, there also is another important consideration we must be aware of in our deliberations on this recess question.

There is another kind of talk now prevalent among many in this country, Mr. Speaker, disturbing talk that the Members of the House of Representatives are insensitive to the needs of those who elected them to serve, and are incapable of tackling the job before them.

We can only restore confidence in the Congress abilities to deal with the Nation's problems by facing up to our responsibilities, reducing the July Fourth recess, and working in Washington as much as possible.

OPPORTUNITY TO OVERRIDE PRESIDENT'S VETO OF THE EMERGENCY HOUSING ACT

(Mr. MOORHEAD of Pennsylvania asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, today, the House will have the opportunity to override the President's veto of H.R. 4485, the Emergency Housing Act.

One of the objections in the veto message is to the diversion of existing—not new—funds from the section 8 program to existing applications for conventional public housing.

Not one stick of section 8 housing has been built since Congress created the program almost 11 months ago.

There exist, however, frozen applications for 200,000 units of conventional public housing many of which could be started within 4 months.

Who is hurt by this freeze which has continued since January 5, 1973?

As might be expected New York tops the request list, seeking 21,000 units of housing. But second is South Carolina—it seeks 13,000 units for the poor; third is Texas—that great State has asked HUD for 10,000 units; fourth is Alabama needing 9,000 units for its poor and elderly; then comes Virginia with 9,000; followed by Florida and Georgia each asking for more than 7,000 units of public housing. Not one of these requests has been honored and not one will be until this Congress overrides this long delayed and misguided veto.

SHORTENED FOURTH OF JULY RECESS URGED

(Mr. LEVITAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVITAS. Mr. Speaker, I rise to associate myself with the remarks of my colleague, the gentleman from Connecticut (Mr. DODD) concerning the vote which will be taken shortly on the matter of a recess.

Mr. Speaker, not only do I agree with everything my colleague said, but I would like to take a minute to take it a step further and say that many Members of this body, through many speeches given on this floor and elsewhere, have urged to the American people that we are in a time of crisis—an energy crisis and an economic crisis; and yet we are now considering another recess for 10 days over the Fourth of July.

Mr. Speaker, it is for that reason that I feel that this body, by not taking the extended recess but a shorter one, can do something visibly to demonstrate to the American people our willingness to share our part of the sacrifice dealing with these crises.

Rather than offering an amendment which would undertake to amend the concurrent resolution, I would urge the Members of this body to defeat the concurrent resolution so that another one can be offered which will provide for a shorter recess.

APPOINTMENT OF CONFEREES ON H.R. 6900, EMERGENCY COMPENSATION AND SPECIAL UNEMPLOYMENT ASSISTANCE EXTENSION ACT OF 1975

Mr. CORMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6900) to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I would like to ask the gentleman: How many points of disagreement are there?

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I would be glad to yield to the gentleman from California.

Mr. CORMAN. Mr. Speaker, there are about 14 points of disagreement. There are two very significant points of disagreement.

Mr. ROUSSELOT. Mr. Speaker, is it the gentleman's intention to stand firm on all 14 points?

Mr. CORMAN. Well, we would hold to the House version as well as we could on the two significant points, one of them involving a nongermane amendment. We would anticipate holding fast as best we can on that point.

There are some other points involving date changes, amounting to some 2 weeks in some changes. On those items there might be some concession, but on the significant points and on the nongermane amendment. The House will hold to the House position to the best of our ability.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. ULLMAN, BURKE of Massachusetts, BURLESON of Texas, CORMAN, Mrs. KEYS, and Messrs. SCHNEEBELI and STEIGER of Wisconsin.

PRESIDENTIAL VETOES AT RECORD HIGH

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I would like to follow up on what my friend, the gentleman from Pennsylvania (Mr. MOORHEAD) said this morning. I am indebted to the majority whip, the gentleman from California (Mr. MCFALL) for these excellent statistics concerning Presidential vetoes which I think provide meat for all of us as we proceed to vote in another attempt to override a veto by President Ford.

President Ford has vetoed more bills from the White House in 10 months in the White House than have two of his predecessors in 8 years in that office. He has vetoed 25 public bills. That amounts to more vetoes than the combination of bills vetoed by both President Lyndon B. Johnson and President John F. Kennedy.

Mr. BROWN of Michigan. Mr. Speaker will the gentleman yield?

Mr. RONCALIO. I will be happy to yield to the gentleman from Michigan.

Mr. **BROWN** of Michigan. Mr. Speaker I would suggest that the Congress, at the times the gentleman referred to, was not constituted in quite the same manner vis-a-vis the Presidency.

Mr. **RONCALIO**. Mr. Speaker, I appreciate the gentleman's suggestion.

I would also like to point out for the benefit of my applauding friends that this is the first time in the history of our Republic that an official appointed to an executive job has overruled the wishes of 65 percent of the elected officials of this Republic. May it be the last time.

INTERESTING VOTES AGAINST RECESSING

(Mr. OBEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

I note with considerable interest that 99 Members of the House voted against recessing for the Memorial Day recess.

That vote on the adjournment resolution took place at 2:55 p.m. Three and one-half hours later, after the House had been in temporary recess awaiting Senate action on the second supplemental, the bells rang for a quorum call. Some 202 of us were still here and responded to that quorum call. We were 16 short of a quorum, however, and were forced to adjourn to begin the recess without having taken action on the $15.7 billion second supplemental.

It is interesting to note that of the 99 House Members who voted against recessing, 39 of those same Members were not around here to answer that quorum call which came just 3½ hours after they were opposing the fact that Congress was recessing for Memorial Day. In other words, 39 Members of the House opposed our recessing and then evidentally recessed themselves before the day was over and before the day's work was done.

I am hereby listing the names of those Members who voted against recessing but then apparently personally recessed before the recess actually began thus denying the House a quorum so that it could finish the day's business.

Members who voted against recessing and were not present for quorum call:

LIST OF MEMBERS

Andrews, N.C., Bafalis, Beard, R.I., Biester, Bingham, Blanchard, Broyhill, Chappell, D'Amours, Daniel, R. W., Devine, Drinan, Erlenborn, Evans, Ind., Fenwick, Fithian, Goldwater, Gradison, Heinz, Hubbard.

Hughes, Hyde, Jeffords, Latta, McDade, Maguire, Miller, Calif., Perkins, Pettis, Rooney, Roush, Santini, Sarasin, Schroeder, Sikes, Staggers, Van Deerlin, Wylie, Zeferetti.

CALL OF THE HOUSE

Mr. **SYMMS**. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. **O'NEILL**. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 350]

Addabbo
Baldus
Boggs
Bolling
Chisholm
Collins, Ill.
Conyers
Dellums
Diggs
Dingell
Downing
Erlenborn
Esch
Eshleman
Flynt
Forsythe
Fraser
Frenzel
Fulton
Giaimo
Gibbons
Hastings
Hébert
Hinshaw
Hughes
Jones, Ala.
Karth
Kemp
Keys
LaFalce
Leggett
Long, La.
Matsunaga
Mosher
Nowak
O'Hara
Pressler
Quie
Railsback
Risenhoover
Rosenthal
Scheuer
Schroeder
Sisk
Steed
Stephens
Symington
Udall
Wirth
Zablocki

The **SPEAKER** On this rollcall 383 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EMERGENCY HOUSING ACT OF 1975—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER**. The unfinished business is the further consideration of the veto message of the President on the bill (H.R. 4485) to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from Wisconsin (Mr. REUSS) for 1 hour.

Mr. **REUSS**. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, we had a chance to override the President's veto of the Emergency Employment Act, which would have created new jobs in the public sector. The override failed by a handful of votes.

Now we have another opportunity, perhaps our last, to deal meaningfully with the unemployment crisis which has left 10 million of our fellow citizens without jobs. That opportunity is to override the President's veto, yesterday, of H.R. 4485, the Emergency Housing Act of 1975.

The President has vetoed the emergency bill to provide jobs in the public sector. Now he vetoes the housing bill to provide jobs in the private sector. Where are jobs to be found?

Last January, long before the administration recognized that we were confronted with a recession, the majority party in Congress evolved a program to deal with unemployment in a constructive way. Central to that program, adopted on January 13, were three measures: interest rate subsidies for low- and moderate-income housing for the next year; continuation of the rehabilitation program to preserve decent neighborhoods before they deteriorate; and assistance to homeowners who are faced with mortgage foreclosures as a result of unemployment.

The bill before us does these three things. It can, in the next year, build 400,000 new homes; keep the conservation program going; and save thousands of homeowners from being put out into the street through foreclosure. It is economically and efficiently designed. It is well within the congressional budget resolution which we passed last month.

Understandably, an administration which refused to admit that there was a recession, and in the homebuilding industry a deep depression, opposed the bill. No help was needed by the housing industry, it said. It refused to release $2 billion Congress had already appropriated to aid housing. It objected to helping those threatened with mortgage foreclosures. Prosperity, said these latter-day Herbert Hoovers, was just around the corner.

Then suddenly, yesterday afternoon, after 6 months of negativism, all seems to have changed. The administration suddenly announced its readiness to commit $7.75 billion in fiscal 1976 in order to get homebuilding going—many times the amount contained in H.R. 4485 before us. Never mind that this would provide housing only at a very high 8 percent interest rate, and that its benefits would go in large part to wealthy people—socialism for the rich, financed by the average taxpayer. Suddenly, yesterday, the administration says it is in favor of legislation to help the unemployed from having their mortgages foreclosed.

President Gerald R. Ford, in his veto message to the Congress, provided us with four reasons why he vetoed this bill.

First, the President said that this bill could not be implemented without substantial delay and would provide a disincentive to some home purchases. In early April, I sent a letter to Secretary of Housing and Urban Development Carla Hills advising her that the Congress would indeed pass this housing bill and urged her to begin work on the regulations for the implementation of this bill. And the answer that I received from Mrs. Hills was, of course, that she would not begin such a task. Furthermore, Mr. Speaker, any major housing bill that the Congress has enacted in my service in the Congress, in most cases, has been implemented shortly after enactment. This excuse to me is lame indeed. If the administration wanted to implement the bill, they could do it very quickly.

The second reason the President used in justifying his veto was the fact that in some areas of the country inequities would develop with regard to the income levels of families to be assisted. Frankly, Mr. Speaker, I do not believe that the President or his advisers read our bill carefully. We provided in this bill enough discretion to the Secretary of Housing and Urban Development that would mitigate the inequities that the President outlined in his veto message to us. This bill is directed to assist the working class families of America—not the $25,000 income families that the President states in his veto message but the hard-working American families making from $12,000 to $16,000.

The third excuse the President gives us is that the level of mortgage subsidies down to 6 percent in one of the subsidy options would give a middle income home buyer an excessive benefit at the taxpayers' expense. Mr. Speaker, for many middle-income families, the American concept of homeownership is pure illusion at anything greater than a 6-percent interest rate. To deny the substantial portion of our citizens this opportunity is a great mistake for the Congress to make. I say to the President, do not talk to us about excessive benefits to middle income families when wealthy families of this country are now subsidized by a vast array of tax loopholes.

The fourth and final excuse outlined in the veto message is the statement that this bill is too expensive. President Ford states that this bill would add an additional $1 billion in Federal expenditures for fiscal year 1976. Let us look at this very carefully, Mr. Speaker. The budget outlay for fiscal year 1976 under H.R. 4485 is not $1 billion. It is $300 million. Second, the authorizations contained in this bill fall within the framework of the joint budget resolution that has been approved by both Houses of Congress, the distinguished chairman of the Budget Committee, our colleague from Washington (Mr. ADAMS), will certainly attest to that. Finally, with regard to the fact that this bill is too expensive, let me point out to our colleagues that the economic recovery suggested by the President in his veto message would, if fully implemented, double the cost of the bill that the President vetoed yesterday.

Mr. Speaker, before concluding, let me briefly dispel the President's objectives to our homeowners' relief provision. The President feels that we are unnecessarily placing the Federal Government in the retail loan-making business as a sole means of relief. In fact, we are relying very strongly upon lending institutions to forbear to the maximum extent possible to those families who are unemployed through no fault of their own, and we have placed them as active participants in efforts to forego and to forbear on those unemployed who cannot meet their monthly mortgage payments. Let me remind Members of this House that it was the Federal Government, that saved hundreds of thousands of homes that would have been lost during the great depression. We want to provide the mechanism now to keep that from happening again in this year of 1975.

Yes, the big print in the President's veto message seems to help the unemployed and those needing housing. But the little print takes it away. The little print, it turns out, says that the program to assist homeowners against foreclosure is to be merely a "standby authority." The $7.75 billion to stimulate housing will only be used by the administration "if needed." Since the administration has been claiming for months that these programs are not needed, it is not difficult to foresee the scenario ahead. Flummox Congress out of overriding the veto, pass the nothing legislation the administration has recommended, and then sit tight and do nothing!

The American people deserve better than this.

Let us build jobs and homes. Let us vote to override.

Mr. Speaker, I yield to the distinguished chairman of the Subcommittee on Housing, the gentleman from Pennslyvania (Mr. BARRETT) such time as he may consume.

Mr. BARRETT. Mr. Speaker, the President has vetoed H.R. 4485, the Emergency Housing Act of 1975, and has given as one of his principal reasons for this action that it is unnecessary and potentially damaging to the economy because of the upswing in the housing industry and the economy as a whole. I find that I must, of necessity, respectfully disagree with that position. I know not where the President gets his figures or what figures he is using, but I do know that the information we receive contradicts that position.

The housing starts for the month of May, as reported last week, are at an annual rate of 1,126,000. This has been loudly proclaimed by some as an indication of a turnaround in the housing industry. While it is true that this is a 14-percent jump over the previous month it must be recognized that this is the first month where the annual rate of starts exceeded 1 million on an annual basis since last September. Equally, if not more important, is the fact that while May is always a high start month. the starts this past May were the lowest in the past 28 years.

Furthermore, I must point out that building permits issued last month were at the lowest since 1945, and that the issuance of building permits foretells future starts as there is a 90-to-120-day lag between permits and starts. This does not indicate a continued high rate of starts for the future.

As a further basis to contradict the belief that there has been a turnaround in the housing industry is the statistics of unemployment. The May 1975 figures indicate an unemployment rate of 21.8 percent for construction workers generally, and it is estimated to be more than 40 percent in the residential construction field.

The fact of the matter is that each and every one of us have constituents who are either directly or indirectly involved in residential construction. A true and proper concern for our constituents mandates that we must support this measure and vote to override the President's veto.

The legislation will stimulate the construction and sale of up to 500,000 housing units to middle-income families, create 800,000 jobs, provide public housing for low-income families in small towns and rural areas, help rehabilitate inner-city areas and save the homes of many thousands of homeowners who are either unemployed or underemployed through no fault of their own. No one can argue that each and every one of these purposes are not worthy of our support, particularly, when one recognizes that the impact of this bill on next year's budget deficit is estimated about $400 million.

This projected budget deficit can be questioned because of the increase in Federal tax revenues as a result of an increase of gross national product resulting from increased residential construction. It has been estimated that the expected cost of legislation will be offset by a $3 billion increase in Federal tax revenues resulting from the $15 billion increase in the gross national product. Moreover, there will be Federal savings of hundreds of millions of dollars from reduced unemployment compensation, food stamps and other aids to the unemployed. Furthermore the money authorized in this act has already been included in the congressional budget for fiscal year 1976.

A review of these figures clearly indicates that the cost-benefit ratio is most favorable for our economy and the American taxpayer. This legislative proposal cannot be considered as inflationary in light of the present plight of the residential construction industry or the economy as a whole. I am not convinced by any means that the economy as a whole has turned around. It may have bottomed. The question is how long will it stay on the bottom. The present downturn has already been described as the lowest and most severe recession since the depression of the 1930's and that one stayed on the bottom for about 9 years. While the marketplace in general may be an effective mechanism to solve some of our economic woes, it will not do the job, without stimulation in the present housing market. Interest rates at the present are far too high and the overhang of existing housing inventory is too great for the free marketplace to operate unassisted.

I most strongly urge each and every one of my colleagues to recognize the seriousness of the present situation in the residential construction industry as well as the best interest of the American public and ignore the rhetoric which discourages the adoption of this most worthwhile legislative proposal.

Mr. Speaker, I include the following:

REFUTATION TO VETO MESSAGE ON H.R. 4485

The Administration states that it "is committed to a prompt recovery of the housing industry," yet it has failed to use since January over $2 billion in Cranston-Brooke money and allowed the FHA-VA GNMA Tandem Plan to expire at the end of May.

The Administration alleges that H.R. 4485 could not be implemented without substantial delay. The only delay would come from its own inefficiencies and foot-dragging, since already-made income determinations for Section 8 could be used for the Emergency Act and the allocation procedures for Cranston-Brooke could be similarly used. Its own program above the $2 billion would require legislative and appropriation authorization, while H.R. 4485 only requires appropriations.

The Administration alleges that H.R. 4485 is inequitable in that in some *rare* cases, families with $25,000 income could qualify, while in other cases families with a $6,000 income could not qualify. Its own program has no income limit and families with incomes from $50,000 to $100,000 could qualify. In citing extremes, it ignores the fact that most families who would qualify would have incomes in the range of $10 to $15 thousand. Also, the bill provides that, in areas with disproportionately low median incomes, the HUD Secretary can make appropriate adjustments.

The Administration alleges that some buyers would get excessive benefits, yet ignores the fact that the same would be true under its proposal which has no income limit at all.

The Administration alleges that H.R. 4485 is too expensive, stating that it would cost over $1 billion in FY 1976. This ignores the fact that Congressional budget experts have estimated the first year cost at around $400 million.

The Administration states that it is releasing $2 billion under the Cranston-Brooke Act to add impetus to the housing recovery and put the building trades back to work. It does not state at which interest rate these funds will be made available. This program has sat dormant since January, and the additional $2 billion will only fund about 60,000 units.

The Administration proposes to extend the Cranston-Brooke program and provide an additional $7.75 billion. It does not say whether it will use the additional money or when. A new bill must wend its way through the Congress, while H.R. 4485 has gone through the Congress and only needs appropriation action, which can be accomplished in conjunction with HUD's regular FY 1976 appropriation.

The Administration contends that there are "clear signs of recovery" in the housing industry. If, by this, it means that May's rate of housing starts was the best since 1947 as compared to April's being the best since 1946, yes, there are such signs. In 1947, we had 70 million fewer people in this country than we have now and today we are faced with one of the highest rates of household formations it is projected we will experience in the nation's history, past or future. The only thing that has kept the housing industry from completely expiring, as the result of inflation caused by the highest interest rates in our history (brought about by Government action), has been the existence of the various special assistance programs under GNMA and FHLMC. These have not been enough, particularly because of interest rates which have been too high, in some cases at 8¾% and 9¼%.

The Administration states that nearly $9 billion in GNMA mortgage commitments have been made available since October, with interest rates down to 7¾%. This ignores the fact that the largest bulk of these funds was committed at 8% interest rates or higher.

The Administration states that the tax credit for unsold new homes was enacted in March, thereby presumably lessening the need for H.R. 4485. While this has helped clear up an extraordinarily high inventory of unsold homes and accounts for April's sales increase of 11,000 homes over March, it in and of itself will have relatively little impact on encouraging new starts. In fact, H.R. 4485 covers new homes on which construction started on March 26, 1975 or later, while the tax credit applies to new homes on which construction had started prior to March 25, 1975. They complement each other.

The Administration calls for expansion of the Cranston-Brooke Act to include conventional mortgages on condominium units and multifamily projects. H.R. 4485 would do that now, while its proposal would have to await further action by both the House and Senate Banking Committees and the House and Senate. Multifamily construction has been depressed even more than single-family construction, leading to what may be the worst apartment shortage in our nation's history in the next couple of years. The funds made available under Cranston-Brooke could be used immediately, if H.R. 4485 is enacted, to get apartment construction going again. The Administration would put this off until some indefinite time in the future.

The Administration alleges that the 6% and 7% interest rates under H.R. 4485 are new and untried. The 7% program would operate identically as does Cranston-Brooke now, and the 6% program is structured to draw upon the experience under the 235 program. Neither of these programs are new and untried and, although the $1,000 down-payment grant proposal is new, it is inconceivable that HUD with its 15,000 employees could not devise a means of implementing it within a few short weeks.

The Administration alleges that full implementation of H.R. 4485 would add over $1 billion to the FY '76 deficit and ultimately cost more than $2 billion. Congress' own Budget Committees and budgetary experts have estimated the first year cost at $400 million. The Administration ignores the fact that most of the homes that would be constructed under H.R. 4485 will be for families who today cannot afford to buy a home and that over $2 billion in increased Federal tax revenues will be generated by this construction. It further ignores the fact that the over 500,000 jobs that would be generated by this construction would remove hundreds of thousands from the unemployment rolls, thereby reducing unemployment compensation costs and the cost of food stamps and other aids for these unemployed. H.R. 4485 should cost no more than approximately $1 billion over its life and should, therefore, net the Federal government over $1 billion in revenues.

Increased revenue that would flow to the Federal government would negate the need for any increased Federal borrowing and, in fact, should decrease that borrowing, thereby contributing to a decrease in interest rates and further stimulation to housing construction. H.R. 4485 is a budget-decreasing bill, not a budget-busting bill.

The Administration alleges that H.R. 4485 would so heavily subsidize interest rates that mortgages assisted under it would "bear lower interest rates than any previously available to other home owners during the past 10 years". These deep subsidies, it alleges, would therefore require substantial Federal outlays. This is absolutely false. The FHA-VA rate did not go above 6% until May 1967. 6% is the lowest interest rate that would be achievable under H.R. 4485. It is only because of the inflationary actions of this and the past Administration that 6% and 7% interest rates seem low. Throughout most of our history anything over 6% was considered usurious. The maximum subsidy per year under the most costly aspect of the bill, the 6% proposal, could not exceed $300 million per year. This maximum would last for three years and then would be reduced by 25% each year thereafter until terminated.

It is further stated that a healthy housing industry can be maintained without the so-called tax subsidies contained in this bill. The last time we had a healthy housing industry (1971–mid-1973), interest rates were at 7% and 7½% levels and we were starting about 400,000 units per year for low and moderate income families at far deeper subsidies than contemplated by H.R. 4485.

The Administration states that the bill would not work as intended, based on an evaluation by HUD and OMB to the effect that the units produced would not necessarily be additional to those that would otherwise be produced. It fails to state the nature of this HUD and OMB evaluation, or how they arrive at their conclusions. It states that those most likely to be assisted would be families at the top of the eligibility range. Yet, discussions with builders all over the country indicate that the very families who would be eligible are those who today are not in the market, because they cannot afford today's interest rates.

The Administration states that the bill cannot be immediately implemented and therefore would actually impede an early recovery in housing starts. It then sets up the typical bureaucratic objection to any new program, citing forms, procedures and other stumbling blocks. Of course, the Administration can delay the program, if it wishes. But it can also issue a directive that red tape and unnecessary delay be eliminated. It also cites the fact that appropriations would be necessary, yet fails to acknowledge the fact that the bulk of its own proposal would require not only appropriations, but also the initiation of an entirely new bill that would have to wend its way through the legislative process. H.R. 4485 has been through this process.

It is stated that home owners choosing the 6% interest approach would be faced with increasing mortgage payments in the future and that this will cause intense pressure to enact legislation in the future to do away with the phase-out of the subsidies. This, of course, is an argument against government taking any action to deal with an immediate problem, since there would always be pressure to extend a particular program. If that fear were to govern governmental actions, government would, of necessity, have to cease to function. It is also strange to see such bitter opposition to the 6% proposal, where the buyer knows that at certain times in the future his payments will increase, while the same Administration strongly advocated the institution of the variable rate mortgage which could result in increased mortgage payments almost as much as that proposed in H.R. 4485, but without any certainty as to when such increases would occur.

The Administration attacks H.R. 4485 because it would extend the Section 235 homeownership program and the 312 rehabilitation loan program. This attack is on the basis that such action would reverse decisions of the Congress last year. Apparently Congress had decided that its decisions of last year were not the wisest. It is a wise man who recognizes mistakes and makes adjustments accordingly. Similar adjustments were made by the Administration, which in August 1974 opposed the Cranston-Brooke Act and in October 1974 endorsed it.

The Administration also objects that funds would be diverted from the Section 8 leased housing program into conventional public housing. If Section 8 had in fact demonstrated itself to be a workable program, there would be some validity to such an objection. However, over 10 months after its enactment there is yet to be one housing start under Section 8. The Administration now estimates that it may have approved 40,000 units under the program by the end of June, as opposed to the 200,000 it projected in February. These funds, which would be made available for conventional public housing, would be available for the construction of turnkey public housing projects, a program under which private enterprise has demonstrated its ability to construct quickly much needed housing for low-income families. Under turnkey, we would have many, many more starts in the coming year than the Administration in its most optimistic projections has predicted Section 8 will produce.

The Administration alleges that a housing recovery is now clearly underway. It bases this on the fact that new home sales increased 25% in April, yet most of this 11,000 increase is attributable to the tax credit, which will have little impact on new starts. It further bases this statement on the fact that building permits jumped 24% in April and an additional 9% in May. Yet the 909,000 unit level of May is still the lowest May since 1946, and, if the history of the past few months holds, May's figures will be revised downward sharply as were March and April. It further states that housing starts gained 14% in May, yet May's level was the lowest since 1947, when we had 70 million fewer people. It further states that mortgage interest rates have dropped significantly from the record highs of last summer. This is true, but interest rates still hover around the 9% level for home mortgages and the 9½% level for multifamily mortgages. At these levels, only about 20% to 30% of the nation's families can afford to buy or rent.

The Administration states that the President's FY '76 budget proposes Federal support for 400,000 units under the Section 8 leased housing program. It fails to state that it also projected at the same time 200,000 units in the last half of FY '75 and had to cut that estimate back to 40,000 units, of which only 10 to 15 thousand will be for new construction. It further fails to state that the vast majority of these projected 400,000 units will see no construction activity until FY '77, if ever.

In estimating the cost of Title I of H.R. 4485 at $1.428 billion, the Administration apparently assumes that all 400,000 units will be assisted with 7% mortgages which will be sold at a time when the prevailing market interest rate is over 9% and that full 2% loss would have to be absorbed at the time of selling. Such a set of circumstances would only exist as a result of the Administration's actions and Congressional ignoring in Appropriation Acts of the 6% and $1,000 downpayment grant options in Title I. Of course, it is impossible to project what the cost of the Administration's own alleged $7.75 billion program would be. But using the same invalid assumptions that it does, and presuming that the 7½% interest rate proposed by Congressmen Ashley and Brown would prevail, the cost would be in the neighborhood of $900 million. No one can assume that the Administration is proposing such a costly program, nor is H.R. 4485 anywhere near as costly as the Administration's assumptions would lead one to believe.

Mr. REUSS. Mr. Speaker, pursuant to agreement with those who favor the sustaining of the veto, I now yield 3 minutes for the purposes of debate only to the gentleman from Ohio (Mr. J. William Stanton).

Mr. J. WILLIAM STANTON. Mr. Speaker, Members of the House, just a minute ago our very distinguished subcommittee chairman, my good friend from Pennsylvania (Mr. Barrett) put out a logical question to this body. He was implying, was the President playing politics yesterday, or why did he wait until he vetoed this housing bill before releasing $2 billion in the same announcement?

Members of the House, I am sure our friend from Pennsylvania knows the answer. The reason that there was $2 billion available yesterday for the President to release is that it was part of the Emergency Home Assistance Act, which this body passed last year, in 1974. The original amount was $7.25 billion. It was a tandem operation to help the home building industry which this Congress passed.

It is my understanding that the reason the money was released yesterday was because, in the pipeline until late last month, there was still existing money for this particular purpose. So, this is final money, and I am glad the gentleman from Pennsylvania brought that point up at this particular time.

Members of the House, in the few minutes I have, I hope to urge the Members to sustain this veto. It is regrettable that we have to be here at all. In addition to that, it is embarrassing. I have never in all my time here known a Republican House or a Democratic House; all I have known in 10 years is a majority on the Housing Subcommittee, and that this committee has met in this particular Chamber to bring to the Members, and through them to the American people, the best houses for the best price, realizing that we are taking taxpayers' money on the one hand to subsidize people who are not well off, and on the other hand to do the best job for the money we could possibly do.

Mr. Speaker, we have in this great land of ours today 48 million homeowners who are taxpayers, who are being asked in this particular legislation to contribute to help to build 400,000 homes to help people who either cannot afford, on the one hand, to own them without subsidy, or on the other hand, to help people get back to work in the construction industry.

We can do that, Mr. Speaker, with legislation which passed this House a couple of months ago. We are in this embarrassing position because of the add-on provisions that were added on in the other body. I must stand here to tell the Members that for the first time in over 50 conferences I have been in, I could not sign this conference report. I urge and sincerely hope that when the Members consider this legislation, they will sustain this veto.

Mr. REUSS. Mr. Speaker, I yield 5 minutes to the distinguished Speaker, the gentleman from Oklahoma (Mr. Albert).

Mr. ALBERT. Mr. Speaker, the bill we are considering today passed the House by an almost two-thirds vote, and passed the Senate by more than a two-thirds vote. After that overwhelming endorsement from those elected by the people of the United States and not appointed by a President or anybody else, it was sent to a President who entered office on the platform of "communication, conciliation, compromise, and cooperation."

But instead of communication, we have had veto. Instead of conciliation, we have veto. Instead of compromise, we have veto. The President has designated Pennsylvania Avenue as a one-way street with veto barricades against the actions, in every instance, of the overwhelming majority of the representatives of the people of the United States.

The President declared from the Clerk's rostrum that the No. 1 issue coming before the Congress and the country of the United States today was jobs. Yet he is building the most monumental, irresponsible record of job vetoes in the history of the United States. These vetoes did not come in normal times.They came when unemployment had increased under his administration by more than 65 percent, the largest increase in the shortest period of time in the history of the United States.

Under the President's leadership, the housing industry has languished in deep recession, the most recession-ridden industry in the United States, operating at a rate of less than half of capacity. The President says new housing starts were up 14 percent in May. But it was the worst May for housing starts in modern history.

With 8½ million Americans out of work, with 30 percent of our industrial capacity idle, with mortgage defaults at a postwar record high, with housing starts at the lowest level since 1946, the postwar recession year, let us give positive direction to the American economy. Join with me in voting to override this veto of this job-producing legislation, the objections of the appointed President, the objections of the alltime record breaking no job President to the contrary notwithstanding.

Mr. REUSS. Mr. Speaker, I yield such time as he may consume for the purpose of debate only to the gentleman from Ohio (Mr. Wylie).

Mr. WYLIE. Mr. Speaker, I rise in support of the President's veto of the Emergency Housing Act of 1975, H.R. 4485. Correctly, our Nation's Chief Executive Officer has decided to check this inflationary time bomb. Furthermore, H.R. 4485 is a form of disguised welfare with limited cost effectiveness. The least we can do for the country is to make every dollar count. Although good intentions were behind the Emergency Housing Act, it is, nonetheless, a waste of the taxpayers' money. Good intentions do not necessarily make good law. H.R. 4485 is a case in point.

I am also mindful of recent economic indicators showing that the recession has bottomed out. We are on a slow but sure road to recovery. Inflation and interest rates are down while home sales, building permits, and construction starts are up. All of these point to a significant turn around in the housing industry. I would note too that the emphasis of H.R. 4485 is misplaced in that our true concern is not so much housing as it is jobs.

We have gotten into the bad habit of enacting new legislation with each problem that comes up. Instinctively, I recoil at any law that has the word "emergency" tacked on to it. It is an excuse to enact legislation in an emotional frenzy rather than by thoughtful deliberation. President Ford is helping us get out of this habit by the use of existing legislation to meet the problem.

Finally, I get the distinct impression that Congress is desperate to pass some legislation—good, bad, or indifferent so that the Members can indulge in the satisfaction that they have done "something" for the country. Conveniently, it could be worked into our Fourth of July speeches back home. I conclude with this observation that the mark of a good Congress is not the quantity of its legislation but the quality of its legislation. One good law outshines hundreds of poor ones. The Emergency Housing Act of 1975 is bad law. I urge you to uphold the Presidential veto.

Mr. REUSS. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. Ashley) for the purpose of debate only.

Mr. ASHLEY. Mr. Speaker, let me try to reconstruct the events which occurred that cause me to be in the well at this time on a mission that is, I might say, not one that is pleasant to me.

Last January—and you will remember this, Mr. Speaker—you appointed a task force headed by the gentleman from Texas (Mr. Wright) to report recommendations for an emergency program to cope with the economy. These recommendations, Mr. Speaker, you will remember, were forthcoming. They were presented to our Democratic caucus, and they were approved.

They contained two provisions with respect to housing, one calling for an emergency middle-income housing program and the other an emergency mortgage foreclousre relief program. Both, as I say, were approved by the caucus.

Immediately thereafter the Committee on Banking, Currency and Housing decided that it would hold hearings on these bills but report them separately because they were of such importance that it was thought we should not encumber these Democratic legislative initiatives with extraneous matters.

Within a relatively short period of time each of these matters was separately reported to the floor and did, indeed, pass overwhelmingly, the mortgage foreclosure relief bill by an astounding vote of 321 to 21.

We went to conference with the Senate, not on a single Senate bill, but on a five-title omnibus bill that had been carefully constructed and ornamented by the Senate.

It was clear at that time that a veto would be certain if the House conferees accepted the Senate version. I said so, and a number of other Members said so. It was obvious that that would be the case. Yet at this very time the strategy of the House conferees changed.

Instead of focusing on the emergency legislation passed by the House, the House conferees, who are agents of the House, agreed to expand the report to include whole titles of the Senate bill, nonemergency, nongermane titles on which we had never held hearings, never discussed on the floor and never acted upon in the House.

From the standpoint of the conferees, who have an obligation to represent the House, this made no sense to me, nor did the change in strategy make sense to me. As I say, it was clear that we were inviting a sure veto and inviting further embarrassment to the House and to the Congress.

Yet this was the course insisted upon, and it has developed a momentum of its own so great that, like a Greek tragedy, we find ourselves here today playing out the final act with full knowledge of how it will end.

Mr. Speaker, if the President were obstinate and uncooperative all the time on every piece of legislation, that would be one thing, but he has indicated very clearly that he is willing to cooperate to meet the very housing objectives and the initiatives that we set forth and that you set forth, Mr. Speaker, in January. Yet we insist on confrontation.

Well, Mr. Speaker, I know something about fighting. If a person insists on going to the street, whether or not there is real provocation, two things happen: The first thing is that the person who goes to the street at the drop of a hat begins to lose fights that he should not lose. And I suggest that that may be happening to us. The second thing that happens is that people begin to conclude that that fellow who likes to go to the street would rather fight than do anything else.

Mr. Speaker, it disturbs me to take a position contrary to that of my party, and I can say that looking any Member of this body in the eye. I supported you, Mr. Speaker, and I supported our majority leader, TIP O'NEILL, for the leadership.

Mr. REUSS. Mr. Speaker, I yield 1 additional minute, for the purpose of debate only, to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. I say, Mr. Speaker, that it disturbs me to take a position contrary to that of my party, but it would disturb me more to follow a course of action purely for the sake, on my part, of political considerations, a course of action which I have consistently objected to and strenuously oppose.

We do have an alternative, Mr. Speaker, an alternative totally consistent with our stated Democratic objective, an alternative entirely consistent, I think, with what the country needs, an alternative which the President will support.

On this basis, Mr. Speaker, I submit we should sustain this veto and get on with the legislation which we were elected to enact in the national interest.

Mr. REUSS. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. HAYS).

Mr. HAYS of Ohio. Mr. Speaker and Members of the House, I do not imagine that what I am going to say is going to get me any applause over on my left. However, I know that the President wants to compromise if one can define "compromise" in terms of what he wants and what the big banks of this country want.

That is where the crux of this whole thing is, and I know because I am chairman of a national bank. I know exactly what their lobbyists are saying and exactly what they want; and I do not happen to agree with them.

Of course, they want high interest rates. They would like to be bailed out on mortgage foreclosures if it does not do anything to high interest rates, but they do not want anything that has anything to do with low interest rates. They are calling the tune down there just as big industry called the tune on the veto of the strip mining legislation. Of course, they do not want strip mining legislation any place.

We have strip mining legislation in Ohio, and more strip mining than ever. Some of the Ohio Congressmen voted to uphold the veto on that, and they did a disservice to their own State because the law would not affect us except to bring some money in to repair what has been destroyed before.

Mr. Speaker, I say that the President does want confrontation. I say he has become political, and he thinks vetoes are going to reelect him. That is the answer to it, and there is not any other answer.

Mr. ASHLEY. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. Yes, I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Speaker, I ask the gentleman in the well this question: In the national bank of which he is president, is the prime rate the same as that essentially throughout the marketplace? And are the mortgage interest rates of the gentleman's bank the same as that of every other bank in his community?

Mr. HAYS of Ohio. No; I will say they are not. In most instances we are making loans for homes at a lower rate than the majority of the banks in the community. We have been a catalyst that has kept the local banking industry below the rate in New York and other areas.

Mr. REUSS. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Speaker, often in combat some men become so gun shy that they do not dare to fight. They do not do anything. They come up with all kinds of excuses and reasons for doing nothing.

I greatly fear that some of the Members of this Congress are becoming gun shy over vetoes.

We talk about compromise on the part of the President. If we do what has been suggested by some and sustain the veto, then we will be compromising to create a completely meaningless bill.

Mr. Speaker, let me go back and rehearse the scenario again, if I may: Last year, when we passed the Housing and Community Development Act, what we did was to take all of our "housing programs and consolidate them in section 8, Housing."

Jim Lynn, who was then the Secretary of Housing and Urban Development, stood before our committee and said that he would deliver 400,000 units of housing under section 8 this year. To date what has been delivered is a big, fat zero. Not one unit has been delivered under section 8 housing.

Carla Hills came before our committee and said that HUD would now get in gear and deliver housing units under section 8. It was the same mouthing of words that Jim Lynn did. One of the things about the bill that we have before us is that it does provide for 312 housing, that is a good, workable housing program. It does provide for limited public housing, good, workable housing that is very much needed. It does provide for some other measures to fill in the vacuum that has been created by the inactivity of HUD under Jim Lynn and under Carla Hills. Insofar as the section 8 housing program is concerned I would, therefore, urge the Members and entreat the Members to override this veto. We know that housing is needed desperately. If the Members would but look around in their own districts they will see people living in housing that is not fit for human habitation. The real problem is that we do not have a national housing policy in this country.

Again I urge the Members, and I entreat the Members: do not be gun shy over vetoes. We are not gutless people, we are representatives of the people, and the people are hurting. So let us deliver for them, let us override this veto.

Mr. REUSS. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Speaker and fellow

colleagues, there is not time to discuss the merits or the demerits of this legislation, but there is a minute to discuss the situation we find ourselves in.

Veto rights were given to the President of the United States to use when our congressional bodies pass legislation that is not to the best interests of the people of the United States, and not because of the political aspirations of the President of the United States.

The question now before us is very plain and very blunt. Are we asked to conciliate? Yes. Will we? Yes. Are we asked to cooperate? Yes. Will we? Yes.

We are also asked to abdicate, and that I will not do as long as I am a Member of this body.

The President has his prerogatives and the Congress has its prerogatives. By right of the veto he has made this Congress into a minority ruled Congress.

My good friend, the gentleman from Ohio, sent me a letter, asking me to cosponsor a new housing bill, and its main feature of appeal to me was supposed to be that the President would sign it. Before we even have an opportunity to see what the majority of this Congress wants to say about legislation we are told by someone that it will be vetoed, the idea will be vetoed, the promise of legislation will be vetoed. So the acts of the Congress have now become the acts of a Republican minority ruled by a man who served in this body, and now can be described as acting as President of the United States while performing as the leader of the Republican minority in the Congress.

The time has come, since you took your oaths of office, to live up to that oath. You are Members of the Congress.

The real reason for the President's veto is the interest rate.

The difference between 6 percent in the vetoed bill and the President's proposal of 7½ percent is the real cause for the veto. The other feature of the two bills are in the same ball park.

The President, the Republicans and the Democrats voting for the veto all voted for subsidized interest rates to foreign governments time and time again, 40-year loans at from 4 to 6 percent.

Where were all the bleeding hearts who now vote against giving low-income families and low middle income families a 6 percent interest rate when we gave billions of dollars worth of loans to friend and foe alike in foreign countries under a series of programs.

These programs built factories to produce goods, shipped to the United States bringing U.S. business down the drain, killing U.S. jobs.

Housing was built all over the world without interest and in some cases without principal.

The only way to help our poor appears to be by shipping them overseas and giving them foreign aid.

Mr. REUSS. Mr. Speaker, I yield 3 minutes to the distinguished minority leader, the gentleman from Arizona (Mr. Rhodes).

Mr. RHODES. Mr. Speaker, this to me is not a political exercise. What we are trying to do here is to get the Congress back on the road so that we can end a stalemate.

My good friend, the gentleman from Pennsylvania, seems to feel that there is something evil in sending a bill down to the President that he will sign. I do not see anything evil about it at all. It seems to me that the evil thing is for this body to continue in a stalemate which does not serve the American people's best interests. It seems to me that if the Members of this body on both sides of the aisle can get together on about three principles, we can solve any legislative problem that comes up and do it in a way that will reflect credit upon all of us. We can end this Congress with a legislative record, not a bunch of vetoes.

These are the three principles. If we can live with these, then we can get together with a consensus program. The first, is fiscal responsibility. I think the people of the United States are fed up with the inflation which we have and which has been caused in a large measure by huge Federal deficits, and by other things which we have done or not done here in this House of Representatives.

The second principle is to legislate to provide for more jobs in the private sector. We do not strive for leaf-raking jobs, because leaf-raking jobs are not desired by the American people. Jobs in industry, jobs in factories, jobs in private enterprise, and housing, if you will—these are the things which our people want and which we should push, under any legislative program.

The third thing is to work out a legislative program to help end the recession without more inflation. Those are three simple principles which must dominate any legislative program which this House should adopt.

I offer the majority my complete support in establishing consensus. I am available anytime to compromise on any subject with them as long as we provide answers which will be faithful to those three principles.

The President of the United States has done his very best to make Pennsylvania Avenue a two-way street. He asked Members of the leadership of both parties to the White House to discuss the energy bill when the energy bill was in trouble, and everybody knew it was in trouble. Many of us went down, and I think at the time most of us were in the mood to get together and do something about getting an adequate, consensus energy bill. We even agreed, I thought, to keep our rhetoric moderate, so we could explore the possibility of consensus.

But we came back to Capitol Hill and the distinguished majority leader took the well almost immediately and said that there would be no compromise with the Republicans, that the Democratic majority would send its bills down to the White House, and then the President could veto them if he wants to.

Mr. Speaker, I suggest that this is no way to run a legislative body. I suggest to the Members that if we do this, we are all going to look bad, and we should. I suggest that the time has come for us to sustain this veto, and then go ahead and pass a housing bill which can become law. Then, let us perfect a mechanism for obtaining a consensus, so that in the future we can have legislation, not vetoes.

Mr. REUSS. Mr. Speaker, I now yield 2 minutes to the gentleman from California (Mr. Rees).

Mr. REES. Mr. Speaker, it is with reluctance that I, as a Democrat, rise to ask the Members to sustain the House bill veto. But I am getting tired of the political rhetoric of this session of Congress. I am getting tired of the rather inflexible Congress and inflexible President, a President begging for bills to veto and a Congress wanting to give him bills to be vetoed, because in this stalemate, frankly, we are not doing much for the people of this country.

Housing is the biggest business in my district, and it is very difficult for me, with stacks of letters and telegrams on my desk urging an override, to come before the Members this way. But let me get away from the rhetoric.

Let me actually talk about the compromise bill. The bill that was introduced last Friday, that the administration said that it would sign, provides for protection against mortgage foreclosure, which was the legislation we passed here, and it also sets up what we call a Ginnie Mae tandem plan that will run mortgages down to 7½ percent, and the rate for long-term mortgages today is 9½ percent. This is a two-point subsidy for those Americans who have an income which is plus or minus 20 percent of the average median income in their area.

I think the compromise is a good bill and that the bill that was vetoed was excessive. The administration stated, along with the veto, that they will spend the $2 billion they have been holding up, and will promise to spend another $7.85 billion when we authorize in the compromise bill to take care of Mr. and Mrs. Middle America with a two-point subsidy?

Does not everyone here wish they had a 2-point subsidy? Does not everyone who has to pay 9.5 percent wish they could get 7.5 percent? But for some reason we were not able to come together and come up with a reasonable bill which could be signed by the President even though we had that opportunity.

I ask for a vote to sustain the veto. Then we can work together to help relieve the housing industry.

Mr. REUSS. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. Rousselot) for purposes of debate only.

Mr. ROUSSELOT. Mr. Speaker, I rise in support of President Ford's veto of H.R. 4485, the Emergency Housing Act of 1975. There are three major reasons for my opposition to this legislation:

First. The total cost of the bill. H.R. 4485 authorizes up to $1.5 billion for emergency middle-income housing subsidies through July 1, 1976; up to $500 million for emergency mortgage relief payments for up to 2 years; and up to $100 million for section 312 rehabilitation loans for 2 years, for a grand total of about $2.1 billion. All of this money, if appropriated, would come on top of the $2,000 tax credit program enacted earlier this year; on top of nearly $6 billion in support already provided under the GNMA conventional "tandem plan," and on top of the $662 million appropriated just yesterday for fiscal year 1976 to fund housing programs established under the Housing and Community Development Act of 1974—in addition to about $1 billion authorized by back-door spending for fiscal year 1975. This massive spending adds to the Federal deficit and contributes to inflation and high interest rates, the two major causes of our present recession.

Second. The timing of the program. More than 3 months ago, in March, I stated in my additional views on the House bill, "There is every reason to believe that the 'emergency' in housing will ease before this bill passes." Today we should consider the veto of H.R. 4485 in light of the recent indications of housing recovery cited by the President in his veto message:

> There are now strong indications that new home construction and sales are responding.... New home sales increased 25 percent in April, the largest increase in 12 years. Home building permits climbed 24 percent in April and an additional 9 percent in May. Also in May, housing starts—which represent not only new homes but new jobs—rose sharply.

By the time this legislation could be implemented, the housing recovery may very well be in full swing, and the added stimulus of this bill could help to touch off a new round of inflation and high interest rates. Moreover, spending under the 6-percent loan subsidy program would continue for up to 6 years, long after the "emergency" should have subsided.

Third. The inherent inequity of the home purchase assistance program. An important assumption was made by the proponents of H.R. 4485 when they developed the home purchase assistance program which remains the core of the bill. It was assumed that 400,000 additional units could be started under the 6-percent loan subsidy option provision and that 800,000 new jobs could be created. However, econometric studies conducted by the Department of HUD have attempted to determine the number of units that will be built considering the relationship between supply and demand in the marketplace for houses at the $38,000 limit established for 85 percent of housing assisted under this option.

The study concluded that an expenditure of $1.35 billion to subsidize 6 percent loans would stimulate the construction of only 22,000 homes and the creation of 44,000 new jobs, in contrast to the figures of 400,000 new starts and 800,000 new jobs promised by supporters of this bill. The inequity of such a small number of assisted units is compounded by the further inequity of the income limit, which is set at 120 percent of the median income in a given area, a figure which varies between extremes of $6,000 and $25,000. Thus, the harmful effects of this legislation would be felt throughout the economy, while the subsidies would benefit only a select few.

In conclusion, I would repeat the observation which I made last March and which remains just as true today:

> The best action Congress can take to provide relief from the inflation and high taxes which are pinching the middle-income citizen is to refrain from enacting new Federal spending programs which in turn require new Federal borrowing. Such measures are guaranteed to result in additional upward pressure on interest rates and to aggravate the very problem which this legislation is supposedly designed to solve.

I strongly urge my colleagues to join me in voting to sustain this veto.

Mr. MITCHELL of Maryland. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. If the gentleman from Wisconsin will yield me an additional 30 seconds I will yield to the gentleman from Maryland.

Mr. REUSS. I yield 30 additional seconds to the gentleman from California (Mr. ROUSSELOT) for debate only.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield 30 seconds to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Speaker, on April 20 the Secretary of Housing and Urban Development, Carla A. Hills testified before the Banking, Currency and Housing Committee of the House, before our subcommittee. In her testimony she said nothing had been accomplished under section 8 but that there are plans, there are numerous plans in the works. Who is going to live inside a plan? The Secretary indicated she hoped that in the future HUD would accomplish something under section 8. That is the same thing that former Secretary James T. Lynn told us last year and nothing has been accomplished under section 8. I will stand on my prior statement.

Mr. ROUSSELOT. We just talked to Secretary Hills today and as she testified before the Senate Banking Committee on June 12, 1975—this year—as of Friday there were 41,000 units committed under the section 8 provisions. Many of these are in fact under construction, so the gentleman's former statement that nothing has been done still stands corrected.

Mr. REUSS. I yield 2 minutes to the gentleman from Georgia (Mr. STEPHENS).

Mr. STEPHENS. Mr. Speaker, if a bill is not good and I have voted against it because it is not good and if the President vetoes the bill because it is not good, it still does not make the bill good to vote to override a veto. It is the same bill and I still do not want it.

It does not have one single thing to do with whether I am a Democrat or I am a Republican. It is just that I preserve my right and duty to vote down a bill if I think it is bad.

In order to do that at this point I have no choice other than to vote to sustain the veto in hopes that the new and good bill, which I and the gentleman from Ohio (Mr. ASHLEY) and the gentleman from California (Mr. REES) and some 50 others have introduced, will have a chance to be cleared and pass it into law and permit 400,000 needed units of housing to be started now.

We could have done that and passed this bill and be voting on that bill today if some people had listened to me and to the gentleman from Ohio (Mr. ASHLEY) and to the gentleman from California (Mr. REES). It is going to take much longer now to get started. Just because the President vetoes the bill is not going to make that bill any better than it was, just to vote to override the veto.

Mr. Speaker, I urge the House to sustain the President's veto and let us get on with a good bill.

Mr. REUSS. Mr. Speaker, I yield now 2 minutes to the gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, in 1949 the Congress passed land mark housing legislation—the Taft-Ellender-Wagner Housing Act—on a bipartisan basis—committing this Nation to the proposition that decent homes and a healthy construction industry were essential national policies.

Today, we are faced with a veto repudiating this proposition.

Today, in the midst of a recession, when unemployment in the construction industry is at 22 percent, the constructive policies of Taft-Ellender-Wagner are replaced with negativism.

Today, when the average homeowner is more endangered from mortgage foreclosure than any day since the 1930's, we find a nonelected President stating that he would not approve the Ashley homeowner's relief bill because it would put the Government in "the retail loan-making business" even though this bill passed the House by a vote of 321 to 21.

Today, instead of the constructive approach of Taft-Ellender-Wagner, we are faced with the negative policy of "No, no, go slow, veto!"

Today, we, the elected representatives of the American people, should not yield to this nabob of negativism.

Today, we should stand on our feet and vote to override this long-delayed, misguided veto.

Mr. REUSS. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Speaker, I think my friends, the gentleman from Georgia (Mr. STEPHENS), the gentleman from Ohio (Mr. ASHLEY), and the gentleman from California (Mr. REES), have pushed their own personal preferences on their approach to the housing problem just too far. Very seldom do any of us come out of this House with exactly what we would like. We have to compromise.

These gentlemen sought, quite properly, to prevail in their own view. They offered a motion to instruct the conferees to reject the Senate additions to which they object and they lost. The bill then before us was that approved by the conferees which a substantial majority of the House approved.

It is time now for the gentleman to unite behind this bill. It is the only housing bill on which we can now act and I am sure the gentlemen agree housing assistance is vitally needed for the economic recovery of the country and to provide desperately needed housing and construction jobs.

Rather than act as spoilers on this bill because of their failure to get their way, those who agree with the preferences of these gentlemen should recognize that the majority of the House did not agree with them and seek in future legislation to obtain what they want. They should not kill this badly needed legislation and embarrass the Congress to achieve their goals.

We should override the veto. We should close ranks and start building the critically needed housing for which this legislation provides.

Mr. REUSS. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. Patterson).

Mr. PATTERSON of California. Mr. Speaker, as a new Member of Congress here just a few short months, I do not want to go home and tell my constituents that we are a "do-nothing Congress."

I want to tell the President that he cannot intimidate me.

Let me make three points perfectly clear, if I may. One, this is a private jobs bill. It provides 800,000 jobs in an industry where unemployment is at 22 percent.

Two, this bill is a middle-income homeowners bill. Do you want to go home and tell your people you voted against it. There is an excessively high interest rate today. This bill reduced that interest rate by subsidizing it down to 6 or 7 percent, for 400,000 American families.

Three, this bill pays its own way. It brings into the Federal Treasury more than twice as much as it costs the Federal Government.

Those are the three major points. Finally, we cannot delay. The Ashley-Rees bill is one more element of delay. I urge a "yes" vote to override the emergency housing bill veto.

Mr. REUSS. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. Anderson) for debate only.

Mr. ANDERSON of Illinois. Mr. Speaker, there was a great Democratic President, Thomas Jefferson, who once said, "Congress is a standing insurrection."

One has almost had the feeling, as we have listened to some of the perfervid oratory from the well this morning, that some Members of this body feel that this is a test of our political machismo, or manhood, and unless we rise in revolt against this yoke that has been pressed upon us, we are less than honorable and sovereign representatives of the people.

There is a certain drama that always surrounds any vote of this kind on a Presidential veto, but even so, I have been more than a little astonished about what has become an ad hominem attack on the President of the United States for invoking what, after all, is his constitutional power and prerogative. He is not provoking a constitutional confrontation when he exercises the right that clearly is given him under the Constitution to exercise his independent judgment on a piece of legislation which distinguished Members on even the Democratic side of the aisle have described as bad legislation.

It is my personal view—and obviously I would not expect anyone in the Chamber to agree with me—that a veto vote is not a test of party loyalty. It is not a vote where one reflexively follows his leaders on a party line. Frankly, I join the gentleman from California (Mr. Rees) in expressing my concern of what is the increasingly rancorous atmosphere that seems to have overtaken this body.

I would suggest that the people at home are listening and watching and waiting, not for how we vote on vetoes, but for what we do when the final sine die adjournment of this 94th Congress takes place. We have a chance—we have a chance to do something in the House and Senate.

The gentleman from Ohio (Mr. Ashley), and I think more than two score Members on this side of the aisle, have introduced a bill. I have introduced almost identical legislation along with the gentleman from Michigan (Mr. Brown).

We can get together very quickly on a bill of that kind and prove to the people of this country that we are not here simply trying to show who is the big boy on the block; whether or not the Congress with its overwhelming Democratic majority is more powerful than the Chief Executive, but that we are here to do the people's bidding in the sense that we report out responsible legislation.

I thank the gentleman from Ohio, and I commend him on his honesty in expressing in the well of this House today and suggesting that when the leaders of the Banking and Currency Committee suddenly changed their minds about housing legislation and agreed to go along with some of the excessive titles of the Senate bill, the $1,000 cash assistance for down payments, for example, that was inserted in conference and was never considered by this body, that it is they who must bear responsibility, not we who support the President for the veto on this legislation.

Mr. REUSS. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. Adams).

Mr. ADAMS. Mr. Speaker, I support H.R. 4485 and urge that it be passed over the President's veto, and I want to address my remarks to the fiscal aspects of this bill.

The housing production and homeowners' relief portions of H.R. 4485 are effective methods of achieving important economic objectives. The budgetary impact of these programs is small in comparison to the results to be achieved. This program was in the concurrent resolution and according to the budget committee's best estimates, implementation of this housing program would result in budgetary outlays in fiscal year 1976 of $400 million, not $1 billion as stated in the veto message.

As the sponsors of this legislation have previously indicated, during this same period of time, construction activity stimulated by the bill would provide several hundred thousands of jobs and increase Federal tax revenues substantially.

Mr. Speaker, H.R. 4485 is squarely in line with the estimates in the first concurrent resolution on the budget for fiscal year 1976. If the Congress passes it over the objections of the President today, implementation actions can begin immediately. If we fail to pass this legislation today, we do not know what the policy and budgetary problems may be because we do not know when an acceptable substitute bill can be enacted.

I urge my colleagues to override the veto of the housing bill today.

Mr. ASHLEY. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Ohio.

Mr. ASHLEY. I thank the gentleman for yielding. On the measure that has been vetoed, the administration would have the choice between programing loans at 7 percent for the life of the mortgage or 6 percent over 3 years. Supposing the administration elected to go exclusively with the 7-percent mortgage program. The gentleman cannot tell me there is a $400 million added cost in the bill I introduced over the bill that has been vetoed. I would have to challenge the gentleman's figures, and we served on the same Budget Committee.

Mr. REUSS. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon (Mr. AuCoin).

Mr. AuCOIN. Mr. Speaker, the President's veto of the Emergency Middle-Income Housing Act is another example of the Herbert Hoover approach this administration is taking to the economic paralysis that faces this country today.

The House Banking, Currency and Housing Committee has worked for 4 months to tailor a program designed to put the homebuilding industry back on its feet. This is an industry that has been faced not with a recession but a depression.

The fact is that throughout the last year, and even today, housing starts are only 50 percent of 1972 levels.

Mr. Speaker, if anyone doubts that the housing and wood products industries are in a depression, let them talk to workers in a timber-based economy such as mine, where mills are running short shifts or are closed down completely, and have been for months, and where nearly 20 percent of able-bodied workers are not working today.

Mr. Speaker, in the face of that, this administration says that prosperity is just around the next corner. All I can say to the administration is that they ought to tell that to a millworker or a carpenter or a builder who has not seen a decent amount of work in months.

The recession in the housing industry did not happen by accident. It was induced by shortsighted tight-money policies that have been defended by every major economic spokesman within this administration. Those tight-money policies were offered in the name of fighting inflation; but instead they have made the housing industry the sacrificial lamb of the administration's economic game plan.

The administration says that there is no urgent problem. It justifies this veto by pointing to April sales in new homes, which have been increased 25 percent. But I ask you, 25 percent of what? Twenty-five percent of practically nothing is still practically nothing.

The administration says this bill will be an overstimulant. I grant you that there has been a modest improvement in housing starts, but how does this argument square with the outright hostility this administration has shown to this bill from the outset, even back in the darkest days in January, when it appeared that the housing industry was headed for an outright collapse? The truth is that the administration will use any convenient arrangement to defeat this bill.

Finally, the administration says that this bill costs too much, that it is inflationary. The truth is that the dollars this bill will put in the economy will create an estimated 400,000 new housing starts and will create an estimated 800,000 new jobs. The revenue from the jobs will go to the Treasury and they will more than offset the Federal outlays. This bill is a revenue producer—not a revenue user.

Mr. Speaker, I was present here on the floor a few days ago when the President's veto of the jobs bill was before us.

The SPEAKER. The time of the gentleman from Oregon (Mr. AuCoin) has expired.

Mr. REUSS. Mr. Speaker, I yield 1 additional minute to the gentleman from Oregon.

Mr. AuCOIN. Mr. Speaker, I listened with great interest to the Republican leadership when they fought to sustain the jobs bill veto by stating they were against public service jobs. They said they were against public service jobs because they believed in stimulating jobs in the private sector instead.

Now we have a bill before us which does precisely what the House Republican leadership asked for and what the administration asked for. It stimulates jobs in the private sector, and yet we are dealing with a veto once again.

I do not know if the administration will have the votes necessary to sustain this veto; we will know that very soon. But let the record show that the clear policy of this Congress is to put America back to work. And let the record show, too, that when it comes to jobs, the only do-nothingism in Washington today is the do-nothingism at the White House.

Mr. Speaker, I urge that we override this veto.

Mr. REUSS. Mr. Speaker, in order to provide time for debate on the veto on the side of upholding the veto, I now yield 5 minutes to the gentleman from Michigan (Mr. Brown) for debate only.

Mr. BROWN of Michigan. Mr. Speaker, at the outset I want to sincerely thank and express my commendation to the gentleman from Ohio (Mr. Ashley), the gentleman from California (Mr. Rees), and the gentleman from Georgia (Mr. Stephens). It takes guts to go against the grain. It also takes guts to be statesmen, and I think these gentlemen have been statesmen.

The gentleman from Ohio (Mr. Ashley) and I got together, along with others on the subcommittee, including the chairman of the subcommittee, the fine gentleman from Pennsylvania (Mr. Barrett), and we sat down last year and worked out a bill. In confrontation? No, but we sat down together and came up with the housing and community development bill. We were working with the administration, not fighting the administration, and we produced legislation which I think this House and most of the Members of the House, if not all, have been proud to take back to their constituents and say, "Look what we have done."

Mr. Speaker, if we had had that kind of operation, if we had had that kind of effective cooperation on this bill, we would not be here today.

And, Mr. Speaker, referring to your remarks, I would ask my colleagues, did your remarks reflect conciliation? Did your remarks reflect cooperation? Did your remarks reflect communication?

I suggest, Mr. Speaker, that your remarks reflected none of these qualities. And I think it appropriate, Mr. Speaker, to further suggest that before you judge the conduct of the President, you be a bit introspective and look at the conduct of the overwhelming majority now sitting in this House. To what extent has your majority attempted to cooperate, to communicate, to conciliate? I suggest darned little.

I suggest, Mr. Speaker, that your majority has sought confrontation, except, thank God, for some of the Members on your side who have sought to work for sound legislative accomplishments, irrespective of who gets the accolades.

Regarding the merits of this legislation, Mr. Speaker, despite the disproportionate amount of time given to your side of the aisle, how many have come out and point by point shown me and my colleagues where the bill that is before us is better than the substitute that can be acted upon promptly? The substitute legislation to which I refer is the legislation introduced by the gentleman from Ohio (Mr. Ashley), the gentleman from California (Mr. Rees), and the gentleman from Georgia (Mr. Stephens) and many others on that side of the aisle, many have cosponsored a similar piece of legislation introduced by Members on this side of the aisle, including myself.

Let me suggest that if we want to stimulate the housing industry now, the substitute that we can have before us the week we come back from the recess will do a lot more for the housing industry now than will the bill that is before us today. With the new programs and with the implementation necessary, it will be 6 months or more before we can really give any kind of stimulus to housing under the bill that is before us today, whereas with the substitute, if we could have a chance to vote on that bill, if the gentleman from Wisconsin (Mr. Reuss) will allow the committee to consider the substitute, the program is already in being and by passing that bill we will have the stimulus now that we need for housing.

Since no one has bothered to indicate why the vetoed bill before us today should be passed and why it is so good—and it is not so good; it will not provide the stimulus; it does not begin to attack the two problems of mortgage-payment relief and the stimulus to the housing industry that the substitute does—is there any reason, any reason whatsoever, for any person who voted against the conference report a few days ago, to vote today to override the veto? I suggest absolutely none.

To the contrary, there are several reasons that those who voted to support the conference report should vote to sustain the veto today. One reason is that we have shown an upward trend in the housing industry. Another reason, which is probably more important, is that yesterday the President told the Secretary of Housing and Urban Development to put into use the additional $2 billion that is available under the Emergency Home Purchase Act of 1974.

Mr. Speaker, I suggest that, if anything, there are more reasons to vote today to sustain the veto than there were to vote for the conference report.

Mr. REUSS. Mr. Speaker, I now yield 2 minutes to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'Neill).

Mr. O'NEILL. Mr. Speaker, here we are again on a veto.

What is the veto all about? It is a philosophical disagreement on how we should run the economy of this Nation.

We came out earlier in this year with a program and a plan:

Tax rebates of $22 billion, which the President did sign; a program for funds to keep the railroads in the East running; a piece of legislation out of this very committee urging that money be spent and interest rates be lowered; a farm bill that was vetoed by the President of the United States; an economic jobs bill that was going to put 900,000 people to work in public service, and 900,000 to work in private service, and that was vetoed; a strip mining bill that meant jobs, and that was vetoed; now a housing bill that means 800,000 more jobs, and this was vetoed.

Such was the program that our economists worked out with us to get the Nation economically moving again.

It has been 9 months since President Ford took office. What has happened in those 9 months? The unemployment of this Nation has gone from 5.4 to 9.2 percent. There are more than 9 million unemployed at this time.

In the 9 months that President Ford has been President, what has his philosophical program done for the economy of this Nation? It has cost us $60 billion, $14 billion for every 1 percentage point that unemployment goes up in anticipated taxes, and $2 billion that we have to pass out just for the unemployment compensation.

This is a jobs bill, Mr. Speaker, a work bill.

In February of this year, when hearings were first held on this housing legislation, the unemployment rate was 8.2 percent with the rate in the construction industry nearly double that at 15.9 percent. The administration at that time said this legislation was not needed. In May of this year unemployment had risen to 9.2 percent. That means that in the short period of 3 months, over a million additional people were out of work. Still the administration kept telling us this legislation was not needed. Currently, the unemployment rate in residential construction is estimated at 42 percent. This legislation is desperately needed and long overdue. The American people cannot afford a failure to override this unconscionable veto.

The bill is designed to alleviate the suffering of those most seriously affected by the current recession. It is designed to stimulate the one industry that can lead us most quickly out of that recession.

This housing bill is sound legislation which will hasten and ease what will otherwise be a long, painful and uncertain economic recovery. The legislation will stimulate the construction and sale of up to 500,000 housing units to middle-income families, create 800,000 jobs, provide public housing for low-income families in small towns and rural areas, help rehabilitate inner-city areas, and save the homes of many thousands of homeowners who lose their jobs. If fully implemented, the impact of this bill on next year's budget deficit will be small—about $400 million.

I urge all my colleagues to vote to get this country moving again. Vote to override.

Mr. FRENZEL. Mr. Speaker, I shall support the fiscal veto of President Ford and vote "no" on the motion to override.

When H.R. 4485, the Emergency Housing Act of 1975, was passed, it was identified here as a sure candidate for veto. When the Homeowners Relief Act passed, it was a strong consensus favorite. Our Banking and Currency Committee, by joining the good one to the lousy one, has insured that both will fail. That is a weird and counterproductive way to carry out the people's business.

My remarks on the passage of H.R. 4485 still are pertinent. The first objection is the unwarranted and unbudgeted cost, but an equally strong objection can be made that it will not work. H.R. 4485 in its amalgamated form will cost $1 billion over budget this year, and about $2 billion over budget this year and next year.

There is some question as to whether home purchases under this bill would be in addition to normal purchases or whether they would replace normal purchases. But there seems to be no question that normal homebuying would be greatly delayed and the recovery of the housing industry would be correspondingly delayed. There is also no question that the qualifications for subsidies are inequitable.

This bill is merely another case of a committee trying, singlehandedly, haphazardly, whimsically, and unsuccessfully to cure the recession by spending money we do not have. I urge that this House sustain the veto of H.R. 4485.

Mr. JENRETTE. Mr. Speaker, as a freshman I came here with great concern about the economy. I pledged that I would do everything I possibly could to help stimulate the economy. I tried to do that by voting for this bill and conference report.

Fiscally responsible, minority leader says. Ford's policy is like a yo-yo. In January he wanted a surtax. In March he wanted a tax rebate. Have you noticed that with each veto the President gave a little money or a promise—the greatest political game of this century. Leave with this thought:

First. This bill will give some immediate help—it can be amended or changed.

Second. I view the task of the Government as one which provides incentiveness for the free enterprise system to make a profit doing what the public needs done most in a way that is acceptable to the public and to provide restrictions when the best of the public is being trod upon.

The public and the economy needs this bill. This is the incentive that I feel is this responsibility of this Congress.

I urge vote to override.

Mr. ASHBROOK. Mr. Speaker, I will vote to sustain the President's veto of H.R. 4485, the Emergency Housing Act of 1975.

My decision has been a difficult one since I agree with the basic objectives of this legislation. A strong housing industry is important for the economic recovery of our Nation. We need to get construction workers back to work.

H.R. 4485, however, is not the right answer to these problems. Its defects are so serious as to outweigh the expected benefits.

First, the cost of this legislation is clearly excessive. It would add over $1 billion to the deficit in fiscal year 1976 alone. Overall, it would require Government expenditures of more than $2 billion.

Such large expenditures will have an inflationary impact throughout our economy. The value of the dollar will be further eroded at home and abroad. It is essential that we hold down Federal spending and cut back whenever possible. We simply cannot afford to add another $2 billion program to our already staggering Federal deficit.

Second, the subsidized interest rates are set at a ridiculously low figure. Subsidy payments could reduce mortgage interest rates to 6 percent. Rates have not been that low in a decade.

The 6-percent rate is far below the level needed for a strong housing industry. In 1973, for example, there were over 2 million starts when interest rates were in excess of 7½ percent. I cannot justify spending more money than is actually needed. Nor can I see providing some buyers an excessive benefit at the taxpayers' expense.

Third, it would be extremely difficult to terminate the 6-percent subsidized rate once it had begum. Federal programs have a life all of their own. Once a new program is started it seems to go on forever.

The problem of termination would be especially difficult for a program such as this. There would be intensive pressure to extend the Government subsidies indefinitely. If this should happen the potential cost is staggering.

Fourth, despite the excessive cost of this legislation it would have far less impact than its supporters claim. It has been asserted that the bill would result in the construction of 400,000 new housing units. HUD and OMB evaluations, however, indicate a minimal impact. Since most of those receiving assistance would have purchased homes without such assistance, the actual number of new starts would be in the 50,000 to 80,000 range. Such a low number of additional starts hardly justifies the enormous cost of this legislation.

For these reasons, Mr. Speaker, I urge that the veto of H.R. 4485 be sustained.

Mr. HORTON. Mr. Speaker, I intend to vote to sustain the President's veto of H.R. 4485. I supported the two House components of this bill, the Middle Income Housing Act and the Emergency Homeowners' Relief Act when they were considered on the House floor.

Despite my unhappiness over several Senate provisions that were added to this bill in conference, I reluctantly voted for the conference report, because I was even less happy with the depth of commitment that the administration had made at that time to revitalizing our housing industry than I was with the bill itself.

While I am not in accord with the tone or with many of the statements made in the President's veto message, I am delighted with the actions the President has taken, and even more pleased with his commitment to support meaningful legislation to stimulate the housing industry in a responsible and effective way.

I do not agree with the President's statement that the bill we passed would damage the housing industry. I do agree that the key provisions of the bill could not be implemented without substantial delay, and that the delay would provide at least a temporary disincentive to some home purchases in the interim, while the subsidy programs were being tooled up.

Further, I share the administration's fear that once the Government gets into the business of providing direct interest rate subsidies for a few homeowners, it will be difficult, if not impossible to phase out those subsidies, and it will be even difficult to keep the limited interest subsidy program from expanding to every home owner and home buyer. It is not that it would not be nice to provide everyone with 6-percent mortgage interest rates. It would be. But the real world would not permit doing that without adding costs that would be far beyond the benefits achieved to the Federal budget. More important, the revitalization of the housing industry does not require direct interest subsidies. What it does require is adequate availability of capital in mortgage lending institutions, and an adequate market for new housing, whether rental or family-owned. Anything Government can do to improve the market, including the real income of the American people or the availability of mortgage money, without permanently placing the housing industry under artificial or untenable market or financial conditions, should be done.

The President's commitment to seek and support an extension of the Emergency Home Purchase Assistance Act of 1974 is welcome. I would like him to take a step further and commit the Government to utilizing the authority Congress would give him under an extension of this act. But I will accept the good faith shown by the President in releasing the final $2 billion in mortgage purchase funds provided in the 1974 act.

I supported an amendment to H.R. 4485 to extend the Emergency Home Purchase Assistance Act when it came before the House, but it was defeated 126 to 242. The President's release of additional funds, plus his commitment to extending this act should help to win congressional passage of the needed additional authority.

There is one further element in the bill, and in the veto message that should not be overlooked. The bill provided a clumsy but badly needed mechanism for helping unemployed homeowners to meet mortgage payments in the face of delinquency or foreclosure. Under the terms of the bill, the Federal Government would provide this assistance through direct, $250 per month loans to eligible homeowners.

Apparently the experience has been that most banks and other lending institutions have acted with restraint and with commonsense during the depths of the current recession. Statistics show that foreclosure rates have not risen dramatically, as was predicted. Thus, it seems feasible to provide the same protection to unemployed homeowners by agreeing to stand behind their banks with a reinsurance commitment when and if the banks refrain from foreclosure or other actions that would threaten to deprive these families of their homes. The President's commitment to support a bill taking this approach is a major positive result of our passage of H.R. 4485.

Now that the administration is ready to recognize, with us, the need to take affirmative, immediate, and effective action to stimulate and protect the housing construction industry and to restore the tens of thousands of lost jobs among construction workers, I think the Congress, for its part, should fashion a bill that accomplishes these goals in a more responsible fashion.

Thus, I am prepared to sustain the President's veto, knowing that with his veto motivated by some unwise provisions of this bill, he has committed himself to addressing this housing problem cooperatively and forthrightly with the Congress.

Mrs. SULLIVAN. Mr. Speaker, I voted against H.R. 4485 when it first came before the House on March 21 from the Committee on Banking, Currency and Housing, and I voted against the conference report on June 5. On the basis of my experience as ranking member of the Subcommittee on Housing and as a member of that subcommittee since it was formed in 1955, I felt this legislation would not reach the people who most need good housing at prices they can afford—the average-income family earning in the neighborhood of $12,000 to $17,000 a year. H.R. 4485 subsidizes a somewhat higher income group and the homes which would be built under this legislation would in most instances be priced beyond the reach of the average family.

For 6 years, I have been vigorously pushing a different approach—one consisting not of subsidies, but of direct loans by the Federal Government on which the Government would get back every cent of its loans with a reasonable rate of interest besides. My proposed Home Owners Mortgage Loan Corporation would revive the successful concept of the HOLC of depression days which saved the homes of countless Americans from foreclosure by direct Federal loans. Far from losing money on the HOLC, the Government actually made a profit over the life of those loans. So it would be with the proposed Home Owners Mortgage Loan Corporation, which would extend loans up to $30,000 at no more than 6½-percent interest to families of average income.

There would be no new bureaucracy established; existing FHA offices would service the loans, and the Corporation my bill, H.R. 1081 would create, would consist of a small board of directors determining policy matters—chiefly deciding at what periods in our economy the direct loan program should operate because mortgages are not available to the average family at reasonable rates of interest.

We are certainly in that kind of situation today, and have been for several years, during which time the housing industry has suffered the worst depression of any part of the economy.

Nevertheless, I have conceded that H.R. 4485 contains numerous worthwhile provisions which are urgently needed, particularly in assisting unemployed homeowners in avoiding foreclosure of their homes because of economic conditions over which they have had no control.

Much as I dislike some features of H.R. 4485, I believe the President was wrong to veto it. The housing situation today is truly critical. The President was within his rights to denounce the bill in any way he wanted to, but at some point—and that point is long past due—this conservative Republican President must learn—or rather relearn what he knew as minority leader of this House for many years—that in dealing with urgent national economic problems neither a President nor the Congress can have everything to his or its liking.

Stalemate is not getting us anywhere. Both sides seem to be setting up scorecards to use in next year's Presidential election. In the meantime, the desperate situation in jobs, in housing, and in the economy generally are not being corrected. And they must be corrected.

The President's vetoes have come so thick and fast on issues on which the overwhelming majority of Congress has exercised its combined and considered best judgment that we, as Democrats having the responsibility for enacting legislation to solve our national problems, must find a way to legislate effectively. The veto is not a substitute for leadership, or for policy. It is now the main minority weapon against majority effectiveness.

Therefore, as a matter of party responsibility in a time of divided Government, I am going to vote today to override this veto, as I have many others of President Ford's which I felt were wrong.

As an emergency measure to meet emergency problems, we could live with this legislation and it would do some good. The President's own solutions for meeting the housing depression are meaningless reiterations of policies which have not solved our housing ills, and cannot do so. The Democratic Party in the Congress brought forth a less-than-perfect and in some respects inadequate housing bill, but since it is so much better than the Ford administration's alternatives, I will vote to override.

If we fail to override, then I hope we can quickly devise a new and better approach which would have a better chance of being enacted into law.

The **SPEAKER.** The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The question was taken by electronic device, and there were—yeas 268, nays 157, not voting 8, as follows:

[Roll No. 351]

YEAS—268

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Annunzio
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chappell
Chisholm
Clausen, Don H.
Clay
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Goodling
Green
Gude
Haley
Hall
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Hefner
Helstoski
Henderson
Hicks
Hightower
Holland
Holtzman
Howard
Howe
Hubbard
Hughes
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Leggett
Lehman
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCormack
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price
Randall
Rangel
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Rodino

Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sikes
Simon
Sisk
Slack

Smith, Iowa
Solarz
Spellman
Spence
Staggers
Stanton, James V.
Stark
Steed
Stokes
Stratton
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin

Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—157

Abdnor
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Ashley
Bauman
Beard, Tenn.
Bell
Biester
Bowen
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
du Pont
Edwards, Ala.
Emery
English
Esch
Eshleman
Fenwick
Findley
Fish
Flynt
Fountain

Frenzel
Frey
Gibbons
Goldwater
Gradison
Grassley
Guyer
Hagedorn
Hamilton
Hansen
Heckler, Mass.
Heinz
Hillis
Hinshaw
Holt
Horton
Hungate
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kasten
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Landrum
Latta
Lent
Levitas
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McEwen
McKinney
Madigan
Mahon
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Montgomery
Moore

Moorhead, Calif.
Myers, Ind.
O'Brien
Pattison, N.Y.
Pettis
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Rees
Regula
Rhodes
Robinson
Roush
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Teague
Thone
Treen
Vander Jagt
Waggonner
Wampler
Whitten
Wiggins
Wilson, Bob
Wydler
Wylie
Young, Fla.

NOT VOTING—8

Collins, Ill.
Diggs
Downing

Erlenborn
Forsythe
Hastings

Karth
Mosher

So, two-thirds not having voted in favor thereof, the veto of the President was sustained, and the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Diggs and Mr. Karth for, with Mr. Erlenborn against.

Until further notice:

Mrs. Collins of Illinois with Mr. Downing of Virginia.

The result of the vote was announced as above recorded.

The **SPEAKER.** The Clerk will notify the Senate of the action of the House.

GENERAL LEAVE

Mr. **REUSS.** Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the subject of the veto message just concluded.

The **SPEAKER.** Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERSONAL EXPLANATION

Mr. **DOMINICK V. DANIELS.** Mr. Speaker, I would like the RECORD to show that I was detained in my office during the vote on H.R. 8070, rollcall No. 341. Had I been present, I would have voted "nay."

FOURTH OF JULY RECESS

(Mr. **O'NEILL** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **O'NEILL.** Mr. Speaker, may I say that after these 1-minute speeches, I intend to offer a concurrent resolution, which is a privileged motion. I do hope that the Members understand that this is a privileged motion and is not debatable. I will move the previous question and urge its adoption so that there will be no amendments offered, and the Members will vote up or down on the concurrent resolution.

Mr. Speaker, the resolution will read:

> That when the House adjourns on Thursday, June 26, 1975, it stand adjourned until 12 o'clock noon on Tuesday, July 8, 1975.

Mr. Speaker, I know that while the Speaker and I were busy making telephone calls yesterday to our Democratic colleagues, asking them to vote to override the housing bill veto, there were others spending their time trying to cancel our plans to visit our districts next week. As your majority leader who sets the legislative program, let me say that for the most part the bills that are ready for action are not immediately pressing and do not have to be acted on next week. The energy bill offered by the gentleman from Michigan (Mr. DINGELL) could not be on the floor until at least the week of July 8, and that is the most important piece of legislation we have coming along.

Mr. Speaker, in all fairness to those Members of the Congress who have already made plans when in their districts next week, whether they are from Oregon, Washington, Maine, or wherever, we should pass this resolution.

Mr. **OBEY.** Mr. Speaker, will the gentleman yield?

Mr. **O'NEILL.** I yield to the gentleman from Wisconsin.

Mr. **OBEY.** Mr. Speaker, I would like to say to the majority leader that I intend to insert in the Extensions of Remarks section of the RECORD the names of the 39 individuals in this House who voted against recessing on the Memorial Day recess, but then were not present 3 hours later when we had the next quorum call to finish with the day's business before the recess even began.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES FROM JUNE 26 TO JULY 8, 1975

Mr. **O'NEILL.** Mr. Speaker, I offer a privileged resolution (H. Con. Res. 324) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 324

> *Resolved*, That when the House adjourns on Thursday, June 26, 1975, it stand adjourned until 12 o'clock noon on Tuesday, July 8, 1975, or until 12 o'clock noon on the second day after its Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.
>
> SEC. 2. The Speaker of the House of Representatives shall notify the Members of the House to reassemble whenever in his opinion the public interest shall warrant it or whenever the majority leader of the House and the minority leader of the House, acting jointly, file a written request with the Clerk of the House that the House reassemble for the consideration of legislation.

Mr. **O'NEILL.** Mr. Speaker, I move the previous question on the concurrent resolution.

The previous question was ordered.

The **SPEAKER.** The question is on the concurrent resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **LEVITAS.** Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON MANPOWER AND HOUSING OF THE COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. **HICKS.** Mr. Speaker, I ask unanimous consent that the Subcommittee on Manpower and Housing of the Committee on Government Operations be permitted to sit this afternoon during the 5-minute rule.

The **SPEAKER.** Is there objection to the request of the gentleman from Washington?

There was no objection.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS BILL, 1976

Mr. **FLOOD.** Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8069) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Pending that motion, Mr. Speaker, I

ask unanimous consent that general debate be limited to 2 hours, the time to be equally divided and controlled by the gentleman from Illinois (Mr. MICHEL) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8069, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Pennsylvania (Mr. FLOOD) will be recognized for 1 hour, and the gentleman from Illinois (Mr. MICHEL) will be recognized for 1 hour.

The Chair now recognizes the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill now before us is the Labor; Health, Education, and Welfare appropriation bill for 1976. If the Members will allow me, this is act 2 for the Labor; Health, Education, and Welfare bill.

The Members will recall that the Education appropriation bill for 1976 has already been reported. It passed this House last April 16. I understand in the other body the full Committee on Appropriations has reported out the bill.

So that being the case, this bill before us now excludes about $7.2 billion in Education appropriations. This bill also excludes over $1 billion in budget requests for which there are no authorizations. As we know, without authorizations the Committee on Appropriations cannot act. That is the situation at the present time.

Mr. Chairman, in reference to the lack of authorizations, most of these items are health programs, and they will be considered later, of course, when the authorizations are enacted and we have a law.

So much for what is not in the bill. Now, what is in it?

Let me give the Federal funds recommended by the committee. Wait until you hear this figure, this total. It is $35 billion. Did you hear that? The figure is precisely $35,873,492,000.

But that figure does not give a complete picture of the multitude of programs administered by the Departments of Labor and Health, Education, and Welfare and the other related agencies included in this bill. If the Members have time and they want to take a look, they can take a look at page 4 of the report, and there we have the grand total for these agencies that we are speaking about today. The grand total is $139.8 billion, including the trust funds and the education appropriations that I spoke about just a few minutes ago.

Mr. Chairman, I hope no Member comes down to the well of this House today and says that this committee is not taking care of this or taking care of that.

Remember the total figure in the bill. I just say that in case some Member presumes to say that anybody is being neglected.

By the way, do the Members know what the comparable figure was just 10 years ago? Ten years ago the comparable figure was $31 billion.

What is that? That is an increase of over $100 billion in just 10 years. Who or what do we say this committee is neglecting? That is what this committee has done in the 10 years that I have been with many of these Members.

If we want to put it another way, just to show what is going on, this means that these agencies could spend $370 million a day in fiscal year 1976. That is $370 million a day.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Yes, I will be glad to yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I am sorry to interrupt the gentleman. I just did not understand what the $31 billion the gentleman was talking about 10 years ago included. Did it include all of those items listed on page 4, now at $139 billion?

Mr. FLOOD. That is right, yes.

Mr. JOHNSON of Colorado. I thank the gentleman. I just was not clear on his statement.

Mr. FLOOD. Mr. Chairman, one cannot imagine the programs included in this bill. They touch in one way or another nearly every family in this country. Every man, woman, and child in this country is touched some way or the other by this bill.

We cover every kind of care, from infant care to medicare. The poor, the sick, the blind, the handicapped, the aged, the unemployed. You name it. It is in here.

The committee is recommending a total of $35,873,492,000. Now, in reference to the budget. Mark this: This is an increase of $720 million over the budget. Remember that.

The committee pretty generally agreed that the budget for many of these programs was simply unrealistic, as most Members will agree.

The main problem we had with the budget is that it was based upon proposed rescissions of 1975 appropriations. The Members will recall that. We had these rescissions and as you recall, the House and the Senate rejected most of those rescissions of HEW appropriations. Therefore, the starting point assumed by the budget was far, far below the level approved by the Congress.

In effect, then, the budget was proposing to cut back or terminate such programs as these.

Let me read them for the Members: They were going to cutback medical research at NIH—imagine that—medical research, cut $256 million.

Maternal and child health—wow—cut $83 million.

Mental health—under all the circumstances we know about today—mental health, cut $97 million.

Listen to this: Alcohol and drug abuse, cut $47 million.

This committee could not agree to such proposals. Let me remind the Members that we spent many long hours, day and night, for over 4 months reviewing that budget. There are six volumes of these hearings. There were Government witnesses, Members of Congress, public groups, individuals, all of them knowledgeable in matters of labor, health, education, and welfare. We heard from experts within and outside of the Government. As Members can imagine, the testimony was often very contradictory.

The Government witnesses came in, and they said that Federal support should be cut because the State and local governments can finance social programs.

The public witnesses said that Federal support should be increased because State and local resources are inadequate to maintain health and social services for needy people.

Mr. Chairman, we did what we think the Members would want us to do under the same circumstances. We weighted all of the evidence available. We tried to strike a balance between what needs to be done and what the country can afford to do in these areas of employment, health, welfare, and other human services.

I am sure many of the Members have noted that in the bill we show $4,823,168,000 below the 1975 appropriation. In case you are concerned about these reductions from last year, I will explain it. This is a net figure resulting from a series of increases and decreases. The decreases from 1975 were primarily in the Department of Labor totaling just over $8 billion. But virtually all of these decreases result in the fact that very large appropriations were made in 1975 for unemployment compensation—the Members will remember—we knew at the time that a large portion of these funds could not be used in fiscal year 1975, and would be used in 1976. The funds appropriated at that time were made available through September 30, 1976. So there is simply no need to appropriate additional funds in this bill.

The decreases in the Labor Department are partially offset by the several large increases over 1975 in Health, Education, and Welfare.

The major ones are these: $211,473,000 for the National Institutes of Health; $68,390,000 for the Health Resources Administration; $1,587,773,000 for public assistance; $120 million for the WIN program; $54,454,000 for human development; and $1,481,499,000 for the Social Security Administration.

By the way, there is also a very large increase of $284,084,000 for some new mandatory items for the Railroad Retirement Board.

Mr. Chairman, I could not possibly cover all of these important programs in this bill in the time we have allotted here. The report has been available to Members for almost a week. It contains a lot of very useful information. I urge the Members to read it from cover to cover, but if they are pressed for time then I urge the Members to refer to pages 4 and 5. There they will find a listing of the highlights of the bill.

For the Department of Labor, the largest program is the comprehensive employment training program. The Members know it best as CETA. Here we accepted the budget figure of $2.4 billion. That is $464 million below last year's bill. There is a catch in this, now, and a very simple explanation for this apparent reduction. We have not included the summer youth employment funds for 1976. We generally appropriate for the summer youth funds in a supplemental appropriation bill each year. In fact the summer youth funds for this year were just recently enacted in a supplemental bill a couple of weeks ago.

We are not cutting back on the manpower training program.

Now for the public service jobs, this bill includes $400 million under title II of the Comprehensive Employment and Training Act. But that is not all that will be available in 1976 for these public service jobs, by no means. As the Members know, there is $1.6 billion included in the continuing resolution which we just acted on.

Also there is over $600 million of unexpended balances, which will be available next year for the public service jobs. When we add all of this together, this is what we get. We get a total of over $2,600,000,000 for public service jobs in fiscal year 1976.

I am sure the Members have heard about the proposed cutbacks in the State employment offices. All right, for some reason which the Members will not believe, the budget wanted to reduce the State employment service staff at a time when there are hundreds of thousands of people unemployed and hundreds of thousands of people looking for jobs. That is what they want to do. Try and put that one together.

We have included enough funds to get the employment service back to where it was in fiscal year 1974.

The committee also provided an increase of $20 million to enable the employment service to expand the computer system for job matching in both the urban and the rural areas, an extremely effective and important operation. We also added $5 million to enable the Bureau of Labor Statistics to expand the survey that is used in calculating the unemployment rates. The accuracy of those rates is important in distributing the manpower funds to the State and local prime sponsors.

For occupational safety and health, the committee approved the continued funding for 300 additional compliance officers recently authorized from funds that were available in fiscal year 1975. We felt this was necessary because several of the larger States have withdrawn their own enforcement plan, and, of course, they would have to be covered by the Federal program. That is one thing. Now, there continues to be a lot of controversy over enforcement of the occupational safety and health standards. My own view is that much of the difficulty surrounding this program would disappear if the Department of Labor would provide adequate consultation to small business to help them comply with the law.

We have included language in here which prohibits funds in the bill from being used to require reporting and recordkeeping from employers of 10 or fewer employees. That is in there.

For the health programs that are administered by HEW itself, the bill provides $3,831,688,000. We are over the budget for health by $692 million. That is quite an increase, but we feel it is well justified. We held hearings, and we know. Here is what we increased, just so the Members know: For the National Institutes of Health, up $469 million; maternal and child health, up $77 million; mental health, up $45 million; alcohol and drug abuse, up $37 million; emergency medical services, up $10 million.

Mr. Chairman, the budget for NIH was totally unrealistic. There is no way that we could accept a reduction of $256 million below the current funding level. There is no way. We have a deep interest in medical research. This committee is largely responsible for establishing NIH as one of the most respected medical organizations in the world.

Cutting back on medical research is simply unthinkable.

We restored funding for all the NIH extramural research programs and we provided a 10-percent increase across the board for all the Institutes over the 1975 level. That is enough to take care of the cost of inflation and to provide funds to initiate new research activities. Most of the increase is for the National Cancer Institute and the Heart and Lung Institute because they are the two largest; but all of the Institutes, everyone of them will receive substantial increases over the budget. And that is the way it should be.

The committee understands that close deed that in order for NIH to continue its vital work it needs to have an adequate number of people to do that work. Although we in the committee did not specify the number of positions for each Institute, we clearly directed in the report that HEW should use a part of these increases in funds to recruit additional staff for NIH. I repeat we did not include a specific number of jobs because we did not have the detailed data to make that kind of decision, but let me tell the Members the staff of this committee is looking into this matter—and I mean looking into it. If HEW fails to provide additional positions to efficiently run NIH, we intend to do so in a future supplemental appropriation bill.

The committee undersands that close to 1,000 additional jobs could be utilized in NIH and there is enough money in the bill to take care of additional staff. It will not call for more money. There is enough in here to do that. We understand it will require an average pay of $10,000 per job because of all the delays in recruiting people for that kind of job they probably could not be filled until late in the fiscal year. In recent years for some reason NIH has not been permitted to hire additional people to do such things as monitoring the grants and contract awards, making site reviews, and managing its programs. We understand most of the Institutes could effectively use a 12-percent increase in manpower. We plan to help them as much as we can.

For mental health, alcohol, and drug abuse, everybody knows something about that, we restored most of the programs to the 1975 level. The commitee saw no reason, as the budget wanted to do, to sharply cut back these programs when there are so many unanswered questions in those areas. Now of course with the current economic situation as it is, the problems or mental health, alcoholism, and drug abuse are worse than ever before. We increased the budget by $30 million to make sure that an adequate number of trained medical personnel to staff the community health centers and mental hospitals will be available. We added $12.7 million to the budget for mental health research to help find ways to reduce the number of people living in institutions who are there simply because they have no adequate alternative for caring for them. For the community programs directed toward alcoholism the committee added $19.5 million which could be used for projects in specific areas where the problem is most severe. There are data available to show these projects have been most successful in reducing alcoholism.

The committee restored maternal and child health programs to the 1975 level. We did so in order that these important health services provided by that program could be continued uninterrupted. The budget assumed somehow that the programs could obtain big sums of money and operating funds from private and public sources.

Now, in the hearings we looked at that very closely—where, when, how and who? HEW was not able to provide us with any kind of convincing data at all to back up the budget position.

We believe that the maternal and child health program may be able to collect funds from some other sources—all right, we hope they do, and to the extent that they can do it, we want that additional money to be used to expand health care services to mothers and to children and not merely to maintain the status quo. That is what we want.

We provided an increase of $20 million over the budget to support comprehensive health planning agencies. Now, as Members will recall, the new health planning legislation was enacted last year that replaces existing programs, such as regional medical programs, the RMP's, and the comprehensive health planning agencies. The law authorizes transition funds to allow the old programs to be phased out gradually or to be absorbed by the new programs. We have provided sufficient funds here to continue support for the existing RMP's and the comprehensive health planning agencies until June 30, 1976, or until the old programs become part of the new health planning agency under the law.

Now, for the emergency medical services, we added $10,400,000 over the budget to restore this program to the 1975 funding level. We can see no reason to cut back a program which has done so much to encourage the States and the localities in developing emergency medical service systems. Certainly, efforts to reduce the number of deaths from accidental cause merit continued support.

We understand that 20 percent of deaths due to traumatic injury and heart attacks can be prevented if adequate emergency medical services were available.

For vocational rehabilitation services, we provide a total of $790,600,000. That is an increase of 55 million over the budget. Now, certainly there is no need for me to tell the Members about the success of this program in preparing physically handicapped persons for gainful employment. We are recommending full funding for the basic State grants and that is $720 million. We cannot do better than that.

We also added $15 million over the budget for the expansion grants, in order to help the States in the rehabilitation of severely handicapped persons and others with very unusual handicaps.

Another program I am sure you have heard about is the Head Start program. By the way, that program is exactly 10 years old. That is one of the more successful of the survivors of the war on poverty. Hundreds of thousands of children have graduated from Head Start on to the elementary school classrooms and they are much better prepared to go ahead with their basic education.

The committee provides $450 million for Head Start. That is $15,750,000 over the budget. I am sure you know also that the amendments enacted this year require at least 10 percent of the Head Start enrollment must be available for handicapped children.

We have added funds to meet these increased costs for the special training and special services required for these handicapped children.

For the Community Services Administration, we provide $399,200,000. That is $36,200,000 over the budget. As the Members know, this is a new agency which replaces the old Office of Economic Opportunity; the Members remember that as OEO. The budget proposed to eliminate funding for the State Economic Opportunity Offices, for senior opportunities, for emergency energy conservation. We, of course, did not agree and we put them back to the 1975 funding level.

For the Community Action Agencies we approved the budget request of $295 million. This is below last year's level, but the law requires the local share of the cost of these programs will be increased. So, there should be no actual cutback. Keep that in mind; this is what we did. The law was designed to work in a way that would increase contributions at the local end. That is the way it is.

The largest appropriation in the bill relates to public assistance. We accepted the budget figure, but we rounded it off to an even $15 billion. That is an increase of almost $1.2 billion over the 1975 appropriation. If that shocks the Members, they should wait until they hear this: I hasten to point out to the Members that this amount may be too low to meet these costs for next year.

Unemployment is now over 9 percent, the biggest since World War II. Welfare rolls are now at a record high number with over 11 million people now receiving aid to families of dependent children—AFDC—over 11 million. Inflation is still with us. We hear there are signs that it is slowing down, but it is still here. We need to keep an eye on this one because it may be necessary to provide a supplemental appropriation for public assistance next year. That is the way it is.

For the social security programs, we generally agree with the budget estimate because most of them, of course, involve mandatory payments anyhow. However, this year we made a reduction of $20 million in the SSI program for aged, blind and disabled. We had a very good reason.

The budget was overstated and the Commissioner of Social Security appeared before us and gave us the information.

The budget assumed an 8.7-percent projected increase in the cost of living, but the actual increase as measured by the latest Consumer Price Index shows an increase of 8 percent. So, the budget for the benefit payments was overstated and we simply had to adjust to it.

There is also a large mandatory appropriation of $250 million for the Railroad Retirement Board, and I will tell the Members about that. This is the first appropriation under the provisions of the Railroad Retirement Act of 1974. One of the purposes was to phase out windfall benefits to persons covered by both the retirement system and the social security system. The annual payments are going to be around a while. The law provides that phaseout will take 25 years.

The bill provides $8.9 billion for the 3 months' transition period. This is the 3-month transition period between fiscal 1976 and the new fiscal year which begins 1977. Under the new budget act, fiscal year 1977 will begin October 1, 1976. It always has been July 1, but now it is October 1. So appropriations are here provided for those programs, those programs which require funds during the interim period. That is what that means.

Mr. Chairman, I have tried to focus attention in this short period of time on what I think are the major elements in the bill. I could spend hours here, discussing the many programs—health, labor, social security, welfare, community services. We could go on, like Tennyson's brook. That would be the title.

There will be some here who will say, "More funds should be added." You are going to hear that. And, of course, there will be others who will say, "Wait a minute. Too much money is already being spent on social programs. No good. They should be cut out, cut back."

We are aware of these divergent views, of course. Certainly, Mr. Chairman, this kind of a bill is not going to satisfy everyone. Houdini could not do that. We cannot do that with this kind of thing.

We believe this is a responsible bill. The Members know us, they know me, they know these Members on both sides of the aisle. The Members can vote for this bill with total confidence, believe me. So I do urge the Members to use some restraint in offering any amendments. Of course, it is easy to get carried away with these labor and HEW programs, but I think the committee bill goes far enough, under all of the circumstances.

Remember, we are nearly $800 million over the President's budget now. Do you hear? Stick with the committee. Pass this bill. Pass this one. And no matter where you come from, or who you are, you can go home to your district and tell your people that you did the right thing.

Mr. MICHEL. Mr. Chairman, I yield myself 15 minutes.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I have a question to ask of the chairman of the subcommittee, and I thank the gentleman from Illinois for yielding. I wanted to ask this question:

The figure of $139.8 billion that the gentleman mentioned, what does that cover precisely?

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Chairman, that figure covers the regular listed line items for the Departments of Labor, Health, Education, and Welfare. Now, those are the regular line items including trust funds.

By the way, when I said, "education," I want to point out that education is not in the bill today, because, as the gentlewoman knows, we did pass that separately. That $7.2 billion for education is in the other bill.

Mrs. FENWICK. But this is the figure the gentleman mentioned that is in this bill, the $139 billion?

Mr. FLOOD. The gentlewoman is correct if you include trust funds and the education appropriation bill.

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from New York.

Mr. KOCH. Mr. Chairman, would it not be appropriate for the National Institute of Occupational Safety and Health, NIOSH, to expand its study of the working conditions of public employees, in view of the large numbers of Federal, State, and local employees now making up the total work force and the unique problems of these employees? Also, Mr. Chairman, is it the intention of the committee that such studies be undertaken and strengthened by NIOSH?

Raising these questions is a letter from the occupational safety and health, OSHA, project director of the mayor of New York City, which I place into the RECORD at this point:

OFFICE OF THE MAYOR,
New York, N.Y., June 18, 1975.

Memo to: Congressman KOCH.
From: Paul Posner, OSHA Project Director.
Subject: Appropriations for Research and Demonstration on OSHA in the Public Sector.

PROPOSAL

Money should be targeted in the FY 1976 HEW-Labor appropriations either for NIOSH in HEW or OSHA in DOL for research and demonstration grants to states, local governments, or private organizations on the working conditions of public employees. HEW or DOL should be directed to earmark a portion of their research and demonstration grants for this purpose.

RATIONALE

Under the Occupational Safety and Health Act of 1970 (PL 91–596), state and local government employees are exempted from OSHA coverage unless a state OSHA plan has been approved by the particular state. In those states that have approved plans, federal planning and operating money (Sections 23a and 23g respectively) has been made available through the states for survey of working conditions and development of safety and health programs in the public sector. Although the costs of compliance with standards are not reimbursable, it was recognized that the imposition of an OSHA-type program on state and local governments poses special administrative and fiscal problems which should be addressed through a federally funded planning effort.

However, many States, including New York, New Jersey, Illinois, Ohio, and Wisconsin, have voluntarily rejected their previous participation in OSHA's state plans programs. Thus, public employees in these states will not be covered at all by OSHA. Due to this exemption, several states including New York, are initiating their own OSHA-type program for the public sector through separate state and local action. New York State recently applied for a federal grant to study safety and health problems in the public sector, but was rejected by the U.S. Labor Dept.

The City would have been in a position to participate in this study and, hopefully, to receive a portion of these funds. The City needs external support in order to study and plan for any changes in our physical plant, work practices, labor relations process, personnel system, employee medical coverage, and our training programs that may be necessitated by federal and state enforcement of an OSHA-type system.

Clear authorization for grants activity in this area is given to both HEW and the Labor Department by Sections 20(a)(4) and 20(c) respectively, of the Occupational Safety and Health Act. Although NIOSH has contracted for several studies of health and safety in the police and fire services, both agencies, especially Labor, have largely neglected the special problems of the public sector. For example, there are no federal or national consensus safety and health standards that apply to hazardous occupations that are unique to the public sector, e.g. police, fire, and sanitation. Yet according to the National Safety Council, the injury frequency rate for municipal employees nationwide is three times that of all other industries.

Mr. FLOOD. Mr. Chairman, if the gentleman from Illinois will yield, I will say I can understand why, coming from that big town of New York, the gentleman from New York would ask the question he has asked, because we all have the same problem. The gentleman has an especially heavy district, heavy in size.

In answer to the question, I would say, yes, but let me put it in this way: I think, instead of getting the answer, "Yes," followed by a period, the gentleman would like to hear this.

I would like to point out to the gentleman from New York that the Occupational Safety and Health Act, as he knows, does not apply directly to the Federal or State or local employees. It does not apply directly. However, in recent years, we have had the National Institute of Occupational Safety and Health, and that Institute has conducted very elaborate studies. They are under the much broader authority of the Public Health Act.

There they have a direct relationship with the public employees of the kind the gentleman is concerned about. For instance, there are dozens of studies that we know about. Let me tell the gentleman about two of those to show exactly what they are doing now.

They have completed a study of the public sector employees. One was a study to develop criteria for the industrial and firefighters' head protective devices. That is a pretty good study.

There was also another study on lead exposure done at the Orlando Police Firing Range.

It is that kind of thing they are doing, all involving public service employees, and it is happening in the National Institute of Occupational Safety and Health.

They are planning to undertake a number of studies, they tell us, on various kinds of mental and physical stress encountered by policemen. They have quite a number of problems, as we can well imagine. That study is underway.

Mr. Chairman, I certainly agree with the gentleman from New York that on the subject of research on the safety and health hazards to which public service employees are exposed, these things need to be strengthened and expanded, and these things are going to be done.

Mr. Chairman, I knew the gentleman would like to hear an answer a little more in detail than just the answer, "Yes."

Mr. KOCH. Mr. Chairman, the gentleman has answered my question, as he always does. I will ask in the House to expand on some of my remarks.

Mr. FLOOD. Yes, I hope the gentleman will do so.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. Michel).

Mr. MICHEL. Mr. Chairman, first may I say that the chairman of our subcommittee, the gentleman from Pennsylvania (Mr. Flood), has done his usual fine job in pointing up the highlights of this bill. I am sure in his extension of remarks it will be in much more detail.

Because of the length and breadth of this measure, I will be making some of the same kind of broadbrush remarks. To get into the finite detail would take several hours.

Before doing so, I just want to say that the Members on the minority side, the gentleman from Massachusetts (Mr. Conte) and the gentleman from Kansas (Mr. Shriver), have been more than happy to work with the majority on the subcommittee. I also wish to pay our particular respects to the fine work of the staff members, to Henry Neil, Fred Pfluger, Bob Knisely, and Nick Cavarocchi.

All four of these gentlemen really see that everything is in order on the subcommittee, do an outstanding job in their own right, and we are grateful for the kind of assistance we get.

Many of us, as the chairman pointed out, attended hearings from January through May, while still trying to carry on our regular input here on the floor during the deliberations that run both morning and afternoon.

Although this appropriation bill appears to be a little bit more than $700 million over the President's budget, I think it should be pointed out that it ignores the fact that this Congress has failed to effectuate $6.9 billion in the President's proposed cut or savings actions. The President has proposed savings of $499 million in maintenance assistance, $610 million in medicaid, $484 million in social services, $3.2 billion by providing a 5-percent cap for the old age, survivors, and disability insurance program, $1.4 billion in medicare, and $85 million in the SSI program.

In addition, the education appropriation bill, which was separated out from this measure earlier in the year and passed by the House, was a whopping $1.2 billion over the budget when it left this body, and who knows how big it will be when the Senate gets through working its will on it.

Consequently, this Congress has no reason, frankly, to be proud of its efforts to control spending when we look at this Labor-HEW area as a whole.

The summary table in the report shows an increase, as the gentleman made mention, of over $720 million over the budget request, most of which falls within the health field. The table also shows a reduction of $4.8 billion from the 1975 appropriation level. However, that figure is somewhat misleading in that it reflects the appropriation of $7 billion in fiscal year 1975 supplemental appropriations for unemployment compensation, most of which will be spent in fiscal year 1976. That begins July 1, within a few weeks.

Using actual outlays, then, for the Department of Labor provides a better indication of expenditure levels, when undertaking such a substitution, we find that total expenditures for the overall bill amount to $42.6 billion in fiscal year 1976 compared with $35.7 billion in fiscal year 1975, for an increase of $6.9 billion.

While the committee bill represents a 16.6-percent increase over the 1976 budget request, I think it is just as appropriate to say that along with that, it is only 6.4 percent over the 1975 spending level.

The chairman indicated, and as a member of the minority and a member of the administration's team, I would fully have to concur, that the 1975 comparison, in many respects, is a much more meaningful benchmark to which we tie any comparative figures because in these very sensitive areas of health and welfare, I think it is a little bit unrealistic, unless we have actually proved a program to be absolutely no good, that we go about scaling back on these programs rather than increasing them, particularly to account for inflation.

The chairman made mention of the fact that the bill would be even larger were it not for those unauthorized pieces of legislation for which we did not appropriate. In other words, there will have to be a new authorizing bill enacted into law, and I suspect then that if that is done before the Senate concludes its deliberations on this measure, there will be add-ons in the other body that will have to be resolved in conference, and then it will be back for another vote here in the House.

However, Mr. Chairman, it might be well for us to touch quickly on those items that are not in the bill but normally would have been except for their lack of authorization.

Just to sketch out a few, in the health services area, we have comprehensive health grants to the States, community health centers, family planning, migrant health, national health service corps, and emergency medical services. These total more than $269 million in budget requests.

If we just take the 1976 budget request in the Preventive Health Services area: Venereal disease control, immunization, rat control, lead-poisoned children, poisoning, the authorization for these programs has to be renewed, that totals nearly $34 million. Then in the National Institutes of Health there is unauthorized training money which totals more than $123 million. For items under alcohol, drug abuse, and mental health, including construction of community centers, drug abuse training, alcohol training, all told there is $177 million of unauthorized items involved there. In the health resources area, health-manpower, capitation grants, startup and conversion assistance, financial distress grants, student assistance and National Health Service scholarships, we are talking about more than $286,158,000.

So there are a number of items, the total list of which we will include in the course of our remarks in the extension, so that the Members will know for sure what we did not address ourselves to, but will have to at a later date when we get authorizing legislation.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Chairman, just for a point of information, what is the total of the items we have not gotten down to, because they are not authorized?

Mr. MICHEL. The total figure is about $1 billion, as I recall, $1.1 billion, the budgeted figure.

Mr. BUTLER. That is the budget request?

Mr. MICHEL. That is the budget request, but there are some items in this where I think, frankly, the budget request is somewhat unrealistic. First, because it follows the pattern of some of these other items that the chairman mentioned, and it is very difficult to defend what they did to the National Institutes of Health, where the budget request comes in at nearly a quarter of a billion dollars under the funding level for the previous fiscal year. That makes it just very difficult to stand up here and defend that kind of thing. If we take the budget proposal at that minimum level, $1.1 billion and probably some add-ons with or without the good judgment of the Congress, we may well total upwards of $1.5 billion.

Mr. BUTLER. If the gentleman will yield further, we can reasonably anticipate when this does come to us, in the appropriation, it will be some, $250 million or so, above the budget request.

Mr. MICHEL. Well, of course, when we get to those, if we treat them on an individual basis, it will give us a clean shot at it. If it comes in by way of add-ons through the Senate, and then a harmonizing of the differences in the conference, as the gentleman well knows, we will either include them through agreement in the conference report or on the disagreeing amendments, we will have a specific shot on those funds that we will disagree on that cannot be harmonized in the conference.

Mr. BUTLER. I am just trying to find out how we will ultimately wind up on this appropriation bill, and I cannot be optimistic about that phase of it.

Mr. MICHEL. Now, going to the Department of Labor, this is spelled out in the report, the Members will see a figure for the 1975 appropriation of $14.1 billion, and then the 1976 budget request of $3,478,703,000, so the amount in the bill is just a little under the budget request, at $3,475,558,000.

One might wonder, offhand, why the significant decrease under fiscal year 1975. I attempted during my earlier remarks to show that those amounts extending unemployment benefits requested in 1975, while appearing in the 1975 budget, actually will not be spent in outlays until fiscal 1976. In order to provide a truer picture of Labor Department expenditures for fiscal 1976 compared with fiscal 1975, I am at this point inserting in the RECORD the Department's projected outlays as of May 30, 1975:

DEPARTMENT OF LABOR FISCAL YEARS 1974, 1975, AND 1976

[Dollar amounts in millions]

	1974	1975	1976	Change 1975 to 1976
Manpower program administration	$89.9	$105.7	$96.8	−$8.9
Comprehensive manpower assistance	1,453.6	2,755.0	3,021.7	+266.7
Community service employment for older Americans		14.0	8.0	−6.0
Temporary employment assistance		300.0	2,200.0	+1,900.0
Work incentives	231.9	222.0	218.0	−4.0
Federal unemployment benefits and allowances	361.9	690.0	1,125.0	+435.0
Emergency employment assistance	505.9	59.2		−59.2
Advances to extended unemployment compensation	−8.5	500.0	497.2	−2.8
Grants to States for UI and ES	891.8	1,219.4	1,149.6	−69.8
Advances to unemployment trust fund		200.0	1,300.0	+1,100.0
Subtotal, manpower programs	3,626.5	6,065.3	9,616.3	+3,551.0
Labor-management services administration	23.5	35.2	41.2	+6.0
Employment standards administration	55.5	76.1	79.7	+3.6
Special benefits	$106.5	$190.0	$230.0	+$40.0
Occupational safety and health administration	69.3	96.0	115.8	+19.8
Bureau of Labor Statistics	47.8	53.7	59.7	+6.0
Departmental management	25.7	30.6	33.3	+2.7
Special foreign currency	.1	.2	.2	
Subtotal, other programs	328.4	481.8	559.9	+78.1
Total, operating funds	3,954.9	6,547.1	10,176.2	+3,629.1
Source of funds:				
Department of Labor:				
Federal funds	2,863.7	5,140.6	8,851.8	+3,711.2
Trust funds	859.3	1,184.5	1,106.4	−78.1
Department of Health, Education, and Welfare	231.9	222.0	218.0	−4.0

I am going to first touch on, as the chairman did, several of the highlights, items that I think probably ought to be touched upon.

With respect to the comprehensive manpower assistance program, I think the chairman very well pointed out with respect to those public service jobs, that, had we not included in the continuing resolution the $1,625,000,000, for those jobs the 310,000 people we currently have on the rolls would simply have fallen off and been added to the unemployment rolls.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MICHEL. Mr. Chairman, I yield myself 10 additional minutes.

Mr. Chairman, those 310,000 now, by virtue of what we did there and the money involved in this bill, will be retained completely through the fiscal year 1976.

There is also $175 million in this section for the Job Corps, and CETA title III has $196 million in here.

I should also mention the fact that we have in this bill added language reaffirming our action taken in the second supplemental prohibiting the payment of unemployment benefits during vacation periods to those teachers who are legitimately employed. Again I would emphasize that what we did in that action was not to deny to teachers unemployment benefits if they are legitimately unemployed, but those who have a contract for the coming school year cannot conceivably be considered as being unemployed during the summer months when normally they would be taking sabbaticals or doing some other kind of work, or simply taking vacations. It was an oversight in the legislation last December when we provided for extended unemployment benefits, and there is a reaffirmation of what the congressional intent is in this particular bill.

Moving on to the Bureau of Labor Statistics, we have in this item $5 million added for expanding the unemployment Current Population Survey, and it will also be used to include questions designed to determine just what impact unemployment today is having on the average family. In other words, it seems likely that with more and more husbands and wives both working, a fact which statistics bear out, the overall impact of unemployment of heads of households would be less than what it might have been 15 or 20 years ago when more heads of households were the sole source of family income. It is noteworthy that according to the latest figures the Bureau of Labor Statistics has on the subject dating back to March of last year, 39 percent of the 4.7 million unemployed at the time were persons in families of households with no other employed person, which suggests that the remaining 61 percent came from families where there was more than one breadwinner in the family. What is the impact of unemployment on these families?

Perhaps it is not as serious as the unemployment statistics would lead us to believe. In how many cases is the head of the household unemployed, but the wife is working? It might be that a wholesale reorientation of our unemployment compensation system would be in order, depending on the actual picture, but for this we need updated information other than what our statistics are providing us.

I am advised that $250,000 will enable the Bureau of Labor Statistics to crank questions on the family impact into their Current Population Survey, and this, as I said, will come out of the $5 million that we have provided here in the bill.

In the area of occupational safety and health, they requested some 350 additional compliance individuals. We cut them down 50 people to a level of 300. I do not believe they need all 350. As a matter of fact I offered a motion in the markup to cut back that figure to 250 but the subcommittee saw fit to reduce that figure only by 50 individuals.

With respect to the related agencies section of the bill we have in here for the Community Action agencies $295 million, for a total of, with the other items in here, $399 million. This item is an increase over the budget of $36 million, but somewhat under the 1975 appropriation figure. The $36 million increase over the budget does concern me because I am afraid we may be moving in the direction of anchoring this agency and its programs in concrete before the President has the opportunity to submit his reorganization plan transferring those programs to the Department of Health, Education, and Welfare. I am hopeful the plan will be submitted shortly.

Of particular concern is the increase over the budget of $16½ million for energy conservation programs.

It is my understanding that there has been some disagreement among Members as to whether or not that ought to be in the Federal Energy Office. Initially when this action was proposed by the administration, it was opposed by some significant Members who have to do with that legislation on the legislative side, but it is my understanding now that they are in agreement, and that the Housing Subcommittee of Banking and Currency has reported out legislation placing these programs under FEA. It may thus be that we ought to delete this item from the CSA appropriation at this time, though perhaps administratively we might be able to accomplish the same purpose.

In the National Commission on Libraries and Information Service, there was a request for four additional people. They have only four. The committee denied those four additional people. I am not altogether sure that was proper. I must confess some of us in setting up these commissions were concerned that most of them were designed to try to figure out new and additional ways to get their hand into the Federal till or to put us over the hoops in requesting more money, but I find on further investigation that some of these things that the Commission currently is talking about are ways of saving money between the Federal and State and local units of government that are involved in libraries; in other words how can they avoid duplication when one good pattern could suit the purposes of all? So, as I said, while the budget request was denied I have some reservations about our having denied those four additional people.

At this point, I am inserting in the RECORD a discussion of the individual agency allocations for the Department of Labor and related agencies, item by item:

LABOR DEPARTMENT

MANPOWER ADMINISTRATION PROGRAM ADMINISTRATION

1975 appropriation	$95,674,000
1976 budget request	96,304,000
Amount in bill	96,498,000
Increase over budget	188,000

The total in the bill reflects an increase of $810,000 over the budget for the restoration of 100 of the 270 positions proposed for elimination. This reduction of positions proposed in the budget largely involves the continued implementation of the Comprehensive Employment and Training Act and its emphasis on decentralization of authority to local prime sponsors. With the unemployment picture being what it is, however, the Assistant Secretary indicated during our hearings that the full budget reduction would make things a little tight, and so we are proposing to reduce the reduction by 100 positions.

Offsetting this increase in funding is a decrease of $616,000 in the standard level user charges paid to GSA.

Of the total in the bill, $66,632,000 represents general funds, and $29,866,000 is authorized to be expended from the unemployment trust fund.

COMPREHENSIVE MANPOWER ASSISTANCE

1975 appropriation	$2,852,450,000
1976 budget request	2,394,400,000
Amount in bill	2,388,400,000
Decrease from budget	6,000,000

The amount included in the bill accepts the budget request of $1,580,000,000 for title I, which will result in an increase of 58,000 in the number of man-years of training provided in 1976 over 1975.

Also accepted is the budget request of $400,000,000 for title II—Public Service Employment. This amount, coupled with the proposed supplemental of $1,625,000,000, for public service jobs under title VI, and an estimated unexpended balance of $610,000,000, will result in a total availability for public service jobs in 1976 of $2,635,000,000, providing 310,000 jobs through June 30, 1976.

The title III amount in the bill of $196,960,000 reflects a reduction of $6,000,000 from the budget, all from the $12 million requested for "target group model development." The testimony on behalf of the latter was rather weak, thus resulting in the cutback.

The budget request of $175,000,000 for the Job Corps is accepted in the bill.

The decline from the 1975 level represents the absence of summer youth employment funds for the summer of 1976, for which consideration is being deferred.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

1975 appropriation	$2,365,000,000
1976 budget request	410,000,000
Amount in bill	410,000,000

The Labor Department estimate as of May 30 is that outlays under this category will be $690,000,000 in fiscal year 1975 and $1,125,000,000 in fiscal year 1976, for an increase of $435,000,000 in 1976 over 1975.

We have again added language under this section in the bill reaffirming our action in the second supplemental prohibiting the payment of unemployment benefits during vacation periods to those teachers who are legitimately employed.

GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE SERVICES AND EMPLOYMENT SERVICES

1975 appropriation	$1,242,300,000
1976 budget request	1,069,000,000
Amount in bill	1,137,600,000
Increase over budget	68,600,000

Of the total in the bill, $81,300,000 represents the appropriation, and the remainder comes from the trust funds.

The budget request of $575,400,000 for the State unemployment insurance programs is contained in the bill, all from the trust funds.

For the employment service, the bill increases the budget request by $68,600,000. Of this increase, $7,300,000 represents appropriated moneys, and the remainder trust funds, bringing the total for the Employment Service to $562,200,000. $48.6 million of the increase would restore the fiscal year 1974 man-year level of 30,000 in the local offices. The Department has been reducing the personnel level, arguing that improved management procedures will more than make up for the reduction in personnel. Ordinarily, I would be inclined to go along with the Department in this regard, as improved efficiency is certainly a goal we should all be pursuing, particularly when tax dollars are at stake. However, in view of the current unemployment rate, and in the absence of any solid evidence from the Department that a sufficient level of service is being and will be provided, now is probably not the time to arbitrarily reduce the personnel level. I do hope, however, that the Employment Service will continue with its management improvements in order to enable us to perhaps reduce the personnel level when the economic situation improves.

The remaining $20 million of the increase over the budget is designed to enable the Employment Service to expand its computerized job-matching systems in both urban and rural areas.

LABOR-MANAGEMENT SERVICES ADMINISTRATION

1975 appropriation	$36,845,000
1976 budget request	42,000,000
Amount in bill	41,232,000
Decrease from budget	768,000

The reduction from the budget request is comprised of $100,000 in reduced travel costs, $268,000 in reduced standard level user payments, and $400,000 in reduced costs for annualizing 350 new positions allotted in 1975, the latter due to a slower recruitment rate than anticipated.

EMPLOYMENT STANDARDS ADMINISTRATION

1975 appropriation	$76,116,000
1976 budget request	79,715,000
Amount in bill	81,560,000
Increase over budget	1,845,000

The increase over the budget stems from a refusal to go along with the administration's proposed language assessing industry for administrative expenses in connection with the Longshoremen's and Harbor Workers' Compensation Act. The language is not authorized and is thus subject to a point of order. This action by the committee necessitates the restoration of 106 positions, at a cost of $2,278,000. Offsetting this is a reduction of $443,000 for reduced standard level user charges.

SPECIAL BENEFITS

1975 appropriation	$165,000,000
1976 budget request	201,000,000
Amount in bill	201,000,000

This category includes payments for Federal Employees' Compensation Act benefits, black lung benefits, and longshoremen's and harbor workers' compensation benefits.

A higher than normal transition allocation of $70,000,000 is provided because of anticipated increases in medical benefits resulting from expected increases in the Consumer Price Index, and the expected Federal pay increase in this fall.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

1975 appropriation	$102,006,000
1976 budget request	116,025,000
Amount in bill	108,241,000
Decrease from budget	7,784,000

The reduction from the budget request results in the main from a reprogramming request sent to us on May 30 by the Department. Because several States—Illinois, New York, and New Jersey—have withdrawn from the State grant program, $12,900,000 additional dollars will be freed up.

The Department proposed using the money to add 350 new field compliance positions, $8,300,000, to provide a community college training program for employers and employees, $2,700,000, and to increase funding for safety and health standards, $1,500,000, and safety and health statistics, $400,000.

We have reduced the number of new positions to 300, because of the feeling that the number requested was excessive, and have cut the annualization costs, resulting in a total reduction of $4,750,000. Additionally, we denied the request for the training program, on the basis that no hearings have been held on it and no detailed justification has been provided. The idea of providing additional advice and consultation merits additional consideration, though, and I hope the Department will come back before us with their recommendations. On this note, I am disappointed with the slow progress the Department has been making in implementing the State consultation program we adopted as part of the Labor-HEW bill last year; $5 million is included in the OSHA allocation here for this program, and I hope we can move ahead in a more rapid fashion in getting it going and encouraging the States to participate.

BUREAU OF LABOR STATISTICS

1975 appropriation	$54,422,000
1976 budget request	61,683,000
Amount in bill	64,846,000
Increase over budget	3,163,000

The substantial increase here over last year's allocation and the budget is undertaken because of the financial impact of much of the information developed by BLS. This includes the so-called comparability studies of salaries in private industry which are used to justify Federal salaries, and the unemployment statistics which determine the distribution of CETA funds and the payment of extended unemployment benefits. The funds provided in the bill will expand both of these areas in order to give us a better reading.

The $5 million added for expanding the unemployment current population survey will also be used to include questions designed to determine just what impact unemployment today is having on the average family, an item which I discussed earlier.

DEPARTMENTAL MANAGEMENT

1975 appropriation	$31,159,000
1976 budget request	34,123,000
Amount in bill	33,178,000
Decrease from budget	945,000

The reduction in the budget request results from a cut of $162,000 to reflect a slower recruitment rate for the 13 new positions for the Office of Equal Employment Opportunity, a reduction of $500,000 in the annualization cost of 60 new jobs for carrying out the Trade Act, and a cut of $283,000 in the standard level user charge payment.

SPECIAL FOREIGN CURRENCY

1975 appropriation	$200,000
1976 budget request	200,000
Amount in bill	70,000
Decrease from budget	130,000

The reduction in the budget request reflects the amount expected to be unobligated on June 30. The carryover of this amount, together with the $70,000 appropriation, will provide a $200,000 program level for fiscal year 1976.

RELATED AGENCIES

ACTION

1975 appropriation	$100,000,000
1976 budget request	101,574,000
Amount in bill	101,313,000
Decrease from budget	261,000

The bill goes along with the budget except for the following items:

A total of $2,357,000 is added to the Foster Grandparents program to bring it up to the fiscal year 1975 level.

The special volunteer program is reduced by the same amount in order to offset the increase. The feeling in committee was that the Foster Grandparents program was a proven success and this should receive a higher funding priority than the relatively untried special volunteer program.

Travel costs are reduced by $147,000.

The standard level user charge payment is reduced by $114,000.

COMMUNITY SERVICES ADMINISTRATION

1975 appropriation	$507,700,000
1976 budget request	363,000,000
Amount in bill	399,185,000
Increase over budget	36,185,000

BREAKDOWN OF CSA ALLOCATION

[In thousands, fiscal years]

	1975	1976 request	1976, amount in bill
Research, demonstration and evaluation	$8,800		
Community action agencies	330,000	$295,000	$295,000
State economic opportunity offices	12,000		12,000
Senior opportunities and services	10,000		8,000
Emergency energy conservation	16,500		16,500
Emergency food and medical services	22,400		
National summer youth sports program	3,000		
Summer recreation program	15,300		
Community economic development	61,000	39,000	39,000
Program administration	28,700	29,000	28,685
Total, CSA	507,700	363,000	399,185

The $36 million increase over the budget concerns me, because I am afraid we may be moving in the direction of anchoring this Agency and its programs in concrete before the President has the opportunity to submit his reorganization plan transferring those programs to HEW. I am hopeful such a plan will be submitted shortly.

It is encouraging that we are at least beginning a phaseout of the senior opportunities and services program, which overlaps other programs benefiting the elderly, particularly under the Administration on the Aging. Also encouraging is our decision not to fund the emergency food and medical services program. According to testimony by CSA officials before our subcommittee, most of the money under the program has been used to recruit people for the food stamp program, and this is clearly not what the program was established for.

I should mention that the Community Action agencies allocation is a decrease from the fiscal year 1975 level, due to the requirement in the authorizing legislation that the Federal share of the costs decline over a period of 2 years, fiscal year 1976 being the first.

Finally, it should be noted that CSA tried to slip through a change in the poverty index which would have added nearly 1.3 million people to the defined poverty population, and a change using current monthly income rather than prior annual income for eligibility purposes, which would have made 500,000 to 1,000,000 more people eligible for CSA programs. These two changes, undertaken without the OMB approval required by law, would have had the effect of making some 2,000,000 more people eligible for CSA programs, at the expense of those most in need of these programs. After we raised this issue in subcommittee, CSA subsequently backed down and has deferred to the OMB standard, but I bring up the issue here because I feel the Members ought to be aware of what CSA has been up to. This only reenforces the urgency for the administration to move expeditiously to come forth with a reorganization plan placing CSA under the authority of HEW.

An interagency task force under the direction of OMB is currently at work studying the poverty index guidelines in an effort to determine whether any revisions are in order. This is the proper way to proceed, rather than each agency undertaking unilateral action, and I would hope that the task force recommendations will be made available to us in Congress so that we have a chance to review them before they are effectuated.

FEDERAL MEDIATION AND CONCILIATION SERVICE

1975 appropriation	$16,245,000
1976 budget request	18,250,000
Amount in bill	17,704,000
Decrease from budget	546,000

The reduction from the budget includes $412,000 saved by allowing 40 new positions rather than the 76 requested for the increased workload resulting from the extension of coverage of the National Labor Relations Act to private nonprofit hospitals and health care facilities.

The remainder of the decrease from the budget is accounted for by a reduced standard level user charge payment.

The bill includes the budget request for 50 additional temporary positions for health care boards of inquiry designed to avert strikes and work stoppages.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

1975 appropriation	$409,000
1976 budget request	502,000
Amount in bill	409,000
Decrease from budget	93,000

The reduction from the budget is accounted for by the denial of a four-position increase requested in the budget.

NATIONAL MEDIATION BOARD

1975 appropriation	$3,236,000
1976 budget request	3,105,000
Amount in bill	3,405,000
Increase over budget	300,000

The increase over the budget is due to a denial of the request for special appropriation language which would prevent the Board from paying more than 75 percent of the cost of arbitrating railroad grievances under section 3 of the Railway Labor Act. The total charge to labor and management had the language been accepted would have been $300,000. The general feeling was that a legislative step such as this should not be undertaken in an appropriation bill.

NATIONAL LABOR RELATIONS BOARD

1975 appropriations	$62,669,000
1976 budget request	68,499,000
Amount in bill	67,461,000
Decrease from budget	1,038,000

The bill allows 50 of the 97 new positions requested, resulting in a reduction from the budget of $460,000. Other reductions include $150,000 from the allotment for travel expenses and $428,000 for a reduced standard level user charge payment.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

1975 appropriation	$5,512,000
1976 budget request	5,675,000
Amount in bill	5,638,000
Decrease from budget	37,000

The budget reduction is accounted for by a reduced payment of standard level user charges. On the rest of the items, the bill goes along with the budget.

RAILROAD RETIREMENT BOARD

PAYMENTS TO RAILROAD RETIREMENT TRUST FUNDS

1975 appropriation	$3,516,000
1976 budget request	250,000,000
Amount in bill	250,000,000

This is the initial due bill resulting from a provision in the Railroad Retirement Act adopted last year which would phase out the so-called windfall or dual benefits received by persons covered by both the Railroad Retirement System and the Social Security System. The Federal Government is assuming the bill in this regard, and will have 24 more similar annual payments to make, at an approximate total cost of $6,250,000,000.

REGIONAL RAIL TRANSPORTATION PROTECTIVE ACCOUNT

1975 appropriation	----------
1976 budget request	$55,100,000
Amount in bill	37,600,000
Decrease from budget	17,500,000

This money represents payment of benefits to employees who are adversely affected by the establishment of the northeast and midwest rail system provided for by the Regional Rail Reorganization Act of 1973. The budget request assumes payments will be made for approximately 8 months in fiscal year 1976, but it was the feeling in committee that the final reorganization plan will not go into effect that soon. Consequently, the bill provides for only 6 months of such payments, which accounts for the reduction from the budget.

LIMITATIONS ON SALARIES AND EXPENSES

1975 appropriation	$25,758,000
1976 budget request	29,703,000
Amount in bill	28,703,000
Decrease from budget	1,000,000

These funds come from the railroad retirement trust fund, and the decrease from the budget represents a reduced standard level user charge payment.

SOLDIERS' AND AIRMEN'S HOME

1975 appropriation	$15,391,000
1976 budget request	15,665,000
Amount in bill	15,665,000

The bill goes along with the budget on this item.

Mr. Chairman, the money appropriated for health services includes activities which support the provision of personal health care services directly to Federal beneficiaries, or, indirectly for other population groups through project and formula grants.

The largest increase went into the community services activities. The bill included an increase over the budget of $77,029,000 for maternal and child health, bringing that total appropriation to $288,451,000. While under the 1975 appropriation by $6,427,000, the money provided should be enough when combined with some support from third party reimbursement used to expand the delivery of health care services to mothers and children, to support the goal of this program of providing comprehensive health care to mothers and children who might otherwise not receive services. Research grants are awarded to improve maternal and child health or crippled children's services and to study the effectiveness of such programs. We have received substantial mail supporting this particular activity and would hope that this increase will be adequate to continue the worthwhile programs sponsored by this activity.

The health maintenance organization program is designed to demonstrate the feasibility of health maintenance organizations. The committee is providing the budget request of $18,612,000 for this activity. Out of this appropriation, loans will be awarded to about 10 projects entering initial operations as HMO's bringing the total number of HMO's brought into operation in 1976 through Federal assistance to about 20.

The quality assurance program is designed to assure that health care services provided under the medicare, medicaid, title V, and other Federal programs are medically necessary and furnished in the most economical manner consistent with recognized progressional standards of care. This is accomplished through medical care standards, for which the committee provided $6,537,000 or a budget increase of $2,000,000. We also provided the budget request of $50,145,000 for the professional standards review organizations.

The $121,468,000 for patient care and special health services is an increase of $6,000,000 over the budget. This program provides direct and contract health care to the 500,000 legal beneficiaries of the Public Health Service. Major beneficiary groups are American seamen, personnel and dependents of the Coast Guard and Public Health Service Commissioned Corps, Federal employees' compensation cases, persons with Hansen's disease, and partcipants and certain spouses and children of participants in the Public Health Service study of untreated syphilis initiated in 1932. On a reimbursable basis, care is also provided to foreign seamen, beneficiaries of other Federal agencies, and community programs.

Due to the impressive results of the emergency medical services program, the committee is providing an increase of $10,425,000 over the budget, or a total of $32,125,000.

The program supports demonstrations in the arrangement of personnel, facilities, and equipment for the effective and coordinated delivery of emergency health care services. These moneys will provide for feasibility studies and planning, the establishment and initial operation of emergency medical services systems, awards for the expansion and improvement of existing systems, and support for research programs in emergency medical techniques, methods, devices, and delivery.

My own State of Illinois was a leader in developing this type of program and, in fact, has been able to reduce deaths from traumatic injury by 29 percent.

The other increase over the budget was $2,500,000 for program direction. This brings that total appropriation to $32,069,000. The increase will be used to restore positions with the hope that management of these programs will be improved.

The Center for Disease Control funds programs to prevent and control diseases, improve the performance of clinical laboratories, and assure safe and healthful working conditions.

The committee's provision of $107,115,000, an increase of $7,514,000 over the budget and an increase of $11,117,000 over the comparable 1975 appropriation will provide adequate funding to maintain current program levels and to provide expansion in several areas.

It should also be remembered that over 25 percent of the funding for the activities for CDC, the disease control project grants were not considered due to lack of current authorization, so a request for an additional $33,710,000 will be considered at a later date, after the Congress has acted on the authorizing legislation.

Although project grants have not been authorized, several disease control programs are included in this bill. There is $10,601,000, an increase of $612,000 over the budget and an increase of $1,028,000 over the comparable 1975 appropriation for laboratory improvement, an activity designed to improve the diagnostic competence of 16,000 laboratories through the standardization of laboratory methodology, the provision of technical assistance, and the licensure of clinical laboratories in interstate commerce.

The $3,013,000 requested in the budget and recommended by the Committee for Health Education will be used to help coordinate programs to improve health through public education.

We have also provided a substantial increase of $6,852,000 over the budget request and an increase of $7,037,000 over the comparable 1975 appropriation for a total of $39,033,000 for occupational health. The National Institute for Occupational Safety and Health provides the research base for efforts to assure healthful and safe working conditions. Research grants are used to complement the Institute's efforts and include such things as research in coal workers pneumoconiosis, noise and its effect on human performance and behavior, the various effects associated with handling asbestos, agriculture safety, occupational health in small industries, and occupational hazards of laser material processing.

Training grants are used at educational institutions to support programs and curricula development designed to prepare qualified researchers, administrators, teachers, professional, and other practitioners, in all aspects of occupational safety and health subject matter. The Institute also develops criteria for occupational safety and health standards, and provides technical services to government, labor, and industry, including training in the recognition, avoidance, and prevention of unsafe or unhealthful working conditions and the proper use of adequate safety and health equipment.

And although the budget request contained no appropriation for buildings and facilities, the committee is recommending $1,100,000 for planning a suitable facility for the research activities of the National Institute of Occupational Safety and Health presently located in Cincinnati, Ohio.

In summary, the bill includes the following for those items authorized under the Center for Disease Control:

Activity	1976 budget	1976 bill	Compared to budget
Disease control:			
Laboratory improvement	$9,989,000	$10,601,000	+$612,000
Health education	3,013,000	3,013,000	----------
Disease surveillance	43,429,000	43,329,000	----------
Occupational health	32,181,000	39,033,000	+6,852,000
Program direction	10,989,000	10,439,000	−450,000
Buildings and facilities	----------	1,100,000	+1,100,000
Total	99,601,000	107,115,000	+7,514,000

Skipping over to NIH, here we have an increase of $379 million over the budget, which the chairman made mention of. I think we have got to keep in mind that health outlays have increased more than 40 percent above and beyond inflation increases in the past several years. Research has increased by about 25 percent during the past 5 years alone. Unfortunately results in health research cannot be guaranteed in terms of dollars spent, so I think we must be cautious in our expectations when we talk about this budget, what we want to accomplish, and how much we are going to spend. Our bill, I think, provides a substantial amount for these items and will enable the Institutes to fund a number of new initiatives during the coming year.

Just by way of comparison of a few figures here, funding of NIH research institutions has increased from $1 billion in 1970 to $1.9 billion in fiscal year 1975. Of course our new figure in this item is $2,009,000,000.

We have a significant increase in here for Cancer. There is $116 million over the budget request. In Heart and Lung, there is $57 million over the budget request. All other Institutes are $96 million. As the chairman pointed out, the rule of thumb was to take all institutes, add 10 percent as an inflation factor, and that turns out to be the figure.

Now, of course, cancer being the biggest recipient in years past with a percentage increase gets the biggest increase. Heart and lung being the second largest institute, gets the next largest.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MICHEL. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, conceivably we can find some of the less popular, not so clearly identifiable institutions, I think over an extended period of years being short changed unduly by that system of percentage of add-ons.

It kind of reminds me of the times we were talking about postal raise increases and the postmasters at the top, on a straight percentage increase, were always given the balloon increases. The poor letter carriers at the bottom were getting the least. Frankly, they were the ones that needed it the most. There is a similarity here and a danger of adding on to each institute on a percentage basis, but that conceivably will be altered in the other body.

The committee agreed to the budget request of $28,848,000 for the National Library of Medicine which maintains two basic kinds of operations.

The NLM provides medical library assistance in the form of support to develop facilities and techniques for collecting, processing, storing, and retrieving biomedical information in the Nation's medical libraries. In fiscal year 1976, $6,333,000 will be spent on this type of assistance.

Direct operations include the Lister Hill National Center for Biomedical Communications. This research and development center's purpose is to explore the potential application to biomedical communications of the latest relevant technology, including microwave, cable TV, computer-assisted instruction and simulation, and satellite relay networks; $2,710,000 will be used for this area.

Another $2,981,000 will go to the National Medical Audiovisual Center which is responsible for promoting the use of biomedical literature and provides bibliographic and reference services through a network of regional and local medical libraries.

The library needs $10,234,000 to carry out its function of acquiring and maintaining an archival and reference collection of biomedical literature and provides bibliographic and reference services through a network of regional and local medical libraries.

The toxicology information program, a computer-based toxicology information storage and retrieval system relates information concerning the nature of poisons, their detection and treatment and subsequent effects on man and his environment, will cost $1,846,000 in fiscal year 1976.

The research management and program services will cost another $4,711,000.

Regarding NIH—buildings and facilities in addition to the $3,000,000 budget request for building improvements and modifications, the committee added a total of $90,000,000 in the bill. Included is $26,000,000 for construction of the Lister Hill Center out at the National Library of Medicine and $64,000,000 is included for the total cost of constructing a permanent research facility for the National Institute of Environmental

Health Sciences, which is presently occupying temporary facilities.

It is hoped that undertaking this construction as soon as possible will forstall increased costs at a later date.

Regarding the $26 million added for a facility for the National Library of Medicine on the NIH campus, considering the tightness of money this year, I do not feel this is really warranted. This facility has ranked fourth in the NIH building priorities and although additional space is needed within the Library of Medicine, expenditure of $26 million for a new specialized facility is not justified at this time.

I also want to express my concern, at this point, regarding the $64 million added by the Committee for a new facility at the Research Triangle Park, N.C., to house the National Institute of Environmental Health Sciences. A report on "Utilization of Federal Laboratories," done in March 1974, by the survey and investigation staff of the House Committee on Appropriations concluded that the current environmental health sciences facilities were underutilized and would provide enough growth potential to accommodate the Institute's programs in the near future. Nothing has changed in the last year to effect this assessment as far as I know. If the existing facilities are presently adequate, I question the need to construct a new facility at this time.

For the Office of the NIH Director, this appropriation has been reduced from the budget request by $374,000, which is 10 percent of the amount included in the budget request for standard level user charge payment to the General Services Administration.

The Office of the Director provides overall executive and program direction, and supporting services relating to program planning and evaluation, scientific and public information, financial management, personnel management, management policy and review, and grant and contract management and analysis.

In the areas of alcohol, drug abuse, and mental health, here is one of those items that, for example, in 1975 was $619 million. The budget request was $476 million, so we have to show an increase over the budget in this bill of $81 million, or $61 million over the spending level for 1975.

Now, while I do not like the increase in the budget request, I think in that area of alcohol, drug abuse, and mental health, it is just inconceivable that we are going to be able to scale back or cut back significantly, let alone hold the line and provide some reasonable increases.

The committee increased the budget request for mental health research by $12,719,000 for a total of $92,908,000. This activity includes all of the National Institute of Mental Health's research efforts utilizing grants and contracts or carried on directly by Institute staff in Government-owned facilities on the campuses of the National Institutes of Health and St. Elizabeths Hospital.

Only part of the training funds are authorized. The training program includes funds to support the Institute's training grant and fellowship programs. Except for postdoctoral research fellowships based upon merit in selected shortage areas, the budget reflects phaseout of the training grant program. The committee bill increases the budget request for authorized training money by $30,000,000 to a total of $60,266,000. Another $15,134,000 in the budget request was not considered because it lacked authorization.

The committee is recommending the budget request of $160,143,000 for community programs which includes the staffing of community mental health centers and the staffing of facilities which provide specialized treatment to children. Construction activities were not authorized when the budget was considered.

We are also providing an increase of $2,000,000 over the budget, or $22,274,000 for management and information. This activity supports the staff and related costs necessary to administer the extramural research and training programs, as well as headquarters staff who direct the community mental health centers program. This activity also supports biometry studies and information activities.

The committee bill increases drug abuse research by $2,398,000 over the budget, bringing the total to $34,000,000. New knowledge on the causes, diagnosis, treatment, control, and prevention of drug abuse is obtained extramurally through grant and contract support of basic, clinical, and applied research, and intramurally through research at the National Institute on Drug Abuse's Addiction Research Center.

The bill also includes a $7,000,000 increase for training, though $3,954,000 less than last year. This amount, $9,803,000 will provide for a gradual phaseout of Federal funding.

Of the $11,836,000 requested which was authorized for community project grants and contracts, the committee recommended the budget amount.

The committee also recommended the budget request of $14,294,000 for management and information. Support is provided for Institute staff to plan, coordinate, and analyze Federal drug abuse programs. The drug abuse information program seeks, on a priority basis, information on the extent of drug abuse and availability of treatment.

The increase of $1,961,000 to a recommended level of $11,008,000 for research will provide funds for the program which is carried on through research grants and contracts, and the intramural research program of the National Institute on Alcohol Abuse and Alcoholism.

The Committee recommends the budget request of $6,067,000 for the training which has already been authorized. The activity is carried out through the training grant and fellowship mechanisms. The budget reflects a reliance upon postgraduate research fellowship awards, based upon merit, in selected shortage areas and a phaseout of the training grant program.

The increase of $19,457,000 provided for community project grants and contracts brings that appropriation to $64,908,000. This activity provides support for demonstration prevention, education and treatment activities at the community level, and the formula grant program which allocates funds to the States for the development of alcoholism prevention, education and service activities.

For the grants to States, the committee is recommending an increase of $6,400,000 over the budget, or $52,000,000.

The bill recommends the budget request of $7,143,000 for management and information and recommends a decrease of $560,000 from the budget request for program direction, for an appropriation level of $11,004,000.

While the bill increases health resources funding by $35,380,000 to a total of $360,709,000, another $286,158,000 is unauthorized and will have to be considered later. The unauthorized items consist of the bulk of the health manpower programs, particularly institutional assistance for the health professions and nursing, some nursing student assistance, public and allied health, special educational programs and health teaching facilities construction.

Of the authorized items, we are recommending the budget request for national health statistics of $25,636,000, an increase of $3,639,000 over the 1975 appropriation. We are also increasing the funding for health planning and resources development by $20,000,000 for a total of $86,000,000.

Once again, the House committee has added on money for the regional medical program and for comprehensive health planning. In this case, it was a $20 million add-on. The 1975 second supplemental appropriation, enacted only 2 weeks ago, provided $50 million for RMP and $29.4 million CHP.

The new National Health Planning and Resources Development Act specifically called for the phaseout of these two programs and the House committee has again appropriated funds to continue their existence. There is more than sufficient money already provided to support the cost of transitional or phase out operations of RMP and CHP agencies, and I am concerned that continued support of these old programs seriously jeopardizes efforts to implement the new health planning program. I would hope we will get on with the job of implementing the new program and allow these old programs to reach their conclusion.

The committee is also recommending the budget request of $26,000,000 for health services research and evaluation, this is below the 1975 level by $2,659,000. The National Center for Health Services Research conducts research to improve the organization, delivery, quality, and financing of health services.

For 1976 the Center has identified a number of research areas requiring immediate and substantial investigation. Those include: First, the development of new approaches to increasing productivity and reduce costs in the health sector; second, planning and regulation methodology; third, quality of care; fourth, nonphysician manpower; and fifth, chronic illness. The center has also continued the phaseout of research training activities begun in 1973.

In the health manpower field, the committee agreed to the budget request of $27,342,000 for student assistance in the health professions; they agreed to the budget request of $15,500,000 for nursing student assistance. In addition, the committee is giving the District of Columbia medical facilities the manpower assistance they requested of $9,050,000, which is an increase of $1,550,000 over the 1975 and is that full amount over the budget since no funds were requested for this item.

In addition to providing the $100,000,000 for medical facilities construction as requested in the budget, the committee is recommending that $7,575,000 in special funds be added for completion of Children's Hospital in the District of Columbia and for construction of parking facilities for the Georgetown University Concentrated Care Center.

A funding level of $50,648,000 for program direction lowers that estimate by $1,245,000 from the budget request. The reduction reflects a decrease for SLUC payments and for positions already disallowed by the committee.

For the Assistant Secretary for Health budget, the committee reduced the payment to GSA and thus reduced the budget request by $146,000 to a level of $23,142,000.

This activity provides the overall management capability to administer the decentralized health programs of the Public Health Service. This account includes the headquarters Office of Regional Operations, a staff office of the Assistant Secretary for Health, and the core staff of the regional health administrators, the principal health officials in the regions. In addition, it provides staff support for the guidance and management of the Public Health Service agencies. This activity also involves policy development for and coordination of the programs of the Department regarding professional standards review organizations, quality assurance, and health care standards.

The bill includes a rounded figure of $15 billion for public assistance, which is $915,000 over the budget request. This is an increase of $1,159,000 over the 1975 comparable appropriation.

The bill also includes the budget request of $330 million for work incentives.

The bill reduces salaries and expenses for SRS by $1,183,000, leaving a budget of $57,878,000 which is still an increase of $6,365,000 over the amount available for fiscal year 1975. The decrease is as follows: $300,000 for standard level user charges; $383,000 for travel; and $500,000 to cut the proposed increase for project contracts in half.

The amount included in the bill for payments to social security trust and other funds is $4,123,363,000. This amount is a decrease of $39,939,000 from the budget request and represents the amount requested for the standard level use charge which is paid to GSA but which the committee feels is excess of the actual cost of space and services. Of the money provided for trust fund payments, the social security covers payments for the Federal payments for supplementary medical insurance, hospital insurance for the uninsured, military service credits, and special payments for certain uninsured persons.

The bill also includes the budget request of $999,778,000 for benefits under the black lung program. While the balance of the request is necessary to make the benefit payments, the administrative costs for 1976 are estimated at $12,778,000. The special benefits for disabled coal miners program is expected to continue at approximately the same level as attained at the end of 1976. Under present law, no program expansions or new program initiatives are anticipated.

The supplemental security income program is funded at a level of $5,518,523,000 which is a decrease from the budget request of $20 million. The committee reduced the request because of updated information on projected cost-of-living increases of 8 percent rather than the 8.7 percent estimated in the budget request.

The SSI program was established effective January 1, 1974, as a supplemental security income program for the aged, blind, and disabled. This program replaced State-administered programs of assistance to the aged, blind, and disabled which were aided by Federal grants from the appropriations to the Social and Rehabilitation Service. The supplemental security income program provides a minimum income of $146 per month for an eligible individual and $219 per month for a couple, both of whom are eligible. Public Law 93-368 enacted August 7, 1974, requires that when social security benefits are automatically increased based on a cost-of-living computation, supplemental security income benefits will be increased by the same percentage.

The total appropriation for the Office of Human Development is $95,367,000 over the budget, or a total of $1,500,049,000.

The committee increased the Headstart program by $15.7 million, bringing that appropriation to a total of $450,000,000. In 1976, the child development program will continue to focus attention on the improvement and innovation efforts to convert Headstart into a more flexible system for delivering services that are both cost effective and responsive to the real needs of children, and to improve local capacity to plan and manage children's services. An increase over last year is necessary to provide special services to 38,000 handicapped children enrolled in Headstart.

The budget estimates includes money to cover the increased costs of enrolling handicapped children.

Because of the lateness funds were received in fiscal year 1975—they have not been received yet—much of the increase added by the Congress in the fiscal year 1975 appropriation will have to be spent on fiscal year 1976 programs. These 1975 funds can be used to cover 1976 cost-of-living increases.

The committee bill recommends the budget request for both research and demonstration projects, $15.7 million and for the run-away youth program, $5,000,000.

An additional $25.4 million over the budget request for a total of $125 million for the nutrition program for the aging is also included in the bill. The administration believes there is enough money in the budget request to maintain the $150 million program level mandated by the Congress. It would mean that HEW would have to change the rate at which it makes funds available for programs in the 1976 fiscal year, but they feel this is a realistic goal with the budget level.

The $720 million for grants to States for basic vocational rehabilitation services is an increase of $40 million over the budget request and the full amount authorized for this item. A priority goal of the basic State grants program which constitutes the major portion of the rehabilitation program, is to provide services to the severely handicapped. Special projects provide the resource for specialized programs, services, studies, and activities over and above those possible under the basic State grants program. Although no budget request was made, the committee added $15,000,000. It would seem that the States would have the flexibility to meet these needs from the increase provided for basic State grants since it is a substantial amount and at full authorization.

The $20,000,000 requested and approved for rehabilitation research will enable the program to shift project activities so that they are more relevant to State needs, and emphasis will be placed on projects related to the severely handicapped.

The $22.2 million provided for rehabilitation training will be used to train an increasing number of students qualified to provide skilled rehabilitation services to severely handicapped individuals such as the blind, the deaf, the spinal cord injured, and those with end-stage renal disease.

The bill includes $18,500,000 for rehabilitation service projects for the developmentally disabled. This program assists persons with mental retardation, epilipsy, cerebral palsy, and other neurological disabling conditions. Approximately 48,000 individuals will receive services under this program.

The $32,000,000 approved for special programs for Native Americans.

The salaries and expenses appropriation of $44,321,000 reflects a decrease of $733,000 which takes into account a reduction of 10 percent for the SLUC payments to GSA.

Since substantial funds are included in the bill for rehabilitating handicapped individuals, it is essential that the work environment or rehabilitated handicapped individuals is accessible to them. To achieve this goal, a mandate was given to the Architectural Barriers Compliance Board by the Rehabilitation Act of 1973. It is obvious that a permanent full-time staff is needed to perform this activity. Therefore, I was pleased the committee accepted my proposed language to earmark an additional $700,000, or a total of $1,000,000, and 20 full-time permanent positions for the Board to insure that adequate resources are devoted to this program.

Of the $138,275,000 included in the bill for departmental management, $24,686,000 is provided for the Office for Civil Rights. This is $461,000 below the budget request, achieved by reducing the standard level user charges by 10 percent and reducing the increase requested for travel.

The Office for Civil Rights was established in 1966 to direct and coordinate the responsibilities assigned to the Department under Title VI of the Civil Rights Act of 1964. Subsequently, enforcement responsibilities in the field of civil rights were centralized in the Office for Civil Rights and are largely implemented through the regional offices.

The committee is recommending a reduction of $5,746 from the budget for general departmental management, lowering the appropriation level to $87,289,000.

Decreases include a cutback on the number of new positions, from 325 to 187. The bill also cuts back $907,000 for executive development and training; $125 for facilities management system; $292,000 for other requests; $1,275,000 for the standard level user charges to GSA; and $387,000 for travel. The new appropriation level of $87,289,000 is still an increase of $7,645,000 over the amount available for fiscal year 1975.

The reduction of $2,960,000 from the budget for policy research brings the level to $26,300,000. This activity supports research into the causes and cures of poverty. The research includes studies of income maintenance and work incentives, alternative health insurance plans, varieties of human resources delivery systems, and other poverty related research.

I would like to point out that the committee bill adds more than 700 new positions in various health accounts with a further unspecified number added to NIH. I think we want to be careful about adding positions in an unrestrained fashion to the health accounts in light of Congress' concern about growing Federal employment. In fiscal year 1976, HEW has requested over 130,000 budgeted positions including 45,000 for health and we want to be sure and maintain a handle on the increasing rolls.

There is only one other item that I wanted to touch upon, Mr. Chairman, and that had to do with the absent parent problem for AFDC cases. The Social and Rehabilitation Service, I understand, needs another $5 million for salaries and expenses to fund the increased requirements established by the Social Services Amendments of 1974 which were signed into law on January 4, 1975, requiring the State and local governments to establish maternity centers and establish child support payments for absent parents. This impacts substantially on the families in the Aid to Dependent Children programs. Eighty percent of all families on AFDC have an absent parent and of these less than 15 percent are receiving child support payments.

The State of Michigan began an absent parent location program. They spent $5.3 million on their welfare child support program and collected $43 million in child support collections. They anticipate this year their recovery rate will be around $50 million.

The SRS preliminary service in California calculated that their recovery rate was at least 4 to 1.

In Massachusetts with a $4 million expenditure, they recovered $19 million.

At the appropriate time I will offer an amendment to provide this $5 million to get started on seeing what we can do by way of recovering from these absentee parents. If the States are doing as well as they are doing, much more of a dollar rate for dollar spent, it seems to me we would take the wise course here of adding a little more money federally wise to try to reduce the eventual tab that we are being forced to come up with to fund this particular program.

With that, Mr. Chairman, I will yield for any questions.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from New York.

Mr. KEMP. Will my friend, the gentleman from Illinois, comment on the possibility of his offering an amendment to add $5 million so that the Federal Government can help in this very important need to track down those parents who have defaulted on their responsibilities to care for dependent children?

I would join the gentleman in such an amendment. I think this is an extremely important issue, as it relates to the need for welfare reform. If we are ever to reduce the ever-burgeoning cost of welfare, we must support the gentleman in his attempt to help reduce the runaway irresponsible parent. As I understand it, the statistics of those who have defaulted on their responsibilities for taking care of their children has just absolutely skyrocketed in the last 10 years, something like 400 or 500 percent.

Would the gentleman have any statistics that might be illustrative of this particular problem?

Mr. MICHEL. I do not have those readily at hand, the total figure, but it is just a tremendous figure, affecting millions, as indicated by the several examples which the States have already been able to recover.

Mr. KEMP. I certainly would join my friend from Illinois and I appreciate his leadership in this area of welfare reform.

Mr. MICHEL. I thank the gentleman.

Mr. CONTE. Mr. Chairman, I rise in support of H.R. 8069. The important labor, health and social service programs included in this bill are vital to all Americans. The Labor-HEW Subcommittee had an arduous task of determining which programs involve activities which merit expansion of funding, as well as programs which could suffer a reduction in funding without an appreciable loss of effectiveness. I am convinced that the subcommittee, under the able direction of our chairman, performed that task well.

I would just like to bring to the Members' attention some of the highlights of this bill.

The labor portion includes a substantial increase in funding for employment services. The committee recommends $562.1 million which represents an increase of approximately $59 million above the fiscal year 1975 level. This section also provides for an addition 2,700 man-years. In these critical times of high unemployment it is vital that we place an emphasis on employment services. Our State and local offices are swamped with job seekers. Our employment security administrators consistently advise that with additional funds their services could reach more Americans. This can only result in more jobs.

In the health area, the committee has added over $77 million to the budget for expanded health services for mothers and children. While this is a good and justifiable increase, it is not sufficient since it provides for funding below the 1975 level of service. At the appropriate time, I intend to join my colleague from California (Mr. Roybal) in sponsoring an amendment to provide further increases for maternal and child health.

For the National Institutes of Health, the committee has provided $2.1 billion, which provides funds for about a 10-percent increase over the 1975 program level. While it can always be said that this disease or that disease merits greater research attention, the committee has generally done an excellent job in balancing biomedical research needs and priorities.

One exception, however, is the National Eye Institute, where insufficient funding was provided to meet its responsibilities as the principle national resource for support of research in the diagnosis and treatment of eye disease.

At the appropriate time, I intend to offer an amendment to provide a modest increase in National Eye Institute funding.

It is especially important that adequate funds be provided to enable the institute to meet its obligations under the National Diabetes Mellitus Act, to expand research on the relationship between diabetes and eye disease, particularly diabetic retinopathy, one of the most common causes of new adult blindness.

Mr. Chairman, I am pleased to note that the committee has included $790.6 million for vocational rehabilitation to expand rehabilitation services to the handicapped.

For the title VII, elderly nutrition program, the committee has provided funds to restore the program to its 1975 level of operation.

And finally, adequate funding has been provided for the head start program, to enable it to serve handicapped children in accordance with congressional mandates.

While this bill is about $720 million above the budget request, it is still more than $4 billion below last year's bill. This is a responsible bill, in large part because of the tremendous job done by our chairman, Mr. Flood, and our ranking minority member, Mr. Michel.

We have provided adequately for our basic needs in labor, health, and welfare, without adding a lot of expensive frills to the bill.

Mr. Chairman, I commend this measure to my colleagues and urge its adoption.

Mr. FLOOD. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin, a distinguished member of the committee (Mr. OBEY).

Mr. OBEY. Mr. Chairman, I will not take the 10 minutes. I did want to bring to the attention of those few Members who are still in the Chamber one aspect of this bill which pleases me very much. Those Members who know me know that I am probably amending appropriation bills more than I am defending appropriation bills around here, and there may be a couple of amendments today which I think are justified, although I think that in the main this committee did an excellent job, the best job of any year in which I have been a member of the committee.

I would want to discuss for just a couple of moments one aspect of this bill. I believe the most underrated and the most misunderstood health problem in America today is the whole problem of occupational health and environmental health. All too often, people have the idea that environmentalism is simply defending humming birds and trees and wildlife and all the rest, and they do not really understand that environmentalism in its most basic sense is really a much deeper concern about what our living environment and what our working environment is doing to us as human beings and as the biological organisms, which we are.

This bill, I believe, contains greater recognition of that fact than any health bill which I have seen since I have been a Member of this body. There are approximately, depending upon whose numbers one wants to use, anywhere from 15,000 to 22,000 chemicals to which we are exposed in our working and living environments every day. There are exposure standards already to only about 500 of those chemicals. It has been estimated by former Secretary of Health, Education, and Welfare Richardson that over 100,000 deaths each year are attributable to occupational disease.

The two agencies of Government which have the direct responsibility, or the most responsibility, in this entire area the National Institutes of Environmental Health Science and National Institute of Occupational Health and Safety. The first is largely charged with the responsibility of doing the chemical testing of agents which are suspected to be either cancer causing or otherwise threaten human health, and the second agency is the agency charged with the responsibility of doing the research to determine the exposure standards to chemicals in the work place.

The budget this year proposed by the President and OMB cut the budget for NIEHS by $3.8 million, and the budget for NIOHS remained the same as last year. That meant that both those agencies were continuing to clunk along at a fraction of their originally intended size at the time they were created. This bill provides for a significant increase in budgeting for both of those agencies, and I think it is probably the most important thing which this bill does.

The problem I experience when I talk to people about exposure to potentially dangerous chemicals is that somebody will say, "Well, I have been working with that stuff 10 years, and I do not have cancer or I do not have emphysema." What they do not realize is that, because of the latency factor, it generally takes about 25 to 30 years before the health result to the initial exposure to chemicals shows up in the human organism. In the case of vinyl chloride, for instance, we would not have known that vinyl chloride was an extremely dangerous chemical to man except that the chemical produced an extremely rare cancer, angiosarcoma, which is a disease of blood vessels within the liver. When it was discovered in one chemical plant that there were several cases of that very rare disease—there were less than 2 dozen known cases anually around the entire world—additional research was done, and it was discovered that that chemical which caused the high incidence of angiosarcoma also caused a high incidence of lung cancer, brain cancer, and a number of other maladies.

The same was true of asbestos. Nobody knew it at the time, but the fact is that 40 percent of the British shipyard workers who worked with asbestos during World War II now are suffering from some lung abnormality mostly cancer. I ran into it in my own district, a perfect example of this problem, where the University of Wisconsin medical team did a study which showed 37 percent of the workers who were working in grain elevators in my district, in the Duluth-Superior area, have chronic bronchitis. That does not sound serious until one realizes that chronic bronchitis can lead to lung failure, it can lead to heart failure. The normal incident of that occurring in the general population in this country is about 11 percent, as opposed to the 37-percent discovery by grain handlers.

I think all of these things underlie a necessity to adequately fund the budget for the agencies that do the testing of these chemicals which surround us every time we move, and also to set the standards of exposure for people who have to work with those chemicals in the workplace.

Mr. Chairman, I want to congratulate the subcommittee, and especially the subcommittee chairman, because I think, for the first time since I have been here, at least, Congress is on record as recognizing that this is a most serious health problem in this country, a problem which has been ignored and underplayed for years. I would submit it is going to be one of the most talked about and read about health problem in this Nation over the next 20 years.

Mr. MICHEL. Mr. Chairman, I yield such time as he may consume to the second-ranking member of the subcommittee, the gentleman from Kansas (Mr. SHRIVER).

Mr. SHRIVER. Mr. Chairman, it is appropriate that as the House of Representatives nears the Independence Day recess, and as the Members prepare to return home to report to their constituents, that we act on this "people oriented" appropriations bill. No other funding bill affects so many individual Americans, both in the amounts of money authorized, and in the direct impact it has on the health, welfare, and income security of our people.

Our committee is recommending in this bill the appropriation of just under $36 billion for activites administred by the Department of Labor, for the health and welfare programs of the Department of Health, Education, and Welfare, and for related agencies, such as ACTION's domestic programs and the newly named Community Services Administration.

In addition to this large sum, our committee also reviews several automatic appropriations from trust funds for social security, unemployment compensation, and railroad retirement. For fiscal 1976, these trust fund expenditures for income security are estimated at nearly $102 billion.

Taken together with education appropriations previously voted by the House of $7.2 billion, the total recommended for these people porgrams for fiscal 1976 is $140 billion. An additional billion dollars in administration budget requests has been deferred by the committee due to lack of the necessary authorizing legislation. Future action is expected on most of these items.

We have also included in this bill funding for the transition quarter—that 3-month period between the traditional end of fiscal 1976 and the beginning of fiscal 1977 on October 1, 1976, as authorized by the Budget and Impoundment Control Act. This transition quarter money totals $9 billion, roughly one-fourth of the General Treasury funds recommended for fiscal 1976.

So we are talking about $150 billion. This represents considerably more than one-third of the total Federal budget for fiscal 1976. It is by far the largest appropriations bill we will consider this year, approximately 50 percent larger than the funds expected to be appropriated in the defense bill. It is also larger than the national government budgets of all but four or five countries in the world.

Aside from the income security trust funds, which are so important to millions of our citizens, perhaps the most visable and popular of the funds in this bill are those for the research activities of the National Institutes of Health. We are recommending $2.15 billion for NIH, $470 million over the budget request and $211 million over last year. The amount in the bill will provide for approximately a 10-percent increase over fiscal 1975 for rising costs and for a number of new initiatives.

Of this amount $704 million is recommended for the National Cancer Institute, considerably higher than both last year's appropriation and the budget request. While the ravages of the various forms of this disease are still frightening and crippling to many Americans and others around the world, some advances can be traced to the increased funding of the Institute's efforts in recent years.

Significant advances have been seen in the fight against the major cancers of the lung, breast, and colon. A leukemia virus has finally been isolated, indicating possible breakthroughs in that area. Natural human immunities now offer hope for innovative control methods.

Similar encouraging news comes from the National Heart and Lung Institute. Death rates for coronary heart disease, one of the leading causes of death for American men, has decreased about 10 percent since 1968 for men between the ages of 25 and 75. In addition, this Institute reports that the alarming increase in mortality from emphysema seen in the 1950's and early 1960's has been halted.

The committee is recommending significant increases for the National Heart and Lung Institute over last year to continue its efforts to build on these notable achievements.

While we are recommending increases for the institutes of cancer and heart and lung, we must not forget that millions of Americans suffer from other diseases and handicaps—arthritis, kidney disease, diabetes, neurological problems, and many, many others. Increases have been included in the bill to fund new research inquiries in all of these areas.

While these research dollars are important, the advances resulting from research are only as good as the extent they are used. Much more needs to be done in getting research results out to practicing physicians.

NIH is now planning to use other, more health-delivery-oriented, elements of the Public Health Service to get research information out into the field. The Health Services Administration and the Center for Disease Control are especially well-suited for this task.

The delivery of health care is a big business in this country. During the last 25 years we have seen total health expenditures in the United States rise from $12 to $105 billion. The public, or Government, share of these costs is now 40 percent.

As the various proposals for national health insurance are considered in coming years, it is critical that our health delivery system be made more efficient and adequate to the challenge.

The committee is recommending $523 million for the Health Services Administration and $361 million for the Health Resources Administration. It is expected that additional health manpower funds will be recommended as soon as the long-delayed health manpower authorizing legislation is enacted. The funds provided include $86 million for area health planning and resource development. The bill included $288 million for maternal and child health, an increase of $77 million over the budget request for this proven program.

We are recommending $558 million for the Alcohol, Drug Abuse and Mental Health Administration. We are not able to include funds for the construction and staffing of new community mental health centers, since the authorizing legislation still has not been enacted.

A total of $15 billion is included for public assistance programs, such as welfare, medicaid, and social services. These expenditures are largely uncontrollable under present law. In addition, $330 million is recommended for the work incentive program, an effort to get more people off the welfare rolls and into productive jobs.

For the Department of Labor, $2.4 billion is recommended for comprehensive manpower assistance for assistance to State and local prime sponsors to design and operate manpower training programs to meet local needs. With additional funds in this bill, there will be a total of $2.6 billion available in fiscal 1976 for public service jobs in areas of high unemployment.

For the related agencies, the bill includes $101 million for the domestic programs of Action, such as the Vista volunteers, the university year for action, foster grandparents, and the retired senior volunteer program. Slightly less than $400 million is recommended for the Community Services Administration, formerly the Office of Economic Opportunity.

Before concluding, I would like to direct your attention to the special reports section of our commitee's hearings. These reports include general state-of-the-art discussions of programs in which there is general interest such as programs for older Americans, American Indians, family planning, alcoholism, day care, juvenile delinquency, cerebral palsy, mental retardation, multiple sclerosis, and others.

Finally, in considering the size of expenditures called for in this bill, it is important that we attempt to meet the human needs of this country up to the very limit possible while the overall spending remains in the realm of fiscal responsibility. As I said at the outset, this is a people-oriented bill. We do our people no good if measures we enact add to inflationary pressures. Inflation hurts most those this bill is designed to help—the poor and the elderly and the ill.

I know there are amendments to be offered later to add funds to this bill. In considering these amendments we should remember the fiscal consequences. We should also remember that this bill is already $720 million above the President's budget. Timely funding is every bit as important to these programs as adequate funding, and if this bill gets too high, we can well expect a veto.

The committee has looked carefully at these programs. This is a good and responsible bill. It is a people bill.

Mr. MICHEL. Mr. Chairman, I have no further requests for time at the moment.

Mr. FLOOD. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. CARR).

Mr. ASHBROOK. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

The CHAIRMAN. A quorum of the Committee of the Whole has not appeared.

The Chair announces that a regular quorum call will now commence.

Members who have not already responded under the noticed quorum call will have a minimum of 15 minutes to report their presence. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 352]

Archer
Brown, Calif.
Cederberg
Collins, Ill.
Conyers
Coughlin
Diggs
Dingell
Downing
Drinan
Duncan, Oreg.
Early
Edwards, Calif.
Erlenborn
Esch
Evins, Tenn.
Fish
Ford, Mich.
Forsythe
Fulton
Gibbons
Gilman
Hanley
Harsha
Hastings
Hébert
Horton
Jones, N.C.
Karth
Leggett
McCloskey
Mathis
Mikva
Morgan
Mosher
Moss
Myers, Ind.
Nolan
Randall
Riegle
Roberts
Rodino
Rooney
Runnels
Sarasin
Scheuer
Sisk
Skubitz
Stanton, James V.
Udall
Whitten
Wiggins
Yatron
Young, Alaska

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 8069, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 379 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Michigan (Mr. CARR) has been recognized.

Mr. CARR. Mr. Chairman, as the gentleman from Pennsylvania knows, I have an interest in research and training in vocational rehabilitation for the handicapped. On earlier occasions, I have expressed the need to encourage the exchange of research information and to develop worldwide training, as provided by section 202(b)(5) of Public Law 93-112, the Rehabilitation Act of 1973. Not only is this measure important to improve and expand our knowledge of the problems of the handicapped in the United States through international cooperation, it also provides another vehicle for understanding and peaceful interaction between the nations of the world.

I commend the distinguished chairman and his Appropriations Subcommittee for expressing their intent to put some teeth into this section of the act. At page 67, your report allows the expenditure of funds for this section including the establishment of a domestic center to facilitate these exchange activities. Is it my understanding, Mr. Chairman, that this language in the report authorizes the Department of Health, Education, and Welfare to spend the appropriate amount of money it deems necessary to fulfill this intent?

Mr. FLOOD. The answer to that is "Yes."

Mr. CARR. Mr. Chairman, I am pleased that Chairman FLOOD has seen fit to give strength to the provision of the Vocational Rehabilitation Act of 1973 which calls for the establishment of a domestic center for international research and training.

Of the funds appropriated for vocational rehabilitation research this year, some $20 million, it certainly seems to me that $1 million ought to be set aside for this section—section 202(b)(5) of Public Law 93-112.

In addition, I would like to note that Michigan State University, a pioneer in international research in many areas, already has such a center at its campus in East Lansing, Mich. This center is currently unfunded, except for some staff and an office provided by the university, and I am told that $1 million could establish an effective center with little or no additional cost in subsequent years. It is my hope that the Department of Health, Education, and Welfare would seriously consider MSU as the ideal spot to begin this important international work.

Mr. FLOOD. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Chairman, I rise on two matters of particular concern to me with respect to H.R. 8069, making appropriations for the Department of Labor and Department of Health, Education, and Welfare for fiscal year 1976.

First, is the question of funds for comprehensive manpower programs under section 301(b) of the Comprehensive Employment and Training Act—CETA—designed to assist unemployed and underemployed persons of limited English-speaking ability. This provision was enacted in recognition of the fact that various Federal manpower programs must reflect the needs of Spanish-speaking and other language minority Americans if they are to effectively assist such people to develop the necessary skills to enable them to fully and equitably compete with other citizens in the job market. The Congress, therefore, mandated the Secretary of Labor to insure that persons of limited English-speaking ability were given particular attention in job training and related assistance which would increase their employment opportunities.

However, the appropriations committee report accompanying H.R. 8069 states that the Department of Labor has failed to promulgate regulations under section 301(b) of CETA and that the lack of adequate guidelines has adversely affected the development and implementation of programs under this provision.

As one of the authors of this provision during the 93d Congress while serving as a member of the House Committee on Education and Labor, I am shocked and dismayed to discover this flagrant violation of the intent and spirit of the law. Section 301(b) represented a clear commitment by the Federal Government that those citizens in need of occupational training, job counseling and placement, and related assistance would not go unaided simply because they are accustomed to speaking a language other than English. Mr. Chairman, the enactment of section 301(b) marked an important step toward the achievement of equal employment opportunities for those who are disadvantaged by their limited English-speaking ability. Yet, nearly 18 months after the adoption of this law, the Labor Department has still not published regulations to insure the effective implementation of this vital provision.

I appreciate the strong language in the appropriations committee report which directs the Secretary of Labor to quickly correct this situation. However, I believe that stronger steps are required. At a minimum, I urge my colleagues on the Education and Labor Committee to investigate this matter and exercise its oversight responsibility of the Department of Labor. I regret that for a period of 18 months, the Department of Labor has been allowed to violate the law and consequently penalize millions of American citizens by denying them manpower training opportunities. Under any circumstances, but particularly at a time when unemployment is at depression-like levels, I find it difficult to accept the irresponsibility of the Labor Department and the apparent lack of congressional attention which has allowed this situation to develop.

The second matter concerns language in the appropriation's committee report concerning section 710 of CETA which prohibits the use of funds appropriated under the act for any political purposes. The committee appropriately directs the Department of Labor to assure the enforcement of this provision, particularly with respect to title II, public employment programs.

Congressional enactment of legislation creating public service jobs programs was specifically intended to offer job assistance to thousands of unemployed persons who are bearing the burden of our current economic crisis. I am proud to have assisted in the successful efforts to gain passage of this vital legislation, including the emergency jobs legislation adopted in December 1974 under the Comprehensive Employment and Training Act—CETA. My continued interest in the effective implementation of this program prompts my remarks this afternoon.

The adoption of this legislation offered new hope and encouragement to thousands of unemployed and underemployed Americans throughout the Nation. With respect to the city of New York—beset by a deteriorating financial situation, the devastating layoff of thousands of city workers, and unemployment approaching depression-like levels—this Federal program was viewed as an important measure to insure the maintenance of essential public services while at the same time providing employment for thousands of individuals.

Unfortunately, the effectiveness of the CETA public service employment program has been seriously impaired by the manner in which the city of New York has sought to utilize these funds.

Three months ago, in response to New York Times reports of such funds being misused by local government officials for apparent political patronage purposes, I called for an official investigation. I did so because the use of public service jobs funds for political purposes is not only clearly violative of the spirit and intent of the law, but such a gross misuse of these funds would jeopardize the entire program and deprive the citizens of New York of its intended benefits.

Recently, the U.S. Department of Labor ordered New York City mayor Beame to dismiss seven city neighborhood workers hired under the CETA program for acknowledged political purposes as a result of its investigation. This action was a welcome step toward assuring that such funds will not be used by local government officials for political patronage purposes.

However, I do not believe that the Department's investigation and efforts to correct this situation should end with the dismissal of these workers. Federal law and regulations stipulating that hiring under this program as "a reward for political services or as a form of political patronage" is prohibited are aimed at those charged with the administration of the program. Under the circumstances, it is not enough to order the dismissal of the workers and not take any action against those officials who are responsible for the recruitment and hiring of such individuals.

I, therefore, urge the Labor Department to continue its investigation to determine who authorized their hiring and by what authority in order to identify those officials of New York City who were responsible for violations of Federal law. The responsible officials should not be allowed to avoid the consequences of their actions.

I believe that only through such action will the Congress and the American people have confidence in this program and assure the proper and effective implementation of public service employment programs.

Mr. McDONALD of Georgia. Mr. Chairman, I rise in opposition to the appropriations for the Departments of Labor, and Health, Education, and Welfare. Before explaining why, however, I would like to cite some figures. Following are the annual expenditures in thousands of dollars of HEW from its beginning in 1954 to the present:

	Thousand
1954	$6,441,561
1955	6,480,222
1956	7,622,035
1957	9,019,150
1958	10,942,164
1959	12,915,937
1960	15,126,142
1961	16,279,349
1962	18,574,437
1963	20,698,813
1964	22,123,717
1965	23,200,412
1966	28,322,974
1967	35,152,909
1968	40,575,761
1969	46,593,875
1970	52,249,460
1971	61,866,317
1972	71,780,132
1973	82,040,220
1974	93,734,684
1975 (est.)	109,931,959
1976 (est.)	118,376,893
Total	910,049,123

Source: Library of Congress.

Although HEW is by no means the only Government welfare agency, it is the largest Federal agency and thus its funding history makes it clear that the welfare state is growing at the rate of a terminal cancer. Direct "benefit payments to individuals" now comprise 39 percent of the Federal budget, with another 16 percent for grants to States and localities. National defense, which received 47 percent of the budget in 1960, will receive only about 25 percent in fiscal 1976.

To get further perspective on the enormity of HEW's budget, consider that the profits of all U.S. corporations after taxes in 1974 were $69.9 billion, total farm income was $29.1 billion, and total savings of all U.S. citizens as of October 1974 was $64.6 billion, as compared to the estimated $118 billion for HEW in fiscal 1976.

This enormous increase in welfare spending has a devastating effect on the economy. Whether financed by taxes or inflation, it results in the transfer of these assets from the productive to the nonproductive. These assets are then consumed and unavailable to those who would otherwise use them as the basis for further production and thus further economic growth. Keeping in mind that savings are the principal means of financing capital investment and thus economic growth, observe that the HEW budget will soon be twice as much as the total savings of U.S. citizens. This gives some idea of just how much productive potential is being removed from the economy by the welfare state.

The negative effects of welfare spending are far greater, however, than the depletion of capital assets. Welfare payments as such constitute punishment for those who are productive and thus must provide the rewards for those who are not. Thus it is no surprise that the welfare rolls are mushrooming and food stamps have become the greatest thing since peanut butter. How long will people continue to struggle to get a better education, to become more skilled and to earn a higher income when the Government rewards them by taking 48 percent of their income in various taxes and grabs some more on the side through inflation? The welfare state is a system to deny the opportunity to earn their way to a better standard of living to the industrious and hard-working. Its goal is not to eliminate poverty, but to drag everyone down to the lowest common level.

Rhetoric about "social democracy" and coexistence of socialism and civil liberties notwithstanding, the welfare state necessarily leads to Government control and is merely a major step on the way to total Government control. When a government begins providing and/or paying for various services, it must assume power to control those services to insure that the "people's resources" are not wasted. For example, observe that the alleged intention of the welfare statists to insure that the poor and the elderly have adequate medical care has led to the Professional Standards Review Organizations under which the Government will ration medical care to the poor and the elderly.

The welfare state might be termed "government charity," except that this would be a contradiction in terms. Charity involves an act of kindness or benevolence on the part of the giver and thus must be voluntary. There can be no such thing as involuntary or enforced charity, which is the essence of government welfare and income redistribution schemes.

This was well understood by our Founding Fathers who were well aware that government power must be strictly limited. Realizing that government involvement in welfare was a prescription for unlimited power, they wrote the U.S. Constitution. The "general welfare" clause was meant to provide for government action that would benefit all the people, as is the case with the military which protects everyone from foreign aggression. It was most emphatically understood that the Constitution was not meant to allow public payments to some at the expense of others.

Early in our Nation's history when a report from the Secretary of the Treasury suggested that funds could be paid out for charity, James Madison wrote to Edmund Pendleton in the greatest indignation that such a notion—

> * * * broaches a new constitutional doctrine of vast consequence, and demanding the serious attention of the public. I consider it myself as subverting the fundamental and characteristic principle of the Government; as contrary to the true and fair, as well as the received (accepted) construction, and as bidding defiance to the sense in which the Constitution is known to have been proposed, advocated, and adopted. If Congress can do whatever in their discretion can be done by money, and will promote the General Welfare, the Government is no longer a limited one, possessing enumerated powers, but an indefinite one, subject to particular exceptions. (Works of James Madison, 1:546)

Madison is also quoted as pointing out that—

> Where an excess of power prevails, property of no sort is duly respected. No man is safe in his opinions, his faculties, or his possessions. (*Christian History of the Constitution*, by Verna Hall, p. 248A)

Samuel Adams stated his view of socialism in no uncertain terms:

> The Utopian schemes of leveling, and a community of goods, are as visionary and impracticable as those which vest all property in the Crown, are arbitrary, despotic, and in our government, unconstitutional. (*Ibid.*)

This view prevailed until 1936. Even then, the Supreme Court took the same position in the Carter case. Thus Franklin D. Roosevelt had to pack the Supreme Court to get a "loose construction" and begin freeing the Government from the bounds of the constitutional limits on its power.

> And so here we are today, with a government involved in and grabbing control of almost every aspect of an individual's life. And where does this lead?
>
> When the people are encouraged to turn to government to settle all of their problems for them, the basis for all revolutions is thereby established. For then the people expect the government to provide them with all of the material things they want. And when these things are not forthcoming, they resort to violence to get them. And why not—since the government itself has told them that these responsibilities belong to government rather than to them?
>
> I am convinced that a revolution would not be possible if the only relationship between government and the people was to guarantee them their liberty and security.—Frederic Bastiat, addressing the National Assembly in France, December 12, 1849.

Mr. ALEXANDER. Mr. Chairman, the health and welfare of our people and their opportunities to get and keep jobs are very important factors in the general well-being of our Nation. The bill before us today, H.R. 8069, Departments of Labor and Health, Education, and Welfare, and related agencies appropriation bill, 1976, provides funding intended to respond to needs in these three areas.

Time and time again I have risen in this Chamber to urge that we in Congress and those who make decisions in the executive branch labor to insure that the countryside receives a fair share of the Federal resources and funds our Government spends.

More than 31 percent of our Nation's citizens live in nonmetropolitan areas. They have major and pressing problems and needs for improvements in all aspects of community and economic development. There are severe shortages in health and social services, and when they are available, too often the quality is less than that in metropolitan areas. Unemployment and the need for job opportunity training and development are chronic problems in the countryside.

Based purely on a population distribution, not considering the intensity, severity or longevity of needs, it is reasonable to expect that a minimum of 31 percent of Federal funds spent to affect national development would be used for nonmetropolitan areas.

That is a reasonable expectation. It is not reality.

Data available to me regarding Federal outlays during the past 3 fiscal years shows that the highest percent of total Federal spending impacting on development that has gone into nonmetropolitan areas is 25.1. This level was reached in fiscal year 1974.

The nonmetropolitan area spending of the two departments for which we are making appropriations today does not even reach this inadequate level, except in one instance.

The exception is found in HEW spending in fiscal year 1972 when 29 percent of the Department's money for programs affecting development went to nonmetropolitan areas. Then HEW appears to have had an unfortunate change of heart. Resoures used for nonmetropolitan areas have been running downhill ever since 1972. By last fiscal year the dollars spent in the countryside by HEW had dropped by 31.4 percent down to 21.5 percent.

We are not considering education appropriations in this bill. A special bill covering this activity was approved by the House in April. But, it is worth noting that only 13.2 percent of the funds spent by the Office of Education in fiscal year 1974 went to nonmetropolitan areas. This is 57.9 percent less than what should reasonably be expected.

We are considering health and welfare appropriations for HEW. Even though more of HEW's funds for health and welfare were spent in the countryside than is true for education, the nonmetropolitan areas still got shortchanged. Even though the 22.8 percent of the Department's outlays for these human development activities went into the heartland, this is still 27.2 percent less than the amount warranted if only a population basis is used.

The story with the Department of Labor spending is even more distressing. In both fiscal years 1972 and 1973 Labor spent less than half the funds in the countryside than could be justified on a basis of the number of our citizens living there. In fiscal year 1974 of funds used by the Department of Labor Manpower Administration, for programs other than public service employment, only 11.9 percent went to nonmetropolitan areas. This is 62 percent below what should have been spent in these regions.

Though the fiscal year 1974 figures are not available on public service employment those for spending for the public employment program in fiscal year 1973 show only 10.7 percent of the funds went to the countryside.

It is clear from this data that the "urban bias" has seriously and adversely affected the spending decisions of both these departments. Undoubtedly the laws passed by Congress have been, at times, at fault. These flaws must be corrected. Nevertheless, this is not a loophole for either the policymakers at the Departmment of Labor or the Department of Health, Education, and Welfare to use in escaping their responsibility in this matter. My experience with both these departments leaves no question that either ignorance of or the lack of the ability to comprehend the problems of the countryside has produced a marked lack of response to those problems. If the Departments will not clean up their act on their own, Congress must take action to see that they do.

Mr. BIAGGI. Mr. Chairman, I rise to address myself in support of the continuation of funding for the lead-based paint poisoning prevention and treatment program under the center for disease control. It is my understanding that this program will be continued at fiscal year 1975 levels under the terms of the continuing resolution passed several weeks ago.

I am particularly interested in the program, for much of the reason for the expanding of this program in HEW was as a result of an amendment I had passed to the original Lead-Based Paint Poisoning Prevention Act of 1973. My amendment mandated that tenants of federally funded housing built prior to 1950, be notified by HUD of both the presence of lead-based paint and availability of treatment for actual cases. After the passage of this act, jurisdiction for this program was divided between HEW and HUD, with the former being responsible for screening and treating victims of lead poisoning, and HUD being responsible for notifying tenants and future purchasers, of lead paint presence, and also working to lower the number of housing structures which used lead paint.

HEW's childhood lead based paint poisoning program, was actually established in 1972 with an appropriation of $6.5 million. Since that time, the program has screened some 850,000 children of which 70,000 were found to have elevated blood lead levels. Current projections supplied by the Center for Disease Control, indicate that more than 200,000 children will be screened for the first time during the coming fiscal year. These numbers, not only prove that this is a serious national problem, but serve to reinforce the argument that the program deserves to be continued at adequate funding levels.

New York City's lead poisoning control program has been in the forefront of activities associated with lowering the cases of lead poisoning. It is estimated that almost one-half of all screened cases were handled in New York City. In 1974 alone, more than 124,000 children were screened with 494 new cases of lead poisoning discovered and treated.

In January of this year, New York City revised its definition of what constitutes dangerous levels of blood lead. In the past, lead poisoning was defined as 55 micrograms of lead in the blood. In January, the health code was changed, and now lead poisoning is defined as 40 micrograms of lead in the blood. As a result of this revision, by April of this year New York City had surpassed the number of cases from 1974, and the city now estimates that they will treat as many as 2,500 new cases of lead poisoning this year.

The facts are clear: Lead poisoning represents a severe national health crisis affecting primarily the young. In fact, more than 95 percent of actual lead poisoning cases are of children 6 years and younger.

Mr. Chairman, I feel it is critical that this program be extended past the June 30 deadline. This bill assures that funding will be available at least through the coming fiscal year. I intend to introduce legislation which will provide for a longer extension and increased funding for this program. We must rid this Nation of the scourge of lead-based paint poisoning. It threatens the health and safety of hundreds of thousands of urban youngsters. To terminate the program now will have disastrous results and will make the valiant efforts of the administrators of lead paint poisoning prevention programs useless. I call on my colleagues to join me in supporting legislation to extend this program and urge their support of this bill.

Mrs. MINK. Mr. Chairman, it is said the hope of a nation's future rests with its children; therefore it well behooves us to nurture the development of these future adults if we envision a nation of worth and strength. It is the inherent health of the newborn and the environmental factors throughout childhood that influence the quality of the adult.

To monitor the individual development of the emerging adult is to recognize the environmental factors that can be manipulated so that the individual has the opportunity to be an adult capable of assuming the role of a responsible citizen healthy of mind and body.

Continuing research in all aspects of child development is mandatory if a nation expects to have a responsible citizenry as its basic structure.

I speak today in support of the Roybal-Conte amendment to the appropriations bill. This will increase the funds of the maternal-child health appropriations. It is essential that the research and training projects under this program continue. Awarding grants to outstanding educational institutions insures pursuit of the causes of prenatal, neonatal, and child development problems.

An objective of the research is to establish the methods whereby each expectant mother can be assured of a safe pregnancy that produces a viable, healthy, and undamaged child.

Continuous and accessible pre- and post-natal care demands an adequate supply of appropriately trained health professionals to provide the health services; it is up to the Federal Government to make sure these persons are available. If the funds are not increased there will be a cutback in the research and training programs, and some will be terminated.

This will seriously jeopardize the advancement of knowledge in the field of neonatology as well as decrease the chances that maternal-child health services will impact on the estimated 500,000 expectant mothers who receive little or no prenatal care.

Mr. BLANCHARD. Mr. Chairman, I strongly support neighborhood schools and I am adamantly opposed to forced schoolbusing.

It is not altogether clear whether this amendment will successfully preserve the neighborhood school concept. I hope that it does.

What is clear to me, however, is the gross abuse of power exercised by HEW in attempting to force educational schemes, including busing, upon a local community.

A very tragic example of HEW abuse and manipulation is the Ferndale School District matter.

HEW decided it wanted to find evidence of segregated schools in the North. It cited the Ferndale School District in Michigan as one of the first examples of segregated schools. If you could visit Ferndale and knew its history—you would be laughing at what HEW did. It is no laughing matter unfortunately.

Ferndale has had integrated schools since the school district began operating. Ferndale's only high school has been integrated since the beginning of time. Ferndale's only junior high school has been integrated since it was established. Ferndale has eight neighborhood elementary schools operating with neighborhood attendance zones, zones unaltered for years and years. HEW held administrative hearings in 1969 and ruled that Ferndale's decision to build Grant Elementary School in 1925 was a decision which evidenced de jure segregation. As a consequence, Ferndale's Federal funds were cut off by HEW.

This action by HEW was a tragedy. HEW picked one of the best examples of an integrated school system in the North and accused it of being the opposite. It is clear to me and most observers that HEW was not interested in integration, education, or social harmony when it brought its power down on Ferndale. HEW was simply interested in establishing a precedent for its own political purposes.

Now the Attorney General of the United States and the Office of Revenue Sharing have joined in an effort to bolster HEW's image. They cite Ferndale's appeal of the HEW order as further evidence of Ferndale's guilt. This whole matter is an insult to justice and enlightened social policy. As before, I will be pursuing this matter in a number of ways in the coming months. Today I echo my colleagues' disgust with the tactics of HEW.

Mr. CHARLES H. WILSON of California. Mr. Chairman, I rise in support of the amendment to maintain Federal support for the community action program at the same level as it has been operating for the last 3 years.

In hearings held on June 13 before the Subcommittee on Equal Opportunity of the House Education and Labor Committee, chaired by the distinguished gentleman from California, the League of Cities, the National Association of Counties, and the Rural Caucus all testified to the fact that if this amendment is not adopted it will be next to impossible to pick up this $35 million decrease by way of local taxes.

I need not elaborate at this point on today's economic situation because I know that we are all aware of the financial problems that both our metropolitan areas and rural areas are experiencing. I will simply say that if the Federal funds for this program are restored by this amendment to last year's level of $330 million, then the various Community Action Agencies will continue to receive their normal share of Federal dollars and will be able to operate as effectively as they have during the recent past.

Mr. Chairman, I urge my colleagues to vote in favor of this amendment and I wish to state that I support all the fine things that the Community Action Agencies are doing for the poor in our country.

Mr. FLOOD. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Does the gentleman from Illinois (Mr. Michel) have any further requests for time?

Mr. MICHEL. No, Mr. Chairman.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

For "Salaries and expenses" for the period July 1, 1976, throughout September 30, 1976, $27,000,000, of which not to exceed $1,250,000 shall be available for reimbursement to States under section 7(c)(1) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 656(c)(1)) for the furnishing of consultation services to employers under section 21(c) of such Act (29 U.S.C. 670(c)).

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Findley: On page 10, after line 22, insert the following: "None of the funds provided by this act shall be used to formulate or carry out a program under which first-instance citations for violations of the Occupational Safety and Health Act of 1970 must be issued. . . against firms employing 25 or fewer persons."

Mr. FINDLEY. Mr. Chairman, everyone is for health and safety of employees, whether the employee be occupied in a large firm of a small one. I certainly am.

I believe also that every Member in this Chamber who has given thought to the question believes that employers, that is, small business firms employing a small number of people, should have the advantage of onsite consultation and advice before they are socked with fines for violations of the safety and health standards that are written into the OSHA Act of 1970.

Even though there is wide agreement on this point, almost nothing gets done.

There are, I believe, nearly 1,800 compliance officers employed at the Federal level for OSHA compliance enforcement, and yet not one of these compliance officers may enter the premises of any firm, large or small, and there observe any infraction which that compliance officer deems to be a peril to the safety and health of an employee without then and there issuing a citation.

Mr. Chairman, I would like to call the attention of the Members to the contrasting policies which prevail, I believe, in every other form of compliance enforcement. For example, let us take mine safety and inspection. The compliance officers there on first inspection, if they detect a violation that represents a danger to the safety and health of a miner, issue a citation, but that citation may be held in abeyance for a period of time, perhaps 30 or 60 days, and the employer is given that time in order to set things straight and to correct the difficulty, and upon second inspection, if the problems have been corrected, no fine is required.

Under the OSHA law, for some peculiar reason which I have yet to fathom, the basic law prohibits a compliance officer from entering the premises and on that first instance of entry of the premises give advice and consultation to the firm as to what must be done to bring those premises into compliance. That I regard as a terrible flaw in the law. I believe it has stood in the way of universal enforcement of the Occupational Safety and Health Act since that law became a statute back in 1970. I say that because the number of compliance officers is relatively small nationwide, and only a tiny percent of firms have to this day been inspected for compliance.

The reason for that is in major part because we have the absurd provision in the law which denies compliance officers the right to make first instance advice and consultation to employers. So this flaw in the law has in effect denied employees nationwide the advantage of this act.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I am glad to yield to my friend, the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, I thank the gentleman for yielding. I want to associate myself with his remarks.

I think all of us in this Congress have run across exactly the type of situation the gentleman is describing.

Not over 2 weeks ago I visited a little mom-and-pop operation in my district consisting of the mother, the father, and their children. For the first time since they had been in business for years and years, they had an inspector come in, and right off the bat they were fined $25 for not having a toilet paper holder in the restroom. They had the roll of toilet paper sitting on top of the bowl but not in a holder.

Then the inspector walked across that little room, and because they had a machine that they had been using in their bread factory—actually this was a tortilla factory—for over twenty years; and because they did not have a cover on it, he fined them $50. Mind you, they had used this machine for over 20 years without an accident.

When I went in there and talked to the little lady, she said, "Congressman, do you know how long we have to work to make a $75 profit in this business? He came in for the first time, after us having been in business for over 20 years, and fined us for something we did not know we were violating."

Certainly this situation should be corrected. Some type of prior notice of a violation should be given and a reasonable time given for correction.

Mr. FINDLEY. I certainly thank the gentleman.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. Findley) has expired.

(On request of Mr. Smith of Iowa and by unanimous consent, Mr. Findley was allowed to proceed for 3 additional minutes.)

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. Yes, I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I appreciate the need of small employers especially to be able to call someone and have someone tell him what he needs to do to get into compliance. I totally appreciate that. I have been a cosponsor of the Steiger amendment to the law which would accomplish that very thing.

However, in the gentleman's amendment, as I read the gentleman's amendment—and please tell me if I am wrong—if an inspector went to, we will say, for example, to an employer with 10 employees, and he had a narrow ditch 12 feet deep with a man down at the bottom laying tile, and there was no protection against cave-in to prevent sliding, even in that extreme instance, could the inspector issue a citation?

Mr. FINDLEY. No. That would not be the effect because under the language of my amendment, if the gentleman will read it carefully, he will see that it says:

None of the funds provided by this act shall be used to formulate or carry out a program under which first-instance citations for violations of the Occupational Safety and Health Act of 1970 must be issued . . .

An inspector who went out onto the premises and saw an absurd violation such as the gentleman has mentioned, under the language of my amendment would be able to go ahead and issue a first-instance citation, as opposed to a warning, but as the law now reads, it does not have that option. He must issue the first-instance citation regardless of the gravity of the offense.

I want to add further, if I may, that as I said, under an appropriation bill there are limitations with respect to what an amendment can accomplish. The effect of my amendment is to suspend the enforcement of OSHA regulations on such firms, the small firms, until the Congress has amended the basic law. We all know that where there is a will, the Congress can act swiftly.

I recall the football blackout crisis we had a year ago. We acted in nothing flat to pass a law and take care of the problem. We did the same thing in other instances, like railway strikes. Therefore, if there is a widespread recognition of this injustice, the basic OSHA law can be corrected swiftly.

In that event, this amendment of mine in the appropriation bill would not prevent an inspector's going on a first-instance inspection of premises, finding a flagrant violation, and then and there issuing a citation, which I think he should be able to do.

Mr. SMITH of Iowa. Is the gentleman saying, then, that this language, because of the fact that he has used the word "must," would permit the inspector to issue a citation or not to issue a citation on first-instance violations as he felt that the situation demanded?

Mr. FINDLEY. That is correct.

Mr. SEBELIUS. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I will be glad to yield to the gentleman from Kansas.

Mr. SEBELIUS. Does the gentleman recall that we were promised some hearings on this subject when it went to conference about 2 year ago, when they took out the provision on 10 or fewer? Were we not promised some hearings on this subject?

Mr. FINDLEY. I believe that is correct. In any event, I have been doing the best I can, and I know the gentleman has, with respect to these outrageous OSHA procedures for 3 years, to try to get the basic law corrected, and I think that it is high time that this be done.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. FINDLEY) has again expired.

(On request of Mr. MOFFETT and by unanimous consent, Mr. FINDLEY was allowed to proceed for 3 additional minutes.)

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. Yes, I yield to the gentleman from Connecticut.

Mr. MOFFETT. Mr. Chairman, I share the gentleman's concern about the impact on small businesses.

It seems to me that we enact many laws and find subsequently that small business has become the major target, so to speak.

I have heard a great deal of comment from many small businessmen in my district about this very problem. I am very concerned about the gentleman's amendment. I have not made up my mind on how I am going to vote on it.

However, I have 2 questions with respect to it. Is it not true that 30 percent of our employees and about 90 percent of our work places are in the category that the gentleman is addressing himself to?

Mr. FINDLEY. Yes, and that is why this has great importance.

Mr. MOFFETT. I agree with the gentleman.

Mr. FINDLEY. I think that is correct.

Mr. MOFFETT. I am just afraid, however, that with the gentleman's amendment, we are going to create a situation where we, in a sense, give license to ignore the safety of workers.

Mr. FINDLEY. My response is that today universal enforcement is not occurring.

The Congress has authorized few compliance officers because OSHA is in such bad repute, and it is in such bad repute because of things like this, and we are really imperiling the safety and health of employees in plants, large and small, by failing to take action.

Mr. MOFFETT. Mr. Chairman, if the gentleman will yield further, one more question:

Could we get at this in another way, through more vigorous oversight, and having universal enforcement across the board?

Mr. FINDLEY. The only way we could go is to expand the officers who do consultation work only, the noncompliance officers. But why go to that expense? Why not simply authorize the compliance officers to give advice and consultation?

Mr. MOFFETT. Is that done through the States?

Mr. Findley. It is, but even that is on a very small scale. It does not reach nearly all of the firms it should, and even where it does none of these officers have the right to issue citations, so they are not the ones to whom the employer must look in the final judgment as to what is right or wrong.

Mr. MOFFETT. If the gentleman will yield still further, I want to be absolutely clear that I understand this: Is the gentleman from Illinois saying that his amendment would not preclude the issuance of citations in the first instance?

Mr. FINDLEY. If we amend the basic law, this amendment standing all by itself as a limitation on compliance would not prevent it where in the judgment of the compliance officer the violation was so flagrant that the employer should have that first instance citation.

Mr. McCOLLISTER. Mr. Chairman, would the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Nebraska.

Mr. McCOLLISTER. Mr. Chairman, I would say to the gentleman that the reference by the gentleman from Connecticut, Mr. MOFFETT, to 30 percent of the employees and 90 percent of the work places not being covered, if the amendment prevailed, will do that of itself pretty soon unless we do do something as the gentleman from Illinois suggests. Because the people in the Second District of Nebraska are more outraged at this particular form of government regulation, and about its impact on them, than anything else. We will be putting a great many of them out of business.

So, Mr. Chairman, I support the amendment offered by the gentleman from Illinois (Mr. FINDLEY) and commend the gentleman for offering it.

Mr. FINDLEY. Mr. Chairman, I thank the gentleman from Nebraska.

Mr. Chairman, The HEW appropriation bill scheduled for today authorizes $108 million to create 300 additional OSHA enforcement officer positions. There are presently 1,350 compliance officers. The increase will make possible a much more thorough enforcement of the law than in the past.

My amendment will exempt small firms from enforcement—but only until field compliance officers are permitted—not required but permitted—to give advice on first inspection, a service which is now prohibited.

The law presently requires OSHA compliance officers to issue citations on first-instance inspections even for minor innocent violations of regulations that are often vague or ambiguous.

The problem, of course, is that many OSHA regulations are complex and many small businessmen cannot understand them nor afford to hire a consultant who can. The regulations which a businessman must read total 500 pages of fine print—more than 750,000 words. If you add to that all of the materials to which the regulations refer, the stack of reading materials could reach more than 17 feet high. Almost everyone agrees that this is unfair and must be changed.

At present only 19 States provide any form of consultation at all. And the 31 States which have none include the heavily industrialized regions of Illinois, New York, Pennnsylvania, New Jersey, and Ohio. The States providing no onsite consultations are listed on page 20636 of yesterday's CONGRESSIONAL RECORD.

As we vote to send 300 additional Federal inspectors into the field, 60 percent of the labor force will be working in businesses located in States which do not provide onsite consultation in any form.

In those States with OSHA approved onsite consultation programs, there are only 131 OSHA consultants and none is a compliance officer.

Without any expense, without increasing this appropriation or any other by one dime, we can put 1,650 OSHA consultants in the field simply by changing the law to permit them to make onsite consultations for small businessmen. Since 87 percent of the OSHA inspections are of firms with 25 or fewer employees, the effect of that one action on small businessmen would be dramatic.

The AFL-CIO agrees that there should be onsite consultation. So does the National Safety Council. Even the Administrator of OSHA himself. The small businessmen, the retailers, are virtually unanimous.

This is not an attempt to turn back the clock or repeal OSHA. Employees are entitled to decent standards of health and safety whether they work in small or large plants. But those who have to meet the payrolls and keep a business solvent are entitled to decency, too. Small firms cannot afford to hire health and safety engineers. OSHA officers calling on these firms for the first time should be permitted to issue advice instead of fines.

This amendment will bring an important element of fairness to the enforcement of OSHA.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I come from a rural area. I have very few employers who employ more than 25 or 30 people in my district. The biggest city in my district is 31,000. I am just about as rural as you can get, at least in my State.

I have heard some of the outrages expressed by small businessmen about OSHA's enforcement, because a hole is too small, or maybe a ladder has been displaced, or something.

I think those are minor infractions, and I think that citations for those minor infractions are as absurd as anybody else in the House thinks they are. But, Mr. Chairman, let me suggest, with all due respect to the author of the amendment, that the amendment does not do what the gentleman from Illinois says it will do.

This amendment prohibits the funding of a program which includes first-instance citations for violations by firms employing 25 or fewer employees.

The gentleman from Illinois stated in his "Dear Colleague" letter that it is not an attempt to repeal OSHA, and that employees are entitled to decent standards of health and safety. Unfortunately, the impact of this amendment would be to terminate the occupational safety and health program for all employees because, although the amendment offered by the gentleman from Illinois (Mr. FINDLEY) would prevent funding of the occupational safety and health program if it included such inspections, it does not amend the Occupational Safety and Health Act, so as to relieve the Secretary of the responsibility for taking such action. Therefore the entire program would be shut down for Johns-Manville, Dow Chemical, B. F. Goodrich, as well as Joe's Bake Shop.

That is not my opinion, that is the opinion of the Deputy Solicitor of the Department of Labor who told that to my staff less than an hour ago. But even if the amendment did only what the gentleman from Illinois (Mr. FINDLEY) says it would do, it would be a disaster for millions of workers who happen to be employed by small firms. And because a firm is small, it does not mean it is safe or healthy.

The construction industry, for instance, which is one of the most dangerous occupations known in this country, has 90 percent of its employers who employ 25 people or less.

But, most important, let me suggest this. This issue has been discussed over the past 5 or 6 or 7 years since I have been here—as long as it has been on the books, at any rate—in terms of the safety inspections involved. To my mind that is a minor problem in comparison with the occupational health problems which are involved.

The Members have to understand that we are talking about employees who are exposed to chemicals which are suspected of causing, among other things, cancer. Forty-eight percent of all firms manufacturing industrial chemicals have fewer than 20 employees. Forty percent of the firms which manufacture industrial organic chemicals, which includes benzidine which is linked to cancer of the bladder, have fewer than 20 employees.

Forty-five percent of the firms manufacturing industrial inorganic chemicals, including inorganic arsenic which is linked to lung cancer, have fewer than 20 employees. Twenty-eight percent of the firms involved in the manufacture of synthetic rubber, which includes chloroprene and neoprene now suspected of causing skin and lung cancer, are businesses with fewer than 20 employees. Sixty-one percent of the firms involved in the manufacture of agricultural chemicals, including aldrin and dieldrin and all the pesticides, are plants with fewer than 20 employees. Forty percent of plastics-manufacturing firms are firms with fewer than 20 employees, and that includes vinyl chloride, the leading chemical which happens to cause cancer, one of the most insidious chemicals known to man. In fact, of those firms which have reported employee exposure to vinyl chloride to the Department of Labor, more than one-third have been employers of 25 or fewer people.

Let me suggest something else. I mentioned a while ago the problem we were facing with asbestos workers in my district. What happens when we discourage increasing the number of inspectors or increasing the number of inspections is this. I have in my Lake Superior area quite a few grain elevators. They have been inspected, and it has been found that 37 percent of the employees in those elevators have chronic bronchitis. That leads to serious lung disease; it leads to heart failure.

The problem is simply this. What happens when we do not have uniform inspections all across the country—and there are literally hundreds of grain elevators all across this country who employ fewer than 25 people—what happens when we do not have inspections of all of those grain elevators is that my operators get stuck with compliance costs.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 3 additional minutes.)

Mr. OBEY. One operator is going to be spending millions to clean up their shop. That is a pretty responsible action on the part of an employer. But what happens with the fellows they are competing with? Some of these operators who have been inspected in my district have less than 25 employees. Farmers Union Elevator, for instance, in my district has 10 employees right now. But they are charged with the responsibility of spending thousands, and literally in some cases millions of dollars, to clean up; but because there are not enough inspectors, and under this language there would be discrimination between certain elevators, there would be a lot of operators around the country who would not have to spend that same kind of money to clean up their operation. That would mean that my operators, because they happen to be unlucky enough to be inspected, would have to operate at a competitive disadvantage. I do not think they should have to do that. I think we ought to think this through much more clearly than it has been thought through now.

I agree with the gentleman from Illinois on one point. We do not get enough inspections to make a dent. In fact, Mr. Stender, in answer to a question I asked him at the hearings, suggested that if we inspected every plant which is subject to inspection, we would have an inspection of every plant about once every 50 years.

That is pretty poor inspection. I submit to the Members if they are frustrated about this program, fine, let us try to do what we ought to do with it and get it cleaned up on the authorization level, but please do not bring in a clumsy blunderbuss like this which will blow up the whole program. That would be radical and stupid and I know responsible businessmen in my district would want no part of it.

Mr. SEBELIUS. Mr. Chairman, I move to strike the last word.

I think the gentleman from Wisconsin got to the point of the real problem. Many of us are frustrated as to what is taking place. We have come here many times and the only way we can get a handle on this is to try to put in some amendment on the appropriation bill. I recall the gentleman from Pennsylvania (Mr. DENT) and the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) have promised us hearings on this idea of the small businesses having some opportunity to get the basic law changed so we can have some in-plant inspection or some consultation rather than just have the fines.

Mr. DOMINICK V. DANIELS. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. Mr. Chairman, apparently the gentleman is unaware of the work of the Subcommittee on Manpower, Compensation, and Health and Safety. For the gentleman's information our subcommittee held 16 days of hearings last year and an additional 6 days of hearings so far this year. Members on the gentleman's side of the aisle have come before our committee to give us their views on the very subject matter we are presently discussing.

Mr. SEBELIUS. Has the subcommittee concluded the hearings?

Mr. DOMINICK V. DANIELS. The hearings are ongoing, I might say to the gentleman. As a result of these oversight hearings we have gotten the Department of Labor around to taking action for the protection of the workers at their places of work, to protect their health and safety.

Much of the opposition to this legislation and much of the prejudice against this legislation has been due to the activity of the Department of Labor in failing to carry out the intent of this law as Congress intended it to be carried out.

Mr. SEBELIUS. I thank the gentleman for that. I was not aware the hearings were being carried on. We have raised the subject in some cases of changing the law. If the basic law has to be changed it should be changed so we can have basic consultation. It is a real problem to us. We are as concerned as everybody else about the health of workers but at the same time we do not want mom and pop to be completely put out of business.

It is the American way to have some correction procedure and consultation but the small businessman does not have the expertise to read and implement all these rules and regulations. I hope the committee the gentleman chairs will be able to give some kind of relief to the small firms. Maybe we can go below the figure of 25 and get something on that basis.

Mr. DOMINICK V. DANIELS. If the gentleman will yield further, during 1974 16 days of oversight hearings were held and several days were devoted to on-site consultation. In this session of the Congress we have held 6 more days of hearings including one field hearing in Waterbury, Conn.

With regard to consultation, last year, just about exactly 1 year from the present month, $5 million was appropriated for the purpose of on-site consultation, but unfortunately, that bill, the appropriation bill, was not signed into law until December 7, 1974.

Mr. SEBELIUS. I am aware of that and I do not like this route, but I do think this is one place where we get some input on the authorizing side so we can give some hope to the small businessmen. I do not want to hurt the workers. We want some understanding, but the way the law is now we do not seem to be able to get any change. They should go in and talk things out and not just fine the people. This is not a fascist state.

I would like to submit a statement to the gentleman's committee and have it discussed with some of his staff and that statement will be on the subject of the little-man operation.

Mr. DOMINICK V. DANIELS. We would be glad to have the gentleman appear before the committee and I shall instruct the staff to notify the gentleman of our next oversight hearings, and I will be pleased to consult with the gentleman personally.

Mr. SEBELIUS. We have a great concern. As of this moment I must conclude that this was the worst vote I have ever cast. I am sorry to say that because I am interested in the health and safety of the people in my district.

Mr. DOMINICK V. DANIELS. If the gentleman will yield once more, I would direct the gentleman's attention to page 20650, of the RECORD of yesterday, June 24, 1975, where I inserted a letter from Secretary of Labor John T. Dunlop, who voices strong opposition to this bill.

He voices strong opposition to this bill and in that statement we will find that he comes practically to the conclusion that the enactment of this resolution amounts to a repeal of OSHA and in his letter he further states we ought to have onsite consultation, educational training programs. They are distributing literature, in booklet form, such as the booklets which I have in my hand, written in plain, ordinary, understandable English, within the comprehension of the working man or woman.

I recommend all my colleagues before you vote on this bill today, that you read Secretary Dunlop's report.

Mr. SEBELIUS. Mr. Chairman, I want to tell the gentleman, I do not want to take that route. I am interested in the authorization route and I can assure the gentleman that I will be delivering a statement to his committee.

Mr. BEARD of Rhode Island. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I serve on the gentleman's committee and we have had public hearings and I have argued this with the Department of Labor.

I recognize this has been pretty complicated and they are working to make the provisions simple and understandable for everyone; but I worked for an organization that had, for example, 10 members. At a time when I needed it, thank God we had a respirator.

Whether we have 10, 15, 100 or 125, there should be equal protection for all, not any less.

Take a look at the implications of the standards of OSHA. Where is the sprinkler system in our own offices? I am a little guy that has worked all my life as a tradesman in the building trades. I appreciate, as a member of a small group, protection. Do not write a provision that will do less for a corporation that has a small number of people. They need protection also.

Mr. SEBELIUS. Mr. Chairman, will the gentleman yield?

Mr. BEARD of Rhode Island. I yield to the gentleman from Kansas.

Mr. SEBELIUS. We want to protect the employers, too. The only thing we ask is that they have a chance for consultation so that if I am not doing right, they can find out without being fined. I want to protect them, too.

Mr. BEARD of Rhode Island. All right, but why 25 people? Why not work in the committee? We do not need the amendment.

Mr. SEBELIUS. This is the route we should go, because so many people are so frustrated.

Mr. BEARD of Rhode Island. Forget the amendment, come over to the committee and explain the frustration. This is a lousy amendment.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the Findley amendment.

Mr. Chairman, this reminds me a little bit of the oldtime comedy, we have been through this route so often that with the number of people here, it may not make any difference at all; but at least I want to make an effort, along with the distinguished and able gentleman from Wisconsin and the distinguished and able gentleman from New Jersey in opposition to this amendment.

The gentleman from Wisconsin (Mr. OBEY) is absolutely correct and I hope the gentleman from Iowa (Mr. NEAL SMITH) will take a look at the Findley amendment, because it effectively prevents the Labor Department from carrying out any inspection program. The way the language of the Findley amendment is worded, when we go the route of saying, "You must issue," as he does, what we are saying to the Department of Labor is that, "I don't care whether it is serious, nonserious, or a de minimis violation, at no point can you go into the plants," because the law requires that and there is no citation for even a serious violation.

Let me point out that we have three kinds of violation that take place under the Occupational Safety and Health Act, the so-called Daniels Act.

Mr. DOMINICK V. DANIELS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the distinguished gentleman from New Jersey.

Mr DOMINICK V. DANIELS. Mr. Chairman, is the gentleman referring to me as the godfather of this act?

Mr. STEIGER of Wisconsin. Right.

Mr. DOMINICK V. DANIELS. I feel honored by that and I feel complimented.

Mr. STEIGER of Wisconsin. I thank the godfather for his contribution. The Department of Labor is mandated under the act to issue a citation for a serious violation; that is, one which is likely to lead to death or serious physical harm. I do not think anybody in this chamber, including our friend from Illinois, would doubt that this, in fact, is rational and needed.

Second, an employer can receive a citation for a nonserious violation in which there are criteria that reduce the size of any penalty that may be assessed and which recognizes the difference between one that is likely to lead to death and serious harm, and one that is not, but nonetheless is a violation of a standard.

Third, we have de minimis violation. That is where we get to the argument such as the gentleman from Texas gave on those kinds of irritating but nonetheless violations of standards for which no citation is issued.

I really hope this Chamber does not get bound up again on the issue of whether or not we have split toilet seat standards, hanger standards, and toilet paper standards, such de minimis violations. In fact, the Department has moved to modify or revoke many of the standards which have been controversial.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I had not seen this amendment until a few minutes ago, but in my colloquy with the gentleman from Illinois, he said that the amendment only prohibits them from having a program where they must in all instances issue citations.

Mr. STEIGER of Wisconsin. May I read the amendment to the gentleman?

Mr. SMITH of Iowa. I have read it several times.

Mr. STEIGER of Wisconsin. It says:

> None of the funds provided by this act shall be used to formulate or carry out a program under which first-instance citations for violations must be issued against firms employing 25 or fewer persons.

Mr. SMITH of Iowa. The gentleman's interpretation of that is that they should not have a program which requires the issuing of first-instance citations in any case?

Mr. STEIGER of Wisconsin. I think there is no question, may I say to my friend from Iowa, that this is exactly the effect of the Findley amendment, because the act as it is now in place and as this Congress passed it mandates that we shall have first-instance citations for serious and nonserious violations.

Mr. SMITH of Iowa. This is the problem we get into in trying to legislate on an appropriation bill. I understand the frustration of the gentleman from Illinois because it has been not just a year or two, it has been years that we have been trying to give consultation, and they just have not tried, I do not think, too much in that regard. So, people become frustrated and so they try something like this.

But, I agree with the gentleman that it cannot be done, I do not think, in the form of the limitation on an appropriation bill, and really do what we want to do.

Mr. STEIGER of Wisconsin. I think the gentleman is absolutely correct. Let me, if I can, Mr. Chairman, say that we fought this battle a year ago on this bill, a year ago almost to the day. I offered an amendment which provided $5 million for consultation. I did so in large part because of my frustration with the fact that there was not able to be an agreement among and between all of the differing parties for an amendment to the Williams-Steiger act on consultation. So, that $5 million is available.

There are now a number of States making application for consultation. That is the way to deal with the frustration of some of the employers, to deal with the problem of the man who says, "I cannot understand the standards. Would you help me understand them?"

That is in place. The committee this year in this bill is providing $5 million for consultation, so I hope when the vote on the Findley amendment occurs, Members will not be misled into thinking consultation is not available.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(By unanimous consent Mr. STEIGER of Wisconsin was allowed to proceed for 3 additional minutes.)

Mr. STEIGER of Wisconsin. Members should understand that in the State approved States, with one exception, consultation has been available since the beginning of the program, because in almost every, but one, approved State plan, they provide for consultation. In those States without approved State plans, this is where the $5 million goes, to provide the consultation for employers. So, that mechanism is now available through the Labor Department through State agencies to provide consultation, so I hope that when the Members vote, they do so with their eyes opened as to what is involved.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to my colleague from Wisconsin.

Mr. OBEY. Mr. Chairman, I would further like to emphasize again that it is not just the opinion of the gentleman in the well, not just his interpretation of the law. That is the opinion of the assistant solicitor of the Department of Labor.

Let me point out that the problem is simply this: The Findley amendment does not eliminate the requirement that the administrator administer the law.

Mr. STEIGER of Wisconsin. Correct.

Mr. OBEY. The problem is, the administrator does administer the law, and the minute he does carry out his function under the law, effectively, he brings the entire OSHA program into an end. That is the problem with this amendment.

Mr. STEIGER of Wisconsin. I thank the gentleman.

I concur completely with the gentleman from Wisconsin.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. Yes, I yield to the gentleman.

Mr. DOWNEY of New York. I thank the gentleman for yielding.

I would like to associate myself with the remarks made by the gentleman in the well. I find the gentleman's argument most persuasive, and I plan to vote against the amendment.

Mr. STEIGER of Wisconsin. I thank my colleague from New York.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Illinois.

Mr. MICHEL. I thank the gentleman for yielding.

The gentleman heard from the gentleman from Texas and his example. Does the gentleman from Wisconsin think that is a fair citation? Is that a serious violation?

Mr. STEIGER of Wisconsin. No. Clearly it is not, I will say to my friend from Illinois.

Mr. MICHEL. That is what we are pointing out as being the frustration. The gentleman admits here on the floor that is not a serious violation.

Mr. STEIGER of Wisconsin. Of course it is not.

Mr. MICHEL. The gentleman comes here in a fit of frustration and says, "How can we countenance that?" We talk about it. We talk about it a week here, we talk about it a month, we talk about it a year.

Mr. STEIGER of Wisconsin. I do not yield any further to my friend from Illinois.

Mr. MICHEL. We say, in the case of the gentleman from Texas, that is not the kind of thing that ought to go on.

Mr. STEIGER of Wisconsin. Mr. Chairman, my whip is taking my time. Let me comment on it.

Mr. MICHEL. I will give the gentleman half an hour.

Mr. STEIGER of Wisconsin. In the first place, I think we ought to find out from the gentleman from Texas whether, in fact, it was a citation for violation under the OSHA Act, and if it was de minimis, or if it was a nonserious violation, and if it was a nonserious violation he related to us, then I think the Department of Labor is in error and there is an appeal to the Review Commission. It does not make any sense, and I would be the first to agree that it does not make any sense.

My second point, may I say to my colleague from Illinois, is that the whole effort of the Findley amendment began in 1972, as I recall, and they kept saying, "Give us another 12 months, give us time."

The gentleman from Illinois (Mr. FINDLEY) is trying to totally gut the act, not trying to ask for more time.

Mr. Chairman, lastly I would like to ask my colleagues to pay particular heed to the argument of my colleague from Wisconsin (Mr. OBEY) regarding the reason for first instance citations: uniform enforcement throughout the country. He is correct in his analysis.

I oppose the amendment.

Mr. HUNGATE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, during the 92d and 93d Congresses, I served as chairman of the Subcommittee on Environmental Problems Affecting Small Business of the Select Committee on Small Business. In that time, our subcommittee held two sets of hearings on the effects of the Occupational Safety and Health Act on small business, and we were the first congressional committee to held hearings on the administration of this act.

When we held our first hearings in 1972, we heard endless complaints from small businessmen about unachievable standards, unreasonable regulations, an intimidating number of volumes of standards, and gestapo tactics. When we held hearings 2 years later, many small businessmen came forward to compliment the agency.

The small businessmen and women that testified before us did not oppose the act, but merely wanted assistance in learning what they must do in order to comply with the regulations.

Last year, the House attached an amendment to the Labor Department's appropriation bill which provided that assistance by authorizing that $5 million be spent on a free consultative inspection program. The regulations promulgated by OSHA give small businesses priority in obtaining these services.

Because of the lateness in last year's appropriation, the program has only begun, but the same amount is authorized for this year, and I believe this program is the best solution to small business problems.

In our reports, we have repeatedly pointed out that there is nothing inherently safe in being small and an exemption from first instance citation fails to adequately protect those who work for small businesses. These workers are entitled to the full protection of the law and, wthout the possibility of first instance citations, these businesses have no incentive to provide their workers with the type of protection the law requires and the workers deserve.

Most small businesses want to provide this protection and, through the free consultative inspection program, we have given them the means to do it. Given the availability of this assistance, it would be inequitable to deprive the worker of the protection he deserves, and so I rise in opposition to this amendment and urge its defeat.

The gentleman who just left the well, (Mr. STEIGER of Wisconsin), in my opinion, is probably the most knowledgeable gentleman with whom I have had the privilege of discussion this whole problem. And it is a very serious problem.

Mr. Chairman, we had hearings in Omaha, Neb., in Kansas City, Mo., in Minnesota, in Wisconsin, and we have heard the small business people tell us their troubles and complain about this act, and I would like to tell the Members of this House that when we started our hearings in Washington, D.C., about 3 or 4 years ago, it was unsafe to talk about this with small business people. They had been exposed to dictatorial tactics. They were ready to fight. We heard from the steelworkers, the U.S. Chamber of Commerce, and others.

Out of those hearings over all of those years, in all of the settings, I would say, that when you go to have hearings on this you do not hear from small business people complaining about the purpose of this act. They start out complaining about its administration.

The second set of hearings we had in the field were remarkably different from the first. Somehow the Department had begun to get the message that you cannot spit on the American small businessman. They were at least trying to use a little courtesy.

We talk about size. What size is proper? We have had people say it ought to be 12, 15, 10, 25. The testimony we heard repeatedly is: What is going to happen? I am in the construction business. With 100 employees I am going to have four or five companies.

Or there may be three or four partnerships doing the work, and they all have less than 25 employees, and yet they do the same job and have the same number of people. So we will have a very difficult time enforcing the law and making it meaningful.

We also heard that one of the most dangerous jobs one could have would be working in timber. Those jobs are usually done with a crew of four or five men working together.

There is nothing about the fact that an operation is small that means it must be safe. We can have a department store employing a good number of people, and they may never have an accident because probably it is a pretty safe industry.

Mr. Chairman, I point out that the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) and his subcommittee held hearings. I testified before them twice and brought to them the problems of small business and the sort of relief sought. I do not want to say we have finished with this problem, it remains difficult. We got help from the other side of the aisle, including the gentleman from Wisconsin (Mr. STEIGER). We put $5 million in here for consultation purposes.

I will ask the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) if it is not true that $5 million is in this appropriation for consultation purposes. Is that not correct?

Mr. DOMINICK V. DANIELS. Mr. Chairman, if the gentleman will yield, there is $5 million in this bill.

Mr. HUNGATE. Mr. Chairman, that amount is in this bill.

When we are talking about the States, of the 50 States, there are 28 of those States that do not have their own program, and in those States the $5 million can be used for consultation purposes.

That is what the issue is here; that is what they complain about; that is what they keep singing about, that we cannot tell somebody to go in there and make sure they are complying with the law without getting fined and without getting cited. That was the effort that was made in this Congress last year. We made sure that they were going to get regulations set up and start consultation. I do not know if it has been operated for over 30 days, but the money is in there and the consultation is the thing they are trying to provide for.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. HUNGATE. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, that is what I was going to ask about.

What has happened to the $5 million we appropriated for years that goes for consultation? Has that program ever been started? Have our small business people been helped because of consultation?

What about these small businessmen, like the one I just mentioned to the membership, this case that just happened 3 months ago? Certainly some time somebody should have called the State of Texas and told them they had a consultation program, or they should have told their own inspectors, by golly, to go in there and tell these people.

Mr. HUNGATE. Mr. Chairman, of the 50 States there are 28 that have no program of their own; they have the Federal program, and the Federal agency takes care of its own administration. There are 22 that have their own setup and they get matching funds if they want consultation. Maybe they do not all have it. I cannot advise the gentleman of that. That is a matter of States rights there.

Perhaps the chairman of the committee could advise us as to how long they have been getting these funds for consultation.

Mr. FLOOD. Mr. Chairman, if the gentleman will yield, the reason is that the appropriation was not available until after the first of the year. That is about 5 months. That is the real reason.

You can be sure, as far as I am concerned, that they are going to spend that money and provide consultation. We gave them $5 million last year, and now we give them $5 million more, and they must do exactly that.

The reason for this is that they started just a few months ago. That was nobody's fault. The bill just was not signed before that time.

Mr. HUNGATE. Mr. Chairman, I thank the gentleman for assuring my friends who have indicated their frustration at the problem they are facing. In my judgment, this problem can be solved with consultation; it need not reach the point of frustration that did exist.

Mr. KASTEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, as a small businessman myself before I came to Congress, I can attest to the need for Representative FINDLEY's amendment.

To many small businessmen, the single and most overriding criticism of the Occupational Health and Safety Act is the lack of onsite consultation visits to determine whether businessmen are in compliance with the standards, and if not, to discuss alternative methods of coming into compliance.

Most small businessmen would like to comply with OSHA standards. They recognize that every employee, even in the smallest enterprise, is entitled to protection from safety and health hazards. The problem, of course, is that OSHA regulations are extremely complex and lengthy. In fact, they total 500 pages of fine print. The average small businessman cannot possibly master this subject—and if he employs 25 people or less, he does not have the resources to hire a consultant who does understand the complexities of the regulations.

The specific language of the Occupational Health and Safety Act precludes the use of OSHA compliance officers for consultation visits. If a compliance officer inspects an employer's premises and finds what he considers a violation, regardless of the fact that this is the first visit or that the violation is an honest mistake resulting from an oversight or a misunderstanding of vague and somewhat contradictory regulations, the compliance officer must issue a citation and, in many cases, a proposed penalty.

If OSHA is to succeed, voluntary compliance by business is essential. There is simply no way to monitor all businesses on a regular basis to insure compliance. Yet, as the law is presently written, businessmen are penalized for making good faith efforts to provide safe and healthful environments for their employees.

The Labor-HEW appropriations bill we are considering today provides $108 million for an additional 300 compliance officers. I do not quibble with the need for additional personnel. I am, however, upset about the fact that we are increasing the enforcement effectiveness of OSHA while we have not found a way to provide small businessmen consultation visits.

Thirty-one States, including Wisconsin, do not have an onsite consultation program. In view of the fact that Congress has failed to act in 3 years to correct a deficiency that almost everyone acknowledges, I do not think that it is premature or unreasonable to adopt Mr. FINDLEY's amendment which would exempt small businesses from enforcement until field compliance officers are permitted to give advice on the first inspection. Perhaps it is the only way to prompt congressional committees to move from oversight hearings to the actual drafting of the needed reforms that everyone has been awaiting.

Mr. Chairman, I would urge my colleagues to support this amendment if they are truly interested in promoting the safety and health of employees as well as equitable treatment of small business, the backbone of our Nation's economy.

Mr. FINDLEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred thirty-three Members are present, a quorum.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I have risen repeatedly in this Chamber to speak out on behalf of the working men and women of this Nation. But, never before in my 16 years of congressional experience have I felt it so important to sound a call to reason among my colleagues.

We have before us an amendment to exempt businesses employing 25 or fewer employees from first instance sanctions for violations of the Occupational Safety and Health Act that can range all the way to serious, willful violations and those that present an imminent danger to the worker. In effect, this amendment will leave the worker unprotected.

On the face of it, the amendment sounds like a reasonable attempt to give the small businessman a break in complying with the provisions of OSHA. On careful examination, however, it is apparent that the amendment has one express purpose: To eviscerate the law.

Mr. Chairman, I do not wish to impugn the motives of my distinguished colleague. I am sure his intentions were the best. But I believe that he may have been misled or badly advised on the overall effect of his amendment.

By cutting off all funds for enforcement for "a program under which first-instance citations for violations must be issued against firms employing 25 or fewer persons," the amendment literally guts OSHA. Thus, a vote in favor of the amendment is essentially a vote in favor of repeal of OSHA.

I want to remind the Members of this body that there was never any question either in my original bill nor in the Steiger substitute as to the essential role of first instance citations in insuring voluntary compliance with the provisions of OSHA by employers—both large and small. Only the knowledge that the employer can be fined on the initial inspection compels him to voluntarily correct health and safety hazards in his place of business.

In 1970, the House and Senate wisely recognized the value of this important motivator. This is precisely the reason why first instance citation was included in the law.

There is ample precedent for this concept in traffic safety laws with which all of us are very familiar. A motor vehicle operator is not allowed to maim or kill one child crossing a street in a school zone before the law holds him accountable for his actions. Traffic safety laws do not allow for a first-instance warning when the life of an innocent person is jeopardized through carelessness or willful neglect. Can we, as national lawmakers, be any less concerned about the lives of our working men and women?

It is important to remember that the size of a business has nothing to do with health and safety. I firmly believe that the 20 million workers who daily earn their livelihood at workplaces with 25 or fewer employees are entitled to the protection of OSHA.

Accidents and deaths do happen in small workplaces, just as in large ones. The loss of one life, the crippling of one worker is as much a tragedy to the worker, and his surviving family, in a small workplace as in a giant assembly line. That is why the framers of this statute set forth the policy goal of achieving a safe and healthful workplace for all workers, not just those in plants of 25 or less, or even 3 or less.

The amendment will effectively exempt from coverage of OSHA standards fully 90 percent of the business establishments and 30 percent of the employees who are today protected by safety and health standards. The issue, simply stated, is one of health and safety for workers in all businesses—regardless of size. Are the lives of the employees of small businesses any less sacred than those who work in large establishments? Surely the answer of the House must be a resounding "NO". We are waging a war in the workplace—a battle against insidious hazards to worker health, a battle against impediments to the safety of employees.

Let me point out to my colleagues that in the 4 years that OSHA has been in effect, only 5 percent of the workplaces covered have been inspected. Surely, this rate of inspection cannot possibly be construed as harassment of the small businessmen, especially in view of the fact that the likelihood of inspection in a given year for a small business is very remote—actually less than a 1-percent chance of inspection.

Let me illustrate my comment with some interesting statistics. There are 5 million work establishments covered by OSHA, yet in 1974 only 38,491 smaller work establishments were inspected by OSHA personnel. I compute that at this breakneck speed, it will take 100 years for every worksite employing less than 25 employees to be inspected.

Let me give my colleagues some more interesting facts about businesses employing less than 25 persons. First of all, these smaller worksites comprise some of the most hazardous work places in the country—including such activities as construction, logging, longshoreing, and chemical handling.

Inspections made in 1974 reveal that smaller workplaces accounted for nearly 38 percent of total violations, 47 percent of serious violations, and 27 percent of the reported fatalities.

Mr. Chairman, these grim statistics of slaughter in the workplace bespeak the need for defeat of the amendment that would literally destroy the Occupational Safety and Health Act.

Mr. Chairman, I noted with great interest the remarks that my colleague inserted in the CONGRESSIONAL RECORD of June 24 explaining the reasons why he is offering this amendment. The primary thrust of my distinguished colleague's comments concerned the need for onsite consultation for the small businessman.

Mr. Chairman, I fully agree with my distinguished colleague on the need to develop a viable onsite consultation program, and I am pleased at the progress that has been made by the Department of Labor to establish a consultation program. If I may, I would like to refresh the memory of my colleague on the progress that has been made to date:

When the appropriations bill of Fiscal year 1975 was passed by the House last June, an appropriation of $5 million was approved for consultative services to small businessmen under sections 7(c)(1) and 21(c) of OSHA.

As my colleague may recall, the appropriations bill was not signed by the President until December 7, 1974. Thus, it was not until January of 1975 that the Department of Labor began taking public comment on proposed rules regarding contracts for onsite consultation programs. The Department heard the views of many interested parties, as well as Members of Congress, and worked diligently to develop the final rules which were promulgated in May of 1975.

There is a further appropriation of $5 million for on-site consultation in the bill we are considering here today. This is a very important component of the OSHA budget, and I am pleased that the Appropriations Committee has approved the carrying out of consultative services for fiscal year 1976. Clearly, this program to help small employers in the 28 States without State plans is a vital part of OSHA.

I believe we should give the Department of Labor an opportunity to make consultation work.

I believe we should give our new Secretary of Labor an opportunity to help small employers.

This opportunity will be denied if the proposed amendment is adopted.

Mr. Chairman, Secretary of Labor Dunlop has sent to Speaker ALBERT a strongly worded letter outlining his opposition to the proposed amendment. As the Secretary points out:

> The Department has begun providing advisory centers in the field offices, the publication of plain language bulletins, and is planning an increased educational program to acquaint specific sectors of small businessmen with health and safety standards. The enactment of this amendment would remove much of the impetus for employers to become involved in these programs.

Mr. Chairman, this is a very important point for this House to consider.

However, I believe the most important point made in the Secretary's letter is that:

> Eliminating the requirement for the setting of enforceable abatement requirements would effectively deny the protection of the act to employees of 90 percent of the employers in the Nation.

What the Secretary is saying is that adoption of the amendment will literally repeal OSHA.

Let me conclude by saying that although the amendment may have been well intentioned, it is destructive of the work that has been done by Congress and the administration to provide a safe and healthy working place for America's working men and women. This amendment would repeal OSHA by striking a fatal blow to its very heart—the first-instance citation provision.

Adoption of the amendment will destroy the effectiveness of OSHA by literally pulling out the only teeth the law really has.

Adoption of the amendment will make a mockery of the pledge made by Congress and the administration to 65 million American workers—a pledge to provide them with a reasonably safe and healthy working place.

I urge my colleagues not to undermine the work that has already been done by the Congress and the administration to safeguard workers' health and safety as well as the efforts that have been made to educate and assist the business community in providing safe worksites.

I also urge them not to waive the rights of 65 million workers by adopting this amendment.

American workers need and deserve the protection that OSHA provides. I hope that my colleagues will not vote to deny this protection by adopting this amendment.

I strongly urge my colleagues to reject this amendment and to retain the effectiveness of a law that was designed to protect American workers.

As a matter of fact, from a practical standpoint, it amounts to a repeal.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. Yes, I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I thank the gentleman for yielding.

I will respond in this way: My purpose in offering the amendment is not to suspend enforcement by OSHA, even against small firms; but, frankly, if the gentleman will permit me to say so, it is to put a burr under the saddle of the gentleman from New Jersey and his committee, hoping that they will quickly get out of the committee and on the House floor a bill which will remove this basic flaw in the OSHA act.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. Yes, I will be happy to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank the gentleman, my esteemed colleague, for yielding.

I rise in opposition to the amendment because I think it presents a very grave danger with respect to the safety of our working people.

I must say, from my own experience in my own district, I know that small business people particularly would like to call in the inspectors of OSHA to make sure their equipment is safe. They do not dare do it because if they call them in, they are afraid they are going to be socked with a lot of other things. I do not know why this is not working.

We had a fatal accident, and the reason we had the fatal accident was that this small businessman was afraid to call them in. He was worried about what they would do.

I would like to say further that in some instances I have evidence that OSHA is not being hard enough on businesses with dangerous machinery. When that is present, it seems to me that before clearance is given, that machinery should be removed or safeguards should be put around it. Penalities of $200 will not pay for the death of a young man.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I agree with the gentlewoman from New Jersey (Mrs. FENWICK).

One point must be made in particular: When inspection is made and consultative advice given to the employer, the compliance officer should be an expert in his field and should be knowledgeable of all safety devices, rules and regulations.

Mrs. FENWICK. Mr. Chairman, if the gentleman will yield further, I ask him this question: Has the inspector now the power, if he is called in, to give advice without giving citations and penalties?

Mr. DOMINICK V. DANIELS. No. But a consultant has that power.

Mrs. FENWICK. He has?

Mr. DOMINICK V. DANIELS. Right.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. Yes; I yield to the gentleman from Iowa.

Mr. BEDELL. Does the inspector have that power with respect to serious violations, too, either to give a citation or not give a citation?

Mr. DOMINICK V. DANIELS. A serious violation?

Mr. BEDELL. Yes, sir. That is what I am talking about.

Mr. DOMINICK V. DANIELS. An inspector?

Mr. BEDELL. Yes, sir.

Mr. DOMINICK V. DANIELS. He must give a citation if he finds that a violation exists.

Mrs. FENWICK. If the gentleman would yield further, that is what I am inquiring about.

Suppose a small businessman calls in an inspector who comes in. He is invited by the small businessman who thinks he may be in trouble. Is the inspector then forced to give a penalty or a citation?

Mr. DOMINICK V. DANIELS. If it is an enforcement officer who visits the place of employment and finds a violation of the act, he is required and obligated, under the provisions of the act, to issue a citation.

Mrs. FENWICK. Even if he is invited in?

Mr. DOMINICK V. DANIELS. Yes. But if it is a consultation official then he is not expected or permitted to cite the employer.

Mrs. FENWICK. I understand. There are two different kinds of officers.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) has expired.

(On request of Mr. ANNUNZIO and by unanimous consent, Mr. DOMINICK V. DANIELS was allowed to proceed for 3 additional minutes.)

Mr. DOMINICK V. DANIELS. Mr. Chairman, I would like to make this point to the Members of the House, that when this bill was signed into law in 1970 by former President Nixon my distinguished colleagues on the other side of the aisle, the gentleman from Wisconsin (Mr. STEIGER) and the gentleman from Minnesota (Mr. QUIE), and several other Members from this side of the aisle, and I were present. President Nixon referred to this legislation at that time as landmark legislation.

In the original proposal that I introduced, and also under the subsequent substitute of the gentleman from Wisconsin (Mr. STEIGER), we deliberately provided for a first-instance citation. There are over 5 million working places in this country. This bill covers 60 million working men and women. The purpose of the bill is that the employer will provide a safe and healthy working place for all employees regardless of size of an establishment. We know that with the limited funds appropriated toward this legislation that we could not possibly provide inspection for 5 million working places. This law has been in effect for the past 4 years, yet only about 5 percent of these working places have been inspected each year. Therefore, our intent is to bring employers into voluntary compliance.

The idea behind the legislation originally, and even today, is that if an employer who knows that there will be first instance sanctions, he will be motivated toward compliance of this act.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I thank the gentleman from New Jersey for yielding to me, and I want to associate myself with the remarks made by the gentleman from New Jersey, and to commend the gentleman as the original sponsor of this legislation for bringing the legislation forward as far as it has gone.

Mr. Chairman, I have heard so much talk today about frustration that I am wondering what has happened to over 14,000 families of workers who are killed in the United States each year? Are these families frustrated? Are 2.2 million workers who are injured in America each year, are they and their families frustrated?

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. ANNUNZIO, and by unanimous consent, Mr. DOMINICK V. DANIELS was allowed to proceed for 2 additional minutes.)

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield further?

Mr. DOMINICK V. DANIELS. I yield further to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I wonder if the Members of the House are aware of the fact of the amount of hours that we are losing each year because of such injuries, and because of the American men and women who are killed, what is happening to our productivity, and why in gross national product we have gone down each year?

So, Mr. Chairman, I am opposed to the amendment offered by the gentleman from Illinois (Mr. FINDLEY). I think the gentleman's amendment comes at an inopportune time when we are trying to increase productivity in this country.

Mr. Chairman, since the passage of the Occuptional Safety and Health Act in 1970, we have been faced with weakening amendments to OSHA each time the appropriations bill has come to the floor. Those amendments have generally come in two forms—an exclusion for small employers and an effort to turn inspectors into consultants. This year we are faced with an amendment which covers both efforts.

By prohibiting inspectors from issuing "first-instance citations" to small businesses, the amendment would supposedly make consultation inspections mandatory before an enforcement inspection could be conducted. One way of characterizing this is that it gives the employer a "free bite" at the expense of his employees. Hazardous conditions, and indeed injuries, can continue in violation of the standards with no risk of penalty until after the first time the employer is caught. No enforcement orders could be issued on the first inspection, even in cases of imminent danger or of "serious" violations—which are defined in the Act as those where "there is a substantial probability that death or serious physical harm could result."

Much is made of the claim that OSHA enforcement should be more reliant upon voluntary compliance on the part of the employers. In truth, the enforcement is based very much upon voluntary compliance. No one claims that all workplaces in the country can ever be inspected, let alone inspected on a regular basis. Absent the knowledge that he will be regularly inspected, the only incentive an employer has to voluntarily come into compliance with the standards is the knowledge that he will be cited, and perhaps penalized, if he is subjected to an inspection and found not to be in compliance.

Last year we dealt with the consultation issue, not by weakening the enforcement mechanism as proposed here, but by establishing an on-site consultation program to be carried out through the States. This provides the service that employers say they need, but avoids the conflict which arises from trying to place the consultative services in the same agency which is required by law to issue first-instance citations. Continuation of that program is provided for in this year's appropriations. In that sense, then, the proposed amendment is unnecessary.

But the amendment would do more than remove first-instance citations. It would actually eliminate any citation authority with respect to businesses of 25 or fewer. Since the Act requires OSHA inspectors to operate under a first-instance sanction procedure, they could not engage in the consultative role that the appropriations amendment seems to call for. The only way OSHA could comply with the amendment would be to completley ignore small business during the coming fiscal year.

The consequences of this would be far from small. Exempting firms with 25 or fewer employees would mean exempting 30 percent of the country's workforce from OSHA coverage. This is not a nonhazardous category of businesses. OSHA data for fiscal year 1974 show that establishments of 25 or fewer employees accounted for nearly 47 percent of all serious violations, and that in these workplaces there were 1,116 deaths, or 27 percent of the total for all workplaces. There can be no justification for allowing these conditions to go uncorrected. I urge your opposition to the amendment.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from California.

Mr. JOHN L. BURTON. Mr. Chairman, is the gentleman from New Jersey not aware of the fact that the Small Business Administration is given authority to provide funds to help small businesses meet OSHA standards; that that is part of their responsibility, and for which part of their funds are used?

Mr. DOMINICK V. DANIELS. Mr. Chairman, the gentleman from California is correct. I can give the gentleman figures on the amount of loans that have already been made; this past year there was over half a million dollars given to small businessmen.

Mr. JOHN L. BURTON. I thank the gentleman because I think that is an important point to understand that the Small Business Administration is empowered and does make loans to help small businesses meet the OSHA standards.

Mr. FLOOD. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendment.

Mr. Chairman, now we have been at this an hour. Can anyone imagine me, FLOOD, sitting there keeping his mouth shut for an hour? It is unheard of. In the 30 years I have been here, it has never happened before. I will tell the Members why. The reason is I wanted these Members who are experts on both sides of the aisle, the gentleman from Kansas (Mr. SEBELIUS) and the gentleman from Wisconsin (Mr. STEIGER) the chairman of the subcommittee, the distinguished gentleman from New Jersey (Mr. DOMINICK V. DANIELS) all of these people who are the real pros on this legislation—I wanted them to go on here—and they did. Why in the world is this amendment here? It does not belong here. This is the Appropriations Committee. We cannot write a law here. This is a behind-the-scenes act masked under some technicality of the rules to write a law. We cannot do it here. This is the Appropriations Committee.

But you know, and I know that you know, and I know why it is here. Under no circumstances am I in favor of a license to kill. What is sacred about 25, 50, 100? Where are we? In Las Vegas? This is no numbers game. It does not matter where one is working what the number is, 500, 100, General Motors or mom and pop on the corner with 3 workers. What does that have to do with it? This does not belong here. The amendment should be defeated.

The Members heard Mr. DANIELS say that hearings are now going on. For heaven's sake, go before the proper subcommittee of the proper authorization committee, and say what one has to say. If this law is to be changed, go ahead and change it. But the Members wrote this law, and as long as they wrote it, it must be enforced. Inspections must be made. That is the law. That is what the Members said. If they want to change it, that is alright. Go ahead. The Members have a right to do it, but do it the proper way.

This is through the back door. This is the family entrance again. Do not do this here. It does not belong here. This is an appropriations bill. Turn this amendment down.

Mrs. FENWICK. Mr. Chairman, I move to strike the last word.

I am afraid I did not phrase my question very clearly, or perhaps I misunderstood the answer. Am I correct, Mr. Chairman of the subcommittee, my distinguished colleague from New Jersey, in believing that there are two types of officers connected with OSHA, and that one type is free to come in upon invitation?

Mr. DOMINICK V. DANIELS. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. I thank the gentlewoman for yielding.

That is absolutely true, and that officer is referred to as the consultant officer.

Mrs. FENWICK. My understanding is not clear. If I understood the answer to my previous question, there are two types of OSHA officers. If a small businessman is troubled, worried about starting up a new place, or if he has a new machine and is troubled about that particular piece of machinery or situation, he can call in one type of officer who is free to come in and say, "Look, that is fine," or, "Look, do not start," or, "Stop at once; that could be dangerous." He is able to give one that advice without giving one a fine simultaneously because he was invited in.

On the other hand if one did not invite him in——

Mr. DOMINICK V. DANIELS. If the gentlewoman will yield further, she is absolutely correct in the statement she has made, and the name of that officer is "consultation officer."

Mrs. FENWICK. I should like to ask the gentleman whether that consultation officer is empowered to give a clean bill of health. In other words, supposing that consultation officer is invited in at the request of the owner who is starting up, and says, "That is a great piece of machinery; go ahead; you are fine." Is he then protected by that decision from further action on the part of the enforcement officer who may be coming around and inspecting the same piece of machinery thereafter?

Mr. DOMINICK V. DANIELS. Would the gentlewoman yield for a reply?

Mrs. FENWICK. I yield to the gentleman.

Mr. DOMINICK V. DANIELS. The consultation officer writes a report and furnishes a copy of that report to the employer. That consultation officer may have given the wrong advice. He might have overlooked something. Therefore, the enforcement officer who may subsequently appear on the scene could issue a citation for a violation. But all of these facts would be taken into consideration by the Commission in the imposition of a penalty.

Mrs. FENWICK. The problem here is not a big company. They have lawyers and all kinds of people who can help them. I am thinking about the small business that is helpless. If they call in the agency of their Government which is in charge of this very important and serious business of protecting the health of the workers, and if the properly and duly constituted officer gives them an OK, that is one thing. I can quite understand that the enforcement officer coming on a routine check and finding a piece of machinery that is dangerous could properly give a citation. But it seems to me improper that a person who has called in a duly constituted officer of the U.S. Government and has been given a clearance should then be liable.

Mr. DOMINICK V. DANIELS. If the gentlewoman will yield further, in response to the matter which the gentlewoman has just discussed, I would say that such Government officers are only human and even if they possess expertise, even they at times make errors, so mistakes can occur, and this will be taken into consideration. If a fine is imposed, one can take that fine to the review Commission.

In small business the average fine amounts to only about $16 per employer.

Mrs. FENWICK. It seems to me, if the gentleman will forgive me, that this is like getting a parking ticket from one policeman when another policeman told the person to park there. I think the Government when it deals with the public has to make up its mind and stand back of what it is doing.

Mr. DOMINICK V. DANIELS. I agree wholeheartedly with the gentlewoman. Our oversight hearings have been very instrumental in having the Department of Labor take a more aggressive and more responsible position with respect to these matters.

Mrs. FENWICK. I thank the gentleman.

Mr. FLOOD. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 7 minutes. We have had 1 hour and 50 minutes of discussion on this. Mr. Chairman, I will make that a request to close in 10 minutes.

The CHAIRMAN. The gentleman from Pennsylvania moves that all debate on this amendment and all amendments thereto close in 10 minutes.

The question is on the motion offered by the gentleman from Pennsylvania.

The question was taken; and the Chairman announced that the ayes appeared to have it.

REQUEST FOR RECORDED VOTE

Mr. SYMMS. I demand a recorded vote.

A recorded vote was refused.

So the motion was agreed to.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for approximately one-half minute each.

The Chair recognizes the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY of New York. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Wisconsin (Mr. OBEY).

Mr. ASHBROOK. Mr. Chairman, reserving the right to object, what was the request?

The CHAIRMAN. The gentleman from New York (Mr. DOWNEY) asked unanimous consent to yield his time to the gentleman from Wisconsin (Mr. OBEY).

Mr. ASHBROOK. Mr. Chairman, I object to any yielding.

The CHAIRMAN. Objection is heard.

The gentleman from New York will be given the opportunity to speak for 30 seconds.

Mr. DOWNEY of New York. Mr. Chairman, I move that my time be given to the gentleman from Wisconsin (Mr. OBEY).

The CHAIRMAN. That is an improper motion. The Chair would suggest that the gentleman from New York might yield for a question to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, let me just say, as I indicated before, I share every frustration voiced on this floor today about some of these inane enforcement efforts which I have heard about in my own district on the part of OSHA.

I think the Labor Subcommittee has a responsibility to hold hearings on this question and to bring out changes in the basic law which will correct the problem.

But as I indicated before, I think this is a blunderbuss way to do it and it should be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. SARASIN).

Mr. SARASIN. Mr. Chairman, I rise in opposition to the amendment offered by my colleague, Mr. FINDLEY. The Occupational Safety and Health Act was designed to insure a safe and healthful working environment for all Americans. To, in effect, exempt a substantial number of employees from coverage, merely because of the number of coworkers, would be a gross abrogation of the intent of the law.

There are an estimated 4 million business establishments in this country which employ fewer than 25 people. Many of these enterprises are hazardous by definition. If we agree to adopt Mr. FINDLEY's amendment, we will be helpless to insure correction of situations that pose imminent danger, and possibly death to the worker.

The administration of many of our laws requires improvement, and OSHA is no exception. Fortunately, the congressional oversight process provides us with an avenue of redress, and it is this process we must use. It would be sheer folly for us to decide an issue as important and as serious as this in the few minutes we are allotted today. The well-being of our workers certainly warrants greater consideration than this.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, I rise in support of this amendment. I am only sorry it does not go deeper into the world of the OSHAcrats. What we should be doing is getting rid of OSHA, instead of trying to correct it; but I am willing to take a bite out of harrassing bueacuracy where and when we can. I support the amendment of the gentleman from Illinois (Mr. FINDLEY), and urge its adoption——

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. DENT).

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. DENT. I am glad to yield to my colleague from Pennsylvania.

Mr. GAYDOS. Mr. Chairman, I rise in opposition to this amendment.

While the wording of this amendment is somewhat different from that offered by my friend and colleague from Illinois in last year's Labor-HEW Appropriations bill, the impact on several million workers is equally pernicious. Passage of this amendment would mean that this House has no concern for the health and safety of 19 million American workers, solely because they are employed in a work force of 25 or less employees.

How can we, in good conscience, say that we will protect a worker in a work force of 26 or more employees from losing an arm or leg due to unsafe working conditions, whereas we could care less whether a worker in a work force of 25 employees loses an arm or leg from unsafe working conditions?

Ostensibly, the purpose of this amendment is to provide some benefit or suspend the imposition of some financial burden on those employers with 25 or less employees. But who is to pay the price for this benefit or suspended burden? Clearly, it is the worker who pays with his life, limb or health. I submit that the Congress of the United States cannot propose that the value of a worker's life is directly dependent on the size of the work force of which he is a member.

To subscribe to such a proposition is to misread the intent of the law. It is not to punish employers, but rather to provide safe and healthful working conditions for employees. For those few recalcitrant employers, fines are obviously necessary to force them to provide safeguards for the safety and health of their employees.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I rise in opposition to the amendment.

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. Mr. Chairman, each one responded unequivocally that they did not know of any businessman, directly or indirectly, who had to cease his operation because of OSHA. I cite the Time magazine article which appeared last year, July 8, 1974:

OSHA UNDER ATTACK

When Congress created the Occupational Safety and Health Administration four years ago, it acted out of justifiable concern about the shockingly high rate of U.S. job-caused injuries and illnesses (some 2.4 million disabling industrial injuries were reported in 1972 alone; many others doubtless went unreported). OSHA was empowered to set national standards to replace a welter of conflicting health and safety guidelines, send inspectors to factories, stores and offices to check on compliance, levy stiff fines on violators and even order unsafe businesses to close down. In operation, however, OSHA has pleased almost no one. Labor leaders complain, correctly, that job-accident rates have not dropped, and charge that OSHA lacks the money and manpower to begin to do its job adequately. Many businessmen protest that OSHA inspectors often enforce arbitrarily regulations that are too strict and prohibitively expensive to obey.

Last week the businessmen pressed their complaints at two sets of hearings. One was called by OSHA itself to hear comments on a proposed regulation that factory air must be cleansed of all "detectable" amounts of vinyl chloride, a gas that has been linked to liver cancer (Time, May 13). Plastics executives testified that technologically such perfect purification is impossible. At the other hearings, held by the House Select Subcommittee on Labor, representatives of the National Association of Manufacturers and the U.S. Chamber of Commerce voiced more general gripes. Speaking for the N.A.M., for instance, Michael Stinton, safety manager of Dow Corning Corp., contended that lowering factory noise levels from 90 decibels to 85, one proposal OSHA has studied, could cost U.S. industry a ruinous $31 billion.

Some of the business complaints seem clearly exaggerated. Big companies generally have little trouble complying with OSHA rules. The loudest protests come from medium-sized businesses—which have the highest accident rates. Many owners of these firms complain that the cost of obeying OSHA rules could drive them into bankruptcy. But when Democratic Representative Joseph Gaydos of Pennsylvania pressed Richard Berman, director of labor law for the Chamber of Commerce, to name a firm that had been put out of business by OSHA rules, Berman admitted he could not cite even one.

Yet some OSHA rules seem contradictory. For instance, at construction sites OSHA requires back-up alarms on vehicles—and also requires some employees to wear earplugs (as a protection against noise) that might make it difficult for them to hear the alarms. The critics' most telling complaint is that visiting OSHA inspectors by law cannot advise businessmen how to clear up unsafe conditions; they can only mete out fines. George Peters, president of Aurora Metal Co., a foundry in Montgomery, Ill., fumes: "If you call OSHA in for advice, they will issue you a citation."

HEARING ALARMS

OSHA Chief John H. Stender, an Assistant Secretary of Labor whose former career as a boilermaker left him partly deaf, stoutly insists that no changes are needed in his agency or the law that set it up. He insists that the agency's 700 inspectors are enough—even though they have visited only 145,000 U.S. workplaces in the past three years, or a mere 2.9% of all those in the country—and contends that few businessmen want advice on how to remedy unsafe conditions.

Congressmen seem unpersuaded by Stender's defense. They have introduced no fewer than 90 separate bills to amend the OSHA act. Some would toughen enforcement, others loosen it. Republican Representative Steven Symms of Idaho is leading a drive to abolish OSHA entirely, with strong support from the John Birch Society, which likens OSHA inspectors to Gestapo agents. Fortunately, Congress is unlikely to do anything so extreme. It would be better advised to give OSHA more inspectors, increase its funding ($102.5 million for fiscal 1975)—and allow the inspectors to tell businessmen how to comply with safety rules rather than fine those seeking advice.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Scheuer).

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. Mr. Chairman, let us review current OSHA enforcement activities and see just how nonmeritorious this amendment is.

With the additional inspectors provided for in this bill, there would be a total of 1,350 inspectors in the coming year. Based on past experience, this would mean 135,000 OSHA inspections next year. Also, based on past experience, this means approximately 35,000 inspections of small businesses—those with 25 or less employees. When we consider that there are approximately 4,500,000 small business establishments in this country, it could well take 128 years for every one of these firms to be inspected—inspected one time.

This is indeed a very slim risk for the employer who presently disregards OSHA requirements. But the supporters of the amendment before us would go even further and say that when a small business has its first OSHA inspection, it cannot receive a fine for any violations. This way an employer can gamble that a few decades will pass before he will be inspected by OSHA again, and at that time he may or may not receive a fine for any violations found at that time.

The amendment is somewhat ambiguous in that it refers to "citations for violations" as if to imply that a violation is synonymous with a fine. But they are not. For nonserious violations under existing law, penalties are discretionary, and last year 98.6 percent of all citations issued were for nonserious violations. Of these, less than one-third resulted in a fine. Furthermore, the average fine was $16, less than illegal parking fines in some larger cities. Many businessmen condone the payment of such illegal parking fines as a necessary business expense. Why do they object to lesser fines when the health and safety of their employees are at stake.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Zeferetti).

Mr. ZEFERETTI. Mr. Chairman, I rise in opposition to the amendment.

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. ZEFERETTI. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. Mr. Chairman, as a member of the Subcommittee on Manpower, Compensation and Health and Safety, I have heard the testimony of many management witnesses at oversight hearings on OSHA. During their testimony, I was struck by two points in particular: One, all the witnesses expressed their complete willingness to conform with the OSHA law and provide their employees with safe and meaningful working conditions. And two, and most significant, they did not request, nor even suggest, that a substantial segment of the American work force be excluded from the protection of the act. The thrust of the proposed amendment would do just that.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. Murtha).

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. MURTHA. I rise in opposition to the amendment and yield to my colleague from Pennsylvania.

Mr. GAYDOS. Mr. Chairman, yes, there was some testimony about apparent confusion in the OSHA standards. While some witnesses expressed irritation about the administration of the law, none offered any evidence to support the wild rumors that have been circulated about how oppressive the law has been or how it has forced employers out of business.

But on the other hand, the only real "horror story" that surfaced during the hearings came not from management witnesses, but from the other side of the ledger—the worker. This involved the Bailey's Crossroads tragedy of March 2, 1973. Fourteen workers were killed and 46 others injured when a high-rise apartment building under construction collapsed. An OSHA inspection found serious and willful violations of the law and assessed fines totaling $13,000. The witnesses who testified about this tragedy asked an unanswerable question—how can one equate the fine of $13,000 with the death of 14 workers and the injuries to 46 others, caused by the unsafe working conditions of their employer.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. Edgar).

Mr. EDGAR. Mr. Chairman, I rise in strong opposition to the Findley amendment. I feel very strongly about this issue.

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. Mr. Chairman, if there is any valid criticism of the implementation of OSHA, it is that it currently does not go far enough in safeguarding the worker. We should substantially increase the number of OSHA inspectors and inspections. To the contrary, the amendment before us would deny the present protection of the law for 19 million American workers. It is not the answer.

I urge my colleagues to strongly oppose this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Ashbrook).

Mr. ASHBROOK. Mr. Chairman, we just heard a very honest and very revealing statement from my colleague and friend from New Jersey. He said very specifically that he and the gentleman from Wisconsin (Mr. STEIGER) at the inception of this bill deliberately intended to penalize first instance OSHA violations. He later referred to this being done with quote—malice aforethought—and while he said this in a facetious vein, the point was clear. Penalties for unsuspecting and unaware employers on the first visit of an OSHA inspector were definitely anticipated by those who framed this monstrous piece of legislation.

I strongly support the amendment offered by Congressman FINDLEY. This amendment would exempt businesses having 25 or fewer employees from being penalized for first-instance violations of OSHA regulations.

Modification of OSHA is desperately needed. The act has resulted in unnecessary harassment of employers and sizable increases in the cost of doing business.

The small businessman has been especially hard hit. Many small businesses have been forced out of business by heavy fines and impossible demands.

Quite honestly, I would prefer to totally exempt small business from OSHA. Although the Findley amendment does not go as far as I would like, it is a step in the right direction.

Presently the law allows OSHA officials to issue citations on first-instance inspections. Lack of knowledge about the violation is no excuse.

This places the small businessman in a difficult position, since OSHA rules tend to be lengthy and complex. When the businessman tries to comply with the rules he often cannot understand them. Nor can he afford to hire an expert who can.

No one should be surprised at this. It has been noted that the OSHA regulations cover 500 pages of fine print and contain more than 750,000 words. Compliance with all these detailed rules is a ridiculous burden to place on the small businessman.

Therefore, Mr. Speaker, I strongly urge the adoption of the Findley amendment. It will provide a measure of relief to the small businessman.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. DODD).

Mr. DODD. Mr. Chairman, I would just like to say to the Members who have raised questions regarding the frustrations of small businessmen that I can appreciate that, but I think we must, with this particular amendment, address ourselves to the particular worker, whether he is employed by an employer who hires one, 25 or 125 people. The fact is that safety and health standards must be applied. Therefore, I would suggest that we address ourselves to the issue regarding OSHA standards, how they apply to the employer regardless of the number of employees he has rather than trying to deal with this issue by excluding some employees from the protection of OSHA standards. I strongly urge my colleagues to reject the Findley amendment.

Mr. ROUSSELOT. Mr. Chairman, I rise in support of the Findley amendment. There have been instances where people have had their businesses shut down by OSHA in extremely arbitrary ways.

Mr. Chairman, I would like to yield to my colleagues from Michigan, who will describe one such example.

Mr. HUTCHINSON. I thank the gentleman for yielding.

Mr. Chairman, I know of one small businessman in my congressional district who was finally closed, his business was closed, because of OSHA forcing him right out of business.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, earlier in this debate I said that I had not made up my mind as to how I was going to vote on this bill. I have now. After listening to the debate, and with all due respect to the gentleman from Illinois, the author of the amendment, I think this amendment should be defeated, and the results of it should not be interpreted as a difference between those in support of small business and those who are against small business.

This would take a bite out of OSHA that we do not want to take. I disagree with the gentleman from Idaho who said we should take a bite out of the program. And I urge rejection of this amendment which would leave 90 percent of our workplaces unprotected. Instead we should work for appropriate changes in Department of Labor regulations and uniform enforcement of the law.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Chairman, as a member of the Labor Subcommittee handling this legislation, I rise in opposition to this amendment.

The CHAIRMAN. The chair recognizes the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, like many of the Members in this body, I am not very comfortable with this amendment. However, there are a number of us who feel that a citation should not be mandated on the first inspection of a business.

My question to the chairman of the subcommittee is: If we do not pass this amendment, do we have any assurance that the House will have an opportunity to vote on whether or not the law should be amended so that we do not mandate?

Mr. DOMINICK V. DANIELS. Mr. Chairman, if the gentleman will yield, I would like to assure the gentleman that during the recess forthcoming next week, the staff has been instructed to draft a bill providing for onsite consultation in the Small Business Administration.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, this is an issue in which small business is vitally interested and they are going to look at our votes. The Independent Federation of Small Businessmen, and other such organizations, are going to put this rollcall right in their magazines, and the workers of small business and those who own small businesses will know what side you are on. The issue is whether you are on the side of a Gestapo, which can knock on your door at any time and tell you how to run your business, or whether they will put you out of business, or whether under the free enterprise system we will provide safe jobs.

Mr. Chairman, I reiterate my stand that OSHA is the closest thing in our Federal law to a Gestapo that has ever been established in this country. OSHA has placed an unfair burden on those small businessmen who must provide jobs for workers about which we profess to be so concerned. I am concerned about that, too. And the only way we can protect the small businessman and his workers is to vote for the Findley amendment on the rollcall that will establish your record for the people in your district. Are you for or against small business? That is the issue.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. MAGUIRE).

Mr. MAGUIRE. Mr. Chairman, I want to associate myself with the concerns of the gentleman from Iowa. I think we could all agree that the administration of the OSHA program by the Department of Labor has not been entirely satisfactory. However, I do not think this amendment should be adopted because it goes much too far in prohibiting an inspection, as I understand it, as far as permitting citations.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, in response to the gentleman from Maryland (Mr. BAUMAN), let me just say that there is another side to that question which will also appear on the rollcall. That is the question of whether we want to see workers exposed to cancer-causing chemicals without benefit of protection.

I doubt if any of the Members want that kind of a rollcall to take home either, not if they have any kind of sense.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Chairman, I hope that there will be at least 20 Members who will stand and demand a recorded vote when the time comes. If small business firms were well represented among the Members of this body, the standing vote would be tremendous.

I hope those Members who have concern for small business firms will see their problems on this occasion and stand and take part in demanding a recorded vote.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, I will make the point that I think the discussion here, if nothing else, has been very good. While I personally will have to oppose the amendment, I do want to applaud the effort of my neighboring colleague Mr. FINDLEY for causing this dialog to take place. It surely bears out the frustration of the Members. Frankly I would be inclined to support the amendment if it were not limited to employers of 25 or less. If the principle is right it should be applied uniformaly across the board.

I would hope that with the assurance by the gentleman from New Jersey his committee will come forward with some modification of the current law so we will not be forced to plow this same ground year after year.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. FLOOD) to close debate on this amendment and all amendments thereto.

Mr. FLOOD. Mr. Chairman, I think it is very clear that the overwhelming majority of the House will oppose the amendment, and that satisfies me.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. FINDLEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. FINDLEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 186, noes 231, not voting 16, as follows:

[Roll No. 353]

AYES—186

Abdnor
Ambro
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
AuCoin
Bafalis
Baldus
Bauman
Beard, Tenn.
Bedell
Bell
Bennett
Bonker
Bowen
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conlan
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Davis
de la Garza
Derrick
Devine
Dickinson
Duncan, Tenn.
Edwards, Ala.
Emery
English
Esch
Eshleman
Findley
Fisher
Fithian
Flowers
Flynt
Fountain
Frenzel
Frey
Fuqua
Ginn
Goldwater
Gonzalez
Goodling
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hannaford
Hansen
Harkin
Harsha
Hastings
Hefner
Henderson
Hightower
Hinshaw
Holland
Holt
Hubbard
Hutchinson
Ichord
Jarman
Jeffords
Jenrette
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Lott
Lujan
McClory
McCollister
McDonald
McEwen
Martin
Mathis
Matsunaga
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Neal
Nichols
Passman
Patman, Tex.
Pettis
Pickle
Pike
Poage
Pressler
Quillen
Randall
Rhodes
Risenhoover
Robinson
Rogers
Rose
Roush
Rousselot
Runnels
Ruppe
Ryan
Santini
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Steelman
Steiger, Ariz.
Stephens
Stratton
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Van Deerlin
Vander Jagt
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wilson, Bob
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

NOES—231

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Annunzio
Ashley
Aspin
Badillo
Barrett
Baucus
Beard, R.I.
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney
Carr
Casey
Chisholm
Clay
Cohen
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Daniels, N.J.
Delaney
Dellums
Dent
Derwinski
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Fascell
Fenwick
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gibbons
Gilman
Gradison
Green
Gude
Hall
Hamilton
Hanley
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Holtzman
Horton
Howard
Howe
Hughes
Hungate
Hyde
Jacobs
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jordan
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Long, La.
Long, Md.
McCloskey
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patten, N.J.
Pattison, N.Y.
Pepper
Perkins
Peyser
Preyer
Price
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Roncalio
Rooney
Rosenthal
Rostenkowski
Roybal
Russo
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Shipley
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stokes
Studds
Thompson
Thornton
Traxler
Tsongas
Udall
Ullman
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Wiggins
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—16

Collins, Ill.
Diggs
Downing
Erlenborn
Evins, Tenn.
Fish
Forsythe
Fulton
Hébert
Karth
McHugh
Melcher
Mosher
Patterson, Calif.
Roberts
Sikes

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Diggs against.

Mr. Sikes for, with Mr. Karth against.

Mr. Roberts for, with Mrs. Collins of Illinois against.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

HEALTH SERVICES ADMINISTRATION

HEALTH SERVICES

For carrying out, except as otherwise provided, titles III, V, XI, XII, and XIII of the Public Health Service Act, the Act of August 8, 1946 (5 U.S.C. 7901), section 1 of the Act of July 19, 1963 (42 U.S.C. 253a), section 108 of Public Law 93–353, and titles V and XI of the Social Security Act, $522,736,000, of which $1,200,000 shall be available only for payments to the State of Hawaii for care and treatment of persons afflicted with leprosy: *Provided*, That any amounts received by the Secretary in connection with loans and loan guarantees under title XIII and any other property or assets derived by him from his operations respecting such loans and loan guarantees, including any money derived from the sale of assets, shall be available to the Secretary without fiscal year limitation for direct loans and loan guarantees, as authorized by said title XIII, in addition to funds specifically appropriated for that purpose: *Provided further*, That this appropriation shall be available for payment of the costs of medical care, related expenses, and burial expenses, hereafter incurred, by or on behalf of any person who has participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health, Education, and Welfare, and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: *Provided further*, That when the Health Services Administration operates an employee health program for any Federal department or agency, payment for the estimated cost shall be made by way of reimbursement or in advance to this appropriation: *Provided further*, That in addition, $26,671,000 may be transferred to this appropriation as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein.

Mr. RONCALIO. Mr. Chairman, I have an amendment to offer to a section of the bill already read. I was standing, but in the terrible confusion following the vote, I was not recognized. I ask unanimous consent that my amendment be considered now.

The CHAIRMAN. Is there objection to the request of the gentleman from Wyoming?

Mr. FLOOD. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: On page 13, line 25, strike out $522,736,000 and insert in lieu thereof $553,685,000.

Mr. ROYBAL. Mr. Chairman, the amendment before us addresses itself to the health needs of this Nation and should be adopted by this House. It is true that it is admittedly over the committee's recommendations in the following categories: grants to States would be increased by $28,749,000; research and training would be increased by $2 million; sudden infant death syndrome would be increased by only $200,000, making it a grand total of $30,949,000 over the recommendation made by the committee.

In the category of maternal and child health the program provides treatment for malnutrition, respiratory emergencies, serious infections and other diseases. Under the subtitle of "Crippled Children's Services," treatment is given to children with chronic diseases, muscular dystrophy, hemophilia, and orthopedic disabilities and other chronic diseases as well that are greatly affecting the health of the children of this Nation.

I think it is interesting to note that any place in this country where the maternal and child health program is instituted, the infant and child mortality decreases by 30 to 50 percent. I hope this program continues throughout the Nation because at the present time the United States, the largest and most powerful nation in the world is in 15th place with respect to infant mortality. Ireland, for example, as small as it is compared to the United States is right behind us and it will not be long before it will be able to pass us.

Mr. Chairman, the second phase, Research and Training, is increased by $2 million; but I must point out that this is less than the 1975 appropriation.

Now, under research and training, which is a service oriented component and essential to the organization and staffing of diagnostic treatment services, the vital activities include bringing high risk infants into care nurseries, improving services for lung diseases, nutrition, and the prevention of handicaps in new born infants. This is a most important phase of a good health program.

The third phase is sudden infant death syndromes. This is devoted to public information, to the training of medical examiners, to the training of policemen, for example, firemen and others on how to deal with the leading cause of death in infants and to prevent the arrest of innocent parents who may be victims in many instances of an accident.

This entire program merits a special place among Federal health services and fulfills a critical need in preventing unnecessary death and disability among our children. It has evolved over the years as one of the most efficient health programs and has the support of health specialists and community leaders throughout the country. Yet we have not given the fiscal support necessary to maintain this program at an equitable level in each and every State. The fact is that we have broken faith with the States.

First of all, we have enacted a Federal mandate that the States develop at least one project in each of five essential health services, and still we have not appropriated sufficient funds to help the States comply with this health law. Only eight were able to meet the program requirements last year and now even they are in trouble. Such States as New York and Colorado are planning layoffs of maternal and child health personnel this year. Others, including California, Texas, Pennsylvania, and Rhode Island, are dismantling a number of maternal and child health projects.

Again this year, all States are being forced to determine which projects must be eliminated. The committee's recommendation is insufficient to take care of this program this year. During the fiscal year 1975, the States received over and above the 1975 appropriation, an additional $10 million as a result of a court order releasing the impounded funds. The committee's recommendation, therefore, would have the effect of reducing the level of support for fiscal 1976.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ROYBAL. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. ASHBROOK. Mr. Chairman, reserving the right to object, and I will not object, but I do want to make the point that I am going to object to this procedure by which earlier in the debate Members seemed to get all the time they wanted and when we get to the end of the debate and there are serious points to be made, we only have 30 seconds.

Mr. Chairman, I will not object now, but I will object to subsequent requests.

The CHAIRMAN. The gentleman from California is recognized for 1 additional minute.

Mr. ROYBAL. Mr. Chairman, by this time after a very long day everyone seems to be getting tired and restless; but the truth of the matter is that this is perhaps the most important amendment that will be presented today, because it deals directly with the health problems of the children of this Nation.

We are probably going to hear the argument that the President of the United States would veto this bill, simply because it is over the budget. The truth of the matter is that this increase actually represents less than one-tenth of 1 percent of the total appropriation provided in this bill.

I do not think the President of the United States is going to veto this bill simply because of this small addition, particularly since it actually addresses itself to the health problems of this Nation and its provisions will benefit children in each and every State of the Union.

I, therefore, sincerely urge its adoption.

Mr. KOCH. Mr. Chairman, I move to strike the last word, and I rise in support of the Roybal-Conte amendment, and would like to mention the countries today whose infant mortality rate is less than the great United States. Those countries are: Sweden, Finland, Norway, the Netherlands, Japan, Switzerland, Denmark, France, West Germany, New Zealand, Australia, Canada, Belgium, and the United Kingdom. Their infant mortality rates are less than that which we have—the greatest country in the world.

What the gentleman's amendment would do is to add a very small amount when compared with the huge amounts that we put in so many other budgets, to wit, $30.9 million. What that figure will basically do, aside from expanding in a very modest way the program, is to keep up with the inflationary rate, because the programs as presently funded simply provide them with that which we gave them in fiscal year 1975. We know what inflation has done to those budgets.

So, this particular modest amendment should be passed because even with other Members, as I have been on occasion, constrained not to vote for increases in a whole host of other programs, this particular program deserves their support. There are two areas of concern that we should not be cutting, two areas of concern that ought not to suffer because of budgetary constraints. What are they? Programs for the very young and programs for the elderly. That is because a society is judged by what it does for its children and what it does for its elderly.

What our society is doing not only with respect to this program, but in a whole host of other areas, is calamitous vis-a-vis the young and the elderly. So, we can make some small compensation because that is all that this amendment does, makes a small compensation in that area, to deal with inflation primarily.

Therefore, I urge the support of the Members for the Roybal-Conte amendment.

Mr. FLOOD. Mr. Chairman, I move to strike the requisite number of words, and speak in opposition to the amendment.

Mr. Chairman, nobody, but nobody in this House at any time since we started this program is more for this program than I—and when I say "than I," I mean this subcommittee, on both sides of the aisle. The Members know it. For years and years this has been a program for maternal and child health care.

Nobody would ever think of saying that this subcommittee is not the greatest defender of or more in favor of this program. I can tell the Members—I am the chairman—believe me, this subcommittee has backed this program year after year.

The major item in this program is medical services. Insofar as services for maternal and child health are concerned, this bill meets the 1975 level of $266 million; every dime. What my friend is telling the Members is that there is a deficit. That is not so. There is no deficit in services. There is, however, a slight reduction in the research program. But remember that research on maternal and child health care is also being conducted by an institute that this subcommittee gave birth to. We set it up, the National Institute for Child Health and Human Development.

It appears that the research conducted by the maternal and child health program overlaps with the research work of the National Institute for Child Health and Human Development. Therefore this amendment is not necessary.

The other difference is on the question of training. We know there is money elsewhere in this bill for training maternal and child health manpower, and that money appears in the health resources section. Even after the reduction in training for the maternal and child health program there remains sufficient funds for short-term training of people who are currently working in the program.

Let us take another look at the services component. The Administrator of this program came before us, and he told me that there will be 5 percent, about $14 million, which will be added to the total resources available to the maternal and child health program through medicaid. Five percent. Thus, we are talking about a total program of over $302 million, adding what comes from medicaid.

We followed all of the programs providing medical care to mothers and children. And we have several other programs in HEW such as the neighborhood health centers, and the family health center program which provide direct medical care to mothers and children.

These programs are in addition to the $266 million plus the $14 million from medicaid that I just talked about. All of these programs are in this bill.

This is not a hasty recommendation. We looked carefully at all of the programs providing medical care for mothers and children. We reviewed the total HEW effort to provide for maternal and child health services very carefully. We cannot come here in the elevator and have someone say, "I happen to have an amendment," and toss in an amendment. It sounds great. But it is not necessary. I can appreciate what my friends are trying to do here. I know them well. I appreciate their concern. I understand this very well indeed. But the amendment, Mr. Chairman, is not needed at this time. If this amendment were needed, I would be the first to propose it. I would be joined by every member of the subcommittee on this side of the aisle. It is not necessary.

Under those circumstances, it should not be supported.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am pleased to join my good friend and colleague, the gentleman from California (Mr. ROYBAL) in sponsoring this amendment to provide for a $30.9 million increase in funding for maternal and child health programs.

The United States ranks 15th among nations in infant mortality, a statistic which is unconscionable.

Infant mortality is one of the few health problems in which medical care has been demonstrated to lower mortality. The maternal and child health program provides that medical care, and has cut mortality rates by 30 to 50 percent in areas where programs have been established.

While, under this program, funds are allocated more equitably between the States than in other Federal health service programs; there is a tremendous impact upon rural areas.

A case in point is the Southern Berkshire children's health program, located in my district. In 1974, a void in children's health services was documented. In this rural area, the health manpower quotient was very low, and the small acute care hospital had no out-patient pediatric service. The one pediatrician in the 313.5 square mile area was seeing young patients with handicaps that could have been prevented had they been examined at earlier ages.

In addition, the dentists were very concerned over some of the acute problems they saw in their offices, which they felt should have been cared for at much earlier ages.

At a meeting of all area physicians and dentists, school personnel, and the Visiting Nurse Association, the children's health program was formed to provide preventive care to children from birth to age 5, and to provide rural mothers with health education.

The program got off to a flying start at several miniclinic sites, and the effect of this program has been terrific in catching health problems before serious or permanent damage occurred.

The clinics provide physical examinations, immunizations, testing for lead-paint poisoning, and sickle cell anemia, dental screening, and hearing and vision testing. Following a successful 3-month pilot operation, the program will be partially funded by this appropriation.

Maternal and child health is the most efficient health services program. Average per-patient costs have fallen steadily. Rates of hospitalization are also falling.

One other aspect of this program which should be mentioned is the component for sudden infant death syndrome. This program is devoted to public information and to training medical examiners, policemen, firemen, and parents how to deal with the leading cause of death in infants beyond the first month of life.

Mr. Chairman, funds for this program are a prudent investment in the health of our Nation's children, perhaps our greatest natural resource. I urge my colleagues to adopt this amendment.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this bill is already $700 million above the budget, and it may be a candidate for a veto. There is a possibility, however, that the President would sign the bill in its present form, but certainly if more and more amendments are added, then its chances for veto greatly increase.

I am sure that the Members have given considerable study to the amendment which is now pending. I have also been studying, along with many other Members, the sad state of the fiscal affairs of this Nation. I continue to get letters from people saying, "How long, Congressman, are we going to be able to survive under the present deficit spending policies of the Government?"

They are referring to this from the standpoint of the administration and from the standpoint of the Congress, because both branches are approving the spending of a great deal of money and we are continuing to reduce taxes and now we are even giving rebates. I have predicted before and I predict again that we may go in debt in the fiscal year which begins next month by an additional $100 billion.

If we want to conduct in an orderly and productive way the business of this Congress, then we need to pass bills that will be enacted into law.

Of course, child and maternal welfare is important. Of course, we could spend more money for this program. We could spend more money for nearly anything we can think of, and we could defend it if we had the money. But are we willing to sacrifice to raise money to pay the bill?

Therefore, Mr. Chairman, I just want to stand up here and strongly support, as forcefully as I can, the gentleman from Pennsylvania (Mr. FLOOD), who is urging the Members not to adopt this amendment.

I hope that we will not adopt this and other amendments. I would regret to see another veto of this bill this year. I think we may escape a veto, but if we load this bill up here and if it is loaded up in the other body, of course, it is going to be vetoed. Then we will have all the confusion, waste, and lost motion.

Mr. Chairman, I think we ought to act with some degree of maturity. On the farm where my family once lived we often used the word "gumption." We would say, "Don't you have enough gumption to run this plow or to harness this horse?"

"Gumption" was a good word. I think today is a good time for the Congress to use a little gumption and to quit loading up these bills with more and more spending when we are going deeper in debt each day.

Some say the budget is wrong. The budget may be wrong, but budget or no budget, we are spending too much money in the framework of what we have to spend, and the people are tending to lose confidence in their Government and with good reason.

I hope, Mr. Chairman, that we will restrain ourselves and vote down this amendment and vote down other amendments which would tend to load up this bill and bring about the frustrating experience of having no bill at all and having to proceed with a continuing resolution.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. MAHON. Yes, I yield to the distinguished gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I beg to differ with the chairman. We are not trying to load this bill up. This is not a half billion dollar amendment. It is only a $30.9 million amendment.

The chairman talks about gumption. The chairman was up here asking us all to vote for the jobs bill. It was $5.3 billion. There was $3.3 billion of fat in it.

This is a very, very small amount of money. It is not very much, but the good that we can get out of this small amount of money is worth the effort.

Mr. Chairman, you know that when we go to conference, we will not be changing it; the Senate is going to change it.

Mr. MAHON. That does not excuse us for being reckless and irresponsible.

As to the jobs bill, we were trying to create jobs, which was a worthy effort, create more jobs, produce more income, and collect more taxes and thus have a smaller deficit so that we could get this country on the road again to better days.

Mr. ROGERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I am not going to use the 5 minutes.

I want to compliment the committee and the distinguished chairman for the fine work they do.

There are two programs which I think warrant consideration by the House of some modest increase.

I think we would be using good gumption if we favorably considered this amendment and an amendment to increase the funds of the Institute on Aging.

I think we use good gumption if we are selective in those areas where we try to spend money that will get results. I would agree with the chairman of the full committee that it is not good gumption just to spend money where we cannot get results.

For instance, we know that if these programs are established, since we have the experience in those areas where these programs have been established, we can reduce infant mortality.

That is a high-sounding phrase, "infant mortality." What does it mean? It means the life or death of some child. Perhaps it could be the child of a friend of some Member or your own child or the child of someone who is probably not in the same economic circumstances, but it means a human life; and we can reduce this death rate from 30 to 50 percent. That is a pretty good return.

They have shown earlier that the cost ratio of this program has been going down. In other words, we are getting more for our money. This committee expresses this in the report. The committee report states that the committee is distressed with the high infant mortality rate of this Nation, and the fact that in 1974, that is just last year, the United States dropped from 14th to 15th place in infant mortality rates. In other words, we are going down, and now we are cutting the program.

Mr. Chairman, it is time for us to change this. We are asking for what? Thirty million dollars. Thirty million dollars to change the ratio of death 30 to 50 percent in this program. This is the best opportunity that we will ever have found, and I think this House has the gumption to expend tax dollars where they are going to save lives.

I urge the support of this amendment.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I concur with the remarks made by the gentleman from Florida (Mr. ROGERS) and wish to compliment those Members who have brought this amendment forth. I think the statements that have been made indicate the necessity for this increase. There is no better place that we can spend money and make such a difference for many people across this country. The young people in this country need this help, and we should give it to them.

The program is currently being supported at the level of $294.8 million. It has an authorization of $349.5 million. If we accept what appears to be a minimal cut in its original funding level to $288.4 million as the committee has recommended, we are flying in the face of the remarkable success of the oldest federally supported health delivery service program in the country, established in the Social Security Act of 1935, and one which is under a legal mandate not only to maintain its current program but to expand it.

The success of the program may be measured in part by the decline in hospitalization of children. In 1968, 7.7 percent of children needed hospitalization; in 1974, only 2.4 percent needed hospitalization, while the average per capita cost declined from $201 to $30.

The need for the program not only continuing but expanding, however, is easily documented. Only 1 out of every 22 eligible children are currently served. The program includes immunization when immunization levels are down alarmingly. It is a well-known fact that black infants have a 70 percent better chance than white infants of dying before their first birthday.

Further, Congress has mandated since 1972 that the States provide at least one program in each of five areas—maternal and infant care, children and youth care, newborn intensive care, family planning, and/or dental care. There now exists 209 projects throughout the country but another 163 are needed to meet the legal mandate. Yet, the administration in its budget chose to recommend that the program be cut by 21 percent when the law requires an increase of 50 percent, and the committee has seen fit to not even maintain the fiscal year 1975 levels. I cannot urge more strongly that we support the amendment on the floor to assure $319 million of funding for this absolutely solid and worthy program.

Mr. MICHEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment, and I will do so very briefly.

Mr. Chairman, much has been said about the ranking of the United States with respect to the infant mortality rate, or the mortality rate with respect to the bearing of children in this country.

In the last decade we have decreased that mortality rate from 29 per thousand down to something like 16 this past year.

Of course I am disturbed that we have dropped from 13th to 15th in the international ranking, but if you consider those countries worldwide, you will find that each one of those countries either have a static or a declining birth rate. So do not be misled by the fact that we are in that kind of a condition, which does disturb me, but it is because we have an ever-expanding growth of population in this country and, notwithstanding that, we have made a significant amount of progress.

We have $288 million in here for this particular program, an increase of $77 million over the budget. But in addition there are other activities, including the public assistance program, and social services, which the States can draw upon for $2.5 billion, and medicaid, and other programs for which there is even more Federal funding. So I submit, as the chairman has indicated, that we have made a substantial increase here over the budget request, so there is adequate funding without this particular amendment.

I would urge defeat of the amendment.

Mrs. BOGGS. Mr. Chairman, I rise in support of the Roybal-Conte amendment to increase funding of the maternal and child health program and I urge my colleagues to join me.

One of the great burdens we bear as a nation is our dreadful ranking in infant mortality. As a nation we now rank 15th in the world, behind most of the world, behind most of the other industrialized nations. Our reporting requirements are strict but that cannot account for nor justify the deaths of those babies.

Many mothers do not receive any medical examination before delivery. They receive no nutritional information or screening. Too often they deliver babies with low birth weights and the babies are thus more likely to suffer from mental retardation or slower mental and cognitive development. As a former volunteer chairman of Project Head Start, I often saw the results of the lack of adequate pre- and post-natal health care. I saw young children who had trouble learning to read or in following directions not because they were not trying, but because they were slower mentally than their friends. Proper nutrition may have helped them.

I support the continued growth of the maternal and child health program. We in Congress have told the States they must have at least one program in each of five areas: Maternal and infant care, child and youth care, regional newborn intensive care, family planning, and dental care.

Now there are 209 such projects throughout the United States but another 163 are needed to meet the statutory requirement. Even under this amendment there will not be enough money to fully accomplish this goal.

In my own area, the Orleans Parish Health Department indicates that they are providing "well baby" care for only one-third of the eligible population. They would like to do more, but they are hindered by lack of staff. For example, they have only one nutritionist on the staff.

The maternal and child health program is a fine example of State-Federal relations. The program requires 50–50 matching of money so local support is insured. In fact, I understand that in some States, the State share is much higher because they like the program so much. I also know that this program has a large commitment from the voluntary sector.

Another project which would be adversely affected by the present funding level contained in this legislation is the pediatric pulmonary center program—a network of 10 centers which sustain the lives of tens of thousands of children who suffer from the crippling effects of asthma, bronchitis, brochiectasis, and cystic fibrosis. Due to inadequate diagnostic facilities many of these conditions are more common than recognized. In addition to the illnesses which I have mentioned, the program seeks to study and eventually prevent the damage to lungs caused by improper administration of oxygen and antibiotic inhalation. The funding level recommended in this legislation will not be sufficient to maintain the quality of care now provided for the unfortunate children suffering from chronic pulmonary disease.

I do recognize the need to be concerned about the health of the Nation's economy as well as the health of our Nation's children, but I think the Roybal-Conte amendment is quite reasonable. Last year we appropriated $294 million for MCH. However, because $10 million of previously impounded funds were released, the States spent $304 million. To accept the lower funding level proposed by the committee for fiscal year 1976 would mean a severe reduction in the various programs.

I commend my two distinguished colleagues for bringing this amendment before us today, and I urge you to join with me in supporting it. It means so much to our children and to the future of our Nation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Roybal).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 41, noes 39.

RECORDED VOTE

Mr. FLOOD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 279, noes 138, not voting 16, as follows:

[Roll No. 354]

AYES—279

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Ashley
Aspin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Butler
Carney
Carr
Carter
Chisholm
Clay
Cleveland
Cochran
Cohen
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey
Drinan
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Esch
Fascell
Fenwick
Fish
Fisher
Fithian
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grassley
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hillis
Holtzman
Horton
Howard
Howe
Hughes
Hungate
Hyde
Jacobs
Jeffords
Jenrette
Jones, N.C.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Latta
Leggett
Lehman
Lent
Levitas
Litton
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McFall
McHugh
McKinney
Macdonald
Madden
Madigan
Maguire
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patman, Tex.
Pepper
Perkins
Peyser
Pike
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Simon
Smith, Iowa
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Stokes
Stuckey
Studds
Sullivan
Symington
Thompson
Thone
Traxler
Tsongas
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Wydler
Yates
Young, Alaska
Young, Ga.
Zablocki
Zeferetti

NOES—138

Alexander
Ambro
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bell
Bennett
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Byron
Casey
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Derwinski
Devine
Dickinson
Duncan, Oreg.
Edwards, Ala.
English
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Findley
Flood
Flowers
Fountain
Frey
Giaimo
Goldwater
Gradison
Haley
Hansen
Henderson
Hightower
Hinshaw
Holland
Holt
Hubbard
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kasten
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Lloyd, Calif.
Lloyd, Tenn.
McClory
McDade
McDonald
McEwen
McKay
Mahon
Martin
Mathis
Michel
Milford
Miller, Ohio
Mills
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
Nichols
Passman
Patten, N.J.
Pattison, N.Y.
Pettis
Pickle
Poage
Rhodes
Robinson
Roush
Rousselot
Santini
Satterfield
Schneebeli
Sebelius
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Nebr.
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thornton
Treen
Vander Jagt
Waggonner
Wampler
Wiggins
Winn
Wylie
Yatron
Young, Fla.
Young, Tex.

NOT VOTING—16

Anderson, Ill.
Collins, Ill.
Diggs
Downing
Erlenborn
Flynt
Forsythe
Fulton
Hébert
Karth
Mosher
Patterson, Calif.
Roberts
Sikes
Teague
Ullman

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL INSTITUTE ON AGING

> To carry out, except as otherwise provided, title IV, part II of the Public Health Service Act with respect to aging, $15,526,000.
>
> For the "National Institute on Aging" for the period July 1, 1976, through September 30, 1976, $3,943,000.

AMENDMENT OFFERED BY MR. GUDE

Mr. GUDE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Gude: Page 20, line 6, strike out "$15,526,000" and insert in lieu thereof "$29,500,000".

Mr. GUDE. Mr. Chairman, my colleagues on the Select Committee on Aging, Mr. Randall and Mr. Bob Wilson, as well as my distinguished colleagues, Mr. Staggers and Mr. Rogers, who pushed hard for the creation of the National Institute on Aging, and I are seeking to increase the $15½ million appropriation figures by $14 million, a total of $29½ million.

Last year, this House created the National Institute on Aging to pull the Adult Development and Aging Branch and the Gerontology Research Center which administers aging research grants out of the National Institute of Child Health and Human Development.

What was likely to happen to an aging research program in a child health-oriented institute happened—only 11 percent of that Institute's funding went to the aging program to the tune of only $13.9 million in last year's funding figures. Indeed, this $13.9 million funding level created a $9 million backlog in already approved research funding grants. The $1.6 million increase which the Labor-HEW Committee suggests we appropriate here today will not even make a modest expansion of existing aging research projects.

This is no way to build an independent agency to coordinate a massive assault on aging.

You do not have to look further than our own neighboring community on Capitol Hill to see old people permanently stopped over whose eyes see nothing but the ground, old people who can barely step up the three stairs to get on the metro bus, old people who live their last years struggling against creeping immobility, loss of independence and fear.

These people are getting old we say—and so we look the other way.

The simple fact of the matter is that we are putting our old people out to pasture. Since when is the inevitability of death a justification for pain and suffering?

I for one reject that idea. Scientific knowledge about the degenerative process is reaching a breakthrough. I am talking about vital research areas like learning the causes of senile dementia and most important getting old people out of nursing homes which are incidentally costing this Government a pretty penny.

Last year in debate over the creation of this Aging Institute, our former distinguished colleague from Iowa, Mr. Gross, remarked that this country did not need to spend millions of dollars to tell him that he was getting older. Our distinguished colleague, Mr. Rogers answered Mr. Gross by saying that aging research is not designed so much to extend life, but to make one's life healthier.

Dr. Kretchmer, Director of the Institute of Child Health and Human Development and Acting Director of the new Institute on Aging has testified that the Aging Institute needs a minimum of $32 million to get its feet off the ground. This money would be earmarked for research grants, fellowships and training, contracts for extramural and intramural research and research management and program services.

Officials at NIH told me this morning that the $15.5 million appropriation will not only fail to expand the research program, but will not fund staff positions for NIA to oversee the Gerontology Research Center and the Adult Development and Aging Branch which will be transferred over to the National Institute of Aging next week. At present, this Institute has five staff members and no permanent director.

Mr. Chairman, the miracle of medical research over the last half-a-century has made it possible for our citizens to live longer than ever before in the history of mankind, but with this achievement have come the problems of the aging which makes this new longevity a costly nightmare for so many who suffer senility and similar diseases. Longevity is increasing and we are faced with much more of the same in coming years. If we have the foresight we can seize the opportunity to get in on the ground floor of solving this problem before it overpowers us. Lets not have hundreds and hundreds of warehouses full of old people not in command of their wits and senses. Lets find the ways to keep our senior citizens hale and hardy in their old age.

Mr. RANDALL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, everything that the gentleman from Maryland (Mr. Gude) said can easily and readily be substantiated. Every word of what he said is true. As chairman of the new Select Committee on the Aging which was established last year about the time the National Institute for the Aging was established, I rise in support of the amendment of the gentleman from Maryland (Mr. Gude).

Last year I would have expected that by this time there would be something moving or underway at the Institute of Aging. Actually it has been established, but that is about all that has been done. There was about $15 million funded, but the gentleman from Maryland has brought out the fact that there has been testimony that there cannot be much done on that amount to get the Institute started. It is difficult to get any Institute started. For that reason the $14 million increase he is asking for is justified.

This Institute, in the event the Members may have forgotten, will place an emphasis on biomedical and behavioral and social aspects of the aging to produce a more productive and a healthier life for all of us. Let us underscore that.

This is something that is of importance to our constituents and let us not forget to ourselves, yes to everyone in this country, since all of us must face the aging process. Every one of us in this chamber agrees, as Mr. Gross so well observed at the time we discussed this issue last year, that aging is a fact we must all recognize. As I recall, Mr. Gross said nothing against the creation of the Institute of Aging.

This amendment would provide much-needed funds for this much-needed research. This means funds to get the Institute off the ground. That is all we are talking about, just to get it started. Let us at least get it started anyway, and soon.

It seems to me it is going to be impossible to do very much out there in the way of a start with the amount of money that has been allocated here. This gives us a chance today, I say to my colleagues in the House, to demonstrate with dollars our commitment to the concept we talked about in the 93d Congress, back in 1974, when we created this Institute on the Aging and when you recall we also created the Select Committee on the Aging.

Let us, as the gentleman said, continue to do something to get the folks out of the nursing homes. This Institute will help accomplish that.

Mr. Chairman, we need this amendment. I hope this amendment will have your support.

Mr. FLOOD. Mr. Chairman, I rise in opposition to the amendment.

Now, here we go again, Mr. Chairman. Let us be sure about this. I get these requests by the dozens, every time I step off the elevator and every time I come to the telephone. They come to the office and they line up there, all the special pleaders.

Now, Mr. Chairman, this is what they tell me: They say to me, "We want you to balance the budget." That is a great idea.

They say, "Be sure and balance the budget. Do not raise taxes. For heaven's sake, under the present circumstances, do not raise the taxes, and be sure and balance the budget."

Then I stop breathing. Do you know what the next word is? "But."

They say, "But take care of my project. I only want $30 million."

So I smile. Then the next group comes in.

They say, "Balance the budget, do not raise taxes, but"—then all they want is a lousy $50 million. What a piker.

By the time I leave the office at 9 o'clock that night I am about $5 billion over the budget. That is just one shift, and I do not get time and a half either.

We are $5 billion over the budget in just one shift.

These are sincere people. These are not fakers. These are honest-to-God good American citizens, faithful to their cause, sincere, dedicated without question. I do not mean some payrollers now or chiselers, or lobbyists. I do not mean that kind. These are good people, your people, your friends and relatives, and they mean it. However, they do not know about the other $4 billion that came in before they arrived. That is the problem.

As to the Institute for the Aging, we have had hearings on this. We voted for this bill; this committee did; everybody did. We have $15,526,000 for it in this bill.

Mr. Chairman, let me ask the Members: Do they know when this institute was established? This was established by us on October 7 of 1974. It is not 8 months old. Let me say that they do not have a permanent director. We could not get a word out of them about that. We tried. They have no idea when they are going to get what they call a permanent director. They do not know, and they were very honest about the thing.

Let me tell the Members this: They do not have a director. The Aging Act of 1974 led to the establishment of the National Institute for the Aging. It is in the law that we wrote.

What is the first thing that Congress said to the Institute? "You must have a comprehensive plan for aging research. Before you get a dime, you must have a comprehensive plan for aging research." Congress said: "You must submit that plan by May 31 of 1975."

All right. Here we are tonight, June 25, 1975. There ain't no plan. We have no idea—neither do they—when they are going to submit it. They told us that. These are very honest people; no director, no plan, no address, no nothing; and we gave them $15 million.

They came in with no evidence of what they need. At all the hearings they had no idea.

Perhaps, somebody will come in here and say, "Are you against the aging? Are you against the aging, Mr. Flood?"

Do not let that mustache fool anybody. What do we do with this kind of thing here but take care of it, and I am especially mindful of my friend and colleague who just spoke on behalf of it.

"My, my, my, balance the budget," they say. "Do not raise taxes," they say.

Listen to this: Of course there has to be research on this problem. We are aware of the groups who advocate three or four times what we give.

By the way, let me tell the Members that when they have this thing properly set up, this subcommittee, I will be the first to give them 4, 5, 6, or 10 times this $15 million, 10 times when they rate it and can use it and handle it. Nobody is going to be against it, of course, nobody. We are all getting older by the second.

Let us have this Institute there. We put it there. Let them have leadership. Let them have guidance. Let them have a full director, and under the law let them come to Congress with their comprehensive plan for aging research. Let them bring it in here. They are overdue a month now.

Mr. Chairman, I suggest that under all of these circumstances this amendment be opposed.

Mr. ROGERS. Mr. Chairman, I move

to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would like to express my strong support for the amendment offered by the gentleman from Maryland (Mr. GUDE).

I believe this amendment is necessary if we are to realize a goal which has been long in coming—the establishment and adequate funding of an institute devoted to the unique problems of the aging process.

Such an institute was first proposed, as you know, by the 1961 White House Conference on Aging. When the National Institute of Child Health and Human Development proved inadequate to the task, the 1971 White House Conference again recommended the establishment of a separate Institute.

Congress responded in the 92d Congress only to have the law pocket-vetoed by the President.

We acted again last year and now would see this success vitiated by the lack of adequate funding in this appropriations bill.

This Institute's work is not necessarily intended so much to extend life as it is to make one's life healthier—to keep one's faculties as long as possible and to avoid early placement in a nursing home—with all its attendant costs. It will establish a focus for strong advocacy for aging research which has until this time been lacking. But it can do these things only with adequate staff and funding. This amendment is necessary if 14 years of work and two acts of Congress are not to be in vain.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I thank the gentleman for yielding. I might add that this research, as you have indicated, has been going on, but we have been shortchanged because the aging research was being carried on in another institute and was only receiving 10 percent of the funds. With the awareness that we needed a large-scale attack on aging the new Institute was created; but the research is not new, it is an ongoing effort which needs to be reinforced.

Mr. ROGERS. That is exactly right. In fact, the report describes it.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I am happy to yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Chairman, let me emphasize again that this research has actually been going on. One thing we need to do here is to attempt to codify and classify and analyze and put it all together.

Finally, in my remarks awhile ago I made reference to our friend and former member the gentleman from Iowa, Mr. Gross, who said that because he was growing old, if he voted for a bill for benefit of the aging, he might be charged with a conflict of interest. So I would suggest to any Members who have that fear to do what the gentleman from Iowa did last year when he was here and we voted on the National Institutes of Aging. He said he did not want to oppose the Institute of Aging and did not want to be put in a conflict of interest—so he voted "present."

Mr. ROGERS. I thank the gentleman.

Mr. Chairman, I urge serious consideration by the Members for the adoption of this amendment. I think it is needed.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. Those of you who know me know that it is not very often that I oppose amendments to add spending in the domestic area. That just is not my nature, and I am for spending every dime we can get in the health field. I think that the amount of money we are spending in the areas of defense, for instance, is absolutely absurd. If I had my "druthers," I would triple and quadruple the amount of money for this Institute.

But I think we have to keep two things in mind. Much as I had hoped otherwise, this Congress has been unable to override five fairly important vetoes. I am interested in getting dollars to people, not promises, and it is mighty hard to guarantee that we are going to get those dollars to people if we jack this bill up again and again and again this afternoon. I do not want to get this bill so high it will be vetoed. That will not help anybody.

If the Members look at my record, I do not think they are going to find a time when I voted against any appropriation for any kind of program for the aged. My district has a larger percentage of elderly people than any other congressional district in the State of Wisconsin, but I think that if we are going to follow sensible policy, we have to at least follow the requirements as I understand them, in the authorizing legislation. It just seems to me that since we have not yet received the required comprehensive plan which would explain to the Congress how the money is going to be used, that what we ought to do is not adopt this amendment. If that plan comes down in the meantime, it is possible it can be handled in the Senate bill.

I am not suggesting that the money is not needed. I know that much more money is needed in this Institute, and every other. If I had my way, for instance, I would have doubled the amount of money that we spent for NIOSH and other areas, but we cannot do it without planning. That is all I suggest to the Members.

I do not relish making this speech, but I think the chairman of the committee is right, and that this is the responsible thing to do procedurally. We ought to know where the money is going to be spent and what the program directions of that Institute are in detail before we add any more money above the amount in this bill.

We have given this Institute the same increase as we have given every other institute, and I think that is pretty good, considering what the President's budget did to the entire National Institutes of Health.

Mr. Chairman, I urge the Members to support the chairman of the committee.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

I think at this point somebody ought to point out the almost impossible situation that this subcommittee has. No matter what program is in here, somebody will get up and say it is a wonderful program. That does not tell the story.

This was increased 10 percent. All of these are wonderful programs. The chairman has an impossible job trying to satisfy the people in this House. On top of that, we find people coming in here complaining, "You have not gotten authorizations out."

Look on page 5 of the report. There is $1 billion of authorizations that are still hung up over in the conference committee. They ought to have been out a minimum of 9 months ago. How in the world can we run programs in this country if they are a year late with authorizations? It is time they spent some time getting their own shop in order instead of complaining so much in here when we have appropriations bills on the floor.

Mr. OBEY. Let me just add this. I think we have been making a terrible mistake in the whole area of medical research over the last 5 or 6 years. I use as an example cancer, for instance. Everybody is opposed to cancer, so they come in and say, "Put some more money in the Cancer Institute." We cannot compartmentalize medical research. Some of the best medical research we get in the world on problems of aging or on problems of cancer is research done in institutes which supposedly have nothing directly to do with either of those problems.

I would suggest that probably, if we really want to help study the problems of aging, the best place to put the money is not in this agency, but it would probably be in the Institute of General Medical Sciences. That is where some of the very basic medical research is going on on aging, on cancer, on many other problems.

Mr. Chairman, I would urge the Members to stick with the committee chairman, because procedurally he is correct.

Mr. MICHEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I just want to take up where the gentleman from Wisconsin left off with respect to the kind of research that is being done on the NIH campus, directly affecting the elderly. This National Institute on Aging is not the only place in which we have research to combat the problems of aging.

Please do not be deluded by the gentleman from Missouri who asked the Members to vote present because they are going to alienate the elderly in their districts.

They do not have a Director because although they have offered the position to eight people, none could accept it because of the salary level. A new recruitment effort is ongoing. We have people and programs taken over from the National Institute of Child Health and Human Development and there is a 7-percent increase in new research projects. So to say the thing is lying fallow and nothing is being done is erroneous. We have a sufficient amount of money in here to get this thing on board if they will give it the right kind of direction downtown.

The chairman made much of the fact that we do not have a plan. The authorizing and enabling legislation provides that we have it, but we do not have it. So we think we have done the responsible thing by funding only that for which we have good justification. We are not getting carried away by emotion, and we are not just voting an enormous amount because it is for the aging. We cannot be that irresponsible about this sort of thing.

I am all for those who want to help the aging. But in this instance, I feel the responsible thing to do is to consider the good arguments the gentleman from Wisconsin and the gentleman from Pennsylvania have given us to defeat this amendment.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I will be happy to yield to the gentleman. I might say that the gentleman voted for a $30 million increase a few minutes ago and now he wants a $15 million increase here. He also wants a few million for the subway. We cannot have it all that many ways. The gentleman is all for these nice-sounding programs, but we cannot afford all these things. Very little of it comes to play in Peoria.

I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, the gentleman mentioned in his remarks in general debate the fact that the large Institutes at NIH were receiving the large increases of 10 percent across the board. Meanwhile this Institute on Aging is receiving the same 10 percent, a minuscule increase. As the gentleman well said, it is like increasing the salary of the head of a company in which case 10 percent makes a handsome increase while the laborer in the vineyard also gets 10 percent and has little to show. Let us take care of this little Institute that needs to get on with its work.

Mr. MICHEL. I submit to the gentleman that the subcommittee has taken care of this Institute in a good responsible manner with the $15 million we have provided in this bill. This amount would permit the funding of all research continuations and about 27 percent of new approved grants, based upon anticipated applications. The proposed amendment, however, would double the Institute's funding, and by doing so, would actually provide funding in excess of anticipated applications.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Chairman, on the comment of the gentleman from Wisconsin that there may be other places where this research may be done, if that is so then there was something wrong with what we did on this last fall. I objected to the vote but I believe there were not 20 or 25 or 30 against this. If something is wrong then let us repeal the law.

Mr. MICHEL. If there were not any funding in here, I would agree with the gentleman, but there is, and that is the problem before our Appropriations Committee, to have a good justification for it. When we do not even have a plan and then we want to double the money, I think we are being irresponsible in taking that approach.

Ms. ABZUG. Mr. Chairman, I rise in support of this amendment. It will allow for expanded research into the causes and effects of aging, a sadly neglected area. All too many, many of our older Americans must contend with unique physical problems. I was pleased that Congress took note of these special problems during our last session and established the National Institute of the Aging. I support this amendment, since it will allow work in this area to be increased substantially.

At the turn of the century, Americans over the age of 65 comprised only 4 percent of our population. Today, they represent 10 percent of the population, with the percentage rising annually. As the number of older Americans rises, so must our efforts to deal with their problems. The National Institute for the Aging deals particularly with research into the causes of aging. Until these are fully understood, all the associated medical problems which they experience will not be dealt with effectively.

The elderly, who are among the lowest income group in our society, are forced to spend a higher proportion of their incomes for health than are other Americans. This is a particular problem since, unlike the medical fees they pay, their incomes tend to be fixed. Social programs to defray these costs help in part. A more effective weapon is research into the general area of aging. This research will hopefully lead to preventive medical techniques which will aid the elderly far more than programs that pay for their medical costs.

I have always been a strong supporter of special programs for our older Americans. We have initiated such programs in the Congress in some areas, including health, housing, nutrition, and transportation. The establishment of the National Institute for the Aging was another such program. I therefore support this amendment which would allow it to increase its efforts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. Gude).

The question was taken; and on a division (demanded by Mr. Gude) there were—ayes 27, noes 83.

Mr. GUDE. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL LIBRARY OF MEDICINE

To carry out, to the extent not otherwise provided for, section 301 with respect to health information communications and parts I and J of title III of the Public Health Service Act, $28,815,000.

For the "National Library of Medicine" for the period July 1, 1976, through September 30, 1976, $6,572,000.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

BUILDINGS AND FACILITIES

For construction of, and acquisition of sites and equipment for, facilities of or used by the National Institutes of Health, where not otherwise provided, $93,000,000, to remain available until expended.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ASSISTANT SECRETARY FOR HEALTH

For expenses necessary for the Office of the Assistant Secretary for Health, $23,142,000.

For "Assistant Secretary for Health", for the period July 1, 1976, through September 30, 1976, $5,785,000.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SALARIES AND EXPENSES

For expenses, not otherwise provided, necessary for the Social and Rehabilitation Service, $57,878,000.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LIMITATIONS ON SALARIES AND EXPENSES

For necessary expenses, not more than $2,373,132,000 may be expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That such amounts as are required shall be available to pay travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examinations, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands to reconsideration interviews and to proceedings before administrative law judges under titles II, XVI, and XVIII of the Social Security Act: *Provided further*, That $25,000,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of title XVI and XVIII and section 221 of title II of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That such amounts as may be agreed upon by the Department of Health, Education, and Welfare and the United States Postal Service shall be used for payment, in such manner as said organizations may jointly determine, of postage for the transmission of official mail matter in connection with the administration of the social security program by States participating in the program: *Provided further*, That such amounts as may be required may be expended for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement wherein similar services will be provided by the United Kingdom in that country for administration of the social insurance program of the United States.

AMENDMENTS OFFERED BY MR. BURLISON OF MISSOURI

Mr. BURLISON of Missouri. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendments offered by Mr. Burlison of Missouri: Page 33, Line 16, strike out

"$2,373,132,000" and insert in lieu thereof "$2,373,133,612".

Page 35, Line 2, strike out "$629,900,000" and insert in lieu thereof "$629,900,403".

Mr. BURLISON of Missouri. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

(Mr. BURLISON of Missouri asked and was given permission to revise and extend his remarks.)

Mr. BURLISON of Missouri. Mr. Chairman, I have the assurance that my friend from Pennsylvania, chairman of the subcommittee, will accept my amendment. It should be stated for the Record, Mr. Chairman, that this additional funding in the nominal amount of $2,015 is for the purpose of establishing a social security contact station in Arnold, Jefferson County, Mo. for fiscal year 1976 and 197T. My substantiation for this facility is found in my appearance before the Subcommittee on Labor-Health, Education, and Welfare appropriations during their fiscal year 1976 hearings. Since the subcommittee has accepted my amendment, and to assure that the matter does not escape the attention of the Social Security Administration, it would be well to insert in the Record at this point my above-mentioned testimony before the subcommittee. I will seek permission to do this in the House after the committee rises.

The testimony follows:

Hon. Bill Burlison, a Representative in Congress From the State of Missouri

Mr. Flood. We now have the honor and pleasure of having with us our distinguished colleague, Hon. Bill Burlison of the great State of Missouri. He is going to tell us all about social security. That is a good trick whether you do it or not, but I am sure you will try.

Mr. Burlison. Thank you very much, Mr. Chairman.

Incidentally, this is the first time I have appeared before this subcommittee and I am sort of reluctant to do so on such a minor, insignificant matter, Mr. Chairman, but I feel that it is of great importance to a large segment of the largest populated county in my district. This county is immediately to the south of St. Louis and it has a population of about 110,000 people.

Mr. Flood. How far away from the nearest office are you?

Mr. Burlison. There is a permanent office approximately 10 miles away. Now, let me give you a little of the backdrop on this. In this immediate area, in the north part of Jefferson County, which is immediately adjacent to St. Louis, just across the Meramec River, the boundary line between St. Louis County and my district, there are about 50,000 people who live in three communities that this contact station that I am seeking would serve.

There are three other contact stations in this county. Mind you, in spite of the fact that it has 110,000 people in it, it doesn't have a permanent Social Security office. But it does have these three contact stations. One of them is in a community of about 3,500; the others are in communities of approximately the same size. So we have three communities of approximately 3,500 population each which have a contact station. But in this area that I am speaking of, with a concentrated population of about 50,000 people, there is no contact station.

Now, Mr. Chairman, as I set out in my prepared statement, which is also very brief as I intend to be here, it will require only $1,612; that would be the expenses for this contact station for 1 year. The social security people have spent that much money, I dare say, in arguing with me about providing this contact station. They sent a delegation over to my office from Baltimore. It just seems sort of ridiculous to argue about such a minor request.

Mr. Flood. Where is your regional office?

Mr. Burlison. The regional office is in St. Louis.

Mr. Flood. St. Louis?

Mr. Burlison. Yes, sir.

I feel that my request is eminently reasonable.

I think they very unfairly and unreasonably are denying my request for a simple contact station that would serve so many of our elderly and disabled people.

Mr. Flood. I couldn't have said it any better myself. That is praise from Caesar, you know.

Mr. Burlison. Thank you, sir.

Mr. Flood. Thank you very much.

[The statement follows:]

Mr. Chairman, I am taking this opportunity to submit testimony to the subcommittee on behalf of the residents of Jefferson County, Mo., and particularly the area of Arnold, Barnhart, and Imperial within that county. This locale has a population of over 50,000 people and is a rapidly growing metropolitan area with the proposed developments of two new communities in the immediate future. The 1970 census showed the population of Jefferson County to be 105,248. As you can note in comparison of figures, almost one-half of the county lives in the above mentioned area. It is estimated there will be an increase of more than 40,000 in the next 10-year census period.

There is no existing social security office or contact station to meet the critical needs of the people in the surrounding area. It is necessary that the persons who need the valued counsel of the social security representatives travel approximately 10 miles to the nearest social security office in South St. Louis County. Granted 10 miles is not a great distance, but consider the elderly, disabled, and poor individuals who are seeking assistance.

In the same county we find that the cities of Crystal City, Cedar Hill, and De Soto, having populations of 3,898, 3,600, and 5,984, respectively, do have social security contact stations. In these three offices combined we find 6 personnel and approximately 58 working hours being utilized each month.

The Social Security Administration has argued that a contact station in an area encompassing approximately 50,000 people is not feasible or practicable. We see, however, that in the same county in an area with a population totaling 13,482, we have three such facilities. Since the Arnold, Barnhart, and Imperial area is much more populous than the three cities with established contact stations, I argue that there is very real need for this addition. In an estimate presented to me by the Social Security Administration, they advised that this contact station would cost approximately $31 per weekly visit. This cost estimate includes the salary for one employee at the GS–10 grade level of $14,117 for a 4-hour weekly visit, plus the costs of travel between the station and the employee's permanent duty station. Based on this information, the annual cost on a weekly basis for the contact station in the Arnold area would be $1,612. No allowance is made for space cost at this time as the other three contact stations have donated space and I assume a like arrangement could be obtained for the proposed new contact station.

I urge this distinguished subcommittee to give favorable action on this nominal request for the additional funding necessary to provide this worthwhile and much needed contact station. In the alternative, my request would be that this subcommittee mandate the Social Security Administration to carry out this responsibility with the allocated resources appropriated for the agency.

Thank you, Mr. Chairman, for your courtesy in permitting me this time before this important subcommittee.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Chairman, the gentleman did discuss these amendments with the committee, and we have no objection to their acceptance.

Mr. BURLISON of Missouri. I thank my Chairman.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Missouri (Mr. Burlison).

The amendments were agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Departmental Management

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights $24,686,000, together with not to exceed $1,351,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

For "Office for Civil Rights" for the period July 1, 1976, through September 30, 1976, $6,379,000: *Provided*, That in addition, not to exceed $352,000 may be transferred and expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein.

AMENDMENT OFFERED BY MR. HOLLAND

Mr. HOLLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Holland: Page 38, immediately before the period at the end of line 17 and at the end of line 23, insert the following: ": *Provided*, That no funds may be obligated or expended under this paragraph for the Office of Civil Rights unless and until such Office is in compliance with regulations promulgated by such Office under title IX of the Civil Rights Act of 1964."

Mr. HOLLAND. Mr. Chairman, I will briefly explain this amendment which, I might advise my distinguished colleague from Pennsylvania (Mr. Flood), does not cost the Government 1 cent, does not add anything to the cost of this huge appropriations bill.

Mr. Chairman, by way of background, I had often wondered—and I had been asked by my constituents—about the operation of the Office of Civil Rights, particularly with respect to its hiring practices under title IX of the Civil Rights Act, and its regulations thereunder.

Subsequent to that I questioned this office, and I found that they are dismally out of compliance with that law and those regulations they seek to enforce, particularly in the area of male versus female hiring ratios.

I find that in the upper echelons of employment the presence of blacks and females is absolutely nonexistent.

Mr. Chairman, this amendment simply states as a policy of this Congress that those agencies, particularly this agency, will comply with the laws that it seeks to enforce, will show the public by example and by compliance that this Nation is in full faith and credit with its own law.

I had the information that they admitted they were hopelessly out of compliance. I suggested that they move into compliance.

Mr. Chairman, the statement might be made that the statement of this policy should not be made in an appropriations bill. However, I find that whoever controls the purse strings controls the actions of these agencies. If it was out of compliance—and it should not be—this is the proper place to announce to this agency, and to all others, that so long as we finance and support them by our appropriations, they will in some measure pay attention to this Congress, which represents the people—nothing more, nothing less—and our statement of policy that they should be guided by those things with which they seek to guide the American people.

Mr. FLOOD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, let me tell the Members about this one. Mr. Chairman, the amendments, I have objected to so far I did so partly because they were out of place. The Members were kind enough to agree with me. This is not only out of place, but it is utterly and completely ambiguous. And if I cannot understand it, nobody can.

Mr. Chairman, the first time I saw this amendment was when I was on the way out of the men's room about an hour and a half ago. I never saw or heard of the thing before. We have been at this thing for months, and nobody said anything about this. We had full hearings, and we have been here on the floor all day. Nobody heard anything about this amendment, nothing was said by the sponsor of the amendment. It is just as well.

Mr. Chairman, it refers to title IX of the Civil Rights Act of 1964.

Let me tell the Members that this title has absolutely nothing to do with HEW, the Office of Civil Rights. Nothing. It has nothing to do with the case, tra-la. It refers to the Department of Justice. Right church—wrong pew.

I believe the gentleman is referring—I believe—of course, your belief is as good as mine—I believe the gentleman is referring to the sex discrimination provision—I believe that—of title IX of the Education Amendments of 1972.

Those of you who were here then, if you remember that far back, will recall that. I believe that is what he is talking about. Those provisions—and we should all know about those—are in the Education Amendments of 1972. We debated that on the floor. Those provisions apply to educational programs or educational activities.

In any case, Mr. Chairman, whatever in the world this amendment is supposed to achieve, I urge its defeat, simply because it is so ambiguous. I cannot think of a better reason.

Mr. HOLLAND. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Yes.

Mr. HOLLAND. Mr. Chairman, I take exception to the gentleman's statement that he first saw this amendment coming out of the men's room. I handed it to the gentleman, I believe, about 2 o'clock today. I explained to the gentleman at that time the amendment refers to sex discrimination in the hiring of workers.

Mr. FLOOD. Mr. Chairman, I saw it for the first time today. We have been working on this for months.

Mr. HOLLAND. Mr. Chairman, the amendment refers to discrimination in hiring on a sex basis.

Mr. FLOOD. Mr. Chairman, I am not questioning the gentleman's integrity or sincerity.

This is sex discrimination, and nobody will debate that. That is not the point at all.

Mr. HOLLAND. Mr. Chairman, will the gentleman yield further?

Mr. FLOOD. I yield to the gentleman from South Carolina.

Mr. HOLLAND. Mr. Chairman, I do not think the gentleman and I are in disagreement about this at all.

Mr. FLOOD. I think we are talking about the same thing, but this is not the place for this kind of amendment.

There is no quarrel about this, but it is utterly ambiguous. I told the gentleman this title has nothing to do with the Office of Civil Rights in HEW.

After all, I am FLOOD of Pennsylvania. I am for this a thousand percent, there is no question about it. This is civil rights, sex discrimination, all these things.

Did the gentleman not read these hearings?

Mr. HOLLAND. Yes, I did. But if the gentleman will read his bill, it is replete with statements of policy.

Mr. FLOOD. Mr. Chairman, I agree the amendment is well intended. The gentleman is in the right church but the wrong pew, it is that simple.

Mr. HOLLAND. But under the particular provisions of the bill the gentleman has brought here, I submit the bill is full of statements of policy, and I believe the amendment is in order.

Mr. FLOOD. Mr. Chairman, I cannot yield any longer.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina (Mr. HOLLAND).

The question was taken; and on a division (demanded by Mr. HOLLAND) there were—ayes 30, noes 35.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 206. Appropriations in this Act for the Health Services Administration, the National Institutes of Health, the Center for Disease Control, the Alcohol, Drug Abuse, and Mental Health Administration, the Health Resources Administration and the Office of the Secretary shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for not to exceed two thousand eight hundred commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; rental or lease of living quarters (for periods not exceeding 5 years), and provision of heat, fuel, and light, and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers, and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act, at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS–18; not to exceed $9,500 in the current fiscal year and $2,375 in the period July 1, 1976, through September 30, 1976, for official reception and representation expenses related to any health agency of the Department when specifically approved by the Assistant Secretary for Health.

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members, in a few moments, the gentleman from Missouri (Mr. RANDALL) is going to make a unanimous-consent request that I would just like to put my plea in for.

The gentleman from Missouri (Mr. RANDALL) and I are going to propose an amendment to the aging section of the bill. I drafted the amendment and made an error. I was back in my office and found out that the gentleman from Maryland (Mr. BAUMAN), as usual, is right, that today is my first anniversary in Congress and not tomorrow. My staff had a surprise party, and because of that we were late in having the amendment at least considered by the House.

Therefore, Mr. Chairman, when the gentleman from Missouri (Mr. RANDALL) makes that request, I would just like to explain part of the reason for the foul-up.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. Yes, I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Chairman, the gentleman is correct. He had prepared an amendment which was to be offered, and through a clerical error, it was found to be inaccurate. During the process of correcting the amendment setting forth the correct figures, it was necessary to go to the reproducing machine and get a copy for the desk, for the minority, and for the majority. During that interim, the clerk had passed line 12 on page 37. Actually, the clerk was reading at the top of page 38 when the work of correction was completed. We were late but only a little bit late.

Therefore, Mr. Chairman, I ask unanimous consent at this time that I be permitted to offer an amendment at line 12 on page 37.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. FLOOD. Mr. Chairman, reserving the right to object, I am sorry that I missed the birthday party, but I was here and I could not go.

Here is the problem: On the Findley amendment we had exactly this same problem arise. This is the second time today that the exact, same situation arose, both bona fide. I had to refuse the other one.

Further, the other Member is, I think, here right now. He came to me. He had a more complicated reason than the gentleman from Missouri.

Mr. Chairman, since I had said no to him, I must object. Someone may break down and cry, but I have to object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

Sec. 207. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed, or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

AMENDMENTS OFFERED BY MR. MOORE

Mr. MOORE. Mr. Chairman, I offer two amendments, and ask unanimous consent that they may be considered en bloc. They refer to sections 207 and 208(a).

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. Moore: On page 43, strike lines 3 through 12, and insert the following in lieu thereof:

"Sec. 207. No funds appropriated by this Act may be used to compel, coerce, induce or otherwise encourage (by withholding or threatening to withhold any grant, loan or other Federal financial assistance, or by any other means) any local educational agency or institution to transport or assign any public school student to any particular school."

* * * * *

On page 43, strike all after "Sec. 208." on line 13, down through "(b)" on line 23.

Mr. MOORE. Mr. Chairman and members of the committee, the bill presently, in sections 207 and 208, contains language that one might think would prevent HEW from using the funds in this bill to promote or require busing. The history of these two sections is quite to the contrary. HEW is ignoring these two sections which have appeared in the bills of late. They are going so through dicta of decisions of the circuit court of appeals referring to the statute in these two sections.

It has become clear to those who have studied this matter, such as the gentlewoman from Maryland (Mrs. Holt) who has worked on this problem, that unless new language is drafted which improves the language we already have, it will not really be anything but a sham, something that looks good to our constituents, but does not stop busing.

I have risen twice already this year to offer amendments to prevent busing, which this House has adopted only to have the conference committee strip them out—at the urging of the Senate, I presume. But the time has come for us to put in simple language in place of the two very difficult and verbose paragraphs we find in the bill now.

The language that I have offered is well worked out by a number of us trying to make it clear, concise and, most of all, effective.

The language offered is better than the language in the bill for two reasons: First, because there is nothing in the existing language to stop HEW from forcing busing under penalty of withdrawal of Federal funds. That is the meat-ax. That is the club they are holding over the heads of the local school boards.

My language prevents that specifically.

Second, the language we are offering is clear and, more importantly, it changes the old context from one of racism to one of simply local control of the schools versus HEW control of the schools. The idea is that HEW should not be telling the local school boards what students are to be put where. This does not mean to change any of the law on integration, or any of the laws on civil rights; it is simply to say that HEW is not going to tell the local school boards when, where, how, and why to transport students, for whatever reasons. I submit that what we are dealing with here is not a matter of racial integration throughout the country, but rather a matter of local control of school transportation by the local school officials elected by the local people, rather than controlled by HEW, which is not elected by anybody and not local.

I submit the issue becomes much clearer with the language I have submitted rather than the language that is currently being ignored by HEW, and my language will not be a sham to the public, something just for public consumption that has absolutely no teeth in it, as it is now.

For those of us who believe that busing is not solving the problems it was set out to solve, I would simply add that recently Dr. James Coleman of the University of Chicago, who has been long a proponent of busing—I repeat, a proponent of busing—has just submitted a report on April 2, 1975, which I hold in my hands, which he presented to the American Education Research Association where he withdraws his support of busing and indicates that it has failed; it has not worked; and it is causing the demise of the public school system.

I should also like to point out, Mr. Chairman, without getting into the merits of the arguments against busing, a brief summary for the Members of what has been the considerations of those who oppose busing.

First, busing does not serve any educational purpose; it does not improve the educational system.

Second, it has not worked; if anything it has polarized ethnic groups, not caused them to work and learn together.

Third, it wastes energy at a time when we are trying to save energy.

Fourth, the public school systems in my part of the country—and I think maybe in a lot of other parts as well—are having great difficulty now in passing bond issues. The growth of private institutions has been manyfold in my district—and all across the South—for people to escape going to public schools, because they do not want to face the issue of busing.

I am a proponent and supporter of the public school system. That is the only way we can educate the people of this country in masses, and we owe them that. I personally taught in two public institutions of higher learning. If we do not stop the practice of HEW forced busing, we are going to destroy the public school systems of this country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROUSSELOT. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. ASHBROOK. Mr. Chairman, I will object to 2 minutes; I would not object to 1 minute.

The CHAIRMAN. Objection is heard.

(By unanimous consent, at the request of Mr. Rousselot, Mr. Moore was allowed to proceed for 1 additional minute.)

Mr. MOORE. Mr. Chairman, I urge support of the amendment.

Mr. BLANCHARD. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Michigan.

Mr. BLANCHARD. I thank the gentleman for yielding.

Mr. Chairman, I would like to echo my disgust with the way HEW has handled its policies, particularly with regard to the Ferndale School District in Michigan.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentlewoman from Maryland.

Mrs. HOLT. I thank the gentleman for yielding.

I want to commend the gentleman for proposing this amendment. I think it is very necessary.

Mr. Chairman, as we approach the Bicentennial year and recall our historic commitment to individual liberty, we should take stock of how far the Republic has strayed from the great commitment.

If taxation without representation was tyranny, then it is nearly impossible to find words to express the awful burden of today's taxation with representation.

And it is taxation that fuels the growth of big, impersonal, invisible government—the bureaucratic planners and regulators who attempt to govern every human activity.

The Fathers of the Republic recognized government as the historic enemy of individual freedom and sought to place strict limits on its power.

Modern America has failed to identify the enemy and has erected a huge, overwhelming structure of government that oppresses the individual.

A most hideous betrayal of individual liberty is government imposition of racial quota systems on local school systems, colleges, and private business establishments throughout the countryside.

Courts and bureaucrats have stretched and distorted the Constitution and statutory law beyond all reason to classify and assign citizens according to racial formula.

This is done in the name of civil rights, but it abridges the civil rights of every citizen caught in the machinery of this social engineering.

We enacted the civil rights laws to prevent racial discrimination—to insure that our society would be color blind in all activities that relate to individual opportunity—but a bad system has been replaced with another bad system because the laws have been distorted.

The courts and bureaucrats have imposed racial quota systems and created a race-oriented society. The individual has become submerged in his racial category, which is directly contrary to the intent of the civil rights laws we enacted.

The people understand that what has happened is wrong, and they detest it. Of some 20,000 responses to a poll I recently conducted in my district, 89 percent were against racial quotas in employment practices. Similar overwhelming majorities have been recorded against racial quotas in school assignments.

The most volatile public opposition erupts against racial quotas in school assignments, commonly termed forced busing for racial balance in schools.

The courts and the Federal bureaucracy are in the business of classifying and assigning hundreds of thousands of public school students according to racial formulas, transporting children miles from their neighborhoods to distant and sometimes hostile territory.

Racial tensions have not been reduced by this nonsense, and the quality of education has not been improved. Instead, racial hostility has been increased and the quality of education has declined.

A Federal judge created the racial strife that engulfed public education in Boston last year, and one wonders what will happen when the new and broader court order is applied this September.

Will we have another Boston in the schools and streets of Baltimore, which is under orders by HEW to undertake massive racial balancing?

Does it really solve any problem to tear pupils away from their community roots and force them to attend schools not of their choice, or the choice of their parents?

The evidence is that it creates more problems than it pretends to solve. Emphasis that should be placed on education is instead being concentrated on racial and disciplinary troubles. Experts who earlier thought busing was a proper means to provide good education for all our children are now rejecting it.

The huge majority of parents in this country know what they want for their children. They want safe, tranquil schools identifiable with their own communities and producing sound, basic education.

They emphatically do not want their children used in social experiments arranged by judges and bureaucrats who have no relationship to the affected communities and schools.

If this Congress is really interested in representing its constituents, it will enact strong legislation prohibiting HEW from ordering or enforcing racial quotas in school assignments.

Such legislation, I believe, would also send a powerful message to the courts.

We should enact the Moore amendment to H.R. 8069. It just might end this madness called forced busing for racial balance in schools.

Busing, of course, is only part of the larger problem of racial quotas, but it is a very important part. The people desperately need relief from this raw and intolerable exercise of Federal power.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I would like to recall to the Members that these sections 207 and 208(a) have been in this bill for a good many years. This is a very emotional issue, but finally after a tug of war here year after year, we sort of settled on this language. This language goes as far as we can go by statute. The Constitution provides there cannot be discrimination. We cannot change that by statute: All we can do is to say to the Department, you cannot force a local district to choose a certain remedy in fulfilling your constitutional obligation. That is what sections 207 and 208(a) does.

As I read the amendment pending now, it either does not do anything, which is a good possibility, except to substitute new language and cause new interpretations to have to be made, or, if it does anything, it says they cannot even encourage a local district to choose one remedy over another.

Here is what we may get into. A local district is required to fulfill its constitutional requirements, and so it considers the possibility of closing one of its schools and changing the district lines.

Or they may consider the possibility of a central school and closing both or all of the present schools. They may consider forced busing or voluntary busing. Finally, they have arrived at what they think is the best solution. Under the gentleman's amendment, if it does anything at all, the local district would be prohibited from finding out from HEW in advance whether they will be considered to be in compliance if they do what they have chosen to do. I do not think Members want to go that far.

So I say to the Members, either the amendment does not do anything except to substitute new language—and that in and of itself would be bad because this language has been worked out and has been settled on for several years—or in the alternative, if it does anything it does something we do not want to do; also, it does not prohibit busing and we cannot do that even if we wanted to.

Mr. MOORE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Louisiana.

Mr. MOORE. Mr. Chairman, first of all I would like to answer the gentleman. He said I was altering the language in the bill and that should not be changed, but that has already been done twice this year, once in the supplementary appropriation bill and once in the Health, Education, and Welfare appropriation bill.

I ask the gentleman whether or not he is aware these two changes are working and that the intent of Congress is being followed by HEW?

Mr. SMITH of Iowa I know this. If it is not working, rewriting the language to provide the same thing won't make it any better.

Mr. MOORE. I beg to differ with the gentleman because if we withdraw references to different statutes which the courts have watered way down, we have taken that away. We will find the local governments are finding the HEW comes in and does not use any funds to force them to do something, but it withholds funds. The language the gentleman refers to does not refer specifically to that situation and my language does.

Mr. SMITH of Iowa. I beg to differ with the gentleman. This language has been interpreted that HEW cannot go out and say to the local people that they cannot do certain things. I do not say they have never done it, but rewriting the language is not going to change that situation anyway.

Mr. MOORE. If the gentleman will yield again, what would be wrong with changing the language if all we have got is the gentleman's word it will not change anything, and it just might?

Mr. SMITH of Iowa. We went to conference year after year and we held up all these programs that are in this bill but finally year after year we came back with the same old language. All it does is raise the emotions of people and gets them at each other's throats and it does not accomplish anything in the end. I say we finally arrived at this language and it is best to leave it that way.

Mr. MOORE. If the gentleman will yield further, the most frustrating thing I find with the bureaucracy is their not following the spirit of the law Congress sets out. It seems to me if we have a situation like that we ought to keep working at it to make it so clear even bureaucrats can understand it.

Mr. SMITH of Iowa. I think the language in the bill is clear. There is nothing wrong with that. There are some things that we cannot cure just by writing language in a bill.

Mr. STOKES. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, as I sat here and listened to the amendment offered by the gentleman and the reasons why he proposes the amendment, it appeared to me the gentleman has not stated to this body any reason why the law ought to be changed. He has not been able to give us any type of fact situation or any request by HEW itself or any difficulty they are having, nor has he been able to cite for us any specific instances any districts are having.

This is merely, as I see it, another version of the Holt amendment. We went through that last year. Finally this body dropped that particular amendment and did not include it in the final legislation that passed this body.

It seems to me we ought not be fooling around at this time with an issue that has lasted for some 20 years in this country, and that is the matter of giving all children in this country an equal education.

What the gentleman is attempting to do by this amendment, of course, is to emasculate both title VI and title IX of the Civil Rights Act. That is the effect of it if it is adopted by this body.

We already have the two provisions to which the gentleman from Iowa (Mr. SMITH) referred to, that is section 207 and section 208, which are in the bill and relate directly to the busing question. There is no court litigation around it and we ought not at this point to involve ourselves in this type of amendment. It adds nothing to this bill, nor does it even attempt to remedy any kind of situation.

I would urge the body to reject the amendment.

Mr. MOORE. Mr. Chairman, will the gentleman yield?

Mr. STOKES. I yield to the gentleman from Louisiana.

Mr. MOORE. I simply point out in the amendment that any school board that wishes to bus is permitted to do so. What it prevents is the same thing as the gentleman that preceded me indicated Congress ordered, but it never was complied with by HEW, that is, HEW is not to force a school board to bus.

To cite a specific example, in my district of Baton Rouge, we recently had three school bond issues. Now new money was appropriated for my parish of 250,000 people. I am afraid that is going to continue and in the rural areas. If we are interested in public education, we have to stop this issue of busing.

Mr. STOKES. Mr. Chairman, will the gentleman agree, what he is doing by the amendment, he is denying to children in this country an effective remedy through compliance with the orders of HEW.

Mr. MOORE. No; but it does prevent busing, and lets children get on with education. Busing is not education.

Mr. STOKES. It does not seem that the gentleman understands his own amendment.

Mr. McKINNEY. Mr. Chairman, will the gentleman yield?

Mr. STOKES. I yield to the gentleman from Connecticut.

Mr. McKINNEY. Mr. Chairman, I would like to concur with the gentleman in the well. It seems to me this Congress has avoided one very important issue. Nobody likes busing. I do not think the mother of a child bused out of a black section likes it any more than anyone else.

Community schools are important to everybody, but I cannot sit, and I have not been able to for 5 years in this Congress, and realize that I cannot go into any one of my three cities and say to the children in my cities that they get an equal education. They do not get equal education. They do not get equal care. They do not get equal opportunities. They do not get equal reading abilities. They do not get equal sports. They do not get equal anything. As long as the financial problems of my cities are limited to the expenditure of $900 per pupil, whereas suburban communities can spend $1,700 or $1,800 per student, I cannot believe we are living up to our constitutional responsibilities in the United States.

I will be the first one to vote against busing, because I do not think anybody likes it. We have to face up to the problems of the inner city, whether it involves black or white.

Mr. STOKES. I thank the gentleman from Connecticut for his remarks.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. STOKES. I yield to the gentleman from Colorado (Mr. EVANS).

Mr. EVANS of Colorado. Mr. Chairman, someone can correct me if I am mistaken, but the major problem is not HEW's orders. We have been through this for a long time. The present language in the law would prohibit that, but we do have difficulty time after time in places all over the country with court orders. I think the language we have in the bill is clear and sufficient. If HEW is violating this clear language in the law, we ought to do something about that; but we do not need new language.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, reference was made that some of the former proponents of busing now take a different posture. Specific reference was made to Dr. Coleman. The argument was made that former proponents are now saying that busing is causing more problems to the schools than was anticipated. Probably Dr. Coleman is right, but I would argue that the conditions that cause the trouble really are in the most part traceable to this Congress, which year after year stands up hogging the issue of busing, constantly inflaming, constantly keeping this an open running sore in America.

So if we are talking about those shifting positions, we have to understand what the responsibility of the Congress has been in terms of forcing that position shift.

I think it is wrong for those who represent districts which are under investigation by HEW, such as Anne Arundel County, to come in under a mask, a cloak, a thin veneer, a veil of saying, "We are not talking about race; we are talking about something else, perhaps local control, States rights or something else," when they know in their hearts that the issue is race. That is all it is.

Members may call it by any other name they want, but the issue is race. I respectfully suggest to the committee that for as long as there are those in this Congress who continue taking up this inflammatory issue, we are going to have trouble in Boston and the other cities of this country. I urge the sound defeat of the amendment.

Mr. FLOOD. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, let me tell the Committee something. I have been chairman of this subcommittee for 8 years. We have had antibusing amendments almost every year. This is not the first time that this matter has been discussed.

By the way, I will say to the gentleman from Louisiana that I am no damn Yankee just because I come from Pennsylvania. I was raised in St. Augustine, went to prep school there, so I know all about the problem, believe me—as for this amendment, we have had antibusing provisions in the bill for as long as I have been chairman of the subcommittee. This is good language, keeping in mind the question raised by my friend about the courts, of course this is good language for that reason, and that is why it is here. Every one of our appropriation bills has had these provisions. We had these antibusing provisions in the 1975 appropriation bill, the same language, including the same punctuation. And by the way, the House just acted on April 16 on the education appropriation bill. This bill here also repeats the language of the education amendments of 1974. These were enacted last year, and they prohibit the use of appropriated funds for busing. It could not be plainer than that.

Finally, and I have said this 10 times today, do the Members know where they are? Look, this is an appropriation bill. The provisions in this bill—sections 207 and 208—are based on the civil rights law as the law exists today.

Now, this is plain English: If, for any reason, the Members want to rewrite the civil rights law, I do not blame them, that is their business, go ahead and do it in the proper forum at the proper time. Go to the Legislative Committee, if the Members want to and want to change the civil rights act; that is up to them. Use the regular legislative processes for changing an organic and basic law, but not through an amendment to an appropriation bill.

Mr. MOORE. Mr. Chairman, will the Southern gentleman from Pennsylvania yield?

Mr. FLOOD. Yes, of course.

Mr. MOORE. I thought that would get the gentleman's attention. I would like to point out that the gentleman well knows that the power of the pursestring is often the power. Limitations are being offered here. I have also got bills in that would get at the heart of the matter, but unfortunately the Judiciary Committee does not see fit to give me a hearing on these bills.

Mr. FLOOD. But, my friend, we cannot help that. That is up to the distinguished Judiciary Committee. Again, as we said here a year ago on another bill, the gentleman is in the right church but he is in the wrong pew.

Mr. MOORE. It is more like a Yankee in Pennsylvania now, because we are in the right pew.

Mr. FLOOD. Mr. Chairman, this is the law. The amendment is here, and I suggest that under no circumstances should it be accepted.

Mr. JACOBS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, so often, when we vote on amendments here in the committee, we really do not reflect on the precise language that has been offered. I am handicapped by the fact that I have just reread the gentleman's amendment, and it is in the second to the last line that I find some serious problems. It reads, after the prohibition indicated:

> Any local educational agency or institution to transport or assign any public school student to any particular school.

I put the case, Mr. Chairman, of a local school district that decided, at this late date, to bus for segregation. And supposing it embarked on that policy and supposing this limitation were placed on the Federal aid to education funds. As I read this amendment, it would mean that those funds could not be withheld from that district even to get that school district authority to assign schoolchildren to the school nearest their home, rather than busing them across town.

I consider that a fatal flaw, even for the intentions as announced in this amendment. Therefore, I think it is imperative that the gentleman need to rewrite his amendment—and I will yield to the gentleman—or that the amendment be rejected by the committee.

Mr. MOORE. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. Yes, I yield to the gentleman.

Mr. MOORE. As I read it, we simply are saying HEW cannot force this. If the local school district wants to bus across town or across lines, that is quite all right.

Mr. JACOBS. Yes, it would be quite all right. The gentleman did not hear what I said. Under this amendment, it would be quite all right for the local authorities to accept Federal funds for their schools and then take a black child, who was in a school across the street from his home, bus him across town for segregation purposes, and no funds could be withheld in order to compel that local school board to assign that child right back to the school across the street. That is the exact language of the amendment. How does the gentleman get around that?

Mr. MOORE. I do not think the gentleman's statement is right.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. Yes, I yield to the gentleman from Illinois.

Mr. MIKVA. I thank the gentleman for yielding. I would say to my distinguished colleague from Indiana that what the gentleman from Louisiana (Mr. Moore) has said he thinks the wording of this amendment means is exactly as the gentleman from Indiana says, that in fact HEW would be prohibited from giving funds to any local school district for not busing children.

Mr. JACOBS. That is right.

Mr. MIKVA. For creating a non-bus set up.

Mr. JACOBS. I might say to my friend from Louisiana that everybody here knows what the gentleman means; but, unfortunately, when it comes to a court reading what is meant, they will only know what the gentleman said. They will not know what the gentleman meant.

Mr. MIKVA. If the gentleman will yield further, I would say that I am aware that, because of the credentials of my distinguished colleague from Louisiana, this will be held as an antibusing vote. I would caution all of the Members who are against busing to look at the wording. So far as I am concerned, it would seem to me a vote for this amendment would more easily be construed as a vote for busing than against busing.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. I do not believe that, under the Brown decision, the hypothetical case the gentleman just gave us would stand up. It has already been tested in the courts.

Mr. JACOBS. That is exactly right.

Mr. ROUSSELOT. The gentleman's hypothetical case is wrong.

Mr. JACOBS. Mr. Chairman, if they want to go to Federal court and get an order, that is one route, but what the gentleman is saying here is that Federal funds can be used to bus black children away from their neighborhood. If they happen to get into a nice neighborhood where they have a little better school, under this amendment they might wind up right back where they came from.

I am pointing out to the gentleman that this could be used in that way, and it would be denying Federal funds in cases where they clearly come within this category. I think we know what the gentleman means, but some court may not have any access to what he means; they would just have to go on what he said.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Louisiana (Mr. Moore).

The question was taken; and on a division (demanded by Mr. Moore) there were—ayes 18, noes 70.

Mr. MOORE. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and forty-three Members are present, a quorum.

Does the gentleman from Louisiana (Mr. Moore) insist upon his demand for a recorded vote?

Mr. MOORE. I do, Mr. Chairman.

A recorded vote was refused.

So the amendments were rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Community Services Administration

COMMUNITY SERVICES PROGRAM

For expenses of the Community Services Administration, $399,185,000.

For "Community services program" for the period July 1, 1976, through September 30, 1976, $99,800,000.

AMENDMENTS OFFERED BY MR. HAWKINS

Mr. HAWKINS. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

> Amendments offered by Mr. Hawkins: On Page 44, line 18, strike "$399,185,000" and insert in lieu thereof, $434,185,000", and on line 20, strike $99,800,000" and insert in lieu thereof, "$108,600,000".

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Mr. Chairman, the effect of this amendment is to keep the level of the funding of the community action agencies under the Community Services Act at the current level of spending, that is, not to increase that level of spending, but to avoid a reduction of some $35 million that was recommended by the committee and was also requested by the administration in its budget.

The purpose of the amendment, in my opinion, is to prevent a reduction from being inconsistent with the authorizing law which we have passed. If this reduction is retained, then it is entirely inconsistent with the other provisions of the existing law.

When we passed the Community Services Act of 1974, we provided, among other things, that there could be an increase in local sharing of the money and a concurrent reduction in Federal sharing, on a ratio basis. We did not, however, ask for a reduction in the Federal funding. As a matter of fact, several attempts to amend the act in order to provide the reduction were rejected.

The same thing was done in the conference committee with the Senate, so that, in effect, we have said in the Community Services Act that the funding at a level of $330 million should be retained. To do otherwise at this time would be in conflict with what we have previously authorized.

In the next place, we also provided in the act a hold-harmless clause so that every community action agency in this fiscal year would not have less money or no State would have less money than it had the previous year. That hold harmless clause is still in effect so that to reduce the level of funding below $330 million would make the hold-harmless clause inoperative or inconsistent.

In addition to that, we also provided that the director, in those instances in which community action agencies might be harmed, could grant waivers. Obviously, waivers are only useful if there is money to back them up. If the director, therefore, is not placed in a position to have the Federal money available to him, of those community action agencies throughout this country—and there are some 900 of them—it is estimated, through hearings that the subcommittee which I head has held, that if the money is reduced, two-thirds of them would be put out of business.

The director could not do anything about it if the Federal funding is reduced. We would, therefore, make the waiver provision inoperative. In other words, reducing the money for community action agencies by $35 million is contrary to the legislative intent under all of the legislative history. It would make the hold-harmless clause inoperative and in opposition to what we have said, that we do not want to harm community action agencies. It would make the waiver provision meaningless.

In addition to that, Mr. Chairman, it seems to me, on the merits, at a time when poverty is increasing, when the unemployment rate is what it is, with the number of persons on welfare having increased by almost several million in the last few years, economic conditions today do not require and certainly, I think, would make it senseless for this body, in the face of the record, to reduce the money to fight poverty at this particular time.

Mr. Chairman, I hope and trust that others feel the way that I do, and those along with me, the gentleman from Wisconsin (Mr. STEIGER), the gentleman from Alabama (Mr. BUCHANAN), and the gentleman from Kentucky (Mr. PERKINS), who joined in offering this amendment so that the Members will think the way we do and approve this amendment.

Mr. FLOOD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I never saw a situation like this before, like this one. This is something.

The subcommittee here has recommended an increase—and I repeat, an increase—of $36 million over the budget request for the Community Services Administration.

Let me remind the Members that this bill, as a whole, is over $700 million above the budget, it is over the budget by over $700 million. That is how much we do not care about health and welfare of people—$700 million over the budget.

Do not forget this. This must go to the other body. This bill now, as I say, is over $700 million over the budget, and yet after this the bill has to go to the other body.

Do not say to me that we must be independent. I know all about that. Let us be very practical about this matter. I know the House must stand for itself, and that we are an independent body, and that we must not be concerned about what the other body does, under no circumstances, and that we are elected by the people. Of course.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Yes; I yield to the gentleman from California.

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding to me.

I do not know about it being $700 million over the budget, but I do know there are many programs that we have not kept pace with on what we have done in the past, including those that help the elderly and the poor of our Nation.

Mr. FLOOD. Oh, no.

Mr. JOHN L. BURTON. That is true.

Mr. FLOOD. Oh, no.

Mr. JOHN L. BURTON. We have not kept pace on them.

Mr. FLOOD. I happen to know the answer.

Mr. JOHN L. BURTON. We cannot go to zero and say we are keeping pace.

Mr. FLOOD. The gentleman is going to break my heart.

I cannot yield any more, since I only have a couple of minutes left.

Let me say this to the Members, by the way, that vetoes are getting kind of commonplace around here—or have the Members noticed that lately? Yes.

This is the Appropriations Committee. We are very practical people. This is your dough. We have to go through this process. Do not get carried away here with a poor second act; do not do that.

On the Community Action Agencies—that is the so-called CAP agencies, do you know what we have in here? We have $295 million.

And, by the way, we just heard about this amendment a day or so ago. This is another one of these things. A murder case, and we heard about it yesterday. Oh, this is going to destroy everything. We heard about this destruction yesterday.

The real problem here is not with the appropriations bill, that is not the problem. The real problem is the basic law, the organic law. Do you know who is responsible for that? The gentleman from California, the chairman of the subcommittee that wrote the basic law. Yes, there he is. Do you know who wrote this thing with him? The gentleman from Kentucky (Mr. PERKINS), the chairman of the full committee.

You would not believe this. If you saw this in the movies you would walk out. If it was on TV you would turn it off.

The gentleman from Kentucky (Mr. PERKINS) and my friend, the gentleman from California (Mr. HAWKINS), wrote this thing. I voted for it, they voted for it; everybody, I think, voted for it. There were not many votes against it. That is the law.

By the way, my friend, the gentleman from California, was the floor manager for the bill. He managed the bill on the floor and did a great job and passed it. I could not have done better myself, and that is praise from Caesar. He was great. He was great.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to my friend from California.

Mr. HAWKINS. I cannot compete with the gentleman in his act that he performs.

Mr. FLOOD. I am sure of that.

Mr. HAWKINS. But may I ask the gentleman, apart from the rhetoric, he mentioned that there is something wrong in the basic law. Will he name and point out what there is in the basic law that requires him to reduce the amount by $35 million?

Mr. FLOOD. That is an interesting question.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YATES. Mr. Chairman, I move to strike the last word.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am delighted to yield to the gentleman.

Mr. FLOOD. I am delighted that the gentleman is delighted.

Mr. Chairman, when the bill was written, the matching formula was put in there. The matching formula back home is now increased. You forced the people back home to raise their share. They must increase in direct ratio to what you do. That is what the law says. If you do not like that formula, you change the law. I will vote with you. I will follow you like I always do when you handle that bill. It is a great performance.

However, they come in now and say, look there is a problem. We must have more money.

If you contributed 20 percent last year at the local level, you must contribute 25 or 30 percent this year, States and local communities. No matter what it was, back home you must raise your ante to match the Federal contribution under the law, or you get nothing. That is the law. You cannot come in here—the chairman of the committee, the chairman of the subcommittee who wrote the law—you cannot come in here and say, we are sorry; it is not a good law.

Let me tell you this about the language in the law about waivers in case of hardship. That is good law. Make exceptions to the matching requirement in cases of hardship. I voted for that. I will vote for it again. So will you. However comma—however comma—this amendment would make it necessary for the Director to make exceptions for everybody. Can you imagine, under any circumstances, making exceptions and waivers across the board?

He would have to go all the way across the board on these waivers. It would have to be everybody. In other words, it would defeat the purpose of the organic law. This is beyond reason. That is what this proposes to do. I cannot believe it.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California.

Mr. HAWKINS. I thank the gentleman for yielding.

I quite appreciate the sympathies of the gentleman in the well, but he does not really read the law, and he has not explained it the way that it operates. While it is true that it does contain a provision which certainly mandates an increase in local sharing of the money, at the same time it does not in any way reduce the Federal funding.

As a matter of fact, there is written into the law—and the Committee on Appropriations went along with it up to now—$330 million which has not been reduced. As to the waiver provision, that was all thought out. It was agreed to on both sides. It was advocated by the gentleman from Minnesota (Mr. QUIE). We agreed with that.

It simply says that in those instances where community action program agencies may be unduly harmed the Director may grant a waiver. If we call that useless and describe it the way the gentleman in the well describes it, it sounds atrocious. I am sure there is not a Member in this body who has a community action agency who would agree that it is harmful to have in a provision of the law the opportunity for the Director, in his discretion, to prevent harm from being done to a community action agency.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Pennsylvania (Mr. FLOOD).

Mr. FLOOD. Let me show what the gentleman did. The way the law is written is this.

Mr. HAWKINS. It is not what the gentleman is reading there.

Mr. FLOOD. No matter how much money we appropriate, the local CAP agency will not get a dime unless they come up with additional matching funds. That is the law.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. YATES. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

Mr. ASHBROOK. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. PERKINS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I regret that I have missed the debate, but first I want to speak and say that $330 million is necessary and I am hopeful that the Committee will increase this amount from $295 million to $330 million and support the Hawkins amendment. This amount is the level at which these CAP agencies are currently being funded. In fiscal year 1975 they had $330 million.

From 1966, the Federal share has been 80 percent. The local governments, States, or CAP agencies have only had to come up with 20 percent and that could be in kind or in cash. But for fiscal year 1976 the law requires that CAP's come up with 30 percent, and for fiscal year 1977 come up with 40 percent.

The way this economy is structured today it is impossible in fiscal year 1976 for the local governments to come up with this 30 percent. It means that the CAP agencies are going to cut off a great many of their employees. A substantial percentage of their employees have been on welfare one time or another.

The Director is authorized to waive any or all of the local share when he finds it in furtherance of the act. Even if the Director of CSA wanted to exercise this waiver he could not exercise this waiver if we cut this money back to $295 million. It would be impossible because the money would not be there. It takes only simple mathematics to understand these facts.

I say to the Members that in times such as these if we require the local communities to make up this extra 10 percent it is just not going to be made up and there are going to be substantial layoffs of poor people throughout the country.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Chairman, may I point up that an increase from 80–20 to 70–30 is a 50-percent increase at the local level.

Mr. PERKINS. That is correct.

Mr. BUCHANAN. And another 50 percent next year, and this recession makes that virtually impossible for many communities.

Mr. PERKINS. And the gentleman would agree with me it would be impossible for the director to grant a waiver to a local agency with this reduction in funds.

Mr. BUCHANAN. The gentleman is precisely correct.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Wisconsin (Mr. STEIGER) who as a member of the committee helped to write this legislation last year.

Mr. STEIGER of Wisconsin. Mr. Chairman, I thank the gentleman for yielding.

Would it be fair to analyze the problem this way. When we look at the Quie provision for a waiver, it was based on an assumption, in my view as a conferee on this matter, that essentially the Federal funding would remain the same.

Mr. PERKINS. Mr. Chairman, I think that is a reasonable assumption, just what the conferees agreed to in the bill.

Mr. STEIGER of Wisconsin. If the chairman will yield further, would it also be fair to say if we cut it back to this level they have in the subcommittee's bill, the effect of what we do is to increase the local share beyond that which the Congress had anticipated would happen.

Mr. PERKINS. That is correct.

Mr. STEIGER of Wisconsin. My own judgment is that the Hawkins amendment makes sense. I would support the amendment and I hope it passes.

Mr. PERKINS. Mr. Chairman, I hope that the Hawkins amendment will prevail. If it does not prevail, we will have crippled the Community Action Agencies throughout the country and, as a result, they will have to lay off many employees in times when we are trying to boost the economy and improve job conditions. I regret to see this.

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, I rise in support of the amendment of the gentleman from California (Mr. HAWKINS), which would restore funds for the community action program under the Community Services Administration. As written, H.R. 8069 would cut funding for community action from the 1975 level of $330 million to a 1976 level of $295 million.

Mr. Chairman, the loss of this $35 million to poor communities across the Nation would without a doubt constitute the most ill-timed of social tragedies. For the bitter and unavoidable irony is that at a time when unemployment is at a peak, when jobless benefits are exhausted, when food, housing, and other essential costs are higher than ever, when the ranks of the poor—educated and uneducated, trained and untrained—are swelling daily, at a time when the American people require more than ever a helping hand from their Government, this bill would seek to reduce Federal assistance to our poor.

Mr. Chairman, in relative terms, even our maintenance of the status quo appropriation of $303 million for community action would in effect reduce aid and services to the poor, quite simply because the numbers of poor to be assisted have increased so dramatically in the last year. It would follow then logically that the last alternative that we would seriously be considering would be any amount of reduction, not to speak of $35 million.

I am clearly aware that under the Community Services Act of 1974, local communities are required to share increasingly the cost of community action programs. What we did not anticipate then was the current inability of State and local governments to help shoulder the load. We did not anticipate a recession so severe. We did not anticipate that several of our cities would be verging on bankruptcy, our State governments not a great deal better off.

Mr. Chairman, what all this simply means is that any reduction in the amount of our appropriation for community action programs would result absolutely in the death of local programs which render vital services to millions of Americans. I do not think we can afford to do that. I do not think we can afford not to care. I do not think we can callously turn our backs on the poor, the growing unemployed, the old, the disabled, and all the others who have had to depend for life on the very services this bill, in its present form, would seek to reduce.

Hence, Mr. Chairman, I urge my colleagues in the strongest of terms to support the amendment offered by the gentleman from California (Mr. HAWKINS). Surely cuts are to be made to reduce inflation. But let them be made where they can be more painlessly borne.

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Chairman, this request does not include the gentleman from California.

Mr. Chairman, I move that all debate, speaks, that all debate on the bill and after the gentleman from California all amendments thereto close in one hour.

The CHAIRMAN. The Chair would have to remind the gentleman from Pennsylvania that it would not be possible for that motion to be entertained, in that the bill has not been read.

Mr. FLOOD. Mr. Chairman, I will withhold for that purpose then.

Mr. JOHN L. BURTON. Mr. Chairman, I just want to address myself to some of the remarks of my good friend, the chairman of the subcommittee.

Whatever we want to do, it is the problem of the authorizing committee. Well, the authorizing committee authorized these funds. They authorized the funds so that there would be some guarantee of funding to local governments, that they could help meet the increased formula in case they had hardship.

Now, the gentleman talked about this being $700 million over the budget. That may be, but we know that in the areas of the elderly, it is not over the budget. We are not even coming close to filling 50 percent of the authorizations. When it comes to other areas, it is not over the budget. We have not filled the authorizations in this yet, so if we say and we give due credit to the authorizing committee, then let us take the advice of those who are on the authorizing committee and agree this was consistent with the intent of their law.

Now, I would just strongly support this amendment. I really call attention to the gentleman's own argument, when we get through with the dazzle and the footwork, that it would call for support of the amendment, because the authorizing committee is consistently and bipartisanly in support of this amendment.

AMENDMENT OFFERED BY MRS. BURKE OF CALIFORNIA TO THE AMENDMENT OFFERED BY MR. HAWKINS

Mrs. BURKE of California. Mr. Chairman, I offer an amendment to the amendments offered by the gentleman from California (Mr. HAWKINS).

The Clerk read as follows:

Amendment offered by Mrs. BURKE of California to the amendments offered by Mr. HAWKINS: On Page 44, line 18, strike: "$399,185,000" and insert in lieu thereof: "$439,385,000".

On Page 44, line 20, strike: "$99,800,000" and insert in lieu thereof: "$109,975,000".

Mrs. BURKE of California. Mr. Chairman, the 93d Congress passed, and President Ford subsequently signed, the Community Services Act of 1974. That legislation, passed in December and signed on the 5th of January 1975, provided for continuation of programs previously authorized under the Economic Opportunity Act of 1964.

The passage of the Community Services Act of 1974 indicated the resolve of the Congress to continue community self-help programs which would bring both immediate relief to some problems and generate some long-range solutions to the cycle of poverty in which so many of our citizens are trapped.

The Community Services Act of 1974 has an impact in all regions of America. The act impacts urban, suburban, and rural areas where the poverty conditions have for years assured that numerous Americans are trapped in a vicious circle of high-cost services and low-grade opportunity for betterment.

The congressional commitment is now seriously threatened by reductions in the funding levels of several important categorical areas of the Community Services Administration. The amendment which I offer addresses itself to those cuts in ongoing project categories, seeking to restore them to the fiscal year 1975 level. This amendment does not propose any increase, in any category, over the levels set by the 93d Congress.

Title I research and demonstration projects—section 232—have been the subject of considerable attention. Throughout the administration of then-President Nixon, a significant amount of research and demonstration dollars were shifted into the Department of HUD, Labor, and HEW. Those agencies under their own appropriations umbrella, then executed some of the demonstration concerns of the original OEO. Those moneys left to the OEO, now CSA, have been used to fund projects for which no earmarking was present in appropriations acts, and for selected new initiatives.

In fiscal year 1975, the administration requested $6.3 million for the R. & D. component of the CSA as now constituted. The Congress added an additional $2.5 million. R. & D. funds for fiscal year 1975 were directed toward the conclusion of a Native Americans project, $3 million was spent on a basic skills development program for preschool children, $132,000 was directed toward the widely respected distributive education—DECA—program, $300,000 was directed for an innovative and valuable veterans coordination program, $300,000 was spent for selected economic development activities, and the remainder was spent on smaller projects.

It is important to note that the $2.5 million added by the Congress was earmarked for basic skills instruction in arithmetic and reading skills. It is most clear that the national investment in so basic a skill as reading, or math, is important to any plan to allow the poor to better themselves. Without these skills, the poor are doomed to a perpetual cycle of being unable to compete.

There are a number of other areas where demonstration funding ought to be directed. The veterans program, affording outreach and counseling within the community services framework, an area where the Veterans' Administration has not been 100 percent effective, is a clear example of this future need. The Vietnam veterans who served this Nation in years of war have long been subject to higher than average rates of unemployment. The ravages of the recession has made the existing bad conditions even worse. The basic skills instruction is a second area where funds can be effectively invested in the future of America; an investment which seeks to end the cycle of poverty that has so marked many regions of this Nation.

The research and demonstration concept should be funded for still another reason. In these times when the impact of Government funds is high on the list of everyone's concerns, it is imperative that we find ways to assure that each appropriated dollar delivers the full measure of services to the taxpayer. The Community Services Administration budget is on the order of $400 million. Research and demonstration funding proposed in this amendment is $8.8 million. We propose that this amount, which is 2 percent of the administration budget, is necessary if they are to improve the efficiency with which services are delivered. How can we expect cost-effective improvements if we do not provide even 2 percent of a budget for funding those demonstrations whose costs are often recaptured many times over in terms of improved services?

Two areas in title II of the Community Services Act of 1974 are addressed in my amendment; senior opportunities and services, and community food and nutrition.

The senior opportunities and services program has been an innovator and coordinator of Federal, State, and local programs for the ever-growing elderly low-income sector of the American population. The program has also served as a measuring tool to gage the effectiveness of a number of other Federal programs. Section 222(a)(7) of the Community Services Act states that the SOS program is designed to identify and meet the needs of older, poor persons (above age 60) in one or more of the following areas:

Development and provision of new employment and volunteer services.

Effective referral to existing health, welfare, employment, housing, legal, consumer, transportation, education, and recreational and other services.

Stimulation and creation of additional services and programs to remedy gaps and deficiencies in presently existing services and programs.

Modification of existing procedures, eligibility requirements and program structures to facilitate the greater use of, and participation in, public services by the older poor.

Development of all season recreation and service centers controlled by older persons themselves.

Such other services as the Director may determine are necessary or specifically appropriate to meet the needs of the older poor and to assure them greater self sufficiency.

In June 1965, the OEO appointed a task force to examine the nature and causes of poverty among the middle-aged and older Americans. They were charged with recommending reporting methods and the reduction and amelioration of such poverty. As a result of these studies, the Congress in 1967 amended the Equal Opportunity Act to include programs for the older poor and to establish the Office of Assistant Director for Older Persons Program.

The SOS target population evidence the highest incidence of problems common to all poverty groups, and because of their vulnerability, their needs are crucial. Twenty-one percent of the poor are persons 60 and over, and many additional thousands live in constant fear of being pushed over the poverty-level line by the twin ravages of inflation—especially destructive to those on fixed incomes—and recession which reduces the part-time employment opportunities normally available to the older citizen, and increases competition for the social service dollar among all groups. Any little emergency can be enough to destroy the confidence and financial resources of all significant portion of the older American population.

The 1973 Current Population Survey identified 1,059,000 noninstitutional poor persons aged 55 to 59 and 7,009,000 persons 60 and over for a total of 8,068,000 whose income is at or below the poverty level.

According to a Community Services Administration survey of CSA/OEO older persons programs funded under section 222(a)(7) SOS and section 221 local initiative, as well as other versatile funds and activities such as ACTION, AOA, HUD, DOL, and non-Federal fundings, 990,302 individuals were provided 7,877,630 individual services through 292 programs consisting of 1,500 senior centers at a cost of $28 per person, $3.53 per service, and $18,546 per center. These programs are national in-scope; 45 States, Puerto Rico, the District of Columbia, and the Saipan Trust Territory were involved.

Many of the SOS programs depend upon local volunteers. Outreach, transportation, delivery of meals on wheels for shut-ins, et cetera, are examples of the volunteer impact. The 1973 survey concluded that a total of 69,125 Americans in local communities volunteered nearly 3 million man hours to assist the elderly poor. The dollar savings, extended throughout a then minimum wage of $2.14 per hour for the 1,202 full-time employees, was over $6 million. Indeed, this amount is greater than the 1973 SOS appropriation, and represent 27 percent of the Federal dollars involved in all of the combined programs.

The energy crisis, energy costs, and inflation are creating a problem for these volunteers. Many are housewives who serve on a part-time basis. Using their own cars, these volunteers add a substantial financial sacrifice to their already great allocation of time. Inflation has meant that the cost of meals is twice, perhaps three times what was expected when many of the elderly retired. This is causing a severe contraction in volunteer services. ACTION is seeking to address this by small grants for out of pocket expenses, yet the needs cannot be met. SOS will continue to work in this area, and the funds needed are included in the amendment I propose.

There are four categories of Federal, social, and economic assistance programs: economic development, human services, income transfer and/or employment, and community development programs. The CSA addresses these assistance needs at the local level with immediate responses wherever there exists a CAA or an SOS project. They assist the older poor to secure the opportunity to develop the capability to effectively control their own destiny—to become self-sufficient through creative and responsive programs, many of which have broken new ground on the approach they take to the provision of needed services.

All CAA's assist older people in emergencies as their funding permits, and are looked to as sources of help and information. A good example of this are the 54 CAA's in region 7—Iowa, Kansas, Missouri, and Nebraska—where they have at least one center in each rural county served, as well as centers in the depressed areas of the larger municipalities. One third of the poor in region 7 are elderly, which attests to the importance of the SOS effort in this region.

I believe that the $2 million this amendment requests for the SOS program is a sound, responsible appropriation to help meet the numerous demands that must be met for the American older poor. So many of these people led constructive, achievement filled lives and now see what they thought would be the sweet fruit of years of labor turn sour under the heat of a recession and inflation. Certainly we must not lessen our commitment to these citizens.

The second area within title II this amendment covers is the emergency food program, since renamed the community food and nutrition program. The direct feeding program includes meals on wheels, vitamin fortified food supplements, summer lunch projects, and emergency food vouchers. Activities to improve the existing nutritional programs included adding outreach workers and certifiers to qualify the eligible poor for food stamps, transportation to pick up food, et cetera, and garden projects, cooperatives and buying clubs, and training in canning and food preservation.

I believe that food delivery and supplement programs are a sound investment for the American society. Malnutrition, or the other manifestations of improper diet, are thought by many authorities to generate a significant amount of sickness and disease. This is a problem with special impact upon the poor, and the result is greater costs for the society as a whole. Adequate nutrition is certainly less expensive than the health costs a lack of food generates. Lost time, hospital, and other medical care delivery costs, inefficiency at the work place, learning disabilities, and a host of other costly effects are one result of a penny-wise and pound-foolish food supplement program.

Examples of the CSA food activities are listed below:

> SEK-CAP Inc—Girard, Kans.—provided direct food services in six rural counties through meals on wheels and congregate feeding. Only $36,000 was needed for this worthwhile project.
>
> Home Delivered Meals:—Seattle, Wash. Using a $25,000 grant, the city of Seattle and CSA programs provided 15,000 meals per month to central dining areas. 150,000 persons, at a Federal cost of 28 cents per meal, benefited from this program.
>
> Rural Alive Program—Nebraska—Operating through a CAA, the RAP was expanded towards a goal of 2,500 people being fed per day at the end of one year of operation.
>
> Walthill, Nebraska—the Goldenrod CAA started in 1967 served its 250,000th meal in 1974. Currently seven feeding centers are operating in four counties. Ten thousand meals a month are served, with about 10% of those in the home.
>
> SOS funds were used in a number of instances to supplement Administration on Aging funds which are not earmarked especially for the poor.
>
> This program of emergency and community feeding is important. It represents a preventive investment in the health of America, assures an opportunity for food to the citizens of the richest Nation on Earth, and assures an opportunity to begin to address the other problems of the poor in all regions of the country.
>
> Title VII of the Community Services Act of 1974 addresses itself to areas including community economic development. The community economic development program provides support for economic and community development in urban and rural areas with high concentrations of poor people through community development corporations and cooperatives. The program is designed to have a limited number of significant and highly visible projects promoting opportunities for community self-development, individual entrepreneurship and good jobs.
>
> Federal dollars are invested in community conceived and community planned economic development activities, providing equity capital instead of debt capital. This is particularly important when it is considered that in the best of times, the poor have great problems seeking capital. In times of recession and high interest inflation, the search for capital is often fruitless. When found, it is often prohibitively expensive.
>
> Community development corporations are directed by boards of representatives of all the residents of the community. The plans of the business are in accordance with the needs of the particular community. Some of these are oriented toward physical redevelopment, while others, especially in the rural areas, are directed towards agricultural cooperatives. These are small-scale "agri-businesses."

Marutta, Wash., is the site of an American Indian CDC, which operates an agribusiness raising food for sale on the reservation and the surrounding area. They also operate a school to teach the mechanics of food production, certainly a high priority concern in a world consistently short of food opportunity, to the people of the reservation. This is a classic case of "pulling up by the bootstraps."

The Delta Foundation in Greenville, Miss., operates a blue jeans factory that employs about 150 people. They market these products under their own label. Some are sold to the J. C. Penny Co.

The Bedford-Stuyvesant Restoration Corp., in Brooklyn, N.Y., is an example of an urban CDC. They are trying to revitalize the whole community of "Bed-Stuy," with a shopping center, housing projects, and other activities.

A CDC in Nassau County, Long Island, is another urban CDC that evidences the complementary effect of the CSA dollars with local resources. In combination with a MESBIS, CAA, and CDC, local sources are employed to improve the community. This displays the combination of resources that a CDC is uniquely qualified to weld into effective, and fiscally sound, local action to better the environment in which the citizens live.

I believe that the amounts in this amendment to the fiscal year 1976 Labor-HEW appropriation are sound investments in the future of a large segment of the American people. They will provide some of the tools necessary to break the cycle of poverty within which so many are trapped, as they have been for years, at a cost both to themselves and to the entire American society. I ask your support for these programs.

Mr. FLOOD. Mr. Chairman, will the gentlewoman yield?

Mrs. BURKE of California. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Chairman, we have no idea how much money the gentlewoman is talking about. How much money is in this amendment?

Mrs. BURKE of California. If we go back into the funding in the last fiscal year, it was $22.4 million. They are at zero in the present budget.

In West Virginia, 16 percent of the population is over 60, and 40 percent of those over 65 are below the poverty level.

That is what these programs amount to and those are the people we are turning our backs on today. They are not just in the city; they are throughout this Nation and they are people who have no one else to look after them but us.

The other program is community economic development. Again, where is community economic development? Where are these programs? In this program, we do not ask for them to be restored.

Mr. FLOOD. Mr. Chairman, if the gentlewoman will yield further, I have just now had handed to me a copy of the gentlewoman's letter. Is it not true from her "Dear Colleague" letter that she is adding $40,700,000?

Mrs. BURKE of California. Yes; Mr. Chairman, I just went through research and development, which was $8.8 million. Senior citizens was $2 million, but the largest item is $22.4 million for community food.

Mr. FLOOD. But the whole thing is $40,700,000?

Mrs. BURKE of California. That is correct.

Mr. FLOOD. Aha.

Mrs. BURKE of California. Let me get down to the last item, which is community economic development. What are those programs? Those are programs throughout our Nation. Most of them, incidentally, are rural programs that have been assisting people.

The CHAIRMAN. The time of the gentlewoman has expired.

(By unanimous consent, Mrs. Burke of California was allowed to proceed for 1 additional minute.)

Mrs. BURKE of California. I mention the case such as in Greenville, Miss., where a blue jean factory employs 150 people. These are not programs that are draining our economy. They are meeting the particular needs of our economy. I have listed some of these places because I want the Members to think twice, those Members who are going to face their constituents and who are going to be asked about this, because these programs are throughout the Nation. We must help our elderly poor who are looking to us. You might say, "Let us ask the Senate to do it." Once in a while, why cannot this House stand up and provide the people who send us here with some answers, and why can we not provide for the needs that they have?

Mr. FLOOD. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any points of order against the remainder of the bill? The Chair hears none.

Mr. FLOOD. Mr. Chairman, I now move that all debate on the bill and all amendments thereto conclude at 8:15 p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from Pennsylvania (Mr. Flood).

The motion was agreed to.

PARLIAMENTARY INQUIRY

Mr. MICHEL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHEL. Mr. Chairman, do I understand the amendment offered by the gentlewoman from California (Mrs. Burke) is an amendment to the one offered by the gentleman from California (Mr. Hawkins)?

The CHAIRMAN. The gentleman is correct. The gentlewoman from California (Mrs. Burke) offers an amendment to the amendment offered by the gentleman from California (Mr. Hawkins).

Members standing at the time the motion was made will be recognized for 45 seconds each.

The Chair recognizes the gentleman from California (Mr. Stark).

Mr. STARK. Mr. Chairman, I will ask if I may address the chairman of the subcommittee. I feel like a pussy cat in Daniel's den.

In the committee report, it states on page 70 that the bill—

> Also includes funds, not specifically earmarked, to permit the organization where desired of community development credit unions * * *.

I would like to ask the chairman of the subcommittee if he thought that perhaps $4½ million of the $399 million and $1½ million of the $99 million might be the approximate amounts he had in mind as being used for these purposes.

Mr. FLOOD. Mr. Chairman, if the gentleman will yield, the answer to that question is "Yes."

Mr. STARK. And I will ask if those funds might be used to implement a program designed to stabilize and strengthen eligible community development credit unions for a combination of assistance in specialized management and planning, capitalization and planned subsidy?

Mr. FLOOD. Yes, they could be used for that sort of thing.

Mr. STARK. Mr. Chairman, I thank the gentleman very much.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. Quie).

Mr. QUIE. Mr. Chairman, I urge my colleagues to vote down the Hawkins amendment.

This is really what the plan is: it is to increase the appropriation and then change the formula back again to 80 to 20.

Last year the gentleman from California indicated the community action agencies had raised $1.3 billion, and we had support all over the country for this, even including George Wallace. They should be able to put up some money for it.

We have worse troubles in the Federal Government than the State and local governments have around the country as far as raising money is concerned. We ought to stay within the formula we have set up.

We know where the sense of values are in the local community action agencies, because they are out trying to make certain they will remain separate agencies instead of working with their State legislatures, with their county commissioners, and with their city governments to get the money. If they had gone after the State money, they would have it now.

What is available presently? I just want to tell the Members that between 1975 and 1976 general revenue sharing is going to increase $171 million. They can take some of the money they save in local taxes and use that money to pay for the local community actions. That is what they ought to do.

(By unanimous consent, Messrs. Young of Georgia, Clay, and Rees yielded their time to Mr. Long of Louisiana.)

Mr. SISK. Mr. Chairman, I ask unanimous consent that I may be permitted to yield my time to the gentleman from Louisiana (Mr. Long).

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. ASHBROOK. Mr. Chairman, that should be enough time for the gentleman.

Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. LONG of Louisiana. Mr. Chairman, as some of the Members know, I was at the beginning of the poverty program its Assistant Director. Also we have had some experience in my district with this program over the years since that time.

I think that this legislation and this amendment are important for more reasons than just the poverty program. Let me tell the Members why I think this is true.

We had some programs that were not very good. But, the community action agency program was one of the programs that really worked successfully in the antipoverty program. This is true because of the fact that, particularly in rural areas, it could reach people who could not be reached by any other agency of the Federal Government except through the use of community action agencies. If we limit the community action agencies, we limit the effectiveness of many of the other programs that we have instituted in the Congress.

For example, if we look at the food program, we will see that some people cannot be reached. The people do not have transportation, they do not have the ability to get to the cities, and we know from past experience that when programs are cut back—when these 844 community action agencies are cut back—the programs that will suffer are the ones that are located in the rural areas. Therefore, we are destroying the effectiveness not only of the community action agencies but we are destroying the effectiveness of many of the other programs that we have instituted here.

Three years ago they set out to destroy the antipoverty program.

The man who did that was a man by the name of Howard Phillips. He has continued his efforts to this day, and by the rejection of this amendment, we will, in the House of Representatives, be lending our efforts toward the vicarious efforts that Phillips has been making over these years to destroy the poverty program.

Mr. Chairman, I urge my colleagues in the House of Representatives to support this amendment of the gentleman from California (Mr. Hawkins) and the gentlewoman from California (Mrs. Burke).

(By unanimous consent, Mr. Mitchell of Maryland yielded his time to Mr. Long of Louisiana.)

Mr. LONG of Louisiana. Mr. Chairman, I thank the gentleman.

The community action agencies, if I may go back on that, are unique and invaluable because, as I said, the people who work in them can assist the poor in a broad range of program areas. For example, when a community food and nutrition worker reaches out to a poor person in an isolated community, he may find that that person also has health needs and housing needs. He can direct that person, who does not know where to go to seek help on these needs, to the various Federal programs that are available to him.

If the program is terminated, and many of these community action agencies will be terminated if this amendment is not adopted, the worker is lost. But not only is the worker lost, the people he serves may lose not one, but multiple Federal benefits.

Anyone who thinks that the local communities, and particularly the small rural communities, can come up with their share of this money in hard cash at this time is not cognizant of the economic circumstances that exists in the rural areas and in the poor communities in America today.

Mr. Chairman, I again strongly urge the Members to support these amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. McKinney).

Mr. McKINNEY. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from California (Mrs. Burke).

My colleague from California and my colleague from Connecticut, Mr. Sarisin, have very adequately emphasized the importance of providing for the continued existence of the programs that will be benefited by the passage of this amendment. However, Mr. Speaker, there is an area contained in this amendment which I would like to highlight. That is the community economic development program.

The critical need to provide for the economic development of our urban and rural communities should be obvious to anyone who has observed the desperate situation in our disadvantaged communities. At this time, when unemployment is rampant and the cost of living is high, the need to support a program which would provide jobs and stimulate economic activity, is essential.

The community economic development program provides training and technical assistance in the areas of management, marketing and bookkeeping, to individuals, community corporations and cooperatives. In addition, this program seeks to develop community support for minority enterprises. With unemployment among our minority population presently running well above the national average, we in the Congress should be particularly concerned with providing relief for this intolerable situation.

In fiscal year 1975, Congress appropriated $61 million for the community economic development program. For fiscal year 1976, the Appropriations Committee is recommending $39 million. Mrs. Burke's amendment is an increase over the committee's appropriations by $7.5 million, which is still $14.5 million below the 1975 funding. Based on the success of this program in the past, I suggest that we attempt to keep the financial support of this program as close to the 1975 level as possible.

This amendment does not ask for an opportunity to demonstrate the worthiness of the community economic development program, rather it is a request for the preservation of an undertaking which has proven to be an extremely worthwhile expenditure of Federal tax dollars.

(By unanimous consent, Mr. Sisk yielded his time to Mr. Corman.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Corman).

Mr. CORMAN. Mr. Chairman, we have been having hearings in the Public Assistance Subcommittee of the Committee on Ways and Means for several days.

As we know, we federalized public assistance in this country for the aged.

It has taken from 6 weeks to 6 months to decide whether or not an aged person ought to get that pittance which we give him, $146 a month. What they eat in the meantime is involved in this amendment. We can afford to feed those folks while they are waiting for us to straighten out the red tape. It is horrible to think of people in this country going hungry. That is what this little bit of money is for.

Mr. Chairman, I urge the Members to support the Burke and Hawkins amendments.

(By unanimous consent, Mr. Steiger of Wisconsin yielded his time to Mr. Sarasin.)

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. Sarasin).

Mr. SARASIN. Mr. Chairman, I thank the gentleman from Wisconsin (Mr. Steiger).

I rise in strong support of the Burke amendment. We are talking about continuing the funding for the CAP agency. If there has been any organization at any level of government that has been able to be flexible in responding to the problems of local communities beyond the CAP agency, I do not know what it is.

I have come a long way on this subject. I did not like CAP when I first came here. In fact, I did not like it when I ran for office. I thought they could not handle the job and that they provided a shadow government, taking away responsibility from elected officials. However, after watching them in action and after watching the manner in which they have been able to address the problems of the communities in my district, I am sold. I am convinced they should be funded at the level recommended by the Burke amendment, and, Mr. Chairman, I urge its approval by the Members.

Mr. Chairman, the Community Services Administration provides a myriad of services for our Nation's poor—from infants to senior citizens. Assistance is geared to help the poor combat the causes and results of poverty as efficiently and effectively as possible.

Few other Federal programs have developed as good a track record in as short a period of time as community services. Few get as much mileage out of every available dollar because most of our other programs are not structured to avoid duplication of effort as a specific goal. Those who administer the community action programs know that every unnecessary endeavor means less money for the needs of the Nation's poor.

While most Federal programs run on directives from Washington, in some instances about as close as Mars in terms of meeting needs head on, CAP's provide planning right on the scene, molding programs to meet local needs, not national hypotheses. Flexibility was instilled into the program, and while the rest of the government is struggling with the octopus of redtape, CAP's and other programs under the Community Services Administration can respond more readily to emergency situations.

Nutrition, housing, transportation, health care, job training, education, and the specific problems of the elderly poor are but a few of the areas of services coordinated or offered under CSA. As new needs arise, innovative programs can be created to fill the gaps. The progress to date has been excellent.

Unfortunately, however, our war on poverty has received an indisputable setback because of our economic state. No one need tell us about the condition of our economy, and no one can better tell us about the effects of inflation and recession than those who live in poverty. Inflated food, energy and health care costs, to mention only a few, are certainly burdensome to the middle income citizen, but they are prohibitive to our Nation's poor, particularly to the elderly, a group of special interest to me. As the economy worsens, more and more senior citizens are being catapulted into poverty.

Senior opportunities and services is one of the programs which provides help to these people at a time when help is most critical. Last year's funding was $10 million; this year's is $2 million below the mark, minus, of course, the erosion from inflation. We cannot cut back our Federal commitment to the elderly poor. The States most certainly cannot afford to increase their share, especially when many of the major cities are in danger of bankruptcy or have already had to reduce necessary services to avoid financial pitfalls, We must instead increase our funds and intensify senior opportunities services' objectives and scope. If we fail to address the needs of the estimated 5 million elderly Americans who fall below the poverty line, we will be perpetuating the cell of hunger, illness and isolation that is the fate suffered by so many thousands of elderly poor.

We also cannot ignore the nutrition needs of our country's poor citizens, young and old alike. On Monday, the World Food Conference was told that 400 million people in this world are either starving or seriously malnourished. This statistic includes Americans among its numbers, a disgrace for a nation with the world's highest standard of living. Last year's funding provided $22.4 million to feed our Nation's poor. This year's budget provides nothing. This situation is incongruous when we consider that more individuals, because of the economic climate, have been added to the roles of poverty and that food prices have increased drastically.

Congress must provide a level of funding at least equivalent to last year's. We must continue helping our elderly poor and insure the continuity of our nutrition programs which give the poor the strength to continue fighting against poverty.

If we are truly dedicated to eliminating poverty, we cannot slow down, we cannot stop. We must push ahead, and we must have the funding necessary to win the battle.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. SARASIN. Yes; I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I want to commend my colleague, the gentleman from Connecticut (Mr. SARASIN), for his statement.

I shall support the Burke amendment also.

The CHAIRMAN. The Chair recognizes the gentleman from California, (Mr. JOHN L. BURTON).

Mr. JOHN L. BURTON. Mr. Chairman, the only thing I want to say about this amendment is that I think it should be adopted. Let me say further that in 2 years the meals-on-wheels is one of the best programs for feeding the elderly, for feeding the shut-ins, for feeding the disabled, and if we cannot spend $22 million which is really just last year's level, then, you know, we will be seeing these people sitting there, waiting in there houses for someone to come, for someone to feed them, and they will not be there because we refused to adopt the amendments.

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from New York.

Mr. KOCH. Mr. Chairman, I rise in support of the amendments, and I strongly support the statements made by the gentleman from California.

(By unanimous consent, Mr. SKUBITZ yielded his time to Mr. MICHEL.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, I just want to point out to the membership that we have got rather an interesting situation because the amendment offered by the gentlewoman from California (Mrs. BURKE), is in the form of a substitute, although it is offered as an amendment to the amendment of the gentleman from California (Mr. HAWKINS).

The Members are not going to get it both ways. If they adopt the Burke of California amendment then they do not get the Hawkins amendment.

If they do not like the Burke of California amendment and prefer the Hawkins amendment, then they vote down the Burke of California amendment and get the Hawkins amendment, or vice versa. So there is not going to be $40 million from the Burke of California amendment plus the $30 million in the Hawkins amendment, as the Members might have thought there would be.

I just wanted the Members to know about that, in view of that kind of flimflam construction here.

The Members can do themselves a good favor by voting down both of these amendments and keeping the bill in reasonable balance.

Mrs. BURKE of California. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentlewoman from California.

Mrs. BURKE of California. Mr. Chairman, I would reply to the gentleman from Illinois that my amendment is an amendment to an amendment, and it is not in the way of a substitute.

Mr. MICHEL. Mr. Chairman, I appreciate what the gentlewoman from California says. I am just pointing out that the Members do not get $75 million if you vote for the amendment offered by the gentlewoman from California (Mrs. BURKE).

(By unanimous consent, Messrs. METCALFE and DELLUMS and Miss JORDAN yielded their time to Mr. HAWKINS.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. HAWKINS).

Mr. HAWKINS. Mr. Chairman, may I inquire how much time I am permitted?

The CHAIRMAN. The gentleman from California will be recognized for 3 minutes.

Mr. HAWKINS. Mr. Chairman, I doubt if I will use the entire time, but I must correct one impression that seems to have been given that the cities and counties somehow are able to assume this extra burden.

May I say that on June 13, 1975, in a hearing of the Committee on Equal Opportunities, a subcommittee of the Committee on Education and Labor, Mr. John Gunther, executive director of the National Conference of Mayors, and Mr. John R. Caldwell, representing the National Association of Counties, did appear before that subcommittee.

I do not have the time to actually read both of their testimonies, but may I say that Mr. Caldwell indicated that the counties of this Nation are unable at this time to even match on a 20-percent basis. And they were pleading that the 20-percent matching amount be eliminated by the subcommittee in the bill which was then pending.

Let me read directly from the statement of Mr. John Gunther in testimony on elimination of even the 20 percent, not the 30 percent, but of the 20 percent, who said that State and local governments today are simply unable to provide the 20-percent local share, which was supported by those originally as a maximum percentage in April 1974.

Then he went on to say that State and local governments have lost over $20 billion in revenues this year alone due to the recession. Before ending his statement, he went on to say that cities today are cutting back all museums or recreation. Then they are dipping into sanitation funds, and they are even now laying off police and others in law enforcement. This is a practical situation in the cities and counties today as described by Mr. John Gunther, who then ended his statement with this: "We strongly urge this committee"—referring to the Subcommittee on Equal Opportunities—"in its deliberations over this issue to eliminate all match requirements under the current Community Services Act of 1974."

I believe that we can listen to Mr. Caldwell and to Mr. Gunther, heed their warnings, and not impose on the cities and counties this extra burden.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's yielding.

I applaud the gentleman for his stand, but I do want to clarify where we are.

PARLIAMENTARY INQUIRY

Mr. Chairman, may I ask at this time a parliamentary inquiry of the Chair?

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. STEIGER of Wisconsin. If the Burke amendment is adopted, is there to be any additional money for local initiative funds for community action agencies?

The CHAIRMAN. The Chair cannot make an ascertainment of that specific type. All the Chair has before him are the amendments. The Chair would advise the gentleman that the amendment offered by the gentleman from California, Mr. HAWKINS, to the bill would raise the figure on line 18 to some $434 million. The amendment offered by the gentlewoman from California, Mrs. BURKE, would raise it to some $439 million.

On line 20, the amendment offered by the gentleman from California, Mr. HAWKINS, would raise the figure to some $108 million.

The amendment offered by the gentlewoman from California, Mrs. BURKE, would raise it to some $109 million.

The vote would occur first on the amendment to the amendment offered by the gentleman from California.

Mr. STEIGER of Wisconsin. If the gentleman will yield further, I wonder if the gentlewoman from California would indicate to the House whether or not in her amendment moneys for local initiative funds for community action are included.

Mrs. BURKE of California. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentlewoman from California.

Mrs. BURKE of California. I thank the gentleman for yielding.

Yes, they are.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, I rise in strong support of the Burke amendment.

In my district we have over 20 percent of our entire population that is aged 60 or over living in small towns, in small communities, in rural Iowa. I would like to relate to the Members of this body how much the congregate meals or meals program has meant to the elderly people living in these small towns. I just hope that the Members see fit to support this amendment so that these programs can continue, and even increase in some of the small towns and communities where they simply do not have the tax revenues to support this type of program. They need this help, and I ask the Members to support the Burke amendment.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

I just want to ask him something. Are these older people not taken care of in the Older Americans Act?

Mr. HARKIN. Not in every instance. They are not, because the funding simply is not there. We have just very few programs operating in my district right now. We need more. We do not have the resources, nor do we have the funds under the Older Americans Act to meet these needs. That is why I support the Burke amendment.

The **CHAIRMAN.** The Chair recognizes the gentleman from Kentucky (Mr. Perkins).

Mr. PERKINS. Mr. Chairman, I think we should keep in mind that the CAP agencies have been cut back from the present $330 million to $295 million. Since 1966 the local contribution has not been above 20 percent, and if we undertake to require 30 percent, that money is just not around. I would hope that the Committee certainly would adopt the Hawkins amendment, because this increase in funding is necessary. The local resources are not available.

Without this money the Director of OEO cannot grant a waiver and in many localities we will see community action suffer drastically and in some places they may go out of existence entirely. With this additional money the director will, and should in my judgment, be able to grant waivers where such waivers further the purposes of the Act. I hope the amendment will be agreed to.

And I know CAP's will continue to serve the needs of the poor in the best way possible with this money.

The **CHAIRMAN.** Are there other Members who desire to be heard on the amendment offered by the gentleman from California (Mr. Hawkins) or the amendment to the amendment offered by the gentlewoman from California (Mrs. Burke)?

The Chair recognizes the gentleman from Missouri (Mr. Randall).

Mr. RANDALL. Mr. Chairman, I rise in support of the gentlewoman's amendment. Because of the limitation of time she was not able to explain what this is all about.

The gentlewoman from New Jersey asked a moment ago about older Americans. We tried to ask unanimous consent to go back and put something in on that. Title VII is inadequate.

The amendment offered by the gentlewoman from California would reach that section and is substantially the same thing. The services to senior citizens include not only nutrition, Meals on Wheels, but also what is called OATS, the Older Americans Transportation Services.

If there is one thing truly pitiful in this country it is to be poor and old, but the worst of all is to be poor and old and be in a rural area. That is what this amendment is all about.

The **CHAIRMAN.** The Chair recognizes the gentlewoman from California (Mrs. Burke).

Mrs. BURKE of California. Mr. Chairman, I ask unanimous consent in order to clarify the Record that the amendment be corrected so it will include these figures to be inserted:

> On page 44, line 18, insert: "$474,385,000" and on page 44, line 20, insert "$144,975,000".

The **CHAIRMAN.** If there is no objection, the Clerk will report the figures.

Mr. MICHEL. Mr. Chairman, I am constrained to object, if it will save time.

The **CHAIRMAN.** The gentlewoman has asked unanimous consent to change the amendment to the amendment, and objection is heard.

Therefore the amendment as originally offered by the gentlewoman from California will have to be considered as the amendment to the amendment offered by the gentleman from California.

PARLIAMENTARY INQUIRY

Mr. BUCHANAN. Mr. Chairman, a parliamentary inquiry. Would it be in order for an amendment now to be offered if it is not offered by unanimous consent?

The **CHAIRMAN.** It would depend on the form in which the amendment would come. If it is a substitute for the original amendment, it would be in order, the Chair will advise the gentleman from Alabama. However, an amendment to the amendment to the amendment would not be in order, it being in the third degree.

Mr. BUCHANAN. But a substitute amendment would now be in order?

The **CHAIRMAN.** It would be.

Mr. BUCHANAN. I thank the Chair.

AMENDMENT OFFERED BY MR. LONG OF LOUISIANA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. HAWKINS

The Clerk read as follows:

> Amendment offered by Mr. Long of Louisiana as a substitute for the amendment offered by Mr. Hawkins: On page 44, line 18, strike: "$399,185,000" and insert in lieu thereof: "$474,385,000".
>
> On page 44, line 20, strike: "$99,800,000" and insert in lieu thereof: "$144,975,000".

The **CHAIRMAN.** The question is on the amendments offered by the gentlewoman from California (Mrs. Burke) to the amendments offered by the gentleman from California (Mr. Hawkins).

The amendments to the amendments were rejected.

The **CHAIRMAN.** The question is on the substitute amendment offered by the gentleman from Louisiana (Mr. Long) for the amendments offered by the gentleman from California (Mr. Hawkins).

The question was taken; and on a division (demanded by Mr. Flood) there were—ayes 103, noes 38.

So the substitute amendment for the amendments was agreed to.

The **CHAIRMAN.** The question is on the amendments offered by the gentleman from california (Mr. Hawkins) as amended by the substitute amendment offered by the gentleman from Louisiana (Mr. Long).

The amendments as amended, were agreed to.

ANNOUNCEMENT BY THE CHAIRMAN

The **CHAIRMAN.** The Chair will state that notwithstanding the fact that all time has expired, he would err on the side of leniency and would grant to those still on the list desiring to be heard the privilege so to be.

AMENDMENT OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Chairman, I offer an amendment.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, a point of order.

The **CHAIRMAN.** The gentleman will state his point of order.

Mr. OBEY. Mr. Chairman, I raise the point of order that the hour of 8:15 has arrived.

The **CHAIRMAN.** The Chair will state that the point of order is not germane to the business at this moment. The gentleman from Maryland is offering an amendment and any Member who has an amendment at the desk is entitled so to do, and any Member who has an amendment at the desk which has been printed in the Record under the rule is entitled to be heard.

Mr. OBEY. Mr. Chairman, it is my understanding this amendment is not printed in the Record.

The **CHAIRMAN.** The Chair has not made any such determination.

The Clerk will report the amendment.

The Clerk read as follows:

> Amendment offered by Mr. Bauman: On page 52, after line 8, add a new section as follows:
>
> "Sec. 412. No part of the funds appropriated under this Act shall be used to pay for abortions, or to promote or encourage abortions."

The **CHAIRMAN.** The Chair will direct an inquiry to the gentleman from Maryland. Was the amendment printed in the Record?

Mr. BAUMAN. It is not printed in the Record.

Mr. Chairman, this amendment simply attempts to write into this appropriations bill the deeply felt belief which I and many millions of Americans cherish—that the right to life of the unborn children of this Nation should be preserved, and certainly should not be extinguished with the use of tax moneys paid by Federal taxpayers. The Government has no right, in my view, to pay for abortions, or to promote or encourage the practice of abortion with the use of taxpayers funds.

I have been forced to offer this amendment to an appropriations bill because of the continuing failure of the Committee on the Judiciary to schedule hearings and take action on the many right to life resolutions I and others have introduced.

I hope I can obtain the support of the required number of Members to assure a rollcall vote on this important issue, especially in view of the many Members who are now present in the Chamber. I know many would rather avoid going on record on this issue, but the issue is life itself, and on that, all of us should be willing to declare our stand.

I urge support of my amendment.

Ms. ABZUG. Mr. Chairman, the question of whether there is a right to abortion is not at issue here. That question was resolved more than 2 weeks ago when the Supreme Court handed down its decision in *Roe* v. *Wade* (410 U.S. 113 (1973)). What is at issue is whether we are going to deprive one class of women—poor women—of their constitutional right to obtain a safe abortion.

The U.S. Commission on Civil Rights recently issued a report entitled "Constitutional Aspects of the Right to Limit Childbearing." This report contains a great deal of wisdom, and for the benefit of my colleagues I would like to quote from it. The report states:

> The federal and state statutory restrictions (on abortion) already enacted, as well as any others which may be passed by Congress in the future, insofar as they restricted access to abortion in the first trimester, would, in all likelihood, eventually be declared unconstitutional by the Supreme Court. Since litigation is time consuming and expensive, the major impact of enacting unconstitutional legislation is to deny access to the procedure to poor women who cannot afford to bring suit and who are denied the choice of legal abortion.
>
> The Supreme Court decisions in *Roe* and *Doe* essentially left the right to limit childbearing where it should be, beyond the ambit of unnecessary governmental intervention. According to the Court, government is permitted neither to prohibit nor encourage abortion in the first trimester. It is not the government's business.

I acknowledge and respect the right of each of us to hold different views on this issue based on religion or conscience. However, I agree with the Civil Rights Commission that to prohibit abortion is not the Government's business, and I believe the defeat of this amendment is of great importance.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. Bauman).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. BAUMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

Mr. FLOOD. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Wright, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8069) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. FLOOD. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MICHEL. I am now, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Michel moves to recommit the bill H.R. 8069 to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. FLOOD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 368, nays 39, not voting 26, as follows:

[Roll No. 355]

YEAS—368

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Chappell
Chisholm
Clancy
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Ketchum
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Morgan
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Tsongas
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—39

Archer
Armstrong
Ashbrook
Bauman
Brown, Ohio
Broyhill
Burleson, Tex.
Clawson, Del
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Devine
Dickinson
Hansen
Hutchinson
Jarman
Kemp
Kindness
Landrum
Latta
Levitas
McDonald
McEwen
Martin
Mathis
Michel
Miller, Ohio
Montgomery
Robinson
Rousselot
Satterfield

Schneebeli
Shuster
Steiger, Ariz.
Symms
Treen
Wiggins

NOT VOTING—26

Anderson, Ill.
Beard, Tenn.
Cederberg
Collins, Ill.
Diggs
Downing
Erlenborn
Flynt
Forsythe
Fulton
Hagedorn
Harsha
Hébert
Karth
Mills
Moorhead, Pa.
Mosher
Moss
Patman, Tex.
Patterson, Calif.
Roberts
Roncalio
Sikes
Stephens
Teague
Ullman

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Anderson of Illinois.
Mr. Sikes with Mr. Cederberg.
Mr. Diggs with Mr. Mills.
Mr. Downing of Virginia with Mr. Roberts.
Mr. Flynt with Mr. Beard of Tennessee.
Mr. Karth with Mr. Stephens.
Mr. Patman with Mr. Harsha.
Mr. Roncalio with Mr. Hagedorn.
Mrs. Collins of Illinois with Mr. Patterson of California.
Mr. Fulton with Mr. Erlenborn.
Mr. Moorhead of Peensylvania with Mr. Mosher.
Mr. Moss with Mr. Forsythe.
Mr. Teague with Mr. Ullman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks of H.R. 8069, the bill just passed, and to include extraneous matter along with tables and charts.

The SPEAKER pro tempore Mr. McFall). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HOUR OF MEETING TOMORROW, THURSDAY, JUNE 26, 1975

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when it adjourns today, it adjourn to meet at 10:30 a.m. tomorrow, Thursday, June 26, 1975.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES AT ANY TIME TOMORROW, SUBJECT TO THE CALL OF THE CHAIR

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the Speaker may be authorized to call recesses tomorrow at any time, subject to the call of the Chair.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, may we know what the purpose is? Will the majority leader inform us?

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. Yes, of course, I yield to the gentleman from Massachusetts.

Mr. O'NEILL. I am sure the gentleman is aware that the debt ceiling bill is in the Senate at this time, and there could be a possibility that it could be back tomorrow for a conference or something of that nature. For that reason, we would go along with our business, and at the conclusion of our business, we would recess, subject to the action of the Senate.

That is the only thing that we know of at the present time that could possibly put us in that situation.

Mr. BAUMAN. Is it anticipated that the Senate is going to hold this bill up for any length of time?

Mr. O'NEILL. I really have no knowledge of that, but we are just doing this as a precaution.

Mr. BAUMAN. The only reason I asked the question is that I have seen permission to recess used in the past for parliamentary purposes. Perhaps it would be better to make a request to recess tomorrow, if it is actually needed at the time.

Mr. O'NEILL. In the event, of course, that there was an objection tomorrow, then we would have to go to the Committee on Rules. I think this is the safe and sane way to do it.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman.

I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REQUEST TO DISCHARGE COMMITTEE ON THE JUDICIARY FROM CONSIDERATION OF S. 1549

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent to discharge the Committee on the Judiciary from further consideration of the Senate bill S. 1549, to amend the Federal rules of evidence, and for other purposes, and ask unanimous consent for the immediate consideration of the Senate bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Ms. HOLTZMAN. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO HAVE UNTIL MIDNIGHT JULY 3, 1975, TO FILE REPORT ON H.R. 7014

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight, July 3, 1975, to file a report on the bill H.R. 7014.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CLARIFICATION NEEDED ON OUR FIRST-STRIKE POLICY

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SEIBERLING. Mr. Speaker, yesterday I spoke at some length on the dangers of the new policy that the administration is adopting with respect to limited nuclear warfare. Today in his press conference, according to the United Press teletype release, President Ford, saying the United States would seek "maximum flexiblity" in its use of atomic weapons, refused to rule out the first use of nuclear warheads.

The teletype release further says:

> Presidents going back to Dwight Eisenhower, have said the United States would never be first to use strategic nuclear weapons.

When pressed for an answer as to whether the United States would be the first to use either tactical or strategic weapons, President Ford said:

> I don't think it's appropriate for me to discuss, at a press conference, what our utilization will be of our tactical or strategic weapons. This is a matter that has to be determined if and when there would be any requirements for our national interest.

If President Ford is changing the policy of the United States it is time the Congress did something about it, and let the world know that our policy not to be the first nation to use nuclear weapons is still the policy of the United States.

If it is changed, it should not be changed in a press conference or in secret by the Pentagon. The ramifications are positively staggering.

The SPEAKER. The time of the gentleman has expired.

INTRODUCING LEGISLATION TO ESTABLISH A JOINT COMMITTEE ON INTELLIGENCE OVERSIGHT

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute, to revise and existed his remarks and include extraneous matter.)

Mr. BROOMFIELD. Mr. Speaker, together with Dr. Morgan, chairman of the Committee on International Relations, I am introducing legislation today to establish a Joint Committee on Intelligence Oversight, effective January 3, 1976. The committee would consist of 14 members, 7 from the Senate and 7 from the House of Representatives. The Senate members would be chosen by the President pro tempore, four from the majority and three from the minority. The Speaker would select the members from the House of Representatives, with the same party breakdown as in the Senate. Chairmanship of the committee will alternate between the House of Representatives and the Senate with each Congress.

The duty of the joint committee will be to conduct a continuing study and investigation of the activities, operations, and budgets of the Central Intelligence Agency, the Federal Bureau of Investigation, the Defense Intelligence Agency, National Security Agency and other intelligence components of the Department of Defense, the U.S. Secret Service and the related intelligence functions of all other departments and agencies of the Federal Government.

Our resolution authorizes the joint committee to report by bill or otherwise to the House of Representatives and the Senate no later than June 30, 1977, with respect to the reorganization and improvement of the agencies and departments within its jurisdiction. In addition, it provides that the directors of all agencies of the Federal Government conducting intelligence activities or surveillance of persons keep the joint committee fully and currently informed of all activities of their respective organizations. The joint committee will have the authority to require periodic written reports from any department or agency regarding activities and operations within the committee's jurisdiction.

In view of the scope of the joint committee's mandate and the sensitive nature of the information with which it will be dealing, we have provided for the protection of classified documents and testimony, as well as intelligence sources and methods.

Approval for the proposed Joint Commission on Intelligence Oversight would in no way impinge upon investigations of intelligence activities, planned or underway, between now and January 3, 1976.

This proposed legislation is entirely consistent with the recommendations of the Rockefeller Report on the CIA and, even more important, with the urgent, demonstrable requirement for comprehensive congressional oversight of all intelligence activities. I recognize there are those who will argue that the proposed joint committee mandate is too extensive, particularly in regard to budget review; that the possibilities of compromising sensitive information are too great.

To these criticisms I would respond that the congressional need to know has become overriding. The ethics and credibility of the intelligence establishment have been called into question. There are legitimate questions to be answered. Our constituents are shocked by recent revelations, amazed that there has been so little control over intelligence activities, so little accountability.

I submit, Mr. Speaker, that the time has come for Congress to take a definitive stance on the question of oversight, to accept the risks inherent in responsible action. We must insure, once and for all, that the representatives of the people are fully informed of, and exercise a measure of control over, the full range of intelligence operations being conducted by this Government.

I acknowledge the inevitable risk of leaks from the joint committee, but maintain this is a risk worth taking. There is no fail-safe guarantee against compromised information, but there is a clear-cut requirement for the joint committee to have full access to highly classified material. In the final analysis, the only guarantee against breaches of security is the integrity of the joint committee members. It would be deplorable if the Congress of the United States were to back away from this important responsibility because it feared for the discretion of its members. I would note in passing, however, that a similar Joint Committee on Atomic Energy has an enviable security record.

The proposals submitted by the gentleman from Pennsylvania and myself, Mr. Speaker, have the virtues of simplicity and comprehensiveness. If adopted, they will give Congress an effective instrument to perform a vital task we cannot afford to neglect. I hope that my colleagues in the House of Representatives will give careful consideration to this bipartisan initiative and will move promptly to establish a Joint Committee on Intelligence Oversight.

APPOINTMENT TO WHITE HOUSE CONFERENCE ON REGULATORY AGENCY ACTIVITIES

(Mr. CEDERBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CEDERBERG. Mr. Speaker, last week you appointed several of my colleagues and myself to serve on the White House Conference on Regulatory Agency Activities and I am honored to accept the position.

This appointment carries a rather special significance for me. While each of us probably have a different view of regulatory agencies and their influence on our lives, I believe that I would not be too far off the mark to say that all of us recognize the increasing influence those agencies exercise.

A few days prior to your announcement, Mr. Speaker, I received a letter from one of my farming constituents, who was obviously displeased with the extent of regulation on farmers. To emphasize his point, my farming constituent inclosed with his letter a most unusual, but certainly plausible parable, describing the difficulties God would have encountered if Government agencies had been in existence when he began creation. The author is unknown, but could certainly have been either a farmer, frustrated in his efforts to till the Earth, or an overworked small businessman, trying to make a profit selling articles made from the materials God created.

Since the special White House Conference on Regulatory Agency Activities, on which I now sit, will focus on governmental influence and regulation my constituent's letter suddenly took on an ironic significance for me. I also think it is worth bringing to the attention of the House. Perhaps first because it was amusing but, after thinking it over, more because of the truth in its unusual message.

The parable reads:

In the beginning, God created heaven and earth. He was slapped with a class action lawsuit by the Heavenly Protection Agency (HEPA) for failure to file an environmental impact statement with the agency. God was granted a temporary permit for the heavenly portion of the project, but was issued a cease and desist order on the earthly part pending further investigation.

After filing his construction permit application, God appeared before the HEPA council to answer questions. When asked why he started the project in the first place, God said he needed a place to put Man on. One member of the HEPA council, a woman, asked if he was being a male chauvinist. God said no, he wasn't, because he would make a woman from the man's rib . . . but that was worse, the woman said.

God said he would make a light to shine over the earth and explained that the light would come from a huge ball of fire. The council gave provisional approval assuming (1) there would be no smog or smoke from the ball of fire; (2) a separate burning permit would be required, and (3) since continuous light would be wasteful of energy, it should be dark half of the time.

God agreed and said he would make firmament amidst the waters. One ecologically radical council member accused Him of double talk and the council tabled action until God would get a firmament permit from the Angelic Bureau of Land Management, rezoning approval from the Earth Council and an earth excavating permit from the County Council.

When everything finally appeared in order, God said he wanted to complete the project in six days. He was told this was completely out of the question. HEPA would require a minimum of 180 days to review the application, an outside firm would have to be hired (paid for by God) to study it for "omissions" and then there would be a public hearing . . . easily taking 10 to 12 months before the final permit could be granted.

And God said, "To Hell with it."

TO THOSE WHO SERVED

(Mr. HALEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HALEY. Mr. Speaker, it is fitting, I think, that the Nation should pay tribute to the nearly one million Americans who over the past two centuries have made the supreme sacrifice in the name of peace and freedom around the world.

Therefore, I would like to commend to my fellow Members the following editorial honoring these Americans which was presented on Memorial Day, May 26, 1975, by WTVT Television, Channel 13, in Tampa, Fla.:

To Those Who Served

We call them our military services . . . the Army, the Navy, the Air Force, the Marines, the Coast Guard. The word "service" is appropriate. They exist to serve the nation. If they are called up, there is no debate, no vote taken, no excuses made. They simply go. And they go knowing that besides giving of their energies and talents, they may also have to give life itself.

On this day we honor those who have died in the service of their country. Many have died in causes we are still debating. The War Between the States. Korea. Vietnam. The rescue of the Mayaguez crewmen. No doubt in each of those situations many who served, and many who died, wondered often whether such sacrifice was worth the goal, or whether the goal was a worthy one. But most Americans realize that we can't have an effective military force if we let members pick and choose what they personally want to become involved in. Somebody has to make these decisions, and the citizens of the entire nation join in choosing those people.

The decisions are seldom easy. Lincoln agonized over the things he was required to do which were often so foreign to his nature. Every President before and since has had the same kind of decisions to make. Sometimes, being human, they may be wrong. Often, they will leave many citizens in doubt, and may never resolve their own doubts. But there are times when decisions must be made, and action taken. And our military services are there to carry out and enforce such decisions, which otherwise would be no more than academic exercises.

So, while we have the right to doubt and to debate the various causes in which our American servicemen have given their lives, we can still honor them for what they were willing to do, and what they did do. That's what Memorial Day is for, whatever date we choose to observe it.

FOOD STAMP PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 30 minutes.

Mr. MICHEL. Mr. Speaker, on Monday, June 23, 59 of us joined in introducing HR 8145, the National Food Stamp Reform Act of 1975 into the House. It is a pleasure for me to be able to lead this bipartisan effort to bring about reform of the food stamp program which, over the last 10 years, has grown by an incredible 14,000 percent. Federal expenditures for this mushrooming program have risen from $36 million in 1965 to over $5 billion. The President has recently had to request an additional $800 million just to meet costs for the current fiscal year.

The spiraling growth of the food stamp program has resulted in the unfortunate fact that by July of last year, over half—57 percent—of the persons eligible for monthly allotments had incomes above the poverty line. In this fiscal year there are expected to be 19.1 million recipients of food stamps, while one out of every 11 Americans will be receiving food stamps this month. Even more staggering is the information that one out of every four Americans are currently eligible for food stamps.

In my judgment, the reasons for this growth lie not in some large scale expansion of persons in genuine need; but in the fact that present eligibility guidelines formulated by the Department of Agriculture make it possible for a large number of non-needy persons to take advantage of loopholes and abuse the program. By no stretch of the imagination are 25 percent of the people in this country in need of Government aid in the form of food stamps. What was designed in 1964 as a program to assist in supplementing the diets of persons to meet their nutritional needs has become a giant ripoff to the taxpayers. Currently, there is no maximum income limit, no minimum age, no prohibition against transfer of property to qualify.

It is time to clamp down both on the geometric growth of the program and the underlying causes making possible this expansion. The administrative guidelines of the USDA must be revised to insure that limited resources are allocated in a more rational manner, while at the same time the program benefits are targeted to those most needy of our people who rely upon the assistance provided by the food stamp program for a substantial portion of their daily diet.

The Food Stamp Reform Act will prove, I think, to be a significant step in the direction of meeting these laudable goals. Many measures offered in the past have served only to further exacerbate the problems of increased numbers and costs while failing to alleviate other areas of concern.

If enacted, the bill will:

Curtail eligibility of persons with high incomes;

Conform purchase requirements to what the average American family spends for food, by income range and family size, or 30 percent whichever is less;

Raise food stamp coupons for all remaining eligibles by 29 percent;

Provide a special additional deduction of $25 per month for the aged members of a household;

Close numerous loopholes to end eligibility of the voluntarily unemployed; and

Tighten work requirements.

In addition, improved cash and coupon handling methods will sharply reduce opportunities for criminal activity. Administration will be simplified through transfer of the program to the Department of Health, Education, and Welfare.

The food stamp reform bill of 1975 will, even after effecting a substantial improvement in the diets of food stamp recipients, save the taxpayers between $2 to $2.5 billion. The proposals embodied in the bill are a realistic recognition of the simple fact that Federal funds are not unlimited.

I am pleased that 58 of my colleagues in the House of Representatives have joined me in this effort by cosponsoring the National Food Stamp Reform Act of 1975.

I am at this point inserting an article from the June, 1975, issue of Readers Digest which provides an excellent discussion of the problems with the current food stamp program. The bill we have introduced meets every one of the problems discussed in the article:

TIME TO CLEAN UP THE FOOD-STAMP MESS

(By Trevor Armbrister)

We have a very real responsibility to provide adequate nutrition for those least able to help themselves. But we have an equally great responsibility to bring under control a program riddled with abuse, a program where taxpayer funds are distributed in cruelly inequitable fashion.—Senator Robert Packwood, Republican of Oregon.

In State College, Pa., four students—all from middle-income families, all receiving money from home—live in the same house and share the same kitchen. They don't need government food stamps (as negotiable as cash in some 230,000 stores across the United States); and, under regulations effective last January, they probably are ineligible to receive them. Yet, because welfare workers have no realistic way of verifying students' eligibility, they receive the stamps. Each month they pay $19 and get $154 worth of stamps. "There's no hassle, no problem," one of the students explains. "It's a bonanza."

In Denver, Colo., a welfare worker interviews a food-stamp applicant. She thinks she remembers that the applicant has used at least two other names to request stamps before, and she suspects that an investigation would prove him ineligible. She has no time to make that investigation, however—the case load in her office has jumped 36 percent in the last month. She approves his application.

In St. Louis, Mo., 12,000 members of the International Association of Machinists and Aerospace Workers District Lodge 837 walk off their jobs at the McDonnell Douglas plant. They earn $7.43 per hour and are demanding more. During their walkout they cannot qualify for unemployment compensation, but they are eligible, immediately, for food stamps. "If it weren't for the stamps," a union official explains, "we might not be able to sustain the strike. They give us a nice cushion at a time like this."

CAUSE FOR CONCERN

Explosive growth triggered by loose eligibility standards; administrative complexity that buries caseworkers under an avalanche of paper and discourages them from halting fraud; taxpayer subsidies for labor walkouts—these are among the more serious ills of the food-stamp program. "We're giving away food stamps like crazy," says Deputy U.S. Commissioner of Welfare Carl Williams. "There are virtually no controls. The taxpayers ought to be up in arms." U.S. Rep. Bill Frenzel (R., Minn.) agrees that the program "literally screams for reform."

Under the terms of the Food Stamp Act of 1964, the federal government provides stamps for needy families, to raise their nutritional levels. The U.S. Department of Agriculture (USDA) sets basic policy and supplies the money to the 50 states. The states, in turn, pass the funds along to county welfare departments, which must certify applicants' eligibility and calculate how many stamps each should receive.

The number of stamps depends on the number of people in the applicant's household and his "adjusted net income"—gross income minus such deductions as state and federal taxes, medical exepnses, school tuition and union dues. The deductions are so liberal that families with annual incomes well over $12,000 are receiving aid. As of July 1, a family of four with no income will receive each month $162 worth of stamps free. (USDA says that it costs $162 to provide that family a nutritious diet.) A family of four with an adjusted monthly net income of $265 will pay $71 for $162 in stamps.

During the past decade, the food-stamp program has helped millions of Americans achieve a decent diet—often meaning the difference between sustenance and despair. No one wants to deny stamps to the needy, especially in the midst of today's economic problems. But loose eligibility standards have caused an alarming swelling of eligibility rolls. Initially, in 1964, the food-stamp program cost $30.5 million and served 367,000 Americans. By last March, there were 19.1 million recipients, and the cost was running at an annual rate of $5 billion. By 1976, says the Joint Subcommittee on Fiscal Policy of the Congress, one in four Americans—some 60 million people—will be able to participate at a cost of $10 billion.

PROFILE OF ABUSE

To assess the implications of this dramatic growth, I recently visited food-stamp offices across the country, talking with caseworkers and recipients alike, interviewing USDA officials. From those discussions emerged a troubling picture of a program that has literally run amok—and which, according to USDA's own figures, wastes at least 740 million taxpayer dollars a year. Consider these major problems:

Needless complexity

The food-stamp program is an "administrative nightmare," a California state task force reported last year. In Denver, food-stamp caseworkers must fill out 12 separate forms for each applicant. In Columbus, Ohio, they have to complete ten. "The certification requirements have become unmanageable," complains Charles Lopez, director of New Mexico's State Welfare Agency. Furthermore, requirements change constantly. In one three-month period last year, caseworkers in Maryland's Montgomery County had to implement 39 changes in determining applicants' eligibility.

To make matters worse, regulations are often contradictory. If someone in Los Angeles, for example, applies for welfare and food stamps simultaneously, a caseworker must fill out two lengthy, dissimilar and often conflicting forms. Food-stamp regulations contain no prohibition against an applicant's transferring assets to someone else in order to qualify; welfare regulations do. The income exemptions for a food-stamp applicant are far more liberal than those that can be awarded a welfare recipient.

As a result of such unnecessary complexity, last year Los Angeles County required 1800 employes and more than $25 million just to administer the program. Even more worrisome, this complexity causes caseworkers to make an extraordinary number of errors. In Los Angeles, that error rate is 47.3 percent; in Rhode Island, 65.8 percent. A nationwide USDA survey indicates that one out of every four beneficiaries is receiving more aid than he is legally entitled to.

Loose eligibility standards

In Champaign County—site of the University of Illinois—the number of food-stamp recipients jumped from 350 to more than 2000 between 1970 and 1974; more than 70 percent of the recipients were students. "Just about anybody can walk in and get food stamps," one student told a reporter. "I figure if the government has the money and everyone else is getting food stamps, why shouldn't I?"

Last November, in Lehigh and Northampton counties of Pennsylvania, food-stamp applications nearly doubled as a result of strikes in several companies. In Ohio's Trumbull and Mahoning counties in 1974, welfare departments issued some $550,000 in food-stamp coupons to United Auto Workers members during a six-week strike. Countrywide, the National Labor Management Foundation estimates, strikers received $225 million in food-stamp benefits last year.

Yet the Food Stamp Act of 1964 didn't even mention strikers. And today strikers are given an unfair advantage over elderly, disabled and truly needed applicants. Union officials sign up their people en masse; other applicants have to wait their turn. A striker's income is considered to be zero even though he has been receiving wages up until the moment the walkout begins.

Recipient and caseworker fraud

To Eddie Murphy and the 11 other members of his gang, the scheme seemed foolproof. Posing as migrant fruit workers, they would find employment in Florida and then follow the harvest north to Michigan, collecting food stamps all along the way. Once they received their stamps, gang members would fence them for cash. By the time their fraud was discovered, they had succeeded in siphoning off at least $40,000 worth of stamps. Arrested and indicted on nearly 200 counts, they pleaded guilty to some of them and received suspended sentences.

In Chicago, stamp recipients in a South Side neighborhood discovered that they could use their stamp coupons to make installment payments on fur coats, refrigerators and washing machines. Creditors simply took the stamps and redeemed them for cash. This arrangement resulted in a taxpayer loss of some $50,000. Once again, the perpetrators received suspended sentences.

Similarly, in low-income areas of Detroit, stamp recipients allegedly have been able to exchange their food-stamp cards for supplies of hard drugs. And in Washington, D.C., last fall, a federal grand jury reported that between $150,000 and $300,000 worth of coupons had been issued illegally during a two-year period.

One reason for the alarming increase in such fraudulent practices is a lack of investigators. In San Francisco, for example, only four investigators handle some 36,000 people receiving stamps.

PUSH TO REFORM

There is much that counties and states can do on their own to make the program work. Then can, for instance, expand their outreach efforts to ensure that the truly needy receive help. They can allocate more resources and personnel to cut down on fraud, and can require stamp recipients to carry identification cards.

But food stamps are a *federal* program and only Congress can get to the heart of the problem. Congress should:

Remove the program from USDA and place it in the Department of Health, Education and Welfare. Agriculture Secretary Earl Butz complains—justifiably—that 64 percent of his budget goes into such programs as food stamps and school lunches. The food-stamp program *is* a welfare program and should be viewed as such. Transferring it to HEW would speed consolidation of dissimilar food-stamp and welfare-certification criteria. By consolidating food-stamp regulations with those for welfare, administrative savings in California alone would come to $31 million a year.

Tighten eligibility standards. A family's eligibility should be determined by its gross income and not its "adjusted net income." Itemized deductions, which favor the well-to-do at the expense of the poor, should be replaced by a standard deduction. This would reduce the number of $12,000-a-year families receiving stamps. Strikers should be barred from receiving stamps. If the provisions of the law which exempt students from having to register for work were removed, non-needy students wouldn't be so tempted to apply. Finally, welfare recipients whose incomes exceed food-stamp cutoff levels should not be eligible to get stamps.

Make the federal government responsible for investigating and prosecuting food-stamp-program abusers. Under existing law, county and state governments are supposed to probe and prosecute recipient and caseworker fraud. The federal government reimburses half their costs. Yet, under the same law, *all* money recovered as a result of such prosecutions must go to the U.S. Treasury Therefore, county and state governments lack incentive to crack down.

Last December, in an effort to right the program's wrongs—and to cut $648 million from the federal-budget deficit—the Ford Administration tried to increase the amount that recipients had to pay for their stamps. Congress rejected the proposal overwhelmingly—yet failed to come up with any solution of its own. Says Sen. Jesse Helms (R., N.C.): "In abdicating its responsibility, Congress is betraying not only the taxpayers who finance this $5-billion-a-year pork barrel but the truly needy who deserve assistance."

Mr. DERWINSKI. Mr. Speaker, the Joint Economic Committee of the Congress in late 1973 estimated that by 1977 1 in 4 Americans would be eligible for food stamp assistance at least one month during the year. A little less than a year ago this estimate was proven incorrect, not in its projection of the number of recipients, but in its timetable. The sad fact is that by July 1974, 13.9 million Americans were receiving food stamps. Potential eligibles were estimated to be 52.8 million persons—one-fourth of the population of this country. That pattern continues into the present year; in June 1975, it has been estimated that there will be 21.8 million participants in the food stamp program, with 57.3 million potential eligibles—again maintaining that 1 in 4 ratio.

While some sincere and undoubtedly well-meaning persons may take these figures and urge that 62 percent of the eligibles are not availing themselves of the program, and that 62 percent of the American public is consequently somehow undernourished, the fact remains that such suggestions are both misleading and unfounded.

A more compelling reason for these disparities between participants and eligibles is the defective nature of the food stamp formula itself. Many proposed reforms emphasize attention to the number of participants in the program. In the face of the staggering growth in both costs and rolls over the past decade, it is time to look at the other side of the coin, that of the eligibility standards themselves.

While the original intent of the food stamp program was to assist the legitimately needy of America in meeting their nutritional needs, and to aid in the problem of disposition of agricultural surpluses. Administrative decisions in the Department of Agriculture have resulted in artificially making an increasing number of people eligible in the higher income brackets, who are not in fact in need, by any standard of nutritional assistance.

Partially responsible for this unfortunate situation are the following facts:

There is no maximum income limit to qualify for food stamps;

There is no minimum age for eligibility as a separate household;

College students whose parents earn $100,000 a year may qualify;

Major items of personal property—boats, airplanes, et cetera—may be exempt from resource limits;

Ownership of an expensive home actually helps one to qualify;

Car payments, union dues, utilities, and a host of other deductions enable persons with high incomes to qualify; and

Sending a child to private school helps to assist in eligibility.

In the face of information such as this, and that provided by full page advertisements telling him that persons earning $16,000 a year are eligible, the taxpayer, more than anything else, knows that none of these things are free. He knows also that the middle-income taxpayer, himself faced with rising food costs, must not only make ends meet in his own monthly budget, but must pay the increasing taxes for a $5.2 billion program that constitutes more than 60 percent of the entire Department of Agriculture budget.

Meanwhile, the legitimately needy recipients—those persons living on meager incomes, who must rely on food stamps to augment their diets to secure adequate nutrition—find the tax resources that might be directed to a more sufficient program totally consumed by the caseload growth.

The Food Stamp Reform Act, introduced on Monday, is a first step at comprehensive reform of the current mess in which the food stamp program finds itself. By curtailing the eligibility of families with high incomes, and basing purchase requirements upon the percentage of income expended for food by the average American household or by 30 percent of gross income, whichever is less, the bill will at one and the same time realize a net savings of $2 to $2.5 billion to the taxpayers, and effect a 29-percent improvement in nutrition levels of those remaining recipients. I strongly urge its enactment.

Mr. ROBERT W. DANIEL JR. Mr. Speaker, the food stamp program is a well-intentioned program that has grown wildly out of proportion. What began 10 years ago as a modest Federal project funded at $40 million will this year cost well over $6.6 billion.

While the cost of the food stamp program has increased by over 14,000 percent in the last 10 years, the number of Americans living below the poverty level has declined.

We need to provide assistance to those Americans who really need our help, but we cannot ask the taxpayers to finance a multibillion-dollar program with no rational limits. Present Federal regulations permit millions of Americans who are not economically deprived to become eligible for food stamps. Today one in every four Americans, 57.3 million, are eligible for food stamps. We are fast approaching the point at which a third or a half of the American people may be eligible for this form of public assistance.

Enough is enough. I have joined today with 55 colleagues in the House in introducing legislation which will overhaul the entire food stamp program. A companion bill is being simultaneously introduced in the Senate.

Our intention is to correct its abuses while strengthening its merits. We offer a program of reform. We propose changes that will reduce the food stamp rolls while simultaneously expanding benefits to the truly needy. We hope to end the national scandal of allowing affluent families to literally live off the labor of those who must work for their daily bread.

Shocking Federal regulations have turned a worthy and humane food stamp program into an administrative nightmare and a public ripoff. Some able-bodied persons who do not wish to work can get food stamps. Persons who quit their jobs without good reason can get food stamps. Minor children can get food stamps without parental consent or control. The owners of jewelry, furs, and luxury appliances can get food stamps. There is literally no limit to the ways the taxpaying public can be exploited through the food stamp program.

And yet, food stamps were initiated because there was a valid need for them. Some of our countrymen need a hand, and we were rightly willing to extend it to them. Some still are in need, and I believe the American people are still willing to aid them.

That is why, for those most in need, the National Food Stamp Reform Act would significantly expand nutritional assistance. Millions of poor Americans would benefit directly and substantially from its enactment. The elderly, who are least able to defend their pocketbooks against the onslaught of federally created inflation, would be given special consideration. And the food stamp allotment of every recipient would be immediately increased by 29 percent.

The reforms we are proposing will accomplish all this at the same time that they cut back food stamp rolls and simplify administration. We estimate that a reformed food stamp program, carefully administered and generously available to the truly needy, would save $2 billion this year and would keep the program from getting completely out of hand in years ahead. That is $2 billion in Federal revenues which could be returned to the taxpayers of America, who also must buy groceries for their families.

That savings can be effected through several commonsense measures:

By using the Federal Government's poverty indices as the cutoff points for food stamp eligibility;

By eliminating the present complicated system of income deductions through which many high-income families qualify for food stamps;

By instituting reasonable resource limitations, to insure that individuals who possess considerable material wealth do not take advantage of their neighbors by using food stamps;

By denying food stamp eligibility to college students, strikers, and able-bodied persons, without small children, who do not choose to work; and

By instituting simple administrative procedures, now woefully lacking, which will crack down on food stamp fraud, multiple applications, and the black marketeering of food stamps.

Because the National Food Stamp Reform Act combines the frugality we owe all taxpayers with the generous compassion our country has always shown to the less fortunate, I am happy to submit it for the consideration of the House. I join my distinguished colleagues from the House and Senate in recommending this legislation not only to the Congress, but also to the President and to the American people. Together we can make the food stamp program "less expensive and more effective." This bill offers us the means to do so. We need only the will to use it.

Mr. RUNNELS. Mr. Speaker, the Federal food stamp program, which began in 1961 as a small $7 million pilot program, has grown to a mammoth program affecting 21.8 million persons, 1 in every 13 Americans, at a cost of $5.2 billion annually.

In my own State, some 33,000 families receive food stamp bonus coupons at an estimated annual cost of $39 million, representing the largest expenditure by the Department of Agriculture in the State of New Mexico.

Because food prices are very much on the public's mind these days, there is not a week that goes by without receiving several inquiries from constituents wondering why they see so many people in their hometown grocery stores using food stamps to purchase items they themselves cannot afford to buy and questioning whether this Federal program is being operated properly.

The tone of the average inquiry is to the effect that no one wants to deny food stamp assistance to those individuals who truly have a need for assistance. But there is a genuine concern that the food stamp program has developed into a free handout that is costing the taxpayer millions of dollars, while giving assistance to many who do not want to work.

Last summer, news media in New Mexico gave particular attention to a report prepared by the Health and Social Services Department—HSSD—which in effect said that over one-fourth of the people receiving food stamps at that time were found not to be eligible for the assistance and that over 40 percent of the food stamp recipients during that reporting period had been given the wrong amount.

These errors had cost $3.8 million or nearly 10 percent of the total Federal cost of the program in New Mexico last year.

The news articles quoted HSSD Director Richard Heim and Public Assistance Director Charles Lopez as placing the blame for the high error rate on the "complexity of Federal laws and regulation." And, truthfully, after several months of study, I find the officials of New Mexico were justified in their remarks in placing the blame on the complicated procedure that is currently being used to determine a person's eligibility for food stamps.

As I set out last August to evaluate the operation of the food stamp program, I was quite surprised to learn that at the time a complete review of the national program had never been conducted in the 14 years of the operation. I sought the assistance of the New Mexico Health and Social Services Department, the Department of Agriculture, the Library of Congress and the General Accounting Office to conduct my own review of the program as it affected my State.

At my request, the Office of Audit in the Department of Agriculture obtained for my review copies of the 26 audits that had been conducted in New Mexico on the operation of the food stamp program. This was the only evaluation of the program that had been made outside of the internal reviews of the State of New Mexico.

In the meantime, the General Accounting Office initiated its own review of the national program, and in February of this year issued a report to Congress which found the national problems very similar to those in the operation of the program in our State.

The GAO report points out that the national program, like New Mexico's program, is confronted with a high error rate. The GAO report would tend to support the position of New Mexico officials that a large portion of the errors, resulting in the loss of millions of dollars, are technical or clerical errors caused by the complexity of the requirement for determining eligibility.

As a Representative for a State experiencing an administrative nightmare in attempting to operate under present food stamp program, as a Representative who is concerned about the rapid growth and cost of this present program and as a cosponsor of the National Food Stamp Reform Act of 1975, I strongly support the growing public demand that Congress institute a complete evaluation of the program and create legislation that will insure the tax resources used to finance this program are being allocated to persons with genuine need and with a minimum amount of bureaucratic redtape.

At present, we have a mammoth program over which we have little, if any, control.

Mr. GRASSLEY. Mr. Speaker, 58 of my colleagues and I have signed our names as cosponsors of the Food Stamp Reform Act of 1975. It is incumbent upon all the Members of this distinguished chamber to reflect upon the original purposes of the food stamp laws, and how far the current program has deviated from what it was originally intended to be.

Could anyone have imagined that legislation directed at meeting the needs of the very poor would grow up 14,000 percent in just 10 years, that is, from a $36 million program to a $5 billion program? Back in 1965, only 442,000 received food stamps. Today, nearly 19 million Americans are getting the coupons. Still, the program is growing. Estimates are that expenditures for fiscal year 1975 will reach a level of over $6.5 billion.

Over the past 6 months I have consistently voiced my views regarding Government programs and agencies which have gotten out of hand; but none compares with the food stamp program. When a quarter of all American citizens are eligible for Government assistance of this sort, it is time to retrace our steps and start anew. This is why I have agreed to cosponsor the Food Stamp Reform Act.

This historic piece of legislation was drafted on the assumption that only those who are unable to meet their own basic needs should be entitled to Government assistance. In July 1974, over half of all those eligible for food stamps were not even within the poverty guideline. If this bill is enacted into law, no longer would the nonpoor be able to receive funds intended for the truly hungry and malnourished. Administrative loopholes and calculations of benefits in terms of income after all tax deductions are taken would not continue to work to the advantage of those who already gain the benefit of the deductions themselves. To my mind, the Government should not be responsible for assisting these individuals to maintain a high standard of living via direct in-kind assistance.

At the same time, it has become clear that those who receive food stamps have not been paying a fair share for the coupons, as compared with what the average citizen in the same income bracket pays for food, remember, nearly 60 percent of those eligible for food stamps do not take advantage of them. Thus, the actual recipients would have to pay a greater proportion of their income for the stamps, though their benefits would also increase under the bill. However, it should be noted that special provision is made to reduce the cost of stamps for the elderly.

The ultimate savings to the American taxpayer of this measure could go as high as $2 billion. But more than merely dollars is involved. The heritage of a nation founded on the principles of self-reliance and minimal government support are being challenged by today's assistance programs. The enactment of the Food Stamp Reform Act would show the entire Nation that the Congress does not intend to subvert the principles upon which the Nation was founded.

Mrs. HOLT. Mr. Speaker, if this Congress has any sense of fiscal responsibility, it will move with dispatch to enact legislation correcting the food stamp mess.

The program is literally out of control. The number of recipients has increased by 7 million in a single year to reach 20 million. The cost of the program is shooting over the $6 billion mark and could triple within the next 2 or 3 years.

Under the current eligibility rules, as many as 60 million Americans, 25 percent of the population, may be eligible for food stamps. A family with an income of $16,000 a year or higher can qualify if it can calculate enough deductions from its gross income. Voluntarily unemployed persons, such as strikers, college students, and those who prefer a relaxed life style, are eating at the taxpayers' expense. As currently operated, the food stamp program lacks any recognition that even charity has limits. It is a ripoff of the overwhelming majority of taxpayers. Twenty-five percent of the American people are not malnourished or starving.

As a practical matter, 75 percent of the American people, working hard to feed, house and clothe their own families, cannot afford to feed 25 percent of the people.

I can tell you that the taxpayers in my district are outraged at what has been happening to their hard-earned dollars. They are particularly incensed that a nationally-circulated publication recently carried a full page advertisement urging middle income Americans to investigate their eligibility for food stamps.

But all this criticism of the food stamp program has still not said enough, because the truth is that it does not adequately serve those who need it most. Eligibility is so broad that the truly needy cannot obtain adequate help.

Mr. Speaker, many Members of this House have now cosponsored the Food Stamp Reform Act of 1975, and we hope that all Members will take a keen interest in what is proposed. This legislation provides that eligibility will be based on gross income, not on a net income formula that invites abuses. Food stamp eligibility would be limited to those below the poverty line, but for those persons it would increase allotments by 29 percent. We have also made special provisions for the elderly. Even then, however, the legislation would create an immediate savings of $2 billion a year.

The savings would be much greater in future years because the growth of the program would be restricted.

If the House is really interested in effective help for the poor and cost-savings for the taxpayers, this legislation will achieve those goals.

Mr. CRANE. Mr. Speaker, it has become almost axiomatic in recent years that the food stamp program is out of control. At the time the Congress first established the program in 1939, and again when it was established as a pilot program in 1961 there appeared little question that the intent was limited to the two basic purposes of assisting the legitimately needy of America in meeting their nutritional needs, and to assist in the problem of disposition of agricultural surpluses. Yet the program has grown far beyond its original scope or intent.

In March of 1965, the food stamp caseload stood at 442,000. Ten years later, in March 1975, it numbered in excess of 19 million—an incredible increase of 4,227 percent. Total expenditures mirror caseload growth, but are even more staggering; in fiscal 1965, the total expenditures for the food stamp program were $36,354,000; in fiscal 1975 they are estimated to be about $5.2 billion—an increase of 14,203 percent.

Most significantly, by July of 1974, 1 in 4 Americans were potentially eligible to receive food stamps at least 1 month during the year. This means, that under current eligibility formulas, 25 percent of the population can literally live off the hard work of the other 75 percent, many of whom are themselves struggling to make ends meet in their monthly budgets.

It is time that some semblance of control is returned to the food stamp program, and that proposals are advanced to insure that resources are properly allocated to persons in genuine need. Above all, it is time to limit the food stamp program to what I think we can all agree to be a warrantable purpose; namely, that of helping those legitimately needy at the lower end of the income scale whose diets could be substantially and properly improved by food stamp assistance.

The bill we have introduced, the National Food Stamp Reform Act of 1975, advances some 41 specific proposals to meet these problems. Rather than following past patterns of simply adding more and more people to the rolls, with the consequent geometric increase in both costs and numbers, the reform bill would curtail eligibility of persons with high incomes by basing eligibility on gross rather than net income, and eliminating those whose gross income exceeds the official poverty thresholds, as defined by the Office of Management and Budget.

Under current eligibility formulas, families with incomes of $100,000 a year or more can qualify for food stamps if they can calculate enough deductions from their gross income to reach USDA monthly income levels for eligibility which are based on net income. Utilizing such allowances as those provided for house payments, utility costs, and private school tuition payments, such high-income families can receive monthly food stamp allotments.

It is cases such as these which have caused the staggering increase in food stamp rolls and costs, and it is families such as these who provide cause for some to charge that 62 percent of the eligible are not availing themselves of their rightful benefits. Suggestions have been advanced that 62 percent of the American public is consequently undernourished.

Mr. Speaker, such figures are totally misleading, and are based on what are, in effect, defective eligibility formulas, promulgated and sanctioned by administrative decision. When the American taxpayer reads full page advertisements telling him how a family with an income of $16,000 a year can qualify for monthly benefits I am sure he suffers some feeling of envy, while at the same time wondering about the uses to which his tax dollars are put.

The food stamp reform bill, by closing numerous loopholes which currently permit the eligibility of high-income families, and ending the eligibility of the voluntarily unemployed, will steer the program back to that original and laudable goal of helping the truly needy. The food stamp reform bill will raise benefits to all remaining eligibles by 29 percent, and effect a substantial improvement in nutrition from the "economy diet plan" to the USDA's "low cost diet plan."

Placing an absolute limit on permissible outside income, and conforming purchase requirements to what the average American family spends for food will not deprive the needy of the assistance which most Americans are willing to extend to the poor. The proposals advanced by the bill, would, however, save the taxpayers $2 to $2.5 billion, The Food Stamp Reform Act of 1975 is a large step in the right direction. I strongly urge its enactment.

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, the food stamp program is a well-intentioned program that has grown wildly out of proportion. What began 10 years ago as a modest Federal project funded at $40 million will this year cost well over $6.6 billion.

While the cost of the food stamp program has increased by over 14,000 percent in the last 10 years, the number of Americans living below the poverty level has declined.

We need to provide assistance to those Americans who really need our help, but we cannot ask the taxpayers to finance a multimillion-dollar program with no rational limits. Present Federal regulations permit millions of Americans who are not economically deprived to become eligible for food stamps. Today 1 in every 4 Americans, 57.3 million, are eligible for food stamps. We are fast approaching the point at which a third or a half of the American people may be eligible for this form of public assistance.

Enough is enough. I have joined today with 55 colleagues in the House in introducing legislation which will overhaul the entire food stamp program. A companion bill is being simultaneously introduced in the Senate.

Our intention is to correct its abuses while strengthening its merits. We offer a program of reform. We propose changes that will reduce the food stamp rolls while simultaneoulsy expanding benefits to the truly needy. We hope to end the national scandal of allowing affluent families to literally live off the labor of those who must work for their daily bread.

Shocking Federal regulations have turned a worthy and humane food stamp program into an administrative nightmare and a public ripoff. Some able-bodied persons who do not wish to work can get food stamps. Persons who quit their jobs without good reason can get food stamps. Minor children can get food stamps without parental consent or control. The owners of jewelry, furs, and luxury appliances can get food stamps. There is literally no limit to the ways the taxpaying public can be exploited through the food stamp program.

And yet, food stamps were initiated because there was a valid need for them. Some of our countrymen needed a hand, and we were rightly willing to extend it to them. Some still are in need, and I believe the American people are still willing to aid them.

That is why, for those most in need, the National Food Stamp Reform Act would significantly expand nutritional assistance. Millions of poor Americans would benefit directly and substantially from its enactment. The elderly, who are least able to defend their pocketbooks against the onslaught of federally created inflation, would be given special consideration. And the food stamp allotment of every recipient would be immediately increased by 29 percent.

The reforms we are proposing will accomplish all this at the same time that they cut back the food stamp rolls and simplify administration. We estimate that a reformed food stamp program, carefully administered and generously available to the truly needy, would save $2 billion this year and would keep the program from getting completely out of hand in years ahead. That is $2 billion in Federal revenues which could be returned to the taxpayers of America, who also must buy groceries for their families.

That savings can be effected through several commonsense measures:

By using the Federal Government's poverty indices as the cutoff points for food stamp eligibility.

By eliminating the present complicated system of income deductions through which many high-income families qualify for food stamps.

By instituting reasonable resource limitations, to insure that individuals who possess considerable material wealth do not take advantage of their neighbors by using food stamps.

By denying food stamp eligibility to college students, strikers, and able-bodied persons, without small children, who do not choose to work.

By instituting simple administrative procedures, now woefully lacking, which will crack down on food stamp fraud, marketeering of food stamps.

Because the National Food Stamp Reform Act combines the frugality we owe all taxpayers with the generous compassion our country has always shown to the less fortunate, I am happy to submit it for the consideration of the House. I join my distinguished colleagues from the House and Senate in recommending this legislation not only to the Congress, but also to the President and to the American people. Together we can make the food stamp program "less expensive and more effective." This bill offers us the means to do so. We need only the will to use it.

Mr. DICKINSON. Mr. Speaker, I appreciate the opportunity to participate in a discussion of the National Food Stamp Reform Act, and I am happy to cosponsor such a comprehensive piece of reform legislation. I believe passage of this type of legislation is vital to the future of our country.

The food stamp program started as an innocent program of modest scope which would enable low-income Americans to have an adequate nutritional diet. It was, and is, a welfare program designed to assist the needy. Now, however, the attitude that one has a "right" to food stamps, regardless of income or ability to support oneself, is rapidly spreading. We are encouraged through the outreach program as well as private advertising to apply for food stamps—even if we do not need the food stamps—even if we do not need them to maintain a nutritional diet—in order to supplement our income so we can afford luxuries.

It is inconveivable to me that anyone really believes that 1 in 4 Americans is underfed or malnourished, and yet under the regulations of the present program, 25 percent of the people in this country are eligible for food stamps. I am pleased to note that 62 percent of those eligible recognize that they are not needy and should not take advantage of this welfare program, but I am concerned that so many people with relatively high incomes as well as so many voluntarily unemployed individuals are getting these benefits.

As you know, I have been very active in the past in the fight to prohibit strikers from getting food stamps because they are voluntarily unemployed. I am also concerned that many others who are without work of their own volition are eligible for such assistance. College students, drug addicts, and alcoholics participating in rehabilitation programs, those who have quit their jobs without good cause, and even people who simply do not wish to work and do not try to get jobs can get food stamps. Although there are work registration and job search requirements under the program, they are not properly or efficiently enforced, and the taxpayers who do accept and meet their own responsibilities to support themselves and their families are, therefore, forced to support those who will not take care of themselves.

The National Food Stamp Reform Act deals effectively with these loopholes in the program. It requires all able-bodied recipients with no children under 6 to register for work, engage in proven job search, accept employment at applicable minimum wage rates or the equivalent when offered, and participate in community work training programs if established by the States. It also applies these requirements to drug addicts and alcoholics who are involved in rehabilitation programs; prohibits eligibility when there is a voluntary termination of employment without good cause; halts the current practice of not referring persons to employment where union membership is required; precludes strikers from eligibility unless otherwise qualified; and eliminates eligibility of college students from the food stamp program as voluntarily unemployed persons.

These provisions in no way discriminate against any one segment of the population, but rather they restrict the program to those who are unable to work or support themselves adequately and, therefore, restore the program to its original intent. Other provisions in the bill restrict the benefits to those with incomes at or below the poverty index and thereby eliminate the eligibility of families with incomes sufficient to meet their needs. Together with these provisions, a restructuring of the eligibility standards and the coupon allotment formula will enable us to realize a $3 to $3.5 billion saving in the current cost of the program. Part of that saving will be put back into the program to allow an increase in benefits to the truly needy in order to improve their diet even further.

The American taxpayer is fed up with abuses of Government giveaway programs and is looking to the Congress for leadership in reforming these programs. The National Food Stamp Reform Act is a comprehensive package of reforms which spells out in detail the steps necessary to bring the program under control and back into focus, and it is the kind of legislation that the citizens of this country want passed. It is incumbent upon the Members of this body to see that these reforms are instituted, and I urge my colleagues to join with those of us who have already cosponsored the bill and help work for its passage.

Mr. LOTT. Mr. Speaker, the food stamp program has, in recent years, seen a growth in numbers of recipients that is staggering. In March of 1965 the food stamp caseload stood at 442,000. Ten years later, in March of this year, it numbered in excess of 19 million. Even more significant is the fact that the Joint Economic Committee of the Congress estimated in late 1973 that by 1977 1 in 4 Americans would be eligible to receive food stamps at least 1 month during the year.

Yet, by July of 1974 this had already occurred. This means that a little less than a year ago, 25 percent of the American public was eligible for in-kind Federal assistance. Mirroring this incredible growth in the number of eligible recipients is the increase in total outlays for the food stamp program, which has seen an increase of 14,203 percent over the last decade.

It is interesting to note the following statistics which illustrate this phenomenon:

In July 1974 over half—57 percent—of the potential eligibles had incomes above the poverty line;

The estimate of 19 million recipients in fiscal 1975 compares with 12.8 million only a year ago;

Between March and June of 1975, the caseload is expected to grow from 19 million to 21.8 million; and

When the eligibility levels and coupon allotments are again adjusted on July 1, 1975, it is expected that a substantial number of additional persons will qualify.

The basic reason for the massive increase in both numbers and costs, lies, in my judgment, in the loose eligibility requirements utilized by the Department of Agriculture in determining food stamp allotments. Under current eligibility rules formulated by the Department, eligibility is based on a net income figure. A family with an income of $40,000 a year or more can thus qualify for Federal assistance if it can calculate enough deductions from its gross income. In many cases, those families added to the rolls are, in no sense of the word, needy, and certainly are not undernourished.

High-income families can make use of deductions provided for house payments, utility costs, tuition for private schools, and divorce and alimony payments. In some cases, the expenses for private airplanes and boats can also be deducted from the family's income figure.

Interestingly enough, this administrative decision of the USDA is not sanctioned by the original enabling legislation for the food stamp program, which spoke only of "income," and probably envisioned something more in line with the poverty thresholds defined by the OEO.

It is time for the Congress to reassert its authority over this important area of public assistance. While we most certainly have a responsibility to see that the truly needy in our population receive the benefits to which they are entitled, we must also remember that our responsibility to the American taxpayer remains. Fiscal sanity can be returned to the food stamp program, without hurting those needy who rely for substantial nutritional assistance on the food stamp program. Benefits can be raised to these recipients by 29 percent, while at the same time realizing the substantial savings of $2 to $2.5 billion. I am therefore pleased to join my colleagues in the cosponsorship of this bill.

Mr. CONLAN. Mr. Speaker, Congress converted the food stamp program from a pilot project to a permanent method of meeting the nutritional needs of America's poor in 1964.

Since then, as others have already noted, we have seen the food stamp program mushroom with a 14,200 percent growth rate—to the point where one in every four people is technically eligible for this welfare assistance at taxpayers' expense.

No one can possibly argue that one out of every four people needs public-supported food assistance. Nor can anyone say that people who get a full cost-of-living wage increase, completely covering the increased cost of food, should be eligible for food stamps. Yet that is the situation today.

Why should people with expensive homes and children in private schools qualify for food stamps? Not only do they qualify under the present program, but their expenditures for high-cost homes and private education may actually assist them in qualifying.

Congress has stood by and done nothing while food stamp expenditures and caseloads have escalated dramatically over the past 3 or 4 years. People have wrongly assumed that food stamp increases result from food cost increases and the recession, when it has really been the defective food stamp eligibility formula that has caused the skyrocketing jump in food stamp use.

This formula has no ceiling on maximum income. It ignores cost-of-living increases received by workers. It lacks any meaningful limits on personal property and resources for eligibility. It even permits the deliberate transfer of property in order to qualify for food stamps.

It is no wonder that in 10 years we have gone from a program costing $36 million to one costing $5,200 million.

It is no wonder that many people now think of food stamps as a right—one that they automatically deserve even though they really do not need welfare.

If every person eligible for food stamps had participated this year, it would have cost taxpayers $12,100 million—more than twice the $5,200 million it will cost anyway. The President has already had to request another $800 million to meet food stamp costs in the current year. Between March and June this year—just 3 months—the number of people claiming food stamps increased from 19,100,000 to 21,800,000.

The time is long overdue that Congress move decisively to control and reduce this extravagent program. Let us ignore cries of demagogues that we are "heartless" and "unconcerned about people in need." Let us weed out people from $20,000 to $100,000 a year families who are receiving food stamps, and free up those resources for needy people who should be helped.

The National Food Stamp Reform Act which I am pleased to cosponsor will close loopholes allowing high-income people who do not need or deserve food stamps to take advantage of this wide-open Federal trough. It will also increase benefits to the genuinely needy.

This act, if it is passed, can save taxpayers $2 billion a year—and at the same time increase coupon allotments for the poor and needy by almost 30 percent.

It is high time we get on with it.

Mr. ROBINSON. Mr. Speaker, I am proud to join with Mr. MICHEL and over 60 other colleagues, from both sides of the aisle, in urging expeditious action on the Food Stamp Reform Act of 1975.

As we are all too well aware, the food stamp program is in urgent need of extensive reform. In a great many respects the program is inequitable as to those who receive the aid, and unjust to those who must support it with their tax dollars.

What was designed as a program in 1964 to supplement the diet of needy Americans, including the elderly, has become a giant ripoff of taxpaying Americans. In fiscal year 1965, total expenditures for the food stamp program were $36.4 million. Now, in fiscal 1975, they will total over $6 billion—an increase of over 1,400 percent.

The runaway growth of the food stamp program is equally demonstrated by the following statistics which indicate the number of Americans who receive food stamps:

1965—1 in 439.
1967—1 in 157.
1970—1 in 47.
1973—1 in 17.
1975—1 in 13.

The number of Americans who meet eligibility standards for food stamps is even more startling. Presently, one in every four Americans qualifies for food stamp assistance.

The impact of these statistics is not lost on the American taxpayer. Often he stands at the grocery check-out counter with high-priced ground round watching the person in front paying for even higher priced sirloin with federally financed food stamps. He sees full-page advertisements informing him that families with incomes exceeding $16,000 annually can qualify for food stamps. And, while he works, the taxpayer knows strikers are collecting food stamps which he, the taxpayer, is paying for.

While the flagrant abuses of the food stamp program can be readily documented, the value of food stamps to this Nation's truly needy, especially the elderly, is obvious. Persons living on meager incomes count on food stamps to supplement their diets to insure sufficient nutrition. They see increased tax resources that might raise benefit levels diverted to coping with case load growth. Long waiting lines and processing delays must be endured by these people who receive benefits that insure only the most minimal nutritional standards.

I submit, Mr. Speaker, that the food stamp program is no longer meeting the goals set for it a decade ago. The Food Stamp Reform Act of 1975, if enacted, would correct the gross inequities of the current program. It would provide assistance on a just basis—just for both the recipient and the supporting taxpayer.

The program would save the taxpayer at least $2 billion annually, while raising food stamp benefits for the truly needy by a full 29 percent.

It would curtail eligibility of persons with high incomes; provide a special additional deduction of $25 per month for the elderly; close loopholes and end eligibility for the voluntarily unemployed and tighten work requirements.

Administratively, the bill would provide cash and coupon methods and sharply reduce opportunities for criminal activity. Most significantly, it would transfer the program to the Department of Health, Education, and Welfare where it belongs with other welfare programs.

Mr. Speaker, again I urge Congress to act swiftly on this comprehensive piece of legislation. Long overdue, it is desperately needed to permit us to regain control of what has become a massive tax supported giveaway program.

Mr. KETCHUM. Mr. Speaker, it cannot be denied that our existing food stamp assistance program has become one of American's biggest ripoffs. I doubt anyone present learned that the cost of food stamp assistance had risen by 14,000 percent in the past 10 years without doing a double take. Such figures are, and should be, overwhelming in their absurdity. That one statistic alone stands as an embarrassing example of where our welfare projects are headed. What began as a well-intended measure to aid the genuinely needy has bcome a gravy train for 1 out of every 13 Americans—and those are only the individuals who actually receive food stamps. One out of four Americans is eligible for this aid. If one quarter of our population were starving, it would be time to drop back a few paces and take a sharp look—but this is not the case. Instead, this assistance is being abused by those with no legitimate claim, and I say this calls for an even sharper look. We cannot afford to waste one dime, or one moment of administrative time, perpetrating a program which is rapidly revealing its fraudulent colors.

Where does the fault lie? Basically, with invalid criteria for eligibility, and with inefficient administration which encourages the parasitic drain of this program. The end result is that those who should be receiving food stamps to supplement their insufficient diets are scraping by, subsisting on the lowest possible dietary scale, while the children of $100,000 a year men are bleeding the program dry, and those who have elected not to work are sitting at home eating sandwiches purchased at the taxpayers expense. We did not establish the food stamp program to feed students whose families supply them with incomes, or strikers who are voluntarily unemployed.

I am sure we have all read the advertisement for a manual which teaches those in the $16,000 income bracket how to qualify for food stamps; I would hope that we all read it with disgust. The sad fact is, $16,000 is nowhere near the limit, since there is no gross income limitation. Eligibility for this assistance is determined on the basis of a net income figure achieved after many complicated, juggled, and outrageously unnecessary deductions. How can anyone say with a straight face that one should be eligible for welfare because one owns a boat, lives in an expensive home, or sends his children to private schools? Ridiculous as it sounds, this is exactly where things stand now.

In addition to loopholes in the food stamp formula which must be sewn up, the stamps themselves are too negotiable. They are a prime target for theft, and black marketing. Improper identification of recipients, and casual handling and shipping methods contribute greatly to this additional abuse.

While I am on the subject of administration, I feel I must say that food stamp assistance has no place within the Department of Agriculture. I am privileged to represent a district which places heavy emphasis on agriculture for its economic base. I used to be one of those California farmers, and I can tell you with absolute certainty that 60 percent of the Department of Agriculture's budget should not be tied up in food stamps. This program should be managed by HEW, where welfare assistance belongs.

Taking all this into consideration, it is readily apparent that food stamp reform is imperative, and that it must be brought about as expeditiously as possible. The National Food Stamp Reform Act of 1975, with its 41 separate and well-aimed points, can provide just the comprehensive revamping we need. Administration of the program will be simplified, and will be transferred to the department where such administration rightfully belongs. High-income individuals will no longer qualify for eligibility, nor will students and strikers. The stamps themselves will cease to be easy prey for criminal activity. We will be saving the American taxpayer an estimated $2.5 billion annually. Perhaps most important of all, we will be assuring that those who truly need food stamps not only receive them, but also receive a better dietary allowance.

In short, it is with great pleasure that I endorse the National Food Stamp Reform Act of 1975. Considering our current economic climate, I do not see how any one of us can afford not to sponsor it.

GENERAL LEAVE

Mrs. FENWICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include therein extraneous matter, on the subject of the special order today of the gentleman from Illinois (Mr. Michel).

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

U.S. PARTICIPATION IN THE AFRICAN DEVELOPMENT FUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Biester) is recognized for 10 minutes.

Mr. BIESTER. Mr. Speaker, with the cosponsorship of several other distinguished colleagues, Mr. Hamilton and I are today introducing legislation authorizing U.S. participation in the African Development Fund, and authorizing the appropriation of $25 million as the U.S. subscription to the fund.

The African Development Fund is the concessional or soft-loan affiliate of the African Development Bank, headquartered in Abidjan, Ivory Coast. The African Development Bank was formed in 1964, an attempt by African nations to confront on a regional, cooperative basis the many development problems faced by their vast continent.

Since its inception, the African Development Bank—AFDB—has assembled a capable professional staff and upon a base of capital-poor member countries has built a lending operation which emphasizes basic infrastructure projects, such as roads and public utilities. Unlike other international financial institutions, the bank has excluded developed countries from membership, preferring to become a wholly African owned and operated institution. Bank membership now numbers 41 African countries, representing a major indigenous African effort to build a viable multilateral institution capable of financing badly needed development projects. The Bank has been successful in articulating African economic issues, and is rapidly gaining recognition as the financial arm of the Organization of African Unity, the continent's most significant multinational political institution.

In 1973, the African Development Fund was established to complement the work of the Bank. Creation of the Fund followed several years of negotiations in which the United States and other industrialized countries were closely involved. The purpose of the Fund is to provide loans at concessional rates and to involve industrialized countries in Africa's development process. Loans through the Bank are at near market terms with maturities of 10 to 20 years while loans through the Fund have provided a grace period of up to 10 years with repayment over as long as 40 years. Fund loans approved up to the end of last year emphasized desperately needed infrastructure projects in a number of the very poorest African countries. Those projects included irrigation projects in Lesotho, Mauritania, and Chad, feasibility studies for roads in Mali and Dahomey, construction of bridges in the Sudan, and a tea development project in Rwanda. In other words, the African Development Fund is engaged in the fundamentals of development. The resources of the African Development Fund are being used to finance the most basic kinds of infrastructure, the kinds of projects which are absolutely essential to building a viable economy. The recipients of its soft-loan terms include some of the countries hardest hit by the drought and famine of recent years.

The United States was an active participant in the drafting of the articles of the Fund, in part to help assure that the Fund was established as an effective, well-managed institution. The United States, however, has not yet joined the group of 15 non-African nations which participate in the Fund. A bill providing for participation passed the Senate during the 93d Congress, but was not considered on the House floor. The administration is now requesting authority to participate in the Fund with a contribution of $15 million in three equal annual installments.

There should be no doubt that America's participation in the Fund is highly desirable. We have long neglected our relations with this continent whose already significant economic, political, and strategic importance to us can only grow with time. Africa possesses numerous raw materials and mineral resources, many of which are critical to the economic well-being of the industrial world. Forty-two percent of the world's cobalt, 34 percent of its bauxite, 17 percent of the copper, and about 23 percent of the known uranium ore reserves are found in Africa. Since the beginning of last year, Nigeria has continually been either our first or second supplier of crude oil imports.

These are only a few examples of Africa's economic importance, but they do, I believe, illustrate the basic point that America's well-being will inevitably become increasingly intertwined with that of various African nations. Surely commonsense dictates that we structure our relations with this increasingly powerful continent on a mutually beneficial basis. Participation in a sound, self-help development institution such as the African Development Fund seems a highly desirable means of promoting better United States-African relations.

The articles of the fund mandate that any goods or services purchased for any fund-financed development projects must be procured from a fund member. Thus, until the United States joins the fund, we will be cut off from a potentially significant source of export earnings. The fund has already been designated by the Organization of African Unity as administrator of development moneys provided by oil-producing nations, and has also assumed responsibility for coordinating large multinational investment projects, such as the Pan-American Telecommunications Network.

The United States has superior technical capabilities in precisely the areas Africa needs—in such things as telecommunications, engineering, construction, and a host of other areas. Our membership in the African Development Fund would clearly facilitate American commercial access to this growing market, as well as help to strengthen political ties.

Our failure to date to participate in the African Development Fund does nothing to bolster our image in Africa. What conclusion can we expect Africans to draw when they see the United States participate in the Inter-American Development Bank and the Asian Development Bank, yet seemingly shy away from participation in a similar African institution? Our continued lack of participation can only be viewed as a lack of interest in or concern for Africa, and can only weaken United States-African relations.

A subscription of $15 million would make the United States the fourth largest contributor to the fund. Canada—the single largest subscriber—presently contributes $24.8 million, followed by Japan and West Germany, each of which now contributes $16.5 million. Italy contributes $11.0 million, and the United Kingdom, $10.1 million. The combined contributions of Norway, Sweden, and Denmark exceed $25 million.

I believe that a U.S. subscription of $25 million—to approximate roughly the contribution of Canada—would be reasonable and appropriate. I fear that a lesser contribution would strike many African countries as further confirmation of America's perceived lack of commitment to helping tackle African development problems.

No Member of Congress can be unaware of the opposition to programs that can be conveniently labeled "foreign aid." At a time of increased sensitivity toward Government spending, the American public has little sympathy for those who would increase what they often perceive as "foreign giveaway programs." But I submit that a subscription to the African Development Fund in no way falls into such a category. The African Development Fund helps to make possible the kinds of projects which enable less-developed countries to begin to stand on their own feet by building the infrastructure without which there can be no viable economy. Without substantial assistance in creating that basic infrastructure, there can be no hope for many of the poorest African countries. A substantial contribution to the African Development Fund is a sound investment in the future—theirs and ours. Our active, enthusiastic participation in the African Development Fund—at a meaningful level—would help to promote sound, necessary development projects, and help to strengthen U.S.-African ties. For the United States to contribute $25 million to the African Development Fund will not work any miracles, but it is significant, and it is a beginning.

CRITICISM OF CONGRESSIONAL RECORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 10 minutes.

Mr. STEIGER of Wisconsin. Mr. Speaker, I am introducing a resolution under a special order and want the readers of the CONGRESSIONAL RECORD to be aware that these remarks are not being made on the floor of the House, but are being inserted.

This resolution will directly affect all of us, because it affects the history of what we are doing here. I am especially pleased that 52 of my colleagues are joining in the sponsorship of this resolution. We are all aware of the considerable amount of criticism of the CONGRESSIONAL RECORD.

The Cincinnati Inquirer on April 29, said:

> We should like to believe a Congress that has concerned itself with truth in lending, truth in packaging, truth in advertising and truth in land sales will also have occasion to consider the case for truth in the Congressional Record.

The Los Angeles Times on March 17, called it a "dishonest history":

> That this publication should continue to pass as the official record of the proceedings of Congress is a villainous deceit.

The Wall Street Journal on March 31, said:

> It is basically dishonest not to distinguish between what was actually said in Congress and what Congressmen would have said if they had been there or had taken the time to join the debate.

In 1970, I offered a similar proposal as an amendment to the Legislative Reorganization Act to accomplish three things: To provide that the RECORD be an accurate and verbatim account of remarks in the order delivered on the floor; that revisions should be limited to corrections of grammar and not changes of substance; and finally that insertions have a distinctive type face from that used for verbatim remarks.

During the debate on that amendment, our distinguished colleague BOB ECKHARDT said:

> In the last session of Congress, as I recall it, in the debate on the anti-riot bill there was a question addressed on the floor to one of the authors as to whether or not the element of engagement in interstate commerce would include travel by interstate facility from one town that was in a State to another town that was in the same State. The reply to the inquiry was no, that it would require travel between two States. Later the gentleman who made the answer, and made it utterly in good faith, discovered that he was in error. So he talked to the inquirer and told him that he was going to have to change his answer. Of course, the person who made the inquiry made no pro-

test because it was of no interest to him particularly and the second gentleman was acting with great cordiality and in the proper process.

However, the result was that the next day we had a history of legislative enactment which, if used by a court, would indicate exactly the opposite matter before the House than that which was before the House as far as the legislative history is concerned. It was not just a matter between A and B, but it was the important necessity of having the true history before the House so that the court could properly interpret it that was in issue.

In 1971, Bob Eckhardt's concern over questionable legislative history manifested itself in an episode involving the debate on an amendment to the Equal Employment Opportunity Act. The Labor Department released an opinion on the subject based on a dialog between Representative Edith Green and John Erlenborn, a dialog reported in the Record which never took place.

I do not believe that this incident was meant to deliberately deceive, but this was its unfortunate result. It is regularly recalled and was cited in a feature article of the March 15, 1975, Congressional Quarterly. I am placing a portion of this article in the Record at this point:

Legislative Intent Clouded

Some *Record* critics believe change is needed simply because the *Congressional Record* ought to be an honest document. Others have a more specific reason; they worry that the existing goulash of speeches and insertions is making it difficult for executive agencies to determine what Congress actually intended to do in passing a law.

"It allows you to have a legislative history that is warped, because it is not accurate," said Rep. William A. Steiger (R. Wis.), who has been urging for more than five years that the *Record* separate its actual proceedings from its inserted material. Steiger believes that sooner or later, a federal agency is going to make a serious error by relying on the remarks of a member who was not even present during the debate.

There was a hint of that in 1971, when Rep. Edith Green (D. Ore.) and Rep. John N. Erlenborn (R. Ill.) engaged in a bitter debate over legislation dealing with equal employment opportunity. (*1971 Almanac p. 647*)

The House passed a bill, as amended by Erlenborn, making the Civil Rights Act of 1964 the exclusive remedy for employment discrimination. Green, among others, charged that the Erlenborn substitute was deficient because it would repeal the Equal Pay for Equal Work Act, which she considered essential to preserving women's employment rights.

During debate on the bill, Sept. 16, 1971, Green repeated her arguments that the Erlenborn substitute repealed the Equal Pay Act. Erlenborn, though clearly present on the floor, apparently made no attempt to counter the claim.

Twelve days later, the Labor Department released an opinion on the subject. "At the time the Erlenborn amendment was first proposed, we did not believe it had any effect at all on the Equal Pay Act. The many statements made with respect to the Equal Pay Act during the course of the debates in the House on the passage of the Erlenborn amendment, especially those made by Congresswoman Green, cast considerable doubt on our original construction of the amendment since they are now part of its legislative history."

The Labor Department was relying on a debate that never took place. Erlenborn did not respond to Green's charges because they were never made, merely inserted for publication in the *Record*.

As it turned out, the misunderstanding never did any damage. The Senate did not include Erlenborn's "exclusive remedy" language in its version of the bill, and it was dropped in conference. But some members, including Erlenborn and Steiger, worry that a more serious error could easily take place in an era when federal officials frequently must rely on floor debate to determine the intent of Congress on complex issues.

REFORM BILLS OFFERED

Both Steiger and Erlenborn have sought to remedy the situation by having the *Congressional Record* use a different type face for remarks not delivered in person. Steiger offered this as an amendment to the 1970 Legislative Reorganization Act, but it was defeated on a voice vote. (*1970 Almanac, p. 455*)

After his clash with Green, Erlenborn offered the confusion of that situation as a reason to go back and adopt Steiger's plan. "With it in effect," he told the House, "no one will labor under illusions about what was said, misunderstandings will be prevented, we and the public will be the better for it, and legislative history will be less clouded."

Following this incident, both Mr. Erlenborn and Mrs. Green spoke favorably of making the Record a more accurate report.

The major objection to the proposal is that most Members will insist on the right to be heard and, if they cannot be on the floor for some reason, to have their speeches added to the record of the debate. I sympathize with this sentiment. The resolution will not prevent publication of undelivered speeches; they will be part of the Record. Nor will this proposal prevent the merging of the undelivered portons with the verbatim.

Producing the Record is not inexpensive. If the proposal to use distinctive type faces requires some small additional manpower, this is a small expense compared to the continued prospect of virtually wasting its present cost simply because its value as a historical record is increasingly disregarded by program administrators, judges, news media, and political scientists.

Over 15 years ago, Prof. Howard Mantel wrote an article called "The Congressional Record; Fact or Fiction of the Legislative Process," in which he explored the continued usage of the Congressional Record by the Supreme Court and concluded that extensive revision of uttered remarks lessens the efficacy of the legislative history offered to the judiciary:

The value of the Congressional Record is twofold: first, as a source of information and political control, and second, as an historical record of Congressional activity and intent. The Record under the practice of revision and extension described, can be viewed as a good approximation of what transpires on the floor of each house; but it is not, obviously, a spontaneous transcript. Major changes in text present an inaccurate and misleading picture of Congressional debate and intent. Senator Gordon Allott of Colorado notes, "I myself have participated in numerous debates on the floor; and sometimes when I read the Record the following morning, I have found it very difficult to recognize the debate which occurred." We may illustrate some of the difficulties which ensue from this situation by examining the extent to which the courts use the Congressional Record and other legislative documents in determining questions of statutory interpretation. In an era of increasing federal activity, the answer to the question, "what did Congress mean" becomes of vital significance, and the documentation reflecting Congressional intent becomes a part of the living literature of our statutes.

Mr. Speaker, at this point I want to include a complete list of all the cosponsors:

Mr. Steiger of Wisconsin, Mr. Anderson of Illinois, Mr. Bafalis, Mr. Bedell, Mr. Bergland, Mr. Blouin, Mr. Bolling, Mr. Bonker, Mr. Brinkley, Mr. Brown of Michigan, Mr. Brown of California, Mrs. Burke of California, Mr. Cleveland, Mr. Conable, Mr. Devine, Mr. Downey of New York, Mr. Eckhardt, Mr. Eilberg, Mr. Emery, Mr. Erlenborn, Mrs. Fenwick, Mr. Fraser, Mr. Frenzel, Mr. Frey, Mr. Harris, Mrs. Holt, and Mr. Horton.

Mr. Kasten, Mr. Ketchum, Mrs. Keys, Mr. Kindness, Mr. Krebs, Mr. LaFalce, Mr. Lloyd of California, Mr. Lott, Mr. McCloskey, Mr. McCollister, Mr. McHugh, Mr. Mazzoli, Mr. Metcalfe, Mr. Moss, Mr. Myers of Pennsylvania, Mrs. Pettis, Mr. Pressler, Mr. Pritchard, Mr. Rees, Mr. Regula, Mr. Sisk, Mrs. Spellman, Mr. Treen, Mr. Waxman, and Mr. Wilson of Texas.

REG JONES OF GENERAL ELECTRIC TESTIFIES ON BEHALF OF TAX REFORM TO EXPAND JOBS AND REDUCE POVERTY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 15 minutes.

Mr. **KEMP**. Mr. Speaker, the No. 1 shortage in America today is investment capital. What is at stake is jobs, as Mr. Reg Jones of General Electric, pointed out today in his testimony on tax reform before the Ways and Means Committee.

As a sponsor of the Job Creation Act of 1975, with nearly 80 other Members of Congress from both sides of the aisle, I commend this testimony to those who need to understand what capital formation means in terms of jobs and fighting poverty. One vital way in which to reduce inflation is to increase productivity and that increase will only come as a result of accelerating the rate of investment and savings in the private sector.

Wages can only be paid out of the product—let us increase productivity and help consumers, workers, and all Americans.

The testimony follows:

Testimony By Reginald H. Jones

Good morning. My name is Reginald H. Jones. I am Chairman and Chief Executive Officer of the General Electric Company.

I deeply appreciate the opportunity to testify before the distinguished Ways and Means Committee of the House on the subject of capital formation, and the need for productive tax reform.

We have all been worried—rightly—about the energy shortage. I think there is another shortage that ought to worry us even more: the shortage of capital needed to energize economic growth and employment. Fuel we can get, though the price may be high by any past standards. But capital we cannot get unless we have a serious revision of the tax policies that are sapping the fundamental strength of our economy.

The economists on this panel will presumably present their analyses of the nation's overall capital requirements, which—according to several recent studies—will run in excess of four trillion dollars between now and 1985. This country needs to accelerate its rate of capital formation, to make up for several decades of underinvestment.

In my opening remarks, as a spokesman for industry, I will concentrate on the extent to which the private sector can handle its enormous investment responsibilities. Then I will suggest some ways in which tax reform would help to improve the outlook for capital formation—and with it, the outlook for avoiding unacceptable levels of inflation and unemployment.

Let's start with the financial structure of business today. Corporate balance sheets have undergone a dramatic deterioration and are now in the worst condition since the 1930's. To state the matter bluntly, business has drifted deeply and dangerously into debt.

Consider what has happened to the ratio of total liabilities of the non-financial corporations to their net worth in the past twenty years. In 1955, this particular ratio was .91—less than a dollar owed for every dollar of net worth. By 1974, the ratio had risen to 1.88—almost two dollars owed for every dollar of net worth. The trend has accelerated in recent years, with the ratio climbing twice as fast since 1967.

Based on Federal Reserve Board figures, we have computed how the sources of capital have changed for U.S. nonfinancial corporations in the past decade. Back in 1965, retained earnings provided a solid 23% of the new funds, depreciation supplied 39%, and business had to borrow only 38%.

Last year, 1974, retained earnings—when you take out the phantom inventory profits—supplied only 5%. Depreciation again supplied 39%, and new equity shares provided 2%. That meant that industry had to go into debt for 54% of its new funds. The alarming point is that as retained earnings shrivelled up, industry went deeper and deeper into debt just to keep going.

There are several reasons for this alarming increase in corporate illiquidity. Part of it undoubtedly is the fault of management because Wall Street rewarded those playing the leverage game throughout the sixties. Part of it resulted from inflation: as the dollar volume of business went up faster than physical output, inflation bloated the capital requirements of business.

But the most important factor was the growing insufficiency of cash flow. In the past decade, business has not been able to generate the cash it needs from retained earnings, depreciation allowances, and new equity issues.

Inflation has hurt labor and management alike, eating into the take-home pay of the worker and the profits of business. But as a long-term trend, employee compensation has been climbing as a share of the national income, from 64.1% in 1950 to 75.1% in 1974. Meanwhile, pre-tax corporate profits dropped from 15.6% of the national income in 1950 to a disturbing 9.2% in 1974, and I shudder to think what 1975 will look like.

Consider the impact of inflation on corporate earnings and taxes. Non-financial corporations reported after-tax earnings of $65 billion in 1974, compared with $38 billion in 1965. That's an apparent increase of 71%. But the Treasury Department has made a study showing when you take out the effects of underdepreciation and phantom inventory profits that evaporate when you go to replace inventory at today's prices—you find that after-tax earnings actually declined from an adjusted $37 billion in 1965 to $20 billion in 1974. So much for those "record profits!"

Treasury says that a major factor contributing to this decline is that income taxes were payable on these fictitious elements of profits—and that resulted in a rise in the effective tax rate on true profits from about 43% in 1965 to 69% in 1974. Thus because of inflation, business—like the individual—has suffered an unlegislated tax increase.

Here is another tax problem: the discriminatory tax treatment of dividends has caused business firms to shun equity issues and favor debt. New equity issues have provided very little in the way of funds, accounting for only 3.3% of the new capital raised, on the average, during the past 20 years. Last year it amounted to a mere 1.9%.

And finally, the fact that rising capital costs—interest charges and dividend payments—make growing claims on corporate income leaves very little to rebuild the corporate equity base. By 1974, dividends plus net interest had risen to 50% of pre-tax operating profits plus interest—almost double the 1955 proportion.

Thus one can see why and how business has been drifting deeper in debt and no longer has the means to meet the capital requirements of the future.

Our GE economists estimate that the capital requirements of non-financial corporations will average $312 billion a year during the period 1977 through 1980, compared with $210 billion in 1974. That includes plant and equipment expenditures and working capital.

There is no way that industry is going to raise that kind of money under the present tax policies, unless it is to go deeper and deeper into debt. Let's do a little arithmetic.

Assuming the continuation of present tax policies—$120 billion of the needed $312 billion a year would be available from depreciation. That leaves an enormous $192 billion to be raised through external financing and retained earnings.

To restore the battered capital structure of business, corporations should try to match every dollar of new debt with a dollar of new equity. So we would expect to raise half the needed funds, $96 billion, with new debt.

Of the other $96 billion, about $36 billion could be expected to come from retained earnings—even with a 10% Investment Tax Credit extended beyond 1976. That leaves $60 billion a year to come from new equity share issues.

No bull market can be expected to produce $60 billion a year in new issues. The very best year on record—1971—provided net only $11 billion. So optimistically, counting on $10 billion a year in new equity issues, that leaves a capital gap on the order of $50 billion a year from 1977 through 1980.

You can vary the assumptions, and make the gap a little larger or a little smaller. But no matter how you figure it—the sources of funds for business capital requirements are not going to be there unless we want to see business slide deeper and deeper into debt.

Facing these financial dilemmas, businessmen will simply be forced to close the gap by lowering their overall capital commitments. They will reduce their investment in plant and equipment; they will cut back inventory spending; and they will cut back their financial asset holdings. The result in all cases is reduced business activity, more unemployment, slower growth in productivity, and the kind of chronic inflation and stagnation that the American people won't stand for.

Therefore we simply must have changes in the national priorities, and give more attention to the neglected producer sector. The long-term decline in profit rates must be reversed. There is no way to turn the situation around overnight. But the Congress can start narrowing the capital gap with tax reforms now—not the kind of tax reform that regards every incentive to invest as a "loophole," but rather tax reform that will make it possible for business to finance the future of this country.

The business community is not going to be doctrinaire about the way in which the desired objective is achieved. Political, fiscal, and technical considerations will affect your deliberations, and several approaches or combinations may prove to be necessary.

This Committee might, for example, work toward the general elimination of the double taxation of dividends; not all at once, but perhaps some portion of dividend payments or those on certain classes of stock, could be made deductible to the corporation. This would make equity investments much more desirable and sharply increase both the sale of new shares and retained earnings. Companies with less debt and more equity would be better able to survive periodic recessions and take greater risks on new technologies.

Obviously, in these inflationary times, present capital cost recovery allowances are highly inadequate since we are recovering, at painfully slow rates, the historic rather than the replacement costs of our plant and equipment. Europe and Japan have recognized the need for faster depreciation rates, to accelerate capital investment.

The Investment Tax Credit presents another opportunity. In the Tax Reduction Act of 1975, the Congress legislated a two-year increase of the ITC to 10%. I urge that you consider a further increase of this proven incentive to 12%, and make it permanent in view of the need for sustained higher levels of capital investment.

One very sensitive area in the current climate is the tax treatment of exports and foreign-source income. Few people realize that income from exports and foreign investments now total 10% of our gross national product and, on that basis, provide an estimated 8 to 8.5 million jobs in the United States.

Yet efforts are being made to repeal the foreign tax credit which every nation uses to avoid double taxation; the deferral of taxes until income is actually received in the United States; and the DISC provisions to place U.S. exporters more nearly on a par with their European competitors. These are not "loopholes!" They are simply ways by which we keep U.S. companies competitive with other nations in the battle for exports.

If we add to the tax burdens of U.S. companies at a time when the rest of the world is frankly subsidizing its export trade, our exports will decline, our balance of payments will get worse, and jobs in the U.S. will shrink accordingly.

Consider the impact of the *DISC tax deferrals* as a source of capital funds for industry. for example. General Electric is exporting about $1.8 billion worth of products a year, but like our foreign competitors we find that some of our customers overseas are pretty slow about paying their bills. Our receivables on international business are now running at a rate 2½ times as long as our domestic receivables. This means we need some $220 million more working capital for every billion dollars of exports than we need for equivalent domestic sales. This is a terrible drain on our working capital, and very frankly if it were not for the funds generated by DISC from our export business, we would simply have to cut our exports very sharply. Extend this to other exporters: if the DISC provisions were eliminated at a time when business is in a real capital crunch, U.S. exports—and the millions of jobs dependent on them—would decline dramatically.

So to summarize: business today does not have the capacity to fund the capital investment this nation needs to energize economic growth and employment. Changes in the tax laws would be a quick way to change that situation very considerably.

We are often asked whether the nation can afford to lower taxes when deficits are so huge and the specter of inflation hangs over us. Let me say first that since World War II every significant tax cut has, after a delay of a year or so, produced still higher overall tax revenues as the economy strengthened. Moreover, with unemployment at very high levels, some further stimulation through tax cuts appears inevitable.

I urge that a significant portion of that tax cut be directed toward capital formation. This will not only stimulate employment in the faltering capital goods industries and the moribund building trades. It will, more importantly, get at the longer-term problem of underinvestment, and help to prevent a recurrence of the simultaneous inflation, stagnation, and unemployment that is bringing so much misery to the American people.

H.R. 2268: MEDICARE LONG-TERM CARE ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 5 minutes.

Mr. CONABLE. Mr. Speaker, earlier this year I introduced H.R. 2268, the Medicare Long-Term Care Act of 1975. This proposal will establish a new program of long-term care of the elderly that will provide alternatives to expensive and confining medical care by expanding the options available. By including services as well as institutional medical care in the program, we can offer our elderly citizens who need it a more secure and less worrisome future, less family strain, and less demands on their savings.

The resources of older people can be wiped out by a long stay in a nursing home since neither medicare nor private insurance covers long-term care. The only program that does provide some funds is medicaid—the program of health care for the poor.

In too many cases what we are doing today amounts to incarceration, rather than considerate care, because too great a reliance is put on placing people in institutions when many of them could be cared for better in other surroundings, including their own homes. That is why the emphasis of the bill I have introduced is on care in the home or on an outpatient basis. This proposal calls for a system of community long-term care centers in every area of the country to coordinate and direct long-term care services for the elderly, including homemaker, health, nutrition, and day care, as well as institutional care.

In the past efforts to secure assistance for older Americans have not been successful mainly for three reasons. First, we do not have an effective and rational method of meeting the costs of long-term care services, including institutional care when it is required. Older people with chronic conditions have been left to their own devices because the costs to any public program of institutionalized care are prohibitive. So we have resisted program involvement and we have developed a defeatist attitude toward one of society's most vexing problems.

Second, a great majority of our communities do not have available the types of services which are better alternatives to institutionalization.

And third, in most communities, no single person or agency, public or private, takes full responsibility for helping older people and their families meet their needs as health and family status changes.

I have deliberately constructed H.R. 2268 to deal directly with these problems. My bill is modeled on the medicare program and would meet the first problem by establishing a new program under medicare which would provide protection against the costs of long-term care, both institutional and noninstitutional, without concern about drawing an arbitrary and unnecessary line between health care services and nonhealth care services.

The bill would meet the second problem, the lack of adequate community services, in several ways. First, the benefits covered by the bill would include services which can be alternatives to institutionalization. Provision of these services can help people in their own homes or other family settings. Second, the bill would require that placement in an institution could occur only after all other avenues have been explored. And third, even when placement in a nursing home has been designated as the only possible alternative the patient will have a continuing opportunity to move out of the home or improve his situation in the home.

And finally, my bill would meet the third problem by creating for every community a long-term care center which would act as the coordinator and paying agency for long-term care services. Whenever a question arose in a family about what to do about a change in health or family situation, the center would be responsible for helping find the best answer and for providing the needed services, after careful consultation with the individual and his or her family.

The bill contains certain other features I would like to highlight.

While the program would be national in application, just like medicare now, the administration of the program would be decentralized and involve, on a local basis, the people who are to be served by the program. Specifically, a new State agency would be established which would divide up the State geographically, assure the establishment of a community long-term care center in each area, approve such centers for participation in the program, and pay the centers for services furnished.

The community long-term care center would be required to have a governing board with at least half of its members from among persons who are eligible for benefits. In addition, one-quarter of the board would be elected by eligible people in the area and one-quarter appointed by officials or local government.

The program would be financed by a $3 premium paid by those aged who choose to enroll in the program, by a contribution from States of 10 percent of program costs with the balance from Federal general revenues. My bill would increase by $3 the amount of SSI benefits to everyone receiving them so the program will represent no additional cost to these individuals.

No estimates of the cost of the bill have been made, largely because making estimates in this area is very difficult. However, the States and the Federal Government now pay more than $4 billion a year for nursing home care under the medicaid program. Medicare pays an additional several hundred million dollars for extended care services. Numerous studies have shown that large numbers of older people now in nursing homes do not need to be there, particularly if realistic alternatives are available. Thus, I think it is fair to conclude that under my bill the costs of institutional care would be held in check.

But regardless of how the costs might turn out, the important point is that we need to rationalize the system of providing long-term care and I believe my bill has the potential to do that with possibly no increase in overall costs.

An outline of H.R. 2268 is attached. I urge Members, people with special interest in the aging, and the general public to study the bill carefully. I have introduced this bill so that this subject will get the attention it deserves in a rapidly aging society. I am hopeful that hearings can be held on the bill so that it can be fully explored.

The information follows:

H.R. 2268, MEDICARE LONG-TERM CARE ACT OF 1974, INTRODUCED BY THE HONORABLE BARBER B. CONABLE, JR.

1. Brief Description: Amends the Medicare program by adding a new voluntary Part D to Title 18 of the Social Security Act which would:

Establish a comprehensive program of long-term care services available to those who enroll under the program;

Provide for the creation of community long-term care centers in all areas of the nation and State long-term care agencies as part of a new administrative structure for the organization and delivery of long-term care services; and

Provide a significant role for people eligible for long-term care benefits in the administration of the program.

2. Eligibility: Anyone who is (1) eligible for hospital insurance under Part A of Medicare (aged or disabled), or (2) is age 65 and a resident, or (3) is eligible for supplemental security income (SSI) benefits is eligible to enroll under the new program if he has also enrolled under the Part B medical insurance part of Medicare. Enrollment procedures are similar to those which now apply to the Part B program.

Premiums of $3 a month would be collected just as Part B premiums are now collected.

3. Financing: A Federal Long-Term Care Trust Fund would be established to handle the financial operations of the program.

The Trust Fund would receive its monies from the $3 premiums of those who enroll, 10% from the States and the balance from Federal general revenues.

4. Functions of Community Long-Term Centers: Provide directly or through arrangements covered items and services to each individual residing in the area who is eligible;

Provide evaluation and certify the long-term needs of individuals through a team approach involving the individual and his family;

Maintain a continuous relationship with individuals receiving any items or services; and

Provide an organized system for making its existence and location (which must be accessible in the community) known to the individuals in the service area.

In carrying out the above, a community long-term care center shall not certify the need for inpatient institutional services for an individual unless a determination has been made that the needs of such individual cannot be met through covered types of care or other community resources.

5. State Long-Term Care Agency: Each State must establish an agency—either a separate agency, or major division of the health department—which will:

Designate service areas in the State:

Certify the conditions of participation for a community long-term care center;

Promote and assist in the organization of new community long-term care centers in areas where they do not exist; and make payments to and monitor the activities of all long-term care centers in the State; and

Provide local government offices where a nonprofit agency does not exist.

6. Conditions of Participation for Community Long-Term Care Centers: Community Long-Term Care Centers must:

Have policies, established by a group of professional personnel and approved by the governing board;

Maintain medical and other records on all beneficiaries;

Have an overall plan and budget;

Meet other conditions the Secretary may prescribe; and

Be either a public or non-profit organization.

The governing board of a community long-term care center must be composed as follows: one-half of people covered under the program who reside in its service area; at least one-quarter have been elected by the people covered under the program; and at least one-quarter appointed by locally elected government officials.

Members can serve only two terms and full membership must change at lease every six years.

7. Detailed Definitions of Covered Services:

a. Nutrition Services.

Limited to meals on wheels and similar programs and services provided in the place of residences of such individual by a nutritionist.

b. Homemaker Services.

Services provided in the home designed to maintain the individual in his home.

Preparing and serving meals in the home of an individual.

c. Institutional Services.

Extended care benefits in a skilled nursing facility (same as social security definition).

Intermediate care services.

Institutional day care services.

d. Home Health Services. (Same as under present Medicare program.)

e. Day Care and Foster Home Care Services.

Care provided on a regular daily basis in a place other than the individual's home; and

Placement of individual on a full-time basis in a family setting.

f. Community Mental Health Center Outpatient Services.

8. Payment Method for Community Long-Term Care Centers:

Secretary will develop prospective payment methods after consultation with States and other interested parties, and States will follow them in paying the community long-term care centers.

9. Miscellaneous Provisions:

If an individual stays in a nursing home for more than 6 months, beginning with the 7th month his social security cash benefits are reduced by ⅔ (in recognition of such a person's reduced living costs) and the ⅔ is deposited in the long term care trust fund. As soon as the recipient leaves the nursing home, full benefits are restored immediately.

The bill would increase SSI benefits by $3 a month so that the premium payment could be met without a reduction in cash income.

10. Effective date:

Benefits would first become payable on July 1, 1977, thus allowing sufficient time for the organization of the new system.

PRESERVING CIVIL WAR HISTORY: EXPANDING THE MANASSAS NATIONAL BATTLEFIELD PARK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. HARRIS) is recognized for 5 minutes.

Mr. HARRIS. Mr. Speaker, today I am introducing a bill to expand the boundaries of the Manassas National Battlefield Park in Prince William County, Va. The addition of approximately 1,500 acres to the 3,000-acre park would preserve several important historic areas which relate to the battles of Manassas and which border the present park.

The majority of the lands to be added are now in farming and open space residential usage. Some parcels contain areas of second growth timber and are not under active utilization. Several pieces of land are being held for future commercial and residential development.

Under my bill, the Secretary of Interior could acquire the lands by donation, purchase with donated or appropriated funds, or exchange. The bill guarantees that the lands purchased in fee would be preserved in their present rural atmosphere or restored to the historic scene which was significant to the strategy and tactics of the battles. This will allow the visiting public and scholars to interpret the national significance of the historic events which took place on these lands. Scenic easements would control the development and use of several properties such as the Sudley Church and Northern Virginia Community College. The bill would also allow for the purchase of inholdings within existing park boundaries; this would facilitate the preservation, interpretation, and management of the park.

The addition of this land would greatly enhance the historical importance of the current park. For example, one of the sites to be acquired is the opening scene of the second battle of Manassas, where Jackson made his decision to fight. Another parcel contains the only surviving building of the village of Groveton, the scene of intense fighting during the second battle. One piece of land is the site of Portici, General Johnston's headquarters during the first battle. And the historic Conrad House, used as a field hospital during both battles, is located on one piece of land. On one parcel stands an imposing woods of trees imbedded with the shrapnel of the Civil War battles.

The park is a major attraction for tourists and historians coming to the Washington metropolitan area. In 1974, the park had 700,000 visitors; 1 million are anticipated in 1975. The National Organization of Civil War Roundtables will hold its annual convention next to the battlefield in October around the theme of "Battlefield Preservation."

The expansion of the Manassas National Battlefield Park is important for another reason as well—to provide necessary recreational opportunities and open space to a fast-growing suburban area. Prince William County is one of the fastest growing counties in the Nation. From 1960 to 1970, its population doubled, jumping from 50,000 to 111,000. Today the county has 151,659 residents. Housing starts experienced a steady climb, before the current economic crisis took hold. In 1967, 1,499 new housing units were started; in 1971, 4,148; in 1973, 3,566. Similarly, commercial development in the county is growing. In 1967, the total value of new permits issued for nonresidential development was $19.9 million; in 1969, $37.2 million; in 1971, $45.1 million; in 1974, $24.9 million. The completion of two major interstate highways through the area have contributed significantly to the county's growth and the possibility of a commuter train and the completion of the Metro subway system in the metropolitan area will further encourage new families to move to Prince William.

Thus, this county has seen in recent years a rapid infusion of people and is facing the growing pains common to many of our suburban areas—the problem of providing adequate services. And as we all know, when services must keep pace with growth, sewers and schools must come first; parks and recreation facilities have to be a lower priority. For example, for Prince William's 151,659 citizens, there are only 1,141 acres of local parks.

Therefore, the addition of these 1,500 acres to the park will not only provide added historic lands for the park's visitors, but will provide new and much-needed recreational areas for local citizens.

In introducing this bill, I am taking a long-range view. This area—just 30 miles from the Nation's Capital—will in a few years be heavily suburban. In the past, the park has had to fight the possibility of a sanitary landfill, a truck garage, and a national cemetery. Commercial development is encroaching on the property. Several pieces of the land included in this bill are zoned commercial or lie adjacent to commercial land. A motel, gas station, and commercial cemetery are close by as is Interstate 66 and the land proposed for Marriott Corp.'s, Great America Theme Park.

Adding the proposed lands would provide essential buffers to protect the park as it is now. One resident living near the park puts it like this:

> I can speak as one who has for seven years observed the solemnity and sacred dignity which attaches to the grounds and their preservation. The stately cedars and the rolling plains are there to be seen by present Americans and by untold millions of citizens yet unborn who may come and silently ponder the significance of this soil.

Expanding the park to include these additional historic sites could potentially bring additional visitors to the park which in turn means more tourist revenue for the area and more jobs for local people. Of course, park employees pay local taxes. And the existence of the park causes land values to be higher causing more expensive housing with a relatively higher tax yield per unit.

I will seek prompt congressional action on this bill. There are several factors that make enactment urgent. First, as discussed earlier, the county is growing rapidly and will continue to do so. The economic slowdown, due to a short money market, high interest rates, and high taxes, gives the Department of Interior a good opportunity to purchase the land before private interests do. The threat of development is real; several areas are zoned commercial or residential. In the 93d Congress, the House Subcommittee on National Parks held a hearing on the proposed Great America Theme Park to be developed by the Marriott Corp. on historic lands adjacent to the park. One piece of property is currently up for sale. And finally, several owners of the land are willing to sell to the Department of Interior, but are unsure as to how long they can "hold out." In one case, the aged owner's offspring have begun court action to split up the property.

I have received letters of support for this expansion from the Prince William County Federation of Civic Associations and the Prince William League for the Protection of Natural Resources. While the Department of Interior is moving toward expanding the park's boundaries, I feel that legislation is needed now before it is too late.

AMERICANS OF SERBIAN DESCENT COMMEMORATE THE BATTLE OF KOSOVO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, the quest for national and individual freedom is a never-ending one, and on June 28, Serbian Americans and Serbs around the world will commemorate the dedication and the courage of their countrymen, who in trying to achieve the fulfillment of liberty's ideals, sacrificed their lives at the Battle of Kosovo in 1389 in the hope that others might reap the fruits of freedom. Actually fought on June 15, but celebrated on June 28 under the Gregorian calendar, the Serbs were defeated in this battle as they heroically attempted to preserve their national independence and religious freedom, which was under attack by Moslem Turkey.

At this confrontation the Serbian tsar, Prince Lazar, and the Turkish sultan, Murad I, were both killed. The Serbian knight, or voyvode, Milosh Obilich, who slew the sultan in his tent, has been immortalized in national songs and legends, along with the battle itself. So although the Serbs lost this heroic fight, the ideals for which they fought remain a part of the Serbian heritage, and these memories are permanently a part of their national consciousness.

The Serbian national identity, cultural integrity, and desire to liberate their land continued throughout the next five centuries of domination by more powerful neighboring countries. During the time of Turkish control, this determination compelled thousands of Serbs to volunteer and fight in the armies of other nations which were fighting the Turks. But it was not until the Russo-Turkish War in 1877–78 that Serbs finally realized their desire for self-determination and the Serbian nation became a free and independent state.

In 1918, under the leadership of the Serbian royal dynasty, the Kingdom of Serbs, Croatians, and Slovenians was established. The name of this kingdom was changed to Yugoslavia 11 years later.

After 1945, the monarchy was abolished and Communist domination of Yugoslavia was established. Unfortunately, the official observance of the anniversary of the Battle of Kosovo has been banned by the Yugoslav Government. Nevertheless, this historic date remains alive in the hearts of Serbs everywhere.

Mr. Speaker, this spirit to overcome tremendous odds in the name of freedom has strengthened the Serbian consciousness, has united the Serbs as a people, and is a vital part of their cultural heritage which has been preserved throughout the centuries. Americans of Serbian descent have made strong and lasting contributions to the strength and greatness of the United States and I am proud to join with the Serbian Americans in the 11th District of Illinois I am honored to represent, in the city of Chicago, and throughout the Nation who are commemorating the historic Battle of Kosovo. Their dedication to the ideals of human freedom and human dignity serves as an inspiration and example to the entire world.

MODIFICATION OF PACKERS AND STOCKYARD ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HIGHTOWER), is recognized for 5 minutes.

Mr. HIGHTOWER. Mr. Speaker, the recent bankruptcy of the American Beef Co. has highlighted severe problems in the traditional relationship of the livestock seller and buyer. While this situation has mitigating aspects to it, the net effect in too many cases was that producers—small ranchers as well as larger producers—lost most of their year's income in one transaction when the check they received for their livestock was not covered by sufficient funds in the packers bank account. The risks of farming and ranching are great enough without allowing the uncertainty brought on by this disclosure to continue.

Today, I am introducing a bill that will modify the Packers and Stockyard Act in that it will clarify the relationship between buyer and seller by providing greater protection to the seller without imposing any additional burden on the reputable, solvent buyer. I encourage my colleagues in the House to support this legislation. Following is a summary which highlights the main points in the bill.

The bill provides protection for sellers of livestock and poultry by:

1. Clarifying the transactions subject to the Packer's and Stockyards Act.

2. Requiring that packers:

A. Pay promptly for livestock.

B. Refrain from practices calculated to delay collection of funds and increase "float" time.

C. Refrain from encumbering livestock, inventories of meat or poultry products or accounts receivable derived therefrom, except to the extent they exceed the amounts owed for livestock.

D. Buy only on a cash basis unless current assets exceed current liabilities. In other words, any packer operating in an insolvent condition must buy livestock on a cash basis.

3. Giving the Secretary of Agriculture the authority to seek injunctions when a packer fails to pay promptly or operate in an insolvent condition.

4. Giving debts of a bankrupt packer that are owing for livestock purchases a priority under the Bankruptcy Act.

A more detailed section by section summary follows:

Section 1. Deletes the phrase "in commerce" in sections 202 and 312(a) of the Packer's and Stockyards Act [7 U.S.C. 192 and 213(a)] which specify prohibited conduct. However, the Act retains the requirement of proving that a person is subject to the Act, including proof that he is engaged in business "in commerce." This change would clarify that the Act regulates all livestock, meat and poultry transactions by persons subject to the provisions of the Act. It would enable livestock and poultry producers, prior to dealing with a person, to determine whether they could rely on the protection provided by the Act regardless of the ultimate disposition by the buyer.

Section 2. Makes it unlawful for any packer or any live poultry dealer or handler to:

1. Fail or refuse to pay for livestock by cash, check or money order on the same day of transfer of possession or on the first business day following the transfer of possession if it occurs on a weekend, holiday or after normal banking hours. Payment for cattle sold on a "grade and yield basis" would be paid for by the close of the first business day following the determination of the grade and yield.

2. Use payment practices or other means, such as remote location of bank accounts, calculated to delay collection of funds.

3. Encumber or give liens upon livestock meat or meat products or accounts receivable therefrom except to the extent the value of said livestock, inventory or receivables exceeds the amount owed to sellers of livestock. Any contract, agreement or other arrangement entered into in violation of this section shall be unenforceable.

Section 3. Makes it unlawful for any packer to buy livestock without paying for such livestock at the time of purchase by cash, check, or wire transfer of funds, unless at the time of purchase the packer has current assets in excess of his current liabilities. In other words, any packer must be solvent or else pay by cash, check or wire transfer of funds.

Section 4. Gives the Secretary of Agriculture the authority to seek injunctive relief when a packer has failed to pay for livestock or is operating while in an insolvent condition. The courts could either enjoin the packer from operating under the Act until the situation is remedied, or require that the packer operate under such conditions as the court may prescribe for the protection of sellers or livestock.

Section 5. Provides that debts of a bankrupt packer, market agency or dealer that are owing for the purchase of livestock or poultry shall have priority under clause (5) of the subsection (a) of section 64 of the Bankruptcy Act which gives priority to debts other than taxes owing to any person who by the laws of the United States is entitled to priority. Major items of priority which would come before the debts described above would be costs and expenses of administration of the bankruptcy, wages and commissions earned within three months of the commencement of proceedings, expenses of successful opposition to an arrangement proceeding, and taxes.

EXTENSION OF HIGHWAY PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Howard) is recognized for 5 minutes.

Mr. HOWARD. Mr. Speaker, I am today introducing legislation that will extend the existing highway program for a number of years. It would authorize completion of the Interstate System by funding to and including fiscal year 1988 and, in addition, would provide funding for the other highway programs under title 23 of the United States Code, which includes, among others, the primary system, the urban system, the primary system in urban areas, and other programs, for an additional 2 years.

There are other features of the legislation that the Members, I would hope, would peruse as they read the introduced bill.

Let me say at the outset that I introduce this bill mainly as a vehicle on which the Subcommittee on Surface Transportation of the Committee on Public Works and Transportation can hold a lengthy set of hearings which will begin on July 9 next. This bill, as introduced, in my opinion will be radically changed by the time final markup action is taken by the full Committee on Public Works and Transportation.

However, because of the failure of the administration to submit legislation for our consideration in the highway field, and because of the need to begin these very important hearings which will cover much more than highways, I have introduced this bill in order to commence the hearings.

Let me point out that it is my intention as the subcommittee chairman, and that of the ranking member on the other side, the Honorable Bud Shuster of Pennsylvania, to hear each witness who has any interest whatsoever, and can make a contribution to our consideration of future surface transportation development in this Nation.

I would point out that the notice of hearings which will go out shortly on this proposed matter will include not only the question of present and future highway needs in all its aspects, it will also include a full scale look at an effort to beef up and make even more meaningful a highway safety program.

It will go into the question of public transportation in this Nation in all its aspects, be it rural, urban or suburban.

And, finally, it will cover the interrelationship between the need for developing that interrelationship between the existing modes of transportation.

The general purpose of these hearings is to lay the groundwork for the eventual development of a comprehensive national transportation policy.

There is a crying need at this time to develop and make more meaningful a surface transportation program in the field of highways, public transportation, and other related areas. It is my hope and my earnest wish that these hearings will be a start of a move in that direction by this body and the whole Congress.

NOTICE OF HEARING ON H.R. 5246

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Rodino) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, on Wednesday, July 9, at 9:30 a.m., the Judiciary Committee Subcommittee on Monopolies and Commercial Law will hold a hearing on the bill H.R. 5246, to amend title 18 of the United States Code to prohibit certain forms of economic coercion based on religion, race, national origin, sex or, certain other factors.

The hearings will take place in room 2141 of the Rayburn HOB.

Witnesses before the subcommittee will include the Honorable Elizabeth Holtzman, the author of the bill, and a panel of three Assistant Attorneys General from the Department of Justice—Mr. Kauper, antitrust; Mr. Pottinger, civil rights, and Mr. Scalia, Office of Legal Counsel.

Anyone seeking information regarding the hearing is welcome to contact the subcommittee offices.

LEGISLATION RESTORING CITIZENSHIP TO PERSONS WHO RENOUNCED NATIONALITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Holtzman) is recognized for 10 minutes.

Ms. HOLTZMAN. Mr. Speaker. I have introduced a bill (H.R. 7893) to permit Americans who renounced their citizenship because of their opposition to the Vietnam war to regain their citizenship.

Approximately 5,000 Americans gave up their citizenship during the time of the U.S. military involvement in Vietnam. Not one of these persons is eligible to return to the United States. Not one can regain citizenship. Not one was eligible for amnesty under President Ford's limited amnesty program.

Most Americans now recognize that the nature of our involvement in Vietnam was a mistake. Surely we should no longer penalize those Americans who in a painful act of conscience and because of their opposition to this war renounced their citizenship.

We would permit them to come home if they choose.

The text of my bill follows:

H.R. 7893

A bill to restore citizenship to persons who renounced or otherwise lost American nationality because of opposition to American military action in Indochina, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) any person formerly a citizen of the United States who lost his nationality through any action taken by such person solely or partially because of disapproval of or opposition to the involvement of the United States in military action in Indochina shall, upon petition to any district court of the United States by such person or a legal representative, in accordance with subsection (b), be fully and unconditionally restored to United States citizenship.

(b) Any petition submitted pursuant to subsection (a) shall include a statement sworn to or affirmed by the petitioner stating that the loss of nationality of such petitioner resulted from action taken by such petitioner solely or partially because of disapproval of or opposition to the involvement of the United States in military action in Indochina. Such oath or affirmation shall be conclusive evidence of such fact in case of any person who—

(1) is male and reached the age of eighteen years during the period beginning May 13, 1961, and ending April 29, 1975, or

(2) took such action during such period.

Sec. 2. The Commissioner of Immigration and Naturalization shall, upon the receipt of a sworn written statement from any former citizen of the United States stating that such person lost his nationality through action taken solely or partially because of disapproval of or opposition to the involvement of the United States in military action in Indochina, exempt such person from the provisions of section 212 (a)(22) of the Immigration and Nationality Act.

OPPOSITION TO 10-DAY RECESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. Bedell) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, the House today considered a House concurrent resolution which authorizes a 10-day recess from June 26 to July 8. I was opposed to this resolution.

In ordinary times, most Congressmen welcome the opportunity to return to their districts to meet with constituents and discuss contemporary issues and individual concerns. I value these trips home, and I believe that they are an essential part of a Congressman's job.

However, these are not ordinary times. The economic and energy problems facing our Nation are serious and complex, and the business load facing the House is heavy. There is much work to be done, and little time in which to do it.

In light of the fact that we have just returned from a lengthy Memorial Day recess and that the traditional August recess is but a month away, I can see no justification for taking an extended leave from House business over the Fourth of July.

In my view, we should have reduced the scheduled Independence Day recess from 10 to 4 days so that we could have remained in Washington to work on the pressing problems that face our country and its people.

Mr. Speaker, we are all aware of the heavy legislative schedule that must be tackled before the August recess. If we are going to legislate effectively and responsibly, we must devote full and careful consideration to the legislation that is brought before us. We must avoid the hectic last minute crush of business that has characterized the periods immediately preceding past recesses.

I believe that we owe it to the American people to remain in Washington at this time to work on solving current problems.

PUBLIC LAW 480 AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 1 minute.

Mr. ZABLOCKI. Mr. Speaker, I am introducing today, together with Congressmen BIESTER, BINGHAM, FASCELL, FINDLEY, FRASER, MEYER, SOLARZ, WHALEN, and WINN as cosponsors, a bill proposing changes in the food-for-peace program. The bill is identical to S. 1654, which was introduced in the Senate by Senator HUMPHREY. Earlier this year, a number of colleagues and I introduced H.R. 2492, a humanitarian and economic assistance bill, for discussion purposes. The bill being introduced today also is being submitted for discussion purposes, and its sponsors are not committed to any specific language in the measure. However, in view of the public interest in ways to improve our food-for-peace program, we are pleased to join in offering the bill as a means of stimulating consideration of this important subject.

IT IS TIME TO SIMPLIFY AND IMPROVE OSHA

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, all of us are familiar with the difficulties faced by small businesses in attempting to comply with the complex regulations issued by the Department of Labor to implement the Occupational Safety and Health Act. The problem is that occupational safety and health is a highly technical matter requiring detailed and complicated procedures, and the small businessman neither has, nor can afford to hire, the technical experts necessary to deal with these difficult matters. Even larger and more sophisticated enterprises find compliance with OSHA extremely difficult.

The complexity of this act is indicated by the sheer bulk of the regulations and the fact that the standards that are being used can only be understood by engineers or industrial hygienists. Under present regulations, an honest businessman who wants to insure that he is operating within the law must hire an expensive consultant to advise him whether he is in compliance, or he must contact his regional OSHA representative for advice and consultation. Either way, he is going to be penalized for his honesty. Whereas the businessman across the street who determines not to hire a consultant or run the risk of citation by inviting an inspection of his facilities is in most cases rewarded for his lack of cooperation and apparent dishonesty.

It is time for Congress to take action to provide relief. Such action has been initiated time and time again, but the committees of Congress charged with this responsibility have been indifferent to the problems imposed on business by OSHA. Amendments which are germane to pending legislation are generally limited to appropriations bills and apply only to the period of approximately 1 year, since appropriations are annual in nature. Temporary relief of this nature has been voted on a number of occasions in the House, but nearly always encounters difficulty in the Senate. At present, despite dedicated efforts by friends of American business and industry, an exemption is in effect only for firms employing fewer than 10 people. Obviously this is inadequate relief and more effective efforts are needed.

I am cosponsoring legislation with several of my colleagues which provides technical assistance to the small businessman in helping him to understand OSHA's complex requirements. This measure will bring relief to the small businessman without prejudicing the rights of his employees. It provides for the Small Business Administration to give advice or consult with any small businessman who requests it on how to comply with the act and its regulations. This agency is already providing very effective service to the small businessman in many other ways. This legislation is needed and I urge my colleagues to support it.

It is even more important that Congress simplify OSHA and eliminate its application to businesses or industries employing fewer than 25 people.

MERRILL Y. WINSLETT

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, it is with a deep sense of sadness that I announce to the House the untimely death of my former administrative assistant, Merrill Y. Winslett, this morning in Bradenton, Fla.

Mr. Winslett had retired in 1971 from his distinguished congressional service of almost 30 years and, regretfully, did not live long enough to fully enjoy the days of sun-filled leisure which he had earned.

From his early school years in Chipley, Fla., and later his Marianna-based home in Florida's panhandle, Merrill came to Washington to serve as my top staffer from the early 1940's to the middle 1950's.

While reluctantly giving up his fine services, I applauded his move in 1956 to become administrative assistant to the late Senator Spessard L. Holland, with whom he served with distinction until the Senator's retirement in 1970.

Merrill then ably assisted in the difficult transition period for the incoming Senator, LAWTON CHILES. Merrill finally retired from his long years of labor for the people of Florida here in Washington and returned to his native State.

As a congressional staffer, Merrill had no peer. He was recognized throughout the Capitol Hill community as one of the leading administrative assistants and was considered the elder statesman of the Florida staff group.

In addition to his official service, he found time to be a leader in efforts to elevate the working conditions of all Hill staffers, being one of the founders of the Congressional Employees Federal Credit Union, and the Congressional Secretaries Club.

He was honored for these achievements in 1971 by being made one of the first and few lifetime honorary members of the Congressional Secretaries Club and received Roll Call's annual award as Secretary of the Year.

The Nation, and especially the State of Florida, will be saddened by the loss of this outstanding citizen.

To his lifelong companion and helpmate, his lovely wife, Chrystelle, go the deepest sympathies of not only my wife, Inez, and myself, but all his legion of friends throughout Florida and here in Washington.

SALE OF MILITARY EQUIPMENT TO SOUTH AFRICA

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, there are many who question the wisdom of the policy of the United States which forbids the sale of military equipment to the Republic of South Africa. I want to discuss this situation in detail. I question that the average person understands the full import of this policy.

U.S. ARMS EMBARGO—BACKGROUND

In August 1963 the U.S. Representative in the Security Council, Ambassador Adlai Stevenson, announced that the United States would end the sale of all military equipment to the Republic of South Africa by the end of 1963:

> In order further to contribute to a peaceful solution and to avoid any steps which might at this point directly contribute to international friction in the area.

It was not alleged that South Africa constituted a threat to the peace. In fact, Ambassador Stevenson said the United States was opposed to a mandatory embargo under chapter VII of the U.N. Charter as being both bad in law and bad policy "because the extreme measures provided under chapter VII was never intended and cannot reasonably be interpreted to apply to situations of this kind."

Ambassador Stevenson further said:

> The Council should be aware that in announcing this policy, the United States as a nation with many responsibilities in many parts of the world, naturally reserves the right in the future to interpret this policy in the light of requirements for assuring the maintenance of international peace and security. If the interests of the world community require the provision of equipment for use in the common defense effort, we would naturally feel able to do so without violating the spirit and the intent of this resolve.

It is, therefore, clear that the United States is not bound by a mandatory U.N. Security Council resolution in the supply of military equipment to South Africa and that it has in any event reserved its freedom of action.

STRATEGIC CONSIDERATIONS

The Cape Sea Route is generally acknowledged to be a very important strategic area; 25,000 ships pass along this route each year, carrying an important part of world trade, including 60 percent of Western Europe's oil and 20 percent of the oil imported by the U.S.A. The Suez Canal will remain highly vulnerable, but it has now been reopened and it is obvious that the Russian navy is the principal beneficiary among world powers.

The Indian Ocean, of which South Africa is a littoral state, has increasingly become the focus of activity by naval vessels of the U.S.S.R. From 1968 to 1975, shipdays of U.S.S.R. naval vessels have increased fivefold—from 2,000 to 10,000. Concern has been voiced by a number of countries in the area, as well as elsewhere, about this development and about Soviet and Communist Chinese involvement in the Indian Ocean and in Africa.

South Africa is a major source of important raw materials, some of them strategic, which are indispensable to the industrial countries of the world. Among these are uranium, platinum, chrome, manganese, asbestos, and vanadium. Last year at the World Food Conference in Rome, South Africa was designated one of the major food producing regions in the world. In addition, South Africa's industrial sophistication and economic potential makes it an attractive prize for imperialistic adventure.

The denial to South Africa of sophisticated defensive weapons must perforce make it more vulnerable to aggression. The application of the embargo is bound to create a power vacuum in the area which would attract aggressive adventures. There have been frequent threats of aggression against South Africa by other nations, but no threats or indication of aggression by South Africa.

It is the inherent right of every state to defend itself against outside aggression. To deny a friendly state commercial access to the equipment needed for this purpose when it has given no reason to question the bona fide defensive use of such material, is tantemount to denying it the right of self defense.

SOUTH AFRICA'S SECURITY SITUATION

South African arms requirements from abroad relate solely to its defense against external aggression. While much of its defense requirements are produced in South Africa itself, it does, like other countries, need to import some military or related equipment to strengthen its defense system in an important strategic area of the world.

South Africa does not need arms and military equipment "to enforce apartheid," as is sometimes suggested. The situation in South Africa is manifestly stable. In the 12 years since the imposition of the embargo there has been no incident which could lend credence to such a suggestion. The South African police force numbers less than that of the city of New York. The population figures are 8 million for New York, 24 million for South Africa; so the contrast is very striking and there are obvious conclusions about the amount of crime in each.

South Africa also needs certain equipment from abroad to discharge the responsibilities it has assumed in safeguarding the important strategic sealane around the Cape of Good Hope—a matter which is in the interest of all freedom-loving nations. In addition South Africa is one key to the preservation of peace and stability in Southern Africa.

Furthermore, South Africa needs some equipment to maintain rescue facilities along its long and dangerous coastline. The ships of all nations, including many of the United States, benefit from these facilities. South Africa has been severely hampered in obtaining sophisticated modern equipment by the extension of the arms embargo to material construed as having a military potential.

The South African Air Force has been responsible for the saving of 560 lives over the last 5 years. These rescue operations covered rescuing people from disabled ships, ambulance services, mountain rescue work including neighboring states such as Lesotho, and flood victims rescue. The majority of rescue missions involve nighttime operations. Some have been abortive, because of the lack of suitable equipment.

In accordance with the ICAO articles of convention, South Africa, as a member, provides measures of assistance in cases of distress within its assigned area. Botswana, Lesotho, and Swaziland are included in this area.

South Africa has consistently supported geophysical flights conducted by the U.S. Air Force. Satellite-tracking flights also receive direct support in every aspect from South Africa.

It is estimated that rescue or support operations conducted by the South African Navy to the ships of the world involve 195 ships towed to harbor, 134 ships assisted while in distress and nearly 700 persons saved or assisted in these operations. The South African navy went to the assistance of 158 ships involved in collisions or fires. As an aside, it is interesting that 2,340 ships per year pass the Cape bound to or from the United States.

SOUTH AFRICA'S POLICY TOWARD THE U.S.

South Africa has traditionally taken a friendly view of the United States and has cooperated with the United States in all important fields of overall strategy where its assistance was needed.

This is manifestly evident in the United Nations where South Africa has been one of the very few nations that consistently have supported American policies. It will be found that South Africa has lent its support on all major issues affecting U.S. security and has always responded positively to U.S. needs and has never acted arbitrarily in a manner contrary to U.S. security interests.

South Africa was associated with the United States as an ally in two world wars, in the Korean war, and in the Berlin airlift.

South Africa has never asked for any defense or financial assistance from the United States and has paid promptly and in full for U.S. military equipment used by South African forces in World War II and in the Korean war.

South Africa operated with great efficiency a NASA deep-space tracking station located in South Africa, and provides facilities for a U.S. missile tracking station.

South Africa does not discriminate against U.S. trade and investments. The United States earns annually a substantial favorable trade balance in its trade with South Africa—$560 million in 1974. United States exports to South Africa accounted for 30 percent of total U.S. exports to Africa and was double that of United States exports to the U.S.S.R. in 1974.

South Africa places no security or financial burdens on the United States.

In light of this situation, and in consideration of the support given the United States by the Republic of South Africa, it is understandable that South Africans regard the arms embargo as unjustifiable and discriminatory against a friendly country.

RELATIONS WITH AFRICAN COUNTRIES

It is often contended that African countries would retaliate against the United States if the United States were to modify the application of the arms embargo against South Africa.

This suggests a very narrow view. It is not believed that African countries will act irresponsibly. On the contrary, there is evidence that responsible African countries are sensible to U.S. interests and recognize the worldwide U.S. security responsibilities.

Other countries supply equipment for use against external aggression to South Africa without apparent effect on their relations with the rest of the countries on the African continent.

South Africa itself has flourishing trade relations with most of the other African countries. This trade takes place openly and directly, as well as, in some cases, covertly but with the acquiescence of the governments concerned. In 1974 alone South African trade with the rest of Africa increased by 26 percent from $800 to $1,042 million.

South Africa is actively seeking peaceful accommodations with other countries in Southern Africa and further afield. This policy, which has made progress, is aimed at bringing about the peaceful coexistence of all the peoples in the area and at improving the quality of life for all.

It should be obvious that it is time for the United States to reexamine its policies toward the Republic of South Africa and to try to improve relations between all of the nations of Africa rather than to engage in policies which, in effect, are divisive.

THE HOUSING MARKET

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, workable solutions are slow in coming to the complex problems of a depressed home building industry, riddled with its attendant lagging housing starts and paucity of available long-term mortgage moneys. The renewed vitality of much of our economic life will depend upon a viable home loan financing system which will in turn find its life support with the confidence of our great financial institutions.

We read almost daily about the loosening of funds in the home mortgage industry, about declining interest rates and the upturn in housing construction which is likely to be forthcoming any day. Yet, little of this "upturn" has been translated into a cash flow from lender to borrower, the necessary bottom line in signaling the emergence of a rejuvenated partnership between builders, borrowers and financiers.

Before the distinguished Real Estate Finance Conference of the American Bankers Association held recently in Denver, Colo., an eminent spokesman for the banking industry, Mr. Arthur H. Courshon, presented a thought-provoking address on the concept of tying home mortgage rates to the changing rate of inflation—an indexing system which would adjust continually to the peaks and troughs of the housing market.

Mr. Courshon, chairman of the board of Washington Federal Savings and Loan Association, Miami Beach, Fla., has long been a pace setter in the financial affairs of south Florida. He has also had a very profound impact upon the savings and loan industry in Latin America. He drafted the law which has worked very successfully in Chile providing for a variable interest rate and variations in deposits of a depositor according to the index of inflation and that system has worked through all of the vicissitudes that Chile has passed through. So the counsel of Mr. Courshon in this critical area is worthy of the consideration of my colleagues and my fellow countrymen.

Mr. Speaker, I include Mr. Courshon's very able address along with an article about it from the American Banker of May 6, 1975, in the Record immediately following these remarks.

ADDRESS BY ARTHUR H. COURSHON

It's a pleasure for me to be on the program this morning, and to talk about the very hot topic of variable rate mortgages.

In fact, the timing of this conference of the American Bankers Association couldn't have been more precise insofar as the prominence of the subject of our panel today.

The VRM's have been on the front burner in Congress for the past three weeks, and from the looks of things on Capital Hill the variable rate mortgage may be something that we will just talk about for awhile, rather than actually engage in.

That may be just as well, because in my view the opponents of the VRM have a very valid point: we are asking to de-control one side of the balance sheet without de-controlling the other.

Now that may be heresy coming from a savings and loan manager, but I believe we are very hard pressed to make a successful argument when we ask for authority to change the contract rate on a mortgage, but at the same time, seek to control the liability side of our businesses.

This is not to suggest that the savings and loan industry should seek removal of rate controls, or the differential between our associations and banks, but it does suggest that when we are ready for variable rate mortgages, or some variation of that vehicle, we should be ready for totally free markets.

I think, moreover, that when we speak about variable rate mortgages, we are really talking about another band-aid for the mortgage market.

It's not a cure-all, and I think everyone in this room knows that.

What it does is to cushion the fall. The problem is that we still can fall.

I'd like to see some serious examination of a device that goes further than the variable rate mortgage loan, and accomplishes a great deal more—including true equity for all parties in the mortgages; the saver, the borrower and the lender.

I'm talking about an adjustable mortgage, which is accompanied by an adjustable savings balance—all tied to the rate of inflation.

The word, in case you didn't get that, is "indexing."

You know, we all tend to shrink away with horror when the term indexing is used. We conjure up visions of Latin American revolutions and inflation rates of 500 per cent and more.

But what we tend to forget when we speak about indexing in those terms is the simple—and really inescapable—fact that it works.

The most recent edition of the MGIC Newsletter has in it an article by Professor Edward E. Edwards of Indiana University. In the article, Dr. Edwards talks about the interest rate risks that we lenders must take every time we make a long term fixed rate mortgage in a society that is going to have double digit inflation for some time to come.

Dr. Edwards flatly rejects variable rate mortgages as the answer to this dilemma, but here is what he says about indexing, and I quote:

"Indexing," he says, "is the fairest way of dealing with inflation in long term financial contracts. If indexing had been permitted, its use would at least be understood and perhaps be widespread. But the private market has not had freedom to develop new methods. A good case can be made that it is this lack of freedom, this excessive government regulation, that has brought home mortgage markets to their present state." End quote.

I could not agree more with what Dr. Edwards says in this article—up to this point. Where we disagree is that he dismisses the possibility of indexing the mortgage market because he doesn't think it can be sold to the Federal Government.

While he may be right, I think we ought to at least give it a chance—since he does concede that "it represents the fairest way of dealing with inflation in long term financial contracts."

We are all too eager to accept continued Government intervention in our marketplace in the forms of additional subsidies. Why not try to sell the Government on a device that is equitable to everyone . . . that gives the small saver his due . . . that gives the borrower and the lender the protections they need against Government policies that repeatedly fall short of the mark.

My own experience with a form of indexing is based on a program I helped develop as far back as 1958, in Chile.

I was sent to Chile by the State Department's Agency for International Development, expressly to develop a savings and loan system for that developing country.

The conditions for such a system when I arrived there were incredibly bad. Chile was in the grip of a runaway inflation where it required eleven hundred pesos to equal an American dollar. This was an increase of four hundred pesos in two years, and the rapid increase in the inflation rate destroyed any business incentive to make long term loans for housing or for any other purpose.

The impact of this situation on the housing market was as you might expect—a disaster. Home construction was at a standstill, and no one was making a mortgage loan if he could help it.

We saw about the same thing in the United States last year.

With the assignment in Chile in 1958, what was recommended to the Government at the time was that the rate of inflation had to be a prime consideration before any savings and loan system could be feasible.

This was the element that had to be dealt with first.

What we recommended at that time was to set up a savings and loan system that adjusted savings and mortgages with the inflation, with both the mortgages and savings accounts guaranteed by the Government of Chile.

We were suggesting that in order to make a mortgage a sound business loan, the rate of inflation needed to be taken into consideration.

I submit we can say the same thing about mortgage loans in our own country.

But the Chilean system was more than a simple adjustable mortgage clause. If that were the only thing we went after, we'd have had a variable rate mortgage loan.

And it is here I think that the proposals for VRM loans fall down. They never consider the other side of the coin.

Let me point up what recommended—and which has worked—in Chile.

First, we felt that the solution to the problem required the re-establishment of confidence that monies saved or loaned would be repaid in Pesos with equal purchasing power.

This meant that the principal amounts deposited in savings accounts or loaned on a long term mortgage basis would be protected against inflation through readjustments of principal balances which reflect the inflation.

In this way a depositor in a savings account knows that whenever he withdraws his funds he is going to get money that had been adjusted on the basis of the current value of the money in purchasing power. He also would receive dividends on the funds deposited which would be paid on the basis of a readjusted principal balance each year.

Likewise on money loaned on a long term mortgage to finance housing, the principal balance of the loan would be readjusted each year to reflect changes in the same inflation index.

There would also be changes each year in the amount of the monthly payments to be made by the borrower which will increase in the same percentage as the increase in the inflation rate.

The lender would be assured that it is obtaining repayment of the loan in funds with equal purchasing power, together with the interest earned on the loan.

As in the case of savings, the interest earned on the loan would likewise be computed on the basis of the balances of principal outstanding from year to year as readjusted to reflect changes in the inflation index.

The system adopted a procedure whereby if the inflation index has risen in several years, and then there is an annual period when the index falls, the readjustment is downward. However, in no case would the amount of the principal of a mortgage be reduced below the amount originally loaned, including credit for principal repayments.

Another feature of the program we recommended in Chile, and which was adopted and continues to thrive is one where the borrower pays no more than a stated percentage of his income toward the mortgage. We settled on 25 per cent as the recommended percentage of earnings.

All right, what about the index? That has been the big hangup in the United States insofar as the variable rate mortgage is concerned, and it seems that no one is able to arrive at one where everybody is happy.

In Chile we recommended the index be based on the average increase in earnings for the labor force.

We wanted to come up with something that would be equitable to the lender, so he could make a long term mortgage and not worry about the inflation rate. We also wanted to be equitable to the borrower, who would have to pay the mortgage.

We settled on an index reflecting the average increase in earnings because it bears a reasonable and steady relationship, over a period of time, to changes in the cost of living.

Changes in the average salaries and wages are subject to less variations and represent a steadier course of adjustments—and what's more the changes in the monthly payments in the mortgage would then be within the ability of the borrower to pay, since monthly payments in mortgages would be initially computed on the basis of a fixed percentage of earnings, which percentage of earnings then remains constant.

Now quite obviously, I'm not suggesting a carbon copy of the Chilean system for the United States. We have 50 states, all with differing laws and customs related to real estate transactions.

But I am suggesting that the Chilean system, which, by the way, preceded by several years the highly touted Brazilian system of indexing, has a seventeen year track record of success.

It works.

And what's more it works even when inflation does go to 500 per cent a year as it did while the Marxist regime of Salvatore Allende was in power in Chile. But even then the savings and loan system not only survived but grew tremendously.

I believe the problems of today's mortgage market are compounded by our extremely acute manner of applying tourniquet after tourniquet to stop our bleeding.

My feeling however is that if we would ever stop and say "enough" we might recognize that the free—and I mean truly free—market is really the only lasting salve for our wounds.

And if that means recognizing that inflation is here to stay for the foreseeable future then we ought to deal with that problem squarely.

Indexing not variable rate loans to my mind is a far more equitable far more realistic solution.

Thank you very much.

Indexing, Not VRM's, Is a More Realistic Solution for Leaders

DENVER.—A leading savings and loan industry spokesman charged today that the proposal to allow variable rate mortgage loans was "just another bandaid for the mortgage market."

Arthur H. Courshon, Chairman of Washington Federal Savings and Loan Association, Miami Beach, Fla., told a recent conference of the American Bankers Association National Conference on Real Estate Finance here that what is needed instead is "an adjustable mortgage which is accompanied by an adjustable savings balance—all tied to the rate of inflation."

What Mr. Courshon is suggesting is to index the mortgage contract as "the most equitable to lender, borrower and saver." Indexing is widely used in several Latin American countries, most notably Brazil.

"What we tend to forget when we speak about indexing is the simple and inescapable fact that it works," Mr. Courshon told the bankers.

The savings and loan executive, who is a past president of the National Savings and Loan League, rejected the VRM proposal—now a hot issue in Congress because "all it does is to try to cushion the fall. The problem is that we can still fall.

"Why not instead try to sell the Government on a device that is equitable to everyone; that gives the small saver his due; that gives the borrower and the lender the protections they need against Government policies that repeatedly fall short of the mark."

The savings and loan official helped establish a system of adjustable mortgages in Chile some 17 years ago. At that time, he said, "Chile was in the grip of a runaway inflation where it required 1100 pesos to equal an American dollar. The rapid increase in the inflation rate destroyed any business incentive to make long term loans for housing or for any other purpose.

"The impact of this situation on the housing market was a disaster. Home construction was at a standstill and no one was making a mortgage loan if he could help it.

"We saw about the same thing in the United States last year," he said.

What Mr. Courshon recommended for Chile at the time, and which he says now ought "to be given serious consideration" in the U.S., is a system where the principal amounts deposited in savings accounts or loaned on a long term mortgage basis would be protected against inflation through readjustments of principal balances reflecting that inflation.

"In this way a depositor in a savings account knows that whenever he withdraws his funds he is going to get money that has been adjusted on the basis of the current value of the money in purchasing power. He would also receive dividends on the funds deposited which would be paid on the basis of a readjusted principal balance each year.

"Likewise on money loaned on a long term mortgage to finance housing, the principal balance of the loan would be readjusted each year to reflect changes in the same inflation index.

"The lender would be assured that it is obtaining repayment of the loan in funds with equal purchasing power, together with the interest earned on the loan."

The S&L official noted, too, that in the Chilean program the borrower's monthly payment remains fixed at 25% of his income.

Mr. Courshon explained that the index used to determine the changes based on inflation in Chile is the average increase in earnings for the labor force. "We wanted to come up with something that would be equitable to the lender, so he could make a long term mortgage and not worry about the inflation rate. We also wanted to be equitable to the borrower who would have to pay the mortgage.

"We settled on an index reflecting the average increase in earnings because it bears a reasonable and steady relationship, over a period of time, to changes in the cost of living."

Mr. Courshon noted that he is "not suggesting a carbon copy of the Chilean system for the U.S. We have 50 States, all with differing laws and customs related to real estate transactions.

"But the Chilean system has a 17-year track record of success," he added.

The S&L executive noted that what is evident in the indexing system which is not evident with the variable rate proposal is that the VRMs aren't a truly free market device.

"We are asking to de-control one side of the balance sheet without decontrolling the other," Mr. Courshon said. "I believe we are very hard pressed to make a successful argument when we ask for authority to change the contract rate on a mortgage loan but at the same time, seek to control the liability of our business."

Mr. Courshon noted that this compounds the problems of the mortgage markets because "it is merely the application of another tourniquet."

He said financial institutions need to recognize that "the free market is the only lasting salve for our wounds. And if that means recognizing that inflation is here to stay for the foreseeable future, then we ought to deal with that problem squarely.

"Indexing, not variable rate loans, is a far more equitable, far more realistic solution."

WHY CAN'T ECONOMISTS AGREE?

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, one of the outstanding economists in this country with a long record of distinguished public and university service is Dr. Walter W. Heller, regents' professor of economics at the University of Minnesota. What Dr. Heller writes is always thoughtful, able, and interesting. I have just come across a very interesting article by him on the subject, "Why Can't Those (#*$†%!¶) Economists Ever Agree?" which appeared in the May 1975 issue of TWA Ambassador magazine. I thought my colleagues in the Congress would enjoy this article as I did and would profit by reading it. Hence, I include, Mr. Speaker, Dr. Heller's article in the RECORD at this point:

Why Can't Those (#*$†%!¶) Economists Ever Agree?

(By Walter W. Heller)

Why can't economists agree? Well, to start with, I can't quite agree with the question. It's wrong, by at least half. For there's a wide range of issues on which economists do agree.

For example, during President Ford's summit conferences on inflation last September 28, leading economists from across a wide spectrum of American economics met with the President. Lo and behold, with only a small minority voicing any dissent, that diverse body of economists agreed on the following points:

The U.S. economy was sliding into recession.

It was high time for the Federal Reserve to ease up on the monetary brakes.

Moderate cuts in the Federal budget (say, $5 to $10 billion) offer very little payoff in fighting inflation.

In fact, some budget increases and tax cuts were urgently needed to provide relief to people of modest means who were being squeezed by both inflation and recession.

The President and Congress should resist demands for re-imposing full-scale wage and price controls.

To top it off, some two dozen of the group signed a "manifesto" calling on the President and Congress to eliminate 22 federal laws and regulations that interfere with free competition, boost costs and prices, and thus pick the pockets of consumers.

Did this large measure of consensus come through to the American people in the news and TV clips? Not really. Rather, it was the divergence in our views—say, J. Kenneth Galbraith's maverick position that taxes should be boosted and Milton Friedman's lonely stand against easier money—that seemed to catch the public eye. Why is it ever thus?

First, because agreement is dull—it's controversy that's spicy. Second, because the things on which economists generally agree—measures to make the economy more efficient and cut costs to consumers—deal with such humdrum matters as tougher anti-trust policy, freer foreign trade, ending feather-bedding, closing tax loopholes, removing limits on interest paid to savers, and loosening the strangling grip of regulation on railroads, airlines and truckers.

Third, because the areas of storm and strife among economists—tax cuts, government spending, deficits, tight money, inflation versus recession—are the center-stage stuff of which economic drama is made. On these gut issues, economists are often sharply split.

As this is written, for example, while almost all economists agree that Congress should cut taxes and the Federal Reserve should provide cheaper money, they differ sharply on (1) how big the tax cuts should be, (2) how far the Fed should go in pumping money into our parched economy, (3) how deep the recessionary freeze has to be to cool off inflation, and (4) what use should be made of such weapons as wage-price restraints and credit controls in bringing inflation to bay.

On such issues, it is fair to ask: Why do the economic doctors disagree?

Part of the answer stems from genuine differences in scientific diagnoses—usually between the monetarists, or conservative, economists, and Keynesian, or the liberal, economists. Take inflation, for instance: the Chicago School, the monetarists led by Friedman (I rank members of the Chicago School according to their monetaristic fervor—Friedmanesque, Friedmanites, Friedmantics and Friedmaniacs!) are convinced that our inflationary woes can be traced to over-easy monetary policy. They blame the Federal Reserve for pumping too much money into the economy.

The Keynesians say, "Yes, that's part of it. But two-thirds of the 1973–74 inflation traces directly to the explosion of oil and food prices. If the Federal Reserve had tried to offset those forces by choking off the supply of money, it would have strangled the economy and plunged us into something like the Great Depression."

The Keynesians—including such people as Paul Samuelson, Arthur Okun, Gardner Ackley, Charles Schultze, and so on (including myself)—the Keynesians have been arguing for months that the Federal Reserve was running too tight a policy, considering the fact that interest rates were in double-digit figures.

For a long time the monetarists—Friedman, of course, and Karl Brunner, and Beryl Sprinkel, of the Harris Trust and Savings Bank of Chicago—were saying, "Oh, but the money supply is still increasing apace, so let's not worry too much about the double-digit interest rates."

Friedman was saying that the Federal Reserve should not let up, that it should keep on its course of tightness. As a matter of fact, he wouldn't even admit that it was very tight. Others were saying, "On the contrary—it's squeezing the economy so hard that in the process of trying to squeeze the inflationary water out of the economy, it's squeezing the production lifeblood out of the economy."

Some of us were already forecasting as of last August and September, that we were heading into the worst recession since the Great Depression. But as late as September, some monetarists were still saying, "No, no, keep the brakes on." Well, we were right and they were wrong.

Strange to say, at the present time both monetarists and Keynesians agree that the Federal Reserve should be more open-handed. And Paul Samuelson put it very well when he said, "Twice during every business cycle I agree with Milton Friedman. Once when we're recovering and inflation begins to threaten, then my line of how much money supply increase I want crosses his standard 4-per-cent line. Then as we're going down, it again crosses like a stopped clock."

Aside from the "schools of thought" alignment, inflation presents economists with a particular problem that often results in disagreement: we don't fully understand inflation.

Economists have long been at the drawing boards on this problem. In a close parallel with research on cancer, economists are working on various pieces of the inflation puzzle and producing useful insights and guidance for policy purposes. But as economists, we must be the first to admit that these puzzles are far from being fitted into an articulated, holistic theory of inflation. Inflationary analysis now appears as an appendage to Keynesian and monetarist theories. But as yet, the Keynesian apparatus can't tell us how any given change in aggregate demand is divided between changes in real output and changes in prices. Nor has monetarist theory unlocked the puzzle of how the effects of monetary changes are divided between output and price-level changes. The result? Continuing disagreement.

Or economists may differ on the facts. Take energy. No one knows for sure (1) how big U.S. and world oil reserves are; (2) how long it will take to get major new oil and gas supplies on stream; (3) how much belt-tightening by oil importing countries it will take to break the united front of the oil cartel—the Arabs and other oil exporters—and how far their prices will drop once the cartel falls apart.

Remember, though, that even with hunks of the moon to work on in their laboratories, geologists still can't agree on its origin and age. Where economic facts are elusive and cause-and-effect are unknown or unclear, is it any more surprising that economists should disagree on estimates and judgments?

But let's face it. Even if we knew all the facts and if cause-and-effect relations were crystal-clear, we economists would still be deeply divided on those gut issues. Why? Because, even though some of our critics might doubt it, economists are human beings.

And as such, we differ as sharply among ourselves on goals, values and priorities as those who read these lines disagree among themselves. For example, how much unemployment and recession are we willing to endure to beat back inflation? That answer can't come out of economic science. It comes out of people's hearts and souls, where differences abound.

Consider the minimum wage. You can be for a minimum wage for humanitarian reasons, but it's not so easy to justify it in terms of economic efficiency. Because, of course, it cuts off some people at the bottom and it tends to shove the wage structure up. In the last analysis—if you're an economist who supports the minimum wage—you have to support it mainly on your humanitarian conviction that people shouldn't be paid less than a certain miserable minimum wage.

Or take the role of government. Again, like the readers of this article, economists range from the far left to the far right. Some—like Friedman and Alan Greenspan—personally view almost any government interference as an unwarranted violation of our freedom. Some—Galbraith, Gunnar Myrdal, Leon Keyserling, Robert Heilbroner, among others—believe that economic justice won't be done until the government takes over a much larger part of the management of the economy. The great majority—including Paul McCracken, Henry Wallich, Paul Samuelson, Arthur Okun, John Dunlop, myself—fall in between.

Does this split among the "free," "controlled," and "guided" economy advocates reflect a split in our analysis of what makes the economy tick? Only in part. Mostly, it reflects a difference in the economists' beliefs and objectives and philosophies of government.

Let me illustrate this in terms of revenue sharing. I originally proposed the modern version of revenue sharing in the 1950s, got President Johnson interested in it (though he finally veered off) and then worked out a specific formula for it with Joseph Pechman of the Brookings Institution—most of which was adopted by President Nixon and the Congress.

When I argue for the revenue-sharing system as against what are called "categorical" or "conditional" grants-in-aid, one of my arguments has nothing to do with economics: the argument has to do with my philosophy of government. I believe in a strong federalism, and a strong federalism means a strong level of state and local government.

Therefore, I wanted the Federal Government to turn some money over to the state and local governments with no strings attached. Now there's also a good economic reason for that—because of inequality among state and local governments, you'll have more even-handed and efficient government services if you share some federal funds in a way that reduces disparities among state and local units.

But there was an entirely separate, noneconomic argument at work here: the personal, philosophical question of decentralized government.

The point is, much of what the public perceives as a clash of economic concepts and findings is in fact a clash of human goals and ideals.

And "monetarist" and "Keynesian" are labels, not just for economists whose theories differ, but, as it happens, for economists whose social and philosophical leanings also differ. There's no reason a monetarist has to believe, simply by the economics of it, in just a steady, even-handed growth of the money supply with human beings keeping their meddling hands off of it.

You could believe that "only money matters much" and yet that the Federal Reserve money managers should be boosting the money supply one month and reducing it the next. Economics as such simply doesn't dictate whether we should have a government of laws or a government of men.

What dictates it is the degree of faith you have in human beings. Milton Friedman—a personal friend since 1940, though we have different sets of values—happens to be both a monetarist and a man who does not believe that the human animal can be trusted with such detailed management of money or detailed management of the economy. He thinks that the human being will make more mistakes if you let him react to current and predicted future developments than if you simply force him to keep a steady hand on the throttle—or keep his hand off the throttle. He feels, personally, that the automatic pilot is a lot more reliable than the human pilot.

In the case of Alan Greenspan—neither monetarist nor Keynesian—the influence is Ayn Rand. Ayn Rand, who believes that your self-interest drives you, that the best single economic motivation is self-interest. That if you pursue your self-interest—this is the old Adam Smith "invisible hand" thing—you're bound to serve somebody else in the process. Because, this theory says, the best way to make money is by doing something useful for somebody else—though, in fact, too many people make money by monopolizing, bamboozling, and short-changing the consumer, and therefore require regulation.

It would be helpful if economists were more meticulous; if they would "come clean" more often and say, "You've got to understand that here I'm not speaking as an economist—I'm speaking as a value-charged human being."

For example, in judging Nixon's budget policy in 1973 and 1974, I had to divide myself into two parts: namely, a social being and an economic being. As social policy, the way he cut the budget was miserable. But if you ask me as an economist, "Was Mr. Nixon right to cut back his budget, to make his budget more restrictive in the face of inflation and in the face of an overheated economy?" I have to say that as broad economic policy, it made good sense.

Outsiders can be excused for slipping into the fallacy of association, of attributing economists' differences of opinion to our unresolved analytical conflicts rather than to divergent evaluations of social priorities and competing philosophies of government. The economist owes it to the public to identify which is which—which of his conclusions and recommendations come from his head, and which from his heart.

And if the public (and the press) owe the economist anything, it is to recognize, first, that if you lay all economists end to end, they don't always "point in all directions." And second, when they do, they're often speaking as citizens, not scientists.

LEGISLATION TO PROTECT PUBLIC INTEREST LITIGATION BY AUTHORIZING FEDERAL COURTS TO AWARD ATTORNEYS' FEES TO PREVAILING PARTIES

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, 20 Members of Congress are joining me today in sponsoring legislation which would overrule a recent Supreme Court decision that seriously restricts and jeopardizes public interest litigation, especially in the areas of civil rights and environmental protection.

This bill, the Federal Courts Attorneys' Fees Act (H.R.——), would give the Federal courts the discretion to require that the losing side of a lawsuit pay for the legal expenses of the winning side. In May, the Supreme Court ruled in Alyeska Pipeline Service Co. against Wilderness Society that the courts have no discretion to award such expenses, which are called attorneys' fees, in the absence of specific legislative authority.

Unless Congress enacts this legislation, most meritorious public interest lawsuits are not going to be filed in the courts because public interest litigators cannot survive financially if they cannot recover legal expenses when they win. Typically, these cases attempt to enforce constitutional rights and Federal laws for the benefit of the entire public by means of enjoining continuing violations of the Constitution or laws. Without the possibility of reimbursement if their suit is successful, few individuals or organizations will spend tens or hundreds of thousands of dollars to halt illegal pollution, civil rights violations, or illegal governmental actions. As a practical matter, awarding attorneys' fees to winning litigants is the only way most of these cases will be brought.

Some specific laws permit the awards of attorneys' fees in cases under those laws, but such fees are not specifically authorized by the major statutes providing for civil remedies under the civil rights laws and the environmental protection laws.

Under the Federal Court Attorneys' Fees Act, when the Federal Government loses a civil case, it would be liable for the payment of the winning side's legal expenses whenever the Federal courts felt that such payment would be in the interests of justice. A party successfully suing the United States to make it obey the law should recover attorneys' fees. A series of cases, however, has ruled that the U.S. Government is not liable for the payment of attorneys' fees under current law. The bill would overrule these cases, too.

Mr. Speaker, the text of the Federal Court Attorneys' Fees Act follows:

H.R. 8221

A bill to amend title 28 of the United States Code to authorize the awarding of attorneys' fees in civil actions before the Federal courts where the interests of justice so require, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Court Attorneys' Fees Act of 1975".

SEC. 2. Chapter 123 (respecting fees and costs) of title 28 of the United States Code is amended by adding at the end the following new section:

"§ 1930. ATTORNEYS' FEES IN CERTAIN CIVIL ACTIONS

"If in a civil action the court determines the interests of justice so require, the court shall award reasonable attorneys' fees to the prevailing party. The United States shall be liable for such fees the same as a private party.".

SEC. 2. The table of sections for chapter 123 of title 29 of the United States Code is amended by adding at the end the following new item:

"1930. Attorneys' fees in certain civil cases.".

STATEMENT OF MR. BARRETT AND MR. REUSS ON THE EMERGENCY HOUSING ACT OF 1975

(Mr. BARRETT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BARRETT. Mr. Speaker, today the House has missed passing H.R. 4485, the housing bill vetoed by the President yesterday, by the required two-thirds vote.

For the 5 months during which the Congress was acting on this bill, the administration repeatedly insisted that assistance to stimulate housing production and to help unemployed homeowners to keep their homes was neither needed nor warranted. During this same period, the administration's actions were consistent with its words. Some $2 billion in mortgage funds available under an existing program to stimulate housing production were not released.

During hearings before the Subcommittee on Housing and Community Development, administration witnesses stated that it was wrong and inflationary to subsidize additional housing starts. Recently, administration spokesmen have said that the recession has ended and that housing starts and sales are on the way up and that this is not the time to provide additional stimulation to the economy.

We regarded the President's veto of H.R. 4485 as consistent with these statements and actions. However, in his veto message, the President indicated that he was releasing the existing $2 billion in subsidized mortgage loans, requesting additional similar mortgage loan authority and supporting a modified homeowners relief program.

Thus, it appears that the objectives of H.R. 4485 and the administration are similar. In view of this identity of purpose, we are surprised that the President vetoed H.R. 4485. We do not find valid reasons of sufficient weight in the President's message to justify that veto.

Today, we are introducing a housing bill which meets some, but not all, of the President's objections. We do this in a spirit of compromise and in the interests of getting a law quickly. However, we will not abandon provisions which we believe are important to the effectiveness of the program or adopt provisions which are ineffective.

Accordingly, the bill we are introducing today would—

First. Reduce the level of the housing assistance program from $12 billion in mortgages to the level recommended by the President, $7.5 billion;

Second. Increase the interest rate on tandem plan mortgages from 7 to 7½ percent, the level contained in recently introduced bills which the administration finds acceptable;

Third. Delete $1,000 cash payments;

Fourth. Give the Secretary of HUD some flexibility in determining the mix of subsidy approaches;

Fifth. Drop all miscellaneous provisions except the extension of the 312 rehabilitation loan program and the administration-supported extension of the Emergency Home Purchase Assistance Act of 1974 to conventionally financed multifamily housing; and

Sixth. Reduce the funding level of the homeowners' relief program from $500 million to $250 million to further emphasize our intent that this program is to be used only after forbearance possibilities have been exhausted.

We believe that this is a reasonable and sound bill that meets the administration more than half way, and that it involves considerably less budgetary impact in the next 2 years than does the administration's proposals.

We intend to hold hearings on this bill as soon as possible.

REPEAL SOCIAL SECURITY SECTION 249F

(Mr. LANDRUM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LANDRUM. Mr. Speaker, I am today introducing legislation to repeal section 249F of the Social Security Amendments of 1972 which establishes the professional standards review organizations.

The Medical Association of Georgia has been in touch with me, as have many individual doctors from my district, and they have shown me how foolish this legislation was to begin with. Now that the law is going into effect, it is obvious how misguided the whole idea was. It should be repealed before it gets into full operation.

What will we gain by having a committee scrutinizing our doctors? Well, for one thing, we will run the risk of having a patient's records viewed by committeemen other than his own doctor, persons with whom he is not and may not wish to be in consultation.

More importantly, we will have our doctors unable to exercise their own best judgment as to what care is best for their patients and whose records they know. Instead, they will have to clear everything through a committee and work using "receipts" for the committee's "cookbook." All innovation and experimentation in new techniques will be curbed to keep care at the level of mediocrity. Also, the physician will be burdened with another level of bureaucracy and another load of Government paper, an obvious incentive for costs to rise.

The doctors who have talked with me are not concerned for themselves so much as they are concerned about the damage this law will do to the level of their patients' care. They rightly fear the loss of our free enterprise medical system to "medicine by cookbook." Our private enterprise medical system, run by the individual doctors, has given us the best medical care in the world. To require the doctors to be answerable to a Government committee will be a step backward.

I urge speedy consideration of this bill.

GUN SLAVERY

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, handgun control is urgently needed in this country. According to a study released by the National Coalition To Ban Handguns, "54 percent of all murders committed in 1972 were carried out with handguns." We are a country of gunmen and without legislation restricting the ownership and sale of handguns, our homicide rate will continue to rise.

In an editorial broadcast over WMAL radio on April 25, the station made a plea for handgun control which I wholeheartedly support:

CIRCUMSTANCES ARE CHANGING THE TUNE OF OUR NATIONAL ANTHEM

"Land of the free and the home of the brave" . . . think of the crime rate in this country and that phrase takes on a totally different meaning. More and more only the brave are free . . . the rest of us are afraid to walk alone at night or even in broad daylight.

How can we feel "free" when we never know if someone will take a shot at us at the bus stop or shopping center . . . or if we'll be held up while sitting in church? Handgun murders are almost daily occurences in this area yet we by no means monopolize handgun crime. The whole country is feeling the effects of handgun-related crimes. . . . And consequently the *whole* country needs strict handgun control. That kind of Federal control can only come from Congress.

Delegate Walter Fauntroy is confident that "the 94th Congress is destined to pass meaningful handgun control legislation". It will, but only if you demand it . . . only if you, the citizen, say you've had enough. For too long the gun lobbies have been drowning out the will of the majority of citizens . . . the majority who want to keep this country "the land of the free" . . . for all citizens . . . not just the brave.

FUNDING FOR FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACTIVITIES

(Mr. BOLAND asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BOLAND. Mr. Speaker, in my remarks on the fiscal year 1976 HUD-independent agencies appropriation bill which was approved in the House yesterday, I had been asked by the chairman of the Committee on Agriculture (Mr. FOLEY) to mention the special limitation contained in the bill on the activities of EPA relating to the FIFRA programs.

Among the agencies covered is the Environmental Protection Agency, and the bill reported by the committee provides a restriction on funds as follows:

> No funds provided for the EPA by this Act may be used for any Federal insecticide, fungicide, or rodenticide activity after September 30, 1975, that is not authorized by law.

On June 17, 1975, the House passed H.R. 6387, as amended, which provides an interim extension of the Federal Insecticide, Fungicide, and Rodenticide Act for the 3-month period ending September 30, 1975.

The appropriation bill recognizes that the authorization reported by the House Committee on Agriculture only provided a 3-month, rather than a 2-year extension. To enable EPA to continue its functions in an orderly manner while the Congress completes its consideration of a number of issues that arose during the authorization hearings, our committee recommended the above language.

The issues should be resolved and a further authorization provided before the end of September.

The appropriation for EPA may not be used for administration of FIFRA beyond September 30 unless Congress acts to extend the act. It is therefore important that this authorization be completed before this cutoff in funds takes effect. In the interim period, it is intended that EPA spending be limited to that contained in the pending authorizing legislation. Under H.R. 6387 the authorization for FIFRA is not to exceed $11,967,000 for this 3-month period. Of this amount, there would be available for research and monitoring—but in no event for purposes relating to enforcement of the act—not to exceed $3,511,975. In addition, any spending by EPA beyond September 30 is restricted to whatever authorization Congress may provide in legislation to further extend FIFRA.

In summary, although H.R. 8070 appropriates money for various activities of EPA such as for agency and regional management, research and development, enforcement, and other functions, insofar as its activities under FIFRA are concerned, they are made subject to this special provisio. By virtue of this proviso they would be subject to the limitation I have just discussed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BEARD of Tennessee (at the request of Mr. RHODES), for Thursday, June 26, 1975, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ECKHARDT, for 10 minutes, today, to revise and extend his remarks and include extraneous material.

(The following Members (at the request of Mrs. FENWICK) and to revise and extend their remarks and include extraneous matter:)

Mr. BIESTER, for 10 minutes, today.

Mr. STEIGER of Wisconsin, for 10 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. CONABLE, for 5 minutes, today.

(The following Members (at the request of Mr. MCHUGH) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. HARRIS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. HIGHTOWER, for 5 minutes, today.

Mr. HOWARD, for 5 minutes, today.

Mr. RODINO, for 5 minutes, today.

Mr. KRUEGER, for 60 minutes, today.

Ms. HOLTZMAN, for 10 minutes, today.

Mr. KOCH, for 5 minutes, today.

Mr. ALEXANDER, for 5 minutes, today.

Mr. BEDELL, for 5 minutes, today.

Mr. ZABLOCKI, for 1 minute, today.

Mr. BENITEZ, for 30 minutes, on July 9, 1975.

Mr. FLOOD, for 60 minutes, on July 16, 1975.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MADDEN, and to include a newspaper article.

Mr. MICHEL, and to include extraneous matter on H.R. 8096 in the Committee of the Whole today.

Mr. CONTE, and to revise and extend his remarks on H.R. 8076 following Mr. MICHEL in the Committee of the Whole today.

Mrs. BOGGS, remarks immediately prior to vote on the Roybal amendment.

Mr. BURLISON of Missouri, and to include extraneous material in his remarks on his amendment to H.R. 8069 today.

Mr. KOCH, and to include extraneous material during general debate on H.R. 8069 today in his colloquy with Mr. FLOOD.

Mr. KOCH, and to include extraneous material, in his remarks on the Emergency SBA Loans, on June 17, for printing in the final RECORD.

Ms. ABZUG, her remarks on the Gude amendment on H.R. 8069 today.

Ms. ABZUG, her remarks prior to the passage of the Long of Louisiana amendment on H.R. 8069 today.

Ms. ABZUG, her remarks immediately following the rejection of the Bauman amendment on H.R. 8069 today.

(The following Members (at the request of Mrs. FENWICK) and to include extraneous matter:)

Mr. GUDE in four instances.

Mr. ARMSTRONG.

Mr. ASHBROOK in seven instances.

Mr. SYMMS.

Mr. PRESSLER in five instances.

Mr. MCCOLLISTER.

Mr. MCKINNEY in two instances.

Mr. RUPPE in three instances.

Mr. WYDLER in two instances.

Mr. HORTON.

Mr. J. WILLIAM STANTON.

Mr. DU PONT.

Mr. MADIGAN.

Mr. DERWINSKI in two instances.

Mr. ABDNOR.

Mr. BUCHANAN.

(The following Members (at the request of Mr. McHugh) and to include extraneous material:)

Mr. Wolff.

Mr. Zeferetti.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Thompson.

Mr. Boland in two instances.

Mr. Fuqua in five instances.

Mr. Patten.

Mr. Fisher in two instances.

Mr. Tsongas.

Mr. Fauntroy in three instances.

Mr. Kastenmeier.

Mr. McDonald of Georgia.

Mrs. Spellman in three instances.

Mr. Nowak.

Mr. Roush in two instances.

Mr. Cotter.

Mr. Mikva.

Mr. Matsunaga.

Mr. Stokes in two instances.

Mr. McHugh.

Mr. Bedell.

Mr. Nix in two instances.

Mr. Leggett in four instances.

Mr. Koch.

Mr. Florio.

Mr. Miller of California.

Mr. Harris.

Mr. Blanchard in two instances.

Mr. Teague.

Mr. Symington.

Mr. Alexander.

Mr. McCormack.

Mr. Brooks.

Mr. Rose.

Mr. Zablocki in two instances.

Mr. Steed.

Mr. Jenrette in two instances.

Mr. Eckhardt.

Mr. Burke of Massachusetts.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 792. An act to provide increased employment opportunity by executive agencies of the United States Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

S. 1774. An act to reorganize the executive branch of the Government by abolishing the Federal Metal and Nonmetallic Mine Safety Board of Review and transferring the functions and powers of such Board to the Secretary of the Interior; to the Committee on Education and Labor.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 6387. An act to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 3 months.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 6387. An act to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 3 months.

ADJOURNMENT

Mr. McHUGH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 48 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, June 26, 1975, at 10:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1274. A letter from the President of the United States, transmitting a proposed fiscal year 1976 budget amendment for the Department of Defense—Military (H. Doc. No. 94–200); to the Committee on Appropriations and ordered to be printed.

1275. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed rulemaking for special projects for arts education, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1276. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on the quantities and actual value of major items of excess military equipment programed during the month of May for delivery on a grant basis, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended [22 U.S.C. 2321b(d)]; to the Committee on International Relations.

1277. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to a request by the Government of Jordan for permission to transfer to the Government of the Philippines certain military equipment of U.S. origin, pursuant to section 505(e) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

1278. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to extend certain training, maintenance and supply support being furnished to the Government of Saudi Arabia, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

1279. A letter from the Director of Congressional Affairs, National Railroad Passenger Corporation, transmitting a report for the month of May 1975, on the average number of passengers per day on board each train operated, and the ontime performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

1280. A letter from the Administrator of Veterans' Affairs, transmitting a report covering calendar year 1974 on cases in which equitable relief was granted, pursuant to 38 U.S.C. 210(c)(3)(B); to the Committee on Veterans' Affairs.

1281. A letter from the Administrator, U.S. Energy Research and Development Administration, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to revise one of the bases for establishing prices for enriching services provided by the Atomic Energy Commission; to the Joint Committee on Atomic Energy.

1282. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting the annual report on progress in the prevention and control of air pollution for calendar year 1974, pursuant to section 313 of the Clean Air Act; jointly, to the Committees on Interstate and Foreign Commerce, and Science and Technology.

Received From the Comptroller General

1283. A letter from the Comptroller General of the United States, transmitting a report on progress and problems of the Department of Defense in applying simulator technology to the management of flight and proficiency training; jointly, to the Committees on Government Operations, and Armed Services.

1284. A letter from the Comptroller General of the United States, transmitting a report on problems that people with chronic kidney failure face in obtaining treatment and paying the cost associated with the treatment; jointly, to the Committees on Government Operations, Ways and Means, and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITE: Committee on Post Office and Civil Service. H.R. 5397. A bill to amend chapter 83 of title 5, United States Code, to authorize the retirement of employees (after 30 years of service; with amendment (Rept. No. 94–326). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 8109. A bill to amend title XIX of the Social Security Act to extend the protection against the loss of medicaid because of the 1972 increase in social security benefits, and to extend the exemption of Puerto Rico, Guam, and the Virgin Islands from certain requirements relating to choice of provider (Rept. No. 94–327). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 8193. A bill to amend the Foreign Assistance Act of 1961 to require that the President's report to the Congress with respect to the use of funds by the Central Intelligence Agency for any nonintelligence gathering operation in a foreign country be made in writing prior to the commencement of such operation; to the Committee on International Relations.

By Mr. BADILLO:

H.R. 8194. A bill to provide for a record of admission for permanent residence in the case of certain aliens who entered the United States prior to January 1, 1970, and for other purposes; to the Committee on the Judiciary.

H.R. 8195. A bill to amend the Immigration and Nationality Act to remove the distinction between Eastern and Western Hemisphere immigrants and for other purposes; to the Committee on the Judiciary.

By Mr. BARRETT (for himself, Mr. Reuss, and Mr. Moorhead of Pennsylvania):

H.R. 8196. A bill to stimulate housing production for middle-income families and to provide temporary assistance to help defray mortgage payments on homes owned by persons who are unemployed or underemployed as the result of adverse economic conditions; to the Committee on Banking, Currency and Housing.

By Mr. BIESTER (for himself, Mr. Hamilton, Mr. Anderson of Illinois, Mr. Bingham, Mr. Fraser, Mr. Harrington, Mr. Metcalfe, Mr. Mikva, Mr. Ottinger, Mr. Pepper, Mr. Rees, Mr. Roe, Mr. Rosenthal, Mr. Seiberling, and Mr. Whalen):

H.R. 8197. A bill to provide for the participation of the United States in the African Development Fund; to the Committee on Banking, Currency and Housing.

By Mr. BIESTER (for himself, Mr. Anderson of Illinois, Mr. Myers of Pennsylvania, and Mr. Wirth:)

H.R. 8198. A bill to create a Joint Committee on Intelligence Operations; to the Committee on Rules.

By Mr. BROOMFIELD (for himself and Mr. Morgan):

H.R. 8199. A bill to establish a Joint Committee on Intelligence Oversight; to the Committee on Rules.

By Mr. CONABLE (for himself, Mr. Erlenborn and Mr. Grassley):

H.R. 8200. A bill relating to the income tax treatment of charitable contributions of inventory and other ordinary income property; to the Committee on Ways and Means.

By Mr. DELLUMS (for himself, Mr. Badillo, Mrs. Burke of California, Mr. Carr, Mrs. Chisholm, Mr. Clay, Ms. Collins of Illinois, Mr. Conyers, Mr. deLugo, Mr. Diggs, Mr. Edwards of California, Mr. Hawkins, Mr. Jenrette, Mr. Maguire, Mr. Mitchell of Maryland, Mr. Richmond, Mr. Rodino, Mr. Stokes, and Mr. Thornton):

H.R. 8201. A bill to amend chapter 5 of title 5, United States Code, relating to agency rulemaking, to provide that such chapter applies to matters relating to public property, loans, grants, benefits, or contracts, and for other puropses; to the Committee on the Judiciary.

By Mr. DUNCAN of Tennessee:

H.R. 8202. A bill to provide that, for purposes of the civil service retirement provisions of title 5, United States Code, cost of living adjustments allowed to officers and employees of the Postal Service shall be considered to be part of the basic pay of such officers and employees; to the Committee on Post Office and Civil Service.

By Mr. EDGAR (for himself, Mr. Anderson of California, Mr. Beard of Rhode Island, Mr. Bedell, Mr. Bell, Mr. Blanchard, Mr. Brown of California, Mr. Corman, Mr. Downey of New York, Mr. Hannaford, Mr. Richmond, Mr. Ryan, and Mr. Won Pat):

H.R. 8203. A bill to designate the majority and minority leaders of each House of Congress as members of the National Security Council; to the Committee on Armed Services.

By Mr. EDGAR (for himself, Mr. Badillo, Mr. John L. Burton, Mr. Conyers, Mr. Downey of New York, Mr. Hannaford, Mr. Harrington, Mr. Hicks, Mr. Maguire, Mr. Moorhead of Pennsylvania, Mr. Richmond, Mr. Riegel, Mr. Stark, and Mr. Young of Georgia):

H.R. 8204. A bill to amend the Highway Revenue Act of 1956 relating to the highway trust fund; to the Committee on Ways and Means.

By Mr. FOUNTAIN (for himself, Mr. Andrews of North Carolina, and Mr. Martin):

H.R. 8205. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. FULTON:

H.R. 8206. A bill to amend the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, to raise the contribution base, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRIS:

H.R. 8207. A bill to amend the act of April 17, 1954, which preserved within Manassas National Battlefield Park, Va., important historic properties relating to the battles of Manassas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HENDERSON:

H.R. 8208. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. HIGHTOWER:

H.R. 8209. A bill to amend the internal Revenue Code of 1954 to allow a deduction for purposes of the estate tax for transfers to nonprofit cemetery companies; to the Committee on Ways and Means.

By Mr. JONES of North Carolina:

H.R. 8210. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. LLOYD of California:

H.R. 8211. A bill to provide that income from entertainment activities held in conjunction with a public fair conducted by an organization described in section 501(c) shall not be unrelated trade or business income and shall not affect the tax exemption of the organization; to the Committee on Ways and Means.

By Mr. MOLLOHAN:

H.R. 8212. A bill to amend title XII of the Public Health Service Act to revise and extend the program of assistance for emergency medical services systems; to the Commitee on Interstate and Foreign Commerce.

By Mr. NIX (for himself and Mrs. Spellman):

H.R. 8213. A bill to provide a penalty for the robbery or attempted robbery of any controlled substance from any pharmacy; to the Committee on the Judiciary.

By Mr. PATTEN:

H.R. 8214. A bill to authorize in the Energy Research and Development Administration a Federal program of research, development, and demonstration designed to promote electric vehicle technologies and to demonstrate the commercial feasibility of electric vehicles; to the Committee on Science and Technology.

By Mr. PRICE:

H.R. 8215. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. RAILSBACK:

H.R. 8216. A bill to amend the Voting Rights Act of 1965 to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens who are residing or domiciled outside the United States; to the Committee on House Administration.

By Mr. ROE:

H.R. 8217. A bill to authorize the President of the United States to present, in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. SEIBERLING (for himself, Mr. Brown of California, Ms. Burke of California, Ms. Collins of Illinois, Mr. Edgar, Mr. Fraser, Mr. Harrington, Mr. Moorhead of Pennsylvania, Mr. Mosher, Mr. Moss, Mr. Ottinger, Mr. Rosenthal, Mr. Stark, Mr. Udall, Mr. Waxman, Mr. Wirth, and Mr. Young of Georgia):

H.R. 8218. A bill to authorize the awarding of attorney's fees in actions brought under the Mineral Leasing Act of 1920, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 8219. A bill to authorize the awarding of attorney's fees in actions for injunctive relief under the Clayton Act, and for other purposes; to the Committee on the Judiciary.

H.R. 8220. A bill to authorize the awarding of attorney's fees to prevailing plaintiffs in actions brought under certain civil rights laws, and for other purposes; to the Committee on the Judiciary.

By Mr. SEIBERLING (for himself, Mr. Brown of California, Ms. Burke of California, Ms. Collins of Illinois, Mr. Edgar, Mr. Fraser, Mr. Harrington, Mr. Koch, Mr. Metcalfe, Mr. Moorhead of Pennsylvania, Mr. Mosher, Mr. Moss, Mr. Ottinger, Mr. Rosenthal, Mr. Roybal, Mr. Stark, Mr. Udall, Mr. Waxman, Mr. Won Pat, Mr. Wirth, and Mr. Young of Georgia):

H.R. 8221. A bill to amend title 28 of the United States Code to authorize the awarding of attorneys fees in civil actions before the Federal courts where the interests of justice so require and for other purposes; to the Committee on the Judiciary.

By Mr. SEIBERLING (for himself, Mr. Brown of California, Ms. Burke of California, Ms. Collins of Illinois, Mr. Edgar, Mr. Fraser, Mr. Harrington, Mr. Moorhead of Pennsylvania, Mr. Mosher, Mr. Moss, Mr. Ottinger, Mr. Rosenthal, Mr. Stark, Mr. Udall, Mr. Waxman, Mr. Wirth, and Mr. Young of Georgia):

H.R. 8222. A bill to authorize the awarding of attorneys' fees to prevailing plaintiffs in actions brought under the National Environmental Policy Act of 1969, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. SPELLMAN:

H.R. 8223. A bill to establish a Joint Committee in Congress on National Growth and Development Policy; to the Committee on Rules.

By Mrs. SPELLMAN (for herself, Ms. Abzug, Mr. Bennett, Mrs. Collins of Illinois, Mr. Derwinski, Mr. Downey of New York, Mr. Fauntroy, Mr. Harrington, Mr. Koch, Mr. Murphy of New York, Mr. Moorhead of Pennsylvania, Mr. Patman, Mr. Pritchard, Mr. Richmond, Mr. Rodino, Mr. Sarbanes, Mr. Thompson, and Mr. Tsongas):

H.R. 8224. A bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes; to the Committee on Ways and Means.

By Mrs. SPELLMAN:

H.R. 8225. A bill to amend the Civil Rights Act of 1968 and title 5 of the National Housing Act to prevent discrimination based on marital status; jointly to the Committees on the Judiciary, and Banking, Currency and Housing.

By Mr. WAGGONNER (for himself, Mr. Archer, Mr. Burgener, Mr. Whitehurst, Mr. Treen, Mr. Mann, Mr. Ketchum, Mr. Montgomery, Mr.

Breaux, Mr. Kemp, Mrs. Holt, Mr. Kindness, Mr. Kasten, Mr. Lott, Mr. Eshleman, Mr. McCollister, and Mr. Lent):

H.R. 8226. A bill to amend the Internal Revenue Code of 1954 to provide a more realistic system of capital recovery for productive plant and equipment and to encourage the growth and modernization of American industrial capacity through increased capital investment and expanded employment opportunities; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 8227. A bill to protect the constitutional rights and privacy of individuals upon whom criminal justice information has been collected and to control the collection and dissemination of criminal justice information, and for other purposes; to the Committee on the Judiciary.

By Mr. ANDERSON of California (for himself, Mr. Snyder, Mr. Henderson, Mr. Hammerschmidt, Mr. Roncalio, Mr. Abdnor, Mr. Milford, Mr. Taylor of Missouri, Mr. Mineta, Mr. Goldwater, Mr. Howe, Mr. Johnson of California, Mr. Ginn, and Mrs. Lloyd of Tennessee):

H.R. 8228. A bill to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BINGHAM (for himself, Mr. Seiberling, and Mr. Fauntroy):

H.R. 8229. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs; to the Committee on the Judiciary.

By Mr. BROWN of Michigan (for himself, Mr. Anderson of Illinois, Mr. Bafalis, Mr. du Pont, Mr. Frey, Mrs. Heckler of Massachusetts, Mr. Horton, Mr. Kindness, Mr. Lent, Mr. Mitchell of New York, Mrs. Pettis, Mr. Treen, Mr. Bob Wilson, and Mr. Cohen):

H.R. 8230. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. DEL CLAWSON (for himself, Mr. Anderson of Illinois, Mr. Butler, Mr. Hutchinson, Mr. Hyde, Mr. Kindness, Mr. Latta, Mr. Lott, Mr. Mann, Mr. Matsunaga, Mr. Moorhead of California, Mr. Pepper and Mr. Sisk):

H.R. 8231. A bill to establish a method whereby the Congress (acting in accordance with specified procedures) may prevent the adoption by the executive branch of rules or regulations which are contrary to law or inconsistent with congressional intent or which go beyond the mandate of the legislation which they are designed to implement; jointly to the Committees on the Judiciary, and Rules.

By Mr. DRINAN (for himself and Mr. Mineta):

H.R. 8232. A bill to require the submission of reports to the Congress prior to the issuance of a license for the export of certain arms, ammunition, or implements of war; to the Committee on International Relations.

H.R. 8233. A bill to provide for increased congressional oversight of foreign military sales conducted under the Foreign Military Sales Act; jointly to the Committees on International Relations, and Rules.

By Mr. HIGHTOWER (for himself and Mr. Melcher):

H.R. 8234. A bill to amend the Packers and Stockyards Act, 1921, as amended and for other purposes; to the Committee on Agriculture.

By Mr. HOWARD (for himself and Mr. Shuster):

H.R. 8235. A bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. LANDRUM:

H.R. 8236. A bill to amend the Social Security Amendments of 1972; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. MITCHELL of New York:

H.R. 8237. A bill to amend title II of the Social Security Act to increase from 22 to 23 the age until which child's insurance benefits may be paid on the basis of full-time student status, and the age before which a child must have become disabled in order to qualify for such benefits on the basis of disability; to the Committee on Ways and Means.

By Mr. RAILSBACK:

H.R. 8238. A bill to provide reduced retirement benefits for Members of Congress who remain in office after attaining 70 years of age; jointly to the Committees on Post Office and Civil Service, and House Administration.

By Mr. St GERMAIN (for himself, Mr. Annunzio, Mr. Ashley, Mr. Mitchell of Maryland, Mr. Fauntroy, and Mr. Stark):

H.R. 8239. A bill to extend the authority for the flexible regulation of interest rates on deposits and share accounts in depository institutions, to impose a moratorium on the usage by financial institutions of electronic methods of funds transfers, and to improve public understanding of the role of depository institutions in home financing; to the Committee on Banking, Currency and Housing.

By Mr. SATTERFIELD (for himself, Mr. Roberts, Mr. Hammerschmidt, Mr. Teague, Mr. Montgomery, Mr. Carney, Mr. Danielson, Mr. Brinkley, Mr. Charles Wilson of Texas, Mr. Mottl, Mr. Cornell, Mr. Hefner, Mr. Hannaford, Mr. Ford of Tennessee, Mr. Beard of Rhode Island, Mr. Edgar, Mr. Holland, Mr. McHugh, Mrs. Heckler of Massachusetts, Mr. Wylie, Mr. Hillis, Mr. Abdnor, Mr. Guyer, Mr. Hansen, and Mr. O'Brien):

H.R. 8240. A bill to amend title 38, United States Code, to provide special pay and incentive pay for certain physicians and dentists employed by the Department of Medicine and Surgery of the Veterans' Administration in order to enhance the recruitment and retention of such personnel, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SATTERFIELD (for himself, Mr. Sisk, and Mr. Walsh):

H.R. 8241. A bill to amend title 38, United States Code, to provide special pay and incentive pay for certain physicians and dentists employed by the Department of Medicine and Surgery of the Veterans' Administration in order to enhance the recruitment and retention of such personnel, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. STEELMAN:

H.R. 8242. A bill to amend chapter 37 of title 38 of the United States Code to broaden the class of veterans eligible for certain home loan benefits; to the Committee on Veterans' Affairs.

By Mr. WIRTH (for himself, Mr. Blouin, Mr. Brodhead, Ms. Collins of Illinois, Mr. de Lugo, Mr. Dingell, Mr. Drinan, Mr. Duncan of Oregon, Mr. Edgar, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Krebs, Mr. Mikva, Mr. Mottl, Mr. Ottinger, Mr. Rees, Mr. Riegle, Mr. Rosenthal, Mr. Sarbanes, Mr. Scheuer, Mr. Seiberling, Mr. Solarz, Mr. Waxman, and Mr. Won Pat):

H.R. 8243. A bill to establish a National Energy Information Administration and a National Energy Information System, to authorize the Department of the Interior to undertake a survey of U.S. energy resources on the public lands and elsewhere, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Interior and Insular Affairs.

By Mr. WYDLER (for himself, Mr. Horton, Mr. Abdnor, Mr. Beard of Rhode Island, Mr. Blouin, Mr. Brinkley, Mr. Brown of Ohio, Mr. Brown of Michigan, Mr. Broyhill, Mr. Buchanan, Mr. Don H. Clausen, Mr. Cleveland, Mr. Cohen, Mr. Conable, Mr. Emery, Mr. Erlenborn, Mr. Esch, Mrs. Fenwick, Mr. Fish, Mr. Frenzel, Mr. Grassley, Mr. Gude, Mr. Guyer, Mr. Hagedorn, and Mr. Hastings):

H.R. 8244. A bill to extend and revise the State and Local Fiscal Assistance Act of 1972; to the Committee on Government Operations.

By Mr. WYDLER (for himself, Mr. Horton, Mr. Hyde, Mr. Johnson of Pennsylvania, Mr. Kasten, Mr. Kemp, Mr. Kindness, Mr. Krebs, Mr. Lagomarsino, Mr. Lent, Mr. Lott, Mr. McCollister, Mr. McDade, Mr. McDonald of Georgia, Mr. Martin, Mr. Mazzoli, Mr. Mitchell of New York, Mr. Mosher, Mr. Pritchard, Mr. Quie, Mr. Quillen, Mr. Rinaldo, Mr. Ruppe, Mr. Simon, and Mr. Spence):

H.R. 8245. A bill to extend and revise the State and Local Fiscal Assistance Act of 1972; to the Committee on Government Operations.

By Mr. WYDLER (for himself, Mr. Horton, Mr. Steelman, Mr. Steiger of Wisconsin, Mr. Thone, Mr. Vander Jagt, Mr. Walsh, Mr. Bob Wilson, and Mr. Winn):

H.R. 8246. A bill to extend and revise the State and Local Fiscal Assistance Act of 1972; to the Committee on Government Operations.

By Mr. ADDABBO:

H.R. 8247. A bill to amend the Public Health Service Act to revise and extend the program under the National Heart and Lung Institute, to revise and extend the program of National Research Service Awards, to control disclosure of research information, and to establish a national program with respect to genetic diseases; to the Committee on Interstate and Foreign Commerce.

By Mr. BELL (for himself, Mr. Beard of Rhode Island, Mrs. Burke of California, Mrs. Chisholm, Mrs. Collins of Illinois, Mr. Conyers, Mr. Fascell, Mr. Ford of Tennessee, Mr. Edwards of California, Mr. Harrington, Mr. Jeffords, Mr. Lent, Mr. Long of Maryland, Mr. Ottinger, Mr. Pepper, Mr. Richmond, Mr. Ryan, Mr. Waxman, Mr. Charles Wilson of Texas, and Mr. Wirth):

H.R. 8248. A bill to direct Government instrumentalities not to require nonessential declarations of marital status or the nonessential use of prefixes indicating such status; to the Committee on Government Operations.

By Mr. LATTA:

H.R. 8249. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to investigate, study, and undertake measures to provide flood protection to the area adjacent to the Darby Marsh of the

Ottawa Wildlife Refuge in Ottawa County, Ohio; to the Committee on Public Works and Transportation.

By Mr. STEED (for himself, Mr. Jarman, Mr. Jones of Oklahoma, Mr. English, and Mr. Risenhoover):

H.R. 8250. A bill to provide for the postponement of regulations of the Secretary of Health, Education, and Welfare with respect to intermediate care facilities for the mentally retarded under title XIX of the Social Security Act; to the Committee on Interstate and Foreign Commerce.

By Mr. ZABLOCKI (for himself, Mr. Biester, Mr. Bingham, Mr. Fascell, Mr. Findley, Mr. Fraser, Mrs. Meyner, Mr. Solarz, Mr. Whalen, and Mr. Winn).

H.R. 8251. A bill to amend the argicultural Trade Development and Assistance Act of 1954; jointly to the Committees on Agriculture and International Relations.

By Mr. BINGHAM:

H.J. Res. 529. Joint resolution for a constitutional amendment providing that the veto of a nonelected President may be overriden by 60 percent of both Houses of Congress; to the Committee on the Judiciary.

By Mr. SPENCE:

H.J. Res. 530. Joint resolution authorizing the President to proclaim the second full week in October each year as National Legal Secretaries' Court Observance Week; to the Committee on Post Office and Civil Service.

By Mr. NOWAK:

H. Con. Res. 325. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on International Relations.

By Mr. RAILSBACK:

H. Res. 567. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

By Mr. STEIGER of Wisconsin (for himself Mr. Sisk, Mr. Fraser, Mr. Cleveland, Mrs. Keys, Mr. Frenzel, Mr. Erlenborn, Mr. Bolling, Mr. Frey, Mr. Eckhardt, Mr. Anderson of Illinois, Mr. Bafalis, Mr. Bedell, Mr. Bergland, Mr. Blouin, Mr. Bonker, Mr. Brinkley, Mr. Brown of Michigan, Mr. Brown of California, Mrs. Burke of California, Mr. Conable, Mr. Devine, Mr. Downey of New York, Mr. Eilberg, and Mr. Emery):

H. Res. 568. Resolution to amend the Rules of the House of Representatives to provide that the Congressional Record shall contain a verbatim account of remarks actually delivered on the floor, and for other purposes; to the Committee on Rules.

By Mr. STEIGER of Wisconsin (for himself, Mr. Bolling, Mr. Cleveland, Mr. Fraser, Mr. Frenzel, Mr. Sisk, Mr. Erlenborn, Mrs. Keys, Mr. Ekhardt, Mr. Frey, Mrs. Fenwick, Mr. Harris, Mrs. Holt, Mr. Horton, Mr. Kasten, Mr. Ketchum, Mr. Kindness, Mr. Krebs, Mr. LaFalce, Mr. Lloyd of California, Mr. Lott, Mr. McCloskey, Mr. McCollister, Mr. McHugh, and Mr. Mazzoli):

H. Res. 569. Resolution to amend the Rules of the House of Representatives to provide that the Congressional Record shall contain a verbatim account of remarks actually delivered on the floor, and for other purposes; to the Committee on Rules.

By Mr. STEIGER of Wisconsin (for himself, Mr. Eckhardt, Mr. Cleveland, Mr. Fraser, Mr. Frenzel, Mrs. Keys, Mr. Erlenborn, Mr. Sisk, Mr. Bolling, Mr. Frey, Mr. Metcalfe, Mr. Moss, Mr. Myers of Pennsylvania, Mrs. Pettis, Mr. Pressler, Mr. Pritchard, Mr. Rees, Mr. Regula, Mrs. Spellman, Mr. Talcott, Mr. Treen, Mr. Waxman, and Mr. Charles Wilson of Texas):

H. Res. 570. Resolution to amend the Rules of the House of Representatives to provide that the Congressional Record shall contain a verbatim account of remarks actually delivered on the floor, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

204. By the SPEAKER: Memorial of the House of Representatives of the State of Texas, relative to public employee unions; to the Committee on Education and Labor.

205. Also, memorial of the Senate of New Jersey, relative to equalizing the rates of the interstate sale and distribution of natural gas supplies; to the Committee on Interstate and Foreign Commerce.

206. Also, memorial of the Legislature of the State of Maine, relative to including the cost of eyeglasses, prescription drugs, and hearing aids as benefits permitted to medicare recipients; to the Committee on Ways and Means.

207. Also, memorial of the Legislature of the State of Arizona, relative to the appointment of special investigative committees to resolve the issue of American prisoners of war and missing in action in Southeast Asia; jointly to the Committees on Armed Services and Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BENITEZ introduced a bill (H.R. 8252) for the relief of Tito Victoriano Martinez, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

161. The SPEAKER presented a petition of John Tarkowski, Wauconda, Ill., relative to redress of grievances; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 8121

By Mr. DRINAN:

Page 29, immediately after line 3, insert the following new section:

"Sec. 209. No part of any amount appropriated by this Act shall be used by the Department of Justice (including the Federal Bureau of Investigation) to disseminate other than under the provisions of section 552 or 552a of title 5, or to acquire, collect, classify, or preserve, any information concerning the activities or beliefs of any person who is not an officer or employee of the Department of Justice, except to the extent such information is acquired in the course of the detection and prosecution of offenses against the United States, or, if such an investigation is required or authorized by law, is acquired in the course of a bona fide investigation of a person being considered for Federal appointive office or employment."

By Mr. SNYDER:

On page 16, after line 14, add the following new section:

"Sec. 104. None of the funds appropriated in this title shall be used for the purposes of negotiating the surrender or relinquishment of any U.S. rights in the Panama Canal Zone."

EXTENSIONS OF REMARKS

THE FINANCIAL PLIGHT OF NEW YORK CITY

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 25, 1975

Mr. HARRY F. BYRD, JR. Mr. President, in the view of veteran newspaperman Louis Spilman the tragic financial plight of New York City should be a lesson to the Nation.

I agree with the analysis of Mr. Spilman, columnist for the Waynesboro (Va.) News-Virginian and long time editor and publisher of that newspaper.

His column is such an excellent appraisal of just where deficit spending will lead us, that I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Imminent Bankruptcy of New York City Emphasizes Deficits Will Ruin Us All

The tragic financial plight of New York City should be a lesson to all of us . . . particularly Congressmen. New York City is in debt over 13½ billion dollars. They have no money in the city coffers. They are unable to sell bonds or borrow money from the banks or from individuals. The city must meet its stupendous $40,000,000 payroll by June 30. They certainly can't eliminate firemen or policemen because this would turn the city into an arsonist's paradise and a muggers' millennium.

What can be done? Well, to temporarily stave off bankruptcy the merchants, manufacturers and real estate owners have agreed to pay *next* years taxes now. But what happens when the July, August and September payrolls come due? Surely the nation cannot let New York City be sold at auction to the highest bidders. That would be open invitation to our Arab friends to buy the city . . . then where would we be? New York City officials appealed to the U.S. Congress for a 1½ billion dollar grant. Congress refused.

What would cause a city the size of New York to go broke? The answer is simple. They have continued to spend more money than they take in. If an individual does this he has no recourse but to declare bankruptcy. Why can't government be wise enough to recognize the same situation arises when they run out of money and credit? Higher and higher salaries and wages and provision for more and more services provide a terrific burden on any government's income. And in New York City 1 out of every 8 citizens are reported to be on welfare. That's a strain, too.

Bankruptcy of New York City would affect the entire nation . . . and even the world. That's why this is a glorious opportunity for our national government to learn a much needed lesson. We have a prodigious national debt; we continue to vote special benefits here and there whilst building up a mammoth annual deficit. The urge to be re-elected is overshadowing statesmanship. Whenever pressure is exerted on members of Congress the fear of defeat at the polls causes agreement to just about any benefit that is sought.

Not only is our federal government plunging further and further into debt, it has constructed an unimaginably huge bureaucracy . . . so big it cannot possibly operate efficiently. The finger of the federal government is inserted into every business so that private business is slowly being extinguished. To top off this stupid attempt to run everything, local governments are salved into silence by so-called "revenue sharing." Each year the federal government hands over funds to local governments . . . funds that only enlarge the national debt. And believe you me these funds have strings attached to them and the strings are pulled by bureaucrats. These remarks are not offered as complaint . . . far from it. They are offered only as a feeble, humble effort to arouse everyone to join in stopping this upside-down financing that the imminent bankruptcy of New York City symbolizes.

VETO POWER OF NONELECTED PRESIDENT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. BINGHAM. Mr. Speaker, two major crises of the past year are converging in the headlines this month. The first has been covered by the press with great particularity: I am referring, of course, to efforts of the Congress to enact a program to meet the Nation's problems, efforts which have culminated in the President's great "victorious" vetoes.

The second crisis, however, has not been properly focused upon since last fall. It has received little attention recently, though it lies at the heart of the Presidential veto crisis. The problem is the nature of the authority of an unelected President. In short: Should a President who has never faced the national electorate—in particular, one who has never faced voters beyond the boundaries of his home congressional district—have the same extraordinary authority to frustrate the will of Congress as does an elected President?

I believe that an answer to this question is demanded by President Ford's recent, numerous and destructive vetoes. I believe that the answer should be: No. Certainly, at the very least, it is imperative that the question be raised, and discussed.

For this reason, I am proposing to the Congress that it consider amending the Constitution so as to limit the veto powers of unelected Presidents. My proposition is simple: Any President who attain his office by virtue of first having been appointed—not elected—Vice President, could still veto acts of Congress; but his veto could be overriden when 60 percent of the Members of each House voted to do so. This 60 percent would replace the currently required two-thirds—66⅔ percent—majority.

The 60-percent figure is a logical one. It still requires that a very substantial majority of Congress concur before the legislative branch can override the Executive; yet it avoids the two-thirds requirement, a requirement so difficult to meet that only the "mandate" associated with having been chosen as a leader by all the people of the Nation can justify it.

The 60-percent majority is not without precedent in our law: Just this year, it was selected as the logical majority required for cloture of debate in the Senate—the Senate feeling, clearly, that although a three-fifths majority was difficult to attain, it was not the virtually impossible figure that two-thirds is.

I hope that discussion of my proposed amendment will focus attention on the following key questions: Who is to blame for the currently rudderless condition of our Nation? Is it Congress, whose leadership has managed to line up 65 percent of the House behind such essential bills as the jobs bill and the strip mine law and 62 percent behind the housing bill just vetoed? Or is it an unelected President, who has vetoed 29 bills since sliding into office—a President whose victories have been uniformly negative, ranging from no jobs, to no remedies for land that has been stripped and raped, to no increase in farm assistance, to no emergency funds for housing.

Where does this strictly negative power that characterizes the current administration originate?

Not in article I, section 7 of the U.S. Constitution, which defines the Presidential veto power. Rather, President Ford's power has arisen purely as a result of that ill-considered section of the 25th amendment which enabled an already disgraced public figure, an "unindicted coconspirator," to appoint the next President of the United States.

The Congress and its leaders are today being mocked because of the virtuoso negativism of a man who should still be minority leader of the House of Representatives. Frankly, I am sick and tired of hearing this minority leader boast of great victories because 35 percent of one House of the Congress has supported his stance.

I propose that the minority leader's purely negative power over the majority be limited.

The leadership of Congress is today being seriously questioned because it could line up a "mere" 65 percent of the House of Representatives behind the jobs bill, and the strip-mine bill.

I propose that instead of focusing upon congressional leaders, public attention be shifted to the man with the veto; and that we seriously question both that man and his veto.

The woes of the jobless demand that we do no less.

Our raped mountain lands demand that we do no less.

I do not here, of course, mean to demean Gerald Ford, the man: His integrity has been confirmed by investigation as well as by reputation; and his fundamental human decency has impressed both heads of state and ordinary citizens all around the world. Goodwill he has in plenty, and spreads it about generously. But a President must be more than a goodwill ambassador. He must govern. And to do so, he must provide more than the Government by veto that is now ours.

My proposed constitutional amendment would assure that, in the future, no minority leader will be able to chalk up "victories" strictly by virtue of the power to shake his head at 65 percent of the elected representatives of the people.

I hope, too, that by proposing this amendment, the focus of current political discussion will be shifted to where it belongs, our nay-saying 38th President. It is both futile and silly to engage in endless discussion of why CARL ALBERT was unable to strong-arm another 1 percent of the House into voting the party line. Rather, let us concentrate our energies and thought on the problem of ending government by veto, and the disastrous string of "victories" which our unelected President has bequeathed our troubled Nation.

THE GASOLINE BLUES

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. FLORIO. Mr. Speaker, presently the Congress is considering energy and energy related legislation, commissions are increasingly investigating the policies of the major energy producers and distributors, and a handfull of congressional committees are holding hearings on the policy and resources of the energy industry. The term "multinational corporation" is one with which most Americans have become familiar in the past few years. Therefore, I believe it is most timely that the following article from the June 25, 1975, edition of the New York Times be brought to the attention of my colleagues. This is yet another scene from the massive panorama which is daily unfolding before the Congress:

THE GASOLINE BLUES

(By Victor J. Cino)

DEMAREST, N. J.—The service station operator, last fortress of rugged individualism, may well on the road to extinction. Many consumers who have suffered crude and sometimes insolent injustices at the hands of these men may welcome their demise.

Others see multinational oil companies once again wielding unrelenting influence in altering the economic structure of our society.

I hold the latter opinion and see in their demise the symbol of the death of the small, independent businessman, the rock on which the nation was built 200 years ago. I think Benjamin Franklin, that master of the small business, must be spinning in his grave.

The latest estimates by the Federal Energy Administration reveal that over 26,000 service station outlets have closed down in the last two years. This is 10 per cent fewer than the number in operation two years ago. The oil companies say that this trend is good for the nation, ridding our highways of uneconomical and unsightly outlets in favor of large, spanking-new stations.

The fact is, however, that most of the doomed outlets are neighborhood locations which provide total services to the consumer rather than simply selling gasoline. As a result, by attrition, more company stations spring up, selling more gas per station, but providing less services.

According to Federal Energy Administration estimates, company-operated, or refiner-operated gas stations, had an average sales of 61,000 gallons per station, far outstripping the independent gas station average of 24,500 gallons per month. Thus the old cut-throat tactic of coming into an area and killing off local competition by lowering prices temporarily, is working, and on a giant scale.

The result has been the elimination of thousands of service station owners from the retail business of selling gas, and subsequent creation of greater and greater control of the retail gas business by multinational oil companies.

As I look around me, I see the tremendous influence of big business over our lives. The junior executive still wears that gray flannel suit. The big arms contractors still make big profits helping rising nations to kill off their young. The supermarket chains sell vegetables whose prices have changed three times in one week while we wait in line helplessly.

And now the killing off of the little guy again, in the business of selling gas, signals the death of one more opportunity for our young to make it on their own.

JUDGE WALLY COX, OF VALLEJO—A PEOPLE'S JURIST

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. LEGGETT. Mr. Speaker, after 18 years serving the people of the Vallejo municipal court, Judge Wally Cox, the people's designated choice in many elections, is stepping aside. In his 18 or 20 years of judicial service, Wally has served not only the litigants of the North Bay, but also San Francisco, Long Beach, Richmond, San Rafael, Walnut Creek, Santa Ana, Newport Beach, Fairfield, Berkeley, and Napa.

As a lawyer and a judge, Wallace W. Cox has always had a quality of easy communication, patience, and compassion.

Wally Cox was not a judge of myopic interests; he has found time not only to set a high threshold for the bench and bar, but he has been an integral part of his total community. People like Wally Cox make a grouping of houses a hometown. Wally Cox worked as attorney for the public administrator, president of the Solano Bar Association, president of the Vallejo School Board, chairman of the Solano American Red Cross, and president of the junior chamber of commerce. Wallace Cox has served on every professional and eleemosynary board that could use his talents. Years and years of donated time he gave to the board of directors of the Boy Scouts of America, the school board, the California State Executive School Board, the White House Conference on Education, the Greater Vallejo Recreation Board, the chamber of commerce, the board of the Mental Health Society, the Solano County Armed Services Committee, the board of the Historical Society.

Additionally, Wally found time for vocation activities—member of the Conference of California Judges, the Municipal Courts Committee of Conference Judges, member of Judges & Marshals Association, member of the Administrative Committee of the State Bar of California, and member of the executive board of the Solano Bar.

These are some of the activities that make Wally Cox a household word in Vallejo; and fortunately for us, his wife, Jean, can also produce a very competitive list of community activities.

Wally and Jean Cox, for service to your community on this day the Congress of the United States salutes you for a job of excellence.

GOVERNMENT LIFE INSURANCE

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. FISHER. Mr. Speaker, I wish to voice my support of H.R. 7222, a bill introduced by Congressman Dominick V. Daniels, of New Jersey, and cosponsored by Congressman Richard D. White, of Texas, chairman of the Subcommittee on Retirement and Employee Benefits and other members of that subcommittee. The bill would amend present law to provide that the Federal Government pay 50 percent of the cost of an employee's life insurance policy, with the employee paying the remaining 50 percent.

The Federal employee Government life insurance plan—FEGLI—was initiated in 1954. From FEGLI's inception to the present, the Federal Government has paid one-third of the cost of an employee's group life insurance policy, and the employees have paid the remaining two-thirds. This is in almost inverse proportion to the general practice in the private sector, where the employer pays 60 to 75 percent of the cost of employees' life insurance, with a trend being established for the private-sector employer to absorb 100 percent of the cost.

It is my understanding that the administration opposes the bill because of its estimated annual cost of $68.9 million. However, if enacted, H.R. 7222 would not go into effect until the first pay period after December 31, 1976. This means that there would be no cost for the first year and a half after its enactment, by which time the current budget and fiscal crunch, we trust, will be over.

On June 16, 1975, the House voted 245 to 145 to pass the bill but failed to muster the two-thirds majority necessary for passage of a vote held under suspension of the rules. The bill is expected to come up for another vote on the floor of the House in July. It is my intention to vote in favor of the bill at that time and to strongly urge my congressional colleagues to do likewise.

SIKORSKY'S ANGEL OF MERCY

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. McKINNEY. Mr. Speaker, the Sikorsky Aircraft Corp. of Stratford, Conn., has come repeatedly to the fore when the United States has called on its services. From transportation needs, to astronaut rescues, to its extraordinary role in Vietnam, the Sikorsky helicopter has done exceptional work on behalf of the people of this Nation.

Such efforts have not always conformed to the expectations of Igor Sikorsky, the helicopter's developer. When he built his first flying machine, in 1939, Sikorsky envisioned the new vehicle as an "Angel of Mercy," able to serve as a rescue craft in countless hazardous situations. In time, though, the helicopter became widely associated with military uses rather than with its intent as a civilian rescue craft.

As this country entered a new era of peace last year, Sikorsky Aircraft and the industry was faced with a double-barrelled challenge: to refurbish the helicopter's image as a vital peacetime resource, and to adjust to a market in which military demand had lessened. The following article points out one very positive example of helicopter adaptation in response to that challenge. Now more than ever Sikorsky's label "Angel of Mercy" fits the product of the company he left behind, for the helicopter has proven capable of answering still another pressing national need: to move the injured and sick quickly and safely to a hospital for advanced medical care.

I insert in the Record excerpts from the article "Aerial Ambulance: This Medevac Program Pays Off in Lives," from the March/April, 1975 issue of Rotor and Wing magazine:

Aerial Ambulance

(By J. J. Barber)

The pretty teenager flipped shut her history book as the final bell sounded. She grabbed her red sweater and raced out the door to join her friends gathering in the schoolyard. Outside, the late-afternoon desert air carried a nip, and she donned the sweater as the group began moving slowly homeward.

Nothing unusual about the scene. The same thing was happening in countless schools elsewhere. Except in this case, the girl in the red sweater probably wouldn't have been on the playground if it hadn't been for a unique, private helicopter ambulance service.

The girl, a student at a remote Southern California desert school, is only one of several hundred persons, nearly all of them critically injured or gravely ill, who have had their chances for survival increased through the use of two specially equipped helicopters owned and directed by Loma Linda University Medical Center.

A teaching and research hospital 65 miles east of Los Angeles, in the city of Loma Linda, the medical center is believed to be the only one in the United States that owns its own helicopter ambulances—a Sikorsky S-55B and a Sikorsky S-55-T. Both have been converted and outfitted with medical equipment and built-in life-supported systems.

Since the June 1972 inception of medevac service by the 516-bed hospital, which is associated with Loma Linda University and its medical school, the benefits from the helicopters have been threefold:

Patients in less well equipped hospitals, 150 miles or more away in small desert and mountain communities, have been moved to the medical center or other large hospitals quickly and comfortably with all the equipment needed to sustain their lives.

Loma Linda University Medical Center has extended its range in assisting outlying hospitals.

Operation of the service has generated revenue for a private helicopter operator. Western Helicopters Inc., of nearby Rialto, which flies and maintains Sikorskys for the hospital.

It was through Western Helicopters' Alec Fergusson, who recently gave up his active day-to-day participation in the company he founded, that the hospital embarked on its ambitious medevac program. Looking back, Fergusson said it all started with a question.

"The then administrator of the hospital," he said, "gave a talk to the Rialto Rotary Club on the high cost of medical care. The whole gist of his speech was that they had to spend $100,000 to buy a machine that would save one life a year.

"I approached him after the meeting and said, 'Have you ever thought of using a helicopter?' He said. 'Yes, but they're too expensive.'

"I said, 'Well I just heard you tell 50 people that Loma Linda would spend $100,000 for one machine to save one life. How many lives would a helicopter save?'

"He said, 'You know, no one ever approached us on that basis. Give us a proposition.' "

The proposition was a 10-day trial of an Alouette III over the 1970 Christmas holiday period. Norman Meyer, assistant administrator for the medical center, said the medevac experiment proved successful. This, he explained, led to acquiring two military-surplus H-19s from the U.S. Department of Health, Education, and Welfare through the California state-surplus-property program.

Meyer admitted the H-19s "looked pretty bad" when the medical center got them in late 1971. But the hospital authorized Western, an operator with 14 helicopters and an extensive maintenance facility that does outside work, to go ahead and convert one of the Sikorskys to a civilian configuration for air taxi/charter certification. At the same time, Western was asked to transform the roomy cabin to meet the needs of an aerial ambulance.

Approximately $60,000 later, Loma Linda had an S-55B outfitted with medical systems and able to carry four litter patients and one seated ambulatory patient, plus a pilot and a medic.

"To my knowledge," said Meyer, who has looked into a number of other medevac programs, "there is possibly no helicopter conversion in the United States that is as well equipped as ours."

He credited the Volunteer Service League, a group of women who donate their time and raise funds for the hospital, for financing two-thirds of the cost of the medical equipment and the conversion of one of the piston aircraft to turbine power. Earlier, before the medical center had even become involved in the medevac program, the league financed a $45,000 rooftop heliport at the $20-million facility to permit helicopters ot bring in emergency cases. The helistop has a ramp leading directly into the building, where there are elevators to rush patients to the emergency rooms.

"We got the S-55B going," said Fergusson, "and we started out at 15 to 20 hours a month. The growth and demand seemed to keep increasing.

Much of the medevac services' normal operational area is made up of mountain ranges with peaks above 11,000 feet and temperatures well below freezing in winter and vast deserts, some lower than sea level, with summer temperatures higher than 115 degrees. With these considerations in mind, plus the knowledge gained from use of the S-55B, the hospital authorized Western to certify and equip the second H-19 and to have it turbinized by Helitec Corp., of Mesa, Ariz.

The tab for the S-55-T, including medical equipment, was approximately $200,000, reported Meyer. The S-55-T went into service in January 1974, and the S-55B was delegated to a backup role and for use on the few occasions when there are simultaneous emergency calls.

Was the expense of converting the two helicopters into ambulances worth it?

"If you go to dollars and cents it's not worth it," said Meyer. "But we're not in a dollar and cents business—we're in a lifesaving business and we feel it's worth it."

Robert Fuller is also in the life-saving business. As air evacuation team leader for the medical center, he is one of the three persons with emergency medical training assigned to helicopter duty. In his job, he has seen what speedy evacuation and transport in a well-equipped helicopter ambulance has meant to critically ill or injured patients.

"We have had several cardiac patients," said Fuller, "that we brought to Loma Linda from outlying hospitals, and they would not have lived if they had gone by any other means than air because of the time factor.

"Several patients were very unstable (medically) at the time we arrived at an outlying hospital to pick them up. The reason these patients were being moved was they needed to be sent to a specialized center where they had additional facilities.

"Being in an unstable condition to begin with, had they not been moved with the equipment on board that we had, they very likely would not have made it."

Meyer said that approximately 98 percent of the helicopter calls have been for transfers between hospitals, with about 80 percent of the patients being sent to Loma Linda. The hospital does not restrict the helicopters to just inter-hospital transfers, but Meyer said that so far there have been only a few calls to accident scenes.

When calls do come in, they go to the emergency room; there, the helicopters are dispatched. Western has four pilots for the S-55s, and there is one on standby in the hangar or on call at home 24 hours a day. When notified, the pilot flies to the hospital—a five-minute trip—and picks up the medic and any other personnel making the flight, along with any special equipment that might be required for the particular case.

"If it's a premature baby, for example," said Meyer, "the helicopter would come by the hospital and pick up a physician and nurse or maybe an inhalation therapist and incubator."

Meyer noted that, of the more than 430 flights made by he S-55s from June 1972 through the end of 1974, 55 percent involved premature babies. He pointed out that Loma Linda has the only infant intensive care unit in San Bernardino County. The county, the nation's largest, covers an areas greater than Massachusetts, New Jersey, Rhode Island, and Delaware combined!

Of the other 45 percent of the flights, the administrator said 32 carried accident victims and the remaining 13 percent were medical patients, the majority coronary cases.

"Our costs," said Meyer, "basically are pretty competitive with an ambulance." He said that depending on distance or terrain and roads, the helicopter might be only a quarter to a third more than a ground ambulance—or it might be cheaper.

Explaining the helicopter cost further, Meyer said that a ground ambulance making a direct run of 50 to 75 miles on a freeway or good highway from a desert hospital would be cheaper. But he pointed out that it takes more than an hour for a ground ambulance on an emergency run to negotiate the steep, twisting roads leading down from a nearby mountain resort lake. He said it's cheaper by helicopter, which takes less than 15 minutes to cover the distance.

"We have gotten no public funds to operate this thing," Meyer stressed. He said the cost of the operation—covering helicopter, pilot, and medic—is slightly more than $200 an hour for the 35 to 40 hours a month the program has been averaging. "We've got to make it sink or swim on its own merits."

However, when the hospital gets a call, it doesn't ask first if the patient can pay. The flight is made and the charge is discussed later. If the patient is indigent, the hospital absorbs the cost.

In return for the cost of running the operation, the hospital, as well as the patient, benefits. Meyer explained that the helicopters have extended the range of Loma Linda's ability to assist smaller hospitals.

"There are certain hospitals," he said, "that cannot take care of some types of patients they receive, and they are anxious to move them to some larger facility." He cited flights to Blythe, Calif., more than 140 air miles away on the California-Arizona border, and to other communities as far, if not farther. The medical center's longest medevac flight was from Loma Linda to Sacramento, Calif., a distance of approximately 400 air miles.

Meyer said another important benefit that accrues to the universiy hospital from the helicopter ambulances is the greater variety of accident cases and critically ill persons that can be seen and studied by the doctors in training and those doing research at the facility.

In operation, how are the S-55s as a place for a medic to work?

"The S-55," said Fuller, "has the extra room, the space that one needs to perform medical procedures without being cramped. I have full access to the patients, even with four litters on board."

The medic remembers one litter patient, in particular, who had been critically injured in being thrown from a horse. Fuller said the patient had suffered a brain stem injury, and hemorrhaging in the skull was applying pressure to the brain.

He said that during the 40-minute medevac flight from a distant desert hospital the patient's vital signs were rapidly diminishing. The medic said on landing at the hospital, the riding-accident victim was immediately rushed into surgery.

"Had she not arrived at the hospital by helicopter as soon as she had," said Fuller," she would have died."

The helicopter medevac patient was the teenage girl in the red sweater.

THE FOURTH OF JULY RECESS: WALKING AWAY FROM OUR PROBLEMS

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. HARRIS. Mr. Speaker, I intend to vote against the resolution for a 10-day Independence Day recess. This recess is unnecessary, and I believe would mean that Congress is turning its back on fundamental economic-energy problems waiting at the doorstep of the House of Representatives.

Just yesterday the House Committee on Interstate and Foreign Commerce reported out H.R. 7014, a comprehensive energy bill which goes to the roots of our energy problems. I am pleased that last week this body approved the Ways and Means Committee energy bill, H.R. 6860. But H.R. 6860 must be accompanied by H.R. 7014. In the Ways and Means bill, we approved import quotas. But we cannot limit imports without controlling prices and encouraging energy conservation. This bill, then is really part 2 of the Democrats energy package. These two bills go hand-in-hand, and I do not think this Congress can go home and justify doing a half-way job. We must act now—not next month—because the problems are pressing and require immediate solution.

There is a second reason why we must not recess and that is that we must restore public confidence in the ability of Congress to attack the Nation's problems. I am tired of the administration's and the media's ill-founded charges that this Congress is a "do nothing" Congress.

Rightly or wrongly, this recess will give the public the impression that we are a vacation-happy group. I have voted for every other recess we have taken this session, and I believe that recesses are necessary to carrying out our duties as representatives of our districts. But this recess is ill-timed because, one, the energy bill needs prompt attention; and two, because, this recess comes too close to others. We recently had a recess and will have a month-long one in August. If we have this recess, from May 22 to September 3, we will have had 35 weekdays out of session and 40 in session. This means that of the possible 75 days we could have worked during this period we will have not worked 47 percent of those days. No wonder public confidence in Congress is eroding. During this period, a little over 3 months, we will have worked only 53 percent of the possible workdays.

This Congress has been one of the most active in recent years. We are getting things done. But I believe we are shirking our responsibility to the Nation and further undermining public confidence if we go home now without acting on the Commerce Committee's energy bill. I hope my colleagues will join me in defeating the recess resolution; if we do, we can go home in August with the pride and assurance that Congress does have the guts and ability to decisively attack the Nation's problems.

A TRIBUTE TO CARDINAL MINDSZENTY

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. CLAY. Mr. Speaker, in a world in which principle and morality in government have progressively given way to the exigencies of "Realpolitik," the passing of historic figure such as Josef Cardinal Mindszenty has special significance for all who cherish freedom. Certainly, no one in our time fought harder, suffered more, or feared less in defense of liberty than did he.

Mr. Speaker, during Cardinal Mindszenty's trip to Washington a year ago, John M. Szostak, executive director of the Washington Liaison Services, served as the distinguished prelate's official photographer. Though the acquaintance was brief, Mr. Szostak was profoundly impresed, so much so, that he has written a touching tribute to the cardinal. I would like to commend to my colleagues' attention and to insert in the RECORD the following eulogy:

A PHOTOGRAPHERS LOOK AT CARDINAL MINDSZENTY

The news of the death of Josef Cardinal Mindszenty strong willed former Primate of Hungry who became the symbol of freedom has come as a shock to all especially to those who have known the Cardinal and worked with him in his years of exile. Almost a year to the day Washington was fortunate to have Cardinal Mindszenty as a honored guest of the city, the Congress and the Archdiocese.

For me his passing was a personal loss because during this two day visit, I was privileged to be his personal photographer who covered his Washington visit from beginning to end. The feeling and observation that I gathered during those two days was as though I was covering a Saint. Right I was because Cardinal Mindszenty is a Saint of our times.

During those close photographic moments especially in private one could capture through the lens of the camera the suffering he has gone through, his love for God, his love for Holy Mother the Church, his love for mankind and his special affection for children. At one private moment as he was praying having his eyes fixed on the crucifix one could see tears come down his cheek, I was moved to do the same. In leaving to give him privacy, the Cardinal said, "Please stay my son" this I will never forget, his humility and kindness. I had the same feeling as the author of the book titled "Journal of a Soul" the private moments with Pope John XXIII.

Finally to personify his greatness one can best put it in these words:

"The Church and the world will mourn for they have lost a great example of our faith and patron of freedom.

"The Church and the world will remember him as the man of the hour who has stood for the Church in its darkest hours.

"The Church and the world will write tribute and finally remember his as a Saint of our time."

EMERGENCY HELP

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. ROUSH. Mr. Speaker, since 1967 I have been an advocate of a single, nationwide emergency telephone number. I was pleased in 1968 when A.T. & T., followed shortly by the independent telephone companies, announced that they would provide a single number, "911" throughout the United States, as soon as possible, upon the request of the communities involved.

My hometown of Huntington, Ind., was the first city in the Bell System to adopt "911." Since that time other cities in Indiana have adopted "911."

An additional incentive to providing "911" was the legislation passed last year, the Emergency Medical Services Act, which requires communities to establish a single emergency number, "911" to qualify for funds under this legislation.

I would like to enclose an article from the Fort Wayne News Sentinel, June 21, 1975, regarding Indiana's response to that legislation:

CITIES URGED: ADOPT EMERGENCY 911 PHONE

INDIANAPOLIS.—Indiana cities and counties were urged Friday to adopt the universal emergency telephone number of 911.

The recommendation came from the Indiana Emergency Medical Services Commission, whose chairman, Dr. James C. Dillon, Indianapolis, said that all signs point to 911 as being the basic emergency telephone number to be used nationally and in Indiana.

Another commission member, C. Theodore Pine, who also is government manager for Indiana Bell Telephone Company, said that by October of 1976 the 911 number will be in basic use in 18 geographic areas of Indiana, including Indianapolis. He said these 18 areas contain more than half of Indiana's population.

The commission adopted a resolution favoring a uniform 911 number and sent it to commissioners in the 92 counties and to mayors of all Indiana cities.

The resolution also requests law enforcement agencies, fire departments and emergency medical service providers to enter into discussions on how a central dispatching system can be established in each community.

Dillon said that implementation of the 911 number would not happen statewide overnight, but "the time has come when all cities and counties should be making plans for the use of the 911 system as the common number to secure all types of emergency service."

Philip K. Martin, Lafayette, commission executive director, also presented the commission with the names of the first 634 Hoosiers who have met all of the EMS commission's training requirements and are now qualified to be certified as emergency medical technicians.

This first group of trainees submitted to the training program on a voluntary basis. Commission rules and regulations do not provide for mandatory certification of emergency medical technicians until 1978. The certifications are valid for three years.

THE OPIUM POPPIES ARE RIPENING

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. ZEFERETTI. Mr. Speaker, I have joined in cosponsoring a resolution—House Concurrent Resolution 296—calling on the President to convene the National Security Council to devise a viable strategy for combating the flow of Turkish drugs into the United States.

Turkey unilaterally lifted its ban on opium poppy production over the vehement objections of the United States. Even now, the new crop is maturing and will, quite shortly, be ready for harvest. This is ominous news for America.

As our worries have found open expression, Turkey has offered numerous verbal assurances designed to allay our fears. I am, however, unconvinced. No evidence exists that Turkey has taken adequate steps to prevent diversion of opium-gum into international narcotics travel. In fact, it is estimated that the 1975 crop will be 50 percent larger than those crops harvested before the ban, which can translate into an almost 50 percent increase in overall drug traffic, much of which is guaranteed to hit the international markets.

We now know that the Drug Enforcement Administration is unable to effectively block the flow of drugs into our country. The DEA has also predicted a substantial increase in the amount of drugs which will reach our country because of Turkey's decision to lift the ban. In anticipation of the new bumper-crop, drug traffickers have already released a significant part of their stock-piled heroin into circulation. This has already shown up in the streets of our country in the form of more seizures, greater quantity and better quality of heroin already on the streets. Obviously, the DEA is relatively helpless. Its administrator has been fired. No common efforts, centrally coordinated, exist to defend us against the looming onslaught of hard drugs.

The State Department is diplomaticaly soft-pedaling the menace of Turkish opium because of an urgent desire to retain Turkey as a NATO ally in the Eastern Mediterranean.

In addition to this, we now are aware that the route of Turkish opium to America will be through the reestablishment of the now well-known French connection. Here again, to my great regret, there is little effort being made by our Government to pressure the French into aiding us in this struggle.

So, we have arrived to the end of our temporary respite. Shortly, this poison will reach more of our young people. And, unless the most stringent measures are taken at the highest level, the tragedies of the late 1960's and early 1970's will be repeated in hundreds of thousands of homes in our country. More teenagers will die of overdoses. More young girls will turn to prostitution to support their habits; what we have on the streets of New York today will be on the streets of every smaller town tomorrow.

This sense of urgency must be communicated to everyone in our country. This is a bipartisan affair, and we have little time to lose.

JOSEPH A. OWENS WINS JOURNALISM AWARDS

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. COTTER. Mr. Speaker, I wish at this time to call to the attention of my colleagues the fact that Joseph A. Owens, editor of the editorial pages of the Bridgeport, Conn., Post and Telegram and Sunday Post, won first place honors for both editorial writing and editorial column writing in the statewide journalism competition sponsored by the Connecticut Chapter of Sigma Delta Chi, the society of professional journalists.

Winning in either category is an honor, given the high level of competition in Connecticut journalism. But only a journalist of exceptional ability can win in both categories. Joe Owens is such a man.

I congratulate Joe for this great tribute and wish him continued success as a commentator without peer.

PETER C. SMIDT, PROMINENT HOOSIER, RECEIVES AWARD FROM CALUMET COLLEGE

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. MADDEN. Mr. Speaker, Peter C. Smidt, one of the Indiana Calumet region's businessmen and restauranteur, received a much deserved honor from Calumet College in East Chicago, Ind.

Peter C. Smidt is the son of Phil Smidt, one of the pioneers who helped build the great industrial Calumet region of the Hoosier State.

Pete is one of the leaders of the civic life of Lake County, Ind., and over the years has promoted and participated in outdoor activities, as an active member of the Izaak Walton League, made numerous contributions to charitable organizations, and was always in the forefront on promotion of civic activities throughout the region.

I include an article from the Calumet College News pertaining to the honorary doctorate of laws conferred upon him as a long time member of the Calumet College board of directors during the commencement exercises held at the Bishop Noll Fieldhouse in Hammond, Ind.:

DOCTORATE TO SMIDT

An honorary doctor of laws degree was conferred upon Peter C. Smidt, longtime member of the Calumet College Board of Directors, at Commencement Exercises held Saturday, May 3, at Bishop Noll Fieldhouse in Hammond.

Mr. Smidt, a native of Roby, Indiana, is the owner of Phil Smidt and Son Restaurant, Hammond.

Active in community affairs, Mr. Smidt has been a member of the Board of Directors of Calumet College for 20 years, the longest tenure of any member of the school's history. He has also been a member of the Board of Directors of Hoosier Boys Town for 20 years and president of the board of Paramore Hospital for 22 years. He is a member of the Carmelite Home Guild and Sacret Heart Church, Whiting.

He has been involved with many other local organizations including the Purity League, of which he is currently president, the Hammond Elks Club, the Whiting Knights of Columbus (Past Faithful Navigator-Lincoln Assembly), the Indiana Society, the Fraternal Order of Police of Whiting and Hammond, and many others.

Mr. Smidt has also been cited for his work in the area of wildlife conservation.

Father John M. Lefko, out-going president of the college, and L. Cosby Bernard, chairman of the Board of Directors, conferred the honorary degree upon Mr. Smidt.

Giving the valedictory address was Mrs. Marcelle A. Pineda of South Holland. The 29-year-old mother of one is a native of France and has also lived in Peru and Venezuela. She finished work for her Bachelor of Arts Degree in psychology in December and presently works for the Tri-City Mental Health Center.

The 1975 graduates totaled 292, including 213 Baccalaureate Degrees and 79 Associate Degrees.

LAFAYETTE LAKE: MEETING TIPPECANOE COUNTRY'S RECREATION NEEDS

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. FITHIAN. Mr. Speaker, the construction and development of Lafayette Lake will fill an important recreational need for Tippecanoe County, Indiana's fastest growing metropolitan community, and the surounding areas.

Tippecanoe County is one of the best places to live and raise a family in the State. But as anyone who has spent a hot August afternoon looking for a place to beat the heat knows, we don't have the recreation facilities we need here. Despite efforts to improve outdoor recreation opportunities in the area, existing parks just are not keeping pace with the rising demands being placed on them. Without action now, we can expect overcrowding to get worse, not better.

A recent study of recreation facilities in our county, sponsored by the Tippecanoe County Park Board and the county area plan commission found that existing public parks are failing to keep up with the growing needs of county residents. The need for more water-related sports facilities for fishing, swimming, and boating is particularly crucial today and is expected to increase over 200 percent in the next 15 years. Nature-related recreational facilities for hiking, picnicking, and camping also fall short of meeting the growing demands by county residents. Demand of facilities to meet these needs will increase nearly 170 percent by 1990. But the problem does not stop at the county line. The Indiana Department of Natural Resources studies show that water sports facilities in the seven-county region which includes Tippecanoe are falling short of meeting the current needs of the region. They, too, predict that demand for water sports facilities will double within our lifetimes—and those of our children.

Lafayette Lake can meet these needs. Current plans call for 45 miles of shoreline and a 300-foot greenbelt surrounding the lake to insure public access and to block extensive lakefront crowding. Initial plans have called for swimming and open water sports areas, hiking and riding trails, up to 500 picnic and 530 campsites, as well as possible wildlife management and waterfowl preserve areas. Some have already suggested zoning areas of the lake for certain recreational uses—one area for swimming and quiet fishing and one area for boating. Others have suggested keeping each type of water recreation in a separate area. And some suggest that wildlife and waterfowl conservation areas be kept off limits to boats and vehicles.

Final plans for Lafayette Lake's recreational areas have not been drawn up yet. But now that construction of the lake is assured, we have the opportunity to make some choices. We must have open public planning to make sure that the best recreational use of the lake is made.

QUESTIONNAIRE RESULTS

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. PRESSLER. Mr. Speaker, I wish to submit the questionnaire results that I have recently received from my constituents. I believe that the many responses I have received are a significant indicator of the feelings of my constituents on the critical issues now affecting both South Dakota and the Nation.

Over 3,000 South Dakotans responded to my questionnaire. I have computed the responses according to favorable, unfavorable, and undecided answers. I am grateful for this opportunity to share the results with my colleagues:

QUESTIONNAIRE

Question 1: Do you feel there should be tax incentives to buy smaller cars which consume less gasoline?

Yes, 53%; no, 44%; undecided, 3%.

Respondents favored production of a small American-made car, and they indicated a feeling that all cars should provide at least 20 mpg.

Question 2: Should the Government establish target prices for cattle as they have done for grains such as wheat and corn?

Yes, 39%; no, 53%; undecided, 8%.

My constituents here expressed the belief that they did not want the Government to increase its already extensive involvement in farming processes.

Question 3: Should the Government set up price guidelines for fertilizer, insecticides, and other petroleum based products?

Yes, 51%; no, 43%; undecided, 6%.

Question 4: Should the Occupational Safety and Health Act (OSHA) be amended to require warnings rather than immediate fines for violations of the law?

Yes, 73%; no, 23%; undecided, 4%.

Most respondents voice strong opposition to the OSHA law. Some felt that warnings rather than fines would take the "guts" out of the law.

Question 5. Because of the growing unemployment rate, should the Government set up public works programs like those during the '30s.

Yes, 58%; no, 36%; undecided, 6%.

People favored worthwhile programs, but they were opposed to having Government programs that did not offer something of value to the participants.

Question 6: What do you think is the most important issue of the day?

Answers were naturally varied on this question, but the most frequently listed topics were inflation, unemployment, excessive Government intervention, irresponsible deficit spending, taxes—overtaxing the poor, and moral decay in our society.

SALUTE TO MOZAMBIQUE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. STOKES. Mr. Speaker, I was invited by the FRELIMO Executive Committee to participate in independence celebrations which will take place today and tomorrow in Lourenco Marques, Mozambique. This invitiation was extended to me through two of my friends, Prime Minister of Mozambique Transitional Government, Joaquim Chissano, and Marcelino Dos Santos, vice president. I regret that legislative matters and debate in which I am involved prevented my attendance today at this gala celebration when the free and independent nation of Mozambique formally takes its place among the world community, after nearly 500 years of colonial domination by Portugal.

Strategically located on the Indian Ocean in the southeast corner of the African continent, Mozambique has long been in the forefront of the liberation movements of Africa, seeking not only its own independence but also majority rule in neighboring South Africa and Zimbabwe.

Those who fought most ardently for freedom in Mozambique, under the leadership of the Front for the Liberation of Mozambique—FRELIMO—inherit serious challenges in social, educational and other internal structures brought about by colonial neglect.

They join the world community of nations at a time when worldwide recession and inflation threaten to unbalance the most stable of nations.

They face obstacles of uneven land and education benefits, with industrial production stagnated in primary product areas due to Portuguese exploitation of resources, and with a world little interested in the problems of others.

Nevertheless, the people of Mozambique have demonstrated extraordinary courage and fortitude in their quest for freedom and solutions to their difficulties. I believe the United States and other nations of the world must welcome Mozambique and its people, and must assist in every way the efforts of the new government to take its rightful place in the world community.

To President Samora Machel, my friends Marcelino Dos Santos, Joaquim Chissano, their families and the people of Mozambique go the best wishes of all those who treasure freedom, in this country and around the world. It gives me great pleasure to know that my colleagues, Congresspersons CHARLES C. DIGGS, Jr. and CARDISS COLLINS, are present in Mozambique to represent those feelings. I would like to add my own best wishes to our brothers and sisters of Mozambique, and wish them a joyous celebration of liberty. I look forward to personally delivering my greetings to them at some date in the near future.

KOCH URGES SUPPORT FOR FOUR EPISCOPALIAN CONVENTION RESOLUTIONS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. KOCH. Mr. Speaker, the 197th Convention of the Diocese of New York of the Episcopal Church met on May 10, 1975. They ratified four resolutions which I believe deserve the support of this Congress.

The resolutions follow:

ON EMPLOYMENT AND TRAINING

Whereas, the current economic depression has hit the lives of all but a few with the impact of an earthquake, causing widespread hunger, malnutrition, impaired health and other hardships, and

Whereas, the economic depression has also generated a psychological and spiritual depression, generating a spirit of defeat, indifference and despair, and

Whereas, the youth of the nation have become a major casualty of the current economic and spiritual crisis we face, devastated by unemployment of more than 65% among urban young men and women, and

Whereas, institutions and programs for people in need face severe lack of funds causing further hardship to those already victims of a worldwide economic disorder, and

Whereas, the Christian Church and its people are called to compassion and works of mercy, therefore, be it

Resolved: That this 197th Convention of the Diocese of New York call upon the Government of the United States to devise and initiate a broad program of corrective action which will reduce prices, stimulate equity, availability of basic necessities such as food, shelter, clothing and health care, and be it

Resolved: That Government and voluntary organizations encourage families and individuals to meet their own needs by making gainful employment and training available to all, and be it further

Resolved: That the Federal Government organize constructive programs of employment, act as an employer of last resort when necessary, to the end that the blight of unemployment and suffering be relieved.

ON AMNESTY, VETERANS BENEFITS AND THOSE MISSING IN ACTION

Whereas, 1976 is the Bicentennial of the United States of America, and

Whereas, from Biblical times, Jubilee years have been occasions for extraordinary acts of forgiveness, reconciliation, and generosity, and

Whereas, the Diocese of New York has called in the past for amnesty to all who have refused military service in Vietnam for reasons of conscience, and

Whereas, the Diocese of New York has also called in the past for recognition and commendation of those who in obedience to conscience and the call of their country chose to follow the law of the land and serve in Vietnam or wherever called upon to go, now, therefore, be it

Resolved, That the Diocese of New York calls upon the President of the United States to declare a general and unconditional amnesty to all those in prison or under threat of prosecution for draft evasion and desertion, in obedience to the Biblical injunction to "proclaim liberty throughout all the land," and to "return every man to his family," and be it further

Resolved, That the Diocese of New York calls upon the President and Congress of the United States to offer due and proper recognition of the honorable service of Vietnam Veterans by upgrading Education and Insurance benefits provided these Veterans to the equivalent of those provided those who served in World War II; and the Diocese of New York further calls upon the Governor and Legislature of New York State to continue funding New York State County Veteran Service Agency Offices and provide other benefits commensurate with recognition of those who served in their country's Armed Forces during the Vietnam Counter-insurgency Operations, and be it further

Resolved, That the Diocese of New York registers its continued concern for the welfare of those missing in action in Vietnam, and their families, and urges the Government of the United States and the Government of North Vietnam in cooperation with the appropriate authorities in South Vietnam to rapidly determine the fate and the whereabouts of these men.

On Legislation of Armaments

Whereas, over two-thirds of the approximately 20,000 murders committed annually in our nation are gun-inflicted killings, and

Whereas, the Constitutional "right to bear arms" is no excuse for the manufacture of some 2.5 million new weapons every year, and

Whereas, the flow of hand guns across state lines indicates the impossibility of relying on local gun control laws to stem the tide, and

Whereas, the Mayor of New York estimates that there are 1 million hand guns in this city of 8 million men, women and children, and

Whereas, 123 police officers were killed by hand guns last year, therefore be it

Resolved: That the 197th Convention of the Diocese of New York call upon the Congress of the United States to enact legislation to control the manufacture, importation, sale, interstate and intrastate shipment, ownership, possession, registration and use of all guns, parts and ammunition; and be it further

Resolved: That this resolution be forwarded to the members of the United States Congress representing the geographical area encompassed by the Diocese of New York.

On Postal Rates for Non-Profit Mail

Whereas, postal rates for non-profit second class mail are increasing at a rate threatening the continued existence of parish newsletters, a diocesan paper, and all other non-profit second class publications, and

Whereas, President Ford has failed to include in the present budget the subsidy needed by all non-profit second class mailers as required by P.L. 93–328, popularly known as S 411, thereby stimulating further increases in postal rates; therefore, let it be

Resolved: That this Convention express its concern for the freedom of religious expression and the freedom of the press as set forth in the United States Constitution and now threatened by the economic pressure of postal charges, and be it further

Resolved: That this Convention express its support of measures sought by the Associated Church Press, the Catholic Press Association, the Evangelical Press Association, and the American Jewish Press Association to provide relief from such charges as endanger the traditional and historical role played by the religious press and other non-profit publications in informing the public, and be it further

Resolved: That copies of this resolution go to the President of the United States, to the Postmaster General, to the New York delegations in the United States Senate and the United States House of Representatives and to the executive secretaries of the Associated Church Press, Catholic Press Association, Evangelical Press Association, and the American Jewish Press Association.

FEDERAL ELECTION COMMISSION

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. STEED. Mr. Speaker, in further compliance with my announced program of providing proposed rules and regulations for the newly created Federal Elections Commission for the Record, I include herewith a third publication in the Federal Register by the Commission. This far-reaching new Federal function will find increasing interest in the very near future and I urge my colleagues to retain these materials for reference. The proposals are as follows:

Title 11—Federal Elections

CHAPTER II—FEDERAL ELECTION COMMISSION

[Notice 1975–6]

Interim Guideline: Multi-Candidate Committees

(1) Political committees supporting more than one candidate (multi-candidate committees) which have heretofore reported to two or more supervisory officers or which, if new, would have had to file with more than one supervisory officer (as, for example, a committee supporting candidates for both the Senate and the Presidency), should file their July 10, 1975 report with the Federal Election Commission, 1325 K Street, N. W., Washington, D.C. 20463. Multi-candidate committees supporting only candidates for the House of Representatives should file their July 10, 1975 report with the Clerk of the House of Representatives. Multi-candidate committees supporting only candidates for the Senate should file their July 10, 1975 report with the Secretary of the Senate. Multi-candidate committees which have heretofore filed only with the General Accounting Office, should file the July 10, 1975 report with the Federal Election Commission at the above address.

(2) No multi-candidate committee described in the foregoing paragraph need file with the principal campaign committees of the candidates supported, except that:

(a) such multi-candidate committee which receives contributions earmarked by the contributor for any individual candidate or an authorized committee thereof shall report such contribution to that candidate's principal campaign committee and the Commission, and

(b) any such multi-candidate committee which is authorized to make expenditures in behalf of a candidate should report any such expenditures to that candidate's principal campaign committee and the Commission. If no principal campaign committee has been designated, contributions and expenditures to be reported under this paragraph should be reported to the Commission in a form which clearly identifies the candidate to whom they relate.

(3) Multi-candidate committees which have not heretofore filed with any supervisory officer should additionally file a registration statement under 2 U.S.C. Section 433. Such committees which support only candidates for the House of Representatives should register with the Clerk thereof. Such committees which support only candidates for the Senate should register with the Secretary thereof. All other such committees should register with the Commission.

THE NEED FOR A RESPONSIBLE PRESS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. ASHBROOK. Mr. Speaker, if the world was a perfect place, the United States would not need intelligence operations. There would be no need for the CIA or other intelligence organizations.

However, the world is far from perfect. And our enemies maintain spying operations and worse against us. The Soviet KGB has been reported listening in on congressional phone calls in Washington, D.C. Soviet agents are busy in all parts of the world. Communist Chinese agents are likewise active.

Unfortunately, the large establishment news media has presented little balance in this area. In place of responsibility much of the press seems more interested in sensationalism.

There have been some who have been calling for responsibility. The Tribune-Courier of Ontario, Ohio has printed an editorial that deserves wider circulation.

At this point I include in the Record the full text of the editorial entitled "Irresponsible Press" and commend it to the attention of my colleagues:

Irresponsible Press

It seems never to fail. Whenever a weakness in our federal government is uncovered, regardless of its relative value or importance, the press rushes in to gnaw, gnaw and gnaw on it like a hungry dog on a soup bone.

The current flap over the CIA is a case in point. Every news commentator, every newspaper columnist of national importance has had a fling at denouncing this covert and important arm of our government.

It's one thing to criticize the CIA for some of its wrongful acts regarding their operations, but it's wrong to literally break down the credibility and importance of this branch of government so that it is rendered impotent.

The majority of news media commentators are daily giving the American people the impression that there isn't any act of our government that warrants secrecy or coverup.

It is almost like telling our enemies . . . and we have them the world over by the millions . . . that it is the mission of the media to reveal all of our secrets in the interest of freedom of the press.

It is as though the liberal media establishment, like sheep running over a cliff, are hell-bent on a suicide mission to destroy this country's government and substitute it supposedly with one of their own making.

The CIA, as all other branches of our federal government's bureaucracy, is long overdue for an overhaul. The Congress and the Executve branches need to do some "pants-kicking" to bring these wild-running agencies back into line. Some, it is true, need to be abolished. The CIA, however, is not one of them.

It is pure damned foolishness for the American people to expect to be told everything that is going on in government. There are some things, such as spying, intelligence gathering processes, and the like, which ought to be of no concern to the American people.

It is for the safety and protection of the individual American that these missions are carried out.

As to assassinations of political leaders and other excesses of power which the CIA has been accused of, such charges ought to be thoroughly investigated. Such excesses, where they exist, must not be tolerated. However, if such excesses of power did occur or did not occur, it isn't the mission of the news media to commercially capitalize on the charges. Headlines and news bulletins may sell papers, television and radio time but they do absolutely nothing to solve problems. They merely create more problems.

The findings of the Rockefeller investigation of the CIA ought to be revealed only when the President and the appropriate committees of the Congress decide and only for the purpose of taking remedial action to correct apparent weaknesses in the organizational structure of the agency. The findings should not be the basis for destroying or neutralizing that all-important spy agency.

In this uncertain world with so many nations vying for world power, and especially with the proliferation of atomic secrets to any Tom, Dick and Harry nation, we've got to continue spying operations on all foreign governments.

When we must coexist with communism and fascism the world-over the U.S. cannot afford to sit back and fantasize that all other nations believe in the U.S.-style of freedoms and utopian live-and-let-live philosophies.

The American people cannot afford to be lulled into a false sense of security by liberal newsmen who tout the kind of trash which Russia, China, Cuba, and dozens of other nations want to hear.

You don't hear or read where Pravda or Izvestia are exposing the NKVD in Russia. And yet we all know that that organization and many others are busily engaged in spying on the U.S. Why isn't it only right that we spy on them?

Why is it so all-fired wrong to protect our national interests? Why must we openly invite potential aggressors to gorge themselves on our secrets? Why is it so important for the news media to constantly degrade the federal government? Is it a conspiracy of sorts?

True, specific policies, practices and actions of government, at all levels, must be publicly scrutinized and if disagreed with, ought to be criticized. There is a point however, where responsible journalism is abandoned and the sensationalism of commercial copy enters.

More specifically, the news media ought to be spending as much time in reporting the many pluses and the many successes of the CIA since the end of WWII. And there have been many. But then this kind of information does not create excitement. And many a big city news reporter is more interested in winning a Pulitzer prize than in honestly and fairly informing the public.

What is urgently needed is a toning down of this CIA flap with the introduction of more responsible reporting and less "let's-make-a-buck" deals. Let the President and Congress straighten out the problem. They are the ones who represent the American people. The New York Times, CBS or the Washington Post represent only their stockholders.—F.A.S.

EDWARD KUZNETSOV'S "PRISON DIARIES"

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. NIX. Mr. Speaker, a few days ago I joined with other Members of the House in commemorating the fifth anniversary of the trial in Leningrad of a group of Jews who tried to escape from the Soviet Union.

I mentioned at that time that the "Prison Diaries" of Edward Kuznetsov, leader of the group, had been smuggled out and published in the West.

For the benefit of those who would like to know more about this remarkable book and about the man who wrote it, I offer for the RECORD a book review that appeared in the New York Times of May 25, 1975:

PRISON DIARIES

(By Edward Kuznetsov. Translated by Howard Spier. 254 pp. New York: Stein and Day. $8.95)

PROFILES IN RUSSIAN RESISTANCE

(By Irina Kirk. 297 pp. New York: Quadrangle/The New York Times Book Co. $10.95)

(A Review by Jeri Laber)

There is no reason to believe that Edward Kuznetsov, the 36-year-old author of "Prison Diaries," has ever met any of the 17 former Soviet citizens interviewed in Irina Kirk's "Profiles in Russian Resistance." Yet the books are intricately entwined. Kuznetsov and the others share a total disaffection from the Soviet system, an inability to conform and an overwhelming despair which, ultimately, led each of them to seek personal freedom in the West.

Moreover, the failure of Kuznetsov's desperate scheme to flee the Soviet Union in a hijacked plane may well have contributed to the success of the others in obtaining official permission to emigrate. At their 1970 trial the Leningrad hijackers, Kuznetsov and Mark Dimshitz, the would-be-pilot, were sentenced to death. The severity of the sentences was met with such disbelief and outrage throughout the world that the Soviet leaders not only reduced the penalties but also subsequently eased their emigration policies. This token relaxation, an aftermath of Kuznetsov's trial, made it possible for the dissidents interviewed in Irina Kirk's book to leave the Soviet Union.

There is another, more subtle connection between these books. Kuznetsov's diaries are the latest stunning addition to the most significant genre of contemporary Soviet letters: the prison stories and memoirs from the camps. These prison works are denied publication in the U.S.S.R. and circulate only in *samizdat*. We in the West can hardly begin to understand the profound effect that the accounts have had on underground readers in the Soviet Union, where almost every household has experienced the terror of arbitrary state intervention. The dissidents interviewed by Kirk confirm that stories like those in Kuznetsov's diaries fired the first sparks of resistance.

Despite a rather rigid questionand-answer format, "Profiles in Russian Resistance" is a fascinating book. Its strength is in the sensitive choice of individual subjects, and in the quietly skillful way Irina Kirk persuades them to tell their stories. Each was interviewed shortly after arriving in the West and one senses how many emotions still center on the country and people left behind.

All of the interviewees have chosen self-exile, even though their professional skills and talents would have enabled them to live comfortable, albeit conformist lives in the U.S.S.R. They are an exceptionally intelligent and perceptive group. Otherwise, they have little in common. Painter, poet, doctor, scientist—most of the professions are represented and many hues of the political and philosophical spectrum. Some are Orthodox and others are atheists. There are Jews who tellingly depict the anti-Semitism that pervades every level of Soviet society. Some, but not all, have served time in prison. Even their dissent took a variety of forms: Alla Tsvetopolskaya, for example, decided gratuitously to correspond with lonely prisoners she'd never met, thereby exposing herself to official suspicion; Lev Navrozov (see Page 3 for a review of his memoirs, "The Education of Lev Navrozov"), by contrast, wrote books "for the drawer" and avoided political activity, knowing that his life's work "would have been confiscated in the very first house search."

There are ironies in their comments: 19-year-old Yelena Glazov praises the "absence of class" in the United States. The ex-prisoner Radygin describes prison as "my university," the place where he became a true dissident. Alla recounts sending a copy of Solzhenitsyn's "One Day in the Life of Ivan Denisovich," the only piece of prison literature officially published in the U.S.S.R., to a post-Stalin prisoner: "You should have seen in what condition the book was returned to me. I found out that every inmate had read it; that they stood in line to get the book."

These people do not have the awesomely heroic proportions of Solzhenitsyn, Sakharov or Bukhovsky, men who have dedicated their lives to a continuing confrontation with the system. Faced with inhuman pressure to sacrifice their integrity in order to survive, they have chosen—and have been fortunate enough—to leave. This decision is both courageous and understandable; no individual should have to make the extreme choices posed by that repressive state. "I want my children to be born in America," says Alla Tsvetopolskaya, "to have children who will have a million conflicts with their parents, with their Government, with themselves, but will never be faced with the dilemma of whether to betray a friend or perish."

Kuznetsov still remains in prison. Only his diaries have reached the West. Read them! They go far beyond the story of his trial, the commutation of his death sentence and his first year in prison. They will introduce you to the inner world of a very private, very thoughtful, very extraordinary man—who also happens to be a fine writer.

"I write only to stay human," he says, and his writings show his spirit, openness, sensitivity and humor, his lack of self-pity or affectation and, above all, his honesty about everything, especially himself.

It is painful to acknowledge, as we must, over and over again, that Edward Kuznetsov is not an isolated case. Leonard Schapiro reminds us in his introduction that Kuznetsov is only one of "many brave men and women like him who have suffered and continue to suffer under repressive regimes in many parts of the world for their courage in protesting."

Nor did Kuznetsov choose the heroic posture that circumstance forced upon him. Like the people interviewed in Irina Kirk's book, he dreamt of making a new life for himself, free from Soviet constraints.

Soviet authorities, in an almost unprecedented gesture, pardoned Kuznetsov's wife after she had completed less than half her sentence. One can only hope that they will now set Kuznetsov free to join her in Israel, where she waits.

GUNS DO KILL

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. FAUNTROY. Mr. Speaker, the drastic increase in handgun deaths and accidents in the past few years compels us to look seriously at legislation which will place strict and meaningful controls on their use. It is time, and it has long been time, to prevent senseless deaths and accidents due to careless handling of guns. There are at least 25,000 gun deaths and 200,000 accidents each year, and those numbers will be even larger this year.

I recommend the following statements to my colleagues to read on the issue. They are not documentary evidence—the figures have already been presented numerous times in various ways. However, they do point out the fallacy of some of the arguments opponents to gun control use. The first is a parody by the noted columnist Russell Baker, and the second, by the famous writer Jimmy Breslin, is a documentary on the tragedies that continue as long as no gun control laws exist.

The articles follow:

Guns That Don't Kill

(By Russell Baker)

I bought a gun. It seemed a very American thing to do, and, besides, it was my constitutional right.

I brought it home and put it in the kitchen drawer. I wanted it to be handy in case ravenous dogs broke in just at dinnertime and went for the hamburger.

Uncle Hal was nervous. We played pinochle in the kitchen most evenings, and I am a very bad loser. Sometimes I upset the kitchen table. Sometimes I smash jars of mayonnaise against the sink.

Uncle Hal said he wouldn't play pinochle anymore with a bad loser who kept a gun in the kitchen drawer. He said it was too dangerous. He said the gun could kill him.

"Pooh," I said. "Guns don't kill people. People do."

Uncle Hal still didn't like it. He said I could count him out on the pinochle that night.

I didn't like that one bit. I look forward to my pinochle at night, and I don't like being deprived of it by somebody who gets sore because I choose to exercise my constitutional rights.

I asked him if he was a Red or something.

He asked me if I was some kind of gun nut.

I said he'd better shut up and get the pinochle deck before I got mad and reported him to the National Rifle Association, which would crush him under tons of outraged mail.

Uncle Hal said anybody who had to have a gun in the kitchen must have a lot of doubts about his manhood.

It made me so mad I wanted to shoot him, but that would have proved he was right, and I hate to lose an argument. So I threw a jar of mayonnaise at him instead.

It missed.

"That cuts it," said Uncle Hal. "I'm going down to the cellar and watch television."

"Pinochle!" I shouted.

"Television," he insisted.

I said we would see about that and raced to the cellar and threw a jar of dill pickles through the television screen.

Uncle Hal laughed. "That was an idiotic thing to do," he said. "Now you won't be able to watch 'Kojak' any more."

I chased him back up the steps and started to strangle him.

"What's all this commotion?" asked Aunt Clara.

I told her I was going to show Uncle Hal that it was people who killed people, and not guns.

"You'll never do it that way," Aunt Clara said. "He's too strong for you."

Sure enough, Uncle Hal broke my stranglehold and threw me against the wall.

I had an inspiration. I would poison him. I would offer him a glass of creme soda containing a large dose of rat poison.

"Where's the rat poison?" I asked Aunt Clara.

"Heavens," said Aunt Clara. "People don't just keep rat poison around the house, boy. Rat poison isn't like guns."

Uncle Hal was gloating, just as he does when he wins at pinochle. I reached for the fireplace poker, but Aunt Clara pointed out that he was probably strong enough to take it away from me and give me a paddling with it before I could brain him.

I was furious now, but I didn't know what to do.

"You could always shoot him," Aunt Clara said.

She was right. It was the only sure way, so I got off three fast shots.

"Not bad," Aunt Clara said. "Three harmless flesh wounds of the kind John Wayne used to get in the old war movies. With a little adhesive tape, he'll be back at the pinochle table in no time."

Having proved my point, I felt great. "I told you guns didn't kill people, Uncle Hal," I gloated.

"Not even people who win at pinochle?" he asked.

His sarcasm made me so mad I accidentally shot myself in the elbow and still can't throw a mayonnaise jar halfway across the room.

All Because of a Gun

(By Jimmy Breslin)

It is as if once a problem has been defined, we confer upon it permanency. Never is it to be altered or dissolved; enough that it has become discovered and debated.

In 1940, in the town of Terni, in Italy, 70 miles northeast of Rome, there was manufactured a rifle called the Mannlicher-Carcano, model 91. The Mannlicher-Carcano, with its small bore and underpowered cartridges, made a peculiar sound for a rifle, a firecracker sound. One Mannlicher-Carcano made that year lasted through the war and the years that followed and in 1963 this particular rifle was in America, in the mail to Texas, going to Lee Harvey Oswald. And now the popping sound was heard in the noon sun in Dallas, and a president's head came apart.

It was at this time that the problem of controlling guns was raised for the first time and defined on a national level. Once recognized, once explored; always.

From 1963 on, more Americans were killed by violence, primarily gunfire, in this country than were killed in the war in Vietnam. In Washington, the arguments rose, subsided, rose again, subsided again. Bullets pierce flesh, but are harmless to words. Hearings always hear.

Last Wednesday, Gerald Ford, President of the government of the United States, announced in a national message on crime that, "I am unalterably opposed to federal registration of guns or the licensing of gun owners. I will oppose any effort to impose such requirements as a matter of federal policy."

Three days later, of a brilliant morning in Washington, they brought the body of Bernard Lee Jones into the New Southern Rock Baptist Church on Buchanan Street, Northwest Washington, in the country of the United States. Jones was a 30-year-old junior high school teacher. On the night of June 10, he found a man breaking into his car. Jones was powerful, and the guy trying to break into the car took the only way out: He blew Jones' chest open with a .38.

At the funeral, two of Bernard Jones' friends, William Saunders and Hewitt Brantley, stood across the street and waited until it was time to go inside for the services. The two men were dressed in fine blue suits, the waists pinched, arms folded across chests, the sleeve material straining its way across great biceps.

"Bernard taught at Paul Junior High, taught black studies," Saunders said. "Out of the crew we went to school with, we didn't figure he'd ever go to college and be a teacher."

Brantley said, "They looked at us, they never figured them two to be policemen. That's for sure."

"Beautiful fellow, Bernard, always joking," Brantley said. "He loved what he was doin'. The few you save keep you goin'."

"Do they know who did it?" they were asked.

"Lookin' for somebody," Saunders said. "They know who he is."

Later in the day, police would arrest Daniel Turnage, a mechanic.

"What kind of gun was used," Saunders was asked.

"Thirty-eight."

"No Saturday Night Special," Brantley said.

"Lots of guns around here?" they were asked.

"What town you say you live in?" Saunders said.

"A place where they get a lot of guns."

"Then you live in a place like Washington."

"Do you think you could do anything about guns?" Saunders was asked.

"Sure."

"How?"

"We'd take 'em off the street. But you got to stop manufacturing them. What good is sayin' you want gun control if you don't stop manufacturing them? Shippin' them around, mailin' them."

Brantley said, "You just make one big wheel if you don't stop manufacturing them. You take 'em out, they keep puttin' 'em back in."

"Why do people have guns?"

"Kill somebody with."

Across the street, the light brown coffin was going up the stairs into the church. The two men walked across the street and got onto the line of mourners, a large, magnificent group, walking slowly in the sun, two by two, the old faces pushed in by life, the eyes so full of the knowing of the occasion, the younger men with strong chins coming out—Bernard Jones played high school and college football and most of his friends are large. Many of the women wore straw hats and held handkerchiefs in their hands. Inside the church a choir of women began singing, bosoms heaving under black dresses, great Southern tones tearing at the crowd, bringing forth from them the first moans of the long day. Suffering is the art of the poor.

A member of the Paul Junior High School faculty spoke. Then Jimmie Dougan, a friend of Bernard Jones, walked down the aisle, faced the crowded church, and sang "Keep Your Head to the Sky." It was Bernard Jones' favorite song and Jimmie Dougan sang in high notes, in unwavering notes:

Keep my head to the sky
For the clouds to tell me why

The Rev. N. G. Barr told them, "Nobody can correct God. We can't put it in a book to tell God when we want Him to come for one of us. But we can correct ourselves. Here in the Nation's Capital where laws are made we have 435 congressmen, 100 senators, a vice president, a President, yet all of us here, the people who have to live here, we can't walk the streets safely. We have lost so much beauty today. Must we always lose our beauty because of these streets? Must be somethin' better, must be somethin' better, must be somethin' better."

The choir sang "When We All Get to Heaven" and people filed by the casket for their last look at Bernard Jones' full, strong face. Outside in the sun, the two detectives, Saunders and Brantley, stood with tears sliding down under their sunglasses.

"Put down how good he was," Saunders said. "Man like this, all because of a gun."

Memory, for the moment, brought forth a young man named Roy Gutmann, who once was a brilliant student at the University of Chicago. At 9 o'clock one night Gutmann was walking on 56th Street, in the university area, when he was shot to death by 16-year-old boys. The shooting upset terribly the president of the University of Chicago, Edward Levi. Levi now is the attorney general of the government of the United States. He was on television the other day defending President Ford's program on gun control.

DEBATE ON H.R. 8122

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. BURGENER, Mr. Speaker, during the debate on H.R. 8122, I had considered offering an amendment to make what I choose to call a modest increase in the funding for the gas-cooled fast breeder reactor technology. The amount of increase that I feel is necessary at this time is $9 million. After discussions with the chairman and with members and staff of the Public Works Subcommittee on Appropriations, I concluded that the best place to attempt to achieve this increase would be in the Senate version of the public works appropriation bill. I was not seeking an increase in dollars for the total public works appropriation. Since the authorizing committee as well as the Appropriations Committee made some reductions in the liquid metal fast breeder reactor program at Clinch River in Tennessee for technical reasons, and since these reductions resulted in a saving of some $71 million, it was felt by many that some modest additions could be made to our other nuclear programs. These additions would improve our technology and would hasten the day when nuclear power could fill a much larger portion of our energy gap and bring us closer to total energy independence in this Nation—a goal the entire Congress and the public wishes to achieve.

The reason I feel so strongly that additional funding for the gas-cooled fast breeder reactor is necessary, is that I feel it is an excellent competitor to, and highly complementary to, the light-water breeder technology. In my judgment we need to advance both of these technologies, because both have a very vital role to play in energy independence. I think the public interest is well served when we have a competitive technology. Both technologies have many advantages, but I point out that the gas-cooled breeder reactor technology has one key advantage in that it does not require the large amounts of cooling water.

I shall press on the Senate side for this increase, thereby, if successful, making this increase an eligible subject matter for the conference committee. I wish to commend Chairman Evins for his outstanding leadership in producing a public works appropriation bill which I think is a milestone toward real capital investment in the future of this Nation. It is a privilege to be a member of his subcommittee.

GENERAL REVENUE SHARING COSPONSORS

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. WYDLER. Mr. Speaker, it is with great pleasure that I rise to reintroduce the bill to extend and revise the State and Local Assistance Act of 1972, more commonly known as general revenue sharing.

In conjunction with my distinguished colleague from New York, Mr. Horton, and the chairman of the Subcommittee on Intergovernmental Relations and Human Resources, Mr. Fountain, we originally introduced this bill on April 30, 1975, by request of the administration.

Today, it is being reintroduced with 53 cosponsors from both sides of the aisle. Because of this great response to the proposal for reenactment of revenue sharing, we are leaving the bill open for future cosponsors.

For the benefit of the full House, the major provisions of the bill are as follows:

Continuation of the present formula for determining local portions of revenue-sharing money;

An increase of $150 million each year in the level of funding resulting in a total of $39.5 billion over the five and three-quarter year extension period of the bill;

Strengthened public participation in determining the use of revenue-sharing funds;

Increased flexibility in reporting requirements of local communities to take into account local needs; and

Increased civil rights enforcement through broadening the discretion of the Secretary of the Treasury to invoke certain remedies where discrimination is shown.

There are few proposals which I have had the privilege of working with since I came to the House of Representatives in the 88th Congress that are more vital to the maintenance of the federal system than general revenue sharing. It represents the realization that the most vital component of the federal system is at the local level. It is important, I believe, that this proposal receive prompt and favorable consideration.

I strongly urge my colleagues to join with us in cosponsoring this vitally important legislation.

HOME CANNING SUPPLY SHORTAGE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. ABDNOR. Mr. Speaker, the House Small Business Subcommittee on Commodities and Services has been holding hearings on the problems confronting those who can their own food from their gardens and are having difficulty in obtaining the supplies needed for the canning season.

This is a very real problem to many of my constituents who depend on making ends meet with a substantial supply of canned goods which they obtain from their homegrown products.

I have submitted to the subcommittee my views on this problem and because of the interest in this subject, request permission to have included in the Record my statement which follows:

Statement by Hon. James Abdnor

Mr. Chairman, I would like to take this opportunity to outline my views which are reflective of constituent concern in my State of South Dakota over this very pressing issue of a home canning supply shortage. This shortage is one which is very real to my constituents. There are many people in South Dakota who have canned for a good many years. These are the people I am worried about for they have long been a part of and contributed greatly to achieving full production for America from our nation's breadbasket. Likewise, through their own utilization of their home grown products they have helped achieve optimum use of our food supply and have long taken pride in their canning accomplishments which have made possible such wise use of our agricultural and garden production.

They have written me explaining their frustrations of not being able to secure canning seals. They have canned for years and have an ample supply of jars, but are quite aware of the lack of replacement units on the shelf. As the result of these letters, I have written to the Departments of Agriculture and Commerce, plus the major distributors of glass canning products—Kerr and Ball.

The responses I have received have said that there has been a shortage in the past, but the manufacturers are working overtime to produce replacement lids. They have also told me to tell my constituents to be patient and don't hoard the product when it reaches the shelves. It is hard not to be deeply concerned when you see all of your hard work ripening before your eyes and not have a place to put your produce. When you have enough vegetables to can 50 jars but only have 25 lids, that is when you know that the shortage is real. And this is the prospect confronting my people now as they view the coming canning season.

I can easily understand the feelings of the people in South Dakota. Ours is a State of extremes, one in which you must be prepared for almost anything at any time. Therefore they like to be prepared for the possibility of everything from the severity of a winter blizzard to the splendid bounty of a lush garden crop during the canning season.

It is imperative that every effort is made to get the supplies to the people who rely on their canning as foodstocks, and I commend your Committee for examining this serious problem.

PEACE CORPS VOLUNTEER FROM BESSEMER TEACHES NEW FARM METHODS IN JAMAICA

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. RUPPE. Mr. Speaker, while the Peace Corps does not receive the public attention it once attracted, the fact is that thousands of dedicated Peace Corps volunteers are continuing to serve in countries throughout the world. I am proud to note that a resident of my congressional district is serving with distinction in Mt. Horeb, Jamaica. He is Robert M. Sabol, of Bessemer, Mich., and son of Mrs. Betty Sabol. I believe that his story is typical of the numerous men and women who go abroad each year to help citizens of other nations, and I commend this article to my colleagues:

PEACE CORPS VOLUNTEER FROM BESSEMER TEACHES NEW FARM METHODS IN JAMAICA

It is a far cry from studying agriculture in snowy Michigan to teaching farmers in tropical Jamaica, but Peace Corps volunteer Robert M. Sabol has made that transition. Sabol, 24, of Bessemer, Mich. has spent the two years since his graduation from Michigan State University in East Lansing teaching Jamaican farmers improved vegetable-growing methods suited to their lush, humid climate.

Based in Mt. Horeb, a small mountain town of 90 people about 14 miles from Montego Bay, Sabol works as an agriculture extension agent for the Ministry of Agriculture. His work includes demonstrating new techniques of growing and caring for vegetables, helping to introduce new varieties, and stressing the importance of better farming methods.

"These goals are important to the community since agriculture is the main economy and the local farmers must make many of the community's decisions," says Sabol.

In order to accomplish these goals, he visits the farmers in his area to conduct demonstrations and work with them in their fields. He also participates in monthly agriculture meetings, which he considers to be an opportunity for both instruction and dialogue. Says Sabol, "Your presence means a lot to them and proves that you are interested and are there because you want to help them out where you can."

He believes that attending meetings and getting to know the farmers is essential to gaining their confidence. "I have heard from many people various tales about the community or of people who have lived in the community before that I know wouldn't be told to an ordinary stranger," Sabol comments. "By just talking about different things, you know that you have been accepted by them."

The son of Mrs. Betty Sabol of 513 E. Long Year St., Bessemer, he graduated from A. D. Johnston High School there in 1969. At Michigan State he became a member of the Alpha Gamma Rho national agricutural fraternity and obtained his degree in horticulture science in 1973.

Besides working with the farmers, Sabol takes part in many community activities. He is the founder and leader of a 4-H Club made up of 21 boys. Their recent rabbit raising project "caused a lot of excitement among the boys," he says. He also teaches basic agriculture and agriculture science to students in the seventh grade and above. With his help the younger students have developed a school garden to gain practical experience in agriculture techniques. Many of his older students are working toward Jamaican school certificates, a requirement among most employers.

He believes that his community participation both helps the townspeople and tells them something about Americans. Says Sabol, "Your involvement in the community is important as you are supposedly setting an example of what Americans are like. I know for a fact that when some of the people hear about America, they right away think about you, the volunteer, since you are a part of their lives by living and working with them."

Sabol lives alone in two rooms of a house on the town square. Meals such as rice and peas, salt fish and ackee (a local fruit), or curried goat and chicken are prepared for him by a Jamaican woman. He goes to bed early since there is no electricity in Mt. Horeb and gets up equally early to begin a strenuous day. "Since many of the farmers are located way out in the bush," explains Sabol, "on a normal work day I may walk five to nine miles."

Although Jamaica is an English-speaking country, many people speak their own dialect, the Jamaican patois. "This can be a little hard to understand at times," Sabol comments, "but you learn to listen carefully to conversations and after awhile you really don't have any problems, unless of course two Jamaicans are in the process of an argument. Then you are entirely lost."

Sabol is one of about 195 Peace Corps volunteers serving in Jamaica. Around the world, more than 7,300 Peace Corps volunteers and trainees are serving in 68 developing nations.

REDCOATS ARE MARCHING

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. BUCHANAN. Mr. Speaker, the Redcoats are marching on the Capitol today. Fortunately today's invasion is a much more positive and productive one than the Capitol last experienced in 1814. Some 2,000 members of the Vocational Industrial Clubs of America are meeting in Washington this week to celebrate their 10th anniversary National Leadership Conference.

It was my pleasure to address VICA's first general session and the Alabama VICA Leadership Conference recently. I must say that I came away from that conference and from my brief meeting this morning with VICA students from the Birmingham area much encouraged at what I observed.

All of the Vocational Industrial Club students are preparing for careers in trade, industrial, and technical areas. These areas, which are so important and vital to our country, will be filled by these students who have trained and prepared themselves to fill their respective jobs in a distinctly professional manner.

I would like to take this opportunity to salute the VICA students on this, Vocational Industrial Clubs of America Day. It is my hope that, as we observe and participate in the day's activities, that we will keep in mind that these students are the future backbone of our Nation's economy and industry.

Through such legislation as H.R. 3036, the Vocational Education Act Amendments of 1975, of which I am a cosponsor, I hope we can continue to improve and expand vocational education in our country. By strengthening the hands of people like those of VICA, we strengthen our country as well.

FEEDING THE HUNGRY

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. ROUSH. Mr. Speaker, for the past 4 weeks I have had as a summer intern in my office, Mr. James C. Snellenberger, a recent graduate of Ball State University in Indiana. He has performed a number of valuable services in my office while he has been here. In addition, he has researched the food stamp program and come up with some facts and ideas. I would like to enclose a copy of his study.

The article follows:

FEEDING THE HUNGRY

(By James C. Snellenberger)

The problem with hunger is a world-wide one. In the United States we have endeavored to at least partially meet this problem by the Food Stamp Program which enables low-income people to purchase food stamps which in turn will buy more food than the original investment. Our hope is to provide more nutritional food for those who might not be able to afford it.

Basically to qualify for food stamps, a person meets one of two criteria: either they have an income below the maximum income levels for the Nation set by USDA or they must be on State welfare aid.

Many individuals who receive food stamps are in such a financial level that they actually should not be eligible. Some of these loopholes that allow this to occur, are present because of food stamp program definitions.

Eligibility Standards are based on the concept of a household rather than a family size.

For example, what is the definition of the or a household unit? The "household concept" is defined as:

(1) a group of individuals who are living as one economic unit sharing common cooking facilities.

(2) an individual living alone who purchases and prepares food for home consumption.

(3) an individual who purchases and prepares food for home consumption residing with any other person or persons who is not a member of an economic unit.

(4) an elderly person (i.e., an individual, age 60 or older) who lives alone or only with spouse and who need not have cooking facilities if he participates in a delivered meals program or a communal dining program.

(5) a narcotics addict or alcoholic who is a resident of a drug addiction or alcoholic treatment and rehabilitation program and who receives meals through such program.

Another definition of seemingly liberal function is that of the "economic unit" (mentioned in 1 above):

An "economic unit" is a group of individuals for whom food is customarily purchased and stored for common use by all members of the group and for whom common living costs (such as, but not limited to, shelter costs) are customarily being met from the income and/or resources available to any individuals within the group.

Another loophole that should be considered is that of the "itemized deduction".

Eligibility standards are applied to a household net not gross income and certain income is not counted. The current administrative policy allows a household to claim itemized deductions for certain expenses that limit the amount of income it has available for expenditure of food such as support and alimony payments, social security taxes, federal, state, or local income taxes, medical expense, certain shelter costs, etc.

One of the justified criticisms recently summarized in a special article for The Washington Post, Feb. 1, 1975, notes the following:

> Despite major improvements instituted in 1971, the current benefit schedule is hardly a model of fairness. Equity would suggest that larger families, having greater needs for other items, should—whatever their income level—pay a lower (or at least no larger) proportion of their income for food bonuses than smaller families with the same income. Under current regulations the opposite is true. Indeed, the nominal purchase requirements for most families of four or more are already close or equal to the proposed 30 percent of income, while those for individuals rarely exceed 20 percent. In any case, the sharp variation in the purchase requirement rates both across family sizes and within family size by income class are hard to defend on any grounds. For example, why should a family of 6 pay 27 percent of its income for food stamps on a $100 monthly income, 29 percent at $200 and only 26 percent at $630 of monthly income?
>
> Far from assisting the very poorest of the poor "itemized deductions" rebound primarily to the advantage of the relatively well-off participants for the simple reason that only such families can afford to purchase very many of the deductible items.

The 1975 *Post* article continues:

> Thus among participating families of four, those with less than $100 of monthly income claim less than $15 in deductions per month on the average, while those with over $600 of monthly income claim deductions of over $225.

At the same time that some individuals are using food stamps who probably should not be eligible there is at the other end of the spectrum those individuals who either do not know that they are eligible, or know about the program, and do not know how to apply. Could this be from the lack of information?

The Senate Select Committee on Nutrition and Human Needs in a March, 1975 Report on Nutrition and Special Groups-Part I—Food Stamps explained that the Food Stamp Act requires state agencies to take "effective action" to inform low-income families of the availability and benefits of the food stamp program and "insure participation of eligible households."

This part of the law, known as the "outreach provision", is the means through which the estimated 20 million Americans eligible for stamps are expected to be brought into the program. Yet during the "fiscal year 1974" the state in Indiana spent only $21,645.08 for this "outreach provision".

This figure of a little over $21,000 doesn't seem to be a substantial amount for its use over the entire state of Indiana.

The explanation for this meager amount of money spent on "outreach" in Indiana seems to be that the basic method of informing the private citizen about the food stamp program is by individual contact. Very likely a similar situation prevails in many other states as well.

This type of method for "outreach" is not justified by the March, 1973 (these are the most recent figures since they are based on Census information) publication of Hunger 1973 and Press Reaction—prepared by the staff of the Select Committee on Nutrition and Human Needs, United States Senate.

That same Senate report included tables which dealt with "Failure-To-Feed Counties."

These tables give a breakdown of the states. Each state was then divided into their respective counties. For each county there was given a percent of population in poverty, then there was given a percent of poor receiving federal food assistance. In this table the percent of people (poor) not receiving federal food assistance seems to show that these people are not being reached by the food stamp program.

Therefore if there is to be reform within the food stamp program there will have to be:

(1) more strict rules and regulations on deductible items;

(2) full information for those people who actually need the food stamp assistance and for whom it was initiated.

It is to be hoped that thereby the food stamp program would indeed reach those in need but not be over-extended or misused.

TRIBUTE TO REV. JOSEPH B. FRANZ

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. WOLFF. Mr. Speaker, I am most pleased to bring to your attention the silver jubilee of one of my constituents, the Reverend Joseph B. Franz of Williston Park, Long Island.

On June 1, 1975, Father Franz celebrated the 25th anniversary of his ordination to the priesthood. The jubilee celebration fittingly began with a mass at 5 p.m. in St. Aidan's Church, where Father Franz is associate pastor. Joining him in this celebration of the mass were Msgr. Charles E. Birmingham, pastor of St. Aidan's, who also gave the homily, Rev. Daniel A. Picciano, associate pastor of St. Aidan's, and a close friend of Father Franz, Rev. William Kelly. Participating in the ceremony were Sister Mary Patricia and Dr. Elizabeth Higgins, sisters of Father Franz, each of whom read one of the readings. Another sister, Sister Rose Marie, and a niece, Mary Patricia, presented the gifts at the offertory of the mass.

St. Aidan's Church was filled with family, friends, and parishioners wishing to extend their congratulations to Father Franz. Members of the many parish societies, the Over 50 Club, Catholic Prayer, Legion of Mary, as well as the Boy Scouts and Girl Scouts were on hand to wish him well. The Village of Williston Park and the Knights of Columbus also honored Father Franz.

I mention this celebration of joy to you today because I feel that the Congress should be aware of the commendable work done by Father Franz during the years he has spent at St. Aidan's Parish, and indeed, his good works have spread throughout the community. Certainly it is fitting that we honor this man who has been so generous with his time, his talents, his very self for the past 25 years. I wish to offer him my congratulations and best wishes for many more years of continued selfless and dedicated service to his community.

PARTIAL FEDERAL FUNDING OF CONGRESSIONAL ELECTIONS

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. McHUGH. Mr. Speaker, I have joined with Mr. MAGUIRE of New Jersey in introducing a bill to establish partial Federal funding of congressional elections beginning in 1976. The Congressional Campaign Funding Act we have introduced extends to congressional races many of the public financing features devised last year for Presidential races. This bill, I believe, may rightly be seen as a product of the unprecedented developments within our political system during the past several years. These events have done much to draw public attention to the way we finance our elections in this country.

The people of this Nation have come to understand that the present system is neither fair nor democratic. Unless a candidate is personally wealthy, he must look to private sources to finance the expensive costs of running for office. As statistics and commonsense both indicate, these sources are not representative of the electorate as a whole. Under our present system, 90 percent of campaign donations come from less than 1 percent of the population. This 1 percent represents people who often have substantial and particular interests in the decisions to be made and the choices formulated by elected officials.

The effect is a distortion of the political process in which those with the wherewithal to help a candidate underwrite his campaign develop an influence out of proportion to their numbers among the electorate. Legislation enacted last year went far toward redressing this imbalance in Presidential elections. However, the lack of any provisions covering congressional races was a major shortcoming. To be comprehensive, reforms directed toward limiting the outsized impact of private contributions in our political system must also cover races for Congress.

The legislation we propose—which has been introduced in the Senate by Senator MONDALE—establishes a matching system of partial public financing for House and Senate primary and general elections. Small private contributions would be matched on a one-for-one basis after a candidate has demonstrated broad public support by raising a modest qualifying amount from small contributors. Funding for the congressional matching payments would be raised from the current one-dollar income tax checkoff. The program would be administered by the Federal Election Commission.

Candidates for election to the House would be required to raise $10,000 in contributions of $100 or less to qualify for Federal matching payments. The qualifying amount and any additional contributions of $100 or less would then be matched on a dollar-for-dollar basis by the Treasury. The spending ceilings are the same as under existing law. Assuming an inflation factor of 10 percent, a candidate could receive one half the spending ceiling in 1976 of $77,000 in the primary and in the general election. A candidate who receives all his contributions in amounts of $100 or less would thus be eligible for $38,500 in the primary and $38,500 in the general election.

Senate candidates must raise an amount equal to 2 cents for every voting age resident in the State, but not less than $10,000, in contributions of $100 or less. The maximum Treasury payments for Senate candidates in 1976 would range from $55,000 in the primary and an equal amount in the general election in the smallest States to $637,824 in the primary and an equal amount in the general election in the largest State.

Although the law covers both primary and general elections, a candidate would have to qualify only once for the matching funds. Therefore, a candidate who raises the qualifying amount in the primary would be eligible for matching funds during the general election without meeting any additional qualifying test. The legislation would permit matching funds for contributions in cash, provided the donations are properly recorded, and it would permit matching funds only for contributions from residents of the State in which the election is being held.

The bill in many respects is similar to an earlier bill introduced in the House by Mr. Cornell and in the Senate by Senators Kennedy, Scott, and others. But in one major respect, the two bills outline a contrasting approach to an identical problem. The Kennedy-Cornell bill would establish a matching system of Federal payments in primary campaigns, similar to the one contained in our bill. However, in the general election the earlier bill establishes a system of flat grants covering 100 percent of the costs of the campaigns of the two major party candidates. Lesser amounts would go to candidates of new and minor parties.

I believe the matching system for general elections contained in our bill represents a more flexible and equitable mechanism for insuring that candidates are federally funded roughly in proportion to their support among the voters. A system of straight grants to the two major party candidates may be workable enough in a Presidential election where the two-party system is strongest and where candidates of the major parties are customarily supported by large segments of the electorate. However, in congressional races where independent candidates are often widely supported and where there exists a large number of one-party districts, the plan has less certainty of fairly reflecting popular support for each candidate.

Under a matching system for both primary and general elections, party affiliation or performance in some past election is not a factor in how much Federal money any single candidate receives. A candidate would receive an amount of Federal support equal to the support he has demonstrated among the people. He would receive no more than he has already raised from small contributors. It also makes it possible, for third-party and independent candidates to compete without the disadvantage imposed by an arbitrary method of testing their strength relative to other candidates. Any candidate, regardless of his party, would be entitled to as much as any other candidate who demonstrates comparable support among small contributors.

Public financing of elections is an untested method of removing the influence of money in our politics. For this reason, the matching system has the advantage of being a more cautious and incremental approach than complete Federal funding through a system of flat grants. Instead of abrogating the role of private contributors entirely, the matching system builds on a system of modest contributions from a relatively large group of supporters. This limited matching system provides more latitude to change our system of financing campaigns as our experience dictates.

Finally, the matching system will cost less than the system proposed by the Kennedy-Cornell bill. The estimated cost to the Treasury every 2 years would be $74 million under the plan we have introduced. Under the earlier plan, that cost would come to $134 million.

However the specifics of the two plans may differ, the intent is the same: to limit the role of large contributions in the political process. Our present system has forged an unhealthy alliance between Government and big money. It has deprived the people of a meaningful voice in their own affairs. It is clear that those who contribute most heavily to political campaigns do so because they expect to receive favored treatment. Indeed, the average American—the one whose needs are greatest and who, ironically, carries the heaviest burden of taxation—is often neglected. It is because his representatives are dependent upon a relative handful of financially well-off backers for their political campaigns.

If confidence in our system of government is to be restored and cemented, we must remedy this imbalance. The integrity of the process is at stake. The public reaction to the events of the past several years has given us the opportunity, but the momentum of reform is often short-lived. We must not let it pass.

OBSERVANCE OF CAPTIVE NATIONS WEEK

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to join with the Baltic people in commemorating the forcible annexation of the Baltic republics of Estonia, Latvia, and Lithuania. It is fitting that every American reflects upon the denial of rights and continuous religious and political persecution of the Baltic people upon the 17th observance of Captive Nations Week.

As both an American citizen and a Member of Congress, I believe that a representative government is the fairest, freest system yet devised, under which man may seek, unimpeded, those inalienable rights of life, liberty, and the pursuit of happiness.

The forcible annexation of the Baltic republics of Estonia, Latvia, and Lithuania into the Soviet Union in 1940 was in direct violation of Baltic sovereignty. I take pride in the United States' consistent refusal to recognize this annexation. To the people of the Baltic nations, presently struggling against Russian domination of their homeland, I offer my fervent support. I stand behind their efforts to regain the status of independent states. In fact, I was a cosponsor of legislation which expresses the sense of the Congress "that the U.S. delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania, and it should remain the policy of the United States not to recognize tne annexation of the Baltic nations by the Soviet Union."

I do hope that the symbolic value of this refusal to even tacitly condone the Soviet Union's actions might further encourage and inspire those valiant men and women. We will not be satisfied until these great nations can, once again, join the independent nations of the free world.

IN MEMORY OF SENATOR FRANCIS CASE

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. PRESSLER. Mr. Speaker, I wish to speak in honor of the man who many call "the greatest South Dakotan ever to serve in Congress" on the anniversary of his death—Senator Francis Case, who served this body for seven terms from 1937 until 1951; and in the U.S. Senate from 1951 until his death on June 22, 1962. The late Senator Case is regarded by many in the historical perspective as our most distinguished representative—mainly because of his integrity.

It was my privilege to work as an aide to the Senate. It was he who gave me the inspiration to seek public office. He was a man of impeccable integrity—who not only refused bribes, but exposed them on the Senate floor. His work in the area of public works led to the building of many bridges in South Dakota and throughout the Nation.

Water subjects were dear to his heart. Francis Case grew up in the Midwest and worked many years as a newspaper editor in western South Dakota where drought was a common and persistent worry to agricultural pursuits. Many water projects in my State came into being because of Senator Case's diligent efforts. Weather modification and saline water research were ideas that he saw come to fruition during his lifetime.

Many of those in Washington first became aware of this quiet, scholarly man from South Dakota when he initiated the War Renegotiation Act, which resulted in the savings of many billions of dollars to the U.S. Treasury. South Dakotans are indebted to him for his years of selfless devotion to the public duty which he worked for unceasingly.

Case is a man remembered for his directness, who said exactly what he thought no matter what the consequences. He is remembered by South Dakotans for his vision and concerns for future generations. At a time when Americans are crying for congressional reform and honesty in Government, I wish we had Senator Case around. We need a man like him in Congress today.

HAVE WE BEEN HAD?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. ASHBROOK. Mr. Speaker, last December I pointed out a number of violations by the Soviet Union of the SALT agreements and the ABM treaty. Since that time a number of other observers have joined in pointing out these violations.

Not only is the Soviet Union engaging in such violations, but there also appears to be a continuing attempt by Secretary of State Kissinger to mislead the Congress and the American people in the seriousness of the situation. Tad Szulc in a recent article points out how Secretary of State Kissinger misled the Congress in a briefing back in 1972.

Concern about Soviet violations, as I said, is continuing to grow. The article by Tad Szulc that I have just mentioned appeared in the June 7, 1975, issue of New Republic. I think that it would be safe to say that the New Republic and I have disagreed on far more issues than we have agreed. Nonetheless, the New Republic also seems to have awakened to the seriousness of the SALT violations by its inclusion of this article.

For the benefit of my colleagues I include in the RECORD the text of the article "Soviet Violations of the SALT Deal: Have We Been Had?", from the June 7, 1975, issue of the New Republic:

HAVE WE BEEN HAD?

(By Tad Szulc)

The differences between the United States and the Soviet Union over the implementation of the 1972 nuclear strategic arms' limitation agreements (SALT) are deepening and new ones are emerging around the "tentative" accord for a second step in SALT that President Ford and Chairman Brezhnev reached in Vladivostok last November. This state of affairs, throwing a pall on the future of détente unless the basic SALT problems are promptly resolved, has been generally concealed from the American public and to a large extent from the Congress because of its enormous political sensitivity. That so many of these problems result from ambiguities that the US has accepted in the SALT treaty and the accompanying protocols is also a reflection on the quality of Secretary of State Kissinger's diplomacy. Besides Kissinger, wittingly or not, may have misled the Congress in explaining the 1972 pact.

As far as is known Kissinger and Soviet Foreign Minister Gromyko made virtually no progress in breaking the SALT deadlock when they met in Vienna in May. The standing U.S.-Soviet Consultative Commission on SALT, which was to have resumed its secret discussions in Geneva on June 2, postponed its session for at least a month, possibly pending Kissinger's and Gromyko's scheduled new meeting in July. If they fail to settle the current controversy, not only SALT but détente will be in considerable trouble.

The commission is the forum where both aides bring up problems resulting from SALT agreements and attempt to implement such new decisions as those reached in principle by the US and the Soviet Union at Vladivostok last fall.

Brezhnev has already postponed his planned Washington visit in June or July to sometime in the late autumn because of the realization that a new SALT agreement could not be signed in time. The Russians, in fact, have informed their Eastern European allies that the SALT stalemate was the reason for delaying Brezhnev's trip. They have also suggested that if no agreement on SALT II is feasible, there may be no Brezhnev visit at all.

Meanwhile evidence becoming available through intelligence and diplomatic channels indicates that the Russians may have not only outmaneuvered the US in the 1972 SALT accord and the 1974 Vladivostok talks, but that they are also violating the spirit of the letter of the original treaty in at least five key areas.

Some of this information was given the subcommittee on arms conrol of the Senate Armed Services Committee (which is headed by Sen. Henry M. Jackson, Kissinger's principal tormentor in the Senate) in secret testimony by Central Intelligence Agency Director William E. Colby last February 11, and by Defense Secretary James R. Schlesinger last March 6. Kissinger was scheduled to testify on May 15, but he requested, not surprisingly, an indefinite postponement. According to intelligence and Pentagon sources, Colby and Schlesinger spoke at length of the highly disturbing Soviet behavior in the SALT context, but they avoided direct charges of violations against Moscow. This would have been a political judgment that Colby and Schlesinger preferred to leave to Kissinger.

The apparent Soviet violations range from what American experts regard as an unauthorized conversion of "light" intercontinental missiles into heavy ones (thus threatening the strategic balance), to a significantly growing interference with US efforts to carry out verification procedures to assure that our detente partner is abiding by the SALT treaty. The US now finds itself deprived of much vital strategic intelligence, particularly concerning the new Soviet testing of MIRV missiles. The Soviets are interfering, in disregard of treaty provisions, with our satellite photography of their missile launch sites and, perhaps even more importantly, they are preventing telemetric measurements by the US of MIRV test flights.

The basic SALT document is the 1972 agreement. Actually it consists of two separate treaties. One covers the "limitation of anti-ballistic missile systems" (ABM) and it is confined to defensive strategic arms. This treaty limits the deployments of defensive ABM systems by both sides and is of "unlimited duration." The second treaty is a five-year "interim agreement" (it expires in 1977) on the limitation of offensive nuclear weapons systems. In effect it froze the number of Soviet land-based intercontinental ballistic missile launchers at 1419 and the number of US ICBM launchers at 1054. The Soviets were allowed 950 submarine-based missile launchers and the US 656 of them, with the option of going up to 710 if it chose to reduce the land-based launchers to 1000.

The general concept of the interim agreement was to freeze strategic forces at roughly the 1972 levels rather than to seek actual reductions at that stage. But because the interim agreement made no reference to MIRV systems, the net effect of it was that the US and the Soviet Union were shifting from a quantitative to a qualitative arms' race. In other words the Russians, who had not yet developed an operational MIRV system when the 1972 treaty was being negotiated, were given time to catch up with the United States in this field (we had MIRVed some time earlier) before a permanent accord would be negotiated to replace the interim agreement. Five years was the period during which the Soviets were expected to be able to deploy MIRV systems. By the same token Moscow was allowed more missile launchers than the United States to compensate for the American MIRV advantage. Although the Soviet Union is ahead of the United States in the size and throw-weight (the launch thrust of a missile) of existing ICBMs, Nixon and Kissinger had to accept the Soviet numerical superiority in 1972 because Brezhnev made it clear that otherwise he would not sign the pact. The tacit agreement was that the two superpowers would start thinking in terms of reducing nuclear forces only after the Russians had achieved a technological equivalence in MIRV weapons.

The current problems consist mainly of Soviet violations of the 1972 agreements. As seen by American experts, they are in the following five areas:

1. Light and Heavy Missiles. While the Americans and the Russians agreed in Moscow on the numerical limits on land-based ICBMs, the United States attempted to place restrictions on the size of Soviet missiles by insisting on a clause preventing the conversion of "light" missiles into "heavy" missiles. Moscow, however, flatly refused either to discuss this point or even to define a "heavy" missile. Kissinger's response to this refusal was to devise the method of "unilateral statements" that were appended to the treaty.

In the case of missile weights, the American delegation said in its unilateral statement "D" that "Under these circumstances . . . the United States would consider any ICBM having a volume significantly greater than that of the largest light ICBM now operational on either side to be a heavy ICBM. The US proceeds on the premise that the Soviet side will give due account to this consideration."

Of the 1409 land-based ICBM launchers allowed the Russians, 313 were in the heavy SS–9 class (some of these were under construction and the United States tacitly recognized that a certain number would be upgraded to what now is the super-heavy SS–18 missile) and 1096 in the "light" class of the SS–11 missile.

The American expectation was that none of these 1096 light missiles would be converted into heavy ones. In 1972 the light SS–11 missile had the volume of 69 cubic meters. The secret record of the negotiations shows that the Americans told the Russians that they would consider as "significantly greater"—and, therefore, as a "heavy" weapon—any missile exceeding 70 cubic meters. Briefing members of Congress at the White House on June 15, 1972, Kissinger put it this way: "The agreement specifically permits the modernization of weapons. There are, however, a number of safeguards. First there is the safeguard that no missile larger than the heaviest light missile that now exists can be substituted. Secondly, there is the provision that the silo configuration cannot be changed in a significant way and then the agreed interpretive statement or the interpretive statement which we made, which the other side stated reflected its views also, that this meant that it could not be increased by more than 10 to 15 percent. We believe that these two statements, taken in conjunction, give us an adequate safeguard against a substantial substitution of heavy missiles for light missiles. So, we think we have adequate safeguards with respect to that issue. . . As far as the break between the light and the heavy missiles is concerned, we believe that we have assurances through the two safeguards."

What Kissinger was saying, however, was misleading. In the first place the United States never received Soviet assurances that the American unilateral interpretation was acceptable. Kissinger simply omitted this vital fact in briefing the congressmen. He brushed aside the fact that Moscow had shied away from defining heavy missiles and claimed that the United States had "adequate safeguards" though none really existed.

Subsequent events proved him wrong. According to United States intelligence the Soviets have all along been converting the SS–11 missile into the SS–19, which has a volume of close to 100 cubic meters. The quantum jump from the 69 cubic meters of the SS–11 to the 100 cubic meters of the SS–19 is indeed "significantly greater."

Kissinger was likewise wrong is assuming that the agreement in "agreed interpretations" on limiting the increase of silo configurations for launchers to 10 or 15 percent would prevent the installation of the new heavy missiles in the old holes.

In this area Kissinger was defeated by new Soviet technology. Thus the Russians have developed the so-called "cold-launch" technique in which compressed air is used to "pop up" (elevate) the missile in the silo before its engines are ignited. In this fashion a SS–19 can be fitted into a slightly enlarged SS–11 silo.

The United States has privately protested against the SS–19 conversion. At this juncture, however, the Russians are deploying hundreds of SS–19s and testing them with MIRV warheads. Quite aside from strategic implications of this development, this episode serves to demonstrate how useless was Kissinger's recourse to unilateral statements in SALT diplomacy.

2. Covered Facilities. Article V of the interim agreement provides that "for the purpose of providing assurance of compliance . . . each Party shall use national technical means of verification at this disposal," that "each Party undertakes not to interfere with the national technical means of verification of the other party," and that "each Party undertakes not to use deliberate concealment measures which impede verification by national technical means of compliance. . . ." But United States intelligence sources report that for a number of months now the Soviet Union has been engaging in "deliberate concealment measures" to prevent American overhead photography of many of its silo fields containing launchers. The standard "national technical means of verification" are Samos satellites orbiting over the Soviet Union around the clock photographing the sites. Intelligence photo analysts study the incredibly high resolution pictures taken on each pass to determine whether any differences can be detected pointing to possible changes in Soviet deployments. According to intelligence reports, mentioned by Colby and Schlesinger, the Soviets have been placing canvas over their mobile missile launchers thus preventing United States photography. The canvas covers roughly 80 by 30 feet areas in several places. The United States has protested this concealment practice at the recent Geneva session of the Consultative Commission, but it has received no satisfactory reply from the Russians. One of the Soviet responses was that the concealment of the launchers relates to testing that is not specifically covered in the interim agreement. United States intelligence obviously has no way of determining whether the Soviets are telling the truth. Another Soviet comment was that the United States, occasionally places covers on its Minuteman launchers. In this instance, however, covers are placed for only 18 or 72 hours to let concrete harden on the new silos. The administration, incidentally, never reported publicly these Soviet violations nor the American protests in Geneva.

3. Telemetry. Soviet interference with United States measurements by telemetry of Russian MIRV testing may be the most serious SALT violations, particularly in the light of last November's tentative agreement between Brezhnev and Ford in Vladivostok that for the first time added MIRVed vehicles to the limitation of strategic arms. Under the tentative agreement each side would be entitled to 2400 nuclear delivery vehicles of which 1320 would be MIRVed. The American interpretation was that if a missile has been tested with multiple warheads, every missile of that type that is deployed is to be counted against the ceiling of MIRV warheads.

But this was another instance where Kissinger's diplomacy may have been caught in Soviet ambiguities. It was Kissinger who pushed for the Vladivostok agreement in a top-secret "eyes only" memorandum be submitted to Ford a few weeks after the new President was sworn in last August. His point was that following Nixon's failure to negotiate a new SALT agreement in the summer of 1974, Ford had to move quickly to reinforce the tottering détente. After the document was signed in Vladivostok, Kissinger told newsmen that if SALT II is signed in 1975 "it will mean that a cap has been put on the arms race for a period of 10 years."

Soon, however, it developed that the Russians had a different interpretation concerning the MIRV count and, above all, the verification procedures Kissinger had in mind. In December he declared that "the one principle on which we're going to be adamant and will not yield, which is non-negotiable, is that any missile that has been tested with a MIRV mode successfully, I mean if they've run five or six tests, will be counted as a MIRVed missile when it is deployed . . . If they reject the verification formula, unless there is enormous ingenuity in which we come up with another one, I really wouldn't know where to begin . . . I think that if they reject verification it will be very hard to conceive how there can be a deal."

But last February the Russians informed the Americans that they rejected the notion that a whole class of missiles should be counted against the MIRV ceiling only because some of them have been tested with MIRVs. Gromyko repeated it in May, and Kissinger suddenly began talking of "compromises." But of the greatest concern to the United States is the extent of Soviet MIRV testing of the huge new SS–17, SS–18 and SS–19 missiles (the SS–19 is the "light" missile that became a "heavy" one). According to Schlesinger the SS–18—the biggest missile in the Soviet arsenal—is already being deployed with eight MIRV warheads. And this is where the importance of telemetry in monitoring MIRV tests come in.

The use of radar makes it possible for United States intelligence to track the reentry of a MIRV vehicle carrying a single independently targeted warhead. It may also show the separation of multiple warheads under certain circumstances. But only telemetry—the monitoring of electronic signals broadcast by the missile—can reveal absolutely vital information concerning MIRV functions. This may include data on the fusing mechanism for the nuclear weapons carried in a MIRVed vehicle, the method of deployment of the individual missiles from the mother warhead, the missiles internal functions such as fuel consumption, temperature, pressure and so on.

Denial of telemetry intelligence thus deprives the United States of necessary information to determine whether MIRV tests are successful. As a top scientist put it, "the margin of uncertainty is gravely increased. And this is precisely what the Russians have attempted to do. Late last year they began to jam United States telemetry receivers and to encode and encapsulate the electronic data signals.

Most importantly, they switched from the analogue to the digital system of transmitting signals. Under the analogue system the signals are transmitted in the clear and can be read by American intelligence through verification procedures. But in the digital system the signal data is transformed into numbers that are "reconstructed by computers on the ground into meaningful information. This form of encoding signals cannot be broken by American experts because it is based on arbitrary numbers that can be changed daily. In other cases the data are encapsulated in flight recorders—it is not even transmitted in flight—and it is retrieved after a missile comes down. It is unclear whether the U.S., too, is, in response to the Russians, now encoding its telemetry. It did before the 1972 SALT agreement banned interference with verification, but apparently discontinued the practice thereafter.

4. Command and Control. The United States suspects that the Soviets may be violating Article I of the 1972 interim agreement, which provides that "the Parties undertake not to start construction of additional fixed land-based ICBM launchers after July 1, 1972." This view is based on the fact that in the spring of 1973 the United States discovered through overhead reconnaissance that new silos were being build, apparently for the SS–18. Although Nixon failed to raise it with Brezhnev at the 1973 summit in Washington, Kissinger made subsequent inquiries in Moscow through his "back channel."

The Soviet reply was that the new installations were not missile silos, but "command and control" capsules. The intelligence community has reported, however, that these capsules have the same characteristics as missile-launcher silos. The doors of these structures, for example, are identical with doors on launcher silos.

They can be blown off instantly, as if to surface a missile, something that a command-and-control post does not require. Intelligence has counted on such installation with each of the 150 launcher groups. In theory this may add 150 launchers to the Soviet ICBM totals if the suspicion held here is correct.

5. *ABM Violations*. The ABM treaty limits defensive deployments to specified areas in the United States and the Soviet Union. Although the 1972 treaty allowed two areas to each, this was modified in 1973 to a single system protecting Moscow and one protecting United States silos in Montana. Moreover the treaty stipulates that each side will confine itself to the use of anti-ballistic launchers and radars "deployed for an ABM role." This means that no anti-ballistic systems can be installed beyond the Moscow area.

American intelligence has discovered, however, that the Soviets are testing a modified version of the SAM–5 Griffon surface-to-air missile, in conjunction with radars, in other areas of the country in what the treaty calls "an ABM mode." Inasmuch as the Griffon test firings have been observed up to an altitude of 100,000 feet, the United States questions whether this system can be intended against aircraft. Likewise non-ABM radars have been tested against incoming objects behaving like United States ICBM or submarine-launched warheads. This activity is known in the SALT community as "SAM upgrading," and Pentagon officials believe that the Soviets are surreptitiously acquiring an added ABM defensive potential to match their growing offensive strength.

Here, once more, Kissinger was trapped in ambiguities. Inasmuch as the Russians insisted on leaving unclear the "ABM mode" provisions, he appended to the text a unilateral declaration setting for the US interpretation of what is should be. But as in the case of the light missiles, this is not binding on the Russians.

Where Kissinger goes from here in terms of SALT and its impact on détente is unclear. The differences between the United States and the Soviet Union, as illustrated by the disputes over the violations and interpretations of the SALT treaties, are quite deep and may no longer be able to be papered over for the sake of détente cosmetics. New "compromises" may keep the process alive a while longer. But, in the end, reality must be faced.

STATEMENT OF CONGRESSMAN PHILIP E. RUPPE

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. RUPPE. Mr. Speaker, I wish to express my support of the amendment which has been offered by my colleagues, Congressman Hawkins. In my view, this is an essential as well as a fiscally responsible amendment. Essential, because if it is not passed, Community Action programs throughout the country will be forced to cut back their poverty programs at a time when our economic problems make these programs particularly necessary. Fiscally responsible, because it merely maintains the current level of Community Action program funding, rather than decreasing this funding by $35 million.

Since a number of Community Action programs are operating in my district, I can personally attest to their importance and success. In fact, it has been my experience that few Government programs have been able to make a more concrete or fundamental improvement in the lives of the disadvantaged. For example, one Community Action Agency in my district recently obtained funding to help the elderly poor convert from coal to oil or gas heat after the only coal supplier in their area decided to go out of business. I have talked with some of the individuals who were assisted with the enormous cost of replacing their heating units and have rarely spoken with happier or more grateful people. In another community in my district, the Community Action Agency operates a transportation program which has made it possible for elderly citizens living in outlying areas to visit thier doctors, obtain social services, and perform a variety of essential errands. Again, these individuals are extremely grateful for the services which are afforded to them and do not know how they will get along if these services are suddenly discontinued.

When the Community Services Act of 1974 was first passed, it was thought that local governments should and would be able to assume an increasing share of the support for Community Action programs. However, it is now clear that inflation and recession have made it impossible for State and local governments to maintain current Community Action program levels by increasing their own support for these programs. I therefore hope that the majority of my colleagues will join me in supporting an amendment which will insure the continuation of the Community Action programs which have meant so much to elderly and disadvantaged individuals throughout the country.

EXECUTIVE HIGH SCHOOL INTERNS IN PHILADELPHIA

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. NIX. Mr. Speaker, I recently had the opportunity to talk with three young Philadelphians who were participants in the executive high school internship program operated by the school district of Philadelphia.

Under the program, which began in Philadelphia in the spring term of 1975, high school students have an opportunity to spend one semester working as executive interns in businesses, government agencies, and public service organizations.

The students were in Washington to attend hearings by the Manpower and Civil Service Subcommittee of the Post Office and Civil Service Committee on the bill H.R. 2162. This bill, which I have cosponsored, would allow the Federal Government to participate in this internship program.

At the end of their internship, the students were asked to summarize their experiences. I offer for the Record the internship summaries of these three outstanding students:

Executive High School Internships Program, Spring, 1975

ALBERT HENRY WILSON IV, EXECUTIVE INTERN

This spring, I was an Executive Intern to Mr. Henry Putsch, Executive Director of the Greater Philadelphia Cultural Alliance (GPCA). The GPCA coordinates the cultural activities of the city and has over 70 member agencies, including the Pennsylvania Ballet Company, the Philadelphia Orchestra and the Philadelphia Art Museum. Its major responsibility while I interned there was the Philadelphia Spring Festival from April 25 to May 25.

When I first came to GPCA, I had goals set for myself. In the beginning, in order to get a feel for what the organization did, I observed and attended various meetings. It was interesting, but that was not for me. I told my sponsor that I needed to have an area of responsibility and be productive, and he outlined a program for me which involved my working with three key people: Elizabeth Caulk, Coordinator of Public Services, Pamela Worden, Coordinator of Festival Center Programs, and Jean McFaddin, Coordinator of Special Presentations.

Initially, I gathered all the information a family would need coming into the city for the Bicentennial, including a survey of all of the restaurants in the center city area. Then, Pamela Worden and I were going to arrange a Bell Concert in the city. I had to take inventory and find out how the Bells work and talked to the people who had done this before. This all fell through because of money problems. Both of these jobs were test jobs, and I passed with flying colors. I did, however, learn how to meet deadlines, work with people and gather needed information.

Then I worked with Jean McFaddin on my major internship task. I was to coordinate all of the talent from the schools for the Liberty Fair which was a giant midway at Sixth and Spring Garden Streets. It all started when I gave a presentation on behalf of GPCA's Philadelphia Festival and the planned activities for Liberty Fair before the Bicentennial Committee of the School Board, chaired by Dr. George French. After my presentation and a question and answer session I confessed that I was a High School student intern, to their great surprise! I then met with school officials from all of the schools: principals, music teachers, art departments, gym departments, etc. I went to all 27 schools in the city and parochial schools. By coming into the schools as a GPCA staff member, my age was not questioned, and I found a tremendous amount of talent lurking in the schools among my peers. One of the problems I had to face at this time was not being able to provide transportation for the schools.

The word got around that I knew what I was doing. I was later named Assistant Talent Coordinator for the entire Philadelphia Festival. My new job entailed coordinating all of the talent for Liberty Fair, five shows a day, seven days a week. I auditioned talent, selected the talent to be used, scheduled and arranged some publicity. And I had to make sure to get talent that would appeal to all people, not just blacks or whites or Spanish people. Some of the groups that performed included a Senior Citizens Week, Philadelphia Folk Song Association, two musical productions, and several bands, including gang member bands. Often I worked till or past 11:00 p.m. I also was involved in speaking engagements with the Philadelphia Jaycees, the school board, festival meetings, traveling show meetings, meetings at City Hall, etc. I was my own boss. Out of the 26 people that I worked with, only five knew my real age and status. I made administrative decisions, and gave orders to adults.

Some people may ask, "Well, what did he learn?" I learned:

(1) How to handle responsibility;

(2) How to type a little (you have to when you share a secretary!);

(3) How to make and keep appointments;

(4) How to make decisions and carry them out;

(5) How to treat staff and delegate authority;

(6) How to present myself as an adult; and

(7) How to speak effectively in front of large groups of people. Basically, I worked as hard as I did because it was a challenge and I was representing GPCA. I always had to back up everything I said. That meant being knowledgeable in all areas of the GPCA organization. Not everything was hard work though. There were dinner parties that I had to make my appearance at and one week before the Festival opened we went on a sign painting spree. If you were there you saw all of the signs that were painted!

I feel that I was respected by everyone for the job that I did. There were times when I screamed and yelled, but only when it was necessary. The most important thing I learned was how to deal with people: black people, white people, Spanish people, etc. If I accomplished anything, it was this, and every kid, no matter what color he is should learn it.

During my internship I produced three programs:

(1) The Gospel Festival at Independence Mall, 5/18/75;

(2) The talents for the Germantown Festival; and

(3) "All My Interns", a play presented at

the Executive High School Internships Program's Recognition Cememony, 5/20/75, in the Board Room.

My one disappointment is that I don't have a summer job lined up at GPCA. Because of financial and other difficulties, the entire staff was let go. I will one day write the reasons for it!

The Executive High School Internships Program gave the 32 interns a preparedness for life. It let us see the real world and the world of business just as it is: how petty it can be, how conniving people can be, how wonderful people can be. It makes me want to go through my last year with top honors because I know what is out there waiting for me. Now I feel I am ready for it. No student who is capable of handling it should ever be discouraged from participating in this program because this kind of program provides something that you just can't learn in school.

SHARON PLON, EXECUTIVE INTERN

The second semester of my senior year, I worked at The Franklin Institute Science Museum. My sponsor was the Assistant Director for Education Programs and Development. The Education Department of the Institute is responsible for Summer Workshops, Paired Schools Enrichment Program, Academically Talented Program (STAT), Traveling Science Teachers for Parochial Schools (STEP), Traveling Science Shows and all demonstrations-lecturers in the Museum. My sponsor is personally responsible for the Delaware Valley Science Fair, which is sponsored by the Philadelphia Inquirer and Daily News and The Franklin Institute. He is also involved with television spots on children shows, and has written all of the individual workshop programs.

Being considered a special assistant to my sponsor, I attended several meetings at The Institute, arranged reservations for the Traveling Shows, accompanied him on field trips, and acquainted myself, and occasionally worked in the Museum.

Several of the meetings I attended were meetings of the Science Fair Advisory Board, of which I am an official member. I prepared the minutes and the agendas for most of the meetings. I also attended the taping of the "Captain Noah" show in which my sponsor has a weekly science spot. During my internship, there were the openings of the Symmetry Exhibit and the Discovery Theater, both of which I attended. The Discovery Theater was the brainchild of my sponsor and his picture and name appear in the article concerning the opening.

My main project of the internship was the Delaware Valley Science Fair. This Fair is representative of eleven counties and over three hundred applications each year for the Fair. I was considered the coordinator of the Fair and was responsible for all of the correspondence with the exhibitors, sponsors, schools and judges. During the Fair itself, I was considered second in command and was responsible for solving any last minute problems that arose. I planned the Judges' Luncheon and the Advisory Board Recognition Dinner. I was also responsible for much of the Fair's publicity. I composed several letters containing background information and basic facts of the Fair for various publishing and communications organizations, i.e., WFIL, The Hadley Group, The Philadelphia Inquirer. My other main project was The Franklin Institute Traveling Science Show. At the beginning of the Internship, I accompanied our demonstrators on several shows. I then composed the letter that is printed on the Spring Brochure. I am now working on the brochure for the Fall of 1975. I have been in contact with many of the schools that use our traveling shows and have written letters to interested school systems. During my internship, I also revised the reservation system that was being used, my revised system has been instrumented through until **June** 1976.

PAUL BENJAMIN, EXECUTIVE INTERN

My Internship, for the past semester, has been with Mr. Ira Henkin of the Northeast Community Center for Mental Health and Metal Retardation (ECCMH/MR), Consultation and Education Units, (C & E). The C & E Units functions are to provide community social workers and to provide mental health services to the area schools. Mr. Henkin also trains and regulates volunteers and is responsible for Skills Workshop, a weekly training program for volunteers.

As an Intern to Mr. Henkin, I played a role in the planning of the skills workshop, attended C & E staff meetings, and went on home "Interventions" to clients' residences. Mr. Henkin assigned me to work at four elementary schools in the catchment area; Spruance, Marshall, Ziegler, and Bridesburg Public Schools. At the schools I worked under the guidance of the school counselors and Mr. Henkin.

I conducted two "boys groups" at one of the schools working with motivational problems. I also worked in one to one relationships with students who have motivational and learning disabilities on a tutorial basis. I spent two days a week with a third grade class of 32 children of which about half are mentally disturbed. The structure is an open class room and this experience as a student teacher has taught me about the problems of education not only from the administrative vantage point but from the teacher's point of view. I attended a District 7 teachers workshop and took part in a drug counseling session with students at one of my assignments.

STAND UP FOR FREEDOM IN THE BALTIC NATIONS

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. McCOLLISTER. Mr. Speaker, this month, the Baltic peoples living throughout the free world will commemorate the forceful annexations of Lithuania, Latvia, and Estonia by the Soviet Union in 1940. This year's commemoration of this blatant aggression in the conquest of peaceful neighboring countries by Communist powers is all the more vivid against the backdrop of the loss of three other countries to Communists aggressors in Southeast Asia.

A special urgency also attaches to this year's commemoration. Late this summer, the Conference on Security and Cooperation in Europe will convene in Helsinki, Finland to ratify agreements. Of principal concern is that the Soviet Union is seeking to legitimize its fraudulent annexation of the Baltic States.

The United States strongly condemned the annexation in 1940 and has steadily refused to recognize its legitimacy. It is imperative that we stand fast in our defense of the rights, and the hopes, of all exiled Baltic peoples. Despite all efforts to suppress opposition, nationalism flourishes in the Baltic nations and occasionally flares into open rebellion or dramatic protests such as a series of self-immolations in 1972.

The United States must not abandon its traditional policy of support for oppressed peoples around the world and for the right of self-determination for all peoples. Legislation has been introduced in the Congress which would express the sense of Congress that this Nation prevent legitimization of the Baltic annexation in the European Security Conference agreements.

It would be fitting and entirely appropriate for the Congress to act and approve this resolution this month to coincide with the commemoration of the illegal Soviet occupation of the Baltic nations.

RECOMPUTATION OF MILITARY PAY—AN ISSUE OF EQUITY THAT WILL NOT GO AWAY

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. MATSUNAGA. Mr. Speaker, for the better part of a century, military retired pay has been related directly to the pay of those on active duty. The most common system has been to "recompute" the retired pay of all retirees whenever active duty pay is increased.

But this direct relationship was abruptly ended in 1958, thus changing the rules in midstream, or midcareer, for thousands of servicemen. Since that time, "recomputation" of military retired pay has been the No. 1 legislative topic among those affected.

Included in that group are the members of the Army Retiree Council of Hawaii, about 1,000 of whom I had the pleasure of addressing last month on recomputation and a variety of subjects of interest to military retirees. Because of the numerous requests I have received for copies of my speech, I am increasing its availability to the public by including it at this point in the RECORD:

RECOMPUTING MILITARY RETIRED PAY—IT ADDS UP TO SIMPLE JUSTICE

(By Hon. SPARK M. MATSUNAGA)

General Hutchinson, Colonel Jackson, and fellow veterans—ALOHA!

It's a great pleasure for me to be able to visit with you at your Second Annual Open House here at Fort Shafter. I hope, though, that I wasn't invited because you found out I was a Subcommittee Chairman of the new House Select Committee on the Aging—you're much too vigorous a group for that fact to interest you! Richardson Theater is a fine facility, with enough exits to insure safety in an emergency. What's more, you are obviously a friendly and attentive audience. So I suppose I really have no personal need to recall the story about John Kennedy's Presidential campaign in 1960. Kennedy was addressing a crowd about 10,000 at the Alamo in San Antonio, and while he was finishing up his speech, one of his advance men started planning the way to the next stop on his agenda. He said to a campaign aide who was from San Antonio, "let's get Jack out the back door to avoid this crowd." The Texan replied, "There's no back door to the Alamo—that's why we had so many heroes!"

I trust that I won't be needing a quick exit today. And it's certain that there are so many heroes of our Nation's wars in this theater as the Alamo ever held, and I salute you all.

The people of Hawaii first sent me to the U.S. House of Representatives more than 12 years ago. In all the years since, I have yet to hear any of my colleagues in Congress claim that military retirees—with heroic service, or with long and faithful service, or with both—don't deserve a fair shake from their government. The problem has been, agreeing on what constitutes a fair shake and implementing the plan to achieve it.

This wide disparity between setting of policy and implementing it is well illustrated by the dilemma of the British Admiralty when confronted with the German submarine menace in the North Sea during World War II. Everyone agreed that there was a need for drastic action, but no one could agree on exactly what form it should take. The problem was turned over to one of Britain's most brilliant and creative thinkers. Several weeks later, this gentleman announced triumphantly that the German submarine menace could easily be eliminated—by evaporating the water in the North Sea.

When he was asked, "How do wo do that?" he replied with obvious impatience, "I have given you the grand concept. The tactics are up to you."

The Pentagon, the Congress, the retirees themselves, yes, even the Office of Management and Budget, all agree that the military retiree deserves a fair shake. But the debate gets more than a little heated when we get down to specifics.

The Pentagon agreed, for instance, that we needed to improve the protection for surviving families of retirees. Working with the Administration, the Congress in 1972 enacted a bill which I cosponsored, creating the Survivor Benefit Plan. The system isn't perfect—in fact I have introduced legislation this year to deal with some specific problems—but it certainly is a major improvement over the old Family Protection Plan, as you well know.

The Administration was less helpful, however, in 1971 and 1972, when I and several other members of both parties led the fight to improve military pay. Even the Armed Services Committees of the House and Senate were not enthusiastic about paying a decent wage to young enlisted men and officers. But we succeeded, and the initial success of the all-volunteer force flowed directly from those more equitable salaries.

More recently, the Administration has requested that cost-of-living increases for military retirees be limited this year to only 5%, although the cost of living itself has gone up more than twice that over the last twelve months. I am pleased to say that Congress has rejected that proposal in adopting its budget resolution. Although the House Budget Committee recommended that any increase be limited to 7%, the House adopted an amendment—with my strong support—that removed this "cap" on catch-up cost-of-living adjustments.

And there continue to be great gaps between the positions of the various parties on the major current issue affecting the income and well-being of all retirees—proposals for recomputation of retirement pay.

Some time ago your chairman, General Hutchinson, submitted to me the results of a survey taken among the members of your organization. The single most important issue to the overwhelming majority, was recomputation.

You all know the problem, but you may not know the history behind it, so let me go back a few years.

The Army retirement system dates back to the start of the Civil War. It was a way to rid active duty rolls of superannuated officers, and fill those senior billets with men young enough to lead troops in the field. Back then you had to have 45 years of service to qualify for retirement. Your benefits consisted of a year's pay and allowance—period. But shortly after that, in 1870, an annual retired pay, set at 75% of active duty pay was established. This connection, through law and custom, continued until 1958, when retirees were told that they would not get annuity increases even though active duty pay was increased.

In 1963 a "cost-of-living" clause was added, which automatically increases pay for the active military in keeping up with rising costs.

Ever since that time, efforts have been made in Congress to restore the old system—in effect, to permit retirees to "recompute" their annuities whenever active duty pay was adjusted. I introduced my first recomputation bill in July 1967. The struggle has been long and difficult.

Our major stumbling block has been the price tag. According to the House Armed Services Committee, full recomputation for all those in service before 1958 would cost more than a billion dollars the first year, and $137 billion through the year 2000. Moreover, retirement pay is a fixed item, and the Pentagon has feared that spending this increased money on retirees would give them less money for hardware or active duty personnel costs.

What this pattern of argument ignores completely, is that those who served on active duty before 1958 had the rules changed on them in the middle of the game. Since 1870 retirement pay in fact had been tied to active duty pay. Then, suddenly, there was no connection at all. Worst of all, this severing came at a time of rapid active duty pay increases, so that recomputation was unavailable to the retiree just when it would have done him and his family the most good. It is an indisputable fact that the services excellent retirement plan has been a major factor in inducing officers and non-commissioned officers alike to make the service a career. We can't say for sure how many people "re-upped" because of recomputation, but we know it has to be a substantial number. When recomputation was abandoned, it represented a breach of faith with those who had already retired and those who were then on active duty.

There is, of course, no need for me to convince you of the inequities involved. There is also no need for me to reiterate my unequivocal support for your position on the issue, for I'm sure that is well known to you. Rather, let me take a few minutes to bring you up to date on how our battle for recomputation is faring.

As many of you know, the bottleneck in the House has been the Armed Services Committee. The Committee has refused to act, despite the fact that at various times about 115 Members—more than a fourth of the entire membership—sponsored recomputation legislation. There were hearings held last October, but no legislation resulted.

In the Senate, as you may know, a version of "recomp" was passed on three separate occasions. This is as much a reflection on the rules of the Senate as on the sentiment of the Senators. Each time that it was passed, it was passed as an amendment offered on the floor, not as a bill recommended by the Senate Armed Services Committee. It was always added to an unrelated bill; and when the bill went to conference, the Senate conferees, who were always Armed Services Committee members, immediately agreed to "compromise" recomputation right out of the bill.

The amendment procedure applied in the Senate cannot be repeated in the House of Representatives because of restrictive House rules. The Senate is not bound by any rule of germaneness and amendments not even remotely related to the subject matter of the bill under consideration may be offered. However, the House operates under a strict rule which requires that all amendments offered to any bill must relate to the subject matter of the bill itself. Consequently, the recomputation amendment, which the Senate adopted would have been ruled "out of order" and could not have been even debated in the House, if offered in the manner that it was in the Senate.

All this is to say that the task is a big one, especially in the House, and supporters of recomputation have therefore sought possible grounds for a compromise measure. The most promising one appears to be a "one-shot" recomputation.

Under a one-shot recomputation, retirees on duty before 1958 would have their retired pay recomputed to reflect active duty pay as of a date certain. After that, the annuities would be adjusted by cost of living increases, but no further recomputations.

The "Hartke amendments" which have passed the Senate have been one-shot proposals. The Administration itself recommended a one-shot recomputation in 1972. On the face of it the cost of such a plan is much less. So I and the other advocates of recomputation in the House, in close consultation with the unofficial Council of Organizations representing military retirees in Washington, have been concentrating on a bill to provide a one-shot recomputation. Our bill calls for one-time recalculation of retirement pay, based on rates of pay in effect on January 1, 1972. In specific terms, it provides:

1. Immediate recomputation for disability retirees with a rating of 30% or more.
2. Immediate recomputation for regular retirees who are 60 years of age or more.
3. Recomputation at age 60 for other retirees, based on the 1972 pay scales, plus any subsequent cost-of-living adjustments.
4. Special options for pre-1949 disability retirees.

Such a proposal would cost no more than the Administration's 1972 proposal, but would provide a greater degree of equity.

We have rounded up almost 80 cosponsors for this legislation in the House. We hope to go over the hundred mark later this spring.

More importantly, it appears likely that the Armed Services Committee will during this Congress report out a bill or two to which recomputation can be added as a germane amendment. I am confident that if this happens, we have the votes to win on the floor.

Some of you, no doubt, would be opposed to the proposed "one-shot" compromise. As a retiree, I too might oppose it. However, even though the benefits under this method would be much less than full recomputation, the arguments for it are very strong. First and foremost, while full recomputation appears hopelessly lost there is a chance of passage for the compromise measure, and half a loaf is always better than none, especially to a starving person. Furthermore, what may appear to be only half a loaf may prove to be more, for cost-of-living increases would be substantially greater once the basic retirement pay is raised to the 1972 level.

It is my strong hope that this 94th Congress—the Bicentennial Congress—will be the one which will finally deliver on the moral obligation Uncle Sam owes its military retirees with pre-1958 service. Perhaps Supreme Court Justice Hugo Black said it best, in a case involving the rights of American Indians. He said, "Great Nations, like great men, should keep their word."

Thank you very much.

LAFAYETTE LAKE AND ITS ECONOMIC IMPACT

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. FITHIAN. Mr. Speaker, while no one can predict all of the economic impacts of Lafayette Lake for Tippecanoe County, studies of the lake and of similar projects around the country tell us that:

New jobs will be created. About $11 million in wages will be paid to workmen during construction alone. Wages spent in the county will stimulate the local economy.

The temporary loss of 1.8% of the actual county wide tax base will be regained within the first few years of operation, since land values around the lake rise. The temporary tax base loss will be spread out over 4-5 years of land acquisition.

Much of the initial tax base loss will be immediately regained as residents relocate within the county. Only 18 percent of the county tax assessment comes from land—nearly three-fourths come from improvements and other personal properties.

After completion the lake will offer summer employment opportunities for young people in the county, always hardest hit by high unemployment.

EMERGENCY HOUSING ACT

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mrs. SPELLMAN. Mr. Speaker, today's failure of the Congress to override the Presidential veto of the Emergency Housing Act, H.R. 4489, leaves one serious question on my mind. What is to become of the countless individuals who may lose their homes without the protection which that piece of legislation would have afforded them?

A case in point is the plight of one of my own constituents, Mr. Donald Howes of Bowie, Md. Mr. Howes, a construction worker by trade, has been out of work since October 1974. Since he was laid off, Mr. Howes has traveled to many parts of the country looking for work, but there is no work.

For several months, the Howes family, Mr. and Mrs. Howes and their five children, were able to exist on the money that they had saved. But now, that money has run out. In order to meet his mortgage payments, Mr. Howes has had to take out several loans. Now the loan companies are closing in.

Mr. Howes is about to lose his home. After 24 years of hard work and saving to own a home of which he can be proud, he is about to lose it because he cannot make his mortgage payments.

The Howes hoping to forestall foreclosure, hoping that construction starts would enable them to be placed on a payroll again, offered their furniture for sale. Sadly, they learned that used furniture brings only a pittance.

It is of little comfort to this family to learn that the President feels this bill, which would have provided work and mortgage relief, is not needed.

Tonight I will utter a special prayer for the Howes family and the millions of our countrymen who are in similar straits. Perhaps the Good Lord will help—it is obvious our Government will not.

THE FREE MARKET AND HUMAN VALUES

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. SYMMS. Mr. Speaker, the May 1975 issue of Imprimis, published by Hillsdale College, is devoted to a discussion of the free market and its humanitarian aspects. The author is Mr. John Davenport, an economic writer now on the staff of Fortune magazine.

Hillsdale College is marked by its strong independence and its emphasis on academic excellence. It holds that the traditional values of Western civilization, especially the free society of responsible individuals, are worthy of defense. Hillsdale College neither solicits nor accepts Government funding for its operations. Mr. Speaker, I commend the Imprimis article to my colleagues in Congress and suggest that they give it careful consideration:

THE MARKET AND HUMAN VALUES

(By John Davenport)

I am delighted to be with you at Hillsdale College and have already confirmed what I knew before coming here—that this is, to say the least, an active place. The confirmation came last evening when I left the sanctuary of my room at your college and sallied forth in the dark to visit your library, in which we are now assembled. On the way I very nearly fell into an excavation which in time will become another building to adorn your campus. The moral, I suppose, is not to wander about an institution neaded by George Roche. It is subject to rapid change and, despite my near demise, change for the better.

I am also honored to be included in what has become known as the Ludwig von Mises Lecture Series, though this strikes me as inviting a boy (if an old boy) to do a man's work. After all, I am only a working journalist, whereas it is not too much to say that von Mises was a foremost economist of our times, though his role as such was never publicly acknowledged by what we may call The Establishment. He was the leading champion of the free market economy in this century. He was a devastating critic not only of Marxian Socialism but of that "soft socialism" which infects so much of our thinking today. He was finally a scholar and a gentleman—a scholar ever ready to bring a vast store of learning to the principles be believed in, and a gentleman in the sense that while he did not suffer fools gladly, he never lost an Old World courtesy and graciousness which he displayed toward friends and foes alike.

I trust this spirit of tolerance is brooding over this meeting tonight as I examine two different aspects of von Mises' thought. The first part of my task is relatively easy. It is to run over rapidly the chief arguments for the market type of economy and to dispose of some of the chief criticisms that are made of it. But the second and main part of my assignment is more difficult and controversial. It is to explore the underpinnings which seem to me necessary to maintain this kind of economy in a hostile world. And here by thesis will be that while the market is self-sustaining in an economic sense, it is not necessarily self-sustaining in a moral sense. It requires a framework of law, order, and ethical consensus that involves fundamentally an affirmation of certain human values. The market is not an end in itself, but the means to higher ends. Definition of these ends leads us inevitably into the domain of philosophy and metaphysics.

TWO AND ONE-HALF CHEERS FOR THE MARKET

This may appear a brash statement in a so-called scientific age, but the importance of values is really implicit in the arguments which protagonists of the market make for this form of social organization. Let us briefly run over the position. It should not have taken the Arab sheiks to remind us that by definition all economic goods are scarce, whereas the hunger of man for those goods is well-nigh infinite. In this situation some means must be found for *allocating* scarce resources—be they work, materials or capital—to human wants. There are basically two ways in which this may be done. In the first place, we might conceive of some all-wise government which would plan out in advance what goods would be produced each year according to some master chart or plan. This is the road taken by Marxian Socialism, and to my horror I see it is still being taken seriously by various intellectuals who want to set up a master-planning agency in Washington.

The trouble with such a system, of course, is that government officials are not all-wise when it comes to knowing what people want, and furthermore that the only way by which government can enforce its plans is by using some form of *coercion*. Economic planning in this sense cannot be squared with human freedom. It cannot even be squared, as von Mises has brilliantly shown, with rational choice and decision. It is easy for governments to decide that their people will probably want some bread to eat. They will also want shoes to put on their feet. But how much bread? How many shoes? These are the questions which officials cannot really answer.

By contrast, a market economy solves the problem of allocation smoothly and efficiently. Assuming that there is a given income distribution, consumers bid for what they want via the price mechanism. This gives them a vote in the economic arena which may be just as important as, and perhaps more important than, their vote at the ballot box. The price system is really a sophisticated signalling system which indicates what should be produced, and in what quantities. The wage system is likewise a signalling device which indicates where labor is most productive. Were labor "taken out of the market," as organized labor has declared it ought to be, we would be left without guide or rudder to determine how the world's work should be accomplished. Finally, profits—the difference between final prices and costs—are the evanescent margin of return that goes to producers and entrepreneurs for bringing labor, materials and capital together before goods can be sold. In a growing economy someone must undertake this risk, and it is far better that it be diffused among individual entrepreneurs and corporations than concentrated in the hands of bureaucrats, whose mistakes in judging human needs are apt to be monumental.

It may come as a surprise to you that even the late John Maynard Keynes had no quarrel with this proposition and concluded his famous *General Theory of Employment, Interest and Money* with a ringing apologia for the market's virtues. Where Keynes broke with the classical tradition was on the question of whether the market is economically self-sustaining. Following Jean Baptiste Say, most economists before Keynes' time had assumed that production in the market creates its own demand: it is the shoes which the shoemaker makes that constitute his real purchasing power for food produced by the farmer. The heart of the *General Theory* is its attack on Say's law of markets and on the grounds that in a capitalist society, people will attempt to save more than they invest. From this it followed that governments must step in to fill the gap by spending and extending easy credit, if we would maintain full use of our resources.

This was, to say the least, music to the ears of politicians who for thirty-odd years have been presenting us with ever-rising government expenditures and budget deficits. With what results? With the result that inflation has predictably grown apace, while unemployment is still very much with us in the mid-seventies. The truth seems to be that debasement of the currency and government efforts to pump up so-called "aggregate demand" are a selfdefeating process. They may sometimes restore prosperity for a while, but in the end we suffer the worst of both worlds—namely stagflation. It is a tribute to von Mises that he never accepted the Keynesian analysis and hence never accepted its conclusions. He held that society needs a stable currency and that government may have a part in creating it. But given this framework, his position was that unemployed resources are not the result of market forces but rather the result of blockage by powerful labor unions, minimum wage laws, and other forms of government interference. Were he alive today, I suspect that his prescription would be far different from and far simpler than the ideas currently circulating in Congress and in the White House. He would propose elimination of monopoly practices in both industry and labor, combined with a cut in, or elimination of, that most foolish of all taxes—namely the corporate profit tax.

THE LIMITS OF NEUTRALITY

I trust that by now I have convinced you that I am a good free marketeer in the Misesian sense of the word, if not in that of Ayn Rand. I would like now to advance up more slippery slopes. Granted that the free market is a buttress of liberty, a coordinator of free and spontaneous collaboration, and that given proper adjustment of prices, costs and profits, it has no inherent tendency to run down—granted all this, is it a self-sustaining mechanism in a deeper sense? Can we safely argue for the virtues of the market without paying some attention to virtue itself in the ethical meaning of that word? Can the market succeed without the commitment of society and a nation to certain fundamental values that lie beyond the margin of supply and demand and so-called "indifference curves"?

And here we come to a paradox that involves the very nature of economics and the task of the economist. Von Mises and the Austrian school of economics which he represented freed us from viewing economics as some kind of spurious physical science. Economics, as von Mises made plain in his great book, *Human Action*, is not the study of physical wealth, as some earlier economists had believed. It is fundamentally the study of *human choice* and preferences in the face of scarce resources; and such choice is obviously psychological in nature. Human behavior is *purposive* in character, and purposes involving judgment of the future, as well as of the past, cannot be reduced to outward events which can be studied under the microscope. Purposes, it would seem evident, involve ends and values. And yet it was a prime tenet of von Mises' teaching, and certainly is a prime tenet of most modern economists, that economists is *value free*. Economics studied human choice, but when it comes to human choices it does not pass judgment. To put it bluntly, if men choose to buy cocaine instead of Coca-Cola, that is to be lamented from a social point of view. But the economist *qua* economist is supposed to keep his mouth shut.

Now I find that this doctrine of ethical neutrality in modern economics has something to be said for it. Economists are busy enough nowadays explaining the intricacies of supply and demand (of oil, for instance) and further explaining the intricacies of the modern money system without getting themselves involved in moral judgments. They perform a highly useful function in explaining that if a man or a nation follows course A, the consequence B is apt to follow. All of us, including government officials, do need to know the probable consequences of alternative lines of action, whether these relate to our personal lives or to social issues, such as rent control, environmental protection, or the inflation of the currency. Yet I also find this doctrine of ethical neutrality on the part of economists a puzzling and at times highly dangerous one. For one thing, few economists, and least of all my libertarian friends, are really able to stick to it. They are, in fact, constantly telling us what we ought to do rather than what we do. Indeed, the whole case for free enterprise and the market economy rests on moral evaluations—that freedom and collaboration are good, and that coercion, in general, is bad.

Moreover, I would remind you that even the most devoted of free marketeers, who are against most interferences by government in the price-profit system, still assume that some governmental framework is necessary if the market is to perform its functions. The market requires the enforcement of property rights and of contract. It assumes a framework of law which has its foundation deep within a moral public consensus. It requires a viable monetary system through which all prices, wages, and profits are registered. Government is involved here whether it adopts some form of gold standard or whether, following the advice of the Chicago school of thought, it adopts some fixed rule for enlarging the money supply, defined in terms of currency and checking accounts. Even if we assume that gold coins will circulate again, still the king's head or the American eagle will presumably be stamped on the coins.

THE MARKET DEPENDS ON ORDER

In short, the market system is dependent upon a right and just political order, and such an order, as Aristotle saw long ago, depends on our making up our minds as to what constitutes justice and other forms of the Good. I conclude that while economists may abstain, if they like, from passing judgment on individual acts of human choice, they cannot possibly remain neutral when it comes to defining the kind of economic and political order which makes freedom of individual choice possible. Perhaps we should allow them the privilege of wearing two hats, so to speak, donning one when they play the role of the economist, but putting on the other when they speak as concerned citizens. But I confess I am not too fond of hat tricks, especially when the same bald or bushy head is discovered beneath the felt!

More seriously, I wish that economists would abstain from making highly dangerous philosophic statements in their efforts to defend their alleged scientific neutrality. If you ask many of them today (not necessarily the followers of von Mises) why they are ethically neutral, their answer all too often will be that ethical judgments are, by their nature, "subjective" whereas economic judgments are "objective." Now this is a very dangerous statement. If all that is meant by it is that ethical judgments are psychological and non-physical facts, well and good. But if what is meant is that ethical judgments are *ipso facto* capricious and not subject to general moral laws, then we are in serious trouble indeed. For in this case, we would be left with no common standards and criteria for evaluating human actions. We would be left in a world where all that could guide us would be the attitude, "You do your thing, and I'll do mine."

But I submit that this business of "you do your thing and I'll do mine" is really an invitation to anarchy or worse, if there be anything worse. It is first cousin to that Relativism and Logical Positivism (i.e., only the measurable is real) which afflict the modern world and which have undermined the very intellectual foundations of what Walter Lippmann once called the Good Society. In the Good Socitey it must be assumed that there *are* enduring standards for judging the good, the beautiful, and the true. Indeed, without belief in truth, science itself becomes impossible. In this matter it seems to me that some thinkers of the Middle Ages were far ahead of our latter-day philosophers and economists. For they posited a "natural order" which included not only the so-called facts of nature, as we observe them, but also certain moral laws that were just as real as the facts of nature, even though they could not be observed by the human eye (or the modern microscope). It is my contention that if we are to have the kind of economy free marketeers say they want, and the kind of *limited* government which most of us want, then some such comprehensive Natural Order must be assumed. In short, we must reconnect economics with philosophy in both branches of the latter subject—with metaphysics, the study of the Real; and with ethics, the study of the Good.

"GET YOU WISDOM"

Now all this is pretty deep stuff, and I must apologize for having led you into it. Yet my remarks have been dictated by the very nature of the topic assigned. The assignment was not just to defend the market system of economy. It was to try to indicate that we cannot get very far in that defense without considering *human values*, and that once that Pandora's box is opened we are up against questions as old as Plato and Aristotle.

I would commend both men to your attention, especially Aristotle, who after all wrote the first short treatise on economics as part of a much broader synthesis. For Aristotle economics was part of politics, and politics in its turn flowed out of ethics. And that, when you come to think about it, is more or less how the Founding Fathers of this country proceeded. Madison, Jefferson and Hamilton did not begin by defining a full-blown economic system. On the contrary, they began with certain assumptions about th nature of man, that in the language of the Declaration, "all men are endowed by their Creator with certain inalienable rights." From that assumption flowed their concept of limited rather than unlimited government. And from that assumption flowed an economic system which, while dependent on government for its basic framework, nevertheless took from government the decisions of how the world's work should be performed and how resources—human, material, and capital—should be allocated.

Today this order of priorities has been strangely reversed. We have a vast body of so-called economic knowledge and statistics which is kept in one compartment of our thinking. Then we have our so-called "political scientists" who argue to and fro about the nature of government. Finally, we still do have our philosophers, though their field has been invaded recently by such types as Angela Davis and Professor Herbert Marcuse, a confirmed Communist. Their discussion is too often clouded by exercises in symbolic logic or arid studies of semantics and linguistics. Never mind. I hold that there still is a great philosophic tradition, and that some acquaintance with Greek and medieval philosophy will serve you well in your comprehension of modern economics.

I would add furthermore that you will not understand our civilization without exploring that other great tradition which has shaped it—namely Christianity. As Edmund Opitz has argued in his brilliant book, *Religion and Capitalism: Allies, Not Enemies,* there should be no quarrel between the deepest insights of religion and the kind of free economy we wish to preserve against the inroads of the all-powerful state. On the contrary, it is where secularism and materialism have taken deepest hold, as in Communist Russia, that the free economy has been all but eliminated. Religion, Marx held, was the "opium of the people." What force is to reinforce the Good? And what force is to stand up against the princes, principalities and dictators of this our modern secular world?

So, in conclusion, I trust that while at Hillsdale you will make the most of what used to be called a liberal education. Such an education means making at least nodding acquaintance with many specialities. But specialization should not mean losing sight of those deeper truths that have shaped this extraordinary country of ours. Today men are hungry to see our multifold academic disciplines reoriented around those core values of what Winston Churchill once made bold to call Western Christian civilization. As this is done, even the so-called "dismal science" of economics becomes, if not a seductive bride, at least an attractive bridesmaid. Tonight I invite you to this adventure in thought and imagination, of which Ludwig von Mises might have been skeptical, even while wishing you good luck in your endeavor. "Get you Wisdom," said the Psalmist, and most other things will be added unto you. Well, go and get it!

ROME, OHIO CELEBRATES AMERICAN BICENTENNIAL

HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. J. WILLIAM STANTON. Mr. Speaker, on Saturday, July 5, the village of Rome, Ohio, in my congressional district, will recognize our American heritage and our 200th birthday with an official Bicentennial Dedication Day.

I am sure the Members of this House join me in wholehearted congratulations to all the citizens of Rome, Ohio.

In honor of this occasion, the treasurer of Rome's Bicentennial Commission, Mr. John P. Yarish, has written a poem in memory of the lives forfeited for freedom's sake.

Mr. Speaker, it gives me great pleasure to include this tribute in the RECORD:

THE MINUTEMAN

We know "the shot heard 'round the world",
  the Minutemen, et al,
The war to have OUR FLAG unfurled . . .
  the musket . . . cannon ball.

The part, we really haven't heard,
  the untold agony.
The dying and their parting word,
  that made this country free.

Take little Willie Johnson, there,
  just sixteen years of age.
He's dying . . . blood is everywhere,
  he's screaming . . . in a rage.

The musket tore right through his chest,
  he doesn't have a chance.
He struggled hard, he fought his best.
  he'll never live to dance.

He tries to talk, but blood pours out,
  I try to lift his head.
He screams "What is this all about?"
  Now, follows, what he said.

"I fought real hard, through stress and strife,
  they got my best, from me.
They told me I might lose my life,
  to make this country free."

THE ROCKEFELLER COMMISSION REPORT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington Report entitled "The Rockefeller Commission Report":

THE ROCKEFELLER COMMISSION REPORT

In the most sweeping investigation ever of United States intelligence agencies, the Rockefeller Commission has found that the Central Intelligence Agency has conducted a vast network of illegal domestic operations. The great majority of the CIA domestic activities complied with the law, the Commission found, but there were instances of poor judgment, inadequate controls, meddling and pressure from Presidents, and unlawful conduct.

The Rockefeller Commission report is both disturbing and reassuring: disturbing because of the activities disclosed, and reassuring because the Commission has brought them into the open for discussion. Among other things, the Commission found that the CIA:

Conducted an espionage operation against dissident American political groups, crating files on 300,000 individuals and placing undercover agents in anti-war and black movements;

Engaged in wiretapping, electronic room bugging, and burglaries;

Experimented for a decade with a drug testing program that resulted in the death of at least one person;

Held a defector from abroad prisoner in a CIA facility for three years;

Inspected mail between the Soviet Union and the United States for 20 years, opening some 13,000 letters in the process;

And entered into an agreement with the Department of Justice in which the CIA was given the power to decide whether or not to prosecute CIA employees involved in criminal acts.

The Commission's report is an extremely important and valuable document. It puts on the record a long list of illegal domestic spying activities, and it shows how close the United States has come to creating an uncontrolled security apparatus operating outside the law and with little respect for constitutional processes, the very kind of activity we so often condemn in totalitarian states. It displays for us the difficulties that a democratic society encounters in managing the requirements of national security and individual rights, and it clearly points out the need for more effective oversight and stricter control over the CIA. The Commission has done a thorough job in reporting and summarizing what it found.

Although the past misdeeds of the CIA are important, so is the country's need for an effective intelligence system in a world where some nations are hostile to us. U.S. policy makers must have access to the best information and analysis obtainable to make the decisions upon which the fate of the country turns. In all likelihood effective intelligence gathering will become more, not less, vital in the years ahead. These legitimate and necessary functions must not be impaired as we try to correct the excesses and improprieties of the CIA.

I felt two disappointments in the Rockefeller Commission report. It simply did not examine deeply enough the role of a secret agency in a democracy. The Commission apparently assumed that an agency with the power and the secrecy of the CIA is readily compatible with a democratic society. Although it proposes several measures for closer supervision of existing intelligence agencies, the tough questions were not addressed in the report: What kind of intelligence agency should we have? Should it engage in secret operations (not just collecting and analyzing intelligence) and, if so, when and for what purpose? The other disappointment was the Commission's assumption that the President and the CIA could correct the faults of the agency. That, of course, would continue the same arrangement that has just failed. The record clearly shows that recent Presidents did not stop the abuses of authority by the CIA, and that means that the CIA's accountability to the Congress should be improved and that the internal procedures of the CIA have to be strengthened.

The scope of the CIA violations and inability of the agency to correct itself, both before and after these violations were widely known, suggests to me that the task of straightening the agency will be more difficult than the Commission believed.

Several recommendations to improve the operation of the CIA are widely agreed upon. The pervasive atmosphere of secrecy throughout the agency calls for declassification of at least some aspects of its budgetary, auditing, and legal procedures. Some activities, such as infiltration of domestic dissident groups, should no longer be undertaken. The Congress should improve its oversight committees, replacing the obviously ineffective present committees. There is no substitute, as simple as it seems, for naming good people to run the CIA and then keeping an eye on them.

The Congressional committees investigating the Central Intelligence Agency still have work to do. They have a broad mandate to investigate the domestic spying activities of the CIA, as well as its foreign operations, including assassinations and efforts to "destabilize" other governments. The challenge before us is to insure that the CIA maintains its effectiveness within a system of democratic checks to perform its essential function of finding out and analyzing the rapid and complex events of various international situations without simultaneously becoming a menace to the freedoms it is supposed to help protect.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES APPROPRIATIONS BILL, 1976

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. TEAGUE. Mr. Speaker, on June 24, 1975, the House overwhelmingly passed H.R. 8070, the Department of

Housing and Urban Development and independent agencies appropriations bill, for fiscal year 1976 and for the transition period.

I want to compliment the distinguished chairman of the Subcommittee on HUD-Independent Agencies and floor manager of the bill, the Honorable Edward P. Boland, as well as the Honorable Burt L. Talcott for bringing this important piece of legislation to a successful conclusion in the House.

The bill as passed includes funds for fiscal year 1976 and the transition period for the National Aeronautics and Space Administration and the National Science Foundation for which the Committee on Science and Technology is assigned the responsibility for authorizing legislation. While there are some significant differences in the amounts authorized for certain projects versus legislative actions taken in the appropriations bill, it appears that the two are reasonably compatible.

I wish to express my appreciation for the spirit of cooperation displayed by Messrs. Boland, Talcott, and other members of the Appropriations Committee in the passage of the authorization and appropriations legislation for the National Aeronautics and Space Administration and the National Science Foundation.

SPENDING SAILS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. ALEXANDER. Mr. Speaker, leave it to the folk back home to point up the foolishness of our ways. Since I joined the Appropriations Committee, I have become even more alarmed at the manner in which we freely spend the Federal tax dollar.

I would like to share with my colleagues a letter from one of my constituents that certainly should take some of the wind out of our spending sails:

Wynne, Ark.,
May 19, 1975.

Hon. Bill Alexander,
House of Representatives,
Washington, D.C.

Dear Congressman Alexander: I need your help in getting a program started that would be of great benefit to men over 65 years of age. Please advise me as to which governmental agency to contact for a grant of $150,000.00 in order that I may make a study as to' why most men over 65 years of age enjoy fishing.

I have the necessary equipment, experience and qualifications to make such a study. Results of this study would be used to teach senior citizens how to enjoy life.

I feel that precedent for such a grant is a matter of record. Two examples below:

(a) A grant was made in order that a study could be made as to why children under two years of age fall off tricycles.

(b) A grant was made to determine why people clinch their jaws when angry

Please advise the proper agency for me to contact for this grant. Then as a member of congress I am sure that you can coach me on the proper strings to pull.

Can you suggest a better way to spend the people's money? I am retired, over 65, enjoy fishing. Help me to help other senior citizens to enjoy old age by fishing daily.

Yours very truly,
Dalton Matthews.

MAURA HURLEY BRACKETT NOMINATED FOR TOP GOVERNMENT WOMEN'S AWARD

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. BOLAND. Mr. Speaker, it is always a pleasure to see a close friend do well in their chosen field. A good friend of mine, Mrs. Maura Hurley Brackett, is currently doing exceptionally well at the Agency for International Development in the State Department.

Mrs. Brackett, who is chief of the Health, Nutrition and Population Coordination Division, Office of Development Resources in the Latin American Bureau of AID, has recently been nominated for the Federal Women's Award by AID Administrator Daniel Parker. It is the second time in 2 years that Mrs. Brackett has been nominated for this award, considered the top women's honor in the Federal Government.

I extend my heartiest personal congratulations to Maura and wish her further success in the future. At this point I would like to insert an article from the Agency for International Development publication "Front Lines" that outlines Mrs. Brackett's accomplishments in her field and also those of another nominee, Mrs. Kathleen S. Bitterman.

Name Bittermann, Brackett for Top Women's Honor

Kathleen S. Bittermann, Deputy Coordinator for Food for Peace and Maura H. Brackett, Chief of the Health, Nutrition, Population Coordination Division in the Latin American Bureau, have been nominated for the Federal Women's Award by Administrator Parker.

Mrs. Bittermann is cited for her achievements in helping administer the U.S. Food for Peace Program. Her primary responsibility includes allocating PL 480 resources to meet disaster relief requirements, for donation programs for the needy, particularly malnourished children abroad, and to assist developing countries through concessional sales of food.

Her knowledge of the legislation, the shift in supply and demand situations and the interaction of law, food requirements and the political significance of these transactions together with her ". . . . intelligence . . . energy . . . and humor have made her an outstanding civil servant."

Mrs. Brackett was cited for her work in Latin American programs dealing with health, nutrition and population. She was instrumental in the development of two important health and nutrition loans made to Colombia and Brazil. The Colombia loan was the country's first health sector loan designed to provide low-cost preventive health care through outreach clinical services. The Brazil loan became a test case to prove that health services such as maternal child care and improved nutrition can be made available through low-cost programs.

Under Mrs. Brackett's direction, the Health, Nutrition and Population Coordination Division has in six years grown in responsibility from handling five loans totaling $15.9 million to 14 loans totaling $121 million.

Mrs. Brackett's "ability to seek out, obtain and orchestrate health technical advisory services available in Latin America and the United States" have produced innovative programs that will have a "real impact on future health activities. . . ."

TITLE IX REGULATIONS

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. McKINNEY. Mr. Speaker, earlier this week I testified before the Subcommittee on Postsecondary Education on the title IX regulations to the Education Amendments of 1972. I believe there has been a great deal of misinformation and distortion regarding the intent and application of these regulations, prohibiting any Federal aid recipient from practicing sex discrimination against students. I am including in the Record my testimony in support of these regulations so that my colleagues may have another perspective on this issue:

Subcommittee on Postsecondary Education—Title IX Regulations

Equal opportunity in education is fundamental to equality in all human endeavors. It is education that determines one's attitudes, beliefs, and positions in society. Historically, in the United States, and indeed the world, women have been viewed as second class citizens and not quite as worthy as their male counterparts. Mr. Chairman, it is to correct this situation that I urge the swift implementation of the Title IX regulations.

The crucial clause of Title IX states that "no person in the United States shall on the basis of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal assistance." Like the provisions of the Equal Rights Amendment, it is difficult to understand how 200 years after the Declaration of Independence, over 100 years after the 14th Amendment, and over 50 years after women were granted full political equality, we are still discussing whether women should be entitled to the same educational and social opportunities as men.

The major controversy over Title IX is in the area of athletics. While allowing that women should receive equal educational opportunities, many believe that this should not include sports. Although almost all agree that physical activity is necessary for both sexes, and that a health body complements a healthy mind, in the area of sports the male sex has traditionally been afforded a greater chance for physical development.

It is not unusual that the athletic culture of a society reflects the society's normative values. Competitive sports require discipline, leadership, aggressiveness, all traditionally considered male characteristics. Women are encouraged to be weak and passive; a high level of achievement in sports is a contradiction of the restrictions of the female role. Cultural myths have determined what is 'right' for men and women; by stereotyping a whole caste of people, we are limiting their growth and potential.

It is true that men and women now differ in their athletic ability. Height and weight are often determinants of athletic skill; the average man is more likely to possess greater strength and speed than the average woman; the average woman has greater precision and agility than her male counterpart. However, making decisions based on averages is limiting and ignores the reality that many women are better athletes than the average man. We know that until puberty, girl and boy children have roughly the same athletic capacity. After this point, there is a significant difference in their ability in most sports; however, until we stop punishing girlchildren for being tomboys and allow their full participation in scholastic athletics, we will never know their true capacity as sportspersons. Indeed in the Soviet Union where femininity is not a premium value, women athletes are far superior to our own.

The blatant discrimination against women in intercollegiate athletics must end. Although the Title IX regulations do not call for equal aggregate expenditures, I believe that we can achieve a picture of the gross inequality that exists by looking at the difference in expenditures in men's and women's athletics. The average institution of higher education in the United States budgets less than one dollar a year per woman student on sports. Indeed in 1975 the women's total intercollegiate athletic budget was only 2% of the men's total. In the larger "power" schools, discrimination is even more blatant: for example, Ohio State University spent 1300 times more for their men's athletic program than for women's sports.

The regulations established by HEW and approved by President Ford are necessary steps in ending sex discrimination in education. As Secretary Weinberger has stated, they enhance the opportunity for women while allowing schools the flexibility they need to keep competitive sports alive. They are not, as the NCAA would have us believe, a blow to revenue-producing sports nor will they cause the destruction of existing men's athletic programs; however, they are a legislative mandate for quality athletic programs for women.

I believe that much of the controversy over Title IX involves a misunderstanding of the intent of the regulations. In all areas except contact sports, equal athletic opportunity must be provided for both sexes. As I noted earlier, Title IX does not require equal expenditures, although the regulations do mandate an investigation into a failure to provide necessary funds to one sex. A school must evaluate whether its athletic program reflects the interests and abilities of both sexes; they must see that supplies, equipment, games and practice schedules, coaching time, locker rooms, facilities and training services provide men and women with an equal opportunity to participate in athletics.

What does this mean? It does not mean that women must be allowed to play on all male teams. It does mean that if a woman is interested in playing a competitive sport, and a woman's team in that area does not exist, she must be allowed to compete for a position on the team if the school has limited female participation in the past. A school might provide separate teams or one team based on competitive ability; in situations where one team cannot accommodate the interests and abilities of both sexes, separate teams should be provided.

All contact sports, which are the major revenue-producing sports, are exempt from these regulations. Women do not have to be allowed the chance to try out for such games as football, basketball and ice hockey, nor do comparable sports have to be offered. This exception renders the complaints of such organizations as the NCCA meaningless.

The tactics of the large universities and athletic organizations have been twofold: they have tried to convince the Members of Congress that what is needed is an economic study of the implications of Title IX and that the regulations should not extend to athletics.

Mr. Chairman, an economic study at this time is totally unwarranted. Title IX became law in 1972; we should delay no longer in its implementation. Discrimination against a class or caste of people is always profitable for those that are perpetrating the discrimination; slaveowners probably wanted an economic study of the Emancipation Proclamation. Nevertheless, freeing people to develop their potential is worth any short-term cost.

That Title IX rightfully deals with athletics is both a legal and a social issue. The Title IX clause of the 1972 Education Act is almost identical in wording to Title VI of the Civil Rights Act of 1964. In every court case challenging the boundaries of Title VI, it was held that the prohibitions covered every aspect of an institution receiving federal aid, not just particular programs.

Yet the issue is far more important than legal precedent. Women are an integral part of the universities they attend; to limit the prohibitory effects of Title IX to only those areas directly receiving federal aid allows sex discrimination to continue to exist in many areas of the institution. At a time when many of our private institutions are having serious financial difficulties, it is especially important that we assure that women will be treated equally in all aspects of their educational endeavors.

In this Bicentennial Year, we must rededicate ourselves to the principles on which our nation was founded. It is also International Women's Year in recognition of the significant contributions of women to our history and culture. It is fitting that in this year we quickly implement the Title IX regulations and end all sex discrimination in our educational institutions. In this way, we will be taking a necessary step in assuring that women may achieve full social and economic equality.

Madam Chairlady, I would like to conclude my testimony on a personal note. I have served on many college and educational boards, including my own two alma maters of Princeton and Yale. There isn't one of these educational institutions that could exist today without massive federal financial assistance, be it in direct form, be it in tuition payments, be it in tax status, be it in dormitories built, be it in roads built, be it in government grants for physics or other programs. So that the argument that Title IX should not cover athletics is patently ridiculous because none of these colleges or universities could afford an athletic program if they didn't receive federal financial assistance in other areas.

A really personal point: four years from September I will have four children in college, three of them young ladies. I will pay the same amount to send a daughter to Princeton as I would a son. Is it fair that I as a father pay the same amount to educate one of my daughters and yet not have her receive the same facilities and chances and same opportunities? I don't think so.

Just as an amusing sidepoint, I sit on the board of a small school in Westport, Connecticut, that was all young ladies, kindergarten through high school. The young ladies in the school voted 95 percent in favor of allowing the male sex to join them in their hallowed halls. Were we at that point to refuse to build a new locker room for the boys or refuse to let the boys have basketball court room, refuse to let the boys have tennis court room, even though the boys were less than 10 percent of the school? I think not.

It seems absurd to me that in a nation dedicated to the Declaration of Independence and the Constitution and the Bill of Rights, 200 years after our founding we are still discussing voting rights . . . still discussing women's rights . . . still discussing gay rights. We are still arguing about the very fact that never confused our forefathers, and that is that all men—and that is a generic term—are created equal.

MIKVA COMMENDS AMERICAN SOCIETY OF SAFETY ENGINEERS, DISCUSSES SOCIETY'S ANNUAL PROFESSIONAL DEVELOPMENT CONFERENCE IN DENVER

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. MIKVA. Mr. Speaker, a national not-for-profit professional society, with headquarters in my district in Illinois, is the Nation's oldest safety organization. It has 13,000 members representing all sectors of the economy.

That organization, the American Society of Safety Engineers, is holding its annual Professional Development Conference this week in Denver, Colo. During the 3-day conference, approximately 400 of the Nation's top safety professionals will gather from all parts of the country to address a number of modern-day problems and concerns facing the profession.

The American Society of Safety Engineers has been in existence since 1911. Moreover, its membership has doubled during the past decade. Today the society is the largest organization of professionals in the field of safety, having a current membership of approximately 13,000 individual members. The principal objective of the society is to enhance the professional knowledge and capability of individual safety practitioners, who in turn will use their competence toward the reduction of accidents in all areas of life, including occupational safety and the development of safe products.

Much of the growth of the society has been simultaneous with the advent of increasing Government interest in defining this country's requirements in occupational safety and health, consumer product safety, fire safety, and traffic safety. Congress has recognized the on-and-off job safety needs of Americans and has passed legislation toward satisfying these needs, including the Occupational Safety and Health Act of 1970 and the Consumer Product Safety Commission Act. The society has supported and applauded these congressional actions.

Mr. Speaker, more than 20 million injuries associated with consumer products occur each year in the United States. These are serious injuries requiring professional medical help. Of these 20-million-plus injuries, well over 100,000 result in permanent disability. More than 30,000 result in death. The cost of these injuries to the Nation each year is approximately $6 billion.

The American Society of Safety Engineers is doing its part to combat injuries and promote safety. For example, attendees at the professional development conference in Denver will concentrate on such diverse topics as worker's compensation, fire safety, noise problems, transportation safety, and overview of regulatory agency functions, specialty disciplines, and product safety programing.

Some of the speakers at the conference include Kenneth Pierson, Deputy Director of the Bureau of Motor Safety, U.S. Department of Transportation; Malcolm Jensen, president of the Can Manufacturers Institute, and former head of the Bureau of Product Safety; John A. Pendergrass, president of the American Industrial Hygiene Association; F. Douglas Johnson of the Denver Research Institute; and Edwin A. Gee, senior vice president and chairman of the environmental quality committee, E. I. duPont de Nemours and Co.

In recent professional development conference programs, the society has covered such subjects as: The role of the safety professional in litigation arising from OSHA, labor relations as it relates to today's safety professional, stress and its impact on workers, occupational health research, research and application, loss cost analysis and control, safety motivation, and accident phenomena.

Mr. Speaker, the American Society of Safety Engineers has fostered the professional development of its members since its founding. It is my understanding that these professionals have been in the forefront of essentially all safety advances in the United States during the past two-thirds of a century.

In 1969, ASSE conceived and established the separate and independent Board of Certified Safety Professionals, which now has certified more than 4,000 safety professionals. The designation of certified safety professional is granted to only those individuals whose professional safety experience meets a high level of established criteria, and who pass a rigid written examination.

In the past several years, ASSE has filed a number of official position statements, and made several appearances before House and Senate committees on significant aspects in these subject areas. Also, workman's compensation, fire safety, transportation safety, and other significant safety areas have received concentrated attention from the society.

Mr. Speaker, I am most pleased and honored to salute the American Society of Safety Engineers on its achievements and on the occasion for its Professional Development Conference. To its officers and members, I send my warmest congratulations and best wishes for continued success.

MERRILL WINSLETT HAS PASSED AWAY

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. FUQUA. Mr. Speaker, it is my sad duty to inform the Congress of the passing of one of the finest persons ever to serve on a congressional staff, Merrill Winslett of Florida.

Merrill came to Washington in 1942 as Administrative Assistant to Congressman Bob Sikes and moved over to the Senate side 14 years later to serve in that position with our late and beloved Florida Senator, Spessard L. Holland. He and the Senator retired with distinction in 1971.

During his service, Merrill was a leader and a worker. He revived the Congressional Secretaries Club after the war years had caused its ranks to decline, serving as President of that group. He is one of nine persons who have been honored with a life membership in the 40 years that the club has been in existence.

In 1970 he received an award from the club and Roll Call as the outstanding staff member of the Congress.

Merrill came from Marianna, Fla. in Jackson County, the area where I grew up. He was my friend and loved by the members of my staff. He was unflappable under intense pressure and was known for being able to do a hundred things at once without the appearance of being hurried.

To his wife, Chrys, might I extend deepest sympathy from all of us. We are all richer for having known this great and good man.

STATEMENT ON H.R. 6676—CREDIT USES REPORTING ACT

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. du PONT. Mr. Speaker, yesterday this House defeated the Credit Uses Reporting Act. I think this was a correct action and I would like to congratulate my colleagues for being able to recognize the nose of a camel when they see it. This bill was the first step toward the Federal Government allocating credit. We in Washington would eventually have had control of the credit markets if the reasoning which this bill suggests had prevailed. Even this legislation, in its seemingly innocent categorizing of credit uses, would have implied what uses of credit were deemed proper by the all-knowing Congress.

I cannot believe that our national interests are well served by the Congress deciding what is a good use and what is a bad use of credit. Our system is already plagued by politicization of economic objectives. Our constituents understand this and if there is one message they are trying to send us it is that they do not want additional interference in their lives by a benevolent bureaucracy. I happen to believe that the peoples judgement is better than both the bureaucrats and the Congress. I am thankful that in this instance a majority of my colleagues agreed.

BRESLIN ON GUN CONTROL

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. THOMPSON. Mr. Speaker, this week I had intended to devote a newsletter to the subject of gun control. However, Jimmy Breslin's powerful commentary entitled "All Because of a Gun" speaks to the issue more effectively than I could hope to. Mr. Breslin illustrates the point that similar incidents resulting from the unrestricted use of firearms are reported daily in newspapers across the United States. He vividly underscores the need for effective Federal gun control legislation. A copy of "All Because of a Gun" as it appeared in the Washington Star of June 24, 1975 follows:

ALL BECAUSE OF A GUN

It is as if once a problem has been defined, we confer upon it permanency. Never is it to be altered or dissolved; enough that it has become discovered and debated.

In 1940, in the town of Terni, in Italy, 70 miles northeast of Rome, there was manufactured a rifle called the Mannlicher-Carcano, model 91. The Mannlicher-Carcano, with its small bore and underpowered cartridges, made a peculiar sound for a rifle, a firecracker sound. One Mannlicher-Carcano made that year lasted through the war and the years that followed and in 1963 this particular rifle was in America, in the mail to Texas, going to Lee Harvey Oswald. And now the popping sound was heard in the noon sun in Dallas, and a president's head came apart.

It was at this time that the problem of controlling guns was raised for the first time and defined on a national level. Once recognized, once explored; always.

From 1963 on, more Americans were killed by violence, primarily gunfire, in this country than were killed in the war in Vietnam. In Washington, the arguments rose, subsided, rose again, subsided again. Bullets pierce flesh, but are harmless to words. Hearings always hear.

Last Wednesday, Gerald Ford, President of the government of the United States, announced in a national message on crime that, "I am unalterably opposed to federal registration of guns or the licensing of gun owners. I will oppose any effort to impose such requirements as a matter of federal policy."

Three days later, of a brilliant morning in Washington, they brought the body of Bernard Lee Jones into the New Southern Rock Baptist Church on Buchanan Street, Northwest Washington, in the country of the United States. Jones was a 30-year-old junior high school teacher. On the night of June 10, he found a man breaking into his car. Jones was powerful, and the guy trying to break into the car took the only way out: He blew Jones' chest open with a .38.

At the funeral, two of Bernard Jones' friends, William Saunders and Hewitt Brantley, stood across the street and waited until it was time to go inside for the services. The two men were dressed in fine blue suits, the waists pinched, arms folded across chests, the sleeve material straining its way across great biceps.

"Bernard taught at Paul Junior High, taught black studies," Saunders said. "Out of the crew we went to school with, we didn't figure he'd ever go to college and be a teacher."

Brantley said, "They looked at us, they

never figured them two to be policemen. That's for sure."

"Beautiful fellow, Bernard, always joking," Brantley said. "He loved what he was doin'. The few you save keep you goin'."

"Do they know who did it?" they were asked.

"Lookin' for somebody," Saunders said. "They know who he is."

Later in the day, police would arrest Daniel Turnage, a mechanic.

"What kind of gun was used," Saunders was asked.

"Thirty-eight.

"No Saturday Night Special," Brantley said.

"Lot of guns around here?" they were asked.

"What town you say you live in?" Saunders said.

"A place where they get a lot of guns."

"Then you live in a place like Washington."

"Do you think you could do anything about guns?" Saunders was asked—

"Sure."

"How?"

"We'd take 'em off the street. But you got to stop manufacturing them. What good is sayin' you want gun control if you don't stop manufacturing them? Shippin' them around, mailin' them."

Brantley said, "You just make one big wheel if you don't stop manufacturing them. You take 'em out, they keep puttin' 'em back in."

"Why do people have guns?"

"Kill somebody with."

Across the street, the light brown coffin was going up the stairs into the church. The two men walked across the street and got onto the line of mourners, a large, magnificent group, walking slowly in the sun, two by two, the old faces pushed in by life, the eyes so full of the knowing of the occasion, the younger men with strong chins coming out—Bernard Jones played high school and college football and most of his friends are large. Many of the women wore straw hats and held handkerchiefs in their hands. Inside the church a choir of women began singing, bosoms heaving under black dresses, great Southern tones tearing at the crowd, bringing forth from them the first moans of the long day. Suffering is the art of the poor.

A member of the Paul Junior High School faculty spoke. Then Jimmie Dougan, a friend of Bernard Jones, walked down the aisle, faced the crowded church, and sang "Keep Your Head to the Sky." It was Bernard Jones' favorite song and Jimmie Dougan sang in high notes, in unwavering notes:

Keep my head to the sky
For the clouds to tell me why

The Rev. N. G. Barr told them, "Nobody can correct God. We can't put it in a book to tell God when we want Him to come for one of us. But we can correct ourselves. Here in the Nation's Capital where laws are made we have 435 congressmen, 100 senators, a vice president, a President, yet all of us here, the people who have to live here, we can't walk the streets safely. We have lost so much beauty today. Must we always lose our beauty because of these streets? Must be somethin' better, must be somethin' better, must be somethin' better."

The choir sang "When We All Get to Heaven" and people filed by the casket for their last look at Bernard Jones' full, strong face. Outside in the sun, the two detectives, Saunders and Brantley, stood with tears sliding from under their sunglasses.

"Put down how good he was," Saunders said. "Man like this, all because of a gun."

Memory, for the moment, brought forth a young man named Roy Gutmann, who once was a brilliant student at the University of Chicago. At 9 o'clock one night Gutmann was walking on 56th Street, in the university area, when he was shot to death by 16-year-old boys. The shooting upset terribly the president of the University of Chicago, Edward Levi. Levi now is the attorney general of the government of the United States. He was on television the other day defending President Ford's program on gun control.

GENERAL REVENUE SHARING

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. WYDLER. Mr. Speaker, the general revenue sharing program which the 92d Congress passed in 1972 has produced a means by which substantial new vitality has been injected into State and local government.

The Subcommittee on Intergovernmental Relations and Human Resources of the Government Operations Committee will in all likelihood hold hearings on this proposal shortly after the Labor Day recess. As part of our effort to keep the Congress fully informed on the various aspects of revenue sharing, I am today including in the RECORD, a comparison of the proposed extension of general revenue sharing with the existing law:

COMPARATIVE TYPE SHOWING CHANGES IN EXISTING LAW MADE BY PROPOSED BILL

Changes in existing law made by the proposed bill are shown as follows (existing law proposed to be omitted is enclosed in brackets; new matter is italic): Sections 102, 105, 107, 108, 109, 121, 122, 123 and 141 of the State and Local Fiscal Assistance Act of 1972 (31 U.S.C. Supp. 1221, 1224, 1226, 1227, 1228, 1241, 1242, 1243, 1261)

SEC. 102. PAYMENTS TO STATE AND LOCAL GOVERNMENTS

* * * * *

Except as otherwise provided in this title, the Secretary shall, for each entitlement period, pay out of the Trust Fund to—

(1) each State government a total amount equal to the entitlement of such State government determined under section 107 for such period, and

(2) each unit of local government a total amount equal to the entitlement of such unit determined under section 108 for such period.

In the case of entitlement periods ending after the date of the enactment of this Act, such payments shall be made in installments, but not less often than once for each quarter, and, in the case of quarters ending after September 30, 1972, shall be paid not later than 5 days after the close of each quarter. Such payments for any entitlement period may be initially made on the basis of estimates. Proper adjustment shall be made in the amount of any payment to a State government or a unit of local government to the extent that the payments previously made to such government under this subtitle were in excess of or less than the amounts required to be paid. *The Secretary may reserve such percentage of the total entitlement payment for any entitlement period as he deems necessary to ensure that there will be sufficient funds available to pay adjustments due after the final allocation of funds among State governments and units of local goveernment.*

SEC. 105. CREATION OF TRUST FUND: APPROPRIATIONS

* * * * *

(b) APPROPRIATIONS.—

(1) IN GENERAL.—There is appropriated to the Trust Fund, out of amounts in the general fund of the Treasury attributable to the collections of the Federal individual income taxes not otherwise appropriated—

(A) for the period beginning January 1, 1972, and ending June 30, 1972, $2,650,000,000;

(B) for the period beginning July 1, 1972, and ending December 31, 1972, $2,650,000,000;

(C) for the period beginning January 1, 1973, and ending June 30, 1973, $2,987,500,000;

(D) for the fiscal year beginning July 1, 1973, $6,050,000,000;

(E) for the fiscal year beginning July 1, 1974, $6,200,000,000;

(F) for the fiscal year beginning July 1, 1975, $6,350,000,000; [and]

[(G) for the period beginning July 1, 1976, and ending December 31, 1976, $3,325,000,000.]

"(G) for the period beginning July 1, 1976, and ending September 30, 1976, $1,625,000,000;

(H) for the fiscal year beginning October 1, 1976, $6,537,500,000;

(I) for the fiscal year beginning October 1, 1977, $6,687,500,000;

(J) for the fiscal year beginning October 1, 1978, $6,837,500,000;

(K) for the fiscal year beginning October 1, 1979, $6,987,500,000;

(L) for the fiscal year beginning October 1, 1980, $7,137,500,000; and

(M) for the fiscal year beginning October 1, 1981, $7,287,500,000."

(2) NONCONTIGUOUS STATES ADJUSTMENT AMOUNTS.—There is appropriated to the Trust Fund, out of amounts in the general funds of the Treasury attributable to the collections of the Federal individual income taxes not otherwise appropriated—

(A) for the period beginning January 1, 1972, and ending June 30, 1972, $2,390,000;

(B) for the period beginning July 1, 1972, and ending December 31, 1972, $2,390,000;

(C) for the period beginning January 1, 1973, and ending June 30, 1973, $2,390,000;

(D) for each of the fiscal years beginning July 1, 1973, July 1, 1974, and July 1, 1975, $4,780,000; [and]

[(E) for the period beginning July 1, 1976, and ending December 31, 1976, $2,390,000;]

(E) for the period beginning July 1, 1976, and ending September 30, 1976, $1,195,000;

(F) for each of the fiscal years beginning October 1, 1976, October 1, 1977, October 1, 1978, October 1, 1979, October 1, 1980, and October 1, 1981, $4,780,000.

(3) DEPOSITS.—Amounts appropriated by paragraph (1) or (2) for any fiscal year or other period shall be deposited in the Trust Fund on the later of (A) the first day of such year or period, or (B) the day after the date of enactment of this Act.

(c) TRANSFERS FROM TRUST FUND TO GENERAL FUND.—The Secretary shall from time to time transfer from the Trust Fund to the general fund of the Treasury any moneys in the Trust Fund which he determines will not be needed to make payments to State governments and units of local government under this subtitle.

(d) New Spending Authority Exemption.—Funds appropriated pursuant to subsection (b) (1) and (2) are exempt from the provisions of section 401 (a) and (b) of the Congressional Budget Act of 1974.

(e) Secretary's Report on Extension.—No later than September 30, 1980, the Secretary shall submit a report with appropriate recommendations concerning the extension of this title to the Congress.

SEC. 107. ENTITLEMENTS OF STATE GOVERNMENTS

* * * * *

(b) STATE MUST MAINTAIN TRANSFERS TO LOCAL GOVERNMENTS.

* * * * *

[(5) SPECIAL RULE FOR PERIOD BEGINNING JULY 1, 1976.—In the case of the entitlement period beginning July 1, 1976, and ending December 31, 1976, the aggregate amount taken into account under paragraph (1)(A) for the preceeding entitlement period and the aggregate amount taken into account under paragraph (1)(B) shall be one-half of the amounts which (but for this paragraph) would be taken into account.]

[6](5) Reduction in entitlement.—If the Secretary has reason to believe that paragraph (1) requires a reduction in the entitlement of any State government for any entitlement period, he shall give reasonable notice and opportunity for hearing to the State. If, thereafter, he determines that paragraph (1) requires the reduction of such entitlement, he shall also determine the amount of such reduction and shall notify the Governor of such State of such determinations and shall withhold from subsequest payments to such State government under this subtitle an amount equal to such reduction.

[7](*6*) Transfer to general fund.—An amount equal to the reduction in the entitlement of any State government which results from the application of this subsection (after any judicial review under section 143) shall be transferred from the Trust Fund to the general fund of the Treasury on the day on which such reduction becomes final.

Sec. 108. Entitlements of Local Governments.

* * * * *

(b) Allocation to County Governments, Municipalities, Townships, Etc.—

* * * * *

(4) Indian tribes and Alaskan native villages.—If within a county area there is an Indian tribe or Alaskan native village which has a recognized governing body which performs substantial governmental functions, then before applying paragraph (1) there shall be allocated to such tribe or village a portion of the amount allocated to the county area for the entitlement period which bears the same ratio to such amount as the population of that tribe or village within that county area bears to the population of that county area. If this paragraph applies with respect to any county area for any entitlement period, the amount to be allocated under paragraph (1) shall be appropriately reduced to reflect the amount allocated under the preceding sentence. If the entitlement of any such tribe or village is waived for any entitlement period by the governing body of that tribe or village, then the [provisions of this paragraph shall not apply with respect to the amount of such entitlement for such period]*amount of such entitlement shall (in lieu of being paid to such unit) be added to, and shall become a part of, the entitlement of the county government of the county area in which such unit is located.*

* * * * *

(6) Entitlement.—

(A) In general.—Except as otherwise provided in this paragraph, the entitlement of any unit of local government for any entitlement period shall be the amount allocated to such unit under this subsection (after taking into account any applicable modification under subsection (c)).

(B) Maximum and minimum per capita entitlement.—Subject to the provisions of subparagraphs (C) and (D), the per capita amount allocated to any county area or any unit of local government (other than a county government) *within a State under this section for any entitlement period shall not be less than 20 percent, nor more than 145 percent, of two-thirds of the amount allocated to the State under section 106, divided by the population of that State. Beginning with the entitlement period that begins July 1, 1976, the maximum constraint shall increase at a rate of 6 percentage points per entitlement period until it reaches 175 percent.*

(c) Special Allocation Rules.—

* * * * *

(1) Optional Formula

* * * * *

(C) apply during the period beginning on the first day of the first entitlement period to which it applies and ending on [December 31, 1976.] *September 30, 1982.*

Sec. 109. Definitions and Special Rules for Application of Allocation Formulas.

* * * * *

(c) General Tax Effort of States.—

* * * * *

(2) State and Local Taxes.—

(B) Most recent reportng year.—The most recent reporting year with respect to any entitlement period consists of the years taken into account by the Bureau of the Census in its most recent general determination of State and local taxes made before the [close] *beginning* of such period.

Sec. 121. Reports on Use of Funds; Publication.

(a) Reports on Use of Funds.—Each State government and unit of local government which receives funds under subtitle A shall, after the close of each entitlement period, submit a report to the Secretary [setting forth the amounts and purposes for which funds received during such period have been spent or obligated] *on the use of the funds received during such period.* Such reports shall be in such form and detail and shall be submitted at such time as the Secretary may prescribe.

GENERAL REVENUE SHARING

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. HORTON. Mr. Speaker, I rise to join with my distinguished colleague on the Government Operations Committee, John Wydler, in cosponsorship of the reenactment proposal for general revenue sharing.

Since that proposal was originally enacted, towns, cities, counties, and States have received over $19.5 billion in assistance. The basic no-strings-attached formula of general revenue sharing has generated new life into the federal system.

General revenue sharing has created some criticisms as any new program will. But as many major daily newspapers have pointed out in the past few months, including the Washington Post and the Star, revenue sharing has been a productive program.

There are portions of the program which need close scrutiny. The formula for distribution of the funds, the needs of the recipient communities, and public participation in the State and local decisionmaking process on the manner in which the funds are spent are but three of these areas.

However, revenue sharing must be continued and this Congress can make a lasting contribution to the stability of our federal system by prompt reenactment of the program.

SAVING THE FREE ENTERPRISE SYSTEM

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. ARMSTRONG. A few days ago W. Scott Moore, vice president of Ideal Basic Industries and vice chairman and board of directors of the Denver Chamber of Commerce, made an outstanding address to the Mountain States Association of Chambers of Commerce.

In his remarks, Mr. Moore emphasized the economic illiteracy of Congress and the low public opinion of our American economic system. He cites serious consequences we are already suffering as a result of such attitudes and expresses concern about "this litany of overgoverning and over-regulation of business and individuals—the over-zealous, shortsightedness and inefficiency of regulatory bureaucracy."

Mr. Moore calls for change in public and governmental attitudes in order to permit the Nation to meet its future needs without sacrificing the free enterprise system.

I commend Scott Moore's thought-provoking remarks to Members of the House:

The Cost of Contempt—Survival

(Address by W. Scott Moore)

Good evening, ladies and gentlemen.

It is a pleasure to be with you and a privilege to have an opportunity to share with you some thoughts on the current economic and political scene.

While an after dinner speech is a logical place for some humor and good fun, I found that in preparing for this address my own mood quickly changed from one of lighthearted consideration to one of very somber concern. Consequently, the humor will be left to others. I will address myself to the very fundamental concept of "survival"—survival of the economic institutions and practices which have made this nation the envy of the world because they have provided for the vast majority of Americans more individual freedom of choice, and the highest individual standards of living known in history in terms of education, health, wealth and general welfare.

My concern for survival of these institutions, practices, and indeed our extremely high degree of individual political and economic freedom, is based on the increasing lack of esteem which an apparently increasing number of Americans hold for them.

Over the past decade, we have seen an alarming and perilous decline in public confidence in our major institutions, which is now verging on outright contempt. It is my belief that this public contempt, rather than having been developed intentionally, has instead come about due to a fundamental lack of understanding by the public of how our American system works, and particularly a lack of understanding of how the economic elements of the system work to provide each American with the greatest possible degree of individual economic as well as political and social freedom.

As representatives of the American business community and the private sector of American life, we should be the principal guardians of individual freedoms. I believe we must bear the lion's share of the blame, if not all of it, for the potentially disasterous decline in the public's opinion of our economic institutions.

When a ball team is having difficulties, an outstanding coach will nearly always get his team back to concentration on fundamentals, and even a winning coach will have his team spend considerable time on fundamentals. Perhaps we in this country have lost track of the economic fundamentals that make our system work, and which underlie our social and political freedoms.

While I would be one of the last to ever be accused of being a Marxist, Karl Marx did strongly believe in "economic determinism," and I share that belief. One of the basic tenets of the Judeo-Christian faith is that "man lives not by bread alone"—yet try him without it!

The result of economic deprivation throughout history has been the establishment of anarchy, fascism or other political systems which deny individual freedom, and subject nearly all activities of the great majority of people to state control. Certainly, our government is supposed to be "by, of and for the people." Yet we see dramatic increases in governmental intervention in all areas of our personal and business lives.

One of the early and most historically remarkable commitments of this country was the commitment to the education of its people. Today, as it has been for many, many decades, the largest single expenditure of state and local tax funds is in the field of education. Yet basic economic education has been and continues to be woefully inadequate, particularly at elementary and secondary levels, but also at the college level. Consequently, it should be a surprise to no one that we have now educated, very well, many generations of economic illiterates.

The situation becomes even more woeful when we realize that the halls of our federal Congress, our state legislatures, and local governments have become increasingly populated by those whose economic illiteracy appears to be at an astounding level. Our politicians should be absolutely required to do two things before entering our legislatures: first, they should be required to have taken an introductory course in fundamental American economics; and second (without trying to be facetious) they should be required to have passed the course.

While it may be reasonably accurate to criticize a majority of legislators for apparent economic illiteracy, it may be an error to expect that the primary goal of legislators is to do what is economically best for the country. Because legislators seek mainly to maximize their chances of getting into and remaining in office, they may well do things that are not in accord with economic imperatives, or with simple economic "horse-sense," for that matter. This is not a cynical statement, nor is it intended to cast doubt on the integrity and courage of legislators, for a legislator who does not get re-elected certainly cannot do any good in the legislature, and he may be replaced by someone whom he believes is worse.

Furthermore, it is difficult if not impossible for an individual legislator to do anything effectively that is in opposition to a large majority of his legislative peers. If his opposition leads to his defeat in an election, then the public has gained nothing, and he has lost a great deal. For this reason, economic illiteracy may not often be the sole explanation of a legislator's actions. Finally, it is not reasonable to expect a legislator to vote against the opinions of any appreciable number of his constituents, as he sees them to be.

Herein lies the problem.

An apparently large segment of the American public's opinion of our economic system is at an all time low. This low public opinion, whether it is due all or in part to inadequate economic education, directly effects the business community, and ultimately every individual because it applies equally as well to our other social and political institutions. The result of the low public opinion of our institutions is an increasingly over-governed, over-regulated society.

Reflecting this low public opinion of our economic institutions in general and business in particular are the 94th Congress of the United States, many State Legislatures, particularly in the West, and many executive and administrative branches of government at federal, state and local levels.

Congress is now overwhelmingly anti-business; the majority of its members believe that profits and free enterprise are dirty words, and that government should "reallocate" wealth. The recent repeal of the oil depletion allowance, as an example, will cost the oil industry, and ultimately the consumer, if the industry is to develop the new energy resources needed by the country, in excess of $2 billion annually in increased taxes.

Federal land use legislation (H.R. 3510 and S. 984) would allow the federal government to weave its own land management web and to supercede all state planning and local zoning. Business decisions with respect to plant sitings would be decided by a new federal agency. The proposed Agency for Consumer Advocacy would have the power to intervene in all regulatory matters as the "consumer's voice," and its additional attendant bureaucracy would cost another $60 million over the next three years, to say nothing of the cost to business and the consumer in responding to its dictates.

So-called "tax reform" is one of the more popular cries in the new Congress, and virtually every proposed bill is aimed in part at repeal of incentives for capital formation. Restrictions on the rights of states to charter corporations without federal approval are being proposed, as are further restrictions against business combinations. In short, Congress is taking vital decision making powers away from business managers and owners at an alarmingly accelerating pace, and putting it in the hands of growing federal bureaucracies of inspectors, regulators and officials.

These bureaucracies now determine in large part how business hires people, the products it makes and how they are made, personnel practices, production methods, sales and pricing practices, financing methods, etc. In fact, there is now very little that business management does that is not closely controlled or influenced by one or more federal agencies. The direct cost to the public of supporting all the *existing* federal agencies that regulate business is $4 billion a year.

Often the regulations of one federal agency are in conflict with those of another, and some of the examples are extremely frustrating. If coal is desulfurized to reduce air pollution, a combination with lime is required. When that is done, large amounts of calcium sulfate are created and disposing of it creates water pollution problems.

The Environmental Protection Agency hung itself on its own petard when it mandated installation of catalytic converters by the automobile industry, only to find later that the converter may cause more harmful pollution than it eliminates. The EPA got into the trap in part because it failed to make its own environmental impact statement.

The Occupational Health and Safety Administration once said that women should have special lounge facilities as part of their restrooms, but their rules got in the way of the Equal Employment Opportunity Commission which said that if something is needed for women, it is also needed for men. Pity the poor manager who had to build employee facilities during this conflict.

More seriously, consider the fact that nearly 350 foundries in this country have been closed in the past three years because they could not meet EPA or OSHA standards. These were smaller foundries, and as a result, the larger foundries are working at capacity without being able to meet demand, including demand for castings for M-60 tanks. Is it possible that EPA or OSHA considered the loss of jobs in a period of increasing unemployment? Or national defense? It would not appear so.

Further examples of the cost and confusion of over-regulated business could fill volumes, but suffice it to say that the consumer and the public are paying for this kind of "protection," not only in terms of the $4 billion dollars to operate the regulatory agencies, but also in terms of the lack of increasing economic productivity, the lack of new products, the lack of new processes and the lack of lower costs.

This litany of over-governing and over-regulation of business and individuals is being repeated across the country at state and local levels. There is in fact a pollution of the economic environment by government, initially in response to its interpretation of public opinion, and subsequently by the over-zealousness, shortsightedness and inefficiency of regulatory bureaucracies.

Here in Colorado, the current Governor, with considerable legislative support, proposes a program which could well lead to a serious deterioration of the economic climate in the State. An increase in state income taxes on business of *"only* 2½%*"* was proposed, but simple math says that an increase from 5% to 7½% is a 50% increase! Virtually wherever there has been an economic interest, the Governor and many legislators have opposed rather than supported it, including development of the Beaver Creek Ski Area, development of coal and oil shale reserves, construction of the Two Forks Dam, and development of the proposed Interstate Highway 470.

Yet employment in every sector of the State's economy, *except* the governmental sector, is declining. Unless this governmental trend of opposition to the economic needs of the state can be reversed, there will be an inevitable decline in state revenues and the so-called "quality of life" in the State, accompanied by further increases in unemployment.

Perhaps the concept of unemployment leads to the heart of the need for a healthy economic climate, for sensible economic growth, and for adequate business profits. Again, using Colorado as a reference, there are approximately 335,000 young people currently residing in this state between the ages of 10 and 19, most of whom presently are attending state and local educational institutions. Taking into consideration departures from the state's work force due to retirement or other reasons, and migration from the State by some of our youth, there is very conservatively a need to create an average of 20,000 new jobs each year for the next ten years to accommodate our young people as they complete their formal education.

Earlier, I said that the largest single expenditure of state and local funds was for education. The underlying purpose of that education is to prepare young people to take a meaningful and self-sufficient role in society as adults, and that means in large measure, gainful and meaningful employment. This employment needs to be in the private sector where it is "tax producing," rather than in the public sector where it is "tax consuming." The U.S. Department of Commerce reports that creation of *one* new manufacturing job requires an average capital investment of $25,000 for plant and equipment. If all the new jobs required for our young people were to be in manufacturing, then $500 million in *new* capital investment will be required for each of the next ten years. If only 25% of the new jobs are in manufacturing, then $125,000,000 in new capital will be required each year. Over the ten year period, between $1¼ billion and $5 billion will be required in Colorado alone to create new jobs for young people who are already residents of the state.

This situation is analoguous to that existing nationwide, as well as in every state, and the *only* source of the necessary capital funds are profits from business. Yet profits, though seemingly large, have been shrinking steadily as a share of national income since 1950.

The economic growth rate in the United States has been the lowest of all industrialized countries since 1963, and improvements in worker productivity have also been the lowest of all industrialized countries. The reason is that this country puts much less of its national income back into growth in the economy through investment of capital funds. The source of those needed capital funds is business profits, and without profits there will not be sufficient capital funds to create new jobs, to clean the air and water, to develop alternative fuel sources, and to meet other national needs.

In conclusion, we are living in an economic and political climate which is becoming increasingly "polluted." The lack of public understanding of fundamental economics and the workings of the free enterprise system has created an over-governed and over-regulated society wherein individual freedoms, along with business freedoms, are being eroded to the extent that this nation's ability to meet its great needs, without sacrificing the free enterprise system that has provided so much for so many, is in doubt.

If this problem is to be solved, and it can be, then certainly fundamental economic education must be undertaken on the broadest possible scale. The business and economic community must recognize that adverse public opinion is the root of the problem, not malevolently ignorant legislators, and we must understand how, where, and by whom this public opinion is formed. Objective research, scholarship and high quality education which can effectively challenge this prevailing, adverse public opinion must be supported. It continues to amaze me that we fail to discriminate in our financial support between organizations, institutions and individuals that are *part* of the problem, and those that possess the potential for doing something *about* the problem. This practice must change. We must recognize that the problem cannot be resolved in the two year span between congressional elections, and it may take decades or even generations. Our future and the future of generations to come depend on it.

Thank you.

PEOPLE'S BICENTENNIAL COMMISSION: MARXIST DISTORTERS OF HISTORY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the People's Bicentennial Commission—PBC—a revolutionary Marxist propaganda organization attempting to indoctrinate the American people with a warped version of the political philosophy of our Founding Fathers, has been subjected to a clear and detailed analysis by Allan C. Brownfeld, in a pamphlet prepared for the U.S. Industrial Council Educational Foundation.

I commend Mr. Brownfeld's analysis to the attention of my colleagues:

THE PBC: DISTORTING HISTORY

While the American Revolution Bicentennial Commission prepares for 1976, another organization, which proclaims itself "The People's Bicentennial Commission," is preparing for its own—and quite different—commemoration of the 200th anniversary of the American Revolution.

The founder and head of this private organization, founded in 1971 in opposition to the government's bicentennial plans, is Jeremy Rifkin. A self-proclaimed socialist revolutionary, Rifkin makes no attempt to conceal the purposes of his group. He states that, "I imagine those people at the White House feel a little uncertain playing around with such a revolutionary thing as celebrating America's 200th birthday. We think real revolutionaries ought to be in charge..."

Declaring that his goal for America's "second revolution" is an end to free enterprise and the introduction of a socialist economy, Rifkin declares that, "We want to democratize the economy just as the founders democratized the government." Simon and Schuster is scheduled to publish nine books for the Peoples Bicentennial Commission. The second in the series, called *Common Sense II*, states that, "The basic goal of a democratic economy should be a nation of decentralized economic enterprises with the ownership and control being shared jointly by the workers in the plants and by the local community in which they operate."

The PBC claims that 935 radio stations have promised to broadcast one-minute spots and 120 television stations have agreed to show a similar series of bicentennial observances. At this time, PBC, with a few small grants, fees from speaking engagements and profits from educational materials, claims to operate on approximately $200,000 a year.

While Jeremy Rifkin's recent public statements have toned down the long-run radical goals of the PBC, his earlier efforts to get fellow leftists to assist him in putting the program together make his real goals quite clear.

Writing in *The New American Movement*, published in Cleveland, Ohio, Rifkin declared that, "...it makes no sense for the New Left to allow the defenders of the system the advantage of presenting themselves as the true heirs and defenders of the American revolutionary tradition. Instead, the revolutionary heritage must be used as a tactical weapon to isolate the existing institutions and those in power by constantly focusing public attention on their inability to translate our revolutionary dreams into reality."

In the packet distributed by the PBC, modern businessmen are equated with the Tories of the colonial period and with the King against which the American colonies declared independence. "Corporate Tyranny—200 Years After King George," one pamphlet states. "Substitute the business corporations for the monarchy, the handful of wealthy stockholders for the landed aristocrats, and the citizens for the subjects, and the effect is the same."

The packet distributed by the PBC consists of five, well-written tabloid-sized pamphlets. Each is decorated with authentic 1776 memorabilia, and a set of supporting material—leaflets, brochures, buttons, and a poster.

While the material looks outwardly patriotic, the message within is clearly one which calls for a "new" and "radical" American Revolution. The PBC's monthly publication, called *Common Sense*, makes this abundantly clear. The April, 1974 issue, for example, includes the following:

". . . Can any reformer of the giant corporation tell us how it's possible to put that institution in the hands of the people without taking it out of the hands of the wealthy few that control it? Make no mistake about it! This was the same dilemma that faced the moderate reformers at the Continental Convention in 1776. They advocated power to the people and the preservation of the monarchy at the same time. The fallacy of their position seems self-evident in perspective. Yet, there are some among us today who hold the same position in regard to the business corporation . . ."

Thus, the PBC mocks even those who would reform the current American system of freedom and free enterprise. Only total overthrow is appropriate for these "heirs" of the revolutionary tradition of 1776.

This Mr. Rifkin sets forth in his *New American Movement* article: "The left must take up this challenge and turn the Bicentennial Celebration into a campaign designed to create a mass revolutionary consciousness in tune with the revolutionary legacy of 1776 . . . A Genuine understanding of revolutionary ideals links Thomas Paine, Sam Adams, and Benjamin Rush and the American people with Lenin, Mao, Che Guevara, and the struggle of all oppressed people in the world."

Among the sections listed in the "Syllabus and Study Guide To The American Revolution" distributed by the PBC is *The Marxist Interpretation Of The American Revolution*. The first book listed in this section is a volume written by Herbert Aptheker, long-time Communist Party theoretician.

Rifkin and his colleagues understand that revolutionary propaganda must be presented to the American people with a patriotic veneer, so as not to frighten them away. He notes that, "The New Left must be willing to meet people where they are, rather than where they would like them to be. The left movement's character has become increasingly strange and at times even frightening to many Americans. Most people perceive little or nothing in common with the New Left."

It is the thesis of the PBC organizers that the left must stop frightening people and that the present economic and political difficulties facing the nation provide an excellent opportunity for planting radical ideas and programs. To do so effectively, Rifkin believes, the left must play on the heritage and symbols "to which the great majority of Americans can respond," and that it must do so in terms which will not drive people away. He states that, "If the New Left hopes to engage this new consciousness and give it positive direction through political struggle, it must . . . build on the base erected in the revolution of 1776 and refurbished in the successive dramas of the more affirmative periods in American history."

It is not only capitalism which is the target of the PBC. All forms of authority are open to challenge, particularly the schools. In a tabloid entitled *Student And Teacher Programs For A Peoples Bicentennial*, the American educational system comes under serious attack. Students are urged to form their own "Peoples Bicentennial Commissions" on the school grounds, or on the campuses, and to "make common sense of their grievances known to fellow students and the community by issuing their Declaration of Student Independence. They are told to read the original Declaration, and to talk about its language:

"Is your school, like King George's empire, destructive of your rights as human beings? Are your grievances similar to those of 1776—has your school's administration refused to institute any rules 'wholesome and necessary for the public good' such as freedom of press and assembly for students? When students are suspended are they deprived 'of the Benefits of Trial by Jury?"; has your school answered your demand for democratization of your education only by repeated injury?"

The students are urged to ask themselves questions of this kind, then to get together and draw up a document that follows the original form and present it to the student body. There follows a fully articulated "Student Declaration," demanding that the school be run in accordance with student desires, including the hiring and firing of teachers, the formulation of curricular plans, and the making of rules. Otherwise, in the conclusion, the signing students pledge themselves to: ". . . right these wrongs, to take control of our lives and our education, and, as patriots proclaimed in 1776, to 'use every method in our power to secure these rights.' "

In the pamphlet entitled *Community Program for a People's Bicentennial*, this statement appears: "The Russians have the Communist Manifesto, the Chinese have the quotations of Chairman Mao. Do Americans have a political document to lean on for guidance?" Later on, in a supplement to *Common Sense*, the PBC challenges the idea that the American Revolution was in any sense different from the revolutions which brought Napoleon to power in France, Lenin to power in the Soviet Union and Mao-Tse-Tung to power in China. In fact, the *National Observer* is sharply taken to task for contending that " the American uprising of the late 1770s was completely different from the revolutions that brought Napoleon and Lenin to power." The *Observer* is denounced as being "anti-American" for "insisting that the founders could not have meant what they said," and the question the newspaper posed is never dealt with.

In the PBC volume, *The Bicentennial Era*, it is said that as the Revolution of 1776 was launched by the ringing language of grievances against the British Crown, "so today unmet grievances against our governmental, economic and social institutions compel us to launch a new struggle . . . the next act in the drama of the American Revolution."

Among those grievances listed are, "The government's policy of genocide in Southeast Asia . . . Two hundred huge corporations dominate the American economy and the Government, manipulate the tax structure to their advantage, and engineer the very patterns of American life . . . The frustration and bitterness of millions of working people, who see the fruits of their exhaustive labor syphoned off into the coffers of the very rich . . ."

American students reading the literature of the PBC would not suspect that, under their own free enterprise economy, men and women have the highest standard of living in the world. They would not have even the slightest inkling that Communist aggression was the cause of the war in Vietnam, and that similar aggression has made itself known in recent years in Korea, in Cuba, in Hungary, in Czechoslovakia, and in a host of other countries. According to the PBC it is America which is the source of evil in the world and, because of this fact, a "new revolution" is desperately needed.

The Bicentennial Era lists the "great Americans" who "popularized our Revolutionary deeds." Included on the list are radicals such as Eugene V. Debs, A. J. Muste and W. E. B. Du Bois. No mention is made of George Washington, Thomas Jefferson, Alexander Hamilton, John Adams, or other men long revered as "Founding Fathers." Perhaps the fact that they believed that the primary function of government was to protect the freedom and property rights of the individual and not to use the state as a means of enforcing a social policy of conformity and egalitarianism makes them unacceptable to Mr. Rifkin and his colleagues.

The American Revolution, however, was fought not to overturn the social, economic and political structure of the colonies but, quite to the contrary, was fought in opposition to the illegal acts of the British Crown. It was, as historians have long since understood, a war for independence. No matter how history is turned upside down by the PBC, it cannot avoid this reality.

Fortunately, a number of individuals have observed the activities of the PBC and have been vocal in pointing out the dangers inherent in them. In an analysis entitled *The Destructive Program Of The Peoples Bicentennial Commission*, Francis M. Watson, Jr., who directs the activities of Media Research, notes that, "The PBC is designed to 'train' people in the arts of dissent and protest who have never tried a hand at them before. And the program can be expected to exacerbate the country's problems and then put them to radical uses . . . The PBC poses itself as a 'nationwide citizen organization dedicated to restoring the democratic principles that shaped the birth of this republic.' In actual fact, it is a propaganda and organizing tool of a small group of political extremists who seek to *use* the bicentennial to further their own goals."

Mr. Watson points out that, "Under the guise of the noblest of patriotic claims, the PBC seeks to promote dissatisfactions and divisions among broad segments of the population. Methodically, they seek to discredit each of the traditions and institutions of the existing political and economic system and to encourage the citizenry to demand the bit-by-bit substitution of those of a socialist state. Their program is extremely well thought out, and it is subtle. It has fooled quite a number of honest and well-meaning people and organizations, and has garnered encouragement and financial support from some most unlikely sources . . ."

The U.S. Chamber of Commerce has published two articles—one in *Nation's Business*, the other in *The Voice Of Business*—warning the business community about the PBC. Writing in the latter publication, Arch Booth, executive vice president of the U.S. Chamber, referred to the PBC as "A worm in the Bicentennial Apple." He described the PBC packet of student-teacher study guides and community action plans as "propaganda skillful as any I've seen."

Similarly, the publication, *America's Future*, points out that, "At the base of the PBC campaign is the continuing propaganda gimmick of trying to equate the American Revolution with modern revolutionary movements. This is especially serious—indeed could even be called vicious since it is so false—because it is aimed primarily at schools, colleges, students and teachers. They are particularly susceptible to this falsehood because under modern educational methods so many of them are so deficient in American history and specifically in the facts surrounding the men and events of the 1776 Revolution. This leftist campaign, in reality, is a brazen hoax to equate the airs, strategy and activities of our modern leftists with the men and the movement that brought about American independence and culminated in the promulgation of our great Charter of Freedom: the Constitution of the United States. Yet despite the evidence offered by any number of distinguished writers and historians, the hoax goes on being perpetrated."

Some time ago the distinguished editor, Eugene Lyons, pointed out that, "It is silly and mischievous to equate the American Revolution with other varieties—with those in Russia and China and Cuba, for instance. And it is grotesque to suggest, as so many are doing, some true affinity between the responsible conduct of the 13 American colonies in 1776" and the objectives of today's revolutionaries. He said that, "The analogies happen to be utterly false . . . The American Revolution was essentially conservative—a War of Independence from a foreign tyranny, not an internal class or social revolution." The latter is precisely what the leaders of the PBC are attempting to bring about.

Mr. Lyons noted that the American Revolution "was led, and its purposes were articulated, by men deeply committed to law and reason and religious concepts. The colonists were defending established rights against the encroachments of a dictatorial power overseas." And he notes that, "In England itself, the American action had the support of conservatives like Edmund Burke, what we would now call 'men of the right,' rather than far-out innovators. The Americans were not radicals and their revolution had nothing in common with the revolutions of the present epoch or, for that matter, with the extremism of the French Revolution in their own epoch."

It is essential that the People's Bicentennial Commission not succeed in distorting the meaning of the American Revolution. The best way to prevent its success is to make clear what its real goals and purposes are—goals and purposes which have been cleverly submerged by Mr. Rifkin and his supporters.

In a recent talk, Jeremy Rifkin stated that, "I believe today is similar to the days of George III. We have a Tory government. If they (ARBC) don't feel revolution in their gut, how are they going to celebrate it?"

Mr. Rifkin conveniently forgets that whatever the nature of our current government—and Americans are free to agree or disagree with its policies—it has been elected by us, and can be removed by us. The colonists objected to taxation without representation. Whatever the merits or demerits of their decision-making, today's legislators are elected by the people. What Mr. Rifkin really objects to is that the will of the majority is one in behalf of freedom and free enterprise, and rejects his own values of statist control over all aspects of society. The kind of "revolution" he is urging sounds much more like the kinds of coups we read about in Latin America and in Africa than it does a recreation of 1776.

THE LIQUOR INDUSTRY'S "ADOPTED CHILDREN" ARE REHABILITATED AT "FATHER MURRAY'S HIGH-FLYING RANCH FOR BOYS"

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. PATTEN. Mr. Speaker, recently I was visited by a delegation of liquor licensees who brought to my attention the work being done by Sky Ranch for Boys, a rehabilitation center for delinquent boys funded solely by the liquor industry.

Over the years I have heard a great deal of criticism of the liquor industry, some of it delivered in this chamber, and I feel it is time that the good works performed by the liquor industry be brought to the attention of my colleagues and to the public at large.

The liquor retailers who visited me were members of the New Jersey Licensed Beverage Association, my State's affiliate of the National Licensed Beverage Association—NLBA. NLBA represents approximately 38,000 liquor retailers from coast to coast, and has been in the forefront of support for Sky Ranch for Boys.

I would like to introduce into the Rec-

ORD an article which recently appeared in "Signature," the magazine for Diners Club members, which tells of the great work being accomplished by Father Don Murray at Sky Ranch for Boys; work made possible by members of the National Licensed Beverage Association and other segments of the liquor industry:

FATHER MURRAY'S HIGH FLYING RANCH FOR BOYS

The small airplane hung in the wide sky above the South Dakota prairie. A Catholic priest in clerical garb sat at the controls. In the passenger's seat slouched a sullen teenaged boy, eyes hooded, mouth taut.

Father Don Murray of Sky Ranch for Boys had tried every method he could think of to "reach" the youth, who had been remanded to the priest's custody after repeatedly running away from home. But an arm around his shoulders only caused him to wrench away and snarl, "I don't need your help." Now the "Flying Padre," who had won his nickname because he served his first pastorate by airplane, was playing a final card. Maybe if he introduced the boy to flying, the thrill would break his shell. But this, too, seemed a vain hope. The boy went listlessly through the motions.

Then, suddenly, the priest kicked the plane into a spin and released the controls. He turned to his companion. "Let's see if you need anybody," he said. "You bring us out of it." And he sat back serenely.

The boy sneered. But then, realizing that the test was not a joke, he wrestled with the controls. His eyes widened, his knuckles grew white as the spin continued. At last, in terror, he cried out, "For God's sake, Father, help me." The priest then showed him how to bring the plane under control, level off, and land successfully.

That boy left Sky Ranch three years later—"quite a personality by then," Sky Ranch's director recalls. Today he is an executive with a Los Angeles construction firm and holds a private pilot's license. Father Murray has only used his "shock therapy" five or six times since.

But he has used many other unorthodox methods in this most unorthodox and successful of juvenile rehabilitation centers—a center which flourishes through the dedication of its directors and the financial support of the U.S. liquor industry. More than 500 11–17-year-old runaways, murderers, armed robbers, burglars, car thieves, truants, drug users, and just plain unfortunates have passed through this remote corner or the Montana-South Dakota border, 50 miles over dirt roads from the nearest town. And 95 percent, by Father Murray's count, have been set straight by the blend of horses and airplanes, vast spaces and empty sky, soft words and hard knocks that make up Sky Ranch's unique curriculum.

"We try to give them love, discipline and security, all in the proper measures," says the priest. "Some have had too much love and were spoiled. Some had too much discipline and were bitter. Some had too much security and never learned to do for themselves. We try to show them that they will be loved in spite of their faults, helped according to their needs. And we try to help them build a positive self-image, probably the one thing none of them has ever had."

You can't imagine a lonelier spot to undertake a new life. Father Murray jokes that the boys have to rebuild their lives—if only because there's nothing else to do and no place else to go. The ranch consists of 3,000 acres, seven buildings, 120 head of cattle and 30 horses lined up against a cottonwood stand on the banks of the Little Missouri River. The only link with the world is an unlighted airstrip and a small hangar housing two light planes.

The idea of helping boys by teaching them about the land and the sky actually goes back to the early days of Father Murray's priesthood. After his first assignment in Draper, S.D., he was transferred to Buffalo, near the present location of Sky Ranch and within sight of the famous Black Hills. That tiny outpost in the wide-open prairies country was the site of a regional high school, whose students came from as far as 100 miles away. At the request of district parents, Father Murray established a dormitory in the rectory. Then, because he had the only juvenile facility for miles, he was soon called upon to house delinquents, orphans and runaways as well. In time the students' parents protested, but Father Murray felt the troubled kids needed him most, and opted for a rehabilitation center.

From the first, it was a struggle, and Sky Ranch might not have survived if the country's liquor distillers, wholesalers and retailers hadn't unexpectedly come to the rescue. With the blessing of his bishop, Father Murray rented a small ranch, housing nine boys, but quickly discovered he could hardly buy groceries without begging for funds. Just to manage the rent each month was a scramble.

Fortunately, one of the boys was the son of an official of the South Dakota Retail Liquor Dealers Association (An affiliate of the National Licensed Beverage Association). Father Murray's success with the boy so impressed his father that he coaxed the priest to attend an association meeting and appeal for funds. After the priest's speech, a hat was passed—"A cowboy hat, of course," Father Murray says—and several hundred dollars were collected. When the liquor dealers in neighboring Wyoming heard about it, they invited Father Murray to speak to their group, too. It wasn't long after that he found himself on the stage of a plush Las Vegas hotel, addressing the annual convention of the National Licensed Beverage Association. One of his impressed listeners was B. C. Ohlandt of National Distillers and Chemical Corporation, presently its retired vice-chairman.

"I invited him up to my room afterwards," Ohlandt remembers, "and asked, 'How much do you think you need?' And he said, 'If I had $30,000 or $35,000, I could get through until next spring.' I said, 'Well, I think some of the people attending this convention would kick in. Let's go downstairs and see.' He was so naive that he didn't even know what a 'grand' was. He thought it was a hundred dollars. So I went through the casino, and the first, second, third guy I tapped, each came up with a thousand dollars. His eyes just bugged. By the time the convention was over, we had the $35,000 and more."

When Ohlandt returned to New York, he called together a group of friends representing all elements of the liquor business and urged that the industry "adopt" Sky Ranch as its own charity. The group then formed Sky Ranch Foundation, a charitable organization which is responsible for capital improvements and maintenance of the rehabilitation center, with Ohlandt as chairman and Jack Musick of Hiram Walker as president. In 1962 the foundation purchased the present 3,000 acre ranch; since then it has constructed dormitories, an administration building, nondenominational chapel, staff residences and workshop, and held annual drives netting funds of about $250,000. Meanwhile, individual affiliates of the liquor industry have made their own contributions. The South Dakota Retail Liquor Dealers Association, for instance, in 1971, purchased "Wingspread," a halfway house in Sturgis, S. D., where 18 older boys live and attend the local high school. The National Women's Association of Allied Beverage Industries, Inc., has contributed $67,000 for vehicles, equipment, furnishings. Oregon liquor dealers have furnished horses and cattle, and those in California, farm equipment. The National Licensed Beverage Association donates 5 percent of its annual convention registration fee—about $6,000 a year.

Thanks to the help of the foundation, the ranch has achieved some remarkable individual success stories.

An early Sky Ranch alumnus is now a physician in a neighboring town. Another is studying law. At least eight others are currently in college, one on scholarship at the University of South Dakota, where he is a sprint record-holder. The priest is just as pleased with some who've made less of a splash. "Most of our boys don't make the newspapers or TV," the priest says. "They just make a quiet mark on their communities."

Most of the boys are city-bred and they come from all over the country including Alaska. They include whites, blacks, Puerto Ricans, Chicanos and Sioux. Sent by local juvenile courts or welfare authorities, they usually stay until the court and agency consider them rehabilitated. Father Murray asks for two years—"the first to get them started on the right kind of life, the second to make it habitual."

It's not an easy life for the Sky Ranchers. Besides the traditional boys' school chores of bed-making and room-cleaning, each boy is expected to do a man's work. There is a hired ranch manager, but the boys, aided by the paid senior counselors and their student-assistants, must care for the stock, cut and bale the annual hay crop, plant and tend the vegetable gardens. In fall they must ride out and bring the stock in for the winter. One of the roughest jobs is branding, when two or three boys must wrestle the calves down while another handles the iron.

Discipline is tightly enforced, chiefly by the boys themselves. A court of junior counselors "tries" those who violate the rules and metes out sentences. But for those who live by the code, there are some tantalizing privileges to be earned. After two months at Sky Ranch, a boy can qualify for the rank of "Blue Angel," awarded by a committee of the entire 32-member staff, including cooks and maintenance personnel, which assesses his progress. A Blue Angel can have his own horse, a hunting license and a rifle, can take driving lessons, stay up after curfew on Friday and Saturday nights and get an extra $1 a week allowance.

But best of all is what Father Murray calls "aviation therapy"—the right to learn to fly. Every Blue Angel is eligible for ground training, which gives him a half-credit in high school science, and if he's 16, Father Murray or flight instructor Dick Lemm will start him on lessons, leading to a private pilot's license. Father Murray considers it the school's most important character-building tool.

"Nothing does more for a boy's image of himself than his first solo flight," the priest says. "Many of these boys have been told they couldn't do anything, and now they've mastered an airplane in flight. They've conquered a tremendous challenge."

As part of what has become a ritual, Father Murray cuts off the new flier's shirttail, pencils on the name and date, and posts it on the administration building bulletin board, where scores of shirttails have now accumulated. The solo ritual has its drama. Last year one boy succeeded in taking off but lost his nerve trying to land. He approached the tiny strip nine times, on each pass bringing the plane down, sometimes even touching the wheels, then nosing up again to circle for another try. As darkness came on, the whole school assembled at the strip, and the school cars were gathered around with headlights on. Finally, the boy brought it down for one more try. This time he missed the strip, but jarred to a safe landing in a nearby field. The "solo celebration" was extra raucous that night.

Sky Ranch also pays particular attention to remedial schoolwork. Father Murray has concluded that many boys get into trouble because they've been frustrated by the academic world. "The teacher would call on them to read, and they'd blubber like nincompoops," he says. "They'd see the letters upside down or backwards, but the teacher didn't understand that. She'd yell, and tell the parents. And then he'd be skipping school and running with the wrong crowd, and he'd be considered a delinquent, when the real heart and soul of his problem was he couldn't read." Sky Ranch is now accredited as a special-education school, offering intensive learning disability instruction. Principal Roger Talley and his four teachers work with small groups, using special materials prepared and furnished by the University of South Dakota. They've been able to elevate the reading levels of many of the youths, enough to allow some to move to "Wingspread" and attend Sturgis High School.

But the real Sky Ranch method is much less tangible. It's reflected in the warmth with which the priest deals with each of his boys, even flying to far-off cities when an alumnus gets into trouble again; and the concern that the boys learn to show for one another. Father Murray finds that caring for animals helps some take the first step toward caring for humans.

Of course, there are some failures. "We can't be everything to everybody," Father Murray says. "Some simply can't tolerate the isolation." This fall, two 16-year-olds managed to sneak away and steal a car. A neighboring rancher saw them drive off, jumped into a pickup truck and gave chase. The boys missed a curve at 70 m.p.h. and piled into a clump of trees. Neither was hurt, but at local authorities' insistence, Father Murray sent them home—with regret. "We could have won them both with a little more time," he says.

Sky Ranch's goal now is to expand and improve its facilities to include vocational training; and the smaller boys' dormitory is in need of repair. Despite the large donations of the liquor industry, Father Murray still must devote time to fund-raising.

But real success isn't counted in the balance sheets, in bricks and mortar, or even alumni achievements. As Father Murray tells it, the spirit of the school is best reflected in the story of one alumnus, Tim Farmer:

"Tim came out here from Connecticut and he didn't like it at all. He was a big kid, full of energy, and we put him to work with one of the ranchers. They got into an argument and the guy fired him. So one day Tim came to me with his suitcase and he said, 'Father, I'm going to split. I've given you too much hell already.' I looked at him and said 'Tim, all your life you've run out the back door every time things got tough. That's not what a man does.' I happened to have a pair of old boots by my desk, and it was a real corny gesture, but I threw them at him and said, 'When you think you can fill a man's boots, then you can leave.' Well, he was here about a year and a half, and I forgot all about the boots. I hadn't even thought of Tim in a long time when one day I got a letter from Vietnam. It was from Tim, then a Marine lieutenant. He said he still had the boots, but he was sending them back to me. 'Give them to another boy,' he wrote, 'and teach him to fill them the way you taught me.'

"It was a couple of months before the boots finally arrived and by that time I'd had another letter. It was from his mother. Tim had been killed, she wrote—in 'heroic action.'"

REPORT OF SUBCOMMITTEE TO REVIEW LIQUID METAL FAST BREEDER REACTOR

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. McCORMACK. Mr. Speaker, in continuance of my practice of keeping this body informed of the activities of the Joint Committee on Atomic Energy's Subcommittee to Review the National Breeder Reactor Program, I have the following report:

Yesterday, the subcommittee in open session received testimony from invited witnesses on the subject of the role of converter and breeder reactors, and on the role of the LMFBR and the LMFBR Demonstration Plant — Clinch River Breeder Reactor. During this session, there was presentation and discussion of information on our energy usage patterns, available energy sources, characteristics of breeder reactors, objections to the use of breeder reactors, and possible substitute reactor technologies. Possible changes in the U.S. breeder program were also discussed, including an accelerated development of LMFBR technology, the construction of additional prototype plants, and modifications to the licensing process.

Testimony was presented by Dr. Dean Abrahamson, professor of public affairs at the University of Minnesota and a member of the Board of Trustees of the Natural Resources Defense Council; Mr. John Simpson of Westinghouse Electric Corp.; Dr. Hans Bethe of Cornell University; and Mr. Leonard Koch of Illinois Power Co.

I was pleased that Senators JOHN V. TUNNEY and CLIFFORD P. CASE, and Congressmen JOHN B. ANDERSON, MANUEL LUJAN, FRANK HORTON, and ANDREW J. HINSHAW were able to attend and participate in the questioning of the witnesses.

My opening remarks and a summary of the material presented and the ensuing discussion follow:

OPENING STATEMENT BY THE CHAIRMAN

This afternoon the Joint Committee's Special Subcommittee to Review the National Breeder Reactor Program resume its public hearings. The focus of today's hearings is on the role of converter and breeder reactors, and the role of the LMFBR and the LMFBR demonstration plant. This session will cover the use of converter and breeder reactors in conserving fuel resources, estimates of U.S. uranium and thorium resources; the priority between the LMFBR and other breeder concepts and the role of the LMFBR Demonstration plant.

We are pleased to have before us today, Dr. Dean Abrahamson of the Natural Resources Defense Council, Inc.; Dr. Hans Bethe, Nobel laureate, from Cornell University; Mr. John Simpson of the Westinghouse Electric Corporation; and Mr. Leonard Koch of Illinois Power Company.

Dr. Barry Smernoff of the Hudson Institute requested the opportunity to testify at this session, but the Subcommittee believed that it would be unwise to add another witness because of time limitations. Dr. Smernoff has submitted a written statement for inclusion in the record and subject to objection by any member, it will be made a part of this record.

Dr. Abrahamson, we are pleased to have you here with us today and you may proceed.

SUMMARY

Dr. Abrahamson noted at the outset of his testimony that nuclear reactors unavoidably produce large quantities of dangerous radioactive material and materials that might be used in the fabrication of nuclear weapons. He reported this results in several hazards that make nuclear fission unacceptable: First, the potential for release of radioactive materials through accident or malice; second, the problem of radioactive waste disposal; third, the proliferation of nuclear weapons; fourth, the potential for terrorist activities through use of stolen plutonium; and fifth, the social impacts of safeguards measures. Only two of these hazards, according to Dr. Abrahamson, are resolvable by technical means—nuclear accidents and waste disposal. Economic problems also impact adversely on the use of nuclear power.

Dr. Abrahamson discussed the national debate now taking place over nuclear fission, and suggested it should have occurred earlier. He indicated that if the use of nuclear fission should be reaffirmed, the following minimum conditions should be met: First, the siting of all nuclear power facilities in nuclear reservations—sometimes called nuclear parks or nuclear energy centers—with fuel fabrication plants, reactors, and waste management facilities on the same site; second, effective international control, and perhaps ownership, of all special nuclear materials; third, elimination of the Price-Anderson Act or its equivalent; and fourth, no separation of plutonium from the spent fuel and therefore no recycle.

Dr. Abrahamson went on to state that the use of breeder reactors in his view is also unacceptable, but that if they should be employed, the same conditions as above should be imposed—except that plutonium recycle would be an integral part of breeder operation.

Dr. Abrahamson reiterated the views of Dr. Thomas Cochran on the LMFBR, with which he concurs: Delay of the commercial component by a decade, recast the LMFBR effort on a lower priority program centered on the fast flux test facility, and cancellation of plans for the Clinch River breeder reactor. These steps, according to Dr. Abrahamson, would free up funds for accelerated development of solar and geothermal power, fusion, conservation, et cetera. Also during this delay period, additional needed safety information on LMFBR could be obtained.

Mr. Simpson reviewed the role of energy in our economy, and discussed the energy sources that are being used or are projected for use by the year 2000. He reported that the only option available to sustain a healthy economy is increased reliance on electricity from coal and uranium, with rapid development of the breeder necessary for a guaranteed continuance of low-cost electricity. Mr. Simpson reviewed the use of nuclear power in this country to date, including the fuel savings accrued from reduced usage of oil and gas. He showed that nuclear fuel resources were limited, and cited the priority that has been placed on breeder development to extend the use of nuclear fuel. He reported that the culminating task in the development of the LMFBR is to improve the reliability, licensability, and economics through the demonstration plant program. Mr. Simpson described various important elements of the Clinch River breeder reactor—demonstration plant—including its place in the technological development program, its utility backing, its licensability aspects, and its present design status. He concluded by stating that its schedule is consistent with the goal of commercial LMFBR operation in the early 1990's, and noted that if the LMFBR is needed to meet energy demands, but not developed, the Nation's problem may be one of electrical energy shortfall greater than anything yet experienced in this country.

Dr. Bethe began his testimony by observing that it is essential we make full use of the "nuclear option." He then reviewed the fuel utilization aspects of present day light water reactors, and noted that the President's program calls for the construction of 200 reactors between now and 1985. Even with a "low" energy use pattern, all the high grade uranium ore in the United States will be committed by about 1992. Dr. Bethe indicated this is earlier than the breeder can be ready for full commercial exploitation, and therefore, he concludes the breeder is already too late, and any further delay will be very costly.

Dr. Bethe then reviewed the advantages of the breeder, including its minimal requirement for uranium, its use of plutonium produced in light water reactors, its low cost of chemical processing per gram of uranium burned—as compared to LWR's—and its demonstrated feasibility. He noted that all countries engaged in such a program have chosen the LMFBR due to its technical advantages. Dr. Bethe next examined the objections that have been raised against breeder reactors, citing high costs, hazards of plutonium diversion, and the potential for nuclear accidents. With regard to costs, he suggested that the high cost listed for the Clinch River breeder reactor is misleading due to inflation, the inclusion of development costs, and to its being a first of a kind plant. He also discussed projected cost differences between later breeder reactors and LWR's, and concluded that when the costs of future higher priced uranium are taken into account, breeder reactors obtain a net cost advantage per unit of electricity produced over LWR's.

Dr. Bethe concluded by suggesting several substitutes for the LMFBR if it should not receive a clear go-ahead. These substitutes are in various stages of development. They are the molten salt breeder reactor, the light water breeder reactor, the high temperature gas-cooled reactor, and the CANDU reactor. He believes it would be worthwhile for the United States to go into partnership with Canada in developing an advanced CANDU reactor. His main recommendation, however, is rapid development of the fast breeder.

Mr. Leonard Koch testified that nuclear power is the only demonstrated new technology which can satisfy a significant fraction of our energy demand during the balance of this century, and noted that breeder reactors can extend that capability for several more centuries. He reviewed the nuclear fuel situation for breeder reactors and cited its great potential. He expressed the opinion that the U.S. program for development of commercial breeders has not been consistent with our need for new energy sources or with the breeder's potential.

Mr. Koch reviewed foreign progress in LMFBR development, and said it will be necessary for the subcommittee to compare the U.S. program to those foreign efforts. He also believes the evaluation should consider the use of other energy sources in place of the breeder, and the forced reduction of energy use in the United States. Mr. Koch's opinions on these matters are: First, there are no demonstrated alternate energy sources with the potential capability of the breeder; second, the concept of U.S. dependence on foreign breeder technology is unacceptable; and third, conservation, while desirable, is not an alternative to the breeder.

In view of these considerations, Mr. Koch believes the U.S. breeder program should be accelerated and given more positive direction. He feels our primary need is design, construction and operation of large breeder reactor central power stations, and that we should be proceeding with more than one prototype or "near commercial" station. He believes we should classify the breeder program as urgent, abbreviate the licensing process, and omit the public hearing procedure. The only hearings on the breeder should be held by the Congress. With these actions, Mr. Koch believes a more optimum program with greater likelihood of providing timely commercial breeders will ensue.

A question and answer period followed the presentations. Mr. Simpson was asked to comment on the suggestion made at an earlier hearing held by the subcommittee that the Clinch River Breeder Reactor design is outdated and should be replaced by a more advanced design. Mr. Simpson replied that one can always claim that the design of a complex and lengthy project is "old" sometime after it is first conceived, but noted the CRBR was not designed as long ago as implied by critics. He stated the design was revised somewhat earlier this year, that it is a reasonable extension of the Fast Flux Test Facility and properly relies on that technology, and stated that a new design started today would take several years to complete, after which time that design could be accused of being outdated.

Mr. Koch was asked to clarify his objection to foreign technology. He said his objection was not to the technology itself but to the reliance on foreign technology and supply which some people had suggested. Mr. Simpson, in response to a question on whether Westinghouse could manufacture a breeder of foreign design, noted that foreign plants could not meet U.S. licensing criteria in that they did not have containment buildings and other necessary design features.

Dr. Abrahamson was asked to expand on his view that additional reactors should not be built. Dr. Abrahamson replied that were it not for various political realities, he would like to see all reactors shut down. An alternative would be to continue operating existing reactors only, but build no more. Even if the four conditions noted in his testimony were met, he would prefer no further reactors be built.

The issue of eliminating licensing hearings as suggested by Mr. Koch was examined. Mr. Koch replied that hearings in the past have caused delays, and noted these could lead to exhaustion of our uranium supply. Mr. Simpson, however, added that the utility industry has adjusted to these delays, and now orders new plants earlier. Dr. Abrahamson stated that delays are not necessarily bureaucratic in nature, but were instead evidence that nuclear technology is premature. Mr. McCormack discussed a case where delays were caused by intervenors on technicalities.

Dr. Abrahamson was asked what alternative he finds to meet energy demands, and replied that the answer lies in achieving lower energy growth rates through conservation. Dr. Bethe explained why it was not realistic to compare our conservation potential with that in Europe. Dr. Abrahamson was also asked what the penalties to the economy would be if his theories were wrong, that is, if conservation were unsuccessful in appreciably lowering energy growth rates and if alternate energy sources were not available to make up the difference. A direct answer to this question was not obtained. Dr. Abrahamson did state that some alternate energy sources could not be relied on due to uncertainties regarding their eventual development. He noted fusion, geothermal, wind power and tidal energy in this regard.

The questions and answers served to highlight the marked difference in opinions among the witnesses regarding the role of breeder reactors. One witness felt that nuclear power and breeder reactors are too costly and too dangerous to be relied on as a major power source; two witnesses believed that the problems raised can be overcome, that the breeder is urgently needed, and that the current development program should continue; and one witness suggested that the breeder is needed, but that the present development program should be accelerated and modified in several respects. These views and those expressed on these questions by the approximately 60 groups and individuals who responded to an earlier letter on energy matters by the subcommittee will be addressed by the subcommittee in its further deliberations on the role of breeder reactors and of the LMFBR program.

NORMAN, OKLA., TRANSCRIPT ENDORSES FINANCIAL DISCLOSURE LEGISLATION

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. KASTENMEIER. Mr. Speaker, the need for full financial disclosure by public officials remains as important as ever. The Financial Disclosure Act, H.R. 3249, which Congressman ALAN STEELMAN and I have introduced, and which has been cosponsored by 130 of our colleagues, would establish uniform financial disclosure standards throughout the Government.

H.R. 3249 requires an annual financial disclosure report from the President and the Vice President, Members of Congress and all employees of the legislative, judicial and executive branches of Government who earn more than $25,000 a year. This report would be filed with the Comptroller General and would be available for public inspection. A similar statement would also be required from candidates in primaries and in general elections for the Congress and for the Presidency and Vice Presidency.

Mr. Speaker, the Norman, Okla., Transcript, in an editorial on May 30, 1975, called for the enactment of full public financial disclosure legislation, and I commend this editorial to the attention of our colleagues:

OUR POINT OF VIEW: ABOUT "GLASS POCKETS" 2

In the fall of 1974, Common Cause asked all candidates for Congress: "Will you vote for legislation requiring annual, public disclosure of financial holdings by members of Congress and their professional staff, and by high officials of the executive and judicial branches of government?"

In the 94th Congress, 51 of the 60 responding Senators supported the legislation while 269 of the responding representatives supported such legislation.

Personal financial disclosure bills have now been introduced in the House and Senate: H.R. 3249, introduced by Reps. Robert Kastenmeier and Alan Steelman, is co-sponsored by 130 of their colleagues, while the Senate bill, S. 181, introduced by Sens. Philip Hart, Clifford Case and Lowell Weicker, is co-sponsored by 21 Senators. Sen. Howard Cannon, chairman of the Senate Rules Committee, is expected to introduce a similar bill soon. Financial disclosure legislation has twice passed the Senate, only to be pigeonholed in the House.

With the public trust in government at such low levels, the public must know if their representatives are voting the public's interest or their own financial interests. And we believe that the public is just as interested in the local level as it is in the federal. Norman members of Common Cause are in the process of presenting such a local ordinance to the City Council for consideration.

On the national level, it is important that Congress perform its oversight function of the executive branch with respect to conflicts of interest in executive agencies. The proposed bills would reassure the public of the trustworthiness of its officials.

There are presently financial disclosure guidelines for all branches of government, but they are sketchy, weak, and require little public disclosure.

The executive branch is covered by an executive order that is only a weak administrative directive, not a disclosure requirement. There are canons of ethics in the judicial branch, but those do not require public reporting of any financial or business activities. The congressional code of ethics requires public reporting only of contributions and gifts received by Senators and representatives and honoraria received by senators. The legislation before Congress would correct these glaring deficiencies.

Common Cause points out that the proposed legislation would require all elected officials, candidates for office, persons in government making more than $25,000 annually or at a government grade of GS 16, and generals and admirals in the military to file comprehensive disclosure statements. Members of the immediate family of those covered would also be subject to the bills' requirements to prevent a glaring loophole. Similar legislation is being sought on a local level.

Those covered by the legislation would have to file annual reports of their assets, liabilities, holding in securities, commodities or real estate in excess of $1,000, and income and gifts over $100.

Opponents of such sunshine legislation claim that comprehensive filing would create hardship for those covered by the law.

However, in 1974, 181 House members (or 42 per cent) voluntarily made public some kind of extra disclosure report, often stating their assets, liabilities, holdings in securities, commodities and real estate.

Thirty-seven Senators (37 per cent) made public extra disclosure reports. The reports, being voluntary differ in what is disclosed and whether spouses' holdings are covered.

Opponents of the legislation argue that total disclosure would cause a mass exodus of good people from government—people who are not willing to have their total financial picture made public.

An examination of two of the 31 states, Common Cause points out, with strong financial disclosure laws proves this is not the case. Both states require total financial disclosure.

In Washington state a financial disclosure law has been in effect since 1972 and only one of the 275 state elected officials and two of the 378 county officials covered by the law have resigned rather than disclose.

The 1973 California conflict of interest act, covering 7,500 state public officials, yielded similar results. A United Press International survey showed that only 50 persons had resigned after the law's passage.

Full public disclosure and conflict of interest legislation will shortly become an accepted requirement for public service because the logic for the need of it is too compelling.

THE UNLEARNED LESSON OF WATERGATE

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. LEGGETT. Mr. Speaker, one of the primary lessons of Watergate is that Government officials can, will, and do use the classification process for purposes which have nothing to do with national security. We know for a fact that the national security cloak is drawn around information solely because it is embarrassing or incriminating to some agency of government or to some official of some agency.

In the course of my decade of dealing with armed services matters, I have seen this happen time and again. If a figure concerning the performance of weapons system, be it ours or somebody else's, weakens the case for whatever program the Pentagon is trying to get through Congress, we can be sure that figure will remain classified until we have all dried up and blown away. But if the figure supports the Pentagon's position, we can be equally sure that sooner or later—most likely sooner—we will read it in Evans and Novak or, in previous years, Joe Alsop.

I do not mean to single out the Department of Defense for particular criticism. I am sure every agency in the Government would do the same thing if it could, but perhaps fortunately it is difficult to devise a national security rationale for disguising an HEW or HUD scandal.

Recently, the House Armed Services Committee considered the case of Congressman MICHAEL HARRINGTON, who may or may not have played a pivotal role in the exposure of the CIA's efforts to overturn the Allende government in Chile.

In my view, there is no reason in the world why these activities should have been classified. What vital national security interest has been compromised by revealing the information? What military advantage has been given to the enemies of the United States? Obviously, none.

It is clear that the only reason the CIA classified this information was to keep the American people from knowing of the shady and illegal acts that were committed in their name and with their tax money. It is also obvious that the American people have a right to this information so that they can pass electoral judgment on the administration which committed the acts and thereby indicate their view on whether this kind of activity should continue. If the American people do not know what is being done in their name and therefore cannot pass judgment on it, we will not have government of, by, and for the people, but government of, by, and for the national security bureaucracy—which is a reasonable thumbnail description of the form of government we spend $100 billion annually to oppose.

This is not to say, however, that any Member of Congress should have the power to declassify unilaterally any material he feels should not be classified. We should have some kind of standard procedure by which we could request declassification, and the decision could be made by some persons who understand the classification process but who do not share the bureaucratic or personal self-interest of the original classifier.

In the absence of such a procedure, my committe was faced with a resolution barring Congressman HARRINGTON from its classified information: a resolution which was in clear violation of the rules of the House.

I voted against this resolution, both because it violated the rules and because it seems clear that the net result of this particular declassification has been to serve the national interest rather than damage it.

This is a value judgment over which reasonable men can disagree. But I find it disturbing that some of us appear to regard security classification as sacred and violation of classification as treason, regardless of the merits of the individual case. If this attitude prevails, we can be sure that there will be those outside the Congress who will continue to use the classification process to hide various actions of which the American people would not approve and which will in the long run be detrimental to the standing and security of the United States.

I had hoped we had learned better from Watergate. But it appears that at least some of the people want to be fooled some of the time.

Columnist Tom Wicker has offered a thoughtful discussion of these issues in the New York Times of June 24, 1975, which I insert in the RECORD at this point point:

SECRECY TRIUMPHANT

(By Tom Wicker)

By what weird process have skeptical Americans, who once thought Mr. Dooley and Will Rogers had the last word on politics, come to regard "Government information," particularly when it is "classified Government information," as sacred?

Almost any voter will tell you, after all, that politicians are crooks, or at least clowns and snake-oil salesmen. Yet, even in the wake of Watergate and Agnew and the infinite deceptions of the Vietnam years, let one of those supposedly tricky politicians become a Government official and classify a document, and those supposedly cynical voters begin bowing and scraping before his rubber stamp. Let one of those reputed clowns merely whisper "national security" and otherwise sensible Americans put their fingers in their ears and close their eyes.

Look what's happened just in recent weeks, with scarcely a peep of protest:

The House Armed Services Committee has voted to deny access to secret information to Representative Michael Harrington of Massachusetts, because it was Mr. Harrington who disclosed secret testimony last year that the C.I.A. had conducted covert operations against the Government of Salvador Allende Gossens in Chile.

When the Rockefeller Commission made its report on illegal C.I.A. domestic activities, it recommended nothing more stringent to stop such irregularities than Presidential admonishments and Congressional oversight. But the commission recommended that it be made a statutory offense, subject to criminal penalties, for any C.I.A. employe ever to disclose classified information obtained while he worked for the C.I.A. No exception was made for disclosing classified data that might concern illegal C.I.A. activities.

Pending in the Senate, with both liberal and conservative support, and under the aegis of the Ford Administration, which inherited it from the Nixon Administration, is S.1, a bill to recodify the Federal criminal laws. This far-reaching and complex legislation would provide at least the following new restrictions on public knowledge:

Make journalists liable to criminal penalties for possessing or publishing the contents of *any* Government report without official permission.

Make journalists liable to criminal penalties for receiving and publishing virtually any "national security" information without Government authorization.

Make present or former Government employes liable to criminal penalties if they give to the press, without approval of their superiors, any classified information, including material about officials who violate the law, lie to the public or take secret action contrary to official policies.

All this would have effectively prevented press disclosure of the Watergate scandals and the Pentagon Papers. Yet, the Supreme Court has moved in the same direction, albeit tacitly, by refusing to review an appeals court ruling upholding the C.I.A.'s censorship of a book by a former C.I.A. employe. The ruling imposed a lifetime prior restraint on the author's right of free speech respecting information obtained while he worked for the C.I.A., and asserted that he could not disclose information the C.I.A. considered classifiable, whether or not it was classified, or even if he had learned it from other sources after leaving the agency.

Attorney General Edward Levi, in a speech covering the general subject of Government information and its disclosure, seemed to argue more insistently for the Government's right to keep secrets than for the public's right to know what its Government is doing. Moreover, as Nicholas M. Horrocks of The New York Times has pointed out, public response to various C.I.A. investigations and to the Rockefeller report suggest that a substantial number of people believe these inquiries already have gone too far—that they endanger "national security."

Even the leading newspapers, whose duty is to publish what they know under protection of the First Amendment, acquiesced in the C.I.A.'s appeals not to print the extraordinary Glomar Explorer story—despite the repeated Watergate disclosures of how cynically Government officials right up to Mr. Nixon himself were willing to hide irresponsible or mistaken or criminal behavior under the dark cloak of "national security."

No item in this sad catalogue is more depressing than the House committee vote to penalize Michael Harrington for alerting the public to C.I.A. excesses. That vote was a blow to the tradition—never as strong or as deep as it should be in this country—of speaking one's conscience against whatever arbitrary restrictions. It undermined Congress's own need for information from concerned officials about inefficiencies and misdeeds in the executive branch. It bolstered the Administration's power to undertake clandestine operations against other governments without the knowledge or approval of Congress, let alone the public.

It was a vote that valued conformity over conscience and mocked the very idea of Congressional "oversight" of secret government.

B'NAI B'RITH WOMEN ENDORSE BAN ON HANDGUNS

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. FAUNTROY. Mr. Speaker, I am pleased to call to the attention of my colleagues the resolution passed at the meeting of the national executive board of B'nai B'rith Women, convened in Washington, D.C., on May 5–7, 1975.

B'nai B'rith Women, an international Jewish women's service organization comprised of 140,000 members in the United States, maintains a deep interest in the affairs of the day and in matters of public and social concern. I hope that my colleagues will carefully consider their sentiments on the issue of gun control and draw from it the strength to support a ban on handguns to the general public except for the military, the police, and pistol clubs.

The resolution follows:

RESOLUTION: HANDGUN BAN

B'nai B'rith Women has, in past years, been an active proponent of the limitation of firearms in the United States, stating its public support of legislation which would prohibit mail-order sales and importation, as well as establish registration and licensing of firearms.

Recognizing, however, the pace at which crime rates have soared in the United States during recent years, we feel more stringent controls are necessary for the safety of our citizens. Serious crime in the United States rose 17% in 1974, the highest annual increase since the Federal Bureau of Investigation began collecting crime statistics 45 years ago. Some 25,000 persons are killed each year in the United States by guns, which includes deaths occurring by murder, suicide and accident. A startling proportion—53% of such killings—occur through the use of a handgun. Because the handgun is available, it is frequently used in so-called crimes of passion or in accidents, such as those occurring among family and neighbors—statistics show that a gun kept around the house is six times as likely to kill a family member as it is to kill an intruder. Because it is concealable. it is the weapon most often used in crime. It is estimated that more than 40 million handguns now exist in public hands—one for every five persons in the U.S.

A recent poll of taxicab passengers in Chicago revealed that 85% of the people support the banning of handguns; a similar poll in Washington, D.C. resulted in 82% to ban handguns. A study in Ohio shows that during the sixties, not only did the death rate from criminal use of firearms increase with the proliferation of handgun sales, but that accidental deaths increased by 100% in a suburban area, while increasing four-fold in the city of Cleveland. Mayor Abraham Beame of New York and former D.C. Police Chief Jerry Wilson comprise two of the many public figures asking for a ban on the sale and possession of handguns.

We are aware that the United States has the least effective gun laws of the civilized world today; and the highest gun death rates. We recognize that what is needed are not halfway measures such as the banning of the "Saturday Night Special" or licensing and registration laws, but a virtually complete elimination of easy access to handguns by private citizens.

B'nai B'rith Women, therefore, reiterates its long-standing policy in favor of gun control legislation, expanding our position to now seek to ban the importation, sale, distribution and ownership of handguns to the general public (except for the military, police, antique dealers, and pistol clubs, where the weapons would be kept under secure conditions). Additionally, we would support proposals to ban the sale of ammunition for handguns, as a further deterrent to ownership. We urge the enactment in the Congress of the United States of legislation to achieve this critical goal, for the security of the citizens of this nation.

MARITAL STATUS CREDIT DISCRIMINATION AMENDMENTS

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mrs. SPELLMAN. Mr. Speaker, the fight for equality for women has been a long one. We are beginning to see some of the changes that are so desperately needed. In 1923, the first efforts were made to pass a constitutional amendment to provide full equality for women. Fifty years later, we have finally approved legislation by the Federal Government which will provide a legal foundation for women's rights, the equal rights amendment.

Today, we are concerned about the role of women in our society. In the past, women were not accorded equal status in many political, social, and economic sectors of society. The questioning of such traditional thinking has enabled us to begin addressing many of the injustices which are endured by women. I am sure that by now we all agree that we can no longer ignore unfair practices in the employment or education of women. I am sure that we will also agree that women should no longer experience injustices in the extension of credit.

Legislation passed by the Congress in recent years has done much to improve the status of women. The equal rights amendment, and amendments to the Civil Rights Act of 1968 have all contributed to more equitable treatment of women. Pieces of legislation such as the Equal Credit Opportunity Act and the Housing and Community Development Act insure adequate protection for women in the credit field.

It is my hope that the legislation which I introduce today will further the cause of women's equality by amending two previously adopted laws. The bill addresses two issues. First, it will amend title VIII of the Civil Rights Act of 1968. The amendment will prohibit discrimination on the basis of marital status against women applying for mortgage loans.

The second part of the bill seeks to amend title V of the National Housing Act. It would close some of the existing loopholes in the act, thus prohibiting discrimination in the area of mortgage loans for women.

Present business practices dictate the need for these changes. Many lending institutions prefer that a mortgage be transferred to the husband's name when a woman marries. Other institutions will not provide loans to women who are unmarried.

In my own congressional district, a constituent recently informed me of problems she encountered when attempting to obtain a mortgage loan. Although her income qualified her for a loan, the lending institution refused to accept her application because of her divorced status, reasoning that a portion of her income was derived from alimony payments.

My bill is intended to halt such discriminatory practices. I ask that all my colleagues who condemn such practices join with me to end them.

A PERSONAL BICENTENNIAL TRIBUTE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. GAYDOS. Mr. Speaker, this spring we began an enthusiastic celebration of our country's Bicentennial. On July 4, we will also recognize our emergence as an independent country. Thus, it seems fitting and appropriate at this time to look back to America's early beginnings and to the human figures who were instrumental in establishing this Nation's birth.

In the spirit of renewed patriotism, the Raymond Glenn Hillegas family, residents of the 20th District of Pennsylvania, have linked their ancestry to an important—but forgotten colonial statesman.

Their forefather, Michael Hillegas, 1729–1804, was the first treasurer of the United States. He served for more than 14 years as chief financial officer of the Colonies as they developed through the American Revolution into a federal republic.

Hillegas, an educated merchant, was born in Philadelphia in 1729. When he was 33, he became the Philadelphia county commissioner. In this post he located and constructed Fort Mifflin for the protection of Philadelphia, then the young Nation's Capital. He later served on commissions which bridged the Schuylkill River and dredged the Delaware River.

In 1775, Hillegas and George Clymer were made joint treasurers of the united Colonies by action of the Continental Congress. In 1776, Hillegas assumed additional duties as treasurer of the Province of Pennsylvania. When Clymer took a seat in Congress that year, Hillegas was made sole Continental Treasurer.

On September 6, 1777, Michael Hillegas was appointed the first Treasurer of the United States of America. Historian Michael Minnich, 1905, noted that Hillegas served in the difficult first years of Government—a time "when the war of arms was matched only by a contest of intellect; groping uncharted risks requiring greatest possible skill, method and integrity before enacted laws has become systematized—these were testing and trying, formative stressful years."

Hillegas served as the country's Treasurer until 1789 when Congress established the Treasury Department under the Federal Constitution. Alexander Hamilton then became the first Secretary of the Treasury.

Hillegas was well known to Benjamin Franklin, John Adams, and others of this time as a philosopher, philanthropist, and historian. He was described as "active, meeting needs of the Negro, Indian, and poor" on a hospital's governors' board and leader in projects for lighting, grading, paving, and drainage of the growing Capital City. In addition, the first Treasurer was an investor and executive of companies in sugar refining, coal mining, forges, and land.

Hillegas died in Philadelphia in 1804 and was buried next to his wife, Henrietta Boude, beside Christ Church, where he had been a vestryman half a century. In a letter to 1 of his 10 children, Hillegas wrote:

> Of the joy of human comfort one for another in this troublesome world—for so it has been and will be called to the end thereof, notwithstanding what the vain and giddy may undertake to say to the countrary.

Raymond Hillegas and his family are "proud to be descendents of someone who led the country in its early history." I encourage all of us to join in this kind of tribute to our great past.

THE SIGNING OF THE LIBERTY POINT RESOLVES

HON. CHARLES ROSE III

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. ROSE. Mr. Speaker, in this year of the Bicentennial, we celebrate our Nation's anniversary and its democratic ideals as embodied in the signing of the Declaration of Independence. We celebrate our national history, but we need to retain a sense of local history and the part it has played. Two hundred years ago in North Carolina, a group of 39 men banded together to sign their own declaration of independence against British oppression. Though they desired a reconciliation with Great Britain "on constitutional principles," they declared themselves "justified in resisting force by force" and signed their names to the Liberty Resolves. I insert for the RECORD "The Signing of the Liberty Point Resolves," an article by Jack Crane that appeared in the Fayetteville Observer/Times on June 22, 1975:

THE SIGNING OF THE LIBERTY POINT RESOLVES

At or near this place
ever since known as
"Liberty Point"
Was promulgated in
JUNE 1775
by patriots of the Cape Fear
A Declaration of Independence
of the British Crown

The above inscription is carved on a white marble tablet set in the east wall of an ancient brick building at 145 Person St. in Fayetteville, Cross Creek in 1775, and overlooks a small triangular park lovingly tended by members of Central Station of the Fayetteville Fire Department.

Liberty Point, the place where 54 patriots gathered June 20, 1775, to assert their independence of an unjust and greedy king, was much larger than at present for Person Street had not been built. The point was then formed by Bow Street and a road from the west following the present course of Franklin Street and intersecting with Bow some distance east of the present Point.

On April 19, 1775, the first show of resistance to Britain took place at Lexington, Mass. Couriers on horseback were dispatched immediately to carry the word to the colonies. A courier reached Wilmington on May 8, and the exciting news spread upriver to Cross Creek and Campbelltown.

Robert Rowan, of Cumberland County, an avowed insurgent, was riding the bounds of his county gathering volunteers for the militia, finding them mostly along the river.

Cumberland then embraced all of what is now Moore County, an area inhabited by a huge concentration of Scots Highlanders even now voicing their loyalty to King George, so Rowan's pickings in the vicinity were meagre.

These Loyalists in Moore and Anson were to exert great influence for their king a few months hence when General Gage sent Donald McDonald to raise the Royal Standard at Cross Creek.

On June 19, 1775, word came upriver from Wilmington that patriots of New Hanover were signing a declaration of independence and that a horseman would arrive the next day bringing the text of that document to the patriots of Cross Creek.

Robert Rowan rode up from his summer home, "Hollybrook" on the Cape Fear some four miles down from Cross Creek. Lewis Barge, who lived and ran a tavern on the road north at what is now called St. James Square, arrived at the meeting place on the east end of Bow Street. Lewis Bowell (his name is spelled Powell on the granite marker), the German-born baker was on hand, and the Carvers, Evanses, and others were on their way up from the vicinity of Rockfish and Carver's Neck.

James Gee, the hatter, was already on hand from his place off the Yadkin Road west of Cross Creek (his grave is behind the Confederate Women's Home on Ft. Bragg Road).

The courier from Wilmington arrived in the late afternoon of June 20, and a table for the signing was hastily brought from Aaron Vardey's tavern nearby.

There was little doubt who would sign first. Robert Rowan, a former sheriff of the county, assemblyman and militia officer, sat down and signed the declaration of independence of the British Crown. Lewis Barge accepted the quill from Rowan and signed, then the others. Men of courage were offering up a lifetime's savings along with their very lives, all in the cause of precious liberty.

As the last patriot signed the paper, a cheer went up from the small crowd, and the afternoon stage from Hillsborough, turning down the river hill toward Campbelltown, slowed to give its curious driver and passengers a glimpse of the strange tableau.

A granite boulder erected some years ago lists 39 signers.

The Colonial Records Volume X, pp. 29–30, shows 54 signers. Who were the missing 15? And why were they not listed? Their names, as given in the Colonial Records, were:

Peter Masser (Messer?), Thomas Cabeen, Thomas Rea (Ray?), Daniel Douse, James Dick, John H. Wenson, One'rs West, Thomas White, James Giles, John Clendenin, George Barns (Barnes?), John Caraway, Wm. Gillespy, James Pearl, Wm. Bathgate.

Note various spellings above. One'rs West must have agonized over the signing of his name and finally resorted to abbreviation, for his name was Onesiphorous West. Why these signers' names were left off the granite boulder is not known to this writer.

On February 26, 1776, eight months after the Liberty Point Resolves, a large number of Loyalists were captured at the Battle of Moore's Creek and lodged in the jail at Halifax.

The manuscript records of the secretary of state's office gives the report of a committee that had been appointed to enquire into the conduct of the Tory prisoners at Halifax and the charges against them. The report listed charges against each prisoner of war:

"That Morris Nowland did actually take up arms and go forth to war, as captain of a company, twenty men for the avowed purpose of assisting the Enemies of America and that he is a Freeholder and lives in Cross Creek.

"That Aaron Verdie did actually take up arms and go forth to War as Waggon Master to General McDonald's Army for the purpose aforesaid."

These two names, or ones very similar, are on the granite boulder at Liberty Point. What could have happened to change their loyalties? Were they unduly swayed by the persuasiveness of Robert Rowan, and when the Royal Standard was raised at Cross Creek in February carried away by visible signs of British might? Or perhaps they were won by the honeyed cajoling of Flora MacDonald, who was doing what she was sent to do: rallying the Highlanders to General MacDonald's side.

The Colonial Records' reference quoted above concerning the Liberty Point Declaration refers to the "National Journal" of Washington, D.C., dated August 15, 1825 which says the original of the resolves was at that time in the possession of the editor of the Cheraw (S.C.) "Intelligencer."

Why would this editor have this long lost document? Could he have been a descendant of one of the signers? It would be a feather in the cap of anyone who found this priceless document and restored it to its rightful place, Cross Creek, now Fayetteville, N.C.

Although information on many of these early patriots is sketchy, we do know that the first signer, Col. Robert Rowan, was the author of the Resolves. Col. Rowan was a military and civic leader in Cumberland County, and an early architect of Fayetteville. He served as a major in the French and Indian War, as sheriff of Cumberland County for 4 years, and as registrar of deeds. He was a member of the Provincial Congress that met in Hillsboro in 1775 and in Halifax in 1776; he was a member of the General Assembly in 1778–79 and 1785, and a militia colonel in the Revolution.

Colonel Rowan owned property in town, but spent much of this time at Hollybrook, 4 miles away. He married Suzannah Grove, and had two sons and three daughters: Robert Jr., Thomas, Jane, Julia, and Suzannah. His daughter Julia married John Louis Taylor, chief justice of the Supreme Court of North Carolina; daughter Suzannah married John Hay, prominent lawyer and political figure. Robert Rowan died in 1798 and was buried at Hollybrook. In 1972, his remains were moved to Cross Creek Cemetery by the Robert Rowan Chapter of the DAR. His tombstone describes him as a man of integrity and "an early steady friend to American independence."

Lewis Barge, the second signer of the resolves, was the descendant of French Huguenots who were forced to flee France after Louis XIV revoked the Edict of Nantes. Barge was a large landowner, a hatter, innkeeper, planter, and brickyard owner. Lewis Barge married and had 10 children. He is referred to in the "Colonial Records of N.C."; in 1772, he was given the right to sit in the assembly; in 1787, he became one of the seven directors of Fayetteville; and he was commissioned a deputy by Governor Caswell. During the war, Barge served as a soldier with the North Carolina troops, Wilmington district.

James Gee was another hatter who signed the Resolves—England had revoked the Colonies' rights to make hats. He came to Cross Creek before the Revolution, and established a large hat factory, the second in America. Gee married Mary Walker of Wilmington, and had nine children. After Gee signed the Resolves, he went to Wilmington on business; along the way, he was captured by a band of Tories, who took him back to Cross Creek, intending to rob the hat factory. Gee's wife sent their daughter to sound an alarm, and the Tories were overwhelmed, taken prisoner and hanged. Gee was a private in the war, and died in 1804.

James Emmet enlisted in the army in 1776, after signing the Resolves. By 1777, he was promoted to major, and was commissioned a colonel in the Cumberland County militia in 1781. On August 14, 1781, Tories took possession of Cross Creek and James Emmett was taken prisoner. Emmett was a member of the general assembly and very active on committees in that body.

Arthur Council was the representative from Campbellton to the Provincial Congress in Halifax. He served on various committees, and in 1776 he was requested to report on the activities of loyalists and other insurgents. It is probable that this Arthur Council could be the same one who was appointed a captain in the Sixth Regiment, North Carolina line, and served until he died in 1777.

Information on most of the signers of the Resolves remains incomplete. David and Theophilus Evans, Robert, Samuel, and William Carver, John and Benjamin Elwell, and George Fletcher were all landowners and farmers who lived on the west side of the Cape Fear River in the Rockfish Creek area. Existing records show that most of them were young men in their twenties and thirties; many of them were kinsmen, either by birth or marriage; some were farmers, some artisans, but all of them owned land; several had had positions in county government, and were active after the Revolution in county or State government; and almost all of them served in the army.

These men were a hard-working, unglamorous lot, historically obscure; but this does not minimize the fact that they made an invaluable contribution to the history of their country. In this vein, I think it appropriate that the General Assembly of North Carolina has introduced a joint resolution to honor these early local patriots:

HOUSE JOINT RESOLUTION

A joint resolution commemorating the Bicentenary Anniversary of the Cumberland County Association, Signers of the Liberty Point Resolves, of June 20, 1775

Whereas, the economic, social, and political life of Cumberland County, North Carolina, was dominated in 1775 by families who were loyal to the Crown of Great Britain; and

Whereas, the judicial, military, and administrative offices of Cumberland County were largely controlled in 1775 by men of power and influence whose interests were inimical to American freedom; and

Whereas, opposition to the arbitrary oppressions of Great Britain could be voiced only at a real and imminent danger of loss of liberty and property; and

Whereas, on June 20, 1775, 39 citizens of Cumberland County, at the risk of real and imminent danger associated together at a place now called Liberty Point and pledged their lives and fortunes to secure the freedom and safety of America from the arbitrary oppressions of Great Britain; and

Whereas, the determined stand taken by the 39 signers of the Cumberland County Association at Liberty Point was instrumental in uniting American patriots in the Cape Fear River Valley; and

Whereas, American patriots in the Cape Fear River Valley successfully overcame by force of arms on February 27, 1776, at Moore's

Creek Bridge, those who were loyal to the British Crown and who were inimical to American freedom; and

Whereas, such examples led ultimately to the winning of American independence and to the establishment of the oldest surviving constitutional republic in the world; and

Whereas, the Cumberland County Association of June 20, 1775, is popularly known as the Liberty Point Resolves; and

Whereas, June 20, 1975, is the bicentenary anniversary of the Cumberland County Association, or Liberty Point Resolves; and

Whereas, the State of North Carolina stands continually in debt to her Revolutionary war patriots: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring):

SECTION 1. That the General Assembly of North Carolina acknowledge its very real sense of obligation to the 39 signers of the Cumberland County Association, or Liberty Point Resolves, of June 20, 1775.

SEC. 2. That the bicentenary anniversary of the Cumberland County Association, June 20, 1975, be declared a statewide day of celebration to be known under the style and title of "Liberty Point Resolves Day".

SEC. 3. That the text of this resolution shall be gazetted in the newspapers, "The Fayetteville Observer" and "The Fayetteville Times", published in the City of Fayetteville, North Carolina.

SEC. 4. That a copy of this resolution shall be sent by the Secretary of State to the commissioners of the County of Cumberland, to the Mayor of the City of Fayetteville, and to the Chairman of the Cumberland County Bicentennial Committee.

SEC. 5. This resolution shall become effective upon its ratification.

MONTHLY LIST OF GAO REPORTS

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The monthly list of GAO reports and/or copies of the full texts are available from the U.S. Government Printing Office, room 4522, 441 G Street, N.W., Washington, D.C. 20548. Phone (202) 386-6594. The June 1975 list includes:

U.S. Fishing Industry Can Be Strengthened by Developing underutilized Fish Resources. GGD-75-68.

Evaluation of the Capital Cost Estimate for the Metro Rapid Trail Transit System. PSAD-75-85.

Information on the Secondary Mortgage Market Activities of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. RED-75-347.

Examination of Financial Statements of the Government National Mortgage Association for Fiscal Year 1974. FOD-75-17.

Administration of the Alien Labor Certification Program Should Be Strengthened. MWD-75-2.

Project Head Start: Achievements and Problem. MWD-75-51.

Observations on Sole-Source Procurement and Overruns. GGD-75-81.

Federal Guidance Needed if Halfway Houses Are To Be a Viable Alternative to Prison. GGD-75-70.

National Aeronautics and Space Administration's Equal Employment Opportunity Program Could Be Improved. FPCD-75-107.

Review of Certain Aspects of the Hill-Burton Health Facilities Construction and Modernization Program. MWD-74-159.

Need for Regulating the Food Salvage Industry to Prevent Sales of Unwholesome and Misbranded Foods to the Public. MWD-75-64.

Review of Preliminary Estimates of Evacuation Costs, Temporary Care, and Resettlement Costs of Vietnamese and Cambodian Refugees. ID-75-68.

Funding and Reporting of Agency for International Development Overhead Costs Should Be More Realistic. ID-75-50.

Inefficient Management of F-14 Spare Parts. PSAS-75-70.

The United States Should Recover Full Costs of Reimbursable Satellite Launches. LCD-74-107.

Improvements Needed in Making and in Reporting on Technical Evaluations of Noncompetitive Price Proposals. PSAD-75-80.

The Military Commissary Store: Its Justification and Role in Today's Military Environment: FPCD-75-88.

Improvements Needed in Controls and Accounting for Ground Vehicle Petroleum. LCD-75-218.

Status of Selected Major Weapon Systems. PSAD-75-83.

Uniform Treatment of Prisoners Under the Military Correctional Facilities Act Currently Not Being Achieved. FPCD-75-125.

Potential of Value Analysis for Reducing Waste Treatment Plant Costs. RED-75-367.

Efforts to Develop Two Nuclear Concepts That Could Greatly Improve This Country's Future Energy Situation. RED-75-365.

Cost and Schedule Estimates for the Nation's First Liquid Metal Fast Breeder Reactor Demonstration Powerplant. RED-75-358.

Controlling the Radiation Hazard from Uranium Mill Tailings. RED-75-358.

Further Action Needed on Recommendations for Improving the Administration of Federal Coal-Leasing Program. RED-75-346.

How Solar Energy Was Treated in the AEC Chairman's Report, "The Nation's Solar Future." RED-75-280.

More Effective Procedures Are Needed for Establishing Payment Terms and Development Periods for Irrigation Projects. RED-75-372.

Additionally, letter reports are summarized including:

Revised Office of Education grant procedures assure that Emergency School Aid budget authority will not lapse. ACG-75-22.

Comments of proposed rescissions and deferrals submitted to the Congress by the President in his ninth and tenth special messages. ACG-75-23.

Release of $46.1 million of impounded budget authority for Energy Research and Development Administration programs. ACG-75-24.

Comments on rescissions and deferrals proposed by the President in his eleventh special message. ACG-75-25.

Allegations about the Corps of Engineers' land acquisition practices for the Tocks Island Lake project, New Jersey. RED-75-362.

Progress of the Federal Energy Administration in improving its compliance and enforcement effort. OSP-75-12.

Air Force procurement of technical order manuals for B-52 and C-135 aircraft. PSAD-75-71.

Car-rental practices of agencies of the Department of Health, Education, and Welfare. B-160-781.

Statistics on administration of Public Health Service Hospitals. MWD-75-79.

Assessment of recreational benefits claimed for the Corps of Engineers' LaForge Lake reservoir and dam project in Wisconsin. RED-75-351.

Effect of Section 22 of the Interstate Commerce Act on costs of Department of Defense motor carrier truckload and household goods van carrier shipments. TCD-75-3.

Dayton, Ohio Model Cities Planning Council. RED-75-355.

Comments on OMB statements concerning GAO's report "Number of Items in the Federal Supply Catalog Can Be Reduced" (B-146778, Oct. 21, 1974). LCD-75-440.

Termination of Defense assistance to South Vietnam. ID-75-70.

Office of Management and Budget and Civil Service Commission methods to accomplish the goal of reducing the Federal work force by 40,000 by the end of fiscal year 1975. FPCD-75-129.

Air Force and Navy pilot and navigator training rates for fiscal year 1976 and reimbursements for training foreign pilots. FPCD-75-151.

Lax administration of State petroleum set-aside programs by the Federal Energy Administration. OSP-75-13.

Need to convince Government agencies of the merits of planning for the use of executive manpower. FPCD-75-155.

Need for closer monitoring by the Social and Rehabilitation Service of State reimbursements of hospitals for inpatient services furnished under Medicaid. MWD-75-78.

Need for the Army and Air Force to coordinate modernization of depot level maintenance facilities in the Sacramento, California area. LCD-75-448.

Accounting and internal control systems for receipt and disbursement transactions at HEW agency headquarters and regional offices. FGMSD-75-32.

Legal Decisions and Opinions of the Comptroller General of the General Accounting Office.

HOUSE OF REPRESENTATIVES—*Thursday, June 26, 1975*

The House met at 10:30 a.m.

Rev. Carroll Hubbard, Sr., director, community affairs, Southern Baptist Theological Seminary, Louisville, Ky., offered the following prayer:

Eternal God, our Father, we humbly acknowledge Thy blessing upon this Nation. We are grateful for our heritage of faith and prayer.

Grant to these representatives of the people health of body, clarity of mind, and nobility of spirit necessary to meet the responsibilities of high office. May they have the ability to discern issues correctly, the strength to support their convictions with due regard for others, and a willingness to work together for the good of the country and for the rule of righteousness on Earth.

As we approach another Fourth of July, renew our faith in freedom and our dedication to the lofty principles of a democracy under God.

This we ask in the name of Him who is Lord of all. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a joint resolution of the following title in which concurrence of the House is requested:

S.J. Res. 98. Joint resolution to provide that the flag of the United States of America may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge, Pa.

REV. CARROLL HUBBARD, SR.

(**Mr. HUBBARD** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, it is a personal joy for me that my father, Dr. Carroll Hubbard, Sr., now director of community affairs at Southern Baptist Theological Seminary in Louisville, Ky., and for many years a pastor of Baptist churches in Kentucky and Tennessee, has given the invocation here today.

My mother, a housewife and for many years an elementary school teacher, is also here today.

My parents have been very helpful to me through the years. They have provided me the necessities and luxuries of life, a Christian home, much happiness, and, actually, whatever success I may have had in my 37 years.

I thank God for two wonderful parents, Carroll and Addie Beth Shelton Hubbard, and am grateful for their presence here today.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. HUBBARD. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, I would like to say I am sure all Members of the House are very pleased to have the gentleman's father with us today. And we would like to have Reverend Hubbard know that his son is certainly carrying on the fine traditions that I am sure have been instilled in his son and that have made his life so eventful and meaningful. We are very proud to have Reverend Hubbard here and I would say we think even more of his son now that we have had the pleasure of meeting his father.

MR. OTTINGER INTRODUCES RESOLUTION THAT UNITED STATES RENOUNCE FIRST USE OF NUCLEAR WEAPONS

(**Mr. OTTINGER** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OTTINGER. Mr. Speaker, first I would like to join others of my colleagues in paying respect to the gentleman from Kentucky (Mr. Hubbard) and his father. I was honored to be the first chairman of the new Members of this Congress, succeeded by the gentleman from Kentucky (Mr. Hubbard). He has been an outstanding Representative. He certainly gives us inspiration as, indeed, he has given us the opportunity to receive inspiration from his father today.

Mr. Speaker, I would like to take this opportunity to express my deep distress at the President's unwillingness at a press conference yesterday to renounce first use by the United States of nuclear weapons.

We have been, unfortunately, drifting in this direction for some time with the production and distribution of tactical nuclear weapons. The President, however, did not even rule out the first strike use of nuclear weapons for strategic purposes.

In my opinion, there is no way to prevent a nuclear holocaust once nuclear weapons are first used. The other side on any conflict will be bound to respond in kind. Whoever obtains the advantage will have to resort to even larger nuclear weapons and the result will be, I am afraid, the end of the world.

I am, therefore, introducing a resolution today, and seeking consponsors for it, that reads as follows:

H.J. Res. 533

Whereas, willingness for the first use of nuclear weapons would pose an intolerable threat to world security; and

Whereas, failure to renounce first use of nuclear weapons will stimulate an increase in the international arms race, causing the United States and other nations to spend billions of dollars on creating nuclear first use including first strike capabilities, preventing the use of these vast resources for constructive and peaceful causes: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress declares it to be the policy of the United States to renounce the first use of nuclear weapons.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO SIT DURING 5-MINUTE RULE TODAY

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may be permitted to sit today during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION FOR SUBCOMMITTEES ON SCIENCE, RESEARCH, AND TECHNOLOGY AND DOMESTIC AND INTERNATIONAL SCIENTIFIC PLANNING AND ANALYSIS TO SIT DURING 5-MINUTE RULE TODAY

Mr. DODD. Mr. Speaker, I ask unanimous consent that the Subcommittees on Science, Research, and Technology and Domestic and International Scientific Planning and Analysis may be permitted to sit today during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

CALL OF THE HOUSE

Mr. MURTHA. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 356]

Ambro
Anderson, Ill.
Andrews, N.C.
Badillo
Beard, Tenn.
Breaux
Brown, Calif.
Brown, Mich.
Chisholm
Clausen, Don H.
Collins, Ill.
Conlan
Conyers
Danielson
Dellums
Diggs
Drinan
Erlenborn
Eshleman
Forsythe
Fulton
Hébert
Heckler, Mass.
Henderson
Jarman
Jones, Ala.
Karth
Kastenmeier
Leggett
McDonald
Macdonald
Mezvinsky
Mitchell, Md.
Mosher
Murphy, N.Y.
O'Hara
Ottinger
Passman
Patman, Tex.
Patterson, Calif.
Pattison, N.Y.
Quie
Railsback
Rangel
Riegle
Risenhoover
Roberts
Rosenthal
Santini
Scheuer
Shuster
Sikes
Sisk
Spellman
Stephens
Udall
Ullman
Waxman
Wiggins
Wolff
Young, Alaska

The SPEAKER. On this rollcall 372 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTHORIZING PRINTING OF HEARING ON NOMINATION OF NELSON A. ROCKEFELLER TO BE VICE PRESIDENT OF THE UNITED STATES

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (H. Con. Res. 143), as amended, and ask for its immediate consideration.

The Clerk read the privileged concurrent resolution, as follows:

H. Con. Res. 143

Resolved by the House of Representatives (the Senate concurring), That there shall be printed for use of the House Committee on the Judiciary five thousand copies of the committee hearing, "Nomination of Nelson A. Rockefeller to be Vice President of the United States", Ninety-third Congress.

With the following committee amendments:

Page 1, line 2, following "printed" insert "with such corrections as may be necessary".

Page 1, line 3, delete "five thousand" and insert in lieu thereof "one thousand eight hundred".

The committee amendments were agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR THE PRINTING AS A HOUSE DOCUMENT OF A REVISED EDITION OF "THE CAPITOL"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the House concurrent resolution (H. Con. Res. 215) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. Con. Res. 215

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document with illustrations, a revised edition of "The Capitol", compiled under the direction of the Joint Committee on Printing; and that four hundred and seventy-two thousand additional copies shall be printed, of which four hundred and forty-two thousand copies shall be for the use of the House of Representatives and thirty thousand copies shall be for the use of the Joint Committee on Printing.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF COMMITTEE PRINT OF COMMITTEE ON FOREIGN RELATIONS ENTITLED "CHINA: A QUARTER CENTURY AFTER THE FOUNDING OF THE PEOPLE'S REPUBLIC"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the Senate concurrent resolution (S. Con. Res. 26) and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 26

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on Foreign Relations five thousand copies of the committee print entitled "China: A Quarter Century After the Founding of the People's Republic."

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF SENATE HEARINGS ON PROPOSED CONSTITUTIONAL AMENDMENTS TO LIMIT ABORTIONS

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the Senate concurrent resolution (S. Con. Res. 36) and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 36

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary not to exceed two thousand additional copies of each part of its hearings during the second session of the Ninety-third Congress and the first session of the Ninety-fourth Congress on proposed constitutional amendments to limit abortion.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

TO AMEND TITLE XIX OF SOCIAL SECURITY ACT

Mr. ROGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 8109) to amend title XIX of the Social Security Act to extend the protection against the loss of medicaid because of the 1972 increase in social security benefits, and to extend the exemption of Puerto Rico, Guam, and the Virgin Islands from certain requirements relating to choice of provider.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the bill as follows:

H.R. 8109

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Section 1902(a) of the Social Security Act is amended by adding at the end the following new paragraph:

"For purposes of paragraph (10) any individual who, for the month of August 1972, was eligible for or receiving aid or assistance under a State plan approved under title I, X, XIV, or XVI, or part A of title IV and who for such month was entitled to monthly insurance benefits under title II shall for purposes of this title only be deemed to be eligible for financial aid or assistance for any month thereafter if such individual would have been eligible for financial aid or assistance for such month had the increase in monthly insurance benefits under title II resulting from enactment of Public Law 92-336 not been applicable to such individual.".

Sec. 2. Section 1902(a)(23) of the Social Security Act is amended by inserting after "(23)" the following: "except in the case of Puerto Rico, the Virgin Islands, and Guam,".

Mr. ROGERS. Mr. Speaker, I rise in support of H.R. 8109. This bill makes permanent two provisions of current medicaid law which, though minor in nature, are very important for the persons affected by them.

The first provision in the bill protects the medicaid eligibility of some 50,000 people, most of whom are aged, blind, and disabled, whose income increased when the 1972 20-percent social security increase went into effect, and who would have lost their medicaid coverage because of it. The Congress, back in 1972, wanted to assure that their action to make people better off by giving them a substantial increase in social security benefits would not have the unintended effect of making people worse off by causing them to lose medicaid. They put a provision in medicaid law that required a disregard of the 1972 social security increase in determining medicaid eligibility for all the people covered at that time. That provision is about to expire on June 30. If that happens, 50,000 people would find that the increase in social security that we gave them in 1972 has resulted in their losing their medicaid in 1975.

H.R. 8109 makes the disregard of the 1972 increase permanent. The members of the Interstate and Foreign Commerce Committee were unanimous in their support for this action. I believe Members of the House will similarly support this bill without objection.

The second provision of the bill responds to a special situation in Puerto Rico, Guam, and the Virgin Islands. All three of these territories have substantial medicaid programs covering a large proportion of their population. The Federal contribution to help them pay for this coverage has always been limited by law—to $30 million annually for Puerto Rico, $1 million for the Virgin Islands, and $900,000 for Guam. Yet Puerto Rico, for example, spends $110 million of their own funds to pay for medical care for their medically indigent population. They have supported health care for their population, and maximized the impact of their health dollars, by limiting provision of many of their medical services to the public health system of the Commonwealth. To do this, they have needed an exemption from the general requirement of medicaid that recipients may go to any qualified provider. They have been given that exemption in the current law. It is about to expire on June 30. If Puerto Rico has to implement full freedom-of-choice in their program, they estimate it will increase their expenditure of Commonwealth funds by at least $70 million—an amount they can ill afford, and which they would have no Federal assistance in meeting.

The bill recognizes the inappropriateness of the strict freedom-of-choice requirement for Puerto Rico, Guam, and the Virgin Islands and gives them a permanent exemption from it.

I urge support by the Members of the House for these two essentially technical amendments, and urge the legislation's passage.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield for a minute for a question?

Mr. ROGERS. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I am very much concerned about this. If I understand correctly, the provisions of this bill would extend to all U.S. citizens with respect to medicaid so that they will not be denied medicaid because of a rise in social security benefits?

Mr. ROGERS. It does not go to the future increase. This has to do with the 1972 increase, protecting against the loss of medicaid because of that increase in social security benefits.

As to the future, the matter will be handled by the Committee on Ways and Means. This just goes to the 1972 increase, which now affects about 50,000 people. It will have to come off by June 30 unless we do this.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman.

Mr. WON PAT. Mr. Speaker, I would like to thank Chairman Rogers for his invaluable help in obtaining for Puerto Rico this waiver from the requirement of implementing the freedom of choice of physicians provisions of the medicaid program.

The cost involved in implementing those provisions would be prohibitive for the island. Joint HEW-PR Department of Health estimates indicate that it would cost $210 million to meet the requirements of section 1902(a)(23) of the Social Security Act as now written. The Commonwealth is subject to a funding ceiling of $30 million, and in order to comply with the freedom of choice requirements, the Commonwealth would have to pay the difference.

At present most of our medically indigent patients are treated through the Commonwealth's public health care system, operated by the Puerto Rico Department of Health in cooperation with the island's 78 municipal governments.

Services are provided through a regional organization. At the local level, two-thirds of the municipalities operate health centers pursuant to agreements with the department of health. The others operate municipal hospitals which are being rapidly replaced by health centers or by diagnostic and treatment centers. Patients are referred from the municipal level to area or subregional hospitals and from there, if medically necessary, to three modern regional medical centers located in the northeast, south, and western sectors of the island. These medical centers are staffed and equipped to provide the specialized and highest quality of care that the system can offer.

Commonwealth and municipal governments have invested heavily in this public health system. At present, 10.6 percent of the Commonwealth budget is dedicated to health programs. As shown by the following table, the island has realized a great economic effort in the past decade to expand and upgrade its public health services.

Appropriations in millions

[Fiscal year]

	65–66	*74–75*
Commonwealth appropriation	$37.8	$109.0
Municipal appropriations	24.2	53.8
Total	62.0	162.0

Although we recognize the many inadequacies of this system, we feel that Puerto Rico's record in the field of health care has been quite remarkable, given the island's limited resources and large health problems. The following indicators will give some idea of the progress achieved:

	Dates					
	1940		1966		1973	
Indicators	P.R.	U.S.	P.R.	U.S.	P.R.	U.S.
Birth rate (per 1,000)	39.5	19.4	29.0	18.4	23.3	17.3
Death rate (per 1,000)	18.4	10.9	6.7	9.5	6.5	9.3
Infant mortality (per 1,000)	113.4	47.0	37.6	23.7	24.2	19.7
Life expectancy	46.0	62.9	70.18	70.2	72.0	70.2

As I mentioned earlier, medicaid funds for Puerto Rico are limited to $30 million annually.

Despite this fund limitation, Puerto Rico must provide the minimum services required under title XIX of the Social Security Act. This it cannot do without greater Federal financial assistance. It is far beyond Puerto Rico's budget capability.

The largest single cost element is title XIX's free choice requirement because of the significantly higher costs in Puerto Rico of private hospital and physician services, as compared with public hospitals and physicians.

The free choice provision, effective in 1969 for the States, was deferred until 1972 in the case of Puerto Rico and later further postponed until July 1, 1975. Starting in 1972, Congress and Puerto Rico each put up an additional $10 million yearly to implement free choice. Yet this amount has permitted only partial implementation.

Under present law the Commonwealth must be in full compliance with the freedom-of-choice provision by July 1, 1975, or risk losing all of its Federal funds for the medical assistance program. As no additional Federal assistance has been provided, the Commonwealth cannot possibly comply. We have therefore requested that this waiver be enacted.

We agree in principle with the freedom-of-choice provision. The government of Puerto Rico would like to see it implemented fully as soon as possible, but financial constraints have not permitted us to meet the July 1975 deadline and we are unable to estimate when we can be in full compliance without additional Federal help.

Mr. KOCH. Mr. Speaker, I am gratified that the committee has been able to bring H.R. 8109 to the floor for a vote before the end of the fiscal year. As I indicated when we first discussed this matter in early June, extension of the authority to disregard social security income in computing medicaid eligibility is critical for thousands of individuals.

In New York City alone, about 1,000 elderly citizens on social security who receive medicaid will continue to receive this needed medical assistance with the enactment of H.R. 8109. Without this legislation, their medicaid benefits will be terminated on June 30.

Those living on fixed incomes face insurmountable problems in today's inflationary economy, and particularly, the elderly poor. It is indeed unfortunate that in many cases the aged poor lose their supplemental security income benefits as a result of social security increases, and fail to reap any of the intended benefits. It would have been inexcusable if these individuals and others in similar situations were now to lose their medicaid benefits. For many, this may well have been a matter of life or death.

The passage of this legislation today is an expression of the House's concern for the elderly poor, which I hope and believe will be continued through the enactment of legislation to strengthen the supplemental security income program, and to establish a home health care program, now pending before Congress.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDING THE INTERNATIONAL TRAVEL ACT OF 1961 TO AUTHORIZE ADDITIONAL APPROPRIATIONS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2003) to amend the International Travel Act of 1961 to authorize additional appropriations, and for other purposes, and concur in the Senate bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Pennsylvania would be kind enough to give us a brief explanation of this matter?

Mr. ROONEY. Mr. Speaker, if the gentleman will yield, I will be very happy to do so.

Mr. Speaker, S. 2003 is identical to the House bill, H.R. 8188, which I introduced on June 24, 1975, with a distinguished list of cosponsors: Mr. SKUBITZ, Mr. HUNGATE, Mr. METCALFE, Mr. HEFNER, Mr. SANTINI, Mr. FLORIO, Mr. STAGGERS, Mr. MATSUNAGA, Mr. HOWE, Mr. FREY, Mr. RHODES, Mr. O'NEILL, Mr. MCFALL, Mr. ROGERS, and Mr. HASTINGS.

The bill would authorize continued appropriations for the travel and tourism programs administered by the U.S. Travel Service in the Department of Commerce.

First, for international tourism promotion to the United States by foreign residents: fiscal year 1977, $25 million; fiscal year 1978, $30 million; and fiscal year 1979, $30 million.

Second, for domestic tourism promotion within the United States: fiscal year 1976, $2.5 million; fiscal year 1977, $2.5 million; and fiscal year 1978, $2.5 million.

The bill expressly provides that the domestic travel promotional activities undertaken by the Secretary of Commerce shall be in the public interest and not compete with activities for any State, city, or private agency.

The domestic travel programs would provide and facilitate public information services to the States on travel. Bicentennial promotional and informational services will be very important and helpful now.

For all practical purposes, this is the bill, H.R. 5357, which passed the House by a vote of 287 to 132 on May 13, 1975, and the Senate passed unanimously 2 days later.

Unfortunately, because of technical and administrative misunderstandings, the President felt it necessary to veto that bill on May 28, 1975.

Since then the congressional leadership on both sides of the aisle have worked with the administration to correct those misunderstandings.

I am now happy to ask that the bill, S. 2003, which is identical to H.R. 8188, and which is acceptable to the congressional leadership and the President, be agreed to.

Mr. BAUMAN. Mr. Speaker, I would ask the gentleman from Pennsylvania (Mr. ROONEY) if my understanding is correct that this bill does meet any objections the administration previously had?

Mr. ROONEY. There is no objection by the administration, the bill has been cosponsored.

Mr. RHODES. Mr. Speaker, would the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Speaker, I was pleased to cosponsor the bill. I think it is a fine piece of legislation, and I do have reason to believe that the administration would be happy with the bill as it is now.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from Arizona.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2003

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 6 of the International Travel Act of 1961 (22 U.S.C. 2126) is amended by striking out "and" immediately before "(3)" and by inserting immediately before the period at the end thereof the following: "; (4) $5,000,000 for the transition period of July 1, 1976, through September 30, 1976; (5) $25,000,000 for the fiscal year ending September 30, 1977; (6) $30,000,000 for the fiscal year ending September 30, 1978; and (7) $30,000,000 for the fiscal year ending September 30, 1979".

SEC. 2. (a) Section 5 of the Act entitled "An Act to encourage travel in the United States, and for other purposes", approved July 19, 1940 (16 U.S.C. 18d), is amended to read as follows:

"SEC. 5. For the purpose of carrying out the provisions of this Act, there are authorized to be appropriated not to exceed $2,500,000 for the fiscal year ending June 30, 1976; $625,000 for the transition period of July 1, 1976, through September 30, 1976; $2,500,000 for the fiscal year ending September 30, 1977, and $2,500,000 for the fiscal year ending September 30, 1978.".

(b) The first section of such Act of July 19, 1940 (16 U.S.C. 18) is amended to read as follows: "That the Secretary of Commerce shall encourage, promote, and develop travel within the United States, including any Commonwealth, territory, and possession thereof, through activities which are in the public interest and which do not compete with activities of any State, city, or private agency.".

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to insert their remarks in the RECORD concerning the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 8121, DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1976

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 564 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 564

Resolved, That during the consideration of the bill (H.R. 8121) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clause 2, rule XXI, are hereby waived: title I—"Department of State"—beginning on page 2, line 3 through page 16; in title III—"Department of Commerce"—beginning on page 37, line 11 through page 41, line 11; and in title V—"Related Agencies"—beginning on page 51, line 18 through page 52, line 2, beginning on page 52, line 3 through line 9, and beginning on page 61, line 11 through page 65, line 5.

The SPEAKER. The gentleman from Illinois is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 564 permits the Committee on Appropriations to submit the 1976 appropriation bill for the Departments of State, Justice, Commerce, and the Judiciary and other related agencies for action on the House floor.

House Resolution 564 provides that all points of order against the provisions of clause 2 of rule XXI of the Rules of the House of Representatives, prohibiting unauthorized appropriations, are waived with respect to certain items for the Departments of State, Justice, Commerce, and other related agencies.

In requesting a rule from the Rules Committee, the distinguished chairman of the Appropriations Subcommittee on State, Justice, Commerce, and Judiciary indicated that waivers were necessary on the following items.

First. Title I, Department of State, has not yet been authorized. H.R. 5810, which would amend the Foreign Service Buildings Act and authorize appropriations for the acquisition, operation, and maintenance of buildings abroad, passed the House on May 6 and is pending in the Senate.

H.R. 7500, which would authorize appropriations for the other items in title I was passed by the House June 23 and referred to the Senate for consideration.

Second. The authorization bill (S. 1542) for the Maritime Administration, included in title III of the bill, is presently in conference.

Third. Several items included in title V, related agencies, have not yet been authorized for fiscal year 1976. The authorization measure for the Arms Control and Disarmament Agency, H.R. 7567, has been reported to the House. Bills providing authorization for the Board for International Broadcasting and the U.S. Information Agency are still to be considered by the International Relations Committee.

Mr. Speaker, in the interest of an orderly legislative procedure, I urge that we waive points of order for lack of authorization.

The total amount recommended in the bill in new obligational authority is $5,675,330,000 for fiscal year 1976 and $1,500,956,000 for the transition quarter. The amount recommended is a decrease of $94,099,400 from the total appropriated for the current fiscal year including funds contained in the Second Supplemental Appropriation Act, 1975.

There is an increase in the fiscal year budget of $100 million for direct business loans for the Small Business Administration as well as an increase of $100 million for nonphysical disaster loans.

Appropriations are also made in the bill for the Arms Control and Disarmament Agency, the Commission on Civil Rights, the Equal Employment Opportunity Commission, the Federal Trade Commission among other agencies.

Mr. Speaker, I urge the adoption of House Resolution 564 in order that we may discuss and debate H.R. 8121.

Mr. Speaker, I yield to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, as has been noted there are a number of items in the appropriation bill to be considered today which have not been authorized.

This rule, House Resolution 564, waives points of order against specified sections of the bill for failure to comply with clause 2, rule XXI, which is the rule prohibiting unauthorized appropriations. Among the provisions in this bill which lack authorization are all of the items in title I—Department of State. H.R. 5810, the authorization for the acquisition, operation, and maintenance of foreign service buildings abroad, passed the House on May 6 and is pending in the Senate. H.R. 7500, which would authorize appropriations for the other items in title I, was passed by the House on June 23, and is now in the Senate.

The authorization bill, S. 1542, for the Maritime Administration, included in title III of the bill, is presently in conference.

Several items included in title V, related agencies, have not yet been authorized for fiscal year 1976. The authorization measure for the Arms Control and Disarmament Agency, H.R. 7567, has been reported to the House. Bills providing authorization for the Board for International Broadcasting and the U.S. Information Agency have not yet cleared the House.

Mr. Speaker, if we are going to proceed with this appropriation bill, then we must have the waivers in this rule.

Mr. Speaker, I have no requests for time.

Mr. MURPHY of Illinois. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DEL CLAWSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 395, nays 6, not voting 32, as follows:

[Roll No. 357]

YEAS—395

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Frenzel
Frey
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell Md.
Mitchell N.Y.
Moakley
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman Tex.
Patten, N.J.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Weaver
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zeferetti

NAYS—6

Bauman
Hansen
McDonald
Rousselot
Steiger, Wis.
Symms

NOT VOTING—32

Ambro
Anderson, Ill.
Andrews, N.C.
Beard, Tenn.
Broomfield
Clausen, Don H.
Collins, Ill.
Conlan
Conyers
Diggs
Duncan, Tenn.
Erlenborn
Forsythe
Fraser
Fulton
Fuqua
Jarman
Karth
Lujan
Meyner
Moffett
Mosher
Patterson, Calif.
Roberts
Ryan
Seiberling
Sikes
Stephens
Waxman
Whalen
Wolff
Zablocki

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Zablocki with Mr. Seiberling.

Mr. Ambro with Mr. Ryan.

Mr. Wolff with Mr. Conyers.

Mr. Karth with Mr. Andrews of North Carolina.

Mr. Diggs with Mr. Moffett.

Mr. Fulton with Mrs. Collins of Illinois.

Mr. Fuqua with Mr. Anderson of Illinois.

Mr. Sikes with Mr. Beard of Tennessee.

Mr. Stephens with Mr. Broomfield.

Mr. Waxman with Mr. Don H. Clausen.

Mr. Roberts with Mr. Conlan.

Mr. Fraser with Mr. Duncan of Tennessee.

Mr. Forsythe with Mr. Erlenborn.

Mrs. Meyner with Mr. Jarman.

Mr. Mosher with Mr. Lujan.

Mr. Patterson of California with Mr. Whalen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON COAST GUARD AND NAVIGATION OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Coast Guard and Navigation of the Committee on Merchant Marine and Fisheries be permitted to sit today during the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1976

Mr. SLACK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8121) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes. Pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, the time to be equally divided and controlled by the gentleman from Michigan (Mr. CEDERBERG) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8121, with Mr. VANIK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from West Virginia (Mr. SLACK) will be recognized for 1 hour, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 1 hour.

The Chair now recognizes the gentleman from West Virginia.

Mr. SLACK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we submit for your consideration this morning the bill, H.R. 8121, making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976.

The hearings on this bill started on February 25 and were completed on May 21. They are contained in 8 volumes, with some 7,000 pages of printed material.

We have examined the estimates in considerable detail, and have assembled what we believe to be a balanced bill.

Mr. Chairman, since there are some 100 separate appropriation items, I should like at this time to summarize the committee's recommendations.

Mr. Chairman, the total amount recommended in the bill in new obligational authority for fiscal year 1976 is $5,675,330,000, which is $73,422,600 more than the budget estimates. It is, however, a decrease of $94,099,400 from the total appropriations for the current fiscal year, including funds contained in the Second Supplemental Appropriation Act, 1975.

The decrease from appropriations for the current fiscal year is due to lower budget estimates in three categories: Law Enforcement Assistance Administration, $117 million; ship construction subsidies of the Maritime Administration, $80 million; and no budget estimate for the job opportunities program, $125 million.

The increase of $73,422,600 above the budget estimates for fiscal year 1976 is due to the addition of capital for the Small Business Administration—$100 million is for 7(a) direct business loans, and $100 million is for nonphysical disaster loans. Mr. Chairman, the budget proposed such amounts for later transmittal, contingent on the enactment of legislation to provide full cost recovery. These amounts are included in the overall totals of the President's budget for fiscal year 1976. However, specific requests have not been transmitted to the Congress.

With respect to requests for "Space and services", the committee recommends a reduction of 10 percent in payment of the "standard level user charge" to the General Services Administration.

Title I of this bill is concerned with the Department of State. The budget estimate for fiscal year 1976 totals $854,662,000. The committee recommends $801,282,000, which is $38,888,000 more than the appropriation for 1975 and $53,380,000 less than the estimate for fiscal year 1976.

Funds requested for a passport modernization program have not been allowed since authorization for that program was not included in the authorization bill for the Department of State, which passed the House on Monday of this week.

Funds in the amount of $22,212,000 for UNESCO were deleted. Public Law 93-559 prohibits payments to UNESCO until the President certifies to Congress that UNESCO has adopted policies consistent with its objectives and has taken concrete steps to correct its recent actions of a primarily political character.

Title II, Mr. Chairman, concerns the Department of Justice. The committee recommends for fiscal year 1976 $2,083,387,000. This is $43,464,000 less than the total appropriated for 1975 and $32,510,000 below the budget estimate for 1976.

Under the item, "Immigration and Naturalization Service," we have included in this bill $208 million, an increase of $26,680,000 over the 1975 appropriation. This amount will permit INS to employ 750 additional people, as requested in the budget, for the alien documentation project, improving the border patrol capability, detention and deportation, reducing adjudication backlogs, improving records response, and reducing the naturalization backlog. The amount also includes funds requested for a study of the illegal alien population, research and development, automation of the master index, detention and border facilities, and interior repatriation.

Under the "Federal Prison System," the bill contains $230,635,000 for fiscal year 1976. This is an increase of $8,345,000 more than the total appropriation for 1975.

Under "Buildings and facilities," $12,560,000 is recommended for improvement of existing facilities. There has been some question about the capacities of Federal prison facilities and whether they are being fully utilized. The committee intends to review this matter thoroughly and at the present time has passed over without prejudice the request for construction funds, pending the outcome of this review.

For the "Law Enforcement Assistance Administration," the committee recommends $769,638,000. This amount is $117,533,000 less than the 1975 appropriation. Of the total amount provided, $40 million is made available for the law enforcement education program, the same as the 1975 level, and $40 million is provided to carry out title II of the Juvenile Justice and Delinquency Prevention Act of 1974.

Moving along to title III of the bill, which concerns the Department of Commerce, the bill provides a total of $1,484,834,000 in new budget authority for fiscal year 1976. This amount is $17,943,000 below the budget request and $114,580,000 less than the 1975 appropriation.

For the Economic Development Administration, the committee recommends $313,880,000. The bill includes $290 million, the full amount requested for titles I, II, III, IV, and IX of the Public Works and Economic Development Act of 1965 and title II of the Trade Act of 1974. I will ask the Members to refer to page 20 of the report for the breakdown in dollars for these various titles.

Under the item, "Domestic and International Business Administration," a total of $61 million is included in the bill. It provides for promoting the growth and competitive position of our industry in domestic and international markets. The amount includes $4,962,000 and 141 positions for restoring and maintaining export promotion activities at a level comparable with the current fiscal year. The committee recommendation will provide the resources for 12 trade and industrial exhibits, 67 major trade center shows, 925 trade center specialized events, 53 trade missions, and 62 special trade promotion activities.

In addition, the committee allowance includes $1,146,000 and 53 positions to maintain the total field operation activity at the 1975 level of 346 positions, and $8,411,000.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. SLACK. Yes, I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I rise in support of H.R. 8121, the Departments of State, Justice, and Commerce, the judiciary and related agencies appropriation bill, fiscal year 1976. Our subcommittee worked carefully for many long hard hours in studying the requests addressed in this bill. I believe that we have made a good response to the national needs represented by the appropriations we are recommending.

As I have with other appropriations bills that we have been considering this week, I want to focus attention on some provisions of this bill which are of particular interest to citizens of the countryside. I intend to deal specifically with economic development and foreign trade promotion provisions of the Department of Commerce title, the Law Enforcement Assistance Administration appropriation for the Department of Justice, and the funds recommended for the Small Business Administration.

There is a sharp and encouraging contrast, for the most part, in the distribution of funds between metropolitan and nonmetropolitan areas in the programs for development in this bill and in the three we have already approved.

One of the most important agencies working to help communities with their development programs has been the Economic Development Administration. EDA is organized to aid communities, small towns, and cities that do not have sufficient resources alone to do the job they need done in public facility and job opportunity programs. During fiscal year 1974 EDA spent $239.1 million for this purpose. Of this amount, $139 million, or 58.1 percent, was used in countryside regions.

In fiscal year 1974 the Small Business Administration, for which we are making appropriations today, spent $2.08 billion for business and industrial and disaster assistance. Of this amount $878.9 million went to countryside areas. The money spent in metropolitan areas was 35.6 percent of that outlaid by SBA in the last fiscal year.

While EDA's percentage of funds used in the countryside in fiscal year 1974 was 58.1 percent, the fact that SBA's spending was so much greater than EDA's and SBA spent less in the nonmetropolitan areas resulted in reducing the total development program spending under this appropriations to 37.9 percent.

The response of these two agencies to the needs of the countryside has been encouraging.

That observation cannot be made about the manner in which the Law Enforcement Administration of the Department of Justice has allocated its funding. Since fiscal year 1972, when 13.3 percent of the LEAA funding was used for the countryside, the aid given nonmetropolitan areas has been declining steadily. By fiscal year 1974, when LEAA spent $794.2 million, the funds going to the countryside had dropped 42.1 percent below the level of 2 years earlier.

The activities of EDA, SBA, and LEAA are clearly directed at community development. But, there is a fourth program in this bill before us today that is also important to the economic strength of the Nation. It is the trade export promotion program of the Domestic and International Business Administration of the Department of Commerce. Nonmetropolitan areas have a very real stake in international trade for many of their businesses and industries are made stronger by exporting their products to foreign consumers.

My own State of Arkansas earns approximately a billion dollars a year from exports of manufactured and agricultural products.

In 1974 we saw the American dollar eroded by one of the largest balance-of-trade deficits in the history of the Nation. A balance-of-trade deficit stimulates inflation because it devalues our dollar. Because of American dependence on foreign oil, which requires huge expenditures, sales of U.S. products in international trade are essential.

Next to the establishment of a national energy policy designed to achieve energy independence, the establishment of an aggressive foreign policy is the most critical problem facing us today.

The Council on International Economic Policy, in its annual report on the international economic situation last March, said:

> It is clear that the Federal Government has a major role in facilitating and improving the operation of the market for U.S. exports.

Despite this, the President recommended deep, slashing costs in funding for export trade promotion. Our subcommittee has, for the most part, rejected those suggestions. It is my hope that adoption of our recommendations will be a clear signal to the administration that Congress means for our Nation to carry on a creative, innovative and vigorous foreign trade promotion program.

Mr. SLACK. Mr. Chairman, the next item under the Department of Commerce is "Minority Business Enterprise." The bill includes $49,850,000 for the program of fostering, promoting, and developing minority business enterprise. During the past year the investigative staff conducted an investigation of the effectiveness of this program.

The investigative report, which is published in part 4 of the hearings, concludes that that program has been largely unsuccessful. It recommended that certain alternatives be considered. Those alternatives are set forth on page 22 of the report which accompanies this bill.

The committee believes that the findings are of serious concern and merit the attention of the appropriate legislative committees. Consequently, the committee's recommendation does not allow any of the $2.7 million in program increases, but does provide funds to maintain the program at about its 1975 level.

Title IV, which concerns "The Judiciary," is next. The budget requests for the judiciary are submitted to the Congress without revision by the Office of Management and Budget in accordance with the Budget and Accounting Act of 1921, as amended.

The committee recommends $330,025,000 in this area, $16,572,400 less than the request, but $18,598,600 more than the funds appropriated for fiscal year 1975.

I might say that much of the increase over 1975 is for implementation of the Speedy Trial Act. Details of the committee's action with regard to the judiciary are set forth in the report beginning on page 26.

Finally, Mr. Chairman, title V deals with related agencies.

The bill includes $975,802,000 for 16 related agencies. This includes 12 agencies which have been carried in the bill previously, plus the Federal Communications Commission, the Federal Trade Commission, the Renegotiation Board, and the Securities and Exchange Commission.

The total included for fiscal year 1976 is $6,458,000 more than the amount provided for fiscal year 1975. The details with regard to the appropriations for the various related agencies are set forth beginning on page 32 of the committee report.

Finally, Mr. Chairman, may I say that the members of this subcommittee have shared equally in the work of preparing this bill. The members are the Honorable NEAL SMITH, of Iowa; the Honorable JOHN FLYNT, of Georgia; the Honorable BILL ALEXANDER; the Honorable YVONNE B. BURKE, of California; the Honorable JOSEPH EARLY, of Massachusetts; the Honorable ELFORD CEDERBERG, of Michigan, the ranking minority member; the Honorable MARK ANDREWS, of North Dakota; and the Honorable CLARENCE MILLER, of Ohio.

We have shared the workload of the subcommittee, and every member certainly has shared the responsibility. I commend them for their practical and realistic approach to the many items contained in this bill, and I am extremely grateful for their cooperation and for the diligent work.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SLACK. Yes, I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I noticed among the agencies to which contributions are made from appropriations under this bill is the International Labor Organization, the ILO.

I read in the papers recently that the American delegation together with the delegation from Israel had walked out as a result of the decision by other members of ILO, to permit the PLO to participate as a part of that organization.

Can the gentleman tell me and tell the House what is proposed to be funded under this bill for the ILO?

Mr. SLACK. I will state to the gentleman from Illinois that the incident occurred after this bill had been marked up and printed. I intend to offer an amendment at the proper time which will cut off the funds as of June 30, 1975, which is next Monday. Under my amendment funds will remain in the bill for payment to the ILO of an arrearage as well as funds for one-half of the assessment for calendar year 1975.

Mr. YATES. Mr. Chairman, I thank the gentleman from West Virginia for that information. That does sustain the action of the American delegation in protesting the ILO action; does it not?

Mr. SLACK. That is correct.

Mr. YATES. Again I thank the gentleman.

Mr. SLACK. Finally, Mr. Chairman, I wish to compliment our very fine staff, Dempsey Mizelle and John Osthaus, on their dedication to their task, and for the very excellent work they have done on this bill.

Mr. CEDERBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is my intention to be very brief. The gentleman from West Virginia (Mr. SLACK), the chairman of the subcommittee, has covered the aspects of this bill, the report is in detail, and I am sure that if there are any questions any of the Members wish to ask that we will be glad to try to answer them.

Let me refer to one situation. There was a colloquy between the gentleman from Illinois (Mr. YATES) and the gentleman from West Virginia (Mr. SLACK), the chairman of the subcommittee, regarding the ILO. Just let me say this: The ILO has never been one of my very favorite agencies. However, I think we are faced with a rather difficult diplomatic situation if we remove the funds from the ILO at this time.

I am sure the gentleman is aware that the PLO have been given an observer's status at the ILO, and this has caused a legitimate concern in the labor movement, particularly in this country.

I have discussed the matter with our State Department and the Secretary of State, and their concern is that if we take this kind of action at this period of time when we are trying to have take place some very delicate negotiations in the Middle East, that this could be just another problem that they would rather not have.

I do not know whether the Members know this or not, but the PLO are also observers at the World Health Organizations. If we are going to be consistent we would have to remove our funds from that organization. They were also given observer status in the U.N. recently. If we were going to be consistent with what we do then we would also have to remove our funds from the United Nations.

There are a couple of world agencies also where they have observer status.

My only plea in this regard is that we be very, very careful and cautious as to what we do.

I think it is interesting that Israel itself has not removed itself from the ILO, and I think for very good reasons. Probably one of the reasons is that they feel they can be more effective by being there on the ground and participating, rather than to just take a walk. And I am sure that they have a greater reason to do that than we do.

I do not believe if we never were a member of the ILO that it would make that much difference, frankly, because if we look at the way it is constituted we will see that there are some nations that belong to the ILO that really do not have a management-labor situation existing even within their own countries. As the Members know, we have a management group that meets, and we have a labor group, and we have our government group. But in some countries under their systems of government, which is their prerogative, the government represents all, the government management, and labor. So I have always had some reservations as to the effectiveness of the organization. But at this time I think we should be very cautious. Our Secretary of State is very concerned that this kind of an action, taken now, would certainly not make it any easier for him when he is trying to do the best he can in a very difficult situation.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Michigan.

Mr. ESCH. Mr. Chairman, I appreciate the gentleman yielding to me.

Mr. Chairman, it is my understanding that the Secretary of Labor, Mr. Dunlop, along with the Secretary of Commerce and the State Department, have suggested that all of the principals involved and concerned with this matter, including the leaders of our labor movement in this country, as well as those on the management side and individuals in the State, Commerce, and Labor Departments, engage in the process of reviewing what our policy and future direction should be.

It is for that reason alone that I should think that it would be wise if Congress could postpone its action until that group, which represents all of the various principles involved, could meet and come up with recommendations.

Mr. CEDERBERG. I certainly agree with my colleague from Michigan.

I just think that it would be an action taken by the House of Representatives that would really accomplish very little and would cause more problem with the negotiations that are under way there than the removal of our funding of the ILO is worth.

Mr. Chairman, I reserve the balance of my time.

Mr. SLACK. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I would like to commend the chairman of the committee, the gentleman from West Virginia (Mr. SLACK) as well as the other members of the committee, for the diligence and detail with which they have handled this appropriation bill. I appreciate having had the opportunity to serve as a member of that subcommittee.

During the hearings on the judiciary, I raised the question of whether or not separate hearings in the committee and separate floor consideration on appropriations for the judiciary should not be appropriate.

It has become increasingly obvious to me that the present situation wherein appropriations for the judicial branch of our Government are considered along with appropriations for the Department of State, the Department of Commerce, and the Department of Justice both in the Committee on Appropriations, and on the floor of the House should no longer obtain, and that appropriations for the judiciary should be considered separately.

The reasons for this are both theoretical and practical. The constitutional framework within which our Government operates consists of three separate and distinct branches, branches which are coequals. It would seem incumbent upon us to recognize this division of responsibility whenever and wherever possible and to pay more than lip service to the concepts embodied in such a division. Recent trends in congressional thought have tended to emphasize the role of Congress as a branch of Government coequal with the executive branch. I find myself in agreement with such trends but I believe that if we are to demand of ourselves and others coequality, then we must be willing to grant the same status to the judicial branch. A change in our present treatment of the judiciary in our appropriations process would be a significant and appropriate step in that direction.

Arguments of a more practical nature can also be put forth to support the idea of separate consideration of appropriations for the judiciary. The 1976 budget submitted by the President calls for an appropriation of $347,345,000 for the judiciary whereas in 1974 the amount appropriated reflects an increase in 2 years of over 60 percent, and if present legislative and judicial trends continue along present lines then increases of a similar nature can be expected in the immediate future.

We in Congress have come to rely on the Federal court system to act as arbiter in many new areas and recent decisions by the courts have also tended to increase the workload of the courts. In an article titled "The Expanding Jurisdiction of the Federal Courts," by Orrin G. Judd, U.S. District Court Judge for the Eastern District of New York, in the American Bar Association Journal of August 1974, Judge Judd notes nine separate and distinct areas wherein Congress has placed additional burdens on the courts and increased its workload substantially. These areas range from the National Environmental Policy Act, 42 U.S.C. 4332 to a new criminal statute, 18 U.S.C. 1955, which makes large scale gambling a crime and has resulted in several multidefendant indictments.

Chief Justice Burger in his annual report on the state of the judiciary, notes that overall, the work of the Federal court system has increased in filings alone by more than 45 percent in the last 10 years and that while in 1964 approximately one-third of all persons convicted by trial appealed, in 1974 almost three-fourths of these convicted appealed.

It appears clear to me then, that the Federal judiciary is not only entitled to separate consideration in our appropriations process by virtue of the status granted to it by the U.S. Constitution but also because the present day situation of the judiciary with its growing needs and responsibilities demands such separate consideration.

Mr. CEDERBERG. I yield to the gentleman from Maryland (Mr. BAUMAN) 2 minutes.

Mr. BAUMAN. Mr. Chairman, I take this time to note for the RECORD that the savings accomplished by this committee certainly are commendable but we ought to look at the figures in the context of the continuing resolution which the House considered some weeks ago. At that time I objected to the inclusion of general appropriations in a resolution for continuing appropriations which in effect prevents Members from making points of order against provisions which would ordinarily be subject to parliamentary objection.

In this particular bill the committee has come up with a total figure of appropriations which are said to be $94 million less than the fiscal year 1975. But a request for $125 million is not contained in this bill, which request would have financed the job opportunities program of the Economic Development Administration in the Department of Commerce. These funds actually would have remained in this bill I assume had we not passed the continuing resolution. If this is taken into account, the total of the bill is increased over last year.

I am pleased to see the committee took this previous appropriation into account and adjusted the bill accordingly, but it does underscore the rather devious and I think regrettable device of using a continuing resolution for new appropriations rather than permitting appropriate subcommittees of the Committee on Appropriations from dealing with these matters in the course of regular parliamentary procedure.

I do not think it is any criticism of the Appropriations Committee, but it seems to me if our new budgetary process is to work at all, the authorizing committees are going to have to do a much better job than they have been doing. I opposed the rule on this bill not necessarily because I opposed the bill but because fully half the bill is now protected from points of order simply because the authorizing committees are not acting in time to bring out authorizing legislation.

On both points I commend this subcommittee for its activities but I did not want the occasion to pass without noting this.

Mr. SLACK. Mr. Chairman, I yield 5 minutes to the able gentleman from California (Mr. JOHN L. BURTON).

Mr. JOHN L. BURTON. Mr. Chairman, I thank the chairman for yielding.

I would like to address my remarks to the Small Business Administration portion of the budget. I have found in my brief time here that the Small Business Administration, notwithstanding the clear language in the law that was adopted 2 years ago on an amendment offered by the gentleman from Louisiana (Mr. Treen), have refused to make loans available to people who are involved in small agricultural businesses because they claim they do not have that authority. They feel they do not have that authority because they have determined themselves that they do not have that authority, citing a provision of the Small Business Act that deals with nonduplication, which says the SBA should not be making loans where other agencies of the Federal Government are making loans.

However, the law then goes on to state that if such loans are being denied by such other agencies responsible for such work due to administrative withholding from obligations or withholding for apportionment or due to administratively declared moratorium, then for the purposes of this section no duplication shall be deemed to have occurred.

I represent a couple hundred dairy farmers in western Marin County and the southern parts of Sonoma County in California who are under an Environmental Protection Agency mandate to build water pollution control facilities to stop the polluting runoffs from going into the creeks and going into the bay.

Clearly under the law the Small Business Administration has the authority to make loans to these small businesses to meet governmentally imposed standards, be they OSHA or be they environmental protection standards; but because there is also language in the Farm Home Administration that provides for authorized coverage to meet some of these problems, they have felt that to make loans to these small farmers would be duplicative.

I have investigated every section of the law, where FmHA has this responsibility, I have found they have not the funds to meet this responsibility, nor have they exercised the responsibility where they had funds.

Clearly the language of the amendment of the gentleman from Louisiana (Mr. Treen) would and should prevail.

I talked to Mr. Kleppe, former member of this body, now the Administrator of SBA. When I questioned him on this, he said SBA had reached a memorandum of agreement with the Department of Agriculture that they would not get involved in any agricultural loans for small agricultural businesses. When I asked for a copy of that memorandum, we found out it was not a memorandum. It was an internal administrative decision by SBA.

Then when I asked what his response was to the Treen amendment—and I wish the gentleman (Mr. Treen) was here; if he does come to the floor during debate on this bill, I am sure he will verify this—Mr. Kleppe said that the legislative intent was that the Treen amendment was limited only to the problems that the gentleman from Louisiana (Mr. Treen) had with some fish harvestors in his district. The gentleman from Louisiana (Mr. Treen) clearly said it was not the intent of his amendment, that it was meant to have broad application, because that was the way the amendment was agreed to, because he did not feel it would be proper, nor did the Members of the committee of this House or of the Senate feel it would be proper to limit this to just one segment of the agricultural economy.

So notwithstanding the clear Federal intent, notwithstanding the clear need, the Administrator of this program has determined he is not going to do anything until Congress stands, I guess, with a gun at his head.

I commend the committee for the language in the report on page 39 that attempts to deal with this problem of showing legislative intent by stating the problems that the dairy farmers have had with the Environmental Protection Agency, with the fact that the FmHA has not made these loans available and SBA has not made loans available due to the nonduplicative considerations the committee sets out.

As I said before, the amendment of the gentleman from Louisiana (Mr. Treen) and the committee reports states its feelings properly and this is the legislative intent, that if there are not funds available under one program and if an individual is under a mandate of the Federal Government to take some action, certainly if a loan is rejected in one governmental agency for a loan, then certainly the nonduplication position is not met and that the SBA is authorized and can duly make those loans.

I would direct a question to the gentleman from Iowa (Mr. Smith), who was on both the Committee on Appropriations and on the Small Business Legislative Committee.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SLACK. Mr. Chairman, I yield the gentleman from California an additional 5 minutes.

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentleman for yielding.

I would ask the gentleman from Iowa (Mr. Smith), if the language in this report does not reflect congressional intent to let SBA know that when people are denied loans elsewhere to meet the environmental protection standards, that they would not be in violation of any statute or congressional intent if they made these loans and they would, in fact, be in violation of congressional intent if they deny such loans.

Mr. SMITH of Iowa. Mr. Chairman, if the gentleman will yield, I think clearly the Treen amendment clarified the intent of Congress, which all along has been that SBA was to make these loans, provided nobody else is making them. The language in the report accompanying this bill is designed to further this situation.

If we did not want SBA to make such loans, we would not have given them the authority to make them to start with. The fact is, the Federal Government ordered people to do certain things, and so it was felt, coincidentally, that the Government should provide some kind of financial assistance to meet these standards in the event they needed it.

The SBA was told to make loans provided no other Federal agency had the money available. In the case of my constituents, the FHA could make the loans if they wanted to or had the funds. The fact of the matter is FHA is not making such loans, so it is a clear-cut case that the SBA is supposed to make them.

So, the Treen amendment of last August should have clarified it once and for all, but SBA still takes the position that they should not make the loans. This report language is designed to further clarify that situation.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, we are very much concerned with this in the committee chaired by the gentleman from Iowa (Mr. Smith). One of the problems seems to be that the FHA will not loan money unless regular commercial credit has been refused. This is troublesome, because in order to get any money from FHA, one has to be in trouble financially.

Perhaps the Treen amendment does not make quite clear enough that the loan may be given when it is needed to comply with a government requirement. We are not talking about ordinary business difficulties, such as those FHA might be concerned with, we are talking about mandated Government regulations or requirements. Perhaps we need some legislation that would make that more clear.

Mr. JOHN L. BURTON. I thank the gentlewoman. I do know that the Committee on Small Business is considering legislation that would absolutely state that if somebody is in small business, whether they be in small agricultural business or small commercial business, if they do not have a loan granted to them by other governmental agencies, if they otherwise qualify they would be eligible for loans. I would read from the section 8 of the Small Business Act, which states:

> SBA is empowered to make loans to any small business concern to meet water pollution control requirements.

It is clear to me that when I am talking about a farm operation which has been in a family for generations, where the people live on the land and work on the land—they may have one or two hired hands—they are certainly a small business. It seems inconsistent to me that SBA can make a loan to somebody to start up an ice cream factory or a cheese factory, to manufacture that product, and they cannot make a $50,000 or $60,000 or $70,000 loan to these people presently in business to help them meet a governmentally imposed environmental standard.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding to me, and I commend the gentleman for his efforts to assist the dairy farmers by trying to clarify the law as it relates to SBA's authority to make loans to the dairy farmer.

As a former chairman of the Subcommittee on Rural Development for 2 years, I say to the gentleman that the acts of the Farmers Home Administration, and the rural development effort, has been

90 percent promise and 10 percent performance. It is my considered opinion that the Farmers Home Administration should either: First, be abolished, or second, be reorganized so that it can respond to the commitment that has been made to the American people and comply with the laws of this Congress.

In the meantime, I commend the gentleman for his efforts to serve his people and to clarify the law as it relates to SBA authority.

Mr. **JOHN L. BURTON**. I thank the gentleman. I would say that when the agricultural appropriation comes up, it would be my intention also to make some remarks and possibly offer some amendments there.

When the Government mandates a certain act on people, where this Congress authorizes loans, where this Congress even appropriates money for loans, and the Agriculture Department gives the people nothing, and the Small Business says, "Well, Agriculture is supposed to make the loan," I do not think that Government should act this way. I agree with the remarks about the operation of the Farmers Home Administration.

Mr. **STEIGER** of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. **JOHN L. BURTON**. I yield to the gentleman from Wisconsin.

Mr. **STEIGER** of Wisconsin. I thank the gentleman for yielding. Mr. Chairman, I just simply was a little unclear as to what the gentleman finished saying. The SBA does in fact make loans to comply with the occupational safety and health.

Mr. **JOHN L. BURTON**. I was saying exactly that. I say they have the same authority to comply with environmental protection agency regulations, and they have not done that in the area of small agricultural businesses. So what I was stating was that SBA does have that authority. We have given that money. Yet, Mr. Kleppe, notwithstanding this language in the report, as well as the Treen amendment, has said in effect that he is not going to do anything. I think maybe they might find a better position for the gentleman from North Dakota, because he seems to be very insensitive to the problems of small businesses, especially small agricultural businesses. When you can provide loans in the hundreds of thousands of dollars to put somebody into a business somewhere and you cannot provide a loan of $50,000 to keep someone in business whose family has been in business for three or four generations on that same plot of land, it is no wonder that people are losing faith with the governmental bureaucracy.

Mr. Chairman, I would just like to commend the subcommittee for its efforts in this area and I hope that the SBA will get the message and I hope that when the agricultural appropriation bill comes up that we can give FHA a message to help these people out, because they are not living up to their responsibility to rural America.

I may say this: I represent a district of 450,000 people, and less than 500 of them are engaged in this dairy farmer process, so this is no big political issue for me in my district. But I think it is a moral issue, so far as the Congress and Government and the administration is concerned.

Mr. **DON H. CLAUSEN**. Mr. Chairman, I would like to concur in the remarks of my distinguished colleague from California (Mr. John Burton) and further emphasize the intent of the language in the committee report 94-318—page 39, which directs the Small Business Administration to approve loans to dairy farmers for pollution control facilities which are required by the Environmental Protection Agency.

As my colleague has stated, SBA has, unfortunately, administratively determined that they will not make loans available to dairymen on the grounds that they are prohibited from doing so by the duplication provison of the Small Business Act which states that—

> The SBA shall not duplicate the work or activity of any other department or agency of the federal government.

The statute goes on to state, however, that—

> If loan applications are being refused or loans denied by such other department or agency responsible for such work or activity due to administrative withholding from obligation or withholding from apportionment, or due to administratively declared moratorium, then, for purposes of this section, no duplication shall be deemed to have occurred.

The Committee on Appropriations in their report on page 39 clearly states that it is the opinion of the committee that this provision does not prohibit SBA from making loans to dairy farmers and instructs SBA not to discriminate against such enterprises.

It is vitally important to the large number of dairy farmers in our Nation that they be able to obtain this assistance. As a result of the Water Pollution Control Act dairymen must have by September 1976 pollution control facilities designed to prevent cow wastes from entering our water supplies. The dairymen in my area have told me that the cost of complying with the act could cost them $40,000 and in some cases as much as $100,000. It is obvious that these small family enterprises cannot possibly meet these expenses on their own. Without the help of loans from SBA many of these farmers will be forced to go out of business. They already face difficult economic conditions as a result of our present economic situation and these marginal enterprises will simply go under without our help. The intent of the language in the appropriations bill is clearly to direct SBA to provide this help. SBA should now move ahead quickly on the approval of these loans.

Mr. **CEDERBERG**. Mr. Chairman, we have no further requests for time, and I reserve the balance of my time.

Mr. **SLACK**. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Utah (Mr. Howe).

Mr. **HOWE**. Mr. Chairman, my purpose in commenting on this appropriations bill is particularly directed to title III of the bill.

Mr. Chairman, I certainly want to commend the subcommittee chairman and the members of his committee who have done an excellent job, I think, overall, in surveying all of these requests for some very important programs.

Mr. Chairman, under title III, the Department of Commerce section of this bill, a section is addressed there to the Regional Action Planning Commissions, which are the Federal-State Economic Development Commissions organized pursuant to title V of the Economic Development Act of 1965. There are seven of these commissions presently in existence: The New England Regional Commission; the Coastal Plains Regional Commission; the Ozarks Regional Commission; the Upper Great Lakes Regional Commission; the Four Corners Regional Commission; the Old West Regional Commission; and the Pacific Northwest Regional Commission.

I mention those because oftentimes when regional development is mentioned in this country, most people who are acquainted with the area at all are only acquainted with the effort in the Appalachian Regional Commission, which, of course, is an outstanding showcase of a Federal-State cooperative program for economic development.

The Appalachian program has, of course, received most of the economic development money, and the seven regional commissions named in this particular appropriation bill are receiving much less money and have been organized only for a slightly shorter period than the Appalachian Commission.

It appears to me that at some time we are going to have to balance this out, because there are development needs in these States, some 35 States, and it is recognized that these 7 regional development commissions are in need of the development work that has previously been done in Appalachia. These programs include an outstanding highway program, an outstanding airport development program, a fine health facilities program, vocational programs, as well as other facilities, and these programs must be extended to these other areas of the country.

That is to say nothing also, Mr. Chairman, of the severe economic development needs that we have in other States, and particularly in the urban areas that are not ordinarily touched by these programs, which are more rural in nature than they are urban.

The bill before us provides $42,068,000 for the seven regional commissions. The States contribute only one-half of the administrative costs of these commissions, so all the programing moneys are actually Federal moneys.

The breakdown in this particular appropriation would give approximately $5.9 million for each of the seven regional development commissions.

What I am saying today is that I believe we are going to have to get busy and work carefully on the authorizing committee, on which I have the pleasure of serving as a member of the Subcommittee on Economic Development of the Committee on Public Works and Transportation of this body. I feel we are going to have to do our homework in providing the program authority and the rationale for increasing the appropriations for these regional development commissions in years to come.

Indeed there are many who feel those commissions ought to be more in an independent and separate category, as the Appalachian Commission is, with a separate authority. We have passed that bill, the Appalachian bill, of course, in this body, and it is now in the other body awaiting their action.

So, Mr. Chairman, in conclusion, I say that I think the committee has done an excellent job in maintaining approximately the same appropriation level for the regional commissions as last year. More could be used. I think this amounts to a slight increase of about $3,500,000. When divided among the seven commissions, it does not give us a great deal more to work with, but it does give us an opportunity to maintain the program. We will need to look forward to a new jump in funding, I think, for these regional commissions in the near future if we want them to accomplish the purpose we set out for them in the Economic Development Act of 1965.

Mr. SLACK. Mr. Chairman, I yield 3 minutes to the distinguished gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Chairman, I thank the distinguished chairman of the subcommittee, the gentleman from West Virginia (Mr. SLACK), for yielding this time to me.

I have some questions to ask with respect to the provisions contained in H.R. 8121, under which the Attorney General may spend funds and account for them solely on his certificate.

With respect to the Federal Bureau of Investigation, the Attorney General may expend an amount not to exceed $70,000 to be accounted for solely on his certificate. That is found on line 1 through line 3 of page 21 of the bill.

I also see further down on the same page, with respect to the Immigration and Naturalization Service, an amount of $50,000 which again can be expended under the direction of the Attorney General and accounted for solely on his certificate.

The Attorney General is also permitted to spend $70,000 in connection with the Drug Enforcement Administration and $30,000 in connection with legal activities and account for these expenditures only by his certificate. The total is $220,000.

My concern, Mr. Chairman, is this: What scrutiny does the subcommittee give to the expenditure of these amounts to insure they are in fact expended in accordance with the provisions and purposes of this title?

Mr. SLACK. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I am pleased to yield to the distinguished chairman of the subcommittee.

Mr. SLACK. First, Mr. Chairman, may I cite the authority in the law with regard to the $70,000 that the gentlewoman referred to at the top of page 21 of the bill. That authority for this provision is 28 U.S.C. 537, and I quote from that as follows:

> Appropriations for the Federal Bureau of Investigation are available for expenses of unforeseen emergencies of a confidential character, when so specified in the appropriation concerned, to be spent under the direction of the Attorney General. The Attorney General shall certify the amount spent that he considers advisable not to specify, and his certification is a sufficient voucher for the amount therein expressed to have been spent.

In direct response to the comments of the gentlewoman from New York (Ms. HOLTZMAN) with regard to what I have just read, this money is used for the purchase of information and other emergencies of a confidential character in pursuit of investigations by the FBI.

Ms. HOLTZMAN. Mr. Chairman, I wonder whether I might pursue this because, although I have confidence in the present Attorney General, there have been times in the past where I must confess that I did not have any confidence in the Attorney General—and with good reason since the past two were convicted of criminal acts.

I am concerned as to what safeguards there are for the committees of Congress which authorize and appropriate this money and for the taxpayers to insure that these funds are, in fact, spent for legitimate law-enforcement purposes. That is not to say, Mr. Chairman, that they have not been so spent, but what assurances do the taxpayers and the Congress have that these funds are, in fact, appropriately spent for legal and legitimate purposes?

Mr. SLACK. My only response would be that under the authority of the law that was cited, all that is required is a certification from the Attorney General.

The CHAIRMAN. The time of the gentlewoman from New York (Ms. HOLTZMAN) has expired.

Mr. SLACK. Mr. Chairman, I yield 3 additional minutes to the gentlewoman from New York (Ms. HOLTZMAN).

Mr. SMITH of Iowa. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. Yes; I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I would like to point out to the gentlewoman from New York that one important factor is the assurance that the informant will not be betrayed. If informants are betrayed, they will find themselves at the bottom of the ocean somewhere, and we will not get any more information. Therefore, we have to rely on the Attorney General or somebody, and I do not know of anybody better than the chief law enforcement officer of the United States.

Ms. HOLTZMAN. If the gentleman will allow me to respond, my concern is not that the Attorney General cannot protect the confidentiality of some information—obviously he can and should. But there is no way under this law that we can assure ourselves or the taxpayers that this money is, indeed, being spent legally or for legitimate and needed law-enforcement purposes. That is my question to the gentleman: How do we know what this money is actually being spent for?

Mr. SMITH of Iowa. If the gentlewoman will yield further, we take the word of the Attorney General. He is the chief law enforcement officer of the United States.

I say that the only substitute for the present arrangement would be to let other people have the information, which could lead to the betrayal of the informant. Although it would be nice to have full information spread on the record and let other people share in it, any possible benefits are more than offset by the dangers to the informants.

Ms. HOLTZMAN. We have had one Attorney General—Mr. Mitchell—recently convicted for perjury and conspiracy to obstruct justice and another—Mr. Kleindeinst—for refusing to answer pertinent questions before the Senate.

In light of this record, it is a little difficult to insist that the word of an Attorney General is sufficient.

I would respectfully suggest that the subcommittee examine these items to see whether or not these amounts are actually spent for the purposes for which they were intended. That may not involve scrutiny of payments to every informant, but there ought to be some check to see that the money is being appropriately and legally spent.

Mr. MAHON. Mr. Chairman, I understand that later in the debate an amendment will be offered which will prohibit any negotiations that would result in the surrender or relinquishment of any U.S. rights in the Panama Canal Zone. I am in sympathy with the objective of this amendment but I must point out that, in my opinion, this bill is not the vehicle that should be used to determine U.S. policy with respect to the Panama Canal. This is an appropriation bill and a major foreign policy issue such as this amendment proposes should be the subject of the appropriate legislative committee, and not just tacked on as an amendment to an appropriations bill.

I am unalterably opposed to giving away the Panama Canal. I have made my position clear on this matter on many occasions.

I trust that the discussion today in regard to this matter will be a signal to the administration and the Department of State that the Members of the House of Representatives strongly oppose any move that would bring about the loss to the United States of our rights and prerogatives in the Panama Canal Zone. I cannot vote for the proposed amendment because of the procedural reasons I have stated. But I do believe that discussion of this matter is in the best interest of the United States and I trust that the sentiment in support of it expressed in the House of Representatives today will be heeded by the executive branch of the Government of the United States.

Mr. BADILLO. Mr. Chairman, the public concern about our Nation's immigration policies, specifically the issue of illegal aliens now residing in the United States, is prompting increasing pressure on the Congress for legislative action. In large part, this heightened public awareness and concern is closely related to our poor economic situation and the unavailability of jobs. As a result the problem of illegal aliens has gained new importance and meaning.

As a member of the Spanish-speaking community, I am acutely aware of the many faceted problem illegal aliens and the great impact any legislation will have in our community. Many of the 15 million Spanish origin people have close friends or relatives that face deportation daily. Many of the individuals have lived here several years and have established new productive lives. Any approach to this problem must be humane to people who have strong ties to this country but lack the proper papers.

Beyond doubt, the Congress must address the question of illegal aliens. I concur with my colleagues who have called for immediate legislative action to resolve this issue. However, in our efforts to deal with this issue, Congress must not allow illegal aliens to become scapegoats. Nor, should the Congress compound the exploitation and discrimination which these human beings already experience. It is my hope that, given the present atmosphere of intensified public interest, attention, and concern, the Congress will seize this opportunity and act with wisdom and fairness.

My distinguished colleagues on the House Judiciary Committee, Chairman RODINO and Mr. EILBERG, have introduced legislation designed to resolve the illegal alien question. Their bill, H.R. 982, which imposes penalties upon those who employ illegal alients, is not a bill I can support in its present form. I applaud their initiative and continued interest. It is my sincere hope that we may work together to resolve the many different opinions on this matter and secure the passage of a bill in the very near future.

It is in this spirit that I yesterday introduced legislation which reflects the interests and concerns of many members of the Spanish-speaking community. My bill, H.R. 8194, the Immigration Status Adjustment Act of 1975, and H.R. 8195, the Immigration Equalization Act of 1975, would establish a different approach to the problems of illegal immigration. I hope that my colleagues on the Judiciary Committee will review this legislation and consider its provisions when they begin to mark up legislation on this important question.

In addition, I have advocated, along with other Hispanic community leaders, that the Immigration and Naturalization Service conduct a study of the illegal alien problem. I am gratified to note that in today's State, Justice, Judiciary appropriations, H.R. 8121, there is an allocation for such a study. General Chapman, Director of the INS, testified before the subcommittee of the Committee on Appropriations that the study of the illegal alien population is one of the INS's most critical needs. I concur wholeheartedly with this statement.

The study design appears in the text of the Subcommittee Hearings on the Department of Justice, Part 2, on page 959. The study will research the magnitude, distribution, flow, characteristics, and the impact of the illegal immigration on the United States. The information will be collected by reorganizing some of the Service's methods so that their statistics will provide an accurate basis to provide projections regarding the flow of illegal immigration, types of employment the individuals obtain, impact the flow has on the market, numbers receiving welfare services, and impact on the balance of payments.

It is evident by the design of the study that the INS officials have few hard facts about the scope and extent of the problem of illegal immigration. Yet, almost daily I have read and heard media accounts of General Chapman stating that there are 4 to 12 million illegal aliens, these individuals are causing the unemployment problem in our country, their children are flooding our school systems, and many are receiving welfare benefits. If General Chapman feels he must spend in excess of $1 million to define the problem, and I agree with him on this point, I also must believe that he does not presently have the facts. If he does not have the facts he should temper his inflamatory remarks to the public media. His statements have created unnecessary suspicion towards persons who appear to be of foreign origin. His inflamatory statements have contributed to a witch hunt atmosphere in many parts of the country.

General Chapman is believed to be an expert in this area and he is quoted by Members of Congress and other national leaders who are not aware of the lack of factual basis for many of his statements. I urge my colleagues not to jump to conclusions regarding the extent of illegal immigration problem and the need for far-reaching legislation at this time. We must know the facts first. I further urge General Chapman to curtail his remarks until he has a more accurate factual basis that will substantiate his statements and conclusions. The following news article which appeared in the Washington Post on February 2, 1975, is an example of the type news article that results from his statements:

ILLEGAL ENTRANTS FLOCK TO U.S.—ALIENS HARD TO COUNT

(By Lawrence Meyer)

On Jan. 9, Georgios and Athanasios Plessias were plying their trade, painting the Statue of Liberty at the union rate of $9.71 an hour, when they were arrested by federal officials. The Plessias brothers, laboring so diligently under the lamp beside the golden door, were illegal immigrants.

The previous day, Jesus Herrera-Saucedo, a Metro subway construction crew foreman, was picked up by federal immigration officials in downtown Washington. Herrara-Saucedo, a Mexican who earned $8.44 an hour, was also an illegal immigrant.

Every day, somewhere in the United States, thousands of illegal immigrants are apprehended by investigators from the Immigration and Naturalization Service—more than 800,000 last year. But at least that number and perhaps two to three times more slip into the United States without being caught, according to immigration officials.

Although when pressed immigration officials concede that no one can say with any certainty how many illegal immigrants go unapprehended or how many are living in the United States now, they estimate that 4 million to 12 million illegal immigrants already are here.

Immigration officials and members of Congress concerned about the problem variously characterize the influx of illegal immigrants as a "torrent" or a "flood," and express alarm that unless new legislation is passed and the immigration service's budget is increased, the situation will get worse.

Local public officials across the country already are complaining that illegal immigrants are straining public services, swelling welfare rolls and taking jobs away from American citizens. Neither federal law nor the laws of most states require that an individual be a citizen or a legal resident in order to receive public assistance.

The problem is so acute and resources so limited, according to immigration officials, that they lack the personnel to respond to all the tips they get concerning the location of illegal immigrants. In some instances, officials said, even when the immigrants are caught, they sometimes have to be released because the immigration service lacks the funds to send them back to their homes.

The problem, according to immigration officials, is simply out of hand. The New York metropolitan area alone, they say, harbors more than 1 million illegal immigrants. In the Los Angeles area, according to estimates, there are at least another 1 million illegal immigrants.

But these estimates are estimates only. When pressed, immigration officials concede that they really do not know how many illegal immigrants are in the United States now, how many enter each year without being apprehended, how much money in federal income taxes goes uncollected, or how much money leaves the country each year to support the families of illegal aliens working here.

During hearings conducted by a House Judiciary subcommittee in July, 1971, the Immigration Service director for the El Paso district testified that possibly a "tremendous amount of money" was being sent to Mexico. Pressed to be more specific, he said the amount was "at least several million dollars."

That same day, the Southwest regional director testified, "I feel that it in the area of a billion dollars, not millions . . ."

Leonard F. Chapman, Jr., commissioner of the Immigration and Naturalization Service, uses a variety of figures on different occasions to describe the problem.

During a recent interview in his office, Chapman said that 1.5 million to 2 million illegal immigrants are not apprehended annually. The figure could be as high as 4 million, Chapman said. He also estimated conservatively" that about $12 million a day, or about $2.88 billion annually, is leaving the United States.

In a speech in Houston last week, Chapman used a different figure. "Last year," he said, "the Immigration Service apprehended nearly 800,000 illegal aliens—equal to more than half the population of the city of Houston. Though this was 10 times the number we apprehended just a decade earlier, it was probably no more than one out of four who entered the country illegally .. ." Thus, according to Chapman's figures in Houston, the minimum number of illegal immigrants was not 1.5 million to 2 million, but more likely 2.4 million.

These figures, which Chapman conceded are only estimates, have been cited repeatedly in several news stories within the last year on the problem. Last summer U.S. News and World Report carried a four-page interview with Chapman on "How Millions of Illegal Aliens Sneak Into U.S."

The Washington Star-News ran a series last November on the issue. The magazine of the American Legion in December, 1974, carried an article on "Our Illegal Alien Problem." Also in December The New York Times ran a three-part series on illegal aliens in the New York area. ABC News "Closeup" telecast a one-hour program on "Illegal Aliens the Gate Crashers" Jan. 3.

When asked how the immigration service determines how many illegal aliens are in the United States and how many come in annually, Chapman said in an interview with The Washington Post that these statistics come from estimates for each of the 32 districts in the United States submitted by the district directors. Asked how the district directors get their estimates, Chapman responded that they have a formula, and directed a reporter to call the director for Washington.

The district director, Lavid L. Drummond, said in a telephone interview that he knew of no formula. Drummond later referred his caller to the regional office in Richmond, where more information was available.

Edward T. Sweeney, associate regional commissioner for operations for the Southeast region, said in a telephone interview: "We just went through trying to make an estimate . . . I don't think any formula existed. I'm at a loss."

S. LaVerne Jervis, public information officer for the Immigration Service, said, "There are formulas and there are formulas. But it sure isn't scientific." The estimates are based on "leads" that immigration investigators are unable to follow up, monitoring of electronic sensors used along the Southwest border with Mexico, where 80 to 90 percent of the illegal immigration comes from, local police estimates, economic conditions in the countries where the immigrants come from and "street wisdom," according to Jervis and other officials.

"It's based on the best estimates of our people in the field," Jervis said. "It's based on judgment, and how the Miami director decides how many people are in his district and how the Houston director decides just are not the same thing.

"This certainly isn't an attempt to make it seem that it's a much worse problem than it is, because that isn't the commissioner's way of doing things and it wouldn't work," Jervis said.

One source, who has had occasion to examine the immigration service's ways of measuring illegal immigration, and, "I don't think they have any plausible method for gathering statistics."

But, this source continued, "I think there's a problem." He cited the immigration service's statistics on apprehensions, which reflect a steadily and rapidly rising increase, from 201,000 in 1969 to 277,000 in 1970, to 348,000 in 1971 to 430,000 in 1972 to 576,000 in 1973 to 800,000 in 1974. "I suspect that the rise of those apprehension figures is a very real set of statistics and that it reflects something," this source said.

The Law Enforcement Assistance Administration has awarded a $48,000 contract to a private consultant to create a design to study methods that could be used for counting illegal immigrants and to measure their impact. The Immigration Service asked for $2 million in its budget request for the next fiscal year for the study.

Despite the lack of any reliable statistics Chapman and members of Congress concerned about the problem insist that it is serious. Rep. Peter W. Rodino Jr. (D-N.J.) has introduced legislation which has passed the House of Representatives twice since it was first introduced in 1972.

The Senate has never had an opportunity to vote on the bill.

Rodino's bill, which would amend present federal law to make it a crime for an employer knowingly to hire an illegal alien, has been referred to the Senate Judiciary Subcommittee on Immigration and Naturalization. The committee's chairman, Sen. James O. Eastland (D-Miss.), has not had a meeting of the subcommittee to consider the Rodino bill.

According to Chapman, Rodino's bill, although not a panacea, is a necessary item to handling the immigration problem. If the legislation passes, Chapman said, "it will result in a majority of American employers faithfully carrying out its provisions. And that will narrow it down to the small percentage of employers who act illegally . . . It will dramatically reduce the magnitude of the effort required."

In addition to the Rodino bill, Chapman said he needed about $50 million in additional money for the Immigration Service. With that much added to the $180 million authorized in fiscal 1975, Chapman said, 1 million jobs could be opened up for Americans, "attractive jobs, the kind you could get an American to do."

Rodino and Rep. Joshua Eilberg (D-Pa.), chairman of the House Judiciary Subcommittee on Immigration and Nationality, which is to hold hearings on the bill, both cited the 1 million could be opened up during a press conference called last week to dramatize the need for legislation.

With millions of Americans unemployed, they argued, the need for the legislation, serious in past years, had become critical.

When Eilberg was asked by a reporter after the press conference if he was confident of the statistics supplied by the Immigration Service, he replied, "No one knows for sure." The Immigration Service, he said, "gives us a rule of thumb that for every one that gets caught, five or six get through."

By that calculation, the number of illegal immigrants who came into the United States last year was not the 1.5 million to 2 million or the 2.4 million variously estimated by Chapman but rather 4 million to 4.8 million.

When Eilberg was asked if he was not troubled that the statistics seemed to be soft, he replied, "It doesn't matter whether it's 4 million or 6 or 8 or 12 million" if it is conceded that illegal immigration is a problem.

Then, pointing to the estimates supplied by the Immigration Service, Eilberg again asserted that 1 million jobs could be made quickly available to Americans if the Rodino bill were passed.

In any case, the prospects for the Rodino bill do not seem markedly better in this session of Congress than before. Eastland, who owns a large plantation in Mississippi and who reportedly has close ties with Southern agricultural interests, was not available for an interview. An administration source who has watched the Rodino bill in Congress discounted the prospect that Eastland would act on it.

Rodino, when asked at his press conference about Eastland, said he intended "to take this up with the senator and impress upon him the urgency of this kind of legislation."

In addition to the doubtful prospects for Rodino's bill in the Senate, the Immigration Service's budget request to be submitted to Congress by President Ford will seek only about a $30 million increase and not the $50 million Chapman had hoped for, an informed source said.

Mr. GUDE. Mr. Chairman, I note in the committee report for H.R. 8121 that the funding for the handicapped assistance loan program is set at $5 million for the direct loan part of the program and $30 million for the guaranteed loan part. Recent figures on the loans approved this year from similar levels of funding, however, suggest that this ratio of direct loan money to guaranteed loan money may not be the most beneficial for the handicapped. The most recent data indicates that the $5 million appropriated this year for direct loans is long gone, and there is currently a backlog of 27 loan applications for $2,520,000 awaiting funding. In other words, the direct loan program this year was about 50 percent short of the demand for these loans, and therefore half of next year's appropriation will be used immediately to take care of the backlog.

The guaranteed loan part, on the other hand, is a very different story. The most recent data shows only $600,000 out of the appropriated $30 million has gone for guaranteed loans. In other words, this part of the program has been practically unused.

The reason for this discrepancy between the two parts of the program is clear—it is the difference in the interest rates. The direct loans are, by law, set at 3 percent, a deliberate subsidy reflecting the determination of Congress that these loans really be meaningful to the hadicapped rather than be a program which merely gives lip service to social problems. The rate for the guaranteed loans, of course, is the prevailing rate for most SBA programs, currently slightly more than 10 percent.

Obviously with this differential the majority of businesses are going to seek the 3 percent money. What is equally significant, however, is the fact that, confronted with the long backlog and wait for direct loan funding, most businesses still have not turned to the guaranteed loan alternative. In part this is because private lenders are often unwilling to risk loans for the handicapped—which is why the program was established in the first place, and in part because the handicapped are simply unable to afford that kind of high interest rate.

Keep in mind that these are loans which are going to handicapped who own and operate their own business, not simply to firms which hire the handicapped. Such businesses, in addition to all the obstacles which all fledgling firms have when they begin, are faced with the extra problems of lack of community confidence, especially that of banks and other credit-extending institutions, the need for special equipment for the handicapped which is frequently expensive, and the extra burden the handicap itself imposes on the firm.

The purpose of the Handicapped Assistance Loan program when it was enacted in late 1972 was to provide a means whereby the handicapped could overcome these obstacles and enter into the economic mainstream rather than remain on the periphery. It is obvious from the figures I have presented, however, that of the $35 million total in the program, some $30 million of it—the guaranteed loan portion—is essentially useless under current economic conditions, while the backlog for the direct loan money demonstrates graphically the enthusiasm of handicapped businessmen for the program and the need for further funding of that part of it. A better approach, in my view, would be to keep the $35 million ceiling intact but adjust the direct loan-guaranteed loan ratio in favor of the former so as to help the program accomplish its objectives.

The Handicapped Assistance Loan program has had a difficult time of it in its brief existence. Enacted into law in October 1972, it took SBA a year to write the regulations for the program, regulations that were adopted only after considerable controversy and concern that they had been drawn so narrow as to exclude many of the people Congress had intended to assist.

Some 6 weeks after the program finally began officially on November 5, 1973, the Office of Management and Budget instructed the Small Business Administration to inform its regional offices that the program was not going to be funded because of the 3-percent rate. After considerable argument back and forth, OMB relented, thanks largely to the efforts of a senior member of the Appropriations Committee, Mr. SHRIVER.

Three months after that episode, however, the administration once again tried to effectively destroy the program by seeking the enactment of legislation to raise the interest rate. Thanks to the timely intervention of several of us in the House and the Senate Banking Committee, the legislation never came to the floor.

For the past year, the program's path has been fairly smooth. Throughout the various battles the Congress has time and time again shown its determination to support the efforts of the handicapped businessmen to establish themselves through the low-interest loans in this program. I hope that when the committee next examines the Small Business Administration and the HAL program in particular, it will give careful consideration to the idea of increasing the funds in the direct-loan part of the program.

Mr. LEHMAN. Mr. Chairman, as is so often the case with appropriations bills that come before the House, it is difficult to to single out any item with which the folks back home can easily identify. Today, however, I am quite pleased to rise in support of H.R. 8121, the appropriations legislation for the Departments of State, Justice, Judiciary, and related agencies.

I do so because of an item which is included in the Federal Trade Commission's appropriation. The dollar figure is small in comparison to the $5.6 billion aggregate figure, but it constitutes a significant increase for the FTC's condomininum investigation, an investigation which was begun over a year ago, but was suddenly suspended last March by the FTC Commissioners. The $75,000 that is contained in the bill is essential for the staff of the Bureau of Consumer Protection to resume its vital investigation into alleged unfair and deceptive sales practices that originated with the boom in condominium construction in Florida and has since spread to other parts of the country. I have faith that this clear directive will move the FTC to get on with the probe as soon as possible.

Nonetheless, while the bill specifically earmarks funds for the continuation of the inquest, I am concerned that the figure will prove to be an inflexible ceiling the FTC will place on its expenditures for the investigation. This cannot occur, and I am hopeful that the FTC will use the appropriations figure as a floor. Should the need for additional money arise, the Commission should dip into its existing budgetary resources to handle the added costs.

Mr. Chairman, our action today is another effort in surmounting a series of obstacles that must be overcome before the investigation is reopened. The issues are also legal.

Last year the Congress passed, and the President signed into law, the FTC Improvements Act—Public Law 93-637. Under the provisions of that act, the FTC is permitted to sue in court for a period that extends 3 years after the unfair or deceptive sales violation was allegedly committed. In this particular instance, the issues that would be contested in court, and must therefore be decided by the court, revolve around whether the 3-year time period begins when: first, the last person signed the lease agreement; or second, when the first person signed; or third, whether the subsequent enforcement, that is, the monthly collection of recreation and management fees constitutes the point from which the statute of limitations begins to expire. Most condominiums in Florida should be involved and would ultimately benefit from the ensuing litigation if the court concurred with the large arguments. A condominium that was subject to a leasehold but subsequently bought back its lease longer than 3 years before the filing of the first court case, would probably be declared ineligible for the purposes of recovering any restitution or compensation for the period it was subject of the long-term lease.

The recovery of damages is contingent upon the success of the initial case and would be allocated to those unit owners who were directly involved or who were the principal litigants in the respective court action. What this means to other condominium owners is that, should a FTC action prove successful, additional court action by additional condominiums could rely on Federal precedent for relief from and the abolition of the recreation lease. Thus, the FTC is an essential component in the battle against these unfair long-term leases, and could lay the groundwork for the total elimination of this type of leasehold on condominium properties.

I am pleased to add my support to these appropriations which will enable the FTC condominium investigation to go forward.

Mrs. BURKE of California. Mr. Chairman, I rise in support of H.R. 8121, the 1976 fiscal year appropriations for the Departments of State, Justice, Commerce, the judiciary, and related agencies. As a member of this subcommittee, I have spent many hours studying the wide-ranging jurisdictions of the bill. I should like to address myself to several of those areas which I feel have special meaning to a large number of Americans.

Within title II, the Department of Justice, under "General Legal Activities," is found the Civil Rights Division. The recently enacted 10-year extension to the Voting Rights Act is but one of the responsibilities of this division. Section 5 of the Voting Rights Act requires that election law changes be submitted for approval. Correspondence with the Department of Justice earlier this month indicated that of 475 total election law changes in eight of the States covered by the act, 394 had not been submitted for review. Justice officials indicated that appropriate State officials had indicated that the submissions were pending, but I believe this is evidenciary of the need to assure a vigorous effort to assure compliance with the act. The recently enacted expansion of the act makes this even more important. This bill affords the funding needed to continue this much needed work in the important area of the people's right to vote.

Department of Justice officials also state that this appropriations bill contains sufficient funding to maintain a relatively low backlog of EEOC referral cases, an area I believe to be of special importance.

The State-Justice Subcommittee also addressed itself to the question of additional Federal prison construction. I believe that this is an area where careful study must be made in order to assure the most efficient possible allocation of resources. All of us in this House, and indeed all Americans, are concerned with the mounting problem of repeat offenders, and agree that much remains to be done in improving the corrections system to assure the society that public safety is improved. The cycle of crime and the conditions which breed its rise must be addressed before a significant improvement can be made.

Within the appropriation for the Law Enforcement Assistance Administration, the committee earmarked funds for the juvenile justice problem and for the law enforcement education program. Both of these worthy areas represent sound investments into the responsibilities of the LEAA.

Title III of the appropriations bill concerns the Department of Commerce, an agency involved in numerous projects with an impact upon all segments of the American people. The Social and Economic Statistics Administration is the Commerce activity charged with the compilation of numerous statistics and data bases upon which many national decisions are made. In testimony before the committee, SESA officials spoke of their continued efforts to improve a number of their programs. I believe this exhibits an earnest commitment to better serve the Nation. Inventory figures, an item of special importance in a recession many experts speak of as "inventory created," are being improved. I believe that the funds for this purpose represent a substantial improvement in the economic data of the United States, and will allow us to avoid some of the rapid swings in business activity which have had such damaging effect upon so many millions of Americans.

Another area of responsibility for SESA is the Census Bureau. These figures, upon which many aid programs including revenue sharing are based, are constantly being refined in order to more accurately count "invisible populations" most notably present in the inner city areas. An uncounted citizen in these areas tends to be poor, in need of the very services the social programs are designed to assist. This represents a very real loss in badly needed revenue to many of the Nation's largest cities. I am confident that the SESA will continue to be aware of the importance of these "missed counts" and take steps to more accurately account for these citizens.

The Economic Development Administration is another Commerce responsibility with a wide-ranging impact upon all regions of the country. EDA projects are not solely urban projects, but rather are found throughout the Nation. I believe, especially in the current conditions of high joblessness and depressed economic growth levels, that the responsibilities of

EDA are of great importance for all regions.

The regional action planning councils provide a wide array of needed services for many of the States. Another of the Commerce programs with impact upon urban and rural areas, the RAPC's address themselves to local needs, and suggest local solutions in a manner consistent with the greater awareness that local initiative is often the way in which to get the citizenry involved. I support the RAPC's and ask that you join this support.

The promotion of exports, an item of special importance in a recessionary economy, is one of the responsibilities of the Domestic and International Business Administration of the Department of Commerce. This bill represents an increase over the budget request for these programs, but this is an addition that I feel must be made. Exports represent one of the tools with which we can get the rolls of unemployment to begin to shrink. The export generated balance of payment dollars are a very real solution to a part of the trade balance that has been so badly distorted by the appetite for foreign energy sources that the Nation has developed. The Federal and local taxes paid upon export volume are a source of revenue that all here will agree is most important in times of declining receipts. I should like to point out that the increase over the budget still sets the fiscal year 1976 appropriation at a level lower than that of the 1975 appropriation. This is an area I believe all Members, from all regions, should support.

Within the export promotion considerations of the committee was the question of "full-cost recovery" as proposed by the Office of Management and Budget. The Director of the DIBA estimated that such a program, especially in light of the manner of determining the "full cost," would result in an 85 percent reduction of the program participation of established exporters. Since exports generate more tax revenues than we appropriate for promotion by a factor of several hundred dollars to one, lowered participation in the name of recovering costs in a direct manner is a false economy. The "multiplier effects" of increased job opportunities in a widely dispersed number of cities and communities, growth in the gross national product, and the confidence in the economy such activity generates is still one more indication that we must assure that this program is not crippled with poorly constructed and counterproductive "full-cost" direct recovery language.

The Office of Minority Business Enterprise is another Commerce activity whose task has been greatly complicated and made more urgent by the recession. The recent OMBE reorientation towards survival training for those businesses started in years of greater economic promise represents a sound step toward the problems of the minority businessman and businesswoman. Criticism of the OMBE in the GAO and Appropriations Committee investigations must not be allowed to turn us away from the congressional resolve to address the problems of the minority business man and woman. Sound economics mandates that we direct the energy of the Nation towards generating opportunities for all people to become self-sufficient and to contribute to the economy. Congress has often expressed its recognition of this urgent national need.

Title V of the appropriations bill addresses itself to the related agencies. The Commission on Civil Rights has been expanded by 10 additional positions, and I believe that this is a positive response to the needs of the Commission.

The Equal Employment Opportunity Commission has been provided with funds to reduce the large backlog of cases present in the field offices. I believe that this is a necessary improvement to the EEOC effort, an effort made more immediate by the questions of seniority versus affirmative action in recession generated layoffs.

The Federal Communications Commission is taking steps to improve the content of programs within the peak periods of child viewing, though a greater committment and tighter targeting of viewing hour peak periods still remains to be accomplished. The 40 million children under 12 represent a vast audience for the sophisticated advertising specialists of Madison Avenue. The FCC has a special obligation to help meet the special needs of these children.

The Federal Trade Commission appropriation contains two items which I believe are of special interest to many Americans. Funding for a study into condominium sales practices provides promise of relief for past abuse victims of this growing form of national home ownership opportunity. In addition, $500,000 has been appropriated to help meet the expenses of public witnesses before the FTC under the provisions of the FTC improvement act. Section 18(h) of that act provides funding for those who otherwise would not be able to appear before the FTC. This represents an improvement in FTC practice.

There are other FTC impacts upon the population as a whole, one of the most important of which is their efforts to acquaint people with the potential fire hazards of polyurethane and some polystyrene building and furnishing materials. Improperly employed, these two members of the plastics molecular chain can generate a significant fire and smoke threat to life and property. Several large scale disasters have occurred or are threatened by the improper application of these materials. FTC efforts to reduce this threat are a welcome development.

The activities of the Securities and Exchange Commission have a bearing upon all of us. Restored confidence in the equity markets will reduce some of the demand upon debt capital that has driven interest rates to record shattering levels, with catastrophic effect upon small business efforts, home buyers, and consumers and producers at all levels. Steps taken by the SEC to assure an orderly, cost efficient, and honest market are vital to the restoration of investor confidence. Funding in this bill addresses the needs of the SEC in their efforts to improve their performance.

The Small Business Administration is another of the committee's jurisdictions with both rural and urban impact. Small business is a vital part of the economic life blood of the American society. Within the rural areas of this Nation, SBA loans and guarantees afford the business operator with an opportunity to increase the economic and employment opportunity of the surrounding citizenry. A special SBA program of purchase subsidies for minority business—section 8(a)—is a tool with which the Federal Government can promote the growth and subsequent maturation of small business efforts of minority contractors. The importance of this program is widely known, but less widely known is the critical problem of continuity. If a recipient of a Federal contract "tools up" for a 1-year contract, investing capital and sweat into the machinery and programs necessary to meet the terms of the contract, the withdrawal of that contract a year later, or the absence of an opportunity to bid upon a similar contract, actually compounds the problems the original award was designed to meet. For the businessman is left without a contract, but with an increased overhead, and the effects of overhead in times of recessionary spiral are often fatal. Companies the size of General Motors and United States Steel are badly shaken by overhead costs in times of recession. Smaller companies, particularly those eligible for 8(a) funding, are frequently killed. Interest rates are higher, the tendency to call loans is far greater, and the ability of the small business to ride out the downturn for retained earnings is often nonexistent.

Each of the members of the committee have spent many hours fashioning this bill. The needs of the economy, the needs of the congressional mandate to improve the participation within the society of those previously excluded, and recognition of special responsibilities such as children's programing, have been weighed in an atmosphere of study and research into the role of these myriad department and agencies. And this is indeed a wide stroke of the brush of American Government. The activities of these agencies include the foreign policy, Federal law enforcement, adjudication of legal disputes from Customs Courts through the Supreme Court of the United States, gathering of economic data upon which so many national economic decisions are made, regional economic development, promotion of exports, direction of the civil rights effort of the United States, regulation of the equity capital markets, trade practices, and communications media; these are but a few of the highlights of the areas into which this committee directed its study. Each member of this committee has spent many hours weighing carefully the various programs, and have reported a bill that is carefully designed to promote the needs of the American people in an efficient and timely manner. There are numerous items in this bill with an effect upon each American, be they black or white, rural or urban, young or old, rich or poor. I ask that you join me in support of this appropriation.

Mr. SLACK. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific Acts of Congress, $223,495,000.

For "Contributions to international organizations" for the period July 1, 1976, through September 30, 1976, $206,466,000.

AMENDMENTS OFFERED BY MR. SLACK

Mr. SLACK. Mr. Chairman, I offer two amendments, and since they both deal with the same subject matter I ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. SLACK: On page 6, line 16 strike out "$223,495,000" and insert "$217,853,000" and on page 6, line 19, strike out "$206,466,000" and insert $189,764,000".

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. SLACK. Mr. Chairman and Members of the Committee, the International Labor Organization voted on June 12, last, to invite representatives of National Liberation Movements as observers to the ILO.

Observer status, although nonvoting and nonpaying, permits representation in the ILO proceedings.

When this vote occurred the U.S. delegation, made up of representatives of government, labor, and management, walked out. The labor group stated that they would not return to that session.

Mr. Chairman, my amendments would allow the payment to ILO of an arrearage in the amount of $1,087,000, and $5,641,000, one half of the assessment for calendar year 1975. The U.S. delegation participated at the International Labor Organization sessions up to June 12 and it seems proper therefore, to pay our assessment up to that point.

My amendments, Mr. Chairman, would cut out funds now included in the bill for the latter half of calendar year 1975, and all of calendar year 1976.

Considering the recent actions of the International Labor Organization and the uncertainty of continued participation by the U.S. delegation, we feel that such reductions are justified. I would therefore ask that the amendments be agreed to.

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman and Members of the Committee, this is a matter I spoke to during general debate. It is with reluctance that I rise in opposition to the amendments.

As I said at that time, I have never been a real fan of the International Labor Organization. I was a delegate or a congressional observer over there many years ago, and we have had considerable trouble with the organization.

As I told the Members earlier, the Secretary of State is conducting, and the President is involved in, very delicate negotiations in the Middle East. The PLO has been given observer status at the International Labor Organization meetings. The situation as explained to me by the Secretary of State, and others in the Department, is that taking this kind of an action at this time when we are carrying out these negotiations just adds another problem that we really do not need at this time.

We should observe the fact that Israel itself did not leave the ILO; it has stayed there all during these meetings, and probably for a very good reason.

The reason is that they figure that they can do more good within the organization rather than moving outside. If Israel does not leave, why should we in the United States take this kind of an action? I think it is most unfortunate that we do this at this time.

To go one step further, the PLO are observers at the World Health Organization. If we are going to be consistent, then we ought to obviously remove ourselves from that organization, which would, of course, be unfortunate. They were given observer status at the United Nations. If we are going to be consistent, we should remove our funding and our assistance to the United Nations. We should not be selective in this one particular area.

I find no benefit to the United States Meany, the head of the AFL–CIO, has had some concern regarding the ILO even before this particular action. Some of these concerns I share with him. But I would plead with the Members of the House, let us not take this kind of an action now, right when we are in the process of very delicate negotiations in the Middle East, when the Secretary of State, who is in charge of these negotiations, pleads with us not to take this kind of an action.

I can understand the reason why Mr. from these amendments. While I respect the gentleman for offering them, and I understand the reason for his offering them, I just have to oppose them on those grounds.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I would like to associate myself most strongly with the remarks of the gentleman. I think responsible and serious action at this time would not be to approve these amendments.

Mr. CEDERBERG. I thank the gentlewoman.

Mr. MURTHA. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, I certainly agree with the amendments wholeheartedly. I believe that Congress has to exert itself, particularly in an area like this where the PLO, which is participating in the conference, should be condemned especially after allegedly participating in the Munich massacre and proudly displaying this type of support for that type of action.

There is no question in my mind that this Congress should say very clearly that we will not put up with this type of thing. We fund 23 percent of the ILO. In my estimation, all we are doing is withdrawing that support until something is worked out, and certainly until something is worked out we should condemn the action of the PLO and this is the type of action which this Congress should take.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I thank the gentleman for yielding.

I can understand the gentleman's position regarding the situation at Munich, but does he not think that it is interesting that Israel, whose people were the victims of that situation, have not removed themselves from the ILO and for a very good reason. Symbolically, if I thought that taking this action would result in something positive, then I would be all for it. But the problem as I see it, as I tried to explain, is just at a time when we are in the Middle East negotiations, to have this added burden placed upon our negotiators, and to cause an additional problem in that area, I just happen to believe is unwise at this time.

I can share everything else that the gentleman has stated. As a matter of fact, at the proper time I would not even object to withdrawing our total membership from ILO. I do not think it has been that important to us. But I plead with the Members at this time, I just do not think there is any positive benefit that we can get to the United States from this kind of action.

Mr. MURTHA. It certainly seems logical to me that if we do not agree with the actions of the PLO, which is participating in the conference, that we should withdraw our support and support the delegates in the conference who walked out.

Mr. CEDERBERG. Will the gentleman yield to me further?

Mr. MURTHA. I yield to the gentleman.

Mr. CEDERBERG. Would the gentleman carry that on to the World Health Organization and the International Postal Union, and the United Nations themselves? The principle is there. It is just being selective in this one particular area that I think is not a valid position.

Mr. MURTHA. I think we have to judge each one separately. In this individual case, I would hope we would not upset the delicate balance of negotiations. But for too long we have delayed action and allowed the State Department to dictate to us what we should do. We control the funds. The only ability we have to condemn this organization is by cutting off the funds, and to me this is the proper action we should take.

Mr. CEDERBERG. If the gentleman will yield further, let me assure the gentleman the State Department is only making an expression of their concern as to the impact this will have or may have on negotiations. They are not dictating to us at all. They understand we have this authority. There is not any question about it. It is just a question of whether or not it is wise at this time to exercise that authority. That is the only question I see before us today.

I do not think it is worth it for us, when the very nation that is involved here, Israel itself, continues to stay in the organization, as I said, for a very good reason, that if they went out then the PLO has more influence than Israel. If we move out, we do not have any input. The question is which is the wisest course. Our Government believes it is not the wisest course to take this action at this time.

Mr. MURTHA. It seems to me we have an obligation to support our delegates who have walked out. In this particular instance we are censoring the action of the PLO by withdrawing our support from the international labor organization.

Mr. CEDERBERG. We have not walked out. I think the Norwegians have walked out and I believe the Dutch have walked out, but they went right back. They walked out only symbolically but they walked right back because they wanted to be there for these meetings.

As a matter of fact, I believe the meetings for this session have just about ended at this time. I think this is just a symbolic gesture on our part that will have no positive effect, as I said, and might have a serious impact and risk I do not want to take.

Mr. MURTHA. I would like to conclude by saying I think this type symbolic action is very important to the moral standards of this Congress and I urge that we should withdraw our support of the ILO.

The CHAIRMAN. The question is on the amendments offered by the gentleman from West Virginia (Mr. SLACK).

The question was taken; and on a division (demanded by Mr. CEDERBERG) there were—ayes 21, noes 8.

Mr. CEDERBERG. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendments were agreed to.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the bill before us, H.R. 8121.

I would first like to thank and commend my colleagues on the subcommittee and the full committee for drafting and reporting a sound and responsible appropriations bill for the Departments of State, Justice, Commerce, the judiciary, and related agencies.

I would like to add a special word of appreciation to the subcommittee members for the manner in which they responded to the needs of the hard-pressed small business community by appropriating needed funds for the direct loan program of the Small Business Administration.

Mr. Chairman, I was shocked and really disgusted when I discovered that the administration's budget proposal did not contain funding for the regular business loan programs and the nonphysical disaster loan programs of the Small Business Administration. The budget proposed later funding for these programs only if and when the Congress enacted legislation to raise the interest rates on these loans to 9¾ percent.

Evidently, some people in the administration thought they could hold a club over our head—really over the head of the small businessman of this Nation—in order to force an unprecedented and unconscionable increase in interest rates.

I resent this kind of "blackmail," Mr. Chairman, and I think everyone in this Chamber should resent it and reject it. We can reject it by voting for this bill.

For the past several years, the Small Business Committee, on which I have the privilege of serving as ranking minority member, has been deploring the fact that the SBA has been placing all of its emphasis on the guaranteed loan program with its higher interest rates. The direct loan programs were run at a woefully inadequate level. We detected a not too-well hidden attempt to destroy the direct loan program altogether.

The Banking and Currency Committee, which had legislative jurisdiction over SBA prior to this Congress, saw the same thing. That committee responded by reporting the Small Business Amendments of 1974, which contained a provision mandating an annual, direct loan level of $400 million. Regrettably, that mandate was ignored.

We were told that there were insufficient funds to increase the direct loan programs. We were also told that additional funds would not be requested.

Despite the fact that the whipsaw effects of inflation and recession were intensifying the need for direct loans, the clearly expressed, bipartisan desire and mandate of this Congress was ignored by the administration.

The Appropriations Committee and this bill rectifies the situation. By voting for this bill, we will be voting for $100 million for the regular business direct loans and another $100 million for the nonphysical disaster direct loans—loans to help defray the expenses of the mine safety standards, wholesome food requirements, OSHA, base closings, arms agreements, pollution abatement, and energy shortage. These are the expenses that literally are killing our small businessmen and these are the expenses provided for in this bill.

I also want to commend the committee for the language in their report, pertaining to SBA loans for dairy farmers. I agree with them and hope that the SBA follows their instructions.

I again want to commend the gentleman from Iowa (Mr. NEAL SMITH), who has done so much to help our dairy farmers and the small businessmen, not only in this committee, but in the Small Business Committee. We have held hearings. We are going to hold 4 days of hearings, I understand, right after the Fourth of July recess and, hopefully, in the near future we can bring out a bill which will help the small dairy farmer, who really has his back to the wall.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the distinguished gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I thank the gentleman for yielding and I thank the gentleman for his comments. It was a privilege to work with the gentleman from Massachusetts (Mr. CONTE) in regard to this matter. The gentleman from Massachusetts is really a champion of the needs to extend help to the small businessman. Their needs are legitimate.

I concur in the statement the gentleman has made as to the intent of Congress and the intent of the committee as to the needs in this area and for inserting this language in the report on this bill.

Mr. CONTE. Mr. Chairman, I thank the gentleman and commend him for his leadership on this issue.

The CHAIRMAN. The time having expired, the Clerk will read.

The Clerk read as follows:

SEC. 103. None of the funds appropriated in this title shall be used (1) to pay the United States contribution to any international organization which engages in the direct or indirect promotion of the principle or doctrine of one world government or one world citizenship; (2) for the promotion, direct, or indirect, of the principle or doctrine of one world government or one world citizenship.

AMENDMENT OFFERED BY MR. SNYDER

Mr. SNYDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SNYDER: On page 16, after line 14, add the following new section:

"SEC. 104. None of the funds appropriated in this title shall be used for the purposes of negotiating the surrender or relinquishment of any U.S. rights in the Panama Canal Zone."

Mr. BAUMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Thirty-six Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from Kentucky (Mr. SNYDER).

(Mr. SNYDER asked and was given permission to revise and extend his remarks.)

Mr. SNYDER. Mr. Chairman, in view of the fact that there are a few Members on the floor who were not here a while ago, I ask unanimous consent that the Clerk reread my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Clerk will reread the amendment.

The Clerk reread the amendment.

PARLIAMENTARY INQUIRY

Mr. LEGGETT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LEGGETT. Mr. Chairman, is it

too late to make a point of order with respect to the amendment?

The CHAIRMAN. The Chair informs the gentleman from California (Mr. LEGGETT) that it is too late.

Mr. SNYDER. Mr. Chairman, the amendment I have offered carries the outspoken support of the overwhelming mass of the people. There is no outcry from our citizens to give up any part of this Nation's sovereignty over the Canal Zone or to turn any portion of our operation of the Panama Canal over to the Republic of Panama.

On the contrary, every opinion poll of which I am aware indicates that they stand for maintaining our complete control over that vital waterway and the 10-mile-wide strip through which it passes. Just one indication of the overwhelming opposition to any giveaway of the canal is the response of Kentuckians in the Fourth District which I represent to my questionnaire last year. I put the question bluntly: Do you favor the State Department's move to give away the Panama Canal? 87.5 percent said "no," while a mere 4.6 percent said "yes". 7.9 percent indicated no opinion.

The American people would not stand for an outright ceding of the canal to Panama, so the State Department has the process mapped out to cover a series of piecemeal concessions.

Mr. Chairman, where is the support for this unwise move by the State Department in this body which represents the people? It is almost nonexistent. Our dedicated and distinguished colleague, Mrs. SULLIVAN, who chairs the Merchant Marine and Fisheries Committee which has jurisdiction over all canal matters, has from the outset been on record with her consistent opposition to the State Department's phased-out surrender of our tremendous assets in the zone. She has sponsored a resolution signifying her opposition, as have other Members. Surely, her long service has given her an understanding of this matter which we all should heed.

Many others have been outspoken on this floor in their opposition to any surrender of our position in the Canal Zone whereby we have served not only our interests but those of the entire world. No one has been more zealous in this regard than our colleague from Pennsylvania (Mr. FLOOD).

And in the other body, 37 Senators have signed a resolution declaring their total opposition to any weakening of our position in the zone. Their resolution urges—and here I quote:

> Retention of *undiluted* United States sovereignty over the Canal Zone.

Those 37 Senators are more than enough to invalidate any treaty agreement that dilutes our present sovereignty. My amendment therefore will stop what is a clear waste of the taxpayer's money through continued negotiations for a treaty certain to be disapproved in the Senate.

All of this—the flat opposition of the people and their representatives in Congress and the waste of the taxpayers' money—makes the negotiations for surrender of our sovereignty in the Canal Zone by the State Department worthy of outright censure.

But this is not all. Commonsense dictates against such a move. The Republic of Panama, while a sovereign nation and historically a friend of our people, simply has not proven to be the kind of stable country politically and economically to which we could entrust the control of the canal which the State Department envisions and pursues. That country has had 59 changes of government since the first President took office in February 1904. Meanwhile, we have had but 13 Presidents. Only 4 of 59 Presidents of Panama completed their constitutional term of 4 years in office.

Even more importantly, in this age of a global assault by the world Communist movement that has already conquered neighboring Cuba, the people of Panama are militarily an absolute zero. They have not the slightest ability to protect the canal. The State Department's proposal that we continue to provide the military protection for the canal shows how ridiculous the entire giveaway is. That protection, to be effective, would always require a U.S. presence, and that means bases and personnel and all necessary logistical support. That necessarily involves the use of much territory within Panama's borders.

The entire thing is another absurd effort to please the dictators in this world who thrive on thumbing their noses at a United State of America that for too long has squirmed with an inexplicable fear of something called "world opinion." The present dictator of Panama—Gen. Omar Torrijos—thought nothing of the opinions of most Panamanians when on October 11, 1968, he and others in a military coup ousted the legally elected President Arnulfo Arias Madrid.

Our sovereignty over the Canal Zone is as legitimate as our owning New York City, Louisiana, Florida, or Alaska. The specious argument behind the canal giveaway is that in some way we took advantage of the Panamanians when we took title to the zone and built the canal. The same argument could be made by romanticists that we took advantage of the Indians who sold us Manhattan Island, or the French and the Spaniards and the Russians from whom we purchased great masses of the territory that makes up our country today.

Certainly we must in the future strive to work out honest differences with sincere statesmen who, as the legitimate representatives of the Panamanian people, will be truly concerned with the welfare of their countrymen, and not with making U.S. sovereignty over the zone and canal a political football.

Mr. Chairman, the efforts of a few rabble-rousing, radical Panamanians—and their demagogic cohorts elsewhere—to demean this country in the eyes of the world is no different—not in the slightest degree—from the ignoble attempt of the Cambodian Communists, flush with their new victory in that unhappy land, to hold up the United States of America by capturing the merchant ship *Mayaguez*.

President Ford's action in that incident, with the near unanimous support of the Congress, demonstrated to the world that we will not stand for armed holdup.

Why then should we submit to psychological blackmail by a handful of self-seeking leftwing politicos in Panama who will not acknowledge the tremendous contribution we have made to their people through the building and continued maintenance of the canal which employs thousands of Panamanian citizens and enriches their economy?

Mr. Chairman, I urge adoption of this amendment to immediately effect compliance with the undeniable will of the people of the Nation and put an end to the costly shilly-shallying of the State Department, which in surrendering our sovereignty and control over the canal, would do no service either to our people or the people of Panama.

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, regardless of one's position on the Panama Canal—and I happen to share the position of the gentleman from Kentucky (Mr. SNYDER) and I suppose that of a large majority of the Members of this House—but certainly, in an appropriation bill, to take this kind of an action would be a most unfortunate situation.

As a matter of fact, I do not see how we can deny a President, any President, his constitutional right of negotiation.

We will have an opportunity at a later time, both in the House and Senate, as I understand it, to make a decision. But for us, without any hearings, without any discussion, to accept an amendment like this that precludes the right of negotiation, I think would have a most disastrous effect.

I do not believe this should be done in an appropriation bill and, second, I think the impact it would have on not only Panama, but that part of the world, would be absolutely disastrous.

So I say, regardless of one's position, this just is not a place for this kind of a decision.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I share very much the gentleman's position. I have had reservations, and asked the chairman of the Panama Canal Subcommittee, about the eight points that were negotiated and executed by Secretary Kissinger in behalf of the United States a year and a half ago. I have had concern as to where we are going. I have tried to see that the Department of Defense could be plugged into the decisions that were made. I have concern that we are totally aborting a right that I consider is very important. If I could have been on the floor at the time this amendment was offered I would certainly have raised a point of order against it because I do believe it violates, as the gentleman has indicated, the prerogatives of the Executive with respect to negotiations.

The gentleman in his amendment has indicated that we should not give up one single right, but yet in his argument he states that we ought to work out honest differences.

Now, to work out honest differences it seems to me we ought to consider the rights of either party. So in that way the argument is antagonistic and contradictory to the amendment that is offered.

Mr. CEDERBERG. I think the gentleman is exactly correct, and I just hope that the Members of this House will not take this kind of an action on this appropriation.

Mr. SNYDER. Mr. Chairman, will the gentleman yield briefly?

Mr. CEDERBERG. I yield to the gentleman from Kentucky.

Mr. SNYDER. I would like to call to the attention of the gentleman from California that it does not say that the money should not be spent for the purpose of negotiating, but only for the purpose of "negotiating the surrender or relinquishing any U.S. rights in the Panama Canal Zone." So we can negotiate with them, we just cannot negotiate to surrender or relinquish our rights.

Mr. LEGGETT. If the gentleman will yield, the gentleman recalls, without any demonstration from the Congress, we negotiated here a short time ago the so-called surrender of France Field for the use of Panamanians in the development of a free port.

Mr. SNYDER. If the gentleman will yield, I think Congress should have been called upon to act, and the administration should not have done that without action of the Congress in giving France Field away. I would think this amendment would preclude them from doing that in the future.

Mr. LEGGETT. If the gentleman will yield further, I think if we restrict them to that, believe me, the Panama Canal is a vulnerable political waterway, and I think to the maximum extent feasible, we ought to negotiate, to talk. We can call them leftwing if we want to. I think there is some good in that government down there. They have done a remarkable number of things, and they have shown more stability than any government in recent years. That government has had some 50 leaders in about 75 years, and the current tenure of 7 or 8 years is rather remarkable. I think it is something that we ought to encourage. I am prepared to meet this issue at the proper time and with proper debate, and if I do not like the treaty that is negotiated, I am going to be marching over to the Senate with my colleague, the gentleman from Pennsylvania (Mr. FLOOD), and express myself.

But, believe me, before anything can be given away, as JACK MURPHY, the former chairman of the committee has indicated in some of his memoranda and legal analyses, a vote of this House is required, before we can give up territory. We do not need to attack the matter collaterally or obliquely in an appropriation bill.

Let us meet this matter at the proper time. Let us stop the State Department's abusing the Congress. I think they are getting some of our messages. It is going to accomplish nothing for anybody to negotiate an agreement which is not ratifiable in the Congress of the United States.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. I thank the gentleman for yielding.

I rise to say to the gentleman from Kentucky that I am glad he brought up the subject of the Panama Canal negotiations by offering an amendment, although I do not feel that this is the proper vehicle for what he wants to accomplish.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. CEDERBERG was allowed to proceed for 2 additional minutes.)

Mrs. SULLIVAN. If the gentleman will yield further, I do not believe that this is an effective way to try to stop the use of funds because instead of State Department funds other funds will be found to be used for the same purpose. But I am glad that the gentleman brought this matter up so that we could have a discussion on it and get more Members acquainted with the issues involved, and demonstrate again that a majority of the Members of this Congress is opposed to the kind of negotiations that are going on today.

We tried to warn the executive department a year ago that they were getting into very deep water and dangerous water in these negotiations, and the longer these negotiations go on, the deeper we are going to get involved and the more serious the consequences.

Mr. CEDERBERG. I thank the gentlewoman.

Mr. BIAGGI. I thank the gentleman for yielding.

I would like to congratulate the maker of the amendment for bringing this matter to the attention of the House. I think it is essential that more and more attention be focused on this issue. I do not necessarily agree that this is the appropriate place.

However, insofar as the stability of the Panamanian Government is concerned, I observed as a member of the committee while visiting Panama, and having met with President Lakas, he made his presentation in relation to the stability of his Government. In the light of more than 50 governments in 70 years, I suggest Panamanian stability is in serious question.

Whether or not we vote for this amendment is another issue, but the gentleman from Kentucky (Mr. SNYDER) has performed a service by bringing this matter to the attention of the Members.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ALEXANDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. SLACK. Mr. Chairman, would the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from West Virginia.

Mr. SLACK. Let me assure the gentleman that I, too, oppose giving away the Panama Canal, but the gentleman's amendment as I read it would prohibit negotiations for any change whatsoever in the existing treaty and I would therefore urge the defeat of this amendment.

Mr. ALEXANDER. Mr. Chairman, I am a member of this subcommittee and I am constrained to be opposed to the amendment but I think it could be accurately said that I am barely opposed to it.

I commend the gentleman for bringing this matter to the attention of this body because I too, as a member of the Subcommittee on Transportation of the Committee on Appropriations, which has jurisdiction over the Panama Canal Company, have been very concerned over this issue.

I am very apprehensive after having talked with U.S. officials for our side that the State Department is not representing what I consider to be the true and best interests of the people. Not long ago I appeared before the Subcommittee on the Panama Canal chaired by the gentleman from Illinois (Mr. METCALFE) and the question was raised what we must give Panama. It was asserted that we must give Panama something! What shall we give them?

We have given them the highest standard of living of any people in Central America. We have given them free military defense. We have indeed given them their existence, their independence because but for the United States Panama would be a province of Colombia.

I believe that U.S. foreign policy is bankrupt, and the American people know it. The United States bought the canal property, we built the canal, and I say why should we give it away? If we give away the Panama Canal, the next thing we know the Soviet Union is going to want Alaska back.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I urge the gentleman from Arkansas not to vote mistakenly against this amendment if it comes to a record vote, which it most likely will, because this would telegraph a wrong message to the State Department. I am sure the gentleman shares my view that we should not give away the U.S. Canal Zone which happens to be located in Panama. I think it would behoove Members of this House to vote for this amendment and give a strong message to the State Department that the American people want no part of it and their Representatives are telling them what to do. This way we can get a little direction in at the beginning rather than just wait until they have taken action, then try to close the barn door.

Mr. ALEXANDER. I thank the gentleman for his remarks and I must try to protect the integrity of the committee but I reserve the right to vote for this amendment.

Mr. SYMMS. I appreciate the gentleman's remarks.

Mr. METCALFE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe the intentions of the gentleman from Kentucky (Mr. SNYDER) to preserve the interests of the United States in the Panama area, are indeed laudable. The gentleman is, of course, the ranking minority member of the legislative subcommittee which I chair, and I have always valued his counsel and suggestions.

Recognizing the gentleman's concerns I nevertheless do not believe that an amendment to this appropriations bill, H.R. 8121, is the proper method to attain the gentleman's objective. Certainly there are many Members of Congress who dislike in part or as a whole the Panama Canal treaty negotiations and the eight negotiating principles signed by Secretary Kissinger on February 7, 1974. Many Members do have objections to these negotiations. But we ought to realize that the United States and Panama have been engaged in them for 11 years without a challenge of this kind to their continuance. Various statements and edicts which have been published in these 11 years constitute a virtual promise by the United States to complete these treaty negotiations. Panama and Latin America understand the United States is conducting the negotiations in good faith. If we pass this amendment we will lose that understanding and Latin America's good will. And the points of friction which we experience with Panama over the canal and Canal Zone will not go away even if negotiations are halted. Negotiations are in fact probably the least expensive methodology to deal with these problems.

Mr. Chairman, I am neither endorsing nor opposing these negotiations, but I know a great deal of work has been done on them. It seems doubtful to me that the passage of this amendment will change the virtual outcome of these past negotiations, except perhaps to speed their conclusion to a draft treaty. The amendment would be either injurious or destructive of a great many U.S. efforts.

In voting on this amendment we are passing upon an affair which is important, complex, and still incomplete. It is not right that a motion which might be called a judgment on these negotiations be passed upon with so little debate and without so many of the facts.

There is no doubt that there are some serious questions about the canal treaty negotiations. Let us acknowledge that, but let us not make this vote a referendum on the treaty question. It is not fair that it should be. There is also here a constitutional question, of course, of whether or not the legislative branch should unnecessarily hinder certain prerogatives of the President with regard to negotiations.

If we pass this amendment, the only sure result of it will be our own embarrassment and the deterioration of our relations with Latin America. If we here chose to delete funds for every international negotiating initiative of the executive branch, disaster would be the result.

The defeat of this amendment will not be a victory for those who favor a new Panama treaty; neither will this amendment's passage mean any kind of real victory for those who oppose a new Panama treaty. Realizing that there will be a proper time and place for discussing the Panama treaty, I ask the gentleman from Kentucky to withdraw his amendment.

Mr. ANDERSON of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

I want to commend my colleague, the gentleman from Kentucky (Mr. SNYDER), for bringing this amendment up at this time. Again for those who might have just come in, the suggestion has been made that this amendment would deprive us of the right of negotiating. I say this amendment does not deprive us of the right of negotiating. What the amendment says is that "no funds appropriated in this title shall be used for the purpose of negotiating the surrender or the relinquishment of any U.S. rights in the Panama Canal Zone," and I want to emphasize the words "negotiating the surrender or relinquishment."

I think this is a good amendment. I am confident that if this amendment were put to the voters in my district it would carry overwhelmingly. I do not know of any other issue in my area that the people appear to be more united on. Many constituents have come to me and said, "Don't give up the Panama Canal." I get hundreds of letters expressing that same viewpoint. I do not think I have had one letter on the other side.

I think it is high time that we in the House of Representatives indicate what our position is. It has been said by some, "Let us wait until a treaty gets to the Senate and then we can go over there and express our views." I say that is too late. Now is the time to express ourselves.

It is said this is not the place for this amendment—that we should not put it in an appropriation bill. Mr. Chairman, that is the first time in my 7 years here that we have had a chance to vote on this issue. I am sure we could go back even a little further than that. I am not sure this House has ever had an opportunity to express itself on this issue.

Others say that the timing is not right—that it will jeopardize negotiations now going on. I am sure there are some that will always use that argument, that now is not a good time.

I think this is a good time to bring it up. I think we should vote for this amendment and let the world know we want to keep the Panama Canal, that we want to keep control of it, and that we do not want anybody else to move in and take our place.

Mr. FASCELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment. I find it unfortunate that a matter of this importance is brought to the House as obliquely as a prohibition on an appropriation bill when it is a major foreign policy decision which ought to be debated on its merits if and when a treaty or implementing legislation is presented to the Congress.

This amendment undercuts the efforts of this administration, supported by the efforts of three previous Presidents, to resolve the most serious issue confronting U.S. relations in Latin America.

My colleagues should not get locked into a position as rigid as this amendment seeks to do. No one wants to surrender the canal but to prohibit negotiating on any relinquishment of a right no matter how unnecessary to U.S. interests makes it impossible for President Ford to act to protect U.S. vital interests. What this amendment does is to:

First, force confrontation and violence;

Second, destroy U.S. credibility throughout Latin America;

Third, and immeasureably complicates the achievement of U.S. objectives throughout Latin America and all of this with the assurance that U.S. objectives with Panama have not been exchanged.

The United States has found it necessary for our own interests to make changes in this treaty from time to time. This amendment seeking to prohibit the "relinquishment of any right" freezes the status quo, does not protect vital U.S. interests without the use of force.

Let us not underestimate the importance of what is happening here. Sure, there will be a message, all right, but it just will not be a one-way message to President Ford. Those of us who have had the opportunity to attend any conferences on Latin American matters know that the first issue at the top of the agenda with respect to all of the United States relationships in Latin America is the good faith negotiation by the United States with Panama on this issue.

So, now what we do by this vote, if the Members support the amendment, we absolutely undercut the President with respect to any exercise of good faith with Latin America. We complicate the posture of the United States and the President on every bilateral effort in Latin America.

Mr. WINN. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I am delighted to yield to the gentleman from Kansas.

Mr. WINN. Mr. Chairman, I thank the gentleman for yielding to me. I agree wholeheartedly with the gentleman in the well and the gentleman from Illinois (Mr. METCALFE), that at the present time this is the wrong place to bring up and try to set an amendment into this bill when the negotiations are still going on concerning the Panama Canal and the release of certain portions of the Panama Canal.

Half the people, I think, who are talking and are paying attention to constituent mail—and rightly so—I wonder if they have all the facts about what the negotiations may do for the good of the United States? I think we are looking at it from the bad standpoint, based on our mail.

Mr. FASCELL. I thank my distinguished colleague. That is absolutely the point. We can still protect our position and our interest, but why do it in the oblique fashion when the only real result of it will be to signal confusion, disagreement, and all kinds of complications for the United States with other Latin countries?

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I would like to indicate at this point that I agree with the gentleman from Florida. He is making a prime statement. I wonder if the gentleman from Florida would yield further so that I could ask the gentleman from California (Mr. ANDERSON) a question?

Mr. FASCELL. If I have time, I will be glad to yield. I promised to yield to my colleague from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. I appreciate the gentleman yielding.

I just want to say that I find it a little hard to understand the position the gentleman takes on this amendment, when, not too many months ago, the gentleman was just as strong a proponent of taking the State Department out of any kind of negotiation on Turkey and Greece over the Cyprus issue.

Mr. FASCELL. We had a clear violation of law there over a moral principle. That was a full-scale debate over a long period of time. I will say to the gentleman that I have absolutely no difficulty in making that distinction, even though the gentleman does.

The **CHAIRMAN.** The time of the gentleman has expired.

(On request of Mr. YOUNG of Florida, and by unanimous consent, Mr. FASCELL was allowed to proceed for 1 additional minute.)

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. Yes.

Mr. YOUNG of Florida. Would the gentleman agree that a treaty entered into and agreed to by the United States and the Senate of the United States is just as binding, even more so, than some statutory law placed upon the books by Congress?

Mr. FASCELL. Is the gentleman talking with reference to the pending amendment?

Mr. YOUNG of Florida. No, sir. I am talking about the treaty we have relative to the Panama Canal.

Mr. FASCELL. I will turn it around for the gentleman then. If that is the position the gentleman is taking, then the gentleman is saying this amendment, if adopted, would have no legal effect.

Mr. YOUNG of Florida. The gentleman well knows that is not what I said and not what I intended to say.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. Yes; I will yield to the gentleman.

Mr. CEDERBERG. I thank the gentleman for yielding.

This debate has proven one thing. This appropriation bill is no place to debate this kind of important subject. I think that is the fundamental issue here. Over the years there has been criticism of the Committee on Appropriations for usurping legislative prerogatives, and now, all of a sudden, we are doing this on appropriation bills right along.

Mr. BAUMAN. Mr. Chairman, I rise in support of this amendment.

We are engaged in a wonderful exercise this afternoon. This is sort of a microcosm of what always occurs on the occasion when some mere Member offends the establishment by offering an amendment they find disagreeable. Immediately, like an ameba attacked by an outside organism, they try to enfold the person, tell him how great he is and how they agree with him in principle. But they say, in this case, at this moment, at this time, the amendment would be a very bad thing. And then, of course, they list a litany of reasons why it is so horrible.

Mr. Chairman, after listening to the lectures we had yesterday and today about legislating on an appropriation bill we should not be confused. There is nothing wrong with this amendment. It is within the rules. If it had not been within the rules a point of order would have been made. It could not have been sustained against this particular amendment because it does essentially what we have a right to do as Members of Congress: To limit or forbid the spending of a specific executive department for a certain project or policy.

Mr. Chairman, for those Members who talk about the delicate negotiations now going on with Panama, everyone can see what is at the end of that road, so far as the Department of State is concerned. There is no reason to negotiate the status of the Panama Canal at all unless it will lead to the surrender of our sovereign rights over territory which is as much a part of the United States as is Talbot County, Md., where I live, or New York City, or Cleveland, or anywhere else.

Mr. Chairman, I think we know what the end result is going to be if we allow these negotiations to continue.

The gentleman from Kentucky should not be censured or questioned for offering this amendment. He should be praised because he is going to save us money by cutting off this useless exercise; an exercise which is against the will of this Congress and against the will of the people of this country. He is going to prevent that surrender of our sovereign rights.

Instead of loving him to death here, as we have been doing for the last few minutes, we ought to vote for his amendment. Our constituents do not need the sophistry we have heard here today. They will know whether or not a Member is for or against surrendering the Panama Canal by reading the rollcall after this debate.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. Yes; I yield to the gentleman.

Mr. SYMMS. I thank the gentleman for yielding.

I commend the gentleman for his remarks.

Would the gentleman not say that negotiating with Panama, about the U.S. Canal Zone, which is located in Panama, is just like negotiating with a thief over the money in your wallet?

There is no way you can come out ahead. It is our property now and it still should be, so there is nothing to talk about; is that not correct?

Mr. BAUMAN. Mr. Chairman, the gentleman from Idaho has a very colorful way of expressing his proposition, and I would not disagree with him.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, first I would like to point out that I, along with many of my colleagues, have observed that the gentleman from Maryland has rapidly become an expert on the rules of the House, but I am inclined to disagree with the gentleman with respect to whether or not a point of order would have lain against this particular amendment.

The gentleman from Maryland points out that this is perfectly within the rules by limiting the spending on the project, but I would suggest that the gentleman look again at the language of the amendment which says:

> None of the funds appropriated in this title shall be used for negotiating the surrender or relinquishment of any of our rights in the Panama Canal Zone.

I would suggest the articulate gentleman from Maryland is clearly aware of the fact that this goes beyond simply denying funds for a project. This is a major foreign policy statement, and in that regard I think if an appropriate point of order had been raised, it would have been sustained by the Chair.

Mr. BAUMAN. Mr. Chairman, that is a moot point. No Member raised the point of order. I can only conclude that the fact that the distinguished members of the Committee on Appropriations on both sides who were sitting at the table and who were present here did not make the point of order upholds my position. They probably agreed that the point would not be valid.

I also refer the gentleman, for instance, to section 103 of the bill, which appears just previous to where the pending amendment would add new language. Section 103 is a similar legislative device. It not only deals with foreign policy but goes to a prohibition against world citizenship. It is a much broader proposition, and that has already been written into the bill. That amounts to a specific foreign policy declaration written in an appropriations bill which I think confirms the appropriateness of the pending amendment.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, the gentleman maintains that our position on the Panama Canal will be known by our votes on this amendment. That may be his opinion, but that is not correct. Maybe it is his opinion, but it is not mine. My opinion is very clear on the subject, and I am still going to oppose the amendment because I think it infringes on the constitutional authority of the President of the United States.

I believe also that this is not the place to carry this out. So the gentleman should not make the statement that our votes will reflect our opinion on this issue.

Mr. BAUMAN. Mr. Chairman, the gentleman from Maryland does have that opinion and he does make the statement that this is a decisive vote on the issue of the Panama Canal. By our votes the people in the State of Michigan and the people in the State of Maryland can judge whether or not we are for surrendering the Panama Canal.

Mr. CEDERBERG. Mr. Chairman, that is an incorrect statement.

Mr. BAUMAN. Mr. Chairman, I submit it is a correct statement, and I maintain my position in this regard.

Mr. FOUNTAIN. Mr. Chairman, I move to strike the requisite number of words, in support of the amendment of the distinguished gentleman from Kentucky.

Mr. Chairman, I do not usually become involved in matters of this kind. In fact, I do not often come to the well of this House to speak.

First, I want to associate myself with the remarks of those who have already spoken in favor of this amendment.

I realize this is not the most appropriate way to dispose of a matter of this kind, however, we vote or whatever action we finally take. However, I think the time has long since come when this body, which too frequently never has an opportunity to express itself by votes on the subject of the Panama Canal and other similar problems, of the President, because of the power under the Constitution and of the Senate, should let our voices be heard. We just have not yet had a chance to get this House on record on this issue. I do not know what will finally happen in the Congress on this matter. My prediction is that if we keep on listening to promises of a hearing—and action by the appropriate committee, one day the Panama Canal Zone will be gone. It will no longer belong to the United States.

Mr. Chairman, this is my 23d year of sitting here, listening from time to time to members of committees say, "This is not the appropriate time; this is not the proper time to do this; this is not the right place. This is the wrong bill. Wait for the proper time. Wait for the appropriate committee to act on more appropriate legislation. You will get a chance to go on record." Let me say, Mr. Chairman, and members of this committee, that I am not interested in being heard anymore getting on the record. I am interested in this Congress doing whatever it can in what way it can, at whatever time it can, to prevent any President from negotiating away the sovereignty of the United States over the Panama Canal.

I came here in 1953 during the Eisenhower administration. Beginning with that administration, right on down through each administration, Democratic and Republican alike, we have sat idly by while they have been gradually giving the canal away, inch by inch, by inch, in one way or another, moneywise and otherwise. Each administration has clearly indicated its ultimate intention of giving the Panama Canal, lock, stock, and barrel, in fee simple, back to Panama.

What I would like to see us do, by our vote here today is to send a clear and resounding message to the State Department, to Secretary Kissinger, and especially to beloved President of the United States that the time has long since come for us to stop trying to be all things to all people by compromising and giving away the property and other rights of the American people. And we should tell them that when they do talk to the Panamanian officials about this matter, they should let them know the attitude of the Congress of the United States and the people of America, because I think this amendment, whether this is the appropriate place or language or not, bespeaks the thinking of the vast majority of the American people. I for one am sick and tired of seeing America continue to yield, and yield and yield to the unyielding, friends and foes alike.

For those and many other reasons time will not permit me to give, Mr. Chairman and my colleagues, I shall enthusiastically vote for this amendment which in substance says: "Mr. President, do not negotiate away any more of the sovereign rights of our people in and to this ownership and control over the Panama Canal."

I do not believe President Ford will do this, but somehow, like some of those who inherit great wealth, and often vote to give away the wealth of others, when one becomes President of the United States, and inherits the great power of that office, he too often seeks to make foreign friends, and influence people abroad, by handing over the property and other rights and privileges of the American people—to their detriment.

As I said, I do not think President Ford will. As always, the other body is never predictable, but let us take this opportunity—and it may be our last—to speak up for Americans on the subject of the Panama Canal.

Mr. METCALFE. Mr. Chairman, will the gentleman yield?

Mr. FOUNTAIN. I yield to the distinguished gentleman from Illinois.

Mr. METCALFE. Mr. Chairman, I thank the gentleman for yielding.

I raise the constitutional question and point out that the Constitution says the President shall have the right to make a treaty, and that the Senate will ratify it, and the House will then have its own appropriate action to take.

This is not a sense of the House resolution. What we are, in fact, doing right now is trying to make policy, and this is not the proper place for it. It is not the proper time for it. I think we are unjustly interfering in the negotiations that are taking place, and it is going to impair our relationship with other nations.

I would like the reaction of the gentleman in the well with respect to that, please.

Mr. FOUNTAIN. I do not question the observations made by the distinguished gentleman that the President does have the power, under the Constitution, to negotiate treaties; but the Congress of the United States is composed of Members who are elected by the people of this country. Both he and the U.S. Senate need more enlightenment on this subject. If this is the only way in which we can now express our views, on the record for America, then I am willing to express them in this way.

Mr. METCALFE. I submit to the gentleman that it is not the only way because I have the letter, as chairman of the subcommittee, that the House and the State Department will keep us informed.

Not only that, we do have, as this body, a right to determine what land will be given away. That is our prerogative, if there is any questions raised.

Mr. FOUNTAIN. I appreciate the gentleman's observations, but for 23 years I have been here, and the White House, the State Department, and other executive agencies of this Government have said: "In due time we will keep you informed. We will give you an opportunity to be heard." As indicated by our passage of the War Powers Act, we do not need information and advice on this subject. We need to give it. We need action.

We all know that piece by piece, the Panama Canal is being given away by our Government. This is one clear-cut way for us to send a message to the White House, and let us send it and send it in the only way and in the only language we know or have that is appropriate at this particular time.

Mr. METCALFE. If the gentleman will yield further, I would like simply to say this: We want to be very careful about this vote because we are also sending a message to Latin America. The question is whether we are going to endear ourselves with Latin America or whether we are going to alienate them right now as far as Panama is concerned. That is the question we ought to consider while we are voting on this particular amendment, which goes far beyond Panama. We are in the middle of negotiations now.

Mr. FOUNTAIN. I would not underestimate the comments of the distinguished gentleman that we should not impair any Presidential negotiations, but I think the message needs to get to Panama too. I think we ought to act, and now is the only time we now have. Tomorrow may be too late.

Mr. Chairman and Members of the Committee, let me repeat in substance here what I said last week in my weekly newsletter to the newspapers and others in my congressional district:

Since 1826 the United States of America has been officially interested in a canal across the Isthmus of Panama. That was the year when Secretary of State Henry Clay proposed a joint undertaking with the newly independent South American republics to dig a canal there.

But, it was not until many years had passed that the Panama Canal became a proud reality—making it possible for our ships and others to pass freely and easily from the Atlantic Ocean to the Pacific and back again.

The canal did not become a reality until American ingenuity, money, and effort were wholeheartedly committed to the project. Latin American nations talked a lot about it, but never did anything. The French tried, but could not finish the job. It was left up to Americans to transform a dream into a reality.

Despite this history, a decade-long effort to give the canal away continues and it is necessary for us to fight the same battles again in every Congress. For example, I have cosponsored legislation again in the 94th Congress urging the White House not to negotiate away our longstanding rights to the canal.

Remember, in 1903 the Government of Panama entered into a treaty with us, giving the United States "all the rights, power, and authority within the zone ... which the United States would possess and exercise if it were the sovereign of the territory . . ."

That treaty has been in force for a long time, during which we have operated and maintained it well and defended it against all comers. We have kept it running like clockwork—a task the small Panamanian nation would find hard to duplicate—and kept it open to the commerce of the world.

In any event, it did not take Panama long—after the canal was open for business—to begin complaining about the terms of our agreement. In escalating fashion, Panama wanted more money, a say-so in the canal's operation, more money, less land assigned to the Canal Zone, more money, fewer U.S. troops stationed there, more money, an admission of ultimate Panamanian sovereignty over U.S. territory there, more money, the flying of the Panamanian flag on U.S. buildings, more money, assurance of eventual Panamanian control of the zone, and, let us not overlook it, more money.

Despite protestations to the contrary, Panama has benefited greatly from the canal. Her per capita income is the highest in Central America and fourth highest in all of Latin America.

Even so, there were serious demonstrations by Panamanian nationalists in 1959 and violent "flag riots" in 1964. That is when the White House began to negotiate a new treaty to take the place of treaties dating back to the basic treaty signed in 1903. These efforts have continued through three different administrations.

But, our vital commercial and strategic interests are at stake in this matter and I just do not see how we can insure that our interests will be protected if we surrender sovereignty over what we built and paid for.

Adequate protection of our vital interests in the canal is a fundamental requirement for our national security. Diplomatic or military setbacks elsewhere in the world can gravely affect us, but few imaginable could cut so close to the bone as the loss of the canal to a Government which has always been politically unstable.

Possibly some way of saving face for Panama can be found without endangering our national security. But, we just must not give up the canal.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. FOUNTAIN. Yes, I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

Certainly it is true that the President and the Senate, with the Senate's concurrence, can make treaties; but the Constitution of the United States says that when a territory is to be relinquished, the Congress will act, not the President and not just the Senate.

Mr. SMITH of Iowa. Mr. Chairman. I move to strike the requisite number of words.

Mr. Chairman, I ask unanimous consent that all debate on this amendment end in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. SYMMS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto end in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for ¾ of 1 minute each.

(By unanimous consent, Mr. KETCHUM yielded his time to Mr. YOUNG of Florida.)

The CHAIRMAN. The Chair recognizes the gentleman from Florida, Mr. YOUNG.

Mr. YOUNG of Florida. Mr. Chairman, I have heard again during this debate something we hear so often, and that is that this is a good idea, but this is not the right time, and that this is not the right place, and that this is not the right vehicle. Of course, those arguments can be made almost any time. But I must say, like so many other Members of this body, I have introduced resolutions into this House each Congress that I have been here dealing with the ownership and the preservation of the American interest in the Panama Canal, and those resolutions are never even set for a hearing. Maybe this is not the right time or the right place to do this, but since we cannot even get hearings on our resolutions, this is the only time.

Mr. Chairman, I would like to ask the gentleman from Kentucky (Mr. SNYDER) the sponsor of this amendment, who has served in this House longer than I have, if he will respond as to how long he has been trying to get a hearing at the right time and right place on this issue?

Mr. SNYDER. Mr. Chairman, if the gentleman would yield, I would say that this is my sixth term in the Congress, and that there have been resolutions pending all of that time to preserve the integrity of the Canal, and there never has been a hearing held by the Committee on Foreign Affairs to my knowledge.

I understand from another Member who has been here 23 years that they have not held hearings on this in that time.

Mr. YOUNG of Florida. Could the gentleman from Kentucky enlighten us as to whether there are other similar instances where American territories have been deeded back or transferred back?

Mr. SNYDER. I can give the gentleman an instance in Panama in the last 6 months where the administration gave France Field back to the Republic of Panama, and the argument was made that that had to come before the Congress, but they said that was a specious argument, so it did not get a hearing in the Congress.

Mr. YOUNG of Florida. I want to thank the gentleman from Kentucky for giving us this opportunity to finally have a discussion on this issue.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. McDONALD).

(By unanimous consent, Mr. SYMMS yielded his time to Mr. McDONALD of Georgia.)

Mrs. LLOYD of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McDONALD of Georgia. I yield to the gentlewoman from Tennessee.

Mrs. LLOYD of Tennnessee. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kentucky (Mr. SNYDER).

I strongly oppose the surrender or relinquishing of U.S. control of the Panama Canal Zone. The United States signed and ratified the 1903 treaty with Panama in all good faith. The 1903 treaty guarantees U.S. sovereignty over the Panama Canal Zone in perpetuity, not for simply a few years.

The United States has wisely managed and improved the Panama Canal, allowing all nations during peacetime to freely travel through its locks. This dependable service has greatly benefited the international commerce of the United States and all other countries.

We saw during World Wars I and II the strategic value of the Panama Canal to the national security of the United States. If we give up our rights in the Canal Zone, any change of Panamanian leadership could lead to the United States being denial full access to the Canal and possibly preferential treatment of our enemies.

This would be an intolerable and unacceptable situation. We can now prevent this situation from arising by opposing the administration's plan to negotiate away U.S. rights in the Panama Canal Zone.

(By unanimous consent, Mrs. LLOYD of Tennessee yielded her time to Mr. McDONALD of Georgia.)

Mr. McDONALD of Georgia. Mr. Chairman, the history of the Panama Canal and the Republic of Panama is a very interesting one, and a very stormy one. It is a nation that was born as the result of highly placed Americans, and a few in the Panama district of the country of Colombia. As a result of the intrigue with the Panamanian citizens of Colombia, Panama was broken away and formed as a separate nation. At the same time, following the establishment of the Government of Panama, the United States of America assumed the Canal Zone Territory. It is a separate territory. It is not rented or leased, but it is ours in perpetuity. It was so ruled to be U.S. sovereign territory by the U.S. Supreme Court in a 1907 decision of Wilson against Shaw—which referred to the sovereignty of the Canal Zone.

The Republic of Panama has had a very stormy history since that time. The governments of the Republic of Panama have been noted for their instability;

today it is ruled by a left-wing dictator by the name of Omar Torrijos.

In 1968 the military government took over the rule of Panama, and closed the National Assembly, and the Government of Panama, as such, ceased to exist at that time. The constitution was abolished. This government operates outside of the constitution, and operates against article 252 of the Panamanian Constitution. It is an illegal government from the standpoint of their own constitution. The Government of the Republic of Panama through the dictator Torrijos has said that if we do not give the canal to them then they will take it, or close it by guerrilla warfare.

Mr. Chairman, I think it is time that we give a very firm message to the President and to the State Department that this is United States sovereign territory, and it is not to be relinquished. In these stormy periods with the loss of other waterways around the world, giving up the canal imposes the question of whether or not shipping could be maintained through the Panama Canal.

I think it is also time that we gave the Government of Panama, and Torrijos in particular, a very firm message about how we feel about our canal.

If there is a country that has been wronged, then it is the country of Colombia, and if we were going to have to give it back, if we have to give any land or territory back, then, frankly, we should return it to Colombia. That is not necessary because in the early 1920's we had conferences with Colombia and paid them the money they had asked for the right of our building the canal. Colombia is satisfied.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California (Mr. Moorhead).

Mr. MOORHEAD of California. Mr. Chairman, I rise in support of this amendment. It has been said here today that we are taking up this amendment at a time when it should not be taken up, while the negotiations are going on, but after they are completed, after an agreement has been made, the Congress has to consider the matter, and we will be in far more difficulty with our Latin friends than we will be if we stand up now and say we do not wish to give our sovereign territory away.

The people of this country are demanding that we hold the sovereignty of this area. It is vital to our national defense; it is vital to the welfare of this Nation. Let us stand up and tell the world that we will not let it go. Let us stand up today.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California (Mr. Dellums).

Mr. DELLUMS. Mr. Chairman, I rise in opposition to the amendment. I would agree with the statements made by the distinguished ranking minority member of the subcommittee that this debate clearly points out that a totally inappropriate place to debate a very important foreign policy statement is on an appropriation bill.

(By unanimous consent, Mr. Dellums yielded the balance of his time to Mr. Leggett).

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Leggett).

Mr. LEGGETT. Mr. Chairman, this amendment to this legislation does not appertain to support or opposition of the Government of Panama. Rather it relates to the powers of the President to negotiate. Even in the Cyprus situation we are negotiating with Greece and Turkey, and we are trying to accomplish the objectives of the U.S. Congress and the administration. What this amendment would purport to do would be to tie the hands of the President of the United States and of the State Department so that we cannot talk to Panama with respect to future rights and obligations between the United States and that country.

Since the Hay-Bunau-Varilla Treaty in 1903, we have entered into a complete modification treaty in 1936 which both helped the United States, and which required concessions from the United States. We did the same thing in 1955, and it was very, very complicated.

Out of this total Panama Canal Zone area, there is only 4 percent of the area that is needed for the actual operations of the canal. There is a big chunk of land which does not relate to the operation of the canal. There are some 40,000 people in the zone. There are 1½ million people outside of the zone in Panama. Lots of negotiations are required all the time on matters which affect their interest.

The Panama Canal issue is not necessarily a simple one, but this amendment oversimplifies the matter to a most unfortunate degree. That is one reason why I must oppose it.

Mr. Chairman, this amendment is most ill timed, coming as it does after 11 years of rather continuous negotiations, and after the United States has promised both Panama, and the Latin American nations through the Organization of American States, that the treaty negotiations will bring forth some kind of document.

The point that is being argued here by the Member from Kentucky is a moot one. Two months ago the subcommittee on which I sit, the Panama Canal Subcommittee, received assurance from the White House and the Department of State that:

> Any proposed change in basic United States relations with Panama, and especially any jurisdictional change, would be submitted to the Congress for approval.

It seems to me that the Executive is going to follow the constitutional processes on this Panama Canal matter, and I suggest that we do likewise and not tie the President's hands unnecessarily.

To refuse to talk with Panama on basic matters of friction between the United States and Panama, which is the intention of this amendment, cannot serve U.S. interests on the Isthmus of Panama. Rather such refusal would only make the Panama Canal issue more of a focus and flame of anti-U.S. sentiment. The passage of this amendment would only make more difficult and incalculable our relationships in the rest of the world.

I believe all of us want to protect important U.S. interests in Latin America and elsewhere in the world. But this amendment would be counterproductive to that end.

Let us vote this amendment down and vote on the subject which this amendment really addresses at a later time.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from North Carolina (Mr. Martin).

Mr. MARTIN. Mr. Chairman, I commend the gentleman from Kentucky for his amendment. I echo the sentiments of my colleague, the gentleman from North Carolina (Mr. Fountain).

This is, indeed, as good a time as any to say we cannot—we must not—relinquish our rights to the Panama Canal which we exercise "as if sovereign." If we give up this vital connection between the Atlantic fleet and the Pacific fleet, we would have no assurance that we would have access at any price in the future, considering all the "flaky" international precedents. We would have no assurance even that the Canal would be protected or even maintained, unless we reserve the right to do so ourselves. Those who oppose this amendment, which protects our interest in the Panama Canal and Canal Zone, should explain to the House what is to be gained by relinquishing any such rights.

The people of my district have responded clearly on my recent questionnaire that they oppose four-to-one any efforts to give away the Panama Canal. They feel strongly about it, as I do. If there will be another opportunity to vote to protect American rights to the Canal, we can express our view again at that time. Let us not fritter away this opportunity to clearly declare our intentions.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the Snyder amendment and think this is one of the most important amendments to be offered before this House.

We must make it loud and clear that we do not want funds to be used to give away the Panama Canal. And it should be understood that this canal is part of America, bought by us, built by us with much sweat and tears.

Secretary Kissinger has to be told by this amendment that the people of America are not going to stand still and let the State Department negotiate away this canal.

I ask my colleagues to stand up and be counted. If we do not win this vote today we might not have a vote again.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from New York (Mr. Biaggi).

Mr. BIAGGI. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Kindness).

Mr. KINDNESS. Mr. Chairman, we have no other way to act on this matter today, tomorrow, for years in the future, and maybe forever. We cannot wait any longer, it seems to me, to make a clear expression on the matter. We cannot act effectively after the negotiations have been completed. I make no claim to be an expert on Panama, on international affairs, or even on the views of the American public; but I certainly have some familiarity with the latter, as do all of the Members. It has been made clear in debate here today, as well as made clear to each one of us in our districts, that most people would want an affirmative vote on this amendment.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Chairman, I again rise in support of the amendment offered by the gentleman from Kentucky. The State Department appears to be ready to recognize full Panamanian sovereignty over the Panama Canal Zone. I feel this policy is contrary to the interests of the United States and should be opposed at every opportunity.

It is understandable that Panama should be unhappy with the present arrangements concerning control of the canal. After all, it is a very valuable property. Panama receives one-third of its gross national product from the canal under the present arrangements, as well as $1.9 million a year in payments from the U.S. Government. Full control of the canal by Panama would assuage national pride, and would be an economic windfall for the Panamanian Government.

However, the canal represents much more than a money-making property to the United States. It is vitally important to our national interest.

In recent years, some 70 percent of the tonnage shipped through the canal has either originated from the United States, or had its destination in our ports. This represents about 16 percent of our total exports and imports.

Currently, the Panama Canal Company, a nonprofit, U.S.-owned firm, operates the canal and fixes the toll rates. Any foreign agency which gains control of these responsibilities could charge unreasonably high toll fees at a cost to both our shippers and our consumers.

Even more important than commercial shipping, however, is the role of the canal in our national defense. The importance of the canal to U.S. security goes much further than providing a route for rapid deployment of naval forces between the Atlantic and the Pacific. Perhaps the most significant defense contribution it makes is toward defense economy.

Obviously, it is much faster and cheaper to move naval ships through the canal, rather than around the tip of South America—a long and dangerous voyage through some of the roughest waters in the world. The shipping of men, material, and equipment can be accomplished much more efficiently and cheaply through the canal.

The canal is vital to the economic well-being of our Nation, as well as to our national security. In a perfect world, I would perhaps agree that Panama should be given rights over the canal. But this is not a perfect world, and the United States has the right, and the duty, to place first priority in its own national interest.

And it is that interest which dictates to us the importance of continued U.S. control over the Panama Canal.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma (Mr. STEED).

(By unanimous consent, Mr. STEED yielded his time to Mr. SMITH of Iowa.)

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Chairman, this amendment goes much further than most of the Members have indicated. It says that none of the funds appropriated here shall be used to negotiate the relinquishment of any U.S. rights. That would prevent even negotiating how many Panamanian employees there will be on the canal. It goes to any U.S. rights. It goes much too far.

This vote is not just a matter of whether we are for or against relinquishment of the control of the canal or the 5 miles on either side of the canal or any question like that. That is a matter that should be considered later.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Chairman, I rise in opposition to the amendment. I have long supported a meaningful partnership between the Congress and the Executive in foreign policy. However, this particular amendment at this particular time is most mischievous. We have a process by which any treaty alteration will be dealt with and we should not interfere with that process by this amendment to this bill.

Mr. SMITH of Iowa. Mr. Chairman, this amendment would require our State Department to tell the Panamanians that we will not even talk to them about this. That in and of itself is enough to cause unnecessary hard feelings. No one in a responsible position is proposing to relinquish the canal soon and this question is not on whether that should happen, but rather on whether we should purposely insult the Panamians by telling them we will not even talk about changes.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Chairman, I oppose the amendment of the gentleman from Kentucky (Mr. SNYDER).

On the surface, the amendment would prohibit the expenditure of funds for the negotiation of the surrender of U.S. Treaty Rights in the Canal Zone. But the surface covers a complex issue which should not be dealt with so summarily or superficially.

I do not support a "surrender" of important national rights in the Canal Zone, or elsewhere. But there are many other things I oppose, as well. I do not support riots in Panama directed against American citizens and property. I do not support armed guerrilla activity in Panama against us. I do not support the insertion of U.S. Forces in Panama and the loss of life which would inevitably result, although such action may at some point become unavoidable. I do not support a deterioration of U.S. prestige and influence in all of Latin America. And I do not support the political crisis in world forums which is a foreseeable consequence of an unbending posture with respect to the canal.

It is apparent to me that many of the things I oppose may be mutually inconsistent. To reconcile these inconsistent positions requires a careful weighing and balancing of national interests.

This amendment does not not purport to balance anything. In a heavy-handed way, it opts for one interest in disregard to the consequences. Good faith negotiation, reviewable by the Senate, and perhaps this body, is the proper way to proceed. Such a procedure avoids the constitutional issue which the amendment poses, and provides a mechanism for appropriate balancing of competing interest.

There is room for negotiation with Panama which does not do violence to our essential interest in the canal. Assured passage of our vessels is not negotiable. Defense of the canal is not negotiable. But there are a host of political issues involving the exercise of some rights of sovereignty by Panama over the people and property within the Canal Zone that can be the subject of good faith negotiations and which must be weighed against the damage to the United States if we refuse to do so.

Mr. SMITH of Iowa. Mr. Chairman, I ask for a "no" vote on the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Chairman, I feel very strongly that the United States should maintain control over the Panama Canal. It is also my hope that nothing in this amendment will take the constitutional authority away from President Ford in handling this matter.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. METCALFE).

Mr. METCALFE. Mr. Chairman, I very seldom, as the Members know, take the well to make a speech.

I think the debate we have heard here now calls for us to be less emotional than we have been and we ought to calmly and deliberately consider our action before we embark on any vote.

It seems, as I get it, that we want to send a message out. I can tell the Members as the chairman of the Subcommittee on the Panama Canal, that the message is already out. The people are out. This week we are going to get a survey that is going to be made and which will substantiate the matter so we do not have to be very vocal and voice our sentiments now.

I urge the Members to reject this amendment at this time.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. FOUNTAIN).

Mr. FOUNTAIN. Mr. Chairman, some of us have been around here long enough to know that all this talk about why we should not do this and so now is meaningless, because this bill must go to the other body and ultimately to conference.

The language of the amendment of the gentleman from Kentucky (Mr. SNYDER) reads as follows:

> None of the funds appropriated in this title shall be used for the purposes of negotiating the surrender or relinquishment of any U.S. rights in the Panama Canal Zone.

I am not opposed to the President continuing to negotiate, others before him have likewise negotiated for many years, but if this amendment is construed, as I hope it will be construed, as a limitation upon the President's right to surrender the sovereignty of the Panama Canal to anybody, then I think now is the time and now is the place and it may be the last time we are going to be able to do anything about it—to do all we can to limit such power.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky (Mr. SNYDER).

Mr. SNYDER. Mr. Chairman, I would like to respond to a few of the allegations that have been made here today and say that I know a little bit about the Panama Canal. I served as the ranking minority member on the Subcommittee on the Panama Canal of the Committee on Merchant Marine. I have a few years experience on this matter.

The indication is that we are going to affect world opinion adversely; but in three International Conferences within the last few years, 52 maritime nations have said they want us to maintain the operation of the Panama Canal, because they know what will happen if Torrijos or the Panama Government tried to run it. Since 1904 they have had 59 presidents while we have had 13. That is an indication of the stability of their government.

To those in coastal States, I remind you that 72 percent of the canal traffic originates and terminates in the United States.

I wish I had more time to further respond to what has been said here today.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment.

I rise as one who also does not want to relinquish the Panama Canal. I think what we are discussing here is whether or not we are going to infringe upon the constitutional rights and responsibilities of the President of the United States, the very Constitution we took an oath to uphold. I do not see where this has anything to do other than infringe on the rights and responsibilities of the President of the United States.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Ohio.

Mr. ASHBROOK. How does the President have any rights under the Constitution to funds this body wants to withhold?

Mr. CEDERBERG. The President has a right under the Constitution to negotiate. If he does not, why do we have the amendment?

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I would like to quickly share an experience I had in the Canal Zone in February when I met with military service men and women, citizens from Arkansas who are stationed at various military bases in the U.S. Canal Zone. Several black. The black servicemen, Mr. Chairman, pleaded with me as their Representative in Congress to oppose any surrender of sovereignty of the U.S. territory to the Republic of Panama. Because, in their words, black people are dirt under the feet of La Guardia and if La Guardia gets control of the Canal, "Panama will be a hell hole for us to live in."

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. FASCELL).

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I believe it is the overwhelming sentiment of people in my district, as expressed to me in their letters, telephone calls, and personal contacts, that they do not wish to see the United States surrender its control over U.S. territory known as the Panama Canal Zone, nor to relinquish control over the vital Panama Canal waterway.

While I do not think it is appropriate to legislate on this issue through the indirect device of an amendment to an appropriation bill, and while I believe that this amendment is so worded as to interfere unnecessarily with the constitutional treaty-negotiating power of the President, I, nevertheless, feel constrained to vote for the amendment. My reason is that, to vote otherwise and, particularly, to see the amendment defeated might give the wrong impression to the State Department. The State Department might construe a negative vote to mean that Congress actually favored the outright surrender and relinquishment of the canal.

Whether this amendment remains in the final version of the bill or not, the opportunity for Congress to decide on the substantive issues will be there in the event the executive department negotiates a treaty affecting the Panama Canal and Americans' rights therein. At that time, I am sure a full and complete debate of all the issues will occur and the Congress will vote the sentiments of the American people and the best interests of this Nation.

Mr. FASCELL. Mr. Chairman, I rise in opposition to the amendment.

The purpose of the amendment may be quite clear in the minds of some, but it is also quite clear that diplomatically to the United States this amendment would be disastrous, without effectively dealing with the fundamental problem that is attempted to be raised by this issue.

I would also like to straigthen out the record for my colleagues who said there have been no hearings on this issue. There have been hearings by the International Relations Committee for many days and weeks over a period of many years.

Mr. METCALFE. Mr. Chairman, any attempt to legitimately protect important U.S. interests in sensitive international negotiations is laudable. To the casual observer, an amendment ostensibly designed to protect the United States, such as the one brought to this Chamber's attention by the gentleman from Kentucky, seems quite in order. The initial perception of most of us is that the United States is conducting negotiations concerning the Panama Canal because it is being pressured to yield the control of territory and an operation which has been in "our domain" for three-fourths of a century. Yet, Mr. Chairman, while our responsibility is to support the right interests of our constituents, we cannot be so foolhardy as to pretend their interests are the only ones in the world. The issue of Panama Canal treaty negotiations is, in my view, not so simple or one-sided that a spontaneous debate such as this which proclaims to decide the entire future of those negotiations can begin to do justice to what may be our most sensitive foreign policy contention with Latin America.

As chairman of the Subcommittee on the Panama Canal, I can stand with my colleagues and support the rightful role that Congress must play in U.S. policy toward the Canal Zone; but I cannot support taking from the executive branch its rightful role as daily administrator of Canal Zone affairs. Likewise I can support the constitutional prerogative which our Founding Fathers gave the House of Representatives as protector of the pursestrings of our Treasury; but I cannot support the utilization of that power so as to do damage to a power of negotiation which has been historically and constitutionally adjudged to be that of the President. I will always support the protection of true U.S. interests in the world; but I cannot support the refusal to talk with a friendly country about matters which are of mutual concern and which are fundamental to the very existence of those institutions and prerogatives which this amendment proclaims to protect. That is why, on balance, Mr. Chairman, I strongly oppose this amendment because it may be unconstitutional, it is inappropriate, and it is certainly damaging to the U.S. interest.

The right of the President to initiate negotiations has rarely been challenged by the Congress and, in my view, should only be challenged when it becomes apparent that it is the intention of the Executive to circumvent the constitutional mandates for treaty-making. Article II, section 2, clause 2, of our Constitution delegates to the President the power, with the Senate, to make treaties and appoint Ambassadors and other officials. History has upheld a strong role for the President in this regard and general constitutional practice has absolved the President from being required to follow certain legislative stipulations which infringe on his foreign affairs powers.

In 1924, for example, in an authorization bill providing funds for a delegation to an International Opium Conference, the Congress stipulated that the U.S. delegation to the conference would vote in a certain manner—but subsequent to that legislation the stipulation was eventually disregarded without further controversy. In 1826, a similar type of rider to instruct the U.S. delegation to the Panama Conference had been defeated in Congress on the grounds that it was an improper conditional attachment to foreign affairs appropriations. While lack of a direct constitutional precedent prevents me from firmly stating that this amendment is clearly unconstitutional, it is clear that the thrust of this amendment does offend our constitutional separation of powers.

The President's right to initiate negotiations which involve the foreign interest of the United States have been historically uncontested by the Congress. In view of the fact that negotiations have been generally considered an exclusive Presidential prerogative, I believe this Chamber ought not to regulate Presidential action by attaching conditions on the appropriation of funds if we are not entitled to directly and legally affect those actions which this amendment more indirectly addresses.

As we know, there seems to be a little support in the United States for the Kissinger-Tack agreement of February 1974. The wisdom of the U.S. Secretary of State's signature to that document may be contested in view of the absence of expressed support for it. Certainly, Vietnam taught this country the dangerous consequences of Presidential policy made without reference to the will of the people. We know and the President knows that he is at his weakest in the foreign affairs domain when he pursues policies which are at variance with the implied or expressed will of Congress, and Congress has not been overwhelmingly enthusiastic about Panama Canal treaty negotiations. But while a vote on the "Eight Principles" may or may not pass if it were taken here today, we must remember this is not a vote on these guidelines. It is rather a vote on the question of who has the responsibility to negotiate with those foreign elements and powers which may affect the security of an important U.S. interest on a day-to-day basis.

In late April, in response to a petition from a subcommittee which I chair, the White House and the State Department clearly indicated to the Congress that substantial change in jurisdictional relationships as respects the Canal Zone and Panama would be arrived at with the approval of the Congress. On May 1, 1975, U.S. Ambassador at Large Ellsworth Bunker wrote to Governor Parfitt of the Canal Zone in order to assure him and all Panama Canal employees that jurisdictional change in the zone would be arrived at only with the approval of the Congress. I inserted the Ambassador's letter in the CONGRESSIONAL RECORD on May 7, 1975, on page 13425. Because of the communications to which the Panama Canal Subcommittee has been party, it is my view that the executive branch has responded appropriately to congressional concerns over the canal issue and that the executive, insofar as this issue is concerned, will take whatever action it can within the international latitude allowed it to meet congressional objectives.

This chamber will have the opportunity to pass upon any new arrangement to govern the Panama Canal. Many members of this body have insisted on the responsibility the entire Congress has under article IV, section 3, clause 2 of the Constitution. That clause invests in the Congress the authority for disposal of U.S. property. Since a treaty cannot violate constitutional prerogative and procedures if it is to be valid, then it is clear that when an attempt to violate the rights of the House in this matter is perceived, then that is the time to act. Any treaty governing the Panama Canal will not likely be a self-executing one and necessary implementation will involve the House of Representatives. Again, I believe that it is at that time the House can best act.

While there are members who may look at the internal workings of our Government rationally and find it disquieting to note that negotiations are ongoing at a time when there has been much congressional criticism of those negotiations, nevertheless the President and the Department of State must consider the U.S. international position and image as it respects the canal issue before taking any hasty action. From an international viewpoint, the impact of an immediate cessation of these Panama Canal treaty negotiations could be catastrophic.

In 1973, amidst these continuing Panama Canal negotiations, the United States was forced to veto a resolution in the United Nations Security Council which called for a prompt settlement of the canal issue and which espoused "full respect for Panama's effective sovereignty over all its territory." While vetoing the Security Council's resolution, the United States at the same time maintained credibility with the world by announcing its intention to continue the negotiations for a new Panama Canal treaty.

Subsequent to the U.N. veto, on February 7, 1974, Secretary of State Kissinger and Panama's Foreign Minister Juan Tack signed a declaration of "Eight Principles" which were to serve as negotiating guidelines for the final agreement between the United States and Panama.

Then, in three successive conferences of the Organization of American States in 1974 and 1975, the United States promised Latin America completion of treaty negotiations on the subject of the Panama Canal. At the latest OAS conference in May 1975, the Organization approved a resolution commending the United States and Panama for their intention to arrive at a draft settlement on the canal issue.

In another related development, on March 25, 1975, the strong expression of present Latin American solidarity over the canal issue became even more apparent as Panama, Colombia, Costa Rica, and Venezuela issued a declaration of political alliance to seek a new canal treaty which would invest Panama with sovereignty in what is now the Canal Zone.

It is not my intention to overplay the internationalist elements surrounding this issue, but I want to point out to Members of this chamber the possible ramifications of the passage of this amendment.

I hope my colleagues would thus recognize that the United States finds itself in a precarious situation vis-a-vis the contemporary Latin American concerns. The roots of this issue precede and the effect of this vote may extend far beyond our own lifetimes. The abrupt and the extreme nature of this amendment would have a most damaging effect on U.S. relations in general and in Latin America in particular.

Mr. Chairman, permit me to make two historical points with regard to this amendment. It should be clear, even with negotiations ongoing, that the U.S. position with respect to the renegotiation of the 1903 treaty is not improving. That is clear from a comparison of the 1967 treaty drafts and the "Eight Principles" signed in 1974. This amendment would unfortunately be damaging because it would force the issue to be decided at a time when the United States is likely to be at a greater negotiating disadvantage.

As another historical point, we would do well to remember that in 1956 Great Britain, perceived as a colonialist power by the world, found few friends to support its position with respect to the Suez Canal. It may also be noted that certain Members of the Great Britain Parliament were largely responsible for the intransigence with which Britain looked upon this Suez issue and they ultimately caused the explosion of the Suez Canal issue in a fashion very detrimental to Britain's interest. No one here would under any circumstances condone violence in Panama. But passage of this amendment may in fact be detrimental to the overall safety and security of the U.S. position on the isthmus. That is the reason we recognize that an emotional response on this problem is not in order, and that we should not endorse a move which can only be injurious to U.S. interests.

Finally, it would seem simply inappropriate for this body to directly intervene in negotiations after they have been ongoing for 11 years without interruption of this kind. The proper path which ought to be sought by those who are opposed to a new Panama Canal agreement to affect the negotiations constructively would be to support the resolution introduced by the gentleman from Pennsylvania (Mr. FLOOD) or the gentlelady from Missouri (Mrs. SULLIVAN). Regardless of the position of Members on the canal issue, those resolutions are a more appropriate vehicle to achieve their objective than is this amendment.

The Panama Canal controversy can easily lead to a charged atmosphere in our own Nation. It can just as easily lead to an emotional reaction in other countries. A consideration of the true national interest demands that in voting on this amendment we reflect on the eventual consequences of our important decision.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Kentucky (Mr. Snyder).

The question was taken; and the Chair announced that the noes appeared to have it.

RECORDED VOTE

Mr. SNYDER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 246, noes 164, not voting 23, as follows:

[Roll No. 358]

AYES—246

Abdnor
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Barrett
Bauman
Beard, R.I.
Bell
Bennett
Bevill
Biaggi
Blanchard
Boggs
Bowen
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Butler
Byron
Carney
Carter
Casey
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Cotter
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Delaney
Dent
Derrick
Devine
Dickinson
Dingell
Downing
Duncan, Tenn.
Edwards, Ala.
Eilberg
Emery
English
Esch
Evans, Ind.
Evins, Tenn.
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Fountain
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Guyer
Hagedorn
Haley
Hammerschmidt
Hanley
Hannaford
Hansen
Harsha
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hightower
Hillis
Hinshaw
Holland
Holt
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Krebs
LaFalce
Lagomarsino
Latta
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCollister
McCormack
McDade
McDonald
McEwen
McKay
Macdonald
Madigan
Mann
Martin
Mathis
Matsunaga
Mazzoli
Milford
Miller, Ohio
Mills
Minish
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Nichols
Nowak
O'Brien
Passman
Patman, Tex.
Pepper
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Quie
Quillen
Randall
Regula
Rinaldo
Risenhoover
Robinson
Roe
Rogers
Roncalio
Rose
Rostenkowski
Roush
Rousselot
Runnels
Russo
St Germain
Santini
Sarasin
Satterfield
Schroeder
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sisk
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Steelman
Steiger, Ariz.
Stephens
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wilson, C. H.
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zeferetti

NOES—164

Abzug
Adams
Addabbo
Anderson, Ill.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Bedell
Bergland
Biester
Bingham
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brown, Calif.
Burke, Calif.
Burlison, Mo.
Burton, Phillip
Carr
Cederberg
Chisholm
Clay
Cohen
Conte
Conyers
Corman
Corneil
Coughlin
Daniels, N.J.
Danielson
Dellums
Derwinski
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eshleman
Evans, Colo.
Fascell
Fenwick
Findley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Gude
Hall
Hamilton
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hechler, W. Va.
Hicks
Holtzman
Horton
Howard
Jarman
Jeffords
Jordan
Kastenmeier
Koch
Leggett
Lehman
McClory
McCloskey
McFall
McHugh
McKinney
Madden
Maguire
Mahon
Meeds
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Mineta
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Myers, Pa.
Nedzi
Nix
Nolan
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Pattison, N.Y.
Perkins
Price
Pritchard
Railsback
Rangel
Rees
Reuss
Rhodes
Richmond
Riegle
Rodino
Rooney
Rosenthal
Roybal
Ruppe
Ryan
Sarbanes
Schneebeli
Seiberling
Simon
Skubitz
Slack
Smith, Iowa
Solarz
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stokes
Stratton
Studds
Symington
Thompson
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Waxman
Weaver
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wright
Yates
Young, Ga.
Zablocki

NOT VOTING—23

Beard, Tenn.
Brooks
Burton, John
Collins, Ill.
Conlan
Diggs
Erlenborn
Foley
Forsythe
Fulton
Hébert
Karth
Krueger
Landrum
Melcher
Mosher
Neal
Patterson, Calif.
Roberts
Scheuer
Sikes
Whalen
Wolff

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Diggs against.

Mr. Sikes for, with Mr. Wolff against.

Mr. Landrum for, with Mr. Karth against.

Mr. Beard of Tennessee for, with Mr. Whalen against.

Mr. Forsythe for, with Mrs. Collins of Illinois against.

Mr. Conlan for, with Mr. John Burton against.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read.

Mr. SMITH of Iowa (during the reading). Mr. Chairman, the Members want to get out of here today, and we think there are three amendments left, not more than three amendments. I do not think it will take long to dispose of any one of them.

Therefore, Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. ASHBROOK. Mr. Chairman, reserving the right to object, like my colleague, the gentleman from Iowa (Mr. Smith), I want to get out of here. However, I find increasingly offensive the policy of getting to the end of the day when many important things need to be done, and instead we are under extreme limitation.

Could I ask my colleague, the gentleman from Iowa, whether he has any mental thought at the present time with respect to closing debate?

Mr. SMITH of Iowa. I do have.

Mr. ASHBROOK. I assumed that would be the answer. That is why I raised the question. I do not want to object. I would like to know when we can get out of here, but I also do not think that we should put ourselves in a straitjacket on important amendments. I myself may have a couple of questions I want to ask.

During the last few weeks, whenever we got to the point where I wanted to ask a question, I found I was under about a 30-second limitation, even with respect to the energy bill.

Mr. SMITH of Iowa. I think it is important that we set some time limit. I think that if we set it for about an hour from now, it will be all right.

Mr. ASHBROOK. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Are there any points of order against the remainder of the bill? The Chair hears none.

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto cease in 60 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDMENTS OFFERED BY MR. HEINZ

Mr. HEINZ. Mr. Chairman, I offer two amendments, and ask unanimous consent that they may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

(The portion of the bill to which the amendments refer is as follows:)

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust, consumer protection and kindred laws, $18,680,000: *Provided*, That none of this appropriation shall be expended for the establishment and maintenance of permanent regional offices of the Antitrust Divison.

For "Salaries and expenses, Antitrust Division" for the period July 1, 1976, through September 30, 1976, $5,068,000.

The Clerk read as follows:

Amendments offered by Mr. Heinz: On page 18, in line 5, strike out "$18,680,000" and insert in lieu thereof "$20,661,000", and beginning on line 10 and ending on line 11, strike out "$5,068,000" and insert in lieu thereof "$5,605,208".

PARLIAMENTARY INQUIRIES

Mr. ASHBROOK. Mr. Chairman, will the gentleman from Pennsylvania yield for the purpose of a parliamentary inquiry?

Mr. HEINZ. I will be happy to yield to the gentleman from Ohio.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ASHBROOK. Mr. Chairman, I hate to interrupt the gentleman from Pennsylvania, but I think the Members should understand that we are operating under a limitation of time. Is that correct?

The CHAIRMAN. The Chair will state that there is a limitation of 60 minutes on the bill and all amendments thereto.

Mr. ASHBROOK. And will all of the Members who were standing at the time of the limitation of debate be recognized?

Mr. HEINZ. Mr. Chairman, I refuse to yield further if this is coming out of my own time.

The CHAIRMAN. The Chair will state that the gentleman from Pennsylvania will be given his full time.

The Chair will further add that all Members who were standing at the time the limitation of debate was made will be recognized for approximately 2 minutes each.

Mr. DRINAN. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DRINAN. Mr. Chairman, will the time be allotted according to the three amendments now pending at the desk?

The CHAIRMAN. All Members who were listed, who were standing at the time the limitation of time was granted, will be accorded the same amount of time.

Mr. DRINAN. Mr. Chairman, will the time be limited with regard to the amendments offered by the gentleman from Pennsylvania (Mr. HEINZ) so that the other Members who have filed amendments will also have a certain amount of time?

The CHAIRMAN. The Chair will state that the gentleman from Pennsylvania (Mr. HEINZ) will be recognized, and then all other Members will be allotted 2 minutes, except for such amendments as were printed in the CONGRESSIONAL RECORD. Every Member who has an amendment that was printed in the CONGRESSIONAL RECORD will be guaranteed a full 5 minutes.

(By unanimous consent, Mr. MOORE yielded his time to Mr. CEDERBERG.)

(By unanimous consent, Messrs. RUSSO, TREEN, and MINETA yielded their time to Mr. BIAGGI).

(By unanimous consent, Mr. THONE yielded his time to Mr. ASHBROOK.)

(By unanimous consent, Mr. MCKAY yielded his time to Mr. SMITH of Iowa.)

(By unanimous consent, Messrs. EDWARDS of Alabama and GUYER yielded their time to Mr. CEDERBERG.)

(By unanimous consent, Mr. BLOUIN yielded his time to Mr. SMITH of Iowa.)

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. HEINZ).

Mr. HEINZ. Mr. Chairman, the demands of an unprecedented amount of litigation and an expected increase in workload make it imperative that the Antitrust Division of the Justice Department have sufficient funds to operate effectively. For that reason, the amendment I offer would give the Antitrust Division nothing more or less than the amount of the Division's fiscal 1976 budget request, namely, $20,661,000 plus proportionate funding for the transition period of $5,605,000 for fiscal year 1976. The $20,661,000 consists of $19,791,000 for the basic fiscal year 1976 budget request plus $870,000 for pay adjustments during the fiscal year 1976 budget year.

My amendment would result in an increase of just under $2 million for the Antitrust Division, or a 10.6-percent increase. I believe this increase is absolutely necessary because of the Antitrust Division's unprecedented workload. To be specific, the Division in this calendar year has engaged in 19 litigated cases to date. This is a tremendous increase in activity compared to the preceding 10-year average of 11 cases litigated per year.

I might add that the employee-days in court this year have tripled over the previous 10-year average as well. The load, in addition, Mr. Chairman, is expected to increase, not diminish.

Further, Mr. Chairman, the funding level of $18,680,000 proposed by the Committee on Appropriations is below the administration's budget request. I think it is totally inadequate, and in view of the Division's workload and responsibilities, the appropriation level in this bill represents, in my judgment, nothing less than an inexplicable abandonment of the free enterprise system to special interests and a sellout of the consumer.

The crippling of the Antitrust Division's activities in this crucial time, Mr. Chairman, must not be acquiesced in by this Congress.

I have made available to all the Members a detailed justification of the manning and areas of responsibility for the increased manpower this amendment will permit. The Antitrust Division is on record in detail and in writing that these personnel are urgently needed and strongly justified in two particular areas:

Reducing private interference in the free market system, and

Limiting Government interference in the free market system.

Stated simply, these funds and the law enforcement capability they will provide will reduce monopoly, prosecute price fixing, and minimize anticompetitive Government regulation.

This is, in fact, the heart of President Ford's efforts to strengthen our economy. The President himself has estimated the price tag of anticompetitive practices, and I quote:

> At more than the Federal Government actually collects in personal income taxes each year, or something on the order of $2,000 per family.

Or, in President Ford's own word "unbelievable."

Mr. Chairman, money expended on antitrust enforcement is returned to consumers many times over. Antitrust enforcement is nothing less than one of the most powerful weapons to lessen inflation and unemployment. When the President of the United States himself estimates the costs of anticompetitive practices at over $100 billion, the extra $2 million this amendment provides is modest indeed.

And let me reiterate one more time: The amount of money in my amendment is exactly and only what the antitrust division says they need to do their jobs. This is the minimum amount we should appropriate.

I ask my colleagues to support the amendment.

Mr. HAYES of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HEINZ. I yield to the gentleman from Indiana.

Mr. HAYES of Indiana. I thank the gentleman for yielding.

I would like to know whether or not the gentleman is aware that the Antitrust Division of the Department of Justice has been hindered in terms of investigating fertilizer shortages, and particularly its involvement with the investigation of Nitrex, the European fertilizer cartel, and its activities or nonactivities in the United States because of a lack of personnel and budget.

Mr. HEINZ. I think the gentleman from Indiana makes an excellent point. There are many investigations such as the fertilizer investigation that have been hampered. I think the gentleman makes a very important point.

Mr. HAYES of Indiana. There is one other point, if the gentleman will yield further just for a short moment, and that is that this amendment is being opposed on the basis that the request by Mr. Kauper and by the Antitrust Division was the same as that submitted by OMB. I am familiar with the Executive directives which forbid contrary testimony to that given by Mr. Kauper to the committee, and I would submit to the gentleman that one of the reasons why the testimony might reflect that the answer to OMB's reduction is the question:

> Did OMB reduce your budget request? If so, how much?

Mr. Kauper answered:

> The answer to that is no.

I might submit that testimony because of the Executive order forbidding those people to deny that there was any difference between their request and what they wanted.

Mr. HEINZ. The gentleman makes an important point, and I would just like to point out to any doubting Thomases that I have right here the original request of the Antitrust Division of the Department of Justice, and in effect it is the request and the justification for the $2 million we are asking for in this amendment.

I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this subcommittee has always given the Antitrust Division everything they could use. If they have not prosecuted certain antitrust matters, it has not been because they lack the authority to hire the personnel. Here are the facts. They have a total of 715 authorized personnel. As of June 11, they had 52 vacancies. There were 52 vacancies, which means they had 663 on board at that time. We have provided funds in this bill for the 52 vacancies plus funds for 33 additional positions. This total of 85 is a 12-percent increase over what they have now on board.

With respect to funds provided in the amendment for pay increases, that is going to come later in the year. No department receives money in advance to pay for potential salary increases. The practice is to submit a supplemental request for such pay increases, if necessary. If there is such an increase later this year, the amount will be set and there will be a supplemental appropriation bill to provide the money at that time.

In addition, if the Antitrust Division feels it needs additional personnel later on if they do bump the ceiling, we can consider such a proposal in a supplemental.

I say this amendment is unnecessary. No matter what we put in, somebody will always want to increase it. Somehow we have to balance out the whole budget. We provided everything the Department requested of OMB. Obviously all bureaus and divisions ask their departments for more than they expect to get. At the department level they balance out the requests.

I ask for the defeat of the amendment and I reserve the balance of my time.

(By unanimous consent, Mr. HAYES of Indiana yielded his time to Mr. DRINAN.)

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will try not to take the full 6 minutes because I want to reserve a little of my time for other amendments. However, I want to reaffirm what the gentleman from Iowa has said. This subcommittee has always taken care of the Antitrust Division. As the gentleman said, there is an amendment pending in OMB right now for an additional $2 million. If that comes to us we will give it proper consideration. And OMB granted every dime that the Justice Department requested for the Antitrust Division.

There is nothing new or miraculous about a department or division within a department not getting all the money it asks from the department. That is a department decision that is made as they go through the various divisions. There is nothing significant about that.

There are vacancies that exist now. Let me put the minds of the Members at rest. This subcommittee will do everything it can to be sure the Antitrust Division has all of the facilities they need to execute the laws they are required to administer. It is just that simple. There is no reason or need at all for this amendment.

Mr. HEINZ. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Chairman, the gentleman makes a point that the Antitrust Division is getting in the Appropriations Committee all the positions and all the money they ask for. I would respectfully disagree and point out to the Members that in my judgment the factsheet that is being distributed and handed out, that has as point No. 2:

> The Antitrust Division's request was not cut by OMB.

That is totally in error.

Mr. CEDERBERG. That is not totally in error.

Mr. HEINZ. If the gentleman will please yield further, I have the Antitrust Division's request here.

Mr. CEDERBERG. Request to whom?

Mr. HEINZ. It is their request for money.

Mr. CEDERBERG. Request to whom?

Mr. HEINZ. It says:

> the Department of Justice, Antitrust Division, budget for fiscal year 1976.

Mr. CEDERBERG. To the Department, not to OMB.

Mr. HEINZ. The whole subject was discussed in front of the Senate Subcommittee on Antitrust and Monopoly of the Judiciary Committee together with the Subcommittee for Consumers of the Commerce Committee on June 10, 1975, and on that occasion Mr. Kauper said that he had been cut.

Mr. CEDERBERG. If the gentleman will look at the hearings, and I will show this to the gentleman just as soon as I leave the well of the House, as a matter of fact, Mr. SLACK said to Mr. Kauper:

> Did OMB reduce your budget request? If so, how much?

The answer was:

> The answer to that is "No." The budget request which was approved by OMB was the request which was transmitted by the Department.

It cannot be any clearer than that.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, I oppose this amendment on two grounds. The first one, is philosophical as to whether we should even have an antitrust department and if we do, is whether the Antitrust Division is directing their efforts in the right direction. I would suggest they should investigate the postal monopoly.

It is rather amusing to me that the Antitrust Division is concerned with investigating the telephone company. When we compare the operations of the telephone company over the last 25 years with the operations of the post office monopoly, I think it would make one wonder whether or not the Antitrust Division of the Justice Department is after the right party. I think 25 years ago we could mail about 1,500 letters or more for the price we could make 1 phone call from coast to coast. Today we can mail about 10 letters for the price of 1 phone call from coast to coast. I would have to check the figures, of course; but we all know what has happened. How we could even think of asking for more money for the Antitrust Division to go after the phone company, when the phone company has done such a good job and the post office monopoly has only increased rates to mail letters.

So it would be my wish that we defeat this amendment for that reason on philosophical grounds.

The other reason, Mr. Chairman, it adds to the already overbloated budget. It is a million dollars, but a million dollars here, a million dollars there, only further contributes to the destruction of the American dollar, which will lead to the fall of Western civilization if we don't stop spending more money than we have, which forces the Federal Reserve to print money to cover our extravagance. Mr. Chairman, I ask the full House to include with my remarks as to what the German inflation of the 1920's in Germany led to in that country, which, of course, was Hitler.

Mr. Chairman, I urge Members to vote down this amendment, and include the following article, from the June Freeman.

The material referred to above is as follows:

[From the Freeman, Irvington, N.Y., June 1975]

THE GREAT GERMAN INFLATION

(By Bruce Bartlett) *

The February issue of the British magazine, *Encounter*, contains a heretofore unpublished lecture by the famous novelist, Thomas Mann, which recalls his experience with the great German inflation of 1913–1923. "A straight line," he tells us, "runs from the madness of the German inflation to the madness of the Third Reich."

Just as the Germans saw their marks inflated into millions and billions and in the end bursting, so they were later to see their state inflated into "the *Reich* of all the Germans" "the German Living Space", "the New Europe", and "the New World Order", and so too they will see it burst. In those days the market woman who without batting an eyelash demanded a hundred million for an egg, lost the capacity for surprise. And insane or cruel enough to surprise her.

It was during the inflation that the Germans forgot how to rely on themselevs as individuals and learned to expect everything from "politics", from the "state", from "destiny." They learned to look on life as a wild adventure, the outcome of which depended not on their own effort but on sinister, mysterious forces. The millions who were then robbed of their wages and savings became the "masses" with whom Dr. Goebbels was to operate.

Inflation is a tragedy that makes a whole people cynical, hardhearted and indifferent. Having been robbed, the Germans became a nation of robbers.[1]

This terrible inflation, which Mann credits for the rise of Hitler, had its origin in another holocaust: World War I. Like every other nation involved in that conflict, Germany was entirely unprepared for its intensity. German, French and British troops all marched off in August 1914 absolutely convinced they would be home by Christmas. The German High Command shared this optimism, having full faith in the ability of the Schlieffen Plan to bring quick victory. With the resulting total war, outlasting the enemy became the only path to victory for either side.

At this point, Germany discovered just how badly it was prepared for this new kind of warfare. Cut off from its sources of food by a British blockade and failing to achieve any kind of breakthrough on the Western front, Germany began to gamble, as it did when it unleashed its submarines. At home too, the government began to gamble. The people, having been bled white by taxation already, had to be urged on to greater sacrifice. Toward this end, the government resorted to inflation on a mass scale, gambling that the people would be unaware of what was happening.

---

*Mr. Bartlett is a graduate student in history at Georgetown University.

Footnotes at end of article.

INFLATION AN INDIRECT TAX

Here, one should keep in mind that inflation, in its crudest form, is nothing but an indirect tax. The government, with its monopoly on the issuance of currency, found it simple to play the role of counterfeiter. It simply paid for the goods it needed with newly created money. Since an individual's conception of his money's worth is basically shaped by his past memory of its purchasing power, this process can go on for some time before it begins to significantly affect the price level.

During the war, goods were being withdrawn from the economy for war material and, simultaneously, fewer goods were being produced as workers became soldiers. At the same time, the government was increasing the money supply rapidly as it became increasingly difficult to raise needed funds from taxation or direct borrowing.

Historically, the speed at which people spend tends to remain relatively constant unless they expect a sudden change in economic relationships. Accelerated spending classically occurs when people feel that their money is losing its value. At this point, they begin to spend every cent they can get as quickly as possible before prices go up again. This only tends to raise prices even higher and drop the value of the money correspondingly. Economist Ludwig von Mises, a resident of Austria at the time, graphically described this process:

> In normal times, that is in periods in which the government does not tamper with the monetary standard, people do not bother about monetary problems. Quite naively they take it for granted that the monetary unit's purchasing power is "stable." They pay attention to changes occurring in the money-prices of the various commodities. They know very well that the exchange-ratios between commodities vary. But they are not conscious of the fact that the exchange-ratio between money on the one side and all commodities and services on the other side is variable too. When the inevitable consequences of inflation appear and prices soar, they think that commodities are becoming dearer and fail to see that money is getting cheaper. . . . This ignorance of the public is the indispensable basis of the inflationary policy. Inflation works as long as the housewife thinks: "I need a new frying pan badly. But prices are too high today; I shall wait until they drop again." It comes to an abrupt end when people discover that the inflation will continue, that it causes the rise in prices, and that therefore prices will skyrocket indefinitely. The critical stage begins when the housewife thinks: "I don't need a new frying pan today; I may need one in a year or two. But I'll buy it today because it will be much more expensive later." Then the catastrophic end of the inflation is close. In its last stage the housewife thinks: "I don't need another table; I shall never need one. But it's wiser to buy a table than keep these scraps of paper that the government calls money, one minute longer." [2]

This entire process was set in motion when the Reichsbank suspended the redeemability of its notes in gold at the outbreak of war. As long as the paper currency was tied to a finite amount of gold, the currency also remained within finite limits. When this restraint was cast aside, there was no longer any legal limit to the amount of money that could be manufactured. The government, in turn, used this freedom to force the bank to buy its bonds, which the bank paid for by creating deposits in the government's account. In this way, the German debt became monetized, just as the American debt is today monetized by the Federal Reserve System. Simply put, this means that the government's debts are ultimately paid for by the consumer's loss of purchasing power; the creation of new money serving only to cheapen all money already in circulation. In Germany, this meant that by the end of 1918, the amount of money in circulation had increased fourfold. One would have expected this to lead to approximately a fourfold rise in prices, more when one considers the corresponding cutback in production, but in fact they only rose 140 percent. This is because consumers were not yet fully aware that the rise in prices was due not only to goods being less available, but also due to inflation of the money supply.

HUGE DEFICITS

To be sure, even the victorious nations had practiced the German method for financing their debts and experienced a similar rise in prices. But with the cessation of hostilities, they returned to sound fiscal and monetary policies. In Germany, the government made no effort to return to pre-war spending levels and continued to run huge budget deficits, as the following table demonstrates: [3]

	Revenue [1]	*Expense* [1]	*Deficit* [1]
1919	2,559	8,560	5,999
1920	3,178	9,329	6,054
1921	2,927	6,651	3,676
1922	1,488	3,951	2,442
1923 [2]	519	5,278	4,690

[1] In millions of gold marks.

[2] April to October only.

As one can see, the debt mounted with each passing year, almost all of it being funded through monetization. The reasons for this were partly humanitarian, partly political, and partly selfish. On the one hand, there was terrific pressure for relief and rebuilding. Then too, the government sought to use inflation as a psychological weapon against the Allies. Finally, there was pressure from those benefiting from the inflation, which will be dealt with below. But the single most important factor in the ensuing hyperinflation was economic law. As people slowly began to realize that their money was losing its value, they began drawing out bank deposits and spending what they had as quickly as possible. This run on the banks and the tremendous increase in the demand for cash put fierce pressure on the treasury to stave off collapse with a flood of freshly minted bills. Thus the figures for total money in circulation begin to follow a pattern (in millions of marks): 1913, 6,070; 1920, 81,338; 1921, 122,500; 1922, 1,295,231; 1923, 2,274,000,000.[4] And the effect on the price level inevitably followed a similar pattern: [5]

Wholesale price index

Year:	
July 1914	1.0
Jan. 1919	2.6
July 1919	3.4
Jan. 1920	12.6
Jan. 1921	14.4
July 1921	14.3
Jan. 1922	36.7
July 1922	100.6
Jan. 1923	2,785.0
July 1923	194,000.0
Nov. 1923	726,000,000,000.0

SEARCH FOR SCAPEGOATS

Needless to say, the government never admitted its role in this, but instead sought out easy scapegoats. The most popular one was the Versailles Treaty. After all, the people already hated the Allies, so why not exploit it to good use? The campaign was so successful that even intelligent economists like Dr. Hjalmar Schacht accepted and perpetuated the myth: "The true cause of the inflation after the war was the perpetual pressure exercised by the Reparation Commission on Germany in the attempt to extort payments to foreign countries which in the nature of things could not be made." [6] The truth of the matter is that reparations expenses only made up about a third of the German budget deficit throughout the entire period. In his book, *The Economics of Inflation*, Costantino Bresciani-Turroni compiled the following figures: [7]

Year:	*Deficit* [1]	*Reparations* [1]
1920	6,053.6	1,850.9
1921	3,675.8	2,810.3
1922	2,442.3	1,136.7
1923 [2]	6,538.3	742.4

[1] In millions of gold marks.

[2] April to December only.

Consequently, the reparations alone cannot account for the deficits or the ensuing inflation. The truth of this was, of course, irrelevant. There were plenty of other causes for the inflation which could also be exploited. To blame profiteering became particularly popular because, as in the case of reparations, there was some truth in it. This is how Thomas Mann saw those who profited from the crisis:

> For at least a section of this ruling class, the big industrialists, the inflation was profitable; they were in no hurry to stop it. During those years the Krupps, Stinneses, Thyssens, etc., got rid of their indebtedness, which ran into real millions, by paying their creditors in inflated millions, and thanks to these same inflated millions they acquired real millions-worth of property.
>
> Though Germany was very poor at that time, it possessed great wealth in mineral resources and industrial plants. During the inflation a radical change occurred; this wealth became concentrated in fewer and fewer hands. The small and medium property-owners lost their holdings, and the biggest snapped them up. They acquired property and paid with paper. Years later one could hear it said that such and such a factory or mine was unproductive and would not be profitable if it had not been acquired for next-to-nothing during the Inflation. . . .[8]

NOT A MAJOR CAUSE

It would be a vast distortion, however, to say that profiteering in general was a contributing cause to the economic crisis. It is in the very nature of inflation that some will reap great profits. It was only those big industrialists like Hugo Stinnes who consciously realized what was taking place and deliberately sought to influence the government toward inflation.[9] For the rest, who reaped windfalls through no conscious effort, through simple foresight or luck, some defense should be made. Many of these entrepreneurs became the objects of scorn and an easy target for political extremists. The fact that many were also Jewish cannot be discounted as an explanation for their persecution. As early as 1920, John Maynard Keynes spoke up for these innocent entrepreneurs in a moving passage from *The Economic Consequences of the Peace.* "Lenin," he wrote, "is said to have declared that the best way to destroy the Capitalist System was to debauch the currency."

By a continuing process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. By this method they not only confiscate, but confiscate *arbitrarily;* and, while the process impoverishes many, it actually enriches some. The sight of this arbitrary rearrangement of riches strikes not only at security, but at confidence in the equity of the existing distribution of wealth. Those to whom the system brings windfalls, beyond their deserts and even beyond their expectations or desires, be-

---

Footnotes at end of article.

come "profiteers," who are the object of the hatred of the bourgeoises, whom the inflationism has impoverised, not less than of the proletariat. . . . These "profiteers" are, broadly speaking, the entrepreneuer class of capitalists, that is to say, the active and constructive element in the whole capitalist society, who in a period of rapidly rising prices cannot help but get rich quick whether they wish it or desire it or not. If prices are continually rising, every trader whoh as purchased for stock or who owns property and plant inevitably makes profits. By directing hatred against this class, therefore, the European Governments are carrying a step further the fatal process which the subtle mind of Lenin consciously conceived.[10]

Thus we find the German government actively appealing to the lowest human emotions of jealousy, envy, and greed in order to hide its own responsibility for the economic disruption. And inevitably this was to play right into the hands of demogogues like Adolph Hitler. It is no coincidence that he made his first bid for power at the height of the inflation; in the beer-hall putsch of November 8, 1923. Historians and economists, therefore, are in general agreement that the inflation can be given much credit for the rise of Hitler. For although he did not come to actual power for another decade, the putdown of the putsch supplied the Nazis with many martyrs to aggrieve, and it was during his subsequent prison term that Hitler wrote *Mein Kampf*. Thus, as early as 1937, Lionel Robbins could declare emphatically that "Hitler is the foster-child of the inflation."[11]

THE CURRENT PROBLEM

All this is not so say that we can expect another Hitler here in the United States. But, to this very day, the origin of inflation is still the same: government deficits financed through monetization. For too many years, the American government has believed that it can have occasional wars and an expensive social program at home and pay for it all by simply increasing the debt limit. Today we are discovering that there really is a limit to debt. The double-digit inflation we are experiencing is therefore only a logical consequence of past policies. And if we want to stop it, the solution is the same as it was in 1923. The government must learn to live within its means and halt its abuse of the power to issue currency. The failure to do so may be catastrophic, just as it was for Germany.

FOOTNOTES

[1] Thomas Mann, "Inflation: The Witches' Sabbath," *Encounter* (February, 1975) p. 63. This lecture was originally given in 1942.

[2] Ludwig von Mises, *The Theory of Money and Credit* (New Haven: Yale University Press, 1953) pp. 418–419. This book was written in 1913 and Mises used the word inflation to mean an increase in the quantity of money; see p. 240.

[3] Michael A. Heilperin, *Aspects of the Pathology of Money* (London: Michael Joseph, 1968) p. 143.

[4] Frank D. Graham, *Exchange, Prices, and Production in Hyperinflation: Germany,* 1920–1923 (Princeton: Princeton University Press, 1930) p. 67.

[5] *The Nightmare German Inflation* (Princeton, N.J.: Scientific Market Analysis, 1970) p. 2.

[6] Dr. Hjalmar Schacht, *The Stabilization of the Mark* (London: George Allen & Unwin, 1927) p. 55.

[7] Costantino Bresciani-Turroni, *The Economics of Inflation* (London: George Allen & Unwin, 1937) p. 93.

[8] Mann, *op. cit.*, p. 61.

[9] See the interview with Stinnes in Fritz K. Ringer, ed., *The German Inflation of 1923* (New York: Oxford University Press, 1969) pp. 90–93.

[10] John Maynard Keynes, *The Economic Consequences of the Peace* (New York: Harcourt, Brace and Howe, 1920) pp. 235–237.

[11] Forward to Bresciani-Turroni, *op. cit.*, p. 5. He had expressed the same idea even earlier in his *The Great Depression* (London: Macmillan, 1934) p. 57: "The Nazi propaganda, hitherto confined to the worst elements of the ex-military and ex-criminal classes and to a handful of the less responsible students, was beginning to make itself felt in high politics. The German middle classes, bereft of their property during the inflation, their minds besodden with the turgid anti-rationalism which in that part of the world has for many decades passed as profundity, were apt soil for such teaching."

Mr. CORMAN. Mr. Chairman, I would like to remind my colleague from Idaho that his comments only serve to underscore the logical alternatives to socialism and monopoly: Competition in a free enterprise system. It is clear that we must encourage this competition, reduce monopoly, and prosecute price fixing. We can and must accomplish this by increasing appropriations for the Antitrust Division of the Department of Justice. Vigorous antitrust efforts are crucial if we are not to abandon the free enterprise system to special interests.

I urge the adoption of the Heinz amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. HUTCHINSON).

Mr. HUTCHINSON. Mr. Chairman, speaking as the ranking Republican Member on the Monopoly Subcommittee of the Committee on the Judiciary, we have occasion, quite frequently, to have before us the Antitrust Division from the Justice Department.

I do not recall a single instance before our subcommittee where the Antitrust Division has ever maintained that they cannot do this or they cannot do that, because they have not enough money.

Mr. Chairman, I am opposed to this amendment. I think that the judgment of the committee should become the judgment of the House.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Pennsylvania (Mr. HEINZ).

RECORDED VOTE

Mr. HEINZ. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 230, noes 182, not voting 21, as follows:

[Roll No. 359]

AYES—230

Abzug
Adams
Addabbo
Ambro
Anderson, Ill.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Barrett
Baucus
Bedell
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Bolling
Brademas
Breckinridge
Brodhead
Broomfield
Brown, Calif.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burton, John
Burton, Phillip
Carney
Carr
Clay
Cleveland
Cohen
Conte
Conyers
Corman
Cornell
D'Amours
Davis
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey
Drinan
du Pont
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Findley
Fish
Fisher
Fithian
Florio
Flowers
Ford, Mich.
Ford, Tenn.
Fraser
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Goldwater
Gradison
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Hillis
Hinshaw
Holtzman
Howard
Hughes
Hungate
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jordan
Kasten
Kastenmeier
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McCloskey
McCollister
McHugh
McKinney
Macdonald
Madden
Madigan
Maguire
Mann
Martin
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moore
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Neal
Nedzi
Nolan
Nowak
Obey
O'Brien
O'Hara
Ottinger
Passman
Peyser
Pike
Pressler
Pritchard
Railsback
Rangel
Rees
Reuss
Richmond
Riegle
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rosenthal
Rostenkowski
Ruppe
Russo
St Germain
Sarasin
Sarbanes
Scheuer
Schneebeli
Schroeder
Schulze
Seiberling
Sharp
Shuster
Simon
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steelman
Steiger, Wis.
Stephens
Stokes
Studds
Sullivan
Symington
Thompson
Thone
Thornton
Traxler
Tsongas
Udall
Van Deerlin
Vander Veen
Vanik
Walsh
Waxman
Weaver
White
Whitehurst
Wilson, Tex.
Winn
Wirth
Wright
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOES—182

Abdnor
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Baldus
Bauman
Beard, R.I.
Bennett
Boland
Bowen
Breaux
Brinkley
Brooks
Brown, Mich.
Broyhill
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conable
Cotter
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
de la Garza
Derwinski
Devine
Dickinson
Downing
Duncan, Oreg.
Duncan, Tenn.
Early
Edwards, Ala.
Emery
Evins, Tenn.
Fenwick
Flood
Flynt
Foley
Fountain
Frenzel
Ginn
Gonzalez
Goodling
Grassley
Haley
Hammerschmidt
Hansen
Harsha
Hefner
Helstoski
Henderson
Hightower
Holt
Horton
Howe
Hubbard
Hutchinson
Hyde
Jarman
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kelly
Kemp
Ketchum
Kindness
Latta
Lent
Lloyd, Tenn.
Lott
Lujan
McClory
McCormack
McDade
McDonald
McEwen
McFall
McKay
Mahon
Mathis
Matsunaga
Mazzoli
Milford
Miller, Ohio
Mills
Mineta
Mollohan
Montgomery
Moorhead, Calif.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nichols
Nix
Oberstar
O'Neill
Patten, N.J.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pickle
Poage
Preyer
Price
Quie
Quillen
Randall
Regula
Rhodes
Rinaldo
Robinson
Rooney

Rose
Roush
Rousselot
Roybal
Runnels
Ryan
Santini
Satterfield
Sebelius
Shipley
Shriver
Sisk
Skubitz
Slack
Smith, Nebr.
Smith, Iowa
Snyder
Spence
Stanton,
  J. William
Steed
Steiger, Ariz.
Stratton
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Treen
Ullman
Vander Jagt
Vigorito
Waggonner
Wampler
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—21

Beard, Tenn.
Bonker
Collins, Ill.
Conlan
Diggs
Erlenborn
Forsythe
Fulton
Hébert
Holland
Ichord
Karth
Landrum
Michel
Mosher
Patman, Tex.
Patterson,
  Calif.
Roberts
Sikes
Whalen
Wolff

So the amendments were agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Wolff for, with Mr. Landrum against.

Mr. Diggs for, with Mr. Hébert against.

Mrs. Collins of Illinois for, with Mr. Patman against.

Mr. Karth for, with Mr. Sikes against.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BIAGGI

Mr. BIAGGI. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

IMMIGRATION AND NATURALIZATION SERVICE
SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including advance of cash to aliens for meals and lodging while en route; payment of allowances (at a rate not in excess of $1 per day) to aliens, while held in custody under the immigration laws, for work performed; payment of rewards; not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; purchase for police-type use without regard to the general purchase price limitation for the current fiscal year (not to exceed four hundred and thirty-eight, of which three hundred and forty-four shall be for replacement only) and hire of passenger motor vehicles; purchase (not to exceed five, for replacement only), lease, maintenance and operation of aircraft; firearms and ammunition, attendance at firearms matches; refunds of head tax, maintenance bills, immigration fines, and other items properly returnable, except deposits of aliens who become public charges and deposits to secure payment of fines and passage money; operation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto; acquisition of land as sites for enforcement fence and construction incident to such fence; reimbursement of the General Services Administration for security guard services for protection of confidential files; research related to immigration enforcement; $208,000,000, of which not to exceed $400,000 shall remain available for such research until expended: *Provided*, That of the amount herein appropriated, not to exceed $50,000 may be used for the emergency replacement of aircraft upon certificate of the Attorney General.

The Clerk read as follows:

Amendment offered by Mr. BIAGGI: Page 22, line 13 after enforcement strike the following: "$208,000,000" and substitute the following: "$253,000,000".

Mr. BIAGGI. Mr. Chairman, I rise to offer this amendment to H.R. 8121 making appropriation for the Department of State, Commerce, and the Judiciary. My amendment simply adds $45 million for the Immigration Services budget but more importantly provides them with 1,750 new personnel, 1,000 more than is in the committee bill to better equip them to control the grave illegal alien crisis afflicting our Nation today.

This bill provides for a mere 750 man increase in enforcement personnel. A closer look at the breakdown of development shows that not one new investigator is provided for despite the fact that this division has the primary responsibility for locating and deporting the 7 to 12 million illegal aliens currently residing in this Nation. In addition the committee bill provides for only 200 new border patrol personnel, a token increase which will do little to improve their current apprehension ratio of one illegal alien to every four who make it in. The only area where the bill comes anywhere near a realistic increase is in detention and deportation personnel, but even here without investigators to apprehend illegal aliens, their people may end up having little to do.

Yet, the committee defends this appropriation stating that it represents the full amount requested by the Immigration Service. Yet past history tells us that the INS has almost given up trying to gain realistic increases because they are aware that their efforts will be thwarted by the Congress. For the period from fiscal year 1971 through fiscal year 1975 the INS has requested $783,661,000 of which Congress has appropriated $691,107,800. More significant is the fact that they have also requested 3,898 new positions of which 1,014 have been provided. In the spring of 1975, the INS submitted to the Department of Justice a budget amendment calling for 3,227 additional positions and $70,653,000 additional. He wound up with 100 additional positions and an additional $3,500,000. We sit here and clamor for an end to the illegal alien problem, yet when we are afforded the opportunity to provide sufficient funding to the agency which can bring this about, we fall tragically short.

Perhaps the members of the subcommittee are not affected by the illegal alien problem in their districts, but I would be surprised perhaps the committee is not aware of the fact that 1 million illegal aliens hold jobs in this Nation which belong to American workers in a time when unemployment is at record levels. While the committee has a number of rural members there are some from States with large cities. For example, it is estimated that 250,000 illegal aliens are employed in California, 20,000 in Detroit and Michigan, and 6,500 in Boston.

Is the committee aware of the fact that employed illegal aliens pay little, if any, taxes and instead send great sums of money out of our Nation causing tax revenue losses in the billions of dollars? Illegal aliens are also collecting welfare in many of our major cities. During congressional hearings I held several weeks ago it was disclosed to me by the New York City Commissioner of Social Services that illegal aliens were using fraudulent voter registration cards to collect welfare. This has had a profound effect on overburdening welfare rolls, not only in New York City but other cities as well. Finally there are organized groups in this Nation making enormous profits smuggling illegal aliens in across the border. Payments can be as high as $300 per illegal and most individuals bring hundreds over yearly.

These are some of the problems caused by illegal aliens. The Immigration Service is supposed to be in the position to guard our borders, and seek out illegal aliens who have made it safely into the Nation. Yet despite the growing magnitude of the problem, what is done? Congress gives the Immigration Service 750 new men and expect that this will be enough for them to do their jobs.

What further confounds me is the fact that the Immigration Service has made sizeable gains in the illegal alien areas despite our efforts. The border patrol, the Immigration Service's most important enforcement unit has had to contend with an estimated increase of new illegal aliens seeking entry of more than 2,000 percent while themselves only being provided a 20-percent increase in personnel. This problem exists throughout the Service and last year the limitations in their budget caused Commissioner Chapman to issue a operational directive for fiscal year 1975 under which they were forced to assign functions on a priority basis, despite the fact that all of INS enforcement functions are critical to solving the illegal alien problem. A specific casualty under this new directive were what are known as area control apprehensions which are responsible for locating illegal aliens living in our major urban areas. I have been advised by the Immigration Service that the budget appropriations contained in the bill is insufficient enough for the Service to cancel this directive.

Even with this fiscal restrains the INS has performed admirably. In the past 10 years they have increased apprehensions by over 1,300 percent including 800,000 apprehending fiscal year 1974. In the past 3 years they have increased deportations by 71 percent.

Yet any INS employees would tell you that more personnel would mean increased apprehensions and deportations. My amendment will bring their total new personnel to a level which both INS officials and our own Subcommittee on Legal and Monetary Affairs have concluded will allow the INS to free the 1 million jobs held by illegal aliens while making major inroads in slowing the influx of new illegals into our Nation.

The INS provided me with a rough breakdown of how the 1,750 new personnel in my amendment would be deployed and I would like to compare this to what is presently in the bill:

	(1)	(2)
Total new personnel	750	1,750
Border patrol	200	1,000

	(1)	(2)
Investigators	0	450
Detentions and deportations	200	275

[1] Committee bill.

[2] Biaggi amendment.

The numbers do tell the whole story. All segments of the INS operations need additional manpower, not token increases but realistic ones to deal with this growing national crisis. Some may be concerned about the cost involved, but in reality what other legislation could be considered which would provide 1 million new jobs at a cost of $253 million. We spend billions to create part-time summer jobs; we can surely spend $253 million to provide 1 million permanent jobs.

I do not mean to sound like a rosy-eyed optimist. I know the illegal alien problem cannot and will not be solved overnight even with this amendment. However, I do know of the dedication and commitment which the people in the INS have toward ridding this Nation of this problem. All they are seeking is the opportunity to do the job. Rejection of my amendment will represent to them that the Congress of the United States either does not feel they can do the job or is willing to continue the piecemeal appropriations which they have been providing the INS over the years.

Mr. Speaker, during the past several months I have become totally aware of the grave threat which illegal aliens pose to our everyday economic security. I see the problem expanding rather than subsiding. I also see us in an excellent position to provide those in the best position to find solution to the problem. I see 7 to 12 million illegal aliens taking advantage of Americans, our working, our poor, our children, our money. I want to see an end to this problem soon. I have introduced a bill to make it an immediate crime for employers to hire illegal aliens as well as increase INS personnel. The former point is a way off, the latter point can be done right here today with a mere yea vote by you to my amendment. Your vote today is critical, it can mean new jobs for your constitutents, it can mean lower welfare costs and increased tax revenue for this Nation and it means a renewed sense, economic security for this Nation.

I urge your support.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I will be glad to yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding. I rise in support of the amendment offered by the gentleman from New York (Mr. BIAGGI). I think it is a worthy amendment to the judiciary appropriations measure and I urge my colleagues to support it.

This amendment would provide 1,750 new Immigration and Naturalization Service personnel to aid in the fight against illegal aliens. Specifically, the Biaggi amendment adds 800 new border patrolmen, 275 enforcement personnel for detention and deportation, and 450 new investigators.

Incredibly, the fiscal year 1976 appropriations for the INS in H.R. 8121 called for only 750 new personnel but did not provide for 1 new investigator despite the fact that there are an estimated 7 to 10 million illegal aliens in our country.

Aliens, who enter our Nation illegally and have no right to be here, are taking jobs, housing, public assistance, and other services which cost the U.S. taxpayers substantial money. Moreover, unscrupulous employers are taking advantage of these illegal workers by demanding long hours at a low pay.

It is estimated that the stepped up enforcement provided for by this amendment could result in making available 1,000,000 permanent jobs now being held by illegal aliens.

These millions of illegal aliens now in our country, who come from virtually every nation on the globe and who usually work for wages far below minimum requirements, warrant our immediate attention.

But if we expect the INS to solve the illegal alien problem, we must give them the manpower and funding needed to do the job.

Accordingly, I urge my colleagues to fully support this important amendment.

Mr. SLACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in the first place, the amendment offered by the gentleman from New York (Mr. BIAGGI) calls for an increase of $45 million and, as the gentleman has stated, 1,000 jobs. That is an average of $45,000 per employee. I was not aware that we paid that kind of money to any employee in the Government.

Mr. Chairman, funds for 300 additional positions for the Immigration and Naturalization Service were included in the supplemental bill about a year and a half ago, and 100 additional positions were funded in the regular 1975 bill.

At the time of the markup of the regular 1975 appropriation bill, there existed a total of some 500 vacancies. The total authorized strength of the INS is presently 8,082 permanent positions. As of the end of May, less than a month ago, 7,797 of those positions were filled, leaving a balance of 285 unfilled positions.

Mr. Chairman, the committee is sympathetic to the problem of illegal aliens, but with almost 300 vacancies existing at the present time, we feel that 750 additional personnel are sufficient in this bill. Therefore, Mr. Chairman, we ask that the Members vote down this amendment.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. SLACK. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentleman for yielding.

Would the Chairman of the committee, my good friend, the gentleman from West Virginia (Mr. SLACK), provide this body with the information that I think is essential in responding to one of several questions: One, of the 300 vacancies, how many of those are investigative positions?

Mr. SLACK. I am sorry; I did not understand the gentleman's question.

Mr. BIAGGI. How many of those are investigative positions?

Mr. SLACK. The positions are spread across the board. Insofar as I know, they can place the positions where the need is the greatest. The justification materials printed in the hearings indicate the number of positions requested for alien documentation and for the border patrol. I do not have the breakdown at the moment.

Mr. BIAGGI. If the gentleman will yield further, may I ask another question? Is it a fact that it is the investigators who, in fact, go out into the field and investigate the presence of illegal aliens and effect apprehensions?

Mr. SLACK. The sum of $4.7 million is included in the bill for the alien documentation project.

These funds will go a long way towards achieving the result that the gentleman desires.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, our subcommittee has held long and extensive hearings on this subject. We are concerned about the problems of the Immigration and Naturalization Service, and I think that our record will indicate that we are concerned about them. We have added employees year after year, 750 this year. In spite of vacancies that the chairman says exist now, the amendment proposes approximately another 1,300 employees and $45 million more. Sometimes I wonder what is happening around here.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield for a question?

Mr. CEDERBERG. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentleman for yielding.

The bill provides for 750. According to the breakdown, there is no provision for a single investigator among the 750.

Mr. CEDERBERG. If they want some investigators, let them take them out of the 750. We do not object to that. In 1966 the appropriation for the Immigration and Naturalization Service was about $75 million; last year it was about $186 million; this year we are going up to $208 million. I do not know why. Maybe we are getting better results, but certainly it is not because of the lack of concern of our subcommittee.

I am not unmindful of the problem that the gentleman has in the area he represents, but we just cannot keep throwing another 1,300 employees in here at $45 million and then wonder why we have to have a debt limit increase every 6 months.

Mr. BIAGGI. Will the gentleman yield further?

Mr. CEDERBERG. Yes.

Mr. BIAGGI. The gentleman responded rather quickly saying the INS could appoint the investigators. Administratively it is not quite as easy as that.

In response to the question about monies being spent, we have spent billions of dollars for make-work jobs that are not as constructive as the jobs created under this amendment. These are permanent jobs which represent an investment. By the implementation of this amendment, it is estimated it would make available one million available jobs currently in existence and occupied by illegal aliens.

Mr. CEDERBERG. I am running out of time. I would not quarrel with the gentleman, but we cannot keep adding 750 here and then another thousand down the way.

There has got to be some sense in this. We sit down and try to work on the programs we have a responsibility for. This is what we came up with. I hope the House is going to stick with us.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Krebs).

Mr. KREBS. Mr. Chairman, I represent one of the richest agricultural regions in this country. We have a problem with the illegal aliens. The cost of the illegal aliens has been outlined by the gentleman from New York (Mr. Biaggi) most succinctly and I will not add to that, but I wonder whether the committee ever really took into account the overall cost to the American taxpayer of the whole illegal alien problem aside from the fact that they are taking much needed jobs away from Americans.

Let me give an example of what happened to me recently. I got a call from one of my constituents, a complaint about the presence of illegal aliens in an orchard in my district. The authorities went out there and they told me they were going to go out but that it was really an exercise in futility because they are outlaws and they have become so well organized and they have such a sophisticated business they are undermining our immigration laws and those who harbor the illegal aliens have found all the tricks in the trade as to how to undermine the system.

I asked the authorities if something can be done. I was told that in 8 counties in central California, which after all cover a very large territory by any standards, the Immigration and Naturalization Service has a total of 12 enforcement officers to cover that area. If we think we can do a job or the Immigration Service can do a job with 12 officers there, then I think all we are doing here is paying lipservice to the law. We have a problem of tremendous cost to the American taxpayers and I do not think we can handle it in the fashion the committee, with all due respect to it, is attempting to handle it.

I urge the Members to vote in favor of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. Martin).

Mr. MARTIN. Mr. Chairman, I support the Biaggi amendment. On other measures, the Congress has voted billions of dollars to create make-work jobs, as a way of fighting unemployment with artificial employment. Here, in the amendment offered by the gentleman from New York, is an opportunity to create real jobs by vacating the jobs being held illegally by illegal aliens.

This amendment, if enacted, will cost $45 million and cover the salaries and expenses of roughly 1,000 new positions in the Department. The real impact will be in freeing up over 1 million jobs that are held by illegal aliens, which therefore are not now available to citizens. This is a good jobs creation bill.

Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. Hinshaw).

Mr. HINSHAW. Mr. Chairman, I rise in support of the amendment.

Last year I served on the Government Operations Committee and we worked all year on this problem, principally on those aliens coming across the border in Southwestern areas of this country from Mexico. It came out before our committee there are currently 1 million jobs in this country which are being held by aliens illegally in this country. We expect our statistics will show there are between 8 million to 10 million or 12 million aliens in this country illegally.

The Immigration and Naturalization Service does not even have enough money to transport the persons they pick up in the fields and plants and commercial establishments back to their places of origin. They do not have the money even to transport the persons they pick up much less pay salaries.

We have had a border checkpoint near San Diego that has been abandoned because of the court decisions causing problems about going in and searching the cars.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I want to associate myself with the remarks of the gentleman from California (Mr. Hinshaw). It is an important amendment. Illegal aliens cause a serious problem in many areas of the country. I support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Biaggi).

The question was taken; and the Chair announced that the noes appeared to have it.

RECORDED VOTE

Mr. BIAGGI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 164, noes 242, not voting 27, as follows:

[Roll No. 360]

AYES—164

Adams
Addabbo
Ambro
Anderson, Calif.
Annunzio
Armstrong
Ashley
Aspin
Bafalis
Barrett
Bedell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Bolling
Brademas
Breaux
Brodhead
Broomfield
Burgener
Burton, John
Burton, Phillip
Byron
Carney
Carr
Cleveland
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Dingell
Downey
Eilberg
English
Esch
Evans, Ind.
Fascell
Fisher
Fithian
Florio
Foley
Ford, Mich.
Gaydos
Gilman
Goldwater
Goodling
Gradison
Grassley
Green
Hagedorn
Haley
Hannaford
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Heckler, Mass.
Helstoski
Hinshaw
Holtzman
Horton
Howard
Hyde
Ichord
Jenrette
Jordan
Keys
Koch
Krebs
LaFalce
Lagomarsino
Lehman
Lent
Levitas
Long, La.
Long, Md.
Lott
Lujan
McCormack
McDonald
Macdonald
Madden
Maguire
Martin
Matsunaga
Meyner
Milford
Miller, Calif.
Mineta
Minish
Mink
Mitchell, N.Y.
Moakley
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mottl
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nowak
Oberstar
O'Hara
O'Neill
Ottinger
Patman, Tex.
Pattison, N.Y.
Pettis
Peyser
Pressler
Railsback
Randall
Rees
Rinaldo
Risenhoover
Roe
Rogers
Rostenkowski
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Seiberling
Solarz
Spellman
Spence
Stanton, James V.
Studds
Sullivan
Symington
Thompson
Traxler
Treen
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vigorito
Walsh
Waxman
White
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wright
Wydler
Yatron
Zablocki
Zeferetti

NOES—242

Abdnor
Abzug
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Ashbrook
AuCoin
Badillo
Baldus
Baucus
Bauman
Beard, R.I.
Bell
Biester
Boland
Bonker
Bowen
Breckinridge
Brinkley
Brooks
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clay
Cochran
Cohen
Collins, Tex.
Conable
Conte
Corman
Cornell
Cotter
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Dellums
Derrick
Derwinski
Devine
Dickinson
Dodd
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Emery
Eshleman
Evans, Colo.
Evins, Tenn.
Fenwick
Findley
Fish
Flood
Flowers
Flynt
Ford, Tenn.
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Ginn
Gonzalez
Gude
Guyer
Hall
Hamilton
Hammerschmidt
Hanley
Hansen
Harkin
Harrington
Harsha
Hastings
Hechler, W. Va.
Hefner
Heinz
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Howe
Hubbard
Hughes
Hutchinson
Jacobs
Jarman
Jeffords
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Latta
Leggett
Litton
Lloyd, Calif.
Lloyd, Tenn.
McCloskey
McCollister
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Mahon
Mann
Mathis
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller, Ohio
Mills
Mitchell, Md.
Moffett
Mollohan
Montgomery
Moss
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Nolan
Obey
O'Brien
Passman
Patten, N.J.
Pepper
Perkins
Pickle
Pike
Poage
Preyer
Price
Pritchard
Quie
Quillen
Rangel
Regula
Reuss
Richmond
Riegle
Robinson
Rodino
Roncalio
Rooney
Rose
Roush
Rousselot
Roybal
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.

Snyder
Staggers
Stanton,
J. William
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Udall
Ullman
Vanik
Waggonner
Wampler
Weaver
Whitehurst
Whitten
Wiggins
Winn
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.

NOT VOTING—27

Beard, Tenn.
Brown, Calif.
Clawson, Del
Collins, Ill.
Conlan
Conyers
Diggs
Edwards, Calif.
Erlenborn
Forsythe
Fraser
Fulton
Hébert
Hungate
Karth
Landrum
McClory
Michel
Mikva
Mosher
Patterson,
Calif.
Rhodes
Roberts
Rosenthal
Sikes
Whalen
Wolff

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DRINAN

Mr. **DRINAN**. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

> SEC. 208. None of the amounts appropriated for the period July 1, 1976, through September 30, 1976, shall be available for the purchase of aircraft: *Provided*, That of the amount herein appropriated not to exceed $50,000 may be used for the emergency replacement of aircraft upon the certificate of the Attorney General.

The Clerk read as follows:

> Amendment offered by Mr. DRINAN: Page 29, immediately after line 3, insert the following new section:
>
> SEC. 209. No part of any amount appropriated by this Act shall be used by the Department of Justice (including the Federal Bureau of Investigation) to disseminate other than under the provisions of section 552 or 552a of title 5, or to acquire, collect, classify, or preserve, any information concerning the activities or beliefs of any person who is not an officer or employee of the Department of Justice, except to the extent such information is acquired in the course of the detection and prosecution of offenses against the United States, or, if such an investigation is required or authorized by law, is acquired in the course of a bona fide investigation of a person being considered for Federal appointive office or employment.

Mr. **BUTLER**. Mr. Chairman, I have a point of order.

The **CHAIRMAN**. The gentleman will state his point of order.

Mr. **BUTLER**. Mr. Chairman, I did not hear the last clause as it was read, beginning with the word, "except."

The **CHAIRMAN**. Without objection, the Clerk will re-read the last portion of the amendment.

There was no objection.

The Clerk re-read a portion of the amendment as follows:

> * * * except to the extent such information is acquired in the course of the detection and prosecution of offenses against the United States, or, if such an investigation is required or authorized by law, is acquired in the course of a bona fide investigation of a person being considered for Federal appointive office or employment.

POINT OF ORDER

Mr. **DRINAN**. Mr. Chairman, this is a very simple amendment. It simply clarifies the mandate of the Department of Justice and the FBI. It does not change existing law.

The amendment simply states that the FBI and the Justice Department may maintain no files on the beliefs or the activities of individuals. It very carefully preserves everything that the Department of Justice is now mandated to do.

I will read directly from the amendment. If a person is an officer or employee of the Department of Justice, his employer may have files on his activities and beliefs. If a person is under investigation or is being prosecuted for offenses against the United States—and I would add, against any State—clearly the FBI and the Department of Justice may have files. If an investigation is required or authorized by law, clearly a file is permissible if this information is acquired in the course of a bona fide investigation of a person being considered, for example, for a Federal judgeship.

I am inclined to think that the Department of Justice would welcome such a clarifying amendment. The distinguished Attorney General, Mr. Levi, said recently that they have collected information that should not be in their files and he is looking for ways to legally dispose of it.

The FBI maintains 6.5 million files on American citizens. Some of them are legitimate, but many of them, perhaps thousands, are not related to law enforcement.

Mr. Chairman, all that this simple amendment does—and I hope that it is so simple that the committee itself will accept it—is clarify the fact that law enforcement officials may not go into the beliefs or the activities of American citizens.

Is there an argument against this amendment? The only one that I have heard is that we ought to wait until this comes in some authorization bill. An authorization bill will reaffirm this, but at this particular moment when the FBI, frankly, needs the prestige and dignity to which it is entitled restored in American minds, we should say in the Congress that the FBI has made mistakes; the Justice Department has made mistakes; and that they have investigated people who never should have been investigated. We should say that these overzealous agents should have guidelines.

The people have a right to know that the Department of Justice will go into any area of criminal activity and will investigate individuals for Federal offenses, but that there will be very close supervision so that the Department of Justice or the FBI shall not go into the private lives of citizens.

Members of the House, the FBI was and is a great institution. We have an opportunity here today to say that the FBI should continue to do its work with regard to the serious and escalating problem of crime and stay away from the activities of the private sector. We want to give direction to the Department of Justice that they should not get into the political beliefs of citizens.

Frankly, this amendment, if it is agreed to, will restore the confidence which private citizens did have and should have in the Department of Justice.

In conclusion, it is a simple amendment, a clarifying amendment, an amendment designed to assist the Department of Justice and to increase the confidence which all citizens should have in the administration of justice.

Mr. Chairman, it is an amendment which should be adopted.

Mr. **SLACK**. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and members of the committee, I agree that the issue concerning what information should be collected and retained by law enforcement agencies is a matter which demands serious consideration. However, the impact of this amendment would have very wide application. It is a matter which should be considered by the appropriate legislative committees. Certainly it has no place in an annual appropriation measure.

It is my understanding that the Subcommittee on Civil Rights and Constitutional Rights of the Committee on the Judiciary has conducted hearings on the general issue of what information should be collected and retained in the files of the Federal Bureau of Investigation. Legislation is pending before that subcommittee as well as in the other body. I refer to H.R. 62, H.R. 1864, and S. 1427.

The Attorney General of the United States, during his appearance earlier this year before the subcommittee of which the gentleman from Massachusetts (Mr. DRINAN) is a member, made a commitment to study this issue in considerable detail. I am presently informed that the Attorney General has established a committee within the Department of Justice which is meeting several times each week to determine current practices and to propose some specific policy.

Adoption of the amendment at this time would certainly nullify this effort on the part of the Attorney General, and would be a grave error on our part, in my judgment.

I should also like to point out that the Privacy Act of 1974 which takes effect in September of this year contains a provision prohibiting the maintenance of records concerning how an individual exercises his first amendment rights. Guidelines to effect this legislation are being prepared. Consequently, enactment of the gentleman's amendment would complicate and render ineffective the implementation of the Privacy Act. Let us not take hasty action; let us vote down the amendment.

Mr. **DRINAN**. Mr. Chairman, will the gentleman yield?

Mr. **SLACK**. First I have promised to yield to the gentleman from Virginia (Mr. BUTLER) and I now yield to the gentleman from Virginia.

Mr. **BUTLER**. Mr. Chairman, I want to confirm what the gentleman from West Virginia has stated concerning the activities of the subcommittee on which the gentleman from Massachusetts is a member, in that we are involved in the consideration of the problems raised. The Attorney General of the United States does in fact, we are advised today, have the matters under consideration in order to come up with a solution of the problem precisely as to what files the FBI should keep or dispose of.

I am also opposed to the amendment because of the impact it would have on our Nation. The gentleman from Massachusetts gave a very eloquent presentation of an amendment which is not before us. The amendment under consideration does not do the things he says it does, because of the severe restrictions on the authority of the FBI to disseminate, acquire, collect, classify, and preserve information. There are but two exceptions in this amendment that is offered under which the FBI can retain information, the first exception is in the course of the detection of crimes against the United States, not crimes against the States, not crimes against individuals, but crimes against the United States. Murder, for example, is not a crime against the United States. So if the Boston Strangler were to return to his ugly trade in Boston, and left his fingerprints on the throat of one of the gentleman's constituents——

Mr. DRINAN. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. Not at this time.

And then if he were to leave Boston and go to California, and there he committed another crime, and was apprehended, then his fingerprints could not be exchanged with the FBI, because they are limited to the reception of information against the United States, and not individuals or privacy. What a limitation that would be on the activities of the FBI. As the Members will remember, I had the Clerk read a portion of the amendment during the offering of the amendment, and I called attention to it where it reads:

> . . . except to the extent such information is acquired in the course of the detection and prosecution of offenses against the United States, or, if such an investigation is acquired or authorized by law, is acquired in the course of a bona fide investigation of a person being considered for Federal appointive office or employment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BUTLER. Mr. Chairman, I ask that I may be permitted to speak on my own time.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia for 1 additional minute.

Mr. BUTLER. Mr. Chairman, I would inquire, am I not to be permitted to proceed for my full time?

The CHAIRMAN. The Chair will advise the gentleman from Virginia that the time has been reallocated because of the time taken under the 5-minute rule.

Mr. BUTLER. I was not familiar with that reallocation.

(By unanimous consent, Messrs. Miller of Ohio and Bauman yielded their time to Mr. Butler.)

The CHAIRMAN. The gentleman is recognized for 3 minutes.

Mr. BUTLER. I thank the gentlemen for yielding me their time.

Mr. Chairman, if this amendment passes, the Department of Justice will be permitted to collect and disseminate information about a person's activity only if it "is acquired in the course of the detection and prosecution of offenses against the United States."

Assume a man named John Doe is convicted of murder in California. He escapes. A few months later he is arrested for armed robbery in Massachusetts, where he is tried and convicted under the name of Richard Roe. Under present practice, California authorities would have submitted John Doe's fingerprints to the FBI and Massachusetts authorities would submit Roe's fingerprints. When the fingerprints are searched at FBI headquarters, the Bureau will inform California authorities that their escaped murderer has been apprehended in Massachusetts, and will notify Massachusetts authorities of the fugitive status and true identity of Richard Roe.

But neither murder nor armed robbery are Federal crimes. If the amendment passes, California will not know that their escaped murderer has been apprehended in Massachusetts. The judge in Massachusetts will never know that the man he is about to sentence is an escaped murderer. If the amendment passes, the American citizen who reports information about a local or State crime to the FBI will have to be told to take his information elsewhere.

Furthermore, this amendment would eliminate the intelligence function of the executive branch of our Government. To the executive branch, domestic intelligence information is indispensable. The Supreme Court of the United States recognizes this fact. I know the Congress does. Because the fundamental question addressed in the gentleman's amendment is being considered by the Congress and a committee of which he is a member, it is being considered by the committee of the Department of Justice because the amendment will result in irreparable harm to law enforcement efforts throughout the United States and because the amendment will curtail severely the indispensable intelligence function of the executive branch.

Mr. Chairman, I am opposed to the amendment, and I urge that it be rejected.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. Martin).

Mr. MARTIN. Mr. Chairman, on the basis of the superb argument presented by the gentleman from Virginia (Mr. (Butler). I oppose this astonishing amendment offered by the gentleman from Massachusetts and yield, as courtesy, to the gentleman from New York (Mr. Koch), who was unable to secure time to speak.

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from New York.

Mr. KOCH. I thank the gentleman for yielding.

Mr. Chairman, even though we are all divisive on this particular issue, this Congress has refused to deal with the problem of illegally collected information, whether it be by the CIA, the FBI, or the IRS. This is an opportunity to have this Congress indicate it is opposed to the illegal collection of information that is not related to law enforcement.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Iowa (Mr. Smith).

Mr. SMITH of Iowa. Mr. Chairman, when I first glanced at this amendment, I thought it was an appealing amendment, but I talked to the chairman of the Judiciary Subcommittee, the gentleman from California (Mr. Edwards) who has had this under consideration for some time and others on the Committee on the Judiciary and I found that it went much, much further than I think any of us want to go. As was indicated before, it prohibits the Department of Justice or the FBI from disseminating any information it acquired other than that involving a Federal crime.

Just, for example, suppose that an automobile is stolen, and in one's local police station they report the automobile stolen. It goes into the central data system. At that point it is a State crime. Under this amendment, the National Crime Information Center operated by the FBI would be prohibited from retaining that information. Suppose 2 weeks later a local police department calls in from another State and says, "I have a suspicious car; has it been stolen?"

They could not keep the information until they know it is a Federal crime. At that time it would be a Federal crime because it is across a State line but could not have retained the information until they determined that a Federal crime had been committed.

This amendment goes much, much too far. It is the kind of proposition that we cannot deal with this simply.

The gentleman from Massachusetts is exactly right when he says it is a simple amendment. That is the problem. It is too simple. This is not a simple matter. It is a matter that must be dealt with by the subcommittee of the gentleman from California.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Massachusetts (Mr. Drinan).

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Ashbrook).

Mr. ASHBROOK. Mr. Chairman, I take this time for the purpose of directing an inquiry to the Chairman or the gentleman from Florida (Mr. Fascell) regarding Radio Free Europe, which I think we all know is a quasi-Government-funded operation. At the present time the question of our continuing operation of the radio transmission facility in Portugal is a burning and delicate question. I am wondering if either the Appropriations Subcommittee, which authorizes money for the various overseas information services, or the Committee on Foreign Affairs has any up-to-date information regarding this particularly sensitive issue.

Mr. SLACK. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from West Virginia.

Mr. SLACK. I thank the gentleman for yielding.

Insofar as our committee is concerned with regard to this subject, I know of no change of policy in this area. I had hoped that the gentleman from Florida (Mr. FASCELL) who is a member of the Committee on International Relations, which handles authorizations, for Radio Free Europe, would be on the floor. I see that the gentleman from Wisconsin (Mr. ZABLOCKI) is here. He may be able to answer the question.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to my colleague, the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, the International Relations Committee of the House of Representatives has gone into this very subject and was assured that the facilities in Portugal are still available and that negotiations will be taking place this coming year and there is no problem expected in this area.

Mr. ASHBROOK. My understanding is that we are operating on a 6 months extension of our contract with Lisbon and formal disposition of this particular installation has not been determined.

Mr. ZABLOCKI. That is true. It is the understanding of the gentleman from Wisconsin that the availability of the facilities is not in jeopardy at this point.

Mr. ASHBROOK. Mr. Chairman, I do not want to take further time on this issue but believe we should be very careful of any negotiations in this particular station. The State Department seems too willing to compromise beyond anything reasonable.

Mr. SLACK. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VANIK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8121) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. SLACK. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 395, nays 4, answered "present" 1, not voting 33, as follows:

[Roll No. 361]

YEAS—395

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blanchard
Blouin
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey
Downing
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NAYS—4

Bingham
Collins, Tex.
Fraser
Leggett

ANSWERED "PRESENT"—1

Metcalfe

NOT VOTING—33

Beard, Tenn.
Boggs
Clawson, Del
Collins, Ill.
Conlan
Danielson
Diggs
Erlenborn
Evans, Colo.
Forsythe
Fulton
Harris
Hébert
Holland
Hungate
Johnson, Colo.
Karth
Keys
Landrum
McClory
Michel
Mitchell, N.Y.
Mosher
Patterson, Calif.
Rhodes
Roberts
Sikes
Steiger, Ariz.
Udall
Whalen
Wiggins
Wolff
Young, Ga.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Beard of Tennessee.

Mr. Sikes with Mr. Erlenborn.

Mr. Diggs with Mr. Forsythe.

Mr. Karth with Mr. McClory.

Mrs. Boggs with Mr. Michel.

Mrs. Keys with Mr. Wiggins.

Mr. Landrum with Mr. Del Clawson.

Mr. Roberts with Mr. Mosher.

Mr. Wolff with Mr. Evans of Colorado.

Mr. Young of Georgia with Mr. Johnson of Colorado.

Mr. Hungate with Mr. Udall.

Mr. Harris with Mr. Conlan.

Mrs. Collins of Illinois with Mr. Mitchell of New York.

Mr. Danielson with Mr. Whalen.

Mr. Fulton with Mr. Patterson of California.

Mr. Holland with Mr. Steiger of Arizona.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SLACK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

MESSSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1387. An act for the relief of Raul Alvarez Rodriguez;

H.R. 1388. An act for the relief of Guadalupe Villegas-Cantu;

H.R. 1393. An act for the relief of Jacinta Roque Armstrong-Perez;

H.R. 1408. An act for the relief of Joseph Hoffman;

H.R. 1410. An act for the relief of Samuel T. Ansley;

H.R. 1421. An act for the relief of Stephanie Kahn and Barbara Heyman;

H.R. 1510. An act for the relief of Steve P. Reese;

H.R. 1556. An act for the relief of Hendrika Koenders Lyne;

H.R. 1649. An act for the relief of Howard D. Harden;

H.R. 2109. An act for the relief of Capt. George Moore, Jr., of the U.S. Air Force;

H.R. 2119. An act for the relief of Maria Gilda Haro;

H.R. 2946. An act for the relief of Mrs. Dorothy Hinck;

H.R. 3382. An act for the relief of Raymond Monroe;

H.R. 3526. An act for the relief of Randall L. Talbot; and

H.R. 8030. An act to increase the temporary debt limitation until November 15, 1975.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is required, bills of the House of the following titles:

H.R. 5398. An act to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions.

H.R. 7709. An act to continue for a temporary period the existing suspension of duty on certain istle.

ELECTION OF HON. JOHN J. McFALL AS SPEAKER PRO TEMPORE DURING ABSENCE OF THE SPEAKER

Mr. O'NEILL. Mr. Speaker, I send to the desk a resolution (H. Res. 571) electing the Honorable JOHN J. MCFALL Speaker pro tempore during the absence of the Speaker, and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 571

Resolved, That the Honorable John J. McFall, a Representative from the State of California, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of the Honorable John J. McFall as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SWEARING IN OF HON. JOHN J. McFALL AS SPEAKER PRO TEMPORE DURING ABSENCE OF THE SPEAKER

The SPEAKER. I now ask the dean of the House of Representatives, the Honorable WRIGHT PATMAN, of Texas, to administer the oath of office to the gentleman from California (Mr. MCFALL), as Speaker pro tempore.

Mr. McFALL assumed the chair and took the oath of office administered to him by the gentleman from Texas (Mr. PATMAN).

LEGISLATIVE PROGRAM FOR THE REMAINDER OF THE DAY

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I have taken this time in the House in order to give a report to the Members as to what legislation is remaining today. I will announce the schedule for the remainder of the afternoon.

We have left for consideration the following items:

Senate Joint Resolution 98; that is a resolution allowing the flying of the flag at Valley Forge.

We have for consideration an adjournment resolution.

Then we will have a unanimous consent request for consideration of the conference report on unemployment compensation; a unanimous consent request agreeing to a Senate amendment with an amendment on the housing bill; and a unanimous consent request agreeing to a Senate amendment on the Coast Guard bill.

Then we will have for consideration the istle bill, which is a duty bill that has on it an amendment from the Senate on child support care; and then two other items that the chairman of the Committee on Ways and Means will bring up.

From what I understand, all of the items that are coming before us this afternoon are in agreement, and we should be adjourning at a reasonable time.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Speaker, is the majority leader in a position at this time to give us the calendar for the legislative program for the week of our return from the recess?

Mr. O'NEILL. Mr. Speaker, I would rather do that after our business has been completed.

CONTINUING FOR A TEMPORARY PERIOD THE EXISTING SUSPENSION OF DUTY ON CERTAIN ISTLE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7709) to continue for a temporary period the existing suspension of duty on certain istle, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, after line 9, insert:

"SEC. 2. Section 101(f) of Public Law 93-647 is amended by striking 'July 1, 1975' and inserting in lieu thereof 'August 1, 1975'."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

Mr. CONABLE. Mr. Speaker, reserving the right to object, I will not object, but I wonder if the distinguished chairman of the Committee on Ways and Means would tell us something about the Senate amendment so we will understand what has been added to this very weighty bill. I know there is always concern about the "cats and dogs" that slip in at a time like this.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the chairman of the committee, yes.

Mr. ULLMAN. Mr. Speaker, as the gentleman knows, the House passed H.R. 7709 a few days ago. This is a bill having to do with the suspension of duty on istle. We passed it unanimously; there was no objection to it.

However, what the Senate has done is that it has added a nongermane amendment that would extend for a 30-day period the implementation of the child-care provisions of social security that we enacted into law last year. This is agreed to by almost everyone. There are some problems.

Mr. CONABLE. There are administrative problems, are there not?

Mr. ULLMAN. There are. This is just a simple 30-day delay in implementation. It is the purpose of the committee during this 30-day period to look into the amendments that we are going to have to bring to the floor before the 30-day period expires.

Mr. CONABLE. As I recall, the child-care provisions were, for the most part, added by the Senate in an amendment last year. Is that correct?

Mr. ULLMAN. They were entirely added by the Senate.

Mr. CONABLE. There are apparently some substantive problems. However, this amendment does not deal with anything substantive, but only with the 30-day extension of its effective date. Is that correct?

Mr. ULLMAN. The gentleman is absolutely correct.

Mr. CONABLE. It seems to me, Mr. Speaker, that this is a very modest addition, even though it is nongermane.

I withdraw my reservation of objection.

Mr. KAZEN. Mr. Speaker, I am going to reserve the right to object.

Will the gentleman yield?

Mr. CONABLE. I will be glad to yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, when the gentlemen in their colloquy are talking about child care, are they talking about child support?

Mr. CONABLE. Child support, that is correct.

Mr. KAZEN. Not divorce cases concerning employees of the Federal Government?

Mr. CONABLE. No. I believe it goes beyond employees of the Federal Government, although the chairman may wish to correct me.

I believe this is the general child-support provision which set up the procedure for passing along through Federal agencies a collection procedure where there had been a defaulting father.

Mr. ULLMAN. If the gentleman will yield. As you will remember, we passed some provisions in a conference report sent over by the Senate having to do with obtaining support from runaway fathers, and it was quite controversial at the time.

We think the delay is more than justified because corrections are needed.

Mr. KAZEN. I agree with the gentleman. I think we did a very poor job in passing it at the last minute in the last Congress.

Mr. ULLMAN. There is much in what the gentleman says.

Mr. CONABLE. As I understand, if we do not agree to this amendment, these child-care provisions simply will take effect 30 days sooner than they otherwise would, and there are administrative problems that need attention.

Therefore, Mr. Speaker, I withdraw my reservation and support the amendment.

Mr. KAZEN. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 6900, EMERGENCY COMPENSATION AND SPECIAL UNEMPLOYMENT ASSISTANCE EXTENSION ACT OF 1975

Mr. ULLMAN submitted the following conference report and statement on the bill (H.R. 6900) to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes:

Conference Report (H. Rept. No. 94–328)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6900) to provide an additional thirteen weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for one year, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 5.

That the House recede from its disagreement to the amendments of the Senate numbered 3 and 4; and agree to the same.

Amendment numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

TITLE I—UNEMPLOYMENT COMPENSATION PROGRAMS

Part A—Emergency Unemployment Compensation

EMERGENCY PERIODS; BENEFIT WEEKS EXTENDED WHEN STATE UNEMPLOYMENT RATE IS HIGH

Sec. 101. (a)(1) Section 102(c)(3)(B)(i) of the Emergency Unemployment Compensation Act of 1974 is amended—

(A) by inserting "(I)" immediately after "if", and

(B) by inserting immediately before the period at the end thereof the following: ", and (II) the rate of insured unemployment in such State for the period consisting of such week and the immediately preceding twelve weeks equalled or exceeded 5 per centum".

(2) Section 102(c)(3)(B)(ii) of such Act is amended to read as follows:

"(ii) For purposes of subparagraph (A), there is a State 'emergency off' indicator for a week if the rate of insured unemployment in such State for the period consisting of such week and the immediately preceding twelve weeks is less than 5 per centum.

(b) Section 102(e) of such Act is amended to read as follows:

"(e)(1) Any agreement under this Act with a State shall provide that the State will establish, for each eligible individual who files an application for emergency compensation, an emergency compensation account.

"(2) Subject to the provisions of paragraph (3), the amount established in such account for any individual shall be equal to the lesser of—

"(A) 100 per centum of the total amount of regular compensation (including dependents' allowances) payable to him with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation, or

"(B) twenty-six times his average weekly benefit amount (as determined for purposes of section 202(b)(1)(C) of the Federal-State Extended Unemployment Compensation Act of 1970) for his benefit year.

"(3) Notwithstanding paragraph (2), the total amount of emergency compensation payable to any individual for weeks of unemployment which begin in a 5-per centum period (as defined in section 105(5)) shall not exceed the lesser of—

"(A) 50 per centum of the total amount of regular compensation (including dependents' allowances) payable to him with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation, or

"(B) thirteen times his average weekly benefit amount (as determined for purposes of section 202(b)(1)(C) of the Federal-State Extended Unemployment Compensation Act of 1970) for his benefit year.

"(4) The amounts determined under paragraphs (2) and (3) with respect to any individual shall each be reduced by the amount of any assistance paid to such individual under title II of the Emergency Jobs and Unemployment Assistance Act of 1974 for any weeks of unemployment in the 65-week period preceding the first week of unemployment with respect to which compensation is payable to such individual under this Act.".

(c) Section 102(b)(2) of such Act is amended to read as follows:

"(2) for any week of unemployment which—

"(A) begins in—

"(i) an emergency benefit period (as defined in subsection (c)(3)), and

"(ii) the individual's period of eligibility (as defined in section 105(2)); or

"(B) begins in an individual's additional eligibility period (as defined in section 105(4)).".

(d) Section 105 of such Act is amended—

(1) in paragraph (2), by striking out "and" at the end thereof,

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon, and

(3) by inserting after paragraph (3) the following new paragraphs:

"(4) the term 'additional eligibility period' means the thirteen-week period following the week in which an emergency benefit period ends in a State, as determined under section 102(c)(3); but no individual shall have an additional eligibility period unless there was payable to him in such State, for the week in which such emergency benefit period ended, either emergency compensation under this Act or extended compensation under the Federal-State Extended Unemployment Compensation Act of 1970;

"(5) the term '5-per centum period' means a period in a State which begins with the third week after the first week in which the rate of insured unemployment in the State for the period consisting of such first week and the immediately preceding twelve weeks is less than 6 per centum and which ends with the second week after the first week in which the rate of insured unemployment in the State for the period consisting of such first week and the immediately preceding twelve weeks equals or exceeds 6 per centum; except that no 5-per centum period shall begin in any State prior to the fourteenth week after the last week in a preceding 5-per centum period in such State;

"(6) the term 'rate of insured unemployment' means the percentage arrived at by dividing the average weekly number of individuals filing claims for weeks of unemployment with respect to the specified period (as determined on the basis of the reports made by the State agency to the Secretary) by the average monthly covered employment for the specified period;

"(7) the rate of insured unemployment for any thirteen-week period shall be determined by reference to the average monthly covered employment under the State law for the first four of the most recent six calendar quarters ending before the close of such period; and

"(8) determinations with respect to the rate of insured unemployment in a State shall be made by the State agency in accordance with regulations prescribed by the Secretary.".

(e) Section 102(c)(3)(A)(ii) of such Act is amended by inserting immediately before the period at the end thereof the following: ", and no emergency benefit period which began prior to January 1, 1976, shall end prior to such date".

(f) Section 102(e)(3) of such Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "January 1, 1976".

(g) The amendments made by subsections (a) through (e) of this section shall be effective with respect to weeks of compensation which begin on or after January 1, 1976.

EXTENSION OF PROGRAM

Sec. 102. (a) Section 102(f)(2) of the Emergency Unemployment Compensation Act of 1974 is amended by striking out "after—" and all that follows and inserting in lieu thereof "after March 31, 1977.".

(b) The last sentence of section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by striking out "December 31, 1976" and inserting in lieu thereof "March 31, 1977".

CONDITIONS OF ELIGIBILITY FOR BENEFITS

Sec. 103. (a) Section 102 of the Emergency Unemployment Compensation Act of 1974 is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding the preceding provisions of this section, emergency compensation shall not be payable for any week to an individual who is not a participant in a training program which is approved by the Secretary if—

"(1) the State determines that there is a need for upgrading or broadening such individual's occupational skills and a program which is approved by the Secretary for such upgrading or broadening is available within a reasonable distance and without charge to the individual for tuition or fees, and

"(2) such individual is not an applicant to participate in such a program.".

STUDY AND REPORT BY SECRETARY OF LABOR

Sec. 104. The Secretary of Labor shall conduct a study and review of the program established by the Emergency Unemployment Compensation Act of 1974 and the program established under title II of the Emergency Jobs and Unemployment Assistance Act of 1974 and shall submit to the Congress not later than January 1, 1977, a report on such study and review. Such study and review shall include—

(1) the employment, economic, and demographic characteristics of individuals receiving benefits under either such program,

(2) the need of the long-term unemployed for job counseling, testing, referral and placement services, skill and apprenticeship training, career-related education programs, and public service employment opportunities, and

(3) an examination of all other benefits to which individuals receiving benefits under either such program are eligible together with an investigation of important factors affecting unemployment, a comparison of the aggregate value of such other benefits plus benefits received under either such program with the amount of compensation received by such individuals in their most recent position of employment.

MODIFICATION OF AGREEMENTS

Sec. 105. The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 102 of the Emergency Unemployment Compensation Act of 1974 a modification of such agreement designed to provide for the payment of the emergency compensation benefits allowable under such Act by reason of the amendments made by this part. Notwithstanding any provision of the Emergency Unemployment Compensation Act of 1974, if any State fails or refuses, within the three-week period beginning on the date of the enactment of this Act, to enter into such a modification of such agreement, the Secretary of Labor shall terminate such agreement.

COORDINATION WITH SPECIAL UNEMPLOYMENT ASSISTANCE

Sec. 106. Section 102(e) of the Emergency Unemployment Compensation Act of 1974 (as in effect on the day before the date of the enactment of this Act) is amended, effective July 1, 1975, by adding at the end thereof the following new paragraph:

"(4) The amount determined under paragraphs (2) and (3) with respect to any individual shall each be reduced by the amount of any assistance paid to such individual under title II of the Emergency Jobs and Unemployment Assistance Act of 1974, for any weeks of unemployment in the 65-week period preceding the first week of unemployment with respect to which compensation is payable to such individual under this Act.".

Part B—Miscellaneous

REPAYMENT OF STATE LOANS

Sec. 110. (a) Section 3302(c)(3) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new sentence: "The provisions of the preceding sentence shall not be applicable with respect to the taxable year beginning January 1, 1975, or any succeeding taxable year which begins before January 1, 1978; and, for purposes of such sentence, January 1, 1978, shall be deemed to be the first January 1 occurring after January 1, 1974, and consecutive taxable years in the period commencing January 1, 1978, shall be determined as if the taxable year which begins on January 1, 1978, were the taxable year immediately succeeding the taxable year which began on January 1, 1974.".

(b)(1) The amendment made by subsection (a) shall not be applicable in the case of any State unless the Secretary of Labor finds that such State has studied and taken appropriate action with respect to the financing of its unemployment programs so as substantially to accomplish the purpose of restoring the fiscal soundness of the State's unemployment account in the Unemployment Trust Fund and permitting the repayment within a reasonable time of any advances made to such account under title XII of the Social Security Act. For purposes of the preceding sentence, appropriate action with respect to the financing of a State's unemployment programs means an increase in the State's unemployment tax rate, an increase in the State's unemployment tax base, a change in the experience rating formulas, or a combination thereof.

(2) The Secretary of Labor shall promptly prescribe and publish in the Federal Register regulations setting forth the criteria according to which he will determine the requirements of the preceding paragraph.

(3) Immediately after he makes a determination with respect to any State under paragraph (1), the Secretary of Labor shall publish such determination, together with his reasons therefor, in the Federal Register.

And the Senate agree to the same.

Amendment numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

TITLE II—AMENDMENTS OF EMERGENCY JOBS AND UNEMPLOYMENT ASSISTANCE ACT OF 1974

EXTENSION OF SPECIAL UNEMPLOYMENT ASSISTANCE

Sec. 201. (a) Section 206 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by striking out so much of the first sentence as precedes "*Provided*, That" and inserting in lieu thereof the following: "Except as provided by subsection (b), the maximum amount of assistance under this title which an eligible individual shall be entitled to receive during any special unemployment assistance benefit year shall be 150 per centum of the maximum amount that would have been payable to such individual during such benefit year as computed under the provisions of the applicable State unemployment compensation law, but not exceeding thirty-nine times the weekly benefit payable to the individual for a week of total unemployment as determined under subsection (a) of section 205:".

(b) Section 208 of such Act is amended—

(1) by striking out "March 31, 1976" and inserting in lieu thereof "March 31, 1977"; and

(2) by striking out "December 31, 1975" and inserting in lieu thereof "December 31, 1976".

DENIAL OF SPECIAL UNEMPLOYMENT ASSISTANCE IN CASE OF CERTAIN EMPLOYEES OF EDUCATIONAL INSTITUTIONS

Sec. 202. Section 203 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by inserting "(a)" after "Sec. 203." and by adding at the end thereof the following new subsection:

"(b) An individual who performs services in an instructional, research, or principal administrative capacity for an educational institution or agency shall not be eligible to receive a payment of assistance or a waiting period credit with respect to any week commencing during the period between two successive academic years (or, when the contract provides instead for a similar period between two regular but not successive terms, during such similar period) if—

"(1) such individual performed services in any such capacity for any educational institution or agency in the first of such academic years or terms; and

"(2) such individual has a contract to perform services in any such capacity for any educational institution or agency for the later of such academic years or terms.".

TECHNICAL AND CLARIFYING AMENDMENTS

Sec. 203. (a) Section 210 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by adding at the end thereof the following new section:

"(c) Employment and wages which are not covered by the State law may be treated, under sections 203(a)(1), 205(a), and 206(a), as though they were covered only if the employment—

"(1) is performed by an employee (as defined in section 3121(d) of the Internal Revenue Code of 1954), and

"(2) constitutes employment as determined under section 3306(c) of such Code without regard to paragraphs (1) through (9), (10)(B)(ii), (14), (15), and (17) of such section.

For purposes of paragraph (2), section 3306(c) of such Code shall be applied as if the term 'United States' includes the Virgin Islands.".

(b)(1) Section 205 of such Act is amended—

(A) by striking out the last sentence of subsection (b); and

(B) by adding at the end thereof the following new subsections:

"(c) If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of assistance under this title to which he was not entitled, such individual—

"(1) shall be ineligible for further assistance under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

"(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

"(d)(1) In the case of individuals who have received amounts of assistance under this title to which they were not entitled, the State is authorized to require such individuals to repay the amounts of such assistance to the State agency, except that the State agency may waive such repayment if it determines that—

"(A) the payment of such assistance was without fault on the part of any such individual, and

"(B) such repayment would be contrary to equity and good conscience.

"(2) The State agency may recover the amount to be repaid, or any part thereof, by deductions from any assistance payable under this title or from any unemployment compensation payable to such individuals under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the three-year period after the date such individuals received the payment of the assistance to which they were not entitled, except that no single deduction may exceed 50 per centum of the weekly benefit amount from which such deduction is made.

"(3) No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

"(e) Any determination by a State agency under subsection (c) or (d) shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.".

(2) Section 210(a) of such Act is amended by striking out "and" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon, and by adding at the end thereof the following new paragraphs:

"(5) 'State agency' means the agency of the State which administers the program established by this title; and

"(6) 'special unemployment assistance benefit year' means the fifty-two week period beginning with the first week for which an individual files a valid claim for special unemployment assistance.".

(c) Section 206 of such Act is amended by inserting "(a)" after "Sec. 206." and by adding at the end thereof the following new subsection:

"(b) In the case of any individual who files a claim for assistance under this title during a benefit year which such individual has established under any State unemployment compensation law, the maximum amount of assistance under this title which such individual shall be entitled to receive during the special unemployment assistance benefit year established pursuant to such claim (as determined under subsection (a) without regard to this subsection) shall be reduced by the amount of any unemployment compensation received during the benefit year established under the State unemployment compensation law.".

(d) Paragraph (4) of section 203(a) of such Act (as amended by section 202 of this Act) is amended by striking out "subsection (b)" and inserting in lieu thereof "paragraph (2)".

EFFECTIVE DATES

Sec. 204. (a) The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 202 of the Emergency Jobs and Unemployment Assistance Act of 1974 a modification of such agreement designed to provide for the payment of the special unemployment assistance allowable under such Act by reason of the amendments made by section 201. Notwithstanding any other provision of law, if any State fails or refuses, within the three-week period beginning on the date of the enactment of this Act, to enter into such a modification of any such agreement, the Secretary of Labor shall terminate such agreement.

(b) Assistance shall be payable to individuals under agreements entered into by States under title II of the Emergency Jobs and Unemployment Assistance Act of 1974, by reason of the amendments made by section 201 of this Act, for weeks of unemployment beginning on or after July 1, 1975.

(c) The amendments made by section 202 and subsections (c) and (d) of section 203 shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

(d) The amendment made by section 203 (a) shall take effect on December 31, 1974.

(e) The amendments made by subsections (b) and (c) of section 203 shall take effect on the date of the enactment of this Act.

And the Senate agree to the same.

Al Ullman,
James A. Burke,
James C. Corman,
Martha Keys,
H. T. Schneebeli,
William A. Steiger,
Managers on the Part of the House.

Russell B. Long,
Herman E. Talmadge,
Vance Hartke,
Abraham Ribicoff,
Harrison Williams,
Gaylord Nelson,
Carl T. Curtis,
Paul Fannin,
Clifford P. Hansen,
Jacob Javits,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6900) to provide an additional thirteen weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for one year, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

SENATE AMENDMENT NO. 1

Emergency Unemployment Compensation Program

House bill.—The House bill extends until July 1, 1976, the provision in the Emergency Unemployment Compensation Act of 1974 which allows individuals to receive up to 26 weeks of emergency benefits. It also provides for the modification of existing agreements under such Act to take account of such extension.

Senate amendment.—The Senate amendment numbered 1 contains the following provisions:

Part A—Emergency Unemployment Compensation

(1) Duration of emergency benefit payments.—The provision in the Emergency Compensation Act of 1974 which allows individuals to receive up to 26 weeks of emergency benefits would be extended until December 31, 1975. Thereafter, the insured unemployment rate in individual States would determine whether emergency benefits could be paid. When the insured unemployment rate in a State is more than 5 percent, but less than 6 percent, workers in that State could be paid up to 13 weeks of emergency benefits; when the rate is 6 percent or more, up to 26 weeks of emergency benefits could be paid. When the insured unemployment rate in a State drops below the 6 percent or 5 percent level, however, unemployed workers in the State who are receiving emergency benefits would continue to receive benefits. Benefits would continue for up to a maximum of 13 additional weeks or, if less, the number of additional weeks of benefits the individual would have qualified for if the insured unemployment rate had not declined.

(2) Extension of program.—The emergency unemployment benefit program, which expires December 31, 1976, under both current law and the House bill, under the Senate amendment would continue until March 31, 1977, on a State trigger basis. Also the provision of present law waiving the requirement that the insured unemployment rate in a State be at least 20 percent higher than in the prior two years for a State to qualify for extended benefits on the basis of the State insured unemployment rate would be continued until March 31. 1977.

(3) Conditions of eligibility for emergency benefits.—As a condition of eligibility for emergency unemployment benefits, the Senate amendment requires a recipient of benefits to accept training in a program approved by the Secretary, but only if such a program is available without charge to the recipient and within a reasonable distance and if the State determines that there is a need for upgrading or broadening his occupational skills. If an individual was not participating in a training program, he could not continue to be eligible for emergency benefits if he refused a job offer. However, he could not be required to take a job:

(A) which is vacant solely because of a labor dispute;

(B) if as a condition of being employed the worker would have to join a company union or would have to refrain from joining any bona fide labor organization;

(C) in which the wages or conditions of work are substantially less favorable than those which prevail in the locality for similar work;

(D) which poses an unreasonable threat to the individual's health or safety, taking into account his physical condition; or

(E) which involves traveling an unreasonable distance to work.

Agreements between the Secretary of Labor and the States for administering the emergency benefits program would have to provide for the referral of applicants for emergency benefits to any jobs which are suitable for them under these special criteria to the extent that such jobs are available.

(4) Funding of emergency unemployment benefits.—Beginning July 1, 1975, emergency benefits would be funded from general revenue and would not be repaid ultimately from employer payroll taxes.

(5) Study of emergency benefits program.—The Secretary of Labor would be required to conduct a study of the emergency benefits program, with particular emphasis on (A) the economic and demographic characteristics of individuals receiving benefits under the program, and (B) the other kinds of benefits they are eligible for. The report on the study would be due by January 1977.

(6) Modification of agreements.—In a provision virtually identical to the provision in the House bill, agreements with the States would be modified to provide for the additional emergency benefits authorized by the bill.

(7) Conforming amendment.—The number of weeks of emergency benefits an individual may receive would be reduced by the number of weeks of special unemployment assistance he has received during the 65-week period before the individual filed a claim for emergency benefits.

Part B—Miscellaneous

Repayment of State loans.—Under present law States may obtain advances from the Federal accounts in the Unemployment Trust Fund when their own State accounts have insufficient funds to meet benefits obligations. These advances constitute interest-free loans which must be repaid. If the loans are not repaid within the prescribed period, the Federal unemployment tax rate on employers in the affected State is, in effect, automatically increased each year until the loan has been repaid. The Senate amendment would permit the suspension of the higher tax rate for the three years (1975, 1976, and 1977), but only in States where the Secretary of Labor determines that the

State has studied and taken appropriate action with respect to the structure of its unemployment compensation program, including its financing, so as to substantially accomplish the purpose of restoring the fiscal soundness of the State's unemployment account and to permit the repayment within a reasonable time of the amount advanced to the State from the Federal account.

Conference agreement.—The conference agreement substantially follows the provisions of the Senate amendment except that—

(1) the conference agreement does not include the provision in the Senate amendment which provides that, as a condition of receiving emergency benefits, an individual who is not a participant in a training program must accept any reasonable job offer;

(2) the conference agreement does not include the provision in the Senate amendment which provides for the funding of emergency benefits from general revenues;

(3) the conference agreement includes a provision which combines the study required under the Senate amendment numbered 1 with the study required under Senate amendment numbered 2; and

(4) the conference agreement (A) includes a modification in the Senate provision relating to repayment of State loans requiring the State to take appropriate action with regard specifically to the financing of its unemployment programs to be eligible for the suspension of the higher tax rate contained in the Senate amendment, and (B) requires the Secretary of Labor to publish regulations under which he will make the required determinations and publish each of such determinations in the Federal Register.

It is intended that in establishing the criteria provided for in the conference agreement the Secretary of Labor will permit the States maximum flexibility in the appropriate action they take.

While the conferees anticipate that this study will be of assistance in fashioning future legislation, the conduct of the study should not be taken as an indication that Congress will delay consideration of further amendments—of either a temporary or permanent nature—to the unemployment insurance program until after the study is completed.

During the course of the study conducted under the provision contained in the conference agreement, the managers expect that the Secretary of Labor will provide an opportunity for each member of the Senate Finance Committee, Senate Committee on Labor and Public Welfare, and of the Committee on Ways and Means of the House of Representatives to consult with him or his designee.

SENATE AMENDMENT NO. 2

Special unemployment assistance

Both the House bill and the Senate amendment extend the program of special unemployment assistance through December 31, 1976, and make certain changes in the program. Both—

(1) provide that special unemployment assistance will not be paid to teachers, researchers, or individuals performing services in a principal administrative capacity who are employed by educational institutions during the period between academic years or terms if they have contracts with any educational institution for both of such years or terms;

(2) contains a clarification of what constitutes employment and wages for purposes of special unemployment assistance; and

(3) provide that an individual's entitlement to special unemployment assistance for any benefit year is to be reduced by the amount of regular, extended, or emergency benefits paid to such individual during such benefit year.

The differences between the House bill and the Senate amendment are described below:

Duration of special unemployment assistance

House bill.—The House bill provides an increase (from 26 to 39) in the maximum number of weeks of special unemployment assistance and such increase is effective until July 1, 1976.

Senate amendment.—The Senate provides for up to 39 weeks of special unemployment assistance benefits for the duration of the Special Unemployment Assistance Program.

Conference agreement.—The conference agreement follows the Senate amendment.

Fraud and erroneous payment

The House bill and the Senate amendment both provide that an individual will be ineligible for assistance and subject to criminal prosecution if he knowingly provides false information, or fails to disclose information, and as a result of such false information or nondisclosure receives special unemployment assistance to which he was not entitled.

House bill.—The House bill also provides that the amount of any erroneous payment shall be repaid to the State agency administering the special unemployment assistance program, except that the State agency may waive such repayment in cases where the erroneous payment was not the fault of the individual. The State agency would be authorized to collect the amount of any erroneous payment by deductions from other unemployment benefits.

Senate amendment.—The Senate amendment contains provisions similar to those in the House bill except that (1) the State is authorized rather than directed to require the repayment of any erroneous payment, (2) the State agency may not require the repayment of any erroneous payment, or make any deduction from other unemployment compensation, until the individual involved has been notified and given an opportunity for a fair hearing and a final determination has been made, and (3) the amount of any deduction from unemployment benefits resulting from an erroneous payment may not exceed 50 percent of the weekly benefit from which it is deducted. The Senate amendment also makes clear that a State's choice to recover part of the overpayment through deductions from other unemployment payments does not preclude the State from requiring repayment of any amounts still owed.

Conference agreement.—The conference agreement follows the Senate amendment.

Benefit year

House bill.—The House bill defines "special unemployment assistance benefit year" as the same benefit year as is used by the State in its regular unemployment compensation program.

Senate amendment.—The Senate amendment defines "special unemployment assistance benefit year" as the 52-week period beginning the week for which a valid claim is filed for special unemployment assistance.

Conference agreement.—The conference agreement follows the Senate amendment.

Qualifying employment

House bill.—The House bill provides that an individual cannot qualify for special unemployment assistance if his only work has been in employment covered under the regular unemployment program.

Senate amendment.—Senate amendment numbered 2 does not contain a comparable provision.

Conference agreement.—The conference agreement does not contain the provision contained in the House bill. However, the conference agreement does deal with the problem addressed in the House bill by following the provision in Senate amendment numbered 1 which reduces the amount of emergency unemployment benefits payable to an individual by the amount of the special unemployment benefits received by such individual.

Effective date

House bill.—The House bill provides that the special unemployment assistance allowable because of the extension of benefits can be paid for any week after the latest of (1) the date when the State modifies its agreement with the Secretary to take into account this Act; (2) the date of enactment; or (3) July 1, 1975.

Senate amendment.—Under the Senate amendment, assistance could be paid under State agreements for weeks of unemployment beginning July 1, 1975.

Conference agreement.—The conference agreement follows the Senate amendment.

Study

House bill.—No provision.

Senate amendment.—Under the Senate amendment, the Secretary of Labor is required to submit a report to the Congress on experience under the emergency unemployment compensation and special unemployment assistance programs, including the needs of the long-term unemployed for employment services, training, and public service employment opportunities. An interim report is required by June 30, 1976, and a final report by June 30, 1977.

Conference agreement.—The conference agreement combines the study required under this Senate amendment with the study required under Senate amendment numbered 1.

SENATE AMENDMENT NO. 3

Loans to Virgin Islands

House bill.—The House bill would authorize appropriations to permit the Secretary of Labor to loan up to $5 million to the Virgin Islands to enable that jurisdiction to continue meeting its unemployment benefit obligations, with the loan subject to repayment without interest no later than January 1, 1978.

Senate amendment.—The Senate amendment contains a similar provision except that the Senate amendment would require that interest be charged on any portion of such a loan which remains on the books after January 1, 1978, and, if the Virgin Islands is ever made a part of the regular Federal-State unemployment insurance system, the loan will at that point be treated as though it had been an advance made under title XII of the Social Security Act.

Trade Adjustment Assistance

House bill.—No provision.

Senate amendment.—The Senate amendment would extend by two weeks the period in which a State must enter into an agreement to administer the trade adjustment assistance benefit program under the Trade Act of 1974.

Conference Agreement

The House recedes on Senate amendment numbered 3.

SENATE AMENDMENT NO. 4

Lowest price requirement for home purchase tax credit

House bill.—No provision.

Senate amendment.—Present law provides a tax credit equal to 5 percent of the purchase price of a new principal residence (up to a maximum of $2,000) which was either built or in the process of being constructed as of March 25, 1975. However, the credit is available only if the seller certifies that the purchase price is the "lowest price at which the residence was ever offered for sale". The Senate amendment would instead require that he certify the purchase price to be the "lowest price at which the residence was offered for sale after February 28, 1975".

The Senate amendment also provides that the seller's written certification may be in any form so long as it is signed by the seller and contains the required information on purchase price and date of beginning of construction.

Conference agreement

The House recedes on Senate amendment numbered 4.

SENATE AMENDMENT NO. 5

Extension of date contained in housing credit

House bill.—No provision.

Senate amendment.—The Senate amendment extends the housing tax credit to include new principal residences the construction of which began before June 19, 1975 (compared with March 26, 1975, under present law).

Conference agreement

The Senate recedes on Senate amendment numbered 5.

Al Ullman,
James A. Burke,
James C. Corman,
Martha Keys,
H. T. Schneebeli,
William A. Steiger,
Managers on the Part of the House.

Russell B. Long,
Herman E. Talmadge,
Vance Hartke,
Abraham Ribicoff,
Harrison A. Williams,
Gaylord Nelson,
Carl T. Curtis,
Paul Fannin,
Clifford P. Hansen,
Jacob Javits,
Managers on the Part of the Senate.

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 6900) to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the title of the bill.

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see prior proceedings of the House today.)

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, I want to commend the members of the conference in dealing with a difficult matter, particularly the chairman of the Unemployment Compensation Subcommittee, the gentleman from California (Mr. Corman). In selecting our conferees, we selected the four ranking members of the subcommittee and the minority ranking subcommittee member, in addition to the chairman and the ranking minority member of the committee.

The matter that I wanted to discuss first with the committee is the nongermane amendment having to do with the real estate amendment in order that the Members fully understand what we did.

The Members will recall that one of the features of the Tax Reduction Act of 1975 was directed toward incentives to sell existing inventories of housing. In that act as finally agreed to, Congress provided a tax credit equal to 5 percent of the purchase price of a new principal residence, up to a maximum of $2,000, which was either built or in the process of being constructed on March 25, 1975. The tax credit was intended to stimulate the purchase of the existing inventory of new houses and thereby release capital for the construction of additional new houses.

To prevent the credit from inuring to the benefit of the builder through price increases, the credit was made available only if the seller certifies that the purchase price at which the house was sold is the "lowest price at which the residence was ever offered for sale."

An unintended result of this "lowest price" rule worked to deny the housing credit in many cases because the price of many of the houses in the existing inventory had been raised since they were first offered for sale. This increase in price has occurred, in part, because in single family housing developments, and condominiums, offered for sale during the early period of development the prices tended to be substantially lower than prices for the housing after the development is largely completed. In part, increases in price are also attributable to the additional carrying costs, and to higher costs for later construction for the houses sold at the later date. It now appears that only a limited number of builders will be able to make the certification as to lowest price without incurring significant losses as a result of reducing the prices of these houses. A Senate amendment to the bill now under consideration is designed to deal with this problem that I have just outlined to you.

So that the housing credit will provide the stimulus intended, the Senate amendment, to which your conferees agreed, will make the credit available, if the certification provides that the purchase price at which the housing was sold is the "lowest price at which the residence after February 28, 1975, was offered for sale." This means that if it is certified that a house, where other conditions of the act are met, was sold at the lowest price for which it was ever offered for sale after February 28, 1975, the purchase will meet the conditions required for the housing credit.

Your conferees agreed to this change to carry out what we believe was Congress' intention earlier in the year when it provided for the stimulation of the purchase of existing housing inventory while at the same time insuring that the seller cannot raise the price of the house to take advantage of the credit. This condition will be met with the February 28 date in the bill since the credit was not under serious consideration until about the middle of March. Therefore, any price increases which occurred prior to that time do not result from the credit and were caused by other factors.

We believe that agreement with this amendment is in keeping with the original intent of the Congress when the housing credit was passed earlier this year. Your conferees did not agree with another Senate amendment, however, which would have extended the category of housing inventory to which the credit would apply to those which were constructed before June 19, 1975, instead of before March 26, 1975. We did not agree to this amendment since this not only would have involved additional revenue cost but would have extended the housing credit to housing which was not in existence at the time the Tax Reduction Act was adopted.

The amendment to which we did agree; namely, the provision relating to the "lowest price" involves no revenue loss which was not included in the original estimate.

So we are bringing back only the amendment with respect to the housing provisions I have described. On the unemployment compensation provisions I would like to ask the chairman of the subcommittee, the gentleman from California (Mr. Corman) to briefly lay out the conference agreement.

I yield the gentleman 15 minutes.

Mr. CORMAN. Mr. Speaker, the purpose of H.R. 6900 is to extend unemployment benefits under the Federal supplemental benefits, FSB, and special unemployment assistance, SUA, programs. These extensions are necessary because of the critical unemployment situation. Over a million unemployed workers could exhaust unemployment benefits by the end of this year unless these extensions are enacted.

Briefly, H.R. 6900 would—

First: Continue through December 31, 1975, the 26 week maximum entitlement under FSB provided by the Tax Reduction Act of 1975;

Second: Extend through 1976, with certain amendments, the SUA program for workers not covered under the permanent unemployment insurance system, and increase from 26 to 39 weeks the maximum entitlement payable through December 31, 1976; and

Third: Entitle the Virgin Islands to borrow money from Federal general revenues as is necessary to continue its unemployment insurance program.

The following is a summary of major changes made in H.R. 6900 during the Conference between the House and the Senate.

H.R. 6900 extends the availability of a maximum of 65 weeks of unemployment compensation benefits under the emergency benefits program until June 30, 1976. After that date a maximum 52 weeks of benefits would be available through December 31 1976. Under the Senate amendment, a maximum of 65 weeks of benefits is available through December 31, 1975. Thereafter, the insured unemployment rate in individual States determines whether more than 39 weeks of benefits are payable. When the insured unemployment rate in a

State is more than 5 percent, but less than 6 percent, workers in that State could be paid up to 52 weeks of benefits—when the rate is 6 percent or more, up to 65 weeks of benefits could be paid.

The Senate amendment also extends the emergency benefits program from December 31, 1976, through March 31, 1977.

H.R. 6900, as approved by the House, made no changes in the law with regard to State eligibility requirements for regular, extended, or emergency unemployment compensation benefits. The Senate amendment provides that, in order to receive the emergency or additional benefits provided by this legislation, an individual must apply for training if the State determines that there is a need for upgrading or broadening his occupational skills, and if such training is available within a reasonable distance and without charge to the individual for tuition or fees.

The Senate amendment requires the number of emergency benefit weeks which an individual may receive to be reduced by the number of weeks of special unemployment assistance he has received.

A Senate amendment to H.R. 6900 provides that penalties on States with outstanding loans be suspended until January 1, 1978, providing the Secretary of Labor finds that the State has modified its financing provisions so as to substantially improve the fiscal soundness of its unemployment trust fund and its ability to repay the loan.

TITLE II

H.R. 6900 makes a maximum of 39 weeks of special unemployment assistance available through June 30, 1976. After that date, a maximum of 26 weeks is available through December 31, 1976. The Senate amendment provides that a maximum of 39 weeks of special unemployment assistance be available through December 31, 1976.

H.R. 6900 requires repayment of erroneous or fraudulent benefit payments unless waived by the State agency because the payment was made without fault of the individual and repayment would be contrary to equity and good conscience. The Senate amendment provides that repayment through a deduction from unemployment compensation benefits cannot exceed 50 percent of the weekly benefit amount from which it is deducted. Furthermore, repayment may not be required without notice, an opportunity to be heard, and a final determination.

H.R. 6900 permits the Secretary of Labor to loan up to $5 million to the unemployment fund of the Virgin Islands, to be repaid without interest no later than January 1, 1978. The Senate amendment requires that interest be charged on any portion of such a loan which remains after January 1, 1978.

PROVISIONS OF H.R. 6900 AS APPROVED BY THE HOUSE AND SENATE CONFEREES

The maximum entitlement of 26 benefit weeks under the Federal supplemental benefits—FSB—program, initially increased from 13 weeks in the Tax Reduction Act of 1975, is extended from June 30, 1975, to December 31, 1975. This provides a combined maximum entitlement of 65 weeks of regular, extended and Federal supplemental benefits until December 31, 1975. After December 31, 1975, the insured unemployment rate in individual States would determine whether more than 39 weeks of benefits could be paid. When the insured unemployment rate in a State is more than 5 percent, but less than 6 percent, workers in that State could be paid up to 52 weeks of benefits; when the rate is 6 percent or more, up to 65 weeks of benefits could be paid. When the insured unemployment rate in a State drops below the 6 or 5 percent level, however, unemployed workers in the State who are already on the benefit rolls would continue to receive benefits. Benefits would continue for a maximum of 13 additional weeks or, if less, the number of weeks which the individual would have received if the insured unemployment rate had not declined. The conferees agreed that the potential impact of these trigger provisions must be examined within the next 6 months, or before they take effect on January 1, 1976.

This bill also extends the FSB program from December 31, 1976, to March 31, 1977. Waiver of the requirement that the insured unemployment rate in a State be at least 20 percent higher than is was in the previous 2 years for a State to qualify for extended benefits is extended from December 31, 1976, through March 31, 1977.

H.R. 6900 changes the eligibility requirement under the emergency benefit program. The existing law requires the individual to comply with the regular State eligibility requirements and to exhaust his regular State and his Federal State extended benefits. H.R. 6900 requires, as a condition of eligibility for emergency unemployment benefits, that an individual who was not already a participant in a training program apply for training if the State determines that there is a need for upgrading or broadening his occupational skills; and if such training is available within a reasonable distance and without charge to the individual for tuition or fees.

H.R. 6900 changes the present law by reducing the number of weeks of emergency benefit entitlement by the number of weeks of special unemployment assistance an individual has received in the same benefit year.

H.R. 6900 also requires the Department of Labor to conduct a study of the emergency benefits program and the special unemployment assistance program with emphasis on the characteristics and employment needs of the long-term unemployed.

H.R. 6900 changes the present law by providing that the penalty on States for delinquent loans from the Federal unemployment trust funds be suspended until January 1, 1978, providing the Secretary of Labor finds that the State has taken appropriate action with respect to financing and restoring the fiscal soundness of its unemployment account. Appropriate action, with respect to financing means that a State has increased its unemployment tax rate or base and/or changed its experience rating formulas so as to substantially increase revenues raised by the State unemployment tax.

It is my understanding that the State of Connecticut recently raised its taxable wage base from $4,200 to $6,000 and also increased its solvency tax rate from 0.9 to 1 percent. Connecticut's action appears to me to be consistent with the intent of this provision and an example of what is meant by "appropriate action with respect to financing."

The special unemployment assistance—SUA—program is extended through December 31, 1976. The maximum number of benefit weeks under SUA is increased from 26 to 39. The SUA program, enacted in December 1974, provides unemployment compensation to jobless workers who are not covered under the Federal-State unemployment insurance program, mainly State and local employes, domestics, and farmworkers.

In addition to extending benefits, H.R. 6900 contains other amendments to title II of the Emergency Jobs and Unemployment Assistance Act of 1974, the special unemployment assistance program:

Payment of SUA benefits to teachers, researchers, and principal administrators employed by schools is prohibited during the period between academic years or terms if they have contracts with any school for both such years or terms.

The amount of SUA entitlement is reduced by the total amount of regular State benefits, extended benefits, and Federal supplemental benefits drawn within the same benefit year.

The benefit year under the SUA program, is defined as the 52-week period beginning the week a valid SUA claim is filed.

The definition of noncovered work under SUA is clarified.

Authority and procedures pertaining to the treatment of fraud and erroneous payments under SUA are established. Repayment may not be required and deduction may not be allowed until the individual has been notified, given an opportunity to be heard; and a final determination has been made. Repayment through deduction from a subsequent check may not exceed 50 percent of the weekly benefit amount from which it is deducted.

Title III of this bill provides that the Virgin Islands may borrow money from Federal general revenues as is necessary to continue payment of benefits under its unemployment insurance program. Under existing Federal law, the Virgin Islands is precluded from participating in the Federal-State unemployment insurance program. The Virgin Islands, however, has had its own unemployment insurance program for several years. Because it is not covered under the Federal-State system, the Virgin Islands cannot receive repayable advances from the Federal unemployment account that are available to States that have depleted their unemployment insurance funds.

No advances may be made to the Virgin Islands under the authority of this bill after June 30, 1976, and the total amount of loans can not exceed $5 million. Advances that are made must be repaid—without interest—by January 1, 1978. Interest will be charged on any portion of such a loan which remains after January 1, 1978.

With unemployment at almost 9 percent and over 8 million Americans unemployed, we are facing the worst economic crisis since the depression of the 1930's. We should all realize that conditions would be much worse if we did not have the unemployment insurance system in place.

The extensions of the unemployment benefits provided in H.R. 6900 are desperately needed to assist the millions of unemployed workers who are having difficulty finding work, and to maintain the important stabilizing effect this program has on the general economy during periods of economic recession.

Mr. **STEIGER** of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conferees on H.R. 6900 reached an agreement which I believe to be workable, equitable and acceptable. Both sides gave ground. The managers on the part of the House did not get all they wanted; neither did the managers for the other body. But the most important matter before the conference—extension of the unemployment compensation programs beyond their imminent expiration dates under existing law—was resolved satisfactorily.

The Emergency Unemployment Compensation Act of 1974 provides that extended benefits under the regular unemployment compensation system are payable through December of 1976 whenever the insured unemployment rate is 4 percent or higher on a national or State basis. These benefits cover generally the 27th through the 39th weeks. The 1974 act also provides that workers who exhaust these extended benefits may receive up to 13 weeks additional benefits.

In March of this year, a further 13 weeks of benefits were authorized, but this provision would expire on June 30, just 4 days from now.

H.R. 6900, as passed by the House, would have extended this provision, permitting the payment of a maximum of 65 weeks of unemployment benefits, through June 30, 1976. The House bill also would have permitted the payment of up to 52 weeks through the remainder of that year.

Under a Senate amendment, which the House conferees accepted, the provision authorizing 65 weeks of benefits would be extended through the rest of this year. Starting January 1, 1976, however, the insured unemployment rate in each State would determine whether benefits would be payable from the 40th through the 65th weeks. When the insured rate in a State is 5 percent, but less than 6 percent, benefits would be payable up to 52 weeks. If a State had a rate of 6 percent or higher, a full 63 weeks of benefits could be paid.

It should be noted, however, that whenever a State's rate dropped below the 5 percent or 6 percent mark, jobless workers in that State who already were receiving those additional weeks of benefits could continue to receive them. The benefits would continue for a maximum of 13 weeks, or up to the number of weeks for which an unemployed worker would have qualified had the State's rate not declined.

Another Senate change, which the House managers accepted, would continue the Federal supplemental benefits program, which permits the payment of benefits beyond 39 weeks and up to 65 weeks, until March 31, 1977. An aim of the other body in this amendment was to keep the program running through the current Congress and for 3 months of the 95th, or long enough to give the new Congress a chance to look at the program.

The House conferees also agreed to an amendment requiring an applicant for emergency unemployment compensation benefits also to apply for training, if he were not already participating in a training program, and if his State saw a need for upgrading or broadening his skills. The training would have to be available within a reasonable distance and would have to be provided without fees or tuition charged to the trainee. If an individual were not participating in a training program, he could not remain eligible for emergency benefits if he refused a reasonable job offer. The other body also had provided a number of conditions under which that individual could refuse a job, but the managers for the House did not accept them.

The other body had called for the Secretary of Labor to conduct two separate studies relating to the emergency benefits program and other unemployment compensation programs, and their beneficiaries. Under terms of the compromise, only one combined study would be called for. A report would be due in January of 1977, but it was the understanding of the conferees that the Congress would not feel obliged to await the findings of the study before making further changes in unemployment compensation programs.

In fact, Mr. Speaker, the chairman of the Ways and Means Committee's Subcommittee on Unemployment Compensation has made it quite clear that he intends to begin public hearings this summer, leading toward development of comprehensive unemployment compensation reform.

Another amendment by the other body would permit the suspension of a higher tax rate, required of States which have borrowed from Federal unemployment accounts in order to make benefit payments, for 3 years—or through 1977. Under present law, the advances made to the borrowing States constitute interest-free loans which must be repaid in 2 years. If they are not repaid, the Federal unemployment tax rate in the affected State is automatically increased each year until repayment has been made. The House conferees agreed to this amendment with modifications.

The suspension would be permitted only in those States where the Secretary of Labor found that appropriate action had been taken with respect to the financing of the State's unemployment programs. The Secretary would be required to prescribe and publish in the Federal Register regulations setting forth the criteria on which he based his finding, and immediately after making a determination, he would be required to publish it, along with his reasons.

It should be noted that the House conferees did not accept an important amendment relating to the funding of emergency unemployment benefits. Under present law, the cost of these benefits ultimately must be paid out of State unemployment accounts. The amendment would have made these costs a general revenue expense starting July 1 of this year.

Another important amendment relates to the special unemployment assistance, or SUA, benefits. The House bill would have limited these benefits to 26 weeks after July 1, 1976. The other body provided for 39 weeks for the life of the program under this bill, and the managers on the part of the House agreed to that change.

The managers for the House also accepted one change with respect to the authorization of a loan, of up to $5 million, to the Virgin Islands, to enable the territory to continue meeting its unemployment compensation obligations. The other body amended that provision of the House bill to provide that interest be charged on the amount of the loan.

I would like to comment briefly on one other amendment, Mr. Speaker. This would extend for 2 weeks the period in which a State must enter into an agreement to administer the trade adjustment assistance benefit program under the Trade Act of 1974. There was no such provision in the House bill, Mr. Speaker, and the House conferees accepted it. The extension is very brief and would be of great assistance to the two States affected, one of which is Wisconsin.

The other body also added two amendments not related to the unemployment compensation program. Both of these would be amendments to the Tax Reduction Act of 1975. The managers on the part of the House accepted the first amendment, but the other body receded on the second.

The Tax Reduction Act of 1975 contained a tax credit for the purchase of a new principal residence equal to 5 percent of the purchase price of that residence up to a maximum of $2,000. The provision further stipulated that the new principal residence involved had to be either built or be in the process of being constructed as of March 25, 1975. However, the credit would be available only if the seller certified that the purchase price is the lowest price at which the residence was ever offered for sale.

Subsequent to the adoption of this provision, it was brought to the attention of the Internal Revenue Service and Members of Congress that many residences would not qualify since between the time of their first offering for sale and their completion, the price had risen. The word "ever" in the statute presented difficulty and the effect of it was to really negate the congressional intent which was to provide a stimulus for individuals to purchase new homes already in existence.

The Senate adopted an amendment to H.R. 6900 which would require that the seller certify the purchase price to be the "lowest price at which the residence was offered for sale after February 28, 1975." This provision was accepted by the conferees because it clarifies congressional intent and solves the problem I previously described.

The Senate adopted another amendment which would have extended the housing tax credit to include new principal residences whose construction began before June 19, 1975. This amounted to an 85-day extension of the provision enacted in the Tax Reduction Act. The House conferees opposed this extension as unnecessary and costly. The Treasury Department estimated that this 85-day extension would result in a revenue loss of between $250 and $300 million. In addition, we felt that it represented a precedent for the continuation of this credit and thus a change in its original purpose which was to spur sales of inventory houses.

In summary, Mr. Speaker, the resulting conference report represents a genuine compromise—one which continues both the emergency benefits under the regular unemployment compensation program and those under the supplemental unemployment assistance program. These extensions would give the Congress enough time to examine both programs carefully and to make changes in them which hopefully would be of a lasting nature, thus preventing the need for us to appear so frequently on the floor of this House to seek ad hoc adjustments. I hope that my colleagues will join with me in supporting the conference report.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

TEMPORARY RENTAL OF RAILROAD ROLLING STOCK BY FOREIGN CORPORATIONS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 5559) to amend section 883(a) of the Internal Revenue Code to provide for exclusion of income from the temporary rental of railroad rolling stock by foreign corporations.

The clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

Mr. SCHNEEBELI. Mr. Speaker, I reserve the right to object, and I shall not object, but I ask for this time so that the chairman may explain the bill.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

Mr. Speaker, this bill, H.R. 5559 is an amendment to the Internal Revenue Code to provide a reciprocal tax exemption for payments received by Canadian railroads for the temporary use of their railroad rolling stock. This amendment is intended to facilitate the interchange of railroad rolling stock between U.S. railroads and Canadian railroads by eliminating tax impediments which unduly restrict the interchange.

The interchange of railroad rolling stock occurs when railroad equipment of one railroad is transferred to a second railroad for the continued shipment of the goods. When an interchange occurs per diem fees which are set by the Interstate Commerce Commission are paid to the owner of the railroad equipment as compensation for costs and a slighter turn on investment.

At the present time these per diem fees are subject to a 15-percent withholding tax on the gross amount paid unless the railroad is doing business in the United States and the fees are connected with that business. In that case, the railroad must pay the regular U.S. corporate tax on the income.

Since the per diem fee system basically is intended to compensate a railroad for its cost with respect to the rolling stock, a 15-percent tax on the gross amount of the per diem quite often is a larger amount than the net income—if any—which a Canadian railroad derives from the use of the rolling stock by the U.S. railroad.

Until the end of last year the Canadian Government did not impose any tax upon the payment by a Canadian railroad to a U.S. railroad for the use of the U.S. railroad's rolling stock in Canada. While the Canadian Government has changed its law in this respect and now imposes a tax, it has indicated its willingness to grant a reciprocal exemption in this area. Similar reciprocal exemptions exist for air and ship transportation and for truck transportation with respect to Canada. This amendment will be mutually advantageous to both countries and will not result in any significant loss of revenue to the Treasury.

Under the amendment a reciprocal exemption is provided for payments by a common carrier for the temporary use—which is not expected to exceed a total of 90 days in any taxable year—of railroad rolling stock owned by a corporation of a foreign country which grants an equivalent exemption to U.S. companies. In order to make the amendment fully reciprocal with the provisions of Canadian law, the amendment is to apply to payments made after November 18, 1974.

Mr. SCHNEEBELI. Mr. Speaker, this bill would provide a reciprocal tax exemption of payments received by Canadian railroads for temporary use of their railroad rolling stock. At present, payments received by Canadian railroads for such use in the United States on trips between the United States and Canada are subject to a withholding tax on the gross amount received of 15 percent. Canada now imposes a similar tax on rolling stock of American railroads used in Canada but has indicated willingness to grant a reciprocal exemption from the tax if the United States does likewise.

This interchange of rollling stock takes place when the rolling stock of one railroad is transferred to a second railroad in connection with continued shipment of goods. The per diem charge for use of such rolling stock is set by the Interstate Commerce Commission in the United States and is basically intended to compensate the owner of the rolling stock for costs, such as depreciation and maintenance, plus a small return on investment. As present law operates, the 15-percent tax on the gross amount of any per diems earned is quite often a larger amount than the net income which the Canadian railroad might derive from the use of Canadian-owned rolling stock by the U.S. railroad in the United States. Until the end of 1974, Canada did not impose a similar tax upon payment by a Canadian railroad to a U.S. railroad for use of the U.S. railroad rolling stock in Canada. Canada has now changed its law in this regard to reflect the tax imposed in the other direction by the United States.

The committee has concluded that it seems unfair to impose a tax on the gross amount of a payment when in fact that payment reflects only reimbursement for substantial costs incurred in connection with the earning of income. Problems of this type have been eliminated in connection with other transportation industries. There is presently in the tax law a reciprocal exemption from tax of similar earnings from air and ship transportation. There is also a reciprocal exemption for truck transportation. Accordingly, the committee has recommended that section 883 of the Internal Revenue Code be amended to exclude from payments by a common carrier for the use on a temporary basis of railroad rolling stock which is owned by a corporation of a foreign country which grants an equivalent exemption to U.S. corporations.

The estimated annual revenue loss from this bill is $2.5 million. The bill was ordered reported unanimously by a voice vote in committee.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the bill, as follows:

H.R. 5559

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) EXCLUSION FROM INCOME.—Section 883 (a) is hereby amended by adding at the end thereof the following new paragraph:

"(3) RAILROAD ROLLING STOCK OF FOREIGN CORPORATIONS.—Earnings derived from payments by a common carrier for the use on a temporary basis (not expected to exceed a total of 90 days in any 12-month period) of railroad rolling stock owned by a corporation of a foreign country which grants an equivalent exemption to corporations organized in the United States."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made after November 18, 1974.

With the following committee amendments:

Committee amendments: Page 1, beginning in line 9, strike out "12-month period)" and insert "taxable year)".

Page 2, line 3, strike out "amendments" and insert "amendment".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCLUSION FROM GROSS INCOME OF GAINS FROM CONDEMNATION OF FOREST LANDS HELD FOR KLAMATH INDIAN TRIBE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 83) to amend the Internal Revenue Code of 1954 to exclude from gross income gains from the condemnation of certain forest lands held in trust for the Klamath Indian Tribe.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

Mr. SCHNEEBELI. Mr. Speaker, reserving the right to object, I do so in order that the chairman may explain the legislation and I yield to the gentleman for that purpose.

Mr. ULLMAN. Mr. Speaker, when the Federal Government terminates its supervision over an Indian tribe and distributes to the members of the tribe property previously held for their benefit, the amount of the distribution—whether in cash or in property—is not taxed. This bill, H.R. 83, provides similar treatment for the proceeds received by tribal members as a result of the acquisition by condemnation by the Federal Government of forest lands held for the Klamath Indian Tribe. To understand why this treatment is appropriate, it is necessary to provide a brief background of the situation.

Termination of Federal supervision over the Klamath Indian Tribe occurred in 1959, according to legislation passed by Congress in 1954. Under the terms of that legislation, any distribution to a member of the tribe of his share in tribal lands, whether in cash or not, would be free from tax. At the time, each tribal member was allowed to choose whether to withdraw from the tribe and receive his share of tribal lands in cash; or to remain with the tribe and participate in a plan for the management of the balance of the tribal property. After termination of Federal supervision, all income from the property, including that managed for those who remained in the tribe, would be taxed; and each member would have a basis for his share in the remaining lands equal to its value at the time of termination—that is, 1959.

In order to carry out the legislation and the wishes of those members of the tribe who elected to stay in the tribe, the Federal Government established a trust. The balance of the Klamath Indian lands were transferred to the trust which was managed by a bank. In 1969, the remaining members of the tribe voted to terminate the trust. To facilitate termination of the trust, Congress passed legislation in 1973 under which the remaining tribal property was acquired by condemnation by the Federal Government and added to the Winema National Forest. The proceeds of the condemnation are to be distributed among the members of the tribe having an interest in the land.

As I have stated, the original distribution of the proceeds of tribal lands was not taxable to those members who elected to withdraw from the tribe at the time. However, without this bill, the proceeds from the condemnation of the remaining tribal lands, upon their distribution from the trust, will result in a taxable gain to the members of the tribe who elected to stay in the tribe in 1959. The amount of the gain would be the excess of the distribution over the value of each member's interest in 1959, the time when the property was originally placed in the trust for his benefit.

When your committee examined this problem, it considered management of the tribal property through the trust established by the Federal Government to be the functional equivalent of continuing Government supervision. Had Federal supervision, in fact, continued to the present, the entire gain from the sale of land to the Government would have been exempt from tax. Your committee believes that the trust arrangement worked out by the Federal Government for the Indians who chose to remain in the tribe and keep their land should not change this result. As a result, all distributions to members of the tribe who are now withdrawing from the tribe should be treated in the same manner as the original termination. To accomplish that objective, this bill provides that the proceeds of the condemnation are excluded from the gross income of the trust when received by the trust, and that the distributions from the trust are excluded from the gross income of the members of the Klamath Indian tribe when received by them.

Mr. SCHNEEBELI. Mr. Speaker, I thank the gentleman for his explanation.

I agree with the conclusion of the gentleman and recommend that the bill be passed.

Mr. Speaker, this bill deals with tax treatment of certain proceeds received by tribal members of the Klamath Indian Tribe as a result of acquisition by condemnation by the Federal Government of certain forest lands held for the tribe. Congress terminated supervision over the Klamath Indian Tribe in 1954 and provided for a disposition of the Federal lands held for the tribe. The actual termination took place in 1959.

Under the 1954 law, those tribal members who decided to withdraw from the tribe received cash distributions based on their proportionate interest in the tribal property which were exempt from any Federal or State income tax. The reservation land retained by the members who remained in the tribe was transferred to a private trust and held by a bank as trustee. In 1969 the remaining tribal members voted to terminate that trust. In 1973 Congress passed legislation to acquire the remaining Klamath forest lands by condemnation and to distribute the proceeds to each tribal member having an interest in those lands.

Under the 1954 legislation, any income derived from disposition of the remaining tribal properties would be treated for tax purposes in the same manner as in the case of non-Indians. In the matter of the present disposition of the remaining tribal lands, the present tribal members would realize substantial capital gains on the property. The committee believes that the disposition of the remaining land should be treated the same way as was the original disposition of reservation land in 1959, when Federal supervision over the Klamath Tribe ended.

The committee feels that the arrangement under which the remaining lands were placed in trust for the benefit of the remaining members of the tribe was functionally equivalent to continuing Federal supervision over the tribe. Had Federal supervision continued, the gain from sale of the remaining lands would have been tax exempt.

The committee believes that the trust arrangement worked out for the Indians who elected to remain in the tribe and to retain a proportionate interest in tribal lands should not alter the result. Therefore, the committee believes that the condemnation proceeds to be received by remaining tribal members should not be taxable either to the trust or to the members of the tribe.

H.R. 83 provides, therefore, that gain resulting from the condemnation of the remaining lands presently held in trust should be excluded from gross income of the trust, and also that distribution by the trust to the beneficiaries should also be excluded from gross income of those beneficiaries.

The estimated revenue loss as a result of H.R. 83 is approximately $5 million. The bill was ordered reported by the committee on a unanimous voice vote.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as section 125 and by inserting after section 123 the following new section:

"SEC. 124. GAIN FROM CONDEMNATION OF CERTAIN FOREST LANDS HELD IN TRUST FOR THE KLAMATH INDIAN TRIBE.

"Gross income does not include amounts received pursuant to any condemnation authorized and directed under provisions of the Act entitled 'An Act to amend the Act terminating Federal supervision over the Klamath Indian Tribe by providing for Federal acquisition of that part of the tribal lands described herein, and for other purposes', approved August 16, 1973 (87 Stat. 340).".

(b) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out:

"Sec. 124. Cross references to other Acts."

and by inserting in lieu thereof:

"Sec. 124. Gain from condemnation of certain forest lands held in trust for the Klamath Indian Tribe.

"Sec. 125. Cross references to other Acts.".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to taxable years beginning after December 31, 1973.

COMMITTEE AMENDMENT

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Strike out all after the enacting clause and insert in lieu thereof the following:

That, for purposes of the Internal Revenue Code of 1954, gain resulting from the condemnation, pursuant to Public Law 93-102, of the Klamath Indian forest lands held by the trustee for the Klamath Indian Tribe—

"(1) shall be excluded from the gross income of the trust, and

"(2) on the distribution from the trust of the proceeds of such condemnation, shall be excluded from the gross income of each person receiving such distribution."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to exclude from gross income gains from the condemnation of certain forest lands held in trust for the Klamath Indian Tribe."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 83.

The SPEAKER. Is there objection to the request of the gentleman from Oregon (Mr. ULLMAN)?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON APPROPRIATION BILL FOR DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES FOR FISCAL YEAR 1976 AND PERIOD ENDING SEPTEMBER 30, 1976

Mr. YATES. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the appropriation bill for the Department of Transportation and Related Agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976.

Mr. YOUNG of Florida reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EMERGENCY HOMEOWNERS RELIEF ACT

Mr. REUSS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5398) to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, with a Senate amendment thereto, as printed in the CONGRESSIONAL RECORD dated June 25, 1975, at pages 20794-20797, and concur in the Senate amendment with amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert the following:

SHORT TITLE

SECTION 1. That this Act may be cited as the "Emergency Housing Act of 1975".

TITLE I—EMERGENCY MORTGAGE RELIEF

SHORT TITLE

SEC. 101. This title may be cited as the "Emergency Homeowners' Relief Act".

FINDINGS AND PURPOSE

SEC. 102. (a) The Congress find that—

(1) the Nation is in a severe recession and that the sharp downturn in economic activity has driven large numbers of workers into unemployment and has reduced the incomes of many others;

(2) as a result of these adverse economic conditions the capacity of many homeowners to continue to make mortgage payments has deteriorated and may further deteriorate in the months ahead, leading to the possibility of widespread mortgage foreclosures and distress sales of homes; and

(3) many of these homeowners could retain their homes with temporary financed assistance until economic conditions improve.

(b) It is the purpose of this title to provide a standby authority which will prevent widespread mortgage foreclosures and distress sales of homes resulting from the temporary loss of employment and income through a program of emergency loans and advances and emergency mortgage relief payments to homeowners to defray mortgage expenses.

MORTGAGES ELIGIBLE FOR ASSISTANCE

SEC. 103. No assistance shall be extended with respect to any mortgage under this title unless—

(1) the holder of the mortgage has indicated to the mortgagor its intention to foreclose;

(2) the mortgagor and holders of the mortgage have indicated in writing to the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") and to any agency or department of the Federal Government responsible for the regulation of the holder that circumstances (such as the volume of delinquent loans in its portfolio) make it probable that there will be a foreclosure and that the mortgagor is in need of emergency mortgage relief as authorized by this title, except that such statement by the holder of the mortgage may be waiver by the Secretary if in his judgment such waiver would further the purposes of this title;

(3) payments under the mortgage have been delinquent for at least three months;

(4) the mortgagor has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make full mortgage payments;

(5) there is a reasonable prospect that the mortgagor will be able to make the adjustments necessary for a full resumption of mortgage payments; and

(6) the mortgaged property is the principal residence of the mortgagor.

LIMITS OF ASSISTANCE

SEC. 104. (a) Assistance under this title with respect to a mortgage which meets the requirements of section 103 may be provided in the form of emergency mortgage relief loans and advances of credit insured pursuant to section 105 or in the form of emergency mortgage relief payments made by the Secretary pursuant to section 106.

(b) Assistance under this title on behalf of a homeowner may be made available in an amount up to the amount of the principal, interest, taxes, ground rents, hazard insurance, and mortgage insurance premiums due under the homeowner's mortgage, but such assistance shall not exceed the lesser of $250 per month or the amount determined to be reasonably necessary to supplement such amount as the homeowner is capable of contributing toward such mortgage payment.

(c) Monthly payments may be provided under this title either with the proceeds of an insured loan or advance of credit or with emergency mortgage relief payments for up to twelve months, and, in accordance with criteria prescribed by the Secretary, such monthly payments may be extended once for up to twelve additional months. A mortgagor receiving the benefit of mortgage relief assistance pursuant to this title shall be required, in accordance with criteria prescribed by the Secretary, to report any increase in income which will permit a reduction or termination of such assistance during this period.

(d) Emergency loans or advances of credit made and insured under section 105, and emergency mortgage relief payments made under section 106, shall be repayable by the homeowner upon such terms and conditions as the Secretary shall prescribe, except that interest on a loan or advance of credit insured under section 105 or emergency mortgage relief payments made under section 106 shall not be charged at a rate which exceeds the maximum interest rate applicable with respect to mortgages insured pursuant to section 203(b) of the National Housing Act.

(e) The Secretary may provide for the deferral of the commencement of the repayment of a loan or advance insured under section 105 or emergency mortgage relief payments made under section 106 until one year following the date of the last disbursement of the proceeds of the loan or advance or payments or for such longer period as the Secretary determines would further the purpose of this title. The Secretary shall by regulation require such security for the repayment of insured loans or advances of credit or emergency mortgage relief payments as he deems appropriate and may require that such repayment be secured by a lien on the mortgaged property.

EMERGENCY MORTGAGE RELIEF LOANS AND ADVANCES

SEC. 105. (a) The Secretary is authorized, upon such terms and conditions as the Secretary may prescribe, to insure banks, trust companies, finance companies, mortgage companies, savings and loan associations, insurance companies, credit unions, and such other financial institutions, which the Secretary finds to be qualified by experience and facilities and approves as eligible for insurance, against losses which they may sustain as a result of emergency loans or advances of credit made in accordance with the provisions of section 104 and this section with respect to mortgages eligible for assistance under this title.

(b) In no case shall the insurance granted by the Secretary under this section to any financial institution on loans and advances made by such financial institution for the purposes of this title exceed 40 per centum of the total amount of such loans and advances made by the institution, except that, with respect to any individual loan or advance of credit, the amount of any claim for loss on such individual loan or advance of credit paid by the Secretary under the provision of this section shall not exceed 90 percentum of such loss.

(c) The Secretary is authorized to fix a premium charge or charges for the insurance granted under this section, but in the case of any loan or advance of credit, such charge or charges shall not exceed an amount equivalent to one-half of 1 per centum per annum of the principal obligation of such loan or advance of credit outstanding at any time.

(d) The Secretary is authorized and empowered to waive compliance with any rule or regulation prescribed by the Secretary for the purposes of this section if, in the Secretary's judgment, the enforcement of such rule or regulation would impose an injustice upon an insured lending institution which has substantially complied with such regulations in good faith. Any payment for loss made to an insured financial institution under this section shall be final and incontestable after two years from the date the claim was certified for payment by the Secretary, in the absence of fraud or misrepresentation on the part of such institution unless a demand for repurchase of the obligation shall have been made on behalf of the United States prior to the expiration of such two-year period. The Secretary is authorized to transfer to any financial institution approved for insurance under this title any insurance in connection with any loan which may be sold to it by another insured financial institution.

(e) The aggregate amount of loans and advances insured under this section shall not exceed $1,500,000 at any one time.

EMERGENCY MORTGAGE RELIEF PAYMENTS

Sec. 106. (a) In the case of any mortgagee which would otherwise be eligible to participate in the program authorized under section 105 but does not qualify for an advance or advances as authorized by section 113 of this title or under section 10, 10b, or 11 of the Federal Home Loan Bank Act or otherwise elects not to participate in the program authorized under section 105, the Secretary is authorized to make repayable emergency mortgage relief payments directly to such mortgagee on behalf of homeowners whose mortgages are held by such financial institution and who are delinquent in their mortgage payments.

(b) Emergency mortgage relief payments shall be made under this section only with respect to a mortgage which meets the requirements of section 103 and only on such terms and conditions as the Secretary may prescribe, subject to the provisions of section 104.

(c) The Secretary may make such delegations and accept such certifications with respect to the processing of mortgage relief payments provided under this section as he deems appropriate to facilitate the prompt and efficient implementation of the assistance authorized under this section.

EMERGENCY HOMEOWNERS' RELIEF FUND

Sec. 107. (a) (1) To carry out the purposes of this title, the Secretary is authorized to establish in the Treasury of the United States an Emergency Homeowners' Relief Fund (hereinafter in this title referred to as the "fund") which shall be available to the Secretary without fiscal year limitation—

(A) for making payments in connection with defaulted loans or advances of credit insured under section 105 of this title;

(B) for making emergency mortgage relief payments under section 106 of this title;

(C) to pay such administrative expenses (or portion of such expenses) of carrying out the provisions of this title as the Secretary may deem necessary.

(2) The fund shall be credited with—

(A) all amounts received by the Secretary as premium charges for insurance or as repayment for emergency mortgago relief payments under this title and all receipts, earnings, collections, or proceeds derived from any claim or other assets acquired by the Secretary under this Act; and

(B) such amounts as may be appropriated for the purposes of this title.

AUTHORITY OF THE SECRETARY

Sec. 108. (a) The Secretary is authorized to make such rules and regulations as may be necessary to carry out the provisions of this title.

(b) Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real or other property by the United States, the Secretary shall have power, for the protection of the interest of the fund authorized under this title, to pay out of such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property, real or personal, acquired by the Secretary as a result of recoveries under security, subrogation, or other rights.

(c) In the performance of, with respect to, the functions, powers, and duties vested in the Secretary by this title, the Secretary shall—

(1) have the power, notwithstanding any other provision of law, whether before or after default, to provide by contract or otherwise for the extinguishment upon default of any redemption, equitable, legal, or other right, title in any mortgage, deed, trust, or other instrument held by or held on behalf of the Secretary under the provisions of this title; and

(2) have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon the Secretary by law, contract, or other agreement, and bid for and purchase at any foreclosure or other sale any property in connection with which assistance has been provided pursuant to this title. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, remodel and convert, dispose of, lease, and otherwise deal with, such property. Notwithstanding any other provision of law, the Secretary also shall have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation, or other rights obtained by him in administering this title.

AUTHORIZATION AND EXPIRATION DATE

Sec. 109. (a) There are authorized to be appropriated for purposes of this title such sums as may be necessary, except that the funds authorized to be appropriated for section 106 shall not exceed $500,000,000. Any amounts so appropriated shall remain available until expended.

(b) No loans or advance of credit shall be insured and no emergency mortgage relief payments made under this title after June 30, 1976 except if such loan or advance or such payments are made with respect to a mortgagor receiving the benefit of a loan or advance insured, or emergency mortgage relief payments made, under this title on such date.

NOTIFICATION

Sec. 110. (a) Until one year from the date of enactment of this title, each Federal supervisory agency with respect to financial institutions subject to its jurisdiction, and the Secretary, with respect to other approved mortgagees, shall (1) take appropriate action, not inconsistent with laws relating to the safety or soundness of such institutions or mortgagee, as the case may be, to waive or relax limitations pertaining to the operations of such institutions or mortgagees with respect to mortgage delinquencies in order to cause or encourage forebearance in residential mortgage loan foreclosures, and (2) request each such institution or mortgagee to notify that Federal supervisory agency, the Secretary, and the mortgagor, at least thirty days prior to instituting foreclosure proceedings in connection with any mortgage loan. As used in this title the term "Federal supervisory agency" means the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration.

REPORTS

Sec. 111. Within sixty days after enactment of this title and within each sixty-day period thereafter prior to July 1, 1976, the Secretary shall make a report to the Congress on (1) the current rate of delinquencies and foreclosures in the housing market areas of the country which should be of immediate concern if the purposes of this title is to be achieved; (2) the extent of and prospect for continuance of, voluntary forebearance by mortgages in such housing market areas; (3) actions being taken by governmental agencies to encourage forebearance by mortgagees in such housing market areas; (4) actions taken and actions likely to be taken with respect to making assistance under this title available to alleviate hardships resulting from any serious rates of delinquencies and foreclosures; and (5) the current default status and projected default trends with respect to mortgages covering multifamily properties with special attention to mortgages insured under the various provisions of the National Housing Act and with recommendations on how such defaults and prospective defaults may be cured or avoided in a manner which, while giving weight to the financial interests of the United States, takes into full consideration the urgent needs of the many low- and moderate-income families that currently occupy such multifamily properties.

NONAPPLICABILITY OF OTHER LAWS

Sec. 112. Notwithstanding any provision of law which limits the nature, amount, term, form, or rate of interest, or the nature, amount, or form of security of loans or advances of credit, loans, or advances, of credit may be made in accordance with the provisions of this title without regard to such provision of law.

FEDERAL DEPOSIT INSURANCE CORPORATION ADVANCES

Sec. 113. Notwithstanding any other provision of law, the Federal Deposit Insurance Corporation is authorized, upon such terms and conditions as the Corporation may prescribe, to make such advances to any insured bank as the Corporation determines may be necessary or appropriate to facilitate participation by such bank in the program authorized by this title. For the purpose of obtaining such funds as it determines are necessary for such advances, the Corporation may borrow from the Treasury as authorized in section 14 of the Federal Deposit Insurance Act (12 U.S.C. 1824; 64 Stat. 890), and the Secretary of the Treasury is authorized and directed to make loans to the Corporation for such purpose in the same manner as loans may be made for insurance purposes under such section, subject to the maximum limitation on outstanding aggregate loans there provided.

TITLE II—AMENDMENTS TO THE EMERGENCY HOME PURCHASE ASSISTANCE ACT OF 1974

ACTIVATION OF PROGRAM

SEC. 201. Section 313(a)(1) of the National Housing Act is amended by inserting "or other economic conditions" immediately after "governmental actions".

LIMITATION ON INTEREST RATE

SEC. 202. Section 313(b)(C) of the National Housing Act is amended to read as follows:

"(C) such mortgage involves an interest rate not in excess of that which the Secretary may prescribe, taking into account the cost of funds and administrative costs under this section, but in no event shall such rate exceed the lesser of (i) 7½ per centum per annum, or (ii) the rate set by the Secretary applicable to mortgages insured under section 203(b) of the National Housing Act, and no State or local usury law or comparable law establishing interest rates or prohibiting or limiting the collection or amount of discount points or other charges in connection with mortgage transactions or any State law prohibiting the coverage of mortgage insurance required by the Association shall apply to transactions under this section;".

LIMITATION ON POINTS

SEC. 203. Section 313(b) of the National Housing Act is amended by adding the following paragraphs at the end thereof:

"(D) such mortgage is accompanied by a certification by the mortgage that no points, discounts, or similar fees, other than a loan origination fee not in excess of 1 per centum of the original principal obligation, have been or will be assessed against the prospective buyer or seller in connection with the mortgage loan; and

"(E) such mortgage is purchased at par.".

GUARANTEE AUTHORITY

SEC. 204. Section 313(d)(1) of the National Housing Act is amended—

(1) by striking out "purchased" in the first sentence and inserting "eligible for purchase" in lieu thereof; and

(2) by inserting after the first sentence the following: "Such securities shall bear interest at a rate equal to the rate on the underlying mortgages less an allowance for servicing and other expenses as approved by the Association.".

LIMITATION ON FEES

SEC. 205. Section 313(f) of the National Housing Act is amended—

(1) by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(2) by adding at the end thereof the following:

"(3) charge a fee for making commitments to purchase mortgage loans or to guarantee securities under this section and for incurring other administrative expenses which shall not be considered a fee for the purpose of clause (D) of the last sentence of subsection (b), but the aggregate of all such fees, regardless of on whom imposed, shall not exceed 1 per centum of the amount of such commitments.".

FEDERAL FINANCING BANK FINANCING

SEC. 206. Section 313(d)(2) of the National Housing Act is amended by striking out the first sentence and inserting in lieu thereof the following: "The Association may offer and sell any mortgages purchased or securities guaranteed under this section to the Federal Financing Bank, and such Bank is authorized and directed to purchase any such mortgages or securities offered by the Association."

COVERAGE OF MULTIFAMILY AND CONDOMINIUM UNITS

SEC. 207. Section 313 of the National Housing Act is amended by adding the following new subsection at the end thereof:

"(h) Notwithstanding the provisions of subsection (b), the Association may make commitments to purchase and purchase, and may service, sell (with or without recourse), or otherwise deal in, a mortgage which covers more than four-family residences (including residences in a cooperative or condominium), or a single-family unit in a condominium, and which is not insured under the National Housing Act or guaranteed under chapter 37 of title 38, United States Code, if—

"(1) in the case of a project mortgage, the principal obligation of the mortgage does not exceed, for that part of the property attributable to dwelling use, the lesser of (A) the per unit amount specified in subsection (b)(B), or (B) the per unit limitations specified in section 207 of this Act in the case of a rental project or section 213 of this Act in a case of a cooperative project, or section 234 in the case of a condominium project;

"(2) in the case of a mortgage covering a housing project, the outstanding principal balance of the mortgage does not exceed 75 per centum of the value of the property securing such mortgage or is insured by a qualified private insurer or public benefit corporation created by the State which acts as an insurer as determined by the Association;

"(3) in the case of a mortgage covering an individual condominium unit, the mortgage is insured by a qualified private insurer or public benefit corporation created by the State which acts as an insurer as determined by the Association or has an outstanding principal balance which does not exceed 80 per centum of the value of the property securing the mortgage;

"(4) the mortgage is not being used to finance the conversion of an existing rental housing project into a condominium project or to finance the purchase of an individual unit in a condominium project in connection with the conversion of such project from rental to condominium form of ownership; and

"(5) the mortgage meets the requirements of subsection (b) except as modified by this subsection and any additional requirements the Secretary may prescribe to protect the interest of the United States or to protect consumers.".

AUTHORIZATION

SEC. 208. Section 313(g) of the National Housing Act is amended by adding the following at the end thereof: "Such total amount shall be increased on or after the date of enactment of the Emergency Housing Act of 1975, by such amount as is approved in an appropriation Act, but not to exceed $10,000,000,000, and the Association shall not issue obligations pursuant to this section utilizing authority which is conferred by this sentence or which is conferred by the first sentence of this subsection but uncommitted on October 18, 1975, except as approved in appropriation Acts."

EXTENSION

SEC. 209. Section 3(b) of the Emergency Home Purchase Assistance Act of 1974 is amended—

(1) by striking out "for a period of one year following such date of enactment" and inserting in lieu thereof "until July 1, 1976"; and

(2) by striking out "the expiration of such period" each place it appears and inserting in lieu thereof "such date".

TITLE III—EMERGENCY REPAIR AND REHABILITATION AUTHORITY

SEC. 301. (a) Section 312(h) of the Housing Act of 1964 is amended by striking out "one-year" and inserting in lieu thereof "two-year".

(b) Section 312(d) of such Act is amended by inserting "ending prior to July 1, 1975, and not to exceed $100,000,000 for the fiscal year beginning on July 1, 1975," after "each fiscal year".

SEC. 302. Section 518(b) of the National Housing Act is amended—

(1) by striking out "one or two" and inserting in lieu thereof "one, two, three, or four"; and

(2) by striking out "one year" the second time it appears in clause (1) of the first sentence of such section and inserting in lieu thereof "19 months".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. SYMMS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Wisconsin if this bill has been printed with the amendment and is it at the disposal of Members of the House so we can read it and see what we are talking about?

Mr. REUSS. Yes, it is. It has been printed and it is right under the gentleman's seat in the CONGRESSIONAL RECORD beginning on page 20794.

Mr. SYMMS. Is this how many hundreds of millions of dollars, or how much is this?

Mr. REUSS. The bill has been cut down from the bill which failed of an override yesterday. Specifically it has been cut down by 20 percent.

The CHAIRMAN. The Clerk will report the House amendment to the Senate amendment.

The Clerk read the House amendment to the Senate amendment, as follows:

Section 203, strike the whole section and renumber accordingly.

Section 205, strike the whole section and renumber accordingly.

Section 303, insert a new section 303.

SEC. 303. Section 202(b) of the Flood Disaster Protection Act of 1973 is amended by inserting before the period at the end thereof of a comma and the following: "except that the prohibition contained in this sentence shall not apply to any loan made prior to January 1, 1976, to finance the acquisition of a previously occupied residential dwelling".

The SPEAKER pro tempore (Mr. MCFALL). Is there objection to the request of the gentleman from Wisconsin (Mr. REUSS)?

Mr. BROWN of Michigan. I reserve the right to object, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Michigan reserves the right to object.

Mr. BROWN of Michigan. Mr. Speaker, as I understand, this legislation which the chairman of the Committee on Banking, Currency, and Housing has identified as being in the RECORD yesterday and passed by the Senate, the Senate has in effect, picked up the language of the so-called Ashley bill and the Brown bill.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr BROWN of Michigan. Yes; certainly.

Mr. REUSS. I think I should take this

opportunity to explain exactly what this bill provides.

The measure before us contains three major titles. No. 1, emergency homeowner foreclosure relief, and there the proviso designed to help unemployed people in danger of losing their homes through foreclosure is similar to that contained in the legislation referred to by the gentleman from Michigan; however, there is a limit of $250 per month in assistance to individual homeowners and an overall limit of $500 million in authorizations.

Title II, the emergency home purchase section, provides for $10 billion in the Ginnie Mae tandem purchase authority, as opposed to the $12 billion of authority contained in the bill before us on the override yesterday. The interest rate is 7½ percent.

I have the assurance of the Secretary of HUD, Mrs. Carla Hills, that this section will be so administered as to prevent the taxpayers' dollars from assisting those people who do not need it. Its focus will be on low- and moderate-income housing, where it belongs.

As to both title I and title II, I have the further assurance of Secretary Hills that there will be a meaningful use of these provisions, that the mortgage foreclosure section will be used as needed to prevent an increase in foreclosures and that the home mortgage purchase section will be used as needed to stimulate and end the distress in the homebuilding industry.

The third title would keep alive the very valuable section 312 rehabilitation loan program at an authorization level of $100 million.

The gentleman from Michigan (Mr. Brown) will, as I understand it, shortly explain the simple amendment which is being offered to the Senate bill. Let me say that there are no objections to that amendment on our side.

Let me further state that I am assured by the Secretary of HUD, Mrs. Hills, that she will recommend to the President that he sign it.

The Senate passed this bill earlier today 94 to 0. I have the distinct impression that it will be favorably considered, with the amendments referred to, that the Senate will adopt it and, thus, we can have it on the President's desk and I am sure he will sign it perhaps tonight.

The bill, while not all that the gentleman from Pennsylvania (Mr. Barrett) and I and others would have desired is, at least, half a loaf and is an honest bill and will accomplish the purposes of the bill.

I appreciate the gentleman from Michigan yielding to me for this purpose. I might say that if there are any further questions, I would be delighted if the gentleman from Michigan will pass them on to me to try to answer.

Mr. BROWN of Michigan. Mr. Speaker, further reserving the right to object, I want to say that the amendments at the desk strike section 203 and section 205 of the bill as passed by the Senate. These are two sections dealing with restrictions upon points and fees which, if enacted, would make the program practically unworkable and it would be little used. These sections were not in the legislation that was being considered by the House and not in the legislation which the gentleman from Ohio (Mr. Ashley) proposed and which I proposed. They are Senate amendments and should not be incorporated in this legislation.

The third item in the amendment is a 6-month extension for the flood relief program to permit the resale of existing homes. It is not exactly 6 months because it depends upon a year from date of the notification.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Maryland.

Mr. BAUMAN. The 6-month extension of the flood control program is in no way germane to this bill at all, is that correct?

Mr. BROWN of Michigan. Well, it was in the original bill we had. It probably is not germane any more than, say, the 312 loan program is, but this is the way in which the Senate enacted it.

I might say to the gentleman that this bill is 90 to 95 percent an origination of the House.

Mr. BAUMAN. There was no Senate provision in this bill that deals with flood control extension, is that correct? There is not now any provision in this bill dealing with the flood control section?

Mr. BROWN of Michigan. I will be happy to explain to the gentleman why it is being offered on this side. As we are moving toward adjournment, if we do not put it on, the Senate will have an opportunity to amend. If they would so amend it, we would have to come back and have to take further action. This is important legislation. It is supported on this side, but everyone wants to do something for housing and it would be very wrong and irresponsible of us to not have action taken on this legislation today.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BAUMAN. Mr. Speaker, I would like to ask the Chair whether or not there is any way an individual Member can attack the nongermaneness of that particular amendment, or is it included in the unanimous consent request, which would mean that one would have to object to the request in order to request a division on the nongermane provisions.

The SPEAKER pro tempore. The Chair would advise the gentleman, in answer to his parliamentary inquiry, that it is all under one unanimous consent request; it is all one package.

Mr. BAUMAN. But the gentleman could withdraw from his request concerning that amendment, could he not?

The SPEAKER pro tempore. If there was an objection, the gentleman then could ask unanimous consent for something else. That is correct.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from Michigan for yielding to me.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, is not this the same proposition the gentleman so articulately was defending, and saying that we should sustain the veto because of this same proposition? The proposition was that the President said the money was left in private hands.

Mr. BROWN of Michigan. On the contrary, this is what the President proposed and what the gentleman from Michigan proposed. The bill before us is the Senate enacted measure. It is not the bill the President vetoed.

Mr. SYMMS. May I say to the gentleman that is only a little bit less obnoxious.

Mr. BROWN of Michigan. Much the contrary. There is no 6-percent program, there is no 7-percent program, there is no $1,000 cash downpayment program. This is the proposal that the President recommended.

Mr. SYMMS. How much money is in this bill? I could never receive an answer from the chairman of the committee on that.

Mr. BROWN of Michigan. The price under GNMA program authorizes an additional $10 billion. It is the ongoing program. It is not a new program. What the cost will be differs. The Government could get out of it with no cost by selling all the mortgages.

Mr. SYMMS. Was there a vote; if so, what kind of vote did this receive from the Committee on Banking and Currency? Were the Members all there and did they all vote for it?

Mr. BROWN of Michigan. In effect, this substitute was supported—I think when I offered it on the floor when the original emergency housing bill was being considered as this bill is now, this substitute was supported very extensively on the Republican side.

Mr. CONABLE. Mr. Speaker, will the gentleman from Michigan yield?

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. CONABLE. Mr. Speaker, is it not true that this is the measure that the Republican Policy Committee also supported as an alternative to the bill which was vetoed?

Mr. SYMMS. If the gentleman will yield, is this one of those constructive Republican alternative proposals?

Mr. CONABLE. This is an extension of the existing program which the gentleman from Ohio (Mr. Ashley), and the gentleman from Michigan (Mr. Brown) felt would get the money into the housing much more quickly than any new program.

Mr. SYMMS. If the gentleman will yield further, I will say to the gentleman that I will not object to this measure, but I will say that we all know what the initials of the constructive Republican alternative proposals spell, and I feel that this is really what we really have here.

Mr. BROWN of Michigan. The gentleman is justified in characterizing it in any way he wants to.

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I would like to direct a question to the gentleman from Ohio (Mr. ASHLEY) who I know, along with the gentleman from Michigan (Mr. BROWN), has been one of the principal authors of the legislation that has now come to us from the Senate. There was no provision in our version for a 6-months extension of time for compliance with the flood insurance requirements. I ask the gentleman from Ohio (Mr. ASHLEY) if that is correct.

Mr. ASHLEY. If the gentleman will yield, that is correct.

Mr. ROUSSELOT. Further reserving the right to object, part of the problem, as the gentleman from Ohio knows, is that many of the communities in this country, trying to comply with the flood insurance requirements, have had substantial problems. Can we be guaranteed that hearings will be conducted on the problems that have come up under the flood insurance legislation, either from the Chairman himself, the gentleman from Pennsylvania (Mr. BARRETT), or the gentleman from Ohio (Mr. ASHLEY)?

Mr. ASHLEY. If the gentleman will yield, I think I will defer to the chairman of the subcommittee. Let me say at this time, however, that it would be very much my intention to support the movement to get the hearings on this matter. I happen to take a rather narrow view that communities which do not make use of the year under the flood plan legislation must come into conformity. But nevertheless I will certainly recognize that there are problems, and it would be my hope and it would be my intention to support hearings to find out more precisely what those problems are.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I will ask the chairman of the subcommittee what his comment is on this.

Mr. BARRETT. If the gentleman will yield, I am very glad the gentleman brought that up, because I want it known that we have been working on the problems involved in the flood insurance program and it will be carefully reviewed by the Housing and Community Development Subcommittee. Many of the Members here, over 150 of them, have inquired about the catastrophic disaster insurance bill, introduced by my colleague from Pennsylvania (Mr. FLOOD). We have been considering these bills and will include in these hearings the proposals contained in Mr. FLOOD's bill.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I thank my colleague from Pennsylvania.

I now yield to my colleague from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Speaker, I thank the gentleman from California, my friend, Mr. ROUSSELOT, for yielding. I think we need this bill. I want to take the opportunity to commend the chairman of the subcommittee.

Mr. Speaker, there is a great need for passing a meaningful housing bill as quickly as possible. The homebuilders of this country and the American people generally have been waiting for some legislation now for 6 months.

Unfortunately, when the emergency housing bill and middle income housing bill went to conference, it was loaded down with too much junk and the President felt a veto was necessary. I think the members of the House Committee on Banking, Currency and Housing should be commended for their very expeditious manner in agreeing to this compromise bill after the veto was sustained. Especially the efforts of Mr. BROWN of Michigan, and Mr. ASHLEY, of Ohio, should be recognized.

I urge favorable consideration of this compromise bill for housing.

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, can we be assured that we will not be asked to take any more sudden amendments that the Senate might come up with tonight, later on, when they may second-guess us again, because they did not happen to think about it the first time around? Because we do have to amend this. It does have to go back to the Senate. And in the name of trying to expedite the recess, are we going to be stuck with additional amendments that they are going to try to tack on? I understand some of my colleagues here are trying to get other amendments.

Mr. BROWN of Michigan. If the gentleman will yield, I assure the gentleman the amendments here at the desk are the only amendments we intend to accept.

Further reserving the right to object——

Mr. ROUSSELOT. Mr. Speaker, I have the time.

Mr. BROWN of Michigan. I do not think I relinquished it, Mr. Speaker. Did I?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, what does my colleague, the gentleman from Wisconsin, say about my suggestion?

Mr. REUSS. Mr. Speaker, if the gentleman will yield, your colleague from Wisconsin says that he is every bit as anxious to adjourn here tonight as any Member in the Chamber, and that in his judgment, and in the judgment of the other gentleman from Wisconsin, the bill as it now stands, with the two minor amendments suggested to me by the gentleman from Michigan (Mr. BROWN), is reasonable.

Mr. ROUSSELOT. And the gentleman from Wisconsin will be every bit as persuasive with them as the other gentleman from Wisconsin will be as to the amendments?

Mr. REUSS. Mr. Speaker, if the gentleman from California believes that, he will believe anything.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. BROWN of Michigan. Mr. Speaker, reserving the right to object, I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr Speaker, I first would like to compliment my colleague, the gentleman from Ohio (Mr. ASHLEY), the chairman of the committee, my colleague on the Joint Economic Committee, and my cousin, the gentleman from Michigan (Mr. BROWN) for coming to agreement on a piece of legislation that has gone through the veto process.

I would like to say to the leadership on the other side that I would hope that we can have over the next 10 days some effort at an ecumenical resolution of the energy problem, which does not seem at this moment to be in prospect. We have a bill out of the Committee on Interstate and Foreign Commerce which seems to be doomed to the same fate as the bill which came out of the Committee on Ways and Means, and that is decimation on the floor of the House and ultimate veto from the White House.

I would hope that the same kind of accommodation could be reached in anticipation of that kind of situation in which we found ourselves with the housing bill.

Mr. Speaker, I compliment the leadership in this situation. We find ourselves with a sort of belated agreement on what we ought to do to resolve a serious problem. I hope we can do the same thing now, but not as belatedly as we did in reference to the energy issue.

Mr. BROWN of Michigan. Mr. Speaker, for the sake of those who are trying to catch planes and who wish to leave, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BARRETT. Mr. Speaker, I rise in support of this Senate proposal for one reason. I realize that the proposal will provide the economic stimulus to the homebuilding industry, the jobs to those who are employed in that industry, and the relief so urgently needed by hard hit homeowners now—not 1 month or 2 months from now. It is half a loaf and not a perfect bill, but we must remember this is emergency legislation, and that the administration, after 6 months of footdragging, now agrees with us that there is an emergency situation in our economy. Because the bill will provide immediate relief, and because we have a commitment from Secretary Hills that there will be meaningful implementation of this measure, I strongly urge its enactment.

Mrs. SULLIVAN. Mr. Speaker, in view of our failure yesterday to override the veto of H.R. 4485, it is obvious that the Congress must now cave in and vote for a bill the President will accept, and tailor it to the diminutive size of his midget housing program.

But let us not rest on this as a solution to the housing depression. It meets the emergency for those who are in jeopardy of losing their homes because of unemployment and the recession but it does not meet the emergency for those who need homes and cannot afford the interest charges in buying them.

We need a direct Federal loan program—a Home Owners Mortgage Loan Corporation—to extend loans at 6½ percent or less to families in the $12,000 to $17,000 income levels—not subsidies but long-term loans at reasonable rates.

Mr. FRENZEL. Mr. Speaker, I support the "new" emergency housing bill which contains the home owners relief feature previously passed here, the $10 billion mortgage purchase authority (tandem plan), the rehabilitation feature, and the extension of the Flood Protection Act.

Not only does this proposal offer immediate substantial help to the housing industry and to homeowners and potential homeowners, but it also represents a major congressional effort toward cooperation. The Congress has been severely criticized by myself and others for playing confrontation politics with the Executive and for excluding minority participation. Now, we at last have a major effort at conciliation. That is a good sign, or maybe even a great sign.

I congratulate the members of the Banking Committee for this major step toward cooperation. I hope we will see many more.

The House amendments to the Senate amendment were agreed to.

The Senate amendment, as amended, was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **REUSS**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the House amendments just agreed to.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO HAVE UNTIL MIDNIGHT, JUNE 27, 1975, TO FILE REPORT ON H.R. 3954

Mr. **PRICE**. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight, June 27, 1975, to file a report on the bill, H.R. 3954.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

FURTHER MESSAGES FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 324. Concurrent resolution providing for a conditional adjournment of the House of Representatives from June 26, 1975, until July 8, 1975.

PERMISSION FOR COMMITTEE ON EDUCATION AND LABOR TO HAVE UNTIL MIDNIGHT FRIDAY, JUNE 27, 1975, TO FILE REPORT ON H.R. 7217, THE EDUCATION FOR ALL HANDICAPPED CHILDREN ACT

Mr. **HALL**. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have until midnight Friday to file a report on H.R. 7217, the Education for All Handicapped Children Act.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COAST GUARD AUTHORIZATION BILL

Mr. **BIAGGI**. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5217) to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: That funds are hereby authorized to be appropriated for fiscal year 1976 for the transition period of July 1–September 30, 1976, for the use of the Coast Guard as follows:

VESSELS

For procurement of vessels:

For fiscal year 1976, $28,842,000;

For the transition period (July 1–September 30, 1976), $1,561,000.

AIRCRAFT

For procurement of aircraft:

For fiscal year 1976, $36,000,000;

For the transition period (July 1–September 30, 1976), $11,700,000.

CONSTRUCTION

For construction of shore and offshore establishments:

For fiscal year 1976, $60,082,000;

For the transition period (July 1–September 30, 1976), $2,841,000.

SEC. 2. (a) For fiscal year 1976, the Coast Guard is authorized an end strength for active duty personnel of 37,916; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92–479.

(b) For the transition period (July 1–September 30, 1976), the Coast Guard is authorized an end strength for active duty personnel of 38,005; except that the ceiling shall not include members of the Ready Reserve called to active duty under the authority of Public Law 92–479.

SEC. 3. (a) For fiscal year 1976, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 3,880 man-years;

(2) flight training, 92 man-years;

(3) professional training in military and civilian institutions, 372 man-years; and

(4) officer acquisition training, 1,143 man-years.

(b) For the transition period (July 1–September 30, 1976), military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, 1,071 man-years;

(2) flight training, 23 man-years;

(3) professional training in military and civilian institutions, 93 man-years; and

(4) officer acquisition training, 277 man-years.

SEC. 4. (a) For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of the navigable waters of the United States, $6,600,000 is authorized for fiscal year 1976.

(b) For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of the navigable waters of the United States, $2,050,000 is authorized for the transition period (July 1–September 30, 1976).

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. **BIAGGI**. Mr. Speaker, the first part of the Senate amendment would increase the active duty strength of the Coast Guard by 15 positions. On page 23, line 21, delete the number "37,901" and insert in lieu thereof the number "37,916"; on page 3, line 1, delete the number "37,990" and insert in lieu thereof the number "38,005".

This amendment is germane and it would not involve the purchase of a new helicopter. It would merely authorize the active duty strength to man and service a helicopter which has already been bought and paid for but is laid up in a hangar.

The purpose of the amendment is to man an extra helicopter to be used in the New England area for fisheries surveillance.

Five major species of fish are seriously depleted: haddock, herring, menhaden, yellowtail flounder and halibut. Other important species are threatened.

It seems clear that we are moving toward a 200-mile fishing zone, either unilaterally or by international agreement. The Coast Guard is seriously understaffed and underequipped to man such a zone. This would be a first step toward surveillance of such a zone when it becomes a reality and can be put to good use for the present conditions in that area of the country.

The second part of the amendment would add an additional $7,500,000 to the bill, increasing the authorization for the construction of shore and offshore establishments from $52,582,000 to $60,082,000.

The purpose of this increase is to allow the construction of the Valdez, Alaska, vessel traffic control system and the Sitka, Alaska, Air Station to proceed in a timely manner in order to have these stations operational when the trans-Alaska pipeline is completed and the tankers begin bringing oil out of Valdez.

The amendment is germane and would add an additional $7,500,000 to the Coast Guard authorization of appropriations. The vessel traffic system and air station funded by this increase are an integral part of the energy supply system stemming from the trans-Alaska pipeline.

Because of the importance of this source of energy supply to the United States, and because construction on the trans-Alaska pipeline continues to progress toward completion in 1977, this germane amendment would appear to be both appropriate and necessary, even though it does involve some additional cost.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TO PROVIDE THAT THE FLAG OF THE UNITED STATES OF AMERICA MAY BE FLOWN FOR 24 HOURS OF EACH DAY IN VALLEY FORGE STATE PARK, VALLEY FORGE, PA.

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate joint resolution (S.J. Res. 98) to provide that the flag of the United States of America may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge, Pa., and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate Joint Resolution, as follows:

S.J. Res. 98

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the rule or custom pertaining to the display of the flag of the United States of America between sunrise and sunset, as set forth in section 2(a) of the joint resolution, entitled, "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America", approved June 22, 1942 (36 U.S.C. 174 (a)), the flag of the United States of America may be flown for twenty-four hours of each day on the grounds of the National Memorial Arch in Valley Forge State Park, Valley Forge, Pennsylvania. The flag may not be flown pursuant to the authority contained in this Act during the hours from sunset to sunrise unless it is illuminated.

Mr. EDWARDS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. SCHULZE).

Mr. SCHULZE. Mr. Speaker, I thank the gentleman for yielding.

I urge the passage of this legislation, which would be a fitting tribute to those valiant patriots who suffered through the winter of 1777 and 1778 at Valley Forge, 3,000 of whom died and are buried in this hallowed ground.

Mr. Speaker, I urge our concurrence and passage of this measure.

Mr. HUTCHINSON. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. Yes, I yield to the gentleman from Michigan.

Mr. HUTCHINSON. Do I understand that the purpose of this bill is to permit the flag of the United States to fly 24 hours a day at Valley Forge, night and day, and without the necessity of electrification or of lights at night? Is that the purpose of it?

Mr. EDWARDS of California. That is correct.

Mr. Speaker, I yield to the gentleman from Pennsylvania (Mr. SCHULZE), in whose district Valley Forge is located, for a response to the gentleman's question.

Mr. SCHULZE. Mr. Speaker, I thank the gentleman for yielding.

Illumination is called for.

Mr. HUTCHINSON. I thank the gentleman for that explanation.

I understand that the flag of the United States is flown at night with illumination in many places all over the country. If that is the case, what is the real purpose or need, then, for this particular piece of legislation? Could not the flag be flown under present practices without this bill?

I do not intend to object to it, but I just wondered about the need for it.

Mr. SCHULZE. If the gentleman will yield further, it is merely to set aside this ground and to symbolize the dedication of those who died there and to illustrate the importance of Valley Forge in our district.

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES FROM JUNE 26, 1975, UNTIL JULY 8, 1975

The SPEAKER pro tempore laid before the House the House Concurrent Resolution—House Concurrent Resolution 324—providing for a conditional adjournment of the House of Representatives from June 26, 1975, until July 8, 1975.

The Clerk read the concurrent resolution, as follows:

Resolved, That the concurrent resolution from the House of Representatives

(H. Con. Res. 324) entitled "Concurrent resolution providing for a conditional adjournment of the House of Representatives from June 26, 1975, until July 8, 1975".

With the following Senate amendments:

Page 1, line 3, strike out "[or]" and insert: "and that when the Senate adjourns on Friday, June 27, 1975, it stand adjourned until 11:00 o'clock a.m. on Monday, July 7, 1975, or in the case of both Houses,".

Page 1, strike out lines 7 to 13, inclusive, and insert:

Sec. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it or whenever the majority leader of the House and the majority leader of the Senate, acting jointly, or the minority leader of the House and the minority leader of the Senate, acting jointly, file a written request with the Clerk of the House and the Secretary of the Senate that the Congress reassemble for the consideration of legislation.

Sec. 3. During the adjournment of both Houses of Congress as provided in section 1, the Secretary of the Senate and the Clerk of the House, respectively, be, and they hereby are, authorized to receive messages, including veto messages, from the President of the United States.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR WEEK OF JULY 8, 1975

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, I wonder if the distinguished Speaker pro tempore is in a position to inform the Members as to the program for the week of July 8, when we return from our recess.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. McFALL. Mr. Speaker, I thank the gentleman from Illinois for yielding to me.

Mr. Speaker, the program for the House of Representatives for the week of July 7, 1975, is as follows:

Monday we will be in recess in accordance with the concurrent resolution.

On Tuesday we will have bills under suspension of the rules, and votes on the suspensions will be postponed until the end of all suspensions. There are two bills under suspensions, H.R. 5512, national wildlife refuge system amendments, and H.R. 5808, acquisition of wetlands.

Following this we will take up H.R. 49, petroleum reserves, Elk Hills, with an open rule and 2 hours of debate.

On Wednesday we will consider S. 555, consolidated farm and rural development, with an open rule and 1 hour of debate;

H.R. 7567, Arms Control and Disarmament Agency, with an open rule and 1 hour of debate;

H.R. 5884, Council on International Economic Policy, under an open rule with 1 hour of debate, and

H.R. 6706, White House authorization, under an open rule with 1 hour of debate.

For Thursday and Friday—and I emphasize Friday—we will consider the transportation appropriations for fiscal year 1976.

H.R. 7108, Office of Research and Development, Environmental Protection Agency, subject to a rule being granted,

H.R. 5546, Health Manpower Act, subject to a rule being granted; and

H.R. 3884, national emergencies, under an open rule with 1 hour of debate.

I would add that conference reports may be brought up at any time, and any further program will be announced later.

I would like to also say to the gentleman from Illinois and to the Members, that it is the intention of the leadership to schedule bills on Fridays during July.

Mr. ANDERSON of Illinois. Has the gentleman from California completed his announcement as to the schedule for the week of July 7?

Mr. McFALL. I have.

Mr. ANDERSON of Illinois. Am I correct in assuming, Mr. Speaker, that there is then no further business for this afternoon?

Mr. McFALL. There is no further business for this afternoon.

Mr. ANDERSON of Illinois. I thank the gentleman.

AUTHORIZING CLERK TO RECEIVE MESSAGES AND THE SPEAKER OR SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS, NOTWITHSTANDING ADJOURNMENT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Tuesday, July 8, 1975, the Clerk be authorized to receive messages from the Senate and that the Speaker or Speaker pro tempore be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES NOTWITHSTANDING ADJOURNMENT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until July 8, 1975, the Speaker be authorized to accept resignations and to appoint commissions, boards, and committees authorized by law or by the House.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, JULY 9, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, July 9, 1975, may be dispensed with.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

URANIUM ENRICHMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-202)

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and referred to the Joint Committee on Atomic Energy and ordered to be printed:

To the Congress of the United States:

Every so often, a Nation finds itself at a crossroads. Sometimes, it is fortunate and recognizes it has a choice. Sometimes, it does not.

We are at such a crossroads in America today.

The course we select will touch the lives of most of us before the end of this century and surely affect the lives of generations of Americans yet to come.

Today, I am asking the Congress to join me in embarking this Nation on an exciting new course which will help assure the energy independence we seek and a significantly strengthened economy at the same time.

I am referring to the establishment of an entirely new private industry in America to provide the fuel for nuclear power reactors—the energy resource of the future. I am referring to uranium enrichment which is presently a Federal Government monopoly.

Without question, our energy future will become more reliant on nuclear energy as the supplies of oil and natural gas diminish.

The questions we must answer are (1) whether the major capital requirements for constructing new uranium enrichment facilities will be paid for by the Federal taxpayer or by private enterprise, and (2) whether a major new and expanding segment of our economy will be under the control of the Federal Government or the private sector.

The private sector has already demonstrated its capability to build and operate uranium enrichment facilities under contracts with the Federal Government. Since it is also willing to provide the capital needed to construct new uranium enrichment plants, I am asking the Congress to enact legislation to enable American industry—with all its financial resources, management capability and technical ingenuity—to provide the enriched uranium needed to fuel nuclear powerplants.

I believe this is the proper and correct course for America to take. The alternative is continued Federal monopoly of this service at a cost to the taxpayers of at least $30 billion over the next 15 years.

The enrichment of uranium—which means, in brief, separating the fissionable U-235 in uranium from non-fissionable parts to provide a more potent mixture to fuel nuclear reactors—is an essential step in nuclear power production.

For more than twenty years, the United States Government has supplied the enrichment services for every nuclear reactor in America and for many others throughout the world. Our leadership in this important field has enabled other nations to enjoy the benefits of nuclear power under secure and prudent conditions. At the same time, this effort has been helpful in persuading other nations to accept international safeguards and forego development of nuclear weapons. In addition, the sale of our enrichment services in foreign countries has returned hundreds of millions of dollars to the United States.

These enrichment services have been provided by plants—owned by the Government and operated by private industry—in Oak Ridge, Tennessee, Portsmouth, Ohio, and Paducah, Kentucky. A $1-billion improvement program is now underway to increase the production capacity of these plants by 60 percent. But this expanded capacity cannot meet the anticipated needs of the next 25 years.

The United States is now committed to supply the fuel needs for several hundred nuclear power plants scheduled to begin operation by the early 1980's. Since mid-1974, we have been unable to accept new orders for enriched uranium because our plant capacity—including the $1-billion improvement—is fully committed.

In short, further increases in enrichment capacity depend on construction of additional plants, with seven or eight years required for each plant to become fully operational.

Clearly, decisions must be made and actions taken today if we are to insure an adequate supply of enriched uranium for the nuclear power needs of the future and if we are to retain our position as a major supplier of enriched uranium to the world.

It is my opinion that American private enterprise is best suited to meet those needs. Already, private industry has demonstrated its willingness to pursue the major responsibilities involved in this effort. With proper licensing, safeguards, cooperation, and limited assurances from the Federal Government, the private sector can do the job effectively and efficiently—and at enormous savings to the American taxpayer. In this way, direct public benefits will be provided on a long-term basis by private capital, not by taxpayers.

Accordingly, I am proposing legislation to the Congress to authorize Government assurances necessary for private enterprise to enter into this vital field.

A number of compelling reasons argue for private ownership, as well as operation, of uranium enrichment plants. The market for nuclear fuel is predominantly in the private sector. The process of uranium enrichment is clearly industrial in nature.

The uranium enrichment process has the making of a new industry for the private sector in much the same tradition as the process for synthetic rubber—with early Government development eventually being replaced by private enterprise.

One of the strengths of America's free enterprise system is its ability to respond to unusual challenges and opportunities with ingenuity, vigor, and flexibility. A significant opportunity may be in store for many firms—old and new—to participate in the growth of the uranium enrichment industry. Just as coal and fuel oil are supplied to electric utilities by private firms on a competitive basis, enriched uranium should be supplied to them in the same fashion in the future.

The energy consumer also stands to benefit. The production of nuclear power now costs between 25 and 50 percent less than electricity produced from fossil fuels. It is not vulnerable to the supply whims or unwarranted price decrees of foreign energy suppliers. And based on the past 15 years of experience, commercial nuclear power has an unparalleled record of safe operation.

The key technology of the uranium enrichment process is secret and will remain subject to continued classification, safeguards, and export controls.

But for several years, a number of qualified American companies have been granted access to the Government's technology under carefully controlled conditions to enable them to assess the commercial potential for private enriching plants.

The Government-owned gaseous diffusion enriching plants have run reliably and with ever-improving efficiency for more than a quarter of a century. One private group has chosen this well-demonstrated process as part of its $3.5 billion proposal to build an enrichment plant serving 90 nuclear reactors here and abroad in the 1980's. Others are studying the potential of the newer gas centrifuge process. Though not yet in large-scale operation, the centrifuge process—which uses much less power than the other process—is almost ready for commercial application.

I believe we must move forward with both technologies and encourage competitive private entry into the enrichment business with both methods. A private gaseous diffusion plant should be built first to provide the most urgently needed increase in capacity, but we should proceed simultaneously with commercial development of the centrifuge process.

With this comprehensive approach, the United States can reopen its uranium enrichment "order book," reassert its supremacy as the world's major supplier of enriched uranium, and develop a strong private enrichment industry to help bolster the national economy.

For a number of reasons, a certain amount of governmental involvement is necessary to make private entry into the uranium enrichment industry successful.

The initial investment requirements for such massive projects are huge. The technology involved is presently owned by the Government. There are safeguards that must be rigidly enforced. The Government has a responsibility to help ensure that these private ventures perform as expected, providing timely and reliable service to both domestic and foreign customers.

Under the legislation I am proposing today, the Energy Research and Development Administration would be authorized to negotiate and enter into contracts with private groups interested in building, owning and operating a gaseous diffusion uranium enrichment plant.

ERDA would also be authorized to negotiate for construction of several centrifuge enrichment plants when more definitive proposals for such projects are made by the private sector.

Contract authority in the amount of $8 billion will be needed, but we expect almost no actual Government expenditures to be involved. In fact, the creation of a private enrichment industry will generate substantial revenues for the United States Treasury through payment of Federal income taxes and compensation for use of Government-owned technology.

Under the proposed arrangements, there will be an opportunity for foreign investment in these plants, although the plants will remain firmly under U.S. control. There will be no sharing of U.S. technology and, there will be limitations on the amount of capacity each plant can commit to foreign customers.

In addition, all exports of plant products will continue to be made pursuant to Governmental Agreements for Cooperation with other Nations. All will be subject to appropriate safeguards to preclude use for other than agreed peaceful purposes.

Foreign investors and customers would not have access to sensitive classified technology. Proposals from American enrichers to share technology would be evaluated separately, and would be subject to careful Government review and approval.

Finally, the plants proposed will be designed and built to produce low enriched fuel which is suitable only for commercial power reactors—not for nuclear explosives.

In the remote event that a proposed private venture did not succeed, this legislation would enable the Government to take actions necessary to assure that plants will be brought on line in time to supply domestic and foreign customers when uranium enrichment services are needed.

I have instructed the Energy Research and Development Administration to implement backup contingency measures, including continuation of conceptual design activities, research and development, and technology assistance to the private sector on a cost-recovery basis.

ERDA would also be able to purchase from a private firm design work on components that could be used in a Government plant in the unlikely event that a venture fails.

Finally, I pledge to all customers—domestic and foreign—who place orders with our private suppliers that the United States Government will guarantee that these orders are filled as needed. Those who are first in line with our private sources will be first in line to receive supplies under this assurance. All contracted obligations will be honored.

I also pledge that cooperative agreements made with private firms under the proposed new authority will fully reflect the public interest. In fact, all contracts will be placed before the Congress in advance of their effectiveness. The Congress will have full and complete review of each one.

In sum, the program I am proposing will take maximum advantage of the strength and resourcefulness of industry and Government.

It will reinforce the world leadership we now enjoy in uranium enrichment technology. It will help insure the continued availability of reliable energy for America. It will move America one big step nearer energy independence.

Although the development of a competitive nuclear fuel industry is an important part of our overall energy strategy, we must continue our efforts to conserve the more traditional energy resources on which we have relied for generations. And we must accelerate our exploration of new sources of energy for the future—including solar power, the harnessing of nuclear fusion and development of nuclear breeder reactors which are safe, environmentally sound and reliable.

I ask the Congress for early authorization of this program.

Gerald R. Ford.

The White House, *June 26, 1975.*

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO HAVE UNTIL MIDNIGHT, JUNE 27, 1975, TO FILE CERTAIN REPORTS

Mr. BLANCHARD. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight, tomorrow, June 27, 1975, to file certain reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

IN SUPPORT OF $40 MILLION TO IMPLEMENT THE JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Railsback) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, I would just like to add my support to the appropriations bill for the Departments of State, Justice, Commerce, and the Judiciary. Having testified specifically in support of funds to implement the 1974 Juvenile Justice and Delinquency Prevention Act, I am very encouraged that the committee approved $40 million for that purpose in title II of their bill.

The 1974 Juvenile Justice Act is truly a landmark piece of legislation in the criminal justice field. Our attack on juvenile delinquency in the past has been a failure because of the fragmentation, proliferation, and lack of direction. The new 1974 act, for the first time, provides a focus on the extent of the problems and the potential for solving them. It is long overdue.

As we are all aware, crime is one of the most serious threats to our national welfare today. The most recent FBI report stated that overall crime in this country has increased 17 percent in the past year. Crime was up a shocking 20 percent in the suburban areas and 21 percent in rural areas. Perhaps most distressing, however, is the fact that juveniles are still disproportionately responsible for offenses. They are also the age group most likely to repeat offenses, and are showing critical increases in the involvement in violent crimes.

The new 1974 act reaffirms Congress intent that there should be specific legislation relating to juvenile crime, and also represents a restructuring of programs directed to alleviate some of the past difficulties of administration. Further, the legislation is far more comprehensive than earlier acts, incorporating modern concepts for effective treatment and control as conditions for assistance and establishing new programs to cope with current aspects of the juvenile delinquency problem. I was most pleased that my own proposal for a national juvenile justice information and training center was incorporated into last year's bill.

However, no matter how much support a bill has or how well the legislation is designed, it becomes impotent without appropriations. That is why it is so very important that we properly fund the Juvenile Justice and Delinquency Prevention Act. While the $40 million approved by the Appropriations Committee is not the full level authorized by last year's bill, this figure—which takes our economic situation into account—recognizes the serious problem of juvenile crime and will be essential in getting the new programs started.

I would therefore urge all my colleagues to support that section of the appropriations bill which could very well mean the difference between today's youth offender and tomorrow's law-abiding citizen.

LEGISLATION INTRODUCED TO MAKE ESSENTIAL REFORMS IN THE CETA PUBLIC SERVICE JOBS PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, I have introduced legislation today to reform the Nation's public jobs program.

The existing program is being abused. Its well-intentioned motives have been too often transformed into vehicles of patronage, nepotism, moonlighting, politics, State control, and even lack of job opportunity. The program is in dire need of substantive reform to help those who are truly in need.

Today's bill would reform the Comprehensive Employment and Training Act—CETA—the act which authorizes our manpower training and public employment programs—in a number of important ways.

It gives high priority to training, including on-the-job training.

It authorizes training to be carried out by industry in the private sector.

It concentrates on those most likely to be helped by the program, instead of those least likely.

It makes it clear that this is a temporary Federal program.

It stops unemployed local civil servants from having priority over anyone else qualifying, yet protects an employed local civil servant from being discharged to be replaced with a CETA-funded employee.

It absolutely prohibits the hiring of relatives.

It prohibits moonlighting on CETA projects.

It gets rid of politics in the program through prohibiting patronage; by placing those hired through the program under the State and local employee restrictions of the Hatch Act; and by prohibiting the assignment of CETA-funded positions to elected officials.

It puts a stop to attempts by the more populous States to take over the local programs.

It authorizes public boards of education and similar bodies to be sponsors.

It prohibits discrimination against the unemployed that live in census tract areas of low employment in the qualifying areas.

And, last, it sets forth penalties for violations of the act's provisions.

Every one of the amendments contained in H.R. — should become law immediately. The program would be much improved by that.

A LOOK AT THE PREMISES UNDERLYING THE PUBLIC SERVICE JOBS PROGRAM

During past months there has been much discussion of expanding this program. That expansion is seen by its supporters as a means of counteracting some of the continuing, high unemployment.

We should be cautious about premature extensions or expansions of this program. In a well-meaning attempt to put people back to work, we must be sure that we—as custodians of tax dollars—get the maximum effectiveness for each dollar spent.

Let us look at the premises underlying this program.

The program assumes for every job created with CETA funds there is a net gain of a full job on the total employment charts. This is not what really happens.

A just-released, extensive study by a senior research economist with the Urban Institute makes a convincing case against putting too much reliance on public jobs programs. Authored by Alan Fechter and published by the American Enterprise Institute for Public Policy Research, it shows we sometimes get only a net gain of 1 job for every 10 jobs intended and funded.

The case for public jobs programs depends heavily on the extent to which Federal funds are added to State and local funds to provision of public services. The new study indicates in the long-run 60 to 90 percent of all public jobs funds will merely go to replace—rather than to be added to—State and local funds. The shortrun displacement effect is somewnat smaller, ranging from 40 to 50 percent, but it is enough to thwart the program's intent.

In short, State and local governments stop funding many existing jobs, shifting the funding ultimately to the Federal Government. Public employment programs buy considerably fewer jobs in reality than the number they fund.

When we are told, as we were recently when the House considered a part of the public service jobs program appropriations, that it would create 900,000 new jobs, we should realize—in light of this new, factual, and unbiased analysis—that it will, at best, create only 360,000 net jobs, and, often, only 100,000 net jobs.

We must couple this analysis with another—one which shows how many jobs are destroyed or fail to be created in the private sector of the economy, when we have to take more taxes out of that sector to pay for the public service jobs programs.

The money to pay for these publicly-funded jobs has to come from somewhere. It does not appear out of midair. It comes from the taxes paid by the people, or it comes through Government's deficit financing. Both take money away from the people: Taxes do it directly, deficit financing does it indirectly through inflation. The result of both is a loss of jobs within the private, free enterprise, non-Government sector of the economy.

Some interesting calculations have been advanced on this point, including those of Senator WILLIAM PROXMIRE, of Wisconsin, on the floor of the Senate last August 22 specifically relating to housing starts and construction. If $10,000,000,000 taken by Government—either in the form of taxes or in the form of borrowing of investment capital to cover deficit spending—were to be left in the private sector of the economy, that $10 billion could provide for 500,000 new housing starts, generating approximately 1 million direct and 2 million indirect jobs.

In the private sector of the economy, one not only creates one job for every one job intended, but we even have a substantial multiplier effect—creating three jobs for every one directly created. Compare that with the new AEI study showing only one for every 10 intended sometimes, and we can see that a dollar left in, and spent within, the private sector can create 30 times the number of jobs created through public jobs programs. Even at the worst, it will create six times the number created through public job programs.

I have not hidden my concerns about the lack of effectiveness in public jobs programs, for the reasons I have just outlined, as well as for the distressing controversies surrounding its administration at the State and local levels. I think jobs would be more effectively, permanently, and less costly created by removing the disincentives to capital formation in our tax laws.

I have introduced a measure, the Jobs Creation Act, H.R. 8053, to accelerate the formation of the investment capital needed to create jobs and bolster productivity in the private sector.

That measure has 80 cosponsors and support for it is growing daily. An extensive discussion of the Jobs Creation Act, including the most recent text of the bill, can be found at pages 19988–19994 of the RECORD of Friday, June 20.

Given present realities, the public service jobs program will continue for the next several years, even though the unemployment to which it is addressed would be more readily reduced if we instituted the Jobs Creation Act approach. Given those realities, I have worked very hard to obtain reform of the existing public works program—to make it a better program for as long as it is on the statute books. As a member of the Committee on Education and Labor during the previous Congress, which had jurisdiction over this program. I worked to improve it. I introduced a major reform bill last year—some of which is included in today's bill—and was informed by the committee leadership that it would be given every consideration in committee deliberations this year. I have also worked very closely with the Department of Labor and the General Accounting Office—the investigative arm of the Congress—in uncovering irregularities in the program in western New York. By ascertaining how these abuses arise, we can assure their elimination and a better program for those for whom its assistance is intended.

It is within this constructive spirit that I have introduced this major reform proposal today, H.R. 8340.

Let me now deal with each of the objectives of the new legislation.

TRAINING FOR REAL JOBS

A principal concern I have about the present program structure relates to its insufficient attention to job training. The sponsors' public jobs programs do not provide adequately for the training essential to enhance job skills. Yet, job skills are essential to lessening dependency on tax-supported assistance in general and public jobs in particular. In other words, these programs are contributing little to lessening dependency on the programs.

Much, if not most, of what these jobs are funding today has the character of "make work" with little genuine concern over long-range benefits both to the community and to the person employed under the act. That is misleading to the community and the taxpayers. It is outright cruel to the person employed and his or her family.

Unless these people are given sufficient training in skills relating to jobs available within the private sector, there will be a great danger of them falling back into unemployment or underemployment at the end of the program. This, in turn, simply creates more pressures on the Congress to continue the program beyond its present termination date.

Even though I voted for the act when it was enacted in 1973, and even though I support some type of reasonable public service training and employment program in highly depressed areas as a temporary measure for a period of high unemployment, I have approached this matter from the perspective that public service jobs ought to be oriented toward creating a more permanent employability of the recipient—in other words, as a result of the program, the worker will be better able to find and to keep a permanent job, becoming a tax generator instead of a tax consumer.

Creating a higher level of employability among each person who is given a job under this program is essential. This can be most effectively accomplished through on-the-job training within the private sector, in an effort to enhance job skills, improve motivation, and lessen dependency on Government-sponsored employment. That employability of the person in the future ought to be the principal focus of our concern and of a redrafting of the basic act. Those types of public service jobs which have no, or little, private sector comparability are inherently incapable of assuring a higher degree of employability. They give to the person little skill improvement and do not lessen his dependency.

I am reminded of the old Chinese proverb:

> Give a man a fish and you have taken care of him for today. But teach a man how to fish, and you have taken care of him for a lifetime.

Make-work, dead-end jobs give a man or woman that proverbial fish. They take care of today's needs, but do nothing about tomorrow's. Only when we teach him new skills with which to better assure his own chances of gaining private sector employment—earning a living without it being at the taxpayers' expense—do we do him the service we owe to our fellow man.

The noblest charity of all is to keep a man from having to accept charity. This program ought not to be a charity program; it ought not to be a disguised welfare program. It ought, rather, to be one which keeps a man or woman from having to accept charity.

I do not believe the enhancement of employability has been considered adequately by many of the prime sponsors in the formulation of their respective public jobs plans. When one reads that the funds are being used to create or fill positions, like "dog census enumerators," much weight is given to that observation. Too often the positions, I believe, appear more as ways to justify the expenditure of Federal funds received by the sponsors rather than ways to genuinely help either the workers or the community.

I am convinced, after a thorough review of the act and its legislative history, that there is much latitude for providing training. The act allows it in instance after instance. Unfortunately, not enough emphasis has been put on that fact by the Federal administrators in working with the units of local government.

In my opinion, the Federal administrators ought to actually require—to insist—that training be given top priority before they approve the project plans submitted from the prime sponsors.

The amendments contained in the bill I introduced today reflect that.

HELPING THOSE MOST ABLE TO RETURN TO THE FULL TIME WORK FORCE

Section 205(c)(7) of the existing act makes it clear that the hardest core unemployed—those least likely to find work—are to be recipients of assistance under the act. To me, this seems exactly reverse of what it should be.

The marginally unemployed people are more likely to receive, through an increase in their job skills, permanent employment within the private sector, moving off the tax dependency payrolls. On the other hand, the hardest core unemployed are that way for reasons closely associated with an almost total lack of job skills.

At a time when we absolutely must assure ourselves that every Federal dollar spent obtains the maximum benefit, our dollars ought to be spent most effectively and efficiently, and that means on those who can be most effectively and rapidly put back into private sector jobs.

The proposed amendments would remedy this problem, too.

THIS PROGRAM MUST NOT TAKE ON THE CHARACTER OF A PERMANENT ONE

There is much going on in this program which gives the impression the Department of Labor, some of the sponsors, and those in effective control of the assignment of the positions at the local level want this to become a permanent program.

An official of the New York City, region II, office of the Department of Labor has made it known in private conversations with local officials that he expects it to last at least 10 years. That, of course, means a permanent program.

There are many manifestations of this growing permanent character.

The Department of Labor is considering requiring the sponsors to pay full fringe benefits, including payment into retirement programs, to and on behalf of CETA-funded employees. If this is to be a temporary measure, then these people will, by definition, not be still within the civil service systems at the time of their retirement nor be eligible on the basis of years of service. On the whole, this effort appears to be a means of some of the larger and more financially distressed States shoring up their own sagging retirement funds. It ought not to be allowed.

Today's bill includes an amendment that prohibits requiring the payment into any public employee retirement program of salary deductions or employer's matching contributions with respect to a CETA-funded employee.

Another manifestation of the growing permanent character relates to the contracts which are being entered into between sponsors and the Department of Labor. These contracts often require sponsors to give assurances that not less than 50 percent of those hired through CETA shall be kept on the payrolls of the sponsors at the time of expiration of Federal funds.

Needless to say, this generates sponsor demands for continuation of Federal funding for the program. Otherwise, the sponsors would have to pick up the tab for these people from local taxes. This also has the obvious effect of mandating a growth in local government.

Today's proposed amendments would prohibit the requiring of such assurances.

THE HIRING OF CIVIL SERVANTS

There is another manifestation of growing permanence, and it relates also to civil servants being given priority over others equally qualified and applying for the CETA jobs.

Despite the intent of the act that all persons equally qualifying should be given an equal opportunity to compete for CETA positions, a vast majority of the CETA hiring being done across the country is the hiring of local civil servants. It is not intrinsically bad that local civil servants be hired, but it is bad for them—as would be the case with any other category—to be given a preference over others in similar positions. Civil servants have had the lowest rate of unemployment of any major category during the recession—never rising above 4.5 percent. It is not fair to others to give them preference.

Yet, through regulations issued by the Department of Labor, preference for local civil servants, especially those laid off from local sponsors from their regular payrolls, is the effect. This functions in a complicated way. First, one must be on a civil service roll to be hired, yet it can take a long time to go through the redtape of getting onto such rolls. But, second, the Department of Labor puts pressure on sponsors to fill CETA-funded vacancies with available applicants right away. Failure to do so is construed by the Department as a failure of local maintenance of effort. What thus happens is the local sponsors hire those persons already on the rolls, and that is usually civil servants who were already on those rolls. Meanwhile, the other unemployed can wait for months to get on those rolls, and when they do the positions are already taken.

The amendments I introduced today right this imbalance.

To avoid discrimination against civil servants, however, and to assure that everyone will be treated fairly, the foregoing requirements have a corollary. The civil service system requirements of local governments have, in more than a few circumstances, been circumvented by local sponsors hiring CETA-funded employees to carry out the work previously done by these civil servants. CETA-funded employees—by being designated as temporary appointments—are either displacing career employees or are being used to replace them by being treated as some other form of exemption from civil service coverage. This clearly circumvents the spirit of our civil service laws and regulations and is, in practice, a way in which to shift the cost of paying Government personnel salaries from the local tax funds to the Federal Treasury. The bill I introduced today would proscribe this within a 180-day period.

The objective of these two requirements—to prohibit the giving of preference to civil servants, yet to prohibit them being displaced by others—will meet the objectives of fairness and truly equal opportunity.

HIRINGS OF RELATIVES PROSCRIBED

Nepotism has been a widespread problem in this program. It appears also to be one of the most difficult areas to discourage under the present statutes.

I am informed that under the present laws, the hiring of a relative of a Government official is not nepotism, if the applicant hired met the qualifications equally with other applicants.

I am informed, further, that the usual statutory pattern for defining and prohibiting the hiring of relatives is couched in terms of whether or not the incumbent Government official exercised influence over the hiring or discharge of the applicant. The problems of legal proof are so insurmountable this way that you can never prove nepotism.

When one considers the subtle—yet very real—intimidation of an employee whose responsibility is to decide who gets hired and who does not—when that employee is aware the applicant has a relative who is influential within that Government—this classic pattern of defining nepotism is not adequate to preclude abuses. The selecting employee knows that if he or she decides not to hire the Government official's relative that future working circumstances will be difficult. So, the potential hassle is usually avoided by hiring the official's relative. That discriminates against all other applicants.

Today's amendments would tighten up these loopholes. The hiring of a relative would be prohibited if that applicant is a relative of any person who has the authority to employ a person in, or discharge a person from, such a job; or influences any person who has such authority; or is employed by, or is an elected official of, the sponsor and is receiving pay greater than $10,000 a year—on the basis that most local employees and officials earning over that figure are influential enough to affect these decisions.

TAKING A CETA POSITION AS A SECOND, "MOONLIGHTING" JOB MUST BE STOPPED

A practice, especially as to administrative positions under local CETA programs, has been to take a CETA-funded position as a second job. In short, to "moonlight" through CETA.

The nature of the incidents vary. In one instance which I am familiar, a college administrator earning $17,000 a year was hired to do CETA administrative work at an additional $15,000. In another instance, a self-employed person making about $18,000 a year was also hired to do CETA administrative work at $15,000 a year. There are many more examples.

CETA funds ought not to be used this way. To the degree they are, they take funds away from those whom are really unemployed. Certainly, unemployment is not reduced through this practice, because the person hired through CETA already had a job.

This would be governed by today's amendments.

WE MUST GET POLITICS OUT OF THE CETA PROGRAM

Unfortunately, politics has had far too powerful an influence in local CETA programs. It too often has become "who you know" in politics that has governed appointments through the CETA program.

The New York Times reports that the ward chairman of one major political party in New York City—that of the mayor—were being put on the CETA payrolls almost pro forma. Other incidents reported involved "clearance" by political party officials, using political halls for recruitment for CETA jobs, and assignment of CETA positions to elected and appointed officials of government who are heavily involved in politics.

This program ought not to be governed by politics. It ought to be governed by the merits with respect to applicant eligibility. Giving a person a job because of his political registration, affiliation, or association—or denyng him one on the same basis—is repugnant, and while the existing act could be construed to prohibit such practices, there is no penalty provision. The act says do not do this, but then it provides for no penalties if someone does do it.

The amendments introduced today would remedy this. Those amendments prohibit patronage and establish penalties for it. They also place those hired under the State and local employees restrictions of the Hatch Act. If they take a CETA position, they cannot remain engaged in partisan politics—meaning partisans will not be moved to CETA payrolls.

Another political-type problem has come to light. We are finding a rising incident of local sponsors assigning CETA-funded positions to the staffs of elected officials, where almost by definition of their assignment and for whom they work, the tasks become political. This could lead to some gross abuses, although one can see circumstances under which they would be doing no political work. The problem, however, is there is no way to ascertain accurately the nature of their real duties once they are assigned. The only way to preclude abuses is to prohibit the assignment of CETA positions to these elected officials. My amendments would do just that.

OTHER AMENDMENTS PROPOSED

There have been undisguised attempts by some Governors to take over the CETA programs within their States. This flies in the face of the intent of Congress that these programs be localized to the degree possible.

A State is now allowed to be a prime sponsor. This makes sense in the small and some intermediate size States. It makes little sense in the large States. And, quite frankly, it can be reasonably construed to be nothing more than an attempt to take over these programs—their funds and their hiring practices.

My amendments would redefine prime sponsors to exclude States with populations of over 5 million. In those States, all other prime sponsors would run the programs.

There is growing sentiment that public boards of education and similar education bodies be allowed to be prime sponsors. I agree with that. It would help to remove the program from politics. It would place it under the jurisdiction of the local instruments of government which usually handle vocational training. My amendments would allow these bodies to be classified as prime sponsors.

A peculiar form of discrimination has arisen under this program. As the law is now written, CETA funds are available in a geographical area if unemployment rises above a certain percentage. The intent and the letter of the act are clear: Concentrate Federal funds in geographical areas of high unemployment. This is as it should be.

Yet, Department of Labor policies give preferential hiring treatment in census tract areas of high unemployment. Tract definitions are provided by the Department. This is unconscionable.

If a person is unemployed, he or she ought to qualify and compete equally with others and not be discriminated against because he or she does not happen to live in a particular neighborhood of high unemployment. When one is unemployed, it should not make any difference to us whether that person lives in a neighborhood where his or her neighbors are unemployed or not. After all, the effects—from economic to psychological—are similar on the unemployed person no matter where that person might live. Some social consequences could even be worse in a low unemployment neighborhood. Some has suggested that these census tract selection procedures are being used as a hybrid form of affirmative action—disguised through a census tract program to avoid the social and frankly political ramifications of an overt affirmative action program.

My amendments would rectify this situation by giving everyone in an area of high unemployment an equal opportunity to compete for CETA positions.

PENALTIES

The way much of the law is now written, while there are prohibited activities, there are very few penalties for violations. In some instances, there are none. There are no or few disincentives to violating the act.

I believe that when instances of wrongdoing—such as nepotism, no-shows, patronage, selection of nonresidents, et cetera—are discovered, there should be penalties.

To be effective a penalty system ought to be directed along two lines. First, the individual violating the act should be subject to penalty. Second, the sponsor itself should be subject to penalty—for, otherwise, there is no incentive to sufficiently oversee conduct to prevent or reduce abuses.

The amendments introduced today provide for both approaches.

In the event of individual misconduct, repayment of funds received must be paid back by the applicant-employee engaged in the misconduct. If a person is hired on the basis of patronage, as one example, he or she would have to pay back the money received.

If no repayment can be obtained, there is a reduction of the grant by that amount for the current period. If all funds have been dispersed to the sponsor for that period, reduction of the grant for the next period by that amount shall be made by the Department of Labor. And, if there is no such future period remaining, the Federal Government shall bring an action for recovery. Unless we have this structure, the sponsors will not sufficiently police their own ranks.

In addition, civil penalties are established of not more than $1,000 for such practices as hiring on the basis of patronage, nepotism, no-show, et cetera, so as to reach wrongdoing individuals other than just the applicants.

AMENDMENTS SHOULD BE ENACTED

Mr. Speaker, the amendments I have proposed today through the introduction of H.R. 8340, the proposed Comprehensive Employment and Training Act Amendments of 1975, ought to be enacted quickly. They are needed to get this program shaped up.

At this time the General Accounting Office is conducting an investigation of abuses in western New York—as they are in other areas around the country. The findings of that investigation may point to other amendments needed and necessary too. But, these which are now offered should not be held up pending the results of those investigations. We know already the abuses addressed through H.R. 8340 do, in fact, exist.

I call upon the Committee on Education and Labor, to which the bill has been referred, to help reform this program.

THE VITAMIN FOLLY OF THE FDA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GOLDWATER) is recognized for 5 minutes.

Mr. GOLDWATER. Mr. Speaker, the Food and Drug Administration has done it again. For 13 years it has successfully frustrated congressional declaration that Americans have the right to freely purchase vitamins, minerals, and dietary supplements. On May 28, 1975, the FDA issued a declaration of intention to issue "new" regulations to protect consumers. Nothing new is involved at all. The FDA is still moving to restrict the freedom of choice of American consumers. It will try to do it by relying on a court order to clarify its previously proposed regulations. It is a backdoor, bureaucratic, legalistic way to address a simple issue, and for my part I believe that this problem must be settled by direct congressional action.

For the past 13 years, controversy has raged over the proper regulation of vitamins and minerals. Most of us here in the House have at one time or another sponsored legislation aimed at curbing the FDA's attempts to misapply its existing authority and restrict the availability of vitamins, minerals, and food supplements or to treat them arbitrarily as drugs. Obviously, each of you appreciates the essence of this problem and have expressed your desire to see it conclusively resolved. The issue has never been conclusively settled and, with the May 28 FDA pronouncement, it has raised its ugly head again.

To hear the Commissioner tell it, these revisions have solved all our problems. The agency's press releases are calculated to make it sound as though the FDA has turned over a new leaf and decided to quit harassing vitamin consumers. I believe this approach is aiming to take the steam out of our legislative interest and effort in this area. I believe this would be a great mistake. Having read the proposal, I am convinced that we need legislation now more than ever.

We have all been very concerned about the fact that the FDA is attempting to arbitrarily regulate safe vitamins as drugs. The agency appears to be backing away from that effort—but do not be too sure. The Commissioner says he has considered whether to reopen the record to take additional evidence which would allow him to regulate high-potency vitamins as drugs, and has concluded that—

> No useful purpose would be served by pursuing this point *as a general rule at this time*. [Emphasis added.]

Feel reassured? I do not think so. What if he wakes up tomorrow and changes his mind, or the FDA's General Counsel takes a different legal view? We still need a clear, strong congressional declaration that vitamins may not be arbitrarily regulated as drugs.

Another point of concern is the FDA's determined effort to establish "standards of identity" for vitamins and minerals, limiting severely the types and varieties of products that may be sold. At first blush this sounds rather reasonable, for many Americans are susceptible to the notion that there is pervasive consumer confusion in the marketplace. The FDA has openly admitted that in addition to protecting us from ourselves in the vitamin area whether we like it or not, it is their intent to allow only products which are recognized by orthodox nutritionists as being rational. No consideration is given to the fact that many consumers legitimately recognize value in other combinations or that those combinations are safe and wholesome. No explanation is given to what constitutes an orthodox nutritionist. The presumption is that the bureaucracy is, was and always will be acting for and in the best interests of the citizen.

In revising its regulations, the FDA has stuck with its four formulas of "acceptable" combination vitamin and mineral products. It is up to the affected companies to submit petitions justifying any additional combinations they wish to market. This restriction would include for example, the B-complex.

There is an implication that a select few additional combinations might be approved, but the clear intention is to exercise all the discretionary authority the Commissioner deems appropriate—after he establishes the criterion. I am certain that the old vague categories of "nutritionally useless" supplements and "consumer confusion" will be raised by the Commissioner in denying many of the applications.

Quite obviously the problems of public safety cannot be ignored nor should they be. But, there is an important aspect of this proposed restriction of combinations that must be addressed. Variety in combination and potency encourages and reinforces the competition that exists in the vitamin and mineral industry. This competition militates against monopoly. It encourages independent research and competitive laboratory research and testing. This competition in most of the cases centers around combinations that are wholesome and safe. This competition breeds competitive pricing and it preserves for the consumer freedom of choice. Arbitrary standardization of combinations would eliminate this healthy and necessary competition, and, it would enslave one more aspect of our already overbureaucratized lives to governmental dictates. We still need a congressional declaration that combinations of vitamins and minerals should not be restricted except for reasons of safety.

The final issue I would like to mention is the question of combining safe ingredients such as bioflavonoids with vitamins and minerals in a dietary supplement. The FDA's proposed regulations would still completely ban such comingled products. In addressing this proposition, the Commissioner states:

> One may not add rutin or para-aminobenzoic acid to a vitamin and/or mineral supplement because to do so would tend to mislead a consumer into believing that the additional ingredient makes the supplement more useful.

That is a very interesting contention. Very quietly the Commissioner shifts his ground from safety and drug relatedness to a tendency for "consumer confusion." I know from personal experience that people who shop in health food stores and people who buy vitamins and minerals over the counter in drugstores are label and literature readers. Many times I have seen them with a product in each hand, carefully reading the labels, comparing ingredients, potencies and prices before making a choice. These are not confused consumers. While the ingredients may not be essential nutrients, they are not harmful. Since the FDA proposes to allow all these ingredients to be sold separately, with no limits on amount, I cannot understand or endorse the Commissioner's contention that they should not be combined with vitamins and minerals. In this day of consumer information, the way to deal with this situation is by informative labeling, not by banning products. We obviously need legislation which makes that intent clear.

If any of my colleagues are worried that we may be opening a Pandora's box of unsafe nutrients, let me set your minds at rest. One look at the existing food and drug law will assure you that the FDA has enough existing tools at its disposal to deal with consumer vitamin and mineral safety without resorting to backdoor regulation, standards of identity, or anything else. Congress has never sought to dilute or abort FDA's basic charge to insure the safety of any food, food additive, or drug product. The 13-year controversy that has pulled the poor consumer first one way and then another reflects a misappreciation by FDA of the legitimate boundaries of its authority under existing food and drug law, and an ignorance of congressional intent and desires in this area.

In sum, the FDA's protestations should be taken with a grain of salt. The new regulations may be responsive to the demands of the U.S. Court of Appeals. But, they in no way accomplish or reflect the congressional intent of preserving freedom of choice and availability of safe vitamins and minerals for the consumer. Thus, I believe the Congress must act through legislation to clarify the situation, correct this insistent bureaucratic excess and preserve the basic freedom of choice of the consumer. I urge the Health and Environment Subcommittee of the Interstate and Foreign Commerce Committee to begin hearings and get the legislative ball rolling in the House. The American consumer cannot afford any further protection in this area by the FDA.

ANNIVERSARY OF THE BATTLE OF KOSOVO—JUNE 28

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DERWINSKI) is recognized for 5 minutes.

Mr. DERWINSKI. Mr. Speaker, Saturday, June 28, is the anniversary of the Battle of Kosovo, an event of tremendous historical significance to Americans of Serbian descent and to Serbs all over the world.

The anniversary of the Battle of Kosovo is observed on June 28, under the Gregorian calendar, although the battle was actually fought on June 15, 1389. On this day in 1389, the kingdom of Serbia was crushed as Turkish attacks proved to be too strong for the Serbian empire to handle. The battle in which the life of the Serbian Tzar Lazar I was lost, completely destroyed the very existance of the Serbian nation, and forced the Serbs to live under Turkish domination until 1459, when the Serbians became part of the Ottoman Empire.

For the next 500 years, the Serbians were harshly treated by the Ottoman rulers, who subjected the peasantry to cruel and inhumane treatment. Throughout these years, however, the Serbian people with the leadership of their church were able to maintain a sense of national pride. The weakening of the Ottoman rulers in the late 18th and early 19th century led to a series of events that enabled Serbia to regain its independence and become a kingdom in 1882.

At the end of World War I, Serbia became part of what is now known as Yugoslavia. However, it was not until 1929, that the complete unification took place with such diverse ethnic groups as Croats, Slovenes, and others joining together to form a single nation.

After 1945, the monarchy was abolished and Communist domination of Yugoslavia was established. Unfortunately, the official observance of the anniversary of the Battle of Kosovo has been banned by the Yugoslav Government. Nevertheless, this historic date remains alive in the hearts of Serbs everywhere.

Serbians make up the largest single ethnic group living in Yugoslavia. And those who are now living in America, I know, are committed to the preservation of their national heritage. I have been fortunate enough to witness the community spirit of Serbian Americans in Chicago and I must say that their patriotism and self-determination is heartwarming indeed.

Mr. Speaker, it is time that all Americans take note of this historic anniversary commemorated by the Serbian people. Although the quest for freedom has not yet been realized by the Serbian people, we do have a deep admiration for their pride and dedication, for they are waging a heroic struggle to achieve the full realization of the ideals embodied in the spirit of Kosovo.

I extend my greetings to the Serbian Americans on this anniversary and my best wishes for the preservation of their culture and their sense of community, and for the achievement of their national aspirations.

Serbia rejoined the family of free nations in 1877. The kingdom of Serbia fought with the Allies during World War I which was the basis in the creation of Yugoslavia.

During World War II, the Serbs suffered first from the Nazi invasion and occupation and then by the imposition of communism at the close of the war.

The more than 8 million Serbs in Yugoslavia comprise the largest of the numerous ethnic groups within the present-day Yugoslav boundaries. In observation of this annual occasion, the people of Serbia recall their great and glorious past and look forward to the day when they and their country will once more be truly independent.

As we approach our Bicentennial year, Serbian Americans should be in the forefront of the American patriotic observance that enrich our land by their traditions, customs, language, and religious and fortitude which has historically marked the Serbs.

OSHA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, as you know, I offered an amendment to the Labor-HEW appropriation bill yesterday which would have prohibited OSHA inspectors from issuing first-instance citations to firms employing 25 or fewer persons.

My purpose in doing so was not to repeal the Occupational Safety and Health Act or gut the effectiveness of the act. Rather, it was a sincere attempt to cause Congress to finally to enact much-needed legislation to provide onsite consultative services to small employers.

Despite the fact that my amendment was defeated, many of my colleagues and I are encouraged by the debate yesterday to believe that Congress is finally ready to enact such legislation.

Onsite consultation is not a controversial issue. Nearly everyone agrees that we need such a program. As my distinguished friend from New Jersey, Mr. DOMINICK V. DANIELS, who chairs the Health and Safety Subcommittee has recognized, the single most important problem facing OSHA is the "inability of the small businessman to learn what is expected of him." I understand that both Mr. DANIELS' subcommittee and the full Committee on Education and Labor have endorsed the need for a comprehensive program of onsite consultation.

The idea has earned the support not only of many Members of the House, but the AFL–CIO, the National Federation of Independent Businesses, the National Small Business Association and the National Safety Council. Both the Secretary of Labor and the Assistant Secretary responsible for the administration of OSHA have expressed their support for onsite consultation.

I am introducing a bill today which would meet this vital need. My bill would allow an employer anxious to bring his place of business into compliance to request that OSHA officials visit the premises and render consultation and advice without fear of being cited or penalized for being so conscientious. In addition, my bill would allow an OSHA inspector to exercise his judgment and discretion in determining whether or not to issue a citation in the course of routine inspection. This would bring an important element of fairness into the enforcement of the act. The bill prescribes that—

> The Secretary or his authorized representative, in issuing citations under this subsection, shall take into account the nature and severity of the violation involved, efforts made by the employer involved to comply with standards, rules, and orders promulgated under section 6 of the Act, and other related factors.

In instances where an employer was guilty of a relatively minor violation or was innocently unaware of a particular standard, the inspector would have the option of issuing a citation. As the law is presently written, he is required to issue a citation. My bill would allow him to exercise his judgment and simply advise the employer as to the violation, allowing the employer a certain period of time for abatement of the hazard. At the same time, it would preserve the inspector's right to issue a citation whenever warranted.

It has been 5 years since the enactment of OSHA. Since that time, support has been strong for onsite consultation and yet Congress has as yet failed to pass such remedial legislation.

Here is a bill which will meet the problem. I hope that the widespread support which was expressed for this concept during the course of debate yesterday will continue and that we will have a program of onsite consultation before the next Labor-HEW bill is before the House.

Text of bill follows:

H.R. 8334

A bill to amend the Occupational Safety and Health Act of 1970 to provide additional assistance to small employers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the heading of section 28 of the Occupational Safety and Health Act of 1970 is amended to read as follows:

"ASSISTANCE TO SMALL EMPLOYERS"

(b) Section 28(a) of such Act is amended by inserting "(1)" immediately after the subsection designation, by striking out "(1)" and inserting in lieu thereof "(A)" and by striking out "(2)" and inserting in lieu thereof "(B)".

(c) Subsections (b), (c), and (d) of section 28 of such Act are redesignated as paragraphs (2), (3), and (4), respectively.

Sec. 2. Section 28 of the Occupational Safety and Health Act of 1970, as amended by this Act, is further amended by inserting at the end thereof the following:

"(b) (1) In order to further carry out his responsibilities under subsections (c) and (d) of section 21 as amended regarding additional assistance to small employers, the Secretary may visit the workplace of any small employer which has twenty-five or fewer employees for the purpose of affording consultation and advice for such employer. Such visit (A) may be conducted only upon a valid request of an employer for consultation and advice at the workplace on the interpretation or applicability of standards or on possible alternative ways of complying with applicable standards, and (B) shall be limited to the matters specified in the request affecting conditions, structures, machines, apparatus, devices, equipment, or materials in the workplace. The Secretary shall evaluate a request by an employer pursuant to this subsection and, if appropriate, may provide for an alternative means of affording consultation and advice other than onsite consultation.

"(2) The Secretary may make recommendations regarding the elimination of any hazards disclosed within the scope of the onsite consultation. No visit authorized by this subsection shall be regarded as an inspection or investigation under section 8 of the Act and no citations shall be issued nor shall any civil penalties be proposed by the Secretary upon such visit, except that nothing in this subsection shall affect in any manner any provision of this Act the purpose of which is to eliminate imminent dangers.

"(c) (1) When, in the course of any visit carried on under subsection (b), there is discovered an apparent serious violation (as defined in section 17(k)) of the requirements of section 5, of any standard, rule, or order promulgated pursuant to section 6, or of any regulations prescribed pursuant to this Act, the Secretary shall issue a written notice to the employer describing with particularity the nature of the violation, and the action which must be taken within a reasonable period of time specified by the Secretary for the abatement of the violation. Within such reasonable period of time specified by the Secretary, the employer shall certify that he has complied with the abatement instructions. Where an employer fails to make the certification required by the preceding sentence within the prescribed period, the Secretary shall, without further notice, conduct an inspection under section 8 of this Act.

"(2) In the event of a subsequent inspection, the Secretary shall take into consideration any information obtained during the consultation visit of that workplace in determining the nature of an alleged violation and the amount of the penalties to be proposed, if any. The failure of the Secretary to give consultation and advice regarding any specific matter during the consultation visit shall not preclude the issuance of appropriate citations and proposed penalties with respect to that matter.

Sec. 3. Section 21 of the Occupational Safety and Health Act of 1970 is amended by adding a new subsection as follows:

"(d) In order to provide additional assistance to small employers the Secretary may conduct onsite consultations pursuant to the provisions of subsections (b) and (c) of section 28".

Sec. 4. (a) The first sentence of section 9 (a) of the Occupational Safety and Health Act of 1970 is amended by striking out "shall" and inserting in lieu thereof "may".

(b) Section 9(a) of the Occupational Safety and Health Act of 1970 is amended by inserting immediately after the first sentence thereof the following new sentence: "The Secretary or his authorized representative, in issuing citations under this subsection, shall take into account the nature and severity of the violation involved, efforts made by the employer involved to comply with standards, rules, or orders promulgated under section 6 of this Act, and other related factors.".

Sec. 5. This Act shall take effect one hundred and twenty days after the date of its enactment.

FORT SAM HOUSTON—A PROUD HISTORY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Gonzalez) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, 200 years ago on June 14, 1775, the U.S. Army was formed. This Army was made up of a small group of patriots who believed in independence and freedom, and who fought and won these precious liberties. Out of this fight our Nation was born.

Exactly 101 years later, on June 14, 1876, Fort Sam Houson, in my district in San Antonio, was created. One June 14, 1975, as our Nation was celebrating the 200th birthday of the Army, Fort Sam was celebrating its 99th birthday, and I would like to include the following statement from the News-Leader, published at Fort Sam, which depicts the history of this military post:

Fort Sam Houston—A Proud History

The year was 1879. Edison's electric lamp had just been invented and Bell's "toy"—the telephone—was three years old. The American frontier was embroiled in the Indian Wars, and Custer's defeat at Little Big Horn three years before was still a volatile subject of conversation.

Because of the Indian "trouble"—especially the Apache Geronimo—the War Department created a new military post at San Antonio, Tex., to provide escorts for Army pack-trains, and serve as a base for troops patrolling the 1,000-mile Texas border. On December 22, Brigadier General E.O.C. Ord took command of the newly constructed Quadrangle that comprised the post of San Antonio. What is now known as Ft. Sam Houston was born.

The new post was really an extension of San Antonio's continuous link with the military. The King of Spain established a military garrison in San Antonio in 1718 to protect missionaries and promote settlement of the area. The troops billeted in the mission San Antonio de Valero, which later acquired a place of honor as the Alamo.

In May, 1870, the city of San Antonio made a donation of 40-acres of land in the northeast section of the city, known as Government Hill, for the establishment of a permanent Army post. This was followed by a 43-acre donation in August 1871, and nine additional acres in June 1875.

Actual construction of a Quartermaster Depot got under way in 1876, in what is now recognized as the Fifth Army U.S. Army Quadrangle. Utilizing locally quarried stone, the original buildings in the Quadrangle area were completed at a cost of $90,000.

An imposing landmark on the post is the 87-foot watchtower which doubles as a water tower. It was converted to a clock tower in 1882 and still stands today in the park-like area of the original stone Quadrangle. Near the top of the tower is a stone-tablet containing the inscription, "In Peace, Prepare For War."

With the advent of railroads to San Antonio in the late 1870's the post's influence as a Quartermaster Depot diminished, but it's importance as a military center was still recognized. General W. T. Sherman wrote to the Secretary of War, "Everything conspires to the conclusion that San Antonio must become the central point from which troops can and will radiate to the Rio Grande frontier from Ft. Brown (Brownsville) up the Pecos—500 miles."

Between 1885 and 1893, Ft. Sam Houston continued expanding. More land was purchased and an Infantry Post was constructed.

On September 10, 1890, the War Department issued General Order No. 99, officially changing the name of "The Military Post of San Antonio" to Ft. Sam Houston, after Texas' former governor and hero of the revolt from Mexico.

In May, 1898, the first units of the 1st Volunteer Cavalry—better known as the "Rough Riders"—arrived under the command of Generals Leonard Wood and Theodore Roosevelt. The troopers—wranglers from Texas, Oklahoma and Kansas, old cavalrymen and adventure seekers—were outfitted and supplied from Ft. Sam Houston prior to their departure for Cuba and glory in the Spanish-American War.

An event of ever-changing impact on military tactics occurred at Ft. Sam in 1910. The Aero Squadron was formed on Arthur MacArthur Field. It consisted of one supply shed—used as a hangar, one Wright Brothers-type airplane and one pilot—Lieutenant Benjamin Foulois.

On March 2, Lt. Foulois climbed into the boxy plane and flew it around Arthur MacArthur Field for seven minutes, comprising the first flight of a military airplane by a military pilot. Lt. Foulois' far-sightedness laid the groundwork for the creation of the Army Air Corps.

An additional 370 acres of land to the north and east of Artillery Post were added in 1911 for maneuver purposes and in 1916, with the mobilization of the National Guard under General Frederick Funston, a new encampment adjacent to the post known as Camp Wilson was organized, bringing the Army reservation to a combined total of 1212 acres.

World War I brought the last sizeable expansion of Ft. Sam. Some 2,118 acres were purchased for Camp Travis, and an additional 104 acres for the construction of a general supply depot. The latter is now known as the Kelly Air Force Base Annex (KANNEX).

During 1935, construction of the present Officer's Open Mess, the old Post Exchange and Theater No. 1 were completed. Brooke General Hospital was completed in 1938.

Ft. Sam's role historically has been that of training, with many tactical innovations for Army-wide use tried first on the post's training fields.

In 1937, the Second Infantry Division—the Indianhead—experimented with the Triangle Division, a maneuver which proved successful to the allies in World War II. While at Ft. Sam, the Second Division also tested jeeps for military use, and tested the merits of mechanized artillery over horse-drawn caissons.

Ft. Sam was also the cradle of airborne infantry, with the first airborne maneuvers being conducted between Ft. Sam and Ft. Clark at Brackettville, Texas, in 1942.

In July, 1970, Ft. Sam was again the site for an Army innovation. A new program, designed to save lives in the civilian community the same way that a great number of lives were saved in combat in Vietnam, was initiated here.

The 507th Medical Company (Air Ambulance) was chosen to evaluate a new program, involving the use of Army "med-evac" procedures—the transportation by helicopter of injured persons in need of immediate medical treatment, from the scene of an accident or from an isolated area to a metropolitan hospital. Known as Military Assistance to Safety and Traffic (MAST), the program is still in operation, although the original testing period was six months.

From the original 40 acres, Ft. Sam Houston has grown to include an area of 35,531 acres, or 56 square miles, during her 99-year life span.

Created in the spirit of cooperation between the military members and their families, and the people of San Antonio, Ft. Sam Houston today continues to be a source of pride to both communities.

U.S. FOREIGN POLICY TOWARD SOUTHERN AFRICA RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Metcalfe) is recognized for 10 minutes.

Mr. METCALFE. Mr. Speaker, on May 8, I introduced House Concurrent Resolution 272, which concerns U.S. foreign policy with respect to southern Africa. Today, I am reintroducing this resolution with 17 cosponsors, including: Representatives Herman Badillo; George E. Brown, Jr., of California; Yvonne Brathwaite Burke of California; Cardiss Collins, of Illinois; John Conyers, Jr.; Harold E. Ford of Tennessee; Gilbert Gude; Michael Harrington; Augustus F. Hawkins; Paul N. McCloskey, Jr.; Helen S. Meyner; Parren J. Mitchell of Maryland; Charles B. Rangel; Paul Simon; Gladys Noon Spellman; Fortney H. Stark, and Andrew Young of Georgia.

At a time when this country's foreign policy is undergoing an agonizing reappraisal, it is imperative that the present U.S. policy toward the volatile issues of freedom and equality in southern Africa, a policy too often marked by hypocrisy and insensitivity, also undergo reappraisal. Americans in general, and we in the Congress in particular, cannot afford to ignore the aspirations of an entire continent, a continent whose political and economic importance to the United States is growing daily.

The cosponsors of this resolution and I strongly urge our colleagues on the Committee on International Relations and also in the full House to act quickly on this measure. Passage of this resolution would be an important first step in reassessing U.S. policy toward southern Africa, and in making that policy conform with traditional American principles of freedom and equality for all oppressed peoples.

BLANCHARD, LA., HOSTS POKE SALAD FESTIVAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. Waggonner) is recognized for 10 minutes.

Mr. WAGGONNER. Mr. Speaker, recently I had the distinct honor of participating at the beginning of what may be destined to become a tradition in my district—the Poke Salad Festival held in Blanchard, La. It is truly a unique event.

To be sure, there are thousands of fairs, festivals, and community get-togethers throughout the country honoring locally produced products. These festivals offer people an opportunity to proclaim the virtues of the products which benefit their hometowns. Most of them, however, are cultivated or produced to be sold for a profit, and thus are financially beneficial to the community.

This is what makes the Poke Salad Festival a one-of-a-kind event. To my knowledge, it is the only festival which has as its purpose to honor a weed—the poke weed.

Some of our colleagues from outside the South may find this a bit unusual, so perhaps a bit of explanation is in order.

Poke plants grow naturally along the highways, railroad tracks, and in fields all over the southern part of the country. The Fourth District of Louisiana is blessed with an abundance of this natural resource. In the spring the plants produce tender greens which, when properly cooked, are a culinary delight. The name comes from the method used to gather the greens—just get a poke—sack—and begin picking.

In an age when there is so much concern about food additives and chemical preservatives, poke salad offers the adventurous person an opportunity to enjoy a delicious natural food for a very reasonable price—free. It is a part of our country's rural cultural heritage which deserves to be preserved and rightfully honored with a festival.

Blanchard's Mayor John Rusca and the other local citizens deserve recognition for their efforts in beginning the first annual Poke Salad Festival.

For those of our colleagues who have not had the pleasure of relishing the joys of poke salad, I extend an open invitation to you to attend the second annual Poke Salad Festival next year.

HON. BELLA S. ABZUG ON REGULATIONS IMPLEMENTING TITLE IX OF THE EDUCATION AMENDMENTS OF 1972

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Abzug) is recognized for 60 minutes.

Ms. ABZUG. Mr. Speaker, today I submitted testimony to the Subcommittee on Postsecondary Education of the House Education and Labor Committee on the regulations implementing title IX of the Education Amendments of 1972. The testimony outlines in detail my position on the regulations. While I strongly feel that the regulations should be allowed to go into effect on July 21, my statement points out several areas in which the regulations could be strengthened. At this point, I include my testimony in the Record:

Testimony of Ms. Abzug

Congressman O'Hara, members of the subcommittee, I would like to thank you for the opportunity to appear today to testify on the regulations implementing Title IX of the Education Amendments of 1972.

These long-awaited regulations represent a necessary first step towards the elimination of sex discrimination in educational programs and activities receiving federal financial assistance. We all know how serious and pervasive a problem sex discrimination in education has been. The hearings held by former Congresswoman Green as chair of this subcommittee outlined in detail many instances of discrimination against women and girls in this area.

Qualified women have sometimes been frustrated in their attempts to gain admission to, or become employed at, educational institutions because of their sex. Opportunities for women to participate in academic, extracurricular, and other activities offered by educational institutions have often been severely limited. For example, women's programs received only about 2% of the intercollegiate athletic budget in 1974–5, according to a report prepared by the American Council on Education. Advancement of women to supervisory positions in the education system has been made difficult because of sex bias. To illustrate, the most recent survey conducted by the National Education Association revealed that while two-thirds of classroom teachers at the elementary and secondary level are women, only 13.5% of principals and one-tenth of one-percent of superintendents at this level are women. In fact, the situation worsened between the time their two most recent surveys were conducted, in 1970–1 and in 1972–3.

I would like to state at the outset that although these regulations are not perfect, I strongly urge that they *not* be disapproved by Congress, either in whole or in part. Despite their limitations, the regulations as they now stand will force institutions to make sweeping changes aimed at eliminating sex bias in the conduct of educational programs and activities.

Let's take a look at what the regulations will do. In the area of admissions, institutions will no longer be able to give preference to one person over another solely on the basis of sex, nor will they be able to apply numerical limitations on the number of persons of either sex who may be admitted. This will mean that women will no longer have to be more qualified than the men against whom they are competing for admissions to colleges and universities, as has sometimes been the case in the past. Nor will qualified women be refused admission because the "quota" for women has already been filled. In considering applicants for admission, institutions are prohibited from applying rules concerning parental or marital status which treat persons differently on the basis of sex. Institutions will not be able to have policies of admitting married men, but not married women, or admitting men with small children, but not women in the same situation.

Once students are admitted to an institution, they may not be treated differently on the basis of sex. Rules of behavior and appearance, eligibility for in-state fees or tuition, for example, may not be different on the basis of sex. Access to course offerings will not be restricted on the basis of sex, so that girls who wish to take industrial arts courses and boys who wish to learn about such areas as home economics will not be prevented from doing so.

One critical area covered by the regulations is counseling and use of counseling materials. Unfortunately, girls and women are often channeled into occupations which are "traditionally female" and are not encouraged to consider a range of options as broad as those presented to males. Sex bias can occur both in counseling itself, and in the use of sex-stereotyped counseling materials, and can affect men's choices as well as women's. The regulations will compel institutions to eliminate such sex bias, a necessary step if *both* men and women are to be given the opportunity to exercise true choice in making educational, as well as occupational and professional, decisions.

Employment at institutions is another area covered by the regulations. Institutions may no longer make employment decisions in a manner which discriminates on the basis of sex. Once individuals are employed, these regulations would mandate that they be treated the same in terms of promotion, compensation, job assignments, fringe benefits, as well as a variety of other job-related matters. Of particular note is the fact that pregnancy must now be treated like any other temporary disability for employment purposes.

These changes are, of course, long overdue. And although the regulations are not all that some of us hoped they would be, they do represent a good beginning. Title IX, and the implementing regulations, are a recognition at long last that girls and women should be given the same opportunities as men and boys to develop intellectualy, socially, and physically within the context of educational programs and activities. No longer will the fact of sex be an excuse to limit a woman's chance to get a good education or a good job at an educational institution, or to participate in a course of study or an educational program of her choice.

A great deal of attention has been focused on the application of Title IX to athletic programs offered at educational institutions. Although athletic programs are only a small part of the activities affected by the regulations, this somewhat narrow issue seems to have provoked the greater part of the debate on the Title IX regulations.

Apparently, some people think that the regulations should not deal with athletic programs at all. I would refer to those who suggest that athletics are beyond the reach of Title IX to the General Education Amendments of 1974 (P.L. 93–380), which directed the Secretary of HEW to prepare and publish "...proposed regulations implementing the provisions of Title IX of the Education Amendments of 1972 relating to the prohibition of sex discrimination in federally assisted programs, *which shall include, with respect to intercollegiate athletic activities, reasonable provisions considering the nature of particular sports*." (Emphasis added.)

Additionally, under Title VI of the Civil Rights Act of 1964, the wording of which is virtually identical to that of Title IX, courts have held consistently that athletic programs offered by educational institutions are covered by Title VI, as they constitute an integral part of the institution's educational program.

It has been suggested that schools are already voluntarily providing equal opportunities for women in sports, and that further study is needed on the impact of these regulations on intercollegiate athletics before they go into effect. Regarding the claim of voluntary action in this area, I can only say that if there was a history of voluntary compliance, we would hardly need to be discussing these problems today. On the question of the need for further study, I must point to the fact that there has been ample time for real evidence of the negative impact of this law on male athletic programs to be produced in the three year period since the law was passed.

It is hard to understand why anyone would oppose giving girls and women equal opportunities to develop their physical capabilities. Athletics are healthy, for both men and women. Participation in athletics is beneficial, both for the individual and for society. I hope that we will soon see the day when girls and women are participating fully in athletics at all levels. These regulations, while hardly going as far as they could, do provide a minimum basis for this to happen.

There are a number of issues at stake in the regulations that seem to have escaped public notice as a result of the emphasis on athletics programs. These include areas in which HEW has taken a narrow view of what is consistent with the law. I would like to discuss briefly a number of these concerns, which I hope can be resolved in the future on the basis of experience with the implementation of the law.

One of these areas is the definition of professional and vocational programs contained in section 86.2(m) and (n). HEW has interpreted the statute, which exempts the admissions policies of private undergraduate colleges, while covering professional and vocational programs, to prohibit the coverage of admissions policies of professional and vocational programs offered by private undergraduate institutions. The statute is admittedly ambiguous on this point, but a broader view would have resulted in a prohibition on discrimination in admissions to those vocational and professional programs offered by private undergraduate institutions which serve as entry points for an occupation or profession. Because this conflict in the statute exists, an amendment to the legislation would be helpful in clarifying Congressional intent in this regard.

The exemption for contact sports in section 86.34, dealing with access to course offerings, is a provision that I hope HEW will monitor closely. It is of the greatest importance that we insure that access to curricular programs is available equally to members of each sex, and that exemptions are made only where there are clear and compelling reasons. Experience with the law will give HEW a basis for evaluating the necessity for any exemptions in this area.

With respect to the provision of an up to three year "adjustment period" for compliance for physical education classes, I think that HEW has been more than reasonable in accommodating the needs of institutions. I hope that institutions will make every effort to comply as expeditiously as possible with the law in this, and every, regard.

Two sections dealing with financial assistance, 86.31(c) and 86.37(b), would allow institutions to continue to administer sex-restricted scholarships established under foreign or domestic wills, trusts, or similar legal instruments. HEW has clearly made a reasonable effort to provide that the award of such scholarships does not result in an overall discriminatory impact.

In the case of sex-restricted scholarships established by foreign trusts for study abroad, HEW requires that institutions provide "reasonable" opportunities for members of the excluded sex to study abroad. In the case of other sex-restricted scholarships, institutions must "pool" sex-restricted and unrestricted scholarships to ensure that the overall effect of awarding such scholarships is not discriminatory. In line with the statute, HEW has provided that equity in terms of the quantity of scholarships is provided.

One consideration not taken into account by HEW is whether "prestige" is a factor which must be considered in the award of scholarships. This is a difficult question, because prestige is an intangible factor that is difficult to measure. Experience with the implementation of the law will provide us with a basis for deciding whether mandating equity in prestige, as well as in quantity, is necessary and possible.

The athletics section, 86.41, is, as I noted earlier, a first step towards equal opportunity for women in sports. I regret that two commendable provisions which appeared in the proposed regulations have been deleted. The first would have required an annual determination of student interest in sports. The second would have mandated affirmative efforts with regard to members of a sex for which athletic opportunities have previously been limited to inform members of such sex of the availability of athletic opportunities, and to provide support and training activities for members of each sex designed to improve their capabilities and interests in participation. These provisions would have aided institutions in bringing themselves into compliance with the law. HEW might review these provisions, in light of experience with the law, to see if such mechanisms are useful and desirable.

The virtual exemption for contact sports contained in this section will provide more than ample protection for the revenue-producing sports. In general, the athletics section allows a wide variety of options and a great deal of flexibility in providing equal opportunities for men and women.

I am concerned about the fringe benefits section, which provides recipients the option of offering plans with either equal periodic benefits for members of each sex, or equal contributions to the plan by the recipient for members of each sex. Three options were open to the Department in this regard. The first option, which was chosen, is in line with the Office of Federal Contract Compliance guidelines for Executive Order 11246. The second, requiring the payment of equal periodic benefits, would have reflected the approach of the Equal Employment Opportunity Commission in administering Title VII of the Civil Rights Act. The third would be to require that there be no differences in benefits or contributions on the basis of sex, and that where actuarial tables are used in computing employee benefits, unisex tables be used.

I am pleased that the President has directed that a report be prepared by October 15 recommending a single approach. I personally feel that the third approach is most equitable, and hope that the report requested by the President will reflect this view. Subsequently, I would hope that the regulations will be revised to adopt this approach.

There are four main areas in which the final regulations represent an improvement over the proposed regulations. Section 86.3, which now requires institutional self-evaluation to assess policies and practices for evidences of discrimination, and to take steps to modify sex-discriminatory practices, is an excellent way to force institutions to focus on problems of discrimination. The one-year deadline for the completion of such an evaluation will help to speed compliance with the law and with the regulations.

Section 86.8, which now requires that institutions establish internal grievance procedures, is a good addition to the proposed regulations. Such procedures could be a reasonable way of handling complaints when complainants choose to utilize them. At the same time, they are not unduly restrictive, and allow institutions to exercise discretion in establishing practices that meet the unique needs of the institution.

The section dealing with counseling and use of counseling, 86.36, has been revised to require institutions to establish procedures to review counseling materials for sex bias. This is a positive change from the proposed regulations. However, I am disappointed that review of textbooks and curricular materials was not included in this section.

Finally, I am pleased that section 86.57 has been revised to remove some unnecessary qualifications on the treatment of pregnancy as a temporary disability. The final regulations are more equitable, and reflect greater consistency with the law, in this respect.

In closing, I would like to reaffirm my support for these regulations, and stress once again their importance as a first step in eliminating sex discrimination in all aspects of education. It has been three years since Title IX was enacted. We can afford to delay no longer in making equal educational opportunities a reality, rather than a promise, for the girls and women of this country. While I hope that the regulations are revised in certain areas at some point in the future on the basis of experience with law, I see nothing in the regulations that are inconsistent with the law, and urge that they be allowed to go into effect on July 21.

REPRESENTATIVE DRINAN INTRODUCES BILL TO REFORM GENERAL REVENUE-SHARING PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 60 minutes.

Mr. DRINAN. Mr. Speaker, today I am introducing legislation to amend the State and Local Fiscal Assistance Act of 1972. The general revenue-sharing program created by this act is our largest Federal assistance program, providing approximately $6 billion each year to more than 38,000 Federal, State, and local governments throughout the United States. The present program will expire at the end of 1976.

Since its inception in 1972, general revenue sharing has been subjected to extensive scrutiny by committees, organizations, and individuals both within and outside of Congress. Those studies have indicated that most Governors, mayors, and local officials are ecstatic about the program. Their sentiments are understandable. Every 3 months, they receive a check from the Federal Treasury which they can add to their general revenues and spend on virtually whatever they choose. There are few of us who would protest if such generosity were bestowed on us with no strings attached.

Yet $6 billion spent on general revenue sharing each year inevitably means $6 billion less for something else. The Federal Treasury is not a bottomless reservoir of funds. An expenditure can be justified only if it benefits the American people more than all alternative ways of spending those funds. It is in that context that the $30 billion, 5-year revenue sharing program has been analyzed by experts. The studies conducted by those whose primary concern is the relationship of general revenue sharing to the public welfare have revealed a number of serious flaws in the present program. All of these deficiencies must be corrected before the State and Local Fiscal Assistance Act of 1972 is extended beyond the end of 1976.

PRESSING NEEDS GO UNMET

Under the present act, general revenue sharing funds are not being spent to meet our most pressing national needs. Millions of Americans live in deteriorated housing, go without adequate food, and receive little or no health care. Elderly citizens, in particular, are unable to live comfortably in many communities which do not provide them with essential facilities and services. Categorical aid programs alleviate some of those problems, but do not even come close to meeting the immense need. General revenue sharing funds could be used to make up part of the difference, but that has not been the case.

Through June 30, 1974, State and local recipients reported spending only 4 cents of every revenue sharing dollar on all social services for the poor and elderly combined. Less than one-half of 1 percent of the funds were channeled into programs for the elderly who constitute 10 percent of the population. The assertion of the recent report by the National Clearinghouse on Revenue Sharing that social needs have been neglected under the program is a sizable understatement. I cannot support the expenditure of Federal funds to help wealthy suburbs build golf courses and enlarge the record collections in their libraries while the administration is cutting back programs desired to feed the hungry, house the elderly, and care for the sick.

THE FUNGIBILITY PROBLEM

Although it is apparent that recipients have spent a minuscule portion of revenue sharing funds on programs to help the poor and the aged, it is not entirely clear what they have done with those funds. That is because the spending requirements of the act are sufficiently loose to permit recipients to intermingle revenue sharing funds with their general revenues and spend those funds in any fashion they choose. In the words of the Comptroller General in his report to Congress on April 25, 1974:

> The GAO concluded that the priority expenditure requirements of the Act are illusory.

The distinguished chairman of the Government Operations Subcommittee on Intergovernmental Relations and Human Resources, Representative L. H. FOUNTAIN, elaborated on this characteristic of the program in an oversight report to Congress in April 1974:

> Despite the statutory requirements that local governments restrict their expenditure of shared revenues to certain high priority categories and report on the uses of this money, there is little likelihood of identifying the actual impact of these expenditures with any degree of certainty. This is so because these funds are often substituted for local money which is then used for purposes unrelated to the expenditure categories specified in the law.

This so-called "fungibility" of general revenue sharing funds makes it impossible for Congress to exercise its constitutional responsibility of overseeing how Federal revenues are actually being spent. The local priority spending categories are meaningless, while the States do not even have a cosmetic limitation on the expenditure of revenue sharing funds. To the extent that the use of revenue sharing funds can be evaluated, most observers, including the Office of Revenue Sharing, have pointed to local and State tax relief as the principal effect. This is contrary to the stipulated intent of the program to provide expanded programs, services, and facilities to the public in areas of compelling need. I do not believe that the residents of Fitchburg, Mass., a community in my district where unemployment stands far above the national average, should be paying Federal taxes which subsidize tax cuts for the affluent residents of Beverly Hills, Calif. It is the duty of Congress to determine how Federal funds can be spent in the interests of all Americans. It is impossible for us to exercise that responsibility within the language of the present act.

LACK OF CITIZEN PARTICIPATION

A third key deficiency of the existing general revenue sharing program is the lack of citizen participation in the process of deciding how local and State entitlements are to be spent. When President Nixon signed Public Law 92–512 into law on October 20, 1972, he promised that citizens would have a direct voice in determining how the funds were to be used. Yet the vast majority of recipients have simply intermingled revenue sharing funds with their other revenues and expended the funds through their normal budgetary procedures. Thus, in most jurisdictions, mayors, city council members, county commissioners, and State legislators have made all of the decisions. Public participation in the decision making process is virtually nonexistent because the present act does not mandate it. In the words of the report issued by the National Clearinghouse on Revenue Sharing in December, 1974:

> Citizen oversight is not—and cannot be—effective under the program as presently set up.

The lack of direct citizen input in the expenditure or revenue sharing funds undermines the fundamental premise of the program that the people shall decide how these monies can best be spent. How about the poor, the elderly, the young, and others underrepresented by their local officials? How many of New Orlean's black citizens, who constitute approximately 50 percent of that city's population, participated in the decision to spend a large chunk of revenue sharing funds on the city's fire department, which is 97 percent white? As a result of insufficient citizen input, revenue sharing funds are being spent on priorities set by those wielding political power rather than on the most desperate needs of the people.

DEFICIENCIES OF ALLOCATION FORMULA

A fourth shortcoming of the act is the allocation formula which fails to distribute revenue sharing funds on the basis of need and which produces a number of other deleterious effects. Although the formula is designed to allocate the bulk of funds to communities with a relatively high level of tax effort and a relatively low per capita income, these objectives are stymied to a considerable extent by the existence of arbitrary entitlement ceilings and floors. More than 1,800 jurisdictions, including most of the Nation's large cities, do not get as much money as the allocation formula entitles them to because of the

145-percent ceiling imposed on per capita entitlement of a local jurisdiction compared to the average per capita entitlement of all jurisdictions within a State.

The 145-percent ceiling is totally arbitrary and without logical justification. If the allocation formula is equitable, it should be permitted to operate without the imposition of constraints. If the formula does not distribute revenue sharing funds adequately, the formula should be changed. The existing ceiling seriously penalizes major cities which have high taxes, low moneys, and a tremendous need for expanded services and facilities across a broad spectrum of priority areas. Boston, for example, would receive an additional 41 percent in revenue sharing funds each year if the ceiling were removed; Philadelphia would get an additional 57 percent; St. Louis, which suffers more than any other major city as a result of this provision, would experience an increase of 68 percent under the existing allocation formula.

The 20-percent minimum entitlement floor, like the 145-percent ceiling, tends to undermine the intent of the allocation formula. More than 10,000 local jurisdictions get more revenue sharing funds than the allocation formula entitles them to because they would fall below the arbitrary 20-percent minimum per capita entitlement floor.

Most of those jurisdictions are small, collect little taxes, and provide few services to citizens. Many of them are obsolete and practically nonfunctional. Yet they continue to siphon off a disproportionate amount of revenue sharing funds from those communities which need the funds to provide essential services and expand overutilized facilities. In the words of the report of the Advisory Commission on Intergovernmental Relations, released in October, 1974:

> Revenue sharing tends to prop up certain duplicative, obsolete, and/or defunct units of local government.

The report went on to point to the allocation ceiling and floor as the cause of this phenomenon, observing that—

> The equalizing thrust of the revenue sharing allocation formula is blunted by the 145 percent and 20 percent constraints.

NONDISCRIMINATION PROVISION GOES UNENFORCED

A fifth major deficiency in the implementation of the revenue sharing has been in the enforcement of nondiscrimination provisions. Even the Ford administration has recognized the need for improvement in this area. The present act contains the standard anti-bias clause in the use of Federal funds. The Office of Revenue Sharing, however, has not enforced the provision consistent with the congressional directive. In hearings before the Judiciary Subcommittee on Civil and Constitutional Rights, on which I serve, evidence disclosed serious shortcomings in the enforcement program of the Office of Revenue Sharing.

There are presently approximately 30 positions in the compliance division of the Office of Revenue Sharing. This small body of individuals is responsible for monitoring compliance of numerous provisions in addition to the nondiscrimination requirement in more than 38,000 local jurisdictions. The Equal Employment Opportunity Commission, which deals exclusively with civil rights, has more than 2,300 employees. It is literally impossible for the nondiscrimination requirement of the general revenue sharing program to be enforced under these conditions.

Since our hearings, a number of public interest organizations have conducted studies of the civil rights aspects of revenue sharing. All have come to the same conclusion—that a major overhaul of the Office of Revenue Sharing's nondiscrimination program is required. While there are differing views on the nature and scope of that reform, there is common agreement that it must be done. I should add that if the Office of Revenue Sharing were vigorously enforcing the present statutory prohibition, there would be no need for any amendments. The present act, in my judgment, is fully capable of effective enforcement. But in light of the Office of Revenue Sharing's failures, statutory reform is now necessary.

LACK OF OVERSIGHT

A final problem inherent in the present general revenue-sharing program is the lack of effective congressional oversight or control. For all practical purposes, the act provides $6 billion in Federal funds to State and local governments with no strings attached. The expenditure of these funds need not be tailored to specific needs or national priorities or carried out under Federal standards of performance. There is no assurance that the fundamental objective of expanding public services and facilities is being carried out. The 5-year trust fund mechanism completely insulates the program from meaningful congressional scrutiny or the "trial by fire" nearly all other Federal programs must endure in undergoing the appropriations process. The Federal Government is handing out a huge amount of its revenues but relinquishing any significant role in determining how those revenues are to be spent. At a time of economic recession, a rising Federal deficit, and actual or threatened cutbacks in vital domestic programs, such an approach to Federal spending constitutes an abrogation of our responsibility to oversee the expenditure of Federal funds and to ensure that funds are being used for the maximum benefit of all the people.

NEW LEGISLATION NEEDED

The legislation I am filing today is designed to remedy the serious deficiencies in the general revenue sharing program which have been described above. Since the existing local priority expenditure categories have not had any meaningful impact on the expenditure of revenue sharing funds, I have established a set of requirements in the bill which would insure that States and localities expend these funds to create new programs or extend existing ones across a wide range of key priority areas. States and localities receiving $500,000 or more in revenue sharing funds annually would be required to spend at least 10 percent of their revenue sharing funds in each of six priority areas.

The categories are: First, public safety; second, environmental protection and consumer protection; third, public transportation; fourth, health and recreation; fifth, social services and housing for the poor; and sixth, social services and housing for the aged.

For States a seventh category—education—is added to the preceding list of six.

This minimum expenditure requirement would insure that at least 20 cents rather than 4 cents of each revenue sharing dollar goes toward social services. At least 10 percent of the funds, rather than two-tenths of 1 percent would go to aid the elderly. Recipients subject to the 10-percent requirement would have complete flexibility in choosing programs within each priority area on which to expend their revenue sharing funds. These recipients would also be able to spend the remaining 40 percent—in the case of localities—or 30 percent—in the case of States—in any of the priority expenditure areas. Local governments receiving less than $500,000 annually would retain even more flexibility, being required only to expend these funds in at least three of the six stipulated areas.

The maintenance of effort provisions contained in section 7 of the act must be considered in conjunction with the 10-percent minimum spending requirement discussed above. While these provisions appear somewhat complex, they are actually quite similar to a maintenance of effort provision contained in Public Law 92–512 designed to prevent States from using revenue sharing funds to replace State funds which are distributed to localities under existing programs. The essential principle here is that general revenue sharing money was intended to augment, not replace, the expenditure of funds by State and local governments.

Section 7 of this act establishes a set of penalties for enforcing that principle. If a State or local government reduces its own financial effort in a particular program, it may not use revenue-sharing funds in that program without incurring a penalty based upon the amount of the reduction in local effort or the amount of revenue-sharing funds spent on the program, whichever is less. The practical effect of this provision is to prevent recipients from using revenue-sharing funds simply to replace its own funds in a program, rather than expanding or improving that program beyond the existing level. It would eliminate the problem of fungibility and make it possible to trace the expenditure of revenue-sharing funds and thus to enforce the minimum expenditure requirements established in section 3. These provisions, taken together, will insure that revenue-sharing funds will be used to create or expand services and facilities in those areas of critical national importance.

CITIZEN PARTICIPATION

While establishing meaningful controls on the use of revenue sharing funds remedies two of the act's two chief defects, the program cannot be fully justified in the absence of substantial citizen participation in the decision-making process. The convening of a token public hearing on revenue-sharing expenditures, even if such a hearing were mandated by the act, would not constitute effective citizen input. In order to have an influence on how revenue-sharing funds are to be expended, citizens need money to conduct studies and formulate alternative plans for future spending. They need access to relevant records and documents. They need to remain informed of how revenue-sharing funds are being utilized on a continual basis.

All of these needs basic to citizen participation would be met through the enactment of this bill. Section 9 of the bill would set up a special fund amounting to 1.5 percent of all local revenue-sharing entitlements to be expended in support of citizen participation in the decision-making process. Each local government recipient would be required to appoint a citizens' advisory committee to oversee the community's use of revenue-sharing funds. Local recipients receiving more than $1 million in revenue-sharing funds annually would receive an additional sum for hiring a local citizens' advocate and carrying out other functions directly related to the work of the citizens' advisory committee.

Localities receiving less than $1,000,000 annually would be entitled to the services of a State office of citizen advocacy which would perform, to the extent possible, the function of a local citizens' advocate for all such units of local government within the State. The State office would receive funds equal to 1.5 percent of the aggregate entitlement of all such units of local government.

Citizen participation at the State level would be enhanced by requiring the submission of a planned use report by the State and the receipt of public comments prior to the expenditure of revenue sharing funds. The report would be required to include an analysis of the relationship of the planned use of revenue sharing funds to the entire State budget.

ALLOCATION FORMULA

The bill also would remedy the glaring flaws in the existing allocation formula. Section 6 would eliminate the 20 percent minimum per capita entitlement and raise the maximum per capita entitlement from 145 to 300 percent. These changes would permit the allocation formula to fulfill its objective of channeling the bulk of revenue sharing funds to those communities with the greatest need of assistance. It would also cease the tendency of this program to prop up obsolete and ineffectual local governments under the 20 percent floor available to other localities.

Be increasing the minimum entitlement actually allocated from $200 to $5,000, the bill would greatly ease the massive administrative burden of enforcing the provisions of the act. The citizens of the 17,000 jurisdictions which fall within the $200 to $5,000 range would not lose any benefits by this change since the local county governments, which would receive the jurisdictions' entitlement, would be required to spend the funds to benefit the citizens of that particular jurisdiction.

Even these changes, however, would not fully meet the pressing need to direct an increased proportion of revenue-sharing funds to poor communities which have a huge demand for services and a low tax base. To remedy this remaining shortcoming of the allocation formula, the bill would establish a fund labeled "Supplemental Entitlements of Low-Income Communities" which would be used to provide additional funds to recipients with more than 15 percent of their population below the low-income threshhold set by the Census Bureau. The fund would be distributed on a per capita basis and consist of 1 percent of the total funds authorized under the Act. All funds distributed from the supplemental fund would have to be expended in the "social services and housing for the poor" priority area. The creation of this supplemental fund, in conjunction with the other changes made in the allocation formula, would insure that the communities in greatest need of revenue-sharing funds receive a greater proportion of funds under the act.

NONDISCRIMINATION ENFORCEMENT

This bill would strengthen the nondiscrimination features of revenue sharing in several ways. First, it would forbid discrimination in any program or activity operated by a recipient. The present antibias clause applies only to the program actually receiving Federal revenue-sharing money.

Second, it would continue the present requirement that the Secretary of the Treasury, before taking any formal action where discrimination is found, defer to the Governor of the affected State. This bill would for the first time impose a 60-day limit on the deferral period.

Third, the bill would require the Secretary to withhold revenue-sharing funds whenever the Secretary had "reason to believe" a recipient was not in compliance with antidiscrimination requirements of the act. The phrase "reason to believe" is defined specifically so that the withholding of funds will be automatic in certain circumstances.

Fourth, it would allow the recipient, whose funds have been withheld, to seek an administrative hearing which must be held within 30 days of the request. A decision on the merits must be had within 30 additional days.

Fifth, the bill would require the Secretary to enter into cooperation agreements with other Federal agencies in order to maximize the civil rights enforcement effort. Rather than establishing a wholly independent and separate civil rights office at the Office of Revenue Sharing, this bill would utilize existing civil rights enforcement mechanisms and resources. Such agreements, before becoming effective, would have to be published in the Federal Register, so that the public and Members of Congress could comment on them.

Sixth, this bill would continue the authority of the Attorney General to take appropriate action against recipients which violate the statute. It adds a provision, however, which would authorize court action by private persons. Such private suits would provide additional enforcement strength, complementing the activities of the Secretary and the Attorney General.

Seventh, the bill establishes a procedure whereby private individuals could file a complaint with the Office of Revenue Sharing or a cooperating agency alleging discrimination. The bill would impose certain time requirements on the processing of the complaint; under present law, the Office of Revenue Sharing is not obligated to act within any specific period of time.

Eighth, the bill would provide for court appeal by the recipient or by a person aggrieved by agency action. The current act does not expressly mandate such appeals, and this section would clarify that gap in the law.

INCREASED ACCOUNTABILITY

Finally, the bill would greatly enhance the accountability of the general revenue sharing program by placing a greater burden of enforcement upon the Office of Revenue Sharing, by strengthening reporting provisions under the act, and by requiring funding for this program to be secured through an annual appropriation bill in conjunction with a multiyear authorization.

For the first time, the Office of Revenue Sharing would have to monitor closely how each revenue-sharing dollar was being spent to enforce the maintenance of effort and minimum priority expenditure provisions. For the first time, adequate enforcement of the nondiscrimination requirements would be mandated.

Accountability of the program would be enhanced through a new section (125) entitled "Private Remedies" which would permit any aggrieved citizen to file a complaint specifying that a State or local government was in violation of the act. Such a complaint would have to be acted upon through an investigation conducted by the Office of Revenue Sharing or a cooperating agency. An aggrieved citizen could also take his complaint to court.

EXTENSIVE WORK LIES AHEAD

Mr. Speaker, I anticipate that this legislation may evoke substantial criticism from many quarters, including Governors, mayors, and other public officials who understandably want to receive more and more Federal assistance with fewer strings attached. But our primary responsibility here is not to those officials, but to the people they are elected or appointed to serve. It is our responsibility in the Congress to decide how Federal revenues can best be spent in the public interest.

The serious deficiencies in the general revenue-sharing program which I have described must be remedied before this important program should go forward. The legislation I have filed today would satisfy that basic need. It is a complex bill, but general revenue sharing is a complex program. I am certain that some of the bill's provisions can be improved upon. During the course of the summer, as the Government Operations Subcommitttee on Intergovernmental Relations and Human Resources, under the able leadership of the gentleman from North Carolina (Mr. FOUNTAIN) conducts oversight hearings on the general subject of Federal-State fiscal relations, new ideas will undoubtedly germinate which should be incorporated into this bill.

I will also continue to work with the numerous revenue sharing experts outside the Government who are conducting extensive analysis of the present program with an eye toward making essential changes before the program should be extended.

The deficiencies in the existing general revenue sharing program are serious, but not necessarily fatal. The legislation I introduce today addresses the need to reform the program while providing for its continuation through September 30, 1981. The administration bill simply ignores the problems of fungibility, lack of accountability, nonenforcement of nondiscrimination provisions, lack of citizen participation, and misallocation of funds which have surfaced during the first 3 years of this experimental program. But despite the considerable pressure upon Members to adhere to the administration's position and simply to extend general revenue sharing without confronting the program's shortcomings, Congress has a responsibility to enact legislation which will improve this program and enable it to serve better the interests of all the people.

A section-by-section analysis of the bill follows:

Section-by-Section Analysis of "The State and Local Fiscal Assistance Amendments of 1975"

Section 1. Sets forth the popular name of Act.

Section 2. Provides for the reservation of 1 percent of the total amount appropriated for the Act for Supplemental Entitlements of Low Income Communities and 1 percent for the Administrative Expenses of Allocation Procedures. Both of these new funds are delineated in detail elsewhere in the Act. This section also authorizes the Secretary of the Treasury to withhold a portion of state and local government entitlements, if necessary, to cover adjustments which may have to be made in accordance with the allocation formula.

Section 3. Part (a) requires that a minimum of 10 percent of a local government's entitlement be spent in each of the 6 specified priority expenditure areas if the local government receives $500,000 or more during any entitlement period. Local governments could apply for a waiver of this provision if the expenditure of funds in a stipulated priority area would be in violation of state or local law or if they could demonstrate that none of their citizens would benefit by such an expenditure. The remaining 40 percent of the entitlement can be divided among the 6 priority areas at the discretion of the local government. Local governments receiving less than $500,000 during an entitlement period must expend those funds in at least 3 priority areas but are not bound by the 10 percent minimum expenditure requirement.

Part (b) establishes state government priority expenditure areas and requires that state governments spend their entitlements in those designated areas. The areas are identical to the local government expenditure areas with the exception of "education" which is included at the state level only. At least 10 percent of the state entitlement must be expended in the 7 stipulated priority areas. P.L. 92-512 establishes no priority expenditure areas for state governments.

Part (c) directs the Secretary to promulgate regulations which require all expenditures of appropriated funds by state and local governments under the Act to be reported in terms of the specified priority expenditure areas. This will contribute to the enforcement of the Act in general and of the 10 percent minimum expenditure area requirements in particular.

Section 4. Alters the funding mechanism of the Act from the existing 5-year appropriation to a 5-year authorization requiring annual appropriations, like nearly all other federal programs. The authorization levels are slightly higher than the level of funding provided in the Administration bill (H.R. 6558).

Section 5. Gives each state the option to divide its funds between all local governments and the state government on the basis of comparative tax efforts rather than by the 2 to 1 ratio fixed by P.L. 92-512. Thus, a state like Hawaii, whose state government collects 75 percent of all state-local taxes combined, could distribute 75 percent of its total entitlement to the state government instead of the 33 percent received at present by the state government. The implementation of such an alternative intrastate distribution formula is entirely optional, must be provided for by state law, and must be approved by the Secretary.

Section 6. Increases the minimum entitlement actually distributed to a local government from $200 to $5,000. This change would result in a reduction of the number of jurisdictions receiving funds under the Act from approximately 38,000 at present to approximately 21,000.

The section also eliminates the existing 20 percent local per capita entitlement floor and raises to 300 percent the 145 percent ceiling, which are tied to per capita statewide allocations. The existing floor and ceiling impede the effectiveness of the allocation formula.

Section 7. Part (1) directs the Census Bureau to provide data on an annual basis to correct allocation formula data by adjusting for predictable census undercounting.

The Secretary is directed to use such data in determining allocations under the Act.

Part (2) establishes a set of maintenance of effort requirements by which state and local governments are penalized if they use revenue sharing funds to replace their general revenues in existing programs. For example, if a community spends $5 million of its general revenues on day care programs in 1976 and spends $4 million of its general revenues and $1 million of revenue sharing funds on the same program in 1977, it has replaced $1 million of its own revenues with revenue sharing funds. As a consequence, the community's 1978 revenue sharing entitlement would be reduced by the same $1 million.

The intent of this section is to ensure, to the extent possible, that revenue sharing funds are spent to expand existing programs or start new programs in priority areas, not merely to substitute for local revenues in existing programs being carried out at an unchanged or reduced level of effort.

Section 8. Establishes a special fund consisting of 1 percent of the total funds appropriated for the Act to be used to augment the entitlement of all local recipient governments in which more than 15 percent of the population is below the low-income threshold established by the Census Bureau. Funds provided to recipients under this Section must all be expended in the "social services and housing for the poor" priority expenditure area in addition to the 10 percent minimum of the governments' regular entitlement spent in that particular priority area.

Section 9. Establishes a set of allocation procedures to increase citizen participation in the process of deciding how revenue sharings funds are to be spent. Each local government recipient is required to carry out the following procedures:

a. convene public hearings to discuss the Planned Use Report prior to the issuance of that report during each entitlement period.

b. appoint a citizens' advisory committee to represent the entire population in overseeing the expenditure of revenue sharing funds and formulating proposals for the expenditure of such funds during future entitlement periods.

c. permit the citizens' advisory committee to have unhindered access to all relevant documents and records.

Part (b) provides for the establishment of an Office of Citizen Advocacy in each state to receive monies out of the Administrative Expenses of Allocation Procedures fund equal to 1.5 percent of the total entitlement of all local units of government within the state receiving less than $1 million under the Act annually. The State Office of Citizen Advocacy shall perform, to the extent possible, the function of a Local Citizens' Advocate for all such units of local government. The State Office of Citizen Advocacy shall carry out activities solely at the request and direction of and on behalf of the local citizens' advisory committees of such units of local government.

Part (c) establishes an Administrative Expenses of Allocation Procedures fund consisting of 1 percent of the total funds appropriated for the Act. Each local government with an annual entitlement of $1 million or more shall receive an amount from that fund equal to 1.5 percent of its annual entitlement. Out of its Administrative Expenses entitlement, each government receiving such funds shall provide for the selection and appointment of a paid Local Citizens' Advocate who shall be responsible to the citizens' advisory committee and perform such duties as the committee shall assign.

Section 10. This section replaces the existing Section 122, on nondiscrimination, which has proven to be inadequate. Section 10 prohibits discrimination against any person in any program or activity undertaken by the recipient government. This broadens existing coverage under Section 122 which forbids discrimination only in those programs or activities receiving funds under the Act.

The section requires the Secretary to notify the Governor whenever the Secretary has reason to believe that a recipient is not complying with this Act or any other federal civil rights law. If the Governor fails to achieve compliance within 60 days, the Secretary is then required to withhold all funds due the recipient under the Act. If compliance is achieved within the 60-day period, it must be certified in writing, and approved by the Governor, the Secretary, and the Attorney General of the United States. Such agreements take effect after publication in the Federal Register.

Withholding of funds lasts only for 120 days unless the Secretary or a federal court makes an express finding of non-compliance.

If a finding of non-compliance is made, the withholding automatically continues and the Secretary is required to take one of three additional steps: (1) refer the case to the Attorney General for suit; (2) exercise Title VI authority, including termination of funds and recoupment of past payments; or (3) any other action provided by law.

Payment of withheld funds can only be resumed if (1) the recipient enters into a compliance agreement with the Secretary (with the Attorney General's approval); or (2) the recipient complies with a federal court order; or (3) the Secretary of a Federal court does not make a finding of non-compliance within 120 days.

The section defines the term "reason to believe" so that there is no doubt when the Secretary must begin compliance procedures. It also authorizes the Attorney General to institute suits either on referral from the Secretary or at his/her own initiative. Section 10 further requires the Secretary, within 30 days of enactment, to publish draft cooperation agreements with other federal agencies in the Federal Register. Within 30 additional days, the Secretary must finalize such agreements. Finally, the section authorizes judicial review of agency action which adversely affects a government recipient or a private individual. It also provides additional money and staff to carry out its purposes.

Section 11. Requires county governments which receive the entitlements of jurisdictions falling below the $5,000 floor to expend such funds for the benefits of those particular communities.

Section 12. The section establishes a new section (124) to consolidate reporting, auditing, and accounting requirements to facilitate the enforcement of the Act.

The section also establishes a new section (125) to provide certain private remedies for any violation of the Act. It authorizes court action against any person or governmental unit allegedly violating the Act. The section further delineates a procedure whereby private persons can file complaints with appropriate federal agencies alleging violations of the revenue sharing law. It would impose specific time periods in which the agency must investigate the complaint, or advise the complainant why that cannot be done.

Section 13. Defines "entitlement period" under the Act as each of the five 1-year periods beginning on October 1, 1977 and ending on September 30, 1982.

Section 14. This section explicitly authorizes judicial review of agency action under the non-discrimination clause which adversely affects a recipient or an aggrieved person.

Section 15. Specifies the effective date of the Act. All amendments made by the Act shall take effect at the close of December 31, 1976, with the exception of the amendment made to Section 122 and the creation of a new Section 125 which shall take effect on the date of enactment.

NEW ENGLAND FISHING INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. DODD) is recognized for 10 minutes.

Mr. DODD. Mr. Speaker, just 2 days ago, I learned of a matter which I believe is of the utmost importance to the people of New England. It is something which I feel I must also bring to the attention of my colleagues in the House of Representatives.

You are all well aware of the strong feelings those of us in New England have about the continuing problem of overfishing and intrusion into our coast waters by large fleets of foreign fishing vessels, mostly from Eastern Europe and the Soviet Union.

Some of you probably believe that we "dost protest too much" about the problems, and that our predictions of dire consequences for the New England fishing industry and the rest of the country are overstated.

No doubt some think that our forecast that such intrusions and overfishing will greatly deplete the valuable fish stocks of this country are unfounded.

Mr. Speaker, the proof of our statements is beginning to become clear.

I have received previously undisclosed figures from the National Marine Fisheries Service that in the first 3 months of this year, it is estimated that the Soviet fishing fleet operating off New England caught between 30,000 and 70,000 metric tons of mackerel above its quota as set by international agreement.

That estimate is based on actual visual observations of Soviet fishing operations off the east coast made by law enforcement agents of the Fisheries Service.

These agents estimate that although the Russians are allowed a mackerel quota of 101,000 metric tons, their trawlers actually caught between 130,000 to 170,000 metric tons from January 1 to March 30.

This is hard evidence substantiating our claims about the magnitude of the overfishing problem.

I also bring to my colleagues attention a recent article from a leading newspaper in my district, The Groton, Conn., News. This story, published late last week, shows that our fears about how foreign overfishing will destroy future fish resources.

Mr. Speaker, this article quotes a marine resource economist at the University of Rhode Island, the respected oceanographic institution near my district, as saying that herring stocks off New England have declined to 10 percent of the early 1960's level when the foreign fleets first were attracted to the prolific herring grounds.

The Groton News goes on to report that herring fishing off our coast has become so poor, that even the Russian fleets are now giving up in disgust. In harming New England, it appears they have also hurt themselves, although that is no consolation to the people I represent.

I submit the entire article from the Groton News for the RECORD to emphasize for my colleagues the true nature of our problems.

Mr. Speaker, one way to begin solving this problem, and to prevent such overfishing in the future is to increase our Coast Guard fisheries enforcement patrols off New England.

I have been told by the National Fisheries Service's senior resident law enforcement agent for New England that Coast Guard helicopters have been extremely helpful and effective in enforcing fisheries laws.

Due to their lower cruising speeds, hovering ability, and increased manuverability over fixed-wing aircraft, helicopters allow agents to make detailed observations and photographs of suspected violations.

Evidence such as photographs of foreign vessels trawling within our 12-mile limits or with illegal catches or equipment on their decks offers documentary proof necessary for the successful prosecution of fisheries violations.

Because of this, this high fisheries service official informs me he would welcome having more of these Coast Guard helicopters available for enforcement patrol, although he realizes that in the past the Coast Guard has had a limited number of the craft and that they often are needed for search and rescue missions.

Last month, Mr. Speaker, this body passed H.R. 5217, a bill authorizing annual appropriations for the Coast Guard. Only last week, our colleagues in the Senate passed their version of a bill for the same purposes.

There were only two differences between the two bills—both of them in the form of amendments added to the Senate version of the bill.

One of those changes is of the utmost importance to those of us in New England, because it provides for the increased availability of Coast Guard helicopters for fisheries patrols off our coast.

The amendment was introduced by the distinguished senior Senator from my neighboring State of Rhode Island, JOHN O. PASTORE.

His amendment is designed to enable the Coast Guard to increase its fisheries patrols in New England to prevent foreign vessels from overfishing or intruding into our territorial waters.

Specifically, Mr. PASTORE's amendment authorizes adding 15 more men to the Coast Guard's end-year strength, which would allow the service to take one helicopter out of storage and place it on fisheries patrol.

The Coast Guard would not have to buy a new helicopter, for it now has about 10 in storage, and the amendment would cost only about $850,000—a one-time cost only expense of $377,000 to reactivate the aircraft and $473,000 to operate it yearly.

This is a relatively minor increased authorization in view of the great good this additional helicopter can do on fisheries patrol. This is especially true in light of the continuing problems which I have underscored here today.

For these reasons, Mr. Speaker, I have urged the members of our Merchant Marine and Fisheries Committee to accept the Pastore amendment as an addition to H.R. 5217, and to seek unanimous consent for this change on the floor of the House.

This would eliminate the need for a Senate-House conference on this amendment, and would allow for enactment of this important bill into law as soon as possible.

I also have urged the committee to adopt appropriate language in the House report of H.R. 5217 stipulating that the end-year strength of the Coast Guard is being raised specifically to allow for reactivation and use of this helicopter for New England fisheries patrol.

This would avoid any confusion about the reasons for this legislative change and about the will of the Congress as to how these men should be used.

In coming before you today, I urgently seek your support for both of these requests—so necessary for the protection of our New England fishermen and of the entire country's priceless fish resources.

The article follows:

RUSSIAN FISHERMEN LEAVE EAST COAST AREA

GLOUCESTER, MASS.—More than 100 large Russian fishing vessels from a fleet reaping harvests off the New England coast since the early 1960s reportedly have left, their captains calling herring fishing at the Georges Bank a disaster.

"This fleet, which achieved success in 1974, was reportedly having its worst year since 1970," a report of the National Marine Fisheries Service said Thursday.

"The entire fleet (about 125 purse seiners) was observed idle days on end in late May," the report said. It appeared to move eastward toward Nova Scotia and Browns Bank to hunt schools of herring but Canadian inspectors said catches were dwindling there.

Charles L. Philbrook, senior resident agent at NMFS, said the fleet was primarily fishing for herring and moved off Georges Bank, part of the continental shelf 130 miles off Cape Cod and Rhode Island, about one month ahead of schedule.

Interviews with Soviet captains by NMFS inspectors showed "the herring fishery is in trouble," Philbrook said. The captains disagreed whether herring were no longer plentiful or running too deep to be caught in the purse nets.

The report said NMFS counts showed at the beginning of May the Soviets had sent "the largest purse seine fleet ever to operate on Georges Bank.

"Pionersk, a base ship, said it and three other base ships together were receiving only 50 to 60 tons per day from 30 vessels," the report continued. A Russian type purse seiner can handle catches of up to 100 tons per day.

Some Russian and other foreign vessels continued to fish the Georges Bank region for other species including cod, mackerel, hake and squid but the departed boats made up about 90 per cent of the entire foreign fleet in the area, the report said.

The Bulgarian fishing trawler Argonaut was seized early Thursday for allegedly taking 500 pounds of American species lobsters. It was seized about 150 miles southeast of Nantucket, according to Coast Guard officials.

American fishermen and some fisheries experts have warned for several years foreign fishing fleets, equipped to stay at sea for long periods of time, were depleting the fishing stocks off the U.S. coast.

Andreas Holmsen, a marine resource economist at the University of Rhode Island, said Thursday reports published three years ago indicated herring stocks had declined to 10 per cent of the early 1960s level when the foreign fleets were first attracted to the prolific herring grounds.

FOOD STAMPS FOR ALL SSI RECIPIENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 5 minutes.

Ms. HOLTZMAN. Mr. Speaker, I have introduced legislation (H.R. 7774) to insure that all SSI recipients will be eligible for food stamps.

At the present time, poverty-stricken aged, blind and disabled persons in five States—California, Massachusetts, Nevada, New York, and Wisconsin—do not receive food stamps. They receive instead a $10 so-called "cash-out" payment as part of their SSI benefits. This payment is supposed to represent the value of the food stamps—that is, the difference between the cost of the stamps and their face value.

My bill would make SSI recipients in those five States eligible for food stamps without requiring a reduction in their present SSI benefits.

The restoration of food stamps is necessary because the "cash-out" system discriminates against the aged, blind, and disabled poor. In the first place, although food stamp values have risen in accordance with increases in food prices since 1972, the $10 cash-out payment has not.

Second, when SSI was first enacted, no recipients were to be eligible for food stamps. The rationale for this rule was that in most States, SSI would produce substantial increases in benefits to the aged, blind, and disabled over the old welfare programs. Food stamps were, therefore, not needed. In a few States, SSI did not produce increased benefits, and it was necessary, therefore, to provide the additional cash-out payment. The cash-out payment was, thus, not really intended to make up for the loss of food stamps, but to provide equivalent new benefits among the States. Later on, however, when food stamps were restored to the SSI program, they were made available only to persons in the non-cash-out States. Persons in cash-out States received no benefit from this restoration.

This discrimination is aggravated by the fact that the aged, blind, and disabled poor in cash-out States have not received the benefit of any Federal increase in SSI payments. This means that while monthly Federal SSI payments in most States will have increased $27.70 effective July 1, 1975, recipients in the cash-out States will not have received 1 penny of the Federal increase.

Thus, aged, blind, and disabled persons in New York and the other cash-out States have been discriminated against 3 times: first, by being denied food stamps; second by not receiving the increased value of food stamps—which now mean $16 a month to the average recipient; and third, by not receiving $27.70 in Federal SSI increases. My bill would help to end this discrimination. I urge its passage.

The text of the bill follows:

H.R. 7774

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Section 3(e) of the Food Stamp Act of 1964 is amended to read as it did before amendment by Public Law 92-603, section 3(b) of Public Law 93-86, Public Law 93-233, and Public Law 93-335.

(b) The following provisions of law (including any amendments made thereby) are repealed:

(1) Section 411 of Public Law 92-603.

(2) Sections 3(b) and 4(c) of Public Law 93-86.

(3) Section 8 of Public Law 93-233.

(4) Section 1 of Public Law 93-335.

SEC. 2. Section 5 of the Food Stamp Act of 1964 (7 U.S.C. 2014) is amended by adding at the end thereof the following new subsection:

"(e) Any individual who receives supplemental security income benefits under title XVI of the Social Security Act, or State supplementary payments of the type referred to in section 1616 of such Act or section 212 of Public Law 93-66, shall be considered to be a member of a household or an elderly person for the purpose of such household's or such elderly person's eligibility for participation in the food stamp program, without regard to such individual's income and resources.".

REINTRODUCING AMENDMENTS TO THE GRAIN STANDARDS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 15 minutes.

Mr. MEZVINSKY. Mr. Speaker, 18 Members join with me in reintroducing amendments to the Grain Standards Act that we feel are necessary to reform our grain inspection system. In the weeks since I first prepared these amendments, we have learned even more of the improper and shady dealings which have tainted our grain inspection system and of the extent to which inferior grain exported from the United States has jeopardized our trading position on the world market.

More than 20 indictments have been handed down so far in New Orleans and Houston to licensed grain inspectors for allegedly accepting bribes and falsifying grain samples. There are indications that the corruption is widespread and involves the misgrading of grain, fraudulent certification that ships meet Federal sanitary standards and the short weighing of grain. The investigation has now moved to other ports. It is known that the large grain companies are under active scrutiny.

As the trail of corruption in grain inspection grows more extensive, I believe we can see clearly that the reason for this scandal goes deeper than the jaundiced view of mankind expressed recently by Secretary Butz—that "every man has his price." The real problem which this Congress must try to correct is the inherent conflicts of interest which riddle the present system.

The law now entrusts the application of Federal standards for both domestic grain and export shipments to inspectors who, although licensed by the USDA, are employed by private or State inspection agencies. Many of these inspection agencies have ties to international grain and shipping companies which may easily gain tens of thousands of dollars by an under-the-table handout.

Let us admit that there is no way to legislate against corruption. What we can do, however, is try to insulate the grain inspector from those interests which stand to benefit financially when grain is mislabeled or shortweighed, or falsely certified to be free of weevils and foreign material or loaded on ships that have not undergone the costly cleaning process necessary to meet Federal sanitary standards.

My colleagues and I believe that the Federal Government must take on the full responsibility for our grain inspection. Enforcing grain standards is that important to our farmers and to this country as the world's major exporter of grains.

Therefore, the primary amendment we are introducing today will require that the Department of Agriculture accept the burden of responsibility for enforcing Federal standards for the inspection and grading of export grain and for applying Federal sanitary standards to ships that carry that grain.

Under the present law, USDA is actually prohibited from performing grain inspections, except when an appeal of the original inspection certificate is requested. Our bill would disband the private and State system in favor of a Federal system with all inspectors trained by and employed by USDA. No one is saying that many—maybe even most—of these non-Federal inspection agencies have not done a good and honest job. I think it would be a serious mistake, however, to conclude that we can eradicate the corruption of our inspection system through investigations and convictions without fundamental changes in the system itself with its built-in conflicts of interest that have not only led to but really invited the scandal we are witnessing.

Advocating a Federal inspection system rests, at the practical level, on providing a buffer between inspectors and private interests. This can be achieved several ways: a USDA training program that emphasizes public service as well as competence in inspecting grain; more financial security for inspectors; and frequent rotation of inspectors to new locations in order to avoid overfamiliarity with elevator and shipping personnel.

Over and beyond these practical benefits of a Federal inspection system, we believe that our Government must assume more than the passive role it has played in the past. The Administrator of the Agricultural Marketing Service admitted before a Senate hearing last week that USDA has been more of an inactive referee than a guarantor of quality grain. Such passivity has seriously jeopardized our grain exports.

I believe that our Government must take the responsibility for guaranteeing that importers get what they pay for when they buy American grain. We owe this to our farmers who are producing the highest quality grain in the world and we owe it to our economy which relies heavily on agricultural exports to achieve a more favorable balance of payments.

I would be one of the last to claim that USDA is a tough regulator. The history of its nonaggressiveness in supervising grain inspectors and inspection agencies is a sad comment on the Department's vigilance in fulfilling the limited responsibility it now has in this area. USDA has ignored reports of the bribery scandal for over 6 years and has been indifferent to complaints of poor quality grain from our foreign customers. Officials gave no credence to a documented report by "lower echelon" staff on this very subject—the Browning report—and as much as said that only allegations made out of the Secretary's office were worthy of followup. This is bureaucratic naivete at its worst.

Despite this shoddy record, I am convinced that the only way we can reestablish the integrity of our grain inspection system is to have the Federal Government stand behind it. There are two other provisions of the legislation I am introducing today that I would like to call to your attention.

Section 14(a) of the Grain Standards Act would be amended to provide stiffer penalties for taking or offering bribes, altering or falsifying grain samples, intimidating grain inspectors or other violations of the Grain Standards Act. Instead of implying that these are minor offenses—misdemeanors that can carry no more than 6 months imprisonment or a fine of $3,000—the amendment would change these offenses to felonies and carry a sentence of up to 2 years in jail and a fine of up to $6,000. For a second conviction, imprisonment could be for up to 4 years and the fine would rise to as much as $10,000.

The system of Federal grain inspectors that I am proposing would be self-supporting, with the company or country requesting the service paying a USDA fee.

The Senate Agriculture Committee has begun hearings on the grain inspection scandal. I hope the House will decide to move on this problem soon as well. We cannot allow our grain exports to be imperiled by corruption, I am convinced that we must act promptly in order to maintain foreign grain customers.

ENERGY SELF-SUFFICIENCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. Bedell) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, in recent months we have heard much discussion in this Chamber about the need for reducing our dependence on foreign sources of oil and for attaining greater energy self-sufficiency. There is little disagreement over the importance of these goals. However, securing a consensus on a program for achieving them is an entirely different matter.

The administration's energy program seeks to raise U.S. fuel prices to artificially high levels in order to discourage consumption and encourage domestic investment in energy exploration, research and development. On the international front, administration officials are attempting to secure agreement among the oil-consuming nations to negotiate with the oil producers for a minimum floor price for foreign oil. At home, President Ford has called for the decontrol of domestic oil prices and the deregulation of natural gas, and has proposed an ERDA budget that places a distinctly top priority on nuclear development and synthetic fuel production.

The focal point of the administration's energy strategy is high oil prices. We are all aware of how the OPEC cartel has administered the international price of oil. In the last 18 months, OPEC has increased the price of oil fivefold, and it has just announced that it plans another increase for September.

The administration's response to this price fixing has been to advocate the negotiation of a minimum floor price for foreign oil. And, what is even more disturbing, administration spokesmen continue to argue that the price of domestic oil should be allowed to rise to OPEC levels.

In my view, this high-price energy strategy is an unnecessarily risky policy that holds ominous implications for the American people and the American economy. Rather than stoically accepting, and indeed even encouraging, high energy prices, we should be implementing a program designed to force down the excessively high price of oil, both foreign and domestic. Higher and higher prices will only prolong the recession and contribute to greater inflation while further increasing the profits of the international oil companies and decreasing the purchasing power of the American people.

What this Nation needs is an energy program that will help it gain control of its energy future without disrupting the domestic economy. Instead of imposing high prices on the American people, such a program should emphasize reasonable and equitable conservation measures and encourage greater competition in determining the price of oil. Such a program would be compatible with our effort to reduce domestic energy consumption and expand research and development on alternative sources of energy.

In an excellent editorial published in the June 24 edition of the New York Times, Congressman Andrew Maguire of New Jersey addresses the critical issue of domestic oil prices. His comments merit careful reflection, and I commend them to my colleagues.

The editorial follows:

OPEC and Its Partners in Monopoly

(By Andrew Maguire)

Washington.—The Organization of Petroleum Export Countries is a cartel that sets the price of oil produced in the Arab states. It should not, however, set the price of oil produced and consumed in America.

Even Treasury Secretary William Simon admits the OPEC price is unrelated to economic reality, to cost, or to alternative energy sources; it is political. As OPEC considers yet another price increase—to five times the 1973 level for imported oil—it is astonishing that Mr. Simon and the Ford Administration still argue that the price of oil should rise to whatever level OPEC chooses.

We must reduce wasteful consumption, cut back on foreign imports, and increase all energy supplies. But these needs—on which Congress and the Administration agree—neither justify nor require domestic oil prices four times what they were two years ago. Such prices would aggravate both inflation and recession—a disaster for the economy and for the consumer.

Four months after the oil embargo, Congress passed an energy bill rolling back the maximum price of new, domestic oil from the $11 OPEC price to $7.09 a barrel. President Nixon vetoed the bill.

Because of that veto, we paid $10-million more for less domestic oil in 1974 than in 1973. Two years ago the average price of domestic oil was $3.50 a barrel; a year later it was $7.05. And as a result, the oil industry's after-tax return on equity has risen to a level nearly 50 per cent higher than the business average. If the Ford Administration has its way, and all price controls are lifted, the price will hit $13 a barrel and more which, combined with Mr. Ford's two $1 tariffs, will cost the economy at least $36 billion.

If, instead, domestic oil prices were rolled back to a level closer to what a truly free market would set, we would save about $7 billion a year. Such a rollback would free dollars now wasted in inflated fuel prices to be spent in depressed areas of the economy. The $7-billion figure, developed from Library of Congress studies, assumes the price of "old oil" is rolled back from $5.25 a barrel to $4.25 a barrel and the price of "new oil" is reduced from $11-plus a barrel to no more than $7 a barrel. This policy would guarantee the oil companies average prices 50 per cent greater than they charged just two years ago.

The industry argues that it needs unlimited prices and profits as "incentives" to drill more domestic oil. But industry apologists did not discover $7 to be an inadequate incentive until *after* oil prices hit $11. In 1972, the National Petroleum Council estimated the average price would have to rise to $3.65 a barrel by 1975 to stimulate maximum production. Yet, as new domestic oil prices have tripled, domestic production has continued to fall. If pressed, industry executives admit that availability of oil and equipment and personnel shortages—not price—are the real constraints on production, once the price goes beyond $7.

The other major opposition to restraining domestic oil prices comes from idealogues in the Ford Administration whose opposition to economic action by a democratic government is so great that they see a competitive market where none exists. Their concern for free enterprise is commendable, but they ignore the facts. Foreign oil prices are set by an organized cartel and the price of domestic oil has risen to meet it. That is not competition; that is shared monopoly. And so long as monopoly power influences the price of domestic oil, it must be restrained.

The House Commerce Committee has adopted a price rollback, authored by Representative Bob Eckhardt of Texas, setting an average price ceiling on domestic oil of $7.50 a barrel. While somewhat more generous to the oil industry than the costs of production justify, the Eckhardt amendment will save consumers billions of dollars in inflated energy costs. The Energy Emergency Act of 1974 directed that the price of American oil would be set in America, not around a conference table of Arab oil producers. President Nixon vetoed that bill, but the Eckhardt amendment provides Congress an opportunity to act again this year, with a new President and a new majority in Congress.

INVESTIGATION AND PROSECUTION OF OFFENSES RELATING TO ILLEGAL CIA DOMESTIC INTELLIGENCE ACTIVITIES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BADILLO) is recognized for 10 minutes.

Mr. BADILLO. Mr. Speaker, in recent months, we have witnessed growing public awareness and concern over invasions of privacy and surveillance of private citizens by agencies of the U.S. Government. These feelings have been fueled by allegations in the press and subsequent information released by various Federal officials about the extent to which illegal, improper, and unethical activities were engaged in by agencies of the Federal Government in carrying out domestic intelligence and surveillance functions. Last week the public learned of the shocking magnitude of these activities when the President finally released the "Report of the Commission on CIA Activities Within the United States."

The statements contained in the Rockefeller Commission's report clearly indicate that persons, in performing various intelligence and surveillance activities on behalf of the CIA, exceeded that agency's lawful authority and violated the individual rights and liberties of American citizens as protected by the Constitution and many Federal statutes. These appears to be little question that the conduct of such acts went far beyond that which was vital to protect the national security of the United States.

The term "national security" is a broad, vague generality. Its contours should not be invoked to abrogate the fundamental law embodied in the first amendment and specific statutes designed to protect individual freedoms and privacy. Based upon the comments of the Rockefeller Commission, one must conclude that the nature and scope of the CIA's domestic surveillance activities were beyond the law, to an extent which approached the erosion of constitutional government.

I am therefore, both shocked and dismayed at the wholly inadequate measures proposed to remedy these abuses, including the prosecution of any persons associated with the CIA or other Government intelligence or law enforcement agencies for acts which the Rockefeller Commission states had been "plainly unlawful."

We are told that the CIA conducted illegal mail intercepts, with the knowledge of at least three Postmasters General, opening, examining and photographing thousands of letters belonging to private citizens and at least one Member of this very body. Yet the Commission would merely have the President direct such operations be ceased.

We are told that the CIA collected information and compiled dossiers on thousands of Americans who did nothing more than exercise their constitutional right to dissent. Yet the Commission would only have these files destroyed.

We are informed that the CIA engaged in a wide variety of illegal activities against members of the news media in an effort to discover news sources. And yet the Commission would suggest only that guidelines be promulgated by the CIA itself in order to limit the number of reoccurrences.

The litany goes on and on, running the whole gamut of activities from bugging and burglary to wiretapping and physical surveillance, by the CIA alone, by the CIA and the FBI, by the CIA in conjunction with the White House, and finally by the CIA enlisting the assistance of organized crime in alleged assassination plots against foreign government officials.

The concept of the CIA conducting its own house cleaning and putting itself back in order would not seem so illusory, were we able to rely on an adequate system of checks and safeguards to discover actual and potential abuses. However, given the findings of the Rockefeller Commission, that the Department of Justice, the various Postmasters General, and the several law enforcement and investigative agencies of the executive branch refrained from investigating and even acted in complicity with the CIA, conclusively demonstrates that there is not and cannot be such a system. Indeed the events of the last several years have raised serious questions about the willingness and ability of the intelligence and investigative agencies of the executive branch to police themselves, let alone initiate needed reform.

Obviously, the Congress must enact legislation designed to insure that such abuses will no longer be permitted to take place in our free society. I am hopeful that the select committees in both the House and Senate now conducting their own independent investigations of the CIA and other intelligence and law enforcement agencies of the Federal Government will call for appropriate legislative action. I trust that the President will also forward to the Congress his recommendation in this area. However, we need not delay action while these committees undertake their investigations. For example, the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice has been investigating the question of illegal surveillance and has pending before it legislation which would end the practices of warrantless surveillance techniques. As a member of that subcommittee I intend to advocate early committee action to bring this legislation to the floor of the House. Similarly, the House Judiciary Subcommittee on Civil and Constitutional Rights, with oversight jurisdiction over the FBI, has been other questions with respect to the illegal surveillance of American citizens, including abuses of information and files. Given the evidence already obtained by the subcommittee, I urge my colleagues on that subcommittee to prepare appropriate legislation to end such practices.

Finally, there is the serious question of an investigation and possible prosecution of all offenses and violations of any Federal statute by persons by or on behalf of the CIA or any other intelligence or law enforcement agency of the Federal Government arising out of the conduct of domestic intelligence or counterintelligence activities.

President Ford expressed his concern about this question during his press conference on June 9, 1975, stating that he would "ask the Attorney General to study all the materials gathered by the Commission on any matter to determine whether action should be undertaken against any individuals." According to a story in this morning's Washington Post, the Attorney General is shocked by the still secret unpublished information he has seen on the CIA's activities and plans to proceed with an investigation. However, he added that it may take 2 or 3 months to decide how to proceed.

I advocate an immediate investigation and take strong exception to granting the Attorney General and Department of Justice the responsibility for pursuing this matter. I call your attention to page 14 of the Rockefeller Commission's report. It states, with respect to responsibility for the supervision and control of the CIA:

> The Department of Justice also exercises an oversight role, through its power to initiate prosecutions for criminal misconduct. For a period of over 20 years, however, an agreement existed between the Department of Justice and the CIA providing that the Agency was to investigate allegations of crimes by CIA employees or agents which involved Government money or property or might involve operational security. If, following the investigation, the Agency determined that there was no reasonable basis to believe a crime had been committed, or that operational security aspects precluded prosecution, the case was not referred to the Department of Justice.
>
> The Commission has found nothing to indicate that the CIA abused the function given it by the agreement. The agreement, however, involved the Agency directly in forbidden law enforcement activities, and represented an abdication by the Department of Justice of its statutory responsibilities.

Under the circumstances, one must question the ability of the Department of Justice to conduct a proper and aggressive investigation. It is for this reason that I have today introduced legislation to provide for the appointment of a special prosecutor with exclusive jurisdiction to investigate and to prosecute offenses arising out of the CIA's domestic intelligence and surveillance activities.

I firmly believe that only through the establishment of an independent prosecutor will the questions raised by the Rockefeller Commission be answered to the satisfaction of the American people and restore their trust and confidence in our constitutional government.

The framers of our Constitution, aware of the need to both defend a new nation and prevent abuses by government, sought to give our society strength and security by providing that freedom of speech, press, religion, and assembly should not be abridged. They recognized that activities to protect our Nation's security at the expense of representative government would provide no real security for our Republic. This thought was eloquently expressed in 1937 by Mr. Chief Justice Hughes:

> The greater importance of safeguarding the community from incitements to the overthrow of our institutions by force and violence, the more imperative is the need to preserve inviolate the constitutional rights of free speech, free press and free assembly in order to maintain the opportunity for free political discussion, to the end that government may be responsive to the will of the people and that changes, if desired, may be obtained by peaceful means. Therein lies the security of the Republic, the very foundation of constitutional government. (DeJonge v. Oregon, 299 U.S. 353, 365 (1937).

I urge my colleagues to review the legislation I have introduced today. I welcome their comments and support. The following is the text of the bill:

H.R. 8281

A bill to provide for, and assure the independence of, a Special Prosecutor, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Special Prosecutor Act of 1975".

APPOINTMENT OF SPECIAL PROSECUTOR

SEC. 2. (a) The United States District Court for the District of Columbia, sitting en banc, shall appoint a panel of three of its members, hereinafter in this Act referred to as "panel". Any vacancy on the panel shall be filled in the same manner as the original appointment.

(b) The panel is empowered to and shall promptly appoint a Special Prosecutor, who shall head an Office of Special Prosecutor, and to fill any vacancy which may occur in the position of Special Prosecutor.

(c) Participation in the selection of the panel shall not in and of itself disqualify a judge in any proceeding in which the Office of Special Prosecutor is involved. However, a judge who serves on the panel is disqualified from participating in any proceeding in which the Office of Special Prosecutor is involved.

COMPENSATION AND STAFFING

SEC. 3. (a) The Special Prosecutor shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) The Special Prosecutor may employ and fix the compensation of personnel in the Office of Special Prosecutor as he reasonably determines to be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 54 and subchapter III of chapter 53 of such title (relating to classification and General Schedule pay rates), but at rates not to exceed the maximum rate for GS-18 of the General Schedule under section 5332 of title 5. United States Code.

(c) The Special Prosecutor may procure personal services of experts and concultants, as authorized by section 3109 of title 5, United States Code, at rates not to exceed the per diem equivalent of the rate for GS-18 of the General Schedule established by section 5332 of title 5, United States Code.

(d) Every department or agency of the Federal Government is authorized to make available to the Special Prosecutor, on a reimbursable basis, any personnel the Special Prosecutor may request. Requested personnel shall be detailed within one week after the date of the request unless the Special Prosecutor designates a later date. An individual's position and grade in his department or agency shall not be prejudiced by his being detailed to the Special Prosecutor. No person shall be detailed to the Special Prosecutor without his consent.

(e) For the purposes of subchapter III of chapter 73 of title 5, United States Code, the Special Prosecutor and the personnel of the Office of Special Prosecutor shall be deemed employees in an executive agency.

JURISDICTION AND AUTHORITY OF THE SPECIAL PROSECUTOR

SEC. 4. (a) The Special Prosecutor has exclusive jurisdiction to investigate and to prosecute in the name of the United States—

(1) all offenses or allegations of offenses arising out of the conduct of domestic intelligence or counter-intelligence activities and the operation of any other activities within the United States by the Central Intelligence Agency or any other intelligence or law enforcement agency of the Federal Government;

(2) all violations or suspected violations of any Federal statute by any intelligence or law enforcement agency of the Federal Government or by any persons by or on behalf of any intelligence or law enforcement agency of the Federal Government including but not limited to surreptitious entries, surveillance, wiretaps, or illegal opening or monitoring of the United States mail; and

(3) such related matters which he consents to have assigned to him by the Attorney General of the United States.

(b) The Special Prosecutor is authorized to take any action necessary and proper to perform his functions and carry out the purposes of this Act, including—

(1) issuing instructions to the Federal Bureau of Investigation and other domestic investigative agencies of the United States for the collection and delivery solely to the Office of Special Prosecutor of information and evidence bearing on matters within the jurisdiction of the Special Prosecutor, and for safeguarding the integrity and inviolability of all files, records, documents, physical evidence, and other materials obtained or prepared by the Special Prosecutor;

(2) conducting proceedings before grand juries;

(3) framing and signing indictments;

(4) signing and filing informations;

(5) contesting the assertion of executive privilege or any other testimonial or evidentiary privilege;

(6) conducting and arguing appeals in the United States Supreme Court, notwithstanding the provisions of section 518 of title 28, United States Code;

(7) instituting, defending, and conducting civil and criminal litigation in any court; and

(8) exclusively performing the functions conferred upon the Attorney General of the United States under part V of title 18, United States Code (relating to immunity of witnesses), with respect to any matter within his exclusive jurisdiction.

DELEGATION

SEC. 5. The Special Prosecutor is authorized to delegate any of his functions to personnel of the Office of Special Prosecutor, and to experts and consultants retained pursuant to section 3(c).

TRANSFER AND ACQUISITION OF FILES AND INFORMATION

SEC. 6. (a) All files, records, documents, and other materials in the possession or control of the Department of Justice, or any other department or agency of Government, which relate to matters within the exclusive jurisdiction of the Special Prosecutor appointed under this Act, are transferred to the Special Prosecutor as of the date on which he takes office.

(b) The Special Prosecutor is authorized to request from any department or agency of the Federal Government any additional files, records, documents, or other materials which he may deem necessary or appropriate to the conduct of his duties, functions, and responsibilities under this Act, and each department or agency shall furnish such materials to him expeditiously, unless a court of competent jurisdiction shall order otherwise.

(c) The Special Prosecutor shall keep inviolate and safeguard from unwarranted disclosure all files, records, documents, physical evidence, and other materials obtained or prepared by the Office of Special Prosecutor.

GENERAL SERVICES ADMINISTRATION

SEC. 7. The Administrator of General Services shall furnish the Special Prosecutor with such offices, equipment, supplies, and services as are authorized to be furnished to any agency or instrumentality of the United States.

SPECIAL PROSECUTOR'S TERM OF OFFICE

SEC. 8. (a) The Office of Special Prosecutor shall terminate three years after the date the panel first appoints a Special Prosecutor.

(b) Notwithstanding the provisions of subsection (a), the Office of Special Prosecutor is authorized to carry to conclusion litigation pending on the date such office would otherwise expire.

REPORTS

SEC. 9. The Special Prosecutor shall make as full and complete a report of the activities of his office as is appropriate to the panel, to the Attorney General of the United States, and to the Congress, on the first and second anniversaries of his taking office and not later than thirty days after the termination of the Office of Special Prosecutor.

REMOVAL OF SPECIAL PROSECUTOR

SEC. 10. The panel has the sole and exclusive power to remove the Special Prosecutor. The only grounds for removal are gross dereliction of duty, gross impropriety, or physical or mental inability to discharge the powers and duties of his office.

EXPEDITED REVIEW PROCEDURE

SEC. 11. (a) The sole and exclusive procedure for the review of the validity of any provision of this Act shall be as follows:

(1) Any defendant who challenges the validity of this Act in a criminal case or proceeding shall file a motion to discuss not later than fifteen days after service of the indictment or information. Such motion shall be heard and determined by a district court of three judges, convened pursuant to section 2284 of title 28, United States Code, as soon as possible but in no case later than twenty days after the filing of the motion.

(2) Any person who challenges the validity of this Act in connection with a civil action or proceeding shall do so by motion filed with the appropriate United States district

court. The district court shall immediately certify such motion to be heard and determined by a district court of three judges convened pursuant to section 2284 of title 28, United States Code, as soon as possible but in no case later than twenty days after the filing of the motion.

(3) Not later than fifteen days after the determination of the district court of three judges under paragraph (1) or (2) of this section, any party may file an appeal from that determination in the United States Supreme Court. The Supreme Court shall expedite to the greatest extent possible its decision on such appeal.

(b) The expedited review procedure of this section shall not apply to any challenge to the validity of any provision of this Act insofar as any question presented shall have been previously determined by the Supreme Court, notwithstanding that the previous determination occurred in litigation involving other parties.

FUNDING

SEC. 12. There are authorized to be appropriated such sums as are necessary to carry out the purposes of this Act, and, notwithstanding any other provision of law, the Special Prosecutor shall submit directly to the Congress requests for such funds as he considers necessary to carry out his responsibilities under this Act.

SEVERABILITY

SEC. 13. If the provisions of any part of this Act, or the application thereof to any person or circumstances, are held invalid, the provisions of other parts and their application to other persons or circumstances shall not be affected thereby.

WAYS AND MEANS OVERSIGHT SUBCOMMITTEE STAFF STUDY FINDS DISCLOSURE OF MEDICARE INSPECTION REPORTS A FAILURE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, in 1972, the Congress enacted legislation to improve the Social Security Act. Many of these amendments were designed to reform the operation of the medicare program. Among these reforms was section 299D providing for public disclosure of survey reports on institutions such as nursing homes, labs, and hospitals.

This provision first passed the Senate in 1970 and was again added to H.R. 1 by the Senate Finance Committee in 1972. As the Senate report stated:

> At present, information as to whether a hospital, skilled nursing facility, or other organization fully meets the statutory and regulatory requirements relating to conditions for participation for medicare and medicaid or whether it has significant deficiencies, is generally available only to the facility involved, and certain State and Federal agencies. Physicians and the public, in general, are currently unaware as to which institutions have significant deficiencies and which do not.

As a result, the committee pointed out that—

> The Committee believes that in the absence of public knowledge about the nature and extent of deficiencies of individual facilities, it is difficult for physicians and the public to rationally choose among health care facilities.

In addition, the committee noted:

> This lack of information makes it nearly impossible to effectively direct (public) concern about shortcomings to the deficient facilities and to bring pressures for improvement to bear on those facilities.
>
> The Committee believes that ready public access to timely information about the existence or absence of deficiencies . . . would help substantially in encouraging facilities to correct their deficiencies and, at the same time, enable physicians and patients to make sound judgments about their own use of available facilities in the community.

As a result, section 299D was enacted and requires that within 90 days of an inspection of a facility, copies of that inspection report be made public "in readily available form and place."

This is certainly a well-intentioned amendment. How has it worked? I believe it is a total failure as presently administered. As part of its ongoing study of the Medicare Amendments of 1972, I asked the Oversight Subcommittee staff to determine the availability of the inspection report. The first inquiry deals only with their availability and not with the quality of the reports, their accuracy, or truthfulness.

I would like to say, however, that on their face, the reports included a great deal of useful information about medical care—for example, number of nurses—and physical safety—for example, fire protection.

In metropolitan areas, the inspection reports are kept in the main office in that city. In the one and only memorandum issued implementing the disclosure provision, the Social Security Administration stated:

> District and Branch offices (with the exception of metropolitan branch offices) will be responsible for maintaining a file which will normally contain a one-sheet summary of the survey findings on providers in their service area.

Members of the Oversight Subcommittee staff visited a social security branch office in the District of Columbia. None of the 12 workers in the office had ever heard of the existence of survey reports and insisted that there were no such things. After showing the employee a copy of the law, the main social security office in the District of Columbia was called. A manager at that office said that the files were maintained there and would be readily accessible.

In telephone interviews, two of the other five branch offices in the District of Columbia indicated that they never had heard of the reports.

A member of the subcommittee staff subsequently visited the downtown social security office. The files were not readily available. The first three officials who were asked for the files did not know of their existence. When the inspection reports were at last found by a fourth employee, they were in considerable disarray, there were no summaries, and the only reports on file were a handful from the District of Columbia—even though, for example, Maryland State officials say they send copies of all their inspection reports to the District of Columbia social security office as a convenience to the public.

The situation is no better in the smaller, more rural social security district offices. At the Frederick, Md. office, the employee insisted that there were no such reports. After citing the law, subcommittee staff was referred to the assistant district manager, who was aware of the reports and offered to make them available.

In a call to the Charlottesville, Va., district office, two employees had no knowledge of the reports. Again, after insisting that they existed, the manager was put on the line and said, "Yes, we can make them available."

My Cleveland office staff called the main social security number in Cleveland. The information officer said that such reports did not exist. After insisting, we were referred to the Severance Center District Office. The employee was very courteous and friendly, but after 15 minutes of checking, insisted that such reports did not exist.

Mr. Speaker, it is obvious that the inspection disclosure provision is a failure.

Of course, one possible reason is that there may be little public demand for this type of information. Actually, I believe that there is little awareness among the public that such reports are available. I personally believe that citizens "shopping" for a nursing home for a relative would be very interested in reading the latest survey reports. Local newspapers should be very interested in the latest report on the quality of hospitals in their areas.

I believe that the Social Security Administration has failed to publicize adequately the availability of these reports. It is clear from the widespread ignorance about such reports among social security employees that a great deal more has to be done to make the public aware of the existence of these surveys.

Second, the reports are not really readily available. Even if everyone in the local social security offices knew of their existence, they would still not be particularly convenient to the public.

I believe that the best way to correct the problem of public awareness of these reports is to require that, in addition to being maintained at central offices, they be posted in the lobby of each inspected facility. This would clearly increase the pressure on facilities to correct the deficiencies noted in the reports and it would make the public readily aware of problems at the facility. In this way, the congressional intent in the 1972 amendments could be fulfilled.

The law says that these reports shall be made available in readily available form and place; it is the Senate Finance Committee report which suggests local social security and welfare offices as the readily available place. Since the place is not spelled out in law, I believe that the posting of these reports in the institutions themselves could be accomplished through administrative change. If not, then the provision in the law should be amended to spell out the place.

The present system is a failure and only serves to shield the institutions. The American people are spending too much on health care—both personally and through their tax dollars—not to have full and ready disclosure of inspection reports.

On June 2, I advised the Bureau of Health Insurance about the failure to properly implement this disclosure program. Following is a letter which I have just received from Mr. Thomas Tierney indicating that an effort will be made to improve this program. The oversight subcommittee will continue to give attention to this matter.

The letter follows:

SOCIAL SECURITY ADMINISTRATION,
Baltimore, Md., June 18, 1975.

Hon. CHARLES A. VANIK,
Chairman, Subcommittee on Oversight, Committee on Ways and Means, Washington, D.C.

DEAR MR. VANIK: I was distressed to read, in your letter of June 2, 1975, that the staff of the Oversight Committee had such a difficult time when they tried to obtain information from social security district offices concerning Medicare health care facilities in the D.C. area. I am getting in touch with all involved social security components to find out where the procedure for making survey information available to the public has broken down, and what must be done to correct it.

Preliminary indications conveyed to me by my staff are that the disclosure process works well through the various stages of preparing facility survey reports in the State agencies, processing them in the regional offices, and sending copies to the district offices in the respective service areas. It is at the latter point that difficulties arise, due mainly to two factors: (1) a large number of newly recruited staff and individuals in new positions, as a result of the enactment of the Supplemental Security Income Program in the Social Security Amendments of 1972, who have not yet been fully trained in all aspects of district office work; and (2) the infrequency of requests from the public to review health survey reports. Under these circumstances, regrettably, personnel tend to forget that there are instructions for maintaining such reports and making them available upon request.

I am not trying to offer excuses for the current situation, since there can be no compromising with the obligation imposed on the Social Security Administration to carry out the disclosure provisions contained in the 1972 Amendments and related regulations. We will move speedily to correct the problem by the issuance of more adequate instructions and reminders to our field personnel, and by conducting effective surveillance of how they implement those directives.

The Social Security Administration has over 1,200 district and branch offices that are easily accessible to the public. Also, we can be reached on toll-free phone lines throughout the country for information with respect to the survey reports. This availability within SSA facilities, plus the requirement that the survey reports are to be filed in local welfare offices, should meet the Congressional intent of accessibility to the public assuming, of course, that the social security and welfare employees are aware of these reports. We will certainly do our best to see that the social security employees meet that obligation.

Sincerely yours,
THOMAS M. TIERNEY,
Director,
Bureau of Health Insurance.

THE SOCIAL DEMOCRATS, U.S.A., ON THE INTERNATIONAL CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, Social Democrats, U.S.A., have made major contributions to the philosophical concepts which the Democratic Party should be addressing itself to. Its national chairman is Bayard Rustin, someone who has contributed much to our national life.

I am delighted to place in the RECORD the comprehensive statement on the international crisis adopted by the Social Democrats, U.S.A., at its national committee meeting held in New York, June 7–8. The statement follows:

SOCIAL DEMOCRATS AND THE WORLD CRISIS

(Statement adopted by the National Committee of Social Democrats, U.S.A., June 8, 1975)

The momentous events of recent months—from the fall of Indochina to the Communists, to the collapse of Secretary Kissinger's Middle East mission, to the accelerated erosion of Portugal's year-old democracy—have grave implications for the future of social democracy and world peace. In America and Europe, these events have been widely greeted with a confusing mixture of relief, dismay, and surprise: relief that the curtain has finally fallen on the Vietnam tragedy, dismay over what appears to be a precipitous American retreat in world affairs, and surprise that such events could have occurred at all during a period of detente.

For us in Social Democrats, U.S.A., there is no relief in the Communist triumph in Indochina; only regret that an expanding totalitarianism has engulfed new victims, and apprehension over the fate that awaits the remaining and now more exposed non-Communist populations of Asia. And while we have been dismayed by the American retreat, we have not been at all surprised at the recent turn of events. On the contrary, we have consistently stated that the American policy of unconditional detente with the Soviet Union would lead to unprecedented American setbacks, the weakening of democratic forces in the world, and the steady increase of Soviet influence.

Not having assumed that a policy of appeasement would work any better today than it did in Munich in 1938, we find the Soviet gains to have been predictable, if also avoidable. The policy of offering concessions to a menacing totalitarianism in the hope of "buying peace" (which is part of the Western rationale for detente, though it is never stated in precisely these terms) is as familiar as it is bankrupt. If the democracies appear weak and divided, there is nothing easier than for the totalitarian power merely to raise the price for peace. As Karl Marx wrote over a century ago, "The Russian bear is certainly capable of anything, so long as he knows the other animals he has to deal with to be capable of nothing."

It is often mistakenly believed that the detente relationship between Moscow and Washington entails economic concessions from the U.S. (trade) in return for political concessions from the USSR (moderation). This is the essence of Secretary Kissinger's theory of "linkages", i.e., a relationship of cooperation in the economic sphere will produce a corresponding relationship of cooperation in the political sphere. But Moscow has its own theory of "linkages" quite different from Secretary Kissinger's: namely, that detente creates the necessary political conditions for Soviet gains by encouraging the West to relax its guard.

Soviet Communist Party chief Brezhnev has never hidden the fact (except when addressing Western diplomats and television audiences) that detente demands an intensification of the ideological struggle against "the imperialists". Detente aids this struggle, he said as far back as 1967, because "in conditions of slackened international tension, the pointer of the political barometer moves left". (sic) An article in the December 1974 issue of *World Marxist Review* reiterated the Brezhnev argument by stating that detente creates the precondition for "far reaching political and social changes" in the West by making it impossible to advocate "strong government". It is also advantageous, from Moscow's point of view, in that it creates the illusion of security in the West, thereby enabling the USSR to make political and military-strategic advances without unduly alarming its Western partners in detente.

It was precisely Brezhnev's fear of a Churchillian reaction in the West to the recent setbacks that prompted him, following his mysterious period of seclusion in early 1975, to restate in strong terms the Soviet commitment to detente. The relaxation of tensions with the West, he said, was increasingly important "as today under the circumstances of the grave crisis facing the capitalist system (not as Brezhnev implies, the economic crisis, but the political crisis created by Soviet gains—SD), the opponents of detente, the backers of the arms race and cold war are becoming more active." Brezhnev was generous enough to point out that the Vietnam debacle was actually a gain for detente, in that it removed a difficult issue from the agenda of U.S.-U.S.S.R. relations. It is an interesting line of reasoning which, if followed to its logical conclusion, means that the ultimate victory of detente would be a world dominated by the U.S.S.R. Brezhnev would never state this openly, for to do so would shock the West into an honest recognition of its plight and his intentions.

That there is still dangerous ignorance in America with regard to the Soviet detente strategy was demonstrated by an article which appeared in *The New York Times* on April 3, 1975—a moment when the U.S. was experiencing reversals simultaneously on different fronts. Entitled "Moscow Is Adhering to Detente Despite Shifts in World Power", the article began by noting that "Despite a tide in foreign affairs apparently running in Moscow's favor in Indochina, the Middle East and Portugal, the overriding theme in Soviet foreign policy remains that of detente." Our reporter might be surprised to learn that long ago Marx proposed an explanation for this Sphinx-like riddle: "Russia, true to the old Asiatic system of cheating and petty tricks, now plays upon the credulity of the Western world . . . ."

Secretary Kissinger has said recently that "The willingness of the Soviet Union to exploit strategic opportunities . . . constitutes a heavy mortgage on detente." Indeed it does, but to have assumed that the Soviet Union would have behaved any differently, as Kissinger and Nixon did in selling their policy to the American people, constituted an American error of historic proportions, the consequences of which we are experiencing today.

Secretary Kissinger's new "hard line" on detente and America's therapeutic show of force in the Mayaguez affair hardly constitute a policy sufficient to meet the present crisis. The situation in Asia is a case in point. Some time before the collapse of South Vietnam in March and April of this year, Singapore's Prime Minister Lee Kuan Yew warned that "nothing would be more disastrous than to see South Vietnam just rot away and become absorbed into the communist group . . . If people start believing that non-communist Asia will be lost eventually to communist Asia, then everybody will take his decisions accordingly." With Vietnam and Cambodia now Communist, one Asian country after another is making its adjustments. Laos has collapsed; Thailand has made its expected accommodations; the Philippines and Malaysia are stridently asserting their neutralism; Singapore and Indonesia are sounding the alarm; South Korea is preparing for an invasion from the North and guerilla subversion from within; while Japan looks on with mounting anxiety, aware that a breakdown of security in the Korean peninsula would mean the collapse of its present government and its replacement by either an extreme right militarist regime prepared to do battle with the Communists, or an extreme left "neutralist" regime willing to bring Japan's policies into line with the new realities of Asia.

But the chief domino of all may well be China which had counted on America being somewhat more than a paper tiger when it established the American connection four years ago. Now with Washington humiliated and in retreat, and the Congress bent on making a principle out of non-interventionism, China is undoubtedly considering the available alternatives. The most obvious alternative, and one that could well be adopted by the successors to Mao and Chou, would be a rapprochement with the Soviet Union along with a heightened interest in promoting pro-Peking rebellions in the countries along its southern border.

The situation in Europe is not less critical than in Asia. The significance of the Portugese events—in particular, the Communist power grab in the unions, the media, local governments, and the total annulment by the military government of the electoral mandate received by the Socialists and Popular Democrats—lies in the fact that they are not a local but a Soviet affair with implications for all of Western Europe. While the Russians ceaselessly proclaim the principle of non-interference in the internal affairs of other states, they are supplying the Portugese Communists with anywhere from $10-million to $40-million monthly, maintain an 80-person embassy in Lisbon, and have many known KGB agents operating in the country. Despite this massive Soviet intervention, Moscow's ambassador in Paris has unashamedly warned Francois Mitterand to halt the relatively meagre aid the French Socialists are sending to their Portugese comrades.

The events in Portugal are reminding many Europeans, Socialists and non-Socialists alike, that while Western Communist parties have moderated their tactics to advance their electoral alliances, they still adhere to the strategic principle as formulated by Palmiro Togliatti, the leading figure of post-war Italian Communism: to "move slowly. . . . then jump, jump at the throat of the class enemy." Of course Moscow would like to see the Communists take power in Portugal in a way that does not unduly alarm the West. But granting that a Communist take-over would increase the scepticism in Europe about the democratic commitment of Western Communist parties and about their so-called independence from Moscow, this is a price the Russians seem willing to pay. In measuring political gains, the Russians use what one observer has called "the Leninist yardstick," and in these terms, real power in Portugal is worth more than a popular image in Europe. The image can always be polished up by new initiatives to secure detente, and in the process Russia would have dealt the Western alliance a crushing blow.

The developments in Portugal are part of a more general European crisis. Despite the constructive NATO Summit meeting in Brussels, throughout much of the continent, the tendency is increasingly toward neutralism. The perception of America as isolationist or as having abandoned Europe in its quest for detente with Moscow has added weight to the view that Europe must reach an accommodation with Moscow which reflects the new power balance. But no accommodation under present circumstances would be a stable one, one reason being that in the countries of Southern Europe (Italy, Spain, France, and Greece) there exists the potential for a repetition of the Portuguese events, i.e., the introduction of a coalition government including the Communists who then use undemocratic methods to entrench themselves in power and steadily eliminate political opposition. As successful as NATO has been in deterring Soviet military advances, it is not designed to deal with this internal (though foreign financed) political threat.

This threat is all the more acute today while Europe is in the midst of the most severe economic crisis since World War II. Inflation in Italy and Britain is now running at better than 25%, and the rate is only slightly less than that in France. In West Germany, where political moderation and labor peace have been the product of the economy's remarkable affluence, unemployment has now reached 4.7%, four times what it was two years ago.

The economic crisis has provided rare opportunities for Communists and their allies to pursue a united front policy designed to disarm ideologically and gain access to the social democratic parties and trade unions of Europe. In the trade union sphere the Communists have pursued a rapid expansion of bilateral contacts with West European labor federations. Their objective has been to overcome their isolation from the international labor movement which resulted from the walkout of free trade unionists from the Communist-controlled World Federation of Trade Unions (WFTU) and the creation of the International Confederation of Free Trade Unions (ICFTU) in 1949. Today they are focusing their attention on the European Trade Union Confederation (ETUC) which Western trade unionists created in 1973. The Communist aim is to help build up the ETUC in order to speed the demise of the ICFTU and to use this as the forum where they can pursue the drive for so-called East-West labor "unity". Already the Communist-dominated CGIL of Italy has been admitted to the ETUC, and membership for the French CGT is expected shortly. The ultimate objective is to bring East European "unions" into the ETUC. The Communists are also pursuing multi-lateral contacts within the framework of the ILO (an East-West Trade Union Conference was held in Geneva on February 28–March 1 of this year) and are trying to gain admission into the International Trade Secretariats.

The objectives behind the Communist trade union drive are best described by an ICFTU policy statement adopted two decades ago: "(1) winning moral respectability and legitimacy for their State Company unions; (2) misleading the workers of the free world into accepting these organizations, run by the Communist Party, as bona fide free trade unions; (3) facilitating Communist infiltration and subversion in the free world; and (4) promoting the expansionist interests of Soviet imperialism."

The Soviet leadership welcomed the "left" developments in Europe as the fruit of its detente strategy. While they sternly defend the Brezhnev Doctrine for Eastern Europe, they are anticipating (and promoting) Communist gains in Western Europe. Boris Ponomarev, the Secretary of the CPSU and the official responsible for relations between the CPSU and non-ruling Communist parties, has noted that "the instability of the situation and the discontent of the masses in many bourgeois states have now reached such a pitch that a situation may arise at any moment in one or another link of this system, that will open the road to sweeping revolutionary transformations." Ponomarev has been recently expressed his fear that the European crisis could bring the right to power, but this has not diminished his (or Moscow's) dedication to intensifying the ideological struggle. That, after all, is what detente is all about.

So far U.S. policy has been disastrously ineffective in coping with the international challenges facing America. At present we seem to be pursuing a series of uninspired and counter-productive policies of which the common thread is the appeasement of dictatorial forces at the expense of democracy. The "capitulation detente", to use Andrei Sakharov's apt phrase, is only one example of this tendency in American policy. Secretary Kissinger's readiness to embrace Arab dictators while blaming Israel for the breakdown of the Mid-East talks is cut from the same cloth as the failed policy of establishing the link with Moscow at the expense of the Western alliance.

So too is the American willingness to give broad and uncritical support to non-Communist authoritarians such as President Park of South Korea and Generalissimo Franco of Spain. Democratic socialists are not blind to the important difference between these more traditional despotisms and the Communist totalitarians. The former—undemocratic, inhumane, and inimical to social democratic values as they may be—do not threaten international peace or democratic institutions in other countries in ways that are at all comparable to the threats posed by the more virulent Communist forces. Nor have despotic regimes of the right proved nearly so resistant to democratic change as have Communist governments—none of which has ever been successfully transformed into anything approaching a democratic state. Moreover, for all their cruel features dictatorships of the right are rarely so thoroughly repressive as the Communists—sometimes merely because of inefficiency.

But a clear perception of the important distinctions that must be drawn between these two types of undemocratic states should not mislead American policymakers uncritically to embrace right-wing regimes as "Free World" colleagues in an alliance against the Communists. (By the same token we should not hold back from criticizing Communist governments—the Yugoslavs and Chinese for instance—with whom we may from time to time find ourselves tacitly allied.) It should be possible for the democratic world to retain military and even political relations with undemocratic states, and at the same time actively to encourage the growth and influence of democratic currents within the borders of such states. We did this in Eastern Europe during the Marshall Plan period, in Greece and Turkey in the application of Point Four aid, and in Asia, Africa and Latin America during the several decades of active U.S. involvement in those areas following World War II.

Unless we maintain—and increase—our criticism of undemocratic regimes, and our assistance to democratic forces within such states, we will be severely limited in our efforts to mount an effective ideological and political opposition to the Communists. Their greatest successes have come in societies where popular discontent fostered by authoritarian governments has provided a fertile ground for the growth of pro-Communist movements.

But while we favor stronger U.S. efforts on behalf of democracy in countries of the non-Communist world, we emphatically reject a notion, which is becoming regrettably popular in some liberal circles: that the central factor in determining whether or not the U.S. will engage in a political or military alliance with any country is the degree to which that country is democratic in character, free of corruption, was founded under immaculate circumstances, and so forth. The precarious military balance which now prevails in the world is in itself enough to cause us to reject this notion. We clearly need military bases and alliances in areas of the Mediterranean, South Asia, and other parts of the world where western-style democracies simply are non-existent. Moreover, we must uphold that principle of the United Nations charter which insists that no sovereign government—whatever its character—should be removed through invasion or interference by outside powers. This principle is the keystone to international order in an age of turmoil which is constantly threatened by nuclear war.

To consign all peoples and territories which for whatever reason are not favored with democratic governments to an isolation in which they are easy prey for communist powers is cruelly self-righteous—and will surely embolden the totalitarian powers ultimately to adopt more aggressive policies toward the West.

If the U.S. Administration's policies have been inadequate in coping with the present world crisis, the alternatives proposed by the dominant tendency of American liberalism have been even less satisfactory. For almost a decade now liberals have done more than any single group to foster an appeasement and defeatist psychology in America. Their one-sided attacks on the "military-industrial complex" and the CIA have had the originality of a broken record, with the repetitiveness obscuring a few significant realities: namely, that the USSR, according to its official (and highly conservative) figures, now outspends America on defense by some 25%; that having over the last decade achieved strategic parity with the U.S., the USSR is now well on the way to gaining clear superiority; and that the ubiquitous 490,000 agents and employees of the KGB outnumber the combined total staffs of the CIA and the FBI by some 14 to 1.

Though liberals heaped tons of contumely on Thieu and Lon Nol, they have not uttered an ounce of criticism of the victorious Vietnamese Communists who have assassinated political opposition, smashed the free trade unions of South Vietnam, and have now declared their intention to "begin searching for a number of wicked persons who are in hiding and owe a blood debt to the people. . . ." For the most part liberals have reacted to the genocidal forced march of millions in Cambodia with a kind of embarrassed silence, as if to excuse the inevitable "excesses" of the "progressive" forces. And George McGovern, who epitomizes American liberalism even as he discredits it, has called upon the Vietnamese refugees to return to their land of terror, even as he has clasped in friendship the blood-stained hands of Yasir Arafat and Fidel Castro.

If the policy of the American government bears some resemblance to the British government's policy of appeasement before World War II, the opposition role of America's liberal intelligentsia is likewise similar to the pre-war role of the British intelligentsia as described by George Orwell:

"All through the critical years many left-wingers were chipping away at the English morale, trying to spread an outlook that was sometimes violently pro-Russian but always anti-British. It is questionable how much effect this had, but certainly it had some. If the English people suffered for years a real weakening of morale, so that the Fascist nations judged that they were "decadent" and that it was safe to plunge into war, the intellectual sabotage from the Left was partly responsible."

Today America needs a foreign policy that is at once firm and clear on the basic issue of solidarity with democracy, and also tactically geared to maximize both the unity of the democratic camp and the divisions within the Communist world. There is no better starting point today for such a policy than to assist the democratic forces in Portugal. Yet there are many Americans on the left who have become so disenchanted with any American involvement abroad that they oppose even such assistance. But the Portugese Socialist leader Mario Soares, who is involved in a real struggle for democracy and does not have the luxury of pious anti-Americanism, has called for American support "to help the democratic forces maintain a position of balance and openness. The contrary position," he said, "will lead, in the short run, toward a victory for the Communists." At a minimum, the form such support should take is a clear message to the Russians that America will withdraw from their cherished European security conference if the Communists subvert democracy in Portugal.

It is one of the more significant ironies of modern times that the most outspoken proponent at the present time for a strong and united Europe is Communist China. Of course the Chinese have their own national security interests in mind in wanting a strong Europe on the USSR's Western flank. Still, at least the Chinese are able to perceive where their best national interests lie at a time when the Europeans themselves cannot summon the political will or vision to unite, and the Americans, despite the recent NATO summit, appear more concerned with cultivating the Soviet connection than with strengthening the Atlantic Alliance.

America's ability to recover from the Vietnam debacle and the other setbacks of recent months will depend to a great degree on the stance it adopts at the three sets of talks now going on in Europe: the Conference on Security and Cooperation in Europe (CSCE, otherwise known as the European Security conference) which has been dragging on for several years in Helsinki; the Geneva SALT talks; and the negotiations for Mutual Balanced Force Reductions (MBFR) which are being held in Vienna. Though Brezhnev is anxious to have the CSCE talks concluded before 25th Soviet Party Congress meets in February, he has to date shown no readiness to compromise. He has already gained Western acceptance of the principle of "the inviolability of frontiers" in Europe, a euphemism for recognition of the Soviet empire in Eastern Europe. But the Russians have been totally uncooperative in the so-called "basket three" negotiations on free movement and contact between East and West. Nor have they yet given unequivocal recognition of the possibility for peaceful change of government in Europe (East as well as West). Despite Western Europe's obvious unease with this conference, presumably devoted to promoting "security", America is ready and willing to give Brezhnev this prize without demanding a price in return. Instead, we seem prepared to throw in a bonus—recognition of the imperialist Russian absorption of Lithuania, Latvia, and Estonia.

The Russians have been equally uncompromising in the MBFR talks for the simple reason that they are unwilling to give up present military superiority of the Warsaw Pact forces in Europe. And if they have shown a willingness to move forward on SALT, it has not been out of any commitment to arms limitation so much as a desire to ratify the Vladivostok agreement which allows them to Mirv 1,320 missiles. The result of such a Russian advance would be to wipe out the current U.S. edge in nuclear warheads which had previously offset the decisive Russian lead in missiles.

The weak U.S. political posture, and its weakening military position, will have the effect not only of demoralizing American allies but also of diminishing the quite significant divisions within the Communist camp. We have already noted that China might move toward the view that it is safer in the long run to accommodate with Russia than to ally with the U.S. against Russia. A weakened West will also give the Russians a greater hold over the European Communists. The Yugoslav, Italian, Spanish, and Rumanian Communists appear reluctant to fall into line at the upcoming conference of European Communist parties in East Berlin. Their ability to exercise some independence is directly related to the restrictions placed on Moscow's power to enforce uniformity. Western acquiescence to present Soviet moves in Portugal or to possible Soviet moves in Yugloslavia following Tito's death will compel dissident Communists, as well as Western leaders, to resign themselves to Soviet hegemony and to make the logical adjustments.

The alternative to a policy of unconditional capitulation detente with Moscow is not nuclear war. Instead it is a policy which combines the disciplined use of American power to restrain Soviet advances with an unwavering commitment to support democratic allies. Essential components of such a policy are a strong American defense force and an economy of full production. Another dimension of such a policy should be the pursuit of an ideological struggle on behalf of democracy. This means not weakening Voice of America and Radio Liberty, as we have done, but strengthening them; not remaining silent in the face of Soviet ideological attacks, as we have done, but responding with a defense of democratic liberties and human rights; and most of all, not granting any economic or political concessions to the USSR without demanding in return some alleviation of the regime's tyranny over its own people and its ideological seige against the West. Call this "detente with freedom," or better "detente without illusions". It may sound strange to the American ear to couple the word detente, which seems to have vague connotations of "peace", with a policy of ideological struggle in defense of human rights. It may also conjure up images of "interference in the internal affairs of other states". So be it. If we have learned anything from the events of recent months, it is that the alternative policy of appeasement has been an utter failure. It is not asking too much at this time to have Americans honestly assess this failure and adopt a policy which addresses itself to the deepening crisis of democratic civilization.

THE LAW OF THE SEA CONFERENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Murphy) is recognized for 10 minutes.

Mr. MURPHY of New York. Mr. Speaker, as I address this body today the critical economic, political and resource interests of the United States are being subjected to violent attack in dozens of conferences, meetings, consultations, and other international soapboxes in which the so-called group of 77 developing nations blame all of their ills on this country.

They demand a new international "economic order" that would permit them the right to monopolize the world marketplace.

And when they lay claim to "sovereignty over natural resources" they mean that they intend to expropriate American business enterprises—after having benefited from the use of our advanced technologies.

I believe that this country cannot afford to maintain a continually turned cheek. We are blessed with an abundance of many resources. Our vigorous and industrious people have overcome many obstacles to transform our resources into medicines, food, shelter, manufactured goods, and brilliant technological innovations that have benefited all of mankind.

We have been very generous to other countries. But certain officials in the Department of State seem to know no bounds to our generosity. They would even have us give away our most sophisticated and advanced technology. They would have us negotiate to obtain the right to participate in large sectors of the international economy—a right we have now and one we have earned.

I say that enough is enough.

One of the biggest proposed giveaways that has come to my notice recently is a peripatetic three-ring circus called the Law of the Sea Conference. According to certain officials in the State Department, the United States should continue to allow foreign fishermen to decimate our fishing stocks and we should do nothing. They also ask us to do nothing to protect our pioneering ocean mining industry so as to avoid upsetting their delicate negotiations. What these people in the State Department mean is that, if we in Congress do not make it the law of the land that the United States has a right to those resources, then they are free to use our resource rights as bargaining chips to achieve goals which they and some of their counterparts in the Department of Defense have decided are in our national interests.

Look at the evidence, Mr. Chairman.

The State Department returned from Geneva hailing the major accomplishment of the Law of the Sea Conference as a "single negotiating text" of a treaty. In that treaty we see that our rights to coastal fish resources that have been held ransom for years by the State Department are, in fact, the same rights to which the whole world want to agree but has been impatiently waiting for the United States to go along. And this draft treaty has been greeted warmly by the Defense Department because it protects their interests. But in the all-important section on deep ocean mineral resources the monolithic group of 77 has had its way.

Mr. Speaker, they are talking about establishing an international organization with monopolistic control over mineral resources activities in the deep ocean. The story is the same one we have heard over and over again. American companies will take all the risks, develop all the technology, and then be expropriated.

But there is one important difference here.

In this case, the expropriation would take place under the rubric of an international treaty to which the United States would have agreed. And the United States would have agreed because the State Department told us that we cannot control our own fisheries without a treaty and the Defense Department would like a treaty to sanction activities the Navy has always undertaken under recognized high seas freedoms. Why should the President, who has rescued the *Mayaguez* and in so doing defended freedom of the seas in the most effective way possible, be willing to trade off valuable mineral rights for a treaty which merely confirms what he has already done?

Mr. Speaker, it is time that we call a halt to these absurdities.

As responsible legislators we must stand up for the rights of the American people. I do not oppose fair and equitable international agreement and I know the American people do not either. I propose that we give the Law of the Sea Conference all the time that it needs to accomplish its complicated task. I am still hopeful that some day, that conference will write rules for orderly international cooperation on the seas. But until then, we cannot be caught in the trap of negotiating away our basic rights. We must take steps to guarantee that our interests are not damaged while the conference completes its work.

I am confident that Congress will take action to protect our fisheries. For my part, I will make it the very highest priority of the Subcommittee on Oceanography of the Merchant Marine and Fisheries Committee to produce legislation that will protect our rights to the copper, nickel, cobalt, manganese, and other minerals of the deep seabed. That legislation will be an interim measure that supports our existing rights to exploit the resources of the oceans, fosters the continuing development of environmentally sound technologies for extraction of ocean mineral resources, and provides a stable investment climate for our young ocean industries.

In making this pledge, I remind my colleagues that the United States already imports portions of our domestic requirement of these commodities and will import increasing amounts from the same nations who would prevent our access to them in the seabed. Furthermore, we would be gravely mistaken if we did not take steps to promote and encourage the efforts of American companies to solve the immense obstacles to the mining of nodules lying under 15,000 feet of water. American miners are right now conquering new frontiers in technology that will make available to this country and to the world vast new sources of the Earth's minerals. It is incumbent on us to show the world not only that the United States will not surrender its rightful place in the world marketplace, but that our unique technical capabilities can be utilized for the greater benefit of all nations. We cannot do that when we submit ourselves to irresponsible attack. But we can show the way to a reasonable, workable system for ocean resource development. The legislation that I will introduce in the next few weeks will do just that. And I have scheduled hearings on this and other legislation during the week of July 29, 1975.

H.R. 49—ELK HILLS BILL WILL BE CONSIDERED JULY 8

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. MELCHER) is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, since reporting H.R. 49 from the Interior Committee there have been sequential hearings and numerous constructive suggestions made to improve the bill. On May 7 the committee met and adopted a revision of the bill to be offered as a substitute when considered on the floor.

Since then there have been other constructive amendments prepared and I have submitted in today's RECORD four of those.

To acquaint the Members on these amendments as they would fit into the bill I am submitting the text with the amendments included. These amendments, like the revised bill, have been thoroughly discussed with supporters who are interested in having our version of the bill adopted rather than the Armed Services bill, H.R. 5919. We have secured the endorsement of Ralph Nader's Congress Watch, the AFL–CIO, Consumer Federation of America, the Environmental Policy Center, American Gas Association, and the Independent Refiners Association of California.

If all of those four amendments were accepted, H.R. 49 would read as follows:

AMENDMENT TO H.R. 49 BY MR. MELCHER

In lieu of the amendment of the Committee on Interior and Insular Affairs, substitute the following amendment:

That in order to develop petroleum reserves of the United States which need to be regulated in a manner to meet the total energy needs of the Nation, including but not limited to national defense, the Secretary of the Interior, with the approval of the President, is authorized to establish national petroleum reserves on any reserved or unreserved public lands of the United States (except lands in the National Park System, the National Wildlife Refuge System, the Wild and Scenic Rivers System, the National Wilderness Preservation System, areas now under review for inclusion in the Wilderness System in accordance with provisions of the Wilderness Act of 1964, and lands in Alaska other than those in Naval Petroleum Reserve Numbered 4).

SEC. 2. No national petroleum reserve that includes all or part of an existing naval petroleum reserve shall be established without prior consultation with the Secretary of Defense, and when so established, the portion of such naval reserve included shall be deemed to be excluded from the naval petroleum reserve.

Upon the inclusion in a national petroleum reserve of any land which is in a naval petroleum reserve on the date of enactment of this Act, any equipment, facilities, or other property of the Department of the Navy used in operations on the land so included and any records, maps, exhibits, or other informational data held by the Secretary of the Navy in connection with the land so included shall be transferred from the Secretary of the Navy to the Secretary of the Interior who shall thereafter be authorized to use them to carry out the purposes of this Act.

The Secretary of the Interior shall assume the responsibilities and functions of the Secretary of the Navy under any contract which now exists with respect to activities on a naval petroleum reserve to which the United States is a party.

SEC. 3. (a) The oil and gas in the national petroleum reserves in the contiguous forty-eight States established pursuant to section 2 may be developed under terms and conditions prescribed by the Secretary of the Interior and approved by the President. The Secretary of the Interior shall explore, develop or produce the oil and gas or shall use competitive bidding procedures with prior public notice of not less than thirty days of the terms and conditions for any contract, or operating agreement for development and production of oil and gas from a national petroleum reserve. If the Secretary does not explore, develop and produce oil and gas from the areas known as Naval Petroleum Reserves Numbered 1, 2, and 3 these reserves shall only be explored, developed and produced by competitive bid contracts providing for the payment by the United States of a monetary sum rather than a share of production: *Provided*, That he shall not enter into any such contract with an owner of any part of Naval Petroleum Reserve Numbered 1, and he shall not authorize any production within Naval Petroleum Reserve Numbered 1 unless he has reached an agreement with the current owner of part of the Reserve to continue operations under a unit plan contract which protects the public interest. Such terms and conditions and also plans for the development of each area of the national petroleum reserves shall be published in the Federal Register, but shall not become effective until ninety days after final notice has been published and submitted to the Congress (not counting days on which either the House of Representatives or the Senate is not in session for 3 consecutive days or more) and then only if neither the House of Representatives nor the Senate adopts a resolution of disapproval. Each proposed plan of development and each amendment thereof shall explain in detail the method of development and production proposed and shall provide for disposal and transportation of the oil consistent with the public interest. Each proposed plan of development shall provide that the terms of every sale or exchange of oil and gas from a national petroleum reserve shall be so structured as to give a full and equal opportunity for the acquisition of, or exchange for, the oil and gas by all interested companies, including major and independent oil producers and refiners alike and shall be so structured as to include blocks small enough to permit small companies to offer viable bids on the oil tendered. Each proposed plan of development shall also explain the relative need for developing the oil and gas resources in order to meet the total energy needs of the Nation, compared with the need for prohibiting such development in order to further some other public interest.

All geological and geophysical information collected and developed pursuant to the development and implementation of the plan shall be made available when the plan is submitted to Congress. Any additional information collected pursuant to the powers granted under this Act, whether in interpreted or raw data form, shall be made available to the public within a period of thirty days after its collection or interpretation.

(b)(1) At each stage in the formulation and promulgation of any terms and conditions, plans of development or amendment thereto, and rules and regulations, and at each stage in the entering and making of contracts and operating arrangements, under this Act, the Secretary of the Interior shall consult with and give due consideration to the views and advice of the Attorney General of the United States.

(2) All plans submitted to the Congress by the Secretary of the Interior under this Act shall contain a report by the Attorney General of the United States on the anticipated effects upon competition of such plans.

(3) No contract or operating arrangement may be made or issued under this Act until at least 30 days after the Secretary of the Interior notifies the Attorney General of the proposed contract or operating arrangement. Such notification shall contain such information as the Attorney General may require in order to advise the Secretary of the Interior as to whether such contract or operating arrangement would create or maintain a situation inconsistent with the antitrust laws. If the Attorney General advises the Secretary of the Interior that a contract or operating arrangement would create or maintain such a situation, the Secretary of the Interior may not make or issue that contract or operating arrangement unless he thereafter conducts a public hearing on the record in accordance with the Administrative Procedure Act and finds therein that such contract or operating arrangement is necessary to effectuate the purposes of this Act, that it is consistent with the public interest, and that there are no reasonable alternatives consistent with this Act, the antitrust laws, and the public interest.

(4) Nothing in this Act shall be deemed to convey to any person, association, corporation, joint venture, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

(5) As used in this section, the term "antitrust laws" means—

(A) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(B) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1959 (15 U..C. 12 et seq.), as amended;

(C) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(D) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes". approved October 15, 1959 (15 U.S.C. 8 and 9), as amended; or

(E) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c) Any oil or gas produced from such petroleum reserves, except such oil or gas which is either exchanged in similar quantities for convenience or increased efficiency of transportation with persons or the government of an adjacent foreign state, or which is temporarily exported for convenience or increased efficiency of transportation across parts of an adjacent foreign state and reenters the United States, shall be subject to all of the limitations and licensing requirements of the Export Administration Act of 1969 (Act of December 30, 1969; 83 Stat. 841) and, in addition, before any oil or gas subject to this section may be exported under the limitations and licensing requirement and penalty and enforcement provisions of the Export Administration Act of 1969, the President must make and publish an express finding that such exports will not diminish the total quality or quantity of oil and gas available to the United States and are in the national interest and are in accord with the Export Administration Act of 1969.

(d) Pursuant to any program hereafter authorized by the Congress, the President may, in his discretion, direct that not more than 25 per centum of the oil produced from such national petroleum reserves shall be placed in strategic storage facilities or exchanged for oil and gas products of equal value which shall be placed in such strategic storage facilities.

(e) The Secretary of the Interior is authorized to enter into contracts for the sale or exchange of oil and gas which is produced from the national petroleum reserves and which is owned by the United States. Such contracts shall be issued by competitive bidding, shall be for periods of not more than one year, and shall be in amounts which will permit the attainment of the objectives for disposal and transportation set forth in subparagraph (a) of this section. Each bid offering shall be structured to include blocks small enough to pemit small refiners to offer viable bids on the oil tendered. The United States shall not enter into any contract for the sale of oil and gas produced from the area known as Naval Petroleum Reserve Numbered 1 which shall result in any person, association, or corporation obtaining directly or indirectly, control over more than 20 percent of the oil produced from that Reserve during any single year. All proceeds from any such contract for the sale of oil and gas produced from areas designated as Naval Petroleum Reserves if they are included in National Petroleum Reserves shall be deposited in the Treasury of the United States.

(f) The Secretary of the Interior with the approval of the President, is hereby authorized and directed to explore for oil and gas on the area designated as Naval Petroleum Reserve Numbered 4 if it is included in a National Petroleum Reserve and he shall report annually to Congress on his plan for exploration of such reserve: *Provided*, That no development leading to production shall be undertaken unless authorized by Congress. He is authorized and directed to undertake a study of the feasibility of delivery systems with respect to oil and gas which may be produced from such reserve. *Provided, further*, That the Secretary of the Interior shall, through a Task Force including representatives of the State of Alaska, the Arctic Slope Regional Corporation, the U.S. Fish & Wildlife Service and the Office of National Petroleum Reserves established by this Act, functioning cooperatively, study and review the values and best uses of the public domain lands contained in Naval Petroleum Reserve Numbered Four as subsistence lands for natives, scenic, historical, recreational, fish and wildlife, wilderness or for other purposes, and, within three years, submit to Congress his recommendations for such designation of areas of those lands as may be appropriate and, *Provided further*, That oil and gas exploration within the Utukok River and Teheshepuk Lake areas and others containing significant subsistence, recreational, fish and wildlife, historical or scenic values, shall be conducted in a manner so as to preserve such surface values.

(g) Any pipeline which carries oil or gas produced from the national petroleum reserves shall be operated and maintained as a common carrier and shall accept, convey, and transport without discrimination and at reasonable rates oil and gas produced from national petroleum reserves. The Secretary of the Interior shall provide in every contract for the sale or exchange of oil or gas produced from such reserves that the contracting party, if owner or operator of a controlling interest in any pipeline or any company operating the pipeline which carries oil or gas produced from the national petroleum reserves, shall at reasonable rates and without discrimination accept and convey the oil and gas which is produced from the reserves of the Government or of any citizen or company not the owner of any pipeline subject to the provisions of this section. The Secretary of the Interior shall have the power to make rules and regulations for the purpose of carrying out the provisions of this section and shall have the authority to declare forfeit any contract, operating agreement, right-of-way, permit or easement held by any person or entity violating such rules or regulations. This section shall not apply to any natural gas common carrier pipeline operated by any person subject to regulation under the Natural Gas Act or any public utility subject to regulation by a State or municipal regulatory agency having jurisdiction to regulate the rates and charges for the sale of natural gas to consumers within the State or municipality.

(h) With respect to pipelines and related input and terminal facilities in the vicinity of any national petroleum reserve the Secretary of the Interior is authorized to obtain by purchase, including condemnation, such property interests as he may determine to be necessary to effectuate the transportation by purchasers of oil and gas from any national petroleum reserve to refinery points or points of interconnection with common carrier pipelines. The Secretary is further authorized to construct such pipelines and related input and terminal facilities as he determines to be necessary in order to effectuate disposals of oil and gas from national petroleum reserves in accordance with the objectives set forth in subparagraph (a) above.

SEC. 4 (a). There is hereby established in the Department of the Interior an Office of National Petroleum Reserves which shall have as its head a Director who shall be appointed by the President, by and with the advice and consent of the Senate. In carrying out the provisions of this Act, the Secretary shall delegate all functions and duties authorized by this Act to the Director. In addition to the Director, there shall be such other employees, as may be necessary, who shall be appointed by the Secretary subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter 3 of chapter 53 of such title relating to classification and general schedule pay rates.

(b) No person appointed to the Office of National Petroleum Reserves shall, during his term in office, be engaged in any business, nor have any financial interest in any business entity, which is engaged in the exploration, development, production, transportation or sale of oil or gas. Before accepting employment with the Office of National Petroleum Reserves, each employee must agree, for a period of two years after termination of employment, not to accept employment with, or receive any benefit, financial or otherwise, from any business entity which is engaged in the exploration, development, production, transportation or sale of oil or gas.

THE NEED TO IMPROVE THE EFFICIENCY OF OUR RESERVE TRAINING PROGRAMS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. DOWNEY) is recognized for 10 minutes.

Mr. DOWNEY of New York. Mr. Speaker, Congressman CHARLES VANIK and I would like to call the attention of our colleagues to a study of our military reserve training programs released today by the General Accounting Office. The GAO study, begun 2 years ago at the request of Congressman VANIK, reveals that inefficiencies in our Reserve training programs in 1974 alone consumed about $1.2 billion of our taxpayers' money and wasted approximately 15 million employee-days of our reservists' training time. This means that problems in our Reserve training program consumed about 43 percent of the total funding annually authorized by the Congress for official training of reservists and wasted approximately 46 percent of the total time spent training the nearly 900,000 American reservists during that fiscal year.

Furthermore, the GAO study finds that reservists spent nearly 6.5 million employee-days—nearly 20 percent of the total time devoted to training American reservists—doing absolutely nothing, at a cost to the taxpayers of nearly a half billion dollars. Not surprisingly, the study also found that idleness is also a major cause of dissatisfaction within the Reserve ranks.

This GAO report is one of the most thorough and extensive attitudinal studies ever conducted, and has been praised by the Department of Defense. Deputy Assistant Secretary of Defense Will Hill Tankersley, in his testimony before the House Committee on Armed Service, stated, as follows:

> We believe this report to be one of GAO's best analytical efforts and we expect it to be of considerable value to us in our quest to upgrade our training effort.

Congressman VANIK and I would like to introduce into the RECORD a copy of our joint statement on the need to improve efficiency in Reserve training programs. Because of the length of the GAO report, the text of the report cannot be included in our statement here today. However, the report, which is numbered B–178205 and dated June 26, 1975 is available from the General Accounting Office.

The joint statement follows:

STATEMENT OF CONGRESSMAN CHARLES A. VANIK AND CONGRESSMAN THOMAS J. DOWNEY IN THE HOUSE OF REPRESENTATIVES

NEED TO IMPROVE EFFICIENCY IN RESERVE TRAINING PROGRAM

JUNE 25, 1975.

Mr. Speaker, today, the General Accounting Office released the results of a two-year study of our military reserve training programs. The major conclusion of this GAO study is clear and unassailable: in 1974 alone, inefficiences in our reserve training programs consumed about $1.2 billion of our taxpayers' money and wasted approximately 15 million employee-days of our reservists' training time. These figures represented about 43 percent of the total funding annually authorized by the Congress for official training of reservists and approximately 46 percent of the total time spent training the 900,000 American reservists that fiscal year.

Furthermore, the GAO study finds that reservists spend an alarming amount of their time totally idle. In 1974, 6.5 million employee-days or nearly 20 percent of total time devoted to training American reservists was spent doing absolutely nothing—at a cost to the taxpayers of nearly half a billion dollars. Not surprisingly, the study also found that idleness is a major cause of dissatisfaction within the reserve ranks.

The purpose of the Reserves and the National Guard is to assure that our regular armed forces are provided with adequate support in the event that additional military manpower is needed in a time of national crisis. It is our deep concern that this purpose is being frustrated, that the taxpayers' money is being squandered and that our national security is being impaired when our reservists are subject to the morale-deflating effects of literally wasting half of their time.

The study, began two years ago at the request of Congressman Vanik, attributes the problem of wasted time to the policy of the military services to require that 99 per cent of reservists participate in a full-scale training program—consisting of at least 48 evening or weekend drill sessions and two weeks of active duty each year—even though many could be adequately trained in far less time. This requirement ignores the wide differences in skill difficulty and required readiness for which the various reserve units and members must be prepared.

Congress has already specifically provided that the training of units within reserve components (other than the Army and Air National Guard) may be varied so that each unit receives the appropriate kind and degree of training. (Section 2001 of Title 10, United States Code.) Further, the Secretary of Defense has promulgated a Directive instructing the services to vary the training of reserve units according to their individual requirements. (Department of Defense Directive 1215.6). But the GAO makes it clear that these mandates are being ignored by the services.

Therefore, we are today introducing legislation which will attempt to correct the most glaring shortcomings of our military reserve training programs. Our legislation would—

Require the Secretary of Defense to report to the Congress annually on the progress of previous Defense Department programs to vary the training schedules of reserve units and individual members according to the kinds and degrees of training required; and

Authorize the Secretary of Defense to vary the training schedules of units and members of Air and Army National Guards—a power now possessed only by the service secretaries.

The Defense Department has been aware of the problem of "tailoring" training for a long enough time so that any further delay in implementation cannot be accepted. If this situation is not corrected immediately, the Congress must enact stronger legislation.

GAO FINDINGS

The current practice of requiring nearly all reservists to receive the same amount of training is inefficient, unnecessary, and wasteful. The program fails to recognize that the degree of difficulty of the job for which individual members of the Reserves are trained varies widely. Some jobs are as easy as learning to drive a light truck; others, such as field communications system operation and field artillery fire control, require more skill. For some reservists, military obligation is an extension of their civilian employment—as in the case of a professional cook who is slated to serve as an Army mess sergeant. For others, especially those training for the infantry, the challenges are much greater. Our training of reservists must be tailored to recognize these distinctions.

Our current Reserve training program also fails to take into account varying units priorities. Some units are scheduled to be called up on short notice and deployed almost immediately thereafter. Others would not be deployed for six months or more in a national emergency and would have a substantial amount of time to prepare for active service. Still other units are defined as non-mobilizable and would probably never be deployed. There is no reason why all of these units should receive identical training.

The GAO sensibly proposes that Reserve units should be placed in different categories according to their priority and that training of individual members should be tailored to their assigned military tasks. This means that while many units will need to schedule the full 48 drills annually, some will only need 36, 24 or even as few as 12 drills per year.

The GAO also discovered inefficiencies resulting from the Reserve's preoccupation administrative matters. Many unit commanders devote an inordinate amount of their time to paperwork at the expense of supervision. This has further contributed to ineffective training.

GAO's estimates of the allocation of time and costs of reservist training follows:

[In Millions]

	*Costs**	*Employee-Days*
Waiting, filling-in time, doing nothing	$474.9	6.5
Jobs other than official military jobs	351.0	4.5
General military activities (physical fitness, drug abuse, equal opportunity, code of conduct, inspections, formations, etc.)	328.2	4.2
Total	1,154.1	15.2
Official military jobs	1,548.2	17.9
Total	2,702.3	33.1

*These figures represent only the direct costs—that is, salaries and allowances—of reserve training. They do not account for the hundreds of millions of dollars in indirect costs of our reserve programs which are wasted each year. These indirect costs include support, maintenance, recruiting, and related services.

CONCLUSIONS

The Report's conclusions should become the basis for prompt congressional action.

Immediate steps should be taken by the Department of Defense and the Department of Transportation which supervises the Coast Guard Reserve to implement the recommendations of the GAO. Specifically, DOD and DOT should:

1) Identify units which will be deployed at an early stage of a national emergency and ensure that they are sufficiently trained.

2) Identify units which will be deployed long after mobilization and reduce their training appropriately.

3) Reduce training for individual reservists whose military jobs do not require the maximum prescribed training program.

4) Eliminate idle time to the maximum degree. For early deployment units, such time should be used to upgrade and expand training where needed to achieve required proficiency. For units which will have sufficient post-mobilization time to upgrade proficiency, such training time should be eliminated.

In addition, DOD and DOT should take the following steps:

1) Ease the administrative workload of unit commanders.

2) Re-evaluate general military activities required by reservists and identify activities which can be eliminated or deferred until after mobilization.

3) Increase the affiliation between reserve and active units both as a means of upgrading training and as a method of situating high-priority units where they can train with essential equipment.

We have today written to Chairman Melvin Price of the House Armed Services Committee and Lucien Nedzi, Chairman of the Subcommittee on Military Personnel, requesting that immediate hearings be undertaken to look into the findings of the GAO study, and to consider our legislation as a first step to correct a situation which has gotten out of hand. It is simply unacceptable for this military training boondoggle to be perpetuated. It is our hope that the Armed Services Committee, as the appropriate authorizing Committee, will act with dispatch to clean-up this mess.

The GAO Report into the problems associated with reserve training is one of the most thorough and extensive attitudinal studies ever conducted. The GAO surveyed a random sample of reservists and received responses from 85% of the persons asked to reply. The GAO analyzed almost 2000 pretested questionnaires—nearly double the number necessary to statistically guarantee reliable finding. The GAO then sent questionnaires to the unit commanders of the reservists who responded, and received replies from 86 percent. The GAO team then validated the responses, visiting 100 bases and retesting all of the reservists and commanders who responded. The Department of Defense has been briefed on the methods used by GAO to validate its finding and have agreed that the survey was conducted in an extremely impressive manner.

The text of the legislation follows:

H.R. 8328

A bill to amend titles 10 and 32 of the United States Code with respect to reserve training and organizational requirements.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502(a)(1) of title 32, United States Code, is amended by inserting immediately after "48 times each year" the following: ", except as specifically provided in regulations to be prescribed by the Secretary concerned".

Sec. 2. Section 2001 of title 10, United States Code, is amended—

(1) by striking out "except the Army National Guard of the United States and the Air National Guard of the United States"; and

(2) by adding at the end the following new sentence: "The Secretary of Defense shall report annually to the Congress on the extent that reserve components are divided into training categories as prescribed by this section."

HEARINGS ON FARMER-TO-CONSUMER DIRECT MARKETING BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. VIGORITO) is recognized for 5 minutes.

Mr. VIGORITO. Mr. Speaker, I wish to announce the scheduling of hearings on H.R. 7488, the Farmer-to-Consumer Direct Marketing Act which I introduced with cosponsors May 22. The hearings, to be held July 23 in the House Agriculture Subcommittee on Domestic Marketing and Consumer Relations, will commence at 9:30 a.m. and 2 p.m. in 1301 Longworth Building. Public witnesses are invited to participate.

The concept of direct marketing of fresh fruits and vegetables and other food products is certainly not new. Last Sunday's New York Times carried a major article on perhaps the most direct form of farmer-to-consumer marketing that can be practiced: the "pick your own" arrangements that are available on dozens of farms within easy driving distance of New York City. Other forms of direct marketing that operate across the United States include roadside stands, city markets, and house-to-house deliveries by farmers.

In the State of Pennsylvania, a recent survey indicated that in-town or close-to-town market outlets where farmers sell directly to consumers operate at some 75 locations across the State. Fifteen of these locations are "curb markets" which operate on public streets or parking lots. The remainder, about 60 markets, have permanent buildings and operate on a year-round basis under public, private, or cooperative ownership.

Among the food products most amenable to direct marketing are unprocessed fruits and vegetables, and the large spread between prices that farmers receive for fresh produce and the prices paid by consumers in retail stores affords amply opportunity for direct marketing to benefit both farmers and consumers. For instance, in May 1975 farmers received 34 cents out of each dollar paid by consumers for all fresh vegetables, and 33 cents of every dollar for all fresh fruits; "middlemen" in the marketing chain between farmers and consumers received the other 66 cents and 67 cents for vegetables and fruits, respectively.

For selected individual fruits and vegetables, the following was the farmer's share of the consumer food dollar in May 1975: potatoes, 34 cents; tomatoes, 36 cents; lettuce, 24 cents; apples, 34 cents; and peaches, 29 cents. The remainder of the consumer dollar in each case went to others in the marketing process.

Mr. Speaker, I welcome and invite the participation of our colleagues in connection with these public hearings July 23, and in subsequent action on H.R. 7488.

MAJORITY LEADER THOMAS P. O'NEILL, JR., CALLS UPON PRESIDENT TO EXPLAIN HIS RESPONSES ON NUCLEAR WEAPONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, I hereby call on President Ford to explain his inadequate responses to questions on nuclear weapons at his press conference yesterday.

His unwillingness to rule out the use of nuclear weapons in Korea must have surprised and disturbed many millions of Americans, as it did me. The President departed from long-standing United States policy when he failed to repeat our renunciation of the first use of nuclear weapons. During the press conference, he referred to the use of nuclear weapons as "an option."

These responses apparently represent a distinct and very disturbing shift in U.S. pronouncements on nuclear weapons. If the President is contemplating any major shift in U.S. nuclear policy, he has not consulted with Congress at all with regard to any of it.

A change of this magnitude could have major consequences for our Nation and the world. I expect full consultation by the President with the Congress and full justification for any such move. Anything less than that would mean that the President is taking an unwarranted amount of nuclear power into his own hands.

I call upon the President to explain the position he took yesterday. We must reassure all Americans and the entire world that there is no change in our commitment to world peace.

EQUITY FOR SENIOR CITIZENS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. MAGUIRE) is recognized for 10 minutes.

Mr. MAGUIRE. Mr. Speaker, today I am joined by many other members in introducing the Social Security Revision Act of 1975 to reform several unfair aspects of the Social Security Act. This bill would: First, create a special senior citizen's price index for adjusting social security payments; second, raise the prohibitive "earnings limitation" for senior citizens by almost $5,000; third, reduce the minimum age for ending the "earnings limitation" to 70; and fourth, insure that older people are not penalized for remarrying.

INFLATION'S HEAVY BURDEN ON SENIOR CITIZENS

Virtually every senior citizen knows that the Consumer Price Index—CPI—does not accurately reflect his or her cost of living. This is because the basic necessities on which senior citizens are disproportionately dependent rise faster in a period of inflation than prices generally. In March the Senate Committee on Aging held 3 days of hearings concerning the impact of inflation upon senior citizens. These hearings revealed that while prices rose by 12.2 percent last year, the rate of increases for the four greatest expenditures for older Americans—housing, food, medical care, and transportation—surpassed the rate of inflation for all other items in the CPI by 29 to 43 percent. It has been estimated that these four areas of expenditures comprise 80 percent of the average senior citizen's disposable income. It seems clear that when increases are made in social security benefits on the basis of the CPI, they would not be able to keep pace with senior citizens' actual rising costs.

My bill would both establish a separate senior citizen price index and provide that adjustments in benefits are made on a semiannual basis. The Bureau of Labor Statistics in the Department of Labor has already constructed such an index; we now need to put it to use. I consider this the least we should do to help senior citizens in their battle against inflation.

THE RIGHT TO A DECENT INCOME

At present an individual on social security is discouraged from working. This senseless provision takes away $1 of social security benefits for every $2 the recipient earns from a job above $2,520 annually. I consider it wrong that the Federal Government penalizes an individual for attempting to earn a decent income. It is my firm conviction that a senior citizen has the right to work as well as to receive minimum social security benefits. But according to current estimates the total number of citizens between ages 65 through 71 who are discouraged from working as a result of the "earnings limitation" is a minimum of 2 million workers and their dependents. About 600,000 workers in this group will have all of their family benefits for 1976 withheld because of the limitation, and an additional 800,000 will have some of their benefits withheld. The report of the 1975 Advisory Council on Social Security, the result of a comprehensive survey of the Social Security system just completed earlier this year, strongly recommended that "the rate at which benefits are withheld for earnings above the exempt amount should be liberalized." Some people have argued that the "earnings limitation" should be completely removed. The Advisory Council wrote that complete elimination of the retirement test is inadvisable, and also recommended raising it. I agree.

Mr. Speaker, I believe that my bill offers a reasonable and equitable resolution of this issue. It would raise the limitation from the present $2,520 level to $7,500. It would also provide that the earnings limitation apply only to the principal beneficiary while lowering from 72 to 70 the age above which an individual's benefits would not be affected as a result of the limitation.

THE RIGHT TO REMARRY WITHOUT PENALTY

Under present law the remarriage of a social security beneficiary may result in a reduction in that individual's benefits. Many widows and widowers on social security would like to remarry but find themselves in the absurd situation of facing a loss in benefits if they do so. This has come to national attention on the television program "All in the Family," which depicts an elderly couple who are "living in sin" because of this senseless provision in the law. I am heartened that this provision has been subjected to the ridicule that it deserves. My bill would very simply insure that the remarriage of a beneficiary would not affect his or her benefits.

Mr. Speaker, I believe that the measures I have outlined would be a step toward fulfilling our Government's responsibility to the Nation's senior citizens, a responsibility which has often been neglected. In spite of good intentions, equity too frequently has been frustrated by indefensible statutory or bureaucratic limitations of the sort this bill would correct.

I submit the full text of my bill to be printed in the RECORD at this point:

H.R. 8343

A bill to amend title II of the Social Security Act to liberalize the earnings test, to provide that cost-of-living benefit increases shall be made semiannually (and on the basis of a separate senior citizen price index), and to provide that the remarriage of a beneficiary shall not terminate or reduce his or her benefits

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

LIBERALIZATION OF EARNINGS TEST

SECTION 1. (a)(1) Section (f)(3) of section 203 of the Social Security Act is amended by striking out "$200 or the exempt amount" and inserting in lieu thereof "$625 or (if higher) the exempt amount".

(2) Subsections (f)(1), (f)(4)(B), and (h)(1)(A) of such section 203 are each amended by striking out "$200 or the exempt amount" and inserting in lieu thereof "$625 or (if higher) the exempt amount".

(b)(1)(A) The first sentence of section 203(b) of such Act is amended to read as follows: "Deductions, in such amounts and at such time or times as the Secretary shall determine, shall be made from any payment or payments under this title to which an individual is entitled, until the total of such deductions equals such individual's benefit or benefits under section 202 for any month, if for such month such individual is charged with excess earnings, under the provisions of subsection (f) of this section, equal to such benefit or benefits."

(B) Section 203(b) of such Act is further amended by striking out the third sentence.

(2)(A) Section 203(d) of such Act is repealed.

(B)(i) The second sentence of section 202 (n)(1) of such Act is amended by striking out "(b), (c), and (d)" and inserting in lieu thereof "(b) and (c)".

(ii) Section 202(q)(7)(A) of such Act is amended by striking out "203(d)(1),".

(iii) Section 202(t)(7) of such Act is amended by striking out "(b), (c), and (d)" and inserting in lieu thereof "(b) and (c)".

(iv) Section 203(a)(2)(C) of such Act is amended by striking out "(b), (c), and (d)" and inserting in lieu thereof "(b) and (c)".

(v) Clause (B) in the last sentence of section 203(b) of such Act is amended by striking out "or (d)".

(vi) Section 203(e) of such Act is amended by striking out "in subsections (c) and (d)" and inserting in lieu thereof "in subsection (c)".

(3) Section 203(f)(1) of such Act is amended—

(A) by striking out "the payments to which he and all other persons are entitled for such month under section 202 on the basis of his wages and self-employment income" in the first sentence and inserting in lieu thereof "the payment or payments to which he is entitled for such month under section 202";

(B) by striking out "the payments to which such individual and all other persons are entitled for such month under section 202 on the basis of his wages and self-employment income" in the first sentence and inserting in lieu thereof "the payment or payments to which such individual is entitled for such month under section 202"; and

(C) by striking out the second sentence.

(4) Section 203(f)(7) of such Act is repealed.

(5) Section 203(h)(3) of such Act is amended by striking out "the benefits payable on the basis of such individual's wages and self-employment income" and inserting in lieu thereof "the benefits payable to such individual".

(6) Section 203(i) of such Act is amended by striking out "and the other individual living in the same household".

(c)(1) Subsections (c)(1), (f)(1)(B), and (j) of section 203 of such Act are each amended by striking out "seventy-two" and inserting in lieu thereof "seventy".

(2) Subsection (f)(3) of such section 203 is amended by striking out "age 72" and inserting in lieu thereof "age 70".

(3) Subsection (h)(1)(A) of such section 203 is amended by striking out "the age of 72" and "age 72" and inserting in lieu thereof in each instance "age 70".

(4) The heading of subsection (j) of such section 203 is amended by striking out "Seventy-two" and inserting in lieu thereof "Seventy".

(d) The amendments made by this section shall apply only with respect to monthly insurance benefits payable under title II of the Social Security Act for months in taxable years ending after the date of the enactment of this Act (and the amendments made by subsection (a) shall so apply notwithstanding any action taken prior to the date of the enactment of this section under section 203 (f)(8) of the Social Security Act, but subject to any action taken after such date under that section).

SEMIANNUAL COST-OF-LIVING INCREASES; SENIOR CITIZENS PRICE INDEX

SEC. 2. (a) Section 215(i)(1)(A) of the Social Security Act is amended—

(1) by striking out "means (i)" and inserting in lieu thereof "means (i) the calendar quarter ending on September 30 in each year beginning with 1974, (ii)";

(2) by striking out "after 1974" and inserting in lieu thereof "beginning with 1975"; and

(3) by striking out "or (ii)" and inserting in lieu thereof "or (iii)".

(b) Section 215(a)(1) of such Act is amended—

(1) by striking out "in subparagraph (A)(i)" in subparagraph (B) and inserting in lieu thereof "in subparagraph (A)(i) or (ii)";

(2) by striking out "prepared by the Department of Labor" in subparagraph (B);

(3) by striking out "except that" and all that follows in subparagraph (B) and inserting in lieu thereof the following: "except that no base quarter shall be a cost-of-living computation quarter if in the 12-month period immediately preceding such quarter a law has been enacted providing a general benefit increase under this title or if in such 12-month period such a general benefit increase becomes effective; and"; and

(4) by adding at the end thereof (after and below subparagraph (C)) the following new sentence:

"In order to provide more realistic data for use in determining cost-of-living increases under this subsection, the Secretary of Labor, through the Bureau of Labor Statistics, is authorized and directed to prepare and transmit to the Congress, as part of or along with the Consumer Price Index published monthly by the Bureau of Labor Statistics, a consumer price index (to be known as the 'Senior Citizens Price Index') designed to reflect specifically the relevant price information and inflationary pressures for individuals, as a group, who are sixty-five years of age or older or are otherwise entitled to monthly benefits under this title; and, as used in this paragraph and paragraph (2), the term 'Consumer Price Index' for any period means the Consumer Price Index prepared by the Department of Labor and published monthly by the Bureau of Labor Statistics or, if higher (for such period), the Senior Citizens Price Index."

(c) (1) Section 215(i) (2) (A) (i) of such Act is amended by striking out "the base quarter (as defined in paragraph (i) (A) (i))" and inserting in lieu thereof "either base quarter (as defined in paragraph (1) (A) (i) or (ii))".

(2) Section 215(i) (2) (A) (ii) of such Act is amended—

(A by striking out "the base quarter" and inserting in lieu thereof "a base quarter";

(B) by striking out "the month of June of such year" and inserting in lieu thereof "the third month following the close of such quarter"; and

(C) by striking out "paragraph (1) (A) (ii)" and inserting in lieu thereof "paragraph (1) (A) (iii)".

(d) Section 215(i) (2) (B) of such Act is amended by striking out "for months after" and all that follows and inserting in lieu thereof the following: "for months after the second month following the close of such quarter, and in the case of lump-sum death payments with respect to deaths occurring after such second month."

(e) Section 215(i) (2) (C) (i) of such Act is amended by striking out "paragraph (1) (A) (ii)" and inserting in lieu thereof "paragraph (1) (A) (iii)".

(f) (1) Section 203(a) of such Act is amended by striking out "effective with the June following a cost-of-living computation quarter" and inserting in lieu thereof "on the basis of a determination that a base quarter is a cost-of-living computation quarter".

(2) Section 230(c) of such Act is amended by striking out "with the June of which" and inserting in lieu thereof "in which".

(g) (1) Section 203(f) (8) (A) of the Social Security Act is amended by striking out "effective with the month of June following a cost-of-living computation quarter" and inserting in lieu thereof "on the basis of a determination that a base quarter is a cost-of-living computation quarter".

(2) The last sentence of section 203(f) (8) (B) of such Act is amended by striking out "in such year" and inserting in lieu thereof "with respect to which the determination resulting in the increase in benefits under section 215(i) (referred to in subparagraph (A) of this paragraph) was made".

(h) (1) Except as provided in paragraph (2), the amendments made by this section shall be effective with respect to cost-of-living increases made under section 215(i) of the Social Security Act (as amended by this section) pursuant to determinations made under section 215(i) (2) (A) of such Act (as so amended) after the date of the enactment of this Act.

(2) The amendments made by subsections (b) (2) and (b) (4) shall not be effective with respect to any cost-of-living increase made under section 215(i) of the Social Security Act if such increase is made with respect to a base quarter (as defined in section 215(i) (1) (A) of such Act) which occurs prior to the first calendar quarter for each month of which there is published by the Department of Labor (in accordance with such amendments) a "Senior Citizens Price Index".

ELIMINATION OF MARRIAGE OR REMARRIAGE AS FACTOR TERMINATING OR REDUCING BENEFITS

SEC. 3. (a) (1) Section 202(b) (1) of the Social Security Act is amended—

(A) by adding "and" at the end of subparagraph (B),

(B) by striking out subparagraph (C),

(C) by striking out subparagraph (H), and

(D) by redesignating subparagraphs (D), (E), (F), (G), (I), (J), and (K) as subparagraphs (C), (D), (E), (F), (G), (H), and (I), respectively.

(2) Section 202(b) of such Act is further amended by striking out paragraph (3).

(b) (1) Section 202(d) (1) of such Act is amended—

(A) by striking out "was unmarried and (i)" in subparagraph (B) and inserting in lieu thereof "(i) was unmarried and", and

(B) by striking out "or marries" in subparagraph (D) and inserting in lieu thereof "or (unless such child has attained the age of 22 and is under a disability (as defined in section 223(d)) which began before he attained such age) the month in which such child marries".

(2) Section 202(d) of such Act is further amended by striking out paragraph (5), and by redesignating paragraphs (6) through (9) as paragraphs (5) through (8), respectively.

(c) (1) Section 202(e) (1) of such Act is amended—

(A) by striking out subparagraph (A),

(B) by striking out "paragraph (5)" in subparagraph (B) and inserting in lieu thereof "paragraph (3)",

(C) by striking out "subparagraph (B)" in subparagraph (E) and inserting in lieu thereof "subparagraph (A)",

(D) by striking out "subparagraph (B)", "paragraph (6)", and "paragraph (5)" in subparagraph (F) and inserting in lieu thereof "subparagraph (A)", "paragraph (4)", and "paragraph (3)", respectively.

(E) by striking out "remarries, dies," in the matter following subparagraph (F) and inserting in lieu thereof "dies, or", and

(F) by redesignating subparagraphs (B) through (F) as subparagraphs (A) through (E), respectively.

(2) Section 202(e) (2) (A) of such Act is amended by striking out ", paragraph (4) of this subsection,".

(3) Section 202(e) of such Act is further amended by striking out paragraphs (3) and (4), and by redesignating paragraphs (5), (6), and (7) as paragraphs (3), (4), and (5), respectively.

(4) The paragraph of section 202(e) of such Act as redesignated as paragraph (3) by paragraph (3) of this subsection is amended by striking out "(1) (B) (ii)" and inserting in lieu thereof "(1) (A) (ii)".

(5) The paragraph of section 202(e) of such Act redesignated as paragraph (4) by paragraph (3) of this subsection is amended—

(A) by striking out "paragraph (1) (F)" and inserting in lieu thereof "paragraph (1) (E)", and

(B) by striking out "paragraph (5)" and inserting in lieu thereof "paragraph (3)".

(d) (1) Section 202(f) (1) of such Act is amended—

(A) by striking out subparagraph (A),

(B) by striking out "paragraph (6)" in subparagraph (B) and inserting in lieu thereof "paragraph (4)",

(C) by striking out "subparagraph (B)" in subparagraph (F) and inserting in lieu thereof "subparagraph (A)",

(D) by striking out "subparagraph (B)", "paragraph (7)", and "paragraph (6)" in subparagraph (G) and inserting in lieu thereof "subparagraph (A)", "paragraph (5)" and "paragraph (4)", respectively,

(E) by striking out "remarries," in the matter following subparagraph (G), and

(F) by redesignating subparagraphs (B) through (G) as subparagraphs (A) through (F), respectively.

(2) Section 202(f) (2) of such Act is amended by striking out "subparagraph (D)" and inserting in lieu thereof "subparagraph (C)".

(3) Section 202(f) (3) (A) of such Act is amended by striking out ", paragraph (5) of this subsection,".

(4) Section 202(f) of such Act is further amended by striking out paragraph (4) and (5), and by redesignating paragraphs (6), (7), and (8) as paragraphs (4), (5), and (6), respectively.

(5) The paragraph of section 202(f) of such Act redesignated as paragraph (4) by paragraph (4) of this subsection is amended by striking out "(1) (B) (ii)" and inserting in lieu thereof "(1) (A) (ii)".

(6) The paragraph of section 202(f) of such Act redesignated as paragraph (5) by paragraph (4) of this subsection is amended by striking out "paragraph (1) (G)" and "paragraph (6)" and inserting in lieu thereof "paragraph (1) (F)" and "paragraph (4)", respectively.

(e) (1) Section 202(g) (1) of such Act is amended—

(A) by striking out subparagraph (A),

(B) by striking out "subparagraph (E)" in subparagraph (F) (i) and inserting in lieu thereof "subparagraph (D)",

(C) by striking out "she remarries," in the matter following subparagraph (F), and

(D) by redesignating subparagraphs (B) through (F) as subparagraphs (A) through (E), respectively.

(2) Section 202(g) of such Act is further amended by striking out paragraph (3).

(f) (1) Section 202(h) (1) of such Act is amended—

(A) by striking out subparagraph (C),

(B) by striking out "marries," in the matter following subparagraph (E), and

(C) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

(2) Section 202(h) of such Act is further amended by striking out paragraph (4).

(g) Section 202(p) (1) of such Act is amended by striking out "subparagraph (D) of subsection (f) (1)" and inserting in lieu thereof "subparagraph (C) of subsection (f) (1)".

(h) (1) Section 202(s) (2) of such Act is repealed.

(2) Section 202(s) (3) of such Act is amended by striking out "so much of subsections (b) (3), (d) (5), (e) (3), (g) (3), and (h) (4) of this section as follows the semicolon,".

(i) (1) The amendments made by this section shall apply only with respect to monthly insurance benefits payable under title II of the Social Security Act for months after the month in which this Act is enacted, and, in the case of individuals who are not entitled to benefits of the type involved under such title for the month in which this Act is enacted, only on the basis of applications filed on or after the date of the enactment of this Act.

(2) An individual whose entitlement to monthly insurance benefits under subsection (b), (d), (e), (f), (g), or (h) of section 202 of the Social Security Act terminated on account of such individual's marriage or remarriage prior to the date of the enactment of this Act may again become entitled to such benefits (provided no event which would otherwise terminate such entitlement has since occurred) beginning with the first month after the month in which this Act is enacted or, if later, with the first month (after the month in which this Act is enacted) in which he files application for such reentitlement. The reentitlement of such individual to benefits under such subsection (and the entitlement of other persons to benefits under title II of the Social Security Act to the extent related to such individual or his entitlement) shall be treated for all the purposes of title II of the Social Security Act as though such reentitlement were the individual's initial entitlement.

HOUSE RECORD BEST IN QUARTER CENTURY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. ECKHARDT) is recognized for 30 minutes.

Mr. ECKHARDT. Mr. Speaker, the Democratic study group, of which I am chairman, has made a study of the record of the House of Representatives for the first 24 weeks of the 94th Congress. Contrary to the impressions emanating from the Republican "do-nothing-but-veto" White House, the facts show that the House of Representatives continues to be the most active and productive of any Congress since World War II.

When the House recesses for the Fourth of July, it will have worked more time on the floor, more time in committee, taken more record votes, and passed more major legislation than during the first 24 weeks of any Congress in the past quarter century.

President Ford's charges that the 94th is a "do-nothing" Congress is a cynical attempt to divert public attention from an administration which has no program whatsoever and whose only accomplishment this year has been to sabotage efforts of the Democratic Congress to ease the Nation's continuing economic ills.

The DSG special report, which summarizes the legislative record of the House thus far contains the following sections: summary, status of legislation, and summary of major legislation.

DSG SPECIAL REPORT

SECTION I.—SUMMARY

The House during the first session of the 94th Congress continues to be the hardest working, most productive of any Congress in the past quarter century.

The House and Senate together have enacted into law or completed action on 47 measures, including the Tax Reduction Act, the Suspension of Food Stamp Price Increases, the Summer Youth Employment Appropriations Act, and the Securities Reform Act. Also, the Congress has attempted to meet the problems of the economic recession by passing three key measures—Emergency Jobs Appropriations, Farm Subsidies, and the Emergency Middle-Income Housing Act—however, President Ford has vetoed all three bills as well as the critical environmental measure, the Strip Mining Bill.

In addition, both Houses have passed 21 measures which are awaiting the President's signature, or are in conference or will be going to conference shortly. These measures include the Continuing Appropriations Bill which provides $2.3 BILLION in emergency jobs funds, the Emergency Compensation & Special Employment Extension Bill, the Nurse Training/Health Revenue Sharing/Health Corps Act, and the Military Procurement Authorization Bill.

The House alone has passed another 50 substantive pieces of legislation as well as numerous bills and resolutions of a procedural or housekeeping nature, including House Rules and rules accompanying legislation, committee funding and election resolutions, and commemorative resolutions. Significant legislation which has passed the House includes the Local Public Works Capital Development and Investment Act, Voting Rights Extension Act, Equal Credit Opportunity Act Amendments, Energy Conservation and Conversion Act, and six general appropriation bills (Education, Legislative Branch, Labor-HEW, Public Works, HUD-Independent Agencies, and State/Justice/Commerce).

In addition, there are more than 25 measures which have been reported by House committees and which should reach the House Floor in the first weeks after the recess, as well as other legislation in the committee hearing or markup stage.

In compiling this legislative record the House has worked more time on the Floor and in committee and taken more record votes on legislation than any Congress in the past quarter century. In fact, the House has taken over 100 more record votes so far this session than during the first 24 weeks of the 93rd Congress (in which more votes were taken than in any Congress in history). And, the number of record votes taken during the first 24 weeks of this year is greater than the number taken during the full two years of all but a half-dozen of the previous 93 Congresses.

The House has also put in more time in committee meetings and hearings than during any Congress in history. Altogether, Members have spent upwards of 6,000 hours in committee sessions thus far this year, (2032 committee meetings and hearings) an increase of 25% over the same period in 1973 (1633 meetings and hearings) and a 75% increase over 1971 (1151 meetings and hearings). Compared to 1969, this session of the House has held twice as many committee meetings and hearings.

Following is a chart comparing the activity of the House during the first 24 weeks of this Congress with past Congresses:

Year	Hours in session	Days in session	Record votes	Record votes entire year
1975	[1] 422	93	[2] 270	----------
1973	253	83	155	541
1971	318	84	112	320
1969	216	88	38	177
1967	338	91	81	245
1965	340	96	72	201
1963	258	76	39	119
1961	254	86	41	116
1959	306	87	43	87
1957	322	89	40	100
1955	302	84	42	76
1953	297	84	36	71
1951	323	88	38	109
1949	398	94	59	121
1947	428	99	48	84

[1] Actual hours in session as of close of business Tuesday, June 24, was 406. It is estimated that the House will be in session at least 16 hours before recessing on Thursday, June 26.

[2] A total of 258 record votes were taken as of the close of business Tuesday, June 24. It is estimated that at least 12 additional record votes will be taken before the House recesses on Thursday, June 26.

SECTION II—STATUS OF LEGISLATION

This section lists all significant legislation which the House has passed or which House committees have reported through the first twenty-four weeks of this session of Congress.

Measures enacted

Following is a list of significant legislation which the House and Senate have passed and has been enacted into law or on which action is completed.

P.L. 94-2.—Restoring Attorney General's Salary (S. 58).

P.L. 94-3.—Increase in the Public Debt (H.R. 2634).

P.L. 94-4.—Suspension of Food Stamp Price Increase (H.R. 1569).

P.L. 94-5.—Rail Reorganization Act (S. 281).

P.L. 94-6.—Supplemental Appropriations, FY 1975 (H.J. Res. 210).

P.L. 94-7.—Continuing Appropriations, FY 1975 (H.J. Res. 219).

P.L. 94-9.—Defense Production Act Amendments (S.J. Res. 48).

P.L. 94-10.—Maritime Authorization (S. 332).

P.L. 94-11.—Foreign Aid Appropriations, FY 1975, (H.R. 4592).

P.L. 94-12.—Tax Reduction Act of 1975 (H.R. 2166).

P.L. 94-13.—Insurance Development Act (H.R. 2783).

P.L. 94-14.—Second Budget Rescission Bill (H.R. 3260).

P.L. 94-15.—Third Budget Rescission Bill (H.R. 4075).

P.L. 94-16.—Commodity Futures Trading Commission (H.J. Res. 335).

P.L. 94-17.—Veterans Appropriations (H.J. Res. 375).

P.L. 94-18.—Nuclear Regulatory Commission (S. 994).

P.L. 94-19.—FDR Historic Site (H.R. 2808).

P.L. 94-20.—Special Food Service Program (S. 1310).

PL 94-22.—Travel Expenses Amendments (S. 172).

PL 94-23.—Indochina Migration & Refugee Assistance Act (H.R. 6755).

PL 94-24.—Vietnam & Cambodia Refugee Appropriations (H.R. 6894).

PL 94-25.—Amtrak Authorization (H.R. 4975).

PL 94-26.—Guam & Virgin Island Clerk Hire (H.R. 4269).

PL 94-27.—Civil Government Pacific Trust Territories (S. 326).

PL 94-28.—Special Supplemental Food Program (H.R. 7136).

PL 94-29.—Securities Reform Act (S. 249).

PL 94-30.—Increase Federal Share of Highway Projects (H.R. 3786).

PL 94-31.—Grand Canyon National Park Enlargement (H.R. 4109).

PL 94-32.—Second Supplemental Appropriations (H.R. 5899).

PL 94-34.—Payment to Pacific Trust Territories (H.R. 5158).

PL 94-35.—Livestock Credit Act Amendments (S. 1236).

PL 94-36.—Summer Youth Employment Appropriations (H.J. Res. 492).

PL 94-37.—U.N. Peacekeeping Forces (S. 818).

PL 94-38.—Saline Water Conversion Program (H.R. 3109).

PL 94-39.—NASA Authorization (H.R. 4700).

Action has been completed on the following measures:

U.S.-Israel Atomic Energy Agreement (H. Con. Res. 114).

House Select Committee on Intelligence (H. Res. 138).

Lowering Interest Rates (H. Con. Res. 133).

Disapproval of Six Reclamation Deferrals (H. Res. 241-246).

Disapproval of Commerce Deferral (H. Res. 309).

First Concurrent Resolution on the FY 1976 Budget (H. Con. Res. 218).

Disapproval of Oceans, Atmosphere Deferral (H. Res. 309).

House Select Committee on the Outer Continental Shelf (H. Res. 412).

Measures passed House and Senate

Following is a list of significant bills which have passed both the House and the Senate and are in conference or await conference action, or await presidential action:

Maritime Authorization, FY 1976 (H.R. 3902).

Developmental Disabilities Amendments (H.R. 4005).

Standard Reference Data Act (H.R. 37).

National Science Foundation Authorization (H.R. 4723).

Environmental Impact Statements (H.R. 3130).

Pest Control (S. 441).

Review of Decontrol of Petroleum Prices (H.R. 4035).

U.S. Citizens Returned From Abroad (H.R. 6698).

Emergency Compensation and Special Employment Extension (H.R. 6900).

Nurse Training; Health Revenue; Health Corps (S. 66).

Fourth Budget Rescission Bill (H.R. 6573).

Continuing Appropriations (H. J. Res. 499).

Federal Election Commission Authorization (S. 1434).

Nuclear Regulatory Commission Authorization (S. 1716).

DOD Authorization, FY 1976 (H.R. 6674).

Coast Guard Authorization (H.R. 5217).

Variable Rate Mortgages (H.R. 6209).

Joint Committee on American Bicentennial (H. Con. Res. 44).

Veterans Disability Compensation and Survivor Benefits Act (H.R. 7767).

Nurse Training; Health Revenue Sharing; Health Corps (S. 66; H.R. 4925, H.R. 4114, H.R. 4115).

Extension of FIFRA (H.R. 6387).

Measures passed House only

The following significant bills have passed the House only thus far in this session of Congress and are pending in the Senate:

National School Lunch Act (H.R. 4222).

Local Public Works Capital Development & Investment Act (H.R. 5247).

Cargo Vessel Passengers (H.R. 5405).

National Advisory Committee on Oceans & Atmosphere (H.R. 5447).

Small Business Emergency Relief Act (H.R. 5541).

Offshore Shrimp Fisheries Act (H.R. 5709).

Marine Protection, Research, and Sanctuaries Act (H.R. 5710).

Appalachian Regional Development Act (H.R. 4073).

Older Americans Act (H.R. 3922).

Youth Camp Safety (H.R. 46).

Rehabilitation & Betterment Act (H.R. 543).

Presidential Protection Assistance Act (H.R. 1244).

Parole Reorganization Act (H.R. 5727).

Executive Protective Services (H.R. 12).

Alien Child Adoptions (H.R. 568).

Expedite Highway Projects (H.R. 3787).

Property Exchange U.S.-Egypt (H.R. 4510).

Indian Claims Commission (H.R. 3979).

U.S. Postal Service Safety Programs (H.R. 2559).

Transition Period Authorization (H.R. 6692).

Pacific Trust Territories Authorization (H.R. 7688).

Exchange of Medical Information (H.R. 3348).

Small Business Loan Program (H.R. 4888).

Employment of Foreigners on Seafreeze Atlantic (H.R. 5197).

ERDA Authorization (H.R. 3474).

Federal Exemptions for State Lotteries (H.R. 1607).

Foreign Service Buildings (H.R. 5810).

Education Appropriations (H.R. 5901).

Office of Environmental Quality (H.R. 6054).

Equal Credit Opportunity Amendments (H.R. 6516).

Legislative Branch Appropriations (H.R. 6950).

Voting Rights Extension (H.R. 6219).

Emergency Homeowners Relief Act (H.R. 5398; H.R. 4485).

Energy Conservation and Conversion Act (H.R. 6860).

Federal Rules of Criminal Procedure (H.R. 6799).

Peace Corps Act (H.R. 6334).

State Department Authorization, FY 1976 (H.R. 7500).

HUD-Independent Agencies Appropriations, FY 1976 (H.R. 8070).

Public Debt Limit Increase (H.R. 8030).

Public Works Appropriations, FY 1976 (H.R. 8122).

State/Justice/Commerce Appropriations, FY 1976 (H.R. 8069).

Labor-HEW Appropriations, FY 1976 (H.R. 8069).

Bills Suspending Duty on Imports (H.R.'s 7706, 7709, 7710, 7715, 7716, 7727, 7728, 7731).

Measures reported

House committees have reported the following significant bills and resolutions which await House action:

Emergency Health Insurance Extension Act (H.R. 5970; H. Rept. 94–171).

National Emergencies Act (H.R. 3884; H. Rept. 94–238).

Petroleum Reserves on Public Lands (H.R. 49; H. Rept. 94–81).

White House Employees (H.R. 6706; H. Rept. 94–232).

Klamath Tribe Lands (H.R. 3; H. Rept. 94–250).

Federal Employees Retirement Age (H.R. 504; H. Rept. 94–234).

DOD Employees Give Oaths (H.R. 508; H. Rept. 94–241).

U.S. Court of Claims Commissioners (H.R. 4152; H. Rept. 94–237).

Federal Employees Retirement Time Limit H.R. 4573; H. Rept. 94–252).

Railroad Safety Authorization (H.R. 5358; H. Rept. 94–240).

Railroad Rolling Stock Tax Exemption (H.R. 5559; H. Rept. 94–251).

Council on International Economic Policy (H.R. 5884; H. Rept. 94–219).

National Strategic Petroleum Reserve (H.R. 5919; H. Rept. 94–156).

Public Broadcasting Financing Act (H.R. 6461; H. Rept. 94–245).

Federal Employees Annuity Reductions (H.R. 7053; H. Rept. 94–253).

Consolidated Farm & Rural Development Act (S. 555; H. Rept. 94–211).

Health Manpower Act (H.R. 5546; H. Rept. 94–266).

EPA Research & Development Authorization (H.R. 7108; H. Rept. 94–270).

American Folklife Center (H.R. 6673; H. Rept. 94–273.

Construction of Mint Buildings (H.R. 5620; H. Rept. 94–279).

JFK Center Authorization (H.R. 6151; H. Rept. 94–280).

Arms Control and Disarmament Act (H.R. 7567; H. Rept. 94–281).

Military Construction Authorization (H.R. 5210; H. Rept. 94–293).

Intergovernmental Personnel Act (H.R. 4415; H. Rept. 94–242).

Citizenship of Gen. R. E. Lee (S.J. Res. 23; H. Rept. 94–324).

Consumer Product Safety Act (H.R. 6844; H. Rept. 94–235).

Measures defeated or vetoed

The following bills have been rejected by the House in the first twenty-four weeks of this session:

Noise Control Act (H.R. 5272).

Vietnam Humanitarian Assistance and Evacuation Conference Report (H.R. 6096).

Credit Uses Reporting Act (H.R. 6676).

Debt Limit Increase (H.R. 7545).

Increase Government Contribution to Federal Employees Life Insurance (H.R. 7222).

Following is a list of measures which have been vetoed by President Ford and the action Congress has taken on them:

Oil Import Fee (H.R. 1767): No vote to override taken.

Farm Subsidy Bill (H.R. 4296): Veto sustained.

Surface Mining and Reclamation Act (H.R. 25): Veto sustained.

Emergency Employment Appropriations (H.R. 4481): Veto sustained.

Tourist Travel Promotion (H.R. 5357): No vote to override taken.

Emergency Middle-Income Housing Act (H.R. 4485): Veto sustained.

SECTION III.—SUMMARY OF MAJOR LEGISLATION

Following is a summary of major legislation which has passed the House thus far in the 94th Congress. Each summary includes a short description of the bill, its status (Public Law; Action Completed; Passed House and Senate; Passed House) and references to the DSG Vote No. for the particular measure.

Tax Reduction Act of 1975 (H.R. 2166)—Provided $22.8 billion in tax relief through personal and corporate tax reductions including rebates on 1974 taxes and a reduced corporate tax rate. The bill also repealed the oil and gas depletion allowance for major producers and phased it down for independents. (PL 94–12; DSG Votes Nos. 16–23, 66–67)

Suspension of Food Stamps Price Increase (H.R. 1589)—Suspended the Administration-proposed increase in the price of food stamps, thus freezing food stamp prices for 1975 at their January 1, 1975, level. (PL 94–4; DSG Vote No. 4)

Rail Reorganization Act (S. 281)—Provided emergency financial relief to the Penn Central and other bankrupt railroads in the process of reorganizing into a new rail system, the Consolidated Rail Corporation. (PL 94–5; DSG Vote No. 7)

Foreign Aid Appropriations, FY 1975 (H.R. 4592)—Provided $3.67 billion in new budget authority for foreign assistance in FY 1975. (PL 94–11; DSG Vote Nos. 30, 58–59)

Securities Reform Act of 1975 (S. 249)—Ended certain regulatory requirements (including fixed commission rates), established defined goals for the SEC in developing a national system of securities transactions, redefined and strengthened the regulatory authority of the SEC, and clarified the self-regulatory responsibilities of exchanges. (PL 94–29; DSG Vote No. 109)

Indochina Migration & Refugee Assistance Act (H.R. 6755)—Provided authorization for the transportation, temporary maintenance, and resettlement of Cambodian and Vietnamese refugees. (PL 94–23; DSG Vote Nos. 148–152)

Vietnam & Cambodia Refugee Appropriations (H.R. 6894)—Provided appropriations for assistance to refugees from Indochina, including funds for relocation, resettlement, medical, and educational needs. (PL 94–24)

First Concurrent Resolution on the FY 1976 Budget (H. Con. Res. 218)—Set target levels for budget authority, outlays, revenues, deficit, and public debt in FY 1976 as guidelines for congressional spending and taxing actions. (Action Completed; DSG Vote Nos 118–123, 147)

Livestock Credit (S. 1236)—Extended the Emergency Livestock Credit Act of 1974 until the end of 1976 and increased the amount of principal and interest and loan repayment time for emergency livestock loans. (PL 94–35; DSG Vote No. 130)

Summer Youth Employment Appropriations (H.J. Res. 492)—Provided $473.35 million to fund approximately 840,000 summer jobs for youths. (PL 94–36; DSG Vote No. 201)

College Work Study Grants (H.R. 4221)—Permitted the reallocation of funds under the College Work-Study Program from those institutions which had an excess to others in the same state which were in need of additional funds. (Passed House & Senate)

Voting Rights Extension (H.R. 6219)—Extended for 10 years the special provisions of the Voting Rights Act of 1965, made permanent the temporary 1970 ban on literacy tests and other exclusionary devices, and expanded coverage of the Act to certain jurisdictions in which language minorities reside. (Passed House; DSG Vote Nos. 182–187, 189–192)

Equal Credit Opportunity Amendments (H.R. 6516)—Amended the Equal Credit Opportunity Act to add age, race, color, religion, and national origin to sex and marital status as categories under which no creditor may discriminate against an applicant for credit. (Passed House)

Small Business Emergency Relief Act (H.R. 5541)—Permitted federal agencies to terminate or adjust the terms of a fixed-price contract entered into with a small business concern between August 15, 1971, and October 31, 1974. (Passed House; DSG Vote No. 90)

Older Americans Act (H.R. 3922)—Extended for four years the Older Americans Act of 1965 and amended other legislation which provides services and programs for the elderly. (Passed House; DSG Vote No. 69)

Youth Camp Safety (H.R. 46)—Provided for the development and implementation of programs for youth camp safety through enforcement of federal standards for safe operation of the camps. (Passed House; DSG Vote Nos. 86–87)

Energy Conservation & Conversion Act (H.R. 6860)—Imposed oil import quotas, set mandatory auto gasoline mileage standards, placed a tax on the business use of petroleum, and established an energy trust fund to encourage alternative sources of energy. (Passed the House; DSG Vote Nos. 202–217, 228, 232–235)

Continuing Appropriations (H.J. Res. 499)—Provided funding for government agencies until regular appropriation bills are enacted and provided a total of $2.3 billion of emergency jobs funding which had been included in the vetoed jobs bill. (Passed House & Senate; DSG Vote No. 227)

Review of Decontrol of Petroleum Prices (H.R. 4035)—Extended the time in which either House of Congress could pass a resolution of disapproval of any administrative action which exempts petroleum products from the Emergency Petroleum Allocation Act of 1973, and extended the Act an additional four months. (Passed House & Senate; DSG Vote Nos. 194–195)

Emergency Employment Appropriations (H.R. 4481)—Would have provided $5.3 billion for public service jobs, manpower training programs, and acceleration of existing federal programs and projects to stimulate employment. (Veto Sustained; DSG Vote Nos. 29, 153, 188)

Increasing the Federal Share of Highway Projects (H.R. 3786)—Increased the federal matching share for federal-aid highways and certain public mass transportation projects. (PL 94–30)

Amtrak Improvement Act of 1975 (H.R. 4975)—Authorized funds to the National Railroad Passenger Corporation (Amtrak) including emergency supplemental funds without which Amtrak officials claimed the railroad would have to be shut down. (PL 94–25; DSG Vote Nos. 110–111)

Health Revenue Sharing & Health Services Act of 1975 (H.R. 4925; S. 66)—Revised and extended certain basic health services programs and authorized funds for FY 1976 and FY 1977, and established new programs for home health services and project grants for the treatment of hemophilia. (Passed House & Senate; DSG Vote No. 196)

National Health Service Corps Amendments of 1975 (H.R. 4114; S. 66)—Extended the authorization for the National Health Service Corps Program (NHSC) and continued the National Advisory Council on the NHSC and provided for representation from medically underserved populations on the Council. (Passed House & Senate; DSG Vote No. 135)

Nurse Training Act of 1975 (H.R. 4115; S. 66)—Extended the Public Health Service Act nurse training authorities including construction, financial distress grants, traineeships, and student loans, as well as special project grants and contracts for schools of nursing. (Passed House & Senate; DSG Vote No. 136)

NASA Authorization, FY 1976 (H.R. 4700)—Authorized funds for the National Aeronautics and Space Administration for FY 1976 and the transition quarter. (PL 94–39; DSG Vote No. 71)

National Science Foundation Authorization, FY 1976 (H.R. 4723)—Authorized funds for the National Science Foundation in FY 1976 and the transition period for scientific research and programs. (Passed House & Senate; DSG Vote Nos. 72–75)

Emergency Compensation & Special Unemployment Assistance Extension Act of 1975 (H.R. 6900)—Continued the 26 benefit weeks under the Federal Supplemental Benefits program and increased the maximum number of benefit weeks under the Special Unemployment Assistance program to 39. (Passed House & Senate; DSG Vote No. 176)

Military Procurement and R&D Authorization (H.R. 6674)—Authorized funds in FY 1976 and the transition period for new weapons and research and development on new weapons systems, set authorized end strengths for the active forces, and established ceilings for the reserves and DOD civilians. (Passed House & Senate; DSG Vote Nos. 164–171)

Local Public Works Capital Development & Investment Act (H.R. 5247)—Authorized $5 BILLION in federal grants-in-aid to states and local governments for the construction, repair, renovation, and improvement of local public facilities. (Passed House; DSG Vote No. 163)

National School Lunch Act (H.R. 4222)—Amended the National School Lunch and Child Nutrition Acts to extend and revise the special food service program for children and the school breakfast program including rolling back the price students must pay for a hot lunch to a maximum of 25c. (Passed House; DSG Vote Nos. 112–115)

Appalachian Regional Development Act (H.R. 4073)—Extended the Appalachian Regional Development Act of 1965 and increased the authorizations for highway programs and provided funds for health centers, vocational schools, sewer treatment facilities and other projects. (Passed House; DSG Vote No. 156)

Developmental Disabilities Amendments of 1975 (H.R. 4005)—Extended programs for the developmentally disabled and provided new authority and made substantive revisions in the programs (Passed House & Senate; DSG Vote No. 78)

Education Appropriations (H.R. 5901)—Provided funding for FY 1976 for education programs administered within the Education Division of HEW, and for certain private educational institutions which receive direct federal support. (Passed House)

Surface Mining & Reclamation Act (H.R. 25)—Established a federal-state program to regulate coal strip mining and reclamation, and prohibited strip mining in certain areas. (Veto Sustained; DSG Vote Nos. 32–35, 37–39, 133, 200)

Emergency Farm Price Support for 1975 Crops (H.R. 4296)—Increased the target prices and loan rates established in the 1973 Agriculture and Consumer Protection Act for the 1975 crops of wheat, feed grains, and cotton on an emergency basis for one year. (Veto Sustained; DSG Vote Nos. 42–48, 91, 144)

Emergency Middle-Income Housing Act (H.R. 4485)—Provided for subsidized mortgages for middle-income housing to spur the housing construction industry and included those provisions of H.R. 5398 dealing with payments to homeowners unable to meet their mortgage payments. (Veto Sustained; DSG Vote Nos. 56, 193)

Parole Reorganization Act of 1975 (H.R. 5727)—Restructured the U.S. Parole Board as an independent agency with specified statutory powers within the Justice Department and set new standards regarding parole. (Passed House; DSG Vote No. 175)

ERDA Authorization (H.R. 3474)—Authorized funds for the Energy Research and Development Administration for further development and conservation of energy resources. (Passed House; DSG Vote Nos. 237–239)

Emergency Homeowners Relief Act (H.R. 5398; H.R. 4485)—Provided for mortgage relief payments to homeowners who cannot meet their mortgage payments due to the economic recession. (Passed House & Senate; DSG Vote No. 79)

HUD-Independent Agencies Appropriations (H.R. 8070)—Appropriated funds for the Department of HUD and twelve independent agencies including NASA, Veterans Administration, Environmental Protection Agency, and the Consumer Product Safety Commission for FY 1976 and the transition period. (Passed House; DSG Vote Nos. 250–252)

Public Works Appropriations (H.R. 8122)—Appropriated funds in FY 1976 and the transition period for public works for water and power development, the Energy Research and Development Administration, and independent agencies including the Federal Power Commission, TVA, and the Nuclear Regulatory Commission. (Passed House; DSG Vote Nos. 254–258)

STATEMENT ON CRIMINAL JUSTICE INFORMATION SYSTEMS BILL

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, yesterday I introduced H.R. 8227, a new and comprehensive piece of legislation to regulate and control the collection and dissemination of criminal justice information throughout the country. This bill represents the culmination of years of persistent investigation by the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary to develop a reasonable and balanced solution to the issue of personal privacy within the criminal justice system. It also represents a compromise to two different approaches to this issue of privacy that have evolved in two bills now pending before my subcommittee, H.R. 61, which was drafted by the Department of Justice, and H.R. 62, which was introduced by Senator Sam Ervin last year before retiring.

I think that it can be said that this bill draws the best features from both of these pieces of legislation in an honest attempt to ameliorate the legitimate concerns articulated by both civil libertarians and the law enforcement community. There have been numerous criticisms of H.R. 61 and H.R. 62, that we have tried to eliminate within the structure of this new and far-reaching piece of legislation.

The bill drafted by the Department of Justice has been criticized for not going far enough to protect individual privacy in our complex society. This bill left many areas without regulation and, therefore, great potential for future abuse. H.R. 62, originally introduced by Senator Ervin, has also been criticized as being too complicated by trying to anticipate every possible future abuse by criminal justice agencies. This was interpreted as being too restrictive on efficient law enforcement practices. We do not want to propose or support a bill that would have the effect of tying the hands of our law enforcement personnel, especially in a time of rising crime in our country.

This legislation has a long history beginning in the 92d Congress. I have discussed this history with my colleagues in previous statements on this pressing issue, but I feel it is only appropriate at the moment to highlight again the work of the Subcommittee on Civil and Constitutional Rights over the past two Congresses.

In the 92d Congress, I introduced H.R. 13315, which dealt simply with the security and privacy of arrest records as they were disseminated by law enforcement agencies between themselves and with other organizations that have no law enforcement responsibilities. This bill was aimed at a particular abuse of this kind of information of which we had become aware through numerous statistical studies. The abuses were widespread and involved the denial of such things as employment, housing, and credit because of prior contact with the law enforcement system. At the beginning of the 93d Congress, H.R. 13315 was reintroduced as H.R. 188. It was during the lengthy hearings in consideration of H.R. 188 that my colleagues and I on the subcommittee became aware of the National Crime Information Center—NCIC. We were all impressed with the efficiency with which the FBI could disseminate and retrieve information from many local law enforcement agencies throughout the country. Through our observations of the workings of NCIC, we came to realize that the abuse through dissemination of incomplete and inaccurate information was not limited to arrest records but included the extensive body of all types of criminal justice information which the NCIC had developed, and was continuing to develop.

But most frightening to me in this rapid development of efficient computerized information systems was that the emphasis was on efficiency, to the exclusion of any privacy considerations. The NCIC Policy Board was regulated by men who represented only the law enforcement community. But in the process of efficiently exercising law enforcement prerogatives, thousands of bits of information may have been disseminated on hundreds of other individuals whose one contact with the law enforcement system now haunts them at every turn. The uncontrolled access to this wealth of information by virtually anyone who wants to tap into it is a serious threat to the principles on which this country is founded.

It was during the 93d Congress that the Department of Justice began to reassess and realize the need for far-reaching legislation in this area and introduced appropriate legislation. It was also during this period of time that Senator Ervin's position had solidified and his version of the criminal justice informaton systems bill was introduced. From that time until now, we have been trying to balance these two approaches to the delicate issue of individual privacy within the criminal justice system.

I am pleased to introduce a bill today that I feel has reached that proper balance between these two distinct and varying approaches to the issue. The need for the legislation is heightened by the advanced state of computer technology. Computers have given law enforcement personnel the ability to store in a central location millions of bits of information. This central storage has produced an obviously greater need for security of information. Along with central storage, science has developed rapid access to this information. Rapid access to information heightens the possibility of abuse to the right of privacy. Information can be obtained, read and disseminated before there has been an opportunity to evaluate the accuracy and relevancy of the information to the inquiry for which it was requested.

The new bill tries to limit the abuses created by inaccurate, incomplete, irrelevant and untimely information. At this point I would like to emphasize a few of the outstanding features of this new piece of legislation.

This new bill precisely limits the use of raw arrest record information. Over the years of investigation by my subcommittee, several legitimate uses of raw arrest record information were articulated by law enforcement personnel. This bill now restricts the use of raw arrest record information to these stated uses, such as the screening of an employment application by a criminal justice agency with respect to its own employees, the investigation of an individual when that individual has already been arrested, among others. The only access to any criminal justice information allowed to nonlaw enforcement agencies will be limited to those specifically named by statute and certain Federal agencies, such as: First, the Bureau of Alcohol, Tobacco, and Firearms, second, the U.S. Customs Service, third, the Drug Enforcement Administration of the U.S. Department of Justice, and fourth, the Immigration and Naturalization Service.

The bill also includes a detailed process by which an individual may obtain access to certain criminal justice information maintained on him. The review and challenge of information maintained by law enforcement agencies by the individual on whom it is maintained is essential for keeping the records accurate, relevant and up to date. This review removes the specter of "Big Brother" voraciously gathering information on an individual over which he has absolutely no control.

At some point in the criminal justice process, information becomes outdated and irrelevant. It has been shown through testimony that there is a need to eliminate outdated and irrelevant information. This bill provides that criminal justice information on an individual shall be promptly sealed or purged if it pertains to an arrest and no conviction of the individual has occurred during a 2-year period, and no prosecution is pending at the end of that 2-year period. It also calls for the sealing or purging of criminal justice information relating to an offense by an individual who has been free from the jurisdiction or supervision of any criminal justice agency for a period of 7 years. Sealed criminal justice information may only be accessed for the purpose of, first, review by the individual, second, in connection with an audit, third, where a conviction record has been sealed and a formal criminal charge is subsequently filed against the individual, or fourth, for the purposes of the Federal Government giving approval on a security clearance.

The accuracy and completeness of criminal justice information within computerized systems will now be guaranteed in several ways. The bill calls for a continual updating of information by all law enforcement agencies. They are also required to promptly report dispositions to the appropriate agency. Each criminal justice agency is required to maintain records on all requests for criminal justice information, the identity and authority of the requester, the nature of the information provided, and pertinent dates. The ultimate security of information will be guaranteed by the auditing process over which the new Commission on Criminal Justice Information shall have authority.

This new Commission is being established to provide a cohesive body to make and regulate policy over this complex area of computerized criminal justice information. But this Congress has no intention of creating a new and burdensome bureaucracy. This bill places a legislative life of 5 years on this new Commission and a ceiling of 50 on the number of professional personnel that can be hired. At the end of 5 years, it will be up to the Congress to decide whether the Commission shall be continued because there is need for further work in the area or whether they have established the necessary precedents to allow the control and regulation of the systems to be delegated to the Attorney General.

Until that time, the new Commission on Criminal Justice Information shall have the authority: First, to issue regulations, interpretations and procedures as it may deem necessary to effectuate the provisions of this act, second, to conduct hearings, third, to bring civil actions for declaratory judgments, cease-and-desist orders and such other injunctive relief, fourth, to make studies and gather data, and fifth, to conduct audits and investigations as may be necessary to insure enforcement of this act.

Finally, one of the most difficult areas of the bill is the treatment to be accorded investigative and intelligence information. This bill does not hamper any legitimate law enforcement investigation now or in the future. The flow of investigative and intelligence information between law enforcement agencies will continue unhampered. The only restrictions that we have placed on them is that intelligence information may be maintained by a criminal justice agency only for official criminal justice purposes, maintained in a physically secured environment and kept separate from other criminal justice information. Criminal justice intelligence information shall also be reviewed at regular intervals, but at a minimum whenever dissemination of such information is requested, it will be reviewed to determine whether grounds exist for its continued retention. Access to criminal justice intelligence information shall be restricted to those persons with a need and a right to know such information.

Criminal justice investigative information shall also be maintained in a physically secure environment and shall be kept separate from criminal justice information. It shall not be maintained beyond the expiration of the statute of limitations for the offense concerning which it was collected or the sealing or purging of the criminal justice information related to such offense, whichever occurs later. The purpose for this is that investigative information should only be used for the purpose of developing investigative leads that will terminate in the prosecution of an individual for a crime. Once that person has been prosecuted, served his time, and has left the jurisdiction of the criminal justice agency, the need for the investigative information no longer exists. If the investigation does not lead to a prosecution, then the need for maintaining that investigative information should not be any longer than the statute of limitations on such offense.

I believe that it is necessary to regulate and control to some extent dissemination of intelligence and investigative information, but I feel that this bill does nothing by way of prohibiting or hampering efficient law enforcement use of this valuable information. It should also be noted that the controls that are placed on intelligence and investigative information have been placed merely on the maintenance and dissemination of the information and do not limit what information can be collected.

This issue of privacy within the criminal justice system has always been a priority issue with the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary. We have anticipated that given the proper attention and work, we can pass meaningful legislation in this area by the end of September. The efforts of myself and my colleagues on this subcommittee are being coordinated with our counterpart in this Senate, the Subcommittee on Constitutional Rights, chaired by my friend Senator John V. Tunney from California. We hope that our mutual efforts in this area will gain a prompt and coordinated version of this bill that will facilitate its passage in Congress. The Subcommittee on Civil and Constitutional Rights will begin hearings immediately following the July 4 recess of the House of Representatives. We have scheduled our first day for July 14 in room 2141 of the Rayburn House Office Building, at 10 a.m., at which time the Department of Justice will be our witness. The second day will be July 17 in room 2237 of the Rayburn House Office Building, at 10 a.m., at which time Project SEARCH will be the witness. Both Senator Tunney and I believe that this week of hearings in this Congress will be sufficient to complete the record on this legislation because of the wealth of information that already has been accumulated and printed in the past two Congresses.

I have always had high hopes for the development of meaningful legislation on this issue of individual privacy within the criminal justice system, and I now believe, within the next 2 months, we can enact these necessary legislative parameters.

PROFESSIONAL STANDARDS REVIEW

(Mrs. SMITH of Nebraska asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. SMITH of Nebraska. Mr. Speaker, I am today joining a number of my colleagues here in the Congress in introducing legislation to repeal the section of the social security amendments which required the establishment of Professional Standards Review Organizations, to oversee the activities of the medical profession.

I do not take this action lightly, but only after a very careful study of the situation as it has developed thus far. As we get closer to the final deadline when Professional Standards Review Organizations—PSRO's—must be established where medicare and medicaid patients are treated, it becomes more obvious that this requirement is going to cause many serious problems in rural areas. I have already received numerous expressions of concern from both doctors and patients in the Third District.

From the evidence I have seen, I believe this concern is justified, and that these programs can function more effectively and efficiently without this type of forced Government supervision.

My good friend and colleague in the other body, Senator Curtis, pointed out earlier this year that the PSRO provision is 17 pages long, in fine print, and that in those 17 pages the Secretary of Health, Education, and Welfare is authorized in some 68 places to take action to make a decision or formulate regulations.

That is 68 delegations of power in 17 pages. When such power is delegated to the Secretary, of course, it is not the Secretary himself who exercises it, but the bureaucracy of the Department of Health, Education, and Welfare. And, the actual policing of the medical profession can be further delegated to "such other public, nonprofit private, or other agency or organization, which the Secretary determines, in accordance with criteris prescribed by him in regulations, to be of professional competence and otherwise suitable." This seems to me to be a long, long way from the basic concept of peer review.

I find it difficult to believe that it was ever the intent of the Congress to seek bureaucratic, governmental policing of the medical profession or to countenance creation of the kinds of problems that are being faced by our rural hospitals as a result of the PSRO program.

The PSRO regulations would set up complicated and expensive hospital admission procedure for rural patients, and would place an unfair and unrealistic burden on those smaller, rural hospitals which do not have the doctors or staff to cope with the paperwork or administative redtape involved.

Because of this I have also introduced a bill to exempt these hospitals from implementing the PSRO requirements and provisions for a period of 18 months, should repeal of the program not be possible. This measure additionally provides for a study of alternative methods of utilization review and control for small, rural hospitals.

Mr. Speaker, although the original purpose of PSRO may have been laudable, it is clear now that the damage it can cause will be greater than the accomplishment—especially in our rural areas where meeting health care needs is already such a serious problem.

I would urge my colleagues to give serious consideration to the legislation I have introduced today.

GUIDELINES FOR AN EVALUATION OF OIL PRICING POLICIES

(Mr. KRUEGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KRUEGER. Mr. Speaker, in the Congressional Record of June 20, 1975, pages 20001–20003, I outlined the question of oil pricing policy in the context of a comprehensive congressional energy program. Two days ago, the Committee on Interstate and Foreign Commerce finished consideration of the Energy Conservation and Oil Policy Act of 1975, the legislation by which the oil pricing question will be brought to the floor. The committee unfortunately revised the oil pricing section of the bill and rejected the notion that our oil policy should reflect a desire to diminish imports—in the words of the Washington Post, the committee adopted "a disastrously bad idea." My impression is that if the full committee had fully understood the implications of various oil pricing alternatives, the outcome would have been the same as in the Subcommittee on Energy and Power which had studied the question for months—that is, the full committee would have accepted the Krueger oil pricing/windfall profits tax alternative. In order to assist my colleagues in approaching this complex issue, I offer the following statistics and analysis.

RESOURCES AND RESERVES—A QUESTION OF PRICE

Ever since we have developed our oil resources, there have been predictions that we would quickly run out of oil. Pessimism was particularly striking during the 1920's; yet then prices rose and vast new discoveries were made. The only true test of resources is extensive drilling. Yet speculation by trained geologists is helpful in at least informing us of our current situation.

Last week, the U.S. Geological Survey predicted that at least 50 billion barrels of oil—twice our current proven reserve level—is ultimately recoverable. The USGS also noted the striking correlation between price and reserves. The following Wall Street Journal article of June 20, 1975, summarizes the USGS findings:

FUEL RECOVERY SEEN MUCH MORE FEASIBLE IF PRICES CLIMB

Washington.—If petroleum prices continue to climb, as much as 50% more of the undiscovered oil and natural gas in the U.S. would become economically recoverable, the U.S. Geological Survey said.

The estimate is about the only bright spot in the Interior Department agency's gloomy conclusions on how much oil and natural gas in the U.S. remains to be discovered.

The final report of the Geological Survey, released yesterday, puts "undiscovered recoverable resources" of oil at 50 billion to 127 billion barrels and estimates undiscovered supplies of natural-gas liquids at 11 billion to 22 billion barrels.

As reported last month on a preliminary basis, the combined estimate of 61 billion to 149 billion barrels is down sharply from the low end of the agency's March 1974 estimate of 200 billion to 400 billion barrels of oil and natural-gas liquids. The latest figures put undiscovered recoverable natural-gas supplies at 322 trillion to 655 trillion cubic feet, down from 1,000 trillion to 2,000 trillion cubic feet in the March 1974 report.

"If we could redo this report instantly today, our estimates of undiscovered recoverable resources would be about 50% higher," a Geological Survey spokesman said.

Just how high the price of oil and natural gas must go to make the additional 50% of undiscovered resources recoverable isn't known yet, the Geological Survey concludes. Further studies are under way.

A breakdown of the total estimates for oil and gas resources, which wasn't included in the agency's preliminary estimates released

> last month, show sharp drops in the amount of petroleum thought to be available off the coasts of the U.S.
>
> For example, estimates of undiscovered recoverable crude oil off the Pacific Coast states were reduced to two billion to five billion barrels estimated in March 1974. Natural gas estimates for the offshore Pacific area dropped to two trillion to six trillion cubic feet from the 10 trillion to 20 trillion cubic feet earlier estimated.
>
> For the Atlantic offshore region, estimates of undiscovered recoverable crude oil are two billion to four billion barrels, down from the earlier estimate of 10 billion to 20 billion barrels. Natural gas estimates are put at five trillion to 14 trillion cubic feet, a drastic drop from the 55 trillion to 100 trillion cubic feet earlier estimated.
>
> The survey's figures at the low end are resources that are judged to be discoverable and recoverable with 95% probability; at the high end of the range the probability drops to 5%.

Of course, price is not the only variable determining exploration and development activity; tax policies directly determine investment budgets. Subsequent to the elimination of the tax allowance for percentage depletion pursuant to the Tax Reduction Act, capital budgets of all major oil producing firms were trimmed by 5 to 20 percent. Those people who reasonably argued for the elimination of this tax on the basis of equal treatment for all industries should also support, on principle, the notion that oil pricing should be determined as is pricing in other industries—by market forces. A reduction of retained earnings through tax policy will have the same result of a price rollback. We cannot allow the decrease in domestic production activities resulting from the elimination of tax advantages to be exacerbated by pricing policies that yield still less new reserves.

DEALING WITH OPEC

Proponents of oil price controls often tend to assert that the presence of OPEC's cartel pricing policy obviates the rationality of market pricing. They note—quite correctly—that OPEC prices control the level of the price of uncontrolled domestic oil. They fail to pursue the analysis beyond this point.

The fact is, OPEC is only able to dictate prices as long as it retains a huge market share—now almost 40 percent. The OPEC price is the marginal cost of oil to this country and represents the value of crude petroleum.

The reason that OPEC is now able to dictate prices is that substitutes for OPEC supply—that is, domestic production—are not easily available. The decreasing availability of domestic supplies can be directly attributed to declining real oil prices during the 15-year period preceding the embargo and to the decreasing supplies of natural gas. The most obvious means of breaking the power of OPEC is to increase the supply of domestic alternatives while decreasing the demand for energy. This should be the basis of any oil pricing policy.

Any policy that clamps price ceilings on domestic oil while allowing the needed supplements to supply to be imported at higher price levels merely addresses the symptoms of the problem—high prices—and not the causes of the problem—depleting resources and insufficient domestic supplies. You cannot lower the temperature of a hot room by merely breaking the thermometer.

OPEC prices merely reflect the fundamental conditions of supply and demand in the market. OPEC in calculating fashion, is maximizing its profits. OPEC will raise prices up to the level at which demand—and domestic U.S. supply—becomes elastic; that is, the level at which a 1-percent rise in price will diminish the demand for foreign oil by more than 1 percent. Economists describe this condition as "the point at which marginal revenue equals marginal cost."

Whenever demand rises—at a given price, more is demanded—then a monopolistic profit maximizer will raise his price. We do know that American demand for oil will continue to rise simply because of economic recovery, increased money supplies, increased population, and so forth. Just within the last month, the "surpluses" in gasoline have begun to dry up. FEA figures show constantly growing appetites for energy that will grow even more as we pull out of the recession. Unless we find some means of channeling this increase in demand into new supply incentives, OPEC will continue to raise both its market share and its prices. As long as we retain a price ceiling on domestic oil and continue to average the low price of this controlled oil with the price of the OPEC oil, we will be inflating demand and subsidizing OPEC. Economists would say we would be driving up the price at which the demand for foreign oil would become elastic, marginal revenue would equal marginal cost at a higher price. A Washington Post editorial of 2 days ago underlines this need for action:

The Energy Bill

> The flaccid and evasive performance of the House of Representatives, as it whittled down the energy bill, is going to have several unfortunate consequences. The version finally passed on Thursday will be read abroad as a signal that the Ford administration has no support in Congress or throughout the country for the hard decisions on oil. But impressions abroad are less important than impressions at home. A lot of citizens will probably make the mistake of concluding that the energy crisis has now been postponed indefinitely—for lack of congressional interest, you might say.
>
> The current figures on gasoline stocks suggest that consumption is suddenly beginning to rise very quickly. The figures hint that a lot of families, having dutifully stayed close to home last year to save fuel, have decided this year to pack the kids and the dog into the station wagon and take off for Yosemite. That trend will only be strengthened by a dramatic congressional debate that seemed to say, in the end, that nothing at all needs to be done about oil and energy.
>
> But a more careful look at the House bill, and the debate, will raise a warning doubt in the mind of any prudent citizen. Prices are certainly going up, regardless of what Congress does or fails to do. The only question before the House was whether to try to impose public policy on this process or to stand back and let it ride.
>
> The bill is not quite as toothless as it has generally been advertised. It contains one powerful restriction: quotas on imports. This country, now in the trough of the recession, is currently importing a little less than six million barrels of oil a day. The bill sets a limit of imports at six million barrels a day through next year, and not much more over the succeeding years. As the country comes out of the recession, demand will go up. Importers will have to bid for import licenses, passing on this cost—which no one can forecast—to their customers. That alone will send up the price of oil. As we have noted before, it constitutes a floating tax, the level of which will be set by Americans' collective decision regarding how much oil they burn.
>
> But the irony here is that the impact of these import fees will be spread over all oil products—just like President Ford's present tariffs, to which the Democrats have vehemently objected. Last winter the Democrats correctly called the tariffs too broad and indiscriminate in their efforts and set about writing a Democratic alternative. The Democratic alternative turns out to be exactly the same as the President's tariffs in this respect. The only difference is that no one can tell how high they will go. These import quotas are a necessary and strong instrument to protect the nation from the dangers of rising dependence on foreign oil—and those dangers are real. But when the House voted to strip all of the gasoline taxes out of its bill, it was voting to spread the impact of the escalating import fees generally over home heating oil and industrial fuels as well.
>
> Why did the House behave so badly when the energy bill came to the floor? The common explanation was a lack of nerve, but, in fact, the reason is much more substantial. Energy policy is now the most divisive regional issue to afflict this country since civil rights. Even the civil rights bills became manageable for both parties in Congress as early as the middle 1950s, since both were capable of winning presidential elections without the South. But while the energy disputes are not so deeply felt as racial policy, they are much more complex geographically. New England, which imports oil, is set against the Gulf states that produce it. Under present law, in fact, all the rest of the country is currently required to subsidize the expensive foreign fuel oil on which New England is dependent. States on the two ocean coasts resist offshore drilling, but inland states want the oil. The Upper Midwest lives on the auto industry and would rather save oil anywhere but on the highway. The resort states don't care much whether big cars are penalized, but they won't do anything that might discourage long vacation trips, The list goes on and on.
>
> That is why this energy bill is not likely to be strengthened in the Senate, where the Democratic majority is already caught up in preparations for the 1976 presidential campaign. People organizing nationwide campaigns know that there is no way to take strong positions on energy conservation without losing large blocks of support in one part of the country or another.
>
> By mid-summer, the whole energy battle will probably have shifted to another question—the decontrol of oil prices. The basic control law expires at the end of August, and the President has threatened to veto any extension that does not permit gradual decontrol. But the House Commerce Committee has just voted to extend controls and roll back prices of previously uncontrolled new production—a disastrously bad idea. While this row is rolling along, the oil producing countries will meet in September to decide, once again, how much to raise world prices.
>
> If the country cannot decide how to raise fuel prices selectively, they will all rise generally. If the country cannot decide how to cut back consumption by public policy, it will be left to rising prices to cut it back—harshly and unfairly, no doubt, but effectively. That is the essential meaning of the bill that the House passed.

THE COSTS OF PRODUCING NEW OIL

One of the most central questions of the oil pricing issue deals with the evaluation of production costs. I cannot comprehensively explore this vastly difficult subject in one afternoon. Therefore, I will extend consideration of this subject over several days. The following study was prepared by Robert Nathan, an outstanding liberal, Democratic economist, and La Rue, Moore & Schafer, one of the premier petroleum consulting firms in the Nation. The following excerpts deal with an explanation of methodology, a summary table, and examples of explicit annual cost calculations for the years 1959 and 1974. The study from which the citations are taken is entitled "Calculation of New Oil Costs, U.S. Years 1959 Through 1974":

ECONOMIC CONSIDERATIONS

Many failures accompany the successful wells which define new oil fields. Each failure represents a considerable expenditure of time and monies in terms of geophysical and geological cost, lease acquisition, general and administrative cost, and all other outlays attributable to getting the prospects to the point where they are abandoned or selected for drilling.

Any viable entity engaged in prospecting for and producing crude petroleum must generate enough economically successful ventures to pay for both its failures and successes. Moreover, to justify continuing exploration activity, the producer must earn a return on investment commensurate with his risks. Should the producer do otherwise, petroleum exploratory activity would decline and firms having revenues from oil production would seek more secure investment opportunities. One tremendously complicating factor is that oil is discovered in a somewhat random fashion and a firm exploring for oil may continue in a net-loss position for several years before it can be determined that it is unable to continue or until a discovery is made which covers the previous losses.

In this study we have endeavored to set out in the most straightforward manner possible the relationship between oil found and cost attributable to the finding of that oil. The frame of reference is the entire United States during the past 16 years, exclusive of the Prudhoe Bay field in Alaska which is in a geological province for which we have very little history.

The 15 years prior to 1974 have been a period of declining petroleum exploratory activity. During this period, an increasing number of producers found that in the face of rising costs they could not find enough new oil to justify attempts to replace their reserves and, therefore, began de facto liquidation. Because of the random nature of petroleum finding, a few explorers prospered during this period, but most, and indeed the nationwide exploratory industry as we shall show later, did not.

We have quantified the effects of increasing costs and decreasing finding rates on the cost of new petroleum reserves in the United States. It serves no useful purpose to state that finding costs are so much a barrel and lifting costs have increased to a specific level unless one is so familiar with the magnitude of these numbers that they can intuitively be converted into profitability. Since few people, even those within the petroleum industry, can readily make this transition, the historical economics of oil finding have been expressed in terms of the economic cost of new oil.

The economic cost of new oil is calculated by taking into account the amount of oil discovered in any one year and the cost of finding, developing, and producing that oil, plus the minimum rate of return on the operator's investment necessary to sustain activity. When the economic cost is compared to the actual selling price of crude oil, great insight is provided into the forces that drive petroleum exploration levels. The next section, "Methodology", gives a detailed account of how economic costs of new oil are calculated.

METHODOLOGY

Activity in petroleum exploration, like most endeavors, is driven by the producer's anticipation that he might improve his position. The major considerations in exploration decisionmaking are current petroleum prices, extrapolation of past economic experience, and the current laws and regulations concerning petroleum finding and extractive processes. If prior experience seems to justify continuation of exploration, the limiting constraint then becomes the availability of risk capital which is normally generated internally since petroleum exploration ventures cannot be financed through commercial lending institutions.

In this study we have isolated historic yearly expenditures for petroleum exploration and development and the ultimate petroleum reserves added through drilling during the same year. These reserves were projected over their expected lives so that the future annual gross revenue from the sale of crude oil and its associated gas could be calculated. All costs associated with the oil production were deducted to calculate net cash flow to the producer after federal income taxes.

Laws concerning depletion allowance and investment tax credit in effect during the year of discovery were used in calculating the net cash flow since these factors were the ones influencing exploratory activity in that year. Maximum advantage of intangible drilling deductions and depletion was taken, which implicitly assumes that the producer had other income against which to deduct a large portion of intangible drilling costs.

Economic costs of new oil were calculated by the discounted cash flow rate of return method wherein oil prices were adjusted until the producer's discounted rate of return after federal income taxes was 15 percent, the minimum required, in our opinion, to maintain exploration levels. The discounted cash flow method was used in this study because it is a universally accepted decision-making investment criterion in petroleum exploration and production ventures. Individual economic projections for the years 1959 through 1974 may be found on Tables 11 through 26. The bottom line of these projections is summarized on Table 1, which also includes as footnotes the derivation of the columns appearing on the economic projections.

A conscious effort has been made to perform the calculations in such a manner that the resulting economic costs of new oil are not overstated. In general, introduction of more detailed data and refinements in the technique would result in slightly higher oil prices; however, the methods used provide a consistent basis for making meaningful year-to-year comparisons.

TABLE 1.—SUMMARY TABLE, COST OF NEW OIL, UNITED STATES, YEARS 1959 THROUGH 1974

Year	Gross oil reserves (millions of barrels) (1)	Gross gas reserves (billions of cubic feet) (2)	Gross oil and gas sales (3)	Royalty expense (4)	Ad-valorem and State taxes (5)	Operating expenses (6)	Adjusted gross income (7)	Total invested capital (8)	Intangible drilling cost (9)	Depletion allowance (10)	Depreciation (11)	Taxable income (12)	Investment tax credit (13)	Federal income taxes (14)	After tax net income (15)	Net cash flow (16)	Net cash flow discounted 15 percent (17)	Gross oil price (dollars per barrel) (18)	Gas price (dollars per thousand cubic foot) (19)
1959	3,759	4,661	$11,659	$1,457	$675	$1,870	$7,656	$3,630	$2,341	$2,345	$857	$2,113	0	$1,056	$6,600	$2,970	0	2.86	0.172
1960	2,760	3,422	10,087	1,261	589	1,486	6,751	3,150	2,042	2,067	706	1,936	0	968	5,783	2,633	0	3.39	.294
1961	2,748	3,408	9,939	1,242	562	1,512	6,623	3,120	2,048	2,034	701	1,840	0	920	5,703	2,583	0	3.34	.210
1962	2,439	3,086	10,470	1,309	586	1,611	6,964	3,312	2,134	2,161	758	1,911	$53	903	6,062	2,750	0	3.92	.23
1963	2,114	2,621	9,639	1,205	533	1,546	6,355	3,095	2,074	1,987	718	1,576	50	738	5,617	2,522	0	4.27	.23
1964	3,089	3,830	11,131	1,391	636	1,649	7,455	3,475	2,155	2,288	769	2,243	54	1,068	6,387	2,912	0	3.32	.23
1965	2,214	2,745	9,525	1,191	547	1,512	6,276	3,087	2,096	1,950	733	1,497	51	697	5,579	2,492	0	4.01	.23
1966	1,969	2,562	9,929	1,241	558	1,460	6,670	3,135	2,009	2,071	758	1,833	41	875	5,795	2,660	0	4.74	.23
1967	1,857	1,909	9,730	1,216	564	1,408	6,541	3,132	2,088	2,026	753	1,674	43	794	5,747	2,615	0	4.99	.24
1968	1,986	2,256	10,733	1,342	628	1,459	7,303	3,446	2,268	2,251	781	2,003	55	947	6,356	2,910	0	5.12	.24
1969	1,509	1,903	11,063	1,383	635	1,475	7,570	3,406	2,112	2,341	757	2,360	37	1,143	6,427	3,021	0	7.01	.25
1970	1,750	2,170	13,242	1,655	764	1,645	9,178	3,590	1,891	2,290	692	4,305	0	2,153	7,025	3,435	0	7.25	.25
1971	1,255	1,488	10,735	1,342	600	1,527	7,266	3,032	1,751	1,846	606	3,063	42	1,489	5,777	2,745	0	8.23	.27
1972	1,292	1,764	10,026	1,253	557	1,482	6,733	2,986	1,893	1,711	696	2,433	49	1,168	5,565	2,579	0	7.36	.29
1973	1,040	1,451	9,454	1,182	507	1,436	6,329	2,846	1,855	1,614	669	2,191	47	1,049	5,280	2,434	0	8.70	.27
1974	1,195	1,675	16,094	2,012	863	2,115	11,104	4,632	2,739	2,778	987	4,600	69	2,231	8,873	4,241	0	12.84	.44

Note: Figures are for total United States except Prudhoe Bay field in Alaska. All financial data expressed in constant dollars for year of initial projection. Columns may not add precisely because of computer rounding.

Explanatory notes:

Column:

(1) Oil reserves added by drilling plus expected upward revisions. API; see table 2, Col. (8).

(2) Gas reserves associated with oil.

(3) Col. (1) times Col. (18) plus col. (2) times col. (19).

(4) 12.5 percent of col. (3). Minimum royalty.

(5) Variable tax rate times (col. (3) minus col. (4)). Tax rate is approximately 6 percent. JAS.

(6) Direct operating costs includng field labor and supplies, maintenance, general, and administrative overhead. JAS; see table 5.

(7) Col. (3) minus col. (4) minus col. (5) minus col. (6).

(8) Total capital investment attributable to oil reserves added in year including leasehold costs. JAS; see table 7, line (11).

(9) Portion of total capital attributable to intangible drilling costs. JAS; see table 7, line (10).

(10) Includes cost and percentage depletion based on law at time of 1st year projected

(11) Cumulative depreciation of tangible drilling costs and leasehold equipment. JAS; see table 7, line (9).

(12) Col. (7) minus col. (9) minus col. (10) minus col. (11).

(13) Investment tax credit is variable for each year depending on law at start of year. Zero some years.

(14) Col. (12) times 50 percent minus col. (13).

(15) Col. (7) minus col. (14) or alternatively col. (12) minus col. (14) plus col. (10) plus col (9) plus col. (11).

(16) Col. (15) minus col. (8).

(17) Col. (16) discounted at 15 percent per annum compounded annually. Must total zero.

(18) Gross oil price at wellhead required for 15 percent discounted rate of return after Federal income taxes.

(19) Gross gas price for the purpose of calculating coproduct credits. Bureau of Mines yearly averages plus 50 percent.

TABLE 11.—COST OF NEW OIL RESERVES ADDED IN 1959, TOTAL UNITED STATES

[Dollars in thousands]

Time, years	Gross oil production (thousands of barrels) (1)	Gross gas production (millions of cubic feet) (2)	Gross oil and gas sales (3)	Royalty expense (4)	Ad valorem and State taxes (5)	Operating expenses (6)	Adjusted gross income (7)	Total invested capital (8)
1959	128, 886	159, 819	$399, 758	$49, 970	$23, 156	$36, 756	$289, 876	$3, 186, 000
1960	257, 772	319, 637	799, 515	99, 939	46, 312	73, 512	579, 752	0
1961	257, 772	319, 637	799, 516	99, 940	46, 312	73, 512	579, 752	0
1962	257, 772	319, 637	799, 515	99, 939	46, 312	73, 512	579, 752	0
1963	257, 772	319, 638	799, 516	99, 939	46, 312	73, 512	579, 753	0
1964	257, 772	319, 637	799, 515	99, 940	46, 312	73, 512	579, 752	444, 000
1965	257, 772	319, 637	799, 516	99, 939	46, 312	73, 512	579, 752	0
1966	254, 091	315, 073	788, 097	98, 512	45, 650	73, 512	570, 422	0
1967	229, 558	284, 652	712, 008	89, 001	41, 243	73, 512	508, 252	0
1968	204, 318	253, 354	633, 720	79, 215	36, 708	73, 512	444, 285	0
1969	181, 852	225, 497	564, 040	70, 505	32, 672	73, 512	387, 351	0
1970	161, 857	200, 703	502, 021	62, 753	29, 080	73, 512	336, 677	0
1971	144, 060	178, 634	446, 822	55, 853	25, 882	73, 512	291, 575	0
1972	128, 220	158, 993	397, 692	49, 711	23, 036	73, 512	251, 433	0
1973	114, 122	141, 511	353, 965	44, 246	20, 504	73, 512	215, 703	0
1974	101, 574	125, 951	315, 044	39, 381	18, 249	73, 512	183, 903	0
1975	90, 405	112, 103	280, 405	35, 050	16, 242	73, 512	155, 599	0
1976	80, 465	99, 776	249, 572	31, 197	14, 457	73, 512	130, 408	0
1977	71, 617	88, 806	222, 132	27, 766	12, 867	73, 512	107, 986	0
1978	63, 743	79, 041	197, 707	24, 713	11, 452	73, 512	88, 029	0
Subtotal	3, 501, 400	4, 341, 736	10, 860, 075	1, 357, 510	629, 070	1, 433, 484	7, 440, 012	3, 630, 000
Remaining 5.94 yr	257, 600	319, 424	798, 983	99, 873	46, 281	436, 494	216, 336	0
Total	3, 759, 000	4, 661, 160	11, 659, 058	1, 457, 383	675, 351	1, 869, 978	7, 656, 348	3, 630, 000

TABLE 11.—COST OF NEW OIL RESERVES ADDED IN 1959, TOTAL UNITED STATES—CONTINUED

Time, years	Intangible drilling costs Thousands of dollars (9)	Depletion allowance (10)	Depreciation (11)	Taxable income (12)	Investment tax credits (13)	Federal income taxes (14)	After tax net income (15)	Net cash flow (16)	Net cash flow disc. 15 percent (17)
1959	$2, 015, 928	$14, 812	$25, 307	—$1, 766, 170	0	—$883, 084	$1, 172, 961	—$2, 013, 038	—$1, 877, 167
1960	0	179, 648	50, 613	349, 491	0	174, 744	405, 007	405, 006	328, 408
1961	0	179, 647	50, 613	349, 491	0	174, 746	405, 006	405, 006	285, 573
1962	0	179, 648	50, 613	349, 492	0	174, 746	405, 007	405, 007	248, 324
1963	0	179, 648	50, 613	349, 491	0	174, 746	405, 006	405, 006	215, 935
1964	325, 008	96, 164	62, 414	96, 165	0	48, 082	531, 670	87, 670	40, 645
1965	0	179, 648	62, 415	337, 690	0	168, 845	410, 907	410, 907	165, 656
1966	0	177, 082	61, 523	331, 817	0	165, 909	404, 514	404, 514	141, 808
1967	0	159, 985	55, 583	292, 684	0	146, 341	361, 910	361, 910	110, 324
1968	0	142, 394	49, 472	252, 419	0	126, 210	318, 075	318, 075	84, 314
1969	0	126, 737	44, 032	216, 581	0	108, 291	279, 060	279, 060	64, 324
1970	0	112, 802	39, 191	184, 685	0	92, 342	244, 335	244, 335	48, 973
1971	0	100, 399	34, 881	156, 294	0	78, 147	213, 428	213, 428	37, 199
1972	0	89, 360	31, 046	131, 027	0	65, 514	185, 919	185, 919	28, 177
1973	0	79, 534	27, 633	108, 537	0	54, 268	161, 435	161, 435	21, 276
1974	0	70, 790	24, 594	88, 520	0	44, 260	139, 643	139, 643	16, 003
1975	0	63, 005	21, 890	70, 703	0	35, 352	120, 248	120, 248	11, 983
1976	0	55, 462	19, 483	55, 463	0	27, 731	102, 676	102, 676	8, 897
1977	0	45, 323	17, 341	45, 322	0	22, 661	85, 325	85, 325	6, 429
1978	0	36, 298	15, 434	36, 298	0	18, 149	69, 880	69, 880	4, 579
Subtotal	2, 340, 936	2, 268, 385	794, 691	2, 036, 000	0	1, 018, 000	6, 422, 012	2, 792, 013	—8, 340
Remaining 5.94 yr	0	76, 981	62, 373	76, 981	0	38, 490	177, 845	177, 845	8, 340
Total	2, 340, 936	2, 345, 366	857, 064	2, 112, 981	0	1, 056, 490	6, 599, 857	2, 969, 858	0

Gross oil price—$2.86/bbl; gross gas price—$0.194/thousand cu-ft; total reserve life—25.94 yr; leasehold investment—$432,000,000; royalty interest—12.50 percent; Federal income tax rate—50.00 percent; ad valorem and State tax rate—6.62 percent.

TABLE 26.—COST OF NEW OIL RESERVES ADDED IN 1974, TOTAL UNITED STATES

[Dollars amounts in thousands]

Time, years	Gross oil production (thousands of barrels) (1)	Gross gas production (millions of cubic-feet) (2)	Gross oil and gas sales (3)	Royalty expense (4)	Ad valorem and State taxes (5)	Operating expenses (6)	Adjusted gross income (7)	Total invested capital (8)
1974	40, 962	57, 429	$551, 667	$68, 958	$29, 590	$39, 042	$414, 076	$4, 491, 000
1975	81, 924	114, 857	1, 103, 334	137, 917	59, 180	78, 084	828, 153	0
1976	81, 924	114, 858	1, 103, 333	137, 917	59, 180	78, 084	828, 153	0
1977	81, 924	114, 857	1, 103, 334	137, 917	59, 180	78, 084	828, 153	0
1978	81, 924	114, 858	1, 103, 334	137, 916	59, 180	78, 084	828, 153	0
1979	81, 924	114, 857	1, 103, 333	137, 917	59, 180	78, 084	828, 153	141, 000
1980	81, 924	114, 857	1, 103, 334	137, 917	59, 180	78, 084	828, 153	0
1981	80, 720	113, 169	1, 087, 115	135, 889	58, 311	78, 084	814, 831	0
1982	72, 706	101, 935	979, 191	122, 399	52, 521	78, 084	726, 187	0
1983	64, 487	90, 410	868, 495	108, 562	46, 584	78, 084	635, 266	0
1984	57, 197	80, 190	770, 314	96, 289	41, 318	78, 084	554, 623	0
1985	50, 731	71, 125	683, 232	85, 404	36, 646	78, 084	483, 097	0
1986	44, 995	63, 084	605, 994	75, 749	32, 504	78, 084	419, 656	0
1987	39, 910	55, 953	537, 487	67, 186	28, 830	78, 084	363, 388	0
1988	35, 397	49, 627	476, 725	59, 591	25, 570	78, 084	313, 481	0
1989	31, 396	44, 017	422, 833	52, 854	22, 680	78, 084	269, 215	0
1990	27, 847	39, 041	375, 032	46, 879	20, 116	78, 084	229, 953	0
1991	24, 698	34, 628	332, 636	41, 579	17, 841	78, 084	195, 131	0
1992	21, 907	30, 712	295, 032	36, 879	15, 825	78, 084	164, 244	0
1993	19, 430	27, 241	261, 679	32, 710	14, 306	78, 084	136, 849	0
Subtotal	1, 103, 927	1, 547, 705	14, 867, 433	1, 858, 429	797, 452	1, 522, 638	10, 688, 914	4, 632, 000
Remaining 7.58 yr	91, 073	127, 685	1, 226, 555	153, 320	65, 789	592, 222	415, 224	0
Total	1, 195, 000	1, 675, 390	16, 093, 988	2, 011, 749	863, 241	2, 114, 860	11, 104, 138	4, 632, 000

TABLE 26.—COST OF NEW OIL RESERVES ADDED IN 1974, TOTAL UNITED STATES—Continued

Time, years	Intangible drilling costs (9)	Depletion allowances (10)	Depreciation (11)	Taxable income (12)	Investment tax credits (13)	Federal income taxes (14)	After tax net income (15)	Net cash flow (16)	Net cash flow discounted 15 percent (17)
1974	$2, 634, 975	$31, 056	$32, 565	—$2, 284, 518	$25	—$1, 142, 284	$1, 556, 361	—$2, 934, 638	—$2, 736, 564
1975	0	199, 372	65, 129	563, 650	66, 477	215, 348	612, 804	612, 803	496, 906
1976	0	199, 372	65, 130	563, 652	0	281, 826	546, 327	546, 327	385, 219
1977	0	199, 372	65, 130	563, 651	0	281, 826	546, 328	546, 328	334, 974
1978	0	199, 372	65, 129	563, 651	0	281, 825	546, 327	546, 327	291, 281
1979	103, 635	199, 372	68, 834	456, 312	2, 615	225, 541	602, 613	461, 613	214, 013
1980	0	199, 372	68, 834	559, 947	0	279, 973	548, 179	548, 179	220, 997
1981	0	196, 442	67, 822	550, 568	0	275, 284	539, 457	539, 547	189, 146
1982	0	176, 939	61, 089	488, 158	0	244, 079	482, 108	482, 108	146, 964
1983	0	156, 937	54, 183	424, 145	0	212, 073	423, 193	423, 193	112, 178
1984	0	139, 196	48, 058	376, 370	0	183, 685	370, 938	370, 938	85, 502
1985	0	123, 460	42, 625	317, 012	0	158, 506	324, 591	324, 591	65, 059
1966	0	109, 503	37, 806	272, 348	0	136, 173	283, 483	283, 483	49, 409
1987	0	97, 123	33, 533	232, 731	0	116, 366	247, 022	247, 022	37, 438
1988	0	86, 145	29, 741	197, 595	0	98, 798	214, 683	214, 683	28, 293
1989	0	76, 405	26, 380	166, 430	0	83, 215	186, 000	186, 000	21, 316
1990	0	67, 769	23, 397	138, 788	0	69, 394	160, 559	160, 559	16, 000
1991	0	60, 107	20, 752	114, 271	0	57, 135	137, 995	137, 995	11, 958
1992	0	53, 312	18, 406	92, 526	0	46, 263	117, 982	117, 982	8, 890
1993	0	47, 285	16, 326	73, 238	0	36, 619	100, 230	100, 230	6, 567
Subtotal	2, 738, 610	2, 617, 911	910, 869	4, 421, 525	69, 118	2, 141, 645	8, 547, 269	3, 915, 270	—14, 454
Remaining 7.58 yrs	0	160, 375	76, 521	178, 328	0	89, 164	326, 060	326, 060	14, 454
Total	2, 738, 610	2, 778, 286	987, 390	4, 599, 853	69, 118	2, 230, 809	8, 873, 329	4, 241, 330	0

Note: Gross oil price—$12.84 per barrel; gross gas price—$0.449 per thousand cubic feet; total reserve life—27.58 years, leasehold investment (thousand—$906,000; Royalty interest—12.50 percent; Federal income tax rate—50 percent; ad valorem and State tax rate—6.13 percent.

OBJECTION TO UNANIMOUS-CONSENT REQUEST FOR S. 1549

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, yesterday, I objected to the unanimous-consent request to consider S. 1549. I would like to explain my objection.

Although the chairman of the Subcommittee on Criminal Justice, Representative HUNGATE, has shown distinguished leadership and guidance in connection with the enactment of the Federal Rules of Evidence, I reluctantly objected to his bringing S. 1549 to the floor under unanimous consent. I made this objection for procedural and substantive reasons.

First, the bill has been taken up with unusual haste so that it can be enacted by July 1 when the Federal Rules of Evidence go into effect. In my judgment, the urgency is not apparent, and, in fact, passing this bill at this time may confuse members of the bar. The Rules of Evidence were signed into law last January. Pamphlets and booklets have been widely circulated with respect to all the rules which will go into effect on July 1. No one has had any notice that this bill would go into effect and thus if it is enacted now, I am afraid it will take members of the bar by surprise.

Second, I have substantive objections to the bill. As a member of the House Judiciary Subcommittee on Criminal Justice, I believe that this bill will create serious problems. It would allow unsworn, out-of-court identification testimony to be used as substantive evidence against the defendant. This means that where the defendant has been previously identified by a witness and the witness retracts that identification, the prior identification may be used to convict the defendant.

In addition, it would permit a third party to testify to the witness' out-of-court identification. Thus a policeman could testify that a witness had identified the defendant at a lineup—adding the special weight of his office to this testimony—even though the witness no longer believes the defendant committed the particular crime.

Eyewitness testimony is notoriously unreliable. For that reason, the greatest care must be taken in permitting its use. This bill circumvents the traditional protection against such testimony provided by the hearsay rule. Therefore, it should have been more carefully considered than it was.

The subcommittee held no hearings on this bill. In the 93d Congress, Senator Ervin objected to it vigorously. I think a matter of such seriousness ought to be the subject of careful hearings and ought to be considered under the regular procedures. For these reasons, I reluctantly objected to its consideration.

TEMPORARY DEBT CEILING

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, I wish to express my support of the increase in the temporary debt ceiling. Over the years as Congress has voted on these increases at regular intervals I have seen various groups and individuals attempt to interpret the votes as a standard of one's fiscal integrity. Those who vote to increase the limit are spendthrift "budget busters" while those who vote against the increase are sound managers of the Nation's economic policy. This is a most unfortunate attitude because it has contributed to a real lack of information and misunderstanding about the national debt, a misunderstanding which we sometimes perpetuate ourselves in the debate or in statements to constituents back home.

In fact, the debt level must be regarded as an effect, not a cause, of our economic problems. The size of the debt is a direct result of the size of our annual budget deficits, and those in turn are a direct result of the size of the various spending programs the Congress and the President have approved. Having authorized those programs and having appropriated money for them, we cannot now seek to undo what we have created simply by refusing to allow the money to be spent. If the programs are bad, we should repeal them. If they are too expensive, we should cut their appropriations.

Both of those steps, however, imply some effort on the part of the Congress to carefully examine previously approved programs and make some judgment of them on their own merits. A vote to cut the debt limit does not provide for that examination; it leaves no room for any judgment of particular programs.

I recognize that it is a popular vote, and in many respects an easy one to cast, but I do not believe it is a rational vote or one which is consistent with sound legislative practice because it simply does not get to the root of the problem.

In recognition of our budget problems, we have embarked on a new budget procedure designed to help us to view previously unrelated appropriations as part of a unified budgetary picture, thereby bringing greater order and consistency to our consideration of the budget. A few months ago, as a part of this new structure, the Congress voted to authorize a budget deficit for fiscal 1976 of some $70 billion. That decision was made after extended debate and discussion, with the full knowledge that such a deficit would result in an increase in the debt level. Having made that decision, we should not seek to retract it, through the backdoor, as it were, by refusing to increase the debt limit.

As was said on the floor several days ago when the previous debt limit bill was debated, it is time that we took the politics out of this vote, and it is time that we stopped trying to use the debt limit vote as an instrument of economic policy. The cause of the problem is in the state of the economy and the programs Congress has enacted to improve that state. Refusing to increase the debt limit is not going to get at those problems. I support this bill to increase the debt limit, and I am pleased to vote its passage.

"HOT BLOOD"

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, in a speech of mine delivered before the House Subcommittee on Crime, I urged a ban on all small, concealable handguns. America desperately needs strong legislation controlling the sale and use of handguns if it hopes to curtail the rising number of homicides that occur every day.

The Eisenhower Commission of 1968 reported that from 1959 to 1968 10.2 million handguns were added to the civilian population of the United States. By the same token, the United States has more gun deaths than any other country in the world, according to a report by the National Coalition to Ban Handguns.

An editorial broadcast over WMAL–Radio on Tuesday, April 15, would support the thesis that gun control legislation is urgently needed:

> Mental instability can be frightening—combined with a handgun, it can be deadly.
>
> It may never be known why Michael Pearch went on his deadly rampage Sunday night. But it is a fact two people are dead and five others injured because of it.
>
> It is also a fact Michael Pearch committed his crimes with a handgun.
>
> True, he could have executed his crimes with a rifle or a shotgun—he owned both of these. But he also owned a handgun—a gun just as deadly but much easier to conceal.
>
> Murder by handgun makes no distinction between city and suburb, Sunday night's atrocity happened in the suburbs—at a shopping center, but it could have been anywhere.
>
> Abraham Lincoln once said, "Murder will be done so long as men carry pistols in their pockets and hot blood in their veins." Until we can figure out how to change man's inherent weaknesses—we must try to protect him from them.
>
> National legislation to ban all handguns is needed—and nothing short of that will do.

INTRODUCTION OF FRANCHISING PRACTICES REFORM ACT

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, I have today introduced the Franchising Practices Reform Act. This bill is intended to correct inequities in certain franchise practices, to provide franchisors and franchisees with evenhanded protection from unfair practices and to provide consumers with the benefits which accrue from competition and a free market economy.

I am pleased that a number of Members who have expressed an interest in franchise reform in the past took the time to suggest improvements in a draft that I circulated during May and have now joined with me as original cosponsors of this legislation. These Members include Mr. Preyer, Mr. Moss, Mr. Adams, Mr. Metcalfe, Mr. Rooney, Mr. Roncalio, Mr. Carney, Mr. Jacobs, Mr. Fraser, and Mr. Moffett. I hope other Members will also cosponsor the bill.

The bill, in brief, requires that franchisors provide at least 90 days notice prior to cancellation or the failure to renew a franchise; provides that a franchisor shall not cancel a franchise unless the franchisee has provided him with good cause for such cancellation or unless the franchisor is withdrawing from the marketing area; prohibits a franchisor from failing to renew any franchise except for good cause, legitimate business reasons, or a market area withdrawal; and authorizes Federal courts to grant such equitable relief and damages as are necessary to remedy the effects of prohibited conduct. The bill also encourages the arbitration of disputes, a process which is quite often quicker and far less expensive than court litigation.

In such industries as fast-food, convenience grocery, automobile retailing, and gasoline retailing, franchising has become a significant, if not the primary, method of distribution of retail goods. To a certain extent, this form of business relationship has allowed greater participation by small businessmen in the economic marketplace. But it has also resulted in far too many abuses. Franchisors in too many instances have taken advantage of their superior bargaining positions and have forced franchisees to comply with arbitrary decisions. For those retailers who have resisted, the price has been instant termination or the establishment of a competitor across the street.

A recent survey of more than 300 retail gasoline filling station dealers in my Congressional district shows, first, the kind of abuses which have crept into the franchise system; and second, the need for franchise reform legislation. This survey revealed that the major oil companies are privately pressuring their dealers to increase their sale of gas and oil-related products. Those dealers who fail to comply are faced with threats of the loss of their lease or a reduction in service from the parent company.

Thus, while the rest of the country is trying to conserve energy, the major oil companies are trying to lure us into consuming even more oil and gas so that they can increase their profits—and accomplishing their end by putting the squeeze on their own dealers. This is but one example of the franchising problems that need redress.

Mr. Speaker, this bill will not correct all the abuses in the franchise system. Nor will it put franchisees in a dominant position vis-a-vis franchisors. It is simply designed to put both partners in the economic relationship on an equal footing. It is intended to provide both franchisors and franchisees with even-handed protection from unfair and unjustifiable practices.

Mr. Speaker, I include the text of the bill, the Franchising Practices Reform Act, at this point in the Record:

H.R. 8349

A bill to correct inequities in certain franchise practices, to provide franchisors and franchisees with even-handed protection from unfair practices, to provide consumers with the benefits which accrue from a competitive and open market economy, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Franchising Practices Reform Act".

DECLARATION OF POLICY AND FINDINGS

Sec. 2. Congress finds and declares that—

(1) a correction of present inequities in certain franchise practices must be achieved so that franchisors deal fairly with their franchisees in all aspects of the franchise relationship;

(2) a more even balance of power between franchisors and franchisees must be established so that competition and the fair and efficient functioning of a free market economy will be furthered;

(3) certain remedies must be provided to franchisors and franchisees to assure fair dealing and to protect franchisees from certain inequitable franchising practices; and

(4) consumers are entitled to reap the benefits which flow from the maintenance of competition, the fair and efficient functioning of a free market economy, and a more equitable franchising system.

DEFINITIONS

Sec. 3. For the purposes of this Act:

(1)(A) The term "franchise" means any commercial relationship which affects commerce created by agreement, contract, lease, or other understanding, whether written or oral, express or implied, in which—

(i)(I) a person (hereafter in this Act referred to as a "franchisee") is granted the right, or is permitted, to offer, sell, or distribute goods or commodities manufactured, processed, or distributed by another person (hereinafter in this Act referred to as a "franchisor"); or

(II) the franchisee is granted the right, or is permitted, to offer or sell services established, organized, approved, or directed by the franchisor; and

(ii)(I) the franchisor represents that it will lend more than nominal assistance to the franchisee in the franchisee's organization promotional activities, management, marketing plan, method of operation, or other business affairs; or

(II) the operation of franchisee's business is substantially associated with the franchisor's trademark, service mark, trade name, advertising, or other commercial symbol designating the franchisor.

(B) The term "franchise" includes any franchise described in subparagraph (A) of this paragraph in which a franchisee is granted the right, or is permitted, to sell or negotiate the sale of franchises in the name of or on behalf of the franchisor.

(C) The term "franchise" does not include any commercial relationship in which the franchisee had been in the type of business represented by the franchise for at least two years prior to the execution of the franchise agreement, and the franchise is not anticipated by the parties to be a predominant part of the prospective franchisee's business in terms of the amount of goods of services to be sold or distributed by the franchisee.

(2) The term "good cause" means—

(A) failure by a franchisee to substantially comply, without reasonable excuse or justification, with an essential and reasonable requirement imposed upon him by the franchise, or

(B) the use of bad faith by the franchisee in carrying out the terms of the franchise.

(3) The term "marketing area withdrawal"

means a cancellation, termination, or failure to renew a franchise for the purpose of enabling the franchisor to withdraw from the business of granting, organizing, supplying, or directing franchises within a particular marketing area of the United States—

(A) which such cancellation, termination, or failure is not a violation of the antitrust laws, including the Federal Trade Commission Act (15 U.S.C. 45);

(B) with respect to which there is no subsequent re-entry into or operation in the marketing area by the franchisor by means of a new franchise or otherwise, within five years following the date of such cancellation, termination, or failure to renew; and

(C) the franchisor pays the franchisee reasonable compensation for the value of the franchisee's business, including goodwill or, if agreed to by the franchisee, provides for the replacement of the franchise with a new franchise of equivalent value.

(4) The term "legitimate business reason" means a fair and reasonable business decision.

(5) The term "commerce" means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside thereof, or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(6) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

NOTICE TO FRANCHISEES

Sec. 4. (a) Except as provided in subsection (b) of this section, a franchisor shall not cancel, fail to renew, or otherwise terminate a franchise unless he furnished prior notification pursuant to this subsection to each franchisee affected thereby. Such notification shall be in writing and sent to such franchisee by certified mail not less than ninety days prior to the date on which such franchise will be cancelled, not renewed or otherwise terminated. Such notification shall contain a statement of intention to cancel, not renew, or otherwise terminate, together with the reasons therefor; the date on which such action shall take effect; and a statement of the remedy or remedies available to such franchisee under this Act, including a summary of the applicable provisions of this Act.

(b) Notwithstanding the provisions of subsection (a) of this section, a franchisor may cancel, fail to renew, or otherwise terminate a franchise upon 48 hours' notice—

(1) in order to protect against an imminent danger to public health or safety; or

(2) in the event of insolvency, bankruptcy, or receivership proceedings by the franchisee.

CANCELLATION OR TERMINATION OF FRANCHISES

Sec. 5. A franchisor shall not cancel or terminate a franchise, unless—

(1) such franchisor has good cause for such cancellation or termination, or

(2) such franchisor is effecting a marketing area withdrawal.

FAILURE TO RENEW FRANCHISES

Sec. 6. (a) A franchisor shall not fail to renew any franchise, unless—

(1) such franchisor has good cause for such failure to renew,

(2) such franchisor has legitimate business reasons for such failure to renew and the original duration of the franchise which is not being renewed is of no less than 5 years and any additional periods specified in the franchise are of no less than 2 years, or

(3) such franchisor is effecting a marketing area withdrawal upon the expiration of the franchise.

(b) Any franchisor who fails to renew a franchise for a legitimate business reason shall pay the franchisee reasonable compensation for the value of the franchisee's business, including goodwill.

JUDICIAL REMEDIES AND BURDEN OF PROOF

Sec. 7. (a) If a franchisor engages in conduct prohibited under this Act, a franchisee may maintain a suit against such franchisor.

(b) The court shall grant such equitable relief as is necessary to remedy the effects of conduct which it finds to exist and which is prohibited under this Act, including declaratory judgment, mandatory or prohibitive injunctive relief, and interim equitable relief. The court may, unless required by this Act, award damages, including the value of goodwill. The court may, unless such suit is frivolous, and shall, if such suit is successful, direct that costs, including reasonable attorney and expert witness fees, be paid by the franchisor. The court shall, if it finds that the franchisor has acted in bad faith in invoking the termination provisions of section 4(b) of this Act, award actual and punitive damages, as well as costs as provided for in this subsection.

(c) A suit under this section may be brought, without regard to the amount in controversy, in the district court of the United States for any judicial district in which the franchisor against whom such suit is maintained resides, is found, or is doing business. No such suit shall be maintained unless commenced within two years after the cancellation, failure to renew or other termination of the franchise, unless the franchisor has allegedly re-entered the marketing area after having effected a marketing area withdrawal, in which case no such suit shall be manitained unless commenced within two years of such alleged reentry.

(d) In any suit brought pursuant to sections 4(b), 5 and 6(a) of this Act, the burden of proof shall be upon the franchisor.

PROHIBITION ON WAIVER OF RIGHTS AND ARBITRATION

Sec. 8. (a) Except as provided in subsection (b) of this section, any condition, stipulation, provision, or term of any franchise agreement waiving any rights granted under this Act or relieving any person from liability imposed by this Act shall be void and unenforceable.

(b) Nothing contained in this Act shall limit the right of a franchisor and franchisee to agree to binding arbitration of disputes, where—

(1) the standards applied in such arbitration are no less than the requirements specified in this Act.

(2) and any arbitrator employed in such arbitration is chosen from a list of impartial arbitrators supplied by the American Arbitration Association or other impartial third parties designated after the occurrence of the dispute.

ANTITRUST LAWS

Sec. 9. No provision of this Act shall repeal, modify, or supersede, directly or indirectly, any provision of the antitrust laws of the United States. This Act is and shall be deemed to be supplementary to, but not a part of, the antitrust laws of the United States.

GETTING FROM HERE TO THERE

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, our colleague, the Honorable Lionel Van Deerlin, of California, has written an interesting and useful article, the original of which appeared in the San Diego Union of June 1, 1975:

Auto "Overuse" Stalls Transit: It's Becoming Impossible To Get From Here to There

(By Lionel Van Deerlin, U.S. House of Representatives)

One warm afternoon last fall a Southern Californian found himself in an ironic predicament all too common these days in urban America.

Homebound in his car after attending a public showing of the French supersonic Concorde jetliner at Los Angeles International Airport, Joseph Hanna fretted first through a monstrous airport traffic jam; it took him an exasperating 70 minutes just to reach the nearest airport exit. It took another 35 minutes via clogged freeways to reach his home in suburbàn Encino.

"What progress has modern man made?" Hanna fumed in a letter to his local newspaper. "The SST flew from Paris to New York—that's more than 3,000 miles—in just over three hours. Round trip, it took me almost as long to drive my car 40 miles!"

Though their own predicament may not relate to the SST, millions of auto-owning American urban dwellers these days can certainly sympathize with Joe Hanna.

Traffic jams, spiraling fuel costs, loss of acre after acre of vitally-needed urban land to streets, highways and parking lots—these are familiar headaches associated with our increasing passion for that universal symbol of American affluence, the automobile. So many cars are registered in California alone that my state's entire population could be riding at the same moment, occupying only the front seats.

The culprit is not the car itself. Private, comfortable, reliable, it is doubtless here to stay as the primary means of American mobility. But because of the automobile's accelerated use in the city—over-use would be a better term—we are fast approaching a danger point of overkill: the point at which we will see a diminishing of the mobility and freedom that the automobile was designed to give us.

The solution is obvious: increased development and use of public rapid transit, the inter-urban fleets of buses, trains and the newest personal rapid transit (PRT) that are far more economical, safe and less environmentally damaging than the automobile.

But at a time when Americans should be relying more on public transit, urban ridership is actually dwindling, thus accelerating the squeeze in our cities.

The downtrend began in 1945 when, due to wartime shortage, millions of Americans garaged their cars and opted for public transit. At war's end, buses and trains accounted for 45 per cent of all inter-urban travel—19 billion passenger trips per year all told.

Last year, the total had declined to only 6.5 billion trips, even though cities meanwhile had undergone phenomenal growth.

Today, 230 American cities are badly in need of public transit modernizing and overhaul. As an example of how transit has declined, only two of them—Cleveland and Boston—can boast of a rail system connecting their airports and central cores.

Eight cities in the 20,000-50,000 population range have no public transit at all. In Selma, Alabama, which recently opened a modern school for handicapped children, two fine potential students—both deaf—cannot attend because they live beyond the range of the school bus system. At least 50 million Americans—almost one quarter of the population—are either too young, too old or too infirm to drive; they must rely almost entirely on public transit facilities.

And not a single American city today can point to the kind of heavily-patronized, modern, safe, integrated all-purpose transit system that most Europeans have enjoyed for decades.

What has gone wrong?

For the answer, let's look again at the automobile. Many of us still cling to the fiction that the family car is inexpensive to operate. We consider only the more obvious costs: gasoline, oil, insurance, maintenance. On that basis, according to one study, the average per-mile cost of operating an automobile comes to about 30 cents. But if we add the hidden costs of operating that same car, the figure rises astronomically.

Consider the cost alone of urban land devoted to the automobile: land for garages, parking lots, streets, highways. In downtown Los Angeles, more than half of all surface areas does nothing but serve the automobile in this manner.

Add to this asphalt jungle the spiraling costs caused by auto-caused pollution, congestion, traffic and danger to human life.

Suggests J. Herbert Holloman, a former Assistant Secretary of Commerce, the true cost then zooms to $1 per mile or more. In almost all respects, urban public transit—that is, a well-integrated system employing not one but several modes of transportation—is far superior to the automobile. Some proof:

Safety: Although automobiles are considerably safer than they once were, nearly 50,000 Americans still die each year on the nation's highways and city streets. The automobile accounts for 11 times more deaths than the bus, nearly 20 times that of the train.

If for no other reason, greater development of public transit would mean a substantial saving in the most precious resource of all—human life.

Resource conservation: On a per-passenger, per-mile basis, bus, rail and PRT transit requires only a fraction of the fuel needed by the automobile.

If by a target date of 1990 we could transfer 38 billion more passenger "trips" from the automobile to mass transit we could save nearly 10 billion gallons of fuel.

At today's fuel prices, this would mean a saving of more than $5 billion, enough to finance a substantial portion of critically-needed new transit facilities in our crowded cities.

Further, the decreasing availability of precious natural resources means that we must make more efficient use of raw materials. Mass transit vehicles provide the most effective use of these materials because of their high capacity capabilities and high level of productive vehicle miles.

Urban well-being: Mass transit contributes substantially to urban harmony through coordinated and productive use of land, reduction of pollution, congestion and noise.

Motor vehicles account for fully 62 per cent of air pollution in the United States; with the greater number of passenger loads carried, buses, trains, and PRT are a significant factor in reduction of pollution. In most cities, a shift to mass transit would slow or halt the trend toward the acquisition of costly land to support the automobile.

In Los Angeles alone, perhaps America's most auto-conscious city, there are 465 miles of freeways and 18,000 miles of streets and highways.

Apollo 7 astronauts color-photographing the Pacific Coast from midway in Baja California to Santa Barbara caught sharp detail everywhere except the Los Angeles Basin—which appears as a brownish yellow blob.

Perhaps because the cost of operating the automobile has been so sugar-coated, and its convenience and privacy so accepted, urban commuters may not realize the dollar savings they may expect from modernized and better patronized public transit.

Once again, Los Angeles serves as an excellent example. According to a study commissioned by the Southern California Rapid Transit District, Los Angeles commuters who now drive long distances to and from work (30 to 40 miles, no uncommon in this sprawling metropolitan area) could save $1,500 or more each year by riding buses or commuter trains instead.

But would they make the switch? Experience in several cities has shown that they would—if the cost, comfort and convenience are right.

For instance, transit ridership went up 50 per cent within weeks after Tulsa cut bus fares to 25 cents. In Seattle, where a trial "Magic Carpet" no-fare zone was established in Fall 1973, transit patronage zoomed 56 per cent in two months. In Atlanta, an estimated 20,000 fewer autos were noted on downtown streets after bus fares were reduced to 15 cents from 40 cents.

And in San Francisco, thanks to the new, efficient, modern Bay Area Rapid Transit rail system, the picture is as encouraging: during the morning peak rush hours, BART now whisks about 22 per cent of all commuters across San Francisco Bay; auto traffic on the San Francisco Bay Bridge, only months before a nerve-fraying headache, has been trimmed 5 per cent.

Clearly, then, urban Americans have demonstrated their willingness and eagerness to switch to buses and rail systems if they are convinced doing so will ease the strain on their pocketbook. But saving money is not enough; convenience, safety and comfort are demands equally understandable. And as experience has shown, well-coordinated, modern transit programs are lacking in the great majority of American cities.

What, then, will it take to revitalize and improve these systems, thus relieving the growing mobility mess in our urban areas?

Obviously, it will take a lot of money.

Presently, the federal government funnels between $1 and $2 billion a year in the form of transit subsidies to the nation's cities. Increasingly, cities themselves as well as urban transit districts are facing up to the pressing need.

Atlanta voters last year overwhelmingly approved a one-cent sales tax increase devoted to public transit. A similar proposal fell short in car-minded Los Angeles, but by a margin encouragingly closer than six years earlier. The people of Denver approved spending $1.5 billion, sight unseen, for a "people mover" system.

My own home town, San Diego, is planning a start without Uncle Sam's help on five miles of elevated fixed rail on which 22-seat cars will loop the downtown. San Diego hopes this will serve as a "come on" to justify federal investment in expanding service to reach the airport and suburbs.

"People obviously are becoming disenchanted with the automobile as a primary mode of transportation," adds Robert Pollock, president of the American Transit Association and general manager of the Cleveland Transit System.

"Except for my own city, all major transit systems now receive subsidy. And Cleveland probably will need financial help too if it is to be expanded."

But neither the $1-$2 billion current annual federal subsidy nor funds earmarked for transit locally are enough. While they help maintain status quo, these funds fall pitifully short of financing the kind of long-range, coordinated programs that will entice millions of Americans into public transit. "It is time we face up to the important fact," argues William J. Ronan, president of the Institute for Rapid Transit, "that mass transit, like public health and Social Security, is a national responsibility."

Dr. N. John Beck, group vice president of transportation systems of California's Rohr Industries, agrees. Last spring, Dr. Beck, testifying before a congressional transportation subcommittee, stressed the urgency of new ideas.

"The country is facing a critical need for innovation in ground transportation, and new and modernized concepts must be quickly deployed if Americans are to continue to enjoy their traditional mobility and freedom of movement," he said.

As suggested by both Ronan and Beck, what is critically needed is a long-range national commitment to mass transit, the same kind of commitment that for the first time sent Americans to the moon and connected American cities with modern interstate highways.

Discounting the inflation factor, the cost of a long-range transit commitment would total little more than what Americans were willing to earmark for space and highways.

Established in 1956, the Highway Trust Fund (which financed the interstate network) has grown continuously and annual spending is projected at a $5 billion level by next year; total expenditures eventually will reach $75 billion. Manned space exploration at its peak cost $6 billion annually; in the 14 years of its existence, we have invested a total of about $52 billion.

Backed by a strong commitment, the critically-needed national transit program will require at least $77 billion in federal funds through 1990. Designated for capital improvements on existing systems and financing new ones, the money would be applied to all three major forms of transit: bus, rail and PRT.

Most important, it would enable congested cities to develop coordinated systems, employing the latest in transportation technology that is already available.

As often happens, engineering techniques advanced faster than government's ways. Until this year, Highway Trust money could be used only for more road building.

Due chiefly to Rep. Glenn Anderson, this is no longer so. Anderson prodded a highway-oriented Public Works Committee to accept the notion that inasmuch as freeways themselves have contributed to urban traffic, local communities have the right to use their share of gas tax revenues in un-clogging that traffic with other modes of transportation.

At the state level, similar solutions have been pushed to enactment by California Sen. James R. Mills, an articulate advocate of diversity in transportation.

Buses will continue to be the backbone of urban mass transit.

Bus production now totals between 2,500 and 3,000 units a year. To meet a 1990 objective, the output will have to be increased by 15,000. But they won't be the noisy, smelly, polluting vehicles of the past.

As technology advances, a host of new buses is now moving from drawing board to reality: the low-floor, smooth-riding Transbus, and, for larger passenger loads, double decker buses that can carry as many as 83 passengers in air conditioned comfort are but two examples.

We must also expand our interurban rail systems. Today there are 400 rail route miles in the country, almost all of them in five cities: Chicago, New York, Philadelphia, Boston and Cleveland. By 1990 we must double this track mileage to 800; we'll also need at least 13,000 new vehicles to carry the added passenger load.

Not far down the road: high speed (up to 150 miles per hour) air-cushion trains, whisking thousands of passengers over distances longer than buses can adequately handle. As guest at a demonstration air-cushion run on the test track near Orleans, in France, I felt the sensation one gets in a jet plane cockpit at takeoff.

Finally, there is PRT. Designed to offer flexible service, convenient access and attractiveness, these innovative "people movers" come closest yet to replacing the second automobile with American families. Unlike buses or trains which are designed to move larger numbers of passengers, PRT consists of special purpose, highly personalized vehicles, private, well-appointed, offering nonstop, automated, origin-to-destination service and an extensive network of stations.

Three examples of operating PRTs are those shuttling passengers between terminals and hotels at the Dallas-Fort Worth, Houston and Tampa airports.

On an individual basis, the cost of the $77 billion, 14-year national transit program breaks down to about $22 per American per year.

Considering the reduction of urban congestion it would bring about, the increase in safety and environmental harmony, the reduction in air pollution and the peace of mind it will buy, that seems to be one of the country's greatest potential bargains.

We spent nearly as much to walk on the moon, to savor the heady adventure of exploring Outer Space; we spent a nearly equal amount to link our cities with safe, modern highways. Isn't it time now to start untangling the mobility mess within Urban America?

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Lott) to revise and extend their remarks and include extraneous matters:)

Mr. Railsback, for 5 minutes, today.

Mr. Kemp, for 30 minutes, today.

Mr. Goldwater, for 5 minutes, today.

Mr. Derwinski, for 5 minutes, today.

Mr. Findley, for 5 minutes, today.

(The following Members (at the request of Mr. Blanchard) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Metcalfe, for 10 minutes, today.

Mr. Waggonner, for 10 minutes, today.

Ms. Abzug, for 60 minutes, today.

Mr. Drinan, for 60 minutes, today.

Mr. Dingell, for 30 minutes, today.

Mr. Dodd, for 10 minutes, today.

Ms. Holtzman, for 5 minutes, today.

Mr. Mezvinsky, for 15 minutes, today.

Mr. Bedell, for 5 minutes, today.

Mr. Badillo, for 10 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Koch, for 10 minutes, today.

Mr. Murphy of New York, for 10 minutes, today.

Mr. Melcher, for 5 minutes today.

Mr. Downey of New York, for 10 minutes, today.

Mr. Morgan, for 5 minutes, today.

Mr. Vigorito, for 5 minutes, today.

Mr. O'Neill, for 5 minutes, today.

Mr. Maguire, for 10 minutes, today.

Mr. Harrington, for 30 minutes, today.

Mr. Bingham, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Eckhardt, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the Congressional Record, and is estimated by the Public Printer to cost $834.

Mr. Krueger, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $764.50.

Mr. Corman, to revise and extend after the remarks of Mr. Symms on the Heinz amendment.

Mr. Gude, his remarks during general debate on H.R. 8121 in the Committee of the Whole today.

Mr. Ottinger, to revise and extend his remarks following the remarks of Mr. Reuss in the House today.

Mr. Don H. Clausen, to revise and extend his remarks following the remarks of Mr. John L. Burton on H.R. 8121 in the Committee of the Whole today.

(The following Members (at the request of Mr. Lott) and to include extraneous matter:)

Mr. Pritchard in three instances.

Mr. Crane.

Mr. Clancy.

Mr. Derwinski in two instances.

Mr. Gilman.

Mr. Steelman.

Mr. Gude.

Mr. Kemp in three instances.

Mr. Ashbrook in three instances.

Mr. Hagedorn.

Mr. Steiger of Arizona.

Mr. Quie.

Mr. Myers of Indiana in three instances.

Mr. Kasten in four instances.

Mr. Bell.

Mr. Rhodes.

Mr. Esch.

Mr. Goldwater.

Mr. Dickinson.

Mr. Findley.

Mr. Grassley.

Mr. Don H. Clausen.

Mr. Goodling.

Mr. Peyser.

(The following Members (at the request of Mr. Blanchard) and to include extraneous material:)

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Mazzoli.

Mr. Mottl.

Mr. Solarz in three instances.

Mr. Mathis.

Mr. Hawkins.

Mr. Chappell.

Mr. Eilberg in two instances.

Mr. McDonald of Georgia in four instances.

Mr. Rogers in five instances.

Mr. Miller of California.

Mr. Mollohan in three instances.

Mr. Fraser in three instances.

Mr. Nowak in two instances.

Mr. Riegle in two instances.

Ms. Holtzman in five instances.

Mr. Roncalio in 10 instances.

Mr. Downing of Virginia.

Mr. Sarbanes.

Mr. Blanchard.

Mr. Harkin.

Mr. Jones of Tennessee.

Ms. Abzug in five instances.

Mr. Dodd.

Mr. Harrington.

Mrs. Burke of California.

Mr. Koch in five instances.

Mr. Pepper in three instances.

Mr. Maguire.

Mr. Roybal.

Mr. Dent.

Mrs. Schroeder.

Mr. Vanik in two instances.

Mr. Macdonald of Massachusetts.

Mr. McCormack.

Mr. Murphy of Illinois.

Mr. Litton.

Mr. Brademas in two instances.

Mr. Ford of Michigan.

Mr. Krueger.

Mr. Moorhead of Pennsylvania in three instances.

Mr. Dingell.

Mr. Ambro.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 8030. An act to increase the temporary debt limitation until November 15, 1975.

Date: June 26, 1975.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2003. An act to amend the International Travel Act of 1961 to authorize additional appropriations, and for other purposes.

ADJOURNMENT TO JULY 8, 1975

Mr. BLANCHARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. In accordance with House Concurrent Resolution 324 the Chair declares the House adjourned until 12 o'clock noon on July 8 next.

Thereupon (at 5 o'clock and 14 minutes p.m.), pursuant to House Concurrent Resolution 324, the House adjourned until Tuesday, July 8, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1285. A letter from the President of the United States, transmitting a draft of proposed legislation to authorize cooperative arrangements with private enterprise for the provision of facilities for the production and enrichment of uranium enriched in the isotope 235, to provide for authorization of contract authority therefor, and for other purposes (H. Doc. No. 94-202); to the Joint Committee on Atomic Energy and ordered to be printed.

1286. A letter from the Assistant Secretary of the Interior, transmitting the 18th annual report on the status of the Colorado River Storage Project and Participating Projects, pursuant to section 6 of the act of April 11, 1956 (70 Stat. 105); to the Committee on Interior and Insular Affairs.

1287. A letter from the Chairman, Federal Power Commission, transmitting a copy of the publication entitled "Hydroelectric Plant Construction Cost and Annual Production Expenses, 1972"; to the Committee on Interstate and Foreign Commerce.

1288. A letter from the Chairman, Securities and Exchange Commission, transmitting the 40th Annual Report of the Commission, covering fiscal year 1974, pursuant to section 23(b) of the Securities Exchange Act of 1934, as amended, section 23 of the Public Utility Holding Company Act of 1935, section 46(a) of the Investment Company Act of 1940, section 216 of the Investment Advisers Act of 1940, section 3 of the act of June 29, 1949, amending the Bretton Woods Agreement Act, section 11(b) of the Inter-American Development Bank Act, and section 11(b) of the Asian Development Bank Act; to the Committee on Interstate and Foreign Commerce.

1289. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to save the income of beneficiaries of programs assisted under part A of title IV of the Social Security Act from any reduction caused by the assignment of support rights to the State; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

1290. A letter from the Comptroller General of the United States, transmitting a report on the problems State auditors have in obtaining reimbursement for audits of federally assisted programs; to the Committee on Government Operations.

1291. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in regulation of commodity futures trading; jointly, to the Committees on Government Operations, and Agriculture.

1292. A letter from the Comptroller General of the United States, transmitting a report on the need to vary the training of Reserve and Guard units and members by skill and readiness requirements and to make more efficient use of training time; jointly, to the Committees on Government Operations, Armed Services, and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. NEDZI: Committee on House Administration. Supplemental report on H.R. 5328. A bill to authorize the Smithsonian Institution to plan museum support facilities (Rept. No. 94-258, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee of conference. Conference report on H.R. 6900 (Rept. No. 94-328). Ordered to be printed.

Mr. MORGAN. Committee on International Relations. H.R. 4699. A bill to authorize appropriations for fiscal years 1976 and 1977 for carrying out the Board for International Broadcasting Act of 1973; with amendment (Rept. No. 94-329). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSENTHAL: Committee on International Relations. House Concurrent Resolution 291. Concurrent resolution to congratulate Jean Monnet for his efforts during the past quarter century in furtherance of European unity (Rept. No. 94-330). Referred to the House Calendar.

Mr. McFALL. Committee on Appropriations. H.R. 8365. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94-331). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 7217. A bill to amend the Education of the Handicapped Act to provide educational assistance to all handicapped children, and for other purposes; with amendment (Rept. No. 94-332). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

Mr. ASHLEY (for himself, and Mr. J. William Stanton):

H.R. 8253. A bill to provide for an audit by the General Accounting Office of the Federal Reserve Board, banks, and branches; to the Committee on Banking, Currency and Housing.

Mr. BAFALIS:

H.R. 8254. A bill to amend section 5(a) of the Wild and Scenic Rivers Act by designating the Loxahatchee River in Florida as a potential addition to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. BLANCHARD:

H.R. 8255. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. CRANE:

H.R. 8256. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CRANE (for himself, Mr. Martin, Mr. Kelly, and Mr. Robert W. Daniel, Jr.):

H.R. 8257. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and Labor.

By Mr. CRANE (for himself, Mr. Martin, and Mr. Kelly):

H.R. 8258. A bill to protect the freedom of choice of Federal employees in employee-management relations; to the Committee on Post Office and Civil Service.

By Mr. CRANE (for himself, Mr. Rose, Mr. Dickinson, Mr. Mathis, Mr. Wampler, Mr. Robert W. Daniel, Jr., Mr. Thone, Mr. Milford, Mr. Lagomarsino, Mr. Stephens, Mr. Davis, and Mr. Bauman):

H.R. 8259. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. DAVIS:

H.R. 8260. A bill to amend the Internal Revenue Code of 1954 to allow an itemized deduction for State and local vehicle registration fees paid or accrued, and for other purposes; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, and Mr. Fithian):

H.R. 8261. A bill to require that certain information about automotive gasoline octane be disclosed to consumers; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. Leggett, Mr. Reuss, and Mr. Harris):

H.R. 8262. A bill to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FREY (for himself, Mr. Byron, Mr. Alexander, Mr. Hannaford, Mr. Hillis, Mr. Ichord, Mr. Lott, Mr. Michel, Mr. Montgomery, Mr. Robinson, Mr. Steiger of Wisconsin, Mr. Stuckey, and Mr. Whitehurst):

H.R. 8263. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBBONS:

H.R. 8264. A bill to amend title XI of the Merchant Marine Act, 1936, in order to extend the mortgage insurance program therein to shoreside fishery facilities and equipment; to the Committee on Merchant Marine and Fisheries.

By Mr. GINN:

H.R. 8265. A bill to provide for the conservation, revitalization and management of marine fisheries and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. GUYER:

H.R. 8266. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. HEINZ:

H.R. 8267. A bill to authorize emergency assistance to stimulate the production of needed housing, to create new jobs in times of high unemployment and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. HORTON:

H.R. 8268. A bill to authorize the President of the United States to present in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency and Housing.

By Mr. KARTH (for himself and Mr. Hannaford):

H.R. 8269. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. McFALL:

H.R. 8270. A bill to amend sections 130 and 405 of title 23, United States Code, to provide for the installation of warning lights at certain railroad-highway crossings; to the Committee on Public Works and Transportation.

By Mr. MATHIS:

H.R. 8271. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

H.R. 8272. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

Mr. MATSUNAGA:

H.R. 8273. A bill to amend section 143 of the Elementary and Secondary Education Act of 1965 to increase the maximum amount of payments for any fiscal year for the administrative expenses of any State in carrying out title I of that act; to the Committee on Education and Labor.

By Mr. RICHMOND:

H.R. 8274. A bill to provide an opportunity to individuals to make financial contributions, in connection with the payment of their Federal income tax, for the advancement of the Arts and the Humanities; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 8275. A bill to discourage the use of leg-hold or steel jaw traps on animals in the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK:

H.R. 8276. A bill to amend the Land and Water Conservation Fund Act of 1965 to create the Disabled Eagle passport program under which disabled persons are admitted free to certain admission fee areas in national parks and national recreation areas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WHALEN:

H.R. 8277. A bill to authorize the President of the United States to present, in the name of Congress, a medal to Brig. Gen. Charles E. Yeager; jointly to the Committees on Armed Services, and Banking, Currency, and Housing.

By Mr. ROGERS (for himself, Mr. Preyer, Mr. Symington, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Carney, Mr. Maguire, Mr. Carter, Mr. Broyhill, Mr. Hastings, and Mr. Heinz):

H.R. 8278. A bill to amend the Public Service Act to provide authority for health information, education, and promotion programs, to revise and extend the authority for disease prevention and control programs, and to revise and extend the authority for venereal disease programs; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHBROOK:

H.R. 8279. A bill to amend the Tariff Act of 1930 in regard to iron pipe fittings; to the Committee on Ways and Means.

By Mr. ASHLEY (for himself, Mr. Rees, Mr. Stephens, Mr. Baucus, Mr. Byron, Mr. Cotter, Mr. Davis, Mr. Green, Mr. Jeffords, Mr. Johnson of California, Mr. Macdonald of Massachusetts, Mr. Mann, Mr. Mathis, Mr. Roe, and Mr. Charles Wilson of Texas):

H.R. 8280. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. BADILLO:

H.R. 8281. A bill to provide for, and assure the independence of, a Special Prosecutor, and for other purposes; to the Committee on the Judiciary.

By Mr. BIAGGI:

H.R. 8282. A bill to limit the export of certain nuclear technology and materials so as to prevent the proliferation of nuclear weapons; to the Joint Committee on Atomic Energy.

By Mr. CORMAN (for himself, Mr. Crane, Mr. Ketchum, Mr. Mikva, and Mr. Stark):

H.R. 8283. A bill to amend the Internal Revenue Code of 1954 with respect to the type of flavors which may be used on bonded wine cellar premises in the production of special natural wines; to the Committee on Ways and Means.

By Mr. du PONT:

H.R. 8284. A bill to amend title 5, United States Code, to grant to civilian employees who are retired members of the uniformed services full retention preference credit in reductions in force for total length of time in Active service in the Armed Forces; to the Committee on Post Office and Civil Service.

H.R. 8285. A bill to establish a national cemetery in the State of Delaware; to the Committee on Veterans' Affairs.

By Mr. FINDLEY:

H.R. 8286. A bill to authorize certain appropriations to be used only for purposes of strengthening the military capabilities of signatories of the North Atlantic Treaty in order to enable such signatories to fulfill their obligations under such treaty; to the Committee on International Relations.

By Mr. FITHIAN (for himself, Mr. Jenrette, Mr. Patman, Mr. Ottinger, Mr. Santini, Mr. Carr, Mr. Butler, Mr. Pressler, Mr. McHugh, Mr. Johnson of Pennsylvania, Mr. Kastenmeier, Mr. English, Mr. Preyer, Mr. Brinkley, and Mr. Fuqua):

H.R. 8287. A bill to assist the States to provide additional facilities for research in agriculture and forestry at State agricultural experiment stations, land-grant colleges, and cooperating forestry research institutions funded under Public Law 87–788; to the Committee on Agriculture.

By Mr. GUDE (for himself, Mr. Fauntroy, Mr. Litton, Mr. Whalen, Mr. Biester, Mr. Fraser, Mr. Mazzoli, Mrs. Meyner, Mr. McKinney, Mr. Railsback, and Mr. Rees):

H.R. 8288. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to abolish the National Capital Service Area; to the Committee on the District of Columbia.

By Mr. HELSTOSKI:

H.R. 8289. A bill to amend the Internal Revenue Code of 1954 to revise the tax treatment of moving expenses; to the Committee on Ways and Means.

H.R. 8290. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

By Mr. HELSTOSKI (for himself, Mr. Rinaldo, Ms. Fenwick, Mr. Forsythe, Mr. Maguire, Ms. Meyner, Mr. Patten, Mr. Roe, Mr. Thompson, Mr. Bedell, Mr. Cleveland, Mr. Hyde, Mr. Moss, Mr. Rosenthal, Mr. Simon, and Mr. Charles H. Wilson of California):

H.R. 8291. A bill to require the establishment, on the basis of decennial censuses, of congressional districts composed of contiguous and compact territory for the election of Representatives, and for other purposes; to the Committee on the Judiciary.

By Mr. HELSTOSKI (for himself, Mr. Bafalis, and Mr. Nix):

H.R. 8292. A bill to amend titles II, VII, XI, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes; to the Committee on Ways and Means.

By Mr. HELSTOSKI (for himself and Mr. Wolff):

H.R. 8293. A bill relating to the income tax treatment of charitable contributions of inventory and certain other ordinary income property; to the Committee on Ways and Means.

By Mr. KASTEN:

H.R. 8294. A bill to amend title 18 of the United States Code to increase certain penalties for gun control offenses and to allow the United States to obtain appellate review of certain sentences relating to gun control offenses; to the Committee on the Judiciary.

H.R. 8295. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $10 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

By Mr. KAZEN:

H.R. 8296. A bill to preserve and protect the Espada Acequia Aqueduct in the vicinity of Six Mile Creek, San Antonio, Tex.; to the Committee on Public Works and Transportation.

By Mr. LONG of Maryland (for himself, Mr. Conyers, Mr. Cornell, Mr. Edgar, Mr. Rodino, Mr. Brown of California, Mr. Drinan, Ms. Meyner, Mr. Mitchell of Maryland, Mr. Levitas, Mr. Sarbanes, Mr. Eilberg, Mr. Ottinger, Mr. McHugh, Mr. Lehman, Mr. Seiberling, Mr. Weaver, Mr. Bedell, Mr. Broyhill, Mr. Studds, and Mr. Solarz):

H.R. 8297. A bill to prevent the proliferation of nuclear weapons by limiting the transfer of certain nuclear technology and materials; to the Joint Committee on Atomic Energy.

By Mr. LOTT:

H.R. 8298. A bill to amend the Internal Revenue Code of 1954 to avoid duplication of tax imposed under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act in the case of employers of the same employee; to the Committee on Ways and Means.

By Mr. MATSUNAGA:

H.R. 8299. A bill to amend and extend the National Foundation on the Arts and Humanities Act of 1965, to provide for the improvement of museum services, and to provide indemnities for exhibitions of artistic and humanistic endeavors, and for other purposes; to the Committee on Education and Labor.

By Mr. MILLER of Ohio (for himself, Mr. Roe, Mr. Winn, Mr. Eilberg, Mr. Davis, and Mr. Solarz):

H.R. 8300.—A bill to amend title 39, United States Code, to extend the period during which preferential mail rates shall apply with respect to certain publications mailed by veterans' organizations; to the Committee on Post Office and Civil Service.

By Mr. MOLLOHAN (for himself, Mr. Anderson of California, Mr. Breaux, Mr. Cornell, Mr. Devine, Mr. LaFalce, Mr. Lent, Mr. Sarbanes, Mr. Solarz, Mr. Tsongas, Mr. Van Deerlin, and Mr. Waxman):

H.R. 8301. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

By Mr. NOLAN (for himself, Mr. Hechler of West Virginia, Mr. Eilberg, Mr. Ryan, Mr. Brown of California, Mr. Mazzoli, Mr. Drinan, Mr. Krebs, Mrs. Lloyd of Tennessee, Mr. Fithian, Mr. Harrington, Mr. Edgar, Mr. Weaver, Mr. McHugh, and Mr. Bergland):

H.R. 8302. A bill to amend the Internal Revenue Code of 1954 to limit the extent to which farm losses can be used to offset nonfarm income; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 8303. A bill to amend title I of the Elementary and Secondary Education Act of 1965 to provide a more equitable means of allocating grants among local educational agencies; to the Committee on Education and Labor.

H.R. 8304. A bill to amend the national reading improvement program to provide more flexibility in the types of projects which can be funded, and for other purposes; to the Committee on Education and Labor.

By Mr. RHODES:

H.R. 8305. A bill to amend the act of September 14, 1959 (Public Law 86–272; 73 Stat. 555); to the Committee on the Judiciary.

By Mr. RINALDO:

H.R. 8306. A bill to govern the disclosure of certain financial information by financial institutions to governmental agencies, to protect the constitutional rights of citizens of the United States, and to prevent unwarranted invasions of privacy by prescribing procedures and standards governing disclosure of such information, and for other purposes; to the Committee on Banking, Currency and Housing.

H.R. 8307. A bill to amend titles II, VII, XI, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes; to the Committee on Ways and Means.

By Mr. ROUSSELOT:

H.R. 8308. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 8309. A bill to amend title XVIII of the Social Security Act to make it clear that payment may be made under the supplementary medical insurance program for wheelchairs and other durable medical equipment furnished on a lease-purchase basis; to the Committee on Ways and Means.

By Mrs. Smith of Nebraska:

H.R. 8310. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; jointly to the Committees of Ways and Means, and Interstate and Foreign Commerce.

H.R. 8311. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and material and child health programs; and to provide for a 6-month study of alternative methods of ultilization review and utilization control for such hospitals; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ASHLEY (by request):

H.R. 8312. A bill to amend chapter 83 of title 5, United States Code, to provide an annuity to individuals over age 18 who are disabled children of Federal employees entitled to receive a retirement annuity under such chapter; to the Committee on Post Office and Civil Service.

By Mr. ASHLEY (for himself, Mr. Rees, Mr. Stephens, Mr. Carney, and Mr. Ginn):

H.R. 8313. A bill to authorize emergency assistance to stimulate the production of needed housing and to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. BADILLO (for himself, and Mr. Roybal):

H.R. 8314. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in all district courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. BEDELL (for himself, Mr. Fithian, Mr. Jenrette, Mr. Riegle, Mr. Harkin, Mr. Beard of Rhode Island, Mr. Stark, and Mr. Krebs):

H.R. 8315. A bill to amend the Federal Crop Insurance Act to establish an independent corporation to carry out the purposes of such act, to provide for more extensive commodity coverage under such act, and for other purposes; to the Committee on Agriculture.

By Mr. BINGHAM:

H.R. 8316. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer, his spouse, or his dependent, who is disabled, and for other purposes; to the Committee on Ways and Means.

H.R. 8317. A bill to amend title XX of the Social Security Act to provide for annual increases in the aggregate amount available for social services payments to States thereunder so as to reflect rises in the cost of living; to the Committee on Ways and Means.

H.R. 8318. A bill to amend the Social Security Act to make certain that recipients of supplemental security income benefits, recipients of aid to families with dependent children, and recipients of payments under the veterans' benefit programs and certain other Federal and federally assisted programs will not have the amount of such benefits, aid, or payments reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

H.R. 8319. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 8320. A bill to amend the Internal Revenue Code of 1954 to provide, in the case of an individual, a credit (not to exceed $200) or a deduction (not to exceed $800) for public transit fare expenditures incurred in traveling to and from work; and in the case of a handicapped individual unable to use public transportation, a credit (not to exceed $750) or a deduction (not to exceed $3,000) for reasonable transportation expenses incurred in traveling to and from work; to the Committee on Ways and Means.

H.R. 8321. A bill to amend the Internal Revenue Code of 1954 to provide an optional credit for taxes or rent paid on a principal residence by persons who are 65 years of age or older, and by persons who are handicapped; to the Committee on Ways and Means.

By Mr. BRECKINRIDGE:

H.R. 8322. A bill to amend the Natural Gas Act to give the Federal Power Commission authority to order interchange, delivery, and transportation of natural gas among natural gas companies and from intrastate suppliers of natural gas to natural gas companies for a 3-year period, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CORMAN (for himself and Mr. Florio):

H.R. 8323. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. CRANE:

H.R. 8324. A bill to declare the public policy of the United States and to remove all legal obstacles to the use of gold clauses; to the Committee on Banking, Currency and Housing.

By Mr. DANIELSON (for himself, Mr. Alexander, Mr. Breaux, Mr. Brown of California, Mr. Cederberg, Mr. Conte, Mr. Davis, Mr. Ford of Michigan, Mr. Helstoski, Mr. Hungate, Mr. Kazen, Mr. Leggett, Mr. Mitchell of New York, Mr. Mikva, Mr. Moss, Mr. Sharp, Mr. Treen, Mr. Wampler, and Mr. Waxman):

H.R. 8325. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide that a unit of or combination of units of general local government having a population of 50,000 or more shall be eligible to be a prime sponsor, and for other purposes; to the Committee on Education and Labor.

By Mr. DICKINSON:

H.R. 8326. A bill to amend the Natural Gas Act (52 Stat. 821, June 21, 1938) as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. DODD:

H.R. 8327. A bill to amend section 420 of the Higher Education Act of 1965 to provide that payments under such section shall be based upon the number of veterans who are undergraduate or graduate students in attendance at an institution of higher education on October 16 of each year; to the Committee on Education and Labor.

By Mr. DOWNEY of New York (for himself, and Mr. Vanik):

H.R. 8328. A bill to amend titles 10 and 32 of the United States Code with respect to reserve training and organizational requirements; to the Committee on Armed Services.

By Mr. DRINAN:

H.R. 8329. A bill to amend the State and Local Fiscal Assistance Act of 1972; to the Committee on Government Operations.

By Mr. ESCH:

H.R. 8330. A bill to encourage on-the-scene emergency care aboard aircraft by relieving physicians, registered nurses and aircraft employees from civil liability for damages resulting from any act or omission in rendering such care; to the Committee on the Judiciary.

H.R. 8331. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, to allow an estate tax deduction with respect to the value of certain farm or business interests held by the decedent, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. EVANS of Colorado (for himself, Mr. Oberstar, Mr. Don H. Clausen, Mr. Cleveland, Mr. Harris, Mr. Krebs, Mr. Mahon, Mr. Miller of Ohio, Mrs. Pettis, and Mr. Runnels):

H.R. 8332. A bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries; to the Committee on Government Operations.

By Mrs. FENWICK:

H.R. 8333. A bill to amend the Bankruptcy Act to provide a priority for certain debts to consumers; to the Committee on the Judiciary.

By Mr. FINDLEY:

H.R. 8334. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional assistance to small employers; to the Committee on Education and Labor.

By Mr. FORSYTHE (for himself, Mrs. Meyner, Mr. Emery, Mr. Rinaldo, Mr. Hyde, Mr. Scheuer, Mr. Walsh, Mr. Young of Georgia, Mr. Yatron, Mr. Thompson, Mr. Mitchell of New York, Mr. Zeferetti, Mrs. Collins of Illinois, Mr. Ketchum, Mr. Lent, Mr. Carter, and Mrs. Fenwick):

H.R. 8335. To amend the Internal Revenue Code of 1954 to allow certain individuals who have attained age 65 or who are disabled a refundable tax credit for property taxes paid by them on their principal residences or for a certain portion of the rent they pay for their principal residences; to the Committee on Ways and Means.

By Mr. GUDE:

H.R. 8336. A bill to amend the Internal Revenue Code of 1954 to exempt from taxation certain aliens who are temporarily in the United States for purposes of teaching or engaging in research for an agency of the Federal Government; to the Committee on Ways and Means.

By Mr. HANNAFORD (for himself, Mr. Carter, Mr. Duncan of Tennessee, Mr. Symington, Mr. Breckinridge, Mr. O'Brien and Mr. Studds):

H.R. 8337. A bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program; to the Committee on Ways and Means.

By Mr. HOWARD:

H.R. 8338. A bill to provide Federal loan guarantee for certain common carriers of express; to the Committee on Public Works and Transportation.

By Mr. JACOBS:

H.R. 8339. A bill to amend the Internal Revenue Code of 1954 to permit a parent who supports a handicapped child to take a personal exemption for that child even though the child earns more than $750; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 8340. A bill to reform programs under the Comprehensive Employment and Training Act of 1973; to the Committee on Education and Labor.

By Mr. LATTA:

H.R. 8341. A bill to amend the Real Estate Settlement Procedures Act of 1974 to exempt lenders from certain requirements of the act with respect to any real estate settlement where the total charges to be imposed upon the borrower are $100 or less; to the Committee on Banking, Currency and Housing.

By Mr. LONG of Maryland (for himself Ms. Spellman, Mr. Gude, and Mr. Cohen):

H.R. 8342. A bill to prevent the proliferation of nuclear weapons by limiting the transfer of certain nuclear technology and materials; to the Joint Committee on Atomic Energy.

By Mr. MAGUIRE (for himself, Ms. Abzug, Ms. Burke of California, Mr. Carney, Mr. Conyers, Mr. Derwinski, Mr. Downey of New York, Mr. Harrington, Mr. LaFalce, Mr. Lent, Mr. Melcher, Ms. Meyner, Mr. Moss, Mr. Ottinger, Mr. Peyser, Mr. Pressler, Mr. Rangel, Mr. Rees, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Scheuer, Mr. Thompson, Mr. Waxman, and Mr. Yatron):

H.R. 8343. To amend title XVI of the Social Security Act to direct the Secretary, in determining the extent to which the value of an individual's home is excludable for purposes of establishing his or her eligibility for supplemental security income benefits, to take into account regional variations in the market prices of homes and to make periodic adjustments reflecting changes in land and home values; to the Committee on Ways and Means.

By Mr. MAGUIRE (for himself, Mr. Edgar, Mr. Fascell, Mr. Santini, and Mr. Studds):

H.R. 8344. A bill to amend title XVI of the Social Security Act to direct the Secretary, in determining the extent to which the value of an individual's home is excludable for purposes of establishing his or her eligibility for supplemental security income benefits, to take into account regional variations in the market prices of homes and to make periodic adjustments reflecting changes in land and home values; to the Committee on Ways and Means.

By Mr. MAGUIRE (for himself, Mr. Blouin, Ms. Collins of Illinois, Mr. Conyers, Mr. Derwinski, Mr. Edwards of California, Mr. Harrington, Mr. Melcher, Mr. Scheuer, Mr. Thompson, Mr. Waxman, Mr. Whitehurst, Mr. Charles Wilson of Texas, and Mr. Yatron):

H.R. 8345. A bill to amend title II of the Social Security Act to liberalize the earnings test, to provide that cost-of-living increases shall be made semiannually (and on the basis of a separate senior citizen price index), and to provide that the remarriage of a beneficiary shall not terminate or reduce his or her benefits; to the Committee on Ways and Means.

By Mr. MATHIS (for himself and Mr. Jones of North Carolina):

H.R. 8346. A bill to amend sections 358, 358a, 359, and 373 of the Agricultural Adjustment Act of 1938, as amended, and title I of the Agricultural Act of 1949, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. MEZVINSKY (for himself, Ms. Abzug, Mr. Badillo, Mr. Bedell, Mr. Brown of California, Mr. Boland, Mrs. Collins of Illinois, Mr. Fithian, Mr. Harkin, Mr. Hawkins, Ms. Jordan, Mr. LaFalce, Mr. Mikva, Mr. Moss, Mr. Pressler, Mr. Rodino, Mr. Rosenthal, Mr. Ryan, and Mr. Stark):

H.R. 8347. A bill to amend the U.S. Grain Standards Act for the purpose of requiring that inspections made under such act be made by Federal employees, and for other purpose of strengthening the criminal penalties imposed by such act; to the Committee on Agriculture.

By Mr. MIKVA:

H.R. 8348. A bill to protect the rights of temporary help employees, to require temporary help agencies to obtain licenses issued by the Secretary of Labor, and for other purposes; to the Committee on Education and Labor.

By Mr. MIKVA (for himself, Mr. Preyer, Mr. Moss, Mr. Adams, Mr. Metcalfe, Mr. Rooney, Mr. Roncalio, Mr. Carney, Mr. Jacobs, Mr. Fraser, and Mr. Moffett):

H.R. 8349. A bill to correct inequities in certain franchise practices, to provide franchisors and franchisees with even-handed protection from unfair practices, to provide consumers with the benefits which accrue from a competitive and open market economy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MURPHY of New York:

H.R. 8350. A bill to provide that the sons and daughters of recipients of the Distinguished Service Cross, the Navy Cross, or the Air Force Cross may be admitted to the service academies on the same basis as sons and daughters of recipients of the Congressional Medal of Honor; to the Committee on Armed Services.

By Mr. PEPPER (for himself and Mr. Smith of Iowa):

H.R. 8351. A bill to amend the Internal Revenue Code of 1954 to provide 5-year amortization for coal-burning equipment used by public utilities; to the Committee on Ways and Means.

By Mr. RHODES:

H.R. 8352. A bill to amend title 10 of the United States Code in order to treat care received in ambulatory surgical centers as inpatient care for purposes of the CHAMPUS program; to the Committee on Armed Services.

By Mr. ROSTENKOWSKI, (for himself, Mr. Annunzio, Mrs. Collins of Illinois, Mr. Crane, Mr. Derwinski, Mr. Hyde, Mr. McClory, Mr. Metcalfe, Mr. Mikva, Mr. Murphy of Illinois, Mr. Russo, and Mr. Yates):

H.R. 8353. A bill to authorize the Secretary of the Army to carry out a program for flood prevention in the North Branch of the Chicago River Watershed in Cook and Lake Counties, Ill., and for other purposes; to the Committee on Public Works and Transportation.

By Mr. RUSSO:

H.R. 8354. A bill to direct the Comptroller General of the United States to conduct a study of the burden of reporting requirements of Federal regulatory programs on independent business establishments, and for other purposes; to the Committee on Government Operations.

By Mr. RYAN:

H.R. 8355. A bill to prohibit certain foreign fishing activities, to regulate foreign fishing activities within the fisheries zone of the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. STEELMAN:

H.R. 8356. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, to establish a save outdoor America program, and for other purposes; to the Committee on Interior and Insular Affairs.

Mr. STUCKEY:

H.R. 8357. A bill to amend the provisions of title 18 United States Code, relating to the release of an individual charged with an offense involving the use of a firearm, and for other purposes; to the Committee on the Judiciary.

By Mr. SYMMS (for himself, Mr. Ichord, Mr. McDonald of Georgia, and Mr. Rousselot):

H.R. 8358. A bill to provide a new U.S. gold coinage; to the Committee on Banking, Currency and Housing.

By Mr. CHARLES WILSON of Texas (for himself, Mr. Patman, Mr. Bowen, Mr. Breaux, Mr. John L. Burton, Mr. Phillip Burton, Mr. Davis, Mr. de Lugo, Mr. English, Mr. Hamilton, Mr. Holland, Mr. Jenrette, Mr. Melcher, Mr. Pressler, Mr. Santini, Mr. Sikes, and Mr. Young of Alaska):

H.R. 8359. A bill to amend the definition of "rural area" in the Consolidated Farm and Rural Development Act and title V of the Housing Act of 1949 in order to permit towns of 25,000 or less inhabitants to be considered rural areas for purposes of those acts; to the Committee on Agriculture.

By Mr. WIRTH:

H.R. 8360. A bill to further protect the outstanding scenic, natural, recreational, scientific, and historical values of the Rocky Mountain National Park by enlarging the Rocky Mountain National Park in the State of Colorado, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McFALL:

H.R. 8365. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

By Mr. BAFALIS (for himself, Mr. Del Clawson, Mrs. Holt, Mr. Lagomarsino, and Mr. Beard of Tennessee):

H.J. Res. 531. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. BAUCUS:

H.J. Res. 532. Joint resolution to authorize and request the President to issue a proclamation designating the fourth Sunday in September annually as National Good Neighbor Day; to the Committee on Post Office and Civil Service.

By Mr. OTTINGER (for himself, Mr. Bergland, Mr. Brown of California, Mrs. Burke of California, Mr. Phillip Burton, Mrs. Chisholm, Mr. Clay, Mr. Eckhardt, Mr. Edgar, Mr.

Eilberg, Mr. Ford of Tennessee, Mr. Hannaford, Mr. Harrington, Mr. Harris, Mr. Howe, Mr. Jenrette, Mr. Lehman, Mrs. Meyner, Mr. Mikva, Mr. Mineta, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Moffett, Mr. Nix, and Mr. Nolan):

H.J. Res. 533. Joint resolution to renounce the first use of nuclear weapons; to the Committee on International Relations.

By Mr. OTTINGER (for himself, Mr. Ashley, Mr. Baucus, Mr. Bedell, Mr. Beard of Rhode Island, Mr. Brademas, Mr. Fascell, Mr. Hayes of Indiana, Mr. Hawkins, Mr. Kastenmeier, Mr. Leggett, Mr. McHugh, Mr. Miller of California, Mr. Moakley, Mr. Obey, Mr. Patten, Mr. Rangel, Mr. Rosenthal, Mr. Roybal, Mr. Simon, Mrs. Spellman, Mr. Tsongas, Mr. Van Deerlin, Mr. Vanik, and Mr. Waxman):

H.J. Res. 534. Joint resolution to renounce the first use of nuclear weapons; to the Committee on International Relations.

By Mr. OTTINGER (for himself, Ms. Abzug, Mr. John L. Burton, Mr. Conyers, Mr. Dellums, Mr. Drinan, Mr. Edwards of California, Ms. Holtzman, Mr. Howard, Mr. Jacobs, Ms. Jordan, Ms. Keys, Mr. Maguire, Mr. Metcalfe, Mr. Mezvinsky, Mr. Pattison of New York, Mr. Rees, Mr. Richmond, Ms. Schroeder, Mr. Seiberling, Mr. Stark, Mr. Studds, Mr. Won Pat, Mr. AuCoin, and Mr. Downey of New York):

H.J. Res. 535. Joint resolution to renounce the first use of nuclear weapons; to the Committee on International Relations.

By Mr. OTTINGER (for himself, Mr. Corman, Mr. Riegle, Mr. Wirth, Mr. Young of Georgia, Mr. Matsunaga, Mr. Melcher, Mr. Harkin, Mr. Biaggi, Mr. Evans of Colorado, Mr. Oberstar, Mr. Cornell, Mr. Mitchell of Maryland, Mr. Macdonald of Massachusetts, Mr. Reuss, Mr. Badillo, Mr. Helstoski, Mr. Rees, and Mr. Weaver):

H.J. Res. 536. Joint resolution to renounce the first use of nuclear weapons; to the Committee on International Relations.

By Mr. QUIE (for himself, Mr. Perkins, Ms. Abzug, Mr. Brodhead, Mr. Broyhill, Mr. Breaux, Mrs. Burke of California, Mr. Phillip Burton, Mr. Carr, Mr. Casey, Mr. Edwards of California, Mr. Esch, Mr. Fascell, Mr. Fauntroy, Mr. Hannaford, and Mr. Hayes of Indiana):

H.J. Res. 537. Joint resolution to extend support under the joint resolution providing for Allen J. Ellender fellowships to disadvantaged secondary school students, and for other purposes; to the Committee on Education and Labor.

By Mr. QUIE (for himself, Mr. Perkins, Ms. Jordan, Mr. Levitas, Mr. Macdonald of Massachusetts, Mr. Moore, Mr. O'Neill, Mr. Railsback, Mr. Ryan, Mr. Vander Veen, Mr. Waxman, Mr. Young of Georgia, and Mr. Zeferetti):

H.J. Res. 538. Joint resolution to extend support under the joint resolution providing for Allen J. Ellender fellowships to disadvantaged secondary school students, and for other purposes; to the Committee on Education and Labor.

By Mr. HELSTOSKI (for himself, Mr. Addabbo, Mr. Bell, Mr. Crane, Mr. Dominick V. Daniels, Mr. Patten, and Mr. Pepper):

H. Con. Res. 326. Concurrent resolution with respect to the rights of the Hungarian and other minorities in Romania and to congressional approval of the United States-Romanian Trade Agreement; to the Committee on Ways and Means.

By Mr. METCALFE (for himself, Mr. Badillo, Mr. Brown of California, Ms. Burke of California, Ms. Collins of Illinois, Mr. Conyers, Mr. Ford of Tennessee, Mr. Gude, Mr. Harrington, Mr. Hawkins, Mr. McCloskey, Ms. Meyner, Mr. Mitchell of Maryland, Mr. Rangel, Mr. Simon, Ms. Spellman, Mr. Stark, and Mr. Young of Georgia):

H. Con. Res. 327. Concurrent resolution concerning U.S. policy with respect to southern Africa; to the Committee on International Relations.

By Mr. CONABLE (for himself, Mr. McClory, Mr. Burgener, Mr. Whitehurst, and Mr. Kindness):

H. Res. 572. Resolution to amend the Rules of the House of Representatives to require that meetings of the Committee on House Administration for consideration of the fixing and adjusting of allowances of Members and committees be open to all Members of the House, and for other purposes; to the Committee on Rules.

By Mr. CRANE (for himeslf, Mr. Bob Wilson, Mr. Bell, Mr. Hastings, and Mr. Beard of Rhode Island):

H. Res. 573. Resolution in support of continued undiluted U.S. soverignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

By Mr. DOWNING of Virginia (for himself, Mr. Burgener, Mr. Florio, Mr. Lagomarsino, Mr. Mathis, Mr. Roe, Mr. Snyder, Mrs. Spellman, Mr. Talcott, Mr. Young of Florida, and Mr. Anderson of California):

H. Res. 574. Resolution creating a select committee to conduct an investigation and study of the circumstances surrounding the death of John F. Kennedy; to the Committee on Rules.

By Mr. METCALFE (for himself, Mr. Diggs, Ms. Abzug, Mr. Anderson of California, Mr. Bell, Mr. Bergland, Mr. Bingham, Ms. Burke of California, Ms. Chisholm, Ms. Collins of Illinois, Mr. Conyers, Mr. Downey of New York, Mr. Drinan, Mr. Edwards of California, Mr. Gilman, Mr. Hawkins, Mr. Hicks, Ms. Holtzman, Ms. Jordan, Mr. LaFalce, Mr. Melcher, Ms. Meyner, Mr. Mikva, Mr. Mitchell of Maryland, and Mr. Nix):

H. Res. 575. Resolution expressing the sense of the House of Representatives concerning the serious problem of malnutrition which exists in certain areas of the world; to the Committee on International Relations.

By Mr. METCALFE (for himself, Ms. Meyner, Mr. Mikva, Mr. Richmond, and Mr. Van Deerlin):

H. Res. 576. Resolution expressing the sense of the House of Representatives concerning the serious problem of malnutrition which exists in certain areas of the world; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

208. By the SPEAKER: Memorial of the Legislature of the State of Nevada, relative to the appointment of a mineral affairs adviser to the White House staff; to the Committee on Interior and Insular Affairs.

209. Also, memorial of the Legislature of the State of Nevada, relative to the exchange of Federal lands outside the Lake Tahoe basin for privately owned lands within the basin; to the Committee on Interior and Insular Affairs.

210. Also, memorial of the Legislature of the State of Nevada, relative to domestic exploration and mining of gold and silver; to the Committee on Interior and Insular Affairs.

211. Also, memorial of the Legislature of the State of Nevada, relative to no-fault automobile insurance; to the Committee on Interstate and Foreign Commerce.

212. Also, memorial of the Legislature of the State of California, relative to medical care for illegal aliens; to the Committee on the Judiciary.

213. Also, memorial of the Legislature of the State of Nevada, relative to abuses of the Internal Revenue Service; to the Committee on Ways and Means.

214. Also, memorial of the Legislature of the State of Nevada, relative to income limitations on the receipt of social security benefits; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 8361. A bill for the relief of Joseph and Christopher Camilleri; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.R. 8362. A bill for the relief of Agata Naziemkowska; to the Committee on the Judiciary.

By Mr. DAVIS:

H.R. 8363. A bill for the relief of Donald N. Yates, Jr., Carolyn B. Yates, Guy Kevin Yates, Sean Hansen Yates, and Michelle Lyn Yates; to the Committee on the Judiciary.

By Mr. METCALFE:

H.R. 8364. A bill for the relief of Marie Grant: to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

By Mr. MELCHER:

H.R. 49. In lieu of the amendment of the Committee on Interior and Insular Affairs, substitute the following amendment: That in order to develop petroleum reserves of the United States which need to be regulated in a manner to meet the total energy needs of the Nation, including but not limited to national defense, the Secretary of the Interior, with the approval of the President, is authorized to establish national petroleum reserves on any reserved or unreserved public lands of the United States (except lands in the National Park System, the National Wildlife Refuge System, the Wild and Scenic Rivers System, the National Wilderness Preservation System, areas now under review for inclusion in the Wilderness System in accordance with provisions of the Wilderness Act of 1964, and lands in Alaska other than those in Naval Petroleum Reserve Numbered 4).

Sec. 2. No national petroleum reserve that includes all or part of an existing naval petroleum reserve shall be established without prior consultation with the Secretary of Defense, and when so established, the portion of such naval reserve included shall be deemed to be excluded from the naval petroleum reserve.

Upon the inclusion in a national petroleum reserve of any land which is in a naval petroleum reserve on the date of enactment of this Act, any equipment, facilities, or other property of the Department of the Navy used in operations on the land so included and any records, maps, exhibits, or other informational data held by the Secretary of the Navy in connection with the land so included shall be transferred from the Secretary of the Navy to the Secretary of the Interior who shall thereafter be authorized to use them to carry out the purposes of this Act.

The Secretary of the Interior shall assume the responsibilities and functions of the Secretary of the Navy under any contract which now exists with respect to activities on a naval petroleum reserve to which the United States is a party.

SEC. 3. (a) The oil and gas in the national petroleum reserves in the contiguous forty-eight States established pursuant to section 2 may be developed under terms and conditions prescribed by the Secretary of the Interior and approved by the President. The Secretary of the Interior shall explore, develop or produce the oil and gas or shall use competitive bidding procedures with prior public notice of not less than thirty days of the terms and conditions for any contract, or operating agreement for development and production of oil and gas from a national petroleum reserve. If the Secretary does not explore, develop and produce oil and gas from the areas known as Naval Petroleum Reserves Numbered 1, 2, and 3 these reserves shall only be explored, developed and produced by competitive bid contracts providing for the payment by the United States of a monetary sum rather than a share of production: *Provided,* That he shall not enter into any such contract with an owner of any part of Naval Petroleum Reserve Numbered 1, and he shall not authorize any production within Naval Petroleum Reserve Numbered 1 unless he has reached an agreement with the current owner of part of the Reserve to continue operations under a unit plan contract which protects the public interest. Such terms and conditions and also plans for the development of each area of the national petroleum reserves shall be published in the Federal Register, but shall not become effective until ninety days after final notice has been published and submitted to the Congress (not counting days on which either the House of Representatives or the Senate is not in session for three consecutive days or more) and then only if neither the House of Representatives nor the Senate adopts a resolution of disapproval. Each proposed plan of development and each amendment thereof shall explain in detail the method of development and production proposed and shall provide for disposal and transportation of the oil consistent with the public interest. Each proposed plan of development shall provide that the terms of every sale or exchange of oil and gas from a national petroleum reserve shall be so structured as to give a full and equal opportunity for the acquisition of, or exchange for, the oil and gas by all interested companies, including major and independent oil producers and refiners alike and shall be so structured as to include blocks small enough to permit small companies to offer viable bids on the oil tendered. Each proposed plan of development shall also explain the relative need for developing the oil and gas resources in order to meet the total energy needs of the Nation, compared with the need for prohibiting such development in order to further some other public interest.

All geological and geophysical information collected and developed pursuant to the development and implementation of the plan shall be made available when the plan is submitted to Congress. Any additional information collected pursuant to the powers granted under this Act, whether in interpreted or raw data form, shall be made available to the public within a period of thirty days after its collection or interpretation.

(b)(1) At each stage in the formulation and promulgation of any terms and conditions, plans of development or amendment thereto, and rules and regulations, and at each stage in the entering and making of contracts and operating arrangements, under this Act, the Secretary of the Interior shall consult with and give due consideration to the views and advice of the Attorney General of the United States.

(2) All plans submitted to the Congress by the Secretary of the Interior under this Act shall contain a report by the Attorney General of the United States on the anticipated effects upon competition of such plans.

(3) No contract or operating arrangement may be made or issued under this Act until at least 30 days after the Secretary of the Interior notifies the Attorney General of the proposed contract or operating arrangement. Such notification shall contain such information as the Attorney General may require in order to advise the Secretary of the Interior as to whether such contract or operating arrangement would create or maintain a situation inconsistent with the antitrust laws. If the Attorney General advises the Secretary of the Interior that a contract or operating arrangement would create or maintain such a situation, the Secretary of the Interior may not make or issue that contract or operating arrangement unless he thereafter conducts a public hearing on the record in accordance with the Administrative Procedure Act and finds therein that such contract or operating arrangement is necessary to effectuate the purposes of this Act, that is consistent with the public interest, and that there are no reasonable alternatives consistent with this Act, the antitrust laws, and the public interest.

(4) Nothing in this Act shall be deemed to convey to any person, association, corporation, joint venture, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

(5) As used in this section, the term "antitrust laws" means—

(A) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(B) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1959 (15 U.S.C. 12 et seq.), as amended;

(C) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(D) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; or

(E) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c) Any oil or gas produced from such petroleum reserves, except such oil or gas which is either exchanged in similar quantities for convenience or increased efficiency of transportation with persons or the government of an adjacent foreign state, or which is temporarily exported for convenience or increased efficiency of transportation across parts of an adjacent foreign state and reenters the United States, shall be subject to all of the limitations and licensing requirements of the Export Administration Act of 1969 (Act of December 30, 1969; 83 Stat. 841) and, in addition, before any oil or gas subject to this section may be exported under the limitations and licensing requirement and penalty and enforcement provisions of the Export Administration Act of 1969, the President must make and publish an express finding that such exports will not diminish the total quality or quantity of oil and gas available to the United States and are in the national interest and are in accord with the Export Administration Act of 1969.

(d) Pursuant to any program hereafter authorized by the Congress, the President may, in his discretion, direct that not more than 25 per centum of the oil produced from such national petroleum reserves shall be placed in strategic storage facilities or exchanged for oil and gas products of equal value which shall be placed in such strategic storage facilities.

(e) The Secretary of the Interior is authorized to enter into contracts for the sale or exchange of oil and gas which is produced from the national petroleum reserves and which is owned by the United States. Such contracts shall be issued by competitive bidding, shall be for periods of not more than one year, and shall be in amounts which will permit the attainment of the objectives for disposal and transportation set forth in subparagraph (a) of this section. Each bid offering shall be structured to include blocks small enough to permit small refiners to offer viable bids on the oil tendered. The United States shall not enter into any contract for the sale of oil and gas produced from the area known as Naval Petroleum Reserve Numbered 1 which shall result in any person, association, or corporation obtaining directly or indirectly, control over more than 20 percent of the oil produced from that Reserve during any single year. All proceeds from any such contract for the sale of oil and gas produced from areas designated as Naval Petroleum Reserves if they are included in National Petroleum Reserves shall be deposited in the Treasury of the United States.

(f) The Secretary of the Interior with the approval of the President, is hereby authorized and directed to explore for oil and gas on the area designated as Naval Petroleum Reserve Numbered 4 if it is included in a National Petroleum Reserve and he shall report annually to Congress on his plan for exploration of such reserve: *Provided,* That no development leading to production shall be undertaken unless authorized by Congress. He is authorized and directed to undertake a study of the feasibility of delivery systems with respect to oil and gas which may be produced from such reserve. *Provided further,* that the Secretary of the Interior shall, through a Task Force including representatives of the State of Alaska, the Arctic Slope Regional Corporation, the U.S. Fish & Wildlife Service and the Office of National Petroleum Reserves established by this Act, functioning cooperatively, study and review the values and best uses of the public domain lands contained in Naval Petroleum Reserve Numbered Four as subsistence lands for natives, scenic, historical, recreational, fish and wildlife, wilderness or for other purposes, and, within three years, submit to Congress his recommendations for such designation of areas of those lands as may be appropriate and, *Provided further,* that oil and gas exploration within the Utukok River and Teheshepuk Lake areas and others containing significant subsistence, recreational, fish and wildlife, historical or scenic values, shall be conducted in a manner so as to preserve such surface values.

(g) Any pipeline which carries oil or gas produced from the national petroleum reserves shall be operated and maintained as a common carrier and shall accept, convey, and transport without discrimination and at reasonable rates oil and gas produced from national petroleum reserves. The Secretary of the Interior shall provide in every contract for the sale or exchange of oil or gas produced from such reserves that the contracting party, if owner or operator of a controlling interest in any pipeline or any company operating the pipeline which carries oil or gas produced from the national petroleum reserves, shall at reasonable rates and without discrimination accept and convey the oil and gas which is produced from the reserves of the Government or of any citizen or company not the owner of any pipeline subject to the provisions of this section. The Secretary of the Interior shall have the power to make rules and regulations for the purpose of carrying out the provisions of this section and shall have the authority to declare forfeit any contract, operating agreement, right-of-way, permit or easement held by any person or entity violating such rules or regulations. This section shall not apply to any natural gas common carrier pipeline operated by any person subject to regulation under the Natural Gas Act or any public utility subject to regulation by a State or municipal regulatory agency having jurisdiction to regulate the rates and charges for the sale of natural gas to consumers within the State or municipality.

(h) With respect to pipelines and related input and terminal facilities in the vicinity of any national petroleum reserve the Secretary of the Interior is authorized to obtain by purchase, including condemnation, such property interests as he may determine to be necessary to effectuate the transportation by purchasers of oil and gas from any national petroleum reserve to refinery points or points of interconnection with common carrier pipelines. The Secretary is further authorized to construct such pipelines and related input and terminal facilities as he determines to be necessary in order to effectuate disposals of oil and gas from national petroleum reserves in accordance with the objectives set forth in subparagraph (a) above.

SEC. 4(a). There is hereby established in the Department of the Interior an Office of National Petroleum Reserves which shall have as its head a Director who shall be appointed by the President, by and with the advice and consent of the Senate. In carrying out the provisions of this Act, the Secretary shall delegate all functions and duties authorized by this Act to the Director. In addition to the Director, there shall be such other employees, as may be necessary, who shall be appointed by the Secretary subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter 3 of chapter 53 of such title relating to classification and general schedule pay rates.

(b) No person appointed to the Office of National Petroleum Reserves shall, during his term in office, be engaged in any business, nor have any financial interest in any business entity, which is engaged in the exploration, development, production, transportation or sale of oil or gas. Before accepting employment with the Office of National Petroleum Reserves, each employee must agree, for a period of two years after termination of employment, not to accept employment with, or receive any benefit, financial or otherwise, from any business entity which is engaged in the exploration, development, production, transportation or sale of oil or gas.

(Amendment to Melcher substitute amendment: In section 3(a), beginning in the eighth sentence, delete the words "to the public within a period of three years after its collection. Privileged or proprietary information will not be released without consent," and insert the following: "when the plan is submitted to Congress. Any additional information collected pursuant to the powers granted under this Act, whether in interpreted or raw data form, shall be made available to the public within a period of thirty days after its collection or interpretation."

(Amendment to Melcher substitute amendment): In section 3(e), amend the fourth sentence to read as follows: "The United States shall not enter into any contract for the sale of oil and gas produced from the area known as Naval Petroleum Reserve Numbered 1 which shall result in any person, association, or corporation obtaining directly or indirectly, control over more than 20 per cent of the oil produced from that Reserve during any single year."

(Amendment to Melcher substitute amendment): At the end of Section 3(f), add the following: "*Provided further*, That the Secretary of the Interior shall, through a Task Force including representatives of the State of Alaska, the Arctic Slope Regional Corporation, the U.S. Fish & Wildlife Service and the Office of National Petroleum Reserves established by this Act, functioning cooperatively, study and review the values and best uses of the public domain lands contained in Pet. 4 as subsistence lands for natives, scenic, historical, recreational, fish and wildlife, wilderness or for other purposes, and, within three years, submit to Congress his recommendations for such designation of areas of those lands as may be appropriate and, *Provided, further*, That oil and gas exploration within the Utukok River and Teheshepuk Lake areas and others containing significant subsistence, recreational, fish and wildlife, historical or scenic values, shall be conducted in a manner so as to preserve such surface values."

(Amendment to Melcher substitute amendment): In section 3(g), in the fourth sentence, delete the words "which is regulated by".

SENATE—*Thursday, June 26, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Hon. PATRICK J. LEAHY, a Senator from the State of Vermont.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, ever-present, ever-near, beneath whose all-seeing eye each day is lived, grant that our thoughts and our deeds may be acceptable in Thy sight. May our motives be transparently sincere and our service as selfless as the Master's. Help us to be generous in our judgment of others, loyal to our friends and faithful to our oath of office. In demeanor keep us courteous and magnanimous at all times. Be with us in silence and in speech, in the freshness of the morning and in the weariness of the evening. From the beginning to the end of the day may Thy will be done in us for the betterment of the Nation and the good for all mankind.

We pray in His name, King of Kings and Lord of Lords. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 26, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. PATRICK J. LEAHY, a Senator from the State of Vermont, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. LEAHY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Wednesday, June 25, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has agreed to the concurrent resolution (H. Con. Res. 324) providing for a conditional adjournment of the House of Representatives from June 26, 1975, until July 8, 1975, in which it requests the concurrence of the Senate.

ADJOURNMENT OF THE TWO HOUSES OVER THE FOURTH OF JULY HOLIDAY

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate the message from the House of Representatives on the adjournment resolution.

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate a message from the House of Representatives which will be stated.

The assistant legislative clerk read as follows:

H. CON. RES. 324

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, June 26, 1975, it stand adjourned until 12 o'clock noon on Tuesday, July 8, 1975, or until 12 o'clock noon on the second day after its Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

SEC. 2. The Speaker of the House of Representatives shall notify the Members of the House to reassemble whenever in his opinion the public interest shall warrant it or whenever the majority leader of the House and the minority leader of the House, acting jointly, file a written request with the Clerk of the House that the House reassemble for the consideration of legislation.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to its consideration.

Mr. MANSFIELD. Mr. President, I have an amendment at the desk which I offer at this time.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 1, line 3, strike out "or" and insert: "and that when the Senate adjourns on Friday, June 27, 1975, it stand adjourned until 11 o'clock a.m. on Monday, July 7, 1975, or in the case of both Houses," On page 1, strike section 2 and insert in lieu thereof the following:

"SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it or whenever the majority leader of the House and the majority leader of the Senate, acting jointly, or the minority leader of the House and the minority leader of the Senate, acting jointly, file a written request with the Clerk of the House and the Secretary of the Senate that the Congress reassemble for the consideration of legislation.

"SEC. 3. During the adjournment of both Houses of Congress as provided in section 1, the Secretary of the Senate and the Clerk of the House, respectively, be, and they hereby are, authorized to receive messages, including veto messages, from the President of the United States."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The concurrent resolution (H. Con. Res. 324), as amended, was agreed to, as follows:

H. CON. RES. 324

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, June 26, 1975, it stand adjourned until 12 o'clock noon on Tuesday, July 8, 1975, and that when the Senate adjourns on Friday, June 27, 1975, it stand adjourned until 11:00 o'clock a.m. on Monday, July 7, 1975, or in the case of both Houses, until 12 o'clock noon on the second day after its Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

"SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it or whenever the majority leader of the House and the majority leader of the Senate, acting jointly, or the minority leader of the House and the minority leader of the Senate, acting jointly, file a written request with the Clerk of the House and the Secretary of the Senate that the Congress reassemble for the consideration of legislation.

"SEC. 3. During the adjournment of both Houses of Congress as provided in section 1, the Secretary of the Senate and the Clerk of the House, respectively, be, and they hereby are, authorized to receive messages, including veto messages, from the President of the United States."

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to consideration of the calendar, beginning with Calendar No. 216.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ANGELO B. CORTES

The bill (S. 41) for the relief of Mr. Angelo B. Cortes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mr. Angelo B. Cortes shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203 (a) of the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-221), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Mr. Angelo B. Cortes. The bill provides for the payment of the required visa fee and for an appropriate visa number deduction.

ANDRES B. PASION

The bill (S. 51) for the relief of Mr. Andres B. Pasion was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mr. Andres B. Pasion shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-222), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Mr. Andres B. Pasion. The bill provides for the payment of the required visa fee and the appropriate visa number deduction.

BILLS PASSED OVER

The bill (S. 55) for the relief of Dino Mendoza Pascua was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 92) for the relief of Victor Henrique Carlos Gibson was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

ANGELA GARZA

The bill (S. 223) for the relief of Angela Garza, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act and section 21(e) of the Act of October 3, 1965, Angela Garza shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to special immigrants as defined in section 101(a) (27) (A) of the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-225), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Angela Garza. The bill provides for the payment of the required visa and an appropriate visa number deduction.

JESUS CORTEZ PINEDA

The bill (S. 447) for the relief of Jesus Cortez Pineda, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 447

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Jesus Cortez Pineda, may be classified as a child within the meaning of section 101(b) (1) (F) of such Act upon approval of a petition filed in his behalf by Mr. and Mrs. David Pineda, citizens of the United States, pursuant to section 204 of the said Act: *Provided*, That the brothers or sisters of the said Jesus Cortez Pineda shall not, by virtue of such relationship be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-226), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the adjustment of status as an immediate relative of the adopted son of a U.S. citizen and his lawfully permanent resident spouse.

DR. JESUS FERNANDEZ TIRAO AND HIS WIFE, BENYLIN-LYNDA OBIENA TIRAO

The bill (S. 485) for the relief of Dr. Jesus Fernandez Tirao and his wife, Benylin-Lynda Obiena Tirao, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 485

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Dr. Jesus Fernandez Tirao and his wife, Benylin-Lynda Obiena Tirao shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the required numbers, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–227), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Dr. Jesus Fernandez Tirao and his wife Benylin-Lynda Obiena Tirao. The bill provides for the payment of the required visa fees and for appropriate visa number deductions.

JIRI EMANUEL HUEBNER

The bill (S. 533) for the relief of Jiri Emanuel Huebner, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Jiri Emanuel Huebner shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–228), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Jiri Emanuel Huebner. The bill provides for the payment of the required visa fee and for an appropriate visa number deduction.

DR. BENEDICTO PRINCIPE AND HIS WIFE, ERLINDA MADULA PRINCIPE

The bill (S. 844) for the relief of Dr. Benedicto Principe and his wife, Erlinda Madula Principe, was considered, ordered to be engrossed for a third reading, read for the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Benedicto Principe and his wife, Erlinda Madula Principe shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the required numbers, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

PATRICK ANDRE TASSELIN AND HIS WIFE, FABIENNE FRANCOISE TASSELIN

The bill (S. 866) for the relief of Patrick Andre Tasselin and his wife, Fabienne Francoise Tasselin, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Patrick Andre Tasselin and his wife, Fabienne Francoise Tasselin, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the required numbers, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the aliens' birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–230), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Patrick Andre Tasselin and his wife, Fabienne Francoise Tasselin. The bill provides the payment of the required visa fees and for appropriate visa number deductions.

BILL PASSED OVER

The bill (H.R. 1387) for the relief of Raul Alvarez Rodriguez, was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PPRESIDENT pro tempore. The bill will be passed over.

GUADALUPE VILLEGAS-CANTU

The bill (H.R. 1388) for the relief of Guadalupe Villegas-Cantu, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–232), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Guadalupe Villegas-Cantu as of November 26, 1948. The bill provides for the payment of the required visa fee and for the appropriate visa number deduction. The granting of permanent residence as of this date will permit the beneficiary to file a petition for naturalization in accordance with the provisions of section 316 of the Immigration and Nationality Act.

JACINTA ROQUE ARMSTRONG-PEREZ

The bill (H.R. 1393) for the relief of Jacinta Roque Armstrong-Perez, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–233), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States as an immediate relative of the adopted child of a U.S. citizen and a lawful permanent resident.

JOSEPH HOFFMAN

The bill (H.R. 1408) for the relief of Joseph Hoffman, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–234), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the adjustment of status as an immediate relative of the adopted child of United States citizens.

SAMUEL T. ANSLEY

The bill (H.R. 1410) for the relief of Samuel T. Ansley, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–235), explaining the purposes of the measure.

There being no objection, the excerpt was orderd to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to pay Samuel T. Ansley $2,229.59, and also to relieve Mr. Ansley of liability to the United States for the sum of $374.40. The bill would be in full settlement of all claims by Mr. Ansley against the United States for moving expenses incurred after the United States purchased his property in New Mexico on April 19, 1966, for use by the Bureau of Sport Fisheries and Wildlife.

STEPHANIE KAHN AND BARBARA HEYMAN

The bill (H.R. 1421) for the relief of Stephanie Kahn and Barbara Heyman, was considered, ordered to a third reading, read the third time, and passed.

STEVE P. REESE

The bill (H.R. 1510) for the relief of Steve P. Reese, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–237), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to provide for the granting of immediate relative status to the adopted son of a citizen of the United States and to facilitate his adjustment of status in the United States, notwithstanding the fact that natives of Western Hemisphere countries are barred from such adjustment.

HENDRIKA KOENDERS LYNE

The bill (H.R. 1556) for the relief of Hendrika Koenders Lyne, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–238), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Hendrika Koenders Lyne. The bill provides for the payment of the required visa fee and for an appropriate visa number deduction.

HOWARD D. HARDEN

The bill (H.R. 1649) for the relief of Howard D. Harden, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–239), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Howard D. Harden, of Roseville, Ill., of liability of $3,746.80 for disability payments from September 1967 to November 1969 paid to him following a diagnosis of a malignant lymphoma, which benefits were retroactively denied him because he had advised the Social Security Administration that he was attempting to perform some of his farmwork despite his disabilities.

CAPT. GEORGE MOORE, JR., USAF

The bill (H.R. 2109) for the relief of Capt. George Moore, Jr., of the U.S. Air Force, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–240), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to authorize the payment of compensation to Capt. George Moore, Jr., for 90 days of leave which he was unable to take because of his extensive hospitalization and convalescent leave following injuries he sustained in a plane crash in Vietnam on March 8, 1970.

MARIA GILDA HARO

The bill (H.R. 2119) for the relief of Maria Gilda Haro, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–241), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to provide for the granting of immediate relative status of the adopted daughter of a citizen of the United States and a lawful permanent resident, and to facilitate her adjustment of status in the United States, notwithstanding the fact that natives of Western Hemisphere countries are barred from such adjustment.

MRS. DOROTHY HINCK

The bill (H.R. 2946) for the relief of Mrs. Dorothy Hinck, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–242), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The proposed legislation would waive applicable limitations and provide that Mrs. Hinck shall be held and considered to have filed a timely application for death compensation for herself and minor children within 1 year of the veteran's death on November 24, 1941. It also proposes she shall be paid "the amounts due as otherwise provided in the laws administered by the Administrator of Veterans' Affairs." The amounts referred to are death compensation from the date of death to June 14, 1945, the latter date being the effective date of her actual award of death compensation.

RAYMOND MONROE

The bill (H.R. 3382) for the relief of Raymond Monroe, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 94–243), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to authorize the U.S. Postal Service, on such terms as it deems just, to compromise, release, or discharge in whole or in part the liability of $5,445 of Raymond Monroe to the United States for the loss resulting from the erroneous setting of a postage meter on January 3, 1964, as a clerk for the Post Office Department.

RANDALL L. TALBOT

The bill (H.R. 3526) for the relief of Randall L. Talbot, was considered, ordered to a third reading, read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–244), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to pay Randall L. Talbot, of Upper Marlboro, Md., the sum of $564.80 in reimbursement for the costs incurred by him in connection with the purchase of a new home incident to a change of official status required by his employment with the U.S. Department of Labor.

MISS ROSARIO Y. QUIJANO, WALTER YORK QUIJANO, RAMON YORK QUIJANO, TARCISUS YORK QUIJANO, DENIS YORK QUIJANO, AND PAUL YORK QUIJANO

The bill (S. 52) for the relief of Miss Rosario Y. Quijano, Walter York Quijano, Ramon York Quijano, Tarcisus York Quijano, Denis York Quijano, and Paul York Quijano, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Miss Rosaria Y. Quijano, Walter York Quijano, Ramon York Quijano, Tarcisus York Quijano, Denis York Quijano, and Paul York Quijano shall be held and considered to be entitled to preference status within the purview of section 203(a)(1) of that Act, and the provisions of section 204 of such Act shall not be applicable in these cases.

SEC. 2. The provisions of section 212(e) of the Immigration and Nationality Act shall not be applicable in the case of Walter York Quijano.

The title was amended to read as follows:

A bill for the relief of Miss Rosario Y. Quijano, Walter York Quijano, Ramon York Quijano, Tarcisus York Quijano, Denis York Quijano, and Paul York Quijano.

LISA MARIA POTTER

The Senate proceeded to consider the bill (S. 173) for the relief of Miss Lisa Maria Potter (also known as Lisa Maria Verest, Mary Alice Verest, and Mary Alice Epiphanio), which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert the following:

That, for the purposes of the Immigration and Nationality Act, Miss Lisa Maria Potter (also known as Lisa Maria Verest, Mary Alice Verest, and Mary Alice Epiphanio) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-246), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to grant the status of permanent residence in the United States to Miss Lisa Marie Potter (also known as Lisa Maria Verest, Mary Alice Verest, and Mary Alice Epiphanio). The bill provides for an appropriate visa number deduction and for the payment of the required visa fee. The bill has been amended to that of permanent residence, since an adoption has not taken place.

LUDWIK KIKLA

The Senate proceeded to consider the bill (S. 381) for the relief of Ludwik Kikla, which had been reported from the Committee on the Judiciary with an amendment on page 1, at the beginning of line 7, insert the word "parents"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Ludwik Kikla shall be held and considered to be the natural-born alien son of Cyril Kikla, a citizen of the United States. The natural parents, brothers and sisters of the said Ludwik Kikla shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-247), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to enable the beneficiary to qualify for first preference status as the unmarried son of a citizen of the United States. The amendment is technical in nature.

JOSELITO S. ARCA AND DR. CORAZON I. ARCA

The Senate proceeded to consider the bill (S. 606) for the relief of Mr. Joselito S. Arca and Doctor Corazon I. Arca, which had been reported from the Committee on the Judiciary with an amendment on page 1, in line 7, strike "visa fee" and insert "visa fees"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mr. Joselito S. Arca and Doctor Corazon I. Arca shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by two numbers, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the country of the aliens' birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-248), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to grant the status of permanent residence in the United States to Mr. Joselito S. Arca and Doctor Corazon I. Arca. The bill provides for the payment of the required visa fees and for appropriate visa number deductions.

LEONOR LOPEZ

The Senate proceeded to consider the bill (S. 128) for the relief of Leonor Lopez, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert the following:

That, in the administration of the Immigration and Nationality Act, the proviso to section 101(b)(1)(E) of that Act shall not be applicable in the case of Leonor Lopez.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read:

A bill for the relief of Leonor Lopez.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. MANSFIELD). The Senator from Michigan is recognized.

PROVIDING THAT THE FLAG OF THE UNITED STATES OF AMERICA MAY BE FLOWN FOR 24 HOURS OF EACH DAY IN VALLEY FORGE STATE PARK, VALLEY FORGE

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Pennsylvania (Mr. HUGH SCOTT) I send to the desk a joint resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the joint resolution by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 98) to provide that the flag of the United States of America may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration and, without objection, the joint resolution will be considered to have been read the second time at length.

Mr. HUGH SCOTT. Mr. President, I am pleased to introduce a Senate joint resolution to provide that the flag of the United States of America may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge, Pa.

The flag would be flown on the grounds of the National Memorial Arch. The Memorial Arch is the only national monument in Valley Forge. It is appropriately engraved with Washington's words and its solidness symbolizes the staunchness of the Army that encamped there.

The story of Valley Forge parallels the story of the origin of our country. As our national symbol Valley Forge deserves the specific authority to fly the U.S. flag as a form of tribute. It is especially timely that this authorization be granted in time for our Fourth of July celebration.

The joint resolution (S.J. Res. 98) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the rule or custom pertaining to the display of the flag of the United States of America between sunrise and sunset, as set forth in section 2(a) of the joint resolution, entitled, "Joint resolution to codify and emphasize existing rules and

customs pertaining to the display and use of the flag of the United States of America", approved June 22, 1942 (36 U.S.C. 174(a)), the flag of the United States of America may be flown for twenty-four hours of each day on the grounds of the National Memorial Arch in Valley Forge State Park, Valley Forge, Pennsylvania. The flag may not be flown pursuant to the authority contained in this Act during the hours from sunset to sunrise unless it is illuminated.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Vermont (Mr. LEAHY) is recognized for not to exceed 15 minutes.

SENATE RESOLUTION 197—SUBMISSION OF A RESOLUTION TO ESTABLISH A SELECT COMMITTEE ON FEDERAL RESPONSIVENESS AND ACCOUNTABILITY

(Referred to the Committee on Government Operations.)

Mr. LEAHY. Mr. President, Vermont is a State where the annual town meeting is a living, important fact of life. Vermonters know the meaning of government by the consent of the governed. They practice it where they can. They take pride in it. They cherish the tradition of personal responsibility and citizen representation that is the heart of self-government.

From this experience, an experience that has continued without interruption for 200 years, from the town meetings that considered statehood to the town meetings that still meet to consider urgent public problems, Vermonters have developed a delicate sensitivity to the relationship between government and the people it serves.

It is small wonder, then, that Vermonters are so disappointed, so frustrated, and frankly so alarmed at the growing chasm of mistrust between the American people and the Federal Government. This frustration is shared by all Americans.

We see it stated as we talk with constituents when we go home. We see it reflected in public opinion polls. Every reliable indicator of America's state of mind tells us that people have little faith in the way their governmental institutions are serving the public interest.

No Member of Congress can be oblivious to this problem. Among the great and immediate challenges we face today as a nation, none is more important than the restoration of the confidence of the people in their Government.

We could speculate endlessly on the reasons for the present condition of alienation and mistrust. However, that is less a worthwhile activity than trying to find methods for correcting this situation.

Certainly the performance of Congress can be improved, and hopefully will be. Many of us are lending support to such efforts. But the inability of Congress to act as quickly and decisively as people want is only part of the problem. Of even greater concern, I believe, is what is happening to programs already enacted.

What happens in their implementation?

Why is it so difficult for so many Government agencies to be responsive to legitimate public needs?

Why is it so difficult to phase out programs that outlived their usefulness?

Why do we have more boards, studies, planning and other alleged means for citizen involvement, and yet more frustration with results than ever before?

Why is the cost of Government spiraling, almost defying administrative control?

Why have so many recent Presidents expressed the view that they are powerless to deal effectively with the Federal bureaucracy?

These are deeply serious questions that go to the heart of the process of self-government.

As a legislative body we are working hard, trying to find solutions to the energy problems confronting the Nation. We have considered many proposals to fight inflation and unemployment, and we will consider more in the months to come. We are deeply involved with questions related to our overseas commitments and America's role in a changing world.

But in no meaningful way are we dealing with such questions as the lack of accountability and responsiveness in Government that gnaws away at self-government's foundations.

I believe the Congress must address these questions with all of the vigor and all of the resources it is applying to other major policy questions.

In doing so, we would obviously be confronted with problems that cut across all agency and jurisdictional lines. Therefore, I believe that such an effort can best be undertaken by a select committee, formed for this express purpose.

The solutions can come only from an investigative unit that has authority and standing to deal with Government in all of its parts—not just the policy questions under the jurisdiction of standing committees, but all the intricacies of the governmental process that seem to defy executive or legislative direction.

I am submitting today, Mr. President, a resolution to create such a committee of the Senate, a Select Committee on Federal Responsiveness and Accountability and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. MONDALE). Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEAHY. The charter for this select committee is set forth in the resolution. In brief, it is an attempt to study and investigate questions of accountability and incentive with respect to Federal employees; to investigate the proliferation of various agencies, boards, and other Federal mechanisms for dealing with public problems; and to find patterns of administrative behavior which tend to decrease Government responsiveness.

Since taking office in January, I have been looking into such questions. This preliminary study has convinced me that a well organized and adequately funded investigation is in order.

For example, on the question of agency survival, there is no question but that once organized, agencies tend to stay in business, regardless of how much the conditions that fostered their inception may change.

Over the past 15 years, the Federal Government has given birth to 236 new agencies, bureaus, and departments. During the same period, only 21 were abolished. And even these figures barely tell the story, for they do not fully reflect the enormous growth that has taken place within existing Government entities.

Surely, a thorough, honest review would indicate that many Federal agencies, bureaus, and departments have outlived their original purposes and should be abandoned, reduced in size or merged with other existing entities. Yet, we seem incapable of terminating any agency once it is given life and purpose.

I have also looked closely at the phenomenon we call "casework," the means by which literally thousands of legislative and administrative branch employees attempt to redress citizen complaints filed directly with Congressmen, Senators, or the White House.

While some complaints are unfounded or misdirected, much of the so-called casework is nothing more than the process of cleaning up mistakes and failures of administrative agencies.

I have calculated that as a very conservative estimate, the direct cost to the taxpayers of this layer of Government—these employees who work full time on congressional staffs and in administrative liaison offices handling citizen complaints—is, at a minimum, $40 million annually.

If it were having the effect of truly helping people sort their way through the remoteness and bigness of government, it would be a worthy investment. But the entire casework industry is inefficient, cumbersome, and ironically a bureaucracy in itself.

Another area I have studied is the system of rewards and incentives applied to Federal employees who are hired to implement public policy.

It appears to me that there is insufficient incentive for employees to perform responsively, too little accountability required from their official actions, and a premium placed on behavior that serves to preserve the status quo.

The highest award given to Federal employees who perform exceptionally well is the Presidential Award for distinguished Federal Civilian Service. It has not been awarded since 1971.

If it is true that none of the hundreds of thousands of Federal employees have deserved this award since 1971, then the Federal Government is indeed in trouble. I suspect it is rather a case of where our Government has chosen to ignore excellent service. It is a measure of the cavalier way in which such things are handled that no employee has been presented this award since 1971.

These are just a few of the questions

raised in my preliminary review of the problems of the Government administration.

However, I believe that an intensive and meaningful review by a select committee is very much in order. At a time when so many indicators of popular opinion register at the warning level when measuring confidence in Government, we must take some extraordinary action to restore that confidence.

I believe that a proposal such as the one I have outlined and submitted today would be a useful and important vehicle for the change that is needed and demanded by the American public.

S. RES. 197

Whereas during the past four decades there has been a proliferation of agencies of the Federal Government and a corresponding increase in the number of Federal employees;

Whereas the cost of administering those agencies has risen sharply and continues to rise;

Whereas virtually every public opinion poll taken on the subject in recent years indicates a growing chasm of mistrust between citizens of the Federal Government stemming in large measure from its size, its seeming distance and invulnerability to prompt and necessary change, and by the lack of responsiveness of its agencies to legitimate public needs: Now, therefore be it

Resolved, That there is established a select committee of the Senate to be known as the Select Committee on Federal Responsiveness and Accountability (hereafter in this resolution referred to as the "select committee").

SEC. 2. (a) The select committee shall consist of 12 members to be appointed by the President of the Senate as follows:

(1) seven members who are of the majority party, to be appointed upon recommendation of the majority leader, and

(2) five members who are members of the minority party, to be appointed upon recommendattion of the minority leader.

(b) The select committee shall select a chairman from among its members. A majority of the members of the select committee shall constitute a quorum thereof for the transaction of business, except that the select committee may fix a lesser number as a quorum for the purpose of taking testimony. Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the select committee.

(c) For the purposes of paragraph 6 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member or chairman of the select committee shall not be taken into account.

SEC. 3. It shall be the function and duty of the select committee to make a thorough and complete study and investigation of all matters relating to the problems of accountability and responsiveness in the Federal Government, including but not limited to—

(1) the patterns of administrative behavior which tend to decrease the responsiveness of Government agencies and of those who are employed by them;

(2) the methods of accountability, or lack thereof, of Federal employees for the duties and responsibilities assigned to them;

(3) the proliferation of agencies, boards, and other administrative mechanisms for dealing with public problems, including those that appear to be outmoded:

(4) the role of public employee protection in maintaining agencies whose continued existence is questionable;

(5) the reward-punishment-incentive system as applied to employee performance and its influence on the responsiveness and accountability of Federal employees to the public interest; and

(6) any other aspect of the Federal bureaucracy which may improve governmental efficiency and provide the American people with a government more in tune with the need for change.

SEC. 4. (a) For the purposes of this resolution, the select committee is authorized in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) to hold hearings, (4) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (5) to require, by subpena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (6) to take depositions and other testimony, (7) to procure the services of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946, as amended, and (8) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) With the consent of the chairman of any other committee of the Senate, the select committee may utilize the facilities and the services of the staff of such other committee of the Senate, or any subcommittee thereof, whenever the chairman of the select committee determines that such action is necessary and appropriate.

(c) Subpenas authorized by the select committee may be issued over the signature of the chairman, or any other member designated by him, and may be served by any person designated by the chairman or member signing the subpena.

(d) The chairman of the select committee or any member thereof may administer oaths to witnesses.

SEC. 5. From the date this resolution is agreed to, through February 29, 1976, the expenses of the special committee under this resolution shall not exceed $400,000, of which amount not to exceed $100,000 shall be available for the procurement of the services of individual consultants, or organizations thereof, as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended.

SEC. 6. The select committee shall report its findings, together with such recommendations for legislation as it deems advisable, with respect to the study and investigation under this resolution to the Senate at the earliest practicable date.

SEC. 7. Expenses of the select committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the select committee.

QUORUM CALL

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MONDALE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE RECOMMENDATIONS OF THE ROCKEFELLER COMMISSION

Mr. MONDALE. Mr. President, in the 2 weeks since the report of the Rockefeller Commission on CIA activities within the United States has been published, we have had an opportunity to consider its findings, its conclusions and begin to come to grips with its recommendations. It opens up many crucial issues concerning our constitutional rights, the functions of our Government and the protection of our individual liberties and national interests.

I approach the Commission report and my responsibilities as a member of the Senate Select Committee on Intelligence Operations with the belief that we need a Central Intelligence Agency. We need a thorough and coordinated intelligence effort so as to provide our Government the soundest possible basis for our diplomacy and our defense. And I believe there may be a role for certain covert actions, particularly if this is necessary to counter the covert actions of our adversaries. It is in this spirit that I have carefully studied the report of the Rockefeller Commission on domestic CIA activities.

While it is clear that the Commission did not have the mandate to address all of the many important questions concerning the intelligence activities of the United States, the report is a serious and worthwhile effort to come to grips with the alleged abuses carried out by the CIA in their domestic operations. The Commission should be given credit for a reasonably thorough investigation of some of the charges leveled at the CIA and for the straightforward manner within which the findings are presented. The recommendations, however, require the most thorough debate and consideration.

Many of the recommendations are close to the mark. The proposals to strengthen oversight and accountability are long overdue:

Beefing up the President's Foreign Intelligence Board;[1]

Expanding the CIA's Inspector General corps;[2] and

A recognition that it is necessary to strengthen Congressional oversight—quite apart from whether a Joint Committee is the right answer.[3]

Some of the specific prohibitions are also indisputable:

The prohibition on drug testing;[4]

The ban on CIA domestic wiretapping.[5]

But, as laudable as some of the recommendations are, many of the others are either inadequate or, in fact, contradict basic lessons provided by the Commission's own findings—particularly with respect to protecting our constitutional rights. In some cases, the recommendations are little more than pious requests for the President and the CIA to obey the law. In others, the recommendations would go far to legalize the very abuses the Commission deplores.

Moreover, the recommendations systematically disregard the necessity of involving the Congress in defining the role and responsibilities of the Central Intelligence Agency. In many crucial areas the Commission proposes to short-circuit the legislative process that the circumstances require by means of Executive orders.

---

[1] Recommendation 5.

[2] Recommendation 9.

[3] Recommendations 3 and 4.

[4] Recommendation 27.

[5] Rcommendation 23.

In this brief address, I want to start the debate on the appropriate remedies for the abuses and issues uncovered by the Commission report. The Senate select committee will be delving into these and other related matters in great detail, but nonetheless, I believe we can at least begin the dialog, starting with the recommendations in the Rockefeller report.

I will not try to deal with all 30 recommendations. Rather, I want to focus first on those areas which are usefully opened up by the report, but which require further treatment; and second on those areas in which I believe the recommendations are inadequate to the point of where our constitutional liberties could be jeopardized.

The subjects usefully addressed but not adequately considered include:

CIA relations with state and local police;

Constraints on physical surveillance;

The problem of overseas connections with domestic crime, especially narcotics;

Clandestine collection of foreign intelligence in the United States;

The responsibility for counterintelligence activities.

First, the report documents the fact that the relationship between the CIA and State and local law enforcement agencies has involved many questionable activities, the CIA's providing equipment and money to police and the police supplying to the CIA false identification documents and help in at least one break-in.[6]

Yet, the Commission makes no recommendations in this area. It simply calls for a change in these policies and urges that the CIA be more circumspect in its dealings with local law enforcement agencies.[7]

Now, the CIA's basic statute makes it very clear they are not to have any domestic law enforcement responsibilities. The need for, and nature of, any relationship between the CIA and domestic State and local law enforcement organizations must be carefully examined and explicitly set forth in law. This is essential if the prohibitions on CIA domestic police functions are not circumvented.

Second, the report points out that while electronic surveillance, wiretapping and bugging is controlled by statute, physical surveillance, and the use of undercover agents and informers is "largely uncontrolled by legal standards."[8] The problem of controlling physical surveillance and the use of agent informers is not peculiar to the CIA, but involves the FBI, the IRS, and other intelligence and investigative bodies.

The report should be commended for addressing the subject of the appropriate legal constraints on physical surveillance and on the use of agent informers, for these can raise fundamental questions of privacy and possibly constitutional rights. However, the only recommendation of the Commission is that in certain cases physical surveillance and the placing of undercover agents in domestic organizations be permitted on the say-so of the Director of the Central Intelligence Agency.[9] This is clearly not what is called for. The Senate must now ask Congress to go forward and thoroughly explore this area and arrive at a proper legislative solution.

Third, the report raises what might be called the general subject of the overseas connection to domestic crime, in the context of the problem of narcotics.[10]

Just as legitimate business concerns have now become multinational in scope, so criminal activity, especially in the field of narcotics, is an internationalized enterprise. The report is correct in cautioning the CIA against getting involved in police functions,[11] yet we must also consider what instruments are appropriate to monitor criminal activities abroad which, in time, end up as criminal activities at home. Again, this is an area requiring the most thorough and careful consideration by the Congress, so as to provide our Government with the appropriate instrumentalities for combatting crime but protecting our civil liberties.

Fourth, despite all the concern about clandestine CIA activities in the United States, the report of the Rockefeller Commission merely states that the authority of the CIA to engage in clandestine operations within the United States aimed at collecting information on foreign individuals or organizations is unclear and needs clarification.[12] How this is to be done is not clearly spelled out. Whether the CIA should have this responsibility has major implications for the permitted scope of CIA activities within the United States and the potential for abuse.

The Commission also did not address whether CIA or any other clandestine foreign intelligence operations in the United States would have any limits or checks. For example, would it be permissible to tap telephones, to break into embassies, to conduct surveillance of various kinds? And what about alleged entrapment of foreign diplomats, such as that which has been alleged against the CIA in New York City?

I can see there may be a legitimate need in this general area of intelligence, but whether, and how, clandestine collection of foreign intelligence in the United States is to be carried out must be carefully examined by the Senate select committee. Such operations can easily endanger our civil liberties, particularly if there are no external checks upon them.

This subject is closely related to another major issue which is raised, but not adequately treated, by the Rockefeller report. This is the role to be played by the Central Intelligence Agency in counterintelligence within the United States. Heretofore, that mission largely has been the province of the FBI. If I read them correctly, the recommendations of the Commission appear to move in the direction of granting the Central Intelligence Agency a major role in the conduct of counterintelligence operations in the United States.

Paragraph C of recommendation 2 grants to the CIA the authority to collect information about the domestic activities of U.S. citizens, whether by overt or covert means, if they are "persons suspected of espionage or other illegal activities relating to foreign intelligence."[13] The Commission calls for proper coordination with the FBI, but in so doing seems to relegate the Bureau to a secondary role.

The Commission recommendations concerning the proper role of the CIA and the FBI in regard to domestic intelligence activities can only be described as vague. Recommendation 2c and 14c seem to suggest CIA preeminence in the field of counterintelligence, but the final recommendation, No. 30, simply calls upon the Director of Central Intelligence and the Director of the FBI to negotiate a detailed agreement setting forth their respective jurisdictions and submitting it for approval to the National Security Council.[14]

It is my firm view that this would be an inadequate procedure. The division of responsibilities between the FBI and the CIA in this delicate area must be made by Congress. Counterintelligence is the cutting edge of many of the abuses that have come to our attention. The Huston plan was developed in the name of counterintelligence. Cointelpro, that stumbling acronym, stands for counterintelligence program. Illegal mail opening was a counterintelligence program. And there are yet other counterintelligence activities that, in the course of the Senate select committee's investigation may well indicate the dangerous and possibly uncontrolled character of counterintelligence activities, as they have been conducted in the past. For this reason, I believe, it is essential that the Congress establish the proper guidelines clearly defining jurisdiction for the CIA and the FBI, and equally important, setting up a system accountability for the conduct of counterintelligence-type activities within the United States.

These, then, are what I consider to be some of the incomplete aspects of the findings and recommendations of the Rockefeller Commission. But there are other recommendations, most of them dealing directly with the issue of spying by the CIA on U.S. citizens, that are at best hopes rather than remedies, and at worst could contribute to legalizing the illegal. In these cases, the Commission either falls back on simply urging the President and the CIA to obey the law or proposes measures that would legitimize the abuses that have brought forth this investigation.

To get a clear picture of this problem, it is important to go behind the "don't" language of the recommendations and focus on the exceptions which constitute the list of "do's" for the CIA. The exceptions set forth a wide variety of actions the CIA can take toward Americans in the United States.

---

[6] Pp. 40-41, 236-240.

[7] P. 41.

[8] Pp. 63, 64.

[9] Recommendation 16.

[10] Pp. 233-234.

[11] P. 39.

[12] P. 59.

[13] P. 13.

[14] P. 39.

First, under recommendation No. 2, the CIA would be permitted to collect "information about the domestic activities of U.S. citizens, whether by overt or covert means," to evaluate, correllate, and disseminate analysis and reports about these activities and to store such information on "persons presently or formerly affiliated, or being considered for affiliation, with the CIA, directly or indirectly, or others who require clearance by the CIA to receive classified information."

They also would be able to do this on "persons or activities that pose clear threat to CIA facilities or personnel, provided the proper coordination of the FBI is accomplished."

They would also be able to do this with regard to any "persons suspected of espionage or other illegal activities relating to foreign intelligence, provided there is proper coordination with the FBI."

They also would be able to use information "received incidental to appropriate CIA activities and transmit it to agencies with appropriate jurisdictions, including, of course, law enforcement agencies."[15]

Critical aspects of this proposed authority are not definied. What is meant by "affiliation"? What is meant by "indirect affiliation"? How does one define persons or activities posing a clear threat to CIA facilities or personnel? How does one define "illegal activities relating to foreign intelligence"?

Second, the CIA is authorized to conduct mail covers,[16] albeit in compliance with postal regulations, and in the furtherance of the CIA's legitimate activities, on a selected basis in matters involving national security. If past practice is considered, postal regulations are inadequate to protect citizens' rights and the restriction of mail covers to furtherance of the CIA's legitimate activities in matters of national security imposes no real restraint. Only the injunction to be selective is mildly controlling.

Third, the CIA is authorized to infiltrate dissident groups or other organizations of Americans upon "a written determination by the Director of Central Intelligence that such action is necessary to meet a clear danger to Agency facilities, operations, or personnel and that adequate coverage by law enforcement agencies is unavailable."[17] Note that none of these terms are defined and that it is left to the discretion of the Director of Central Intelligence to decide what is a danger to the Agency and whether other law enforcement agencies are providing adequate support.

Fourth, the CIA would be authorized to conduct its own investigations of individuals presently or formerly affiliated with it. This would be done on the authority of the Director of Central Intelligence alone, once he determines that the investigation is necessary to protect intelligence sources and methods, the disclosure of which "might," let me stress "might," endanger the national security.[18]

This particular provision, recommention No. 18, also makes the point that such investigations must be coordinated with the FBI whenever substantial evidence suggesting espionage or violation of Federal criminal statute is discovered. This, of course, raises the question whether such investigations may go on when there is no substantial evidence suggesting espionage or violation of Federal criminal statutes. In this connection, it should be pointed out that to permit investigations of individuals in cases where the national security merely might be endangered, and in ways that are not defined runs the same grave risks of abusing the concept of national security we found in the Watergate case.

Finally, recommendation No. 22 makes clear that physical surveillance of Agency employees, contractors, or related personnel—whatever that might mean—can be conducted within the United States on the written approval of the Director of Central Intelligence.

I do not believe that the Congress or the American people can accept proposals whereby undefined categories of American citizens can be spied upon, their privacy invaded, and possibly their constitutional rights suspended, on the voucher of the Director of Central Intelligence. It is ironic that these provisions would go far to legitimize precisely the various abuses cited in the report and which has given rise to such great public concern.

The Rockefeller Commission would place reliance on the personnel involved, on the Inspector General and on a beefed-up President's Foreign Intelligence Advisory Board to see that such spying was kept in bounds. All this would be control after the fact, and the only positive check would be the Director of Central Intelligence, who, in the past, has often been a witting handmaiden to Agency abuses.

It seems strange, that with all this new Executive machinery, there is no reference to the role of Congress, or in fact, the public, as the real check on future abusive secret domestic intelligence operations. This is a fundamental defect of the Rockefeller Commission report: Past abuses are to be remedied only by Executive orders and the responsibility for avoiding abuses is left largely in the hands of the institutions which abused their powers in the past. Indeed, the report recommends giving them more explicit authority to investigate American citizens.

Mr. President, running through the Rockefeller Commission report, following the recital of some very serious invasion of American liberties and the destruction of due process with respect to many American citizens, there is a series of recommendations.

In effect, it says we will let the Director see if he cannot do better next time.

There are practically no recommendations for legal changes. Most of the recommendations involve internal regulatory changes which, in effect, leave the executive free to do as he pleases despite a record of very serious transgressions of American civil liberties.

Mr. President, there are no strict recommendations for legal changes which they make. In effect, it calls for the adoption of an Official Secrets Act here in the United States. We never have had one, and what it would say, in effect, is that anything in effect that is classified by an executive department official would then be protected by the force of criminal law from disclosure. It would for the first time in our Nation's history make it illegal and subject to criminal penalties for a public official in Government to disclose or be part of a conspiracy to disclose so-called official secrets.

The irony of this recommendation is that it would probably in the future prevent the public from knowing about transgressions and violations of the law of the kind we are now investigating here before the Senate Select Committee on Intelligence.

If that were the law the last few years, it is probably likely that the American people would never have known, indeed could not conduct an investigation to determine, whether their civil liberties had been interfered with by the CIA or other governmental agencies.

I would say that that recommendation is seriously deficient. It is based on European practice. In many European countries, particularly Great Britain, they are now beginning to doubt the wisdom of their own official secret acts.

Mr. President, once again it seems to me we have to decide what is important in American life and, above all, it seems to me it is our system of freedoms and liberties.

The Government is saying, "Trust us, although we have abused these liberties in the past, we are now forewarned and you can trust us in the future."

I believe that we need trust, but I also think that the exercise of governmental power when uncontrolled, when undisclosed to the public, when unrestricted by clear laws, can be very dangerous in the hands of those who hold it.

This suspicion goes back to really the basis of our Constitution.

As Thomas Jefferson once wrote:

> It is the tendency of things that freedom retreats and Government gains ground.

Thus we should not be surprised to find that when it comes to muzzling the stories that finally led to the current exposure of domestic wrongdoings and the long-overdue Senate inquiry, the Commission has no trouble coming up with proposals supporting legislation for an official secrets act. It endorses the idea of a statute which would make it—

> A criminal offense for employees or former employees of the CIA willfully to divulge to any unauthorized person classified information pertaining to foreign intelligence or the collection thereof obtained during the course of their employment. (Recommendation 21.)

Unless we are careful about the ways in which we develop our laws, our administrative control and the relationship of those agencies to the Congress, we can well once again see the commencement of what can only be described as a secret police here in our own country.

---

[15] P. 13.

[16] P. 21.

[17] P. 27.

[18] P. 29.

Now please note that this recommended statute would operate even if no harm were done to the national defense or to our diplomacy. And it does not apply to espionage—that already is a crime. But it would apply to the revelation of wrongdoing if the information were classified. To reveal the spying on Americans, the opening of their mail, the bugging of their phones, or plots to assassinate foreign leaders all could put you in jail.

The Commission asks that this statute be drafted with appropriate safeguards for the constitutional rights of all affected individuals. This is a laudable, but a conflicting, objective. Moreover, it avoids the key issue, which is that this law would impede the kind of scrutiny that the Commission report makes clear is necessary.

How much of the information in the report, I wonder, was secret or top secret only a few months ago? Without public disclosure, most of the abuses documented in the report would never have been corrected. Yet, this law, proposed by the Commission, could help insure that public scrutiny would never happen again.

I want to emphasize that we need to be able to protect legitimate secrets from our potential adversaries. But we need even more to protect our constitutional rights. The burden of proof for more laws than we have already must lie upon the executive branch. Those who make and try to keep secrets must prove that they are justified in doing so.

I am not revealing any secrets when I say that the committee is concluding a study of "leaks" to see whether "national security" in fact has been endangered in the past. At this point it seems likely that the greatest percentage of leaks concern political issues that should in fact be debated in open democratic processes. The agencies will be asked to provide their "damage assessments" of the so-called leaks that have occurred in the last several years.

In 1970, the Defense Science Board found that the volume of classified scientific and technical information could be reduced by 90 percent. I do not know if this percentage would also apply to diplomatic secrets, but everyone dealing with the Federal Government is aware of the penchant for bureaucrats to classify all manner of documents, sometimes to draw attention to them and sometimes to cover up bungling, mistakes, errors of judgment, or just plain embarrassments—not to mention misdeeds and crimes.

Now, this is a pretty convenient device for protecting one's power and image. I daresay many of us in this chamber would like to be able to classify some of the things that we say, once we have had a chance to think about them.

The United Kingdom has an Official Secrets Act of this type that is apparently being proposed by the Rockefeller Commission. The indications are that it is not working. A few years ago, in fact, a royal commission was appointed, which was headed by Lord Franks, which thoroughly considered all of the difficulties which had been encountered in their Official Secrets Act. Their conclusion was that the law was far too open ended and must be thoroughly revised.

Public exposure is the ultimate sanction against violation of our constitutional rights in this society. We must not compromise this away. The basic question that must be faced is whether the recommendations of the Rockefeller Commission, taken in their entirety, so insure proper operation of the CIA that we can forgo the crucial protection afforded all other democratic rights by the first amendment of the Bill of Rights. As James Madison reminds us—

> The right of freely examining public character and measure, and of free communication thereon, is the only effective guardian of every other right.

The Rockefeller Commission, says of the Bill of Rights that these freedoms are not absolute. The report states that the first amendment, as Justice Holmes noted—

> Does not "protect a man in falsely shouting 'fire' in a theater and causing a panic."

The Rockefeller Commission apparently believes that this justifies an Official Secrets Act.

But the revelations which led to the Senate inquiry and to the Rockefeller Commission have not proved false. In my view, they are much closer to a man truthfully shouting "fire" in a theater and thus saving lives. The Official Secrets Act proposed by the Rockefeller Commission could in effect make it a criminal offense to sound the alarm when our rights and our democratic institutions are jeopardized by secret Government operations.

In reviewing these concerns about the recommendations of the Rockefeller Commission, I am led to object to one of the report's most basic conclusions. The Rockefeller Commission report states that—

> The evidence within the scope of this inquiry does not indicate that fundamental rewriting of the National Security Act is either necessary or appropriate.

I believe that this is clearly wrong. It is absolutely necessary for the Congress itself to write the most explicit guidance in law that it possibly can concerning the authority, and the jurisdiction, of the CIA, of the FBI, and of the other Federal investigatory bodies. It is absolutely appropriate for the Congress to draw a line between what is proper and what is not, both at home and abroad. We must make clear the conditions and terms under which various CIA activities can take place and on who's sayso. We must define or replace such terms as "national security," "sources and methods," and so forth.

For the American people to once again have confidence in its Government, and in its intelligence operations, this difficult task of reconciling liberty and freedom on the one hand, and the requirements of national security and secrecy on the other, must not be left solely to the executive branch; it must be an act of consensus, taken by the entire Federal Government, and in particular, the representatives of the people in Congress.

Laws alone are not enough, as we have already seen. Many laws on the statute books have been violated or disregarded by the Central Intelligence Agency. Law must be accompanied by the enforcement of adequate oversight. We need both a new legislative framework and a new political framework, within which intelligence operations take place.

The system of accountability must not stop with the President. It must embrace the Congress. I hope that the President's referral of the subject of assassinations to the Senate is a sign of a desire to have the Congress exercise its rightful role in these ultimate and most difficult of responsibilities in Government.

Any domestic CIA activities must be carefully monitored by the congressional oversight bodies. Any wrongdoing must be brought to the attention of the Congress and the congressional oversight bodies. And this oversight system, whether it involves a joint committee, a special committee, or the existing committees, must be as representative as possible—possibly even including rotating membership. The key to increased confidence of the American people in our intelligence and investigatory bodies for them to know that their views are included in the process by which decisions are made and authority is granted.

Our Founding Fathers were keen observers of human nature. They knew that the only way power and liberty could coexist was to pit ambition against ambition.

Thus, in the final analysis, relying on the basic principle of government by checks and balances is the only way to restore the confidence in our intelligence agencies so they can get on with their basic and vital job.

In considering this question of confidence, I am reminded of Thomas Jefferson's clear exposition on the issue and how it relates to the preservation of democracy. In the Kentucky Resolution of 1798, he said:

> It would be a dangerous delusion were a confidence in the men of our choice to silence our fears for the safety of our rights: that confidence is every where the parent of despotism: free government is founded in jealousy and not in confidence; it is jealousy and not confidence which prescribes limited Constitution to bind down those whom we are obliged to trust with power: that our Constitution has accordingly fixed the limits to which and no further our confidence may go.

It seems to me that is essentially the direction in which we must consider the report of the Rockefeller Commission and with which we must approach the task of dealing with the transgressions of intelligence collecting agencies in our society over the past several years.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The **PRESIDING OFFICER** (Mr. GARY W. HART). Under the previous order, the Senate will now resume the consideration of Senate Resolution 166, which the clerk will state.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 166) relating to the determination of the contested election for

a seat in the U.S. Senate from the State of New Hampshire.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MANSFIELD. To be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 45 Leg.]

Allen
Clark
Griffin
Hart, Gary W.
Mansfield
Nunn
Pastore
Ribicoff

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Hansen
Hart, Philip A.
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Packwood
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. TUNNEY), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent because of death in the family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

The ACTING PRESIDENT pro tempore (Mr. LEAHY). A quorum is present. Who yields time?

Mr. CANNON. Mr. President, what is the parliamentary situation?

The ACTING PRESIDENT pro tempore. We are now in the 1 hour of debate preceding the vote on cloture.

Mr. CANNON. What time will the live quorum commence?

The ACTING PRESIDENT pro tempore. Thirteen minutes remain to each side.

Mr. CANNON. Thirteen minutes to each side?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. CANNON. Mr. President, I do not see the minority floor manager of the resolution in the Chamber. I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I yield 4 minutes to the distinguished Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator.

Mr. President, yesterday, the distinguished chairman of the committee offered an amendment to my amendment and I accepted the amendment and modify my amendment accordingly. The distinguished Senator from California has proposed an amendment.

Mr. President, I modify my amendment by adding the provisions of the Cranston amendment to my amendment. I send up an amendment to my amendment and ask that it be stated.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator's amendment is so modified.

Mr. CANNON. A parliamentary inquiry, Mr. President.

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Alabama is modified. The clerk will state the amendment.

Mr. CANNON. Mr. President, I am trying to get recognition to propose a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. CANNON. I am trying to find out whether or not such an amendment is in order, since the yeas and nays have been ordered on the amendment of the Senator from California.

Mr. ALLEN. The yeas and nays have not been ordered on the amendment of the Senator from Alabama.

The ACTING PRESIDENT pro tempore. The fact that the yeas and nays have been ordered on the amendment of the Senator from California does not stop the Senator from Alabama from modifying his amendment, which does not have the yeas and nays ordered on it.

Mr. CANNON. Would the modification of the amendment of the Senator from Alabama preclude a vote on the Cranston amendment, on which the yeas and nays have already been ordered?

Mr. ALLEN. I have adopted the Cranston amendment.

The ACTING PRESIDENT pro tempore. On the Allen amendment as modified, which includes the Cranston amendment—the yeas and nays would have to be ordered again on the entire Allen first division.

The clerk will state the Allen amendment.

The legislative clerk read as follows:

> Insert the following after the word "committee": in DIVISION 1, as MODIFIED: "and all other so-called skip-candidate ballots shall be segregated for consideration by the Senate or the Committee."

Mr. ALLEN. Mr. President, what has been done here is to add to my compromise amendment, which would call for retrieving 11 skip-Durkin votes to offset the 12 Wyman votes, there being one skip-Durkin vote now before the committee and before the Senate. We have already accepted the amendment offered by the distinguished chairman of the committee. That has been added as item 2, division 2. Now I have accepted the Cranston amendment, as part of my amendment, to item one——

The ACTING PRESIDENT pro tempore. The Senator's 4 minutes have expired.

Mr. CANNON. I yield the Senator 5 additional minutes.

Mr. ALLEN. I thank the Chair. I thank the Senator.

The Cranston amendment has already been added to my amendment, which would give Mr. Durkin ballot 120, I believe. Then I have offered an amendment to division 1 of my amendment, which calls for retrieving not only the 11 skip-Wyman ballots, but also all of the skip-candidate ballots of any kind for further consideration by the committee or the Senate, as the case may be. So I assume the first vote would come on the amendment that I have filed, which is similar to the Scott-Griffin amendment. Then I hope that we would eventually come to a vote on my amendment which was filed last Monday, I believe, and still has not come up for a vote. The Senator from Alabama is very hopeful that we will get to a vote. I should be willing to agree to any reasonable time, including this very moment, for a vote on his own amendment.

Mr. CANNON. Will the Senator yield for a question?

Mr. ALLEN. Yes.

Mr. CANNON. I should like to find out from the Senator precisely what the situation is now, because it has become somewhat confused. The vote would first occur on division 1 of the Allen amendment as modified; is that correct?

Mr. ALLEN. No, sir; as sought to be amended by the amendment I have just filed. That would come first.

Mr. CANNON. As sought to be amended by the amendment? That amendment is to division 1?

Mr. ALLEN. The amendment is to division 1.

Mr. CANNON. If that amendment—first, let me ask the Senator, does that strike out any part of his original——

Mr. ALLEN. No, it does not. It calls for getting a sufficient number. That is the first step. But the amendment says, also, any other ballot of the skip-candidate nature.

Mr. CANNON. In the event that the amendment to the Allen amendment were approved and then the Allen amendment itself, division 1, were approved, and division 2 of the Allen amendment were approved, then would the situation be that the Senate would have voted to accept ballot 120 for Mr. Durkin——

Mr. ALLEN. That is correct.

Mr. CANNON. It would have voted to accept issue—to reject further inquiry into issue No. 2 as set forth in the resolution.

Mr. ALLEN. No; division 2 would then come up for consideration.

Mr. CANNON. But I said if the Senator's amendment were approved on division 1 and division 1 were approved, and division 2 of his overall amendment were approved, then would the effect be that the Senate had accepted the vote on 120, ballot 120, for Mr. Durkin? It would have said that issue No. 2 is settled, that we would not go further into issue No. 2; and it would also have settled issue No. 1 as set forth in the resolution? Because issue No. 2 is part of the Senator's amendment——

Mr. ALLEN. Yes; that was a calendar amendment I added. I want to see just what it does say. I rather believe it called for a vote; did it not? It says, is it the sense of the Senate. If I may look at Resolution 166. That would have to come to a vote.

The ACTING PRESIDENT pro tempore. The Senator's 5 minutes have expired.

Mr. ALLEN. All it adds, I believe, is, is it the sense of the Senate.

Mr. CANNON. It is simply put into question form as issue No. 2?

Mr. ALLEN. If it is voted, that would be saying that it is the sense of the Senate; yes, sir. That is right.

Mr. CANNON. That is what I was trying to find out.

In other words, the adoption of the Allen amendment, then, as modified, including the adoption of all of the amendments that I have just referred to in the first and second divisions would then resolve—that would have had the Senate speaking on issue No. 1, speaking on issue No. 2, and speaking on ballot No. 120, and speaking on section 7 of the resolution.

Mr. ALLEN. I do not believe it would be issue No. 1 because the chairman's amendment is just issue No. 2.

Mr. CANNON. Yes.

The ACTING PRESIDENT pro tempore. Has the Senator from Nevada yielded more time to the Senator from Alabama?

Mr. WILLIAM L. SCOTT. I will be glad to yield additional time.

Mr. ALLEN. Issue No. 1 has not been disposed of.

Mr. CANNON. The Senator's amendment was issue No. 1, so it would have replaced issue No. 1; is that correct?

Mr. ALLEN. No, sir. It was added as item No. 1(a) of issue No. 1, so we still have 1(b) which is the present one undecided.

But the Senator is right in saying that if item 2, division 2, would be up for a vote, the Senate would not have to vote it, and if they vote it down, that would be killing it, of course.

Mr. CANNON. Yes.

Mr. ALLEN. So that would be a decision that there would not be a recount.

Mr. CANNON. Yes, I see.

Mr. ALLEN. So this would guarantee that we are going to have some votes on issues. It would accept ballot No. 120; it would decide item 2, and division 1 would be decisive of the "skip" ballot by bringing all of them in.

Mr. CANNON. Which would, in effect, settle issues 6 and 7.

Mr. ALLEN. That is correct; 6 and 7.

Mr. CANNON. So we would then have disposed of a very substantial number of the issues.

Mr. ALLEN. I believe we would be about halfway through; that would be my judgment.

Mr. CANNON. The Senator's proposal, I think, has some merit. The only problem it gives me is one problem, and that is until we vote on the so-called "skip-Louie" issues we do not know really what position the Senate is taking. In other words, if the Senate should vote that the "skip-Louie" ballots should go to Mr. Wyman then the part of the amendment that would require it to go back and search for an equal number, find those and set aside the remainder, would really not be——

Mr. ALLEN. I might suppose a different set of facts from the facts supposed by the distinguished chairman. He was suggesting the adoption or the agreeing to the amendment which I filed, which is revised Griffin. If that should be defeated and no further amendments added, and we went on to vote on division 1, that would just require getting 11 votes, and that would substantially settle 15 issues, and we would already be settling issue No. 2 of the distinguished chairman.

I might say this would be in the first degree; it would not be a second-degree situation, nor would the amendment of the Senator from California be in the second degree; it would be a first-degree change. So we would really be making some movement, in the opinion of the Senator from Alabama.

Mr. STONE. Mr. President, will the Senator yield briefly for a question?

Mr. CANNON. What is the time situation?

The ACTING PRESIDENT pro tempore. There are 4 minutes left to a side.

Mr. CANNON. Four minutes left to a side?

Mr. STONE. The Senator from Florida is just exploring the possibility of accepting the Allen amendment with one possible suggested change, if I can get the Senator to yield, if the time permits.

Mr. CANNON. May we ask that additional time be taken from both sides; would there be objection to that, time be charged equally to both sides?

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. STONE. Would the Senator accept an amendment to his amendment to the effect that if the "skip-Wyman" ballots are voted by the Senate to be counted for Wyman that the retrieval and segregation of the ballots would be rendered moot, unnecessary, and put back in the mix?

Mr. ALLEN. That would be fine. It is a case of what comes first the chicken or the egg.

Mr. STONE. Well, this would imply starting segregation and retrieval of all those ballots, but not necessarily the review by the Rules Committee of all of them unless and until the Senate expressed its will.

Mr. ALLEN. I have said all along that the way to decide it is to retrieve 11 ballots, put them on the same basis. Then either way the Rules Committee goes, to allow them or to disallow them, you would have exactly the same fair result as to both candidates. The only reason I am entering into this debate is because I am ready to vote on any of these issues at any time, and the fact that I did serve and do serve on the Rules Committee, and some of the votes in the Rules Committee that resulted in a tie vote came as a result of votes by the Senator from Alabama, and he feels it is incumbent on him to try to find a solution of this impasse.

Mr. STONE. The Senator from Florida is simply asking that this rather involved process of retrieval could be suspended to the extent that if the Senate votes to include all "skip" ballots as counted ballots——

Mr. ALLEN. If the Senate votes to include all "skip-candidate" ballots, then there is no need for retrieving any of those.

Mr. STONE. If the retrieval would have started, there would be no need for the Rules Committee to go into it and spend the time of the Senate going into it either.

Mr. ALLEN. That is the reason why I say we ought to adopt my original amendment. I hope at some time we will get to it on a clean basis.

I yield back—excuse me.

Mr. CANNON. There are three different classes of the so-called "skip" ballots.

Mr. ALLEN. Yes, sir.

Mr. CANNON. It may be that the Senate may vote differently on one class from the way it does on the other.

Mr. ALLEN. That is the reason I said get them out in the hands of the committee and let the committee weigh them one against the other. I feel they could come up with the same rule as to both ballots. I believe there are several hundred in there that we could find "skip" ballots of all types. I do not think we would have any difficulty, if the facts are as stated by the committee.

Mr. CANNON. Did the Senator define what was meant by so-called "skip-candidate" types? That is, does that include where there are two skips or three skips or one skip or what?

Mr. ALLEN. Yes, I believe there are eight, according to the resolution, that are exactly the same, where there is only one "skip" and that is Mr. Wyman.

Then there are only four others, and I should think that comparable ballots could be found there. But whether they are found or not it would seem to the Senator from Alabama that the issue is the same whether a so-called "skip" ballot should be counted or not in the place of a vote for the straight ticket.

Mr. CANNON. I thank the Senator.

Mr. ALLEN. I thank the Senator for his questions which have shed a great deal of light on the matter before the Senator.

I yield back such time as was allotted to me.

Mr. CANNON. Mr. President, how much time now remains?

The ACTING PRESIDENT pro tempore. A minute and a half for each side.

Mr. GRIFFIN. Mr. President, if I may be recognized, the Senator from Connecticut would like to give the Senate an opportunity, after every vote on cloture, to do what, it seems to me, is the minimum we should do if we are not going to seat the Senator-elect who has been certified by the State of New Hampshire as having been elected, which the Senate has refused to do. If we are not going to do that then, it seems to me, we ought to give the people of New Hampshire an opportunity to have a new election and to elect their Senator.

The parliamentary situation is such that with amendments pending in the second degree, and so on, that the Senator from Connecticut will be precluded from offering that proposal unless there is unanimous consent to do so.

Therefore, I ask unanimous consent that the Senator from Connecticut, notwithstanding the parliamentary situation, have the opportunity to present that amendment and have it voted on after the vote on cloture.

The PRESIDING OFFICER. All time of the Senator from Michigan has expired.

The Senator from Nevada has 1½ minutes.

Mr. CANNON. Mr. President——

The PRESIDING OFFICER. Is there objection to the request?

Mr. CANNON. Yes, reserving the right to object, Mr. President, I think that is the issue that is now incorporated as an amendment by Senator ALLEN to the Allen amendment.

Mr. GRIFFIN. That is not my understanding of the Allen amendment. It does not have to do with a new election or a runoff election in New Hampshire.

Mr. CANNON. No, I thought the Senator was talking about——

Mr. GRIFFIN. What I am talking about is the proposition that this matter be referred back for a new election by the people of New Hampshire.

This is ultimately the solution to this matter and we want to give the Senate an opportunity, if we are going to have a vote on cloture, as many opportunities as possible, to vote on that.

We think eventually the Senate is going to see the wisdom of that as the solution to this dilemma.

The PRESIDING OFFICER. All time has expired.

Is there objection to the request of the Senator from Michigan?

Mr. CANNON. I object.

The PRESIDING OFFICER. Objection is heard.

CLOTURE MOTION

The PRESIDING OFFICER. The time for debate having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The second assistant legislative clerk read as follows:

> CLOTURE MOTION
>
> We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 166, relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.
>
> Mike Mansfield, Robert C. Byrd, John Glenn, Jennings Randolph, Quentin N. Burdick, Alan Cranston, Lawton Chiles, William D. Hathaway, Walter D. Huddleston, William Proxmire, Vance Hartke, Frank Church, Gaylord Nelson, Walter F. Mondale, Lloyd Bentsen, John O. Pastore.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 46 Leg.]

Allen
Bellmon
Biden
Brock
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Cranston
Culver
Eastland
Ford
Garn
Goldwater
Griffin
Huddleston
Jackson
Leahy
Mansfield
McClellan
McGovern
Metcalf
Moss
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Ribicoff
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stone
Taft
Weicker

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bartlett
Bayh
Beall
Bentsen
Brooke
Bumpers
Burdick
Case
Chiles
Church
Clark
Curtis
Dole
Domenici
Eagleton
Fannin
Fong
Glenn
Gravel
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Humphrey
Inouye
Javits
Johnston
Kennedy
Laxalt
Long
Magnuson
Mathias
McClure
McIntyre
Mondale
Morgan
Muskie
Packwood
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Stevenson
Symington
Talmadge
Thurmond
Tower
Williams
Young

The ACTING PRESIDENT pro tempore. A quorum is present.

ORDER OF BUSINESS TODAY

Mr. MANSFIELD. Mr. President, for the information of the Senate, we will follow the vote on cloture immediately with a rollcall vote on the housing bill of last evening.

Mr. HUGH SCOTT. Do we have the yeas and nays?

The ACTING PRESIDENT pro tempore. The yeas and nays have not been ordered.

Mr. MANSFIELD. I ask that the vote be a 10-minute rollcall vote on the housing bill.

Mr. HUGH SCOTT. The yeas and nays have not been ordered.

ORDER FOR YEAS AND NAYS ON H.R. 5398

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, how about the 10-minute limitation on the housing bill rollcall vote?

Mr. HUGH SCOTT. Mr. President, we cannot hear.

The ACTING PRESIDENT pro tempore. There will be order in the Senate.

Mr. ALLEN. Reserving the right to object——

Mr. MANSFIELD. Mr. President, I withdraw——

Mr. ALLEN. Mr. President, will amendments be in order? If so, must they be germane?

The ACTING PRESIDENT pro tempore. The third reading has occurred on the housing bill. Amendments would not be in order.

Mr. ALLEN. I did not understand.

The ACTING PRESIDENT pro tempore. Third reading has occurred.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. HRUSKA. Is the bill upon which we are expecting to vote printed and available to the Members?

The ACTING PRESIDENT pro tempore. It is.

Mr. HUGH SCOTT. Will the distinguished majority leader yield for another question, Mr. President?

Mr. MANSFIELD. I yield.

Mr. HUGH SCOTT. I would hope that we can get to the debt limit bill today. We are running up against the deadline. Can we do that?

Mr. MANSFIELD. What was the question?

Mr. HUGH SCOTT. Is there a good likelihood that we can bring the debt limit bill up today?

Mr. MANSFIELD. Yes, indeed. We have no choice.

Mr. HUGH SCOTT. I thank the Senator. I think Senators should be on notice that it will come up.

Mr. MANSFIELD. Yes.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

VOTE

The ACTING PRESIDENT pro tempore. The question is, Is it the sense of the Senate that debate on the resolution (S. Res. 166), relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Wyoming (Mr. McGEE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent because of death in family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

The yeas and nays resulted—yeas 54, nays 40, as follows:

[Rollcall Vote No. 254 Leg.]

YEAS—54

Abourezk
Bayh
Bentsen
Biden
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Sparkman
Stevenson
Stone
Symington
Talmadge
Williams

NAYS—40

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Brooke
Case
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Javits
Laxalt
Mathias
McClellan
McClure
Packwood
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Taft
Thurmond
Tower
Weicker
Young

NOT VOTING—5

Buckley
Hatfield
McGee
Montoya
Tunney

The PRESIDING OFFICER (Mr. HASKELL). On this vote, there are 54 yeas, 40 nays. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

EMERGENCY HOMEOWNER'S RELIEF ACT

The PRESIDING OFFICER. There will be order in the Senate.

Under the previous order the Senate will now proceed to the vote on final passage of H.R. 5398.

The bill will be stated by title.

Mr. PROXMIRE. Mr. President, there is a typographical error in this bill, and I ask unanimous consent to change one word.

The PRESIDING OFFICER. Is there objection?

Mr. PROXMIRE. On page 2, line 8, the word "time" should be changed to "homes." Otherwise, it does not make any sense.

The PRESIDING OFFICER. Without objection, the change is agreed to.

The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (H.R. 5398) to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROOKE. Mr. President, prior to the vote, I should like to direct a question to the chairman of the committee, Mr. PROXMIRE.

The PRESIDING OFFICER. In order for the Senator from Massachusetts to ask the question, unanimous consent will be required.

Is there objection? The Chair hears none, and it is so ordered.

Mr. BROOKE. Mr. President, concerning emergency mortgage relief payments under section 106, my question to the distinguished chairman is this: Do I correctly understand that, under this section, the Secretary has complete discretion, that she has the discretionary authority to determine that a lender who qualifies under section 105 may receive payments under section 106, and that that authority includes the ability to prescribe terms and conditions under which the lender is to receive such payments?

Mr. PROXMIRE. The Senator is correct. That is my understanding. That is our intention. I have discussed this matter with members of the staff, who have gone into this in some detail, and that was certainly our intention.

Mr. President, on page 6, subsection 105(e) is an embarrassing typographical error. The amount reads "$1,500,000." It should be "$1,500,000,000." It should read:

> The aggregate amount of loans and advances insured under this section shall not exceed $1,500,000,000 at any one time.

I ask unanimous consent that the figure be changed accordingly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, I am extremely pleased that the Senate is about to again approve a mortgage relief provision.

I have, for 2 years now, been attempting to bring about the enactment of this much-needed measure. I introduced a mortgage relief program as S. 3512 during the 93d Congress, as S. 660 during the 94th Congress, and as an amendment to H.R. 4485 during this Congress.

Unfortunately, Mr. President, President Ford chose to veto H.R. 4485 when it reached his desk. While I continue to believe that the programs and concepts embodied in the Emergency Housing Act of 1975 would have brought a much-needed boost to our economy, I am pleased that the Senate has seen fit to salvage portions of that bill which are acceptable to the President—particularly the mortgage relief provisions which I introduced.

There are more than 8.5 million unemployed workers in this country at the present time. Many of them are heads of households. Millions of these unemployed workers own homes and must meet mortgage payments.

Yet, as their unemployment continues, their unemployment benefits decrease or disappear, and no prospect for employment appears, these workers and their families face a desperate situation.

They can no longer meet mortgage payments, and foreclosure looms on the horizon.

By the terms of the amendment proposed by the distinguished chairman of the Banking, Housing and Urban Affairs Committee (Mr. PROXMIRE), embodying the substance of my amendment, homeowners faced with foreclosure will be able to receive payments of up to $250 per month, for up to 2 years, to help them save their homes.

I sincerely hope that President Ford will sign this bill and help the thousands of American families faced with loss of their homes.

Mr. DOLE. Mr. President, I am pleased to give my support to H.R. 5398, the Emergency Housing Act of 1975. This legislation is an example of how the Congress and the President can work constructively to create beneficial programs and to improve the ones we have existing.

In view of the vote in the House of Representatives yesterday sustaining the President's veto of the earlier housing legislation, this bill is very timely and the rapid action of the Senate Banking, Housing and Urban Affairs Committee is commendable.

It is my hope that this legislation will improve housing opportunities and housing construction in Kansas and other States as well. I believe that we, in Kansas, are perhaps more fortunate in the area of housing than in other States. There have been recent indications that housing starts and applications have been picking up.

MAJOR CONCERN

However, housing is a very major concern in communities in Kansas. It is my hope that this legislation, particularly title 2, will be beneficial to all communities in the State.

Many industries in Kansas, particularly in small communities, have continued to expand and take on new workers in spite of the recession. This expansion is beneficial to the economy as a whole in coming out of this recessionary period. A problem in this expansion, particularly in small communities, has been a lack of housing for new workers to move into. Hopefully, this legislation will be beneficial in that respect and will also provide a direct aid to the housing industry in increasing the volume of their employment.

AVOID INFLATIONARY IMPACT

This Senator shares the concern that measures taken to stimulate the economy and to recover from the recession should be balanced judiciously so as to avoid stimulating new inflationary pressure. I believe the sponsor of this legislation, the Senator from Wisconsin has been greatly concerned about this problem of excessive Federal expenditures in the past as well.

The high level of Federal spending that was provided in the previous housing bill, in my opinion, was excessive. That is why I voted against initial passage of that bill and against the final version of the conference report. I believe that the concern about excessive spending has been resolved with this legislation and I am pleased to give my support to it.

EMERGENCY HOUSING ACT

Mr. MATHIAS. Mr. President, I am pleased to join my colleagues in support of immediate passage of the bill we are now considering, H.R. 5398—the Emergency Housing Act of 1975.

As a strong supporter of the emergency housing measure we passed 2 weeks ago, I was, of course, greatly disappointed by the President's veto. It is certainly my hope and expectation that the bill before us today, if promptly enacted, will go a long way toward meeting the primary objections expressed in the President's veto message, while also providing badly needed relief both to homeowners whose mortgages are in danger of foreclosure due to our current economic crisis and to builders and construction workers who are enduring the worst depression in the housing industry in a generation.

This measure clearly represents a balanced and responsible effort to address this crisis without adding unnecessarily to our impending Federal budget deficits. Title I will provide a program of foreclosure relief for an estimated 100,000 families who may be unable to meet their mortgage payments and thus risk losing their homes. Since the funds to be made available by the Department of Housing and Urban Development under this title would eventually be repaid by the homeowners after they are back on their jobs, this program may well succeed without substantially burdening our taxpayers generally.

Title II of this bill will extend and expand the existing Home Purchase Assistance Act, which was originally coauthored by Senators BROOKE and CRANSTON last year, and which I was pleased to cosponsor at that time. In extending this program to June 30, 1976, with an additional $10 billion of authority for HUD to provide mortgage credit at a maximum interest rate of 7½ percent, I am hopeful that we may be able to provide a crucial boost to the still sagging homebuilding industry, by making mortgage credit available to many more families on terms they can afford. This extension is particularly important in States such as Maryland, where our previous State usury law and other local conditions prevented full utilization of the original Brooke-Cranston program.

I am also pleased to note that the mortgage credit provided by title II will be available to finance a broad range of housing units—including apartments, condominiums, and mobile homes—thus allowing far broader utilization of the program.

Title III of this bill includes extensions of two other important Federal programs: The highly successful section 312 rehabilitation loan program, and the section 518(b) program to provide funds to correct serious structural defects in housing insured by FHA but which were overlooked by FHA inspectors at the time of purchase. I might point out that I share with many of my colleagues a frustration with the pace and enthusiasm which HUD has displayed to date in implementing the 518(b) program. I am sure I am not alone in hoping that further extensions will be made unnecessary if HUD will step up its efforts to assure that families who purchased structurally defective FHA-insured homes receive the adequate and timely compensation to which they are entitled under this law.

In closing, Mr. President, I would like to underscore my conviction that while the bill before us today represents an important attempt to deal with the immediate crisis at hand, we in the Congress, as well as in the executive branch, must redouble our efforts to explore fundamental readjustments in the entire system of home financing and mortgage credit for the future.

In particular, it is my hope that we may be able to develop viable alternatives to the traditional constant payment mortgage in which the home buyer contracts to make the same monthly payment for the entire life of the mortgage. Under our traditional mortgages, young families with modest incomes but high future earnings potential have little choice but to postpone buying a home—sometimes indefinitely—until their income reaches a level sufficient to allow them to afford the standard mortgage payments. In some cases, this is almost like waiting to catch an elusive brass ring, for as their income rises, so does the value or cost of the home they had hoped to purchase.

In recent months, much discussion has focused on one alternative to the traditional mortgage, often referred to as the "variable rate" mortgage. Under the variable rate concept, the interest rate charged on a mortgage—and thus the cost of the mortgage payments—would vary, within certain limits, according to the regular fluctuations of interest rates generally. As many of the witnesses who testified on this issue at recent Senate Banking Committee hearings pointed out, however, this would place the consumer, or home buyer, in a most difficult dilemma. Indeed, this approach would require the borrower who is seeking a mortgage to gamble as to whether future interest rate fluctuations would drive his mortgage payments up, and would impose the bulk of the financial risks inherent in market uncertainties on the individual home purchaser. I can well understand why a great many labor, consumer, and homeowner groups have expressed serious reservations about this approach.

A better one, I would think, would involve variable mortgage payments which would be reduced in the early years of a mortgage and gradually increased, according to a fixed schedule known in advance, over the life of the mortgage. Provision might also be made to suspend these increases—and extend the term of the mortgage—during times when the homeowner's family income is not increasing sufficiently to keep pace with the schedule of increased payments. Under such an approach, individual home buyers would be in a position to know in advance exactly what payments would be required, while still providing access to homeownership starting with initial payments which the young family could hope to afford.

Mr. President, the Omnibus Housing Act of 1974, which we enacted more than 10 months ago, included a provision, section 308 of Public Law 93-383, which authorizes HUD to insure on an experimental basis mortgages whose payments would correspond to "anticipated variations in family income," using up to 1 percent annually of the mortgages insured by FHA through June 30, 1976. This provision would allow HUD to experiment with precisely the kind of mortgage approach I have described above.

In the 10 months since this law was enacted, however, HUD has not insured one single mortgage under this section. Regulations have not even been issued. Indeed, it is my understanding that apart from an ongoing study of the matter under HUD's Research Division, few steps have been taken to implement this section at all.

In the months ahead, I strongly urge HUD to take its mandate seriously in this regard, and to begin the process of exploring what level of reduced and graduated mortgage payments would be mutually attractive to the lenders and home buyers alike. A most promising pilot program embodying this approach is already underway in Maryland under the auspices of the State department of economic and community development; it seems to me that the Federal effort should be no less bold.

In the meantime, I look forward to working with my colleagues on the Committee on Banking, Housing and Urban Affairs, to see whether legislation might be enacted to make this kind of opportunity a reality for millions of young homeseekers who cannot now hope to afford a mortgage under the traditional payment system.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Wyoming (Mr. McGEE), the Senator from New Mexico (Mr. MONTOYA), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent because of death in the family.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY) and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 255 Leg.]

YEAS—94

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansén
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Buckley
Hatfield
McGee
Montoya
Tunney

So the bill (H.R. 5398) was passed.

Mr. TOWER. Mr. President, I move that the Senate reconsider the vote by which H.R. 5398 was passed.

Mr. ALLEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The **PRESIDING OFFICER.** The Senate will now resume consideration of the pending business, which the clerk will state.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 166) relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

The **PRESIDING OFFICER.** The pending question is on the amendment of the Senator from Alabama on the first division of his own amendment as modified.

AUTHORIZATION FOR RELEASE OF RESTRICTIONS ON PROPERTY FOR AIRPORT PURPOSES

Mr. PEARSON. Mr. President, from the Committee on Commerce I report S. 270, providing for airport use in a small city of Kansas.

Mr. ALLEN. Will the Senator use his microphone, please?

Mr. PEARSON. The bill has been cleared on both sides of the aisle. It deals with airport property use for a small Kansas city. I have cleared it with the leadership on both sides. I ask unanimous consent for its immediate consideration.

The **PRESIDING OFFICER.** The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (S. 270), to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Elkhart, Kansas, for airport purposes.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate proceeded to consider the bill (S. 270) which had been reported from the Committee on Commerce.

Mr. PEARSON. Mr. President, I ask unanimous consent that the junior Senator from Kansas (Mr. DOLE), be added as a sponsor.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

there be no amendment

The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 270) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding section 16 of the Federal Airport Act (as in effect on March 20, 1947), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated March 11, 1958, under which the United States conveyed certain property to the city of Elkhart, Kansas, for airport purposes.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. GRIFFIN. Mr. President, I do not agree with everything that Jack Germond writes in the story carried in this afternoon's Washington Star, dateline Durham, N.H. But some of what he writes ought to be of some concern, I suggest, to the Senate as an institution. I wish to read from it:

> 'ONCE THEY GO TO WASHINGTON THEY DON'T GIVE A DAMN'
>
> DURHAM.—If you ask Peter Barnes, who is 82, what he thinks about the way the Senate is handling the New Hampshire election controversy, he will get red in the face and give you a real earful.
>
> "Those people in the Senate are a bunch of plain damned fools," he says, "we're entitled to another election if we want one and the way they're behaving is the most palpably outrageous thing I've ever seen."
>
> But if you ask Peter Barnes if he and his friends spend much time talking about the controversy, he comes down, shrugs and replies: "As a matter of fact, we never even discuss it. What's the use. We can't do anything about it anyway."

At another point in the story, it reads:

> The Republican notion that the solution is another election has an obvious following that is not limited to Republicans here. A reporter questioned almost three dozen New Hampshire voters at random found three of every four in favor of a new election, and half of them said they were Democrats.
>
> In Manchester, Jeanette Boudreau, a factory worker, asked: "Why isn't that fair? The Democrats say it isn't fair but they want to take advantage because they've already got control. That's one-party government just like Russia."

The reporter writes:

> What is more intriguing than the consensus for a new election, however, are the refinements of that position that illustrate the difference voters here feel from their federal government in Washington.
>
> Except for the politicians and the newspapers, they are not very interested in the issue because it does not touch their lives in any way they can identify. And they clearly have little faith in the politicans in the Senate. Just a year after Americans were applauding the performance of the House Judiciary Committee on the impeachment question, Americans here have returned to the conviction that they are pawns of a disinterested and corrupt political force.

This is my injection: is it not a sad thing that that is the reaction of the people of New Hampshire? I rather suspect that is the reaction of the people around the country to the spectacle and the performance of the Senate in the handling of this matter and the refusal on the part of the majority to take the obvious route which is so fair, and that is if you are not going to seat the fellow who was elected and certified by the States as having been elected, then, for God's sake, at least have a new election.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield to the Senator from Wyoming.

I ask unanimous consent that the complete article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> 'ONCE THEY GET TO WASHINGTON THEY DON'T GIVE A DAMN'
>
> (By Jack W. Germond)
>
> DURHAM.—If you ask Peter Barnes, who is 82, what he thinks about the way the Senate is handling the New Hampshire election controversy, he will get red in the face and give you a real earful.
>
> "Those people in the Senate are a bunch of plain damned fools," he says, "we're entitled to another election if we want one and the way they're behaving is the most palpably outrageous thing I've ever seen."
>
> But if you ask Peter Barnes if he and his friends spend much time talking about the controversy, he comes down, shrugs and replies: "As a matter of fact, we never even discuss it. What's the use. We can't do anything about it anyway."
>
> This is a common attitude here as New Hampshire ends six months without a second senator because no one can decide whether Republican Louis C. Wyman or Democratic John Durkin won the election last November. The voters are unhappy with

the Senate's refusal to allow them to settle the question with another election. But they are not really exorcised about it because they seem to expect nothing more from Washington these days.

The Republican notion that the solution is another election has an obvious following that is not limited to Republicans here. A reporter questioned almost three dozen New Hampshire voters at random found three of every four in favor of a new election, and half of them said they were Democrats.

In Manchester, Jeanette Boudreau, a factory worker, asked: "Why isn't that fair? The Democrats say it isn't fair but they want to take advantage because they've already got control. That's one-party government just like Russia."

An appliance salesman in Concord said: "I'm sick and tired of all that highfalutin talk about examining all the ballots. It's obvious there's room for honest disagreement on some of them and it's just as obvious that the Democrats are going to have their own way. There's no way to tell what some of those people (who cast disputed ballots) meant to do."

The complaints of Democratic partisanship in the Senate ignore the fact that the originally certification of Durkin as the winner, based on a recount, was overturned by an obviously partisan Republican agency, the state Ballot Law Commission here. And the fact that this has been lost in the shuffle is a kind of tribute to the effectiveness of the state's vociferous right-wing leaders, Gov. Meldrin Thomson and publisher William Loeb, whose Manchester Union Leader suggests almost daily with its usual restraint that there are "61 thieves" in the Senate trying to do the dirty to the Granite State.

Tom Gerber, editor of the Concord Monitor, has argued in favor of a decision in the Senate but concedes that "the drumbeat from Thomson and Loeb" probably has generated a majority position.

And a leading liberal Democrat says, "Our bloody governor and Loeb have done a good job subliminally."

There is nothing subtle about the Union Leader crusade. Daily there are front page reprints of articles from conservative publications warning of a Democratic "steal" or special reports that, for example, the Wisconsin Republican organization has passed a resolution calling for a new election.

What is more intriguing than the consensus for a new election, however, are the refinements of that position that illustrate the difference voters here feel from their federal government in Washington.

Except for the politicians and the newspapers, they are not very interested in the issue because it does not touch their lives in any way they can identify. And they clearly have little faith in the politicians in the Senate. Just a year after Americans were applauding the performance of the House Judiciary Committee on the impeachment question, Americans here have returned to the conviction that they are pawns of a disinterested and corrupt political force.

In Northwood an old man minding a store cackled at a reporter's question.

"You came all the way up here to ask me about something like that?" he chortled, beside himself at the folly of it. "I don't think you've got enough to keep you busy. You know the answer as well as I do. The Democrats run things and that's the way it's going to turn out."

Then he turned to a friend in his store and marveled: "Can you imagine that—he came all the way from Washington asking questions about something that's as plain as the nose on your face?"

Outside Manchester Jeanne Reese, a housewife, was more politic. "It's all just a charade," she said, "and I think you know that just as well as I do. They don't listen any more and they don't care what we want up here."

A friend added: "I don't know why they bother. Once they put one of them in there he'll just be another one getting paid to waste his time on this kind of foolishness."

A Manchester businessman professed not to be influenced by Loeb's raucus Union Leader.

"I read the Boston Globe, not this rag," he said, "but Loeb is right about one thing. Once they get to Washington they don't give a damn about the people who sent them there. With the shape this country is in it's criminal for the Senate to be spending all that time arguing about Louis Wyman and John Durkin. They should either make a decision up or down on those ballots or send the whole thing back here."

There is little evidence, however, that anyone outside politics in New Hampshire is feeling any great lack in his life because the state has had only one senator this year.

Aaron Keefler, a retired postal worker, put it this way: "It seems like whatever we do, it costs a lot of money and that's what's happening in the Senate on this thing. But I don't think it would make any difference if they had settled it. The congressmen don't seem like they're able to solve anything anyway, so one more senator more or less won't make much difference."

Mr. HANSEN. I thank my distinguished colleague, the minority whip, for reading those portions of the column that he has brought to the attention of the Members of this body and for his personal observations, as well.

There is no doubt in my mind, as I have said on more than one occasion, that the convictions, the conclusions, reached by the distinguished Senator from Michigan, and those observations contained in the column just read, are typical, characteristic, and represent the overwhelming consensus of people in America.

It is precisely because of this fact that, as a Member of this body, I am persuaded that the only way we can regain the respect and be entitled to the confidence that I should hope may soon be returned by Americans insofar as their feelings about this body are concerned, will be to see that we let the people of the State of New Hampshire decide who shall represent them in the Senate of the United States.

The record is clear, there is no doubt, having gone through all of the administrative steps authorized by State statutes, reinforced by decisions of the office of the attorney general, and underscored, reinforced and buttressed by actions of the supreme court of the sovereign State of New Hampshire, that Lou Wyman was duly elected a Member of the U.S. Senate. It does not matter one bit, it does not make a speck of difference, if it was by a margin of 355 votes or 2 votes, these steps spelled out by law in the State of New Hampshire have been pursued in a logical, legal fashion, and the final result, fully attested to in every way that ought to satisfy each one of these sitting 99 Members of this body, says Lou Wyman won the election.

Now, recognizing the great disparity in sizes of the membership on either side of the aisle here, there is misgiving around the country that people will not be given a fair shake, that there may be some inclination among certain Members to reflect their political bias or prejudice and not vote on the issue as most Americans would hope we would. In fact, I will go even further to say that there is a basic concern in the first place that we have gotten into an issue, into a quagmire, into a bramble patch we should never have gotten into in the first place.

The certificate of election, duly attested after all administrative relief had been pursued by both of the aspirants for this office, resulted in the issuance of a certificate of election by the State of New Hampshire, which had declared Lou Wyman the winner. That is the thing that is of concern to the people of New Hampshire. But it goes beyond that. It is of concern to people throughout America, and so far every sign I have seen, every indication of a feeling that I have known or which has been brought to my attention, inclines me to believe that an increasing number of Americans are becoming articulate, they are expressing concern, they are disturbed. They do not like what is going on here, and they know perfectly well, or at least they are convinced to their complete satisfaction, that if we do other than to recognize the legally expressed sentiment of the voters of the State of New Hampshire, and they, and they alone, ought to have the right, as indeed I ascribe to them the right, to determine what are legal votes; and if they have that right, they know who will represent them in the Senate of the United States. It is difficult for me to see why we should go through this continuing charade of talking first about one issue that is 1 of 35, or however many there may have been brought before this body, picking out first this point and then that point, when the issue—and there really is only one issue—is should the people of the State of New Hampshire have the right to determine who shall represent that State and those citizens in the Senate of the United States.

The answer is in. NBC found it out. People in New Hampshire knew it long before NBC sent crews in there. There is no difference at all in the attitude of the people in New Hampshire as contrasted with the people in Wyoming or, in my judgment, Colorado or Mississippi or anyplace else in these United States. It is the same answer. The people in any State want to be the ones who are to determine who represents them in the Senate of the United States.

So, it seems to me, that the rejection yet again today of this Senate to invoke cloture on this issue is a reflection, first, of the continuing validity of our rules that govern cloture in the Senate and, secondly, the great wisdom, the continuing validity of the good judgment, of the framers of the Constitution, who recognized that in our unique system of government it was important that there be a way to insure the protection of minorities, and the only protection, the only bottom line guarantee, security, that we have is on this issue of cloture.

I am pleased that the Senate for a third time has said, "We will not terminate debate."

There is, perhaps, good reason, although I do not make that charge, for fear that with one party represented as overwhelmingly in numbers as it is compared to the other, it might ignore the ethics, the decency, of letting people in New Hampshire determine who is to represent them and take it upon ourselves to make a partisan determination.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HANSEN. I am very happy to yield to my very good friend, the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I thank my friend from Wyoming.

I commend the Senator from Michigan for reading into the Record that most interesting piece that was in this morning's Star. I had intended to do so myself, but it saved me the trouble.

I would like to mention to my good friend from Wyoming that while the Democrats in this body are doing damage to the poeple of New Hampshire, in a round about way they are doing the Republican Party a great favor.

I think my volume of mail is probably as great as anybody's in this body because I once offered myself to you know what.

My mail from across this country is running overwhelmingly in condemnation of the Democrat's attitude refusing to allow the people of New Hampshire a vote on this.

I will make a little prophesy that when our Democrat brethren get home next week, pushing up their fences, they will find the toughest piece of fence to push is their unconstitutional action against the people of one State in this Nation; namely, New Hampshire.

As I said, they are doing damage to people in one State, but they may be helping the whole United States and New Hampshire by making it possible for us to reelect a President and to elect a Republican Congress, because all this Congress has to do is keep on the silly do-nothing way it is going and stick to this idea that the people of New Hampshire have no right to be citizens of the United States and I have a hunch there are going to be a lot of new faces in this body next year and in the other body.

I personally think that would be a great blessing because, as I said and I repeat, if the people can live through this Congress, they can live through anything.

I just want to thank my friend from Wyoming. I do not like to inject politics on this floor, but that is what the Democrats are doing—not all of them, some of them have seen the light. I hope more will see the light and I hope over the Fourth of July when we are all imbued with the spirit of the founding of America and we are patriotic and really feel in our bones what is good in America, that they will come back here determined to recognize that the people of New Hampshire have the same rights as the people in the other 49 States.

I thank my friend for yielding.

Mr. HANSEN. Mr. President, I thank my distinguished colleague, the Senator from Arizona, for his observations.

Back in 1964, I thought there were two things wrong with Barry Goldwater that probably would insure that he did not become elected President of the United States—he is too honest and he is too forthright, and he is usually too right.

I suspect that many people could agree now, given the benefit of hindsight, that when we review the sorry, sad chapter of Vietnam, we can perceive more clearly than most of us were privileged to in 1964, how right he was in saying the things he said during that campaign.

I find the same merit in his observations now that persuaded me to recommend him then, as I do today.

I think this is the situation and he is right.

I thank him for his observations.

Mr. PERCY. Will the Senator yield?

Mr. HANSEN. I yield the floor to my good friend.

Mr. PERCY. While my distinguished friend from Arizona is still in the Chamber, and I concur with everything the distinguished Senator from Arizona (Mr. Goldwater) said, I thought that he might like to hear a lead editorial today from one of the most highly respected newspapers, certainly, in the country, the Chicago Tribune.

The title of this editorial is "Senatorial Nugacity."

I presume we all know what nugacity means.

Mr. GOLDWATER. What was the word?

Mr. PERCY. Nugacity.

The editorial states:

SENATORIAL NUGACITY

> Nugacity means futile, trifling, asininity, and is the opposite of sagacity. The Senate is rapidly—or we should say slowly—making itself into the nugacious laughing-stock of the country by its inability to decide who was elected senator from New Hampshire last fall.
>
> Consider the gradual sequence of events:
>
> Nov. 5, 1974—New Hampshire voters vote for senator.
>
> Nov. 7—Republican Wyman declared winner by 548 votes.
>
> Nov. 27—Recount gives victory to Democrat Durkin by 10 votes.
>
> Dec. 24—Ballot Law Commission certifies Wyman as the victor by two votes, 110,926 to 110,924. Durkin files challenge.
>
> Jan. 13, 1975—Senate Rules Committee interviews both men and defeats [by tie votes] one resolution to seat Wyman and another resolution to seat neither candidate. Democrat James B. Allen of Alabama voted with the Republicans.
>
> Jan. 14—Congress convenes and all new senators except New Hampshire's are sworn in.
>
> Jan. 28—Senate votes not to seat Wyman, fails to declare the seat vacant, and refers the matter back to the Rules Committee.
>
> May 21—Rules Committee, unable to settle the dispute, passes it back to the full Senate—along with 27 disputed ballots.
>
> Since June 17, the Senate has dilly-dallied around over whose rules to follow in judging the validity of the disputed ballots and whether to re-examine disputed voting machine counts which had already been examined once. The Democrats keep trying to shut off debate; the Republicans keep trying to send the matter back to New Hampshire for a new election within 45 days.
>
> The Democratic majority is unable to seat Mr. Durkin without studying the ballots and declaring him the victor; yet they are unwilling to declare the seat vacant and order a new election, fearing that the Republicans would win it and thereby gain some committee seats. Meanwhile the Senate sits around studying the controversial "X" marks on the disputed ballots with hopeless futility. One leading Democrat, Robert Byrd of West Virginia, acknowledges that "at this day, no man on God's footstool can say who won that election." Yet the Democrats continue to insist that it is the Senate's obligation to settle the matter because it is the "sole judge" of the qualifications of its members.
>
> Sen. Javits of New York, speaking for the Republicans, has argued repeatedly and in vain that the mere counting of votes is up to the individual states; that the Senate's power to judge applies particularly to questions of fraud or excess spending; that if the Senate assumes the power to recount votes we will have "an autocracy of the majority"; and that if it isn't willing to seat Mr. Wyman, then it is a "matter of wise policy" to refer the matter back to the state.
>
> Mr. Javits is right.

I would just like to say parenthetically that for the Chicago Tribune to say in its lead editorial that Senator Javits is right, is a new day.

There must be a tremendous coalition of opinion now coming to rally around this New Hampshire issue and I am delighted to have the Chicago Tribune united with Senator Javits, reinforced by Senator Goldwater, who has been so long supported by our distinguished newspaper.

Mr. GOLDWATER. I would just say, the Chicago Tribune again turns out to be a very sagacious newspaper.

Mr. PERCY. I will continue to complete the editorial:

> It is true, as the Democrats charge, that New Hampshire's electoral machinery is in the hands of Republicans. But there has been no charge of fraud; the issue is simply how to count disputed ballots, and this issue could be settled once and for all by a new election. The Senate has never undertaken to second-guess a state's ballot count. Previous delays in seating senators [and three have gone on longer than this one] have involved corrupt practices or, in the case of Mississippi's Sen. Bilbo in 1946, the advocacy of violence. The longer the Senate delays in either seating Mr. Wyman or declaring the seat vacant, the more dangerous a precedent it will set; the more unfair it will be to the people of New Hampshire, and the sillier it will look in the eyes of the country.

Mr. President, I certainly commented on this before. My statement is in the Record. I have watched and observed the tenacious fight put up by my distinguished colleagues on this side of the aisle and some of our distinguished colleagues on the other side who have been fighting for what they believe in their heart is right.

Mr. GOLDWATER. Will the Senator yield?

Mr. PERCY. I am happy to yield to my distinguished colleague.

Mr. GOLDWATER. Is not what we are observing here precisely this: That if the opposition is successful in denying the people of New Hampshire their say because of 1 or 2 or 10 votes, would it not be possible for any majority in this body to decide the elections no matter if they were already decided by 1 million or 10 million votes?

In other words, what we are doing is establishing a precedent by which the people in the States of this country can no longer have a say in who is elected to the Senate of the United States.

Mr. PERCY. I concur with my distinguished colleague.

Mr. President, I would like to conclude my comments with this thought:

I do not question the authority vested in this body to determine the qualifications of its Members. I appreciate that privilege. It is my belief that the Members of the Senate want to see the rightful winner of this election seated. The question comes to how we can determine who that individual should be.

Thus far we have voted on several proposals in an effort to make this determination. Each of those votes illustrates the apparent inability of this body to make a choice between the two candidates.

The Constitution provides that—

> Each House shall be the judge of the elections, returns, and qualifications of its own members.

However, the Senate has consistently accepted the certification of the State in which an individual has been determined the winner of an election. The State of New Hampshire has sent such a certificate indicating that Mr. Wyman was the winner of the election. As such he should be accepted by this body as the Senator from New Hampshire. The Senate has chosen to disregard that certification, to disregard the final count of the vote, and to debate for itself who shall be the winner.

Since this is the case, and it is obvious that the Senate cannot judge the returns of this particular election with the materials we have available, I submit that the only way that the Senate can insure that the individual who the people of New Hampshire want to be their Senator is ultimately seated as a Member of this body is not to try to read their minds, but to return the question to the people of New Hampshire.

AMENDMENT TO THE DRUG ABUSE OFFICE AND TREATMENT ACT

UNANIMOUS-CONSENT REQUEST—S. 2017

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the pending business be temporarily set aside, and that the Senate proceed to the consideration of the amendment of the Drug Abuse Office and Treatment Act, S. 2017.

Mr. GRIFFIN. Reserving the right to object and I shall not object, I would like to indicate that has been cleared with the leadership on both sides. The measure, as I understand it, was reported by the Committee on Government Operations.

Mr. HATHAWAY. The substance of this bill has been reported by the Committee on Labor and Public Welfare and it was informally considered by the Committee on Government Operations this morning.

Mr. GRIFFIN. The Senator from Illinois, the ranking minority member, is here.

Mr. ROBERT C. BYRD. Reserving the right to object, for how long would the pending business be set aside?

Mr. HATHAWAY. The Senator from Maine would anticipate that it would take no longer than 5 minutes.

Mr. ROBERT C. BYRD. Will the Senator put that condition on his request?

Mr. HATHAWAY. I would be happy to.

Mr. JAVITS. Can we make it 10 minutes?

Mr. HATHAWAY. That is all right.

Mr. HANSEN. What is the request?

Mr. HATHAWAY. That the pending business be temporarily set aside so that we may take up the amendment to the Drug Abuse Office and Treatment Act of 1972.

Mr. JAVITS. Will the Senator yield?

Mr. HATHAWAY. I yield to the Senator from New York.

Mr. HANSEN. I did reserve the right to object. One of the persons whose opinion I respect is not in the Chamber. This is to take up the drug abuse bill?

Mr. JAVITS. Under the Senator's reservation, will the Senator yield to me?

Mr. HANSEN. I object to a time limitation, Mr. President, without knowing more about it.

The PRESIDING OFFICER. Objection is heard to the time limitation, but is objection heard to setting aside the pending business?

Mr. ROBERT C. BYRD. Yes. I would have to object unless we can get a time limitation.

The PRESIDING OFFICER. Objection is heard.

(By unanimous consent remarks made at this point in the proceedings by Mr. Javits and Mr. Percy on the bill (S. 2017) are printed later in the Record when the Senate considered the bill.)

Mr. ROBERT C. BYRD. Mr. President, I will have to make the point of order that under the Pastore rule of germaneness, this subject is not germane at this time.

The PRESIDING OFFICER (Mr. Ford). The point of order is sustained.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Under the rule, when would it be in order to speak on nongermane subjects?

The PRESIDING OFFICER. The 3 hours under the rule will expire at 12:03.

Mr. GRIFFIN. I thank the Chair. I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr President, will the Senator withhold that for a moment?

Mr. GRIFFIN. Well, I wanted to give the Senators an opportunity to continue. In 3 more minutes they will be able to do so.

Mr. ROBERT C. BYRD. Mr. President, I have no objection to the request, but I hope we can handle it so that it will be in order.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. CANNON. Mr. President, while the Senators are consulting, yesterday a number of our colleagues on the minority side put in the Record and quoted from an article by columnist George F. Will entitled "Stealing a Senate Seat."

I am sure they were representing his objectivity. I would simply like to point out that in 1970, Mr. George F. Will was a professional staff member of the Senate Republican Policy Committee staff under Chairman Gordon Allott, according to the Congressional Staff Directory; in 1971 he was a special assistant to Republican Senator Gordon Allott; and in 1973 and 1974, according to the Senate phone book, he is listed as a staff assistant to Republican Senator Jesse Helms.

I just thought we ought to get his objectivity in proper perspective.

Mr. HANSEN. Mr. President, will the floor manager of the bill yield?

Mr. CANNON. I yield.

Mr. HANSEN. Mr. President, I would like to state my position on objectivity.

I find anyone objective who agrees with me; and in this instance, I must say with some claim to omniscience, that I think that most Americans agree with George Will.

I find merit in what Jack Anderson says on occasions when he is not critical of me personally, and when I do, I can praise him to the skies.

The point I wanted to make insofar as my observations yesterday about George Will are concerned is that whoever makes a statement which seems to me at a given moment to have some merit, I am partisan and parochial enough that I will find his observations not without merit; and I wanted my good friend from Nevada to know that that is my test of impartiality.

AMENDMENT OF THE DRUG ABUSE OFFICE AND TREATMENT ACT

Mr. GRIFFIN. Now, Mr. President, I might observe that the Pastore rule is no longer in effect.

(The following colloquy occurred earlier in the proceedings and is printed at this point in the Record by unanimous consent.)

Mr. JAVITS. Mr. President, I wish to explain what we have in mind, if it is permissable under the rules, without the applicable germaneness rule being in effect.

We have been unable to work out a more permanent arrangement respecting the Drug Abuse Office and the White House and the drug enforcement activities of the United States. It is a matter within the hand of two committees, the Labor and Public Welfare Committee, which deals with health matters, and the Government Operations Committee, which deals with government operations. Hence, as the office expires on June 30, the chairmen of the respective committees and the subcommittees have agreed, to extend the office for 6 months. The office is very slim right now. There are only two people in it, we are advised. The administration is not happy about the situation, as it wishes a more permanent arrangement, and I agree. I am the ranking minority member of the Labor and Public Welfare Committee, and I am also second ranking on Government Operations. But unless we wish to dismantle the whole structure right now, we really are trying to do something instead of nothing. Hence, we have agreed, those who are primarily interested, to extend the office for 6 months, until January 1, 1976, hoping that within that time we can work out some way of dealing with the problem without dismantling even the rather skimpy machinery which is now available. That is the whole point.

I make that explanation so that when the Senator whom Senator HANSEN is waiting for arrives, the explanation may have been made as to what we are seeking in the bill and why.

We will renew our request at that time.

Mr. PERCY. Will the Senator yield?

Mr. JAVITS. I yield.

Mr. PERCY. Mr. President, as the ranking Republican on Government Operations, I would like to extend congratulations to Senator HATHAWAY for his deep interest in this problem.

Second, the Government Operations Committee in its meeting this morning unanimously albeit reluctantly concurred that there should be a 6-month extension, but that there should be no specific authorization of funds other than such as are needed.

I would like to point out clearly what we are really doing and the thrust of our effort in this organizational approach.

There is a proliferation of agencies in the Federal Government that we are trying to stop. We have to cut down someplace. For that reason, 3 years ago when the administration asked if I would assist in managing the creation of a special office in the White House for drug abuse, I did so on the condition that it would be clearly recognized as a temporary measure. We cannot continue to push every major problem this country faces over to the White House. It simply then gets down to some assistant in the White House staff who is administering the program. The President, even though it is on the organization chart reporting to him, cannot possibly be available to every one of the agencies, every one of the offices, that are in the direct line of reporting to him.

In order to give this function impact, emphasis, and stamp of urgency that only the White House can, we created SAODAP for a period of 3 years, with a clear understanding that it would be terminated and that there would be a transition over of its functions to a regular department of Government at the end of that period.

This has now happened.

The National Institute for Drug Abuse in HEW has been established in order to take over this activity.

There were at one point 150 people in SAODAP. That has now dwindled down to two who will not be in other jobs as of July 1. So in extending this office for a period of 6 months, in a sense what are we asking them to do? To go back and build up to 150? It is unlikely that people are going to come back to an office—and that is not what we are seeking here—that is set up for a short period of time They have all gone off and sought employment in other places except for two people. So by extending this office for a 6-month period, I do not want to give the impression to the country that we are continuing a vital and well-organized unit of the White House to engage in the drug abuse effort.

Because of this situation and because of the fact that we do not want to take emphasis off the drug program, I have talked a number of times, as has the distinguished senior Senator from New York (Mr. JAVITS), with Vice President ROCKEFELLER, indeed as recently as yesterday at the White House. The Vice President has assured me that the Domestic Council, which he chairs, has created a task force to review this situation. He feels that it will take several months to come to a conclusion on this matter.

What we want to do is see that we pull together the two different approaches—both drug law enforcement and drug treatment—and to somehow coordinate those two efforts so they work in tandem and not at diverse purposes.

I know that this is the deep concern of our distinguished colleague from Maine (Mr. HATHAWAY), who time and again has recognized the need to do that. But we must recognize that in extending this office for a period of 6 months, we are really not doing that; we are really perpetuating and carrying on a shell, in a sense, and the real effort must now come from within the Congress and the Domestic Council to come up with a program as quickly as possible to deal with this vital matter.

Drug traffic in this country is increasing, not declining. Our 3-year program has not borne fruit. From an organizational standpoint, we must put the strongest thrust we possibly can behind it. I certainly plan to work closely, within the framework of the Government Operations Committee, and together with the Vice President, and the Domestic Council, to devise a more appropriate organizational means for handling the devastating problems of drug traffic and abuse which this Nation is currently experiencing.

I thank my colleague.

(This concludes the colloquy which occurred earlier and which is printed at this point by unanimous consent.)

Mr. HATHAWAY. Mr. President, I just wanted to make a few remarks in response to those of the Senator from Illinois.

I appreciate the effort the Senator from Illinois has put into the matter, which hopefully will be taken up later today and passed, concerning the Drug Abuse Office and Treatment Act of 1972.

I appreciate the organizational difficulties that the White House may have with respect to having various offices——

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. HATHAWAY. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a 10-minute limitation on the debate between Mr. Hathaway and Mr. Percy concerning this measure.

Mr. PERCY. Mr. President, as far as I am concerned, I think we have already covered our part.

Mr. ALLEN. Mr. President, reserving the right, what is the rule as to amendments?

Mr. HATHAWAY. There are no amendments that I know of.

Mr. ROBERT C. BYRD. Mr. President, in response to the question which the Senator raises at this time, I ask unanimous consent that there be a time limitation on the bill of not to exceed 10 minutes, to be divided between and controlled by the Senator from Maine (Mr. HATHAWAY) and the Senator from New York (Mr. JAVITS), and that there be a time limitation on amendments thereto of 10 minutes, to be equally divided, and a 10-minute time limitation on any debatable motion or appeal, to be equally divided; and that the agreement be in the usual form.

Mr. ALLEN. "In the usual form" meaning that amendments must be germane?

Mr. ROBERT C. BYRD. Yes.

Mr. HANSEN. Mr. President, reserving the right to object, let me reiterate the observations made, as best I can, by the distinguished Senator from South Dakota (Mr. ABOUREZK) late last week, when he said that we are passing some terribly important legislation. It is not the purpose of the Senator from Wyoming at all to delay action on this measure, but I would hope that we will not unnecessarily restrict ourselves timewise, so as to deny those of us without the benefit of the experience that others have the benefit of knowing what it is we are voting on.

Could those time limits be extended somewhat? I do not propose at all to exercise every means to delay the matter, but simply to see that we have a chance to understand it.

I suggest 45 minutes on either side.

Mr. ROBERT C. BYRD. Would a time limitation of, say, 30 minutes to be equally divided, be agreeable? We have already had some debate.

Mr. HANSEN. I would say a little more might be indicated.

Mr. ROBERT C. BYRD. A time limitation of, say, not to exceed 40 minutes, to be equally divided?

Mr. HANSEN. I have no objection.

Mr. GRIFFIN. Mr. President, reserving the right to object, and I shall not object, does that also include the provision, in the event there should be an amendment, of 10 minutes on a side?

Mr. ROBERT C. BYRD. Yes. I said 5 minutes on a side; we will make it 10 minutes.

Mr. GRIFFIN. I think that would be more appropriate.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the bill, which is now at the desk.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the bill (S. 2017) to amend the Drug Abuse Office and

Treatment Act of 1972 and for other purposes, which was read the first time by title and the second time at length.

The Senator from Maine.

Mr. HATHAWAY. Mr. President, as I mentioned earlier, we have had considerable debate already on this bill. I just wanted to point out that in view of the fact that drug abuse has been on the upswing in the recent past, our committee felt that the office in the White House should be continued, at least until some more permanent alternative is developed. NIDA, in the Department of Health, Education, and Welfare, does not really have the status to promulgate Government-wide mandates and to provide the coordination policy of the Federal effort necessary to insure a successful attack on drug abuse and a successful program for the treatment of people who use drugs.

The basic thrust of this bill is to extend the legal and fiscal authorities of the Special Action Office for Drug Abuse Prevention for a period of 6 months. As you know, this office was originally established under the prior legislation in order "to focus the comprehensive resources of the Federal Government and bring them to bear on drug abuse" (section 102). So widespread has been this problem in American life, and so diverse have been the approaches which the Government has adopted toward it, that it was felt that only a powerful office at the highest level of the executive branch, within the Office of the President, was capable of bringing the many parts together into a coherent whole. The problem was sufficiently pressing at the time that such an innovative change in governmental structure was deemed necessary.

However, it was also felt that the Special Action Office would be necessary only for a limited period of time, after which its functions could pass to an organization having a less unique structure and placement within the Federal Government, the National Institute on Drug Abuse. Therefore, a termination clause was written into the legislation which provided that the Special Action Office would lapse on June 30, 1975.

Mr. President, that termination date is only 4 days from today. At hearings conducted on behalf of the Committee on Labor and Public Welfare by the Subcommittee on Alcoholism and Narcotics it was abundantly documented that the problem of drug abuse remains an extremely serious one, and that, despite all that has been done and the genuine and even at times inspired efforts of many people, we are still faced with an extremely difficult situation in designing the most appropriate Federal response to a persistent and complex problem.

Unfortunately, it has not proven possible for the Congress and the administration to come to a resolution of this issue at the present time. The executive branch is presently engaged in a careful consideration of this problem but has not yet made a determination of its preferences. Yet the termination date mandated by the existing law is upon us. It seems essential that we preserve the thrust of the present effort and the authorities of the existing law until such time as an appropriate and acceptable alternative can be worked out, and not permit the lapse of authority which would occur if the Special Action Office were to lapse without effective replacement. But it would also seem most prudent to permit the maximum amount of thought and care to go into the design of that replacement, with the hope that an even more effective and efficient Federal response will be the eventual outcome.

Therefore, the two committees have elected to propose a simple extension of the present office for a period of 6 months. This will permit time for further consideration and yet will sustain some level of effort in the interim. This is the heart of the current bill. In addition, the bill also extends the legislative and fiscal authorities of the National Institute on Drug Abuse, the latter at the current level of authorization, for a period of 3 years, and makes some other changes in the administration of the law which provide for greater accountability and more precise administration. These provisions dealing with the authorities of the National Institute on Drug Abuse are identical to proposals adopted by the Committee on Labor and Public Welfare in the bill on this subject we have reported, S. 1608.

The committees and the sponsors of this bill regret that it has not been possible to resolve this very thorny problem in the allotted time. But we feel that it would be best to exercise discretion at this point and to permit a more careful step to be taken in the near future. We pledge the utmost in effort to bring this matter to as expeditious a conclusion as is consistent with its gravity and complexity.

Mr. President, I reserve the remainder of my time.

Mr. JAVITS. Mr. President, who controls the time?

The PRESIDING OFFICER. Under the unanimous-consent agreement the Senator from Maine and the Senator from New York.

Mr. JAVITS. Do we have 20 minutes on each side?

The PRESIDING OFFICER. Twenty minutes on each side; 40 minutes totally.

Mr. JAVITS. I yield myself 5 minutes.

What has happened is that we are caught in the middle of an appraisal of the way in which the Government should handle a program.

The White House feels that the establishment of what is called the NIDA in HEW is the way it ought to be run.

There is a great deal of sentiment in Congress, and it is reflected by Senator HATHAWAY and myself. I am the ranking member of the Committee on Labor and Public Welfare. He is the chairman of the subcommittee of the Committee on Labor and Public Welfare, which deals with drug abuse and similar problems. It is reflected also in the Committee on Government Operations. It is reflected by Senator SCHWEIKER, who is the chairman of the Subcommittee on Health in the Committee on Labor and Public Welfare and by the chairman of the Committee on Government Operations (Mr. RIBICOFF), and one of its ranking members, Senator MUSKIE, as well as by Senator WILLIAMS, the chairman of the Committee on Labor and Public Welfare.

The feeling is that we are not yet ready to settle for an agency, which is a subordinate agency of HEW, and the reason is that this drug problem is not only a problem of governmental organization, it is also a problem of law enforcement in the Department of Justice. It is a problem also of an international nature.

For example, we are appalled at the fact that opium is again being developed and grown in Turkey. At one time we bought out the old Turkish crop, with the idea that the farmers would not raise it there.

But the Turkish Government, for reasons quite extraneous to drug questions, has gotten rather peeved at the United States and so has taken, as it were, its hand off the growing of opium.

In our big cities, as Senator PERCY so eloquently said, "We are under the terribly depressing situation that as drug abuse increases, rather than being reduced, it has gone through kind of a peak and valley stage." We thought we were on top of it, and the younger people had become disillusioned about hereoin, seeing its terrible results, and they took instead pills, or speed, or other things—anyhow they had gotten off heroin, which is the worst of all, and cocaine. But now the trend seems to be moving back again in terms of its use and in terms of its availability.

Hence a number of us, and we were not joined by Senator PERCY, who gave however, a very fair analysis of the situation, nor were we joined by the White House, but a number of us felt that it was very unwise to dismantle the machinery at this time which put drug enforcement on the White House level, until we had a better articulated scheme than we have.

Senator PERCY has explained that the Vice President of the United States, as chairman of the Domestic Council, has himself taken an interest in this matter, and it is very understandable. It must be remembered that one of the toughest drug laws in the country is the law in New York.

That was one of the major achievements of Governor Rockefeller, when he was Governor of New York, so he has a very deep interest in this situation.

Personally I look forward with considerable satisfaction to the contribution of that Council to an effort to resolve this problem and with the cooperation of Governor Rockefeller himself.

But really what we are doing in saying, before we dismantle everything which now exists and before we give up on the idea of the need on an emergency basis which is a continuing need, where there is a top level agency in the White House to deal with this very grave problem, let us have another look and let us get the best brains and experience on the situation that is possible.

So, there developed in Congress, not

the White House, but in Congress the feeling that we ought to have a 6-month breather or up to 6 months, in order to try to make a better resolution of the problem than is now indicated.

That is all it is all about.

Mr. HANSEN. Mr. President, will the Senator from New York yield for a question?

Mr. JAVITS. I am glad to yield for a question.

Mr. HANSEN. Mr. President, no one has been more involved or more diligent in pursuit of responsible answers to this very vexatious and frightening problem than has been the distinguished Senator from New York.

I am interested in what America's role world-wide has been. Am I correct in my understanding that for one year or perhaps more the United States made an arrangement with Turkey.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself another 5 minutes.

Mr. HANSEN. Am I correct in my understanding that for 1 year or perhaps more the United States made an arrangement with Turkey whereby that country or its farmers received payment in exchange for——

Mr. JAVITS. Not growing opium.

Mr. HANSEN. For foregoing the privilege of raising opium?

Mr. JAVITS. The Senator is exactly right.

Mr. HANSEN. That has expired?

Mr. JAVITS. That expired, and I think, though the program always raised questions in my mind, we might have been willing even to go that route to avoid the Turkish supply base, but the Turkish Government, the one that was elected before the military people took over, in it own judgment felt it could not impose that restriction on its farmers, and there was quite a hassle about it, but they lifted the ban on the growing of opium, and that ban obviously, in view of the strains which have since developed over Cyprus, remains lifted.

Mr. HANSEN. Yes.

Mr. JAVITS. Hence it rather added to our concern that we needed an agency on a much higher level than would be possible in HEW to deal with the diplomatic phases of supply.

There is also a lot of ongoing activity in the United Nations on this matter. There is a special committee which is trying to dam up the flood of supply, trying to bring about international agreements, and trying to buttress the police activity to detect illicit sources of supply to a country like this.

We unhappily are the biggest victim here in the United States. It is our concern in Congress, and this is not the White House—as I say they rather feel that the NIDA thing will do the job—but it is we who have felt that it will not, under existing conditions, and asked Congress for another chance to see if a better plan cannot be developed before we go the NIDA route and dismantle such little organization as remains at the White House level.

That is what this bill is all about.

Mr. HANSEN. Mr. President, I have one further question, if the Senator from New York will yield further.

Mr. JAVITS. Of course.

Mr. HANSEN. What are the major countries insofar as we know now that contribute to an exacerbation of this very serious problem for America?

Mr. JAVITS. We still have a big problem in what is called the Golden Triangle of Southeast Asia. This is an area which lies between mainland China, Burma, and Thailand, and even sloughing over into the Vietnam-Laos-Cambodia area.

Mr. HANSEN. Yes.

Mr. JAVITS. That is an area which is almost a no man's land in that it is believed that there are still surviving Chiang Kai-shek troops in that area who are kind of—I would not hardly call them a guerrilla force—it is just the remains of what was in mainland China, even though it goes back so many years, and they made a very profitable trade and became a big source of illicit drugs in dealing with our soldiers in Vietnam and in Thailand. Now that persists, and it is a very serious matter.

The restoration of the growing of opium in Turkey continues to be very serious. Even the French agree that by no means have they eliminated the processing plants in southern France. There is suspicion—and here I wish to immediately divorce the Mexican Government from any responsibility because it is a tremendous cooperator with us in trying to stamp out this traffic—but there is suspicion that new leaky sieves have developed along the southern border of the United States.

Also the Senator may remember that we even had trouble with diplomats coming in from Latin America.

This is such a tremendously lucrative business that it is just overwhelming in terms of the ability to deal with it.

Those are the major sources that I have described. But in no case, except where it has been a considered Government decision, as it was in Turkey, can we throw stones at any of the governments concerned.

The French, as the Senator may know, have been also working and cooperating with us, so have the Mexicans, and so have many other countries. The U.N. is trying, et cetera.

What we are asking of Congress is a further opportunity to develop a better plan more adapted to the existing situation than the one that results from previous reorganization of NIDA.

Again, I repeat that it is not an uncontroverted problem. Senator PERCY and the White House believe that the NIDA route is the route we ought to stay in. Senator HATHAWAY and I and others believe that we need some White House precedent. So, for the moment, we are calling a truce, until we get the best advice that the Rockefeller panel can give us.

Mr. President, I yield myself an additional 5 minutes.

Mr. MANSFIELD. Mr. President, will the Senator yield to me, with the understanding that the time will not be taken out of the limitation?

Mr. JAVITS. I yield.

NOTICE OF UNANIMOUS-CONSENT REQUEST—H.R. 8030

Mr. MANSFIELD. Mr. President, I am glad that the distinguished Senator from Wyoming, a member of the Committee on Finance, is in the Chamber. It is the intention of the leadership, at the conclusion of the pending business, to make a unanimous-consent request, if possible, to take H.R. 8030, the debt ceiling bill, from the desk, move it to second reading, make it the pending business, and try to limit it to just the three amendments which were reported by the Committee on Finance.

Furthermore, it would be my intention at that time to seek a time limitation.

The purpose of this statement is just to put the Senator on notice that that is a very strong possibility.

Mr. HANSEN. Mr. President, I say to the distinguished majority leader that I shall do everything I can to give reasonable cooperation. I am very low on the totem pole in the Committee on Finance, as the Senator knows, and until my leaders tell me my position, I am not certain. But I do appreciate being apprised.

Mr. MANSFIELD. I take that with several grains of Morton's salt—"It never rains but it pours."

We are trying to contact a ranking member on the Republican side. We do this with the approval of the chairman of the committee. The purpose is simply to put the Senate on notice.

Mr. HUGH SCOTT. Mr. President, if the Senator will yield, I have no personal objection to what the Senator is trying to do. It is simply a statement of intent; and I would like to get the ranking minority member, the Senator from Nebraska (Mr. CURTIS), here, to see if we can do it.

Mr. MANSFIELD. Fine.

Mr. HUGH SCOTT. I am in favor of expediting it, if we can.

Mr. MANSFIELD. We have a time factor.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ALLEN. The distinguished Senator knows that the Senator from Alabama has opposed the adding of controversial items to the debt ceiling bill. The Senator from Alabama does not believe in legislating at gunpoint, and on the floor of the Senate he has engaged in extended discussion to prevent that from happening. The last two times, he and others of similar mind were successful in preventing the addition of highly controversial matters to a piece of must legislation.

In looking up the amendments that have been proposed by the Committee on Finance, it seems to the Senator from Alabama that the three amendments to be proposed are these: One is to increase from $10 billion to $20 billion the amount of bonds that may be issued without regard to the 4¼ percent interest rate. Obviously, 4¼ percent is not a realistic interest rate. There would be no objection to that. Another amendment is to extend from 7 years to 10 years the maximum maturity of Treasury notes.

That addresses itself to the Treasury, and I am sure they will support it.

The third amendment is to remove the 6-percent ceiling on interest on savings bonds.

All these amendments have to do with servicing the trenmendous Federal debt of some $531 billion. The Senator from Montana, the distinguished majority leader, has indicated that request will be that the amendments be limited to the three amendments. It is the understanding of the Senator from Alabama that the request is going to be phrased in such a fashion that the amendments will be limited to the three amendments printed in the Digest of Wednesday's RECORD.

Mr. MANSFIELD. That is the present intention, and if there is any change, the Senate will be notified.

Mr. ALLEN. I will be here, so I will not have to be notified.

I thank the distinguished Senator.

Mr. MANSFIELD. I thank the Senator from New York for yielding.

AMENDMENT OF THE DRUG ABUSE OFFICE AND TREATMENT ACT

The Senate continued with the consideration of the bill (S. 2017) to amend the Drug Abuse Office and Treatment Act of 1972 and for other purposes.

Mr. PERCY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. JAVITS. I yield.

Mr. PERCY. Mr. President, I ask unanimous consent that my comments and possible questions and answers on the pending legislation be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

POINTS

SAODAP was established as a temporary office in the White House to meet special needs, namely:

To oversee and coordinate the rapid increase in Federally supported treatment programs, and

To help shift the Federal response to drug abuse from one based entirely on law enforcement toward one balanced with treatment and prevention.

During its three year life, major progress has been made on legislative goals, to wit:

Most drug abuse treatment policy issues have been resolved;

Federal treatment capacity has grown from 16,000 to 128,000; when state and local capacity is considered, the total treatment capacity doubles;

Federal program is now balanced; in FY 76, $466 million for treatment and rehabilitation; 305 million for law enforcement;

Other Federal agencies—Defense, Veterans, and Prisons (Justice)—have developed treatment programs for their specialized clientele; and

Permanent successor organization is now functioning—the National Institute on Drug Abuse (NIDA) in HEW now runs virtually all civilian drug abuse programs.

LOGIC AGAINST EXTENSION

A good case can be made that no action should be taken to extend SAODAP in name or in kind and that the transition to NIDA should continue according to the original timetable. Specifically:

Conditions which originally required special office (need to rapidly develop treatment response) no longer exist;

Transition to NIDA has, in large part, already occurred and extension likely to confuse issue, particularly with a new leader of at least one of the organizations;

There is little evidence of SAODAP success in coordinating other agency programs which could not have been handled from NIDA; on major disputes, SAODAP has required Domestic Council and OMB intervention, which is also available to NIDA;

The President has made it clear that he doesn't want SAODAP; its director does not have direct access to the President and must work through Domestic Council;

The President has stated his intention to decentralize Executive management: continuation of the special drug abuse office in the White House is counter to moving responsibility to the Departments;

A specialized White House drug treatment office creates a conflict with HEW and prolongs the period during which NIDA has only partial authority; and

Extension of a drug treatment office does not meet with the broader need to provide coordination of all aspects of drugs; treatment and rehabilitation, law enforcement, and international control.

There are some possible arguments for extension.

It can be said that expiration will be perceived by the drug abuse community as a signal of lessening interest.

I would reply by stating that the President just recently singled out drugs for first high priority Domestic Council review indicating that White House interest remains high, and that the President wants to strengthen program management.

Some also maintain that drug abuse prevention and treatment will lose its White House spokesmen due to such action.

This is simply not true. The President can use an Executive Order to designate the NIDA director as chief spokesmen on treatment, parallel to Special Assistant on Narcotics to the Secretary of State for international control, and to Administrator of DEA for law enforcement. Also, he could use White House title such as Special Assistant to the President for added stature, or the President could designate either Vice President Rockefeller or Domestic Council Director James Cannon to coordinate in this area.

Another criticism holds that the ability to be creative and innovative in drug abuse treatment will be lost with expiration of SAODAP.

I reply that SAODAP has already lost the most creative people in a phase out process. It is extremely unlikely that it could ever approach the degree of professionalism it had at its inception.

So we argue that the nonavailability of easily committed discretionary funds will make it more difficult to respond to special situations.

I admit that this is true in part, but the fact that we now have several years experience should make unforeseen events less likely. The NIDA system for releasing funds can also be streamlined.

Finally, it is held that the Director personally will lose prestige and an independent staff.

This is true. However, continuation would delay NIDA/HEW assuming its full role as the lead agency in drug treatment.

In sum, the broader issue of coordination of the entire Federal drug program—treatment, law enforcement, and international control—is separate from any consideration of extending SAODAP to coordinate treatment. In the past, the actual coordinating mechanism for the overall drug program has been an Associate Director of the Domestic Council and a special drug office in OMB. One of the major tasks of the upcoming review by Congress and by the Domestic Council will be to determine the appropriate level and structure of Executive Office coordination and policy-making.

DOMESTIC COUNCIL REVIEW OF FEDERAL DRUG ABUSE PROGRAMS

BACKGROUND

Several months ago, the President directed the Domestic Council to maintain a continuous policy review of on-going, high-priority domestic programs to ensure that these programs are effective in meeting their objectives. One of the high-priority domestic programs subject to review is the overall Federal effort to combat and treat drug abuse.

Heads of the principal drug enforcement and treatment agencies have recently been reporting a resurging heroin problem in spite of the high priority and massive funding increases by the Federal government during the past six years.

SPECIAL REVIEW

Therefore, the President has directed the Domestic Council to undertake a comprehensive review of all Federal drug abuse programs to: (1) assess the effectiveness of our current drug policies; and (2) determine if our drug strategy and priorities are appropriate to meet the current threat. Included in the review will be an evaluation of the impact of increased Federal funding on the national drug abuse problem.

An interagency task force chaired by the Domestic Council will review the domestic and international aspects of the drug program and prepare a White Paper on Drug Abuse for the President's consideration by early September.

PARTICIPATION

The Drug Review Task Force will consist of high level representatives of all of the Departments and Agencies which have a primary interest in the overall drug programs. Advice will be sought from both government and non-government sources.

Mr. JAVITS. Mr. President, I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I have one further question of my distinguished colleague, the Senator from New York. Are there any continuing applications of the arrangement that the United States had worked out earlier with Turkey in effect, any operating now around the world?

Mr. JAVITS. I know of none.

Mr. HANSEN. I thank the Senator.

Mr. JAVITS. In order to be fully content, I will ask the State Department and will put a statement in the RECORD today.

Mr. President, that is all I have on this subject.

I reserve the remainder of my time.

Mr. HATHAWAY. Mr. President, if there are no more requests for time, I will be glad to yield back the remainder of my time.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, on June 12, 1975 the Committee on Labor and Public Welfare approved, with amendments, S. 1608, a bill to amend the Drug Abuse Office and Treatment Act. S. 1608 authorized the creation of a new Office of Drug Abuse Prevention Policy in the Executive Office of the President. That bill provided funding authorizations for 3 fiscal years. Approval of S. 1608 was based upon convincing evidence that a high-level national policy office to continue many of the vitally important functions of the Special Action Office was necessary. The approval of S. 1608 demonstrated our concern that an identifiable, accessible, and accountable national policy function should continue and that it is badly needed. The functions carried out by the Special Action Office were an essential part of our Federal effort in drug abuse prevention which resulted in periods of success in combating incidences of heroin abuse which had reached alarming proportions.

The Special Action Office has undertaken many efforts in an area which is largely unlike any other problem that national government attempts to manage. In its 3 years of existence the office has:

Expanded treatment capacity.

Promoted the development of State management capacity.

Developed government and private research resources.

Managed national prevention initiatives.

Established a National Resource Center for Drug Abuse Prevention.

Validated new heroin incidence and prevalence measurement technologies.

Streamlined Federal management in drug abuse prevention activity.

Consolidated program data collection on federally funded drug abuse treatment services and developed the Client Oriented Data Acquisition Process (CODAP).

Improved the quality of drug abuse treatment in the United States.

Guaranteed drug abuse patient rights to confidentiality.

Guided development of an effective Department of Defense worldwide response to drug abuse in the military services.

Guided the development of National Drug Dependence Treatment Programs for veterans.

Provided a balanced American posture in international drug matters.

The termination of the authorization of the Special Action Office should not be viewed as the end of the road. Rather, it presents the Congress with an opportunity to utilize the valuable lessons learned during its existence.

We have an opportunity to assess the need for a continuing centralized policy development role against a current background of new sources of addictive drugs and new phenomena of drug use. The use of heroin and other hard drugs has increased recently and small towns and suburban areas are experiencing, often for the first time, use of hard drugs by their young people.

Unofficial Drug Enforcement Administration estimates of heroin prevalence have shown that heroin abuse is on the rise despite large-scale Federal enforcement efforts. In calendar year 1972 the estimate of national heroin prevalence was 626,000 addicts. In 1973 the figure had dropped to 612,000; however, for 1974 the estimate is 724,900 addicts. The Drug Enforcement Administration has also indicated that with the return of Turkey to large-scale opium production, heroin imports into the United States could experience large increases.

We must not allow ourselves to forget that drug addiction is an illness. It threatens at all times to spread and weaken our most important national resource—the youth of America. Our most potent defense is drug abuse education; our most potent weapon is drug abuse treatment and rehabilitation.

S. 1608 was approved by the Labor and Public Welfare Committee to squarely confront the threat of drug abuse. However, we do not have before us S. 1608. We have a bill simply to extend the Special Action Office for 6 months, and to enact the grant-in-aid authorizations for treatment programs and State plans for treatment need assessment.

During this period the administration will be able to develop an approach for drug abuse prevention and submit it to the Congress. I know that I speak for many of my colleagues on the Labor and Public Welfare Committee when saying that we are convinced that a strong national policy office is necessary to assess the long-term impact of drug abuse and to react to it in a decisive and forthright manner. The problem has not dissipated and we cannot allow one of our most effective weapons to fall into disuse.

Mr. President, I ask unanimous consent that the report to accompany S. 1608 be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DRUG ABUSE OFFICE AND TREATMENT ACT AMENDMENTS OF 1975

JUNE 20 (legislative day, JUNE 6), 1975.—Ordered to be printed.

Mr. HATHAWAY, from the Committee on Labor and Public Welfare, submitted the following Report [to accompany S. 1608].

The Committee on Labor and Public Welfare, to which was referred the bill (S. 1608) to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

SUMMARY

This bill provides continuity to the Federal effort to combat drug abuse. It redesignates the Special Action Office for Drug Abuse Prevention as the Office of Drug Abuse Prevention Policy, redefines its role as strictly that of coordination and policy direction, and provides for its continued existence. The programmatic role of the National Institute on Drug Abuse is confirmed and clarified, and appropriations are authorized for its continued operation.

Under existing law, on June 30th of this year the policymaking and coordinative functions of the Special Action Office for Drug Abuse Prevention would be completely abolished along with the office itself, with no provision for their assumption by any other agency of government. Moreover, authority for appropriations to the National Institute on Drug Abuse lapses on the same date.

BACKGROUND

On March 21st, 1972, the Congress passed the Drug Abuse Office and Treatment Act of 1972, Public Law 92-255. The purpose of this act was specifically stated at Section 102 of the law:

* * * to focus the comprehensive resources of the Federal Government and bring them to bear on drug abuse with the immediate objective of significantly reducing the incidence of drug abuse in the United States within the shortest possible period of time, and to develop a comprehensive, coordinated long-term Federal strategy to combat drug abuse.

Because many of the provisions of this act expire on June 30th, 1975, it is now necessary to weigh the effects of PL 92-255 and to make provision for the future management of the Federal effort in the drug prevention area. The present bill, S. 1608, attempts to carry out this purpose.

At the time of the passage of the original act in 1972, it was deemed necessary to mandate the creation of two separate structural entities in the drug abuse prevention field. One of these was the National Institute on Drug Abuse (NIDA) to be established effective December 31st, 1974. This organization was intended to "administer the authorities of the Secretary of Health, Education, and Welfare . . . with respect to drug abuse prevention functions" (Section 501). Since drug abuse prevention by definition (Section 103) includes education, training, treatment, rehabilitation and research, the National Institute on Drug Abuse was clearly similar to the many other institutes already established in other categorical disease areas. NIDA was conceptualized originally as a high level organization, of major stature because of the magnitude of the problem; its Administrator was to report directly to the Secretary of HEW and the Institute, in the words of the Senate Committee on Labor and Public Welfare Report of November 17, 1971, would "have a stature commensurate with the magnitude of the health problem with which the new entity will deal" (p. 8).

However, in order to accomplish the overall purpose of the act it was felt essential to establish still another entity. It was recognized at the time that, however necessary an Institute structure might be to carry on the programmatic aspects of the struggle against drug abuse, the policy and coordinating functions could not be maximally effective operating from such a base. The magnitude of the policy and coordinating problems was graphically portrayed in the President's message to Congress of June 17th, 1971, which requested the implementation of such a structure:

"At present, there are nine Federal agencies involved in one fashion or another with the problem of drug addiction. There are anti-drug abuse efforts in Federal programs ranging from vocational rehabilitation to highway safety. In this manner our efforts have been fragmented through competing priorities, lack of communication, multiple authority, and limited and dispersed resources. The magnitude and severity of the present threat will no longer permit this piecemeal and bureaucratically-dispersed effort as drug control."

Hence there was established, in addition to the National Institute on Drug Abuse, a unique organization called the Special Action Office on Drug Abuse Prevention. Under the law its Director was appointed by the President with the advice and consent of the Senate, and was directly responsible to the President for the exercise of his functions. These were very broadly defined in the act:

"The Director shall provide overall planning and policy and establish objectives and priorities for all Federal drug abuse prevention functions."

(Section 221a). The House Committee Report of January 26th, 1972 referred to this "mandate" as "the key provision of the entire bill." In Section 222, the Director was specifically authorized:

"(1) to review and as he deems necessary to modify insofar as they pertain to Federal drug abuse prevention functions, (A) implementation plans for any Federal program, and (B) the budget requests of any Federal department or agency * * *."

Clearly it was the intent of Congress to establish a high-level office of unusual authority in order to deal with a peculiarly vexing problem, one which extended far beyond the parameters and issues generally associated with a categorical disease entity. One of the more unusual aspects of drug abuse was the issue of its legal status. Unlike most illnesses, the abuse of drugs is a crime. Because of this there has been much unfortunate confusion and antagonism between enforcement personnel and treatment personnel over which approach should have priority. This was clearly recognized in the language of the report of the Government Operations Committee of the Senate of November 17th, 1971:

"It is no secret that proponents of the two approaches have viewed each other with suspicion and distrust when they have not been actively contending with one another. This circumstance is to be found in much of the literature on drug abuse and was an undercurrent during the hearings . . . this Nation will not increase its pace toward a workable solution to the drug problem until it does develop a strategy which successfully integrates the several approaches into a harmonious package, none of whose parts frustrate the achievement by other parts of their common goals." (p. 6)

While there is abundant evidence, therefore, that Congress perceived a need for a special executive level office beyond the usual institute, it is also clear that at the time it appeared likely that this was a temporary need. Section 104 of the act provides for the termination of the Special Action Office. No similar provision was made for the National Institute on Drug Abuse, which was envisioned as having "a permanent status" (Report of the Committee on Labor and Public Welfare, November 24, 1971, p. 8). Thus the Special Action Office was conceptualized as an essential factor in initiating the Federal effort against drug abuse, while the Institute was seen as the vehicle for sustaining it. The language in the purpose clause of Public Law 92-255 which speaks of "immediate objectives" being achieved "within the shortest possible period of time" is consistent with this interpretation. Once the effort has been successfully mounted, there would be a lessened need for a high-level office, which could then be terminated and its functions assumed by the Institute. This seems to have been the thinking at the time of enactment of the original legislation.

That there should have been a reasonable expectation of success in this undertaking, given both the legal mandate of Public Law 92-255 and emphatic Presidential support, is hardly surprising. In terms of the current legislation, however, the issue is whether these expectations have been adequately realized, and whether the projected phasing out of a high level office with the assumption of its functions by another agency continues to be as viable an alternative right now as it appeared likely to be the case three years ago. In some respects the record of the Federal effort in the last three years has been admirable. There has been a marked expansion of the national treatment capacity, from 16,000 slots to a maximum of 128,000 slots (the current treatment level is approximately 95,000 slots). The TASC program (Treatment Alternatives to Street Crime) has provided an important interface with the criminal justice system. The Drug Abuse Warning Network (DAWN) now provides crucial early information about the rapidly shifting trends of abuse in this volatile field. With recognition of the importance of vocational rehabilitation in the treatment process, innovative supported work programs have been begun. Detailed regulations protecting the confidentiality of clients in treatment have been developed. A uniform client data system provides much-needed information on the shape and scope of the problem. New initiatives to prevent populations at risk from becoming active abusers have been developed. Governmental departments other than HEW which have large drug abuse programs have been provided expert assistance and guidance. A large cadre of skilled and dedicated individuals has been attracted to the field, formerly very much a step-child of other medical and social service efforts, and important extra-governmental clinical research centers have been developed. Early efforts have been made toward the establishment of a comprehensive treatment system which would replace earlier reliance upon single, entrepreneurial program efforts.

Given these very real accomplishments, and given the fact that by late 1973 there was a decline in such indicators as overdose deaths and treatment program occupancy rates in major metropolitan areas, it is not surprising that glowing claims of ultimate success were made by high Federal officials. At a White House Conference on Treatment Alternatives to Street Crime in September, 1973, only eighteen months after the establishment of the Special Action Office, President Nixon proclaimed that "We have turned the corner on drug addiction in the United States." This statement was echoed by Dr. Robert L. DuPont, successor to Dr. Jaffe: "The number of people becoming addicted has dropped."

Had these statements proven to be accurate in the long term, the original legislative plan for dealing with drug abuse at the Federal level by phasing out the Special Action Office would have been sound. But, unfortunately, this has not been the case. As will be further developed below, there is current evidence that whatever improvement in the problem occurred in 1973 was temporary and that the present problem is at least as great as at the time the original act was passed.

An additional development which occurred in mid-1974 made the assumption of these coordinative and policy functions by the National Institute on Drug Abuse increasingly problematic. Under Public Law 93-282, (May 14th, 1974) a new structure was created in the Department of Health, Education, and Welfare (HEW), the Alcoholism, Drug Abuse and Mental Health Administration (ADAMHA). This new entity included the National Institute of Mental Health (NIMH), NIDA, and NIAAA as its component parts. Whatever the reasons for this change in the status of NIDA may have been, their effect was to make the oragnization one which was considerably lower in the HEW bureaucratic hierarchy than had been the case at the time the legislation was passed and enacted into law. In effect, NIDA was relegated from the second to the fourth echelon. The ability of an organization at this level to coordinate and to make policy for other parts of the governmental structure must be seriously questioned.

NEED FOR THE LEGISLATION

Notwithstanding the real accomplishments of the Federal drug abuse prevention effort to date, the qeustion before Congress at the present time is whether those conditions which originally prompted the dual approach embodied in PL 92-255 have altered along the expected lines; and whether the termination of the Special Action Office and the assumption of its functions by the National Institute on Drug Abuse is still feasible.

To begin with, as has been noted, the optimism generated in late 1973 as to the extent of the problem and the efficacy of the Federal response has not been borne out by subsequent developments. While there were indeed some indications of an improvement in the overall picture of drug abuse in 1973, in retrospect this seems to have been partly due to one of the many natural fluctuations which occur over time, and partly due to some temporarily favorable circumstances including the suspension of opium production by the government of Turkey as well as to the increased governmental attention to the problem. With advances in knowledge about the epidemiology of heroin abuse, the manner in which it spreads among populations of susceptible individuals, there is now a very real question as to whether data from large metropolitan centers, upon which the September 1973 optimism was based, accurately reflect the situation in the nation as a whole. It rather appears that heroin addiction, like many other social problems and innovations, may *begin* in major urban areas but tends to spread from there to smaller and geographically more remote communities. This "ripple effect" is now facing the smaller towns and cities of the United States with a severe problem in the management of drug abuse.

In addition, there has been a marked change in the supply situation with respect to heroin. So-called "brown" heroin from Mexico, virtually unknown until the last year except in border locations, is now available widely throughout the United States. There also continues to be a significant traffic in heroin from Southeast Asia. Finally, it appears that the government of Turkey will resume opium production. The Committee has received information that "white" heroin of a high grade has recently become available again on the streets. Presumably this represents the release of stockpiles which were developed at the time Turkish production was temporarily halted. These supplies are being released, in all likelihood, in anticipation of the resumpton of former levels of supply. With an increase in the heroin supply an increase in use is virtually certain to follow.

Nor can contemporary trends in substance abuse be understood solely in terms of heroin. The rise of so-called polydrug abuse has been a phenomenon of recent times. Many persons are abusing drugs other than heroin, and are abusing many different kinds of drugs concurrently. For this reason and because of demographic and other differences between these abusers and the older heroin addicts, novel approaches to treatment and rehabilitation must be employed. It should be pointed out as well that many of the drugs used by the polydrug user are in several respects more hazardous even than heroin, particularly in the dosage ranges and unusual combinations which are being employed.

Hence the country faces a drug abuse problem in 1975 which is more serious and more complicated in many respects than that which it faced in 1972. All available indicators suggest this, as did the testimony presented to the Subcommittee on Alcoholism and Narcotics in preparation for this bill. Programs are full to overflowing, with long waiting lists. Serum hepatitis is on the increase. Drug-related deaths are mounting. Admissions to hospital emergency rooms everywhere are escalating. Domestic seizures of heroin were greater in the last *six* months of 1974 than in the previous *twelve* months. If the public reaction to this renewed cycle of difficulty has been less strident than in the past, it probably reflects a greater familiarity with the problem and a recognition that no amount of frenzied effort is likely to end it once and for all.

In this regard it is instructive to look at the total amount of Federal expenditures for drug prevention activities since 1969 (Figure 1). In the period 1969–71 there was a slow growth in expenditures, but beginning with the implementation of SAODAP in 1972 there was a marked increase in the overall effort. This peaked in 1974 and then, as a result of the delays in the budgetary process, the impact of the 1973 optimism, and the expected demise of SAODAP, it began to decline. In view of what has been said above concerning the increasingly serious nature of the drug problem, such a decline is difficult to understand in realistic terms. It would also appear that the existence of a high-level office in the executive branch is to some extent correlated with the fiscal emphasis provided to drug abuse prevention efforts.

Figure 1 also illustrates what has happened in recent years in terms of another of the major concerns operative in the original legislation, the balance between law enforcement and prevention activities. While Federal funds for prevention have increased, there has also been an increase in funds for enforcement. To be sure, enforcement is a legitimate and important part of the overall effort. But Figure 1 indicates that unless some active direction is taken at a high level it is probable that in the very near future funding for drug law enforcement will again overbalance funding for drug abuse prevention. Thus the deep concern originally expressed by the Government Operations Committee regarding this balance is still entirely merited.

A possible reason why this might be the case, and an indication of the continuing problems in coordination which exist at the Federal level, may be gathered from Figure 2. This shows those agencies which have significant drug abuse prevention functions in their current structural relationships. It can be seen that the Drug Enforcement Agency, which reports directly to the Attorney General, is in a far more favorable position than is the National Institute on Drug Abuse for obtaining priorities for its programs. It can also be seen that interagency coordination is unlikely to be effective under the direction of an entity with NIDA's relatively low placement. Consider the difficulties NIDA would experience in coordinating those agencies which are outside of the HEW hierarchy, and particularly such independent organizations as the Veterans' Administration. The chart confirms the originally perceived need for an agency at the level of SAODAP to perform effective coordination. There are now fourteen Federal agencies with active drug abuse prevention functions and programs. Figure 3 illustrates the fiscal correlative of this fact: more than 51% of all of the Federal funds expended on drug abuse prevention are under the control of agencies other than NIDA. Thus, for NIDA to coordinate and lead the Federal drug abuse prevention effort, both from a structural and from a fiscal perspective, would be difficult at best and, more likely, actually impossible.

Because the magnitude of the problem and the need for a response to it is as great or greater now than it was in 1972, and because the need for coordination of the Federal effort in the drug abuse prevention field (particularly with respect to the balance between enforcement and prevention efforts) also remains as great or greater then the committee was led to the conclusion that the logic which dictated the original design incorporating two separate offices still holds. What has been accomplished to date stands as testimony to the original thinking. The fact that in the short space of three years the accumulated problems of more than a century have not been definitively dealt with casts no discredit upon anyone. It is merely a reflection of the serious difficulty of coming to grips with a major social ill. The termination provisions have exercised their valuable function of insuring that any ongoing Federal effort be subjected to periodic scrutiny and Congressional control. This having taken place, the Committee now feels it is time to refine and also underline the basic Federal commitment to deal effectively with this problem.

There are yet other reasons which affirm the necessity of the continuance of a special executive office concerned with drug abuse prevention. As has been noted, a major feature of the last three years has been the recruitment into the field of highly trained and creative individuals.

In a very real sense the field has achieved respectability as an arena of serious endeavor, rather than as a haven for a few dedicated zealots. Much of this has been the direct result of strong Federal support embodied in the executive branch office. There is a clear danger that elimination of that office would have enormous symbolic significance to this field. There is no way in which this move, coupled with recent proposals to cut funds can appear to be anything but a drastic retrenchment in Federal priorities. Defections of personnel are likely to result in this event, with the ultimate consequence that this essential manpower base would be severely undermined. Testimony gathered at the Subcommittee hearings emphasized again and again the necessity for this sort of Federal presence in the area and the difficulties which an organization with the structural properties of NIDA would have in providing it. Nothing will quite answer to this need other than a highly placed, mobile and responsive organization like the new Office of Drug Abuse Prevention Policy proposed in the bill.

Should the Special Action Office or its equivalent be permitted to lapse, it is difficult to see what its effective replacement might be. The Commttiee feels that the important functions this organization would perform must be handled by an entity that is clearly identifiable, accessible, and accountable for its stewardship. No clearcut alternative which meets these criteria has been put forward, and without this bill there is a danger that these functions of policy formulation and coordination in the drug abuse prevention field will fail to be exercised in any effective manner. The risk that this would slow the progress of the present Federal effort and possibly vitiate what has been accomplished to date, is one which the Committee is unwilling to take.

This bill, therefore, proposes that a modified version of the existing office, to be termed the Office of Drug Abuse Prevention Policy (ODAPP), be authorized to carry on the policymaking and coordination functions of the existing Special Action Office. All programmatic functions can be (and have been) assumed by the National Institute on Drug Abuse. As has been the case in the past, the authorization will extend only for a limited period of time, after which these same questions will be raised and reviewed again. In the interim, however, the country can be assured of a continuing effort in the drug abuse prevention area at the highest level.

HEARINGS

Hearings on the continuation of the Special Action Office and on the current status of drug abuse in the United States were held in Washington, D.C. on March 24th and March 25th, 1975. Testimony was taken from a wide spectrum of individuals involved in drug abuse prevention activities throughout the Nation, including responsible Federal officials representing both enforcement and treatment; state and local governmental officials concerned with the problem; workers in the field; program directors; prevention and training experts; and the President of the Drug Abuse Council.

Representatives of the Administration expressed their opposition to the extension of an executive-level office relating to drug abuse prevention. They were confident that the coordinating and policy-formulating functions of SAODAP could be assumed by the Office of Management and Budget, while its programmatic responsibilities had already been taken over by the National Institute on Drug Abuse. Dr. Bryant of the Drug Abuse Council expressed neutrality on this issue. All other testimony strongly supported the continuance of the Special Action Office in some form and stressed the continuing necessity of a strong Federal effort in this area. Finally, there was unanimous agreement among the witnesses that, rather than having "turned the corner" on drug abuse, the country now faced a problem of greater magnitude and gravity than had been the case at the time of the passage of the original legislation in 1972.

ESTIMATED COST OF LEGISLATION

Pursuant to section 252 of the Legislative Reorganization Act of 1970, the following are estimates of the costs to be incurred in carrying out this bill:

On an annual basis, the bill provides for $3 million in administrative costs and $7 million for a special fund for the Office of Drug Abuse Prevention Policy; and, for the National Institute on Drug Abuse, $45 million for formula grants to states under Section 409 and $160 million for special grants and projects under Section 410. This represents a total of $215 million annually, or $645 million for the three year period authorized by the bill.

COMMITTEE VIEWS

The Committee has amended both the Congressional Findings section of the act and the Declaration of National Policy in order to avoid any possible construction of the original language which might imply that narcotic addiction and drug abuse could be viewed as limited problems which would respond to a short-term effort. Rather, the Committee recognizes that the nation has had a significant problem in the narcotic addiction and drug abuse area for more than a century, and that a continuing effort coordinated at the highest levels of government will be required over a prolonged period of time in order to ameliorate the problem in any significant manner. The Committee does not in any way intend to deprecate what has already been done, which it views with general approval; but it does wish to stress that a great deal more needs to be done to assure an effective response.

In amending the Definitions section of the act, and specifically in amending the definition of "drug abuse prevention function," the Committee wishes to stress that activities of a primary and secondary prevention nature (activities directed at non-users of drugs who are nevertheless at risk with respect to use, and marginal users of drugs who are at risk with respect to more regular use) are considered to fall within the scope of this definition and, in a larger sense, are considered as legitimate activities within the scope of this act. In general, the Committee wishes to lay increasing stress upon the importance of prevention activities in the usual sense of that word. While it recognizes an obligation to provide treatment, it also recognizes the enormous savings and superior final results which might be realized with the development of increasingly effective techniques of primary and secondary prevention.

At the same time the Committee wishes to express its support for the continuation of alcoholism and drug abuse prevention activities and programs as conducted by the Office of Education pursuant to Public Law 93–422.

In amending the Termination section of the act, the Committee has provided for the continuity of Federal effort in the drug abuse prevention area by assuring the continuation of the critical coordinating and policy-making functions formerly exercised by the Special Action Office for Drug Abuse Prevention. These functions will be vested in a new Office of Drug Abuse Prevention Policy, for reasons largely outlined in the "Needs" section above. However, the Committee also feels that alternative methods for providing this sort of continuity ought seriously to be considered, and therefore has provided that the Executive branch may submit a reorganization plan providing that the same functions be exercised under other auspices. Upon the acceptance of this plan by the Congress (or, more specifically, the failure of either House to reject such a plan), the alternative would be implemented and the Office provided for in this act would be superceded. By amending the bill in this manner, the Committee hopes to provide for the most flexible possible approach to dealing with this problem and respond to the concerns expressed by the Administration about "locking-in" for a period of years an organizational form, while at the same time not losing a vital thread of continuity with past Federal efforts. Conforming changes in existing law are provided for, and in addition it is specified that, whenever the act is finally passed, it shall be deemed to have been enacted on the date prior to the expiration date of the former legislation, thus insuring continuity of effort.

In providing for the functioning of the new Office of Drug Abuse Prevention Policy, the Committee feels that the importance of the office is such, including functions significantly different from the drug abuse prevention functions of other Federal agencies (such as the National Institute on Drug Abuse), that it is essential that its executive officer hold office in no other department or agency. The only exception to this has to do with his representation of the United States government in international negotiations. Other aspects of the legislation limit the number of employees of the new office, a reflection of the fact that, with the passage of programmatic functions of the office to the National Institute on Drug Abuse, a large staff is no longer required. Provision is made for adequate operating expenses for the Office and for a Special Fund, the purpose of which is to provide fiscal incentives for various activities in the drug abuse prevention area by other Federal departments, and also by other public entities, to emphasize the importance which the Committee places upon state and local efforts.

In modifying the language of the original act regarding the encouragement of certain research and development, the Committee has made it clear that the authority for this research is vested in the Director of the National Institute on Drug Abuse. It has also broadened and expanded the research mandate in the pharmacological area, covering antitussive and other drugs as well as analgesics. In a similar manner, additional provisions specify that responsibility for technical advice and assistance is transferred to the Director of the National Institute. This is in keeping with the assumption of all of the former programmatic functions of the Special Action Office by the National Institute, something which the Committee feels must be explicitly stated in the law.

Two advisory councils were provided for in the original legislation, one under Title II and one under Title V. The Committee has determined that these councils may effectively be merged into a single council, which is also expanded in membership to include representation of Federal, state and local officials involved in drug abuse prevention and drug traffic prevention activities. In keeping with the continuing necessity which it sees for coordination at the highest Federal level, the legislation also requires that the Council be provided adequate opportunity to review and comment upon any proposed regulations affecting drug abuse prevention or drug traffic prevention functions, prior to their publication.

The language of the emergency medical provision of the act has been modified to bring it into conformity with analogous provisions of the basic alcoholism treatment legislation. The general purpose of this modification is to assure equitable medical treatment for persons suffering from narcotic addiction and drug abuse. The Committee wishes to make it clear, however, that it does not intend the section to be construed as a requirement that detoxification services must be provided by all hospitals.

In making provision for authorization of funds for the National Institute on Drug Abuse for the next three years, the Committee has retained the authorization levels contained in the original legislation, with respect to Section 409 funds. It has done so out of recognition that appropriations levels have not to date matched the authorization levels, and that if this were to be done, adequate fiscal provision would have been made to provide for the consolidation of existing programs and an adequate level of new initiatives. However, the Committee wishes to stress that the provision of these funds *must* be based on demonstrated need, as provided in the original legislation, and is adamant that this requirement be met. The Committee was distressed to learn that the "need" provision in existing law to implement the State drug abuse formula grants has been totally disregarded. The Committee reiterates that in Senate Report 92-509, it was specifically stated that:

The Committee considers that each of these factors should be weighed equally and that the last factor—the need for the various programs—is different from the first—population. While it recognizes that population may be the best measure of the need factor at the present time, it feels that over a period of time data received from the states under administrative guidelines established by the Secretary should yield a better and workable method for measuring the need factor in the formula.

To this end language has been inserted which mandates the Secretary to promulgate regulations establishing a methodology to determine the incidence and prevalence of drug abuse as a measure of such need. In determining the need for more effective conduct of the drug abuse prevention functions, the Committee believes it reasonable that the Secretary should consider as evidence of such need, the scope and funding support provided by or through the single state agency within the respective states. It is understood that a uniform methodology with this be provided for use in all states. In this regard, the Committee believes that the Secretary should have wide latitude in devising the specific methodology and should consult widely with the field, particularly with Single State Agencies, during this process.

Because of the increased complexity of the drug abuse problem in the United States, and in line with an increasing emphasis on the prevention of drug abuse in non-using and marginally-using populations, the Committee has increased the minimum base allocation under the formula grants from $100,000 per state to $200,00 per state. However, because of its insistance upon need as a criterion, the Committee has made this change contingent upon the promulgation of the above-mentioned regulations on the methodology of need determination.

Out of a concern that all political subdivisions of a given state be assured that they may make adequate input into the planning process, the Committee has mandated the creation in each instance of a system of substate planning which will assure equitable representation of need and allocation of resources throughout the state. The Committee feels very strongly that the exclusion of various elements from the planning process, whether large or small, is indefensible. The hearing record suggested that this does in fact occur, and it is the intent of the Committee that it should cease.

In addition, the Committee is concerned about a general lack of effort in documenting the efficacy of drug abuse treatment and rehabilitation efforts. It does not feel that these efforts can automatically be assumed to be effective, especially in the absence of any supporting empirical data. As a beginning approach to this general problem, the Committee has elected to require individual programs to specify to the single state agency or NIDA the manner in which they intend to assess the efficacy of their program. The Committee does not intend that funds be made available without any criteria being set forth, which seek to measure efficacy. Such standards, to measure treatment or rehabilitation effectiveness, should include pertinent epidemiologic factors to ensure broad considerations of such variables as typology of patients, length and type of addiction; previous criminal history, educational and employment history and due consideration of these factors post treatment.

With respect to authorizations under Section 410, Special Grants and Contracts, an amount is authorized ($160,000,000) which is equivalent to the current annual authorization level. It is emphasized that the use of these funds for primary prevention programs, that is, programs dealing with nonusers and minimal users who are at risk for higher levels of use, is intended under the provisions of this section as well as programs dealing with non-opiate abuse. This is in keeping with the Committee's appreciation of the importance of such efforts. Finally, it is emphasized that the provision of plans for the measurement of efficacy of programs funded under this section of the act is also required.

COMMITTEE VOTES

The Committee acted on all amendments and on the bill as a whole by unanimous voice vote.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 2017) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2017

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 (21 U.S.C. 1101) of the Drug Abuse Office and Treatment Act of 1972 (hereinafter in this Act referred to as the "Act") is amended by adding at the end thereof the following new paragraph:

"(10) Although the three-year period subsequent to the original enactment of this Act saw a significant reduction in the rate of increase of drug abuse, and during certain periods of time and, in certain areas of the country, an apparent reduction in its incidence, the increase and spread of heroin consumption in 1974, as well as continuing problems with other drugs, make it clear that governmental policy must be predicated on a recognition that drug abuse must be dealt with on a continuing basis, rather than as a crisis which can be attacked and forgotten.".

SEC. 2. Section 102 of the Act (21 U.S.C. 1102) is amended by striking "immediate objective of significantly reducing the incidence of drug abuse in the United States within the shortest possible period of time, and to develop" and inserting in lieu thereof "objective of significantly reducing the incidence, as well as the social and personal costs, of drug abuse in the United States, and to develop and assure the implementation".

SEC. 3. Section 103(b) of the Act (21 U.S.C. 1103(b)) is amended by striking "education, training," and inserting in lieu thereof "education or training (including preventive efforts directed to non-users and marginal users),".

SEC. 4. (a) Section 104 of the Drug Abuse Office and Treatment Act of 1972 is amended by striking "1975" and inserting in lieu thereof "January 1, 1976".

(b) For the purposes of carrying out the functions of the Director there are authorized to be appropriated such sums as may be necessary to carry out the provisions of titles II and III of this Act.

(c) The amendment made by subsection (a) of this section shall take effect June 29, 1975, and for the purposes of section 12 of the Revised Statutes (1 U.S.C. 28) shall be deemed to have been enacted on such date.

SEC. 5. Section 305 of the Act (21 U.S.C. 1165) is amended by striking "from time to time as the President deems appropriate, but not less often than once a year" and inserting in lieu thereof "prior to June 1 of each year".

SEC. 6. Section 407 of the Act (21 U.S.C. 1174) and the heading of such section are each amended by striking "emergency", and the word "refused" and by inserting in lieu thereof "discriminated against in", and amending where appropriate the table of sections at the beginning of title IV of the Act.

SEC. 7. (a) The first sentence of section 409(a) of the Act (21 U.S.C. 1176(a)), is amended by striking "and $45,000,000 for the fiscal year ending June 30, 1975," and inserting in lieu thereof "$45,000,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976, $11,250,000 for the period July 1, 1976, through September 30, 1976, and $45,000,000 for each of the fiscal years ending September 30, 1975, and September 30, 1978,".

(b) Section 409(c) of the Act is amended by adding at the end thereof the following new paragraphs:

"(3) In determining, for the purposes of paragraph (1), the extent of need for more effective conduct of drug abuse prevention functions, the Secretary shall (within one hundred and eighty days after the date of enactment of this paragraph) by regulation establish a methodology to assess and determine the incidence and prevalence of drug abuse to be applied in determining such need.

"(4) The Secretary may authorize a State to use a portion of its allotment under this subsection to carry out a study to determine the incidence and prevalence of drug abuse in such State in accordance with the methodology established under paragraph (3).".

(c) Section 409(c)(1) of the Act is further amended by inserting "or, after the effective date of any regulation issued pursuant to paragraph (3) of this subsection $200,000," immediately after "shall be less than $100,000".

SEC. 8. (a) Section 409(e)(5) of the Act (21 U.S.C. 1176(e)(5)) is amended by inserting "in accordance with such needs" immediately before the semicolon at the end thereof.

(b) Section 409(c) of the Act (21 U.S.C. 1176(c)) is amended by (a) striking "and" at the end of paragraph (11) and redesignating "(12)" to "(14)"; and (b) inserting the following:

"(12) in carrying out the provisions of subsection (e)(5) each State shall establish a system of substate planning for the purpose of providing the State with information regarding existing and projected substate needs and resources for drug abuse treatment and rehabilitation facilities, and a plan for the development and distribution of such facilities and programs throughout the planning area. The State must provide written assurance that (1) a mechanism for substate planning has been established and demonstrate how substate information will be utilized in the State planning process; and (2) the State agency will provide a mechanism for obtaining information from elected officials of units of general purpose government, that is, cities and counties, as well as individuals who are providing either treatment per se, or who are engaged in the provision of ancillary services to drug programs or their clients. This information shall be used by the State to determine the methods for dealing with drug abuse in such an area and designing programs for the actual delivery of services in this area; and

"(13) provide reasonable assurances that treatment or rehabilitation projects or programs supported by funds made available under this section have provided to the single State agency a proposed performance standard or standards or research protocol to measure the effectiveness of such treatment or rehabilitation programs or projects; and".

SEC. 9. Section 410(b) of the Act (21 U.S.C. 1177(b)) is amended by striking "and $160,000,000 for the fiscal year ending June 30, 1975," and inserting in lieu thereof "$160,000,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976; and $160,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

SEC. 11. Section 410(c) of the Act (21 U.S.C. 1177(c)) is amended by adding at the end thereof the following new paragraphs:

"(4) In the implementation of his authority under this section, the Secretary shall accord primary prevention a high priority. To the extent that appropriations authorized under this section are used to fund treatment services, the Secretary shall not limit such funding to treatment for opiate abuse, but shall also provide support for treatment for nonopiate drug abuse including polydrug abuse.

"(5) Each applicant within a State, upon filing its application with the Secretary for a grant or contract to provide treatment or rehabilitation services shall provide a proposed performance standard or standards, or research protocol, to measure the effectiveness of such treatment or rehabilitation program or project."

SEC. 10. Title V of the Act is amended by adding at the end thereof the following new section:

"§ 503. Encouragement of certain research and development.

"In carrying out his functions under this title, the Director shall encourage and promote (by grants, contracts, or otherwise) expanded research programs to create, develop, and test—

"(1) nonaddictive or less-addictive synthetic analgesics, antitussives and other drugs to replace opium and its derivaties in medical use;

"(2) long-lasting, nonaddictive blocking or antagonistic drugs or other pharmacological substances for treatment of heroin addiction; and

"(3) detoxification agents which, when administered, will ease the physical effects of withdrawal from heroin addiction.

In carrying out this section the Director is authorized to establish, or provide for the establishment of, clinical research facilities.".

(d) The table of sections at the beginning of title V of the Act is amended by adding at the end thereof the following new item:

"503. Encouragement of certain research and development.".

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HATHAWAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

POSTPONEMENT OF S. 1608

Mr. JAVITS. Mr. President, I ask unanimous consent that S. 1608, Calendar No. 213, a bill to amend the Drug Abuse Office and Treatment Act of 1972, be indefinitely postponed. I wish to explain that this bill, S. 1608, is on the calendar as No. 213 because it has been reported out by the Committee on Labor and Public Welfare and referred to the Committee on Government Operations. The Committee on Government Operations has not yet acted. Therefore, it should come onto the Calendar when that action has been completed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1457—REMOVED FROM SUBJECTS ON THE TABLE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 1457, Temporary Mortgage Assistance for the Unemployed, which is under Subjects on the Table, be taken off the table and indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASE IN THE TEMPORARY DEBT LIMITATION

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 8030, and I ask unanimous consent that the bill be made the pending business.

The PRESIDING OFFICER laid before the Senate H.R. 8030, to increase the temporary debt limitation, which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HARTKE. Mr. President, reserving the right to object; I do not intend to object. I wish to explain that now. Although it was my intention to do what I could to hold up this measure. I will not object to the consideration of the bill to increase the national debt limit.

Mr. President, I am deeply disturbed and have been for the last few weeks. It is quite evident that the Senate is deadlocked on the question of the seating of a Senator from the State of New Hampshire. We have been deadlocked three times in a cloture vote in an effort to cut off debate. In other words, what we see here is a minority of the Senate able to keep the majority from working its will.

On a national level, we see a nonelected President who is ruling this country and obstructing the decisionmaking process of the American democracy, with the help of one-third plus one or two or a few more individuals. Here again, a minority is preventing this country from working its democratic will; obstructing the country from dealing with the unfinished business of America.

As a consequence of these obstructionist tactics, the major problems of our society are being disregarded in a very casual and almost flagrant manner. Every institution in America is under attack today, and certainly, at this moment, Congress is not exempt nor immune from that attack, yet the country is demanding—but not getting—action on the unfinished business of America.

Unemployment in this country is at an astonishingly high rate of over 9 percent. Yet the President last night indicated that instead of being concerned about unemployment, he is more concerned with inflation.

The housinig industry is in deep trouble.

The farmer has been insulted.

The stripmining bill went the way of all flesh.

I do not know exactly how many hours we have been debating, but the majority leader has been keeping track of the number of hours that we have been debating the New Hampshire affair. Up to this moment, we have not made any progress in settling that issue.

I think it is unfortunate, but at this moment, I believe the American people are being led to believe, whether it is truthful or not, that Congress, this Government, is dragging its feet. When I made my statement that I was intending to withhold, if I could, any action on the debt limit bill it was not rash action on my part. I simply wanted to try to underline in the best way I could that what we need is—action. I hope that somehow, maybe we can take those steps which will indicate that we can take some action. It was for this reason that I felt this to uphold action on the debt limit bill was a very responsible way to act. I still think it is a responsible way to proceed. But the leadership has asked me to reconsider and has asked me to relent.

I am doing this out of deference to the leadership, with the full understanding that unless something happens to restore the confidence of the American people in its Government and its institutions, the prospect of future responsible action from the people themselves toward Congress is probably something which we are not entitled to expect to receive. In other words, we can only be respected if we respect the will of the American people. To the extent that a minority of the Senate is preventing action in the Senate, and to the extent that the President, through his constitutional prerogatives, the veto power, is preventing any responsible action on a national level, this country is rapidly drifting toward anarchy. Of course, the response to anarchy is always repression and totalitarianism.

I feel we must act and I feel we must act responsibly. I do not say this in any spirit of criticism of individuals exercising all of the authority and all of the power that they have. One exercise of power we have witnessed in this country in recent years are, first, the killing of 55,000 of our best young people without regard to the peoples' will. Some of the subsequent things which have happened on a national level which have been contrary to the peoples' will—that is, the exercise of brute power, with the authority to get the results contrary to our national interest.

I am not going to object to the unanimous-consent request of the majority leader, but I say that I only relent with a heavy heart.

The **PRESIDING OFFICER**. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, H.R. 8030.

Mr. **MANSFIELD**. Mr. President, I appreciate more than I can say the attitude just shown by the distinguished senior Senator from Indiana. I know how deeply he feels about the issues which he discussed. I know that he thinks that more should be done and that we should get on with the national business as expeditiously as possible.

I am in accord with the views of the distinguished Senator and I am glad that he spoke out at this time on those matters that are pertinent to the national interest. It used to be said that Democratic majorities paved the way for a veto-proof Congress. Anybody with any sense ought to understand that there is no such thing as a veto-proof Congress. What we do have is a veto-happy President.

I hope that we can come to a meeting of the minds so that, in a spirit of accommodation and compromise, we shall be able to work out a better set of issues in behalf of the Nation as a whole. Politics is something which has already been secondary in relation to the national interest.

TIME-LIMITATION AGREEMENT

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that there be a time limitation of not to exceed 1 hour on H.R. 8030, and that only the three amendments reported out by the Finance Committee be considered. May I say, in respect to that, I have made inquiries on both sides, and I know of no one who intends to offer any amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Who yields time?

Mr. **MANSFIELD**. Mr. President, the subject matter is self-explanatory; it is very simple. It is a regular routine which we go through with in this Chamber several times each year.

It appears to me that amendments (a), (b), and (c) as listed on page D789 of the Daily Digest are steps in the right direction because the ceiling of 6 percent interest on savings bonds is removed, and the people who invest in savings bonds, I think, will be getting a better rate of interest in the future. There is an extension from 7 to 10 years of the maximum maturity of Treasury notes; and there is an increase from $10 billion to $20 billion in the amount of bonds that may be issued without regard to the 4¼ percent interest ceiling, all of which seem to be necessary at this time.

Mr. **ALLEN**. Mr. President, will the Senator yield?

Mr. **MANSFIELD**. Yes, indeed.

Mr. **ALLEN**. Mr. President, I appreciate the unanimous-consent request that the distinguished majority leader made with respect to the bill, that the amendments that will be offered be confined to the three amendments having to do with the turnover of our tremendous national debt of some $531 billion, and these three amendments, the first one being an increase of from $10 billion to $20 billion in the amount of bonds that may be issued without regard to the 4½-percent interest ceiling, that certainly is sound and has a definite relation to the national debt.

The second one, extending from 7 to 10 years the maximum maturity of Treasury notes, that is just a matter that the Treasury might be interested in, and certainly not a major change to change that maximum maturity from 7 to 10 years; and then to remove the 6-percent ceiling on the interest rate on savings bonds, which gives the Treasury the right, if it sees fit, to go higher than 6 percent if the prevailing interest rates require that.

I want to state, as I stated a few moments ago, it has been the policy of the Senator from Alabama as the debt ceiling bill comes up—and it is only halfway properly named because it is not just the debt ceiling, it is a matter of authorizing a temporary debt because we have a $400 billion permanent debt, and every 4 or 5 months Congress extends the period during which it can have a temporary debt, and our temporary debt is now $131 billion, and this gives the right to increase that debt to November 15, 1975.

The point the Senator from Alabama is making is this: In the future he expects to continue his policy of seeking to require that these pieces of must legislation that come before the Senate just hours before the deadline should not be encumbered with highly controversial issues sometimes costing billions of dollars but which have never been referred to a committee and, on several occasions, the Senator from Alabama has sought to prevent amendments of that sort from being added to this bill having to do with the debt ceiling.

He is not departing from this policy he has announced for himself, as he seeks to represent the people of Alabama here in the Senate, that we will not add to vetoproof pieces of legislation highly controversial measures costing in many cases billions of dollars.

These amendments do not go against the rule the Senator has set for himself, and I have no objection to the bill passing with these amendments.

Mr. **CURTIS.** Mr. President, I yield myself 10 minutes.

I shall support this resolution increasing the debt ceiling. It is not a happy duty that we must perform. It is a very misunderstood resolution. I wish that this was a ceiling on expenditures. It is not. We are in the situation of having ordered merchandise, it has been delivered, we do not have the money to pay for it, and we are forced to go to a lending institution to get the money to pay the bills.

If this bill were to be defeated, it would not lower the obligations of the United States by 1 cent. If this bill were to be defeated, it would not cut back this oversized Government at all. It would not repeal a single program. What it is is a bill giving authority to the Secretary of the Treasury to borrow enough money to pay the bills that this Congress and the President have created.

I realize we could be here and vote for every piece of legislation, we could vote for the entire welfare state, and then come in and say, "I will not vote to raise the debt ceiling." Such action amounts to voting for the expenditures, lacking the will to collect the taxes, and refusing to pay the bills by borrowing.

It is not a debt ceiling bill that creates debt. We have a national debt because we spend more money than we take in.

I wish that every Member of the Senate would keep in his desk this little book "The United States Budget in Brief for Fiscal 1976."

On the very inside page it says where the money is coming from and where it is going. This year because of a spending spree of the last four decades we are borrowing 15 cents out of every dollar we spend. Only 30 cents come from the individual income tax, and we borrow 15 percent. So if some citizen pays $1,000 income tax we are also borrowing $500. If another citizen pays $10,000 income tax, that is not paying his share of the Government; additionally, we are borrowing $5,000.

It is not because some stenographer was wasteful with carbon paper and it is not because of some extravagance of some committee. Those things should be stopped. But we are in financial trouble because for four decades we have been voting the welfare state into being. Now the welfare state is here.

In this summary of the budget on page 7, there is a chart, Federal Grants to States and Local Governments. Ten years ago it amounted to about $11 billion. This year we are going to send to these local politicians nearly $60 billion.

We do not have the money, we are going to borrow it. They call it revenue sharing, which is a farce and a fraud, based on the unsound proposition that certain levels of politicians can spend money without having to raise it.

On page 27, Outlays for Environment and Natural Resources. Ten years ago, it was less than $3 billion. It is nearly $8 billion. Who will join me in voting to repeal some of that? I voted against most of it.

There is one bright spot in here, Agriculture. It cost close to $6 billion back in 1969, it is down to less than $2 billion.

But for Transportation, as part of this welfare state, we not only went into a mass transit program, but we are underwriting the deficit of transit systems in our cities.

Ten years ago, we were spending for transportation less than $6 billion, it is going to be $12 billion next year.

I do not want anybody to come here and vote against the debt ceiling and think that that reduces the debts. It is voting to put the Federal Government into everything that has piled up the debt. The taxpayers can afford to pay for a government to govern, but there is no end to a government that provides.

Politicians throughout the last 4 decades have been attempting to reelect themselves to office by giving away that which they did not have.

Mr. President, next we have Outlays for Regional Community Development. Every water project, every sewer, is no longer a local responsibility.

Ten years ago, it was less than $2 billion, now it is $6 billion.

How are we going on increasing expenditures threefold, fourfold, tenfold, and not go into debt?

Education. Have we improved education? Can more people read and write? Do we have less violence in our schools? We have taken the running of the schools away from the local people.

Ten years ago, we spent $3 billion for education. This year it will be almost $8 billion.

Manpower and Social Services. Ten years ago less than $2 billion, over $7 billion now.

That social service business was brought in here under recommendation to cost about $300 million. It reached almost five before we put some brakes on it.

It is the welfare state that is strangling private enterprise and prolonging the depression and it is what is causing the bankruptcy of this country.

For health outlays, 10 years ago it was a bare $3 billion; it is going to be almost $30 billion, Mr. President, this year.

We are taxing young people who are buying a home, educating their own children, paying their own medical bills, buying their life insurance. We are taxing the workers of this country to pay the hospital and medical bill of everybody over 65, regardless of how rich the pension may be.

This welfare state is great while we are voting it in, but it is the seed of destruction for a free economy

Mr. President, I yield myself an additional 5 minutes.

Income security outlays, that is unemployment insurance, social security, civil service retirement, military retirement, public assistance.

In 1966, we spent about $30 billion; this next year it is going to be $120 billion—four-fold.

Outlays for veterans. Of course, we have had a big war, it costs a lot of money to run the hospitals. Our benefits for veterans have gone from $6 billion to $16 billion. I am not complaining about that.

Law enforcement and justice. Law enforcement used to be a local proposition, but everything has been transferred to Washington. We spent about $.5 billion for law enforcement and justice in 1966 and in 1976 it will be almost $3.5 billion.

All of this adds up to debts.

Ten years ago the interest on the national debt was about $11 billion. Today it is $35 billion.

Mr. President, today we are having to increase the debt limit so that the Secretary of the Treasury can borrow enough money to keep the Government going. If we did not do that, the Government would still owe the money, we would not lower the debt 1 cent.

The committee recommended three amendments that are very important. They would make for a more manageable debt. They would save money for the Treasury.

The Secretary cannot issue bonds to draw interest at more than 4¼ percent in excess of $10 million. That means he has to issue Treasury notes and there is no limit on the interest.

So it will save money as well as make it more businesslike if he can finance more of this with long-term bonds.

The same logic is back of the amendment that would lengthen Treasury notes from 7 years to 10 years.

Another amendment would raise the interest on E bonds, savings bonds, up to 6 percent.

Who buys savings bonds, E bonds? Our great financial institutions? No. Do big investors buy them? No. It is the small savers.

As everybody knows, the interest rates are much higher than what savings bonds bring and, as a matter of fairness and equity, we ought to raise the rate on savings bonds.

Mr. President, I am in favor of the bill and all three committee amendments, and I reserve the remainder of my time.

ROUTINE MORNING BUSINESS

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business, not to exceed 15 minutes, with statements limited therein to 3 minutes each, without the time being charged to either side on the debt limit measure, and that upon the conclusion of routine morning business the Senate resume consideration of the debt limit measure.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Is there morning business?

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that when the

Senate completes its business today it stand in recess until the hour of 11 a.m. tomorrow.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

INDIA

Mr. **ROBERT C. BYRD.** Mr. President, no country has been more critical of the United States in recent years than has India. Some of its scathing verbal attacks on American policy have been irresponsible and reckless, and almost all have contained an hostility which has weakened relations between the United States and India.

Thus, there is considerable irony in the current situation in India—irony, but no joy, in the fact that Prime Minister Indira Gandhi has reacted to a political and constitutional crisis by jailing her political opponents, forcing newspapers to cancel publication of this morning's editions, and declaring a state of emergency. For such actions to occur in a nation so vocally critical of America is indeed ironic; but the irony makes it no less appalling. I hope that the State Department, the United Nations, and governments throughout the free world will speak out strongly against Mrs. Gandhi's apparent contempt for her country's constitution, and arrogant and tyrannical actions of the past days.

Through fiscal year 1973, the United States has given India $8,895,700 in aid—a figure which does not include World Bank funds. The people and Government of America have received nothing in return for that investment except criticism; and the people of India, from all appearances, have benefited very little, if at all, from that aid.

Mrs. Gandhi and her government have long been spitting in the face of America, and our democratic system; now she has begun spitting in the face of her own democracy, in the face of her own people.

In fiscal year 1975, Congress refused to allocate the $75 million requested by the administration for economic aid to India, and I urge Congress to again exercise its wise judgment and reject completely the administration's $76 million aid request for India in fiscal year 1976.

Mr. **ROBERT C. BYRD** subsequently said: Mr. President, a little earlier I made reference to the amount of aid that the United States had appropriated for India, and it has been called to my attention that I read the billion dollar figure as a million dollar figure. I wish to correct that. The correct amount is $8,895,700,000.

I thank the distinguished Senator from North Carolina (Mr. MORGAN), who is now presiding over the Senate, for the degree of efficiency and dignity—which is as rare as a day in June—with which he called my error to my attention.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. LEAHY) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:15 a.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the bill (H.R. 8069) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, in which it requests the concurrence of the Senate.

At 12:05 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the House had passed, without amendment, the following bill, and agreed to, without amendment, the following concurrent resolutions:

S. 2003. An act to amend the International Travel Act of 1961 to authorize additional appropriations, and for other purposes;

S. Con. Res. 26. A concurrent resolution authorizing the printing of a committee print of the Committee on Foreign Relations entitled "China: A Quarter Century After the Founding of the People's Republic"; and

S. Con. Res. 36. A concurrent resolution authorizing the printing of additional copies of Senate hearings on proposed constitutional amendments to limit abortions.

The message also announced that the House has passed the bill (H.R. 8109) to amend title XIX of the Social Security Act to extend the protection against the loss of medicaid because of the 1972 increase in social security benefits, and to extend the exemption of Puerto Rico, Guam, and the Virgin Islands from certain requirements relating to choice of provider, in which it requests the concurrence of the Senate.

At 5:17 p.m., a message from the House of Representatives delivered by Mr. Hackney announced that Hon. JOHN J. MCFALL, a Representative from the State of California, has been elected Speaker pro tempore during the absence of the Speaker.

The message also announced that the House has agreed to the amendment of the Senate to the bill (H.R. 7709) to continue for a temporary period the existing suspension of duty on certain istle.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6900) to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 2003. An act to amend the International Travel Act of 1961 to authorize additional appropriations, and for other purposes; and

H.R. 8030. An act to increase the temporary debt limitation until November 15, 1975.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. LEAHY).

At 5:54 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the House had passed without amendment the joint resolution (S.J. Res. 98) to provide that the flag of the United States of America may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge, Pa.

The message also announced that the the House agrees to the amendment of the Senate to the concurrent resolution (H. Con. Res. 324) providing for a conditional adjournment of the House of Representatives from June 26, 1975, until July 8, 1975.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 5217) to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes.

The message also announced that the House agrees to the amendments of the Senate to the bill (H.R. 5398) to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions with amendments in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The **ACTING PRESIDENT** pro tempro (Mr. LEAHY) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE ASSISTANT COMPTROLLER GENERAL

A letter from the Assistant Comptroller General of the United States reporting on proposed rescission of $14,250,000 in budget authority for the Alcohol, Drug Abuse and Mental Health Program and $220,450,000 in budget authority for the Health Manpower/Health Facilities Program; to the Committee on Appropriations, the Committee on the Budget, and the Committee on Labor and Public Welfare, pursuant to the order of January 30, 1975, and ordered to be printed.

APPROVAL OF LOANS BY THE RURAL ELECTRIFICATION ADMINISTRATION

Two letters from the Acting Administrator of the Rural Electrification Administration transmitting, pursuant to law, information.

Approval of Loans by the Rural Electrification Administration

Two letters from the Acting Administrator of the Rural Electrification Administration transmitting, pursuant to law, on the approval of a loan to the Alabama Electric Cooperative, Inc., of Andalusia, Alabama; and a loan to the Sho-Me Power Corporation of Marshfield, Missouri (with accompanying papers); to the Committee on Appropriations.

Proposed Legislation by the Department of the Army

A letter from the Secretary of the Army transmitting a draft of proposed legislation to permit the Secretary of the Army to prescribe the oath to be taken by appointees to the United States Military Academy (with accompanying papers); to the Committee on Armed Services.

Report of the Equal Employment Opportunity Commission

A letter from the Chairman of the Equal Employment Opportunity Commission reporting on certain actions taken by the Commission in connection with violations constituting deficiencies in account reported by the Commission on December 19, 1974; to the Committee on Appropriations.

Reports of the Comptroller General

Three letters from the Comptroller General of the United States each transmitting, pursuant to law, a report as follows: "Application of Design-To-Cost Concept To Major Weapon System Acquisitions"; "National Standards Needed for Residential Energy Conservation"; and "Action Needed To Discourage Removal of Trees That Shelter Cropland in the Great Plains (with accompanying reports); to the Committee on Government Operations.

Report of the Federal Energy Administration

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, the first annual report on the activities of the Federal Administration (with an accompanying report); to the Committee on Government Operations.

Report of the Commission on Civil Rights

A letter from the Commission on Civil Rights transmitting the second in a series of reports examining the extent of civil rights progress in the United States since Brown v. Board of Education (with an accompanying report); to the Committee on the Judiciary.

Proposed Rulemaking by the Department of Health, Education, and Welfare

A letter from the Executive Secretary to the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of a notice of proposed rulemaking for special projects for arts education (with accompanying papers); to the Committee on Labor and Public Welfare.

Report of the Federal Energy Administration

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report for the period of January through March 1975 concerning imports of crude oil, residual fuel oil, and other petroleum products (with an accompanying report); to the Committee on Public Works.

Proposed Legislation by the President

A communication from the President of the United States transmitting a draft of proposed legislation entitled the Nuclear Fuel Assurance Act of 1975 (with accompanying papers); to the Joint Committee on Atomic Energy.

Proposed Legislation by the Department of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation to save the income of beneficiaries of programs assisted under the Social Security Act from any reduction caused by the assignment of support rights to the State (with accompanying papers); to the Committee on Finance.

Proposed Legislation by Comptroller General

A letter from the Comptroller General of the United States transmitting a draft of proposed legislation to revise and restate certain functions and duties of the Comptroller General, and for other purposes (with accompanying papers); to the Committee on Government Operations.

Report of the Office of Management and Budget

A letter from the Deputy Director of the Office of Management and Budget transmitting a report, pursuant to law, with respect to the recommendations contained in the report entitled "Sharing Educational Success, Sixth Annual Report" (with an accompanying report); to the Committee on Government Operations.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Leahy):

Senate Joint Resolution No. 32 adopted by the Legislature of the State of Nevada; to the Committee on Aeronautical and Space Sciences:

"Senate Joint Resolution No. 32

"Whereas, The United States requires an adequate, regular and continual supply of energy to maintain its industrial growth and development and general standard of living; and

"Whereas, The United States is currently dependent upon fossil fuels for the majority of this country's fuel consumption; and

"Whereas, The percentage of the world's crude oil reserves in the United States has decreased from 14 to 7 percent, and the percentage of world crude oil produced in the United States has decreased from 44 to 19 percent; and

"Whereas, Supplies of foreign petroleum are sizable but increasingly costly and undependable, given the current economic, technological and international situation; and

"Whereas, Fossil fuel extraction, production and consumption are often damaging to the air, water and land of these United States; and

"Whereas, Congress and the President of the United States have emphasized research and development in the nuclear energy field over efforts in other areas, such as solar and wind energy; and

"Whereas, Actual federal funds to be expended in 1975 on development and production on nuclear fission alone are estimated to exceed federal funds allocated for solar energy research by over 150 times; and

"Whereas, Rather than wait until the United States has exhausted its fossil fuel reserves and reached the point where the energy crisis has made long-term economic recovery impossible, it is time now to conserve fossil fuels for petrochemical uses and turn to a program of intensive planning and research in the field of solar energy; and

"Whereas, This country should shift from a finite energy source to an infinite source which is clean, constant and reliable; and

"Whereas, Development of solar energy would produce a clean, reliable and infinite fuel source which could create a closed cycle energy system; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada, jointly,* That the legislature of the State of Nevada hereby urges the President of the United States, Congress and federal energy agencies to reevaluate the direction of its energy research and development policies and to place a high priority on funding efforts to improve solar technology, to demonstrate its practicality in various regions of the United States, to study ways of increasing solar energy's cost-effectiveness, and to provide and explore the possibilities of economic incentives to producers and utilizers of solar energy; and be it further

"*Resolved,* That Nevada and other southwestern states with vast stretches of federally controlled desert land should be given consideration as ideal testing grounds for solar electric generation; and be it further

"*Resolved,* That copies of this resolution be transmitted forthwith by the legislative counsel to the President of the United States, the Vice President as presiding officer of the Senate, the Speaker of the House of Representatives, the members of the Nevada congressional delegation, the Federal Energy Administrator, the Administrator of the Energy and Research Development Administration, the Administrator of the National Aeronautics and Space Administration, the Director of the National Science Foundation and the Secretary of the Department of Housing and Urban Development; and be it further

"*Resolved,* That this resolution shall become effective upon passage and approval."

Senate Joint Resolution No. 19 adopted by the Legislature of the State of California:

"Senate Joint Resolution No. 19

"Whereas, Repeatedly, the tuna fishermen of this country have been harassed, *have* had their livelihoods imperiled, and *have* had their lives endangered, due to the seizure of their tuna clippers flying the United States flags on the high seas; and

"Whereas, Recently, Ecuador seized seven tuna clippers of this country within the self-proclaimed 200-mile territorial limit of its coast, by the use of some former American Navy and Coast Guard vessels; and

"Whereas, Some of the crew members of such tuna clippers were harassed and assaulted and their vessels were detained for nearly a month, their catch was confiscated, and they were fined a total of over one and a half million dollars; and

"Whereas, Despite our government's reimbursement of the United States flag tuna clipper owners under the Fishermen's Protective Act of 1967, the personal losses sustained by the fishermen and vessel owners over the past 13 years run well over one million dollars; and

"Whereas, Since 90 percent of the United States' tuna catch is taken off foreign shores, the tuna fishing industry will not be able to survive if there is a constant threat of harassment or seizure of our tuna clippers by foreign countries; and

"Whereas, The Federal government should take appropriate actions to sanction the countries such as Ecuador for seizing our tuna clippers, including, perhaps, the discontinuance of our military aid to any such country, the deduction of the cost of any seizure to the United States from the amount of its allocated share of foreign aid, or the imposition of restrictions on the importation into this country of fish products from such a country; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States and the Secretary of State to take any and all appropriate actions to protect the tuna fishing industry of this nation and to ensure that Ecuador or any other country will not harass or seize tuna boats flying United States flags on the high seas; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of State, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A concurrent resolution adopted by the Legislature of the State of Indiana; to the Committee on Foreign Relations:

"RESOLUTION SUPPORTING CONTINUED UNDILUTED SOVEREIGNTY OF THE UNITED STATES AND JURISDICTION BY THE UNITED STATES OVER THE PANAMA CANAL AND THE PANAMA CANAL ZONE ON THE ISTHMUS OF PANAMA

"Whereas, United States diplomatic representatives are presently engaged in negotiations with representatives of the de facto revolutionary government of Panama, under a declared purpose to surrender to Panama, now or on future date, United States sovereign rights and treaty obligations in the Canal Zone;

"The United States since 1903 has continuously occupied and exercised sovereign control over the Zone, constructed the Canal, and since 1914, for a period of 60 years, operated the Canal in a highly efficient manner without interruption, under the terms of the Hay-Pauncefote Treaty of 1901, the Hay-Bunau-Varilla Treaty of 1903, and the Thomson-Urrutia Treaty of April 6, 1914, making a total investment in the Canal, including defense, at a cost to the taxpayers of the United States of over $5,695,745,000;

"The United States House of Representatives, on February 2, 1960, adopted House Concurrent Resolution 459, 86th Congress, reaffirming the sovereignty of the United States over the Zone territory by the overwhelming vote of 382 to 12, thus demonstrating the firm determination of our people that the United States maintain its indispensable sovereignty and jurisdiction over the Canal and the Zone;

"Under Article IV, Section 3, Clause 2 of the United States Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress, which includes the House of Representatives; and

"The Panama Canal is essential to the defense and national security of the United States. It is of vital importance to the economy and interoceanic commerce of the United States with the remainder of the free world: therefore, be it

"Resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

"Section 1. There be no relinquishment or surrender of any presently vested United States sovereign right, power, authority, or property, tangible or intangible, except by treaty authorized by the Congress and duly ratified by the United States.

"Section 2. There be no recession to Panama, or other divestiture of any United States-owned property, tangible or intangible, without prior authorization by the Congress (House and Senate), as provided in Article IV, Section 3, Clause 2 of the United States Constitution.

"Section 3. The Secretary of the Senate, under the seal of this state, send copies of this resolution to the President of the United States, Vice President of the United States, Secretary of State, Speaker of the House of Representatives, Senate Chairman of the Foreign Relations Committee, Chairman of the House Committee on Foreign Affairs, Chairman of the Senate Committee on Armed Forces, Chairman of the House Committee on Armed Forces, and to each member of the Indiana Delegation of the Congress of the United States; and that copies of this resolution be sent to the presiding officers of the legislatures of the several states with requests for similar action."

Senate Concurrent Memorial 1002 adopted by the Legislature of the State of Arizona; to the Committee on Foreign Relations.

"SENATE CONCURRENT MEMORIAL 1002

"Whereas, on August 15, 1973, the United States government ended all United States military involvement in Indochina; and

"Whereas, today, over two years after the signing of the Paris Agreement, the fate of over thirteen hundred men, prisoners of war and missing in action, in Vietnam, Laos, Cambodia and China is still unknown; and

"Whereas, in view of the recent fall of the governments of Cambodia and South Vietnam and the take over of those countries by the Communist forces of Southeast Asia, there is no evidence the Communists intend to comply with the provisions of the Paris Agreement calling for the return of all prisoners of war, an accounting of all of the men who are still missing in action and a return of the remains of those who died on foreign soil; and

"Whereas, it is the responsibility of the people of the United States of America and their elected representatives in the Congress of the United States to ensure the officials of the Administration, including the Executive Branch and the Department of State, do everything humanly possible within their power to secure an honorable accounting of these prisoners and missing men; and

"Whereas, recent information available to the United States Government reveals two United States Army men missing in Cambodia since 1970 and 1971 were alive as of July, 1974, and being held by Communist forces in that country and thereby providing evidence some of these men are, in fact, alive.

"Wherefore, your memorialist, the Senate of the State of Arizona, the House of Representatives concurring, prays:

"1. That the Congress of the United States take immediate, strong, positive action to ensure the return of all American prisoners of war held by Communist forces in Southeast Asia, to account for all of those who remain missing and to return the remains of these brave Americans who died in Southeast Asia; and

"2. That the Congress of the United States, in the Senate and in the House, appoint special investigative committees to resolve this issue; and

"3. That the President of the United States appoint a Presidential Task Force which will assist him in making the decisions necessary to determine the fate of those unaccounted for and to return them, alive or dead, to their beloved Nation and their grieving families.

"4. That copies of this Memorial be dispatched to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and to each Member of the Arizona Delegation of the United States Congress."

House Concurrent Memorial 2003 adopted by the Legislature of the State of Arizona; to the Committee on Foreign Relations:

"HOUSE CONCURRENT MEMORIAL 2003

"Whereas, The Republic of China has been a friend and ally of the United States through the years; and

"Whereas, The United States has an obligation to insure the safety and freedom of the Republic of China; and

"Whereas, The Republic of China, through the free enterprise system, has built a successful economic base; and

"Whereas, The Republic of China is important to the economy of the United States and of the State of Arizona through its use of cotton and other products; and

"Whereas, The Republic of China is important to the national security of the United States by virtue of its location and its commitment to the philosophy of the free world.

"Wherefore your memorialist, the Legislature of the State of Arizona, prays:

"1. That the President and the Congress of the United States make no commitment which would in any way compromise the freedom and security of our friend, ally and business partner, the Republic of China, or its people.

"2. That the Honorable Wesley Bolin, Secretary of State of the State of Arizona, transmit copies of this Memorial to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each member of the Congress of the United States."

Assembly Joint Resolution No. 20 adopted by the Legislature of the State of Nevada; to the Committee on Interior and Insular Affairs;

"ASSEMBLY JOINT RESOLUTION No. 20

"Whereas, Public lands in America represent our national heritage and should be used to provide the maximum benefit to its owners, the general public; and

"Whereas, Public lands in the West are the last stronghold of unfettered recreational opportunity in the wide-open spaces of our nation; and

"Whereas, Mining and agriculture have long been regarded as prime industries in the State of Nevada; and

"Whereas, There is a growing demand by the general public for open space for hunting, fishing, camping, hiking and other outdoor recreational pursuits; and

"Whereas, Nevadans historically have utilized and enjoyed these lands for both their recreational value and their economic productivity; and

"Whereas, Nevada is in the unique position of having approximately 86 percent of its land federally controlled; and

"Whereas, In the past, federal lands and resources have, at various times, been withheld from general public use without establishing long-range use objectives; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly*, That the United States Congress, the Secretary of the Interior, the Director of the Bureau of Land Management and the Chief of the Division of Technical Services of the Nevada office of the Bureau of Land Management are hereby memorialized to recognize both the recreational value and economic productivity of federal lands in Nevada; and be it further

"*Resolved*, That the concept of multiple use of federal lands in Nevada be preserved, whenever such multiple use is determined to be feasible and consistent with the land and wildlife capabilities to absorb human use; and be it further

"*Resolved*, That the public's right of use and enjoyment of federal lands in Nevada shall not be infringed upon by fencing off or otherwise blocking access to such lands, except to the extent necessary for protection of livestock, protection of the public, or other compelling reasons; and be it further

"*Resolved*, That copies of this resolution be transmitted forthwith by the legislative counsel to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives, all members of the Nevada congressional delegation, the Secretary of the Interior, the Director of the Bureau of Land Management, and the Chief of the Division of Technical Services of the Nevada office of the Bureau of Land Management; and be it further

"*Resolved*, That this resolution shall become effective upon passage and approval."

Senate Joint Resolution No. 38 adopted by the Legislature of the State of Nevada;

to the Committee on Interior and Insular Affairs:

"SENATE JOINT RESOLUTION No. 38

"WHEREAS, The Secretary of the Interior, pursuant to his authority under the law, has ordered the transfer of administrative control of the Charles Sheldon Antelope Range in the northwestern part of Nevada from the Fish and Wildlife Service to the Bureau of Land Management; and

"WHEREAS, Such transfer is welcomed by the State of Nevada; and

"WHEREAS, The Sheldon Antelope Range is for the preservation of a resident species as opposed to a migratory species; and

"WHEREAS, It has been traditional in all states that state fish and game departments have primary responsibility for resident species while the Fish and Wildlife Service works with migratory species; and

"WHEREAS, On lands under Bureau of Land Management administration, the preservation and study of wildlife is left with the state fish and wildlife departments; and

"WHEREAS, A bill now in Congress, S. 1293, would have the effect of overruling the transfer decision thus being detrimental to the best interests of this state and to the Sheldon Antelope Range; and

"WHEREAS, The best use and protection of the Sheldon Antelope Range would be served by placing the range under Bureau of Land Management administration; and

"WHEREAS, The most effective cooperation between the Bureau of Land Management and the Nevada department of fish and game for wildlife management on the Sheldon Antelope Range will be possible if the range is managed through a Nevada office of the Bureau of Land Management; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada, jointly,* That the 58th session of the Nevada legislature hereby memorializes the Congress of the United States to refrain from passing S. 1293 and instead to support the decision of the Secretary of the Interior to transfer control of the Sheldon Antelope Range from the Fish and Wildlife Service to the Bureau of Land Management; and be it further

"*Resolved,* That the legislature hereby urges the director of the Bureau of Land Management to bring the administration of the Sheldon Antelope Range under a Nevada office of the Bureau of Land Management that already has a working relationship with the Nevada department of fish and game; and be it further

"*Resolved,* That copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the Vice-President as presiding officer of the Senate, the Speaker of the House of Representatives, all members of the Nevada congressional delegation, the Secretary of the Interior and the director of the Bureau of Land Management; and be it further

"*Resolved,* That this resolution shall become effective upon passage and approval."

Joint Resolution No. 83 adopted by the Legislature of the State of North Carolina; to the Committee on Interior and Insular Affairs:

"SENATE JOINT RESOLUTION 627

"Whereas, bicycling is an energy-saving, non-polluting, healthy, and enjoyable means of transportation; and

"Whereas, bicycling has become an increasingly popular sport in North Carolina and the United States as a whole; and

"Whereas, national scenic bicycle trails would be a stimulus to wider use of bicycles both for recreation and as a substitute for other forms of transportation; and

"Whereas, national scenic bicycle trails would create extensive opportunities for outdoor recreation and exercise; and

"Whereas, national scenic bicycle trails would be desirable additions to the National Trails System; and

"Whereas, national scenic bicycle trails could provide important links between local bicycle trails;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

"Section 1. The General Assembly of North Carolina urges the Congress of the United States to pass H.R. 1991, thereby authorizing a study of the feasibility of establishing national scenic bicycle trails as part of the National Trails System.

"Sec. 2. Copies of this resolution shall be sent to the President of the United States, the Vice-President of the United States, the Speaker of the House of Representatives, the Congressional Delegation from North Carolina, the Governor of the State of North Carolina, and members of the House Committee on Interior and Insular Affairs.

"Sec. 3. This resolution shall become effective upon ratification."

Assembly Joint Resolution No. 2 adopted by the Legislature of the State of Nevada; to the Committee on the Judiciary:

"ASSEMBLY JOINT RESOLUTION No. 2

"WHEREAS, Section 2 of the 14th Amendment to the Constitution of the United States declares that Representatives to Congress shall be apportioned according to the whole number of persons in each state, excluding "Indians not taxed"; and

"WHEREAS, The Supreme Court of the United States has held that all Indians are subject to federal income taxes without deciding what the phrase "Indians not taxed" was intended to mean; and

"WHEREAS, The national census tabulated by the Bureau of the Census of the United States Department of Commerce includes all Indians living within each state; and

"WHEREAS, The apportionment of Representatives to Congress is based upon the national census; and

"WHEREAS, It appears that the phrase "Indians not taxed" is no longer significant in determining the number of persons residing within each state for apportionment of Representatives to Congress; and

"WHEREAS, The continued inclusion of the phrase "Indians not taxed" in the Constitution of the United States is derogatory and potentially discriminatory against all Indians; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly,* That the 94th Congress of the United States is hereby memoralized to adopt and submit to the states for ratification an amendment to the Constitution of the United States to clarify the law relating to apportionment of Representatives to Congress by declaring that apportionment of Representatives to Congress shall, without exclusion of any race or nationality, be determined by the total number of persons residing within the state; and be it further

"*Resolved,* That copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the Speaker of the House of Representatives, the President of the Senate and the members of the Nevada congressional delegation; and be it further

"*Resolved,* That this resolution shall become effective upon passage and approval."

Assembly Joint Resolution No. 47 adopted by the Legislature of the State of Nevada; to the Committee on the Judiciary:

"ASSEMBLY JOINT RESOLUTION No. 47

"Whereas, The powers delegated to the Federal Government by the United States Constitution are limited, and those powers not delegated to the Federal Government are reserved to the states; and

"Whereas, It is becoming increasingly the practice of the Federal Government to require states to enact state laws to implement federal policies by threatening to withhold or withdraw federal funds for failure to do so; and

"Whereas, The Federal Government has imposed upon the states many programs and obligations which require funding in excess of state means, thereby making the states subservient to and dependent upon the Federal Government for financial assistance; and

"Whereas, Through the coercive force of withdrawing or withholding federal funds, or the threat of withdrawing or withholding federal funds, the Federal Government is indirectly imposing its will upon the states and requiring implementation of federal policies which neither Congress nor the President nor any administrative agency is empowered to impose or implement directly; and

"Whereas, This coercive power of the purse is being used to extend the power of the Federal Government over the states far beyond the powers delegated to the Federal Government by the United States Constitution; and

"Whereas, The power of the Federal Government should be exercised directly by the enactment, implementation and enforcement of federal laws governing only those areas in which the Federal Government is empowered to act by the United States Constitution, and the Federal Government should be prohibited from usurping the authority of the states and imposing its will indirectly in those areas in which it has no power to act directly; and

"Whereas, The Federal Government has imposed upon the states many programs and obligations which require state administration and such programs or other programs may lose federal financing if certain conditions attached to the program are not met; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly,* That pursuant to Article V of the Constitution of the United States, the legislature of the State of Nevada petitions the Congress of the United States to call a convention for the purpose of proposing an amendment to the Constitution of the United States to prohibit the Congress, the President or any agent or agency of the Federal Government from withholding or withdrawing, or threatening to withhold or withdraw, any federal funds from any state as a means of requiring a state to implement federal policies which the Congress, the President or the agent or agency of the Federal Government has no power, express or implied under the Constitution of the United States, to impose upon the states or implement its own action, and to limit permissible conditions of federal financing by the Congress, the President or any agent or agency of the Federal Government designed to obtain state administration of federal programs at the risk of losing federal funds for other programs if any or all conditions of the program are not met; and be it further

"*Resolved,* That copies of this resolution be prepared and transmitted by the legislative counsel to the Vice President of the United States as presiding officer of the Senate, to the Speaker of the House of Representatives and to all members of the Nevada congressional delegation; and be it further

"*Resolved,* That this resolution shall become effective upon passage and approval."

Senate Joint Resolution No. 29 adopted by the Legislature of the State of Nevada; to the Committee on the Judiciary:

"SENATE JOINT RESOLUTION No. 29

"Whereas, The United States Constitution in the Bill of Rights declares that the people shall have the right to keep and bear arms; and

"Whereas, This right is fundamental to a free people and a guarantee of their continued freedom; and

"Whereas, The purpose of any gun control legislation is to prevent the use of guns in criminal acts, but in reality a criminal will not be constrained by such control; and

"Whereas, In an era of rising crime it makes no sense whatsoever to enact laws which will have the effect of disarming honest citizens or at least making it more difficult for such citizens to be protected; and

"Whereas, Any legislation requiring registration of firearms is an abridgment of constitutional rights; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada, jointly,* That the legislature hereby memorializes the Congress of the United States to refrain from enacting any gun control or registration legislation that would abridge the constitutional right to keep and bear arms; and be it further

"*Resolved,* That copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the Vice President as presiding officer of the Senate, to the Speaker of the House of Representatives and to all members of the Nevada congressional delegation; and be it further

"*Resolved,* That this resolution shall become effective upon passage and approval."

Assembly Resolution No. 83 adopted by the Assembly of the State of New York; to the Committee on Public Works:

"RESOLUTION NO. 83

"Whereas, The Secretary of the Army, acting through the Army Corps of Engineers, has proposed regulations that would greatly expand the regulatory authority of the Corps over all United States waters, without regard for any rules, laws or regulations, that may be dutifully and rightly promulgated by the fifty states and their several localities regarding the use or abuse of those waters; and

"Whereas, We believe that the State of New York and its political subdivisions know best how to rightly manage and protect the waters of the State of New York; and

"Whereas, We believe that the State of New York and its political subdivisions have a right to exercise control over and express a voice in any decision-making process that affects the use or abuse of the waters of the State of New York; now, therefore, be it

"*Resolved,* That we, as a Legislative body of the State of New York, indicate by the passage of this resolution our opposition to the intention of the Army Corps of Engineers to increase the scope of its regulatory authority over the waters of the United States, and to the adoption of any or all of the four alternative regulatory plans proposed by the Corps regarding the waters of the United States; and be it further

"*Resolved,* That a copy of this resolution be transmitted to the President of the United States, the Speaker of the House of Representatives, the President of the Senate Pro Tempore of the United States, and each member of Congress of the State of New York indicating our continuing concern for the quality and care of the waters of the United States, and for the right of each of the fifty states to manage and regulate the use of waters within its boundaries."

Assembly Resolution No. 75 adopted by the Assembly of the State of New York; to the Committee on Public Works:

"JOINT RESOLUTION NO. 75

"Whereas, The tourist business is a key industry in New York State resulting in nearly $10,000,000,000 purchasing power to the State annually; and

"Whereas, Firms in the State engaged in travel related business employ about one-half million people; and

"Whereas, Because of the State being forced to remove small advertising signs of a directional nature, pursuant to the mandates of the Federal Highway Beautification Act of 1965, small business services report losses up to 70 per centum of their tourist trade; and

"Whereas, Unless such Federal legislation is amended these businesses will have to close their doors thereby increasing the number of unemployed and weakening an already faltering economy; now, therefore, be it

"*Resolved,* That the Congress of the United States be and hereby is respectfully memorialized to enact legislation permitting the States to exercise greater flexibility in determining the type of small advertising signs of a directional nature that may be erected along interstate and primary routes so long as such signs are not offensive to the natural beauty of the countryside; and be it further

Resolved, That copies of this resolution be transmitted to the President of the Senate of the United States, the Speaker of the House of Representatives, and to each Member of the Congress of the United States from the State of New York.

House Memorial 2004 adopted by the House of Representatives of the State of Arizona; to the Committee on Public Works:

"HOUSE MEMORIAL 2004

"Whereas, the Federal Trade Commission has ordered Kennecott Copper Corporation to sell its subsidiary, Peabody Coal Company, which operates the Black Mesa coal mine in the heart of the Navajo-Hopi Indian reservation in Arizona; and

"Whereas, Peabody Coal Company has notified its stockholders that it has received three acceptable offers, none of which is from the Tennessee Valley Authority; and

"Whereas, any purchase of the property, valued for assessment purposes in 1973 at fifteen and one-half million dollars and in 1974 at eleven million dollars, is subject to approval by the Federal Trade Commission; and

"Whereas, the Tennessee Valley Authority is not subject to federal or state income taxes or state transaction privilege taxes; and

"Whereas, the Peabody Coal Company's operations in this state are located on federal land and, thus, not subject to real property taxes; and

"Whereas, such sale to a tax-exempt governmental entity shall result in serious losses of income taxes and transaction privilege taxes to this state and the United States.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

"1. That the United States Congress investigate and oppose the sale of the Peabody Coal Company to the Tennessee Valley Authority because of the serious tax losses which would be suffered by this state and the United States."

Assembly Joint Resolution No. 38, adopted by the Legislature of the State of Nevada; to the Committee on Veterans' Affairs:

"ASSEMBLY JOINT RESOLUTION NO. 38

"Whereas, There are 92,000 veterans living in Nevada who have honorably served their country; and

"Whereas, Approximately 50,000 of these veterans reside in Southern Nevada; and

"Whereas, The closest veterans' hospitals for these 50,000 veterans are in Los Angeles and Reno, a fact which makes hospital care for any of these veterans an extreme inconvenience and even a real hardship; and

'Whereas, United States Senators Cannon and Laxalt have introduced legislation to authorize a new veterans' hospital in Southern Nevada to care for the many veterans now in the area as well as those to come in this rapidly growing region; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly,* That the legislature hereby memorializes the Congress of the United States to act favorably upon the legislation introduced by Senators Cannon and Laxalt and to authorize and fund a veterans' hospital in Southern Nevada; and be it further

"*Resolved,* That copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the Vice President of the United States as presiding officer of the Senate, to the Speaker of the House of Representatives and to all members of the Nevada congressional delegation; and be it further

"*Resolved,* That this resolution shall become effective upon passage and approval."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a communication from the State of Nevada relating to S. 594 be referred jointly to the same committees the bill was referred to.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution, Assembly Joint Resolution No. 37, adopted by the Legislature of the State of Nevada, which was referred jointly to the Committee on Commerce, the Committee on Armed Services, the Committee on Banking, Housing and Urban Affairs, the Committee on Finance, the Committee on Government Operations, the Committee on Interior and Insular Affairs, the Committee on the Judiciary, the Committee on Labor and Public Welfare, and the Committee on Public Works, reads as follows:

"ASSEMBLY JOINT RESOLUTION NO. 37

"Whereas, The overall effects of Title VII of the proposed Energy Independence Act of 1975 (S. 594, H.R. 2633 and H.R. 2650) will be to raise electric utility rates by approximately 20 percent, such increase being well in excess of that needed to maintain a viable electric utility industry; and

"Whereas, State regulatory utility commissions exist to perform a careful analysis of utility rate and service problems in orderly, democratic hearings that protect the public, consumer, producer and investor interests and are able to take local conditions and special circumstances into account in arriving at rate and service decisions; and

"Whereas, The rate-setting flexibility of state commissions is dependent upon their ability to conduct rate proceedings over the time required, by their rights to allow or disallow fuel adjustment clauses, by their ability to investigate and experiment with peak load pricing, by their ability to decide what costs of construction and environmental protection equipment should be part of the rate base and by their right to determine the accounting methods appropriate in each state; and

"Whereas, All of these components of flexibility will be endangered, if not completely eliminated, in the proposed Energy Independence Act of 1975; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly,* That the legislature hereby memorializes the Congress of the United States to amend the proposed Energy Independence Act of 1975, especially at Title VII, to eliminate provisions that would take traditional public utilities regulatory power away from the states; and be it further

"*Resolved,* That the legislature believes that the answer to increasing electric rates is control of inflation and restored vitality to the economy, especially the securities market, rather than increased federal control; and be it further

"*Resolved,* That copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and all members of the Nevada congressional delegation; and be it further

"*Resolved,* That this resolution shall become effective upon passage and approval."

A resolution adopted by the City Council of Miami Beach, Fla., requesting funds be provided for the Miami Beach hurricane and beach erosion control project; to the Committee on Public Works.

A resolution adopted by the New York Avenue Presbyterian Church of Washington, D.C., relating to congressional voting representation for the District of Columbia; to the Committee on the Judiciary.

Two petitions from several citizens of the States of Washington and New Jersey seeking a redress of grievances; to the Committee on Government Operations.

A resolution adopted by the Arizona State AFL–CIO relating to national health security; to the Committee on Finance.

A resolution adopted by the Long Island Federation of Women's Clubs, Inc., New York, relating to Federal gun control legislation; to the Committee on Commerce.

A resolution adopted by the Albany County legislature, New York, relating to the proposed relocation of research and development at the watervliet arsenal out of New York State; to the Committee on Armed Services.

A resolution adopted by the New England Conference of the International Association of Machinists and Aerospace Workers relating to national transit legislation; to the Committee on Banking, Housing and Urban Affairs.

A resolution adopted by the New England Conference of the International Association of Machinists and Aerospace Workers relating to national health security; to the Committee on Finance.

Five resolutions adopted by the New England Conference of the International Association of Machinists and Aerospace Workers relating to (1) illegal aliens; (2) Federal standard unemployment insurance; (3) jobs and unemployment; (4) seniority; and (5) 35-hour week; to the Committee on Labor and Public Welfare.

A letter from the Geothermal Energy Institute of San Francisco, Calif., transmitting comments on a report of the Comptroller General entitled "Problems In Identifying, Developing, and Using Geothermal Resources"; to the Committee on Government Operations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PEARSON, from the Committee on Commerce, without amendment:

S. 270. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Elkhart, Kans., for airport purposes (Rept. No. 94–257).

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 1622. A bill to authorize an additional Assistant Secretary of Commerce (Rept. No. 94–258).

By Mr. ALLEN, from the Committee on Agriculture and Forestry, with an amendment:

H.R. 4222. A bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs (Rept. No. 94–259).

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare, without amendment:

S. 738. A bill to authorize Robert L. Rausch to accept an office or position in a university maintained by the Government of Canada (Rept. No. 94–261).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 677. A bill to establish a Strategic Energy Reserve Office in the Federal Energy Administration, to create a strategic energy reserve system to minimize the impact of interruptions or reductions of energy imports, and for other purposes (Rept. No. 94–260).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce:

David A. Lucht, of Ohio, to be Deputy Administrator of the National Fire Prevention and Control Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HARTKE, from the Committee on Commerce:

John Hart Ely, of Massachusetts, to be General Counsel of the Department of Transportation.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE BILL REFERRED

The bill (H.R. 8069) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HATHAWAY (for himself, Mr. JAVITS, Mr. RIBICOFF, Mr. PERCY, Mr. WILLIAMS, and Mr. MUSKIE):

S. 2017. A bill to amend the Drug Abuse Office and Treatment Act of 1972 and for other purposes. Considered and passed.

By Mr. WILLIAMS (for himself, Mr. JAVITS, Mr. HATHAWAY, Mr. PELL, Mr. MONDALE, Mr. KENNEDY, Mr. HUMPHREY, and Mr. CRANSTON):

S. 2018. A bill to strengthen State workers' compensation programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. HUMPHREY:

S. 2019. A bill to amend the Rehabilitation Act of 1973 to provide for a program of wage supplements for handicapped individuals. Referred to the Committee on Labor and Public Welfare.

By Mr. RIBICOFF:

S. 2020. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care. Referred to the Committee on Finance.

By Mr. TAFT (for himself, Mr. BROCK, Mr. CASE, Mr. DOMENICI, and Mr. HELMS):

S. 2021. A bill to amend the Internal Revenue Code of 1954 to allow an income tax credit for the costs of maintaining or restoring the exterior appearance and structural soundness of certain historic buildings and structures. Referred to the Committee on Finance.

By Mr. HARTKE:

S. 2022. A bill to provide for the compensation of persons injured by criminal acts. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2023. A bill to provide for the competitive movement at fair and equitable rates and charges of household goods shipments moving in the foreign commerce of the United States, and for other purposes. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 2024. A bill to amend the Hazardous Materials Transportation Act to make certain technical corrections, and for other purposes. Referred to the Committee on Commerce.

S. 2025. A bill to amend the Federal Power Act and the Natural Gas Act. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. KENNEDY):

S. 2026. A bill to amend the Public Health Service Act to provide for a program for improved dental health for children. Referred to the Committee on Labor and Public Welfare.

By Mr. HUDDLESTON:

S. 2027. A bill to assist in the rehabilitation, modernization, development, and improvement of transportation facilities throughout the United States; to stimulate employment, and for other purposes. Referred to the Committee on Commerce.

By Mr. KENNEDY (for himself and Mr. PHILIP A. HART):

S. 2028. A bill to amend the Clayton Act by strengthening and facilitating the carrying out of antitrust and procompetitive policies by agencies of the Federal Government, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. MONDALE (for himself and Mr. HUMPHREY):

S. 2029. A bill to amend title XVI of the Social Security Act to insure that cost-of-living increases in supplemental security income benefits are granted to recipients of such benefits in all States, and for other purposes. Referred to the Committee on Finance.

S. 2030. A bill to amend title XVI of the Social Security Act to provide for the establishment of an outreach program to assure that potentially eligible recipients of supplemental security income benefits will be fully informed of the availability of such benefits and the steps to be taken in obtaining them. Referred to the Committee on Finance.

By Mr. WILLIAMS:

S. 2031. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced, because of increases in monthly social security benefits. Referred to the Committee on Finance.

By Mr. GRIFFIN:

S. 2032. A bill for the relief of Mr. Allen L. Johnson and Mrs. Helen J. Johnson. Referred to the Committee on the Judiciary.

By Mr. MUSKIE (for himself, Mr. Metcalf, and Mr. Roth):

S. 2033. A bill to reorganize the executive branch of the Government by establishing in the Federal Energy Administration an Office of State Regulatory Assistance to provide Federal assistance to improve State regulation of public utilities. Referred to the Committee on Government Operations.

By Mr. EASTLAND:

S. 2034. A bill applicable to livestock marketing in commerce to provide the basis for assuming and discharging the financial risks involved in all sales and purchase transactions; to declare certain acts unlawful; to safeguard against unfair and illegal marketing practices; to identify, maintain, and uphold business standards and practices which are based upon free, open, and competitive factors in all transactions; to provide penalties for violations; to create and empower a livestock marketing commission to administer and enforce the act; and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. PASTORE (by request):

S. 2035. A bill to authorize cooperative arrangements with private enterprise for the provision of facilities for the production and enrichment of uranium enriched in the isotope 235, to provide for authorization of contract authority therefor, and for other purposes. Referred to the Joint Committee on Atomic Energy.

By Mr. JAVITS (for himself, Mr. Muskie, Mr. Humphrey, and Mr. Gravel):

S. 2036. A bill to promote accountability in the executive branch of the Government, to require the disclosure of the financial status of public officials, to establish an Office of Legal Counsel to the Congress, and for other purposes. Referred to the Committee on Government Operations.

By Mr. BENTSEN:

S. 2037. A bill to continue until the close of June 30, 1978, the existing suspension of duties for metal scrap. Referred to the Committee on Finance.

By Mr. BARTLETT:

S. 2038. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax and to provide an alternate method of valuing certain real property for estate tax purposes. Referred to the Committee on Finance.

By Mr. LAXALT (for himself and Mr. Cannon):

S. 2039. A bill to declare any Bicentennial medallion struck for or by the State of Nevada to be a "Commemorative Medallion." Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. ABOUREZK:

S. 2040. A bill to provide for an increase in judicial salaries, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. GRIFFIN (for Mr. Hugh Scott):

S.J. Res. 98. A joint resolution to provide that the flag of the United States of America may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge. Considered and agreed to.

By Mr. HUGH SCOTT:

S.J. Res. 99. A joint resolution to authorize and request the President to issue a proclamation designating January 4, 1976, as "Haym Salomon Day." Referred to the Committee on the Judiciary.

S.J. Res. 100. A joint resolution to authorize the Secretary of the Senate to pay compensation to Phan Thi Yen. Considered and passed.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILLIAMS (for himself, Mr. Javits, Mr. Mondale, Mr. Pell, Mr. Kennedy, Mr. Hathaway, Mr. Humphrey, and Mr. Cranston):

S. 2018. A bill to strengthen State worker's compensation programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

THE NATIONAL WORKERS' COMPENSATION ACT OF 1975

Mr. WILLIAMS. Mr. President, today I am introducing, for myself and Senators Javits, Pell, Kennedy, Humphrey, Mondale, Hathaway, and Cranston, S. 2018, the National Workers' Compensation Act of 1975. The bill is one of the most important that we will have an opportunity to consider this year.

The purpose of this legislation is to establish a comprehensive system of workers' compensation* benefits nationwide, and to acknowledge the need for a uniform system of minimum benefits to which all workers and their families who suffer work-related injuries, illnesses, or deaths, are entitled. The record of the treatment of workers who, as a consequence of their employment, contract diseases, are injured, or are killed, is abysmal. The lack of effective workers' compensation laws in many parts of the country leave injured or ill workers, or their survivors in cases where the worker is killed, without adequate support to provide for the most basic necessities of life.

The National Advisory Commission on Workmen's Compensation, established by section 27 of the Occupational Safety and Health Act of 1970 to study the Nation's workers' compensation system and to recommend changes in that system, concluded that Federal action in this area was essential. The Commission issued 84 recommendations for improving workers' compensation systems nationwide. More specifically, it recommended that by July 1, 1975, the States should have upgraded their own State compensation laws to meet certain basic minimum requirements as set out by the Commission. As of April 1, 1975, no State had met even the minimal recommendations of the National Commission.

I must stress, however, Mr. President, that the 19 recommendations identified by the National Commission as their "essential" minimum requirements, should under no circumstances be considered as the sum total of the improvements needed to establish a proper workers' compensation system. The so-called 19 "essential" requirements are neither a complete list of immediate requirements nor should they comprise the only measure of an effective workers' compensation system.

This is a sad fact, particularly since the report of the National Commission was released in July of 1972, and since most of these problems and injustices were well known long before that time. This is also a sad fact, because even though 1974 was a bumper year for State activity in this area with over 200 separate amendments enacted in the various States, adequate protection is still an illusion.

We still do not have a single State which is in compliance with the basic elements of an effective workers' compensation system.

To show how the States' laws compare with the so-called essential recommendations of the National Commission, I ask unanimous consent that a table released by the Interdepartmental Workers' Compensation Task Force, showing the status of State laws' compliance with these 19 recommendations be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 1.—STATE WORKERS' COMPENSATION LAWS COMPARED WITH ESSENTIAL RECOMMENDATIONS OF THE NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS

State	Recommendation[1]																			Total met
	2.1	2.2	2.4	2.5	2.6	2.7	2.11	2.13	3.7	3.8*	3.11	3.12	3.15*	3.17	3.21	3.23*	3.25	4.2	4.4	
Alabama	×	—	—	—	—	×	—	×	×	—	×	×	—	—	—	—	—	—	—	6
Alaska	×	×	×	—	—	—	—	×	—	×	×	—	×	×	—	×	—	×	×	11
Arizona	—	×	×	—	×	—	×	×	×	×	×	×	×	×	—	—	—	×	×	13
Arkansas	—	—	—	—	×	—	×	—	—	—	×	—	—	×	—	—	—	—	—	4
California	×	×	×	—	×	—	—	×	×	×	×	×	×	×	×	×	—	×	—	14
Colorado	—	×	—	—	×	—	×	×	×	×	×	×	×	×	×	×	—	×	×	14
Connecticut[2]	×	×	×	—	—	—	—	×	×	×	×	×	×	×	×	×	—	×	×	14
Delaware	×	—	—	—	—	—	—	×	×	—	×	×	—	×	—	—	—	×	×	8
District of Columbia[3]	×	×	—	—	×	×	—	×	×	×	×	×	×	×	—	×	—	×	×	14
Florida[2]	×	×	—	—	×	—	×	×	—	×	×	—	×	×	—	×	—	×	—	11

Footnotes at end of table.

---

*In recognition of the fact that more than 34 million women are part of our nation's work force, we have designed this bill as a workers' compensation measure rather than continuing to use the term "workmen's compensation" except for usage in an historical context.

TABLE 1.—STATE WORKERS' COMPENSATION LAWS COMPARED WITH ESSENTIAL RECOMMENDATIONS OF THE NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS—Continued

State	Recommendation [1]																			Total met
	2.1	2.2	2.4	2.5	2.6	2.7	2.11	2.13	3.7	3.8*	3.11	3.12	3.15*	3.17	3.21	3.23*	3.25	4.2	4.4	
Georgia	—	—	—	—	—	—	—	X	X	X	X	X	—	—	X	—	—	X	X	8
Hawaii [2]	X	X	X	—	X	—	X	X	X	X	X	X	X	X	—	X	—	X	X	15
Idaho	X	X	—	—	X	—	X	X	—	—	X	—	—	X	—	—	—	X	X	9
Illinois	X	X	—	—	—	—	—	X	—	—	X	—	—	X	—	—	—	—	—	5
Indiana	X	X	—	—	X	—	X	X	X	—	X	X	—	X	X	—	—	X	X	12
Iowa [3]	—	X	—	—	X	—	X	X	X	X	X	X	X	X	X	X	X	X	X	15
Kansas	—	—	—	—	X	X	X	X	X	X	X	X	X	—	X	X	—	X	—	12
Kentucky	—	X	—	—	X	X	X	X	—	—	X	—	—	X	—	—	—	X	X	9
Louisiana	—	X	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1
Maine [3]	—	X	—	—	X	X	—	X	X	X	X	X	X	X	X	X	—	X	—	13
Maryland [2]	—	X	—	—	X	X	—	X	X	X	X	X	X	X	X	X	—	X	X	14
Massachusetts	X	X	X	—	—	—	—	X	X	—	X	X	—	X	—	—	—	X	X	10
Michigan	X	X	X	—	X	X	X	X	X	—	—	X	—	X	X	—	—	X	X	13
Minnesota	X	X	—	—	—	—	—	X	X	—	X	X	—	X	—	—	—	X	X	9
Mississippi	X	—	—	—	—	—	—	X	X	—	X	X	—	—	—	—	—	X	X	7
Missouri	X	—	—	—	X	X	X	X	X	—	X	X	—	X	X	—	—	X	—	11
Montana	X	X	X	—	X	—	—	X	X	X	X	X	X	X	X	X	—	—	—	13
Nebraska	X	X	—	—	X	X	X	X	X	—	X	X	—	X	X	—	X	X	X	14
Nevada [2]	X	—	—	—	X	—	—	X	X	X	X	X	X	X	X	X	—	X	X	13
New Hampshire	—	X	X	—	X	X	X	X	X	X	X	X	X	X	X	X	—	X	X	16
New Jersey [3]	—	X	X	—	X	X	X	X	X	X	X	X	X	X	—	X	—	X	—	14
New Mexico	X	—	—	—	X	—	X	X	X	—	X	X	—	—	—	—	—	—	—	7
New York	X	X	—	—	—	—	—	X	X	—	X	X	—	X	—	—	—	X	X	8
North Carolina	—	—	—	—	—	—	X	X	X	—	X	X	—	—	X	—	—	X	X	9
North Dakota	X	X	—	—	X	—	—	X	—	—	X	—	—	X	—	—	—	X	X	8
Ohio [2]	—	X	X	X	X	X	—	X	X	X	X	X	X	X	X	X	X	X	X	17
Oklahoma	—	—	—	—	—	—	X	—	X	—	X	X	—	—	—	—	—	X	X	6
Oregon [2]	X	X	X	—	X	—	—	X	X	X	X	X	X	X	—	—	—	X	X	13
Pennsylvania [2]	X	X	X	—	—	—	X	X	X	X	X	X	X	X	—	X	—	X	X	14
Puerto Rico [3]																				
Rhode Island [2]	X	—	—	—	—	X	—	X	X	X	X	X	X	X	X	X	—	X	X	13
South Carolina	—	—	—	—	—	—	X	X	X	X	X	X	X	—	X	X	—	X	X	11
South Dakota	—	X	—	—	—	—	—	X	X	—	X	X	—	X	X	—	—	X	X	9
Tennessee	—	—	—	—	—	X	—	—	X	—	X	X	—	—	—	—	—	—	—	4
Texas	—	X	—	—	—	—	—	X	X	—	X	X	—	—	X	—	X	X	X	9
Utah [2]	X	X	—	—	X	X	—	X	X	X	X		X	X	X	X	—	X	X	15
Vermont	—	X	X	—	—	X	X	X	X	—	X	X	—	—	—	—	—	—	—	8
Virginia	—	—	—	—	—	—	—	X	X	—	X	X	—	—	X	—	—	X	X	7
Washington [3]	X	X	X	—	X	X	X	X	—	X	X	—	X	X	—	X	—	X	X	14
West Virginia	X	X	—	—	—	—	—	X	X	X	X	X	X	X	X	X	—	X	X	13
Wisconsin [2]	—	X	—	—	X	X	—	X	X	X	X	X	X	X	—	—	—	X	X	12
Wyoming	X	X	—	—	—	—	X	—	X	—	X	—	—	—	—	—	—	X	X	7
Total met	29	36	15	1	28	18	24	46	42	23	49	41	25	37	24	22	4	43	37	

(X) Law meets recommended standard.

(—) Law does not meet recommended standard.

[1] The essential recommendations, and the ranking of States according to number of essential recommendations met, are reproduced on the following pages.

[2] Law specifies that certain benefits shall be equal to ⅔ or more of the States or National average weekly wage.

[3] Information not available at this time.

*Based on the ratio of maximum weekly benefits as of Apr. 1, 1975, for a single worker and the average weekly wages of workers covered under the State unemployment insurance laws for 1973. The wage data are preliminary estimates.

ESSENTIAL RECOMMENDATIONS OF THE NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS [1]

R2.1—Coverage by workmen's compensation laws be compulsory and that no waivers be permitted.

R2.2—Employers not be exempted from workmen's compensation coverage because of the number of their employees.

R2.4—A two-stage approach to the coverage of farmworkers. First, as of July 1, 1973, each agriculture employer who has an annual payroll that in total exceeds $1,000 be required to provide workmen's compensation coverage to all of his employees. As a second stage, as of July 1, 1975, farmworkers be covered on the same basis as all other employees.

R2.5—As of July 1, 1975, household workers and all casual workers be covered under workmen's compensation at least to the extent they are covered by Social Security.

R2.6—Workmen's compensation coverage be mandatory for all government employees.

R2.7—There be no exemptions for any class of employees, such as professional athletes or employees of charitable organizations.

R2.11—An employee or his survivor be given the choice of filing a workmen's compensation claim in the State where the injury or death occurred, or where the employment was principally localized, or where the employee was hired.

R2.13—All States provide full coverage for work-related diseases.

R3.7—Subject to the State's maximum weekly benefit, temporary total disability benefits be at least 66⅔ percent of the worker's gross weekly wage.

R3.8—As of July 1, 1973, the maximum weekly benefit for temporary total disability be at least 66⅔ percent of the State's average weekly wage, and that as of July 1, 1975, the maximum be at least 100 percent of the State's average weekly wage.

R3.11—The definition of permanent total disability used in most States be retained. However, in those few States which permit the payment of permanent total disability benefits to workers who retain substantial earning capacity, the benefit proposals be applicable only to those cases which meet the test of permanent total disability used in most States.

R3.12—Subject to the State's maximum weekly benefit, permanent total disability benefits be at least 66⅔ percent of the worker's gross weekly wage.

R3.15—As of July 1, 1973, the maximum weekly benefit for permanent total disability be at least 66⅔ percent of the State's average weekly wage, and that as of July 1, 1975, the maximum be at least 100 percent of the State's average weekly wage.

R3.17—Total disability benefits be paid for the duration of the worker's disability, or for life, without any limitations as to dollar amount or time.

R3.21—Subject to the State's maximum weekly benefit, death benefits be at least 66⅔ percent of the worker's gross weekly wage.

R3.23—As of July 1, 1973, the maximum weekly death benefit be at least 66⅔ percent of the State's average weekly wage, and that as of July 1, 1975, the maximum be at least 100 percent of the State's average weekly wage.

R3.25—Death benefits be paid to a widow or widower for life or until remarriage, and in the event of remarriage two years' benefits be paid in a lump sum to the widow or widower. Benefits for a dependent child be continued at least until the child reaches 18, or beyond such age if actually dependent, or at least until age 25 as a full-time student in any accredited educational institution.

R4.2—There be no statutory limits of time or dollar amount for medical care or physical rehabilitation services for any work-related impairment.

R4.4—The right to medical and physical rehabilitation benefits not terminate by the mere passage of time.

Mr. WILLIAMS. In addition to these 19 recommendations which the interagency task force has termed essential, many other necessary elements of an effective workers' compensation must be considered. For example, the Task Force has also issued a table showing the level of compliance of State laws to 12 other integral recommendations of the National Commission. I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

---

[1] SOURCE.—*Report of the National Commission on State Workmen's Compensation Laws*, U.S. Government Printing Office, 1972.

OCTOBER 1, 1974

TABLE 2.—STATE WORKERS' COMPENSATION LAWS COMPARED WITH 12 OTHER INTEGRAL RECOMMENDATIONS OF THE NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS

State	Other integral recommendations*												
	3.5	3.10	3.14	3.22	4.10	4.11	6.1	6.7	6.13	6.14	6.21	6.22	Total met
Alabama	—	—	—	—	—	—	—	NA	—	NA	—	—	0
Alaska	—	—	—	—	X	—	X	—	—	X	—	—	3
Arizona	—	—	—	—	X	X	X	X	—	—	X	—	5
Arkansas	—	—	—	—	—	—	X	X	—	X	—	—	3
California	—	—	—	—	X	X	X	—	—	X	X	—	5
Colorado	X	X	—	—	—	—	X	—	—	X	—	—	4
Connecticut	X	—	[5] X	—	X	X	X	X	—	NA	X	—	7
Connecticut	X	—	[4] X	—	X	X	X	X	—	NA	X	—	7
Delaware	X	[1] X	—	—	X	X	X	X	—	—	—	—	6
District of Columbia	X	X	[5] X	X	X	X	X	—	—	X	—	—	8
Florida	—	[2] X	—	—	X	X	X	X	—	X	—	—	6
Georgia	—	—	—	—	—	—	X	X	—	X	—	—	3
Hawaii	X	[3] X	—	—	X	X	X	—	—	X	X	—	7
Idaho	—	¼	X	—	X	—	X	X	—	X	—	—	6
Illinois	—	—	—	—	—	—	X	—	—	—	—	—	1
Indiana	—	—	—	—	—	X	X	—	—	X	—	—	3
Iowa	—	X	—	—	—	—	X	—	—	X	—	—	3
Kansas	—	X	—	—	X	X	X	X	—	NA	X	—	6
Kentucky	—	X	—	—	—	X	X	X	—	X	X	—	6
Louisiana	—	—	—	—	X	X	—	NA	—	NA	—	—	2
Maine	X	X	X	X	X	—	X	—	—	X	—	—	7
Maryland	X	X	—	—	X	X	X	X	—	—	X	—	7
Massachusetts	—	—	—	—	X	X	X	—	—	X	—	—	4
Michigan	—	X	X	—	—	X	X	—	—	X	—	—	5
Minnesota	X	—	X	—	X	X	X	—	—	X	X	—	7
Mississippi	—	—	—	—	—	—	X	X	—	—	—	—	2
Missouri	—	—	—	—	X	X	X	X	—	X	—	—	5
Montana	—	X	—	—	X	X	X	X	—	—	—	—	6
Nebraska	—	—	—	—	X	X	X	—	—	—	—	—	3
Nevada	—	X	—	—	X	X	X	X	—	X	—	—	6
New Hampshire	X	—	—	—	—	—	X	—	—	NA	—	—	5
New Jersey	—	X	—	—	—	X	X	—	—	NA	—	—	2
New Mexico	—	—	—	—	—	X	—	NA	—	NA	—	—	1
New York	—	—	—	—	X	X	X	X	—	X	X	—	6
North Carolina	—	[3] X	—	—	—	—	X	X	—	X	—	—	4
North Dakota	—	—	—	—	X	X	X	X	—	NA	X	—	5
Ohio	—	X	—	—	—	X	X	X	—	—	X	—	5
Oklahoma	—	—	—	—	—	X	X	X	—	X	—	—	4
Oregon	X	X	—	—	X	—	X	X	—	—	X	—	6
Pennsylvania	—	X	—	—	—	X	X	—	—	X	—	—	4
Rhode Island	X	X	—	—	—	X	X	—	—	X	—	—	5
South Carolina	—	X	—	—	X	X	X	—	—	X	—	—	5
South Dakota	—	—	—	—	—	X	X	—	—	NA	—	—	2
Tennessee	—	—	—	—	—	—	—	NA	—	NA	—	—	0
Texas	—	—	—	—	—	—	X	—	—	—	—	—	1
Utah	X	X	—	—	X	X	X	X	—	X	—	—	7
Vermont	X	X	X	X	—	—	X	—	—	NA	—	—	5
Virginia	—	—	—	—	—	—	X	X	—	X	—	—	3
Washington	X	X	—	—	X	X	X	X	—	—	X	—	7
West Virginia	X	X	X	X	X	X	X	X	—	—	—	—	3
Wisconsin	X	X	—	—	X	—	X	—	—	X	—	—	8
Wyoming	X	—	—	—	—	X	—	NA	—	NA	X	—	5
Total	17	26	8	4	27	33	46	24	0	27	14	0	

(X) Law meets recommended standard.
(—) Law does not meet recommended standard.
NA Not applicable.
*The recommendations are reproduced on the following pages.
[1] Effective July 1, 1975.
[2] Effective January 1, 1975.
[3] Effective October 1, 1975.
[4] Based on changes in State's average weekly production wage.
[5] Based on changes in national average weekly wage.

OTHER INTEGRAL RECOMMENDATIONS OF THE NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS [1]

R3.5—The waiting period for benefits be no more than three days and that a period of no more than 14 days be required to qualify for retroactive benefits for days lost.

R3.10—For all maximum weekly benefits, the maximum be linked to the State's average weekly wage for the latest available year as determined by the agency administering the State employment security program.

R3.14—Beneficiaries in permanent total disability cases have their benefits increased through time in the same proportion as increases in the State's average weekly wage.

R3.22—Beneficiaries in death cases have their benefits increased through time in the same proportion as increases in the State's average weekly wage.

R4.10—Each State establish a second-injury fund with broad coverage of pre-existing impairments.

R4.11—The second-injury fund be financed by charges against all carriers, State funds, and self-insuring employers in proportion to the benefits paid by each, or by appropriations from general revenue, or by both sources.

R6.1—Each State utilize a workmen's compensation agency to fulfill the administrative obligations of a modern workmen's compensation program.

R6.7—The workmen's compensation agency be adequately financed by an assessment on insurance premiums or benefits paid plus an equivalent assessment against self-insurers.

R6.13—The time limit for initiating a claim be three years after the date the claimant knows or, by exercise of reasonable diligence should have known of the existence of the impairment and its possible relationship to his employment, or within three years after the employee first experiences a loss of wages which the employee knows or, by exercise of reasonable diligence, should have known was because of the work-related impairment. If benefits have previously been provided, the claim period should begin on the date benefits were last furnished.

R6.14—Where there is an appellate level within the workmen's compensation agency, the decisions of the workmen's compensation agency be reviewed by the courts only on questions of law.

R6.21—Procedures be established in each State to provide benefits to employees whose benefits are endangered because of an insolvent carrier or employer or because an employer fails to comply with the law mandating the purchase of workmen's compensation insurance.

R6.22—Because inflation has adversely affected the payment of those claimants whose benefits began when benefits were not at their current level, a workmen's compensation retroactive benefit fund be established to increase the benefits to current levels for those claimants still entitled to compensation.

Mr. WILLIAMS. During the last Congress, Mr. President, to overcome the intolerable deficiencies of State laws in this area, Senator JAVITS and I introduced S. 2008, the National Workers' Compensation Standards Act of 1973. That bill would have established national, minimum standards with which the States would have been required to comply.

Last year, the Committee on Labor and Public Welfare, which I chair, held 12 days of hearings on this legislation in seven cities and in Washington, D.C. The committee reviewed over 400 items of evidence, and heard over 250 witnesses. The testimony presented ranged far and wide, but convinced me that the problems with State workers' compensation laws were even worse than I had imagined, and that Federal action in this area was absolutely essential to correct the injustices reflected by most State workers' compensation laws.

As I noted, Mr. President, the National

---

[1] SOURCE.—*Report of the National Commission on State Workmen's Compensation Laws*, U.S. Government Printing Office, 1972.

Advisory Commission recommended that the States should have until July 1, 1975, to adopt amendments to upgrade their own State laws to meet minimum standards that were deemed essential. Next week is July 1, 1975, and we still do not have a single State that meets all of the basic requirements.

Last year, during the hearings on S. 2008, the administration requested that the States have until 1976 to come into compliance. We can continue moving the effective date for adequate compensation laws back and back, to 1978, to 1980, and on and on. But every year that we delay means that millions of workers will be denied adequate recompense for their injuries and illnesses sustained in the course of employment. Even if we act today, the effective implementation of the national system of workers' compensation proposed by S. 2018, will not go into effect until 1977 or 1978, already more than 2 years later than recommended by the National Commission.

This delay cannot be allowed to continue. The promises of a quick, fair, and adequate compensation system for this Nation's workers cannot be further delayed.

The statistics on worker deaths and injuries in job-related activities have long been too familiar to many of us in the Congress. These are the same grim figures, and the same issues that have confronted us during our earlier historic consideration and subsequent adoption of other such major laws as the Coal Mine Health and Safety Act, the Construction Safety Act, the Longshoremen's and Harbor Workers' Compensation Act, and the Occupational Safety and Health Act.

Our experience in compiling injury data under OSHA shows that the incidence of work-related injuries and illnesses has been traditionally understated, and that many more workers are injured or killed than actually are officially reported. While the estimate that there are approximately 14,000 work-related deaths each year is fairly accurate, the estimate of injuries and illnesses is grossly understated. Official estimates project that there are approximately 3 million injuries and illnesses yearly; the true picture would indicate that there are at least three times that number—or more like 10,000,000 injuries yearly.

These injuries and illnesses obviously affect a large portion of our working population and result in impaired earning power for a major segment of the work force and lost production for the economy generally. The compensation for these injuries is handled by a patchwork of State laws and regulations that do not, in most cases, even provide for the basic remuneration necessary for the injured workers to sustain their fundamental needs, let alone provide for the more far-reaching benefits such as rehabilitation or adjustment of benefits to compensate for inflation or changes in condition which may require increased expenses.

A classic example of the kind of inadequate protection that I refer to occurred recently when a major construction accident occurred at Bailey's Crossroads, Va. On March 2, 1973, at the Skyline. Towers condominium construction project, a section of the 24th floor collapsed and continued downward collapsing each subsequent floor like a row of dominoes. The disaster resulted in 14 deaths and 34 injuries ranging from scrapes and bruises to severe fractures that left some workers totally disabled.

Workers disabled by the Bailey's Crossroads accident and survivors of the deceased workers, have been forced to live on as little as one-third of the victims' weekly earnings at the time of the accident. As one disabled man put it, "The compensation benefits, stingily approved over the years, hardly pay for a man's grocery bill." These kinds of injustices cannot be allowed to continue.

It is precisely these kinds of injustices, and others which are much worse which I have had an opportunity to examine, that the bill I am introducing today is designed to correct.

The development of the modern law of workers' compensation is not something which occurred overnight. The roots of current compensation statutes began in the early part of the 20th century, when the common-law system of liability based upon traditional tort concepts was found to be totally inadequate. It was generally felt that a compensation system which tied liability to a finding of negligence was an anachronism in a time when work was recognized to involve certain inherent and often unpredictable hazards.

Accordingly, between 1909 and 1920, some 40 Federal and State investigatory commissions recommended the abolition of the common-law tort remedies and to substitute therefor a concept radical at that time—liability without fault. Under this system, which is the basis of the modern law, the costs of work-related injuries were to be allocated to the employer, not because of any presumption that the employer was to blame for each and every industrial accident, but because of the inherent hazards associated with employment. Compensation for work-related injuries was therefore accepted as a cost of doing business.

From this positive beginning, however, also emerged some of the current problems. More specifically, the result of court decisions early in the 20th century, which have now by-and-large been overturned, nevertheless led to many of the current problems. Most notably, early decisions by the Supreme Court, and its narrow reading at that time of the commerce clause, prohibited the Federal Government from extending compensation coverage on a national basis. Similarly, there were early appellate court rulings which took the unrealistic view that the imposition of compulsory coverage was an unconstitutional taking of property without the due process of law. This in turn resulted in elective coverage and incomplete protection under many State laws.

Although most of these constitutional views have been overturned, their imprint on the development of the modern compensation laws are still felt. The concept of elective coverage continues.

Because of these factors, the laws adopted by the States were not fully adequate even at the time they were passed. They are even less acceptable now.

The role of workers' compensation has grown even more complex and demanding. Technological advances have produced unfamiliar and often indeterminable physical and toxic hazards. Occupational diseases associated with prolonged exposures to unsuspected agents or to fortuitous combinations of stresses have undermined the usefulness of the "accident" concept.

In the same vein, while medical advances have facilitated the treatment of many diseases, they have also enlarged the number of new diseases which may result from work-related factors. The traditional cause/effect relationship has given way to an appreciation of the many interacting forces that may result in impairment or death. In addition to genetic, environmental, cultural, and psychological influences, the influence of predisposing, precipitating, aggravating, and perpetuating factors for many diseases and illnesses must now be considered.

With this increasing complexity and the general inadequacy of existing State laws evidence has continued to amass over the years that broad classes of workers are being denied compensation benefits, and that those who are receiving benefits must frequently be content with woefully inadequate awards. In short, the facts all pointed to the proposition that in all too many cases, workers themselves were forced to bear the major part of the cost of industrial injuries—a cost they more often than not were not able to afford.

In 1970, in part responding to such evidence, we adopted the Occupational Safety and Health Act, which in section 27 established the National Commission on State Workmen's Compensation Laws. This Commission was authorized to study the existing State systems and applicable State laws and to determine if such laws were providing a prompt, adequate, and equitable system of compensation benefits for injuries or deaths arising out of or in the course of employment.

This Commission, composed of 18 members representing every major interest group concerned with workers' compensation issues, and after an extensive study, concluded, without a single dissenting view:

> The inescapable conclusion is that State workmen's compensation laws in general are inadequate and inequitable.

More specifically, the Commission issued 84 recommendations to improve the workers' compensation system in the Nation. I ask unanimous consent that a listing of these recommendations be printed in the RECORD at the conclusion of my statement.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WILLIAMS. Mr. President, the Commission also stated what it felt should be the overall objectives for a modern workers' compensation system. These five general objectives are:

First. Broad coverage of employees' and work-related injuries and diseases;

Second. Substantial protection against interruption of income;

Third. Provision of sufficient medical care and rehabilitation services;

Fourth. Encouragement of safety; and

Fifth. An effective system for delivery of the benefits and services.

More specifically, some of the Commission's major findings include:

First. Weekly benefits—The weekly benefits paid to the injured worker, or to a survivor if the worker is killed, is the heart of any workers' compensation program. Since 1940, a progressive deterioration of the benefit structure has taken place. In fact, during the 32-year period between 1940 and 1972, workers' compensation benefits as a percent of State average weekly wages declined in 27 States. In 1920, the maximum weekly work injury benefit equaled or exceeded 60 percent of the State average weekly wage in 45 States, but in 1972, only 18 States had benefits at this level. The number of States whose benefit structure was considered substandard by the Commission increased from 4 States to 32 States during this period.

Inadequate weekly wage replacement benefits have become the outstanding characteristic of workers' compensation. In characteristic understatement the Commission commended:

> It is distressing that as of January 1, 1972, the maximum weekly benefit in more than half the States did not equal the national poverty level of income.

Second. Benefits structure for serious injuries—Although the persistent and continued neglect of the benefit structure makes it impossible for the majority of injured workers to receive a two-thirds wage replacement benefit for the most common type of work injury—temporary total disability, the benefit structure for more serious injuries—permanent partial disabilities, permanent total disabilities and death cases—make it a certainty the victims and their families cannot escape poverty.

Although such serious disabilities last for a lifetime, it is not uncommon for State programs to limit payments to a duration of 400 weeks and $25,000 total payment. A steelworker, carpenter, electrician, plumber, or machinist or any other high-wage production worker would achieve this level of earnings in 2 or 3 months of full-time work. The imposition of these unreasonable limits in permanent total cases can only result in adding seriously injured workers to the public assistance rolls. This shifts an industry responsibility onto the tax rolls of the community and limits the effectiveness of workers' compensation as a social insurance program.

The situation in fatal work injury cases is similar but far more tragic. The death of the family breadwinner as a result of a work injury will have a mother with small children in dire circumstances if the family must depend on workers' compensation as a major source of income. Under most State workers' compensation programs, the family will be required to subsist on a less than poverty level of income while benefits continue, but then, in all too many States, benefits will be terminated when the time or dollar limits stated in the law are reached. The surviving children may still be in school, and it may be impossible for the surviving spouse to obtain employment without training, but this family could be left destitute in as little as 300 weeks—less than 6 years.

Third. Coverage:

Coverage is fundamental to the program—an injured worker cannot receive any protection from a program unless he is covered by it. Nevertheless, 15 to 20 percent of the Nation's workers are employed under conditions that deny them the protection of any workers' compensation program in the event of a work injury or disease. These workers—conservatively estimated to exceed 15 million—are denied protection because of the elective options in many States and numerical or occupational exemptions specified in State programs, or in other cases by the failure of employers to comply with State laws.

The Commission reported that although 13 States cover more than 83 percent of their workers, 15 States cover less than 70 percent. As the Commission concluded:

> Inequity results from the wide variations among the States in the proportion of their workers protected by workmen's compensation . . . Inequity also results because the employees not covered usually are those most in need of protection: the low-wage workers, such as farm help, domestics, casual workers, and employees of small firms.

Compulsory coverage of all wage and salary workers has been almost universally accepted and advocated for many years, but State legislatures have consistently been unwilling to correct even these obvious shortcomings of their workers' compensation programs.

It was to correct these and other deficiencies that I introduced S. 2008 during the last Congress, Mr. President. There is no doubt in my mind that the States have not met responsibility to provide for fair and adequate compensation for millions of American workers. Therefore, I am again this year introducing S. 2018, the National Workers' Compensation Act of 1975, which reflects the immediate need to adopt a Federal law to insure adequate compensation benefits for all workers.

It has been the historic function of the Federal Government to prescribe Federal protection of labor standards where State efforts have not been adequate. Over the years, we have enacted legislation establishing, for example, a federally mandated minimum wage, national unemployment insurance, social security laws, and more recently, the Occupational Safety and Health Act. And this list does not include such other similar Federal statutes as those regulating collective bargaining rights, and labor-management relations, and a host of other vital laws designed to overcome inadequate provisions under State statutes.

The States have been exhorted to act in this area. The National Commission in 1972 urged them to act quickly to adopt the minimum recommendations for effective State workers' compensation systems that it outlined in its report. But these recommendations have not been implemented, though some efforts to comply have been made. It is now our Federal responsibility to correct the injustices of the past and to establish meaningful protection for those of our workers who suffer the price of our leading industrial role in the world. All of us benefit from the fruits of this labor, and all of us have the responsibility to see that those wrokers who suffer injuries, illnesses, or are killed as a result, are not neglected or forgotten.

The bill that I am introducing today is designed to implement the recommendations of the National Commission, and also to reflect the needs and concerns presented at the Committee's hearings last year on S. 2008. The provisions of this year's legislation represent the same basic thrust as was contained in S. 2008 though, as a result of our hearings last year, and based upon an extensive review of the developments in the field of workers' compensation, several changes and modifications have been introduced.

Last year, S. 2008 contemplated a scheme of minimum standards to which all State plans had to accede. The Secretary of Labor was required to publish a comprehensive set of such minimum standards and then evaluate all State plans pursuant to those standards. If State plans did not meet these minimum requirements, then the Secretary of Labor was authorized to suspend operation of the State plan and impose the provisions of the Longshoremen's and Harbor Workers' Compensation Act in its place. The Secretary was also authorized to promulgate new standards periodically which were to be added to all State plans.

This year's legislation no longer keys its compensation provisions to the operation of State plans. The bill provides, in section 5, a series of entitlements to which all workers have a right, as a basic element of any workers' compensation system. These entitlements include the various elements encompassed by the recommendations of the National Commission. I must stress, Mr. President, that the entitlements in section 5 of S. 2018 are minimum provisions and any State may, and probably should, strive to expand its compensation programs for greater benefits than the basic requirements that we have provided.

Rather than superimpose the Longshoremen's Act on to State plans, workers who are denied these fundamental benefits may sue to enforce their rights directly in either the appropriate State courts or in Federal district court. In order to invoke the judicial remedy, however, an individual must first exhaust all State administrative remedies.

Thereafter, that person may appeal the decision of the State administrative agency either to the State court, or to a Federal district court if the amount in controversy is more than $10,000. The Federal district court has the power to review the record of the ruling below, and affirm, modify, or set aside that ruling based upon a review of the record as a whole and using its substantial evidence as the test.

The role of the State courts in their capacity as review courts for the rulings of the administrative determinations will continue. An individual may seek a review of an award in Federal court only if the $10,000 minimum is satisfied and, in all other cases, has the option of the Federal court.

The Secretary of Labor is also authorized to bring an action directly in a Federal district court in cases where the rights under section 5 are being denied. It is anticipated that this enforcement role for the Secretary will be exercised primarily in cases where there is a systematic denial of such rights by a State agency or court, or where particular issues of Federal law are at stake. The Secretary is also authorized to intervene in actions brought by aggrieved persons.

The entitlements contained in section 5 include the right to an initial selection of a physician from among all physicians licensed by the State and approved by the State workers' compensation agency; no time or dollar maximum limitation on the total amount of compensation payable; a provision for attorney's fees; a special section on rehabilitative services; death benefits provisions; provision for periodic adjustment of benefits; and special provisions to cover second injury and latent disability cases.

Those standards in last year's bill which relate to the administrative operation of State agencies have been reworked into a new section on administrative requirements for State workers' compensation agencies—section 8. In this way, the compensation issues will not be confused with administrative requirements necessary to insure that the benefits are properly provided.

In cases where State agencies fail to meet the administrative requirements of section 8, the Secretary has the authority to enforce compliance. He must, however, attempt to obtain compliance by informal negotiations first. Where the agency and the Secretary have not reached agreement after 1 year, the Secretary is authorized to take whatever action is deemed necessary to obtain compliance, including the operation of the State system with Federal personnel.

The section which establishes procedures to be followed in the area of occupational diseases has been revised from S. 2008. The new provisions contained in section 6, provide that the Secretary of HEW, in consultation with the National Institute of Occupational Safety and Health, will undertake a study of occupational diseases, and upon completion, shall publish the results. The Secretary of Labor may then promulgate new or additional standards for occupational diseases with the approval of the National Workers' Compensation Advisory Commission which is established pursuant to this bill. If such standards are promulgated, they will be incorporated, by reference, as entitlements into section 5 and be fully enforceable as such.

Another major provision which has been changed from that which was contained in the earlier legislation is the treatment of compensation cases which arose prior to the enactment of the Federal law. S. 2008 provided that one of the minimum standards each State workers' compensation law must meet is that provisions must be made for reconsideration of cases previously denied or in which benefits have ceased because the State law did not come up to the standards set in the Federal law.

In section 14(b) of S. 2018 we have provided that within 90 days of the enactment of the legislation, State agencies are to forward to the Advisory Commission all previously denied cases and cases in which the award was not in accordance with section 5 of the act, and which arose during the 2 years prior to enactment. The Commission is then directed to review such cases, and submit its findings to Congress in its annual report with recommendations for appropriate action.

Mr. President, there are many other changes in S. 2018 which reflect a marked departure from the provisions of S. 2008, just as there are several additions reflecting issues which did not receive adequate coverage in last year's legislation. However, in the interest of time, I will not enumerate each of these now. I ask unanimous consent, however, that a section-by-section analysis of S. 2018 be printed in the Record at the conclusion of my remarks, so that all Members of the Senate may become more familiar with the specific provisions of this legislation.

Mr. WILLIAMS. Mr. President, S. 2018 was carefully conceived and its provisions have been extensively examined prior to its introduction today. I feel that it reflects the least that the Federal Government must do to insure adequate workers' compensation. The need for this legislation is self-evident, and a failure to quickly enact this bill will be tantamount to an abdication of our responsibility to the workers of this country. We have already set the stage for this bill. In 1970, we adopted the Occupational Safety and Health Act requiring that the conditions under which work-related injuries can occur be minimized. This act establishes the second step—the framework within which injuries that do occur can be adequately and fairly compensated.

The national commission has unequivocally shown that there is an overriding need for this bill. Our hearings last year reinforced this need and gave us additional information on the kinds of provisions that must be established. And this legislation today is the culmination of those efforts and will become an integral part of the better society for which we are all striving.

Exhibit 1

Recommendations of the National Commission on State Workmen's Compensation Laws

R2.1. Coverage by workmen's compensation laws be compulsory.

R2.2. Employers not be exempted from workmen's compensation coverage because of the number of their employees.

R2.3. Workmen's compensation coverage be extended to all occupations and industries, without regard to the degree of hazard of the occupation.

R2.4. A two-stage approach to the coverage of farmworkers.

R2.5. As of July 1, 1975, household workers and all casual workers be covered under workmen's compensation at least to the extent they are covered by Social Security.

R2.6. Workmen's compensation coverage be mandatory for all government employees.

R2.7. There be no exemption for any class of employees, such as professional athletes or employers of charitable organizations.

R2.8. The term "employee" be defined as broadly as possible.

R2.9. Workmen's compensation be made available on an optional basis for employers, partners, and self-employed persons.

R2.10. Workers be eligible for workmen's compensation benefits from the first moment of their employment.

R2.11. An employee or his survivor be given the choice of filing a workmen's compensation claim in the State where the injury or death occurred, or where the employment was principally localized, or where the employee was hired.

R2.12. The "accident" requirement be dropped as a test for compensability.

R2.13. All states provide full coverage for work-related diseases.

R2.14. The "arising out of and in the course of the employment" test be used to determine coverage of injuries and diseases.

R2.15. The etiology of a disease, being a medical question, be determined by a disability evaluation unit under the control and supervision of the workmen's compensation agency.

R2.16. For deaths and impairments apparently caused by a combination of work-related sources, issues of causation be determined by the disability evaluation unit.

R2.17. Full workmen's compensation benefits be paid for an impairment or death resulting from both work-related and non-work-related causes if the work-related factor was a significant cause of the impairment or death.

R2.18. Workmen's compensation benefits be the exclusive liability of an employer when an employee is impaired or dies because of a work-related injury or death.

R2.19. Suits by employees against negligent third parties generally be permitted. Immunity from negligence actions should be extended to any third party performing the normal functions of the employer.

R3.1. Subject to the State's maximum weekly benefit, a worker's weekly benefit be at least 80 percent of his spendable weekly earnings.

R3.2. Subject to the State's maximum weekly benefit, a worker's weekly benefit be at least 66⅔ percent of his gross weekly wage. This formula should be used until the maximum weekly benefit in a State exceeds 100 percent of the State's average weekly wage.

R3.3. If our recommended benefit increases for workmen's compensation are adopted, the benefits of other public insurance programs should be coordinated with workmen's compensation benefits. In general, workmen's compensation should be the primary source of benefits for work-related injuries and diseases.

R3.4. Workmen's compensation benefits not be reduced by the amount of any payments from a welfare program or other program based on need.

R3.5. The waiting period for benefits be no more than three days and that a period of no more than 14 days be required to qualify for retroactive benefits for days lost.

R3.6. Subject to the State's maximum weekly benefit, temporary total disability benefits be at least 80 percent of the worker's spendable weekly earnings. This formula should be used as soon as feasible or in any case, as soon as the maximum weekly benefits in a State exceeds 100 percent of the State's average weekly wage.

R3.7. Subject to the State's maximum weekly benefits, temporary total disability benefits be at least 66⅔ percent of the worker's gross weekly wage.

R3.8. As of July 1, 1973, the maximum weekly benefit for temporary total disability be at least 66⅔ percent of the State's average weekly wage, and that as of July 1, 1975, the maximum be at least 100 percent of the State's average weekly wage.

R3.9. As of July 1, 1977, the maximum weekly benefit for temporary total disability be at least 133⅓ percent of the State's average weekly wage; as of July 1, 1979, the maximum should be at least 166⅔ percent of the State's average weekly wage, and on and after

July 1, 1981, the maximum should be at least 200 percent of the State's average weekly wage.

R3.10. For all maximum weekly benefits, the maximum be linked to the State's average weekly wage for the latest available year as determined by the agency administering the State employment security program.

R3.11. The definition of permanent total disability used in most states be retained. However, in those few States which permit the payment of permanent total disability benefits to workers who retain substantial earning capacity, we recommend that our benefit proposals be applicable only to those cases which meet the test of permanent total disability used in most States.

R3.12. Subject to the State's maximum weekly benefit, permanent total disability benefits be at least 66⅔ percent of the worker's gross weekly wage.

R3.13. Subject to the State's maximum weekly benefit, permanent total disability benefits be at least 80 percent of the worker's spendable weekly earnings.

R3.14. Beneficiaries in permanent total disability cases have their benefits increased through time in the same proportion as increases in the State's average weekly wage.

R3.15. As of July 1, 1973, the maximum weekly benefit for permanent total disability be at least 66⅔ percent of the State's average weekly wage, and that as of July 1, 1975, the maximum be at least 100 percent of the State's average weekly wage.

R3.16—As of July 1, 1977, the maximum weekly benefit for permanent total disability be at least 133⅓ percent of the State's average weekly wage; as of July 1, 1979, the maximum should be at least 166⅔ percent of the State's average weekly wage; and on and after July 1, 1981, the maximum should be at least 200 percent of the State's average weekly wage.

R3.17—Total disability benefits be paid for the duration of the worker's disability, or for life, without any limitation as to dollar amount or time.

R3.18—Provided our other recommendations for permanent total disability benefits are adopted by the States, the Disability Insurance program of Social Security continue to reduce payments for those workers receiving workmen's compensation benefits.

R3.19—Each State should undertake a thorough examination of permanent partial benefits and that the Federal Government should sponsor a comprehensive review of present and potential approaches to permanent partial benefits.

R3.20—Subject to the State's maximum weekly benefit, death benefits be at least 80 percent of the worker's dependable weekly earnings. This formula should be used as soon as feasible or, in any case, as soon as the maximum weekly benefit in a State exceeds 100 percent of the State's average weekly wage.

R3.21—Subject to the State's maximum weekly benefit, death benefits be at least 66⅔ percent of the worker's gross weekly wage.

R3.22—Beneficiaries in death cases have their benefits increased through time in the same proportion as increases in the State's average weekly wage.

R3.23—As of July 1, 1973, the maximum weekly death benefit be at least 66⅔ percent of the State's average weekly wage, and that as of July 1, 1975, the maximum be at least 100 percent of the State's average weekly wage.

R3.24—As of July 1, 1977, the maximum weekly death benefit be at least 133⅓ percent of the State's average weekly wage; as of July 1, 1979, the maximum should be at least 166⅔ percent of the State's average weekly wage, and on and after July 1, 1981, the maximum should be at least 200 percent of the State's average weekly wage.

R3.25. Death benefits be paid to a widow or widower for life or until remarriage and in the event of remarriage we recommend that two year's benefits be paid in a lump sum to the widow or widower. We also recommend that benefits for a dependent child be continued at least until the child reaches 18, or beyond such age if actually dependent, or at least until age 25 if enrolled as a full-time student in any accredited educational institution.

R3.26. The minimum weekly benefit for death cases be at least 50 percent of the State's average weekly wage.

R3.27. Workmen's compensation death benefits be reduced by the amount of any payments received from Social Security by the decreased worker's family.

R4.1. The worker be permitted the initial selection of his physician, either from among all licensed physicians in the State or from a panel of physicians selected or approved by the worker's compensation agency.

R4.2. There be no statutory limits of time or dollar amount for medical care or physical rehabilitation services for any work-related impairment.

R4.3. Worker's compensation agency have discretion to determine the appropriate medical and rehabilitation services in each case. There should be no arbitrary limits by regulation or statute on the types of medical service or licensed health care facilities which can be authorized by the agency.

R4.4. The right to medical and physical rehabilitation benefits not terminate by the mere passage of time.

R4.5. Each worker's compensation agency establish a medical-rehabilitation division, with authority to effectively supervise medical care and rehabilitation services.

R4.6. Every employer or carrier acting as employer's agent be required to cooperate with the medical-rehabilitation division in every instance when an employee may need rehabilitation services.

R4.7. The medical-rehabilitation division be given the specific responsibility of assuring that every worker who could benefit from vocational rehabilitation services be offered those services.

R4.8. The employer pay all costs of vocational rehabilitation necessary to return a worker to suitable employment and authorized by the workmen's compensation agency.

R4.9. The workmen's compensation agency be authorized to provide special maintenance benefits for a worker during the period of his rehabilitation. The maintenance benefits would be in addition to the worker's other benefits.

R4.10. Each State establish a second-injury fund with broad coverage of pre-existing impairments.

R4.11. The second-injury fund be financed by charges against all carriers, State funds, and self-insuring employers in proportion to the benefits paid by each, or by appropriations from general revenue, or by both sources.

R4.12. Workmen's compensaiton agencies publicize second-injury funds to employees and employers and interpret eligibility requirements for the funds liberally in order to encourage employment of the physically handicapped.

R5.1. A standard workmen's compensation reporting system be devised which will mesh with the forms required by the Occupational Safety and Health Act of 1970 and permit the exchange of information among Federal and State workmen's compensation agencies.

R5.2. Insurance carriers be required to provide loss prevention services and that the workmen's compensation agency carefully audit the services. The agency should insure that all carriers doing business in the State furnish effective loss prevention services to all employers and, in particular, should determine that reasonable efforts are devoted to safety programs for smaller firms. State operated workmen's compensation funds should provide similar accident prevention services under independent audit procedures, where practicable. Self-insuring employers should likewise be subject to audit with respect to the adequacy of their safety programs.

R5.3. Subject to sound actuarial standards, the experience rating principle be extended to as many employers as practicable.

R5.4. Subject to sound actuarial standards, the relationship between an employer's favorable experience relative to the experience of other employers in its insurance classification be more equitably reflected in the employer's insurance charges.

R6.1. Each State utilize a workmen's compensation agency to fulfill the administrative obligation of a modern workmen's compensation program.

R6.2. In those States where the chief administrator is a member of the appeals board, the Governor has the authority to select which member of the appeals board or commission will be the chief administrator. In those States where the administrator is not a member of the appeals board or commission, his term of office should either be indefinite (where he serves at the pleasure of the Governor) or be for a limited term, short enough to insure that a Governor will, sometime during his term of office, have the opportunity to select the chief administrator.

R6.3. The members of the appeals board or commission be appointed for substantial terms.

R6.4. Agency employees be given civil service status or similar protection.

R6.5. The members of the appeals board or commission and the chief administrator be selected by the Governor subject to confirmation by the legislature or other confirming body. The other employees of the agency should be appointed by the chief administrator or selected in accordance with the State civil service procedure. Insofar as practical, all employees of the agency should be full-time, with no outside employment. Salaries should be commensurate with this full-time status.

R6.6. An advisory committee in each State conduct a thorough examination of the State's workmen's compensation law in the light of the National Commission's report.

R6.7. The workmen's compensation agency be adequately funded by an assessment on insurance premiums or benefits paid plus an equivalent assessment against self-insurers.

R6.8. The workmen's compensation agency develop a continuing program to inform employees and employers about the salient features of the State's workmen's compensation program.

R6.9. The employee or his surviving dependents be required to give notice as soon as practical to the employer concerning the work-related impairment or death. This notice requirement would be met if the employer or his agent, such as an insurance carrier, has actual knowledge of the impairment or death, or if oral or written notice is given to the employer.

R6.10. Employers be required to report to the agency all work-related injuries or disease which result in death, in time lost beyond the shift or working day in which the impairment affects the worker, or in permanent impairment to the worker.

R6.11. For those injuries and diseases which must be reported to the workmen's compensation agency, the period allowed for employees to file claims not begin to run until the employer's notice of the work-related impairment or death is filed with the workmen's compensation agency.

R6.12. The administrator of the workmen's compensation agency have discretion under his rulemaking authority to decide which reports are needed in uncontested cases.

R6.13. The time limit for initiating a claim be three years after the date the claimant knows, or by the exercise of reasonable diligence should have known of the existence of the impairment and its possible relationship to his employment, or within three years after the employee first experiences a loss of wages which the employee knows, or by the exercise of reasonable diligence, should have known was because of the work-related impairment. If benefits have previously been provided, the claim period should begin on the date benefits were last furnished.

R6.14. Where there is an appellate level within the workmen's compensation agency, the decisions of the workmen's compensation agency be reviewed by the courts only on question of law.

R6.15. Attorney's fees for all parties be reported for each case, and that the fees be regulated under the rule making authority of the workmen's compensation agency.

R6.16. The workmen's compensation agency permit compromise and release agreements only rarely and only after a conference or hearing before the workmen's compensation agency and approval by the agency.

R6.17. The agency be particularly reluctant to permit compromise and release agreements which terminate medical and rehabilitation benefits.

R6.18. Lump-sum payments, even in the absence of a compromise and release agreement, be permitted only with agency approval.

R6.19. The administrator has the authority to prescribe the reports which must be submitted by employers, employees, attorneys, doctors, carriers, and other parties involved in the workmen's compensation delivery system.

R6.20. The States be free to continue their present insurance arrangements or to permit private insurance, self-insurance, and State funds where any of these types of insurance are now excluded.

R6.21. Procedures be established in each State to provide benefits to employees whose benefits are endangered because of an insolvent carrier or employer or because an employer fails to comply with the law mandating the purchase of workmen's compensation insurance.

R6.22. Because inflation has adversely affected the payments of those claimants whose benefits began when benefits were not at their current levels, a workmen's compensation retroactive benefit fund be established to increase the benefits to current levels for those claimants still entitled to compensation.

EXHIBIT 2

SECTION-BY-SECTION ANALYSIS OF S. 2018, NATIONAL WORKERS' COMPENSATION ACT OF 1975

SECTION 1—SHORT TITLE

This section provides that the Act may be cited as the "National Workers' Compensation Act of 1975."

SECTION 2—FINDINGS AND DECLARATION OF PURPOSE

Section 2(a) provides that the Congress finds and declares that—

(1) thousands of American workers are killed or permanently disabled and millions injured from work-related injuries and diseases,

(2) work-related injuries, diseases, and death impose a substantial burden on interstate commerce and adversely affect the general welfare,

(3) work-related injuries or diseases often affect workers in their most productive years with a resultant impact on their dependent families,

(4) most injured and ill workers and their families depend on State workers' compensation systems for economic security, medical treatment, rehabilitation, and reemployment assistance when they suffer work-related injuries or death,

(5) both workers who suffer from work-related injuries, disease, or death and the national interest are best served by a uniform and comprehensive national workers' compensation system,

(6) existing State workers' compensation laws do not provide a prompt and comprehensive system of compensation,

(7) basic national objectives for a uniform and comprehensive system include:

(a) Universal coverage;

(b) Substantial protection against interruption of income;

(c) Prompt and adequate medical care and rehabilitative services in order to correct work-related injuries and to restore workers to gainful employment;

(d) Encouragement of safety;

(e) An effective delivery system of benefits and services,

(8) for workers' protection, Congress must provide national minimum requirements for State Workers' Compensation law and a national enforcement procedure.

Section 2(b) provides that through the power of Congress to regulate commerce and to provide for the general welfare, the purpose of this Act is to—

(1) establish minimum workers' compensation benefits for employees and administrative requirements for State workers' compensation agencies,

(2) establish procedures for the enforcement of benefits and requirements through State workers' compensation systems,

(3) encourage and provide technical and financial assistance to the States to improve existing workers compensation systems so as—

(a) To provide all workers and their families a uniform, adequate, prompt and equitable system of workers' compensation; and

(b) To restore disabled workers through medical and vocational rehabilitation services to the fullest possible physical, mental and economic usefulness.

SECTION 3—DEFINITIONS

This section defines the various terms used in the Act.

SECTION 4—COVERAGE AND VENUE

Section 4(a) provides that this act shall apply to all employers and all employees in any State.

Section 4(b) provides that an injured employee or survivors of a deceased employee whose unemployment necessitated travel between States or between the United States and any other country may claim benefits in the State—

(1) of the employer's principal place of business, or

(2) of the employer's headquarters, or

(3) where the employee was either hired, appointed, elected or accepted employment, or

(4) where the injury, disease or death for which benefits are claimed occurred, or

(5) where the employee was domiciled at the time of the injury, death, or discovery or incidence of a work-related disease.

SECTION 5—ENTITLEMENT TO WORKERS' COMPENSATION BENEFITS

Section 5 provides that any employee who becomes disabled or dies due to any work-related injury or the survivors of such employee shall be entitled to the following benefits:

(a) compensation, medical benefits, rehabilitation services, and other benefits provided under the law of the State having appropriate jurisdiction,

(b) initial selection of a physician from among all licensed physicians approved by the State workers' compensation agency,

(c) no time or dollar maximum limitation on the amount of compensation payable for death or total disability,

(d) no time or dollar maximum limitation on the type or extent of, or expense for, medical care, rehabilitation services, or other services determined necessary by the State workers' compensation agency,

(e) compensation paid to injured workers for total disability or to survivors of a deceased employee, of at least 66 percent of the employees average weekly wage subject to the following limitations:

(1) Beginning on the first day of the first calendar quarter, two years after the date of enactment, maximum weekly benefits for that year shall be at least 100 percent of the statewide average weekly wage for the first four of the last six calendar quarters,

(2) During the next year the maximum weekly benefits shall be at least 150 percent of the statewide average weekly wage for the first four of the last six calendar quarters,

(3) In the following year, maximum weekly benefits shall be at least 200 percent of the statewide average weekly wage for the first four of the last six calendar quarters.

(f) minimum weekly compensation benefits for total disability during any one year period from July 1 to June 30 of at least 50 percent of the statewide average weekly wage during the preceding calendar year or the injured employee's actual wage, whichever is less. Minimum weekly benefits for death of at least 50 percent of the statewide average weekly wage during the preceding calendar year,

(g) rehabilitative services to reduce disability and restore the physical, psychological, social and vocational functioning of the individual. Rehabilitation services are additional benefits and shall not affect the amounts of other compensation benefits,

(h) if an injury causes death or an employee entitled to receive compensation for total permanent disability dies, death benefits payable to the widow or widower for life or until remarriage with at least two years' benefits payable upon remarriage and to surviving children until age 18, or age 25 if such child is a full-time student in an accredited educational institution or for life if such child is physically or mentally incapable of self-support. Such benefits are in addition to any compensation otherwise available,

(i) a maximum waiting period for benefits of three days and a maximum qualifying period for retroactive benefits during such waiting period of fourteen days,

(j) periodic adjustments of compensation benefits to reflect increases in the statewide average weekly wage levels and benefit levels, or maximum limits thereon, under State law,

(k) attorney fees added to an award when a claimant succeeds in obtaining or increasing the award through adjudicatory proceedings,

(l) a time limit for filing a claim of three years. In cases of latent disability, the time shall not begin to run until the employee has a compensable disability and is aware, or by the exercise of reasonable diligence should have known, of the casual relationship of the disability to employment. Timely filing of a disability claim will satisfy time requirements for a death claim based on the same injury. Time limits do not begin to run against minors until 21 years of age is attained or against incompetents, except where there is an appointed legal representative,

(m) appropriate compensation even where an injured employee's religious beliefs do not permit the usual medical care or rehabilitation services to be used.

SECTION 6—EMPLOYMENT RELATED DISEASES

Section 6(a) authorizes the Secretary of Health, Education, and Welfare to undertake a study of employment-related diseases and to recommend standards for determining if the disease is work-related and if disability or death was due to the disease. The standards may include reasonable presumptions. The Secretary of HEW shall also consult with the Director of the National Institute of Occupational Safety and Health and other sources concerning new employment related diseases. Results shall be published and furnished to the States and the Secretary of Labor.

Section 6(b) provides that when the Secretary determines new or additional standards should be promulgated in accordance with section 6(a), such standards shall be referred to the Advisory Commission, which shall have 270 days in which to approve, disapprove or approve with modification such standards. The Commission is authorized to recommend standards of its own to the Secretary of Labor who is authorized to promulgate any standard approved (or approved with modifications) or recommended by the Commission, in accordance with the Administrative Procedure Act (s USC 551 et. seq.). Any standard so promulgated shall be enforceable as if it were State law.

SECTION 7—EFFECTIVE DATE

Section 7 provides that notwithstanding any provisions of State law, section 5 shall take effect two years after the enactment date and shall be enforced by State agencies as if they were State law.

SECTION 8—STATE WORKERS' COMPENSATION AGENCY REQUIREMENTS

Section 8(a) provides that each State assure that its workers' compensation law meets the following requirements:

(1) a single state agency shall be designated to administer the law. The agency is authorized to supervise and determine the appropriate medical and rehabilitation services in each case, and to order changes in such care,

(2) the agency shall maintain a rehabilitation services unit which shall at least provide injured employees with: appropriate voluntary programs, notification of available rehabilitation benefits and prompt claim referrals. The agency shall evaluate its services and submit annual reports to the Secretary. Activities should be coordinated with those of the State vocational rehabilitation agency to avoid duplication and to promote the goals of the Vocational Rehabilitation Act,

(3) state workers' compensation agencies shall provide assistance to claimants in processing claims and to recipients in obtaining the best services available,

(4) fair and expeditious procedures for resolving contested cases shall be established, including appellate procedures within the State courts,

(5) the state agency shall regulate fees payable to claimants' attorneys,

(6) lump sum payments or compromise and release agreements for benefits are permitted only under conditions specified in the law and with the approval of the State agency,

(7) adequate measures shall be taken for protection of benefits in the event that insurance carriers or self-insurers become insolvent or any employer or carrier fails to comply with the State law,

(8) the State workers' compensation agency be assured of adequate funding,

(9) special provisions shall be created for establishing and financing a second injury fund,

(10) employers shall be encouraged to hire capable handicapped job applicants,

(11) each employer, carrier, employee, attorney, physician or other party involved in carrying out the law shall file with the agency such reports as the State agency may require,

(12) the State agency shall report to the Secretary any information that the Secretary shall require,

(13) the State agency shall appoint employees through the State civil service system or other merit-based system.

Section 8(b) provides that this section shall take effect two years after the enactment date.

SECTION 9—ENFORCEMENT

Section 9(a) provides that any employee or survivor of a deceased employee aggrieved by a determination of the State workers' compensation agency, may bring a civil action against the employer to obtain the benefits described in section 5 in either: (1) the appropriate U.S. district court as determined under section 4(b) and in accordance with Title 28 USC 1331, or (2) the State court with appropriate jurisdiction. The district courts may review the award from the administrative agency and may, upon a review of the record below, and based upon the substantial weight of the evidence, affirm, modify, or set aside the award. Cases filed with the district courts by a private individual must meet the $10,000 jurisdictional minimum applicable to federal courts.

Section 9(b) authorizes the Secretary, when he has reason to believe that any employer or State workers compensation agency has failed to provide the benefits described in sections 5 and 6, to seek compliance and provide such affirmative relief as may be appropriate by bringing a civil action in any appropriate U.S. district court as described in section 4(b). The Secretary may also intervene in an action filed by a private party under (a) above. The U.S. district courts have jurisdiction over actions brought under this subsection without regard to the amount in controversy.

Section 9(c) authorizes the Secretary:

(1) whenever he determines, in consultation with the Advisory Commission that a State workers' compensation agency has failed to comply with section 8, to seek compliance through informal methods of conference, conciliation and persuasion, and

(2) to take whatever action is necessary to assure employees and employers the benefits which are denied them due to such noncompliance, if within one year after such informal methods commence, the Secretary determines that any State agency continues to be in noncompliance. To carry out the provisions of this paragraph, the Secretary is authorized to employ such additional personnel as necessary to assure that the law is effectively and adequately administered and, to this end, may establish appropriate adjudicatory panels which have powers comparable to those exercised by the State.

Section 9(b) limits the use of third party action by claimants, by making recovery under section 5 of this Act the executive recovery for benefits against an employer, fellow employers, or the collective bargaining agent of the employer.

SECTION 10—GRANTS TO STATES

Section 10(a) authorizes the Secretary during fiscal year 1976 and the next two fiscal years to make grants to any State which has designated a State agency to assist such State:

(1) to identify workers' compensation needs and responsibility,

(2) in carrying out programs to meet the requirements of section 8, or

(3) in developing plans for (a) establishing systems for collecting information about workers' compensation (b) increasing expertise and enforcement capabilities of personnel engaged in workers' compensation programs, (c) otherwise improving the administration and enforcement of State workers' compensation laws, consistent with the objectives of this Act.

Section 10(b) provides that State Governors shall designate the appropriate State agency for receipt of grants made under this section.

Section 10(c) provides that State agencies so designated shall apply to the Secretary for grants under this section.

Section 10(d) provides that the Secretary shall review, approve or reject such applications. In cases of rejection, the Governor and the applicant shall be informed of the reasons.

Section 10(e) establishes a limit on the Federal share of each State grant of 90 percent of the proposed projects' cost. Any differences among the States in the Federal share of such grants shall be based on objective criteria.

Section 10(f) authorizes the appropriation of necessary funds for fiscal year 1976 and the following two fiscal years to carry out the provisions of this section.

SECTION 11—STATISTICS

Section 11(a) provides that the Secretary, in consultation with the Secretary of Health, Education and Welfare, shall develop and maintain a program of collection, compilation and analysis of workers' compensation statistics. The program may cover all employment.

Section 11(b) provides that to discharge his duties under 11(a), the Secretary may—

(1) promote, encourage, or engage in programs of studies, information, and communication concerning workers' compensation statistics;

(2) require that each type of insurance carrier maintain records which shall be readily available to the Secretary and which shall include the following (any total may involve the use of averages, groupings and other approximations, as determined by the Secretary):

(A) Sufficient totals from experience so as to produce reliable and credible standards for calculating premium rates for actuarial risk classifications,

(B) Sufficient totals for determining liability figures needed for actuarial studies and financial reports,

(C) Separate totals for insured workers by occupation, date of birth, sex, wages, and period of insurance,

(D) Separate totals for dependents of insured workers, similar to those provided under subclause (c).

(3) make grants to States or their political subdivisions to assist them in developing and administering programs concerning workers' compensation statistics; and

(4) arrange, by grants or contracts, such research and investigations as give promise of furthering the objectives of this section.

Section 11(c) limits the Federal share of grants under section 11(b)(3) to 50 percent of the program's total cost.

Section 11(d) authorizes the Secretary, with the consent of any State or its political subdivision, to use the services, facilities, and employees of the agencies of such State or political subdivisions, with or without reimbursement, for purposes of this section.

Section 11(e) requires employers to file such reports the Secretary perceives by regulation, as necessary to carry out the functions under this Act.

Section 11(f) provides that agreements between the Department of Labor and any State already in effect on the enactment date and pertaining to the collection of workers' compensation statistics shall remain in effect until superceded by grants or contracts made under this Act.

SECTION 12—AUDITS

Section 12 provides that recipients of grants shall keep any records that the Secretary requires, including those which disclose the amount and disposition of the grant, costs of the project for which the grant is made, and the amount supplied for the project from other sources.

Section (b) authorizes the Secretary and Comptroller General of the United States to have access to any books, documents, papers, and records of recipients of grants for the purpose of audit and examination.

SECTION 13—ANNUAL REPORT

This section directs the Secretary, within 120 days of the convening of each regular session of each Congress, to submit to the President for transmittal to Congress a report on matters relating to this Act.

SECTION 14—ADVISORY COMMISSION

Section 14(a) establishes the National

Workers' Compensation Advisory Commission composed of nine members appointed by the President with the Senate's advise and consent. There shall be three representatives of labor, three representatives of business, one of which is required to be from the insurance industry, and three representatives of the general public. The President shall designate one of the public members as Chairman. Five members shall constitute a quorum. The terms of office shall be three years except of the members first appointed, three shall be appointed for one year, three shall be appointed for two years and three shall be appointed for three years.

Section 14(b) directs the State agency within 90 days after enactment, to forward to the Commission for review all cases from the past two years, which were previously denied or in which benefits awarded where not in accordance with Section 5 and which now come under this Act. The Commission shall undertake a study focusing on cases involving permanent total disability where payments are expired, frozen, or denied, with findings submitted to Congress as part of the yearly report required by Section 14(i). The Commission is authorized to undertake a voluntary study of cases which occurred before the two year limitation.

Section 14(c) provides that the Commission shall—

(1) monitor the States' progress in improving their workers' compensation programs, in furnishing benefits and in complying with the administrative requirements;

(2) advise the Secretary of its conclusions as to the State agency's compliance or noncompliance;

(3) research and develop recommendations for improving workers' compensation programs and for determining the compensation payable for permanent partial disability;

(4) recommend appropriate administrative and legislative action to improve the programs;

(5) furnish technical assistance to States for improving programs; and,

(6) monitor and evaluate the administration of workers' compensation programs and make recommendations for appropriate administrative and legislative changes.

Section 14(d)(1) authorizes the Commission or any authorized subcommittee to hold hearings, take testimony and conduct its affairs as it deems advisable. Authorized members may administer oaths or affirmations to witnesses.

Section 14(d)(2) authorizes and directs each department, agency and instrumentality of the Government's executive branch to furnish the Commission with any information necessary.

Section 14(e) provides that subject to rules and regulations adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of the executive director and such additional staff personnel as necessary; and

(2) procure temporary and intermittent services as authorized by 5 United States Code 3109.

Section (f) authorizes the Commission to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for activities necessary to discharge its duties.

Section (g) authorizes members of the Commission to be compensated for the performance of their duties as members and entitles them to reimbursement for travel, subsistence and other necessary expenses connected with their duties.

Section (h) amends 5 United States Code 5316 by adding at the end thereof the following new clause—"(134) Chairman, Workers' Compensation Advisory Commission."

Section (i) directs the Commission to transmit to the President and Congress, not later than February 1 of each year, a report of its activities and recommendations.

SECTION 15—EFFECT OF PERIODIC ADJUSTMENT ON OTHER LAWS

Section 15 provides that no amount paid as a periodic adjustment of workers' compensation benefits shall be considered in the determination of eligibility for or amount of any other benefit authorized by Federal or State law.

SECTION 16—SEPARABILITY

This section provides that if any other provision of this Act or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SECTION 17—APPROPRIATIONS

This section authorizes such appropriations as are necessary to carry out this Act.

S. 2818

Mr. JAVITS. Mr. President, I join again with the Senator from New Jersey (Mr. WILLIAMS), the chairman of the Labor and Public Welfare Committee, in cosponsoring legislation to establish Federal minimum standards for all State workers' compensation laws and to assist and encourage the States to bring their laws up to such Federal minimum standards.

In 1968 I introduced legislation to establish the National Commission on State Workers' Compensation Laws. That legislation was subsequently enacted as part of the Occupational Safety and Health Act of 1970. The Commission's report was issued in 1972. The Commission's conclusion was that:

> State workmen's compensation laws are in general neither adequate nor equitable. While several states have good programs, and while medical care and some other aspects of workmen's compensation are commendable, strong points too often are matched by weak.

I regret to say that the Commission's conclusions are still valid. Regrettably, although the Commission promulgated a set of 19 essential recommendations to be met by the States by July 1, 1975, the fact is that although significant improvements have been made in State laws, compliance with the Commission's 19 essential recommendations is far from realized.

The present bill would implement the Commission's far-reaching and specific recommendations for improvements in State workers' compensation laws. It is also consistent with the Commission's recommendation that federalization of workers' compensation be rejected as a solution to the problem. Today's bill also incorporates significant changes from the bill, S. 2008, which Senator WILLIAMS and I cosponsored during the last Congress, and which was the subject of extensive hearings throughout the country by the Subcommittee on Labor. Those hearings were most helpful in clarifying and sharpening the issues posed by this legislation, and the changes that have been by numerous witnesses who testified during those hearings on S. 2008.

Under the bill, effective 2 years after the date of enactment, Federal minimum standards, based for the most part on the recommended standards of the National Commission, would go into effect and would be deemed to be part of the law of each State. Unlike the approach of S. 2008, which required the Secretary of Labor to approve each State law, and provided that the Federal Longshoremen's and Harbor Workers' Compensation Act would apply within any State whose laws failed to meet Federal minimum standards, under today's bill, no State law would have to be approved by the Secretary of Labor, nor would the Longshoremen's and Harbor Workers' Compensation Act replace the State law. Rather, the standards world automatically be deemed to be a part of State law and enforceable as such in the State workers' compensation agency and through the administrative and judicial appellate apparatus established under State law.

In order to assure reasonable consistency in the interpretation and application of the Federal minimum standards provided in the bill, a claimant who believed he was denied a benefit guaranteed under this bill would have the option, after exhausting available State administrative remedies, to file a petition for a review in an appropriate U.S. district court if the matter in controversy exceeds $10,000. This will insure that the Federal courts are not deluged with these claims, but that claimants with serious injuries will have access to the Federal courts to assert rights guaranteed under Federal law.

Administrative criteria are also established in the bill to ensure that the system functions as fairly and efficiently as possible. Here there has also been a change from S. 2008. Under today's bill, if the State workers' compensation agency fails to meet Federal minimum criteria, the Secretary of Labor is given broad discretion, after exhausting informal methods of conciliation and conference, to take action tailored to meet the particular administrative deficiencies that may exist. Under S. 2008, the only remedy to cure administrative deficiencies was to apply the Longshoremen's and Harbor Workers' Compensation Act in the State. Today's bill avoids this "all or nothing" approach.

MAJOR FEDERAL STANDARDS IN THE BILL

The following are some of the more important standards which would be established under today's bill:

Universal coverage; no exclusions based on numbers of employees or type of employment—except where another Federal law already applies;

No maximum limitations on total benefits for death or temporary or permanent total disability;

No maximum limitation on the type or extent of medical care or rehabilitation services;

Benefits for temporary or permanent disability and death benefits must be not less than 66⅔ percent of the worker's average weekly wage, subject to a maximum of no less than 100 percent of the statewide average weekly wages during the first year after enactment, rising to no less than 200 percent of statewide average weekly wages commencing in the third year after the date of enactment.

Minimum payments of not less than 50 percent of statewide average weekly wages but not more than the injured worker's average weekly wage;

Survivor benefits to widows and children until at least age 18, or age 25, if a student;

Waiting period of not more than 3 days with retroactive benefits paid after 14 days;

Special provisions for dealing with injuries to employees suffering preexisting impairment, including establishment of a special fund;

Appropriate periodic adjustment of benefits for those already receiving benefits to reflect the increases in statewide average weekly wages and benefit levels;

Free choice of physicians;

Appropriate medical and rehabilitation services, with no reduction in benefits during rehabilitation; and

Attorney's fees to be added to an award where claimant has been successful in adjudicatory proceedings.

OCCUPATIONAL DISEASES

One of the most critical, and controversial, areas of workers' compensation reform concerns occupational diseases. The failure of State laws to cover certain kinds of occupational diseases, and the failure of some State agencies to recognize specific diseases, such as black lung, as work related have spawned enormous amounts of litigation and injustice throughout the country. Under today's bill, the Secretary of HEW would be directed to conduct research in the area of occupational diseases to develop and to promulgate standards for determining the existence of occupational diseases and the circumstances under which a disease should be considered to have arisen out of and in the course of employment. The standards may include presumptions, where appropriate. A similar provision contained in S. 2008 was sharply criticized by many witnesses who testified before the Subcommittee on Labor during the last Congress. Fears were expressed based on the cost and the nature of the black lung program. This bill meets those criticisms by requiring that new standards promulgated by the Secretary of HEW for occupational diseases be subject to approval by the nine-member Advisory Commission established under the law. This requirement should assure that any standards promulgated by the Secretary will be in accord with established medical norms.

STUDY OF OLD CASES

Under this bill, the advisory Commission is directed to conduct a study of cases involving total disability which arose prior to the enactment of the law and to make recommendations to the Congress concerning the possibility of reopening such old claims for adjudication under the new minimum standards which would be established by today's bill. Under S. 2008 States, in order to gain Federal approval for their laws, should have had to provide in some way for payment of reopened old claims which were determined to be entitled to benefits under the new minimum standards. A great deal of the testimony received by the Subcommittee on Labor on S. 2008 focused on the impracticality and the potentially huge, but unknowable, costs of this provision in S. 2008. Much as I would prefer to take some positive action with respect to claimants who are totally disabled but whose claims have been denied or terminated because of inadequate or unjust provisions in State laws, I am compelled to conclude that such action is not possible in today's bill and that further study of this matter is required.

DEFINITION OF INJURY

Under today's bill, an injury will be deemed to have arisen out of and in the course of employment if work-related factors were a significant cause of the injury. S. 2008 used the term "contributing" rather than the term "significant." This change brings the present bill into conformity with the National Commission's recommendations which also use the term "significant" in this context.

ADDITIONAL STANDARDS

Under this bill, except for occupational diseases, there is no authority for the administrative promulgation of additional standards. This is another change from S. 2008. It is therefore appropriate for me to mention at least three areas where additional Federal standards may be desirable, either in this bill or future legislation.

First, reemployment rights: Few, if any, State laws appear to offer any guarantee that a worker who is injured and subsequently recovers will be reemployed by his former employer. In the 1974 amendments to the FECA program such protection was accorded to Federal employees. The Coal Mine Health and Safety Act deals with this question indirectly by requiring miners with evidence of pneumoconiosis (black lung) to be given the opportunity to transfer to relatively dust-free jobs. I am not now in a position to form a judgment as to whether a Federal legal guarantee of reemployment rights should be included in this law; but certainly this area warrants further consideration and investigation.

Second, continuance of fringe benefits during disability: No State law of which I am aware requires that fringe benefits, such as a pension and health insurance be continued during the period of an injured worker's period of total disability. Yet it is obvious that loss of such fringe benefits can be a very significant and tragic fact to an injured worker. We need to find out more information about how breaks in service due to work-related disability are treated in most pension and welfare funds, and whether a legislative solution to this problem is desirable and feasible.

Third, permanent partial disability: Permanent partial disability remains one of the most important and controversial areas in the workers' compensation reform dialog. The National Commission recommended further study of the problem, and under this bill the Advisory Commission is charged with such a study as one of its specific responsibilities. Frankly, I had hoped that in the ongoing discussions of this legislation, and the amendments to State laws that have been enacted in recent years, some consensus would have emerged. That does not seem to have occurred, but it is appropriate at this time to raise the issue again in the hope of possibly including some more specific provisions in this bill addressed to the permanent partial disability problem.

While the three areas I have mentioned deserve serious consideration, I do not wish my remarks to be interpreted as countenancing any further delay in enacting today's bill into law.

FAILURE OF THE STATES TO MEET THE COMMISSION'S ESSENTIAL RECOMMENDATIONS

As I noted earlier, the National Commission recommended that all States meet its 19 essential recommendations by July 1, 1975. Witness after witness who had testified in opposition to the enactment of Federal minimum standards during the last Congress in the course of the hearings on S. 2008 subscribed, however, to the 19 essential recommendations by the National Commission and requested that the States be given an opportunity voluntarily to meet those essential recommendations. Listening to those witnesses, one might have assumed that it was a virtual certainty that most States would be acting to bring their laws into compliance with the National Commission's 19 essential recommendations, inasmuch as there appeared to be a unanimity of support for the recommendations from all interested parties, for example, labor, management, insurance, and State agencies.

Tragically, however, this has proven not to be the case. According to the latest information furnished to me by the Interdepartmental Workers' Compensation Task Force, based on laws in effect as of April 1, 1975, the general compliance ratio appeared to be approximately 55 percent. I ask unanimous consent that a table prepared by the Interdepartmental Workers' Compensation Task Force, which shows compliance on a State-by-State basis with the essential recommendations of the Commission, together with a description of those essential recommendations, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE WORKERS' COMPENSATION LAWS COMPARED WITH ESSENTIAL RECOMMENDATIONS OF THE NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS

State	Recommendation [1]																			Total met
	2.1	2.2	2.4	2.5	2.6	2.7	2.11	2.13	3.7	*3.8	3.11	3.12	*3.15	3.17	3.21	*3.23	3.25	4.2	4.4	
Alabama	X	—	—	—	—	X	—	X	X	—	X	X	—	—	—	—	—	—	—	6
Alaska	X	X	X	—	—	—	—	X	—	X	X	—	X	X	—	X	—	X	X	11
Arizona	—	X	X	—	X	—	X	X	X	X	X	X	X	X	—	—	—	X	X	13
Arkansas	—	—	—	—	X	—	X	—	—	—	X	—	—	X	—	—	—	—	—	4

Footnotes at end of table.

State	Recommendation[1]																			Total met
	2.1	2.2	2.4	2.5	2.6	2.7	2.11	2.13	3.7	*3.8	3.11	3.12	*3.15	3.17	3.21	*3.23	3.25	4.2	4.4	
California	X	X	X	—	X	—	—	X	X	X	X	X	X	X	X	X	—	X	—	14
Colorado	—	X	—	—	X	—	X	X	X	X	X	X	X	X	X	X	—	X	X	14
Connecticut[2]	X	X	X	—	—	—	—	X	X	X	X	X	X	X	X	X	—	X	X	14
Delaware	X	—	—	—	—	—	—	X	X	—	X	X	—	X	—	—	—	X	X	8
District of Columbia[2]	X	X	—	—	X	X	—	X	X	X	X	X	X	X	—	X	—	X	X	14
Florida[3]	X	X	—	—	X	—	X	X	—	X	X	—	X	X	—	X	—	X	—	11
Georgia	—	—	—	—	—	—	X	X	X	—	X	X	—	—	X	—	—	X	X	8
Hawaii[3]	X	X	X	—	X	—	X	X	X	X	X	X	X	X	—	X	—	X	X	15
Idaho	X	X	—	—	X	—	X	X	—	—	X	—	—	X	—	—	—	X	X	9
Illinois	X	X	—	—	—	—	—	X	—	—	X	—	—	X	—	—	—	—	—	5
Indiana	X	X	—	—	X	—	X	X	X	—	X	X	—	X	X	—	—	X	X	12
Iowa[3]	—	X	—	—	X	—	X	X	X	X	X	X	X	X	X	X	X	X	X	15
Kansas	—	—	—	—	X	X	X	X	X	X	X	X	X	—	X	X	—	X	—	12
Kentucky	—	X	—	—	X	X	X	X	—	—	X	—	—	X	—	—	—	X	X	9
Louisiana	—	X	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1
Maine[3]	—	X	—	—	X	X	—	X	X	X	X	X	X	X	X	X	—	X	—	13
Maryland[2]	—	X	—	—	X	X	—	X	X	X	X	X	X	X	X	X	—	X	X	14
Massachusetts	X	X	X	—	—	—	—	X	X	—	X	X	—	X	—	—	—	X	X	10
Michigan	X	X	X	—	X	X	X	X	X	—	—	X	—	X	X	—	—	X	X	13
Minnesota	X	X	—	—	—	—	—	X	X	—	X	X	—	X	—	—	—	X	X	9
Mississippi	X	—	—	—	—	—	—	X	X	—	X	X	—	—	—	—	—	X	X	7
Missouri	X	—	—	—	X	X	X	X	X	—	X	X	—	X	X	—	—	X	—	11
Montana	X	X	X	—	X	—	—	X	X	X	X	X	X	X	X	X	—	—	—	13
Nebraska	X	X	—	—	X	X	X	X	X	—	X	X	—	X	X	—	X	X	X	14
Nevada[2]	X	—	—	—	X	—	—	X	X	X	X	X	X	X	X	X	—	X	X	13
New Hampshire	—	X	X	—	X	X	X	X	X	X	X	X	X	X	X	X	—	X	X	16
New Jersey[2]	—	X	X	—	X	X	X	X	X	X	X	X	X	X	—	X	—	X	—	14
New Mexico	X	—	—	—	X	—	X	X	X	—	X	X	—	—	—	—	—	—	—	7
New York	X	X	—	—	—	—	—	X	X	—	X	X	—	X	—	—	—	X	X	9
North Carolina	—	—	—	—	—	—	X	X	X	—	X	X	—	—	X	—	—	X	X	8
North Dakota	X	X	—	—	X	—	—	X	—	—	X	—	—	X	—	—	—	X	X	6
Ohio[3]	—	X	X	X	X	X	—	X	X	X	X	X	X	X	X	X	X	X	X	19
Oklahoma	—	—	—	—	—	—	X	—	X	—	X	X	—	—	—	—	—	X	X	7
Oregon[2]	X	X	X	—	X	—	—	X	X	X	X	X	X	X	—	—	—	X	X	13
Pennsylvania[2]	X	X	X	—	—	—	X	X	X	X	X	X	X	X	—	X	—	X	X	14
Puerto Roco[7]																				
Rhode Island[2]	X	—	—	—	—	X	—	X	X	X	X	X	X	X	X	X	—	X	X	13
South Carolina	—	—	—	—	—	—	X	X	X	X	X	X	X	—	X	X	—	X	X	11
South Dakota	—	X	—	—	—	—	—	X	X	—	X	X	—	X	X	—	—	X	X	9
Tennessee	—	—	—	—	—	X	—	—	X	—	X	X	—	—	—	—	—	—	—	4
Texas	—	X	—	—	—	—	—	X	X	—	X	X	—	—	X	—	X	X	X	9
Utah[3]	X	X	—	—	X	X	—	X	X	X	X	X	X	X	X	X	—	X	X	15
Vermont	—	X	X	—	—	X	X	X	X	—	X	X	—	—	—	—	—	—	—	8
Virginia	—	—	—	—	—	—	—	X	X	—	X	X	—	—	X	—	—	X	X	7
Washington[2]	X	X	X	—	X	X	X	X	—	X	X	—	X	X	—	X	—	X	X	14
West Virginia	X	X	—	—	—	—	—	X	X	X	X	X	X	X	X	X	—	X	X	13
Wisconsin[3]	—	X	—	—	X	X	—	X	X	X	X	X	X	X	—	—	—	X	X	12
Wyoming	X	X	—	—	—	—	X	—	X	—	X	—	—	—	—	—	—	X	X	7
Total met	29	36	15	1	28	18	24	46	42	28	49	41	25	37	24	22	4	43	37	......

[1] The essential recommendations, and the ranking of States according to number of essential recommendations met, are reproduced on the following pages.

[2] Law specifies that certain benefits shall be equal to ⅔ or more of the State or National average weekly wage.

[3] Information not available at this time.

*Based on the ratio of maximum weekly benefits as of Apr. 1, 1975, for a single worker and the average weekly wages of workers covered under the State unemployment insurance laws for 1973. The wage data are preliminary estimates.

(X) Law meets recommended standard. (—) Law does not meet recommended standard.

Essential Recommendations of the National Commission on State Workmen's Compensation Laws[1]

R2.1 Coverage by workmen's compensation laws be compulsory and that no waivers be permitted.

R2.2 Employers not be exempted from workmen's compensation coverage because of the number of their employees.

R2.4 A two-stage approach to the coverage of farmworkers. First, as of July 1, 1973, each agriculture employer who has an annual payroll that in total exceeds $1,000 be required to provide workmen's compensation coverage to all of his employees. As a second stage, as of July 1, 1975, farmworkers be covered on the same basis as all other employees.

R2.5 As of July 1, 1975, household workers and all casual workers be covered under workmen's compensation at least to the extent they are covered by Social Security.

R2.6 Workmen's compensation coverage be mandatory for all government employees.

R2.7 There be no exemptions for any class of employees, such as professional athletes or employees of charitable organizations.

R2.11 An employee or his supervisor be given the choice of filing a workmen's compensation claim in the State where the injury or death occurred, or where the employment was principally localized, or where the employee was hired.

R2.13 All States provide full coverage for work-related diseases.

R3.7 Subject to the State's maximum weekly benefit, temporary total disability benefits be at least 66⅔ percent of the worker's gross weekly wage.

R3.8 As of July 1, 1973, the maximum weekly benefit for temporary total disability be at least 66⅔ percent of the State's average weekly wage, and that as of July 1, 1975, the maximum be at least 100 percent of the State's average weekly wage.

R3.11 The definition of permanent total disability used in most States be retained. However, in those few States which permit the payment of permanent total disability benefits to workers who retain substantial earning capacity, the benefit proposals be applicable only to those cases which meet the test of permanent total disability used in most States.

R3.12 Subject to the State's maximum benefit, permanent total disability benefits be at least 66⅔ percent of the worker's gross weekly wage.

R3.15 As of July 1, 1973, the maximum weekly benefit for permanent total disability be at least 66⅔ percent of the State's average weekly wage, and that as of July 1, 1975, the maximum be at least 100 percent of the State's average weekly wage.

R3.17 Total disability benefits be paid for the duration of the worker's disability, or for life, without any limitations as to dollar amount or time.

R3.21 Subject to the State's maximum weekly benefit, death benefits be at least 66⅔ percent of the worker's gross weekly wage.

R3.23 As of July 1, 1973, the maximum weekly death benefit be at least 66⅔ percent of the State's average weekly wage, and that as of July 1, 1975, the maximum be at least 100 percent of the State's average weekly wage.

R3.25 Death benefits be paid to a widow or widower for life or until remarriage, and in the event of remarriage two years' benefits be paid in a lump sum to the widow or widower. Benefits for a dependent child be continued at least until the child reaches 18, or beyond such age if actually dependent, or at least until age 25 if enrolled as a full-time student in any accredited educational institution.

R4.2 There be no statutory limits of time or dollar amount for medical care or physical rehabilitation services for any work-related impairment.

R4.4 The right to medical and physical rehabilitation benefits not terminate by the mere passage of time.

Mr. JAVITS. I certainly applaud the fact that literally hundreds of amendments have been adopted by State legislatures in recent years to improve existing State workers' compensation programs. Nevertheless, by any yardstick, the ratio of compliance by the States with the Commission's 19 essential recommendations is disappointing.

Consider, for example, the area of maximums on weekly benefits payable for temporary total, permanent total, or death cases. Over half the States failed to meet the recommendations of the Commission that maximums on weekly benefit levels in such cases be no less than 100 percent of the statewide average weekly wage by July 1, 1975. I ask unanimous consent that three tables prepared by the Interdepartmental Workers' Compensation Task Force demonstrating the failure of the States to meet these essential recommendations be printed in the RECORD at this point.

---

[1] Source: *Report of the National Commission on State Workmen's Compensation Laws*, U.S. Government Printing Office, 1972.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

AS OF JULY 1, 1973, THE MAXIMUM WEEKLY DEATH BENEFIT BE AT LEAST 66⅔ PERCENT OF THE STATE'S AVERAGE WEEKLY WAGE, AND THAT AS OF JULY 1, 1975, THE MAXIMUM BE AT LEAST 100 PERCENT OF THE STATE'S AVERAGE WEEKLY WAGE

State	SAWW[1]	⅔ SAWW	Weekly benefit[2]	Weekly benefit per SAWW (percent)
Alabama	$139.82	$93.21	$75.00	53.6
Arizona	160.42	106.95	80.77	50.3
Arkansas	125.70	83.80	66.50	52.9
Delaware	175.20	116.80	[3] 56.25	32.1
Georgia	147.89	98.59	80.00	54.1
Idaho	138.64	92.43	82.80	59.7
Illinois	183.37	122.25	80.90	44.1
Indiana	169.30	112.87	90.00	53.2
Kentucky	148.73	99.15	88.00	59.2
Louisiana	149.90	99.93	65.00	43.4
Massachusetts	161.09	107.39	55.00	34.1
Michigan	202.80	135.20	107.00	52.8
Minnesota	158.12	105.41	100.00	63.2
Mississippi	123.86	82.57	63.00	50.9
Missouri	159.77	106.51	95.00	59.5
Nebraska	$137.57	$91.71	$89.00	64.7
New Mexico	134.90	89.93	75.00	55.6
New York	188.77	125.85	57.00	30.2
North Carolina	133.63	89.09	[4] 80.00	59.9
North Dakota	132.94	88.63	43.50	32.7
Oklahoma	143.01	95.34	------	------
Oregon	159.61	106.41	83.17	52.1
South Dakota	121.76	81.17	------	------
Tennessee	137.90	91.93	70.00	50.8
Texas	147.82	98.55	70.00	47.4
Vermont	140.83	93.89	81.00	57.5
Virginia	143.15	95.43	91.00	63.6
Wisconsin	161.48	107.65	[11] 75.00	46.4
Wyoming	142.00	94.67	43.38	30.5

[1] Preliminary 1973 State average weekly wage in covered employment, U.S. Department of Labor, Manpower Administration, UIPL No. 1278, Aug. 26, 1974.

[2] Maximum weekly death benefit provided by law in effect Apr. 1, 1975 for a surviving spouse without dependents.

[3] Delaware: Effective July 1, 1975, the maximum benefit will increase to 66⅔ percent of the State's average weekly wage.

[4] North Carolina: Effective Oct. 1, 1975, the maximum benefit will increase to 100 percent of the State's average weekly wage.

AS OF JULY 1, 1973, THE MAXIMUM WEEKLY BENEFIT FOR PERMANENT TOTAL DISABILITY BE AT LEAST 66⅔ PERCENT OF THE STATE'S AVERAGE WEEKLY WAGE, AND THAT AS OF JULY 1, 1975, THE MAXIMUM BE AT LEAST 100 PERCENT OF THE STATE'S AVERAGE WEEKLY WAGE

State	SAWW[1]	⅔ SAWW	Weekly benefit[2]	Weekly benefit per SAWW (percent)
Alabama	$139.82	$93.21	$75.00	53.6
Arkansas	125.70	83.80	66.50	52.9
Delaware	175.20	116.80	[3] 75.00	42.8
Georgia	147.89	98.59	80.00	54.1
Idaho	138.64	92.43	82.80	59.7
Illinois	183.37	122.25	80.90	44.1
Indiana	169.30	112.87	90.00	53.2
Kentucky	148.73	99.15	88.00	59.2
Louisiana	149.90	99.93	65.00	43.3
Massachusetts	161.09	107.39	95.00	59.0
Michigan	202.80	135.20	107.00	52.8
Minnesota	158.12	105.41	100.00	63.2
Mississippi	123.86	82.57	63.00	50.9
Missouri	$159.77	$106.51	$95.00	59.5
Nebraska	137.57	91.71	89.00	64.7
New Mexico	134.90	89.93	75.00	55.6
New York	188.77	125.85	95.00	50.3
North Carolina	133.63	89.09	[4] 80.00	59.9
North Dakota	132.94	88.63	78.00	58.7
Oklahoma	143.01	95.34	50.00	35.0
South Dakota	121.76	81.17	[3] 72.00	59.1
Tennessee	137.90	91.93	70.00	50.8
Texas	147.82	98.55	70.00	47.4
Vermont	140.83	93.89	81.00	57.5
Virginia	143.15	95.43	91.00	63.6
Wyoming	142.00	94.67	43.38	30.5

[1] Preliminary 1973 State average weekly wage in covered employment, U.S. Department of Labor, Manpower Administration, UIPL No. 1278, Aug. 26, 1974.

[2] Maximum weekly permanent total disability benefit provided by law in effect Apr. 1, 1975, for a single worker.

[3] Delaware: Effective July 1, 1975, the maximum benefit will increase to 66⅔ percent of the State's average weekly wage.

[4] North Carolina: Effective Oct. 1, 1975, the maximum benefit will increase to 100 percent of the State's average weekly wage.

AS OF JULY 1, 1973, THE MAXIMUM WEEKLY BENEFIT FOR TEMPORARY TOTAL DISABILITY BE AT LEAST 66⅔ PERCENT OF THE STATE'S AVERAGE WEEKLY WAGE, AND THAT AS OF JULY 1, 1975, THE MAXIMUM BE AT LEAST 100 PERCENT OF THE STATE'S AVERAGE WEEKLY WAGE.

State	SAWW[1]	⅔ SAWW	Weekly benefit[2]	Weekly benefit SAWW (percent)
Alabama	$139.82	$93.21	$75.00	53.6
Arkansas	125.70	83.80	66.50	52.9
Delaware	175.20	116.80	[3] 75.00	42.8
Georgia	147.89	98.59	80.00	54.1
Idaho	138.64	92.43	82.80	59.7
Illinois	183.37	122.25	100.90	55.0
Indiana	169.30	112.87	90.00	53.2
Kentucky	148.73	99.15	88.00	59.2
Louisiana	149.90	99.93	65.00	43.4
Massachusetts	161.09	107.39	95.00	59.0
Michigan	202.80	135.20	107.00	52.3
Minnesota	158.12	105.41	100.00	63.2
Mississippi	123.86	82.57	63.00	50.9
Missouri	$159.77	$106.51	$95.00	59.5
Nebraska	137.57	91.71	89.00	64.7
New Mexico	134.90	89.93	75.00	55.6
New York	188.77	125.85	125.00	66.2
North Carolina	133.63	89.09	[4] 80.00	59.9
North Dakota	132.94	88.63	78.00	58.7
Oklahoma	143.01	95.34	60.00	42.0
South Dakota	121.76	81.17	[3] 72.00	59.1
Tennessee	137.90	91.93	70.00	50.8
Texas	147.82	98.55	70.00	47.4
Vermont	140.83	93.89	86.00	61.1
Virginia	143.15	95.43	91.00	63.6
Wyoming	142.00	94.67	54.92	38.7

[1] Preliminary 1973 State average weekly wage in covered employment, U.S. Department of Labor, Manpower Administration, UIPL No. 1278, Aug. 26, 1974.

[2] Maximum weekly temporary total disability benefit provided by law in effect Apr. 1, 1975 for a single worker.

[3] Delaware: Effective July 1, 1975, the maximum benefit will increase to 66⅔ percent of the State's average weekly wage.

[4] North Carolina: Effective Oct. 1, 1975, the maximum benefit will increase to 100 percent of the State's average weekly wage.

Mr. JAVITS. Consider also the matter of coverage. The Commission recommended that by July 1, 1975, farm workers be covered on the same basis as all other employees. Only 15 States met that standard as of April 1, 1975, according to the Interdepartmental Workers' Compensation Task Force. Considering the fact that agriculture today is one of the most hazardous occupations in the country, the failure of 35 States to provide this coverage is nothing less than outrageous.

Another set of critical recommendations of the Commission concerns overall limits on benefits for total disability and for medical benefits. Despite virtual unanimity of opinion in this country in prior years on these recommendations, 14 States still provide limitations on permanent total disability benefits and six States still provide limitations on medical benefits. I ask unanimous consent that the tables prepared by the Interdepartmental Task Force showing these limitations be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

R3.17 TOTAL DISABILITY BENEFITS BE PAID FOR THE DURATION OF THE WORKER'S DISABILITY, OR FOR LIFE, WITHOUT ANY LIMITATIONS AS TO DOLLAR AMOUNT OR TIME

State		Time (weeks)		Amount
Alabama	Sec. 289-	500	279(A)(D)	$37,500
Georgia	Sec. 114-404	400		
Kansas			44-5 all	50,000
Louisiana	Sec. —1221(2)	500		
Mississippi	Sec. 6998.09(a)	450	6998.09(a)	21,000
New Mexico	Sec. 59-10-18.8A	500	59-10-18B	32,500
North Carolina	Sec. 97-29, 41 and 61.6			
Oklahoma	Sec. 22(1) and (2)	500		
South Carolina			72-160	$25,000
Tennessee	Sec. 50-1007(d)	550	50-1007(d)	28,000
Texas	Pt. 1, Sec. 10	401		
Vermont	Sec. 21-643	330		
Virginia	Sec. 65.1-54	500	651-54	45,500
Wyoming			27-85	17,500

Note: The previous jurisdictions have provisions in the statute (sections cited) that keep the law from fully meeting this recommendation.

R4.2—THERE BE NO STATUTORY LIMITS OF TIME OR DOLLAR AMOUNT FOR MEDICAL CARE OR PHYSICAL REHABILITATION SERVICES FOR ANY WORK-RELATED IMPAIRMENT [1]

State	Pertinent statutory provisions		
	Limited benefits		
	Time	Money	Remarks
Alabama	4 yr	$35,000	Sec. 293—The maximum amount payable for medical care increased from $17,000 to $35,000 and period during which such benefits payable increased from 3 to 4 yr. Coverage of physical rehabilitation as a medical benefit was specified. (Approved and effected Sept. 17, 1973.)
Arkansas	6 mo [1]		Sec. 11—Employer to provide medical, surgical, hospital, and nursing services and medicine, crutches, artificial limbs and other apparatus necessary during 6 mo after the injury.
Illinois	2 yr		Silicosis and asbestosis cases, limited to 2-yr medical care.
Louisiana		12,500	Sec. 1203—Employer to furnish all necessary medical, surgical, hospital services and medicines or any nonmedical treatment recognized by laws of State as legal not to exceed $12,500. Employer shall furnish to employee the necessary cost of repair to, or replacement of any prosthetic device damaged or destroyed.
Montana	36 mo		Sec. 92.706-1 (Amended effective July 1, 1973)—Amendment July 1, 1973, provides that during first 36 mo medical and hospital services approved by Workmen's Compensation Division are to be furnished. Discretionary authority of industrial accident board to order artificial member deleted by 1973 amendment.
New Mexico		40,000	Law of 1969 (59-10-19-1)—Amended bylaw 1973. After injury and continuing as long as medical or surgical attention is reasonably necessary, employer shall furnish all reasonable surgical, physical rehabilitation services, osteopathic, chiropractic, dental, optometry, and hospital services—not to exceed $40,000.
Tennessee	3 yr		Law 50-1004 July 1, 1973.
Vermont			Sec. 640-641, amended 1973.—Sec. 641. The pecuniary liability of such employer, for the medical, surgical, hospital and nursing services and supplies, as required, (sec. 640) shall be limited to such charges as prevail in the same community. However, in no event shall medical, surgical, hospital rates . . . exceed such maximum amounts for such services as shall be established by a schedule of fees to be prepared by the Commissioner. Sec. 601(7).—"Injury" includes injury to and cost of acquiring and replacement of artificial limbs, eyes, teeth and eye glasses. Sec. 1005.—The maximum compensation payable under this chapter for disability and deaths resulting from silicosis or asbestosis shall not exceed the sum of $7,000.

[1] Compendium on Workmen's Compensation, p. 146, table 10.1 (footnote 1) indicates 6-month limitation to provide benefits nullified by State supreme court decision.

Note: The previous jurisdictions have provisions in the statute (sections cited) that keep the law from fully meeting this recommendation.

Mr. JAVITS. Mr. President, numbers, names of States, and statistics are dry but they reflect what we deal with in this legislation—the human tragedy that lies behind the failure and inadequacy that I have been discussing. The question before us that must be answered in terms of today's legislation is whether we are going to continue to treat workers who are maimed and killed on the job as waste products of an industrial society, to be shunted onto the nearest scrap heap and forgotten, or whether we are to found our treatment of these unfortunate workers on the highest ethical, moral and humanitarian principles. The ultimate, unavoidable, fact of the matter is that our workers' compensation programs in the States, humane and just though they might have been at their inception, have deteriorated and degenerated in many cases into a tragic rip off of American workers, and that, despite progress in many States, in all too many instances our State laws remain woefully inadequate.

We have had hearings; we have had studies; we have had the recommendations of the National Commission. I say that this year is the time for Congress to act, once and for all, to assure that injured workers and the survivors of those who have been killed on the job are treated with humanity and decency as a matter of Federal law.

I close by repeating what I have often said: I have no wish to federalize our system of workers' compensation laws. I have no illusions that the mere substitution of a Federal bureaucracy for the existing State bureaucracies will solve any problems. What is needed, and what today's bill provides, is a set of Federal minimum standards, enforceable through the existing State workers' compensation agencies, which, if implemented properly, will utilize what is best within our Federal system to achieve an adequate, prompt and equitable system of workers' compensation.

By Mr. HUMPHREY:

S. 2019. A bill to amend the Rehabilitation Act of 1973 to provide for a program of wage supplements for handicapped individuals. Referred to the Committee on Labor and Public Welfare.

WAGE SUPPLEMENTS FOR HANDICAPPED INDIVIDUALS ACT

Mr. HUMPHREY. Mr. President, today I am again introducing an amendment to the Rehabilitation Act of 1973, the purpose of which will be to provide wage supplements to handicapped individuals working in sheltered workshops or work activity centers. This measure will provide the handicapped worker with a means of achieving a significant degree of independence and dignity while at the same time providing an incentive for self-improvement.

This legislation is long overdue. It has been nearly 10 years since the concept of wage subsidies for severely disabled people in workshops was first articulated and documented legislatively. In 1967, the Secretary of Labor recommended that in order to achieve the goal of a minimum wage for clients in sheltered workshops, wage supplements should be considered. Again, in 1969 and 1972 this concept was endorsed by the President's Committee on Employment of the Handicapped and the Council of State Administrators of Vocational Rehabilitation.

For a long time our country has done little to aid handicapped individuals to achieve that measure of self-fulfillment of which they are capable. There has been a hidden assumption that the handicapped worker is a total invalid, that he cannot help himself, or that he must be protected from society or vice versa.

This is a costly conception both in terms of the human toll it takes on handicapped persons and their families, and in terms of the financial burdens it unnecessarily imposes on society.

The human dimension is paramount. One of the great political principles of our national life is that every person shall have an opportunity to achieve whatever degree of self-reliance and self-fulfillment of which he or she is capable.

People in workshops are highly motivated and already partially self-supporting. There is ample precedent for subsidy programs in this country. The question is why not a wage subsidy for disabled people who are working, but who cannot earn a decent living because of their handicap? Simply because fate dealt them a bad hand in the "game of life" does not mean that handicapped people should be denied an acceptable standard of living.

The other cost of failing to recognize the rights and opportunities for the handicapped is a social and financial cost. The work-related needs of over 100,000 severely handicapped persons are currently being served in over 2,400 workshops and work activity centers in the United States. Without those workshops, many severely handicapped individuals, unable to compete in the labor market, yet fully capable of performing in sheltered employment, would have to return to institutions where the average cost to care for that person is $40 to $60 per day, or become unproductive burdens on their families.

In this day and age, with increasing emphasis on alleviating poverty and discrimination in our country, it is time to rearrange our rehabilitation priorities to meet the very basic economic requirements of the handicapped working poor. It is certainly better to provide a small stipend in a program which enables a handicapped individual to become self-reliant, or to provide a modest stipend on a permanent basis to a person who can become partially independent and productive, than to foot the bill for a permanent, high cost institutionalization. Subsidizing workers in a workshop helps make it possible for handicapped individuals to remain in the community and work. Workshop employment is more economical than institutionalization, and it is better for retarded persons than institutional life.

What my proposal provides for is a series of pilot programs to study the advantages of a system of wage supplements which simultaneously provide an incentive to the worker to increase his productivity—if feasible, to a level which would enable him to leave the workshop—and a means to become self-sustaining.

We need to examine the feasibility and effectiveness of such a program on a nationwide basis. The Department of Health, Education, and Welfare is presently completing a study of sheltered workshops, but this study is going to have to be theoretical unless we provide some demonstration projects for the Department to examine. I think we need to see how these programs operate in the flesh.

Specifically, this measure would provide the following mechanisms for wage supplements:

Every handicapped worker in a sheltered workshop would be provided with a wage supplement of $1 per hour in addition to his wage, up to and including the point where his wage reaches 50 percent of the minimum wage. For wages above that point, the wage supplement will be reduced 7 cents for each additional 10-cent increment in wages, with the entire wage supplement to be eliminated for any wage in excess of 100 percent of the minimum wage.

The wage supplement is to be provided separately from payment for work produced, so that it will be clear that the supplement is not part of the wage. And wages are to be paid for producing the same volume of work per hour.

The payment of a wage supplement is not to affect the payment of social security or retirement benefits.

The great advantage of this formula is that there is no sudden cutoff point for the wage supplement, so that there is continuous incentive for the handicapped worker to increase his productivity, and this incentive may well encourage him to achieve a level of productivity where he no longer requires the support of a sheltered workshop.

One further provision of this legislation is that the activities of the workshops themselves are monitored, and the workshops are encouraged to make a positive contribution to the self-improvement of the handicapped workers.

Because we live in a culture which is oriented to the nonhandicapped, it is necessary to provide certain services to meet the needs of handicapped workers to enable them to earn a living wage and to lead a meaningful life. This proposal is not intended to contribute to unfair competitive practices nor is it intended to destroy the incentive of the handicapped worker. Rather, it is aimed at assisting handicapped workers who are already employed and who need a further supplement to meet the economic needs of daily living.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD immediately following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2019

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Wage Supplements for Handicapped Individuals Act".

SEC. 2. Title IV of the Rehabilitation Act of 1973 is amended by adding at the end thereof the following new section:

"WAGE SUPPLEMENTS FOR HANDICAPPED INDIVIDUALS

"SEC. 408. (a) In order to demonstrate the feasibility of the payment of wage supplements to handicapped individuals and severely handicapped individuals who are employed on a long-term basis in rehabilitation facilities which are sheltered workshops or work activity centers, there are authorized to be appropriated $2,200,000, for the fiscal year ending June 30, 1976, $4,800,000, for the fiscal year ending June 30, 1977, and $9,600,000, for the fiscal year ending June 30, 1978.

"(b)(1) The Secretary is authorized to conduct demonstration projects either directly or by way of grant, contract, or other arrangement with public or private nonprofit agencies or organizations under which wage supplements are paid to handicapped individuals or severely handicapped individuals who are employed in rehabilitation facilities which are sheltered workshops or work activity centers in accordance with the provisions of this section.

"(2) The Secretary shall carry out the program authorized by this section so as to determine the feasibility of the payment of wage supplements for such individuals on a nationwide basis and so as to assure that such payments are made in each region throughout the United States.

"(c) No wage supplement payment may be made under this section unless an application is made by the appropriate public or private nonprofit agency or organization. Each such application shall contain provisions to assure—

"(1) that the rehabilitation facility in which the handicapped or severely handicapped individual is employed is a sheltered workshop or work activity center or other similar facility which is eligible for obtaining certification for handicapped individuals under section 14(d) of the Fair Labor Standards Act of 1938;

"(2) that the wage supplement payable to any qualified handicapped worker be set aside and not included as a part of the income of the handicapped worker earned under provisions of section 14 of the Fair Labor Standards Act;

"(3) that when the earned income of the handicapped worker is 50 per centum or less of the hourly minimum wage, he shall receive a wage supplement of $1 per hour, and that for each additional 10 cents per hour of earned income, 7 cents per hour shall be subtracted from the handicapped worker's wage supplement, the wage supplement to be eliminated entirely when the earned income is in excess of 100 per centum of the minimum wage;

"(4) that wage supplement payments will be determined over a six-month period of sustained work effort in a rehabilitation facility meeting the requirements of paragraph (1) under which the handicapped individual or severely handicapped individual has engaged in a work program of at least thirty hours during each week, except that the payment of any wage supplement may be made on an estimated basis, on a weekly or monthly basis pursuant to an agreement between the applicant and the Secretary;

"(5) that each wage supplement payment to a handicapped individual or severely handicapped individual will be made separately from payment of the earned wages to that individual; and

"(6) that each applicant shall maintain such fiscal control and fund accounting procedures as the Secretary determines necessary to insure the proper disbursement of wage supplements payable under this section, and shall make such reasonable reports as the Secretary may require to carry out his functions under this section and shall keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

"(d) No handicapped individual or severely handicapped individual shall be eligible for a wage supplement payment under this section unless such individual—

"(1) is employed in a rehabilitation facility which is a sheltered workshop or a work activity center which meets the requirements of paragraph (1) of the preceding subsection;

"(2) has attained sixteen years of age; and

"(3) has an earning capacity which is sufficiently impaired that such an individual is unable to obtain and hold employment compensated at a rate at the minimum wage applicable under section 6 of the Fair Labor Standards Act of 1938 without regard to any exclusion in that Act; and is not otherwise engaged in a training or evaluation program under this Act, pursuant to regulations promulgated by the Secretary, which involves either activities or such a significant portion of the time of the individual as to be inconsistent with the provisions of this section.

"(e) In order to assist public agencies and private nonprofit organizations which are employing handicapped individuals and which meet the requirements of paragraph (1) of subsection (b) of this section, to participate in the program authorized by this section, the Secretary is authorized to make a grant to each such participating agency or organization in an amount not to exceed 10 per centum of all wage supplement payments in that fiscal year made to individuals of that agency or organization. For the fiscal years ending June 30, 1977, and June 30, 1978, the Secretary is authorized to enter into an agreement with any such agency or organization to make an increased payment under this section based upon the success which such agency or organization has in reducing reliance by handicapped individuals and severely handicapped individuals upon wage supplements by an increased reliance upon earned wages by such individuals.

"(f) In carrying out the provisions of this section, the Secretary is authorized, jointly by regulation with the Secretary of Labor, to provide further requirements for the certification of a rehabilitation facility pursuant to paragraph (1) of subsection (b) of this section. Any such regulations may contain provisions requiring—

"(1) that each such facility shall pay to individuals eligible for assistance under this section wages at a rate equal to wages paid to nonhandicapped workers in industry in the vicinity for essentially the same type, quality, and quantity of work performed, except as prescribed under paragraphs (2) and (3) of section 14(d) of the Fair Labor Standards Act of 1938;

"(2) that each such facility will not compete unfairly in obtaining work or in the sale of products or the furnishing of services; and

"(3) such other reasonable requirements for the maximum efficient operation of any such facility as the Secretary and the Secretary of Labor may require.

"(g) Notwithstanding any other provision of law, the payment of a wage supplement to a handicapped individual or a severely handicapped individual under this section shall not result in a loss of eligibility to an individual in any other program such as the Social Security Act or any other similar retirement or public assistance payments.

"(h) Not later than April 1, 1978, the Secretary is authorized to prepare and submit to the Congress a report on programs authorized by this section together with such recommendations for additional legislation as he determines desirable.".

Sec. 3. The table of contents of title IV of the Rehabilitation Act of 1973 is amended by adding at the end thereof the following new item:

"Sec. 408. Wage supplements for handicapped individuals.".

By Mr. RIBICOFF:

S. 2020. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care. Referred to the Committee on Finance.

Mr. RIBICOFF. Mr. President, I am introducing legislation to provide part B medicare payment for basic vision care services which millions of older Americans need but cannot afford.

Problems with vision affect 95 percent of those persons over 65 years of age. And of this group, 75 percent suffer from one or more chronic conditions. In fact, some 42 percent of the group cannot even read newsprint. Studies and surveys have also indicated that 85 percent of all serious injuries to persons 65 years and over are caused by falls—and in over one-quarter of these incidents, uncorrected poor vision has been the direct cause of the fall. By preventing these accidents before they occur we can save money both for the patient and the medicare program.

To those in later stages of life, vision is an essential key. In addition to direct physical problems, uncorrected faulty vision contributes to complications affecting every phase of life for the elderly. These are intangibles, perhaps impossible to measure. Companionship, mental well-being, sense of personal worth, contact with the world—these are all affected by the state of one's vision.

Despite the teeming population in this country and a wealth of technological advantages, growing old in America may spell isolation, along with injury, illness, and poverty. These factors can especially affect the health of the aging. Health care facilities may become virtually inaccessible to them, based on reduced finances, lack of transportation, and maldistribution of some health care practitioners.

For the older American poor vision can mean not only physical isolation, but psychological loneliness as well. As vision worsens, people become unsure of their own ability to travel even a few blocks or from room to room. The aging woman who can no longer crochet or embroider for her grandchildren begins to lose her sense of self-worth. Letters, magazines, and books become next to impossible to read and even the entertainment once provided by television becomes a pleasure of the past.

Periodic optometric and medical visual examinations would provide the means to combat the erosion of vision for 22 million older Americans, including 300,000 Connecticut senior citizens. These examinations will help to alleviate the problem of falling for the elderly, and thus prevent serious injuries. Corrected vision would contribute to mutual stability by assuring continued contact between older Americans and the rest of the world.

Even more important than these intangible benefits is the fact that periodic optometric and medical examinations will help reveal ocular diseases and severe visual disorders and impairments.

While medicare does provide for payment and coverage to our senior citizens for those conditions of the eye requiring surgical procedures and related treatment, present law specifically excludes other types of optometric and medical vision services relating to the diagnosis and treatment of conditions of the visual system. As in any illness, early diagnosis can mean significant savings in treatment cost and in the prevention of human misery.

The legislation I am introducing would provide for regular optometric and medical vision services for the elderly. Included in the services would be examinations to diagnose and treat conditions of the vision system, as well as early detection of diseases such as glaucoma, hypertensive retinopathy, diabetes, and cataracts which can be medically or surgically treated by trained experts in ophthalmology. In many cases, the optometrist is in the first line of defense to spot eye problems. He can diagnose diseases and disorders and make sure that the patient is referred for full ophthalmological treatment.

Everything possible must be done to encourage older Americans to have high quality periodic eye examinations. This bill will make that goal financially possible for millions of senior citizens.

By Mr. TAFT (for himself, Mr. Brock, Mr. Case, Mr. Domenici, and Mr. Helms):

S. 2021. A bill to amend the Internal Revenue Code of 1954 to allow an income tax credit for the costs of maintaining or restoring the exterior appearance and structural soundness of certain historic buildings and structures. Referred to the Committee on Finance.

HISTORIC PRESERVATION LEGISLATION

Mr. TAFT. Mr. President, today I am introducing legislation to encourage the maintenance and restoration of historic buildings and structures certified by the Secretary of the Interior, as a special effort in conjunction with our Nation's bicentennial anniversary. I am also announcing my cosponsorship of S. 667, the Historic Structures Tax Act of 1975, which I consider to be a companion measure. This measure has been introduced by the distinguished Senator from Maryland (Mr. Beall).

It is sad but true that there are too many instances in the past where we have stood by while some of the most distinctive links to our Nation's great past have been destroyed. Many of these old buildings were marks of character within their neighborhoods, cities, or towns. Often they helped to distinguish older areas from the morasses of conformity which seem to engulf so many suburbs. Nevertheless, inadequately restrained, we have in some cases permitted bulldozers, bureaucrats, and builders to tear down buildings which brought beauty, simplicity, and charm to the early life of our cities.

Recently, in our Nation's Capital, one of the oldest buildings in Georgetown was torn down to make way for a hamburger stand. In the capital of my own State, the owners of the historic Peruna Drug Co. manufacturing building recently decided that their property was more valuable as a parking lot and acted upon that decision. All across my State and the Nation, there are examples of historic buildings which are presently threatened. The owner of the house in Columbus which was ex-President William Henry Harrison's military headquarters during the war of 1812 expresses a desire to restore it, but states that the property would be more valuable if used commercially. The Cleveland Arcade, a national historic landmark which dates from the 1890's and was one of the Nation's earliest, largest, and most elaborate indoor shopping centers, could fall into disrepair because the economic incentives for maintaining it simply are not there. The nationally recognized Kendrick-Barrett House in Chillicothe, Ohio, a Greek-revival style house built in the 1840's, has been acquired by a grocery store operation which is still deciding whether to let the house stand despite the lack of any economic reason to do so.

A national effort must be made to preserve these buildings. To replace them with formless, faceless office or commercial buildings is a terrible desecration of our heritage. By savings buildings such as these, we will be enriching the lives of future generations and providing a further inducement for foreign visitors to come to our country.

Although the needless destruction of truly historic properties is a more widely recognized tragedy, the deterioration and demolition of other older and architecturally significant buildings also should be a matter of great concern. Areas of our cities which are struggling to maintain their attractiveness and viability can ill-afford to lose these structures. To the extent these structures are residential and can help fulfill the Nation's housing needs, compelling economic facts also dictate a greater preservation effort.

In recognition of the high construction, land, environmental, and energy costs generally associated with new dwellings, since coming to the Senate I have fought hard for a greater emphasis in our housing programs on the rehabilitation and preservation of existing structures. Some of the same concerns are also relevant for structures to be used commercially.

It should have been considered urgent long ago to correct and reverse present incentives leading to the demolition or deterioration of these historic and older buildings. As we approach the Nation's Bicentennial, it is a particularly appropriate time to try to preserve the best of these buildings, so that these structures will not be lost for future generations of Americans.

Taken together, the two measures I am discussing would provide a comprehensive attack on the problem. With respect to structures which are on the national register of historic places, they would provide the 10-percent tax credit for maintaining or restoring the exterior appearance and structural soundness and allow a 5-year tax writeoff of rehabilitation expenditures incurred with respect to historic structures used in a taxpayer's trade or business. To discourage demolition of historic commercial buildings, they would disallow tax deductions for amounts expended in any such demolition and for the undepreciated costs of such a structure, have the effect of deferring the tax deductions on such a transaction which remain allowable, and limit depreciation to the straight-line method for buildings constructed on sites which were formerly occupied by historic structures now demolished.

The Historic Structures Tax Act also would allow accelerated depreciation for the rehabilitation of existing or "used" commercial property, although not on such favorable terms as the Government allows for rehabilitation of low- and moderate-income housing, and would make other tax changes to encourage granting of easements of 15 or more years' duration and remainder interests on property for preservation purposes.

The tax credit bill I am introducing today is designed to help make the preservation and restoration of historic buildings an integral part of the Nation's Bicentennial effort. Thus, the 10-percent tax credit initially would be put into effect only for the temporary period starting today and ending on December 31, 1976. Whether the tax credit ought to be made permanent could be considered later, with the benefit of our experience during this temporary period. In any event, I believe that a credit designed this way could provide a major boost to the Bicentennial.

I am informed that the annual revenue loss from the bill I am introducing today is about $25 to $50 million. However, that loss would be partially counteracted by increased tax receipts from building maintenance-related industries, which would receive a minor but needed shot in the arm. Any net revenue loss is likely to be a small price to pay for the increased preservation of our historic structures.

I am hopeful that the tax-writing committees will be able to consider legislation relating to the preservation of older and historic structures this year, perhaps as part of a general tax revision package. In view of the importance of timely action to my tax credit proposal, I hope that it will be considered promptly.

I ask unanimous consent that a copy of the legislation I am introducing today be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2021

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 45 as 45A, and by inserting after section 44 the following new section:

"SEC. 45. MAINTENANCE OF HISTORIC BUILDINGS AND STRUCTURES

"(a) GENERAL RULE.—There shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 10 percent of the amounts paid or incurred during the taxable year by the taxpayer for maintaining or restoring the exterior appearance and structural soundness of any building or structure listed on the National Register of Historic Places maintained by the Secretary of the Interior pursuant to section 101(a) of the Act of October 15, 1966 (80 Stat. 915), or of any building or structure within a district listed on such National Register of Historic Places if that building or structure is specified as contributing to the significance of that district by the Secretary of the Interior."

"(b) LIMITATION.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under the preceding sections of this subpart (other than sections 31 and 39).

"(c) REGULATIONS.—The Secretary or his delegate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section."

(b)(1) The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof:

"Sec. 45. Maintenance or restoration of historic buildings and structures.
"Sec. 45A. Overpayments of tax."

(2) Section 56(a)(2) of such Code (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (vi), by striking out the semicolon and "and" at the end of clause (vii) and inserting in lieu thereof a comma and "and", and by inserting after clause (vii) the following new clause:

"(viii) section 45 (relating to credit for maintenance or restoration of historic buildings and structures; and".

(3) Section 56(c)(1) of such Code (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (F), by striking out "exceed" at the end of subparagraph (G) and inserting in lieu thereof "and", and by inserting after subparagraph (G) the following new subparagraph:

"(H) section 45 (relating to credit for maintenance or restoration of historic buildings and structures), exceed".

(4) Section 6096(b) of such Code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44" and inserting in lieu thereof a comma and "44 and 45".

(c) The amendments made by this section apply with respect to amounts paid or incurred by a taxpayer for maintaining or restoring the exterior appearance and structural soundness of any building or structure after June 26, 1975, and before January 1, 1977, and to any such amounts paid or incurred after December 31, 1976, pursuant to a binding contract entered into by a taxpayer before January 1, 1977.

By Mr. HARTKE:

S. 2022. A bill to provide for the compensation of persons injured by criminal acts. Referred to the Committee on the Judiciary.

CRIMINAL LOSS RECOVERY ACT

Mr. HARTKE. Mr. President, today I am reintroducing legislation to assist those citizens who are presently suffering from a major and growing calamity of crime—the victims of criminal activity. There is no one who will deny the effect of crime on the quality of life in our Nation. The latest statistics from the Federal Bureau of Investigation estimate the growth of serious crime—murder, forcible rape, robbery, aggravated assault, burglary, and larceny—was 17 percent higher in 1974 than in 1973, the largest increase in half a century.

Our system of justice actually directs its attention to only two groups: the criminal and the law enforcement agency. But the victim of the crime—the individual who bears the brunt of the act—is left unattended. In fact, the Presidential Commission reported that a mere 1.8 percent of all victims ever receive any reimbursement from their attackers.

In the last two Congresses, the Senate enacted legislation to amend our priorities in the criminal justice area and recognized our obligation to the victim himself. However, action on these measures was not taken by the House of Representatives. A number of similar proposals have already been introduced in this Congress, most notably those by the distinguished majority leader, Mr. MANSFIELD, and by the distinguished Senator and chairman of the Subcommittee on Criminal Laws and Procedures, Mr. MCCLELLAN.

Although these proposals are meritorious and important, it appears to me that certain additional provisions should be included in criminal victim compensation programs. My proposal attempts to combine the best elements of existing State programs and those of other countries to enlarge and improve available coverage. I might add at this time that 11 States and such nations as Great Britain and New Zealand and certain provinces in Canada and Australia already have active compensation programs.

It is also commendable that the President in his crime message last week urged the Congress to enact comparable legislation for the victims of Federal offenses. He especially pointed out a fact that is of deep significance to all of us about the characteristics of those who fall prey to lawbreakers:

> Most of the victims of violent crimes are the poor, the old, the young, the disadvantaged minorities, the people who live in the most crowded parts of our cities, the most defenseless.

However, the vast majority of crimes are committed against State laws. And the most important feature of this bill is that coverage is extended to the victims of Federal or State laws.

Persons injured or killed by anyone in violation of any penal law of the United States or any State shall be covered by this act. Most existing and proposed compensation boards have limited the recovery of compensation to violations of certain particularized acts. Broadening coverage is imperative. Criminal injury is no respecter of legislative designation and the purpose of compensation programs should be to award those injured rather than to attempt to differentiate between types of violent crime. Most importantly, since criminal injury is one of the hazards of life in our contemporary society, the Government must recognize its obligation to protect its citizens; and, if it fails to protect, to compensate.

A shortcoming of many compensation programs has been that the number of injured who are allowed to recover is extremely limited. Under my proposal, those parties who will be covered will be the victim, his immediate family, and those in a family relationship with the victim. The reasons for compensating the victim are obvious. However, it should be recognized that relatives and those persons living with and dependent on the victim can also be the real victims of the crime. Therefore, the Criminal Loss Recovery Commission will have authority to consider the financial loss to a family member of the victim and to award financial relief where appropriate.

Most legislation dealing with crime compensation has excluded victims who are related to perpetrators from receiving compensation because of the possibility of collusive action and unjust enrichment. Victims who are family members of the perpetrator should not be outrightly excluded as a class simply because it might require close scrutiny to ascertain improper action in attempts to receive compensation. Close examination of such claims could overcome the possibility of collusive suits and unjust enrichment. It is too severe a remedy to provide that a child cannot receive compensation because one parent has seriously injured another and the child then finds himself without any means of support.

Also, there are two important features in this measure that I must mention. First, it should be noted that "those eligible for compensation" is a much broader class than provided for in most programs. New York, for example, requires that the victim must show "serious financial hardship" before he will be awarded financial compensation. I consider it most unfair to penalize victims of violent crime simply because they have accumulated some savings. Those who lack insurance and just personally pay for their injuries should also be compensated.

Second, in addition to providing for medical expenses, it is necessary that benefits in an amount equal to the actual loss sustained by the victims be awarded. This would include loss in earnings, both present and future, and other expenses incurred as a result of the injury. We should recognize that the obligation this Nation has to its citizens who have been the victims of a criminal attack cannot be specifically itemized. This obligation could in some cases go far beyond the $10,000 or $15,00 limitation normally provided in financial compensation proposals.

In conclusion, I would like to reiterate the Preamble to the Constitution that one of the major purposes of the Federal Government is to "ensure domestic tranquility." This situation is essential to the operation of a sound democracy. Especially in a period of dismay and a feeling of helplessness by a large segment of the public, we in the Federal Government must take whatever action may be necessary to restore its faith in our system and to maintain an environment of safety for themselves and their families.

Mr. President, I ask unanimous consent that the text of my bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2022

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE AND DEFINITIONS

Sec. 101. This Act may be cited as the "Criminal Loss Recovery Act of 1975".

DEFINITIONS

Sec. 102. As used in this Act the term—

(1) "child" means an unmarried person who is under eighteen years of age and includes a stepchild or an adopted child, and a child conceived prior to but born after the death of the victim;

(2) "Commission" means the Criminal Loss Recovery Commission established by this Act;

(3) "dependent" means those who were wholly or partially dependent upon the income of the victim at the time of the death of the victim or those for whom the victim was legally responsible;

(4) "personal injury" means actual bodily harm and includes pregnancy, mental distress, nervous shock, and loss of reputation;

(5) "relative" means the spouse, parent, grandparent, stepfather, stepmother, child, grandchild, siblings of the whole or half blood, spouse's parents;

(6) "victim" includes any person (A) killed or injured as a result of a crime of violence perpetrated or attempted against him, (B) killed or injured while attempting to assist a person against whom a crime of violence is being perpetrated or attempted, or (C) killed or injured while assisting a law enforcement official to apprehend a person who has perpetrated a crime of violence or to prevent the perpetration of any such crime if that assistance was in response to the express request of the law enforcement official;

(7) "guardian" means one who is entitled by common law or legal appointment to care for and manage the person or property or both of a child or incompetent; and

(8) "incompetent" means a person who is incapable of managing his own affairs, whether adjudicated or not.

TITLE II—ESTABLISHMENT OF CRIMINAL LOSS COMPENSATION COMMISSION

Sec. 201. (a) There is hereby established an independent agency within the executive branch of the Federal Government to be known as the Criminal Loss Recovery Commission. The Commission shall be composed of three members to be appointed by the President, by and with the advice and consent of the Senate. At least one member of the Commission must have served as a judge before a State court of general jurisdiction or on the bench of a Federal district court; and at least one member of the Commission must be licensed to practice medicine in the District of Columbia or a State of the United States. One member shall be designated Chairman.

(b) There shall be appointed by the President, by and with the advice and consent of the Senate, an Executive Secretary and a General Counsel to perform such duties as the Commission shall prescribe in accordance with the objectives of this Act.

(c) No member of the Commission shall engage in any other business, vocation, or employment.

(d) Except as provided in section 206(1) of this Act, the Chairman and one other member of the Commission shall constitute a quorum. Where opinion is divided and only one other member is present, the opinion of the Chairman shall prevail.

(e) the Commission shall have an official seal.

FUNCTIONS OF THE COMMISSION

Sec. 202. In order to carry out the purposes of this Act, the Commission shall—

(1) receive and process applications under the provisions of this Act for compensation for personal injury;

(2) pay compensation to victims and other beneficiaries in accordance with the provisions of this Act;

(3) hold such hearings, sit and act at such times and places, and take such testimony as the Commission or any member thereof shall deem advisable;

(4) make grants in accordance with the provisions of title V of this Act.

ADMINISTRATIVE PROVISIONS

Sec. 203. (a) The Commission is authorized in carrying out its functions under this Act to—

(1) appoint and fix the compensation of such personnel as the Commission deems necessary in accordance with the provisions of title 5, United States Code;

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals;

(3) promulgate such rules and regulations as may be required to carry out the provisions of this Act;

(4) appoint such advisory committees as the Chairman may determine to be desirable to carry out the provisions of this Act.

(5) designate representatives to serve or

assist on such advisory committees as the Chairman may determine to be necessary to maintain effective liaison with Federal agencies and with State and local agencies developing or carrying out policies or programs related to the purposes of this Act;

(6) use the services, personnel, facilities, and information (including suggestions, estimates, and statistics) of Federal agencies and those of State and local public agencies and private institutions, with or without reimbursement therefor;

(7) without regard to section 529 of title 31, United States Code, to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of its functions, with any public agency, or with any person, firm, association, corporation, or educational institution, and make grants to any public agency or private non-profit organization;

(8) request such information, data, and reports from any Federal agency as the Chairman may from time to time require and as may be produced consistent with other law; and

(9) arrange with the heads of other Federal agencies for the performance of any of its functions under this title with or without reimbursement and, with the approval of the President delegate and authorize the redelegation of any of his powers under this Act.

(b) Upon request made to the Administrator each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent to the Commission in the performance of its functions.

(c) Each member of a committee appointed pursuant to paragraph (4) of subsection (a) of this section shall receive $100 a day, including traveltime, for each day he is engaged in the actual performance of his duties as a member of a committee. Each such member shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

TERMS AND COMPENSATION OF COMMISSION MEMBERS

SEC. 204. (a) Section 5314, title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(55) Chairman, Criminal Loss Recovery Commission".

(b) Section 5315, title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(95) Members, Criminal Loss Recovery Commission".

(c) Section 5316, title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"(130) Executive Secretary, Criminal Loss Recovery Commission.

"(131) General Counsel, Criminal Loss Recovery Commission".

(d) The term of office of each member of the Commission taking office after December 31, 1974, shall be eight years, except that (1) the terms of office of the members first taking office after December 31, 1974, shall expire as designated by the President at the time of the appointment, one at the end of four years, one at the end of six years, one at the end of eight years, after December 31, 1974; and (2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(e) Each member of the Commission shall be eligible for reappointment.

(f) A vacancy in the Commission shall not affect its powers.

(g) Any member of the Commission may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(h) All expenses of the Commission, including all necessary traveling and subsistence expenses of the Commission outside of the District of Columbia incurred by the members or employees of the Commission under its orders, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Executive Secretary, or his designee.

PRINCIPAL OFFICE

SEC. 205. (a) The principal office of the Commission shall be in or near the District of Columbia, but the Commission or any duly authorized representative may exercise any or all of its powers in any place.

(b) The Commission shall maintain an office for the service of process and papers within the District of Columbia.

PROCEDURES OF THE COMMISSION

SEC. 206. The Commission may—

(1) Subpoena and require production of documents in the manner of the Securities and Exchange Commission as required by subsection (c) of section 18 of the Act of August 26, 1935, and the provisions of subsection (d) of such section shall be applicable to all persons summoned by subpoena or otherwise to attend or testify or produce such documents as are described therein before the Commission, except that no subpoena shall be issued except under the signature of the Chairman, and application to any court for aid in enforcing such subpoena may be made only by the Chairman. Subpoenas shall be served by any person designated by the Chairman;

(2) administer oaths, or affirmations to witnesses appearing before the Commission, receive in evidence any statement, document, information, or matter that may in the opinion of the Commission contribute to the functions under this Act, whether or not such statement, document, information, or matter would be admissible in a court of law, except that any evidence introduced by or on behalf of the person or persons charged with causing the injury or death of the victim, any request for a stay of the Commission's action, and the fact of any award granted by the Commission shall not be admissible against such person or persons in any prosecution for such injury or death.

TITLE III—RECOVERY FOR CRIMINAL LOSS

SEC. 301. (a) In any case in which a person is injured or killed by any act or omission of any other person which is a violation of a penal offense under the laws of the United States or any State thereof, except that no award will be made for damage to property or for the violation of any motor vehicle law. The Commission may, in its discretion, upon an application, order the payment of, and pay compensation if such act or omission occurs—

(1) within the 'special maritime and territorial jurisdiction of the United States" as defined in section 7 of title 18 of the United States Code;

(2) within the District of Columbia; or

(3) in any State of the United States.

(b) The Commission may order the payment of compensation—

(1) to or on behalf of the injured person; or

(2) in the case of the personal injury of the victim, where the compensation is for pecuniary loss suffered or expenses incurred by any person responsible for the maintenance of the victim, to that person;

(3) in the case of the death of the victim, to or for the benefit of the dependents or closest relative of the deceased victim, or any one or more of such dependents;

(4) in the case of a payment for the benefit of a child or incompetent the payee shall file an accounting with the Commission no later than January 31 of each year for the previous calendar year;

(5) in the case of the death of the victim, to any one or more persons who suffered pecuniary loss with relation to funeral expenses.

(c) For the purposes of this Act, a person shall be deemed to have intended an act of omission notwithstanding that by reason or age, insanity, drunkenness, or otherwise he was legally incapable of forming a criminal intent.

(d) In determining whether to make an order under this section, or the amount of any award, the Commission may consider any circumstances it determines to be relevant, including the behavior of the victim which directly or indirectly contributed to his injury or death, unless such injury or death resulting from the victim's lawful attempt to prevent the commission of a crime or to apprehend an offender.

(e) No order may be made under this section unless the Commission, supported by substantial evidence, finds that—

(1) such an act or omission did occur; and

(2) the injury or death resulted from such act or omission.

(f) An order may be made under this section whether or not any person is prosecuted or convicted of any offense arising out of such act or omission, or if such act or omission is the subject of any other legal action. The Commission may suspend proceedings in the interest of justice if a civil action arising from such act or omission is pending or imminent.

WHO MAY RECOVER LOSS

SEC. 302. A person is entitled to compensation under this Act if he is a victim as defined in section 102(6) of this Act; or if a person who was dependent on a deceased victim of a crime of violence for his support at the time of the death of that victim.

APPLICATION FOR COMPENSATION

SEC. 303. (a) In any case in which the person entitled to make an application is a child, or incompetent, the application may be made on his behalf by any person acting as his parent or attorney.

(b) Where any application is made to the Commission under this Act, the applicant, or his attorney, and any attorney of the Commission, shall be entitled to appear and be heard.

(c) Any other person may appear and be heard who satisfies the Commission that he has a substantial interest in the proceedings.

(d) Every person appearing under the preceding subsections of this section shall have the right to produce evidence and to cross-examine witnesses.

(e) If any person has been convicted of any offense with respect to an act or omission on which a claim under this Act is based, proof of that conviction shall, unless an appeal against the conviction or a petition for a rehearing or certiorari in respect of the charge is pending or a new trial or rehearing has been ordered, be taken as conclusive evidence that the offense has been committed.

ATTORNEY'S FEES

SEC. 304. (a) The Commission shall publish regulations, providing that an attorney shall, at the conclusion of proceedings under this Act, file with the agency a statement of the amount of fee charged in connection with his services rendered in such proceedings.

(b) After the fee information is filed by an attorney under subsection (a) of this section, the Commission may determine, in accordance with such published rules or regulations as it may provide, that such fee charged is excessive. If, after notice to the attorney of this determination, the Commission and the attorney fail to agree upon a fee, the Commission may, within ninety days after the receipt of the information required by subsection (a) of this section petition the United States district court in the district in which the attorney maintains an office, and the court shall determine a reasonable fee for the services rendered by the attorney.

(c) Any attorney who willfully charges, demands, receives, or collects for services rendered in connection with any proceedings under this Act any amount in excess of that allowed under this section, if any compensation is paid, shall be fined not more than $2,000 or imprisoned not more than one year, or both.

NATURE OF THE COMPENSATION

Sec. 305. The Commission may order the payment of compensation under this Act—

(1) expenses actually and reasonably incurred as a result of the personal injury or death of the victim;

(2) loss of earning power as a result of total or partial incapacity of such victim;

(3) pecuniary loss to the dependents of the deceased victim;

(4) any other pecuniary loss resulting from the personal injury or death of the victim which the Commission determines to be reasonable; and

(5) pecuniary loss to an applicant under this Act resulting from injury or death to a victim includes, in the case of injury, medical expenses (including psychiatric care), hospital expenses, loss of earnings, loss of future earnings because of a disability resulting from the injury, and other expenses actually and necessarily incurred as a result of the injury and, in addition in the case of death, funeral and burial expenses and loss of support to the dependents of the victim. Pecuniary loss does not include property damage.

FINALITY OF DECISION

Sec. 306. The orders and decisions of the Commission shall be reviewable in the appropriate court of appeals, except that no trial de novo of the facts determined by the Commission shall be allowed.

LIMITATIONS UPON AWARDING COMPENSATION

Sec. 307. (a) No order for the payment of compensation shall be made under section 501 of this Act unless the application has been made within two years after the date of the personal injury or death.

(b) There shall be no limitation on the amount that may be awarded to or on behalf of any victim.

(c) Compensation shall not be awarded if the Commission feels there is unjust enrichment to or on behalf of the offender would result. This is not to imply that a family member or relative or those victims living in wedlock with the offender may not recover.

TERMS AND PAYMENTS OF THE ORDER

Sec. 308. (a) Except as otherwise provided in this section, any order for the payment of compensation under this Act may be made on such terms as the Commission deems appropriate.

(b) The Commission shall deduct from any payments awarded under section 301 of this Act any payments received by the victim or by any of his dependents from the offender or from any person on behalf of the offender, or from the United States (except those received under this Act), a State or any of its subdivision; for personal injury or death compensable under this Act, but only to the extent that the sum of such payments and any award under this Act are in excess of the total compensable injuries suffered by the victim as determined by the Commission.

(c) The Commission shall pay to the person named in the order the amount named therein in accordance with the provisions of such order.

EFFECT ON CIVIL ACTIONS

Sec. 309. An order for the payment of compensation under this Act shall not affect the right of any person to recover damages from any other person by a civil action for the injury or death.

TITLE IV—CRIMINAL LOSS RECOVERY COMPENSATION GRANTS

Sec. 401. Under the supervision and direction of the Commission, the Executive Secretary is authorized to make grants to the States to pay the Federal share of the costs of State programs to compensate victims of violent crimes.

ELIGIBILITY FOR ASSISTANCE

Sec. 402. Any State desiring to receive a grant under this title shall submit to the Commission a plan and the Federal Government will underwrite 90 per centum of such plan provided that the States adopt a plan that is in substantial compliance with the scope and intent of this legislation.

TITLE V—MISCELLANEOUS REPORTS TO THE CONGRESS

Sec. 501. The Commission shall transmit to the President and to the Congress annually a report of its activities under this Act, including the name of each applicant, a brief description of the facts in each case, and the amount, if any, of compensation awarded, and the number and amount of grants to States under title IV.

PENALTIES

Sec. 502. The provisions of section 1001 of title 18 of the United States Code shall apply to any application, statement, document, or information presented to the Commission under this Act.

AUTHORIZATION OF APPROPRIATIONS

Sec. 503. (a) There are authorized to be appropriated for the purpose of making grants under title IV of this Act $——— for the fiscal year ending June 30, 1975.

(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out the other provisions of this Act.

EFFECTIVE DATE

Sec. 504. This Act shall take effect on January 1, 1975.

By Mr. MAGNUSON (by request):

S. 2023. A bill to provide for the competitive movement at fair and equitable rates and charges of household goods shipments moving in the foreign commerce of the United States, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I am introducing a bill to provide for the assessment of fair and equitable rates and charges on Federal household goods and shipments moving in the foreign commerce of the United States. This legislation is designed to counter a policy of the Department of Defense, which is ostensibly designed to save the Government money, but will in the long run raise the cost of houshold goods movements to the Government and result in damage to our household goods moving industry.

The largest household goods shipping in the Government, the Department of the Defense, is presently engaged in an effort to reduce the number of household goods movers through a competitive bid process, with the goal of reducing the Department's costs on household goods movements. While this goal is a laudable one, the means adopted by the Department of Defense may, in fact, not achieve that goal and appears to be distorting Federal transportation policy by gradually eliminating competition for this particular traffic.

To achieve the goal of lower household goods moving costs, the Department has established what is known as the "Okinawa Trial." Under this experiment, the Department selects the low bidder for the movement of household goods and then excludes all other movers from participating in the traffic for a period of 6 months. The effect of such an experiment is predictable and has already begun to occur. Movers with fixed facilities in either the United States or Okinawa bid under cost in order to insure that for the short run they would be able to continue in the business while excluding other carriers without such fixed facilities who do not have the incentive to bid below cost. Gradually, these carriers will be the only ones available to move this traffic and they will be able to raise their rates. The eventual result will be that the Government will pay higher rates than it would have paid under a competitive bidding program which allowed other carriers to participate in the traffic after a shorter period, for example 30 days, if they met the rate charged by the low bidder. This practice would have insured continuing competition for the traffic and eliminated the incentive provided under the "Okinawa Trial" for the carriers to bid low and attempt to secure a monopoly over the traffic. In fact, DOD officials indicate that a firm bidding below cost can in fact recover their losses. This obviously defeats DOD's stated objectives.

Efforts to pursuade the Department to abandon or modify this experiment for one which did not establish carrier monopoly over this traffic and higher rates in the long run have not been successful. Apparently, the Department is more interested in demonstrating low costs in the short run than establishing a stable competitive service for the Government which would result in long-term low costs. I therefore feel compelled to introduce this legislation which would require the Federal Maritime Commission to determine whether rates or charges covering shipments of household goods by the United States are compensatory. This may add some administrative burden to the Government bidding procedures. However, while I have always favored as few restrictions as possible upon movement of goods in foreign commerce, the unwillingness of the Department to even consider revision of its present program appears to make this legislative step necessary to insure that there will remain a competitive household goods industry to serve the agencies of the United States in foreign commerce.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2023

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 18 of the Shipping Act, 1916 (46 U.S.C. 817), is amended by—

(a) inserting at the end of subsection (b) (6) a new subsection (c), as follows:

"(c) (1) No common carrier by water subject to this Act shall submit to any agency of the United States rates or charges covering shipments of household goods, moving in whole or in part by water, in the foreign commerce of the United States, unless those rates or charges shall have been filed with the Federal Maritime Commission at least 30 days prior to the date of such submission; *Provided:* That this section shall not be applicable to the movement of such household goods if the applicable shipping agency has certified to the Federal Maritime Commission prior to the time of such filing that such common carriers by water found qualified by such agency to transport shipments of household goods which offer to move such goods at rates equal to or below those being paid other carriers participating in such traffic are not prohibited by such an agency from participating in such traffic for reasons other than service deficiencies for a period exceeding 30 days.

(2) "Upon the filing of such rates or charges with the Commission interested persons shall have 15 days within which to file a protest. If, upon receipt of a timely filed protest, it should appear to the Commission that such rates or charges may be lower than the rates or charges assessed commercial shippers for substantially the same transportation services, the Commission shall, by appropriate notice and order, institute a hearing, whereupon the protested rates or charges shall be of no force and effect and their use shall be unlawful unless and until the Commission, after such hearing, determines (a) that such rates or charges are no lower than the rates or charges assessed commercial shippers for substantially the same transportation services or (b) that such rates or charges are compensatory on a fully-distributed commercial cost basis. At any hearing under this subsection, the burden of proof to show that the protested rates or charges are no lower than the lowest corresponding rates or charges assessed commercial shippers, or that such rates or charges are compensatory on a fully-distributed commercial cost basis, shall be upon the publishing carrier."

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 2024. A bill to amend the Hazardous Materials Transportation Act to make certain technical corrections, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Hazardous Materials Transportation Act to make certain technical corrections, and for other purposes, and ask unanimous consent that a section by section analysis be printed in the RECORD with the text of the bill.

There being no objection, the bill and material was ordered to be printed in the RECORD, as follows:

S. 2024

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hazardous Materials Transportation Act Amendments of 1975".

SEC. 2. Section 106(c) of the Hazardous Materials Transportation Act (49 U.S.C. 1805 (c)) is amended by striking out "extremely" each time it appears.

SEC. 3. Section 107(a) of the Hazardous Materials Transportation Act (49 U.S.C. 1806 (a)) is amended by striking out the phrase "transports or causes to be transported or shipped hazardous materials in a manner so as to achieve" and insert in lieu thereof "will provide for".

SEC. 4. Section 115 of the Hazardous Materials Transportation Act (49 U.S.C. 1812) is amended by adding at the end thereof the following new sentence: "There are authorized to be appropriated to carry out the purposes of the title for subsequent fiscal years such sums as are necessary".

SECTION-BY-SECTION ANALYSIS

Section 1 is the short title.

Section 2 would make a clarifying amendment to section 106(c) of the Hazardous Materials Transportation Act by eliminating a term which relates to a Senate bill concept rejected and omitted from the Act by the committee of conference. The conference, in reporting on the Act, deleted several other references to "extremely" hazardous materials. However, the two references in this subsection were apparently overlooked.

Section 3 would amend the Hazardous Materials Transportation Act provision on exemptions to make it clear that eligibility for exemptions from hazardous materials regulations is not limited just to persons who transport or ship hazardous materials. Persons who manufacture, fabricate, mark, maintain, recondition, repair or test packages or containers for use in transportation of hazardous materials are expressly subject to the provisions of the Act pertaining to regulations (§ 105(a)), registration (§ 106(b)), inspections (§ 109(c)), and civil penalties (§ 110 (a)) the same as persons who transport or ship hazardous materials. This Amendment will make the coverage of the exemption section consistent with those provisions.

Section 4 would authorize appropriations in such sums as are necessary to carry out the purposes of this title.

By Mr. MAGNUSON (for himself, and Mr. PEARSON) (by request):

S. 2025. A bill to amend the Federal Power Act and the Natural Gas Act. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Federal Power Act and the Natural Gas Act, and ask unanimous consent that the letter of transmittal be printed in the RECORD with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

FEDERAL POWER COMMISSION,
Washington, D.C., April 16, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Transmitted herewith for consideration by the appropriate committee of the House of Representatives are twenty copies of a draft bill to amend Section 309 of the Federal Power Act and Section 16 of the Natural Gas Act. The proposals herein would, if enacted, broaden the Commission's authority to levy annual charges for services it renders under both the Federal Power Act and the Natural Gas Act. The adoption by the Commission of regulations imposing annual charges was successfully challenged in the United States Court of Appeals and the decision of that Court upheld by the United States Supreme Court.

H.R. 15618 was introduced to the House of Representatives on June 25, 1974 by Congressman Harley O. Staggers for himself and Congressman Samuel L. Devine upon request and referred to the House Committee on Interstate and Foreign Commerce. S. 3762 was introduced to the Senate on July 15, 1974, by Senator Warren G. Magnuson for himself and Senator Norris Cotton upon request and referred to the Senate Committee on Commerce. Both of these previous bills are identical to the enclosed draft bill and both bills were proposed by this Commission as legislation during the 93d Congress.

This proposal, if enacted into law, would statutorily empower the Federal Power Commission to assess reasonable filing fees and annual charges on public utilities and natural gas companies for the privilege of doing business as such in amounts to be fixed by the Commission for the purpose of reimbursing the United States for the costs of administration of the respective Acts.

Statutory power to fix reasonable annual charges for the purpose of reimbursing the United States for the costs of the administration of Part I of the Federal Power Act has been vested in the Commission since the adoption of the Federal Water Power Act in 1920, 41 Stat. 1063, and the Commission has assessed such charges against persons holding licenses under Part I pursuant to regulations first adopted on February 28, 1921, and as thereafter amended, and remitted the proceeds collected for coverage into the United States Treasury.[1]

Neither Parts II and III of the Federal Power Act adopted by Title II of the Public Utility Act of 1935, 49 Stat. 838, approved on August 26, 1935, or the Natural Gas Act, 52 Stat. 821, approved on June 21, 1938, statutorily vested authority in the Commission to adopt by regulation powers to assess charges against persons subject to its jurisdiction for services rendered in the administration of those Acts. However, Congress in enacting the Independent Offices Appropriations Act for the Year Ending June 30, 1952 (65 Stat. 290, 31 U.S.C. 483a) included in Title V a precatory provision that all federal agencies "be self-sustaining to the full extent possible" and authorized the head of each agency by regulation to prescribe a fair and equitable fee, charge, or price for: any work, service, publication, report, document, benefit, privilege, authority, use, franchise, license, permit, certificate, registration or similar thing of value or utility performed, furnished, provided, granted, prepared, or issued [by such agency] * * * taking into consideration direct and indirect cost to the Government, value to the recipient, public policy or interest served, and other pertinent facts and any amount * * * shall be collected and paid into the Treasury as miscellaneous receipts * * *.

Pursuant thereto and to directive of the then Bureau of the Budget Circular A-25, issued November 5, 1953, the Commission, after notice of proposed rulemaking (30 F.R. 12077), issued Order No. 317 on January 5, 1966 (31 F.R. 430, as amended 31 F.R. 4890) establishing a flat filing fee to accompany each application whether or not it involved the construction or acquisition of facilities filed under the Natural Gas Act and additionally a percentage fee of the construction or acquisition costs payable in three installments involving applications for the construction or acquisition facilities under Sections 7 (c) and (d) of that Act. That order was never challenged and fees pursuant thereto have been collected by the Commission on applications filed under the Natural Gas Act since 1966.

On numerous occasions thereafter Congressional appropriation committees requested this agency to further review its fee schedules with a view to making increases or adjustments to offset in part the increasing needs for direct appropriations for agency operations occasioned by increased costs of administration and expanded Commission responsibilities. In compliance with those requests a study was initiated with a view to determining the appropriateness of increasing the fees then in effect under the Natural Gas Act and the feasibility of inaugurating new schedules of fees and annual assessments for services being rendered under both Acts without charge.

---

[1] Under current regulatory provisions, section 11.20 of the Commission's Regulations Under the Federal Power Act, collections during FY 1974 in the recovery of the costs of administration of Part I of the Act during FY 1973 were $2,938,062. Additional collections authorized under Sections 10(e) and 16 of the Act (apart from costs of administration) in FY 1974 were $5,936,307.

The Commission after notice (35 F.R. 18324) and consideration of comments issued Order No. 427 on March 18, 1971 (36 F.R. 5593). The order provided for an increase of the fees payable in connection with the filing and processing of applications involving the construction or acquisition of facilities of natural gas companies commensurate with the increased costs of administration of the program, established a schedule of fees payable in connection with the filing of applications under Parts II and III of the Federal Power Act based on the estimated cost of the processing thereof, and imposed annual assessments on both public utilities and natural gas companies designed to recoup for the United States Treasury about three-fourths of the Commission's costs of administration of electric and natural gas programs.

However, on August 15, 1972, the order was set aside with respect to the annual charges levied against public utilities and natural gas companies by the United States Court of Appeals for the District of Columbia Circuit in *New England Power Company, et al.* v. *F.P.C.*, 467 F. 2d 425, affirmed *sub nom. FPC* v. *New England Power Co.*, 414 U.S. 905 (1974).

We submit that the proposed amendments are essential for the avoidance of problems in the agency's budgetary process. The adoption of legislation statutorily empowering the Commission to impose annual charges would enable the Commission to recover for the United States a major part of the costs of its administrative functions and assure that it will be more nearly self-sustaining. Otherwise the recovery of costs of the Commission's operations under Parts II and III of the Federal Power Act will be negligible and the amounts collected under the Natural Gas Act will recoup a relatively small proportion of actual costs of operations.[2]

The Office of Management and Budget advises that there is no objection to the submission of this legislation from the standpoint of the Administration's program.

Sincerely,

JOHN N. NASSIKAS,
Chairman.

S. 2025

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Congress finds that the services performed by the Federal Power Commission in its administration of the Federal Power Act and the Natural Gas Act confer special benefits on the persons subject to its jurisdiction and that it is the public policy that the costs of such administration shall be assessed on an equitable basis against such persons so as to make the Commission self-sustaining to the fullest extent possible.

SEC. 2. That section 309 of the Federal Power Act is amended by inserting "(a)" before the first sentence thereof; and by adding at the end thereof the following new subsection:

"(b) Notwithstanding the provisions of any other law, every public utility shall for the privilege of doing business as a public utility pay to the United States on or before July 1 of each calendar year reasonable annual charges in an amount to be fixed by the Commission for the purpose of reimbursing the United States for the costs of the administration of parts II and III of this Act."

SEC. 3. That section 16 of the Natural Gas Act is amended by inserting "(a)" before the first sentence thereof; and by adding at the end thereof the following new subsection:

"(b) Notwithstanding the provisions of any other law, every natural gas company shall for the privilege of doing business as a natural gas company pay to the United States on or before July 1 of each calendar year reasonable annual charges in an amount to be fixed by the Commission for the purpose of reimbursing the United States for the costs of administration of the Natural Gas Act."

By Mr. MAGNUSON (for himself and Mr. KENNEDY):

S. 2026. A bill to amend the Public Health Service Act to provide for a program for improved dental health for children. Referred to the Committee on Labor and Public Welfare.

Mr. MAGNUSON. Mr. President, I introduce for myself and the Senator from Massachusetts (Mr. KENNEDY), a bill entitled "The Children's Dental Health Act."

This legislation, though it differs in some provisions, is identical in intent to a bill of the same title which I introduced in the 92d Congress and reintroduced in the 93d Congress. The bill was passed by the Senate by a vote of 88 to 1 in December 1971. Regrettably, the House failed to act on that bill prior to the adjournment of the 92d Congress. However, I am now very hopeful that the House will act expeditiously and favorably on this proposal early in this session.

During hearings held in the 92d Congress by the Senate Health Subcommittee, strong support was expressed for the Children's Dental Health Act by the American Dental Association, the National Dental Association, the American Dental Hygienists' Association, the American Society of Dentistry for Children, and the American Academy of Pediatrics. The legislation was also formally endorsed by the American Medical Association.

Mr. President, the legislation we are introducing here today would authorize appropriations totaling $87.5 million to be expended during the fiscal years 1975, 1976, and 1977. A sum of $50 million would be authorized for pilot projects providing preventive, corrective, and followup dental care to approximately one-half million low-income children.

Also $9 million would be authorized for matching grants to communities or public schools wishing to fluoridate their drinking water and $28.5 million would be authorized to fund a variety of demonstration projects designed to increase the effectiveness of dental health education for school children and the general public.

There is an alarming lack of dental care now available to America's children, particularly those in low-income families. By age 2, half of this country's children have decayed teeth. By school age, the average child has three decayed teeth and, by age 15, he has 11 decayed, missing or filled teeth. More often than not, these are 11 decayed or missing—rather than filled—teeth, since over one-half of all children have never been to a dentist, and that proportion is even higher among children in rural areas. But, by far, the greatest need is among children from low-income families—the very children who would be served by the pilot projects proposed in this legislation. Almost 70 percent of the children from low-income families have never received a dentist's care.

An unpublished report written in 1970 by the staff of the Division of Dental Health in the Bureau of Health Manpower noted that:

> More than 20 million persons have lost all their teeth and another 25 million have lost half or more, and only six persons in every 1,000 possess a full complement of sound teeth.

In view of the lack of dental care now available to children in low-income families and the serious consequences of that neglect, the need for the pilot projects proposed in this legislation is clear.

Beyond the immediate needs of low-income children lies the broader question of the entire Nation's dental health. American consumers spend more than $2 billion annually on corrective dental care despite the fact that dental disease is among the most preventable of all maladies. Today, this is a serious misallocation of money. Once national health insurance becomes a reality, this sort of waste will not be tolerable. Every health dollar will have to be stretched to the last penny if the concept of national health insurance—quality health care for all—is to be fulfilled.

This legislation proposes to begin stretching the dental health dollar by emphasizing preventive measures so that expensive corrective care can be minimized.

Although community water fluoridation has long been recognized by public health officials and dentists as a safe, effective method of preventing dental disease, the majority of Americans are still drinking unfluoridated water. The $9 million authorized in this bill for matching grants would permit as many as 4,200 communities with 27 million residents to initiate water fluoridation if they so desired. The decision to seek these matching grants for water treatment would, however, be made entirely at the local level. I want to note, in passing, that this legislation is consistent with HEW Secretary Weinberger's announced goal of "initiating a national program of supporting the fluoridation of all community sources of drinking water. For a relatively modest investment, a fluoridation program could have enormous benefits both in health and in the cost of care. Most of the NHI—national health insurance—programs now before the Congress would include dental care through childhood. It has been estimated that at least $2.6 billion could be saved over the first

---

[2] Estimated collections in FY 1975 of fees under Parts II and III of the Federal Power Act total approximately $950,000. Collection of annual charges under Order No. 427 would have increased reimbursement by more than $5.5 million. Similarly, collections of annual fees under the Natural Gas Act would have amounted to more than $8 million.

15 years of an NHI program, provided universal fluoridation were in effect at the start of that program."

Continuing the legislation's emphasis on preventive measures, it will fund a variety of demonstration projects designed to increase the effectiveness of dental health education of school children. This part of the Children's Dental Health Act authorizes funds to support demonstration projects with respect to dental health education and dental health problems. It will support projects for the development of teacher training programs, particularly teachers at the elementary and secondary school level, as well as projects for development of new and improvement of existing dental health education curricula. The bill would support projects to develop effective nutrition and diet control education techniques in elementary and secondary schools. And it would support projects for public service advertisements and dissemination of dental health education to the general public.

The first part of my bill will provide for the immediate treatment and diagnosis of those children in our Nation who have been deprived of their right to visit a dentist. The other major provisions of this bill look to the future. Through effective prevention and dental health education programs, the future dental health of our citizens can be significantly increased.

By Mr. HUDDLESTON:

S. 2027. A bill to assist in the rehabilitation, modernization, development, and improvement of transportation facilities throughout the United States; to stimulate employment, and for other purposes. Referred to the Committee on Commerce.

THE NATIONAL TRANSPORTATION REHABILITATION AND MODERNIZATION ACT OF 1975

Mr. HUDDLESTON. Mr. President, today I am introducing the National Transportation Rehabilitation and Modernization Act of 1975. This legislation proposes an $8.5 billion multiyear program to upgrade the quality of rail, highway and water transportation in the United States.

If enacted, this bill will result in a revitalization of rail service nationwide, will encourage production of automobiles that achieve greater fuel economy than present day models, and could create a resurgence in the mass movement of people by energy-efficient water transport. In addition—and quite significantly—this measure will stimulate employment in transportation and related industries, and will reduce our Nation's dependence on imported oil.

Efficient and economical transportation is an essential of an industrialized society and a high standard of living. If transportation stops, much else stops. If transportation is imperiled, our food supplies, our industrial materials, our coal resources are imperiled. Today, circumstances—such as the sad financial condition of many of our rail systems and the urgent need to conserve petroleum products—mandate that we in this Nation review our transportation needs and develop policies which can insure facilities and service consistent with our requirements.

This is what this legislation seeks to do. It offers a comprehensive appoach to nationwide transportation problems without resorting to the extremity of nationalization. It offers an opportunity for our railroads, our automobile industry and our water carriers to work together to enhance efficiency in transportation without mandating major changes in transportation relationships or existing regulatory patterns. While there is undoubtedly a need for examination of regulation by Government and while every effort should be made to reduce Government interference where practical and where economies can result, regulatory reform is not the objective of this bill.

The objective, instead, is to present a comprehensive plan which builds on what we have in transportation and seeks to strengthen and reinforce that base. The objective is to contribute to a very necessary dialog on transportation needs in America in the last years of the 20th Century—a dialog which is overdue—and to contribute some concepts and proposals for meeting our needs. Certainly, there will be many proposals in this area. The one I present today, I am certain, is neither 100-percent perfect nor a panacea. But it does, I believe, embody concepts and recommendations which deserve the most serious of considerations.

Transportation accounts for one-fourth of all the energy consumed in the United States today. Most of this consumption—around 9 million barrels a day—is in oil, or over one-half of the Nation's total petroleum consumption. If we are ever to make real progress toward achieving energy independence, I am convinced that we must make major improvements in our transportation systems.

If we examine the relative energy-efficiencies of the various transportation modes, we find that buses and railroads are the most efficient for moving people; not surprisingly, the private automobile is the least efficient. For freight movement, railroads, pipelines and barge lines are the most energy-efficient; trucks and airplanes consume the most fuel.

It occurs to me that something is terribly wrong with our national transportation priorities when the railroads—our most energy-efficient mover of large numbers of people and goods—transport less than 1 percent of the people who travel in interstate commerce and less than 39 percent of intercity freight.

Many years ago, the railroads held the preeminent position in American transportation. In 1944, for example, they hauled nearly 69 percent of all intercity freight, helping our Nation meet its defense requirements during World War II. By 1954, however, the railroads' share of intercity freight had declined to 50 percent. By 1964, the railroads' share was at 43 percent; and today, railroads haul less than 39 percent of our Nation's freight traffic.

I believe that there is a brighter day ahead for rail transportation with its inherent energy, environmental and volume-hauling advantages. But we must take steps to return more business to the rails—to make rail transportation more attractive—if it is to fulfill its potential.

Unfortunately, many of the railroads have fallen into serious decline. Since 1970, seven carriers which operate in the Midwest and Northeast have declared bankruptcy and are undergoing reorganization. But misery apparently loves company for, on March 23 of this year, the Rock Island joined the group. This railroad operates more than 7,000 miles of line in 13 Midwest and Southern States in the heartland of America and employs approximately 10,000 people. Other financially shaky Midwestern carriers may not be far behind.

I should point out, however, that some of the healthiest American railroads, such as the Southern and the L. & N., operate through my own State of Kentucky.

According to the Interstate Commerce Commission, the railroad industry currently has a backlog of some $7.2 billion of deferred maintenance and deferred capital improvements. Surprisingly, 45 percent of the deferred maintenance is in the West; 42 percent is in the East; and only 13 percent is in the South.

In its "Evaluation of the United States Railway Association's Preliminary System Plan," published on April 28, 1975, the ICC's Rail Services Planning Office states:

> No one appears to be sure of the economic outlook for 1975 and 1976, but it seems likely that all Class I railroads may report a combined deficit in earnings for 1975. Should the recession continue its present trends, this deficit could amount to as much as $1.5 to $2.0 billion. . . . Whatever the scale of the probable deficits, they may precipitate some further railroad bankruptcies; they are certain to cause more maintenance and capital improvement deferrals and declining employment in the railroad and railroad supply industries.

Continuing, the Rail Services Planning Office report warns:

> Some of the more prosperous railroads, even though able to finance their maintenance and improvement programs, are likely to cut them back in order to keep reported earning and dividend payments as high as possible and in the interests of liquidity. The Office believes that the majority of the industry will not be able to finance needed improvements and rehabilitation through its own devices.

In addition to direct rail inefficiency, such as slowed movement of freight, the large volume of broken rails and rotted ties on many of our rail systems presents a safety hazard of the highest magnitude in every community through which trains run.

The time has come, I believe, for the American people and their elected representatives in the Congress to make a fundamental commitment to restoring the railroads to their proper place in our economy. For we are on the verge of losing a vital national asset, perhaps within this decade, if we do not move quickly. The continuing decay and increasing numbers of bankruptcies illustrate dramatically that the patchwork solutions of the past have failed.

Our general options are few.

We can continue to wait, hoping for a brighter day to arrive on its own in the future. With the deferred maintenance and the railroad debt which will mature in the next few years, I doubt, however, that that brighter day is in tomorrow's scenario, unless new assistance is available.

And, if it is not, the risks of nonaction are great. Take food, for example. As chairman of the Senate Agriculture Subcommittee on Production, Marketing and Stabilization of Prices, I conducted in 1974 a series of hearings and studies on agricultural and rural transportation. These indicated that, in the aggregate, about half of all food is transported by rail. Most canned goods and a large share of perishables move by train. The largest manufacturer of dry cereals, Kellogg's, ships 95 percent of its nationwide output from its key Battle Creek, Mich., plant by rail.

Furthermore, the producers of these foods—our farmers—are highly dependent upon transportation for fuel, fertilizer, feed, seed, fencing, machinery and other supplies, as well as for transporting raw products to processors or to our ports for foreign sales which provide those important export earnings.

Of even more direct concern to each of us as consumers perhaps, is the testimony in the Rail Services Planning Office hearings which indicates that additional loss of essential rail services could boost the cost of shipping agricultural products by as much as 10 to 20 percent.

Turning to another important item, much of our most abundant domestic fuel resource—coal—moves by train. In fact, in 1974, some 4.5 million carloads of coal moved by rail.

Thus, I do not believe we can afford the sit-and-wait policy.

Another option is to continue the piecemeal approach. But the holes in the dike are increasing, and there is serious question in my mind as to how many Federal fingers filled with tax dollars to stave off short-term disasters can be justified.

I am, consequently, convinced that we will have to do more—and that we will have to do it on a broader basis. We have a nationwide problem which affects all Americans and the way they live—and such a problem demands national attention.

I am also convinced that the Federal Government will have to play a major role in solving America's rail crisis, although that role must be carefully conceived and circumscribed. I would, therefore, propose an increase in the Federal role in rail planning in financing while leaving the railroads in private ownership and management in the hope of avoiding nationalization of our rail and other transporation networks tomorrow. I firmly believe that through prudent public and private investments, our railroads can be put back on their feet.

Federal involvement in rail transportation is not new. Ever since 1887, the ICC has determined which railroads can operate over which routes and how much they are allowed to charge their customers. But the Federal role expanded greatly in 1970 with the creation of Amtrak. And in 1973, the Regional Rail Reorganization Act marked the beginning of comprehensive Federal involvement in rail service planning. Continuing Federal involvement seems unavoidable if we are to invest large amounts of Federal dollars in rail improvements and also protect the interests of the taxpaying public. Thus, I support a nationwide expansion of the rail planning process which the Congress initiated in the Regional Rail Reorganization Act of 1973.

The legislation I introduce today, if enacted, would mark the beginning of a long-term Federal commitment to revitalizing America's rail transportation system.

First, the bill establishes a $6.25 billion 5-year grant-in-aid program to modernize rail passenger and freight facilities and equipment. These include main lines, branch lines, feeder lines, yards, terminals, communication equipment, and data processing installations for more efficient utilization of the freight car fleet. To insure that the funds are spent solely to improve rail facilities, the bill requires each railroad, prior to receiving Federal aid, to agree to match the Federal grant on a dollar-for-dollar basis. In other words, each rail recipient would have to put up his own funds before he would be eligible for Federal assistance. However, in cases where the recipient is a State or a local or regional transportation authority, the Federal share would be 70 percent. Where the recipient is the National Railroad Passenger Corporation, the Federal share would be 100 percent.

Second, the bill would insure that the Federal funds are spent wisely, as part of a national rail plan, by requiring the Secretary of Transportation to design a National Rail System. This is patterned after the Interstate Highway System.

Sixty days after enactment, the Secretary is required to issue a report with maps to identify separate interstate, secondary and branch line rail systems. The report also would set forth rehabilitation priorities. During the next 6 months, the ICC's Rail Services Planning Office would solicit, through public hearings around the country, the views of agriculture, industry, labor, consumers, investors, the railroads themselves, and other interested parties, and report its findings to the Congress and the Secretary of Transportation. The Secretary of Labor is directed to report on the effects of the rehabilitation program on opportunities for employment.

One year after enactment, the Secretary of Transportation is required to adopt and release his final designation of the national rail system together with a plan and program for rehabilitation, modernization and improvement. The plan must designate the specific yards, terminals and other facilities within the national system to be rehabilitated, modernized and improved. Moreover, the plan and program must reflect the views of the public as expressed at the RSPO hearings.

The bill also requires the Secretary of Transportation to submit to the Congress every other year a Railway Needs Report describing the major services which should be provided by U.S. railroads. In reaching his findings, the Secretary is directed to study the long-term capital needs required for major rail upgrading, to set investment priorities among various projects, and to reevaluate Federal alternatives in financing required improvements.

Through an awareness of future rail service needs and expenditures required to fulfill those needs, the ICC, the Department of Transportation and the Congress will be in a better position to act promptly to avert future Penn Centrals and to see that the United States has a safe, economical and efficient rail system responsive to the needs of the public.

The legislation would have both a direct and an indirect effect on unemployment. Workers would be needed on the railbeds. The supplies needed could stimulate employment in the steel, electronics and other similar industries.

This legislation also recognizes the depressed state of the auto industry as well as the need to develop more fuel-efficient motor vehicles. A $2 billion 5-year program for research, experimentation, development and testing of improved automobiles, buses and trucks is authorized. The program would be directed toward the development of safer motor vehicles that would achieve greater gas mileage, operate at a lower cost with less pollution, and which also would be adapted to volume production at minimum expense.

The Secretary of Transportation would administer the program through the Federal Highway Administration. He would have discretion to allocate funds on a matching grant basis for projects in which auto manufacturers, commercial laboratories and other commercial entities were involved; in cases where educational research institutions or Government entities do the work, he could make direct grants. The program contemplates immediate action by the Secretary to assist the automotive industries in restoring employment.

Finally, the bill authorizes a $250 million 5-year program to develop, test and encourage production of modern, efficient vessels for use on the inland and coastal waterways, and on the Great Lakes. This provision is premised upon the belief of marine transportation experts that substantial improvements can be brought about in the fuel economy and cost of operation of both river towboats and self-propelled vessels.

The Secretary of Commerce presently uses funds authorized under the Merchant Marine Act of 1936, as amended, for research and development to improve vessels used in the U.S. foreign trade. But domestic water transport has been neglected. This program contemplates that a portion of the funds authorized would be used to develop improved general-purpose vessels as well as vessels used for railroad floating or marine operations.

In addition, the Secretary of Transportation would be required to report to the Congress on the possible advantages of transporting passengers by water on the inland and coastal waterways.

Prior to World War II, steamers plied the waters between such cities as Boston and New York, Washington, D.C., and Norfolk, and San Diego and San Francisco. Most of these operations were casualties of World War II, when the vessels were requisitioned for war services. Some marine experts believe that, with increasing highway and airport congestion in crowded metropolitan areas and improved marine technology, modern passenger vessels once again could provide a useful public service. The report of the Secretary of Transportation would be expected to develop the necessary facts to permit a future decision on this question.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2027

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "National Transportation Rehabilitation and Modernization Act of 1975".

TABLE OF CONTENTS

TITLE I—GENERAL PROVISIONS
Sec. 101. Declaration of Policy
Sec. 102. Definitions
TITLE II—RAILROAD REHABILITATION AND IMPROVEMENT
Sec. 201. Financial Assistance
Sec. 202. Interim Apportionments
Sec. 203. The National Rail System
Sec. 204. Review and Evaluation
Sec. 205. Final Designation of the National System
Sec. 206. Modification of the National System
Sec. 207. Railway Needs Report
Sec. 208. Joint Use
Sec. 209. Cost Allocations
Sec. 210. Access to Information
Sec. 211. Contracting Out
Sec. 212. Appropriations
TITLE III—HIGHWAY VEHICLE IMPROVEMENT
Sec. 301. Financial Assistance
Sec. 302. Goals
Sec. 303. Appropriations
TITLE IV—WATERWAY VESSEL IMPROVEMENT
Sec. 401. Financial Assistance
Sec. 402. Passenger Transportation
Sec. 403. Appropriations
TITLE V—ADMINISTRATIVE PROVISIONS
Sec. 501. Regulations
Sec. 502. Project Agrements
Sec. 503. Records
Sec. 504. Audit and Examination
Sec. 505. Enforcement
Sec. 506. Congress
Sec. 507. Labor Standards
Sec. 508. Annual Reports
Sec. 509. Separability

TITLE I—GENERAL PROVISIONS

DECLARATION OF POLICY

SEC. 101. (a) The Congress finds and declares that:

(1) employment throughout the Nation and in many industries would be stimulated by a program for rehabilitating, modernizing and improving essential transportation facilities and equipment;

(2) essential rail service throughout the Nation is provided by rail systems on which substantial deferrals of maintenance and capital improvements have occurred, endangering the safety, reliability and efficiency of such rail systems;

(3) the public convenience and necessity require adequate, safe, modern and efficient rail services to meet the needs of commerce, agriculture, the national defense, and the environment, and the service requirements of the United States Postal Service, shippers, travelers, States and their political subdivisions and consumers;

(4) rail transportation offers economic and environmental advantages with respect to land use, energy efficiency and conservation, air pollution, resource allocation, and cost per unit of service performed to such extent that the rehabilitation and modernization of rail transportation facilities is in the national interest;

(5) research and development are needed to improve the energy and cost efficiency of other forms of transportation; and

(6) these needs for rehabilitation and modernization of transportation cannot be met without substantial Federal assistance.

(b) It is therefore declared to be the purpose of Congress in this Act to provide for—

(1) employment opportunities and the conservation of resources through programs to rehabilitate, modernize and improve essential transportation systems;

(2) encouragement of more efficient use of scarce energy resources by all forms of transportation;

(3) the restoration and preservation of sound economic conditions in rail transportation;

(4) the promotion of safe, efficient, adequate, and economical transportation services to meet the needs and service requirements of the Nation; and

(5) necessary financial assistance to transportation corporations, States, local and regional transportation authorities, and other responsible persons, in rehabilitating, modernizing and improving essential transportation facilities at the lowest possible cost to the general taxpayer.

DEFINITIONS

SEC. 102. As used in this Act, unless the context otherwise requires:

(a) "Commission" means the Interstate Commerce Commission;

(b) "Office" means the Rail Services Planning Office created by section 205 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715), or its successor;

(c) "Secretary" means the Secretary of Transportation or his designee;

(d) "State" means any State, or the District of Columbia; and

(e) "vessel" means any watercraft or other artificial contrivance of whatever description which is used, or is capable of being, or is intended to be, used as a means of transporting property by water; or of for-hire transportation of passengers by water on the navigable inland or coastal waterways of the United States.

TITLE II—RAILROAD REHABILITATION AND IMPROVEMENT

FINANCIAL ASSISTANCE

SEC. 201. (a) The Secretary, through the Administrator of the Federal Railroad Administration, shall provide financial assistance pursuant to this title to (1) railroads subject to part I of the Interstate Commerce Act, (2) State, regional and local transportation authorities, and (3) other responsible persons for rehabilitating, modernizing, or improving (including acquisitions) railroad facilities and equipment. The term "railroad facilities and equipment" as used in this subsection shall include, but not be limited to, main lines of railroad track, branch or feeder lines, sidings, yard tracks, signal and communication systems and equipment, switches or turnouts, tunnels, bridges and float bridges, freight stations, warehouse and freight handling facilities, roadway car identification equipment, and data processing installations for more efficiently controlling the movement and utilization of railroad freight equipment, but shall not include industrial siding, spur or team tracks used by shippers or receivers of freight, or floating or marine equipment.

(b) The Federal share of funds for the purposes of subsection (a) shall be—

(1) in the case of facilities located on the Interstate System, as defined in this title, 50 per centum, except that the Federal share shall be 100 per centum where the recipient is the National Railroad Passenger Corporation;

(2) in the case of facilities located on the Secondary System, 50 per centum; and

(2) In the case of facilities located on the Branch Line System, 50 per centum, except that the Federal share shall be 70 per centum where the recipient is a State, local, or regional transportation authority.

(c) The recipient of Federal assistance under this section shall be required to provide its share of the total cost in the form of cash, salvageable materials, labor, or in such other form and on such other terms as may be approved by the Secretary.

(d) As soon as practicable following enactment of this Act, any railroad or other eligible person or organization desiring to avail itself of the benefits of this title shall submit to the Secretary a program or programs for the rehabilitation improvement, or modernization of railroad facilities and equipment on the National Railroad System as defined in this title, and the Secretary shall act upon those proposals as soon as possible. In apportioning funds appropriated under this title, the Secretary shall consider, among other factors, the financial needs, financial structure, dividend policies, executive salary levels, and physical condition of every railroad subject to part I of the Interstate Commerce Act; the effect upon competing railroads; the employment, economic and social impact on each urban and rural area of the United States; and the congressional purposes stated in title I of this Act. In considering these factors he shall consult with and obtain advice from the Commission, the Secretary of Labor, and the Secretary of Agriculture.

(e) If the Secretary finds that a railroad is unable to pay its share of the cost of a rehabilitation improvement, or modernization project which would otherwise be eligible for Federal assistance under this Act; and finds further that carrying out such a project would aid in the improvement of that railroad's financial condition to the extent that it could repay its share of the cost of such project within a reasonable time, he may loan to that railroad, from funds authorized to be appropriated under this title, all or part of that railroad's share of the cost of such project, upon such terms and conditions, and subject to the receipt of such security, as he may require.

INTERIM APPORTIONMENTS

SEC. 202. (a) The Secretary is authorized to make prompt expenditure of any funds appropriated pursuant to this title prior to the final designation of the National Rail System as provided in section 203 through 205 of this title.

(b) Of the total funds available to the Secretary under this title in the fiscal year ending June 30, 1976, not more than 42 per centum shall be apportioned for rehabilitation, modernization and improvement projects of railroads in the Eastern district of the United States, not more than 13 per centum shall be apportioned to railroads in the Southern district, and not more than 45 per centum shall be apportioned to railroads in the Western district, as defined by the Commission. Not less than 10 per centum of the funds available under this section shall be apportioned to projects for rehabilitation, modernization and improvement of branch or feeder rail lines.

THE NATIONAL RAIL SYSTEM

SEC. 203. (a) All railroads within the continental United States subject to part I of the Interstate Commerce Act are hereby declared to be parts of the National Railroad System (hereinafter in this title called the "National System"). The National System shall be subdivided into—

(1) The interstate system, which shall consist of principal heavy traffic freight lines and intercity passenger lines, together with those rail yards, terminals, and other facilities required for main-line rail service.

(2) the secondary system, which shall consist of secondary or alternative freight lines; and

(3) The branch line system, whch shall consist of all other rail lines, yards, terminals and other facilities in the National System.

(b) Within sixty days after the enactment of this Act, the Secretary shall issue a report, together with a map or maps, of all rail lines, yards, terminals, and other facilities on the National System, preliminarily classifying them as being parts of the Interstate, Secondary or Branch Line Systems, and setting forth preliminary conclusions as to the priorities to be accorded the rehabilitation, modernization and improvement of each of these classifications of rail lines and facilities. The report and map or maps shall also describe the locations of principal yards and terminals; the points at which freight is interchanged between rail carriers for movement over main heavy traffic lines; and the principal corporate ownership of the rail properties described. The report shall state the standards and criteria employed by the Secretary in determining such preliminary classifications; and the priorities of rehabilitation, modernization and improvement of each classification of rail lines.

(c) The Secretary shall submit the report required by subsection (b) of this section to the Office, the Governor and public utilities commission of each State except Alaska and Hawaii, the Secretary of Labor, the Commission, and the Congress. The Secretary shall also cause a copy of the report to be published in the Federal Register.

REVIEW AND EVALUATION

SEC. 204. (a) The Office is authorized and directed to hold public hearings on the report required by section 203(b) of this title in the District of Columbia and in other parts of the Nation. The Office shall also solicit, study, and evaluate the views with respect to present and future rail service and employment needs of the Nation from Governors of States; mayors and chief executives of political subdivisions within such States; shippers; the Secretaries of Defense, Agriculture, Commerce and Labor; representatives of labor organizations; manufacturers, wholesalers and retailers; consumer organizations; farm cooperatives and other agricultural organizations; environmental groups, investors in transportation securities; and all other interested persons. Within 180 days after the release of the report of the Secretary required by section 203(b) of this title, the Office shall make available to the Secretary and to the Congress a summary and analysis of its proceedings, findings, critique and evaluation of the report.

(b) Within 180 days after the release of the report of the Secretary required by section 203(b) of this title, the Secretary of Labor shall prepare and release a report summarizing the estimated effects of the program for the rehabilitation, modernization and improvement of rail lines in the National System in accordance with the preliminary conclusions and priorities set forth in such report of the Secretary on opportunities for employment in the various industries, States and political subdivisions of the United States. The Secretary of Labor shall submit the report required by this subsection to the Secretary, the Office, the Governor of each State, and the Congress. He shall also cause a copy of the report to be published in the Federal Register.

(c) Within 120 days after the release of the report of the Secretary required by section 203(b) of this title, the Commission shall furnish to the Secretary and the Office its analysis of the financial circumstances of railroads comprising parts of the National System and the relative needs of such railroads for Federal assistance to rehabilitate, modernize, and improve their facilities as contemplated in this title.

FINAL DESIGNATION OF THE NATIONAL SYSTEM

SEC. 205. Within one year after the enactment of this Act the Secretary shall adopt and release his final designation of the National System together with a plan and program for the rehabilitation, modernization and improvement of rail lines classified as components of the Interstate, Secondary, and Branch Line Systems; and shall designate the yards, terminals and other facilities within the National System to be rehabilitated, modernized and improved. Such final designation, plan and program shall reflect evaluation of all responses and summaries of responses received; testimony at any public hearings; the views of other departments and agencies of the Government; the results of additional study and review; and the extent to which the public interest would be advanced by arrangements among various railroads for joint use of rail lines or facilities.

MODIFICATION OF NATIONAL SYSTEM

SEC. 206. At any time after the expiration of one year following the final designation of the National System under section 205 of this title, any railroad or Federal, State or local agency may request the Secretary to modify the National System by reclassifying facilities previously classified as components of the Interstate, Secondary, or Branch Line Systems, or to alter his designations of specific facilities to be rehabilitated, modernized, or improved. Upon consideration of any such request, or upon his own initiative, the Secretary shall make such changes in the National System as he shall find to be required by the public interest.

RAILWAY NEEDS REPORT

SEC. 207. (a) The Secretary shall prepare and submit to the Congress on January 1 of the second year following enactment of this Act, and every second year thereafter, a Railway Needs Report, setting forth major transportation services that should be provided by railroads in the United States. In formulating his report the Secretary shall take into consideration the interests of persons and communities affected thereby; existing rail facilities and the pattern of service by railroads; the facilities of alternative modes of transportation currently in existence; the cost of establishing transportation facilities in addition to existing facilities; the cost of providing service by extension of existing transportation services; the cost of providing transportation by rail and alternative modes; the existing investment in transportation facilities of rail and alternative modes and the economic value thereof; the existing pattern of service by alternative modes; environmental considerations including energy consumption; and the public interest in a balanced and economical transportation system responsive to the needs of the public and the users of such system.

(b) For the purposes of preparing the Railway Needs Report, the Secretary shall undertake and carry out a study of the long-term capital needs for line relocation, tunneling, highway grade crossing elimination, electrification, improvement of yards and terminals, and other major upgrading of the National System of the United States. The study shall include recommendations for investment priorities among the various possible rehabilitation, modernization, and improvement projects, and for any modifications that should be made in the Federal participation in the financing of such projects established under this title.

JOINT USE

SEC. 208. Upon application to the Commission by any railroad subject to part I of the Interstate Commerce Act for the use of any rail line or facility on the Interstate or Secondary System for performing transportation service, if the applicant is fit, willing and able properly to perform the service proposed, if performance of such service in the manner proposed would result in operating efficiencies, and if the operations of the applicant will not significantly impair the level of performance of the carrier or carriers already using the line or facility who are adequately serving the public, the Commission shall by order require the joint use by the applicant of such rail line or facility upon such terms and conditions as are reasonable under the circumstances. In any proceedings under this section, the Commission shall consider the amounts and effects of any Federal assistance which may have been employed or committed to be employed in rehabilitating, modernizing or improving such rail line or facility under this title.

COST ALLOCATIONS

SEC. 209. Within one year after the date of enactment of this Act, and after a proceeding in accordance with the provisions of section 553 of Title 5, United States Code, the Office shall adopt and publish regulations which will conform to the purposes and objectives of this title. The regulations so adopted shall require, among other things, the collection and reporting of data sufficient to permit accurate allocation of costs to each individual principal heavy traffic freight line, intercity passenger line, secondary or alternative freight line, and light density, branch or feeder line as identified in the Secretary's report required under sections 203 and 205 of this title, and to freight and passenger services when they are operated over the same line.

ACCESS TO INFORMATION

SEC. 210. Every railroad subject to part I of the Interstate Commerce Act shall provide the Secretary, the Office, or the Commission such relevant information as may be requested in connection with the performance of their respective functions under this Act.

CONTRACTING OUT

SEC. 211. No railroad receiving financial assistance under this Act shall, except with the approval of the Secretary, contract out any project for rehabilitation, modernization or improvement of its rail lines or facilities which is normally performed by employees in any bargining unit covered by a labor agreement between such railroad and any organization of employees.

APPROPRIATIONS

SEC. 212. (a) There is hereby authorized to be appropriated to the Secretary, out of any money in the Treasury not otherwise appropriated, to carry out the purposes and provisions of this title, $1,250,000,000 for the fiscal year ending June 30, 1976; $1,250,000,000 for the fiscal year ending June 30, 1977; $1,250,000,000 for the fiscal year ending June 30, 1978; $1,250,000,000 for the fiscal year ending June 30, 1979; and $1,250,000,000 for the fiscal year ending June 30, 1980, to be available until expended.

(b) There is hereby authorized to be appropriated to the Office, out of any money in the Treasury not already appropriated, to carry out the purposes and provisions of this title, $5,000,000, to be available until expended.

TITLE III—HIGHWAY VEHICLE IMPROVEMENT

FINANCIAL ASSISTANCE

SEC. 301. The Secretary, through the Administrator of the Federal Highway Administration, shall provide financial assistance pursuant to this title to corporations, States, local or regional transportation authorities, educational or research institutions, or other responsible persons, for research, development, experiment and testing of vehicles to perform passenger and freight transportation on the highways, roads and streets of the Nation at lower costs, with greater safety, reduced fuel consumption, and reduced environmental impact.

GOALS

SEC. 302. This title shall be administrated in such a way as to effectuate the goals of devleoping, testing, and encouraging production of passenger and freight carrying vehicles which will—

(a) be capable of operation at reduced fuel consumption in comparison with presently available highway vehicles;

(b) be suited to volume production at the lowest possible cost of production.

(c) operate with reduced levels of toxic emissions in comparison with presently available highway vehicles;

(d) be capable of operation at the lowest possible cost and with high standards of safety and reliability; and

(e) provide increased opportunity for employment in the automotive industries of the United States.

APPROPRIATIONS

SEC. 303. There is hereby authorized to be appropriated to the Secretary, out of any money in the Treasury not already appropriated, to carry out the purposes and provisions of this title, $400,000,000 for the fiscal year ending June 30, 1976; $400,000,000 for the fiscal year ending June 30, 1977; $400,000,000 for the fiscal year ending June 30, 1978; $400,000,000 for the fiscal year ending June 30, 1979; and $400,000,000 for the fiscal year ending June 30, 1980, to be available until expended.

TITLE IV—WATERWAY VESSEL IMPROVEMENT

FINANCIAL ASSISTANCE

SEC. 401. (a) The Secretary of Commerce, acting through the Assistant Secretary for Maritime Affairs, is authorized and directed to employ funds made available under section 403 of this title for the purpose of production of, vessels for use on the navigable inland and coastal waterways of the United States, including the Great Lakes, which will—

(1) be capable of operation at reduced fuel consumption in comparison with presently available vessels;

(2) be suited to production at thet lowest possible cost;

(3) operate with reduced levels of toxic emissions in comparison with presently available vessels;

(4) be capable of operation at the lowest possible cost and with high standards of safety and reliability; and

(5) provide increased opportunity for employment in the domestic maritime industry of the United States.

(b) In emplementing programs under this section the Secretary of Commerce shall endeavor to the maximum extent to carry out the policy of Congress as expressed in the first sentence of section 500 of the Transortation Act, 1920 (49 U.S.C. sec. 142). Funds authorized to be appropriated for the purposes of this section may, in the discretion of the Secretary of Commerce, be employed to provide assistance in the design, development or testing of improved vessels intended for rail marine or floating operations. In any such case, the Federal share of such assistance shall be 50 per centum, and the recipient of such assistance shall be required to contribute 50 per centum of the cost of the program for which Federal assistance is provided, except that if the recipient is a State, local or regional transportation authority the Federal share shall be 70 per centum and the recipient shall be required to provide 30 per centum of the cost.

PASSENGER TRANSPORTATION

SEC. 402. (a) Within one year of the date of enactment of this Act, the Secretary of Transportation shall conduct a study and furnish to the Congress a report on the possible advantages of transporting passengers by vessel on the navigable inland and coastal waterways of the United States.

(b) There is authorized to be appropriated such amount as is necessary to carry out the provisions of this section.

APPROPRIATIONS

SEC. 403. There is hereby authorized to be appropriated to the Secretary of Commerce, out of any money in the Treasury not already appropriated, to carry out the purposes and provisions of this title, $50,000,000 for the fiscal year ending June 30, 1976; $50,000,000 for the fiscal year ending June 30, 1977; $50,000,000 for the fiscal year ending June 30, 1978; $50,000,000 for the fiscal year ending June 30, 1979; and $50,000,000 for the fiscal year ending June 30, 1980, to be available until expended.

TITLE V—ADMINISTRATIVE PROVISIONS

REGULATIONS

SEC. 501. The Secretary and the Secretary of Commerce shall, within 30 days after the effective date of this Act, issue such proposed regulations and standards as may be necessary for the effective administration of this Act and to effectuate its goals; shall cause such regulations and standards to be published in the Federal Register; shall solicit and consider the views of all interested persons; and, no less than 180 days after the enactment of this Act, promulgate such final regulations and standards as may be found necessary in the public interest. Applications for assistance under this Act shall be accepted, processed, and acted upon under the provisions of the proposed regulations and standards pending the issuance of final regulations and standards but such acceptance, processing, and action may be made subject to such conditions as the Secretary or the Secretary of Commerce determines necessary to issue compliance with such final regulations and standards.

PROJECT AGREEMENTS

SEC. 502. As soon as practicable after the plans, specifications and estimates for any Federal aid assistance project under this Act have been approved, the Secretary (or the Secretary of Commerce if the project is conducted pursuant to title IV of this Act) shall enter into a formal project agreement with the recipient of such assistance concerning the completion and maintenance of such project. Such project agreement shall make provision for the funds or other considerations required as the recipient's pro rata share of the project cost, and for the responsibility of the recipient to insure an adequate level of maintenance following completion of any rehabilitation, modernization, improvement or development project.

RECORDS

SEC. 503. Each recipient of financial assistance under this title shall keep such records and make available such reports as the Secretary or the Secretary of Commerce shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance and such other records as will facilitate an effective audit.

AUDIT AND EXAMINATION

SEC. 504. The Secretary, the Secretary of Commerce, and the Comptroller General of the United States, or their duly authorized representatives shall have access for the purposes of audit and examination to any books documents, papers, and records of such recipients which in the opinion of the Secretary, the Secretary of Commerce, or the Comptroller General may be related or pertinent to the financial assistance provided under this matter that may bear upon the effectivness with which the proceeds of such assistance are used, and the realization of the declaration of policy of this Act.

ENFORCEMENT

SEC. 505. In furtherance of their respective functions under this Act, and upon presenting appropriate credentials and a written notice of inspection authority, any officer or employee duly designated by the Secretary, the Secretary of Commerce, or the Office may, at reasonable times, inspect records, papers, processes, rolling stock, systems, vehicles, vessels, or facilities of railroads subject to part I of the Interstate Commerce Act and of all recipients of, or applications for, Federal assistance under this Act, and hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or other order the attendance and testimony of such witnesses and the production of such information as is deemed advisable. Subpoenas shall be issued under the signature of the Secretary, the Secretary of Commerce, or the Director of the Office and may be served by any duly designated individual. In case of contumacy or refusal to obey such a subpoena or order by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such district court shall, upon petition, have jurisdiction to issue to such person an order requiring him to comply forthwith. Failure to obey such an order is punishable by such court as a contempt of court.

CONGRESS

SEC. 506. Nothing in this title shall authorize the withholding of information from any duly authorized committee of the Congress.

LABOR STANDARDS

SEC. 507. Recipients of financial assistance under this Act shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors and subcontractors in the performance of work with the aid of such financial assistance shall be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. Sec. 267a). No one shall enter into any contract or agreement for the performance of work receiving financial assistance under this Act without first obtaining adequate assurance that required labor standards will be maintained in the performance of such work. Health and safety standards promulgated by the Secretary of Labor pursuant to section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. Sec. 333) shall be applicable to all work performed under such contracts or agreements, except any work performed by an employee of a railroad company. Wage rates provided for in collective-bargaining agreements negotiated under and pursuant to the Railway Labor Act shall be considered as being in compliance with the Davis-Bacon Act.

ANNUAL REPORTS

SEC. 508. The Secretary and the Secretary of Commerce shall each transmit to the Congress and the President, not later than 90 days after the end of each fiscal year, a comprehensive and detailed report on all activities pursuant to this Act during the preceding fiscal year. Each such report shall include a statement of specific and detailed objectives for the activities and programs conducted and assisted under this Act; statements of the conclusions of the Secretary and the Secretary of Commerce as to the effectiveness of such activities and programs in meeting the stated objectives and the purposes of this Act, measured through the end of the preceding fiscal year; recommendations with respect to any legislation or administrative action deemed necessary or desirable; a statistical compilation of the commitments made or financial assistance granted under this Act; the plans and projections for activities and programs under this Act during the next fiscal year; and all other information required to be submitted to the Congress pursuant to any other provisions of this Act.

SEPARABILITY

SEC. 509. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

By Mr. KENNEDY (for himself and Mr. PHILIP A. HART):

S. 2028. A bill to amend the Clayton Act by strengthening and facilitating the carrying out of antitrust and precompetitive policies by agencies of the Federal Government, and for other purposes. Referred to the Committee on the Judiciary.

COMPETITION IMPROVEMENTS ACT OF 1975

Mr. KENNEDY. Mr. President, a cardinal tenet of our Founding Fathers was that unfettered competition should guide the economic decisions of the Nation to the maximum feasible extent. They believed that America should provide an opportunity for the talented and the industrious to rise above his fellows and prosper. They wisely realized that it is the nature of man to run hardest when there is danger of losing the race.

With this rugged, individualistic creed, the United States grew from a small colony to a unified continent, from economic backwardness to a level of prosperity and technology far exceeding all other nations. We owe our unprecedented standard of living, not to men who feared initiative and competition, but to those who relished it.

But competition provided more than merely a method of allocating resources. It gave our society a sense of fairness: those who stand on top do so because they worked harder or better than their fellows. Even more important than fairness was the sense of hope that springs from the competitive system. Each American could strive to be a Member of Congress, or a business leader, or a baseball star. No jobs were locked away and no business was protected from competition.

One hundred years after the founding of the Republic, the frontier was closed and the prospect of unlimited opportunity ended. The country was faced with a new and strange challenge. The first great industry, the railroads, had emerged like a goliath from the Civil War. The response of Congress was to reach out to control this giant—to organize, and rationalize, and certify it.

The short-term benefits were clear to all: Wasteful competition was eliminated, large companies were kept from predatory practices, the uncertainty of competition was made certain. In creating the Interstate Commerce Commission in 1887, the Federal Government responded to the rise of big industry with a new governmental instrument, the regulatory agency, which could make its own rules, execute these rules, and sit in judgment of violations. The old-fashioned system of checks and balances gave way the new single agency, with novel independence and unique powers.

The growth of other large industries was in turn met by the establishment of other agencies or boards or administrations. Communications, shipping, aviation, banking, agriculture, energy, to name a few, are now regulated by the Federal Government.

As we approach the end of our country's second century, we can look back upon 75 years of experience with the oldest of the agencies, and 30 to 40 years of experience with others. We should also ask what history has shown. Has Federal economic regulation proved superior to our original competitive principles?

Federally regulated industries—transportation, banking, communications, energy transmission—account for a key 10 percent of the Nation's product. Direct Federal spending constitutes about 25 percent of the gross national product. Both kinds of Federal action have enormous impacts on how much our economy produces and how well it performs.

Mr. President, before this Congress—like the last—there are a number of bills pending to reform Federal regulatory agencies and strengthen the antitrust laws. Many of these proposals, particularly the proposals for a new commission to study antitrust laws and regulatory reform, aim at more talk rather than timely action.

The economic state of the Union these days does not permit the indulgence of just talk, however relevant the subject or eminent the discourse. The dollar cost of the half-hidden regulatory burdens on our sputtering economy, totalled in this year's Council of Economic Advisers report as high as 1 percent of the GNP or $66 a person, is unacceptable even in good times. Increased competition is the most efficient weapon we have for combating these regulatory burdens, and antitrust enforcement our most effective tool to promote increased competition.

The Supreme Court has termed the principles embodied in the antitrust laws as constituting a "comprehensive charter of economic liberty" and reflecting "the fundamental national economic policy" of our country. Mr. Justice Black articulated a basic principle when he stated that the antitrust laws are founded on the premise that—

> The unrestrained interaction of competitive forces will yield the best allocation of our economic resources, the lowest prices, the highest quality and the greatest material progress, while at the same time providing an environment conducive to the preservation of our democratic political and social institutions.

But it is obvious that an unexecuted policy is no policy at all. The importance of effectuating this policy by injecting it into the daily decisionmaking of every Government agency becomes evident as we realize that our commitment to competition is not merely a matter of intellectual cant; it is a matter which affects the daily life of every American.

For this reason I am today introducing a bill cosponsored by the distinguished chairman of the Antitrust and Monopoly Subcommittee, Senator HART of Michigan, to require Federal departments and agencies to act in accord with an overriding national commitment to free competition and to give them some necessary tools to tackle that demanding task. This measure is appreciably stronger than S. 4260, which I introduced toward the end of the last Congress. And with the further improvements I expect from committee hearings, Congress can make it possible for Federal departments and agencies to give more thought and to take surer steps to control the impact on competition of their major policies and actions.

There is no doubt that the problem of insuring the vitality of the antitrust laws throughout the economy is not a simple one. Obviously, it is difficult to apply a single "fundamental economic policy" to all industries or all circumstances. Nor is it easy to strike a balance between the myriad delegated powers accorded by law to regulatory agencies, commissions, and Government officers in general—which always must be interpreted in the light of particular legal and factual circumstances—the antitrust laws, whose proper discretionary hallmarks are such deliberately elastic concepts as "reasonableness" and "substantially" and "tendency."

But we must recognize that a conflict, as well as a balance, pits competition against regulation in daily agency decisionmaking. And far too often competition is the loser.

Occasionally the courts enter this fray. The Supreme Court has frequently held that Government agencies and departments already have responsibilities to consider antitrust issues, and that any exemptions resulting from application of other considerations must be narrowly construed. Indeed, the Court has held that regulatory entities are the Nation's "first line of defense" against antitrust violation. This line of defense is all too often breached by the regulators themselves. And the public is the loser.

Unregulated airlines now offer similar service over equal distances for about half the price of regulated airlines. In many instances private companies have abandoned the regulated trucking rates established by the Interstate Commerce Commission in favor of private contract hauling, because the ICC rates are artificially high. Time and again we have heard that the ICC requirements impose empty backhauls and detours through distant "gateways" in order to protect entrenched routes. The common water carriers to Alaska complain about the low rates of the contract carriers because the regulated rates are excessive and can be undercut by the entrepreneur. These are a few examples where unregulated and regulated industries exist side by side. No one can estimate the excessive costs in the many industries where no such contrast is possible because regulation is all pervasive.

It is now apparent to Congress, the President, and the American people that the regulatory agencies, by and large, are not discharging their responsibilities consistent with our fundamental national dedication to a competitive economy. Regulatory agencies often stifle or restrict competition more than they foster it. Rather than serving the public, regulatory agencies have become the servants of the industries they are supposed to regulate—they often appear to be far more concerned about the profits of the corporations they regulate than the pocketbooks of the consumers they are supposed to serve.

The conclusions reached by two Presidential task forces and by the President's Council on Economic Advisers support this unfortunate conclusion. The task force appointed by President Johnson reported in 1968 that—

> In the regulated sector of the economy, the bias of policy and its enforcement is overwhelmingly against competition.

The task force that advised President Nixon concluded a year later that—

> The regulatory commissions are largely out of control . . . The Commissions should have the merits of competition impressed upon them. Competition is not a matter of all or none, and the fact of regulation should not exclude competition.

And the 1970 report of the Council of Economic Advisers found that—

> Regulation has too often resulted in protection of the *status quo*. . . . Change of any kind becomes hard to justify and even harder to allow when some affected group can claim immediate harm, whereas the potential beneficiaries are widely diffused and usually not represented. Yet innovations and adaptation are the dynamics of economic progress.
>
> There is no clear safeguard against these dangers, but more reliance on economic incentives and market mechanisms in regulated industries would be a step forward. . . . Industries have been more progressive when the agencies have endeavored to confine regulation to a necessary minimum and have otherwise fostered competition.

Starting from the premise that all Government economic policymaking and action must be infused with the principles of free competition, the bill reaffirms that national commitment and requires Federal departments and agencies to give antitrust principles priority when conflicts arise. Although the bill recognizes that agency actions with an adverse impact on competition might be justified in clearly prescribed situations, it seeks to strengthen across-the-board Government perception of the fundamental importance of pro-competitive actions.

The basic aim of the bill, then, is to insure that departments and agencies substantially realine their priorities in making determinations of the public interest. No effort is made to dismantle completely the carefully drawn legislative schemes that in many areas have been refined by decades of experience. But the bill does try to insure that the Nation's commitment to free competition receives a much fairer shake at the hands of Federal officials.

To this end, the scheme of the bill resembles the 1969 legislative commitment to "encourage productive and enjoyable harmony between man and his environment" expressed in the National Environmental Policy Act, after which this bill is modeled in part. While NEPA's environmental concerns were new, Congress' commitment to free competition, as expressed in the antitrust laws runs back almost a century. As with NEPA, however, this bill focuses on enabling agencies to hew better to the line of their own responsibilities. It features broad public disclosure and discussion, interagency coordination, and judicial review to insure that agencies will mount fuller and more strenuous efforts to reconcile conflicting principles. Most important, it recognizes that the courts are the repository of antitrust expertise and provide for de novo court review of conflicting regulatory goals and competition policy.

If this legislation can duplicate the effectiveness of NEPA in its parallel objective of "incorporating an environmental perspective into the decisionmaking process of Federal agencies"—which the Council of Environmental Quality recently termed the measure of NEPA's success—this bill will have achieved its goal.

The bill I am introducing today has the following essential outlines:

First of all, it articulates a set of purposes and findings which would make crystal clear the Nation's fundamental commitment to free competition and the requirement that, while encroachments upon competition can be tolerated if specifically authorized by statute and clearly warranted by circumstances, Federal departments and agencies have a paramount obligation to effectuate competition and to control their activities so as to maximize and promote competition. These purposes and findings embrace all Federal actions, not merely regulation, just as the antitrust laws do today. Therefore, this bill, while aiming at major improvement in the performance of Federal departments and agencies, operates as an upgrading of administrative practice and procedure.

Second, the bill establishes criteria which all Federal departments and agencies must satisfy in harmonizing their responsibilities under the antitrust laws and various regulatory and enabling statutes when the Government acts in a proprietary role. Those criteria are simple; namely, that as to the relevant action which may transgress upon deeply rooted antitrust principles:

First, the agency action must be necessary to accomplish the agency's fundamental and overriding statutory purpose;

Second, the anticompetitive effects must be clearly outweighed in the public interest by significant and demonstrable benefits to the public; and

Third, the objectives of the agency action and the fundamental and overriding statutory purpose cannot be accomplished in substantial part by alternative means having lesser anticompetitive effects.

This balancing standard must be found to apply to all Federal agency actions, except to nonrulemaking actions relating to loans, grants, contracts, benefits, or public property. The test applied by the bill is whether the agency action may tend to create or maintain a situation inconsistent with the policies or provisions of the Sherman Act or the Clayton Act.

Third, on all proposals for legislation and on all determinations and other actions subject to the foregoing requirement for specific findings, Federal departments and agencies would be required by this bill to issue a "competitive impact statement"—either as an element of normal administrative findings or as a separate prerequisite to Government action. Findings will be specifically required to show that the likelihood and potential magnitude of any adverse effects on competition are fully appreciated and that the Government has grappled conscientiously with how to overcome them. On the record and subject to public scrutiny and judicial review as otherwise appropriate, these competitive impact evaluations would show the public and the courts that the Government is doing the best it can to reconcile exigencies in particular industries with the basic national economic policy of free competition.

Finally, and most importantly, the bill establishes a practical mechanism for insuring that agency findings are not mere empty formalisms, but reflect sustained effort and well-founded analysis. The bill affirms a central leadership role in antitrust matters for the Attorney General and the Federal Trade Commission.

Let me detail the way the key procedural section of the bill—section 3—is designed to work. Whenever a Government agency takes action not involving loans, grants, contracts, benefits, or public property, where the result or effect of that action may tend to create or maintain a situation inconsistent with the antitrust laws, the agency must make a set of specific findings that I have cited above, concerning affect on competition. If there is no formal proceeding involved in the matter being determined, the agency must give notice of its proposed action. If the Attorney General or the Federal Trade Commission believes the proposed action raises substantial competitive questions or important public policy issues, the Attorney General or FTC may request a hearing and the agency must conduct that hearing.

Obviously this procedure gives greater weight to the Attorney General and the

Federal Trade Commission in stimulating departments and agencies to recognize their antitrust responsibilities and test their fulfillment of those responsibilities in the light of public hearing. This is similar to the major statutory role in administrative antitrust determinations given the Attorney General under the Bank Merger Act, the Atomic Energy Act, and the Federal Property and Administrative Services Act of 1949.

The bill also maintains a full panoply of judicial review, with the courts empowered to require the agency to take action mandated by the bill or to prevent action from being taken contrary to the provisions of the bill. There is a de novo standard in court, in full recognition of the traditional role that the Federal judiciary has played in implementation of the full force of the antitrust laws of the United States. Members of the public, as well as the Attorney General, may initiate judicial review under this section.

Although these procedures appear to be demanding, the main thrust of this bill is not in its procedures or sanctions, but in the pattern it requires for Government agencies to wage the "hard, intellectually demanding battles to determine what 'the public interest' really requires" whenever dangers to free competition inhere in potential Government action. The following provisions are perhaps specially relevant:

In section 4, the provision that defines the content and establishes the requirement for a "Competitive Impact Statement," the agency must include findings with respect to:

(A) the impact on competition of the proposed legislation;

(B) possible anticompetitive effects should the legislation be enacted;

(C) alternatives to the proposed legislation having lesser anticompetitive effects;

(D) possible anticompetitive effects which cannot be avoided should the legislation be enacted; and

(E) the public benefits to be derived from the proposed legislation, the relative weight ascribed by the department or agency to such benefits and to the anticompettiive effects of the proposed legislation, and the reasons why the legislation should be enacted notwithstanding the anticompetitive effects.

By these standards, I believe, departments and agencies would be put to a conscientious, well scrutinized effort to balance relevant interests to determine what the public interest requires.

In section 4, each department or agency is required to "utilize a systematic approach" to infuse antitrust thinking in policymaking and to work with the Attorney General to strengthen the agency's capacity for resolving issues involving competition. By working more consciously to discourage anticompetitive actions and promote competition, agencies would better fulfill the aim of this bill for decisionmaking more sensitive to national antitrust principles.

Finally, section 5—providing for departmental and agency reviews of existing authorities, policies, and procedures—and section 6—providing for annual reports on the state of competition by the Federal Trade Commission generally and by each agency—together envisage that the corrective process which this bill would launch would continue and gain momentum. Without such practical feedback to the President and Congress, the genuine complexity of the interplay between antitrust and regulatory philosophies and the variety of situations in which they arise might not be fully appreciated.

There may well be alternative approaches to making our agencies more responsible to the demands of our modern economy for increased, rather than decreased, competition. An agency's organic statute might be rewritten with a reordering of decisionmaking standards that elevates competition to a higher priority of consideration. Regulation could be eliminated completely from sectors of our economy. Perhaps full or partial public ownership, in certain cases where "yardstick" regulation would be helpful, is the route to take. In some cases taxes could be structured to achieve regulatory goals. For now I am proposing a far more modest approach—that we inject competition as the driving force in our free enterprise system, wherever regulation has been superimposed.

Mr. President, I am sure that the provisions of this novel bill will be improved in the weeks ahead. I hope that through the hearing process we can elicit the comments of scholars, agency officers, the Attorney General, the Federal Trade Commission, Members of Congress and representatives of the public on the efficacy of this bill to accomplish its purposes. I assume there will be many suggestions for improving it, and I would welcome them.

Mr. President, the economic hardships that face the Nation may in the end prove to be of some benefit if they are the cause and occasion for renewing and revitalizing the private enterprise system and free market economy that made this Nation great. My bill does more than just play lipservice to or institute study of these important principles: it attempts to fine-tune the processes of the Federal agencies toward carrying them out in practice.

Mr. PHILIP A. HART. Mr. President, it is a pleasure to join the distinguished senior Senator from Massachusetts in sponsoring the Competition Improvements Act of 1975.

If we wanted to fit the message of this bill on a bumper sticker, it would read: Think Antitrust. That message is directed to all members and staff of the regulatory agencies. And, as Senator KENNEDY has pointed out, for most of them it will be a new experience.

Unfortunately, the status of antitrust at the agency level today much reminds me of Professor Doolittle discussing the decline and fall of the English language. He said: In America, they haven't spoken it in years.

Indeed, antitrust in most regulatory agencies is a foreign language. It was a brief course in law school which has faded into distant memory. So, over the years, we have become familiar with stories of commissioners and staff suggesting that companies under regulation get together and—not fully understanding what they were saying—violate the antitrust laws.

When historians look back on our times, it will probably strike them as a bit strange that a government which claimed free enterprise as its standard systematically went around cartelizing various segments of the economy.

And, it will appear equally as strange that we took so long to insist—as this bill does—that Government regulatory agencies do not overturn competition needlessly.

This bill restates the national commitment to the free enterprise system. And it requires that Government agencies themselves must not harm competition unless they can build a compelling case that the public interest requires it.

Over the years, many of us have pointed out that agencies tend to become captives of those they regulate. And we all have favorite examples to demonstrate the point.

But would it not be strange if we discovered that much of the anticompetitive activities of agencies came not from cozying up to those they regulated, but from not giving a thought to the impact on competition.

In truth, I suspect this is more often the case than not.

The beauty of this bill, as I see it, is that it will eliminate thoughtless anticompetitiveness and make "coziness" more difficult and more subject to public scrutiny.

Regulatory reform is a concept supported by all until the time comes for its implementation. Then, too much risk is perceived in changing the status quo. So, we follow the easy solution of doing nothing, and we go on with an inefficient and costly regulatory system in industries which today are technologically and economically ready for competition.

President Ford recently put it this way:

> Competition—I think it is good in politics, I think it is good in athletics, and I think competition is the key to productivity and innovation. Even the businesses that enjoy a protective status under regulation are adversely affected.
>
> Although it is difficult to come up with an exact price tag on the cost of unnecessary and ineffective Government regulation, some estimates I have seen place the combined costs to consumers of Government regulation and restrictive practices in the private sector at more than the Federal Government actually collects in personal income taxes each year—or something in the order of $2,000 per family—unbelievable.

I support the President's call for regulatory reform, but I am not confident that the will exists to revamp each of the regulatory statutes necessary to accomplish that goal. Mr. President, that is why Senator KENNEDY's bill is so important. For if antitrust is brought to the forefront of agency decisions, we will accomplish much of the goal of regulatory reform.

By Mr. MONDALE (for himself and Mr. HUMPHREY):

S. 2029. A bill to amend title XVI of the Social Security Act to insure that cost-of-living increases in supplemental security income benefits are granted to recipients of such benefits in all States, and for other purposes. Referred to the Committee on Finance.

S. 2030. A bill to amend title XVI of the Social Security Act to provide for the establishment of an outreach program to assure that potentially eligible recipients of supplemental security income benefits will be fully informed of the availability of such benefits and the steps to be taken in obtaining them. Referred to the Committee on Finance.

IMPROVEMENTS IN SSI PROGRAM

Mr. MONDALE. Mr. President, today I and Senator HUMPHREY are pleased to join my distinguished colleague from the Fifth District of Minnesota, Representative DON FRASER, in introducing two bills to improve the supplemental security income program, which presently provides minimum levels of income support to 4 million aged, blind and disabled Americans.

These bills would: First, require States to "passthrough" Federal cost-of-living increases in SSI to the beneficaries of the program; and second, require the Secretary of HEW to try harder to locate the estimated 3 million citizens who are eligible for benefits, but not receiving them.

SSI PASSTHROUGH

Mr. President, as every American knows, the last few years have been times of intolerable inflation. All Americans are suffering under this burden. But those who suffer most are the aged poor, the blind, and the disabled who must struggle to live on fixed incomes which do not grow as the economy expands.

No national commitment is more fundamental to the character of this Nation than our promise to help these citizens toward a decent life.

And we have made major steps toward achieving that goal in recent years. The Social Security Amendments of 1972 provided for replacing the old and complex program of aid to the aged, blind and disabled with the new supplemental security income, SSI, program—a Federal guaranteed minimum income for the aged, blind, and disabled. And in June of 1974, my amendment was enacted to provide an automatic cost-of-living increase in Federal SSI benefits—so that, like social security payments, the Federal SSI payment will increase with the cost of living.

Yet major problems remain. This July 1, the Federal minimum payments will increase by 8 percent—from $146 to $157 a month. This is by no means generous, or even adequate. And, in at least half the States, this Federal increase will be meaningless for many, if not most, SSI recipients.

Those recipients who receive State supplementation in addition to their Federal benefits are likely to find that their State grants have been cut back by an amount equal to the Federal increase. Recipients who now receive $146 a month in Federal benefits and $20 a month in State supplements will receive an $11 increase in their Federal payment. However, their State benefit may be cut back from $20 to $9. As a result, they end up no better off than they are now. And the Federal increase, in effect, goes to the State treasury.

According to information we have received from the Social Security Administration, as of mid-May only eight States—California, Idaho, Maine, Missouri, Nebraska, Pennsylvania, Vermont, and Washington—have decided to pass-through the full Federal increase. Five other States—Hawaii, Iowa, Minnesota, Montana, and Rhode Island—have decided thus far, to provide a partial pass-through, or small parallel increase in State supplements. Eighteen States—Alabama, Arkansas, Florida, Georgia, Indiana, Kansas, Kentucky, Louisiana, Massachusetts, Mississippi, North Carolina, South Carolina, Tennessee, Wisconson, Wyoming, Virginia, West Virginia, and Texas will provide no pass-through; and 20 others—Alaska, Arizona, Colorado, Connecticut, Delaware, District of Columbia, Illinois, Maryland, Michigan, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, and Utah—have not yet decided what they will do.

I know the claim has been made that State supplementation should be of no concern to the Federal Government. When we originally enacted the supplemental security income program in 1972, we may have thought that we were creating a Federal program with one uniform benefit level throughout the country. However, I think we need to recognize that most recipients live in States where benefits are now, and will continue to be, a shared Federal-State responsibility.

Under our legislation, States would not be asked to provide added funds—only to pass the Federal increase through to beneficiaries, rather than holding it in State treasuries.

If we continue to argue over whether the Federal Government or the States have the primary responsibility for raising benefits, the only losers will be the recipients.

And they may lose a great deal. In those States which refuse to increase the total SSI payment to make up for inflation, cost-of-living increases in social security will force many off the SSI rolls altogether, and these unfortunate Americans may find themselves no longer eligible for health insurance benefits under the medicaid program. The total impact can be devastating.

To remedy this situation, the legislation which I am introducing today will require States to pass through to SSI beneficiaries the full amount of SSI cost-of-living increases. The Senate adopted a similar provision last year as part of my amendment, and I am deeply hopeful that this year the House of Representatives will be able to agree.

SSI OUTREACH

The second bill we are introducing today is aimed at correcting a basic failing of the SSI program—that after a year and a half of operation, recent estimates by the Social Security Administration, SSA, indicate only about 4 million of approximately 7 million potential recipients are now receiving benefits.

Supplemental security income is an entitlement. People have a right to receive benefits if they are eligible. Yet millions of potentially eligible recipients may not even know that the program exists. In Minnesota, only about 40,000 out of an estimated 120,000 potential beneficiaries currently participate in the program.

While I can appreciate the administrative difficulties inherent in starting any new Federal assistance program, it seems apparent that without sufficient effort and funds devoted to outreach, the public will not know that it is entitled to benefits, thus dooming any program to fall short of its objectives.

Our bill is an effort to make sure that eligible individuals receive the benefits to which they are entitled.

Under our bill, the Social Security Administration would be required to undertake a comprehensive SSI outreach, information, and referral program. SSA would be required to provide information concerning the eligibility requirements for SSI by employing the media, as well as certain specified public welfare and social service agencies. Social security would have the authority to contract with State and local welfare departments and private nonprofit organizations to implement the Outreach requirements of the bill, and would be required to report to the President and the Congress at least once every 6 months on the progress and accomplishments of the Outreach program.

The urgent need for this legislation is, I think, illustrated by two groups of recipients which have been written off by SSA as unreachable. One of these groups is those people who stand to gain only a few dollars under SSI. SSA believes that these people have decided that it is simply not worth the effort to apply for such small benefits. While I do not deny that this may be the case in many instances, I do not feel these potential beneficiaries should be disregarded. Often, people in this category do not realize that their receipt of public assistance, no matter how small, automatically makes them eligible for medicaid benefits. In fact, in 15 States, only persons receiving public assistance are eligible for medicaid.

Another underserved group consists of blind and disabled children who became eligible for Federal income support for the first time as a result of the 1972 act. SSI participation rates for children in most States is miniscule. In Minnesota, for example, only 490 disabled and 34 blind children were receiving SSI benefits as of February 1975. We have no reliable estimates of the number of potentially eligible children in our State, but it is clear that there are far more than 34 blind children in the entire State who would qualify for benefits.

I recognize that the low participation rates for children are due in part to administrative problems with the program. Nevertheless, a coordinated Outreach program can, and should, identify those children who can be helped.

Mr. President, I wish to express my special thanks to Mr. Joel Bonder and Mr. Iric Nathansen of Representative FRASER's staff for their work on these bills, and I ask unanimous consent that the text of both bills, together with the joint press release issued by Representative FRASER and myself, be printed at this point in the RECORD.

There being no objection, the bills and release were ordered to be printed in the RECORD, as follows:

S. 2029

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Title XVI of the Social Security Act is amended by adding immediately after section 1617 the following new section:

"OPERATION OF STATE SUPPLEMENTATION PROGRAMS

"SEC. 1618. (a) In order for any State (other than the Commonwealth of Puerto Rico, Guam, or the Virgin Islands) which has at any time after December 1973 had in effect a program of supplementation payments described in section 1616(a) to be eligible for payments pursuant to title XIX, with respect to expenditures for any calendar quarter which begins—

"(1) after September 30, 1975, or if, later,

"(2) after the calendar quarter in which supplementation payments are first made under such program, such State must have in effect an agreement with the Secretary whereby the State will—

"(3) continue to operate such program,

"(4) maintain, under such program, a level of benefits which (prior to application of the provisions of paragraph (5)) is not lower than the level of benefits under the program for the first month that the program was in effect, and

"(5) in determining eligibility for and the amount of payment to which any applicant or recipient is entitled under the program disregard an amount of the income, including income in the form of benefits payable under section 1611, of such applicant or recipient equal to the amount, if any, by which—

"(A) the aggregate amount of the increases which have occurred in the level of supplemental security benefits payable under this title as a result of cost-of-living adjustments under section 1617 (as determined under regulations of the Secretary) since the first month with respect to which payments were made under the State program of supplementation, exceeds

"(B) the aggregate amount of the increases over the level specified in paragraph (4) which have occurred in the level of benefits under such State program.

"(b) The Secretary, in determining for purposes of subsection (a) the level of benefits provided under a State supplementation program and the aggregate amount of any increases in such level, shall (after reviewing the program as it affects the various classes and categories of beneficiaries covered thereunder) consider the program as it affects the vast majority of beneficiaries; and the Secretary shall not determine that a State has failed to meet the requirements imposed by paragraph (4) or (5) of such subsection solely because its supplementation program does not meet, in one or more respects or in the case of one or more classes or categories of beneficiaries, such requirements, if the Secretary finds that the level of benefits provided under such program to the beneficiaries thereunder, when such beneficiaries are viewed as a single group, is not significantly lower than the level which would obtain if such requirements were fully met in every respect and in the case of each and every class or category of beneficiaries.".

(b) Section 212(a)(3)(C)(i) of Public Law 93-66 is amended by inserting "(except that, there shall not be counted so much of any such benefit for any month as is attributable to any increase made in the level of supplemental security income benefits pursuant to section 1617 of such Act)" immediately after "Social Security Act".

(c) The limitation imposed by section 401 (a) of the Social Security Amendments of 1972 on the amount payable to the Secretary of Health, Education, and Welfare by a State pursuant to its agreement or agreements under section 1616 of the Social Security Act shall be applied without regard to paragraph (2) of such section in the case of an amount equal to so much of the expenditures under the agreement or agreements as are necessary in order to enable the State to meet the requirements imposed by section 1618 of the Social Security Act or to meet the requirement imposed by the amendment made by subsection (e) of this section.

SEC. 2. The provisions of this Act shall be effective with respect to benefits payable for months after September 1975.

S. 2030

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part B of title XVI of the Social Security Act is amended by adding at the end thereof the following new section:

"Outreach Program

"SEC. 1635. (a) The Secretary shall establish and carry out a program designed specifically to assure that all individuals who are or may become eligible for supplemental security income benefits under this title will be fully informed of the availability and nature of such benefits and of the steps to be taken in obtaining them.

"(b) The information to be provided through the program established under this section shall include—

"(1) an explanation of who is eligible for benefits under this title;

"(2) an explanation of the income and resources requirements for such eligibility, including an indication of how income is defined and how the value of resources is determined, the income and resources which are excluded from consideration, and the maximum amount of income and resources which an individual may have and still qualify for such benefits;

"(3) a statement of how such benefits are computed, including a description of the cost-of-living increase provisions of section 1617;

"(4) an explanation of how to apply for such benefits, including specifically what documentation is required and the names, addresses, phone numbers, and office hours of the places where application may be made;

"(5) a specific statement of where and how applicants and potential applicants for such benefits may obtain further information and receive answers to questions;

"(6) an explanation of the rights of applicants to hearings with respect to their eligibility; and

"(7) such other information as may be necessary or appropriate to assure that all applicants and potential applicants are fully informed as described in subsection (a).

"(c) In providing information to applicants and potential applicants for supplemental security income benefits through the program under this section, the Secretary shall—

"(1) make maximum use of radio, television, and other communications media;

"(2) establish on the widest possible basis a system of toll-free telephone numbers to assure that such information is readily accessible; and

"(3) obtain the cooperation and participation of State and local welfare, social service, and other agencies, senior citizens organizations, settlement homes, grocery stores, legal aid offices, day care centers, alcoholic and drug treatment centers, family planning centers, and any other establishments and organizations through which substantial numbers of such applicants and potential applicants might be reached.

"(d) The Secretary is authorized to carry out his functions under this section through the personnel and facilities of the Department of Health, Education, and Welfare, or to enter into appropriate contracts or arrangements with State and local agencies and private nonprofit organizations for the performance of such functions, or both, with the objective in any case of assuring the widest and most effective dissemination of the information described in the preceding provisions of this subsection.

"(e) The Secretary shall report to the President and the Congress at least once every six months on the progress and accomplishments of the program under this section, including any recommendations he may have for improving its effectiveness.

"(f) There are authorized to be appropriated such sums as may be necessary to carry out this section."

MONDALE, FRASER ANNOUNCE BILLS TO AID ELDERLY

WASHINGTON, June 24.—Senator Walter F. Mondale (D-Minn.) and Representative Don Fraser (D-Minn.) today announced two initiatives to improve the Supplemental Security Income program. SSI provides minimum levels of income support to four million aged, blind and disabled Americans.

One bill introduced by Mondale and Fraser in the House and Senate would require states to "pass through" federal cost-of-living increases in SSI to the beneficiaries of the program. The other would require the Secretary of HEW to "try harder to locate the estimated three million citizens who are eligible for benefits, but not receiving them," the legislators said.

"Federal payments for the aged, blind and disabled will automatically increase by eight per cent, or $11, next June 30," the two legislators said, "but many states have chosen to withhold the benefits from eligible recipients, and in effect to retain the federal increase in state treasuries.

"While we sympathize with the financial plight of many states, failure to pass through federal cost-of-living benefits will work tragic hardship on hundreds of thousands of impoverished elderly and disabled Americans. Inflation will further reduce their living standards. And, because Social Security payments will also rise on June 30, failure to increase SSI eligibility will actually force many to lose eligibility for needed health benefits under the Medicaid program.

"Our bill, by requiring the states to pass the federal cost-of-living increase through to SSI beneficiaries, would provide a measure of justice to the elderly and disabled poor, without requiring additional expenditures of state funds.

"Our second bill," Fraser and Mondale said, "would require redoubled efforts by the Secretary of HEW—through the media and through contact with state and local government and private groups—to locate persons eligible for SSI.

"Today—a year and a half after SSI replaced the old program of Aid to the Aged, Blind and Disabled—only four million of an estimated seven million eligible persons are included in the program," they added. "In our own state of Minnesota only 40,000 of an estimated 120,000 potential beneficiaries are enrolled and many of those left out are disabled children whose parents are unaware of the program.

"Surely justice and decency demand a full-hearted effort to locate the impoverished elderly and disabled citizens who are eligible for SSI benefits."

By Mr. WILLIAMS:

S. 2031. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits. Referred to the Committee on Finance.

FULL BENEFITS PASS-ALONG ACT

Mr. WILLIAMS. Mr. President, I introduce for appropriate reference the Full Benefits Pass-Along Act.

On July 3 nearly 31 million social security beneficiaries will receive an urgently needed 8 percent cost-of-living increase.

Many supplemental security income recipients will receive an 8 percent cost-of-living adjustment under legislation enacted into law last August. This will be achieved by raising the Federal SSI monthly income standards from $146 to $157.70 for qualifying individuals and from $219 to $236.60 for couples.

However, most States now supplement the basic Federal benefit. But there is nothing to prevent a State from reducing its supplemental payment when the Federal benefit increases. Thus, many aged, blind and disabled persons will find themselves on the same old economic treadmill. In effect, their income is not improved at all because the social security increase is offset by reduced State supplementation payments.

To my way of thinking, this is especially unfair because SSI recipients are particularly vulnerable to rising prices. With our unacceptably high level of inflation it is very difficult—and in some cases impossible—for them to stretch their limited budgets to make ends meet.

In certain instances, SSI recipients discover that they have lost more than they have gained. This is especially true when a social security increase pushes an aged person above the State's income limitation to qualify for medicaid.

In my own State of New Jersey, many SSI recipients will lose medicaid coverage for prescriptions, eyeglasses, dental care, and hearing aids. Moreover, they will be forced to pay the $6.70 monthly premium charge for the part B supplementary medical insurance program under medicare. Under existing law the medicaid program will pay this cost for medicare beneficiaries who are also eligible for medicaid because of their low-income status.

My Full Benefits Pass-Along Act is designed to respond to these crucial problems and help financially hard-pressed States.

Briefly stated, it would protect any individual or family whose income is boosted because of a social security increase from any reduction or loss in benefits under other Federal programs.

Public assistance recipients would thus be assured that social security benefit increases would be passed on to them.

Enactment of this legislation is vital to the millions of aged, blind, and disabled persons who desperately need the income they now receive from social security and benefits from other Federal programs.

For these reasons, I urge early approval of my Full Benefits Pass-Along Act. In any case, it would have retroactive effect in order to make certain there is no permanent economic loss caused by the July 3 increase of 8 percent.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

A recent article by Mr. Dan Grodofsky in the Record, Hackensack, N.J., describes in very human terms the hardships caused by the offset of social security benefit increases.

I commend this article—entitled "The Feds Giveth; the States Taketh"—to my colleagues, and ask unanimous consent that it be printed in the Record.

There being no objection, the article and bill were ordered to be printed in the Record, as follows:

The Feds Giveth; the States Taketh

(By Dan Grodofsky)

A major crime is being committed, and all of us "good" people are sitting by silently because we don't want to be involved. On July 1, 1975, 200,000-250,000 senior citizens in New York and 50,000-60,000 in New Jersey will be "mugged" by their states, and no one will raise a voice.

Starting July 1, Social Security payments will go up 8 per cent. But in New York and New Jersey the poorest Social Security recipients will not receive the increase. Instead, the state will keep it, and the rest of us will sit silently by thanking the good Lord that they're not taking it from us.

Why and how is this taking place? The funds are coming from the federal government. They will go into Social Security checks each month. Nobody can prevent that—not even our kindhearted President who tried to limit it to 5 per cent. Yet in the states of New York and New Jersey, the poorest older people—those on Social Security whose income qualifies them for SSI, Supplementary Security Income—will find that their state, in all its wisdom, will deduct the 8 per cent from its contribution to their well-being.

In this time of great inflation, the person in New Jersey, for instance, who has less than $182 a month to live on, will not get his 8 per cent increase, while those with higher incomes will get it.

What's more, there are a number of people whose incomes—on paper—will be boosted by the 8 per cent Social Security hike over the munificent sum of $182 a month for a single person and $255 for a couple. Not only will the "raise" these people get be considerably below 8 per cent initially (because of the vanishing SSI), but they will then have to contribute $6.20 per person for Medicare, since they will no longer be eligible for Medicaid.

They will then have to pay 20 per cent of their medical bills after paying the first $80. They will no longer be entitled to free prescriptions. They will no longer be entitled to free eyeglasses. They will no longer be entitled to free dental care. They will no longer be entitled to free hearing aids.

This crime is being committed silently and with impunity by our government while nobody raises a voice. In fact it's not the first time it has been done. The last increase in Social Security was also not passed along to the lowest income recipients.

Let me illustrate with examples. Mr. W and Mrs. G are real people.

Mr. W is currently receiving $4 a month in Supplemental Security Income benefits. He also receives his Social Security benefit of $178 per month. His total income is $182 per month. He pays $25 a week in rent for a nicely furnished room in a private house. He eats most of his meals out since he does not have a kitchen privileges, but his landlord allows him to store milk, juice, and fruit in the refrigerator.

When Mr. W retired 10 years ago, he thought he was rather well fixed, since he had some savings, and the factory for which he had worked for many years was giving him $50 a month in retirement benefits, in addition to his Social Security. Shortly after his retirement, the factory went bankrupt and along with it went Mr. W's pension.

Mr. W's few hundred dollars in savings were quickly wiped out by one not-so-major illness which kept him in the hospital for a short period of time. He also accumulated many medical bills since he was required to pay 20 per cent or more above what Medicare paid for these services.

Since his income does not exceed $182 a month, now Mr. W is currently covered by Medicaid. During this past year, Mr. W had some illnesses, and he requires approximately $10 a week in prescribed medications from a local drugstore. His eyeglasses and his dental work are covered by Medicaid. Mr. W can't go very many places, but he feels rather well taken care of.

What will happen to Mr. W July 1? He will receive an 8 per cent increase on his $178 per month, boosting his Social Security check to $192.24, above the limit for SSI. He will therefore be ineligible for Medicaid immediately, and $6.20 a month will be deducted from his Social Security to pay for his Medicare.

He will now have to pay for each doctor's visit, at least $2–$4. His $10 a week in prescriptions will have to come out of his own pocket. In order to get to the point at which he is only paying $2 or $4 of his doctor bills, he will have to first pay a lump sum of $80 in medical expenses.

Mrs. G currently receives $125 in Social Security per month. In addition, she gets a check of $46 from SSI. On July 1 she will be increased to $135 on Social Security, and the $46 will be reduced to $36.

Mrs. G manages on $171 a month. She pays $125 a month rent on a rather nice little apartment. Her landlord will be entitled to an increase since she will be getting an increase; so on July 1, he will get an 8 per cent increase in rent, from $125 to $135 a month. When asked about this, Mrs. G said, "He's an understanding landlord. He gives good services. His costs have gone up. He's entitled to the money. And since I will be getting more, certainly he should be getting more."

But Mrs. G does not understand that she will not be getting more. Mrs. G will continue to get $171 a month, but her rent will go up from $125 to $135. Mrs. G, who manages to live on $46 a month beyond her rent, will, as of July 1, have to live on $36 a month beyond her rent. Since it's impossible to live on $46 a month, I suppose, it shouldn't be any more difficult to live on $36 a month.

These are but two examples of what will happen to people in the lowest income level of our society because of the way our programs are currently structured.

For the sake of the Mr. Ws and the Mrs. Gs and the thousands of others like them, write to your state legislators, your governor, and demand that the Supplemental Security Income be continued at least at present levels and that no one be dropped from Medicaid because of the 8 per cent increase in Social Security payments.

No senior citizen should have to starve or go without medical attention. No state should effect its budget savings at the expense of its poorest citizens.

S. 2031

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Full Benefits Pass-Along Act of 1975".

Sec. 2. (a) Section 1617 of the Social Security Act is amended to read as follows:

"COST-OF-LIVING ADJUSTMENTS IN BENEFITS

"Sec. 1617. (a) Whenever benefit amounts under title II are increased by any percentage effective with any month as a result of a determination made under section 215(i), or as a result of an increase in benefits under such title (enacted in or after January 1975) which constitutes a general benefit increase within the meaning of section 215(i)(3) of this Act—

"(1) each of the dollar amounts in effect for such month under subsections (a)(1)(A), (a)(2)(A), (b)(1), and (b)(2) of section 1611, and subsection (a)1(A) of section 211 of Public Law 93-66, as specified in such subsections or as previously increased under this section, shall be increased by the same percentage (and rounded, when not a multiple of $1.20, to the next higher multiple of $1.20), and

"(2) the 'adjusted payment level under the appropriate approved plan of a State as in effect for January 1972' as defined in and for the purposes of section 401 of the Social Security Amendments of 1972, as then in effect (including such level as previously increased under this subsection), shall be increased by a dollar amount equal to the increase in benefits under subsection (b)(1) of section 1611 mandated by paragraph (1) of this subsection,

effective with respect to benefits for months after such month; and such dollar amounts as so increased shall be published in the Federal Register together with, and at the same time as, the material required by section 215(i)(2)(D) to be published therein by reason of such determination.

"(b) Whenever benefit amounts under section 1611 (and subsection (a)(1)(A) of section 211 of Public Law 93-66) are increased pursuant to subsection (a) of this section, in order for any State (other than the Commonwealth of Puerto Rico, Guam, or the Virgin Islands) to be eligible for any payments pursuant to title XIX with respect to expenditures for any quarter beginning after December 1974, such State shall maintain any State supplementary payments under section 1616, and under section 212 of Public Law 93-66, at levels no lower than those existing in the month immediately preceding the month in which such increase becomes effective.".

(b) Section 211(a)(1)(A) of Public Law 93-66 is amended by inserting after "such Act," the following: "including such amounts as previously increased under section 1617 of such Act,".

Sec. 3. (a) Section 2(a)(10)(A) of the Social Security Act is amended by inserting "(I)" immediately after "(i)", by striking out "(ii)" and inserting in lieu thereof "(II)", and by inserting immediately before the semicolon at the end thereof the following: ", and (ii) the State agency shall, in the case of any individual who is entitled to monthly benefits under the insurance program established under title II, disregard any part of such benefits which results from (and would not be payable but for) the general increase in benefits under such program provided by section 201 of Public Law 92-336 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of this Act".

(b) Section 402(a)(8)(A) of such Act is amended by striking out "and" at the end of clause (i), by striking out "; and" at the end of clause (ii) and inserting in lieu thereof ", and", and by adding after clause (ii) the following new clause;

"(iii) in the case of any individual who is entitled to monthly benefits under the insurance program established under title II, any part of such benefits which results from (and would not be payable but for the general increase in benefits under such program provided by section 201 of Public Law 92-336 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of this Act; and".

(c) Section 1002(a)(8) of such Act is amended by striking out "and" at the end of clause (B), and by inserting immediately before the semicolon at the end thereof the following: ", and (D) shall, in the case of any individual who is entitled to monthly benefits under the insurance program established under title II, disregard any part of such benefits which results from (and would not be payable but for) the general increase in benefits under such program provided by section 201 of Public Law 92-336 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of this Act".

(d) Section 1402(a)(8) of such Act is amended by striking out "and" at the end of clause (B), and by inserting immediately before the semicolon at the end thereof the following: ", and (D) the State agency shall, in the case of any individual who is entitled to monthly benefits under the insurance program established under title II, disregard any part of such benefits which results from (and would not be payable but for) the general increase in benefits under such program provided by section 201 of Public Law 92-336 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of this Act".

(e) Section 1602(a)(14) of such Act is amended by striking out "and" at the end of subparagraph (C), by striking out the semicolon at the end of subparagraph (D) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(E) the State agency shall, in the case of any individual who is entitled to monthly benefits under the insurance program established under title II, disregard any part of such benefits which results from (and would not be payable but for) the general increase in benefits under such program provided by section 201 of Public Law 92-336 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of this Act;".

Sec. 4. (a) Subsection (g) of section 415 of title 38, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying paragraph (1)(G) of this subsection, shall disregard any part of such benefits which results from (and would not be payable but for) the general increase in benefits under such program provided by section 201 of Public Law 92-336 or any subsequet cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act."

(b) Section 503 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying subsection (a)(6) of this section, shall disregard any part of such benefits which results from (and would not be payable but for) the general increase in benefits under such program provided by section 201 of Public Law 92-336 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act."

(c) In determining the annual income of any person for purposes of determining the continued eligibility of that person for, and the amount of, pension payable under the first sentence of section 9(b) of the Veterans' Pension Act of 1959, the Administrator of Veterans' Affairs shall disregard, if that person is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, any part of such benefits which results from (and would not be payable but for) the general increase in benefits under such program provided by section 201 of Public Law 92-336 or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act.

Sec. 5. Notwithstanding any other provision of law, in the case of any individual who is entitled for any month after August 1972 to a monthly benefit under the insurance program established by title II of the Social Security Act, any part of such benefit which results from (and would not be payable but for) the general increase in benefits under such program provided by section 201 of Public Law 92-336, or which results from (and would not be payable but for) any cost-of-living increase in such benefits subsequently occurring pursuant to section 215(i) of the Social Security Act, shall not be considered as income or resources or otherwise taken into account for purposes of determining the eligibility of such individual or his or her family or the household in which he or she lives for participation in the food stamp program under the Food Stamp Act of 1964, for surplus agricultural commodities under any Federal program providing for the donation or distribution of such commodities to low-income persons, for admission to or occupancy of low-rent public housing under the United States Housing Act of 1937, for subsidized mortgages or rentals under title II of the National Housing Act, or for any other benefits, aid, or assistance in any form under a Federal program, or a State or local program financed in whole or in part with Federal funds, which conditions such eligibility to any extent upon the income or resources of such individual, family, or household.

Sec. 6. The amendments made by section 2 of this Act shall be effective July 1, 1975. The amendments made by section 3 of this Act shall be effective with respect to calendar quarters ending on or after September 30, 1972. The amendments made by section 4 of this Act shall apply with respect to annual income determinations made pursuant to sections 415(g) and 503 (as in effect both on and after June 30, 1960) of title 38, United States Code, for calendar years after 1971. The amendments made by section 5 of this Act shall be effective with respect to items furnished after August 1972.

Sec. 7. The Federal share of the costs of benefits provided under this Act shall be equal to 50 percent of the actual cost incurred.

Sec. 8. There is hereby authorized such sums as may be necessary to carry out the provisions of this Act.

By Mr. MUSKIE (for himself, Mr. Metcalf, and Mr. Roth):

S. 2033. A bill to reorganize the Executive Branch of the Government by establishing in the Federal Energy Administration an Office of State Regula-

tory Assistance to provide Federal assistance to improve State regulation of public utilities. Referred to the Committee on Government Operations.

THE UTILITY REGULATORY IMPROVEMENT ACT

Mr. MUSKIE. Mr. President, this Nation faces an energy problem of massive and complex proportions. There are many issues and interests involved.

But there is one central interest that we cannot ignore—the welfare of the American consumer of gas and electricity.

Last year, these consumers paid nearly $10 billion in rate increases, two-thirds of which was due to the fuel adjustment clause. This huge 1-year increase is 1½ times greater than all the rate increases of the past quarter-century combined.

These are not hidden increases, which have a delayed or gradual impact, which hit only a few people. They have affected every man, woman, and child in America with their sudden shock and magnitude.

People have reacted angrily. Sometimes irrationally. But not unjustifiably.

The plain fact is that the American consumer has had to shoulder a huge and unexpected financial burden—at a time when there are more than enough other burdens to bear.

Our energy problem is complex, especially in the area of electric utilities. That industry has not been healthy. Its revenues have dropped and costs risen at a time when much new construction must be undertaken.

But—as we have learned in recent years—we cannot solve complex problems by pouring money into them, in this case, indiscriminately raising profits of the utility industry.

The only certain result of this action would be new burdens on consumers already under serious strains.

If you examine the problem, as I have, I think you will agree that the real imperatives are these:

We must strengthen State regulatory commissions to insure that decisions are timely, rational, and fair.

We must protect the interests of consumers, and provide them with the resources and procedures to participate fully in all rate proceedings.

And, most important, we must develop better rate structures, that spread costs fairly to all consumers and improve load management.

The State Utility Regulatory Assistance Act of 1975 that I am introducing today with Senators Roth and Metcalf, addresses these imperatives. Its major provisions are: to provide funds for State regulatory commission to strengthen and improve their staffs; to assist State commissions to establish offices of consumer services; to encourage commissions to develop innovative utility rate structures; and, to provide general technical assistance to State commissions.

I have chosen an approach that avoids heavy-handed Federal mandates and standards that would interfere with long-established regulatory procedures at the State level. My approach would be to provide resources, where needed, to States which then can work out the problems unique to their localities.

This would help speed up rate proceedings, not by arbitrary deadlines to understaffed commissions, but by improving State capabilities to handle the increased workload.

This would help build capacity needed for future economic growth, not by blindly doubling capacity each decade, but rather by equipping State commissions to assess thoroughly future needs.

This would help keep costs down, not by indirect subsidies, but instead by improving State capabilities to monitor costs and efficiency.

And this would help reform rate structures, not simply by mandating a national standard, but by providing States the chance to develop structures that suit them best.

To insure that consumers get a fair shake, a major emphasis of this bill is the establishment of an office of consumer services in every State commission.

I am convinced that an adequately staffed and funded consumer office—formal consumer input and participation, in other words—is essential to any regulatory process.

When the huge increases of 1974 hit consumers, they had nowhere to turn, in most cases. This bill would help establish in every State—large and small—a consumer office to study rate increase requests thoroughly, assist consumers to present their views to State commissions, and advocate positions that benefit consumers.

Mr. President, the responsibility of government in the problems of utilities is to insure that consumers receive the cheapest, most efficient service consistent with future prosperity, environmental quality, and conservation of our energy resources.

The bill is not the total answer to our energy problems. But it deals fairly and equitably with the problems of utility companies and their consumers.

It is a balanced response to a complex problem that can be solved only by Congress and the executive branch piecing together a responsible, far-sighted national energy policy.

I ask unanimous consent that the bill and a section-by-section analysis be printed in the Record.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 2033

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. That this Act may be cited as the "Utility Regulatory Improvement Act of 1975."

FINDINGS OF FACT AND DECLARATION OF POLICY

Sec. 2. (a) Findings—The Congress finds—

(1) that the number and complexity of regulatory decisions before State utility commissions have increased dramatically in the past few years;

(2) that as a result of increased workloads, already poorly staffed State Utility Commissions are severely overburdened;

(3) that consumers in many States are often unable to participate in State utility commissions regulatory proceedings because of the complexity of the regulatory process and the high cost of such participation;

(4) that complexity and workload of regulatory commissions demand special expertise at the State commission level; and

(5) that current utility rate structures have resulted in considerable hardships for consumers.

(b) Policy—Therefore, the Congress declared it to be the policy of the United States and the purpose of this Act to assist State regulatory commissions strengthen and improve their staffs; to assist commissions in providing adequate consumer input into the regulatory process; to provide special technical assistance to State commissions; and to stimulate the development of innovative utilities rate structures. It is the intention of Congress that amounts paid State utility commissions under this Act shall not be substituted for amounts which would have been paid or made available to State utility commissions from other sources.

FINANCIAL ASSISTANCE

Sec. 3. As used in this title—

(1) "Director" means the Director of the Office of State Regulatory Assistance in the Federal Energy Administration;

(2) "State regulatory commission" means the agency, commission, or establishment of any State, which has the responsibility for establishing and administering rules and regulations relating to the operation of, and rates charged by, public utilities;

(3) "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and the Trust Territories of the Pacific;

(4) "public utility" means an electric utility company or a gas utility company;

(5) "electric utility company" means any person who owns or operates facilities used for the generation, transmission, or distribution and sale of electric energy for use other than resale; and

(6) "gas utility company" means any person who owns or operates facilities used for the distribution and sale of natural or manufactured gas for heat, light, or power, for use other than resale.

ESTABLISHMENT OF THE OFFICE OF STATE REGULATORY ASSISTANCE; AUTHORITY

Sec. 4. (a) There is hereby established within the Federal Energy Administration an Office of State Regulatory Assistance. The Office shall be directed by a Director who shall be appointed in the same manner and compensated at the same rate as an Assistant Administrator of the Federal Energy Administration.

(b) The Director is authorized to provide—

(1) financial assistance to State regulatory commissions to improve staffing as provided in section 7;

(2) financial assistance to States to enable them to establish offices or consumer services as provided in section 8;

(3) financial assistance to encourage State regulatory commissions to undertake demonstration projects aimed at developing innovative rate structures as provided in section 9; and

(4) technical assistance to State commissions as provided in section 10.

APPLICATIONS

Sec. 5. Assistance may be furnished under this title only pursuant to an application submitted by a State regulatory commission and approved by the Director. In such application, the applicant shall—

(1) certify that it is a State regulatory commission within the meaning of this title;

(2) describe, in such form and detail as the Director may by regulation require, a program which meets the requirements of sections 7, 8, 9, or 10;

(3) furnish such assurances as the Director may require to assure that funds made available under this title will be in addition to, and not in substitution for, the amount of funds made available to that commission from other sources.

LIMITATIONS

SEC. 6. No part of any assistance under this title may be used in connection with functions of a State regulatory commission other than those directly relating to public utilities.

GRANTS TO IMPROVE STAFFING

SEC. 7. The Director may make grants under the provisions of this title to State regulatory commissions which undertake comprehensive programs for short and long term staffing development designed to enhance staff capacity effectively and adequately to regulate utility operations and rates within a State or multi-State service or compact area. No grant may be made under this section to any State regulatory commission which does not grant free and unrestrained access to its records and filings to any office of consumer services established or supported under section 8.

GRANTS FOR OFFICES OF CONSUMER SERVICES

SEC. 8. The Director may make grants under the provisions of this title to provide for the establishment and operation of offices of consumer services to assist consumers in their presentations before State regulatory commissions. Any assistance provided under this section shall be provided only for an office of consumer services which is designed and operated independently to—

(1) make general factual assessments of the impact of rate changes and other regulatory actions upon all affected consumers;

(2) assist consumers in the presentation of their positions before State regulatory commissions; and

(3) advocate, on its own behalf, a position which it determines represents the position most advantageous to the public.

GRANTS FOR RATE STRUCTURE INNOVATION

SEC. 9. (a) The Director may make grants to encourage the development and operation of innovative rate structures by providing financial assistance to State regulatory commissions to assist them in—

(1) hiring staff, consultants, or experts, providing for the purchase, rental, or lease of technical equipment or support facilities, or meeting the costs of research or support facilities, or meeting the costs of research and development, experimentation, and evaluation, for the development of such rate structures; or

(2) establishing and carrying out utility regulatory activities on a multi-State or regional basis.

(b) As used in this section, the term "innovative rate structure" includes peak-load pricing, rate flattening, lifeline rates, and any other similar regulatory practices and activities which may be of utility in the development of an innovative rate structure.

TECHNICAL ASSISTANCE TO STATE UTILITY REGULATORY COMMISSIONS

SEC. 10. The Director may furnish technical assistance, including audit, management, and financial management assistance, to State regulatory commissions. Such assistance may be provided in the form of information or personnel singly or in groups or task forces.

ALLOCATION

SEC. 11. (a) Any funds appropriated pursuant to section 12 shall be allocated equitably among the States on the basis of population and other objective criteria except that—

(1) no applicant State may receive less than ½ percentum or more than 10 percentum of amounts appropriated for grants under section 107 for any fiscal year; and

(2) no applicant State may receive less than 1 percentum or more than 3 percentum of amounts appropriated for grants under section 8 for any fiscal year.

(b) The Director may withhold any part or all of any grant under this title if he finds that the State regulatory commission (1) is not carrying out the program as described in the application, or (2) has violated assurances contained in the application.

AUTHORIZATION

SEC. 12. There are authorized to be appropriated for each fiscal year ending prior to October 1, 1980—

(1) not to exceed $30,000,000 in any fiscal year for grants under section 7;

(2) not to exceed $5,000,000 in any fiscal year for grants under section 8;

(3) not to exceed $5,000,000 in any fiscal year for grants under section 9; and

(4) not to exceed $8,000,000 in any fiscal year for technical assistance under section 10.

Section-by-Section Analysis

Section 1—Title—The short title of this Act is the Utility Regulatory Improvement Act of 1975.

Section 2—Findings of Fact and Declaration of Policy—Section 2 states the findings of Congress and makes a declaration of policy regarding the condition of State utility regulatory mechanism.

TITLE I—FINANCIAL ASSISTANCE

Section 3—Definitions—Section 3 defines certain terms used in the bill.

(1) The term "Director" means the director of the Office of State Regulatory Assistance in the Federal Administration;

(2) "State Regulatory Commission" is defined as an agency, commission, or establishment of any State which is responsible for making and administering rules and regulations related to the operation of, and rates charged by, public utilities;

(3) "State," for the purposes of this Act, means any State of the United States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, and the Trust Territories of the Pacific;

(4) "Public Utility" means an electric utility company or a gas utility company;

(5) "Electric Utility Company" is defined as any person who owns or operates facilities used for the generation, transmission, or distribution and sale of electric energy or for use other than resale;

(6) "Gas Utility Company" is defined as any person who owns or operates facilities used for the distribution and sale of natural or manufactured gas for heat, light or power, or for use other than resale.

Section 4—Establishment of the Office of State Regulatory Assistance; Authority—Section 4 establishes, within the Federal Energy Administration, the Office of State Regulatory assistance and provides the basic authorization for the four programs created by the Act.

Section 4(a) establishes the office and provides that its chief official will be a director appointed in the same manner and paid at the same rate as an assistant administrator of the Federal Energy Administration.

Section 4(b) authorizes the director to provide financial assistance to regulatory commission to improve staffing (Section 7), to establish offices of consumer services in each State (Section 8), and to encourage commissioners to undertake demonstration projects aimed at developing innovative rate structures (Section 9). Further, the Act authorizes the director to provide technical assistance to commissions (Section 10).

Section 5—Applications—Section 5 establishes the criteria that State Regulatory Commissions must meet in making their applications for assistance provided by the bill. In order to receive assistance, an applicant must certify to the director that it is a State Regulatory Commission as defined by the bill. In addition, the applicant in a manner prescribed by the director must describe a program which meets the requirements of Sections 7, 8, 9 and 10. Applicants must also furnish assurances to the director, as he requires, that funds made available under Title I will be in addition to, and not in substitution for, the amount of funds made available to the applicant from other sources.

Section 6—Limitations—Section 6 requires State regulatory commissions receiving assistance under Title I to use that assistance only for functions related directly to public utilities.

Section 7—Grants to Improve Staffing—Section 7 authorizes the director to make grants to State regulatory commissions to increase the commissions' staff capacity. The director may not make grants to commissions which refuse to allow complete access to its records and findings to any office of consumer services established or supported under section 8.

Section 8—Grants for Offices of Consumer Services—Section 8 establishes a program of grants to State Commissions for the purpose of developing, in each State, an office of consumer services to assist consumers in presenting their views before State regulatory commissions. The director may provide assistance to consumer offices which are designed and operated independently. The section specifies that the director may approve grants only to offices which—

(1) make general assessments of the impact of proposed rate changes and other regulatory actions on all consumers;

(2) assist consumers in the presentation of their position before State regulatory commissions; and,

(3) advocate, on its own behalf, a position which it determines represents the position most advantageous to the public.

Section 9—Grants for Rate Structure Innovation—Section 9 establishes a grant program administered by the director, to support demonstration programs by State regulatory commissions aimed at developing innovative rate structures.

Subsection 9 (a) authorizes the director to make grants to State regulatory commissions to develop innovative rate structures. The director may provide assistance to commissions for hiring staff, consultants or experts; for the purchase, rental, or lease of equipment and facilities; or meeting the costs of research and development, experimentation and evaluation of innovative rate structures. The subsection further provides that the director may support innovative rate structure programs which establish or carry out utility regulatory activities on a multi-State or regional basis.

Subsection 9 (b) provides that the term "innovative rate structure," as used in the section, includes peak-load pricing, rate flattening, lifeline rates, and any other similar regulatory practices and activities which may be of utility in the development of an innovative rate structure.

Section 10—Technical Assistance to State Utility Regulatory Commissions—Section 10 authorizes the director to provide technical assistance to State regulatory commissions.

This assistance, including audit, management and financial management assistance, may be in the form of information or personnel.

Section 11—Allocation—Section 11 prescribes the manner in which funds for Title I programs are to be allocated among the States.

Subsection 11 (a) provides that funds appropriated in section 12 must be allocated among the States on the basis of population and other objective criteria. The subsection further provides that: (1) for section 7 programs, no applicant may receive less than one-half of one percent or more than ten percent of the funds appropriated for the section for any fiscal year; and, (2) for section 8 programs, no applicant may receive less than one percent or more than three percent of the funds appropriated for the section for any fiscal year.

Subsection 11 (b) authorizes the director to withhold any part or all of a grant if he finds that an applicant's State commission is not carrying out the program as described in its application or if the State commission has violated assurances contained in the application.

Section 12—Authorization—Section 12 prescribes the funding levels for the various programs established by Title I. This section authorizes the following appropriations for each of the next five fiscal years—

(1) for section 7, up to $30 million;
(2) for section 8, up to $5 million;
(3) for section 9, up to $5 million;
(4) for section 10, up to $6 million.

Mr. ROTH. Mr. President, I am pleased and honored to join Senator Muskie in introducing the Utility Regulatory Assistance Act of 1975. I believe this proposal is well targeted at key utility issues, and is most promising from the standpoint of both assuring better management of the utility industry and more protection for the rights of the consumer.

The need for this legislation is most compelling. The energy problems facing this Nation are complex and are a principal factor in the widespread disruption to our economy.

Sales across the Nation are down. Unemployment is at a 30-year high and threatens to increase still further. We cannot expect to deal effectively with these problems on a long-term basis until we find long-term, comprehensive solutions to our energy needs.

To the 215 million private citizens of this country and most of its businesses, utility costs form a major portion of total yearly expenses. As much as 6 to 10 percent of a family's income is spent for utility costs for such essentials as heat, light, cooking, and refrigeration. Total utility costs were in the tens of billions of dollars.

In some locales, monthly utility costs have displaced housing expenses as the top single cost item of the family budget. It is not surprising that the recent escalation of these costs by 200 to 300 percent has brought alarm and widespread public demand for Government action.

It has been a major factor in the inflation which set this Nation in its current tailspin and to many Americans living on low and fixed incomes, was more than a shrinking pocket could stand.

Our goal is responsive utility legislation that conserves energy, protects the rights of individual consumers, and promotes future economic viability and efficiency for the utility industry. This bill would maximize the effective ratemaking capacities of State and local utility commissions and thereby move us closer to this goal.

The measure provides Federal resources where improvements will do the most good without imposing the burdensome and overbearing demands on State and local authorities which so often characterizes Federal programs. I believe this is particularly important.

In many cases the Federal Government has not had a good management record of nationwide systems such as the postal service, the railroads and airlines, and natural resources.

This bill would authorize Federal assistance to the State and local utility commissions where the money is most needed to bolster the capacity of overworked staffs, to sponsor studies into new ratemaking policies which cut down both wasteful use of utilities and rapidly rising costs, to provide needed expert assistance in reviewing and auditing petitions for rate adjustments from the utility companies and most significant, to establish consumer service centers within the Commissions to act as a focal point to hear citizens' positions and see to it that they are considered.

As a final point, this legislation provides that the FEA will be required to report to the Congress on the success of the program to justify its continuation after 5 years; otherwise the legislation expires. I believe that this is a very significant feature of the bill because it acts as a self-policing mechanism to preclude this program from going on after its efficiency is outlived.

Again, I congratulate Senator Muskie for his foresight in leading efforts to bring this legislation to the Congress.

By Mr. EASTLAND:

S. 2034. A bill applicable to livestock marketing in commerce to provide the basis for assuming and discharging the financial risks involved in all sales and purchase transactions; to declare certain acts unlawful; to safeguard against unfair and illegal marketing practices; to identify, maintain, and uphold business standards and practices which are based upon free, open, and competitive factors in all transactions; to provide penalties for violations; to create and empower a livestock marketing commission to administer and enforce the act; and for other purposes. Referred to the Committee on Agriculture and Forestry.

LIVESTOCK MARKETING REFORM ACT OF 1975

Mr. EASTLAND. Mr. President, I introduce a bill at the request of the National Livestock Marketing Association. The association has worked for many months putting together the bill. It has held regional meetings of its members across the country to discuss and refine the provisions.

Livestock producers have suffered severe monetary losses in recent months due to the failure of a large purchaser of their product. I understand that this bill addresses their problem along with many others in the marketing field.

I am introducing the bill so that its provisions can be evaluated by other segments of the livestock industry in hearings along with other proposals before the Congress. Every avenue needs to be explored to improve our livestock marketing laws. The producer needs a fair return. The marketing, processing, and distribution segments of the industry must be healthy and efficient to assure an adequate supply of reasonably priced food to our consumers.

By Mr. JAVITS (for himself, Mr. Muskie, Mr. Humphrey, and Mr. Gravel):

S. 2036. A bill to promote accountability in the executive branch of the Government, to require the disclosure of the financial status of public officials, to establish an Office of Legal Counsel to the Congress, and for other purposes. Referred to the Committee on Government Operations.

NATIONAL INSTITUTIONS REFORM ACT

Mr. JAVITS. Mr. President, I introduce the National Institutions Reform Act.

Mr. President, this measure provides for the institutionalization of authority in Congress of such a character as to enable it more equally to perform its responsibilities under the Constitution, my view being and the reason for the measure being there has been an enormous shift of power to the executive in the last three decades, much of which we surrendered voluntarily, and then the executive branch has usurped a good deal more power than we handed over.

The National Institutions Reform Act will, I believe, help effectively in the effort to prevent the kind of abuses of power that led to Watergate and the crisis we have been living through. I believe that even as the impeachment inquiry draws to its conclusion, we must take the first steps to prevent the recurrence of similar tragedies in the future. With my colleagues I am seeking to restore the balance of power which shifted so far in favor of the executive branch as to have helped to bring us to this precipice.

I say shift of power because I believe that—partly through circumstance and partly through acquiescence—we in Congress have, during the past three decades, been too ready, even too willing to delegate the people's representation—that which could not be delegated—too ready to surrender that which we have no right to surrender.

For its part, the executive branch has been willing to participate in this process by usurping even more power than we have handed over. It is the personal abuse of this accumulated power that led us to Watergate, and it is this imbalance we must rectify if we are to restore the moral authority of the Federal Government and rebuild our people's faith in their national institutions and in our ability to govern.

One of the great virtues of our system of government lies in the fact that it enables us to examine and correct such past errors without destroying the political process or bringing down the system of government.

What we are seeing in these impeachment proceedings is the reaffirmation that every U.S. citizen—be he President or common man—is subject to the process of law, whatever the cost in personal embarrassment and discomfort.

The process we are now witnessing is in itself, one reaffirmation of the balance of power between the executive and legislative branches implicit in article I and article II of the Constitution.

My own War Powers Act, passed over Presidential veto last year, was the first step in restoring to Congress some of the power arrogated to the executive in the past. A valuable second step, the Budget Control bill—now law—assures us of a mechanism to allow Congress adequately to determine spending priorities and coordinate spending with revenue raising. This, too, will restore some of our legislative power by enabling Congress to go about the business of budgeting, appropriating, and taxing more efficiently.

There are other measures before Congress aimed at equalizing the power of the executive and the legislative branches, but much more is needed. Accordingly, together with my colleagues, I introduce the National Institutions Act to assure that Congress takes the initiative in establishing the legislative needs of the country; that the President and his agents are encouraged to see to their constitutional obligations "that the laws be faithfully executed," and that executive accountability for that execution of the laws is rendered into reality.

The provisions of the National Institutions Reform Act, call, specifically, for the following reforms:

First, the President of the United States shall report annually to Congress on the steps he has taken to implement laws and resolutions passed by Congress during its last session. The President in his report to the Congress shall respond to questions from the standing committees of each House to be transmitted by the respective Rules Committees.

Second, the Speaker of the House of Representatives is to reply on behalf of the Congress, in an equivalent joint session, with a congressional state of the Union message to the President's state of the Union message; such reply to be based on recommendations of the joint leadership in both Houses and to include a congressional assessment of legislative priorities and a statement of intent as to the manner in which Congress will deal with those priorities; such reply is to include congressional recommendations to the President as to action which he should take to deal with the specific national agenda recommended by the Congress.

Third, a requirement of complete disclosure of the financial assets and liabilities of each Member and candidate for a seat in the House or Senate, the President and Vice President and other official employees of the U.S. Government earning in excess of $20,000, as well as income tax information relevant to the public business. It is very important all appropriate information bearing on a public official's possible conflict of interest be open to the public scrutiny.

Fourth, the establishment of the Office of Legal Counsel to the Congress to provide legal advice and legal opinions to Members and committees, to review executive actions as prescribed by the Congress and to intervene in court actions on behalf of the Congress when there is an issue involving the laws of the United States or the actions of the Congress.

In addition, the legal counsel is to represent either House of Congress, any Member or committee of Congress in any legal action in any court, Federal or State, where the validity of U.S. laws, or congressional actions of any kind are at issue in the proceeding. It is important the Congress have an ongoing office to handle the legal problems that have arisen with greater frequency in recent years.

I am fully aware that these proposals are far-reaching and controversial, but they go to the very essentials of the way we govern ourselves.

By Mr. BARTLETT:

S. 2038. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax and to provide an alternate method of valuing certain real property for estate tax purposes. Referred to the Committee on Finance.

Mr. BARTLETT. Mr. President, I am introducing legislation today which I believe will affect two important and long overdue reforms to the Federal estate tax law.

First, the bill would increase the Federal estate tax exemption to $125,000 from the present $60,000, which was written into the law in 1942. It is interesting to note that prior to 1932 the exemption was set as high as $100,000. Since 1942 inflation has continued to erode the value of the $60,000 exemption. The extent of the lack of adjustment in the estate tax exemption is readily seen when one considers that the Consumer Price Index has increased some 203 percent since 1942. This 203-percent increase as applied to an estate valued at $60,000 in 1942 would be equal to nearly $122,000 today. This inflation factor alone—aside from other pressures which have dramatically increased the value of personal estates—warrants an immediate upward adjustment. Retention of the current $60,000 exemption will continue to work undue hardships on those persons inheriting businesses or farms who are often left with no choice but to sell their family enterprise in order to obtain funds with which to pay estate taxes.

Second, the bill provides for an alternate method of valuing certain real property for estate tax purposes by allowing the executor of an estate to value real property in line with its current use instead of potential use. The linking of estate taxing to earning capacity of the land rather than its presumed market value would be limited to real property devoted to farmland and commercial woodlands. This provision would greatly facilitate the transfer of agricultural lands from father to son as well as encourage the maintenance of such lands for agricultural purposes.

Present estate tax laws levy disproportionate taxes on farms near towns and cities, because they have developmental potential. As a consequence, farmland near population centers is increasingly jeopardized as land is devoured and devoted to more intensive urban use. Under the terms of this legislation, property that has been used for farming for at least 5 years prior to death and that continues to be farmed for 5 years more would qualify for the alternate valuation.

Mr. President, this two-step approach to revision of the Federal estate law is overdue. The need is great, and I am hopeful that the Congress will respond quickly.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2038

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2052 of the Internal Revenue Code of 1954 (relating to exemption for purposes of the Federal estate tax) is amended by striking out "$60,000" and inserting in lieu thereof "$125,000".

(b) Section 6018(a)(1) of such Code (relating to estate tax returns) is amended by striking out "$60,000" and inserting in lieu thereof "$125,000".

Sec. 2. The amendments made by the first section of this Act shall apply to the estates of decedents dying after the date of enactment of this Act.

Sec. 3. Alternate Valuation of Certain Real Property.—

(a) Section 2031 of the Internal Revenue Code of 1954 (relating to definition of gross estate) is amended by adding at the end thereof the following new subsection:

"(c) Alternate Valuation of Certain Real Property.—

"(1) In General.—If the executor of an estate so elects, the value of any qualified real property included in the estate shall be determined by its value for the use under which it qualifies, under paragraph (2), as qualified real property.

"(2) Definition of Qualified Real Property.—For the purposes of this subsection, the term 'qualified real property' means real property substantially all of which is, and, for the 60 months preceding the date of the decedent, has been, devoted to—

"(A) farming (including the production of agricultural commodities and the raising of livestock),

"(B) woodland involved in the commercial production of trees.

"(3) Election Requirements.—An election under this subsection shall be filed with the Secretary or his delegate at such time and in such form and manner as he may prescribe and shall contain, in addition to any other matter, the name, address, and taxpayer identification number of the person to whom the property passes under the terms of the decedent's will or by operation of law.

"(4) Revocation of Election.—If property valued under paragraph (1)—

"(A) is sold or transferred, by or on behalf of the person to whom the property passed, within 5 years after the date on which the return of the tax imposed under this chapter was filed, or

"(B) is converted substantially to a use not described in paragraph (2) within that 5-year period by that person, the election made under this subsection shall be revoked and the difference between the tax actually paid under this chapter on the transfer of the estate and the tax which would have been payable on that transfer had the property not been valued under paragraph (1) shall be a deficiency in the payment of the tax assessed under this chapter on that estate.".

(b) Section 1014(a) of such Code (relating to basis of property acquired from a decedent) is amended by inserting before the period at the end thereof a comma and the following: "or, in the case of an election under section 2131(c) (relating to alternative valuation of certain real property), the value thereof as determined under such action for the applicable valuation date.".

Sec. 5. The amendments made by section 4 of this Act shall apply with respect to the estates of decedents dying after the date of enactment of this Act.

By Mr. LAXALT (for himself and Mr. Cannon):

S. 2039. A bill to declare any Bicentennial medallion struck for or by the State of Nevada to be a "Commemorative Medallion." Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. LAXALT. Mr. President, today, the distinguished senior Senator from Nevada, Howard Cannon, and I are introducing legislation to declare that the Bicentennial medallion struck for or by our State under the direction and control of the Nevada American Revolution Bicentennial Commission shall be regarded as a "Commemorative Medallion."

I believe, Mr. President, that the unique spirit of American individualism national pride are nowhere better exemplified than in Nevada. As a result, the Nevada American Revolution Bicentennial Commission has been one of the most active in this country. An imaginative, full schedule of events to celebrate this Nation's 200th anniversary and Nevada's participation in our historical development has been planned.

One of the most ambitious projects of the State's Bicentennial Commission includes the striking of Bicentennial medallions which literally carry history with them. One side of the medal will feature Nevada's 1876 Centennial design using the original 100-year-old die and on the reverse side the 1976 Bicentennial logo will appear. Our State was the only one to produce a Centennial medallion in 1876 and will be the only State to print a Bicentennial medal. Nevada ore is to be used exclusively and the coins will be printed on the original Carson dollar press in full public view.

The Nevada Bicentennial medallion is truly living history and should be designated a "Commemorative Medallion" by the Congress.

Mr. CANNON. Mr. President, my colleague, the junior Senator from Nevada, Paul Laxalt, and I are pleased to join in introducing a bill declaring a "commemorative medallion" be struck for Nevada under the direction and control of the Nevada American Revolution Bicentennial Commission.

I think it significant that Nevada, which was the only State in the Union to make a centennial medal in 1876, should create this distinctive medallion to be struck on a reactivated Carson City dollar press. The production date will be July 4.

Nevada has ambitious plans to celebrate our Nation's 200th anniversary next year, and the commemorative medallion, created with Nevada metals and ores, is an event of major significance for our State. One side of the unique medallion will feature Nevada's 1876 centennial design featuring the scales of justice, the shape of Nevada, and a crossed rifle and arrow.

The reverse side will feature the new 1976 logo, depicting the pioneer with crossed pick and shovel with mountains in the background.

The original coin press, currently in the State museum in Carson City, is being repaired and restored for its new mission.

I would like to share with my colleagues an article describing Nevada's participation in the bicentennial.

The article is entitled "We Celebrate the Bicentennial." It was written by Nevada Bicentennial Director Vicki Nash and appeared in Nevada Government Today in spring 1975.

Truly, as Mrs. Nash writes, the bicentennial deserves the support and demands the participation of every American.

Mr. President, I ask unanimous consent to have the article printed in the Record.

There being no objection, the article was ordered to be printed in tthe Record, as follows:

[From Nevada Government Today, Spring, 1975]

Many Projects in Nevada—We Celebrate the Bicentennial

(By Vicki Nash)

Someone has said that if the calendar had not pre-destined the Bicentennial, the people of this country would have invented it; because now—more than any other time in our history—we need to recall the principles and the faith of our founding fathers.

Unlike other July Fourth celebrations, the Bicentennial will have a deeper meaning. Congress decreed not just a day or even one year, but the Bicentennial Era, as a time to look at our past with eyes of the present and heart for the future. Nevada's Bicentennial office closes June 30, 1977, but many projects and events originated in the period of July 1972 to June 1977 will continue as annual activities.

The Spirit of '76 will be reborn, not because of what is or is not done in Washington, D.C., but through involvement of every American.

Goals for the future of this country can best be set by all the people, just as it was the people who created this independent nation.

In Nevada, with a total population of half-a-million, 30 local Bicentennial committees are working to set goals for their respective communities. They are working with their elected officials.

Lyon County has less than 9,000 population, but eight committees are planning events to entice more tourists to spend more time in the state. Eight committees are seeking out historic sites which have been overlooked in the past and which will be lost forever, except for the diligence of the local residents. Eight committees are planning Horizons '76 projects to improve the quality of life, now and for the future.

Clark County has five committees and there are three in Washoe County. All other Bicentennial organizations operate on a county-wide basis.

Sparks Bicentennial Committee has the full and enthusiastic support of the mayor and council. The city clerk doubles as Bicentennial secretary and the 15-member executive committee has never had less than 100 percent attendance at the monthly meetings since it was created in September, 1973.

Bicentennial chairman of Clark County, Henderson, Las Vegas, North Las Vegas, Nye County and Storey County are all-hard-working employees of their city or county. Their Bicentennial chores take many additional hours of their personal time. Four state legislators serve on the Nevada American Revolution Bicentennial Commission.

It was not a unanimous action 200 years ago when people rebelled against the tyranny that imposed unfair taxes and sought to stifle freedom. There were dissenters in 1776 just as there are those today who deride any observance of the Bicentennial. But, faith of the majority worked the miracle of America. A democracy was born unlike any seen anywhere else in the world. The people of every state, who proceed diligently on individual programs of Bicentennial activity demonstrate anew that the strength of this country is the strength of each of its people.

Half of Nevada's 30 Bicentennial committees have been honored by national ARBA as "Bicentennial Communities." This award signifies that a program has been developed with projects or events under each of the three themes of Heritage '76, Festival USA and Horizons '76.

Heritage projects show not only concern for well-known historic sites or buildings, but the imagination drawn from residents who know their community and love it for its past as well as its future.

Virginia City, where the largess of the Comstock Lode helped to win the war which made us a Union, works not only to preserve buildings, but traditions. A detailed re-enactment of the July Fourth, 1876 parade will be authentic as it follows the route reported that year in a local newspaper. It will join with residents of Gold Hill and Silver City. In the latter community of less than 300 population an archeological survey of caves within the town will preserve not only Paiute petroglyphs, but the 100-year-old grafitti by early miners who helped provide the gold and silver so needed by President Lincoln.

Eureka is preserving the one newspaper printed in 1870 and still in print in 1973. The restored publishing building will become the county's only museum.

The 26-acre Kyle Ranch near North Las Vegas will be completely rehabilitated and expanded as a community recreation area. Pershing County is beautifying the grounds of the only round courthouse in the state. With cooperation of the utility companies unsightly power and communication lines will be submerged and landscaping will provide a park in the center of Lovelock to please tourists and residents alike.

Carson City celebrates its centennial this year. The kick-off to Bicentennial activity included a full week of events, not the least of which was a re-enactment of the Legislative Sesion of 1875 when the capitol city was incorporated. Current legislators played the roles of their predecessors.

Walker River Paiute Tribe is preserving its history and traditions with a publication and a traveling photographic exhibit.

Festivals extend from Reno's "Twelve Days of Christmas" in 1975 through every month of 1976. Every community has its July Fourth celebration, but each will also participate in Admission Day, October 31, and for many areas this has not been a major event.

"Back to White Pine" becomes more than a week of street dances, cowboy breakfasts, food festivals of many nations and even safaris to almost-forgotten ghost towns where storytellers relate tales of their grandparents around a campfire.

Patriotic groups are extending the usual Memorial Day parade or Veteran's Day celebration. Dayton is reviving Santa Maria Day from its original religious theme to a gala old-fashioned community event including arts and crafts displays and old-time children's games.

Horizon '76 projects include plans for a sewer system in one area and water storage in another; a recycling plant provides employment for young people and preserves the ecology in Clark County; while a swimming pool is the aim for two communities, Fernley and Eureka County. Extension of the Reed Whipple Culture Center in Las Vegas and dedication of a walkway along the Truckee River in Reno are examples of planning jointly by the people and their elected officials.

In 1876 the Centennial presented an opportunity to close ranks North and South, shoring up the people's pride in what the nation had accomplished since 1776. It was the era of the scandal-ridden Grant administration. Corruption in high government was a fact, so was drug traffic, crime in the streets, disease, poverty and unemployment. Americans survived to build a vast empire.

Today, the Bicentennial presents an opportunity that cannot be ignored. It deserves the support and demands the participation of every American.

By Mr. ABOUREZK:

S. 2040. A bill to provide for an increase in judicial salaries, and for other purposes. Referred to the Committee on Post Office and Civil Service.

Mr. ABOUREZK. Mr. President, I am today submitting the Judicial Salary Act of 1975, designed to bring the level of judicial salaries more into line with the rising cost of living. The salaries of Justices and judges of the U.S. Federal courts have been frozen since March 1969 at $40,000 for judges of the district courts, $42,500 for judges of the courts of appeals, and $60,000 for Associate Justices of the Supreme Court. The Judicial Salary Act of 1975 will provide a single, across-the-board, 20-percent increase in the salaries of these judicial officers.

Mr. President, the state of the Federal judiciary, I regret to say, seems to be failing. While Federal judicial salaries have remained unchanged since 1969, salaries of State chief justices have dramatically increased. Currently, 20 States compensate judges at rates equal to or in excess of pay for Federal district court judges. Such disparities have caused the resignation of several top Federal jurists. Undoubtedly, if the freeze on salaries remains much longer, more and more judges will retire from the Federal bench and go back to either practicing law, or to more lucrative positions on the State bench. This legislation, I hope, will forestall that.

The bill would accomplish two main purposes. First, it would provide for a single, 20-percent salary increase. Second, it would take the Federal judiciary out from under the quadrenniel review of executive, legislative, and judicial salaries. Congress should retain the authority to raise the salaries of all employees of the Government.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2040

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Judicial Salary Act of 1975".

Sec. 2. (a) Section 225(f) of the Federal Salary Act of 1967 (81 Stat. 642) is amended—

(1) by striking out subparagraph (C);

(2) by inserting at the end of subparagraph (B) "and"; and

(3) by redesignating subparagraph (D) as subparagraph (C).

(b) Sections 225 (g) and (h) of such Act are each amended by striking out "subparagraphs (A), (B), (C), and (D) of subsection (f)" and inserting in lieu thereof "subparagraphs (A), (B), and (C) of subsection (f)".

Sec. 3. Subsections (a) and (c)(1) of section 5305 of title 5, United States Code, are each amended by adding at the end thereof the following:

"The report transmitted to the Congress under this subsection shall specify the overall percentage of the adjustment in the rates of pay under the General Schedule."

Sec. 4. (a) Chapter 21 of title 28, United States Code, relating to general provisions applicable to courts and judges, is amended by adding at the end thereof the following new section:

"§ 461. Adjustments in Certain Salaries

"(a) Effective at the beginning of the first applicable pay period commencing on or after the first day of the month in which an adjustment takes effect under section 5305 of title 5 in the rates of pay under the General Schedule (except as provided in subsection (b)), each salary rate which is subject to adjustment under this section shall be adjusted, without regard to the limitation imposed by section 5308 of such title 5, by an amount, rounded to the nearest multiple of $100 (or if midway between multiples of $100, to the next higher multiple of $100) equal to the percentage of such salary rate which corresponds to the overall average percentage (as set forth in the report transmitted to the Congress under such section 5305) of the adjustments in the rates of pay under such Schedule.

"(b) Subsection (a) shall not apply to the extent it would reduce the salary of any individual whose compensation may not, under section 1 of article III of the Constitution of the United States, be diminished during such individual's continuance in office."

(b) The analysis of chapter 21 of such title is amended by adding immediately below the item relating to section 460 the following new item:

"§ 461. Adjustments in Certain Salaries.".

Sec. 5. (a) Section 5 of title 28, United States Code, relating to the salaries of the Chief Justice of the United States and of the associate justices of the Supreme Court of the United States, is amended to read as follows:

"The Chief Justice shall receive a salary of $74,500 a year, and each associate justice shall receive a salary of $72,000. Such salaries shall be adjusted in accordance with the provisions of section 461 of this title.".

(b) Section 44(d) of title 28, United States Code, relating to circuit judges, is amended to read as follows:

"(d) Each circuit judge shall receive a salary of $51,000 a year. Such salary shall be adjusted in accordance with the provisions of section 461 of this title.".

(c) Section 135 of title 28, United States Code, relating to district judges, is amended to read as follows:

"Each judge of a district court of the United States shall receive a salary of $48,000 a year.

"The chief judge of the District Court for the District of Columbia shall receive a salary of $48,000 a year.

"Such salaries shall be adjusted in accordance with the provisions of section 461 of this title.".

(d) The last sentence of section 173 of title 28, United States Code, relating to judges of the Court of Claims, is amended to read as follows: "Each shall receive a salary of $51,000 a year. Such salaries shall be adjusted in accordance with the provisions of section 461 of this title.".

(e) The last sentence of section 213 of title 28, United States Code, relating to judges of the Court of Customs and Patent Appeals, is amended to read as follows:

"Each shall receive a salary of $51,000 a year. Such salaries shall be adjusted in accordance with the provisions of section 461 of this title.".

(f) The last sentence of section 252 of title 28, United States Code, relating to judges of the Customs Court, is amended to read as follows: "Each shall receive a salary of $48,000 a year. Such salaries shall be adjusted in accordance with the provisions of section 461 of this title.".

(g) Section 792(b) of title 28, United States States, relating to the compensation of Commissioners of the Court of Claims, is amended to read as follows:

"(b) Each Commissioner shall receive basic compensation at the rate of $39,600 a year, and also all necessary traveling expenses and a per diem allowance as provided in chapter 57 of title 5 while traveling on official business and away from Washington, District of Columbia. Such compensation shall be adjusted in accordance with the provisions of section 461 of this title.".

(h) Section 7443(c) of the Internal Revenue Code of 1954, as amended, relating to judges of the Tax Court of the United States, is amended to read as follows:

"(c) Salary.—Each judge shall receive a salary at the rate of $48,000 per annum, to be paid in monthly installments. Such salary shall be adjusted in accordance with the provisions of section 461 of title 28, United States Code.".

(i) The first sentence of section 40a of the Bankruptcy Act (11 U.S.C. 68(a)), relating to compensation of referees in bankruptcy, is amended to read as follows: "Referees shall receive as full compensation for their services salaries to be fixed by the conference, in the light of the recommendations of the councils, made after advising with the district judges of their respective circuits, and of the Director, at rates, in the case of full-time referees, not more than $43,200, as adjusted under section 461 of title 28, United States Code, and in the case of part-time referees, no more than one-half of such rate, as so adjusted."

Sec. 5. The increases in compensation made by this Act shall become effective on the first day of the first pay period which begins on or after the date of enactment of this Act.

By Mr. HUGH SCOTT:

S.J. Res. 99. Joint resolution to authorize and request the President to issue a proclamation designating January 4, 1976, as "Haym Salomon Day." Referred to the Committee on the Judiciary.

Mr. HUGH SCOTT. Mr. President, one of the best known among Jewish American patriots was Haym Salomon—the financier who helped raise money to carry on the American Revolution and later, saved our emerging Nation from economic collapse. I am pleased to introduce a resolution as a tribute to the memory of one who gave his entire fortune so that freedom would prevail. This resolution would authorize and request the President to issue a proclamation designating January 4, 1976, as "Haym Salomon Day."

Haym Salomon came to Philadelphia penniless in 1778, the British having confiscated his property in New York. But in the Capital City of the new Nation there were business and speculative opportunities for a trader with imagination. His business prospered, and within the next few years he became a leading broker in Philadelphia and one of the largest depositors in the Bank of North America, to which he was a subscriber.

In June 1781, Robert Morris, the superintendent of finance, engaged Salomon to help with the young country's finances. He negotiated all the loans raised in France and Holland, pledging his personal faith and fortune, and personally advanced large sums to such men as James Madison, Thomas Jefferson, and other patriotic leaders who testified that without his aid they could not have carried on in the cause.

Salomon died on January 4, 1785, at the age of 44. His fortune had been devoured equipping military units, paying foreign agents, and the salaries of Government officials.

As our Bicentennial approaches, it is increasingly important to recognize the great people that labored and sacrificed for American independence. Haym Salomon stands among our country's great as a financial hero, who worked with quill pen in his account book to answer the call—"What price liberty?"

I urge my colleagues to join me in support of this tribute to Haym Salomon—financier, banker, and patriot.

I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 99

Whereas Haym Salomon, financier, banker, and patriot, risked life, limb, and personal fortune in order to support the American Revolution and to save the emerging United States from economic collapse;

Whereas Haym Salomon died on January 4, 1785, of complications from an illness contracted while a British prisoner; and

Whereas Haym Salomon left a legacy of dedication, loyalty, and altruism to his family, friends, and his country: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to recognize the contribution made by Haym Salomon to the cause of the American Revolution, the President is authorized and requested to issue a proclamation designating January 4, 1976, as "Haym Salomon Day", and calling upon the people of the United States and interested groups and organizations to observe that day with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 327

At the request of Mr. JOHNSTON, the Senator from Califronia (Mr. TUNNEY) and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 327, a bill to amend the Land and Water Conservation Fund Act of 1965.

S. 667

At the request of Mr. BEALL, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of S. 667, a bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes.

S. 805

At the request of Mr. DOMENICI, the Senator from Colorado (Mr. GARY W. HART) was added as a cosponsor of S. 805, a bill to amend section 5(c) of the National Trails System Act.

S. 976

At the request of Mr. MCCLURE, the Senator from Nevada (Mr. LAXALT), the Senator from Utah (Mr. GARN), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Utah (Mr. MOSS) were added as cosponsors of S. 976, a bill to exempt range sheep industry mobile housing from regulations affecting permanent housing for agricultural workers.

S. 1009

At the request of Mr. STONE, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 1009, a bill to amend title 13 of the United States Code to require the compilation of current data on total population between censuses and to require the use of such current data in the administration of Federal laws in which population is a factor.

S. 1216

At the request of Mr. TALMADGE, the Senator from Missouri (Mr. SYMINGTON) was added as a cosponsor of S. 1216, a bill to amend the Federal Water Pollution Control Act.

S. 1343

At the request of Mr. CRANSTON, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 1343, a bill to insure the financial privacy of individual citizens.

S. 1479

At the request of Mr. WILLIAMS, the Senator from Indiana (Mr. HARTKE) and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of S. 1479, a bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

S. 1801

At the request of Mr. FANNIN, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of S. 1801, the Omnibus Rail Act of 1975.

S. 1925

At the request of Mr. ROTH, the Senator from Alaska (Mr. STEVENS), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Utah (Mr. GARN), and the Senators from Nevada (Mr. CANNON and Mr. LAXALT) were added as cosponsors of S. 1925, a bill to amend the Internal Revenue Code of 1954 to provide assistance to taxpayers.

S. 1957

At the request of Mr. FANNIN, the Senaator from Arizona (Mr. GOLDWATER) was added as cosponsors of S. 1957, a bill to amend the act of September 14, 1959 (Public Law 86-272; 73 Stat. 555).

S. 1992

At the request of Mr. CHURCH, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 1992, a bill to amend title II of the Social Security Act to revise the provisions relating to automatic cost-of-living increases in benefits, and for other purposes.

S. 1993

At the request of Mr. BUCKLEY, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of S. 1993, the national food stamp reform bill.

SENATE JOINT RESOLUTION 90

At the request of Mr. DOMENICI, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of Senate Joint Resolution 90, a joint resolution to authorize the President to designate "National Ski Week."

SENATE RESOLUTION 175

At the request of Mr. ROTH, the Senator from Idaho (Mr. CHURCH), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Montana (Mr. METCALF) and the Senator from Illinois (Mr. STEVENSON) were added as cosponsors of Senate Resolution 175, amending rule XLIV of the Standing Rules of the Senate to require that copies of confidential personal financial disclosure reports filed under such rule be furnished in response to subpenas issued in criminal cases.

SENATE RESOLUTION 180

At the request of Mr. ALLEN, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of Senate Resolution 180, a resolution to amend Senate Rule XIX.

SENATE RESOLUTION 196—SUBMISSION OF A RESOLUTION TO AMEND RULE XXXIII OF THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. ALLEN (for himself, Mr. GRIFFIN, Mr. ROBERT C. BYRD, Mr. WILLIAMS, Mr. HUGH SCOTT, Mr. CANNON, Mr. PELL, and Mr. HATFIELD) submitted the following resolution:

SENATE RESOLUTION 196

Resolved, That Senate Rule XXXIII be amended by adding at the end thereof:

The Parliamentarian-Emeritus of the Senate.

SENATE RESOLUTION 198—SUBMISSION OF A RESOLUTION RELATING TO FEES AND EXPENSES OF WITNESSES BEFORE SENATE COMMITTEES

(Referred to the Committee on Rules and Administration.)

Mr. EAGLETON submitted the following resolution:

SENATE RESOLUTION 198

Resolved, That, subject to the provisions of section 2, each individual summoned or invited, after the date on which this resolution is agreed to, to appear before the Senate, any committee of the Senate, or any duly authorized subcommittee of any committee of the Senate shall be paid—

(1) a fee at a rate prescribed by the Committee on Rules and Administration for each

full day in attendance and in traveling to and from the place to which summoned or invited to appear, and

(2) reimbursement for actual and necessary expenses of transportation incurred in traveling to and from the place to which summoned or invited to appear, or in lieu thereof a mileage allowance, prescribed by the Committee on Rules and Administration, for use of a privately owned automobile, motorcycle, or airplane, if that mode of transportation is authorized by the Senate or by the committee or subcommittee summoning or inviting him to appear.

SEC. 2. (a) An individual shall be paid a fee referred to in paragraph (1) of the first section for any day only if he certifies that—

(1) he has not and will not receive compensation for services for that day from any other source, or

(2) compensation for services for that day received or to be received by him from other sources was or will be less than the amount of the fee payable under such paragraph.

In the case of a certification described in paragraph (2) of this subsection, the individual shall be paid an amount equal to the amount by which the fee otherwise payable exceeds the amount of compensation for services received or to be received by him.

(b) An individual shall be reimbursed for transportation expenses referred to in paragraph (2) of the first section only if he certifies that—

(1) he has not and will not receive reimbursement for such expenses from any other source, or

(2) reimbursement for such expenses received or to be received by him from other sources was or will be less than the amount payable under such paragraph.

In the case of a certification described in paragraph (2) of this subsection, the individual shall be paid an amount equal to the amount by which the amount otherwise payable under paragraph (2) of the first section exceeds the amount of reimbursement received or to be received by him.

SEC. 3. Payments under authority of this resolution shall be made out of the contingent fund of the Senate upon vouchers approved by—

(1) the Secretary of the Senate, in the case of an individual summoned or invited to appear before the Senate, and

(2) the chairman of the committee concerned, in the case of an individual summoned or invited to appear before a committee or subcommittee.

Mr. EAGLETON. Mr. President, the purpose of this resolution is to assure that the Senate has the benefit of hearing from average individuals who are affected by Federal programs but who may lack the means to journey to Washington to make their views known.

Senate Standing Order No. 69 already authorizes payment of witness fees and reimbursement of travel expenses but the decision whether to do this is left to the discretion of each committee and each subcommittee. As a matter of practice, few committees routinely pay the expenses of witnesses who come to Washington to testify. At least two committees—Banking, Housing and Urban Affairs, and Agriculture—apparently have a rule against paying any witnesses at all. The practice with other committees ranges from paying witnesses who can certify financial need to a policy of discouraging payment to witnesses, although it is occasionally done.

Mr. President, I think it is critical for the Senate to hear regularly from the people affected by the laws that are passed in Washington. A good deal of public distrust of Government is based on the perception that laws are made and regulations written without the slightest reference to the great differences in local and individual circumstances. As a recent witness before the Senate Banking Committee put it, "The people object to the Federal Government trying to legislate a single shoe size for every foot in the Nation."

Hundreds of hearings are held each year by Senate committees and subcommittees and obviously, I have not been able to research each of the witness lists to determine what kinds of individuals typically appear. But I would venture a guess that fully 90 percent of all those witnesses are either Government bureaucrats or representatives of trade associations and other such organized interests.

To cite one concrete example, a hearing was held recently on a bill I have introduced to provide some relief for individual homeowners who are being seriously burdened by the new Federal flood insurance program. The committee has a longstanding rule against payment of witnesses. As a result, the homeowners and small town officials who appeared that day came at their own expenses. And yet, testifying on this day were the Administrator and the Executive Director of the Federal Agency involved, both of whom are paid by the taxpayers to spend their time before the committee. The taxpayers also paid for the three or four lawyers and other assistants who accompanied these gentlemen to help them answer questions. The taxpayers also paid for the time and transportation of a regional officer flown in for the occasion, merely to observe.

My question is who is going to pay for the taxpayer when he wants to air a grievance before a Senate committee? He is the one person who has no vested interest in the continuation of a program and whose testimony every committee ought to hear. Perhaps if committees heard more from the people who have to live with Federal regulations and less from those who make their living writing them or profit from their existence, we would pass better laws in Washington.

I have no fault to find with any committee on this matter. It is a practice that has simply grown up and been blessed by tradition. I merely say it is time to change that tradition and that is what my resolution would do.

Briefly, the resolution would require each committee which invites or summons a witness to appear before it to pay that witness a fee for his time and reimburse him for his travel expenses provided that that individual is not reimbursed or paid from some other source. Let me make clear that this payment would apply only to witnesses formally invited or summoned by a committee to appear before it. It would not entitle a person who on his own comes to Washington with the intent of speaking before a committee to any payment from that committee. The witness must be invited by the committee acting on its own or on a request by a Senator. Rates of payment are left to the Rules Committee to establish by resolution and the money would come from the contingency fund of the Senate and not from committee budgetts.

Mr. President, I do not anticipate that adoption of this resolution would result in any heavy new expenditures by Senate committees. But every dollar spent would be a wise investment in bringing Congress closer to the people.

SENATE RESOLUTION 199—SUBMISSION OF A RESOLUTION RELATIVE TO NUCLEAR WEAPONS PROLIFERATION

(Referred jointly to the Joint Committee on Atomic Energy and the Committee on Foreign Relations, by unanimous consent.)

Mr. MONDALE (for himself, Mr. ABOUREZK, Mr. LEAHY, Mr. MOSS, Mr. CHURCH, Mr. CLARK, Mr. CULVER, Mr. CASE, Mr. BURDICK, Mr. HASKELL, Mr. WILLIAMS, Mr. HARTKE, Mr. BAYH, Mr. NELSON, Mr. GLENN, Mr. BIDEN, Mr. CRANSTON, Mr. HATHAWAY, Mr. HUMPHREY, Mr. JACKSON, and Mr. RIBICOFF) submitted the following resolution:

Whereas the Senate of the United States ratified the Treaty on the Nonproliferation of Nuclear Weapons (NPT) in recognition of the devastation associated with a nuclear war and of the need to make every effort to avert the dangers of such a war;

Whereas the parties to the Treaty expressed a common belief that the proliferation of nuclear weapons would seriously increase the danger of nuclear war;

Whereas the United States and other parties to the Treaty pledged to accept specified safeguards regarding the transfer to non-nuclear weapons States of special nuclear materials and facilities for the processing, use, or production of such materials;

Whereas the proposed sales of nuclear enrichment and reprocessing plants to non-nuclear weapons States, cast serious doubts on the scope and comprehensiveness of existing safeguards over the proliferation of nuclear weapons capability;

Whereas the Senate of the United States is particularly concerned about the consequences of transactions that could lead to the production of plutonium and other special materials by non-nuclear weapon States in Latin America, in the Middle East, and in Asia;

Whereas the Senate believes that improved safeguards are urgently needed to prevent the theft or diversion of plutonium and other special nuclear materials to weapons manufacture: Now, therefore, be it

Resolved that the Senate of the United States strongly requests and urges the President to seek through the highest level consultations with other suppliers of nuclear equipment and technology an immediate suspension of the transfer of nuclear enrichment and reprocessing facilities and technology to permit time for the negotiation of an agreement regarding additional safeguards to substantially reduce the risk of diversion or theft of plutonium and other special nuclear materials to military or other uses that would jeopardize world peace and security.

Mr. MONDALE. Mr. President, I am today submitting a revised version of a resolution—Senate Resolution 188—which I submitted in the Senate a week ago. This resolution expresses the opposition of the Senate to the proposed sales of uranium enrichment and plutonium reprocessing plants to nonnuclear weapons countries.

Since the resolution was first proposed, 20 Members of the Senate have joined as cosponsors of the modified version. A number of other Senators, while they have chosen not to cosponsor, have made clear to me their strong support for the objectives of this measure.

The reason that there is such deep concern over the transfer of enrichment and reprocessing equipment is that there is no effective international system of control over the spread of nuclear weapons capability once countries acquire the means to produce plutonium. Furthermore, there is no reason for the sale of plutonium separation plants since they have not proven to be commercially viable even in the United States.

David Lilienthal, in an article which appeared in the June 20 New York Times warned:

> The world should be made aware that any nation that sets out to extract plutonium from the ashes of an ostensibly innocent electric atomic reactor, is on its way to making bombs.

West Germany is currently negotiating with Brazil for the sale of enrichment and reprocessing facilities. This would be the first such sale ever to take place. German officials contend that the sale represents a major breakthrough toward improved safeguards since it includes requirements that are more restrictive than those currently imposed by the International Atomic Energy Agency.

But despite these requirements, which reportedly contain a provision that both the plutonium separation plant and the technology supplied by West Germany will be subject to international safeguards, Brazil has not signed the Non-Proliferation Treaty which would insure that "indigenously developed" technology for plutonium production would not be applied to weapons manufacture. And after the Brazilian engineers are trained in the design and operation of the German facility, they would almost certainly be in a position to produce a plant of their own.

That is why I had hoped that it might be possible to bring my resolution to a vote in the Senate before the West German-Brazilian contract was signed. Time pressures now make the chances of that happening remote.

I have nevertheless been extremely encouraged by the interest of both the chairman, Senator Pastore, and the ranking minority member, Senator Baker, of the Joint Committee on Atomic Energy in further action on this issue as soon as possible.

As evidence of the need for such action I ask unanimous consent that the article by David Lilienthal from the New York Times be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

If This Continues, the Cockroach Will Inherit the Earth

(By David E. Lilienthal)

After dropping nuclear bombs on Hiroshima and Nagasaki almost thirty years ago, America has kept faith with her pledge to seek a slowing up and eventually an end to the worldwide arms race. The internationalization of the dangerous aspects of the atom by the elimination of rivalry between nations as proposed by this country in 1945 has certainly not been achieved, but a surprisingly good start has been made.

Through American leadership—principally that of Senator John O. Pastore of the Joint Committee on Atomic Energy—an international safeguard agency was created, the International Atomic Energy Agency, and for years has functioned quite effectively. Again through American leadership, the nonproliferation treaty, limiting the number of nations already producing nuclear weapons, has been adopted, and thus far lived up to by many nations.

In recent months, however, recognition of the baleful consequences of intense commercial rivalry in the sale of atomic plants ostensibly purchased for electricity production makes it imperative that Amreica now step forward and sponsor a new initiative and make a new and equally bold proposal.

In recent years and months there has been a widespread increase in the number of plants built or under contract throughout the world to produce atomic heat to be transformed into electric energy.

This could be all to the good: the world needs a new hazard-free source of energy. It is often stated that those electric-producing atomic plants are virtually synonymous with plants to produce atomic bombs. This is not true. On the contrary, these plants can be so designed and so operated that the atomic materials will be of questionable value for an atomic explosion or bomb.

Indeed, the most economical design and operation of a plant, whose primary end product is electricity, is one that automatically poisons or denatures the fuel, making it of little value for a bomb. After the atomic fuel has been squeezed of most of its usefulness for electricity, it self-poisons itself; the atomic chain reaction—the heat process—would stop so that atomic ashes must then be removed from the reactor and fresh fuel inserted.

That spent fuel (ashes) from an innocent electric plant is now the chief threat. It is devilishly radioactive; it is an awesome mess and no thief or terrorist can touch it and live. But the wastes still contain a certain amount of plutonium, the essence of a bomb, and uranium. No one yet has come up with a foolproof, commercially profitable and workable means of processing the spent ashes of an electric-producing reactor. A major American firm has just written off as a failure such a multimillion-dollar plant. A military plutonium plant for which I was responsible as Atomic Energy Commission chairman, did work but for a military reactor to make plutonium, expense is of no consequence.

The world should be made aware that any nation that sets out to extract plutonium from the ashes of an ostensibly innocent electric atomic reactor, is on its way to making bombs. No one should be deceived by declarations that its purposes are peaceful.

I suggest that the next step to enable the International Atomic Energy Agency to cope with the dangers of a spread of military uses of the atom is that the agency be the sole processor of the spent fuel from the "safe" atomic power plants. The agency should be the operator of the separation plants, plants that still lie in the future. Those wastes are now being stored but safely disposing of them is still an unsolved and neglected technical problem. The agency should also have an exclusive mandate over fabrication of plutonium.

It is definitely not the atomic electric plant but the purification or recycling of its ashes that constitutes the threat of a further acceleration of the atomic weapons race. And over these wastes and their processing the agency, at present, has no control.

The only sure way to provide such control is to give the agency a monopoly over the extraction of these dangerous materials in its own internationally manned plants in several places in the world. A demonstration plant near Vienna, the home of the agency, might be a good place to start.

It was rivalry between nations that led the United States, in the Acheson-Lilienthal report of 1946, to propose an international agency to monopolize those aspects of the atom described as dangerous. We then concluded that inspection alone would not be a sufficient safeguard, for reasons agreed to by distinguished scientists and engineers.

But now it is the rivalry and competition between salesmen or processing and recycling plants that is most dangerous and could only be guarded against by an international agency having a monopoly of that processing operation.

This bare outline of a proposal may prove to be more acceptable as a basis for international action than was the nonproliferation treaty, for example. The proposal is timely since processing of this ghastly radioactive waste material is presently neither technically operable nor profitable, and is not likely to be in the near future.

These deadly wastes are accumulating at an alarming rate throughout the United States in over fifty atomic power plants, and in many plants elsewhere in the world.

The citizenry of all countries will not indefinitely accept official assurances that all is well. Storing is no longer sensible, tolerable, and in another five years will be an international and national scandal.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that a resolution submitted by Senator Mondale and others, relative to international nuclear safeguards, be referred jointly to the Joint Committee on Atomic Energy and the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 586

At the request of Mr. Pearson, the Senator from New Mexico (Mr. Montoya) and the Senator from Nevada (Mr. Laxalt) were added as cosponsors of amendment No. 586, intended to be proposed to the bill (S. 692) the Natural Gas Production and Conservation Act of 1975.

NOTICE OF HEARINGS ON S. 1479

Mr. WILLIAMS. Mr. President, I wish to announce to the Senators and other interested persons that hearings on S. 1479, to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers, will be held by the Subcommittee on Labor of the Senate Committee on Labor and Public Welfare on Wednesday, July 9, Thursday, July 10, and Tuesday, July 15.

The hearings will begin at 9:30 a.m. in room 4232, Dirksen Senate Office Building. Interested persons who wish to testify or who wish to submit testimony to be included in the record should contact the Subcommittee on Labor, room G-237, Dirksen Senate Office Building, (202) 224-3674.

SENATE GRAIN INVESTIGATION HEARINGS TO CONTINUE ON JULY 8

Mr. HUMPHREY. Mr. President, on June 19 the Subcommittee on Foreign Agricultural Policy and the Subcommittee on Agricultural Production, Marketing and Stabilization of the Senate Committee on Agriculture and Forestry held hearings on the grain inspection scandal. At that time, we heard witnesses from the U.S. Department of Agriculture and the Justice Department concerning the situation surrounding the present grain inspection controversy.

Today I wish to announce that on July 8 the subcommittees will conduct further hearings at which time public witnesses will be invited to testify.

At the June 19 hearing, the Department of Agriculture clearly conceded that it had known about the grain inspection problem for some time. It has not acted with dispatch in dealing with this problem, however, and little if any followup action had been taken with regard to the 1969 Browning report or a recent audit which outlined the same problems which we face today.

At the June 19 hearing, the Department indicated its opposition to my legislation, Senate Joint Resolution 88, which is designed to give the Department of Agriculture increased authorities for 1 year to move swiftly and clean up the grain inspection scandal. In addition, the penalties for law violations would be stiffened, and this feature of the legislation would be established on a permanent basis.

While the department objected to my legislation, it did indicate that it was in the process of belatedly developing its own legislative recommendations. I am happy to report that the Department plans to submit its legislative recommendations to our subcommittee shortly. I recommend that they provide us with legislative proposals by June 30 in order that they can be examined and reviewed at our July 8 hearing.

Further, I would suggest that the Department outline other steps which it is undertaking to improve the grain inspection process. Specifically, the Department should consider hiring additional personnel and training them on a crash basis. In addition, there are retired personnel who are experienced in the grain inspection business, and the Department could utilize these individuals on a temporary basis.

I would suggest that the Department already has sufficient authority to take these steps, but our subcommittee will be moving ahead to develop new legislation as required to deal with this problem. And we will certainly give every consideration to the Department's legislative recommendations.

The Secretary of Agriculture should publicly announce what steps he is taking and what legislative recommendations he is proposing. This will help to restore confidence, and, as I indicated at our June 19 hearing, consideration of new legislation would in no way interfere with any ongoing investigations or prosecutions.

There has been a great deal of concern and anger voiced by our farmers regarding this long-standing problem. We all have a right to be concerned over the expeditious handling of this problem and the impact which it could have on our export markets.

I urge the Department of Agriculture to move quickly and take prompt action to clean up this scandal.

NOTICE OF HEARING BY SUBCOMMITTEE ON PATENTS, TRADEMARKS AND COPYRIGHTS

Mr. McCLELLAN. Mr. President, as chairman of the Subcommittee on Patents, Trademarks and Copyrights of the Committee on the Judiciary, I wish to announce that the subcommittee has scheduled a public hearing on S. 1111 to amend the Copyright Act of 1909 to establish a performance right in sound recordings. This hearing will be held July 24, commencing at 9:30 a.m. in room 1114, Dirksen Senate Office Building.

The subcommittee has previously held hearings on the subject matter of S. 1111. The subcommittee will allocate equal time to the proponents and opponents of the performance royalty amendment. Anyone desiring additional information should contact the staff of the subcommittee, telephone 224-2268.

ADDITIONAL STATEMENTS

THE VANGUARD OF TOTALITARIANISM

Mr. CHURCH. Mr. President, the bedrock beneath our democratic form of government is the first amendment. The freedom of speech and press that it provides gives us the tools to maintain and defend all of our other rights. Thus, when first amendment rights are threatened, all democratic rights are placed in jeopardy.

We have all been attentive these past few years to transgressions against the first amendment committed by public officials in high places. But those outrages have perhaps been easier to cope with simply because they are so visible. More disquieting to me are the dozens of obscure judges, prosecutors and other public officials gnawing at the first amendment bedrock in the quiet corners of the Nation. Their cumulative assaults on a free press threaten us all, especially if we fail to recognize in time what is happening.

For that reason, Mr. President, I call the Senate's attention to a column by Jack Anderson and Les Whitten carried in the June 26 Washington Post and in other newspapers across the country. They spell out the extent of the assault and remind us all of how watchful we must remain. Mr. President, I ask unanimous consent that their warning be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Thursday, June 26, 1975]

UNITED STATES HIT BY NEWS SUPPRESSION WAVE

(By Jack Anderson and Les Whitten)

It is the American tradition that the press may publish what it knows and may seek to learn what it can. Never in our history has the press been a better watchdog.

Justice Potter Stewart, a solid conservative who was appointed to the Supreme Court by President Eisenhower, acknowledged recently: "The American press in the past 10 years, and particularly in the past two years, has performed precisely the function it was intended to perform by those who wrote the First Amendment."

Yet ever so quietly, the officials who are uncomfortable under press scrutiny are cracking down on the press. An epidemic of news suppression has hit the country.

Attempts to muzzle the press have become wore since Watergate was supposed to have stopped the practice. We have called this phenomenon "Nixonism," after Richard M. Nixon who tried so hard to intimidate, malign and discredit the press.

In the wake of Watergate, here's what is happening to reporters who dare to dig beyond the official press releases:

Six reporters in four states are appealing jail sentences imposed on them for refusing to reveal the confidential sources of their stories. In the past four months, 50 other reporters around the country have been subpoenaed. If they betray their sources, of course, the unauthorized sources will dry up, and the people will be able to get only the official version of the news.

In typical American cities like Indianapolis, Birmingham, Laconia, N.H., and Port Chester, N.Y., reporters who exposed official wrongdoing have been subjected to frameups and false arrests. In Tucson, Baltimore and Washington, harassment has taken the form of intimidation and surveillance.

In 13 states, judges have blacked out selected court trials and proceedings by banning news coverage of them.

Court-authorized book burning has appeared again in this land of the free. A book about the CIA by Victor Marchetti and John Marks had to be published with 168 portions purged by court order. A second CIA expose by Phillip Agee is being read in Great Britain but not in the United States, because American publishers fear legal reprisals.

The Ford administration is pushing a bill that would permit reporters to be imprisoned for revealing public papers and proceedings that have not been officially approved for release, whether or not the papers deal with national security.

In Hawaii, 10 state senators have carried this trend to its logical conclusion by introducing legislation that would require newspapers and broadcasters to submit to the state government justification, corroboration and an assessment of the expected "social impact" of an editorial within 14 days of publication.

Thus, with a quickening pace, the vanguard of totalitarianism is gaining ground in America. Its advance agents—a Sixth Column of politicians, prosecutors, judges, legislators and bureaucrats—are busily gnawing away at the great pillar of our freedom: the First Amendment.

This, the first precious freedom in the Bill of Rights, proclaims our right to speak our minds, to inform ourselves, to read, publish, assemble and worship without the approval of the government.

The Founding Fathers, who knew all about the aggrandizing proclivities of officeholders, dratfed the First Amendment in a way calculated to prevent government from getting around it:

"Congress shall make no law . . . abridging the freedom of speech or of the press." No law. That should have ended it.

But over the centuries, the rights of free men, though they be chiseled in stone, are not much stronger than the people's determination to defend them.

For the Sixth Column is always at work, and its first target is always the press, because the press is the vehicle through which the other freedoms find expression and defense.

Those who are responsible for the spread of Nixonism need not be in a conspiracy with one another. The invisible bond that unites them is a common wish to suppress whatever embarrasses or indicts them or makes it difficult for them to control events within their particular jurisdictions.

The motives of the Nixonites may be lofty or ignoble. The prosecutor who wants to flush out a reporter's source may want evidence from that source or may be trying to silence him.

The judge who sanitizes his courtroom from the public eye may be trying overzealously to protect the rights of a defendant, or he may be doing a favor for a friend, or he may not want to have his judicial rulings second-guessed by the public.

The bureaucrat who resists seekers of information and the legislator who wants to put them in jail may be moved merely by a Colonel Blimp concept of the national good. Or they may be trying to cover up wrongdoing, or acting on the Nixon assumption that the press is the enemy and the more the press is muzzled the better it is for officials as a class.

Whatever the motive of the Nixonites, they seek a power, a control, an orderliness, an immunity which the First Amendment precisely forbids him to seize or aspire to: "Congress shall make no law. . . ."

BEHIND THE SUDDEN DROP IN OIL DRILLING IN THE UNITED STATES

Mr. GARN. Mr. President, since the Congress acted to eliminate the oil depletion allowance, a number of commentators have noticed a striking dropoff in drilling and exploratory activity. This development is not surprising, and was, in fact, predicted here on the floor of the Senate by myself and others.

The repeal of the oil depletion allowance, in a fit of anger over supposedly "obscene" oil company profits, was only one of a number of actions taken by this Congress this year which will have a disastrous effect on the short run supply of fossil fuel in this country. I understand that the House of Representatives has completed action on energy legislation, and that the two Commerce Committees are hard at work on antienergy bills.

These and other points were made in a recent report on the energy situation which appeared in U.S News & World Report. I ask unanimous consent that the article from the June 16, 1975 issue be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From U.S. News & World Report, June 16, 1975]

Behind the Sudden Drop in Oil Drilling in the United States

Houston.—The oil boom that has spurred the economies of Southwestern States shows signs of cooling.

The mood of oilmen no longer is bullish optimism, but caution. A major reason: Curtailment of the oil depletion allowance by Congress is siphoning off hundreds of millions in taxes that could have gone for new drilling.

Perhaps even more responsible for the sudden caution is uncertainty over what Congress will do next to change the rules under which the industry must operate.

Here in Houston and in other oil centers around the country, there are ample signs of slowdown:

Major oil companies, which stand to pay an additional 2 billion dollars in taxes this year because of losing the 22 per cent depletion allowance, are cutting back on their search for new oil and natural gas.

Small independent drillers, who get to keep depletion a while longer under the formula worked out by Congress, report that investors are shying away from financially risky ventures. Banks, too, are turning cautious.

Availability of drilling rigs is moving from a critical shortage to surplus. Orders for new rigs are being canceled. The squeeze on supplies of drilling pipe and other equipment is easing.

"Still Vindictive," Charles D. Fraser, senior vice president of the First National Bank of Midland, Tex., summed it up: "The loss of depletion not only took a lot of money out of the industry, it showed people that Congress is still in a vindictive mood toward the oil industry, when it should be encouraging exploration.

"It warned oilmen that they had better wait and see what happens next before they proceed. As a result, our customers—mostly small independents who still benefit from depletion—are deferring decisions and cutting back on their drilling plans."

This does not mean that drilling for oil is coming to a sudden stop.

"Sheer momentum will keep drilling activity high through the summer," said Warren L. Baker of the International Association of Drilling Contractors. "Most companies have such a backlog of orders and plans that it will take a certain amount of time for them to work through them."

A tally of drilling rigs in use illustrates the gradual slowing of the boom. Fluctuating from week to week, it showed, 1,604 operating in the U.S. at the beginning of June, down from the 1975 peak of 1,672 but still ahead of the number in use a year earlier.

"Almost overnight," said J. C. Walter, Jr., chairman and president of Houston Oil & Mineral Company:

"A surplus of rigs has developed almost overnight. They are stacking [storing] rigs in the Midland area and contractors are waiting on new orders."

And, according to R. P. Fuller, a Lubbock, Tex., independent:

"A month ago there was a six-to-eight week delay on getting drilling rigs. Now you only have to give the contractor a week's notice.

"In the Texas Panhandle area alone, more than 100 wells have been canceled since depletion was repealed. I had planned to drill 17 wells in 1975 but I've had to cut my plans back to five wells now."

Lee Daniel, an executive with the Tulsa, Okla., drilling firm of Helmerich & Payne, said contractors all across the Southwest "oil patch" are laying off workers and stacking rigs.

"You can't just pull 2 billion dollars out of an industry and not expect it to have a substantial effect," Mr. Daniel said. "I predict that 10 percent of the rigs in the country will be down [idled] by the end of August."

Cutbacks are spreading across all U.S. oil-producing regions. Texaco, which is reducing its capital expenditure budget from 2.1 billion dollars to 1.8 billion because of loss of depletion and other tax changes, has canceled contracts for 20 drilling rigs. Amoco Production Company, a subsidiary of Standard Oil Company (Indiana), has deferred plans to drill exploratory wells in Utah's Great Salt Lake this year.

Richard Tremaine, vice president of Amoco's New Orleans division, explained why the cut in capital spending translates into less drilling for oil:

"Exploration is the most discretionary of all oil-business expenditures. It is the first to go when profits drop and the first to expand when profits rise. You know exactly what you are getting when you spend money to build a new refinery, but when you drill a wildcat, it's always a gamble."

All told, there are more than 20 bills pending in Congress which are figured to be harmful by oilmen. These include rollbacks in current prices, extension of price controls to natural gas sold in the producing States, and setting up a national oil firm to explore offshore areas and act as an import agent.

Said Houston independent operator John Burke: "It's the uncertainty that's hurting the oil business. . . . They are making up the rules as they go along. It's frustrating and discouraging. If they roll back prices, this industry will be a graveyard."

THE ECONOMICS OF WORLD FOOD SUPPLY AND DEMAND AND AGRICULTURAL POLICY PROSPECTS

Mr. HUDDLESTON. Mr. President, I recently had the opportunity to discuss the economics of world food supply and demand and agricultural policy prospects with those attending an economics symposium. I would like to take this opportunity to share with my colleagues some thoughts I expressed, and I ask unanimous consent that they be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Economics of World Food Supply and Demand

On Friday, June 6, 1975, the United States Department of Labor's Bureau of Labor Statistics released the May unemployment figures for the nation. Unemployment had risen to 9.2 percent. There is no question that this nation is in the throes of the deepest recession in four decades. But it appears recovery is on the way, as the twelve leading economic barometric indicators are pointing toward an upturn.

Agriculture is the central sector of our economy. It can not be permitted to lag if economic stability or growth are to be achieved.

Using a multiplier of only four, the more than 100 billion dollars of U.S. agricultural marketings last year created economic activity equal to 400 billion dollars. Almost 30 percent of our Gross National Product.

U.S. farmers purchased some 75 billion dollars worth of production inputs last year. This created jobs in Dearborn and Pittsburg and every other industrial center in the country.

The products that American agriculture supplies, provide additional jobs for thousands in transportation, processing, wholesaling and retailing. In 1974, this activity accounted for an additional 95 billion dollars. All of these wage earners in turn purchased clothing, groceries, houses and automobiles further stimulating economic activity.

Argiculture has been the lone prop of the dollar in the world market. It's a prop that must not be knocked out. If it had not been for agricultural trade surpluses, our total trade balance would have been another 26 billion dollars deficit over the past five years. In 1973, the only year of the past four which had a positive trade balance, the $9.3 billion net gain from argiculture offset a nearly $9 billion non-agricultural trade deficit. Without the net trade balance of nearly $12 billion from agriculture in 1974, our trade deficit last year alone would have plunged to almost $18 billion.

There are indications that the Organization of Petroleum Exporting Countries may be preparing to implement a price increase on oil, maybe as much as $4 a barrel. A minimum of $2 a barrel increase is anticipated.

At the present time, world prices range from 11 to 12 dollars a barrel with an average of about $11.50. An increase of four dollars per barrel would bring the average price to $15.50 not including the two dollars a barrel tariff imposed by President Ford.

The U.S. imports six million barrels of oil a day. The annual bill for this at $15.50 a barrel would be almost $33 billion a year.

Let me suggest the hypothesis that with liberal trade policies, United States agricultural exports could substantially offset the trade deficit that will be created by the rise in fuel imports.

Despite the balance of payments problems created by higher oil prices and sluggish economic activity around the world in the last half of 1974, U.S. farm exports were at a record-breaking level of $22 billion last year—up 25 percent from 1973 in terms of value.

Nearly 17 percent of the $4.9 billion increase in exports resulted from increased shipments to members of the OPEC. U.S. agricultural exports to OPEC members were almost $1.6 billion—double the 1973 level. This was made possible, of course, by increased wealth in those countries from oil exports.

Even to non-OPEC developing countries, our farm exports were up $1.9 billion or 42 percent. None of the money associated with the increase came from the P.L. 480 program or from other concessional credit sales programs administered by the U.S. Government. Sales under these programs were down eight percent in 1974 to the lowest level in two decades.

To help meet the increase in world demand, the United States is better endowed with resources for agricultural production than any other country. With only seven percent of the world's land mass we have more than 12 percent of the cultivated land and nearly nine percent of the pastureland. More importantly, we have about half the world's farmland with long summers of adequate rainfall. And in the old Cotton Belt—across the Southern states—we have a third of the world's humid semitropic farmland.

Combinations of temperature climates and fertile soil make these two regions suitable for the production of many crops, especially feed grains and soybeans—the crops most in demand. Together with other productive agricultural areas—such as the upper Prairie States, where short summers of adequate rainfall provide abundant grain harvests, and the dry Southwestern and Rocky Mountain States, which provide the base for extensive cattle operations, these regions give the United States an absolute advantage in agriculture that parallels the Middle East's advantage in petroleum.

The rapid world change in the past three years from food surpluses and low prices to spiraling prices, shrinking grain supplies and regional famine has caused us to wonder if the English clergyman and economist Malthus would have the last say after all. Since he proposed his population-food theory 200 years ago, waves of pessimism have swept the globe when periodic food shortages have appeared.

In view of the recent disruption in production and marketing of basic foodstuffs which reduced per capita food availability to critically low levels in several developing countries, it would seem to be wise social policy to insure against major shortages by establishing a world food security system.

Many views of the world food situation focus on circumstances which are thought to be beyond the control of people, such as the limited size of the earth's surface, changing climatic patterns and the fixed nature of consumption patterns. But much of what has happened in the world food situation can be traced to government policies and basic human conditions such as income distribution and poverty. Governmental and individual choice will continue to be critical in the future.

Agricultural research needs to be directed toward the problem of increasing food productivity in developing countries where scientific agriculture is only beginning to be adopted.

There are five major areas of concern that relate to the ability of the people of the world to meet their food needs. They are: (1) Arable land; (2) input supplies, especially fertilizer; (3) technology; (4) climate; and (5) population growth.

1. Studies indicate that potential cropland available in the world is probably twice as great as is currently being used. A United Nations Food and Agriculture Organization survey found that while only 26 percent of the total land area in developing countries was suitable for crops, less than one-half of this land was actually used as recently as ten years ago.

This is confirmed by an Iowa State University estimate that only 3.4 billion acres of a potential 7.8 billion acres worldwide are now being used for agricultural production.

At this point in time, the problem is clearly not a shortage of land. However, the arable land is not evenly distributed especially in regard to population, and much of it is subject to some limitations.

One of the simplest methods of increasing food production is to increase the number of planted acres. However, in many areas, such as the Nile Valley, Bangladesh, and India, high population densities severely limit opportunities for expanding cultivation, or severe climatic problems preclude this alternative.

Some analysts fear that technological advances will not permit future increases in crop yields at past rates. This fear is generated by the apparent slowdown in the rate of yield gains for some crops in developed countries and the apparent loss of momentum of the Green Revolution.

However, an ERS study of yields in the world's major grain producing areas from 1950 to 1973 found no evidence that growth in grain yields is declining. As a matter of fact, the analysis showed that a greater share of the yields were above trend in 1970–1973 than in any other period since the early 1950's.

2. Fertilizer is the most important input for increasing food supplies. However, fertilizer prices have surged as a result of high petroleum prices, a sharp increase in demand, and limited production capacity.

If world fertilizer usage continues at current rates, tight suplies and high prices can be expected through 1976. Although some idle capacity exists in less developed nations, manufacturers in developed countries are now using available plant capacity at near maximum levels in response to the high prices.

Fuller utilization of fertilizer facilities in less developed nations could provide the difference between shortage and sufficiency during the interim.

As the quantity supplied overtakes the quantity demanded, fertilizer prices can be expected to decline. But future technological advances are not likely to overcome increased production costs due to higher plant construction costs and higher energy costs.

3. Weather has always been the most important factor in determining food supplies and is also the least controllable. The dramatic effect of the weather on world crops in the last couple of years has accentuated this problem. These weather-related developments were even more highlighted because the U.S. suffered significant crop shortfalls in 1974. If it had not been for our net export status in much of the food complex, our citizens would have noted it even more.

The experts on weather point out that the world's weather for the last half century has probably been the best in at least a thousand years. Temperatures during the past fifty years were remarkably high. Plant growth was favored in the non-arid regions while regular rainfall reduced some of the world's deserts.

Climatologists now seem to be of the opinion that the world is entering a gradual cooling phase of a cyclical pattern of two centuries length. Since 1940 the average global surface temperature has declined about one degree Fahrenheit. Although this appears to be insignificant, it is enough to trim seven to ten days from the growing cycle in the middle latitudes where most of the food is produced. The consequences of this development will mean wider variability in crop yield net reductions even in the shorter run.

4. Growth in demand will play a critical role in the world's future ability to feed its people. The change in demand will depend on population and income growth, the level and distribution of income, and the proportion of income spent for food.

From 1957 to 1973, world population increased by one billion to an estimated 3.8 billion people. About one-quarter of all the people who have ever lived on this planet are alive today. Although the population growth rate has leveled off to slightly less than two percent per year, this will still add nearly 70 million people per year to world population. This growth rate is equal to the entire U.S. population every three years and the population of the world will double every 36 years. Fully 70 percent of the world's population are citizens of developing nations.

By 1985, the developing nations will have three times as many people as the developed countries. Eighty percent of the world's land has less than 16 percent of its people; while at the other end of the spectrum, over half of the world's population lives on less than five percent of the world's land.

World demand for grains advanced rapidly from 1967–1972, a result of population and income growth and the low grain prices of used extensive amounts of grain to feed livestock. In less affluent nations, grains are consumed directly and population growth has largely accounted for the vigorous expansion in demand.

5. By 1985 grain prices measured in real terms are anticipated to be lower than today's levels. But higher prices for petroleum, fertilizer and other inputs are likely to keep world prices above those prevailing in the past. Bearing heavily on the more favorable projections of grain supplies and prices, is the fact that population in the developing nations is expected to grow by 2.7 percent annually. This will spur substantial increases in demand for food grains that they probably will not be able to meet with domestic production. Therefore, improvements in the diets of the peoples of the developing world will come only from expanded grain imports. This indicates that food deficits will continue to widen into the 1980's.

Furthermore, grain import needs of these nations during the next decade will also hinge on the extent to which they build up a livestock sector and follow the Western community. If the developing nations continue on an essentially cereal diet grain exporting nations will have no problem meeting world import demand at reasonable prices. Where production of a particular grain falls short of demand, as will probably be the case for rice, the gap will likely be filled by increased consumption of wheat. In terms of food equivalent it is simply cheaper to import wheat than rice and countries with limited foreign exchange are expected to give food grains priority over coarse grains.

When it comes to food aid the U.S. is by far the biggest provider. From 1965 to 1973 world food aid programs had a value of almost 11 billion dollars. Of this, the United States contributed 80 percent.

Although generally successful, the wisdom of long-term food aid has been questioned on the basis that it may discourage agricultural production in the less developed world. More attention needs to be given to other types of aid.

Technical assistance has always been a part of our food aid program, but because of prevailing surpluses, especially in the U.S., it did not get the attention needed. It will take time and continued foreign assistance to develop the agricultural resources, but this is the direction that must be taken.

Almost all who study the world food situation agree that larger grain stocks than are currently being held are needed. Due to the highly inelastic demand curve for food, in the absence of substantial grain reserves small shortfalls produce huge price increases.

But on the other hand, large grain stocks burden the taxpayers of the countries holding the reserves. Further, large grain reserves are opposed by many farmers because of a fear that the very existance of large supplies will tend to suppress market prices. The issue boils down to who should bear the costs of acquiring and maintaining stockpiles and how those reserves would be released into the market when needed.

In the past, the United States and Canada have held most of the world's reserves of grain. Today U.S. Government stocks have been depleted. Almost all of the stocks now held in the U.S. are in the hands of the private sector. The official U.S. position is that since grain stocks benefit the entire world other countries should share the costs of building and holding them.

The problem is that many of the nations needing this grain are not equipped to keep stocks. One solution proposed is to use international funds to add storage capacity in developed countries with explicit agreement that the stocks be available on demand to the country owning the grain.

The level of reserve stocks required depends on the degree of protection desired. With the objective to cover 95 percent of a single year's shortfall, somewhere between 56 and 80 million tons would be needed. At the present time the issue is far from being resolved and a great deal of dialogue is expected in Congress in the coming months.

There has come a noticeable trend toward reducing the ultimate truths of the discipline of economics to very manageable proportions. One recent portrayal of this condensation, sums up in ungrammatical form the basic truths of two laws of economics that have great bearing on world food supply and demand—the law of economic expectations and the law of distributive justice.

The law of economic expectations states—there ain't no free lunch. The law of distributive justice states—them what has, gets. The reliability of these two laws today is very high.

FOREIGN POLICY ADDRESS BY SENATOR BAKER

Mr. PEARSON. Mr. President, I take this opportunity to bring to the attention of my colleagues the thoughtful address made by Senator HOWARD BAKER recently before the Commonwealth Club in San Francisco. In his remarks, Senator BAKER focused on the reassessment of American foreign policy currently taking place in the aftermath of Vietnam. His review of where we are and where we are likely to go is very perceptive. I consider this to be a significant and most worthwhile statement, and I commend it to the attention of my colleagues.

Mr. President, I ask unanimous consent that the full text of Senator BAKER's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HOWARD H. BAKER, JR., BEFORE THE COMMONWEALTH CLUB OF CALIFORNIA

As we approach the American bicentennial, it is appropriate that we should examine our fundamental tenets of foreign and domestic policy, as we are, to reassess our political positions, our national integrity, our international commitments, and our future.

Nowhere is reassessment more appropriate, however, than in the field of foreign policy. Partly as a function of the passage of time, partly as a result of events such as our disengagement from Southeast Asia and the ongoing difficulty in the Middle East, and partly because of the extraordinary capital readjustments occasioned by the outflow of currency and credit reserves to other countries, particularly the Persian Gulf countries, we are engaged now, I believe, in the first fundamental reevaluation of American foreign policy since World War II.

The policy under reassessment has served us well, probably beyond the expectations of its statemen-architects of the 1940's. In patently over-simplified terms, our post-World War II foreign and defense policy consisted of a system of alliances and military presence in Western Europe, the North Atlantic, through the Asian crescent, and in other strategic locations in the world. Containment of communism was the key phrase and the watchword of our policy, post World War II, and was implemented most spectacularly in Korea, in our resistance to the duress of the Berlin Blockade, and, of course, in Vietnam.

But times have changed. Forward position defenses are no longer as attractive as they once were, in the face of the assured destructive capability of intercontinental ballistic missiles of great accuracy and reliability, possessing multiple, independently retargetable re-entry vehicles. NATO appears less shielding today in the face of internal conflicts such as the developments in Portugal, the controversy between Greece and Turkey, and the partial withdrawal of French command authority. Communist containment clearly suffered a cataclysmic diminution of support as a policy instrument because of our experience in Indochina.

There exists much evidence of an ongoing reevaluation of the United States foreign policy. Its first major manifestation was detente, the effort to establish a useful dialogue with major world powers from which America had stood at arm's length since the beginning of the Cold War.

I believe that the tragedy-ridden Nixon Era will be remembered favorably by historians for its heroic and courageous initiation of the "detente" undertaking. There are many observable benefits of detente. I suspect, for instance, that the tenuous and imperfect—but welcome—peace which preceded the crumbling of Vietnam would not have occurred without at least the tacit agreement of our major partners in detente. The shuttle diplomacy of Henry Kissinger, while not yet having brought about a long-term solution to the problems of the Middle East, has at least succeeded in attenuating the urgency of conflict. Dr. Kissinger's efforts bear, I believe, the unmistakable imprint of at least Soviet understanding, if not Soviet acquiescence. The lines of communication between the Peoples Republic of China and the United States, and our country and the Soviet Union, probably reassured the President of the United States as he acted courageously and, I think, correctly, in recovering the Mayaguez from the grasp of Cambodian pirates.

The President's recent trip to Western Europe was not only a ritual journey to present the new American Chief of State to our European friends and allies, but is further evidence of the continuing unfolding reassessment of general American policy. And, of course, the recent debate in the Congress of the United States, more recently in the Senate, of foreign policy and defense, is a current illustration of this ongoing process, and I consider all these to be desirable developments.

In the course of her history, America has been remarkably right on major issue determinations. I believe that the calm, cautious, careful, reassessment of the realities of today, in terms of our policy determinations for tomorrow, is being conducted in that American way which gives full credence and effect to the unique American political genius for self-determination.

And where will that lead us? No one knows for sure. But I have some ideas. For instance:

"I think it highly unlikely that America will engage in another Vietnam very soon."

If there is a future policy requirement of that sort, I suspect that it would be preceded by Congressional concurrence and would be characterized by the application of adequate force to end the confrontation very quickly. I do not, however, believe as some columnists now suggest, that our disengagement from Vietnam makes South Korea open prey. I caution against such generalities; and I find that they are not consonant with the facts as I observe them.

America probably is heading toward greater self-reliance and less dependence on our system of alliances and forward position defenses.

Some interpret this to mean isolationism or the advocacy of a new fortress America. I think not; I believe in this age of instantaneous electronic communications and near-instantaneous air transportation, that such a policy is unworkable as well as undesirable.

I believe that we may see a further elaboration and extension of détente, particularly in the fields of strategic arms limitation where the expense for greater throw-weight and explosive power has already reached the point of greatly diminished returns, and in trade, where the mutual advantages are obvious and apparent, if we can overcome the inevitable foreign and domestic complications.

I think it probable that we will finally grant most-favored-nation status to the Soviet Union and to the Peoples Republic of China.

As a politician, I urgently suggest to those in executive authority that we change the name from "most-favored-nation," which it is not, to "equal treatment," which it is, or some other phrase to indicate not a preference, but an equality in tariff, trade and quota relationships with these countries.

Talks. No doubt there will be talks almost beyond the endurance of mankind.

Talks not only are the trappings of diplomacy, but are probably essential to the containment of the grosser aspects of the human condition. I think there will be a great deal of talk, a further extension of "summitry," of "great debates," of "agonizing reappraisals," and all of the other terms that we apply to this evolutionary redevelopment of the American position—and talks are an essential part of this reassessment process.

My late father-in-law was an eloquent spokesman on many issues and possessed not only a great delivery but a resonance as well. I used to accuse Senator Dirksen, in jest most assuredly, that he sometimes chose his talk not for what the words meant, but for how they tasted. I expect an ample menu of talk while we reassess our foreign policy, and I believe that is good.

I expect we may see a greater self-reliance among our allies in Europe and elsewhere, and that is to be desired.

It may make foreign policy more difficult; it is always more difficult to trade with equals than it is to trade with agents and subordinates.

And, of course, the unattractive problem of nuclear proliferation.

The most urgent problem confronting the world in the near future may be a renewed effort to establish a realistic regulatory system to accommodate the expanding membership of the nuclear club. We are confronted not only with the requirement for inspection and regulation of national nuclear arsenals, but also the awesome reality that through theft or terrorism, or through simple industrial endeavor, non-national groups may in our lifetime gain access to, or create, a nuclear explosive capability.

But, I expect that all of these requirements will be accommodated. I do not believe, as some seem to, that civilization has reached that point of disequilibrium where advanced technology leads inevitably to destruction. I believe we can and will find ways to live with our progress, and ourselves, to avoid annihilation, and to survive in this world—where, as observed the noted philosopher Buckminster Fuller, the have-nots are rapidly finding out how much the haves really have.

Nonetheless, I think we will find, if not solutions, at least palliatives and a formula for periodic respite from these difficulties.

In view of the exigencies of the moment, I suspect that this year Congress will agree with the President in terms of the minimum defense expenditure required for the security of this country, and I am heartened to find in this Congress a comfortable margin in support of the recommended defense funding levels. I am sure that it will be unpopular to say, but I intend to say, notwithstanding our disengagement from Southeast Asia, that in view of the growing military strength and deployment of Soviet forces, in the future it may be necessary to expend more and not less for our national defense.

I recognize that this bill will necessitate a national sacrifice in view of the greatest budgetary deficit since World War II and the ravages of inflation and recession. Part of these increased expenditures, no doubt, will be necessary to modernize our aging instruments of warfare. Last month, for instance, we saw the largest naval fleet to maneuver in the North Atlantic since World War II, and that fleet, as I am sure you know, was not an American fleet nor the British Navy, but a Soviet blue water navy maneuvering in force in the North Atlantic for the first time since the founding of the U.S.S.R. It was interesting to note, incidentally, that roughly 80 percent of our Navy is more than 20 years of age. And so it is with most of our weapons systems.

And now, just a word on a more specific issue—the Middle East. I have recently just returned from my first visit to that historic and troubled part of the world, which included stops in Israel, Egypt, Saudi Arabia, Lebanon, and Jordan.

I learned many things. I found, to my surprise and gratification, that apparently our foreign policy reverses in Southeast Asia have not taken the toll that I expected in that part of the world. America is still the leading external influence for peace and stability. I found an instinctive friendliness by Arabs toward America, and complete reliance on the part of the Israelis. I found resentment of both conditions, each by the other, but they produce an inordinate range of opportunities for negotiations. I observed what I consider to be a promising degree of flexibility, more freely expressed by the Arabs than by the Israelis, but carefully acknowledged by both. I believe that the prospect of renewed war has receded, perhaps for the rest of this year, because of the wise and cautious use of American influence in that area. I am convinced that the major issues dividing Israel and her neighbors do lend themselves to solution.

President Sadat of Egypt told me that he felt that step-by-step negotiations could be renewed only if America stated her general position toward which these steps would lead. I agree with him. In expressing his country's caution, Prime Minister Rabin asserted that his country wanted a peace of the people and not of the diplomats, and that while Israel could agree to variations and rectifications of the borders along the Golan and might compromise on other elements in the controversy, the Arabs could lose war after war but tiny Israel could lose only once. And, he is right.

Yassir Arafat informed me that his UN expression of a secular Palestinian State had been misinterpreted by the press and should be thought of as a dream and not an immediate objective. When I asked him what lands or territories he aspired to for the Palestinians, he replied that he would accept one square meter or whatever land he could liberate for his people.

The makings of peace and stability in the Middle East are there. The American presence, strength and credibility of leadership in America and in both Israel and the Arab States, is there. It will take time. We must not forsake Israel; but, at the same time, we must not rebuff the instinctive friendship of the Arabs. I think and hope that we can do both.

There are other threats to the area. The recent agreements between the Soviet Union and Libya for the introduction of new and modern armaments to Libya poses a threat, no doubt, to both Egypt and the United States Sixth Fleet, and places a heavy burden on detente. But all these things taken into account, if we keep our faith, if we believe, as I believe, that America's future is before her and not behind her, if we are courageous enough to extend detente to the limits of its present capabilities, while at the same time staying undoubtedly strong militarily and economically, if we take the steps necessary in domestic policy to accommodate the realities of a change in the world fiscal order occasioned by the wealth of the Persian Gulf, and if we "keep our cool," my friends, we may be emerging into civilization's most prosperous and only peaceful era.

REGULATORY REFORM

Mr. MOSS. Mr. President, in an effort to identify the blame for our current economic recession, business leaders have identified "overzealous" or "misguided" Federal regulatory activity as the culprit. Such persons have called for an overhauling of the Federal regulatory scheme under the guise of "regulatory reform." But "regulatory reform" is one of those clarion calls that has been sounded by so many in such a broad variety of contexts, that its meaning has become obscured. One person's concept of "regulatory reform" is another's rape of the environment, exploitation of the consumer, or return to the robber barons of yesteryear.

On June 25, 24 Members of Congress—12 from each House—participated in the first of the President's "regulatory summits" designed to assess and refine Federal regulatory efforts. In preparation for this meeting, the Senate Commerce Committee held a symposium on June 23 to help define the public interest goals of regulatory reform in the consumer health, environment, safety, and commercial practices area. Based on what we learned at that meeting coupled with the work which our subcommittees have been doing in the economic regulation field, we were able, together with our Senate and House colleagues, to prepare and present to the President a "Congressional Democratic Policy Statement on Regulatory Reform."

That policy statement indicates our agreement with the President that an assessment of our regulatory program is of highest priority in our domestic program. Regulation has had a profound impact on the shaping of our economy and our society and it must be held accountable to the public for the costs it imposes as well as the benefits it conveys. We indicate our agreement with the President that: First, there is a clear and pressing need to strengthen the quality of regulation and to overcome chronic problems of administrative delay; second, that we must perfect and apply tools for measuring and balancing the cost against the health, environmental, economic and social benefits of regulation; and third, free competition is the most efficient economic discipline area of the marketplace.

The statement proceeds to review the needs for change with regard to the leadership, structure, and procedures of regulatory agencies and offers a 12-point program for change. It identifies those areas of economic regulation and consumer and worker health and safety and environmental protection where overhaul and retirement is called for. Finally, it cautions against the risks of applying simplistic cost-benefit calculations to all of our regulatory efforts.

Mr. President, this policy statement forges a program of regulatory reform designed to make our Government regulatory programs more responsive to the Nation's needs. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL DEMOCRATIC POLICY STATEMENT ON REGULATORY REFORM

PREAMBLE

Regulation—a democratic, market-based society's measured response to market abuses and health and environmental hazards—is as American as baseball, hot dogs, apple pie, and Chevrolet.

President Franklin Delano Roosevelt defined the mission of the regulatory agency:

"The regulating commision . . . must be a tribune of the people, putting its engineering, its accounting and its legal resources into the breech for the purpose of getting the facts and doing justice to both the consumers and investors in public utilities. This means, when the duty is properly exercised, positive and active protection of the people against private greed."

As the nation's marketplaces have grown increasingly complex and impersonal, as businesses have shed their local origins, mushrooming out beyond state and national borders, as technology spawns new generations of products and services, accompanied by new and sometimes fearful risks, the American public has increasingly looked towards its government to channel these potent forces to the public good.

On the one hand, the government has been forced to intervene in the marketplace when competitive forces have been subverted by anti-competitive structures and practices, fraud and deception, insufficient flow of critical consumer information, price fixing, monopoly or oligopoly.

On the other hand, we have come to understand that unrestrained competitive forces can engender intolerable social, economic and environmental costs: product hazards, worker disease and exploitation, environmental degradation, energy and resource waste, the neglect and exploitation of minorities, the deterioration of service and reliability, and the erosion of truth and fair dealing in the marketplace.

In the past decade, Congress and the White House together developed bold new forms of regulation to treat these new needs—innovative regulations which have become the model for many of the industrialized democracies of the world.

Nor is this process complete. There remain critical areas of emerging hazard and economic inequity which demand that the fabric of regulation be more tightly woven, particularly in areas in which the potential risks extend beyond existing generations and threaten the survival of the human species.

Thus, it is fitting that the President assign to regulation a position of the highest priority in domestic affairs. We share his appreciation of the profound impact which regulation has had upon the shaping of our economy and our society. In this time of economic stress, we believe that our regulatory machinery must be held accountable to the public for the costs it imposes as well as the benefits it conveys. And we believe that in a time of marred public trust and faith in our private and public institutions, the integrity of government regulation must be secured above reproach.

We agree that: (1) there is a clear and pressing need to strengthen the quality of regulation and to overcome chronic problems of administrative delay, both by raising the qualifications and performance of the regulators themselves and by reforming unresponsive administrative structures, practices and procedures; (2) we must perfect and apply tools for measuring and balancing the costs against the health, environmental, economic and social benefits of regulation; and (3) free competition is the most efficient economic disciplinarian of the marketplace, and those economic regulatory mechanisms which were the product of the needs and abuses of the late nineteenth and early twentieth centuries are in need of fundamental reevaluation and overhaul, and perhaps discarding.

We note, however, that while "regulatory reform" is a cliche whose time has come, one person's regulatory reform is another's environmental, consumer rip-off, unconscionable cancer risk, or return to the robber baronies of yesteryear. We note also, that the shrill defense of small business freedom can sometimes mask the effort to preserve the unrestrained freedom of giant corporate conglomerates to dominate and manipulate markets.

REGULATORY AGENCY LEADERSHIP, STRUCTURE AND PROCESS

The single most debilitating flaw in our regulatory system has been the chronic failure of Presidents to name—and the Senate to insist upon the naming of—outstanding public servants qualified by training and commitment to implement the letter and spirit of the laws which they are sworn to uphold. With rare exceptions, these posts have been parceled out as rewards for political service to President or party, as sinecures for inadequate officials ousted from key policy-making roles, as tokens of appreciation to favored segments of industry, as booby prizes for political candidates rejected by the voters. Alternatively, the regulated private interests have been granted effective veto power over the selection process, and regulatory appointments have become a point of entry to high-salaried service in the ranks of the regulated.

In turn, this leadership gap has been largely responsible for systemic failures in regulation, including the demoralization and decline of the Civil Service, agency tropism toward the regulated industries, grossly inadequate regulatory planning and prioritizing, needless rigidity and inflexibility, and preoccupation with trivia and disconnected case-by-case decision-making at the expense of broad policy formulation, review and reformulation.

The renaissance of the Federal Trade Commission, once the most despised of misdirected bureaucracies, gives some glimmer of the capacity of enlightened leadership to implement basically sound legislative mandates.

These failures of leadership have been further compounded by (1) the chronic imbalance of advocacy before the regulatory agencies in which special economic interests are represented by ranks of lawyer/economists and technicians, while advocacy of the public interest is left to a handful of dedicated individuals. (Further compounded by traditional agency hostility and barriers to public participation.)

(2) Regulatory lag, engendered by procedural rules which permit those interests which benefit from delay to paralize the regulatory process. (3) Failures to coordinate requisite information gathering so as to avoid redundant paperwork burdens, especially upon small business. (4) Lack of adequate funding to enable agencies to develop the requisite expertise and manpower to carry out leigslative mandates with dispatch and wisdom. (5) Failure to hold regulators accountable for compliance with regulations, and for chronic misfeasance and nonfeasance.

We therefore consider the following as prime targets for the reform of regulatory agency leadership, structure and process: (1) the determined upgrading of the selection and confirmation process for all regulatory appointments; (2) balancing the disproportionate advocacy of economic special interests with enhanced public interest advocacy including reimbursement for the costs of public participation; (4) revising the Administrative Procedures Act to reconcile the need for expeditious agency action with administrative due process; (5) reconciling critical information needs as the essential basis for sound regulation with the burdens imposed upon business, especially small business, by redundant information gathering requirements; (6) assuring the openness of agency decision making to enhance public access and public trust; (7) retarding bureaucracy, assuring agency flexibility and responsiveness to changing conditions and needs; (8) reconciling regulatory independence with accountability; (9) securing the freedom of regulatory agencies to present the Congress with a full and open presentation of budgetary requirements to fulfill legislative mandates; (10) redefining conflict of interest provisions to assure the integrity of the regulatory process; (11) insuring independence of regulatory decision-making and an arms-length relationship between agencies and those they regulate; (12) separating promotional from regulatory responsibilities; (13) strengthening accountability for regulators who fail to enforce the law and who seek to suppress valid internal criticism.

Congress has already begun to implement these reforms: for example, the Senate has increasingly refused to confirm regulatory nominees who fail to meet high standards of integrity, freedom from conflict of interest, and qualification by public service, training and experience. The responsible Committees in the Senate have progressively stiffened the entire confirmation process from ful financial disclosure to rigorous policy examination.

The Magnuson/Moss FTC Improvements Act streamlined the procedures for needed policy-setting rule making by the FTC while assuring affected businesses a full opportunity to be heard and providing modest but essential funding for consumer advocacy. The Regional Rail Reorganization Act of 1974 provided similar funding for the advocacy of the concerns of small shippers.

Congress last year, in the Energy Reorganization Act, divided nuclear promotion and development from nuclear regulation. As the President noted, the Congress has established a Federal Paperwork Commission to reduce duplicative and needlessly burdensome paperwork requirements. The Senate Government Operations and the House and Senate Commerce Committees, among others, have launched a root and branch investigation of flaws in our regulatory structure.

And in overwhelmingly passing perhaps the single most significant pending piece of regulatory reform, the bill to create an Agency for Consumer Advocacy to restore the balance of advocacy and to reinvigorate the process of regulation, the Senate took great care to safeguard any potential additional paperwork burdens on small business.

ECONOMIC REGULATION

We are perhaps closest to common ground with the President in the shared judgment that much economic regulation has proved a poor substitute for competition. In particular, it is clear that regulatory schemes launched in the nineteenth century to protect the country from the depredation of the great railroad barons need to be brought into conformity with the realities of a transportation system for the mid-70's, in which the railroads, despite relative energy efficiency, face economic collapse or at best, creeping debilitation. Moreover, the role of certain forms of transportation regulation in barring entry to new competitors while suffocating price competition, has been sharply challenged by responsible critics.

We must remember, however, that transportation regulation grew in response to subtle demands for control of monopolistic practices and for equitable distribution and pricing of transportation services and that there is compelling evidence that in some sectors of the transport industry, competition may not be sufficient to achieve these goals. Also, inasmuch as a sound national transportation system is the foundation of continued economic growth. we are hesitant to disvow the common carrier system. On the other hand, the provision of specific services which are easily comparable and not dependent upon other elements of the transportation industry could be made considerably more responsive to the realities of the marketplace and less protected by government regulation.

We can wholeheartedly share the President's concern tha certain forms of economic regulation, such as Fair Trade Laws and at least some statutory anti-trust exemptions designed to protect competitors, not competition, ill serve the needs of the American consumer of the 1970's.

There is agreement too that the anti-trust laws have been applied with insufficient vigor to prevent the increasing concentration of market power and the consequent exploitation of consumers through billions of dollars of "monopoly overcharges".

It is equally clear that there exist alternatives to regulation which Congress and the President can look to to enhance the quality of competition and eliminate the need for more cumbersome forms of economic regulation.

With respect to energy regulation, however, the international cartelization of oil prices has created a permanent imbalance between supply and demand which necessitates the continuation of price controls within a framework which ensures pricing incentives adequate to induce the development of recoverable domestic reserves as well as mandatory conservation policies and regulation. Above all, there is an almost desperate need for the independent gathering, utilization and dissemination of essential energy data upon which sound policies can be based.

To these ends, we believe that the following are prime targets for economic regulatory improvement and reform: (1) reevaluation and overhaul of transportation regulatory policies and structure in the light of overall national transportation, energy and resource conservation policies and goals; (2) repeal of Fair Trade laws; (3) review and reevaluation of all anti-trust exemptions; (4) review and reevaluation of all legislative restraints on competition such as Marketing Order and Webb-Pemorane Act; (5) actions to improve the efficiency and equity of systems for compensating the victims of marketplace activity, no-fault insurance; medical malpractice reform; strengthened small claims courts and grievance machinery; consumer class actions; the award of attorney's fees to successful litigants in consumer and environment cases; (6) enhancing the role of the consumer as regulator of market behavior by improving consumer access to material information through such mechanisms as the proposed product testing law; and (7) enhancing the role of competition as the regulator of market performance by augmenting resources dedicated to anti-trust enforcement; and (8) removing regulatory barriers to innovation while maximizing regulatory incentives for innovation.

Congress is already in the process of repealing the Fair Trade laws and authorizing the dedication of greater resources to anti-trust enforcement by both the Justice Department and the Federal Trade Commission. Committees of both Houses have pledged the highest priority attention to a new reassessment and reform of transportation regulatory mechanisms within the context of evolving national transportation policy.

CONSUMER AND WORKER HEALTH AND SAFETY AND ENVIRONMENTAL PROTECTION

Unlike much economic regulation, the basic framework of consumer and worker health and safety and environmental protection has been thoroughly overhauled by recent Presidents and Congress. Beginning in 1966, each of the constituent pieces of legislation was carefully and deliberately crafted in response to present and potential hazards of today's market place. For the most part each of these pieces of legislation provides for a careful balancing of costs and benefits within a flexible regulatory framework, responsive to evolving public values.

Many of these protections have been so successful that the security they provide is taken for granted: pasteurization, meat and poultry inspection; control of patent medicines, child labor laws. We rarely stop to acknowledge the remarkable performance of such government regulatory programs as aviation safety, or drug testing requirements which kept the hideously deforming drug thalidomide off the market in the United States while thousands of European children were born deformed, or childproof containers for aspirin which have reduced accidental aspirin overdose deaths of children by the thousands in the last few years, or the existence of flame-retardant infant sleepwear which now protects our sleeping children from the hideous pain and scarring of burn injuries.

In 1966, when the Motor Vehicle Safety Act was enacted, this nation was experiencing a death rate of 5.7 per hundred million vehicle miles driven. By 1973, that figure had been reduced to 4.2. In simple terms, the lives of thousands upon thousands of potential automobile crash victims have been spared and hundreds of thousands of disfiguring injuries prevented.

We know that there remain yawning gaps in the fabric of protection. Congress, with at least the partial support of the Administration, has been seeking for several years now to complete legislation to provide adequate protection against the carcenogenic, teratogenic and mutagenic risks engendered by the thousands of new and untested chemicals which flood our environment. We need new safeguards for food supplies, subject to heavy metal, pesticide and other chemical contaminants, protection against unsafe cosmetics and medical devices, strip mining despoliation and tanker oil spills.

There remain, however, valid concerns with the implementation of some consumer, safety and environment legislation:

(1) too often regulations appropriate for major corporations impose disproportionate burdens upon small business.

(2) In a significant number of instances, regulatory authority over a single product or industry is divided among several agencies implementing divergent policy mandates, creating duplication and added costs. For example, three separate agencies have overlapping responsibilities for regulating banks; several regulate food safety.

(3) Standards development is too often drawn out, characterized by fits and starts, subject neither to long range agency planning nor the orderly assignment of priorities. This patchwork, in turn, inhibits business decision making and impedes both economic progress and the delivery of the benefits of regulation.

We stand ready to work with the Administration to improve the coordination of regulatory policies, reduce conflict and overlap, strengthen agency planning and priority setting and provide enhanced advance notice to the business of regulatory proposals.

RISKS OF SIMPLISTIC COST-BENEFIT CALCULATIONS

Cost benefit analysis has become the current panacea for regulatory malaise.

As we have indicated, comprehension of the total impact of regulation is, indeed, an essential tool in the process of regulatory evaluation. Yet the dogmatic application of crude cost-benefit formulae, especially as a precondition of regulation, could serve to strangle essential public protection.

It should not come as any surprise that business subject to regulation chronically overstates the costs and undervalues the burdens. But this tendency should make the observer wary as he approaches the thicket of cost-benefit analysis.

To begin with, the benefits or regulation: life and health, a decent work place, a trustworthy marketplace, a sound environment, do not lend themselves readily to the accountant's slide rule.

Who can assign a cash value to the child spared the lifelong tragedy of a face hideously scarred by burns from flammable pajamas, or the impact on a family of a father struck down in his late 30's from cancer through needless exposure to lethal chemicals at his workplace? How does one place a dollar sign on the availability of fair and expeditious grievance machinery to enable the consumer to obtain redress for a defective product or a service poorly performed? How does one value the physical deterioration of a worker subjected to intolerable levels of noise, physically and mentally wasted and incapable of participating in the life and growth of his family. How does one value the impact on our children of marketing practices which stimulate reliance upon drugs and nutritionally deficient diets?

Nor can we assume that regulation provides no benefits to the regulated. Recent studies have demonstrated that regulation can spur innovation and productivity gains. Thus, after years of resisting the imposition of air quality standards, General Motors is now conducting a nationwide advertising campaign boasting that its catalytic converter not only reduces exhaust emissions, but improves auto efficiency "by as much as —%". But insensitively administered regulation can also retard and discourage innovation. Bold assertions, in particular by the drug industry, that testing requirements retard needed innovation, have yet to be substantiated.

We do need to take account of the costs, both direct and indirect, to government, to business, and to the consumer of regulation (as well as the failure to regulate).

But we need to beware of spurious costs attributed to regulation. We cannot permit regulation to be made the scapegoat for management failures. It was not government that built the Edsel, nor despite the anguished cries of Detroit, was it government that required General Motors to add 480 pounds to the Chevy Nova to meet federal standards. Volvo, required to meet the exact same safety and environment performance standards achieved compliance at an increase of only 138 pounds. American Motors' new and successful Pacer has to comply with the very same standards as Detroit's lagging gas guzzlers. Most safety regulation is promulgated in terms of safety performance requirements which leave to industry the freedom to design cost-effective techniques for complying with regulation.

Of the $500 average price increase for the 1975 Detroit cars, only $10.70 is attributable to compliance with safety standards.

The auto industry warns that future safety standards will cost $300 to $500. We need be reminded that in 1970 the same executives predicted that the 1970 pollution standards would add $150 to the purchase price of each vehicle. The actual increase amounted to $8.

Moreover, government must have access to the true costs of complying with regulation: not simply those costs which industry's accountants choose for their own purposes to assign to regulation.

We are understandably leary of industries which resist new regulation in the name of unreasonable cost burdens while simultaneously resisting the disclosure of cost data under the convenient umbrella of trade secrecy.

Accounting must be made, too, of the costs the public must bear as a result of industry intransigence in resisting compliance with regulation, by utilizing procedural and legal impediments to disrupt and delay the orderly development of regulation, and the costs imposed by industry collusion in jointly resisting regulation. Too often automatic and reflexive industry opposition to regulation absorbs and exhausts agency personnel in adversary combat, whereas such agency resources could better be dedicated to the orderly planning and development of sound cost-beneficial regulation.

Congress has been increasingly cognizant of the need for requiring appropriate calculations of cost and benefit in the formulation of regulations. The Motor Vehicle Information and Cost Savings Act dealt with the purely economic need to set standards for the damage resistability and repairability of automobiles, at a time when repair costs and headaches in obtaining adequate auto-repair services were mounting. But Congress imposed a cost-benefit test on the Department of Transportation as a condition of its promulgation of damagibility standards.

More recently, in clarifying the authority and need for the Federal Trade Commission to promulgate broad policy making rules of market behavior, Congress in the Magnuson-Moss Act required the Federal Trade Commission to focus upon and balance the costs and benefits of regulation. And the Senate, in passing the bill to create the Agency for Consumer Advocacy, took the further step of requiring that each agency charged with responsibility for establishing regulations analyze the prospective costs and benefits of new or proposed regulation.

In its continuing oversight activities and as it reviews the authorizations for regulatory programs, Congress will continue to seek the most sophisticated and sound judgments on the comparative costs and benefits of regulatory schemes. But it will not allow spurious cost benefit calculations to be utilized as a shield against needed regulatory standards.

HOW ONE BUSINESS HANDLED THE RECESSION

Mr. TAFT. Mr. President, Forbes magazine recently published an article documenting Federated Department Stores' success, even during the recession.

The article indicates that Federated's favorable performance has a basis in personal service; anticipation, foresight, and prompt response concerning developing economic trends; adaptability to changing situations; and local management autonomy.

Even though the Government is not in business for profit, I believe that Congress and its other employees could benefit considerably from this example as we try to run the Government's affairs and programs.

The article is also a personal tribute to the leadership of Federated's chairman, Ralph Lazarus. In addition to his success as a business entrepreneur, Mr. Lazarus has been involved with local authorities around the country in the revitalization of downtown urban areas and in the battle against other urban problems. I believe that this type of business statesmanship is essential as our cities continue their struggle to remain viable.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THIS PEACOCK WILL NOT BE TOMORROW'S FEATHER DUSTER

New York's biggest party happens every Saturday afternoon in, of all places, the housewares department at Bloomingdale's department store on Manhattan's East Side. No drinks. Just hordes of well-heeled, well-turned-out young people—called "Saturday's generation"—sampling the wares and rushing the cash registers.

Across the Hudson in the Abraham & Straus branch in middle-class Paramus, N.J., young marrieds and teenagers joyfully scoop up $29.99 denim suits. "It's a circus," beams A&S Chairman Sandford Zimmerman. "To me, a store should be like a theater. It's a form of entertainment."

A continent away in San Diego, where sales at the newest unit of Los Angeles-based Bullock's are more than 30% above budget, Bullock's Chairman Howard Goldfeder echoes the entertainment metaphor: "Look how we use lights to dramatize the merchandise," he says, pointing to a chic bedroom set bathed by spotlights as if on a stage.

Entertainment in retailing? In a recession? Ah, but this is $3.3-billion-sales Federated Department Stores, the nation's largest department store group, which is fast turning the recession into its own private party. U.S. sales of general merchandise last year were up only 6.4% over 1973, not nearly enough to offset price inflation. On profits, the chains took a bad beating: Sears, Roebuck skidded 25%, S.S. Kresge, 24% and J.C. Penney, 33%, while W.T. Grant was nearly wiped out. Even the strong department store groups did little better: Associated Dry Goods was off 20%, Carter Hawley Hale, 29%, May Department Stores, 3%. But Federated's net was up nearly 5% to $119 million, or $2.69 a share, on a 10.4% sales gain.

And the trend continues. In the fiscal first quarter, which for most retailers ends around May 1, Federated lifted profits nearly 9%, on 9.4% higher sales, while Sears and Penney were struggling with earnings dips of 61% and 87%, respectively. The other department store chains were mixed. "We've been pleasantly surprised at our first-quarter sales," says Chairman Ralph Lazarus, leader of the Columbus, Ohio Lazarus family—"the Lazari"—the nation's first family of retailing. "We'll have a pretty respectable year."

The point has not been lost on investors. Since November Federated's stock has nearly doubled, to 46. That works out to 17 times earnings, though still well below the 24-and-up multiples of the struggling chains.

The picture is not without its satisfactions to Lazarus and President Harold Krensky, ex-newspaperman turned master merchant. "You know," says Krensky, "the sages of retailing started to bury the department stores in the early 1940s. But it just never took place." First came the day of the discounter, when *Fortune* was enshrining Korvette founder Eugene Ferkauf. Then came the mass-merchandisers like Sears. But somehow the department store endured—and prospered. "We've grown as fast as Sears in the last 20 years with a cleaner balance sheet," says Lazarus, "and we haven't shortchanged our shareholders to do it." And Federated has outgrown Sears in sales in the last five years (FORBES, *Jan. 1*) by an annual average of 9.6% *vs.* 8.1%.

"The interesting thing about Federated," Lazarus goes on in his courteous, diffident way, "is that except for the 1969 recession, we've gained in market share and in profits much more effectively on the downside than at the peak of the cycle."

How did Federated get to be (in the words of May's Executive Vice President James Walsh) "the people to beat in this industry"? First of all, Federated blankets the country like no other department store group. In the Northeast, besides Bloomingdale's and A&S, it has that unique Boston institution, Filene's—more specialty shop than department store; in booming Florida, it has Burdine's. In the heartland, there is F&R Lazarus of Columbus, Shillito's of Cincinnati, Rike's of Dayton and the Boston Store in Milwaukee. Farther south and west are Goldsmith's in Memphis, Sanger-Harris in Dallas, Foley's in wildly growing Houston, Levy's in Tucson. In California there is Bullock's, now branching north and south from Los Angeles, and San Francisco's I. Magnin fashion chain, with branches in Seattle, Chicago and Phoenix.

All told, Federated runs 19 divisions, including a half-billion-dollar supermarket chain (Ralphs of California) and a $160-million discount operation (Gold Circle). Its 243 total units contain 34.8 million square feet of selling space, nearly a third more than May, its closest department store rival.

Without exception, Federated's department store units are strong stores, often dominant in their trading areas. All cater to middle- and upper-income brackets, which enabled Federated to miss the worst of this so-called blue-collar recession. In addition, Federated avoided its competitors' special problems, like sour real estate deals (Dayton Hudson) or too many stores in deteriorating downtowns (Associated Dry Goods) or excessive leverage (Allied) or over-dependence on the weak auto market (Sears, both in parts and insurance).

But Federated's biggest edge of all is its ability to run a decentralized operation with strong local autonomy. Krensky and Lazarus, who both came up through the ranks (Krensky at Bloomingdale's and Filene's, Lazarus at F&R Lazarus), believe devoutly that only the people on the spot—division bosses, store managers, local buyers—know what sells best in each market. Thus Bloomingdale's is able to stock up on funky, out-of-sight merchandise that would be out of the question for F&R Lazarus in Columbus or even for A&S, only seven subway stops away in Brooklyn.

This is the department store's ultimate advantage over the chain store, especially in fashion-oriented soft goods, where merchandising skill counts most. "Sears just can't flex fast enough for fashion," says Sandy Zimmerman at A&S, an old-time Sears watcher. At A&S, merchandise bought in the morning can be in the store's receiving dock the same evening and on the sales floor by 10 a.m., the next day. "And we do that," boasts Zimmerman, "with some regularity."

Of course, a lot of department stores only *talk* about autonomy and flexibility. Federated *talks* and *acts*.

On a recent wet Monday in Columbus, FORBES' Paul Gibson was interviewing Gold Circle Chairman Hal Field about the growing stake of department stores in discounting when the phone rang. It was Ralph Lazarus calling.

How's business? Lazarus wanted to know, and specifically, why are the building costs of a new unit running 50% over budget?

Business wasn't all that good, but Field tipped back in his chair, clearly unperturbed. He had made a mistake on the store in question, but action is being taken. No fudging, no pulled punches. The short phone call showed local autonomy at work.

Actually, local autonomy means autonomy only up to a point—but what point? The head office must constantly measure each man's and each division's track record. This balancing act is beautifully illustrated by Federated's approach to the current recession. Running the opposite of many retailers, Federated did not cut staff, but it did cut inventories early.

"We told our people," says Ralph Lazarus, "we want to retain or improve service. That comes before profitability." Lazarus knows customer loyalty built over years can be lost in a few months of sloppy service. The result: Federated's staff accounted for $37,000 sales per employee last year, *vs.* $29,000 at Sears and $27,000 at Allied Stores. Only self-service Kresge did better.

But while staff stayed, inventory went. With most U.S. businessmen still asleep at the switch, Ralph Lazarus and Krensky spent the spring of 1974 urging inventory cuts and warning, "It's too late to start working on a recession when it hits." The stores agreed in the aggregate to a 3% cut in sales targets, with a like cut in inventory and payroll expenses.

But here's the key: The cuts were not across the board. Burdine's, for example, cut hard goods, yet opened at 11th store with the same value of inventories it had the year before. Foley's in Houston made virtually no reduction, says Krensky: "They were having one of the greatest booms of all time." The same went for $67-million-sales Goldsmith's in Memphis, currently Federated's most profitable unit.

When the full force of the recession hit last fall, Federated was ready. Most of its competitors ended the year with 3% to 5% more inventory than a year earlier. Not Federated. It had reduced its stocks by a full $15 million, to $321 million, equal to 9.8% in sales, vs. 11.4% in 1973.

"As we licked our sales plans," says Ralph Lazarus, "a good bit of gross margin went down to the profit line." In fact, in a near-depression year Federated actually lifted its gross margin by two-tenths of 1%.

This spring, with its stocks "lean, clean and fluid" (as Krensky puts it) Federated reaped a further advantage. Its buyers were first back in the local markets, picking up the bargains offered by manufacturers struggling with their own inventories.

NURTURING THE HERITAGE

For Ralph Lazarus, there is a vast personal satisfaction in seeing Federated so firmly on top. His great-grandfather, Simon Lazarus left Germany because of the Jewish segregation laws of 1848, and in 1851 set up a men's clothing store in Columbus, Ohio. It prospered as F&R Lazarus, today a $235 billion business dominating its area as do few other U.S. stores.

Federated itself was formed in 1929 by Filene's, A&S and F&R Lazarus as a kind of mutual-aid society (Bloomingdale's joined a year later). For nearly two decades, it was a paper holding company for four largely autonomous, family-run stores (the real genesis of Federated autonomy concept). Only after World War II, with tougher competition looming, was a central office set up in Cincinnati under a little dynamo named Fred Lazarus Jr. (Among other things, "Mr. Fred," Ralph's father, helped persuade Franklin Roosevelt to change the date of Thanksgiving.)

"My father was the merchant," reminisces Ralph. "My uncle Simon concentrated on people. I remember as a kid they had one big office between them, their desks facing away from each other, so they could talk to one guy and listen out of one ear to the fellow at the other end." Thus began another Federated concept: Every division must have two top bosses, one to look after the merchandise, the other to run the store. "Somebody," says Ralph Lazarus, "with enough authority and responsibility to disagree with you."

But the strong family management on which Federated was built also had a drawback. Lazarus admits: "We had a lot of jobs blocked by family people—not just Lazarus family—who stayed on until they were incapable of operating." He adds, "I wouldn't want to go through again what I endured from 1962 to 1970"—years when his father, then approaching his early 80s, still kept the title of chief executive while gradually becoming less and less capable of being one.

The entrenched management could not solve the stores' many problems. For instance, in downtown Brooklyn giant A&S, Federated's biggest unit and largest dollar profit producer, wasn't responding to the middle-class white exodus and poor black influx. Filene's was locked into a vanishing carriage trade. Bullock's lacked staff to expand. Federated's diversifications—discounting (Gold Circle), Levitz-style furniture retailing (Gold Key) and appliance mass merchandising (Gold Triangle)—seemed headed for failure. Even Ralphs, a family-run supermarket chain bought in 1967, was floundering in a price war.

To top it off, in 1972 Federated lost its president, Paul Sticht, then 55, who had been hired away from Campbell Soup in 1960 to be Ralph Lazarus' heir apparent. Sticht said he was taking early retirement, but he soon joined R.J. Reynolds Industries, where he is now president. Officially, Ralph blames the departure on Sticht's lack of retail background, which the division managers are said to have resented. A better guess might be friction with the Lazarus family.

THE DOLLAR FOUNDATIONS

What saved Federated from real trouble was a wealth of talented young managers who gradually took over as the old guard quit, plus staying power provided by its conservative financial management—a management that switched to last-in, first-out accounting way back in 1941. Today, in an industry knee-deep in debt, its shareholders' equity is seven times its $126-million long-term debt. Where most stores finance their receivables with costly short-term borrowings, Federated's cash flow is so plentiful that it need borrow only $1 for every $5 of receivables. This year Federated is budgeted to spend $200 million; in the next five years it will increase selling space by nearly 20% by adding a couple of new stores for Bloomingdale's, Burdine's and Bullock's and a string of new supermarkets and discount outlets in northern California.

Stabilized by Federated's financial staying power, the young managers went to work getting more out of existing stores. Take Bloomingdale's, known in the late Forties as "a poor man's Macy's," as Ralph Lazarus puts it. In the Fifties, however, Bloomingdale's saw how the slum pockets in its upper East Side Manhattan market were being converted to chic living. Bloomie's began trading up, stressing trendy styles for the affluent young who were deserting both Macy's, as too lower class, and the Fifth Avenue shops, as too stuffy. The result: Last year Bloomie's rang up sales of over $330 per square foot, four times the national average and probably the best downtown performance of any U.S. department store.

Bloomingdale's has maintained, even enhanced, its momentum. That much is clear from a fast-paced tour led by Harvard-educated President Marvin Traub, who has spent 25 of his 49 years at the store. "Our buyers make 200 overseas trips a year," he says, fondling the Brazilian blankets, the beach towels from El Salvador, the Indonesian table mats. Up an escalator is funky brown-and-white-striped garden furniture; down two flights is the Chalk Garden stuffed with Chinese china.

The crowd of customers thickens as Traub heads into fashions, walking so fast that the Forbes reporter is almost running to keep up: "One of our strengths is that we can have high fashion, high prices, the creme de la creme—St. Laurent, Valentino, Ralph Lauren—and at the same time, Levi Strauss. It's a look, a feel, not just a price."

Bloomingdale's ground floor is filled with fresh plants, and the broad stripes along its white walls are repainted to match each season's fashion colors (currently green, cream and melon). To Traub, such touches are another way of offering customers what they want before they know they want it.

SOMETHING FOR EVERYBODY

That is retailing the Federated way. Foley's in Houston is no Bloomingdale's, but Traub agrees fully with Foley's Chairman Milton Berman when he says, "We must made our stores so ——— important to people that if we didn't exist they'd have to invent us."

Ralph Lazarus would be the first to admit that Federated still has problems. A&S ($450-million sales) is in a mature market while Bullock's is still trying to regain market share, an especially difficult trick in slow times. Soon Federated must either fish or cut bait with its Gold Key and Gold Triangle operations.

And Lazarus has an even bigger worry. "The single most important fact in America today," he told his shareholders earlier this year, "is not that we are suffering from our sixth recession since 1945, but that the nation continues to be rocked by a series of social and cultural changes." The black revolution, changing roles for women, a declining birthrate, the soaring cost of transportation—all these and many others can be critical for a retailer with huge, immovable stores.

Lazrus, however, is responding to a typically original fashion. Fifteen months ago he asked his brightest executives to form a committee to question *every* facet of Federated's operation. "There were to be no sacred cows," says Bullock's Goldfeder, coordinator of this so-called Vista program, to be largely completed in 1977.

Vista is not a sop to ward off rebellion by Young Turks impatient for changes up above; it's meant to be a blueprint for the future. Under a new mandatory retirement plan, both Krensky and Lazarus must quit no later than 1980. It's unlikely that another Lazarus will take the helm. The Lazari hold less than 3% of Federated's stock, and neither Ralph's son John, a 29-year-old assistant buyer at Filene's, nor younger brother Maurice appear to be in the running.

But plenty are. Traub at Bloomingdale's, Zimmerman at A&S, Chairman Melvin Jacobs at Burdine's, President Joseph Brooks at Filene's and Goldfeder at Bullock's are all contenders still in their 40s. And whoever makes it to the top will be guided by the Vista road map, perhaps the most comprehensive study on retailing ever done by retailers.

And the new leaders will also have, in Ralph Lazarus and Harold Krensky, two worldly-wise senior statesmen around to remind them of a favorite Federated saying: "In this business, today's peacock is tomorrow's feather duster."

THE C–5A CRASH IN SAIGON AND THE CARGO DOOR PROBLEM

Mr. PROXMIRE. Mr. President, several weeks ago I received information from an individual, Mr. Don Whitt, who formerly worked in the C–5A program disclosing the existence of a serious design deficiency and operational failures with the C–5A cargo doors.

DESIGN DEFECT IN CARGO DOORS

The information in my possession leads me to conclude that the Air Force has covered up a safety hazard in all C–5A aircraft and that this hazard may very well have caused or contributed to the Saigon crash.

The Air Force's own report of the crash tends to corroborate the information supplied by Mr. Whitt and the fact that the problems he identified exists in all C–5A aircraft.

Mr. Whitt is a program edit analyst who was responsible for preparing detailed instructions because the cargo doors were among the most troublesome areas in the maintenance and operation of the C–5A.

The problem is that the door opening and closing sequences is a lengthy, complicated procedure that could have been invented by Rube Goldberg.

As many as 5 to 7 men are required to press and hold buttons simultaneously during the procedure and if one of the sequence steps is overlooked a door may drop causing damage to the plane.

CARGO DOORS HAVE FALLEN OFF PREVIOUSLY

According to Mr. White:

> The doors have been known to drop, ripping out hydraulic systems and control cables, thus grounding the aircraft for months while new doors and systems are installed, rigged and operational checked.

Further complicating the procedure for the seemingly simple task of closing a cargo door is the fact that the control panel lights indicating that the doors are locked tend to burn out, and even when all the lights indicate that the doors are locked, a visual inspection of the locks must be made to guarantee that they are in fact locked.

VISUAL INSPECTION OF LOCKS NECESSARY

In addition to a visual inspection it is necessary to individually touch the lock micro switches or the lock rollers to be sure they are engaged, and in most cases it is necessary to actually climb the fuselage wall structure to see them.

The possibilities for errors are obviously substantial under the best of circumstances and in the event of emergency conditions such as those that prevailed at the time of the Saigon airlift the chances of something going wrong during the door closing sequence are multiplied.

Mr. Whitt charges that Air Force and Lockheed representatives admitted that the automatic controls over the hydraulic relays for the opening and closing sequence were not operational because of continual failure due to poor design and construction by Lockheed.

I am informed that the Air Force would not authorize additional funds to pay for modifications of the control system because of the large cost overruns on the C–5A.

Lockheed refused to make the necessary corrections unless it was paid extra.

AIR FORCE INVESTIGATION CONFIRMS CARGO LOCK PROBLEM

The Air Force investigation of the Saigon crash showed that the opening of the rear ramp resulted from the unlocking of several locks on the cargo door in flight. The ramp and pressure door fell out of the airplane striking the fuselage and severing the pitch trim, rudder, and elevator cables.

The Air Force knew at least as long ago as 1971 that the cargo door could fall causing the type of damage caused in the Saigon accident.

ACCIDENT BOARD RECOMMENDS CHARGES TO DOOR SYSTEM

The Air Force Accident Board is now recommending a number of changes to the cargo door system including an independent lock operation with elimination of interaction between individual locks, a review of the system to insure that required checks adequately verify correct rigging, and early rerouting of some cables and lines.

CORRECTIVE ACTIONS

The Air Force should have taken such corrective actions years ago to prevent the kind of tragedy that occurred in Saigon.

Lockheed, too, as manufacturer of the plane had an obligation to correct the defects.

Those persons who were aware of the defects and the problems and who did nothing to correct them must share the responsibility for the crash and deaths of those killed.

GAO ASKED TO INVESTIGATE

I have asked the General Accounting Office to make a formal investigation of the cargo door problem, determine who is responsible for the defects and when they first became known to the Air Force and Lockheed, and estimate the cost for correcting them.

AIR FORCE RESPONSE TO ALLEGATIONS

I might add, Mr. President, that the Air Force has responded to Mr. Whitt's allegations since they were reported by the news media. The Air Force admits in its response that there was a problem with the doors several years ago but that the problem was corrected.

The Air Force also says that "under normal operating procedures" the automatic system is used. The Air Force does not explain what corrections were made to the door system or when they were made. Nor is it stated that the automatic system was in fact used when the C–5A left the Saigon airport.

The Air Force concludes with the following puzzling statement:

> The apparent failure of three locks on the aft cargo door system of the aircraft which crashed near Saigon on April 4, was unrelated to the earlier pressure door problem.

AIR FORCE RESPONSE INCONSISTENT WITH ACCIDENT BOARD REPORT

The position taken by the Air Force is highly inconsistent. On one hand, the Air Force Accident Board made several recommendations to change the cargo door system as a result of its investigation of the Saigon accident. The Air Force summary report of the investigation states that among the recommendations is one for "an independent lock operation with elimination of interaction between individual locks." Other recommendations were made to review the system checks to insure that correct rigging can be adequately verified.

On the other hand, the Air Force now says the failure of the locks was unrelated to the earlier problem, which as described by Mr. Whitt involved malfunctions of the locks.

The Air Force seems to want to have things both ways. They admit there was an earlier problem with the locks. They conclude that the failure of the locks caused the Saigon crash. The accident board recommends changes to the lock system to avoid future accidents. But the Air Force insists that the earlier lock problem had nothing to do with the latest lock problem.

I find the Air Force's reasoning curious and I wonder if the Air Force is trying to deny the findings of its own accident board. The most recent statement by the Air Force was issued on June 24, 1975. The Air Force summary report of the Saigon accident was sent to me by the Air Force attached to a letter dated June 13, 1975.

AIR FORCE ASKING FOR $1 BILLION TO FIX C–5A WINGS

It seems to me that the most recent Air Force statement raises additional questions about the cargo doors. In view of the fact that the Air Force is now asking for $1 billion to fix the wings of the C–5A, I would hope that the questions about the doors, as well as the questions about the wings, are satisfactorily answered before any decision is made to pour more money into this program.

I ask unanimous consent to have printed in the Record copies of the letter from Mr. Whitt, the Air Force summary report of the Saigon accident, and the Air Force statement of June 24, 1975, on the cargo door problem.

There being no objection, the material was ordered to be printed in the Record, as follows:

Hollywood, Calif., *May 9, 1975.*

Hon. William Proxmire,
Senate Office Building,
Washington, D.C.

Dear Senator Proxmire: This letter may be in vain, but then again it may shed some new light on a subject that is dear to us all, human life.

I just read the new (May 5, 1975) issue of Time Magazine and at the bottom of page 20, in a small block, was a brief synopsis of the fatal crash of the C5A in Vietnam with all the orphans and sponsors on board.

This truly was a tragedy, but one that could have been avoided long ago if certain steps had been taken to rectify a flight safety hazard on the C5A cargo doors.

Much of what I am about to say you probably already know through your own investigations and from other sources, but in case you haven't, I'd like to get it off my chest.

In 1971 I was with the XYZYX Information Corporation of Canoga Park, California as a Program Edit Analyst. Our firm at the time was heavily involved in the production of detailed aircraft instructions for the Vietnamese government (i.e. the UH–IH, CH–47A helicopters and the C–141, C–123 cargo aircraft in a bilingual format).

At that time the Air Force contacted us to write some very detailed instructions for the opening of the three aft cargo doors on the C5A (Please see enclosures). I was assigned to the project, based on my extensive aircraft experience and alone I write the *manual opening* sequence of these doors, with aid from Lockheed technical representatives and the Air Force loadmasters. The *closing sequence* was simply reversed from memory by the experienced loadmasters. Due to costs, we did not write closing procedures. The Air Force felt they could do without it.

The Air Force expressed to us at the time that this was probably the most troublesome area they had in the maintenance and operation of the C5A (included in this same area of troublesome maintenance areas was the landing gear systems, flight control rigging and the MADAR systems.

We set up shop and began a detailed study of the doors sequence of operation and in working with Lockheed engineers and Air Force loadmasters, we found the real problem. The problem was one of financial obligation.

The door opening sequence is quite lengthy and complicated and if one of the sequence steps is overlooked, the doors have been known to drop, ripping out hydraulic systems and control cables, thus grounding the aircraft for months while new doors and systems are installed, rigged and operational checked.

A control panel in the aircraft consisting of numerous buttons and indicating lights is used to energize specific hydraulic holding relays for the opening and closing sequence. These relays were not operational because of continual failure due to poor design and construction by the vendor, as told to me by Lockheed representatives and Air Force personnel. This is the reason they came to XYZYX to obtain simplified manual instructions, since their technical orders (T.O.'s) were not written clearly enough for the younger maintenance personnel and loadmasters to understand safely.

The financial aspect was simply that the government (Air Force) would not pay for anymore changes or modifications due to the astronomical cost overruns on the C5A program and conversely Lockheed would not foot the bill either.

As you will see by the enclosed operating procedure that the human error factor operating these doors in the manual mode is horrendous. Approximately 5 to 7 men are assigned as man A, B, C, etc., and are assigned a number of buttons to be responsible for. Upon request from the loadmaster each man in sequence would manually energize these buttons and hold them. These men had to be positioned in such a manner so that their hands would not cross each other, putting any one man in an awkward position, thus tiring him. In some cases one man may hold in a series of buttons for as long as 5 to 8 minutes, with approximately 10 pounds of pushing force. If he inadvertently releases a button part way through the continuing sequence, the door(s) could drop, with resulting damage.

Once the sequence is completed, control panel lights will indicate that the doors are locked. This is not always so! We found panel bulbs to be burned out, or would burn out during the sequence of operation, and even if all the lights are out, it still does not guarantee the doors are locked. A visual inspection of all locks must be made.

If the doors were not rigged exactly right, and this was a tremendous task, they would not fully lock. Also, we found a "quick" visual check would not always verify these doors to be completely locked. The only way to tell, was to touch the individual lock micro switches or lock rollers to verify engagement. Some of the lock areas were very hard to get at and in most cases you had to climb fuselage wall structure to even see them.

In this crash case, if someone got in a hurry, possibly due to enemy fire, etc., and overlooked one item in this sequence, you will have the results that occurred here; loss of life.

Our manuals were distributed to all bases that had C5A's and were used extensively, with good results, as verified by the Air Force.

This condition of operating the cargo doors in the manual mode still existed up to 1973 as far as I know. If modifications (re. new hydraulic holding relays) were made to rectify this "human error nightmare" by either party, I could not say. If they were, was it done to the illfated C5A aircraft?

My only goal in this letter to you is to stress one point. Money and politics should never be an object when it involves human lives. For the safety of the flight crews as well as the passengers, all efforts must be taken to rectify flight safety hazardous conditions. Hopefully, this was not the case here.

If I can be of any help to you in anyway in this matter, please feel free to call upon me.

Very respectfully yours,

Don Whitt,

Editor.

Summary Report of C–5A Accident

Following the C–5A accident near Saigon, Vietnam on April 4, 1975, an investigation board was appointed to determine the cause of the accident. The facts as reconstructed during the investigation are as follows:

The aircraft departed Tan Son Nhut Airfield enroute to Clark Air Base at approximately 1600 hours local time. A rapid decompression and loss of the aft cargo ramp and pressure door occurred while passing FL 230. The numbers one and two hydraulic systems were lost immediately. The aircrew initiated a turn and started a shallow descent while the damage was being assessed. When the pilot applied back pressure to slow the rate of descent, he discovered that all pitch control was inoperative. It was subsequently found that the pitch trim and rudder were also inoperative. Faced with the loss of all empennage flight controls and using power and bank to control the rate of descent, the crew began an emergency return to Tan Son Nhut.

The aircraft was maneuvered onto a modified base leg but during the turn to line up with the runway the rate of descent increased rapidly. The pilot elected to roll out and crash land straight ahead. By applying full throttle he was able to raise the nose and partially arrest the rate of descent before impact. The throttles were retarded to idle just prior to the initial touchdown. The aircraft rolled and slid 1,000 feet, became airborne, flew 2,700 feet and again impacted the ground. The aircraft separated into four major sections: empennage, troop compartment, cockpit, and wing. One hundred fifty-five of the 330 passengers and crew on board were killed. The investigating board commended the crew's prompt evaluation of the situation and superb execution of the emergency return and crash landing which resulted in the survival of over half the personnel on board.

The investigation revealed that the failure of the aft ramp and subsequent rapid decompression resulted from the numbers one, two, and three locks on the right side of the ramp unlocking in flight. When the locks released, a dynamic overload was simultaneously exerted on the ramp and remaining right side locks. This caused the ramp and pressure door to separate from the aircraft. The pressure door struck the aft fuselage severing the pitch trim, rudder, and elevator cables.

The investigators were not able to conclusively determine the specific reason for unlocking of the ramp locks because a significant number of the key parts were not recovered. The system involved is a "gang locking system" where, because of the interaction between the individual locks through tie rods, an out-of-rig condition of any of the locking system components can affect other locking system components. Since the system is designed, and has been tested, to operate satisfactorily with one lock in the unlocked position, unlocking of a single lock would not cause this catastrophic result.

They believe that a combination of an out-of-rig condition and subsequent failure of a part such as a tie rod or bellcrank arm, while the aircraft was pressurized, resulted in an instantaneous dynamic overload condition on the ramp.

The accident board was able to determine that no structural failure was involved in the accident. It was conclusively shown that the ramp and pressure door were structurally sound and failed only as a result of the dynamic overload. The rapid decompression occurred when 65,800 cubic feet of air was displaced in less than one second.

During the investigation the accident board made recommendations designed to achieve the following:

An independent lock operation with elimination of interaction between individual locks; a revision of applicable technical orders and procedures to insure correct rigging; review of the system checks to insure that required checks of the system adequately verify correct rigging; examination of field level inspections and programmed depot maintenance to provide additional serviceability inspections of the loading systems; early rerouting of some cables and lines and further study/analysis to determine if more extensive changes are necessary.

The Air Force is presently reviewing the board's findings and recommendations to assess those actions necessary to prevent recurrence.

Air Force Statement About Cargo Doors

Before the C–5 force became fully operational the locking system failed while various tests were being conducted. On the ground, on five separate occasions, the pressure door came off the aircraft leading to a modification of the complex system in use at that time. In all five instances no one was injured, there was no record of serious damage to hydraulic systems and no record of any damage to control cables.

An improved and simplified aft door system was developed and tested extensively before it was put into service. The final report of testing, after introduction of improvements, stated, "The aft cargo loading system, when updated with the latest modifications, is a safe reliable system." The C–5 which crashed on April 4 had the updated, modified aft cargo loading system.

During the development of the improved locking system in 1971, the XYZYX Information Corporation was attempting to interest the Air Force in a new concept for formating technical data. Both the Lockheed and Air Force C–5 test personnel cooperated in this effort. It happened that the aft cargo doors were being evaluated by test personnel at the time and this system was picked for the new format. The resulting booklet was clearly marked "Sample, FOR TEST PURPOSES ONLY." These instructions were applicable to the manual locking procedures for one specific C–5 aircraft only, and the instructions contained a precautionary note explaining that fact. This sample manual was never accepted by the Air Force nor authorized for use because an improved system was developed by the Air Force.

Under normal operating procedures, the automatic system is used, while with manual override procedures, the door can be closed by two men if the primary system should fail.

There have been no further incidents of the type experienced in the 1971 tests either on the ground or in flight. The apparent failure of three locks on the aft cargo door system of the aircraft which crashed near Saigon on April 4, was unrelated to the earlier pressure door problem.

SUPPORT CITIZEN'S ACTION COMMITTEE ENERGY CONSERVATION EFFORTS

Mr. HUGH SCOTT. Mr. President, several months ago the President of the United States went on national television to relate to the American people the dangers of this Nation's dependence on foreign oil. President Ford challenged Congress to pass a strong energy bill that would free this Nation from the threat of an oil boycott. What has Congress legislated? Not one bill. It seems that Congress will not pass a bill until we are all forced to return to the horse and carriage.

Fortunately, there is a group in this country, the Citizen's Action Committee, Inc. that is working hard to conserve energy. They are working at the grassroots by organizing local projects to educate citizens in what can be done everyday to conserve a kilowatt of light, a barrel of oil or a bucket of coal.

The Citizen's Action Committee has established projects in over 40 cities and can already boast of contributing to the savings of thousands of barrels of oil. The committee could not have recorded such gains if it did not have the support and advice of many local organizations ranging from the AFL–CIO to the U.S. Jaycees.

This is one kind of action that this country needs in order to reach energy independence. I heartily support the efforts of this fine organization and hope that the enthusiasm of the Citizen's Action Committee spreads throughout the land.

I ask unanimous consent that an article written by Frank Zarb, the Administrator of the Federal Energy Administration, entitled "The Gasoline Glut" be printed in the Record. This article plainly illustrates the necessity for energy conservation to become an American way of life.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Gasoline Glut

(By Frank Zarb)

Today, one year after Americans waited in line for hours to get their automobiles to gasoline pumps, they are being told that, although the energy crisis goes on, there is an abundance of gasoline on the market. In some parts of the country, in fact, they are seeing what looks suspiciously like that relic of the past, the gas war between competing neighborhood service stations.

So, today, one year after the oil embargo made "energy crisis" a household expression, Americans are wondering whether there really is a crisis any more.

The fact is that the energy crisis is still very much with us, and, in some respects, it is worse today than it was a year ago. It has simply changed its form.

A year ago, it manifested itself in the draining of gasoline from millions of gas tanks throughout the Nation.

Today, it manifests itself in the continued, and increased, draining of our national wealth to pay for imported oil.

In 1970, we paid for imported oil at a rate of less than $55 for each American household. Last year, we paid at a rate of $400 for each household. Today, we are paying at an even higher rate, and, by 1977, we could be paying at an annual rate of $500 for every household in the Nation.

That means that America's dollars and America's jobs are being exported to pay for exorbitantly priced foreign oil.

Moreover, it means that the United States is becoming increasingly vulnerable to another embargo. The 1973–74 embargo involved only 14 percent of U.S. petroleum consumption. Yet it resulted in an estimated loss of $10 to $20 billion in Gross National Product and an estimated loss of a half-million American jobs.

By 1977 we could be dependent on overseas sources for more than 40 percent of our petroleum consumption. If half of that supply were cut off during a future embargo, this country would suffer an estimated loss of $30 to $50 billion in Gross National Product and the loss of many hundreds of thousands—perhaps millions—of additional jobs.

Therefore, in 1975, it is more important than ever that we move rapidly toward a national energy policy that will reduce our dependence on imported oil—that we move rapidly toward a solution to the energy crisis.

And yet there are temporary surpluses of petroleum. There may be, at the moment, a "gas glut." Recent reports indicated that U.S. crude oil stocks were at 264 million barrels, compared with 240 million barrels a year earlier. Gasoline stocks were up from 224 million barrels to 250 million barrels; distillate oil was up from 145 million to 176 million; and residual oil was up from 44 million to 65 million. The only petroleum product not reflecting an increase in supplies was aviation fuel.

One result of these temporary surpluses has been increased efforts by marketers to sell their products—a result that directly contradicts our national commitment to reduce consumption and conserve energy. The American people are asking: if there still is an energy crisis, why are we hearing about these surpluses and why are we seeing price-cutting on petroleum products?

Current surpluses are the result of a variety of factors. Certainly among the most important are high prices that have encouraged conservation and have substantially reduced demand in a number of areas. Other contributing factors are the relatively mild winter of 1974–75 and the effects of the current recession of productivity in various industries. The net result has been curtailed consumption and temporary surpluses.

But the surpluses are just that—temporary—and we cannot allow them to encourage renewed growth of consumption or less effective conservation. In fact, gasoline stocks are expected to decline to 215 million barrels by June—nearly ten million barrels below the level a year ago during the embargo.

The cooperation of the energy producing and distributing industries, as well as all consumers, will be essential if we are to continue and intensify the national trend toward better use of energy in all forms, through elimination of wasteful consumption and the exercise of sensible conservation policies.

The temporary surplus of petroleum products has not changed the nation's long-term energy policy. We must conserve energy now, to enable us to cut back on oil imports and payments to foreign governments for them. And we must begin now to develop our massive domestic energy resources to meet future needs.

We must establish a national energy policy, first, to reduce the dangers to remove from the hands of a small group of other nations control over the price we pay for petroleum; and, third, to free American domestic and foreign policy from the influence and potential interference of other governments.

We simply must stop expanding our oil imports and start down the road to energy self-sufficiency.

RED CROSS REPORTS ON PRISONS IN SOUTH VIETNAM

Mr. KENNEDY. Mr. President, evidence has come to light this week which confirms the worst fears many of us have had over the years regarding the issue of the treatment and condition of prisoners in South Vietnam during the war years.

This issue occupied our attention and concern for many years, not only because we as a nation were responsible for the fate of prisoners captured by our Armed Forces and detained under South Vietnamese control—but also because thousands of our own men were held captive by the other side.

Consistently over the years the issue of brutality in South Vietnamese prisons, and the question of political prisoners, was downplayed by administration officials—and in testimony to the Congress it was denied to be a serious problem. In fact, in testimony on July 18, 1974, before the Subcommittee on Refugees, which I serve as chairman, high administration officials explicitly denied there were political prisoners in South Vietnam.

Today we know the facts, and they tell us the contrary. We need not rake over the past, to also learn from it. I believe it is important for us to take full notice of official documents compiled over the years by the International Committee of the Red Cross, concerning conditions and treatment of prisoners in South Vietnam. Their reports confirm facts long denied by many officials, and they are instructive about one of the most serious and tragic aspects of the failure of our policy in Vietnam.

Mr. President, I ask unanimous consent that a series of articles published this week by the Washington Post, reporting the findings of the International Red Cross representatives on conditions of prisoners in South Vietnam, be printed in the Record. Regrettably, these articles speak for themselves, and they paint a tragic picture of official indifference to brutality and inhuman conditions in South Vietnamese prisons—built with American funds, staffed with American advisers and, in many instances, holding prisoners captured and processed by U.S. forces. It is a story which our Nation must never allow to reoccur.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, June 22, 1975]

Viet Prison Brutality Documented

(By Joseph Novitski and Thomas W. Lippman)

The U.S. government knew of beatings and large-scale brutality at some of South Vietnam's largest prisons and prisoner-of-war camps where "tiger cages" were found as early as 1969.

A 3-foot-high stack of International Red Cross reports, recently declassified, and interviews with Red Cross and American officials have provided for the first time a picture from a neutral viewpoint of South Vietnamn's prisons where between 65,000 and 70,000 people were confined at the height of the war.

Written in the cool, dry French of the Swiss doctors, lawyers and other professionals who served on the International Committee of the Red Cross (ICRC) mission to Vietnam, the reports generally gave satisfactory to good grades to almost all facilities inspected.

But there were several significant exceptions.

After each inspection by trained Red Cross delegates, Washington was given a copy of their report.

The reports also document the standard American practice of taking civilian prisoners during military operation, classifying them as offenders and turning them over to South Vietnamese police, who often treated them as political prisoners.

The delegates found and examined North Vietnamese and Vietcong prisoners of war who had been beaten, sometimes fatally, by South Vietnamese guards. Red Cross doctors described women prisoners tortured to the point of recurrent hysteria.

The International Red Cross, which now has 150 delegates on missions around the world, does not publish its reports.

The reports were released here at the end of a 2½-year suit under the Freedom of Information Act against the State Department, which received, classified and held the documents until after the war ended.

Some reports came to the United States through the South Vietnamese government, but, beginning in 1970, most came from Geneva headquarters of the ICRC through the U.S. Mission there.

"The situation [here] may be qualified as catastrophic," a Red Cross delegation concluded in its October, 1970, report on the POW camp on Phuquoc Island, where 25,900 prisoners, or almost one-third of all those held in the country, were then lodged.

Three POWS who had complained to the

delegates were severely beaten by camp guards after speaking out and had to be flown out on an American airplane for treatment.

No entirely American-run facility was ever given a wholly unfavorable report, although scattered allegations of torture by beating or electric shock were made by prisoners at the prisoner "collecting points" attached to American units in the field.

These "collecting points," where prisoners stayed a few days at most, were the only kinds of camps run by Americans after 1968, and the American lieutenants and captains in command were often commanded in writing by the ICRC. Red Cross doctors wrote enthusiastically of the advanced medical techniques being used in the treatment of prisoners at American field hospitals.

However, the delegates found continuing systematic brutality at the two principal Vietnamese POW camps—at Phuquoc and Quinhon. American advisers were stationed in these camps beginning in 1967.

The ICRC gradually gave up visits to the large civilian prisons, where almost all political prisoners were held, because South Vietnamese authorities would not let them talk to prisoners alone.

For this reason, no ICRC report was made on the disciplinary cells at South Vietnam's biggest civiilan prison on Conson Island, where between 9,000 and 10,000 were held. Conson's French-built tiny cells, called "tiger cages," made Vietnamese prison conditions an American issue after two visiting congressmen saw them in July, 1970.

The ICRC, a permanent, Swiss-staffed body that watches over worldwide compliance with the 1949 Geneva conventions on war and on the treatment of prisoners, has had a mission in South Vietnam since 1965, a spokesman said.

But ICRC inspectors, in spite of numerous efforts, were never authorized by North Vietnamese authorities to visit American POWs held in the north.

Although the prisons in the south were run by Vietnamese and the camps were commanded by Vietnamese officers with U.S. advisers, the Red Cross considered the United States responsible for prisoners taken by American forces.

In the largest POW camp, according to the data recorded by the ICRC, that normally meant just under half the prisoners.

The United States specifically recognized its responsibility for POWs and civilian prisoners, in a letter to the Geneva headquarters of the Red Cross in December, 1970, six months after the Conson "tiger cages" scandal.

From 1967 to 1971 U.S. civilian and military missions spent $122 million on police and prison aid and stationed hundreds of advisers around the country with orders to bring the Vietnamese into line with the Geneva conventions.

Those conventions, ratified by 138 countries, including the United States and South Vietnam, set out specific rules for the treatment of prisoners of war and forbid physical mistreatment, torture, deprivation of food or medicine or any disciplinery treatment lasting more than 48 hours.

The Red Cross delegates, escorted throughout the country by American staff officers in U.S. aircraft, found violations of all these prohibitions.

Some charges of prisoner mistreatment from opponents of the war and challengers of President Nguyen Van Thieu's government are substantiated in the dispassionate language of the ICRC reports. Others are not borne out.

The claim made by some American antiwar groups that the South Vietnamese government kept 200,000 political prisoners is not supported by the data collected by the ICRC.

Calculating from the detailed prison population reports given to the ICRC in mid-1970, it appears that the system of four national civilian prisons, including Conson, six major and 44 minor POW camps, and scores of screening and interrogation centers could have held a maximum of about 70,000 prisoners.

About one third of those held at any given time—men, women and children—were prisoners of war captured with weapons in hand or wearing insignia.

The contention made by U.S. government officials until late in the war that political prisoners were a strictly Vietnamese affair is not borne out by the Red Cross reports.

In June and July, 1970, ICRC delegates visited 19 of the more than 20 prisoner screening and classification camps maintained by U.S. combat divisions and brigades in the field.

They were given population reports covering the preceding six months, which showed that the largest single group of prisoners held after screening by mixed Vietnamese-U.S. interrogation teams were civilians turned over to the Vietnamese police.

The group was made up, according to the U.S. regulation governing the screening process, of people subject to trial by the Vietnamese government for offenses that included political crimes and those suspected of spying or terrorist activities.

The Red Cross found men who had worked for or contributed to the Vietcong against their will in this group of American-captured and classified prisoners.

More than half of the Vietnamese captured by American units in the first half of 1970 were classified as "innocent civilians" and returned to their villages, sometimes by truck or helicopter. Of those who remained, according to the ICRC data, 870 were POWs and 2,489 were sent to the Vietnamese as "civilian dependents."

Finally, the reports of "tiger cage" disciplinary cells, dismissed by some U.S. officials as propaganda, are confirmed.

Although they never saw the rock-walled tiger cages with iron grate ceilings at Conson, the ICRC delegates found another kind in POW camps at Pleiku, Quinhon and in each unit of the sprawling barracks at Phuquoc.

Those they found were barbed wire cages about the size of an office desk, built in the open air. Prisoners were forced to crawl into them and remain squatting in the tropical sun.

"The big thing was the sun in that punishment," recalled an American lieutenant colonel who visited many POW camps with the ICRC.

He asserted, and other officers and former Red Cross delegates agreed, that the same punishment was used on soldiers in South Vietnam's army.

The Red Cross reports show changing attitudes toward the cages.

Delegates twice demanded that they be removed from the 2,000-person POW camp at Pleiku, and reported their removal with satisfaction in late 1970.

But at Phuquoc, the largest camp, they reported the cages for three years before pressing successfully for their removal in 1971.

[From the Washington Post June 23, 1975]

Combat Patrol Sweeps Filled Viet Prisons—Separating Friend From Foes

(By Joseph Novitski and Thomas W. Lippman)

Six years of International Red Cross reports from South Vietnam depict a huge armed effort to separate friend from foe in Vietnam's combat zones and to confine the foes in a steadily expanding system of camps and prisons.

The reports on the prisons, prisoner-of-war camps and interrogation centers set up in South Vietnam—often with American advice and assistance—cover the years 1968 to 1972.

Two cartons of reports, forwarded to the U.S. government during the Vietnam war, were declassified after the war by the State Department, ending a 2½-year lawsuit to make them public. The suit was brought under the Freedom of Information Act by Lawyers at Ralph Nader's Public Citizens' Litigation Group, headquartered in Washington.

The all-Swiss mission of the International Committee of the Red Cross (ICRC), watching for violations of the 1949 Geneva convention on treatment for prisoners of war, inspected and reinspected almost 100 facilities throughout the war and termed most of the them satisfactory.

Through medical examination, however, ICRC inspectors discovered evidence of mistreatment and brutality, including beatings and torture, at two large prisons and the two principal Vietnamese prisoner-of-war camps.

Those four facilities held more than one-third of the penal system's approximate capacity of 65,000 to 70,000 people.

"It's all relative," said Michael G. McCann, the last chief of U.S. prison and police advisers in Vietnam. "The conditions in some of the prisons were better than in that big refugee camp near Danang."

McCann, now working for the Agency for International Development here, was one of several U.S. civilian and military officials with knowldege of the Vietnamese prison system interviewed to supplement information recorded in French in the reports.

Four ICRC officials, in New York and Geneva, also were interviewed.

The separation of friend from foe in Vietnam often began on combat patrol sweeps through fields, jungles, villages and hamlets.

However, the ICRC delegates—doctors, lawyers and other professionals—began inspecting the process at the next step—the classification of persons, detained by troops, into one of four categories.

These categories were innocent civilians, who were in the majority and were sent home; prisoners of war, civilians changing sides and civilian prisoners.

For example, on a June, 1968, visit to a classification center set up by the U.S. 9th Division at Dongtam, four ICRC delegates found 37 people—35 men and two women, aged 18 to 35—detained. Sixteen had been classified innocent, 17 given prisoner-of-war status, and four were called civilian prisoners. One of these was a woman accused of carrying ammunition.

"She will be transferred to Mytho and given to the (Vietnamese) police," the report said. "She had her baby with her."

The road from classification to confinement could branch off, for the wounded, into a bed at a U.S. military hospital, where, the reports said, prisoners got the same treatment as U.S. soldiers.

It also could branch off temporarily into one of a network of interrogation centers. The reports mention a totally dark cell in the main center in Saigon.

Eventually, however, most of those picked up in the field sweeps were sent to prisoner-of-war camps, civilian prisons, or camps for civilians who signed up to switch allegiance from the Vietcong to the Saigon government. There are no Red Cross reports on the last facilities.

The Red Cross records show that most of the prisoners fell into the ill-defined category of civilian prisoners, then called "civil defendants."

In Vietnam's irregular war, the reports show, American combat units took and classified more civil defendants than POWs. At American-run prisoner "collecting points," the classifications were made after interrogation by mixed U.S. and South Vietnamese military intelligence teams.

The U.S. regulation governing prisoner classification in Vietnam stated that each unit was "wholly responsible" for each classification made. And, in 1970, the United States told the ICRC in a letter that it considered itself responsible for the treatment of all prisoners, civilians and POWs, captured by U.S. troops.

From the field collecting points, POWs were sent to Vietnamese-run prison camps, where, according to U.S. military regulations, U.S. advisers kept track of, and were held responsible, for them. The ICRC teams regularly visited these camps.

Similar classifications were used, prison reports show, for civilians taken into custody by Vietnamese authorities—the American-trained national police, the paramilitary field police who accompanied troops on sweeps through villages—or seized in the CIA-sponsored Phoenix program, under which thousands of suspected Vietcong were arrested and imprisoned.

CIA Director William E. Colby, former head of the pacification program in Vietnam, told a House committee in 1971 that although these arrests were made by Vietnamese personnel, "I was never able to take the position that if something wrong went on over there it could be sort of left to the Vietnamese as to responsibility. I felt that our country and our government are involved in support of the overall effort there, that there is nothing we can say (that) we do not have some responsibility to improve, to do something about."

Asked at that hearing, "Are you certain that we know a member of the Vietcong infrastructure from a loyal member of the South Vietnamese citizenry?" Colby replied, "No . . . I am not."

According to McCann, however, once the suspects were brought before the "provincial security committees" that decided their fate, "the gray was more in our minds than theirs. They knew their own people." These committees could send civil prisoners away for up to two years without trial.

"Civil defendants" were handed over as offenders under Vietnamese law to South Vietnam's police, who often treated them as political prisoners, according to some of the reports and ICRC officials.

These prisoners dropped into a gray area, usually outside the view of ICRC inspectors and away from the benefits of the pressure of their complaints to South Vietnamese officials. The South Vietnamese government, according to an ICRC spokesman, would not let the Red Cross freely visit and report on civil prisons.

However, Alain Modoux, ICRC spokesman, reported in a recent telephone interview that the ICRC Vietnam mission negotiated some visits to some of the civilian prisons where those persons the government called "criminals" or "prisoners by reason of events" were kept.

Army and State Department translators of some of the reports rendered "prisoners by reason of events" as "political prisoners."

The ICRC, Modoux said, abandoned visits to civil prisons from 1972 on and never fully inspected the largest of such prisons on Conson Island, where two U.S. members of Congress saw the cells called "tiger cages" in 1970.

The generally cautious ICRC delegates were not reticent in reports on conditions at Chihoa, a 4,500-inmate civil prison in Saigon that housed some of the country's best-known prisoners, and at Tanhiep, a few miles outside the capital, which held 1,300 "prisoners by reason of events."

Prisoners interviewed in Chihoa in November, 1969, told inspectors that they and their comrades had been beaten and clapped into irons for refusing to salute the South Vietnamese flag and refusing to chant "down with Ho Chi Minh (president of North Vietnam)."

The inspectors expressed concern over a group of inmates whose lower limbs had atrophied to the point where they could hardly walk.

However, the medical delegates said that many of these cases probably arose from causes other than mistreatment by guards, and cited as causes: voluntary inaction (protest), beriberi or war wounds.

At Tanhiep in October, 1969, the Red Cross delegates found that two inmates had recently died after beatings and several others showed signs of physical mistreatment. On another visit eight months later, however, they gave the prison high marks and praised the director for the way he was running it.

The difference, they were told, was that 400 intransigent disciplinary cases had been transferred to Conson.

The ICRC teams regularly visited 44 provincial centers, roughly the equivalent of county jails with mixed prisoner populations, and found most of them as bucolic as the camp at Anloc, where 75 inmates could play ping pong or volleyball, work in metal and wood shops and sell their products outside.

They also saw the regional prisoner-of-war camps at Pleiku, Cantho and Danang, each with a population that leveled off at about 2,000.

Their reports reveal that women POWs who were rated as disciplinary problems were transferred to the POW camp at Quinhon, where the delegates often reported systematic mistreatment.

Minors and cripples given POW status were usually sent to the camp at Bienhoa. Men who were accused of making trouble in other camps were sent to Phuquoc Island, where the biggest POW camp in Vietnam mushroomed and attracted the largest number of ICRC reports.

"The hospital, where often only the dying arrive, is not worthy of the name," two Red Cross doctors wrote after a visit to Phuquoc in late 1970. "The delegate-doctors of the ICRC were painfully impressed by the flagrant absence of correct care and the large number of suspicious deaths."

On their rounds elsewhere, the ICRC investigators found that:

Some inmates at the provincial re-education center in Cantho were forced to take their meals in a muddy courtyard where the prison staff was raising a dozen pigs. The inspectors found that half of the 575 inmates suffered from scabies, food and water were insufficient and dirty, there were no showers for the 173 female prisoners, malaria was rampant, and prisoners were chained as a disciplinary measure. This was the worst report on any of the 44 provincial centers, most of which received passing grades.

Even where prison authorities and government officials had the best intentions, problems often arose because of overcrowding and money shortages.

At the provincial prison of Quangnam outside Danang, for example, investigators reported "a very fine impression," but added: "The problem is the large numbers of those detained pending investigation. Something should be done to speed up procedural action and, if that is not possible settle the children's cases first. One of them is 10 years old."

Nine prisoners were held for a while early in the U.S. buildup on U.S. Navy personnel transports anchored off Danang.

[From the Washington Post, June 22, 1975]

Phuquoc Major Red Cross Concern—Conditions in Camp Called "Stinking, Rotten, Catastrophic"

(By Joseph Novitski)

One year after what was to become the largest prisoner-of-war camp in South Vietnam opened on Phuquoc Island, two International Red Cross doctors examined 1,000 prisoners there and reported that at least 5 per cent definitely had been beaten by their guards.

From that moment in mid-1968 on the Phuquoc camp, which grew to hold 30,000 persons, became the major concern for the International Committee for the Red Cross (ICRC) mission to Vietnam. The Swiss ICRC doctor and delegates visited it 15 times in five years, and their normally dry language showed strain in the reports from Phuquoc.

There are adjectives like "stinking," "catastrophic," and "rotten" in the thick file. Inmates, the Red Cross reported, were punished by guards who beat them, sometimes fatally, with fists, clubs, iron bars, hammers and dried stingray tails.

Over the years, Red Cross inspectors, who gave satisfactory marks to most prison facilities in Vietnam, found evidence at Phuquoc of months of solitary confinement on starvation rations of rice and salt, "totally inadequate" medical care for prisoners, mass punishments by day-long exposure to the tropical sun and individual punishment by confinement in waist-high barbed wire enclosures called "tiger cages."

"Like the man said," recalled Lt. Col. Donald E. Treaster, who led a 39-man U.S. advisory team at Phuquoc camp for six months, "I never saw a tiger in one."

Physical punishment, restricted rations and disciplinary confinement of over 48 hours are forbidden by the 1949 Geneva convention governing the treatment of prisoners of war. Although Vietnamese said they expected such things in prisons, American advisers were stationed at Phuquoc from the beginning with orders to make the camp comply with the convention.

It was not easy, Treaster and his predecessor, Lt. Col. Charles D. Gooch, said in recent telephone interviews.

"The only thing we as advisers could do was counsel, advise and remind our [Vietnamese] counterparts of the need to comply," said Gooch, who is now stationed at Ft. Leavenworth, Kansas. The Vietnamese army colonels who ran the camp, he said, were in command.

Their effectiveness, and that of the adviser relationship, are reflected in the Red Cross reports on Phuquoc, which give the most revealing account of how bad Vietnamese prison camp conditions could be.

As the reports show conditions improving, relapsing and improving again over five years, they also seem to demonstrate the weakness of the only source of Red Cross power: moral pressure brought without any publicity.

The reasons conditions improved or deteriorated at Phuquoc are not recorded in the reports. U.S. advisers like Treaster and Gooch thought the changes coincided with changes in camp commandants and that the United States contributed advice, equipment and material to make Phuquoc more livable.

One former Red Cross inspector said he thought the U.S. advisers he had seen there did "an extraordinary job," but stopped short of giving them all credit for improvements.

Founded in June, 1967, Phuquoc camp grew rapidly and almost constantly with the war. People were transferred there in streams from the five mainland POW camps at Danang, Pleiku, Cantho, Quinhon and Bienhoa. At the time of the last Red Cross report, in 1972, it held 30,000 POWs, the oldest of whom was 74.

Senior ICRC officials twice during the war flew from Geneva to Vietnam, according to the reports and interviews with ICRC staffers, specifically to visit Phuquoc. They apparently wanted to demonstrate the depth of their concern occasioned by reports of nightmarish conditions from their delegates in the field.

"We have no means of pressure except the moral ones," Louis Jaguinet, an ICRC official who went to Phuquoc on one such mission, said in a telephone interview.

That pressure was exerted most strongly in the report written after a six-day visit to the camp in May, 1971. At that time the camp held more than 27,000 POWs—about the same population as College Park, Md.

This report, like hundreds of others, was sent to Geneva and forwarded to Washington and Saigon. In addition, American escort officers and advisers immediately reported the ICRC visit, as they did all others, on special forms to their superiors in the U.S. military command in Saigon.

The ICRC delegation formally accused the Vietnamese camp commander of permitting violations of 12 of the 125 basic articles of the Geneva convention on prisoners of war. The officer answered that "he was doing what he could with what he had."

The delegates had found widespread evidence of beatings and had seen guards knock prisoners around with clubs.

They had gathered evidence of four suspicious deaths among the 60 listed at the camp in the preceding four months, and they had found four beating tools, two of them clubs with bloodstains on them, in one camp guardhouse.

The other two instruments were a stingray's tail over two feet long with a cloth handle and a flat metal bar with a screw point sticking from it.

"The conditions of treatment of the POWs present a character of unquestionable gravity," the report concluded. "In the opinion of the ICRC delegates, there exists now at Phuquoc a systematic application of maltreatment, permanently, in all sectors."

When the inspectors returned four months later, they found a new camp commander, Lt. Col. Bui Bang Duc, and credited him with making some improvement.

Still, they cited him formally for violations of the Geneva convention. The ICRC had seen temporary improvements before, in 1969 and again for a while in 1970.

However, in January, 1972, the ICRC mission visiting Phuquoc concluded that "the considerable improvement in treatment is the most positive point of this visit," and credited Duc. And in the February, 1972, report, the last in the file, the ICRC found Phuquoc without tiger cages for the first time since shortly after its founding.

"In general terms," the last ICRC report available concluded, "mistreatment no longer exists at the Phuquoc camp."

[From the Washington Post, June 23, 1975]

Quinhon: Site of "Intolerable Cruelty"

(By Thomas W. Lippman)

As prisoners, guards and International Red Cross inspectors watched in amazement, Maj. Phan Huu Hau of the South Vietnamese army stepped up to a female inmate at the prisoner-of-war camp he commanded in Quinhon and kicked her in the face.

With his boot in her face and "holding the prisoners in his furious stare," a Red Cross inspector wrote later, the major screamed threats at his subordinates.

"A long silence followed, broken suddenly by the commandant, who rapidly got into his jeep and left the area." The other Vietnamese officers "were dumbfounded. Their attitude showed unutterable embarrassment in the presence of the Red Cross representatives, who in turn left in dismay."

That episode, which occurred on Jan. 13, 1972, was the climax of three years of mounting tensions at the Quinhon camp. Repeated protests by the Red Cross inspectors against "intolerable cruelty" and "inhuman treatment," resentment of those protests by Maj. Hau, and continuing brutality by guards whom the Red Cross found "completely free to do as they wished" made this one of the most nightmarish of the facilities inspected by the Red Cross during the war.

According to some 3,500 pages of International Red Cross reports recently declassified by the State Department, the great majority of jails and prisons in South Vietnam during the war complied with the requirements of the Geneva convention, and their inmates—whether or not their incarceration was justified—were reasonably treated.

But at a few, including Quinhon, conditions brought strongly worded protests from the normally dispassionate Red Cross inspectors.

Quinhon, South Vietnam's third largest city, is the capital of Binhdinh Province, on the central coast, which throughout the war remained a stronghold of the Vietcong. The prisoner-of-war camp there was opened July 1, 1967. At that time its listed capacity was 500, but later it was expanded to hold more than 1,200 inmates.

The Red Cross reports reveal no particular difficulties at this camp until the spring of 1969, after the camp had been rearranged so that it held only women, with the male inmates moved to tents outside the compound.

On an inspection at that time, Red Cross delegates found that the women had been divided into three groups: docile, undecided and intransigent, and that disciplinary measures against the last group included confinement in barbed wire cages measuring less than 4 feet in any direction.

They also found some prisoners who bore clear physical evidence of beatings and one group of women who suffered regular fits of hysterics.

On their next visit, Oct. 1, 1969, they found that the camp's population had grown to 1,023, of whom 824 were women inside the main compound. Hysterical outbreaks were still a problem, the medical staff was insufficient, and there was some evidence that guards had taken reprisals against women who had talked to the inspectors the time before.

The Red Cross delegates said they thought conditions at the camp would improve, because a new commander had taken over. This was Maj. Hau, whose activities they later came to deplore.

In May, 1969, the inspectors went back to Quinhon to deal specially with the 7 per cent of the female inmates who were subject to outbreaks of hysteria. They took with them a shipment of the tranquillizer Valium that had been contributed by a Swiss pharmaceutical concern.

Maj. Hau told them that "almost all the hysterical women had suffered rape, torture and other physical abuse of all kinds when they were captured and at interrogation centers" before they came to the camp.

The inspectors, including doctors, interviewed several of these women. All "declared that they had suffered brutal treatment from Vietnamese or American troops. Either they had been raped repeatedly or they had been tortured by the application of electric shock to their genitals."

In the opinion of the Red Cross delegates, the complaints were true, and the women could be treated only by Vietnamese psychiatrists because the mere sight of caucasian men sent them into hysterics.

American military officers accompanied the Red Cross delegates on these tours, but their reaction to these findings is not recorded in the reports.

After that visit, according to the Red Cross reports, conditions at Quinhon deteriorated steadily, and so did relations between the inspectors and the camp commander.

In June, 1970, the inspectors complained of a "distressing atmosphere," of prisoners who "appeared to be suffering" and of "inhuman" disciplinary measures, such as confinement in steel boxes where the temperatures were over 100 degrees.

A year later, they found that conditions had not improved, brutal treatment was being meted out by the same guards over and over, and that the prisoners were being kept ignorant of their rights under the Geneva convention.

They also said that the camp authorities were "belittling" the Red Cross and were systematically "harassing" the inmates.

Maj. Hau frequently complained to them in response that the prisoners were intransigent troublemakers who brought difficulties on themselves.

Many of the prisoners' complaints he dismissed as lies. The inspectors said, according to their reports, that they understood the prisoners were hard to deal with, but that brutality was "neither effective nor honorable, and least of all permissible."

Still, the guards continued to use clubs and tear gas to control the inmates.

In addition to their complaints of mistreatment, the Red Cross inspectors were also expressing concern all that time about sanitary conditions in the camp, where by September, 1971, "hygiene and toilet articles except for soap are lacking: that is to say toothpaste, toothbrushes, bath towels and sanitary napkins."

By the end of 1971, when the inspectors again ocmplained that the guards were "acting with complete freedom" and took the unusual step of reading specific articles of the Geneva convention to the commander, the camp held 1,482 inmates. Of those, 604 originally had been captured by American troops, who turned them over to the Vietnamese.

The incident in which Maj. Hau kicked the prisoner ended a three-day inspection in January, 1972. As was common, the members of the team had changed since the previous visit. But the outcome was no different. They found that some prisoners had been beaten for refusing to celebrate President Nguyen Van Thieu's second inauguration, others for declining to accept identity cards.

There was still no adequate treatment for the hysterics, and prisoners who had chosen to come over to the government side were being allowed to terrorize those who had not.

In one incident, guards had opened fire on inmates, which the Red Cross inspectors said was a violation of Geneva convention article stipulating that "the use of arms against prisoners of war shall be invoked only in extreme cases and will always be preceded by warnings appropriate to the circumstances."

Maj. Hau "stated that if the women prisoners complain, they are not justified. They are lying."

The inspectors' conclusion was that "the conditions of treatment of POWs in Quinhon camp, to their deep regret, are not improving."

The kicking incident followed a dispute over the distribution over relief packages that the Red Cross team wanted to donate to the prisoners.

Maj. Hau, resentful of the inspectors, told the assembled inmates that the packages had actually been donated by the Americans. Other guards said, "These white foreigners with red pointed noses and blue eyes can do nothing for you . . . You ask the Red Cross to have the commandant and his staff transferred, but you can see that we are still in this camp. The foreigners can do nothing against us," according to the Red Cross report.

When military photographers appeared to take pictures of the packages being received by the prisoners, the inmates refused to accept them because they believed the photos would be used to make propaganda for their American donors, the Red Cross reports said.

Negotiations followed, with the Americans accompanying the visitors staying out of sight to avoid reinforcing the belief that they were the donors.

A spokesman for the prisoners, when distribution had finally begun, stepped forward to talk to the Red Cross delegates and ask that "the Geneva convention be respected in their regard."

At that Maj. Hau "took hold of the prisoner by her clothes and, shaking her, said, 'Who gives you all this?' . . . The prisoner, who, as soon as the commandant had released her, crouched down, said in a low voice, 'I didn't do anything. I just wanted to thank the International Red Cross.'

"The commandant, who, in all probability, had lost control of himself, gave her a kick in the face, shouting at her, 'I'll shut your filthy mouth.' "

That ended the distribution of the relief packages, and the inspection tour.

A few months afterward, the travails of the Quinhon inmates were alleviated when they were transferred to another camp hundreds of miles south, at Cantho in the Mekong Delta. This camp later received a favorable report when a Red Cross team went to inspect it.

HISTORY-MAKING FEDERAL RULES OF EVIDENCE ACT

Mr. **HRUSKA**. Mr. President, July 1, 1975 will be a landmark date in the history of Federal judicial process. On that date the Federal Rules of Evidence, as enacted in the 93d Congress, will go into effect for virtually all Federal court proceedings. For the first time in our history we will have a comprehensive, uniform Federal code of evidence.

As I said in support of the Federal Rules of Evidence bill at the time of its consideration in the Senate,

> There is a very real need for the codification of rules of evidence to govern the admissibility of proof in all trials before the Federal courts. This need arises from the lack of uniformity and clarity in the present law of evidence on the Federal level. Presently, the law of evidence is scattered throughout the cases, often with one circuit differing from another. . . . Federal courts now apply (a combination of) Federal statutes, rulings on evidence previously decided in suits in equity, . . . general common law as interpreted by the Federal courts. . . . State rules of evidence contained in State statutes, and . . . State decisional law.

Consequently, evidence questions prior to the Federal Rules of Evidence were unduly complicated and uncertain; rules were vague; and rulings were ripe for protracted appeals. Rulings could not be made expeditiously, yet fairly and accurately, as is demanded in the day-to-day conduct of trials. The variation amongst Federal courts in different locales handicapped today's traveling lawyer trying cases away from home and handicapped judges temporarily assigned to districts or cirucits other than their own to assist with congested court calendars.

Unpredictability in evidence law means citizens cannot be effectively advised as to their rights and the probable outcome of lawsuits. Advance planning to avoid legal problems is made difficult; unnecessary litigation follows; and the conduct of the litigation cannot be effectively planned.

Younger lawyers, and lawyers coming to litigation without years of accumulated experience in litigation, have had nowhere to turn for a ready compendium of Federal evidence law. Research has been difficult, expensive, and time consuming. Not the least of the contributions made by the Federal Rules of Evidence is their "evidence handbook" format, and the convenient form they provide for collecting and reporting evidence decisions—that is, by rule and subdivision.

Precedential rulings will be equally accessible to all, not merely those with the time and resources for exhaustive research. While the benefits of equalized opportunity will be felt on both sides of the docket, civil and criminal, the use of appointed counsel for indigents in criminal cases makes it especially important. Accessibility of research materials will benefit not only private litigants, but will also ease the burdens on courts in this era of strained judicial resources.

But most importantly, we want the rules of evidence to be the best rules of evidence we can get. The system of evidence as we had it before was poorly adapted to this goal. In this codification we have achieved the goal as closely as the best of current thinking in the field is capable. A brief glimpse at the history of these new rules will show the enormous effort that went into them, and will show that they have no bias in favor of one political party or philosophy or another. They achieve reform and improvement while building on the finest values of our established legal traditions and heritage.

The Federal Rules of Evidence bill in Congress was the culmination of an enormous amount of hard work and careful thought spread over more than 13 years by a large number of distinguished and concerned individuals. Indeed, it represents an example of the best kind of legislative development by private and public bodies and individuals. The influence of model uniform codes drafted by the National Conference of Commissioners on Uniform State Laws and the American Law Institute, and of State evidence codes, helped assure a balance of innovation and continuity.

The groundwork for the bill began in 1961 when the Judicial Conference of the United States authorized the Honorable Earl Warren, then Chief Justice of the United States, to appoint an advisory committee to study the advisability and feasibility of uniform rules of evidence for use in the Federal courts. The Chief Justice appointed a special committee which concluded that uniform rules of evidence were advisable and feasible, and recommended that such rules should be promulgated promptly.

In 1965, a distinguished advisory committee composed of judges, lawyers, and teachers was appointed and assigned the monumental task of developing a uniform code of evidence for use in the Federal courts. Approximately 4 years later, in March 1969, the Judicial Conference's Standing Committee on Rules of Practice and Procedures printed and circulated widely for comment a preliminary draft of proposed rules of evidence which has been developed by the advisory committee.

After reviewing the numerous comments and suggestions, the advisory committee and, in turn, the Judicial Conference, approved a revised draft which it submitted to the Supreme Court in October 1970. The Supreme Court returned the draft for further public circulation and in October 1971, the final work product was forwarded to the Supreme Court.

The Court promulgated the rules pursuant to the various enabling acts and transmitted the proposed rules to the Congress. Under the enabling acts, the rules would have taken effect in 90 days. However, because of the general importance of these rules as well as serious questions which were raised with respect to certain rules on privileges in particular, the Congress enacted Public Law 93–12 to insure that Congress had a full opportunity to review them. This law deferred the effectiveness of the rules until Congress expressly approved them.

The rules then underwent consideration by the House Judiciary Committee's Subcommittee on Criminal Laws and Procedures, and the House Judiciary Committee. Hearings were held, and a draft circulated to bench and bar for comments. On February 6, 1974, after thorough consideration, the House passed a modified version of the Federal Rules of Evidence.

The rules then went to the Senate, where they were carefully considered by the Senate Judiciary Committee, which held additional hearings. The Senate, after full deliberation, passed a modified version of the rules on November 22, 1974. As the House and Senate bills were somewhat different, these differences were ironed out by a Conference Committee, which meticulously examined and reached a careful conclusion on each difference. The Conference Committee draft of the Federal Rules of Evidence was approved by both Houses of Congress in December 1974 and signed into law on January 2, 1975, to become effective July 1, 1975.

Each stage of the deliberations helped to assure that the rules were examined from every angle so that they would be satisfactory for the wide variety of cases they will govern. It was my honor to lend my efforts and support to the Federal Rules of Evidence both as a member of the Senate Judiciary Committee, and as a member of the Conference Committee.

Subsequent to the enactment of the rules, and even before, their importance has been underscored by the attention given them by the commentators, the bench, and the practicing bar. Cases have been citing them as persuasive restatements of the law, for several years. The practicing bar has been foresighted in arranging and attending continuing legal education programs about the rules so as not to be caught unawares on their effective date. In particular, I call attention to the commendable efforts of the Federal Bar Association to acquaint members of the bench, bar, and administrative agencies, with the operation of the Federal Rules of Evidence, during this past year, in an intensive series of regional and national programs on the subject conducted by outstanding members of the bench, bar, and teaching profession, including persons who had worked closely with the drafting process in Congress and on the Advisory Committee.

Similarly, the American Bar Association has scheduled discussion of the rules, for administrative law judges, at its meeting in Montreal on August 7, 1975; and the Association of American Law Schools Section on Evidence held a seminar on the rules in December 1973, to name just some of the programs on the rules. All of these efforts are commendable. In connection with the Federal Bar Association's efforts to promote widespread knowledge concerning the rules, I would like to mention in particular an informative article by Prof. Paul F. Rothstein in the March 1975 Federal Bar News which I ask unanimous consent to be printed in the RECORD at the conclusion of my comments, together with a brief biographical memo of Professor Rothstein.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. Mr. President, in closing, let me again note that July 1, 1975, the effective date of the Federal Rules of Evidence, marks a new advance in the administration of justice in Federal courts. If experience with the Federal Rules of Civil Procedure is any guide, we can expect a large number of States to enact rules similar to these Federal rules, a process that has already begun in a number of States. It is thus doubly important that the Federal Rules of Evidence provide a sound, salutary, and exemplary codification. In this endeavor I think the rules have succeeded.

EXHIBIT 1

[From Federal Bar News, March, 1975]

FEDERAL RULES OF EVIDENCE USHER IN NEW ERA IN FEDERAL LITIGATION

(By Paul F. Rothstein)

On February 2, 1975, President Ford signed into law the *Federal Rules of Evidence*, to become effective for virtually all federal court proceedings, civil and criminal, on July 1, 1975. Cases begun on or after that date or pending on that date will be governed by the *Rules*. With respect to the pending cases, the judge will have power to exempt them where serious inequity would otherwise result.

The President's signature put the final touches on more than a decade of effort directed at perfecting a body of federal evidence rules—an effort which itself grew out of the preceding efforts of the National Conference of Commissioners of Uniform State Law in the Uniform Rules of Evidence, the Amercan Law Institute in the Model Code of Evidence, and the California Law Revision Commission in the California Code of Evidence.

As early as 1961, it was officially recognized in a special report of the Judicial Conference of the United States, that a uniform code of evidence for federal courts was desirable. In 1965, under the auspices of that Conference and the Chief Justice of the United States, a committee was appointed to begin the hard work of drafting. Representatives of every aspect of trial-related law were on the committee: judges, academicians, criminal and civil trial lawyers from both sides, etc. During the period 1969 to 1971, two drafts were circulated to bench and bar for comments. In November 1972, the draft was ready for Supreme Court action. Acting pursuant to the statutory authority used to promulgate the Federal Rules of Civil and Criminal Procedure, the Court promulgated the *Federal Rules of Evidence* to become effective July 1, 1973, unless Congress exercised a veto.

The *Rules* then hit a snag. Congress, in March, 1973, decided to take a closer look at the *Rules*, and delayed their effective date indefinitely pending such review. Perhaps this was the product of the times. Congress was sensitized to usurpation by the presidency, and was not ready to cede "legislative" prerogatives to the Court. The *Rules* did contain a few faulty provisions, and also did get into matters beyond mere courtroom mechanics, but on the whole the draft was sound. Congressional dissatisfaction seemed to center particularly on the area of privileges, where state law was to be supplanted, in accord with a main theme of the *Rules*, and where some traditional privileges such as a general doctor-patient privilege and husband-wife communications privilege were not to be found. This was in accord with the *Rules'* general tendency in favor of admissibility. Seemingly inconsistently and perhaps ill-advisedly in view of brewing political developments, the Supreme Court's *Rules* also granted broad governmental privileges.

Other areas of controversy in the *Rules* included: (1) the precise scope of the rule allowing prior convictions to be used for impeachment; (2) the tremendous erosion of the hearsay rule; (3) the widening of the scope of cross examination; (4) a controversial rule giving a presumption the force of shifting the persuasion burden; (5) the allowance of adverse inspection of memory-refreshing documents used before trial; and (6) the codification of the power of the judge to personally comment on the weight of evidence.

All that controversy is now behind us. The *Rules* went through several more Congressional drafts after the Supreme Court draft, and were finally enacted. Come next July 1, lawyers in federal forums will be well advised to have boned up on their *Federal Rules of Evidence*. Administrative agencies too, I trust, will also find the *Rules* too convenient to resist, at least as persuasive authority in some areas.

If experience with the Federal Rules of Civil Procedure is any guide, we can expect widespread mimicry by the states. Some have already followed suit.

Many courts, even in the absence of positive enactment, have been using the *Rules* as persuasive authority, on both the state and federal level.

The main themes originally found in the *Rules* are still there: increased admissibility, new broader doses of judicial discretion, and a shifting of burdens to the *opponent* of evidence rather than the proponent. The new judicial discretion, however, is not unlimited. The new limits will need to be learned. Old cases may still play a role, but a new role.

The shifting of burdens may be illustrated with several provisions from various parts of the *Rules:* duplicated copies are allowed freely unless the opponent can show grounds for suspicion; there are liberal hearsay exceptions, including a "catch-all" allowing the judge to create new exceptions under certain conditions; many documents are self-authenticating; and experts giving opinions need not present their basis on direct examination. A moment's reflection will reveal that these provisions mean in each instance that the opponent of the evidence will have to work harder, particularly in discovery, to get certain information he may need for a challenge, rather than being presented with it by the proponent. Thus, he himself will have to get the declarant of the hearsay statement, get the original document, get the person who would know about authenticity, and get the expert's basis, if he wants to mount a challenge based on these things.

One final theme in the *Rules* bears mentioning: the *Rules* as a whole seem less favorable to criminal accuseds than they might have been, although they cannot be said to be biased against him.

The *Rules* are divided into eleven "Articles", a brief survey of which imparts some idea of the scope of the *Rules*. Article I (General Provisions) deals largely with the mechanics of presenting, objecting to, and ruling on evidence. It provides for hearings out of range of the jury, codifies the concepts of plain error and harmless error, and prescribes that the judge make fact determinations that are necessary preliminaries to admissibility. He may receive even inadmissible evidence on those fact questions. Article II deals with judicial notice, setting up a test of relative indisputability before facts will be judicially noticed, and prescribing a hearing procedure and instructions to the jury. Article III regulates the effect of presumptions and the applicability of state law in this area. Article IV defines relevancy, grants the judge a broad power to balance relevance against prejudice, time consumption, and confusion, and codifies particularized applications of such balancing. Article V is concerned with privileges and the relationship of state and federal law on that matter. Article VI does much the same for the matter of competency of witnesses, and regulates other matters concerning presentation of witnesses, particularly impeachment and cross examination. Article VII regulates the giving of lay and expert opinion testimony and related matters. Article VIII is the hearsay rule and its exceptions, setting forth a detailed definition of hearsay and 29 broad exceptions. Articles IX and X set forth the documentary "best evidence" and authentication rules, and Article XI covers the scope of applicability of the *Rules*, amendments and the like.

Some of the more interesting features in the *Rules* are: (1) increased receptivity to expert evidence; (2) free ability to impeach your own witness; (3) application of state privilege law in state-substantive-law cases; (4) application of a federal common law of privilege interpreted with "modern reason and experience" in all other cases; (5) a vast whittling down of witness incompetencies except in state-substantive-law cases (where state competency law controls); (6) the granting of a balancing power to judges to exclude certain convictions offered for impeachment if unduly prejudicial (the so-called "Luck" power); (7) endorsement of the traditional "narrow" scope of cross-examination; (8) codification of objection and offer-of-proof procedures; (9) a requirement preventing use of written passages out of context; (10) a relatively clear-cut scheme for evidence of character and "other wrongs"; and (11) codification of rules relating to evidence of insurance, offers of compromise, and remedial measures.

There are many, many more interesting provisions. But the most interesting thought is that federal evidence law will now tend toward uniformity and toward readier and more certain ascertainment. The researching of evidence questions will be more directed and simplified. State evidence law will play less of a role. Appeals will be fewer and less protracted. Of course the *Rules*, being mere general directives subject to interpretation, cannot fulfill these goals 100 per cent. But having at least the common target there between two covers on every bench and in every lawyer's brief case will help.

PROF. ROTHSTEIN BIOGRAPHICAL MEMO

Paul Rothstein is a Professor of Law at Georgetown University Law Center on leave at the end of the 1974–75 academic year to work with the Senate Judiciary Committee on Criminal Law Revision. He has written extensively in the field of evidence and trial, has practiced trial law, and has participated in a number of law revision projects. He is Chairman of the Evidence Committee of the Federal Bar Association and Secretary of the

Evidence Section of the Association of American Law Schools.

GARY, IND., PLANS FOR BICENTENNIAL

Mr. BAYH. Mr. President, this Nation is entering its Bicentennial with an emphasis on encouraging each and every community across the country to develop its own programs to celebrate the 200th birthday of the founding of the United States.

An excellent example of community Bicentennial involvement in Gary, Ind., has come to my attention. Through the efforts of Frank B. Roman, librarian at Mann High School in Gary, there will be a display of a rare collection of 14 U.S. Postal Service stamps honoring black Americans. This will be the first time this collection has been shown in a public school.

These stamps honor Booker T. Washington, Dr. George Washington Carver, and W. C. Handy, among others. The latest stamp honoring a black American is of poet Paul Lawrence Dunbar and has a special significance to residents of Gary. Mr. Dunbar's only living relative, Mrs. Louis Comer, is a citizen of Gary.

Mr. Roman and the others involved in this project are to be congratulated for bringing a truly unique and meaningful exhibit to Gary for the beginning of that city's Bicentennial celebration.

I ask unanimous consent that newspaper articles describing Mr. Roman's efforts and the exhibit be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Gary (Ind.) Post Tribune, June 2, 1975]

CAN'T LICK RESULT OF BIG THOUGHT

Gary's Mann High School will be the first public school in America to display a rare collection of 14 U.S. Postal Service stamps honoring black Americans.

The colorful, annotated collection, exhibited through the courtesy of the U.S. Postal Service and the persistence of a Mann librarian, will be at the school June 11 and 12.

The librarian, Mann's Bicentennial Chairman Frank B. Roman, has invited such dignitaries as President Ford, Indiana Gov. Otis R. Bowen, Indiana Senators Birch Bayh and Vance Hartke, Congressman Ray J. Madden, Mayor Richard G. Hatcher and the state superintendent of schools.

He said he got the exhibit for Mann by "threatening to call Bayh, Hartke, Madden and others to put pressure on the postal service" after he was told it doesn't circulate.

Roman 61, said he read about the unique display last January and has spent much time and $300 of his own funds to get it brought here.

"I think big!" Roman smiled. He said he feels the display is a good "tie-in with the bicentennial and that it is needed to give Gary some spirit."

Roman said 10 stamps feature the faces of famous black Americans and four others also honor Blacks. The first one, in 1940, honored Booker T. Washington, the noted educator, statesman and founder of Tuskegee Institute.

In 1948, Dr. George Washington Carver, the famed agricultural scientist best known for his work with the lowly peanut, was one of several "Famous Americans" to appear on a series of commemoratives.

The postal service said Booker T. Washington is the only black American to be featured on more than one stamp. In 1956, a stamp depicting the cabin in which he was born was issued on the centennial of his birth.

The service also commemorated the 100th anniversary of the Emancipation Proclamation in 1963 with a stamp showing a broken black chain. It was designed by Georg Olden, a black artist, and issued on the opening day of the Century of Negro Progress Exposition in Chicago.

After the exhibit at Mann, the collection will be on display at Roosevelt and West Side high schools here. It will be in Gary for a month. After it leaves the schools, Roman said it will be up to the post office here to display it, probably at Gary Public Library or in City Hall.

Roman invited 95 persons to the opening exhibit at Mann. He said he hasn't heard from President Ford's office yet.

Gary will get 10,000 pamphlets describing the stamps to give to school children and others, he added.

He said although many persons don't know it, "about 100,000 blacks participated in the Revolutionary War on both sides."

The display was in Dayton, Ohio recently but featured the latest Black American stamp only, he said. That stamp is of black poet, Paul Laurence Dunbar, whose only living relative, Mrs. Louis Comer, lives in Gary. She was an honored guest at the stamp's unveiling in Dayton.

[From The Gary (Ind.) Post Tribune, June 6, 1975]

POSTAL EXHIBIT HAILS BLACKS

Final plans for the Gary showing of a special postal service exhibit, "Black Americans on U.S. Postage Stamps," have been announced by Gary Postmaster Larry C. Wilburn.

The display will be at four Gary schools, the main post office and the main library from June 9 to July 7.

Mann High School, whose librarian Frank B. Roman was instrumental, along with Wilburn, in getting the display brought here, has the honor of being the first school in the nation to have the display.

It will then be at West Side and Roosevelt High Schools and Pulaski Middle School through June 18, the day before school closes. It will then go to the post office at 15th and King Drive for a week before ending its stay at the downtown library.

The unique collection highlights events in American black history beginning with the Revolutionary War. Salem Poor, who fought for the Colonists at the battle of Bunker Hill, is featured on one of the 14 stamps.

The exhibit also has stamps honoring Booker T. Washington, Dr. George Washington Carver, W. C. Handy, known as the "Father of the Blues," poet Paul Lawrence Dunbar, Henry O. Tanner, a painter, and other places and events in black American history.

THE 25TH ANNIVERSARY OF THE ATTACK BY NORTH KOREA UPON SOUTH KOREA

Mr. TAFT. Mr. President, this is the 25th anniversary of the attack by North Korea upon South Korea, which began the Korean war. It is an appropriate time for us to look at South Korea, and to review the position South Korea has in our foreign policy.

The independence of South Korea, for which we fought 25 years ago, remains an important goal of our foreign policy. South Korea is today, as it was 25 years ago, an important strategic element in Asia. In the hands of an unfriendly power, Korea would be perceived by Japan as a threat. If that unfriendly power were to control the waters between Korea and Japan, that threat would be real, and Japan would have to make some reaction to it.

For that reason, continued United States interest in an independent South Korea is important to Japan. It is also important to another Asian nation, a nation with significant diplomatic interests in common with the United States—the People's Republic of China. A unified Korea in the hands of an unfriendly power would also be a threat to China. It would be a gateway to Manchuria, the industrial heartland of China. China is thus also interested in seeing that Korea is not dominated by an unfriendly power—and today, unlike 25 years ago, China realizes that the United States is a friendly power, with no desire for hegemony in Asia.

South Korea is also important in its own right. It has developed into a major industrial nation, with a rising standard of living and with important trade connections to the United States.

South Korea is an example of a situation where the United States can and should maintain a military commitment to an ally. The land forces of South Korea are extensive and of high quality; and South Korea thus provides the land force element which is not an appropriate American contribution to any possible future conflict arising from North Korean aggression. The United States is enabled by the South Korean development of adequate land forces to provide to the alliance those forces which we are best suited to provide: air and sea forces. Such an arrangement is appropriate to the best interests and to the capabilities of both parties, and creates a situation where the advantages of alliance outweigh any possible disadvantages.

It is thus in our interest to maintain our alliance with Korea, and to make clear to North Korea, through our declarations, our unmistakable resolve to aid our South Korean ally in the event of North Korean aggression. We must never repeat our error which led to the Korean war of 25 years ago, of stating that Korea does not constitute an important interest of the United States, and of giving the mistaken impression that we would not use military force to aid South Korea in the event of aggression. South Korea is an important ally of the United States, an ally which continues to maintain its own defense in such a way that the land war aspect of a Korean conflict would not have to fall on us. It is thus in our interest in every way to continue our commitment to Korea. I have no doubt that we shall do so.

ADMINISTRATION FOOT-DRAGGING ON TRANSPORTATION LEGISLATION

Mr. BENTSEN. Mr. President, since I assumed the chairmanship of the Senate Transportation Subcommittee, I have attempted to work cooperatively with the administration in developing sound transportation legislation to bring before the Congress. I must reluctantly conclude, however, that this administration has assigned transportation proposals a low priority on the list of its national concerns.

Since March, my subcommittee has been promised a new highway bill. Scarcely a week passes that the White House and the Department of Transportation do not give us assurances that their proposals are on the way. Now it is June, and nothing has been forthcoming.

It is a sad commentary, Mr. President, on the White House and the various agencies in charge of transportation. We are moving through an energy scarcity, our rural roads are falling into decay, congestion and pollution still clogs our cities, many States are running out of Interstate money, and the administration remains silent.

I believe that transportation will become one of the major issues of the seventies, as more and more Americans are forced to ask serious questions about how often they travel, what kind of transportation they will use, and how they will get to work. Yet there is no leadership from the executive branch. What we need is a national transportation policy, a sense of transportation investment priorities, which will assure the American people that the most mobile Nation on earth will not become immobilized as our supplies of energy become imperiled.

I can no longer wait for the administration proposals. Today, I am announcing a comprehensive series of hearings on the future of the highway program and the importance of national transportation policy. In these hearings, which will center around specific issues, we will explore in depth the directions of transportation policy for this decade and beyond.

Our witness list includes administration witnesses; State, and local officials; citizens' and environmental groups; transit officials; academicians; and two former Federal Highway Administrators.

We expect these hearings to have an extra dimension, for we are dealing with a set of circumstances unlike any we have faced before. I have informed the witnesses that we do not want to hear a restatement of old arguments; we want to explore the premises underlying our transportation policy and leave ourselves open to a wide range of options, either to continue programs which are effective or to restructure the entire highway program.

Meanwhile, these witnesses should have the opportunity to review the administration's proposals. I urge the President, the Secretary of Transportation, and the Office of Management and Budget to end this inexcusable delay and to lay the administration proposals on the table so that my subcommittee and the Congress can debate them on the merits.

INTELLIGENCE ACTIVITIES OF THE UNITED STATES

Mr. MATHIAS. Mr. President, on May 8, 1975, the New York Times published a letter which I wrote concerning the need for a constructive review of U.S. intelligence efforts and the statutes which underlie, guide, and limit those efforts. Because this subject will be of continuing interest to the Senate during the months ahead, I ask unanimous consent that the text of my letter be printed in the RECORD together with a copy of Mr. Baldwin's article.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTELLIGENCE AGENCIES: A NEED FOR NEW LAWS

TO THE EDITOR:

Hansan Baldwin (Op-Ed May 8) puts his finger on many of the key issues in his call for a constructive examination by the Congress of U.S. intelligence activities. As a member of the Senate Select Committee to Study Government Operations with Respect to Intelligence Activities, I am convinced that the Senate can make a constructive investigation—and, indeed, that such an investigation is sorely needed.

In the aftermath of Watergate and following a series of shocking revelations of the abuse of power, it is clear that one of the most important tasks facing the Congress is to determine the proper role of intelligence agencies within our constitutional system of government. Thirty years' experience has proven that the existing legal foundation for our intelligence agencies, established in 1947, is inadequate. It is necessary to write new laws, to draw new guidelines for our intelligence agencies.

That is why Senator Mansfield and I proposed in October of 1974 that the Senate establish a select committee to make a detailed study of the legal authorities of all U.S. intelligence agencies, foreign and domestic, and of the over-all U.S. intelligence requirements.

It is an astonishing fact, for example, that there is no specific authority for any covert operations by the C.I.A. anywhere in the law. In the past, it has been argued that the President was empowered by the National Security Act of 1947 to assign "intelligence activities" to the C.I.A., yet the law itself—or legislative history—does not reveal even the slightest suggestion that covert operations are subsumed under the meaning of "intelligence activities."

Covert activities of some kind might be necessary in some future circumstances. There must be sound guidelines consistent with constitutional guarantees. Moreover, the distinctions between foreign and domestic are far less clear now than they may have seemed in the years just following World War II.

Technological advance, a boon to the agencies, has proven to be a threat to constitutional guarantees. It is clear that secrecy and open democratic government have proven to be uneasy partners.

It is my view that there is a requirement for a thoughtful redefinition of our national intelligence needs. I am convinced that the Select Committee on Intelligence offers the best means of resolving the type of questions enumerated by Mr. Baldwin and in the nonpartisan, thorough and considered way demanded by the dimensions of the problem.

CHARLES MCC. MATHIAS, JR.,
U.S. Senator.

WASHINGTON, MAY 8, 1975.

ON U.S. INTELLIGENCE

(By Hanson W. Baldwin)

ROXBURY, CONN.—There is not much doubt that the K.G.B., the Soviet secret police, is gloating in Moscow.

In the last few months, exaggerated, inaccurate or irresponsible press accounts and self-serving politicians have greatly damaged United States intelligence organizations.

Some crippling restrictions already imposed are now being followed by extensive and numerous investigations into every facet of intelligence and counterintelligence, which may result in new and dangerous exposure of organizations, methods and personnel.

One of the most damaging and irresponsible leaks in United States intelligence history—the widely published accounts of the salvaging of the sunken Soviet submarine—already has occurred, with the media, in the name of freedom, damaging the defense of freedom.

Nor is it encouraging that The New York Times allowed the columnist Jack Anderson to trigger its own actions. The consequent publication by The Times and all other media of a fantastic technological feat and an intelligence coup still incomplete could cause immense potential damage. One need only recall the broken codes of World War II, and, in recent history, the nasty surprises new Soviet weapons provided in Vietnam and in the 1973 Arab-Israeli war.

The current investigations, therefore—unless they are to be of great aid and comfort to those who would destroy the system of political freedom that makes such investigations possible—must concentrate on the constructive, not the destructive; on the future, not the past.

They must avoid, at all costs, any more public exposure of secret intelligence methods, technology or personnel. No intelligence organization, even in a democracy, can be a completely open book if it is to be worth its cost.

But there are some key questions that require reassessment.

Are there, for instance, too many semi-independent intelligence agencies, each vying for power? Or does each have its important specialized role and does each act as check-rein on the others?

Should the director of Central Intelligence be given more power—to knock heads together, to merge, to allocate tasks? Or would this continue and expand an already dangerous centralization of power?

Intelligence and counterintelligence are twins. What, particularly, should be the relationships between the Central Intelligence Agency and Federal Bureau of Investigation, and who should do what in counterespionage and countersubversion?

It is easy to dismiss the Communist and radical and terrorist threats as bogeymen; yet the capability of Puerto Rican nationalists and radical Weathermen to bomb public places repeatedly without detection and the ability of so well-known a figure as Patty Hearst to remain hidden in an American underground speak badly indeed for present and recent attempts of our intelligence services to combat espionage, subversion or even simple anarchy.

How does one define the thin line between freedom and license, security and repression, the "right to know" and irresponsibility? The political extremists and fanatics, in pursuit of revolution, believe that the ends literally justify any means.

United States intelligence agencies can never embrace such a concept, without ultimately aiding the hidden enemy. The adoption of such a policy—the ends justifying any means—would subvert our own institutions. Yet there is a nagging problem here; a threat exists and it cannot be met by mouthing shibboleths.

How should authority over our intelligence services at the top level be exercised? Intelligence is a tool of government; as such it can be turned by those who control it to good or evil purposes. Who should be the guardians of the good, who the monitors?

The more people that get into the act the less secrecy. Congress is noted for its blabbermouth proclivities; if there is to be any secret intelligence it is clear that only a handful of Congressmen, picked for ability, judgment and discretion and devotion to the common good, can be kept fully informed.

Intelligence—facts, secrets, our own and the opposition's—means, today and for the future, security—the difference between the life and death of a nation.

Granted the need, how then do you keep intelligence apolitical, freed from the ambivalent pressures of domestic politics, in a milieu such as Washington, which is highly partisan?

And, ultimately, the larger question—the unresolved residue of Watergate—how do you curb executive power without crippling it, and how do you operate a democratic government, or for that matter, any government, without secrecy?

ELIMINATE THE TAX DEDUCTION FOR FIRST-CLASS AIR FARE

Mr. KENNEDY. Mr. President, last month I introduced a bill, S. 1698, to amend the Internal Revenue Code by eliminating the tax deduction for the first-class component of air travel as an ordinary and necessary business expense.

Recently, there have come to my attention two press items supporting this legislation. Mr. President, I ask unanimous consent that an editorial from the Sacramento Bee and an opinion column from the Louisville Times be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Sacramento Bee, May 15, 1975]

Flying High

Many tax benefits which the government allows as the ordinary and necessary cost of doing business are legitimate and there is no quarrel with them. Others are not—to an extent that may surprise the general taxpayer.

Critics contend the definition of "ordinary and necessary"—with a 48-cent tax subsidy for every dollar of deductible business expense—has been stretched beyond the breaking point in a number of areas.

Sen. Edward M. Kennedy says the average citizen has been a silent partner at many high-living business functions: The corporate host pays half the bill himself but sticks the taxpayer with the other half. The Massachusetts Democrat says it costs the government hundreds of millions, perhaps billions, of dollars to maintain the extravagant executive in style.

Kennedy told the Senate that whatever the complexity of other aspects of the business expense issue, the tax break allowed for first-class air travel is one of the least justifiable and that's why he was prompted to introduce legislation to eliminate it.

Based on Civil Aeronautics Board figures, the bill would bring in an additional $280 million in tax revenue this year, $342 million next year and as much as $431 million in 1978.

Nothing in the bill would prevent the executive from flying first class; the additional cost simply would be treated as a nondeductible luxury item. In a period of concern over the enormity of the federal deficit, the substantial revenues gained by the proposed tax revision would be especially welcome.

[From the Louisville Times, May 23, 1975]

Back-seat Flying—Kennedy Would End Jet-set Expense Abuses

(By Bill Billiter)

Several years ago, on an airliner en route to the National Governors' Conference at Lake Tahoe, Nev. the couple seated behind me attracted the attention of my seatmate, a Chicago newspaperman.

"Your governor (of Kentucky) and his wife are the only gubernatorial party I've seen not flying first-class, up front," he said in wonder.

He referred to the fact that Gov. and Mrs. Wendell Ford were happily seated with hoi polloi in the less spacious, less gracious—but cheaper—section of the aircraft. Gov. Ford made no big deal about flying economy class; I don't recall his ever getting any publicity, favorable or otherwise, for such frugality.

In a $1 billion state budget, the dollar savings are miniscule. But Gov. Ford set a good standard, I believe, for other state employees who, given their choice, would wing off on expense accounts to various conventions in the tonier confines of the first-class section.

Gov. Ford is now Sen. Ford and I have little doubt that he'll be supporting Sen. Edward Kennedy's newly introduced bill to crack down on those who fly first class at the expense of all federal taxpayers.

Many jet-set chiselers probably don't realize that taxpayers are subsidizing their first-class travel. They are the business and professional people on expense account. The expense accounts subsequently become federal tax deductions. And you and I and every other taxpayer help foot the bill for those ritzy flights.

Sen. Kennedy's bill would allow deductions only for legitimate, business-related flights that are in the coach (or economy) class.

". . . In this time of deep recession, there is no justification for a loophole in the tax laws that requires the hard-pressed average taxpayer to subsidize the comforts of first-class airfare for traveling executives," Sen. Kennedy said.

The senator also noted that outlawing first-class flights as deductible expense items would produce a modest, but meaningful, tax saving: An estimated $280 million in 1975 and up to $431 million by 1978.

Sen. Kennedy's bill in no way penalizes businesses. "It is a legitimate business decision to travel by air . . .," he said, pointing out that a businessman flying in the coach section gets to his destination at precisely the same time as the person flying first-class. Therefore, he said the coach-class fare "is all that should be allowed as a business tax deduction."

"With the marginal corporate tax rate at 48 per cent, the corporation receives a 48-cent tax subsidy for every dollar of deductible business expense," Sen. Kennedy said. "In effect, the ordinary taxpayer picks up half the tab for every business expense that qualifies as a tax deduction. Every time the waiter brings the bill at the end of a martini business-lunch or four-course dinner or evening entertainment, the corporate host pays half the bill himself, but he sticks the taxpayer with the other half."

Congress this year would be wise to tighten up the business-deduction laws to make sure that "business trips" are deductible only if "business," and not pleasure, is the chief reason for the trips. Numerous other expense-account loopholes should be closed. But a good start for this tax reform would be Sen. Kennedy's bill. If it passes, it would no longer surprise a Chicago newsman to see a governor flying economy class, back there with all the ordinary taxpayers.

MAINE LEGISLATURE ASKS THAT MEDICARE COVER COSTS OF EYEGLASSES, PRESCRIPTION DRUGS, AND HEARING AIDS

Mr. MUSKIE. Mr. President, on behalf of Senator Hathaway and myself, I ask unanimous consent that a joint resolution passed by the Maine Legislature, asking Congress to include the cost of eyeglasses, prescription drugs, and hearing aids in the medicare program, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Joint Resolution Memorializing the Congress of the United States To Include the Cost of Eye Glasses, Prescription Drugs, and Hearing Aids in the Medicare Program

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Seventh Legislative Session, now assembled, most respectfully present and petition the Congress of the United States, as follows:

Whereas, the Medicare Program has been a much needed and much used program to upgrade the medical care for many of Maine citizens; and

Whereas, the present statute governing the Medicare Program does not permit that program to include as Medicare benefits the cost of eye glasses, prescription drugs and hearing aids; and

Whereas, a large part of the needed medical care for persons who also benefit under the Medicare program consists of these items; now, therefore, be it

Resolved: That We, your Memorialists, hereby respectfully urge and request that the Congress of the United States act as soon as possible to amend the Medicare statute to include eye glasses, prescription drugs and hearing aids as part of the benefits permitted Medicare recipients; and be it further

Resolved: That a copy of this Memorial, duly authenticated by the Secretary of State, be transmitted forthwith by the Secretary of State to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States and to each member of the Maine Congressional Delegation.

THE SAGE OF BOLTON HILL

Mr. MATHIAS. Mr. President, Gerald W. Johnson is the kind of citizen every nation needs. His vision is so keen, his perspective is so broad, and his experience is so rich that it is an education to know him. Whether he is writing at length or within the confinement of an epigram, he is always readable and valuable.

Recently he wrote a letter to his old colleagues on the editorial board of the Baltimore Sun, calling attention to the anthology of comment on "The Meaning of Vietnam." His comments on the comments and his own observations are so lucid that I think they should be included in the Record.

I ask unanimous consent that the letter referred to above be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Meaning of Vietnam

Sir: In its issue dated June 12 the New York *Review of Books* printed comments that it had asked 15 of its contributors to make on "The Meaning of Vietnam." As contributors to the Review are ordinarily selected from an extremely rarified intellectual level, I have read the 15 responses with great interest wondering if anything resembling a consensus would emerge.

Nothing of that sort occurred.

According to Gore Vidal the lesson of Vietnam is that "Americans have always been lousy soldiers. In the face of the enemy Kilroy throws away his gun . . . should an officer object, Kilroy frags him."

To Sheldon S. Wolin, Vietnam fulfills Hobbes' prophecy that "those who seek felicity through 'a perpetual and restless desire of power after power' will find that it 'ceaseth only in death.'"

Susan Sontag refers us to the Melian Dialogue in Thucydides, Book V.

Mary McCarthy observes that for a private person nothing is worse "than failing to have seen in a moment of clarity the error of his ways and then failed to alter them . . . That is where our country is now."

To Norman Mailer "the critical question for America is . . . not our-role-in-the-world but the nature of the democracy we can or cannot create here."

Robert Lowell avows that "in our defeat communism is inevitable and cleansing, though tyrannical forever."

To George Kennan "the lessons of Vietnam are few and plain: not to be hypnotized by the word 'communism' and not to mess into other people's civil wars."

An Englishman, Stuart Hampshire thinks that the lesson for American Presidents and American people alike is "that they must distrust chiefs of staff and military leaders and advisers as being liable always to be wrong about foreign policy."

So it goes—all of it interesting, some of it brilliant, most of it suggestive and bits of it loony. But as far as ordinary people, mere voters, are concerned, seldom getting far beyond two aphorisms known to every American schoolboy for generations: "Eternal vigilance is the price of liberty"—if you elect a man like Nixon, you will get a government like Watergate—and *Facilis decensus Averno,* translated by Dryden as "Smooth the descent and easy is the way/(The Gates of Hell stand open night and day)"—but as applied in the United States, a reminder that it took us nearly 200 years to reach the height of the Marshall Plan, but we made it down to Vietnam in 28.

GERALD W. JOHNSON.

Baltimore.

INTERIM GUIDELINES FOR MULTI-CANDIDATE COMMITTEES

Mr. CANNON. Mr. President, I ask unanimous consent to have printed in the RECORD an announcement by the Federal Election Commission pertaining to interim guidelines for multicandidate committees.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

TITLE 11—FEDERAL ELECTIONS

CHAPTER II—FEDERAL ELECTION COMMISSION INTERIM GUIDELINE: MULTI-CANDIDATE COMMITTEES

1. Political committees supporting more than one candidate (multi-candidate committees) which have heretofore reported to two or more supervisory officers or which, if new, would have had to file with more than one supervisory officer (as, for example, a committee supporting candiates for both the Senate and the Presidency), should file their July 10, 1975 report with the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. Multi-candidate committees supporting only candidates for the House of Representatives should file their July 10, 1975 report with the Clerk of the House of Representatives. Multi-candidate committees supporting only candidates for the Senate should file their July 10, 1975 report with the Secretary of the Senate. Multi-candidate committees which have heretofore filed only with the General Accounting Office or which, if new, would have filed only with the General Accounting Office, should file the July 10, 1975 report with the Federal Election Commission at the above address.

2. No multi-candidate committee described in the foregoing paragraph need file with the principal campaign committees of the candidates supported, except that:

a. Such multi-candidate committee which receives contributions earmarked by the contributor for any individual candidate or an authorized committee thereof shall report such contribution to that candidate's principal campaign committee and the Commission, and

b. any such multi-candidate committee which is authorized to make expenditures in behalf of a candidate should report any such expenditures to that candidate's principal campaign committee and the Commission. If no principal campaign committee has been designated, contributions and expenditures to be reported under this paragraph should be reported to the Commission in a form which clearly identifies the candidate to whom they relate.

3. Multi-candidate committees which have not heretofore filed with any supervisory officer should additionally file a registration statement under 2 U.S.C. Section 433. Such committees which support only candidates for the House of Representatives should register with the Clerk thereof. Such committees which support only candidates for the Senate should register with the Secretary thereof. All other such committees should register with the Commission.

GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, 26 years ago the United Nations General Assembly unanimously adopted the Genocide Convention on the prevention and punishment of the crime of genocide.

Yet, in spite of overwhelming support from American lawyers, jurists, scholars, and statesmen, the United States has still not taken the step of ratification.

Through the leading part the United States took in drafting an international legal instrument outlawing the world-shocking crime of genocide, our country established a firm and clear policy toward that crime. And yet we have failed to follow through and ratify the convention.

The championship of human rights is in keeping with our historical traditions. John Foster Dulles, as a member of the U.S. delegation to the United Nations General Assembly in 1948, drew the analogy, on the one hand, between the Declaration of Independence and the Constitution, and, on the other, between the Universal Declaration of Human Rights and international covenants, to show how legally binding instruments followed and gave force to inspirational and moral declarations.

As former American Ambassador to the U.N., Charles W. Yost, testified before a subcommittee of the Senate Foreign Relations Committee:

> In my diplomatic life, at the U.N. and elsewhere, no question has ever been asked me about the policy of my country which has been more difficult to answer than questions about American inaction on this convention.

Accession to the treaty will not only increase our moral stature in the world, but will fulfill that basic purpose which President Richard Nixon, in his message to the Senate urging ratification of the Genocide Convention, called "the building of international order based on law and justice."

Our country has protected the lives of seals and migratory birds through agreements with other nations. The time has come to show that we are committed to saving the most endangered species of all—mankind.

ENERGY AND GOVERNMENT

Mr. HASKELL. Mr. President, on March 20 of this year, it was my privilege to host and to participate in a conference on "Energy and Government" sponsored by a number of congressional representatives in cooperation with the Fund for New Priorities in America. Attended by U.S. Government and local officials, Members of Congress, private oil industry representatives, economists, environmentalists and concerned citizens, the conference provided the forum for a wide range of opinions on this important issue. We were privileged to have Martin Agronsky as our moderator.

Mr. President, I ask unanimous consent that the report on the Conference be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ENERGY AND GOVERNMENT TOWARD A SOUND OIL POLICY

DIRKSEN SENATE OFFICE BUILDING,
Washington, D.C., March 20, 1975.

Sponsors include the following members of Congress: Senators James Abourezk, Joseph R. Biden, Edward W. Brooke, Frank Church, Dick Clark, Alan Cranston, John C. Culver, Mike Gravel, Clifford P. Hansen, Gary Hart, Floyd K. Haskell, William D. Hathaway, Hubert H. Humphrey, Daniel K. Inouye, Jacob K. Javits, J. Bennett Johnston, Jr., Charles McC. Mathias, Jr., George McGovern, Walter F. Mondale, Frank E. Moss, Claiborne Pell, William V. Roth, Jr., Richard S. Schweiker, Stuart Symington, John V. Tunney;

Members of the House include: Bella Abzug, Joseph P. Addabbo, Jerome A. Ambro, Ike F. Andrews, Thomas L. Ashley, Berkley Bedell, Jaime Benitez, Richard Bolling, John Brademas, George E. Brown, Jr., Silvio O. Conte, John Conyers, Jr., Thomas Downey, Bob Eckhardt, Don Edwards, Frank E. Evans, Bill Frenzel;

Benjamin A. Gilman, Barry M. Goldwater, Jr., Tom Harkin, Michael Harrington, Bill Hefner, Elizabeth Holtzman, Richard Kelly, Mathew F. McHugh, Torbert H. Macdonald, Andrew Maguire, Edward Mezvinski, Norman Y. Minetz, Anthony Toby Moffett, David R. Obey, Richard L. Ottinger, Teno Roncalio, Philip E. Ruppe, John F. Seiberling, Burt L. Talcott, Morris K. Udall, Joseph P. Vigorito, William F. Walse, William G. Whitehurst, Lester L. Wolff, Antonio Borja Won Pat, in conjunction with the Fund for New Priorities in America.

PREFACE

The conference on Energy and Government is one of a series held in cooperation with the Fund for New Priorities in America to examine critical questions facing our nation today.

The report of the rapporteur has not been reviewed by those attending the conference and therefore does not necessarily represent the views of all of the participants nor does it present every view expressed during the day's conference. While not neglecting coal, natural gas and nuclear energy, it must be noted that the focus of the conference was directed towards oil in establishing a "sound oil policy."

INTRODUCTION—CONFERENCE PURPOSE

It was the oil embargo and subsequent OPEC (Oil Producing and Exporting Countries) cartel that served as a catalyst in propelling us to rethink our total short and long-range needs. Our current energy resources are finite and we, as a nation, have been wasteful in their use. A year and a half has passed since the oil embargo and it does not appear as though our nation has come to grips with the energy crisis. While the Administration has offered some policy suggestions, it was our feeling that additional attention should be focused on the problem of energy and government and the development of national goals and strategies.

CONFERENCE OVERVIEW

The conference participants raised many questions regarding the allocation of our energy resources, the rationale behind production incentives and the control over distribution.

A fundamental question was raised with regard to establishing our national priorities, suggesting a re-examination of our individual and national values.

There were a number of areas of general consensus including the need to:

(1) reduce our importation of petroleum thus decreasing our foreign vulnerability.

(2) conserve energy by reducing domestic demand, and

(3) promote and encourage research and development of alternate energy sources, such as solar, fusion, geothermal or a combination of the three.

Disagreement among the panelists occurred over whether conservation of energy was sufficient or if any increase in domestic supply was also necessary in meeting our national needs. Numerous suggestions were made as to how we might increase domestic supply and a number of proposals were made regarding new governmental structures.

EXAMINING OUR NATIONAL PRIORITIES

The view was advanced that the jugular of our industrial society—energy—has rested largely with the private sector. We ought to consider that its interest, based on profit and price may not be concomitant with the public interest. Other considerations may be necessary when we evaluate our energy production and distribution. It was suggested that there are many social costs that must be considered. A rise in the price of energy may mean that a poor family might face starvation. The cities are already facing severe energy-cost related problems. A ninety percent increase in energy expenses in one year has played havoc with budgeting and planning and is causing drastic reductions in services. People cannot pay their electric and heating bills and increased fuel costs are causing widespread housing abandonment, particularly in the Northeast.

One panelist expressed the concern that a restructuring of our energy goals might also mean a re-examination of our own values. What kind of society do we want? And then, what will the American people accept? Another speaker pointed to the fact that industrial growth in the United States resulted from abundant energy at a reasonable cost.

A third discussant on the subject noted that we will have difficulty in setting our national goals until we realize the fundamental contradiction between the public demand for cheap energy now, the need for energy conservation, and the cost in producing an increase in energy supply and meeting environmental standards. At this juncture in our historical and social development, the American housewife, for example, is probably not ready to abandon her dishwasher, hairdryer and electric toaster in order to conserve energy. It is inconsistent with our current values. But we might be able to convince her to use mass transportation if facilities were available. The point of the argument was that we will have to find a mix or balance that is just, fair and politically viable within the framework of our society.

The participants agreed that it is important to instill in the minds of the American public the fact that resources are finite and not unlimited. This attitude is imperative to set the right climate for embarking on an energy policy.

DECREASING OUR FOREIGN VULNERABILITY

In formulating our national policy, there appeared to be a general consensus as to the need to decrease our vulnerability to foreign energy sources. The feeling was expressed, however, that we must first have an accurate accounting of our own resources. Consternation and anger was expressed by some participants over the lack of information that existed at the national level during the time of the oil embargo. The participants generally felt that the Government has been less than helpful in releasing any information and has not even succeeded in obtaining it themselves. Even though several governmental officials assured the Federal Government is working on an inventory and collecting data on our energy resources, the participants felt it to be impossible to continue with an energy plan without being able to rely on facts.

Energy conservation and increased efficiency

There was almost total if not complete agreement that energy conservation was a priority consideration in our national energy plan. Numerous proposals were advanced to reduce energy demand. They included stringent gasoline mileage standards on automobiles, stricter building codes as they relate to energy efficiency, a high gasoline tax (or a tax on imported oil), federal standards and incentives on home insulation, mandatory labelling of energy efficiency on appliances and a massive investment in mass transportation.

Disagreement among the panelists occurred as to whether energy conservation and reduced demand was sufficient to meet our energy needs or whether we also need to increase our domestic supply. Those who advanced the conservation viewpoint felt that we ought to take a "wait and see" approach before rushing to develop new energy sources. We might be locking ourselves into systems and approaches that would not be in our best long-term interest, and an effort should be made to avoid any very stringent policies that would be binding in a particular area. Environmental considerations as well as a potential breakdown of the OPEC cartel are factors which, they contended, argue for a cautious approach. They wanted to avoid hasty decisions such as the one made by the Interior Department in choosing to lease 10 million acres of offshore drilling rights. According to one panelist, the decision was made in only two weeks with no staff consultation.

Increasing domestic supply

On the other hand, the view was advanced that there is no evidence on the cartel's erosion and even if this were to occur, the price would never return to its former level. The immediate problem, however, is how to utilize the tools at hand—oil, coal and nuclear energy into the next decade.

It was reported that oil production has dropped by 300,000 barrels a day, while coal has shown little growth in production. The result is that we are importing more oil today than a year ago, and the total energy imported amounts to one third of what we currently use.

It was also reported that if there is no increase in domestic supply, and we continue at a 2% growth rate, half of our past rate, and institute some of the conservation measures, it is still projected that we would have to import 19 million barrels of oil a day by 1980 at a cost of $85 billion dollars a year.

It was essential, therefore, according to a number of speakers, that we increase our domestic supply. A number of proposals were suggested.

(1) The view was advanced that increased production might best be accomplished by a free market approach. The reduction in domestic production is partly due to the lower U.S. price and that means we have increased our dependence on foreign imported oil. In effect, we have been subsidizing the OPEC cartel by keeping U.S. prices below the market price. With a free market, the incentive to find new oil or to develop secondary and tertiary sources in old wells increases. Increased drilling will have the effect of weakening the OPEC cartel.

(2) One participant questioned if a free market system was operationally viable. What would happen, the panel member asked, if the OPEC cartel decided to raise its price? Wouldn't the domestic price automatically increase without a cost or supply-demand justification?

(3) A number of participants suggested that the federal government had to regulate the price of oil. The fundamental question, however, was determining the price that would provide an incentive to production.

It was reported that there are many different prices for recovering oil. Some can be retrieved at $6 a barrel, some at $8, some at $10 and oil from shale, runs between $13 and $15.

(4) One speaker stated that with the pending elimination of the depletion allowance, the oil industry would have to absorb a loss of $2.5 to $3 billion in cash flow. This would lead to greater reduction in domestic production. The government should allow the market price of domestic oil to rise to compensate the oil industry for the lost cash flow needed to finance drilling. It was suggested that an increase of about 2 cents per gallon in gasoline prices would be required to make up for the lost depletion allowance.

(5) The depletion allowance was opposed by a number of the panel members. One speaker suggested that it provides a massive subsidy of investment in a particular resource. We do not have a depletion allowance for solar energy, and in a sense this distorts our allocation of resources. One gets the benefit of percentage depletion, it was explained, not as one explores or develops, but only as one produces and sells. For this reason the subsidy encourages rapid exploitation and therefore waste. A single incentive price was advocated while noting the difficulty in determining a fair price.

(6) One suggestion called for a single price between $8 and $10 gradually decontrolling the 5.25 old oil. The view was advanced that our present tow-tier system (one price for old oil and one price for new oil) discourages secondary and tertiary recovery from old wells. A single price would be an incentive to working the old wells.

(7) The proposal was made that we keep the price of oil down at around $7 a barrel and make up the difference to a market-clearing price through some form of a tax which might be rebated to the public or a particular needy sector.

(8) Arguing against a single price was the contention that if we are to provide an incentive to production, we should be pinpointing our production priorities. The concern was raised that there be an accounting for any government production incentive plan. Some evidence was presented that increased profits have been diverted to unrelated ventures. This should not proceed at government expense. Pinpointing the incentives to specific production targets would avoid potential abuse.

(9) One conferee suggested retaining the

depletion allowance but adding a plow-back feature requiring companies to provide evidence that they have invested the incentive in the ground.

(10) The suggestion was also advanced that a government-supported corporation be formed to invest in the development of shale and other esoteric energy sources, not economically viable. Such a corporation, it was pointed out, would not need the immediate economic justification that a private enterprise requires.

GOVERNMENT CONTROL AND REGULATION

Beyond the immediate question of setting an incentive price, there was considerable discussion as to the precise nature of government regulation. The conference participants suggested a number of new or restructured governmental mechanisms for consideration.

(1) It was suggested that the government become involved in the distribution as well as the production of our energy supply. A National Oil Authority might be formed to coordinate distribution as well as pricing. Such an authority would eliminate regional discrimination in oil pricing and supply which adversely affects the northeastern states since they are largely dependent on higher priced foreign oil. The National Authority might buy oil dear and sell it cheap in those areas where it was deemed necessary.

(2) In a more general sense, one panel member suggested that since energy availability is a basic ingredient in the whole mix of our economic activity, it should be controlled just as money and credit have been controlled. Also, energy has a direct effect on many sectors of the economy, for example transportation or housing. Therefore a delicate policy is necessary because of the possible snowball effect. An oil authority could also be used to purchase domestic oil from suppliers utilizing new technology which would serve to subsidize such developing technologies. It would achieve the objective of stabilizing and controlling oil prices and would provide incentives for production when required, without creating an elaborate and cumbersome control mechanism.

(3) The suggestion was made that new exploration and production be kept separate. In other words, we should not let the offshore oil exploration and subsequent drilling proceed together, for example. The exploration should come first, possibly through a government contract or through a government corporation. Then, in line with national priorities, a clearer determination of precisely how much development is needed will guide the direction of the production. The same should hold true for oil and gas on federally-owned lands.

(4) New research for alternate energy sources should be kept separate from development so that the price motivations are not the sole determinants in development. The government can assess all of the variables before proceeding with development.

(5) The suggestion was also advanced that we proceed with developing an oil storage program, providing possibly a three to four month supply. This program would provide a hedge against any possible future oil embargo.

(6) A cautionary note was expressed with regard to the government involvement. We should not encourage government participation beyond what is necessary to achieve our priority goals. Government, it was pointed out, is subject to the same monopolistic and bureaucratic tendencies that the oil industry is subject to and substituting one for the other may not produce better results. We should use current structures, wherever possible, as long as they are in line with national goals.

(7) The question of government control enters when examining the market structure of oil companies—is it competitive or monopolistic? One participant argued that because of the capital intensiveness of oil, the monopolistic structure is probably unavoidable. However, another participant suggested the breaking-up of too large oil companies because "Bigness is not goodness".

THE FUTURE

The majority of the participants seemed to be of the opinion that the future energy needs will be more easily met than our current requirements. There was a consensus that the search for alternate energy sources must proceed without delay and that the $11.3 billion allocated for research over the next decade, while possibly not sufficient, was a step in the right direction. It was further noted that we have no choice but to move to alternate energy sources, whether they be solar, fusion, geothermal or a combination of them.

The opinion was expressed that research and development should be separate since private price incentive may hamper research efforts. One case in point is that of solar energy, where the technology exists but it is not a viable concept economically. With the possibility of government involvement in the research and promotion of solar energy, several options are available. Long-range economically viable methods may be uncovered, or the government can permanently subsidize this energy source if its efficiency, availability and safety, for example, override its economic justification.

CONCLUSION

The discussion was lively and at times heated which helped to shape areas of agreement and disagreement. There was a consensus that the most critical problem exists in the short-run. Future energy sources were receiving funding and would probably be available by the end of the century. It is important to verbalize and shape our national goals and priorities. This may require a reevaluation of our individual and collective values as a nation. There was a consensus as to the need to decrease our foreign vulnerability to the importation of oil but methods for achieving that goal differed.

The tone of the conference pointed to the need for national action now. We must address ourselves to setting national goals and priorities. We must inventory our resources. We must assess the national need and begin immediately with an aggressive conservation program.

PARTICIPANTS

Conference Chairman—Martin Agronsky, Television Commentator.

Walter Adams, Distinguished University Professor of Economics.

Mel Bergheim, Director, Energy Project, National League of Cities.

Thornton Bradshaw, President, Atlantic Richfield Company.

Stephen Breyer, Professor of Law, Harvard Law School.

Charles DiBona, Executive Vice President, American Petroleum Institute.

Robert Engler, Professor of Political Science, City University of New York.

Edwin J. Garn, U.S. Senator.

Floyd K. Haskell, U.S. Senator.

Alfred Kahn, Chairman of the New York Public Service Commission.

Richard Kelly, U.S. Representative.

Paul Lattimore, Mayor of Auburn, New York, representing the U.S. Conference of Mayors.

John Lichtblau, Executive Director, Petroleum Industry Research Foundation.

Andrew Maguire, U.S. Representative.

Arthur Mendolia, Assistant Secretary of Defense for Installations and Logistics.

Anthony T. Moffett, U.S. Representative.

Bertham Moll, Con Edison Vice President.

Richard L. Ottinger, U.S. Representative.

Maurice S. Paprin, President of the Associated Builders and Owners of New York.

Bert W. Rein, Attorney, Kirkland, Ellis and Rowe, representing the Coalition to Save New York.

John Sawhill, former Federal Energy Administration Administrator.

James Scheuer, U.S. Representative.

Tom Stoel, Staff Attorney, Natural Resources Defense Council.

Edward Stohbehn, Staff Attorney, Natural Resources Defense Council, member Federal Energy Administration Environmental Advisory Committee.

Grant Thompson, Fellow, Environmental Law Institute.

Lee White, Chairman, Energy Policy Task Force, Consumer Federation of America.

Conference Rapporteur—Carol Hess, Editor, Fund for New Priorities in America.

ABC NEWS EXAMINES U.S. FOOD POLICY FRIDAY, JUNE 27, 1975, AT 10:00 P.M. (EST)

Mr. HUMPHREY. Mr. President, the United States is the world's principal food exporter, wielding more power on the international grain scene than Saudi Arabia commands in the world's oil market. America's vast grain supply gives this Nation, therefore, a potential weapon more valuable than either arms or gold. And the U.S. Government's policy decisions regarding its food supply profoundly affect the cost and availability of food throughout the world.

ABC News "Close-Up" examines American food policy and the role it has played both in intensifying the world hunger crisis and in contributing to high food prices. The program, entitled "Food: Crisis of Price," will be aired this Friday, June 27, 1975, at 10 p.m. (EST) throughout the Nation on local ABC affiliate stations. In the Washington, D.C., area, the program will be carried by WMAL–TV, channel 7.

Emmy-winning producer Pamela Hills' investigation uncovers the series of events that has brought about the current, devastating situation. The United States is the only major grain-exporting Nation which does not formally manage and regulate its grain supply. Six multinational grain companies account for over three-fourths of America's grain exports. The program examines the close relationship between the Department of Agriculture and those giant grain companies, and the disturbing questions it raises about the Department's performance in protecting the American consumer and farmer.

Against this background, the U.S. Government made three fateful decisions in the early 1970's: To idle millions of acres of farmland through direct payment to farmers not to plant; to encourage a series of major grain deals; and to emphasize political rather than humanitarian uses of food aid at a time of great famine. These actions, coupled with crop failures here and abroad, have had far-reaching consequences for the world food crisis. They resulted in increased competition in the commercial grain market, depletion of grain reserves that traditionally protected the U.S. livestock producer and the American consumer, skyrocketing food prices, wildly fluctuating grain prices for farmers, and intensified hunger abroad.

With ABC Reporter Brit Hume and correspondent Peter Jennings, "Close-Up" details this urgent story—one that has too long been misunderstood or largely ignored by the press. Through interviews with Government officials and economic and agricultural experts, the program examines an issue of great significance. Not only for those Americans, consumers and farmers, who must suffer financial hardship, but for all the people throughout the world who must go hungry.

Mr. President, I hope every Member of Congress and other officials of our National Government, including President Ford, will be able to view this important program Friday evening.

RAIL SAFETY AND REHABILITATION: AN IMPERATIVE NATIONAL NEED

Mr. WILLIAMS. Mr. President, the Star-Ledger of Newark, N.J., has done an excellent job of pointing out the deteriorating conditions of rail beds in New Jersey, particularly the North Jersey Shore rail line. These conditions, while they may vary in degree, are all too typical of rail beds not only in New Jersey but also throughout the Nation.

Mr. President, as you know, the Senate has passed legislation which I helped author to create 40,000 jobs devoted exclusively to the rehabilitation of rail lines. This would put 40,000 unemployed persons to work and put them to work in jobs of the highest necessity. So, I think this represents the soundest possible legislation—fighting our national unemployment problems and meeting a major national need.

I feel that the Star-Ledger, in its usual outstanding fashion, has done an excellent job of highlighting the need for railroad rehabilitation.

In order that the Star-Ledger editorial will become a part of our nationl record, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RAIL SAFETY

New Jersey has committed $5 million to repair deteriorated trackage of the North Jersey Shore rail line, but the expenditure over the last several years appears to be far less than what was actually needed to assure relatively safe rail travel.

For thousands of commuters who use the line, there is disturbing physical evidence, on a daily basis, of a roadbed that requires a more expansive repair program, evident in the numerous instances of rotting, split and crooked ties and missing spikes.

The extensive disrepair of the Shore line trackage was pictorially documented in The Star-Ledger, which was practically a reproduction of articles and photos carried by this newspaper in 1973 and 1974.

Last year, the state appropriated an additional $985,000 to rebuild deteriorated sections of the roadbed, but it would appear that the rehabilitation project will require considerable more funding.

Of the total state subsidy, more than $3 million was allocated to projects other than those directly related to rail safety . . . while commuters daily continue to ride over hazardous sections at reduced speeds to minimize the incidents of accidents.

But at this late date it should be apparent that this is no way to run a railroad safely. What has happened to Jersey railroads is not an isolated instance; similar conditions are evident in other parts of the country, where financially distressed carriers have carried out only minimal maintenance programs.

The distressing results of desultory repairs are surfacing in the unacceptable increase in the number of rail accidents, an experience that has prompted some legislators on Capitol Hill to call for the allocation of an adequate portion of public service employment funds (one senator has proposed $250 million) for overdue, urgent repair of critically deteriorated rail trackage.

It would be a prudent expenditure of antirecession funds, as the deplorable conditions of the Shore rail line clearly reveal.

THE SOCIAL SECURITY RETIREMENT TEST

Mr. FANNIN. Mr. President, one of the more controversial aspects of the social security program is the so-called "retirement test" or "earnings limitation." This provision reduces benefits of social security recipients when their wages exceed the current limitation of $2,520. When this occurs benefits are reduced by $1 for every $2 of annual earnings. This test, however, has had its share of critics and efforts have been made to either repeal the test or modify it substantially. In recent years Congress has responded by increasing the level of the annual exempt amount and establishing a method whereby the annual exempt amount is adjusted automatically in relationship to the rise in average earnings whenever there is an automatic cost of living increase in social security benefits.

Despite these modifications, legislation continues to be introduced to repeal the test outright or to raise the amount that can be earned before benefits are reduced. In view of the broad interest in this subject, the Library of Congress recently published a paper entitled: "The Social Security Retirement Test." This report, authored by Francis J. Crowley, reviews the retirement test, its legislative background, and the pros and cons of the test itself. Because of the continuing interest in the retirement test, this report should be widely disseminated. Mr. President, I ask unanimous consent to have this report printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE SOCIAL SECURITY RETIREMENT TEST

INTRODUCTION

Social Security beneficiaries under age 72 have their benefits reduced when their earnings exceed certain limits. This is the so-called "retirement test," or "work clause," or "earnings limitation," or "earnings test" of the Old-Age, Survivors, and Disability Insurance (OASDI) system established by the Social Security Act. The 1965 Advisory Council stated the reasoning behind the retirement test in the following manner: [1]

"The purpose of Social Security benefits is to furnish a partial replacement of earnings which are lost to a family because of death, disability, or retirement in old age. In line with this purpose the law provides that, generally speaking, the benefits for which a worker, his dependents, and his survivors are otherwise eligible are to be withheld if they earn substantial amounts."

A more recent report from the Department of Health, Education, and Welfare says: [2]

"Social security is a social insurance system under which workers and their dependents are insured against loss of work income resulting from the worker's death, disability, or retirement. The benefit payments made when that loss occurs are designed to partially replace the earnings that are lost, and thus to help prevent the economic insecurity that would otherwise result.

"Necessary in any insurance system—private or social—is some way to measure whether, and the extent to which, the loss insured against has occurred. One of the mechanisms used in the social security program is the retirement test. The assumption underlying this test is that if a beneficiary's earnings from work are below certain limits, the loss of earnings insured against has occurred, wholly or partly."

The 1971 Advisory Council on Social Security echoes this thought when it states:

"The social security cash benefit provisions are designed to provide protection against the loss of earnings from work due to retirement in old age, death, or disablement. One of the mechanisms used to determine whether a loss of earnings has occurred is the retirement test. The assumption underlying this test is that if a beneficiary's earnings from work are below a certain level a loss of earnings has occurred and social security benefits are then payable to partially replace the earnings that have been lost." (Reports of the 1971 Advisory Council on Social Security; H. Doc. No. 92-80, 92nd Cong., 1st Sess. p. 23.)

The 1975 Advisory Council on Social Security also paid some attention to the retirement test and in its report said: [3]

"The Council has reviewed the provisions of the retirement test and believes that the test is consistent with the basic purpose and principles of social security; to replace, in part, earnings lost because of retirement in old age, disability, or death. Complete elimination of the retirement test in inadvisable."

The necessity for the test, however, is not universally accepted, and even those who accept the need for the test are not at all in agreement as to what the test should be. For example, in the consideration of H.R. 1 and other bills which led up to the Social Security Amendments of 1972 (P.L. 92-603), the House of Representatives approved an increase in the annual amount of earnings which could be received without any reduction in benefits—the "exempt" amount—from $1,680 a year to $2,000 while the Senate in other legislation opted for a $2,400 annual exempt amount. When H.R. 1 reached the Senate, a move to eliminate the test entirely was defeated, the annual exempt amount was increased to $3,000, and the Secretary of Health, Education, and Welfare was directed to make a study of the feasibility of eliminating the test.[4] The Conference Committee, on the other hand, dropped the provision calling for the study and set the annual exempt amount at $2,100. Subsequent events have increased this amount to $2,510 for 1975 and under the law future increases are anticipated with the exempt amount reaching $3,720 for 1980.

I. THE PRESENT RETIREMENT TEST

A. Annual Earnings Limitations—Effective January 1, 1975: [5]

Each beneficiary under age 72 (except disabled workers or disabled children of retired, disabled, or deceased workers—to whom the test is not applicable) may earn as much as $2,520 per year without any reduction in OASDI benefits. If a beneficiary exceeds this limit, his benefits will be reduced by $1 for every $2 of annual earnings.

The point at which a person's earnings are

Footnotes at end of article.

so great that he will receive no OASDI benefits is referred to as the overall earning limit. This limit will vary in relation to the amount of benefits to which a worker and his family are otherwise entitled. The following table shows the overall earnings limit at various benefit levels:

Monthly Benefit	*Overall Earnings Limit*
$93.80 (January 1975 minimum for retirement at age 65)	$4,128.00
$190.00 (estimated average old-age benefit, January 1975)	5,988.00
$316.30 (maximum primary benefit payable to a man who retires at age 65 in January 1975)	8,486.40
$847.00 (maximum family benefit under law in effect January 1975)	19,089.60

For illustrative purposes the effect of the retirement test on two aged couples, assumed to have the same amount of annual earned income by the husband ($3,600 in one example and $6,000 in another) but eligible for different amounts of Social Security benefits, is shown on the following table. For couple A, the husband received $93.80 a month and his wife $46.90, or a combined monthly benefit of $140.70, or $1,688.40 a year. For couple B, the combined husband-wife benefit is assumed to be $270 a month ($180 for the husband and $90 for the wife), or $3,240 a year.

Effect of retirement test with husband's annual earnings of $3,600 in 1974

	Couple A	*Couple B*
Annual benefits	$1,688.40	$3,240.00
Total benefits lost	0	750.00
Total benefits received	1,688.40	2,490.00

Effect of retirement test with husband's annual earnings of $6,000 in 1974

	Couple A	*Couple B*
Annual benefits	$1,688.00	$3,240.00
Total benefits lost	1,688.40	1,450.00
Total benefits received	0	1,790.00

B. The "Monthly Measure" of Retirement:

Regardless of the annual earnings limitation, a beneficiary will receive his benefit for any month in which he does not earn more than $210 in wages and did not render "substantial services"[6] in self-employment.

C. No Limit at Age 72:

At age 72 and thereafter, beneficiaries receive their monthly benefits without regard to their earnings, but earnings in the year age 72 was reached were counted in the test. The 1972 amendments, however, modified this provision so that earnings in and after the month of attaining age 72 would no longer affect the benefits payable for earlier months in the year.

D. Earnings to Which the Test Applies:

In determining for beneficiaries in the U.S. whether or not the earnings limitations have been exceeded, only "wages" and "net earnings from self-employment" are considered (whether or not such wages or earnings are derived from employment covered by the Social Security Act). Income which is neither wages or net earnings from self-employment is not counted. Thus, persons may receive any amount of income from investments (such as interest, dividends, and rentals from real estate), and any amount of income from pensions or annuities without having any reductions in OASDI benefits.

The reason why only "earned income" is counted in applying the test is generally related to the purpose of the program as providing an income in lieu of wages or self-employment income. Thus, the 1969 report on the retirement test explains that:[7]

"The test applies only to income from work, benefits are payable regardless of income from investments and other nonwork sources—savings, investments, insurance, and the like. To include nonwork income in the earnings counted for retirement test purposes would be contrary to the purpose of a social insurance system—to insure against loss of earnings from work. Income from nonwork sources generally continues after retirement as it did before; retirement cannot be determined by measuring the presence or absence of nonwork income. Moreover, disincentives for the creation of private pension plans and savings for retirement would result from inclusion of nonwork income under the retirement test. Furthermore, doing so would make the retirement test similar to the means test used to determine eligibility for payments under public assistance programs, and would thus tend to subject the social security program to the same sort of criticisms that have been leveled at the assistance programs."

Similarly, the report of the 1971 Advisory Council explains that it considered whether nonwork income should be counted in determining an individual's entitlement to benefits but decided that the test should not be changed in this respect. Regarding this point the report says:[8]

"The Council considered the issue of whether nonwork income, such as income from investments, rents, pensions, dividends, interest, and the like should be counted in determining income for retirement-test purposes. If the retirement test took account of income other than earnings from work, it would no longer be a retirement test but an income test. If it became an income test, the fundamental idea that social security benefits are intended as partial replacement of earnings from work would be diluted or lost. Income from savings, investments, and pension plans is not a base for measuring the loss that the program insures against.

"Perhaps even more important, changing the retirement test to an income test would discourage individual thrift. Social security benefits would no longer be a base on which the individual could build through savings, investments, private insurance, and employer pension payments. In effect, retired workers would be penalized, through withholding of their contributory social security benefits, for having tried to improve their situation.

"Another major result would be the undermining of the partnership between social security and private pension plans. Over 225,000 qualified corporate retirement plans (including profit-sharing plans), and a much larger number of other plans established by employers and individuals, are designed with the assurance that social security benefits would be paid without regard to the retirement income provided under the plans. If this assurance were removed and private pension payments or increases in these payments would result in reduction of social security benefits, employers would have little incentive to establish or continue pension plans or to increase pension payments."

The 1975 Advisory Council also considered this point and said:[9]

"The retirement test has been criticized because it does not take into account a beneficiary's income from nonwork sources such as dividends, rents, or pension payments. If the test took account of income other than earnings from work, it would no longer be a retirement test but an income test. If it became an income test, the fundamental idea that social security benefits are intended as a partial replacement of earnings from work would be diluted or lost."

E. Effect on Dependents and Survivors:

If the dependents of a retired worker are receiving benefits on the basis of his earnings record, their benefits will be reduced if the retired worker exceeds the earnings limitations (even if the dependents, as to their own earnings, have themselves stayed within the earnings limits). In making such deductions, all the family's benefits are added together, and the reductions are made in the total family benefit as described previously. If a dependent (including the eligible dependents of a disability beneficiary) exceeds the earnings limitations, his benefit will be reduced, but the benefits of the other members of the family will not be affected. As shown by the husband and wife examples on page 4, if the husband went over the earnings limit, both his and his wife's benefit would be affected. If the wife is the sole worker, however, only her benefit would be affected.

F. Test for Beneficiaries Outside the U.S.:

The retirement test is different for people who work outside the United States. Any such work that is in covered employment is considered under the regular test. Employment which is not covered by the Social Security Act is treated differently; a person under age 72 in this situation will not be paid a benefit for any month in which he works on seven or more calendar days.[10]

II. ARGUMENTS FOR AND AGAINST THE RETIREMENT TEST

A. In Favor of a Retirement Test:

Proponents of the retirement test point out that the Social Security (OASDI) system has been designed since its inception in 1935 to protect against one specific risk: the loss of earnings caused by death or retirement of the head of the family. They argue that this basic principle of the system will be violated if an individual, upon reaching retirement age, is able to draw his full benefits even though he is substantially employed. In their view, the program is designed to provide social insurance against loss of earnings rather than to provide annuities at a fixed age, as in private insurance.

Those who defend the test also point out that the great majority of older people who are eligible for benefits would not be helped by the elimination of the test either because they cannot work, earn less than $2,520 a year, or are age 72 and over. Its repeal would pay a premium to people who are fortunate enough to be able to keep on working after retirement age, as opposed to those who are forced to retire because of health or other compelling reasons.[11] In their opinion, it would be more advisable to use the limited money available to the system to pay as adequate benefits as possible to those people who are really retired rather than "to spread the money thin" by giving benefits to all individuals who have attained the minimum age of retirement under the law. Other spokesmen, including the representatives of organized labor, believe that automatic payment of benefits without an earnings test might depress wage levels. Social Security beneficiaries might be willing to work at less than the usual scale, if they also were in receipt of their benefits.

The proponents of the retirement test further state that the repeal of this provision, without reduction of other benefits, would add a substantial cost element to the program. In this regard, it has been estimated that elimination of the retirement test would add a substantial cost element to the program. In this regard, it has been estimated that elimination of the retirement test would increase the cost of the system by about $4 billion in the first year (1975). If the test were eliminated for people age 65 and over, only, the first year cost would be about $2.5 billion.

B. Against the Retirement Test:

Those who would eliminate the "retirement test" believe that Social Security benefits should be paid as a matter of right at the minimum retirement age. This, they argue, is consistent with the "insurance" concept of the system: benefits are related to the wages of the employee contributor and should be payable without an earnings test.[12]

Footnotes at end of article.

Those advocating the repeal of the test insist that the reasons which motivated its institution in 1935 are not valid today. They state that the policy of discouraging older workers from working past an arbitrary retirement age originated during the depression when it was necessary to increase job opportunities for younger workers. Today's high-employment economy does not need such restrictive measures. The retention of the retirement test, in their view, will keep many older persons from working, with a resultant loss to the country of valuable skills and productivity. They cite the fact that the age at which the retirement test no longer applies has been gradually lowered by Congress to age 72, thus illustrating the fact that, as economic conditions have changed, the retirement test has become less necessary. Moreover, the Federal Government, gerontologists, and others concerned with the health of the elderly, encourage the hiring and retention of older workers in all aspects of the economy.

Those against the retirement test maintain that the provision causes hardship for those individuals who must work to supplement their benefits. This is obvious, they point out, when one considers that the maximum amount payable to a man who retires at age 65 in January of 1975 is less than $3,800 a year, that the minimum is less than $1,200 a year, and the average retirement benefit at the present approaches only $2,400 a year. Thus, the retirement test causes inequities in a great number of individual cases where the individual has need for more income than Social Security benefits can provide. Furthermore, in practice the test is complicated and difficult for the ordinary person to understand.[13]

III. LEGISLATIVE DEVELOPMENT

Although Congress has always provided a retirement test in the Social Security program, it has modified the definition of retirement a number of times. Originally the law prohibited a person from drawing a benefit for any month in which he had wages from "regular employment." The term "regular employment," however, was not defined. This test was never applied because the law was amended in 1939, and the first monthly social security benefits were not paid until January 1940. Under the 1939 amendments, a test was instituted under which a month's benefit was withheld for any month in which a beneficiary earned more than $14.99 in covered employment. The Social Security Amendments of 1950 raised the earnings limitation from $14.99 to $50 a month; and the amendments of 1952 further increased it to $75 a month. The amendments of 1950 also eliminated the earnings test for beneficiaries aged 75 and over.

The 1954 amendments lowered the age at which earnings were exempt from the test from 75 to 72. They also changed the earnings limitation from a simple monthly test to one that measured both monthly and yearly earnings. Under this test one month's benefit was withheld for each $80, or fraction thereof, that a beneficiary's earnings (from both covered and uncovered employment) exceed $1,200 a year. However, no benefit was withheld for any month in which the beneficiary both received wages of $80 or less and did not participate in substantial self-employment.

Thus, if a beneficiary earned $1,200.01, he would lose one benefit check. If he earned $1,280.01, he would lose two benefit checks (disregarding the monthly measure) and so on until all twelve checks were lost in a year in which a beneficiary earned more than $2,080. The Social Security Amendments of 1958 increased the monthly measure—the amount that could be earned in a month and still receive a benefit—from $80 to $100.

The 1960 Amendments changed the retirement test by eliminating the provision that a month's benefit be lost for each $100 earned in excess of $1,200 and substituted a provision that a beneficiary would lose $1 in benefits for every $2 of earnings above $1,200 and below $1,500, and $1 in benefits for every $1 of earnings over $1,500. This legislation eliminated from the retirement test the possibility, which existed in previous law, that a beneficiary might lose more in benefits than he realized in earned income over the $1,200 limit.

The retirement test was changed by the 1961 Social Security Amendments by increasing from $300 to $500 the amount of earnings over $1,200 that are subject to reduction at the rate of $1 of benefits for every $2 of earnings.

The 1965 Social Security Amendments (a) increased the annual exempt amount from $1,200 to $1,500; (b) increased the upper limit of the $1-for-$2 "band" from $1,700 to $2,700 so that $1 in benefits is withheld for each $2 of earnings between $1,500 and $2,700, with $1-for-$1 reductions above $2,700; and (c) permitted payment of full benefits to a beneficiary, regardless of the amount of his annual earnings, for any month in which he did not earn wages of more than $125, rather than $100.

The 1967 Social Security Amendments (a) increased the annual exempt amount from $1,500 to $1,680; (b) increased the upper limit of the $1-for-$2 "band" from $2,700 to $2,880 so that $1 in benefits is withheld for each $2 of earnings between $1,680 and $2,880 with $1-for-$1 reduction above $2,880; and (c) permits payment of full benefits to a beneficiary, regardless of the amount of his annual earnings, for any month in which he does not earn wages of more than $140, rather than $125.

The Social Security Amendments of 1972, effective January 1973, (a) increased the annual exempt amount from $1,680 to $2,100; (b) eliminated the $1-for-$1 reduction so that regardless of how much an individual earns, each $2 earned in excess of $2,100 a year will cause only a $1 reduction in benefits; (c) permits payment of full benefits to a beneficiary, regardless of the amount of his annual earnings, for any month in which he does not earn wages of more than $175, rather than $140; (d) provides that in the year in which an individual attains age 72, earnings in and after the month in which he reaches age 72 will not be included (as under prior law), in determining his total earnings for that year; and (e) starting in 1975 the amount of exempt earnings will be automatically increased in proportion to the rise in the average earnings taxed for social security purposes each time there is an automatic cost-of-living increase in benefits.

Subsequent legislation increased the annual exempt amount to $2,300 a year and the first automatic increase raised it to $2,520 for 1975.

IV. PROPOSALS FOR CHANGE

A. Repeal of the Test:

In every Congress bills are introduced to repeal the retirement test. Such legislation would cost .56% of payroll on an average-cost basis (i.e., this is the amount by which the total contribution rate would have to be increased on the basis of full long-term costs. The Social Security Administration actuaries intimate that in 1975 the cost would be about $4-$4½ billion and $6-$7 billion in 1976.) If the test were eliminated for people age 65 and over, only, the early-year cost would be about $2.5 billion.

B. Modification of the Test:

The present retirement test contains four elements:

1. the annual exempt amount
2. the reduction mechanism ($1 for each $2 of earnings above $2,520)
3. the monthly measure of retirement
4. exempt age (72 and over)

Within this basic framework, any or all of these elements may be modified so as to liberalize the effect of the test.

The following examples are illustrative of some of the many alternatives within this framework, together with the estimated cost if the change were to be made for 1975.

1. Increase the annual exempt amount—

Provide an annual exempt amount of:

(a) $3,000—$1 of benefits withheld for each $2 of earnings above $3,000.

Cost: about $0.3 billion in 1975.

(b) $3,600—$1 of benefits withheld for each $2 of earnings above $3,600.

Cost: about $0.7 billion in 1975.

(c) $4,800—$1 of benefits withheld for each $2 of earnings above $4,800.

Cost: about $1.6 billion in 1975.

2. Recommendation of the 1975 Advisory Council:

The 1975 Advisory Council recommended, with 3 members dissenting, that the retirement test be changed so that three levels of earnings would be subject to different reduction in benefits. In its report the Council said: [14]

"The first level would include earnings up to the annual exempt amount as defined in the present law ($2,520 in 1975). As under the present law, no benefits would be withheld from earnings within the first level.

"The second level would include earnings between the annual amount exempt under the present law and twice this annual exempt amount ($2,520 to $5,040 in 1975). Earnings within this level would be subject to a withholding rate of $1 in benefits for each $3 earned, instead of the present withholding rate of $1 for every $2 earned.

"The third level would include all earnings in excess of twice the annual amount exempt under the present law (i.e., $5,040 in 1975). The withholding rate at this level would be, as under present law, $1 in benefits for each $2 of earnings.

"The provision of the law which automatically adjusts the exempt amount assures that the second level of earnings, to which the $1-for-$3 withholding rate is applied, will increase in the future as general levels of earnings rise.

"The main effect of this liberalization would be a significant reduction in the benefits withheld from individuals who earn between one and two times the annual exempt amount. For example, under present law, a worker who earned $5,040 in 1975 would have $1,260 of social security benefits withheld. Under the Council's proposal, this individual would have only $840 withheld, corresponding to a ⅓ reduction in the burden of the retirement test. The table below illustrates the effect in 1975 of the proposed reduction in withholding rates for earnings in the second level. The percentage reduction in the amount withheld is greatest at the lower level of earnings, where the needs of social security benefit recipients may be presumed to be greater.

"Annual earnings	Withholding under present law	Withholding under proposed liberalization	Percentage reduction in amount withheld
$2,520	0	0	
$5,040	$1,260	$840	33.3
$7,560	2,520	2,100	16.7
$10,080	3,780	3,360	11.1"

The first-year (1976) cost of such a proposal is estimated at about $600 million.

The Council also recommended [15] elimination of the monthly measure of retirement. It would however, retain the monthly test for the first year in which an individual is paid cash benefits. The Council reports indicate that this change would reduce the cost of the cash benefits programs by about $200 million in the first year.

Footnotes at end of article.

FOOTNOTES

[1] The Status of the Social Security Program and Recommendations for its Improvement. Report of the Advisory Council on Social Security, Washington, 1965.

[2] The Retirement Test Under Social Security; H. Doc. No. 91–40, 91st Cong., 1st Sess., p. 2.

[3] Reports of the Advisory Council on Social Security, Reports, Washington, D.C., p. 29.

[4] For the debate on these provisions, see appendix.

[5] The annual earnings limitation will rise automatically (see p. 12 below) each time benefits are increased under the automatic cost-of-living provisions, included in P.L. 92–336. The latest estimates by the Social Security Administration actuary indicate the following annual exempt amounts: 1976, $2,640; 1977, $2,880; 1978, $3,240; 1979, $3,480; 1980, $3,720.

[6] The meanings of "substantial services" in an individual situation involve a highly subjective judgment as to whether in the specific situation "the individual can reasonably be considered retired in the month in question." See Code of Federal Regulations Sec. 404.446 for "Definition of 'substantial services.'"

[7] The Retirement Test Under Social Security, p. 3. Also see the letters from the then *Secretary of Health, Education, and Welfare,* ***Wilbur J. Cohen, transmitting the report to*** *the Congress and the President.*

[8] Reports of The 1971 Advisory Council on Social Security, p. 24–25.

[9] Reports of The Advisory Council on Social Security (1975), p. 29.

[10] The retirement test was first applied to employment outside the U.S. in 1955. Before that time the income counted was earnings from covered work. The 1954 amendments included all earned income in the test and established the 7 days foreign work test.

[11] However, see excerpts in appendix from the 1972 Senate debate on this point.

[12] See appendix for 1972 Senate debate on this topic.

[13] With regard to arguments in favor of repealing the test, it is of interest to note that in 1971 the Senate voted in favor of a study of the feasibility of eliminating the test; but the House-Senate conference which met to reconcile the differences between the House-passed and the Senate-passed version of the bill agreed to drop the provision calling for the study.

[14] Reports of the Advisory Council on Social Security (1975): 30.

[15] Ibid., p. 31.

PROPOSED ENERGY PROJECTS IN MAINE

Mr. MUSKIE. Mr. President, I wish to share with my colleagues some information I received this week from a good friend in eastern Maine, Mr. Bob Clark. Mr. Clark is the general manager of Eastern Maine Electric Cooperative in Calais and has been closely involved with me and my colleagues from Maine in the effort to achieve funding and construction of two important public works projects—the Dickey-Lincoln Hydroelectric Project and the Passamaquoddy Tidal Project.

These two proposed projects provide important alternative energy sources which would be both nonpolluting and renewable. Debate over these projects has continued for several years and is a matter which will be before the Senate in the near future. The information provided by Mr. Clark provides valuable background material for that debate and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EASTERN MAINE ELECTRIC COOPERATIVE, INC. BOARD RESOLVE—JUNE 19, 1975

Whereas, the undeveloped hydroelectric potential in the State of Maine is of vital importance in the development of future economical, nonpolluting energy resources, and

Whereas, oil costs and other fossil fuel costs have lately increased fourfold causing a great deal of difficulty and hardship for many people, especially those on fixed incomes, in purchasing their basic energy needs, and

Whereas, uranium pricing probably will not remain static but will increase, nor is the available quantity of uranium unlimited, and

Whereas, falling water remains constant in cost when we consider that it is put above the dams *by nature* requiring only the actions of the sun, the moon and rainfall to "fuel" the hydro facility, and the source of the energy is here where transportation from other parts of the world is not required, and

Whereas, the Dickey-Lincoln Project represents the best remaining river hydro project east of the Mississippi River, and

Whereas, previous engineering estimates established almost a 2 to 1 benefit to cost ratio for Dickey-Lincoln, even before oil prices increased fourfold, and

Whereas, it was determined from engineering estimates that the cost of power from Dickey-Lincoln, if constructed on the same basis as planned and as other similar Federal power projects have been established, would result in very substantial power cost savings to the Cooperative members now and in the future years, and

Whereas, the benefit to cost ratio analysis used by Congress in no way recognizes all of the many economic benefits direct and indirect that come about as the result of a large hydroelectric facility being constructed, and

Whereas, the Passamaquoddy Tidal Power Project had a benefit to cost ratio of just below 1 to 1 when last studied, even without all benefits being considered and without considering the impact of the cost of oil and other fossil fuels now having been brought down upon us. These factors give rise to the indication that Passamaquoddy should be funded for construction as soon as engineering plans and other required studies can be updated and corrected to meet today's energy supply situation. Benefits to be considered should take into account all factors, including the favorable affect on the United States balance of payments. A realistic study should also consider the return of taxes to the Federal Treasury by the contractors building Quoddy, and by suppliers and wage earners on the project and, also, income taxes on all wages earned and to be earned as a result of the new energy source to be created at Passamaquoddy, and

Whereas, the fact that Passamaquoddy, like all hydro plants, does not create even a small amount of air pollution, should be suitably considered as a dollar value benefit;

Therefore, be it resolved, that the Eastern Maine Electric Cooperative Board of Directors request all Maine Senators and Congressmen to act as one in these troubled times of costly and scarce energy sources so Maine can push with a united voice for the prompt completion of the remaining preliminary engineering and environmental work on these two great projects, Dickey-Lincoln and Passamaquoddy.

Be it also resolved, that in the event that the findings are as favorable in total as we believe they will be, to request the Maine delegation to push for full development of the projects by the Federal Government on as early a schedule as possible considering, of course, the International aspects of the projects.

[Northeast Public Power Association: Fact Sheet June, 1975]

THE DICKEY-LINCOLN SCHOOL HYDROELECTRIC PROJECT

1. The Dickey-Lincoln School Hydroelectric Project was authorized by Public Law 89–298, the Flood Control Act, October 27, 1965, in accordance with an Army-Interior Study Committee Report on Development of the Upper St. John River, dated August, 1964. The report recommended construction of the Project to: (1) develop low cost firm power for Maine and peak power for the remainder of New England; (2) combat poverty; (3) develop recreation resources; and (4) effectively utilize the water resources of Maine.

2. The Dickey-Lincoln School Project is a multi-purpose public works facility on Maine's St. John River composed of two rolled earthfill dam structures, power installations and supplemental dikes—the Dickey Dam, a major peak generating dam near Dickey, in Aroostook County, Maine; and the Lincoln School Dam, a regulating and generating dam 11 miles downstream. The Dickey Reservoir will be a wide-river type pool of 86,000 acres on 135 square miles, reaching some 53 miles upstream until it diminishes back into the existing St. John River channel.

3. Electric power is the major project benefit, with dependable generating capability of 760,000 KW at Dickey and 70,000 KW at Lincoln School, for a project total of 830,000 KW. 105,000 KW would, under original planning, be available for marketing at 40% load marketing at 12% local factor elsewhere in New England. Study of this marketing concept is being undertaken by the Department of Interior, based upon continuing planning authorizations.

4. On-site electric generation from the project as originally conceived would produce 1.2 bililon KWH of energy annually. Additional generation benefits would be available at downstream Canadian hydro plants through Lincoln School's regulation capability. These benefits, at minimum, total 350 million KWH per year, of which 50% would be delivered to the New England power system under preliminary agreements with Canada made ten years ago.

a. Computations by the Corps of Engineers in May, 1975 arrived at a current composite at-market power rate of 30.98 mills per KWH for Dickey power. The value of net marketable power from this hydroelectric project would be $21.1 million annually. At-market power from the most economical privately-financed alternative, confirmed at 40.90 mills per KWH, would be valued at $42.8 million. The savings to wholesale consumers buying Dickey-Lincoln power would be $12.4 million annually.

b. To produce annual electrical energy equivalent to that produced by Dickey-Lincoln's use of water as a continuous and clean source of power requires the expenditure of natural fossil fuels. Fuel consumption for equivalent energy totals 1.7 million barrels of oil (worth over $25 million), or 600,000 tons of coal, or 9.2 billion cubic feet of gas.

5. At January, 1975 price levels, total project costs is $428 million for construction and $151.3 million for transmission facilities, a total of $579.3 million. This cost has, of course, escalated significantly each year the project awaited further construction approval. The value of the project's benefits has risen as well. Average Annual Benefits now total $55.1 million, of which $52.8 million is in electrical power benefits. The Average Annual Cost for the project is $21.1 million. The current Benefit-to-Cost Ratio is thus 2.61-to-

1, which includes Federal government payment for 50% of transmission costs. The validity of these Corps of Engineers cost and benefit figures was confirmed in early 1975 by private engineering consultants.

6. To date, the U.S. Congress has appropriated $3 million for pre-construction planning. Funding in fiscal 1966, 1967 and 1968 was for surveying, soil and foundation exploration, general design and real estate study. The work of engineering teams was terminated in late 1967 due to lack of funds. It resumed in the Fall of 1974 with a new appropriation of $800,000. Work-in-progress centers on the required Environmental Impact Statement, new hydrology and hydraulic studies, detailed Hydropower Studies which include the feasibility of adding pumped storage to the project, surveying and mapping, layout and design, Water Quality studies and Seismic Studies.

NATIONAL FIRE PREVENTION AND CONTROL ADMINISTRATION

Mr. BEALL. Mr. President, as a cosponsor and strong supporter of the Federal Fire Prevention and Control Act, signed into law by President Ford on October 29, 1974, I have followed with great interest the establishment of the new National Fire Prevention and Control Administration which was established by that legislation.

On June 20, 1975, the Commerce Committee conducted hearings, which I was privileged to chair, on the nomination of Mr. David A. Lucht of Ohio to be Deputy Administrator of the new administration. At that time, the committee sought to raise several important issues relating to the agency and to the entire national effort against the national menace of fire. Because of the great interest in this subject by members of the fire community and the general public, I ask unanimous consent that my opening statement at the hearings and my colloquy with Mr. Lucht on the future directions of the National Fire Prevention and Control Administration be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Excerpts From the Senate Commerce Committee Hearings on the Nomination of Mr. David A. Lucht of Ohio to be Deputy Administrator of the National Fire Prevention and Control Administration, Friday, June 20, 1975.

Senator Beall. The Committee will come to order.

Today the Committee is considering the nomination of Mr. David A. Lucht of Ohio to be Deputy Administrator of the National Fire Prevention and Control Administration.

This agency was established pursuant to Public Law 93-498, signed into law on October 29, 1974.

The Act was the result of legislation introduced by the distinguished chairman of the Committee, Senator Magnuson, and cosponsored by many members of the Senate, myself included.

When we enacted the Federal Fire Prevention and Control Act there was great enthusiasm by the entire fire community and by some of us in Congress that we finally were mounting an aggressive national campaign against the serious menace of fire, a problem which kills some 12,000 and injuries 300,000 Americans each year.

We believed and expected that the Act would be rapidly implemented and that the excitement generated in the fire service by the Act and by its predecessor, the Report of the National Commission on Fire Prevention Control, entitled "America Burning" would be translated into quick action by the new Administration.

Unfortunately things have moved slower than some of us had hoped. It has been almost eight months since the Act became law and only today we are considering the first permanent nomination for the Administration.

As a result of the delay, many have become disappointed at the seeming inaction of the Administration. I hope that, beginning with the confirmation of this nomination and with the speedy nomination by the President of a permanent Administrator, we can begin to more actively and vigorously pursue the mandates given by what I consider to be a broad and far-sighted piece of legislation.

Senator Beall. Mr. Lucht, just briefly, if you will, what do you consider to be the major problems facing the Fire Service today?

Mr. Lucht. I think probably the major problem that has been experienced in past years has been a lack of a central thrust, a lack of coordination.

There are over a million fire service people out in the country dedicated to doing a job, but we have lacked the central thrust that is necessary to pull all of the resources together to have an impact on identified problems and I think that the Fire Prevention Control Act was created for that purpose, to pull these resources together in a central thrust, and I hope that that administration will be successful, and I will do everything I can to help it be that way.

Senator Beall. The new Act, in Section VII, mandates the establishment of a National Academy of Fire Prevention Control at the earliest practicable date.

Would you have in mind any target date for the establishment of such an Academy?

Mr. Lucht. Mr. Chairman, I see no reason why the Academy program per se can not be instituted immediately.

A superintendent of course must be appointed yet, and that should in my judgment happen quickly, and the superintendent should be directed to start putting the program together as soon as possible.

Senator Beall. How do you think that it should be built?

Mr. Lucht. How should it be built?

Senator Beall. Yes.

The Acting Administrator Joseph Clark said in a January 1975 interview that "It is our belief an academy should be built from existing state and local programs."

Do you agree with that concept?

Mr. Lucht. Yes, sir, I would agree with that.

Senator Beall. What role do you see the new program offering to the volunteer fire fighters, what kind of services do you envision would be offered by the volunteer fire services across the country?

Mr. Lucht. In my experiences with the volunteer fire services in Ohio, I have seen that even though they do volunteer their time and firefighting is not their prime activity, they are eager to do more.,

They need tools to present fire safety education programs in the communities, they need tools to do better firefighting. They need tools to do better fire investigations. And in my judgment the help that the Fire Administration could give to the local volunteer fire departments is tools, training, and assistance to help them do their job better.

Senator Beall. You stated, I think, that you see this new agency basically performing a coordinating role. I think that is desirable that it does play a coordinating role.

I trust, though, you weren't limiting that to coordinating, because I think when we passed the Act the thrust was that we should have some innovative approaches to the problems of fire prevention control, such as new protective gear, that sort of thing.

I trust you also mean that in addition to coordinating, the agency will be innovative, creative, and imaginative, doing new things.

Mr. Lucht. Yes, in my answers to some of the questions that Senator Magnuson presented to me in writing, I emphasize that some new inroads in creative new and improved programs are also needed and this is part of the responsibilities of the Fire Administration.

Senator Beall. The National Commission on Fire Prevention and Control estimated that a reduction of 50 percent in the deaths, injuries and property losses is quite possible in the next generation.

Do you agree with this statement?

Mr. Lucht. If adequate resources are put into the effort, I believe that that could be accomplished.

Senator Beall. What do you consider to be the most important aspects of the NFPCA program in order to achieve this goal?

Mr. Lucht. Well, as far as programs, I think all of the programs set forth by the Act are important. But as far as priorities are concerned, I would say the national fire data center is a top priority, because to have effective programs we have got to be able to measure the problem, measure the results of our efforts, and that means data.

In my judgment the fire data system will be a very important aspect of the thrust of the Fire Administration.

AMERICA—BICENTENNIAL ANTHEM WINNER

Mr. SYMINGTON. Mr. President, it was a pleasure to learn recently that a fellow Missourian, Mrs. Frances Stewart, formerly of Tarkio, Mo., has been honored by the selection of her musical composition, America, as an American Bicentennial anthem.

During the early days of our Republic, artistic endeavors were patterned after the achievements of European artists and musicians. However, an American movement in the arts which expressed the vitality and energy, as well as the values and dreams of the new Nation, quickly emerged and evolved. That movement has made the United States the leader of the artistic world today, and it was made possible in large part by the contributions of Americans such as Mrs. Stewart, who were able to capture and convey what is truly unique about America.

Mrs. Stewart's life and lyrics speak for the spirit and pride which made this country great. I ask unanimous consent that a news article published in the Altoona, Pa., Mirror, on May 28, 1975, about Mrs. Stewart and her prize winning Bicentennial national anthem be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Local Writer's Tune Named '76 Anthem

(By Virgie Werner)

A catchy number that can be sung, hummed, played and marched to, written by Mrs. Frances Stewart of Tyrone, was selected by the Saturday Evening Post as a Bicentennial national anthem.

Mrs. Stewart, more fondly referred to as "Mac," and her husband, Bob, reside at 526 5th St., Tyrone.

It took three days last August for her to write the music and lyrics for "America" after reading a two-page ad in the Saturday Evening Post announcing the national contest.

The upcoming July–August issue of the magazine will carry a photograph and story about Mrs. Stewart, along with results of the national contest for the best musical composition submitted as a Bicentennial anthem entered by hundreds of contestants.

FULL OF ENTHUSIASM

Her eyes sparkling and her voice full of enthusiasm, Mrs. Stewart says she is looking forward to having her version of "American" sung and played by the public. She commented, "It's going to be fun listening to having my number done."

As a winner, the Stewarts will receive a trip to Europe, planned by Holiday Magazine, another Curtis publication. Information received so far has the Stewarts traveling to London, Madrid, Rome, and Lisbon. With a busy Summer, Fall and Winter schedule ahead of them, the Stewarts are hopeful they can wait until next Spring to make their trip.

Mrs. Stewart was born in Tarkio, Mo., the former Frances Marie McPherson. Taken to the piano at the age of 5, she continued piano lessons throughout her childhood, later attending Lindenwood College in St. Charles, Mo., where she received a bachelor of music degree. Later she was awarded a master's degree at Michigan State University.

TAUGHT MUSIC

She taught music at Tarkio College, Florida State University and, for 28 years, at Eastern Kentucky State University.

During two sabbaticals from EKU she studied piano with Alicia de Larrocha in Spain and composition with Xavier Montsalvatge.

Although most of her teaching years were devoted to music theory and piano, she has much experience in choral music, both as a director and a professional singer. Listed among her unpublished manuscripts are piano suites, violin and piano sonatas, cantatas, religious songs, folk music, jazz and an opera based on Hans Christian Anderson's, "The Snow Queen."

She moved to Tyrone six years ago after marrying Robert Stewart. The wedding gift she received from him, a piano, has received constant use since then. She has composed three Pennsylvania etudes, three vocal numbers and the Bicentennial anthem, and she is now working on an opera based on Hawthorne's "The Marble Faun."

TIME LIMITED

With the ideal weather lately, Mrs. Stewart says her piano time is limited somewhat. She and her husband take to the golf course for fun and recreation. Chuckling, she commented, "The golf cart I gave Bob is now receiving much more wear and tear." Mr. Stewart is an excellent golfer, and she and her husband are frequently seen at the Sinking Valley Country Club, where they are members.

The Stewarts enjoy traveling extensively, and spend the Winter months in Florida since their retirement. It was while they were in Florida that Mrs. Stewart received the telegram informing her that she won first place with her Bicentennial number. It took some tracking for the magazine to locate the Stewarts, and a telephone call to the Tyrone Daily Herald led to them.

Frederic Birmingham, managing editor of the Saturday Evening Post, noted that the response to the contest was enthusiastic from every state in the union, and the response was much greater than they had anticipated for the contest to find a rallying song for the Bicentennial.

NARROWED TO 300

"Narrowing the selection down further, we took the scores of 300 anthems to the music department at Butler University in Indianapolis, where the Post is published. There they reviewed every one, and a dozen of the best were learned and sung by the university's mixed chorus of 50 voices." He said the Post editors were invited to the concert, and the anthems were judged.

"From there, the top three winners were evaluated a number of times and the final selection of Mrs. Stewart's 'America' was a unanimous choice," he said.

"Her anthem has a lyrical middle part that the young singers particularly liked. The text is appropriate, and melodic contours are simple but interesting. There are unusual harmonic characteristics that give it originality and a distinctiveness that will cause the song to be remembered.

"It was important that the anthem chosen be suitable for choral work, soloists, and band or orchestra renditions. This anthem fills the bill," Mr. Birmingham concluded.

The lyrics to the prize-winning anthem "America" are as follows:

"Bless us, Lord, in America; Give us peace in America. Give us strength and truth and honor; Shine on this land we love.

"Strong are we in our liberty; Let it last for eternity.

"Hope for all humanity, our land that we call our home.

"Tall are the mountains around us; broad are the rivers beside us.

"Land we call America, the land that we call our home.

"Land of hope and liberty, land of peace and prosperity, land of proud nobility; America, land we love.

"Bring us faith in the flag we fly, stars and stripes waving to the sky; Faith in God our battle cry, for life in America.

"God guard the freedom we have found here; help us to share what abounds here.

"Brotherhood for all mankind, that makes this America."

"THE THIRD WORLD WAR HAS ENDED"

Mr. GOLDWATER. Mr. President, last evening it was my pleasure and honor to speak before the Defense Strategy Seminar of the National War College at Bolling Air Force Base. It is not an easy assignment to address people whose sole study and expertise is in the field of strategy. Fortunately, I came upon a paper that was part of a statement made by Aleksandr Solzhenitsyn published in the May 31 issue of the French newspaper "Le Monde."

The title of this is "The Third World War Has Ended." It has so many startling truths and revelations of what we have gone through since World War II that I decided to read it in its entirety to the assembled group. I would suggest that my colleagues read it. Maybe some people in the Congress who feel that this Nation can go on with lower and lower preparedness might have a change of mind. Therefore, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Third World War Has Ended

(This is an English translation of the greater part of a statement by Aleksandr Solzhenitsyn published in the May 31 issue of the French newspaper, Le Monde. So far as we know, none of it has been published previously or referred to in this country.)

When the First World War was followed by the Second, who could escape the question: won't the Second be followed by a third? How many concessions, how many sacrifices have been made in order to put it off, to avoid it!

But there are not many who realize, and who have the courage to admit, that the Third World War has already taken place that it ended this very year—and that the free world has irremediably lost it.

The Third World War began at the end of the Second, in 1945 at Yalta, thanks to the shaky pens of Roosevelt and Churchill, who celebrated the victory by handing out concessions: Estonia, Latvia, Lithuania, Moldavia, Mongolia, millions of Soviet citizens forcibly handed over to face death or the camps; and soon Yugoslavia, Albania, Poland, Bulgaria, Rumania, Czechoslovakia, Hungary, East Germany were abandoned to unrestrained violence.

We haven't understood that the Third World War came about differently from its predecessors. It began not with a thundering declaration of war, not with attacks by thousands of airplanes, but invisibly, stealthily boring into the flabby body of the world. It used a variety of pseudonyms—"democratic" transformations that the people approved 100 per cent, cold war, peaceful coexistence, normalization, Realpolitik, detente, trade (which serves only to strengthen the aggressor).

When we study the course of these last thirty years, we see it as a long, sinuous descent—an unbroken descent toward enfeeblement and decadence. The powerful Western states, having emerged victorious from two previous world wars, in the course of these thirty years of peace have lost their real and potential allies, ruined their credibility in the eyes of the world, and abandoned to an implacable enemy whole territories and populations: China (which had been their most important ally in the Second World War), North Korea, Cuba, North Vietnam, today South Vietnam, today Cambodia. Laos is being lost; Thailand, South Korea, and Israel are in danger; Portugal is throwing herself irretrievably into the abyss; Finland and Austria are resigned to their fate, powerless to defend themselves and unable, on the evidence, to expect help from outside. There is no room to list all the little countries of Africa and the Middle East that have become puppets of Communism, and all the others, even in Europe, that hasten to grovel on their knees in order to survive. And the UN has become a podium from which to ridicule the West—a measure of the brutal collapse of Western power.

The victorious nations have transformed themselves into the vanquished, having totally ceded more countries and peoples than have ever been ceded in any surrender in any war in human history. And that is why it is not speaking metaphorically to say: the Third World War has taken place and has ended in defeat.

Today the longest and most visible battle of this war, Vietnam, is ending tragically, with the assassination of thousands, the subjugation of millions more, the creation of immense concentration camps. And as it ends, one might vainly rack one's brain to remember a case when, in the course of these thirty years, the West managed to stand its ground. One could say that yes, it did, on three occasions that are already ancient history: Greece in 1947, West Berlin in 1948, and South Korea in 1950. These inspired hope and faith in the West. But take a look at these three names today. Which of these three places now has the power to resist enslavement? Who will defend them when they are threatened? What Senate will approve the sending of arms and aid? Who will not prefer his own peace and quiet to their liberty? Does NATO still exist, having lost four countries? When valiant Israel was defending herself to the death, Europe was capitulating, country after country, before the threat of a reduction in its Sunday driving.

The Third World War attacks the West at its most vulnerable point: the side of human nature willing to make any concession for the sake of material well-being.

Hence the joy at the ratification of each new accord (as if the Soviet Union had ever respected a single one of them once it ceased to be of use). Soon, at the European Security Conference, the countries of Western Europe will ratify, of their own free will, the slavery of their brothers in the East—believing that they are thus serving the cause of peace.

The situation as I have described it is clear to any average man in the East, from Poznan to Canton. But Westerners will need a great deal of strength, of resolution, to see and accept the evidence of the implacable tide of violence and bloodshed that has methodically, steadily, triumphantly radiated out from a single center for nearly sixty years, and to locate the countries already lined up for the next holocaust.

Of course, no one has the right to demand that the West undertake the defense of Malaysia, of Indonesia, of Formosa, of the Philippines. No one would dare reproach it for not wanting to. But those young men who refused to bear the anguish of the faraway war in Vietnam will not have time to consider that they will fall—not their sons but they—in the defense of America.

It is too late to worry about how to avoid the Third World War. But we must have the courage and clear-headedness to stop the Fourth. To stop it, not grovel on our knees.

EAST-WEST TRADE

Mr. INOUYE. Mr. President, the Senate Commerce Committee plans to conduct several hearings this session on East-West trade. The first set of hearings had originally been scheduled for the mornings of June 25 and 26, but unfortunately had to be postponed in deference to urgent Senate floor business.

These hearings will be rescheduled as soon as possible following the July 4 recess, and further hearings on this subject will be held periodically during the remainder of this session.

The distinguished chairman of the Committee, Senator Magnuson, is to be commended for planning these important and timely hearings. These are the first hearings concerned directly with East-West trade and American commercial policy on commercial relations with Eastern bloc nations since 1968 although this subject has been considered during hearings on other legislation. Mr. President, much has happened since 1968—in the normalization of relations between the United States and the Eastern nations, exemplified by the visits of an American President to the People's Republic of China and to the Soviet Union. The level of total trade turnover between the United States and the socialist countries has increased since 1968 from below \$400 million to more than \$3¼ billion in 1974. Last year, however, trade levels declined somewhat, most notably with the People's Republic of China.

Several very distinguished witnesses have consented to appear at the opening round of these Commerce Committee hearings. Our leadoff witness would have been the distinguished Secretary of the Treasury, William Simon. I anticipate that the hearings will be characterized by extraordinarily valuable and interesting observations on prospects for East-West trade. As soon as the hearings can be rescheduled, the committee will announce the times and place.

FOOD STAMPS

Mr. PACKWOOD. Mr. President, today I add my name to those who have cosponsored Senator Buckley's National Food Stamp Reform Act of 1975. This legislation provides an excellent forum for constructive discussion and change in the food stamp program.

While I believe that we must carefully scrutinize and perhaps modify some of the provisions of the bill in order to best provide for the hungry in America, we now have a real and affordable attempt to improve benefits for the truly needy. I have repeatedly urged meaningful reform of the program. We must abolish the inequities that have, ironically, often favored those who are better off, rather than the elderly poor. It is with pleasure that I rise in support of the legislation introduced by my distinguished colleague from New York, Senator Buckley, and hope for its most expeditious consideration.

SENATOR CLARK'S STATMENT ON SMALL BUSINESS TAX REFORM

Mr. NELSON. Mr. President, on June 17, 18, and 19, the Senate Select Committee on Small Business and the Subcommittee on Financial Markets, Senate Finance Committee, held joint hearings to gather information on the important subject of tax reform as it affects the small business community. During those hearings my distinguished colleague on the Select Committee on Small Business, Dick Clark, delivered a comprehensive statement on how our tax system has distorted the allocation of scarce economic resources, contributed to high unemployment in the ranks of unskilled labor, and stifled individual initiative in the economy. The principles so eloqently expressed by Senator Clark should provide guidance to us all when we tackle the difficult problem of tax reform.

Mr. President, I ask unanimous consent that Senator Clark's statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement Presented to Joint Hearings of the Senate Small Business Committee and the Senate Subcommittee on Financial Markets Regarding Business Taxes

Mr. Chairman, I would like to commend the committee for initiating this study of how small businesses are affected by the tax laws.

The question of how tax reform can benefit small business has been largely unexplored. For example, the Administration's emergency tax legislation of last February totally ignored both small corporations and unincorporated small businesses. The Administration proposed to concentrate three-fourths of the business tax benefits on the five thousand largest corporations. Congress was thus faced with a policy which ignored 97 percent of the 13 million enterprises in this nation, a sector which accounts for 53 percent of all jobs and creates 33 percent of our gross national product.

Largely through the initiative of members of the select committee, smaller businesses ultimately did receive a share of the benefits of that emergency legislation, with the enactment of P.L. 94–12, on March 26.

This legislation temporarily increased the investment credit from seven percent to 10 percent, and cut tax rates for corporations earning less than \$50,000 per year. It also permanently increased to \$150,000 the earnings which can be accumlated before being subject to the penalty tax provisions.

It is high time that Congress enacted more permanent structural changes in our tax laws to assure that both small and large businesses bear their fair share of the corporation tax burden.

As it stands now, our system of corporate taxation has a discriminatory impact on the small business—too many provisions in the internal revenue code are of use only to the large corporations.

For example, large corporations are more likely to be capital intensive than are small firms, and tax provisions such as the investment tax credit and accelerated depreciation favor the capital intensive business. The small firm relies more on labor as a factor of production. Yet there are no tax provisions which encourage businesses to employ people rather than machines to turn out their products.

This pro-equipment bias in our tax system has caused a distorted allocation of our scarce economic resources. By ending the discrimination against small business, we can do much to achieve a neutral tax system which will allow our resources to be employed in the most efficient combinations.

A coherent tax system will move us toward a lasting solution to the serious problem of high unemployment in the unskilled labor force. When a businessman buys a machine, the labor which that machine replaces is likely to be unskilled. Equitable taxation will increase the number of jobs available to workers with little or no skills.

Other problems include the sheer complexity and burdensome reporting requirements of the internal revenue code. Large corporations can afford to hire expert tax attorneys and CPA's to do their tax planning and file reports, but small businessmen cannot effectively utilize these professional services. Consequently, they often simply don't know what options are available to them to minimize their tax liabilities, and waste valuable time and energy wading through mountains of reports.

Businesses cannot grow and prosper without access to investment capital, and small firms are starving for capital. Large corporations have as sources of capital public offerings of equity or debt, bank loans at the prime rate and high depreciation charges. None of these sources are of much utility to small businesses. We must make sure that the tax system provides small businee with equal access to investment capital.

Mr. Chairman, we mut have a fair and equitable system of corporate taxation which does not discourage the acceptance of economic risks by the entrepreneur. We must promote, not stifle, the economic growth which will result from the dynamism of free private enterprise. That is why this examination of business tax structure and these efforts to formulate legislation providing meaningful reform for the small business taxpayer are so essential.

REDUCING RATES FOR FIRST-CLASS MAIL

Mr. ROTH. Mr. President, I commend the Postal Rate Commission's administrative law judge for recommending that first-class mail rates be reduced and that second-, third-, and fourth-class rates which generally benefit a few special interests be substantially increased.

Judge Seymour Wenner declared that the present temporary U.S. Postal Service rates of 10 cents for letters and 8 cents for postcards provide an unauthorized subsidy by the bulk of our citizens of more than $700 million for other classes of mail which generally benefits a few special interests, mainly big media such as the New York Times and the Wall Street Journal. Those smaller newspapers and charities should, of course, be given some consideration when it comes to assistance but certainly not the big profitable operations.

When the bill to increase postal subsidies came up last May I voted against it. I said at that time that the average citizen would end up paying for these subsidies through increased postal rates and that the big media benefits at the expense of the average taxpayer. It is interesting to note that those who railed the strongest against subsidies to industry in the past were able to, somehow, support subsidies for the press. I am confident, however, that there was no conflict of interest here.

As I said then, the ordinary citizen gets it in the neck both ways—he has to pay increased taxes to pay for the subsidies on the one hand and increased postage on the other.

Mr. President, it is time we stop abuses of this type in the Postal Service. It is both unfair and improper that the ordinary citizen continues to foot the bill for special interests.

MILESTONES IN RURAL ELECTRIFICATION

Mr. HUMPHREY. Mr. President, knowing the Senate's enthusiastic interest in the rural electric cooperatives of our Nation, I am sure this body would wish to take note of an important new milestone in the forward movement of the rural electrification program.

A few days after the 40th anniversary of this program, the total amount of capital borrowed by rural electric systems reached and surpassed $10 billion. This is a truly amazing figure in comparison with the totals of the recent past and in view of the difficulties that these small consumer-owned utilities have had to overcome throughout their history. Consider, if you will, the fact that during World War II, the program came to a virtual standstill for lack of materials and workers. In 1 year, new capital totaled only $10 million for the whole country whereas recently a single system obtained a loan of more than $50 millions.

Perhaps more important than the overall total of loans made so far is the fact that the outlook for the future is good. Congress has greatly expanded the amount of capital available to rural electric systems—and to rural telephone systems as well—by passing S. 394, which became Public Law 93-32. This new legislation provides both a revolving fund for insured loans and authority for Government guarantees of private loans.

Congress took a new look at the importance of rural electrification after the administration, at the end of 1972, decided to stop administering the Rural Electrification Act. This examination led to important conclusions, long held by me and many of my colleagues;

First, that rural electrification is a basic requirement for efficient agriculture, for rural industry, for modern living in the countryside and for economic development in rural America;

Second, that an expanded rural electric loan program is basic to progress in meeting rural needs for electric service on a par with that enjoyed by urban people; and

Third, that the rural electrification program is one of the most attractive items in the showcase of democracy—one of the most successful efforts ever made to bring about teamwork between Government and citizens to achieve objectives set by the people.

The rural telephone program is much newer, but it too is authorized by the Rural Electrification Act and is proving to be an essential element in building and revitalizing rural America.

My attention was called to the new loan total that I have reported to you by an article in the Rural Electric Newsletter published by the National Rural Electric Cooperative Association. This article offers significant facts which I believe would be of interest to the Members of this body.

Mr. President, I ask unanimous consent that the article, "REA Loans Exceed $10 Billion Mark," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REA LOANS EXCEED $10 BILLION MARK

The Rural Electrification Administration reported this week that its electric loan program has passed the $10-billion level and that telephone loans by REA and the Rural Telephone Bank have passed the $3-billion mark. These do not include loans guaranteed by REA and made by the Federal Financing Bank.

REA Administrator David A. Hamil said Thursday, "When you consider that only $44,000 has been written off in the 40-year history of the program, this is a fantastic record of success." Hamil reported that F.Y. '75 (which ends June 30) will set new records in both the electric and telephone programs. "Electric borrowers have received $700-million in REA [insured] loans, $1.2-billion in guaranteed commitments, and $363.4-million from supplemental lenders such as CFC and Banks for Cooperatives, for a grand total of $2.3-billion," according to Hamil.

"This is seven times the amount borrowers got in 1970," he added.

A total of 579 rural electric systems have received insured loans so far in F.Y. '75. The 2% program accounted for $105-million, the 5% for $595-million. Twenty-two power supply (G–T) systems borrowed $196.5-million under the 5% program.

The 10-billionth dollar was included in loans made by REA on May 22 to rural electric cooperatives in Alabama, Georgia, Kentucky, Michigan, Mississippi and Texas. The three-billionth-dollar loan level in the REA–RTB program was reached June 16 with loans to rural telephone systems in Colorado and Oklahoma.

In the 40-year history of the rural electric program, loans have been made to 1,094 rural electric systems in 46 states, the Virgin Islands and Puerto Rico.

Telephone loans have been made to 898 systems in 46 states in the 25 years of the program. There have been no losses in the telephone program.

Hamil noted that more than 26-million rural people receive electric and telephone service from systems financed by REA and RTB. Most of the electric systems are cooperatives owned and operated by the people they serve. "Adequate financial assistance assures these rural people of the new and improved services so essential to economic stability and growth in the rural areas in which they live and work," Hamil said.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

Mr. JAVITS. Mr. President, the Appropriations Committee is to be commended for its decision to include $3.5 million in the 1976 education appropriations bill (H.R. 5901) for the White House Conference on Library and Information Services authorized by Public Law 93–568 enacted at the close of the 93d Congress in December 1974.

It should be noted that Public Law 93–568 which designates the National Commission on Libraries and Information Science as the agency to plan and conduct the White House Conference, also authorizes the commission to provide technical and financial assistance—by grant, contract, or otherwise—to the 56 States and territories to enable them to organize and conduct their own conferences to prepare for the White House Conference.

Appropriation now of the full $3.5 million authorization, as the committee bill would provide, will enable the States to know well in advance the financial situation with respect to raising matching dollars for their own conferences. It is anticipated that the States and localities will match the Federal share many times over in order that they may have truly productive conferences of their own. But without the impetus of the Federal share, plus some nationwide coordination of the 56 State and territorial conferences as authorized by Public Law 93–568, we would not establish a sound base of State conferences from which to launch the national conference.

Therefore, the committee bill most properly appropriates $3.5 million for the White House Conference and for the preconferences in each of the States and territories. I urge the committee to remain firm in its resolve to keep these funds when the bill goes to conference with the House, for unfortunately the House bill has no funds for the White House Conference on Library and Information Services.

CONFERENCE PURPOSES

Now, Mr. President, I would like to outline briefly some of the reasons this White House Conference on Library and Information Services is so important at this time. There are many reasons, of course, and they are discussed in some detail in the hearing record on Senate Joint Resolution 40, the resolution introduced in January 1973 by Senator PELL, of Rhode Island, the distinguished chairman of the Education Subcommittee. The following six points summarize the critical importance of the White House Conference as we assess the role that libraries and other information services can play in American society:

First, nationwide reassessment. The White House Conference will engage a wide spectrum of the American people in a nationwide reassessment of the extent to which adequate library and information service is now available to all Americans. We will find out just what the situation is, how the American people receive library and information services, whether books, journals, newspapers, films, public documents, and the whole range of information-providing materials are available to those who may need them at any time. We will get a handle on the existing state of library service, by finding out where the gaps are and where the weaknesses are.

Second, continuing education. Continuing education opportunities for all Americans will be highlighted by the White House Conference and the preceding State conferences, for libraries have a key role to play in a wide range of educational opportunities outside the traditional classroom. In libraries today, adults can translate self-directed learning into college credit, students can view at their own convenience college lectures videotaped by the professor, adults who lack basic reading skills can participate in right-to-read programs, and in coordination with other community resources such as museums and nearby community colleges, libraries offer an increasing variety of continuing education opportunities.

Third, special services. Libraries will be encouraged to provide more services designed to meet the special needs of individuals who may speak a language other than English, who may be older Americans, who may be homebound or hospitalized, who may be economically disadvantaged, or from remote rural areas, or from a culture different from the dominant American culture.

It is important to keep in mind, Mr. President, that the White House Conference is not intended as a forum for librarians. It is to be a gathering of library users and even people who do not use libraries but who might if the library provided services relevant to their needs. The hearing record on the White House Conference shows that at least two-thirds of those participating in the State conferences and in the White House Conference are to be persons other than librarians or information scientists. These are to be conferences for users of libraries and for potential users of libraries.

Fourth, interlibrary cooperation. The White House Conference will highlight the many different types of libraries so that a wide range of material will be available to the person who may need it at any given time. For example, in some communities the school libraries are not well coordinated with the public libraries and there is duplication of effort and expense that should be eliminated. The resources and services of college and university libraries should also be coordinated with those of public and school libraries.

Fifth, publishers, manufacturers, and producers. The White House Conference on Library and Information Services, and the preliminary State and territorial conferences will provide not only libraries but also publishers, media producers, equipment manufacturers and dealers, and other representatives of industry and service establishments who are engaged in the production or provision of educational material and information, an opportunity to demonstrate to the American people what they have to offer—the kinds of books, journals, computer printouts, facsimile transmissions, films, audiovisual media and equipment that exist today, and what will be on the market tomorrow. How much do they cost and how do they work? The people can then make informed judgments about what they want to acquire for their libraries and how their libraries can best serve individual and community needs.

Sixth, alternative types of library support. Localities, States, and the Federal Government will be assisted in reexamining present systems of library support and considering alternatives for the future. The residents of each State will have an opporunity to learn how libraries are supported, organized, and functioning in other States and localities. Thirty-eight States provide some form of State aid to their local public libaries. The preponderance of public library funding, however, comes from the local property tax which means, of course, that there are many inequalities in library service from one community to another.

The point that needs to be emphasized here is that the American people will be in a far better position to judge the need for library legislation for the future as a result of the White House Conference and to inform their elected representatives of their views.

LIBRARY PARTNERSHIP ACT

Mr. President, I might note the Office of Education's proposed Library Partnership Act, which I introduced at the request of the administration last August. This proposal was intended by the administration to replace existing Federal library programs, and as I noted when I introduced it, I was "keenly disappointed by the limited scope and totally discretionary nature of the Library Partnership Act."

This effort was an inadequate solution to the problems libraries face today. I am confident that if the administration had had the benefit of the reassessment which the White House conference will provide, the proposed Library Partnership Act would never have been developed as it was.

However, I believe, as I suggested last August, that we may consider including parts of the Partnership Act within the context of a slightly modified title II–B of the Higher Education Act, which is shortly to be under consideration in the Education Subcommittee. I made this suggestion last year when I introduced the administration bill, and I still believe it is a feasible suggestion. I ask unanimous consent, Mr. President, that the text of my introductory remarks upon that occasion, along with the text of the Library Partnership Act, which appeared in the August 22, 1974, CONGRESSIONAL RECORD on pages 29780–29781, be printed in the RECORD today at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

PRESIDENTIAL APPOINTMENTS

Mr. JAVITS. Finally, Mr. President, it is my hope that President Ford will soon announce his appointments to the White House Conference on Library and Information Services Advisory Committee. The President Pro Tempore of the Senate, the senior Senator from Mississippi (Mr. EASTLAND), has made his appointments, and I am pleased and honored to have been designated by him as a member of the advisory committee. The Speaker of the House has also made his appointments. The Honorable WILLIAM D. FORD of Michigan is the representative to the advisory committee from the House of Representatives. The National Commission on Libraries and Information Science has also made its appointments to the advisory committee.

All that remains is for President Ford to make his appointments. If the $3.5 million provided by the Senate education appropriations bill is sustained in conference—and I trust that it will be—if the President makes his appointments to the advisory committee without further delay, we will then be ready to start planning in earnest. We will then be in a position to use the remaining available time for careful planning of productive State and territorial conferences, to be followed not later than 1978 by the White House Conference on Library and Information Services. I ask unanimous consent that the full list of advisory committee members to date be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

WHITE HOUSE CONFERENCE ADVISORY COMMITTEE

P.L. 93–568 specifies that the National Commission on Libraries and Information Science will plan and conduct the White House Conference, and a 28-member advisory committee is to be appointed to assist the Commission. The advisory committee is to be composed of:

Five persons appointed by the President Pro Tempore of the Senate.

Five persons appointed by the Speaker of the House.

At least three members of the National Commission, appointed by the chairman.

No more than 15 persons appointed by the President of the United States.

The following persons have been appointed to serve on the Advisory Committee,

The Honorable Jacob Javits, U.S. Senator from New York.

J. C. Redd, businessman from Jackson, Mississippi.

John T. Short, president-elect, American Library Trustee Association, of Avon, Connecticut.

Margaret Warden, state senator and library trustee, Great Falls, Montana.

Virginia Young, Chairman, Missouri Coordinating Board for Higher Education, Columbia, Missouri.

All appointed by the President Pro Tempore of the Senate.

The Honorable William D. Ford, U.S. Representative from Michigan.

Allie Beth Martin, director of Tulsa City-County Library, Tulsa, Oklahoma, and president-elect, American Library Association.

Michael Arthur McCarroll, director of Lexington Books, a division of D.C. Heath, Lexington, Massachusetts.

Gene Shalit, of New York City, panelist on NBC's Today Show.

Jeanne Hurley Simon, former member of Illinois Assembly, wife of U.S. Representative Paul Simon, of Carbondale, Illinois.

All appointed by the Speaker of the House.

Louis A. Lerner, publisher, Lerner Home Newspapers, Chicago, Illinois.

Bessie Boehm Moore, coordinator, Economic and Environmental Education, State Department of Education, Little Rock, Arkansas.

John E. Velde, Jr., businessman, Pekin, Illinois and Hollywood, California.

All members of the National Commission on Libraries and Information Science, appointed to the White House Conference Advisory Committee by the NCLIS chairman.

The President of the United States has not yet made his appointments to the Advisory Council.

[From the Congressional Record, Aug. 22, 1974]

Exhibit 1

Library Partnership Act

Mr. Javits. Mr. President, I introduce, by request, the administration's Library Partnership Act which the administration states is to assist and support innovation in libraries.

Let me emphasize at the outset that while I am encouraged by the idea of a new initiative coming from the administration to assist our Nation's libraries and help them provide better service to the American public, I have serious reservations about the proposed Library Partnership Act and particularly about the context in which President Nixon's fiscal year 1975 budget first presented it—to wit, as a replacement for the highly successful Library Services and Construction Act.

Although the administration had intended to have the Library Partnership Act in final form last spring, it apparently experienced considerable delay for only last month has the draft been transmitted to Congress. I had hoped the administration would come up with a solid proposal to help libraries extend and improve services to all Americans, and consequently I am keenly disappointed by the limited scope and totally discretionary nature of the Library Partnership Act. It is inconceivable to me that anyone could ever seriously consider replacing the Library Services and Construction Act, a demonstrably successful State-based program for improved library development benefiting many millions of Americans, with a limited discretionary demonstration grant authority such as the Library Partnership Act proposes. Nevertheless, I believe in the Library Partnership Act the administration is trying and that we should proceed at this point by considering the bill as a draft, a proposal which can be improved.

I am, therefore, introducing the bill now so that librarians, library trustees, and library patrons throughout the country can study the proposal and make recommendations for its version. In short, it is being introduced now so that it will be on the table, so to speak, where all can see it, study it, and recommend changes.

Next year, in the new 94th Congress we will begin to work on renewal of the many Higher Education Act (HEA) programs which expire in fiscal year 1975. It would be my thought that we could consider the Library Partnership Act during our extensive hearings on programs authorized by HEA. In many ways, the proposed Library Partnership Act resembles the existing HEA title II, part B, demonstration authority and it seems entirely logical and fitting to me that we would consider it in this context, either as a replacement for the existing HEA title II–B library research and demonstration authority, or as a modification of it. Title II–B authorizes a training program also, which is very important, for qualified manpower trained to utilize today's library technology is essential to modern library service. If some form of the Library Partnership Act is considered as a replacement for HEA title II–B, it would of course be essential that it include a training component as well as the demonstration authority.

As the ranking minority member of the Labor and Public Welfare Committee, and a member also of its Education Subcommittee, I will be following carefully the hearings next year on the HEA title II–B library program, to determine from experts in the field—the American Library Association, and the Association of Research Libraries, the State Librarians, library educators and others—if any of the provisions in the proposed Library Partnership Act might appropriately be included within the scope of HEA title II–B.

In conclusion, let me say that I do not take the plight of our Nation's libraries lightly. I am aware, to give one example, that many of our great urban libraries today are faced with unprecedented fiscal problems and that local funds for libraries are decreasing as a percentage of urban budgets at the same time these libraries are faced with an increasing demand for new and different services from diverse and changing populations.

Other types of libraries, too, including rural libraries, elementary and secondary school libraries, and libraries in colleges and universities, are in crisis today as costs continue to rise while simultaneously their budgets are maintained at previous levels or even cut back. I believe we must re-examine in depth the whole subject of library finance, how the responsibility for libraries can best and most efficiently be distributed among the private sector and the public, including State and local government as well as the Federal government. Perhaps some studies and demonstrations along these lines could be financed under an expanded HEA title II–B program. The results of such studies and demonstrations would then provide Congress and the administration with more solid data on which to base revision of the Library Services and Construction Act, if that proves to be the indicated course, when that authority expires in fiscal year 1976.

A new initiative on the part of the administration is badly needed to help our libraries, and I am hopeful that either the Library Partnership Act in modified form will serve as the basis for amendments next year to the HEA title II–B demonstration authority, or the administration, under President Ford's leadership now, will, after further reflection, propose a different and more satisfactory new initiative for libraries next year.

While I have sumarized some of my reservations about the Library Partnership Act, Mr. President, it is not my intention to present all of them in detail at this point. My sole purpose in introducing the bill now is to allow the American people an opportunity to consider it. I believe we should consider the Library Partnership Act as a basis for study for the time being, and as such I am introducing it today.

Mr. President, I ask unanimous consent that a letter from the Secretary of HEW be printed in the Record at this point, along with the text of the Library Partnership Act.

There being no objection, the letter and bill were ordered to be printed in the Record, as follows:

Department of Health,
Education, and Welfare,
July 12, 1974.

Hon. Carl Albert,
Speaker of the House of Representatives,
Washington, D.C.

Dear Mr. Speaker: Enclosed for the consideration of the Congress is a draft bill, "To provide for a program of assistance to State and local library authorities, regional authorities and other public and private agencies and institutions for the support of demonstrations designed to encourage exemplary and innovative developments in the provision of library and information services, such as networking or cooperative arrangements."

The purpose of the enclosed draft bill, as stated in section 2, is to provide a program of discretionary demonstration grants and contracts designed to encourage and support innovation in libraries and information services and promote the development and demonstration of networks for the sharing of resources and provision of services within communities and among jurisdictions, with special emphasis on improvements which benefit handicapped, institutionalized, or economically disadvantaged groups.

Section 3 of the bill would authorize the appropriation of such sums as may be necessary to carry out the purposes of the Act for fiscal years 1975–1977.

Under section 4 of the draft bill, State and local library agencies and other nonprofit agencies, organizations, and institutions involved in the administration, provision, support, or coordination of library or other information services would be eligible to receive financial assistance in order to carry out the purposes of the Library Partnership Act. Section 5 sets forth application procedures and indicates the types of activities that would be authorized under the Act, such as demonstrating innovative methods for providing library services to groups such as the handicapped, the institutionalized, and the economically disadvantaged; designing and demonstrationg exemplary interlibrary cooperative services and activities; and demonstrating means of integrating the delivery of informational and educational services. Evaluation efforts would also be authorized.

Applications would have to provide assurance that State library administrative agencies that, in the case of interstate projects, the Governors of the affected States have been afforded an opportunity to review and comment on the proposed activity.

Section 6 of the draft bill authorizes the Secretary to establish criteria for approval of applications. These criteria must include consideration of the degree to which the project or activity to be funded (1) provides a useful demonstration of activities which are authorized under the Act, (2) can be applied to and replicated in the Nation as a whole, and (3) is designed to serve the handicapped, institutionalized or economically disadvantaged. The criteria would also include consideration of the source and adequacy of non-Federal funds which will be available to sustain the project when Federal assistance ends.

Section 7 of the draft bill would authorize funding of projects for from one to three years. Support for more than one year of a demonstration project would be authorized only if the Secretary determines that the purposes of the Act would thereby be more effectively carried out. Federal funding for the first year of any project would cover up to 100 percent of the costs, but would be limited to 70 percent of costs in the second year and 40 percent in the third. Thus, the bill requires that non-Federal resources must gradually take over the service costs of particular projects, with the Federal role being limited to demonstrating effective innovative means of meeting particular library and other information needs and to providing the initial funding for such activities.

Library services to the people of particular localities are most appropriately supported through State and local governments. The program proposed by this draft bill represents the appropriate role of the Federal Government in the support of libraries. That role is to encourage innovative developments in the delivery of library and information services through resource sharing and other cooperative techniques, with special attention to the needs of the disadvantaged. Accordingly, the proposed bill, while authorizing activities that can be carried on under existing law, would focus temporary project grant support on innovative practices, and does not provide for categorical service support.

I urge prompt and favorable consideration of this proposal by the Congress.

The Office of Management and Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

S. 3944

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Library Partnership Act".

PURPOSE

SEC. 2. It is the purpose of this Act to encourage and support innovation to demonstrate improved methods in library and other information services and to promote the development and demonstration of networks for the sharing of resources and services within communities and among local, State, and regional jurisdictions, with special emphasis on improvements which benefit handicapped, institutionalized, or economically disadvantaged groups.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. There are authorized to be appropriated for carrying out the purposes of this Act such sums as may be necessary for the fiscal year ending June 30, 1975 and for the two succeeeding fiscal years.

ELIGIBLE APPLICANTS

SEC. 4. In order to carry out the purposes of this Act the Secretary is authorized to provide financial assistance, by means of grants and contracts, to State and local library agencies and other public and nonprofit private agencies, organizations, and institutions (including combinations thereof) which are responsible for or involved in—

(1) the administration of libraries,

(2) the provision of library or other information services,

(3) supporting or coordinating the provision of library or other information services, or

(4) other activities which relate to the purposes of this Act.

APPLICATIONS; AUTHORIZED ACTIVITIES

SEC. 5. (a) In order to receive financial assistance as authorized by section 4, an eligible agency, organization, or institution must submit to the Secretary an application in such form as the Secretary may prescribe. The application shall provide assurance that the proposed activity has been submitted to the State library administrative agency for review and comment, and in the case of interstate projects, the application shall provide assurance that the proposed activity has been submitted to the Governors of the affected States for review and comment. Such application shall include information sufficient to enable the Secretary to determine that funds made available pursuant to the application will be used for activities designed to carry out the purposes of this Act as set forth in section 2, such as—

(1) demonstrating innovative methods for providing library services to handicapped, institutionalized and economically disadvantaged individuals and identifying the information needs of such persons;

(2) designing and demonstrating exemplary interlibrary cooperative services and activities; and

(3) demonstrating means of integrating the delivery of informational and educational service.

(b) The activities authorized by this section may include the evaluation of projects funded under this Act.

(c) For the purposes of this Act, the term "State library administrative agency' means the official agency a State charged by the law of the State with the extensive and development of public library services throughout the State.

CRITERIA FOR APPROVAL OF APPLICATIONS

SEC. 6. The Secretary shall annually develop and publish criteria which shall be applied in approving applications under this Act. Such criteria shall be based on at least the following factors:

(1) the degree to which the project or activity to be funded promises to provide a useful demonstration of one or more of the activities set forth in section.

(2) the degree to which the activity demonstration is applicable to, and can be replicated in, the Nation as a whole;

(3) the extent to which the activity to be funded demonstrates improved ways to serve the handicapped, institutionalized, or economically disadvantaged; and

(4) the source and adequacy of non-Federal funds which will be available to sustain the project or activity upon the cessation of Federal assistance.

DURATION AND AMOUNT OF ASSISTANCE

SEC. 7. (a) Financial assistance provided under this Act shall be available for projects and activities to be conducted in the fiscal year for which funds have been appropriated or in the succeeding fiscal year. The amount of such financial assistance may cover up to 100 per centum of the costs of such projects or activity in the first fiscal year for which assistance (other than assistance for planning) is made available.

(b) If the Secretary determines, in accordance with criteria established by regulation, that the purposes of this Act would be more effectively carried out by providing assistance for a project or activity for a longer period of time than one year, he may provide such assistance for one or two additional years. The amount of financial assistance made available under this Act shall not exceed 70 per centum of the cost of carrying out such project or activity in the second fiscal year, and shall not exceed 40 per centum of such cost in the third fiscal year.

(c) The Secretary may also provide financial assistance under this Act for planning activities to be undertaken in preparation for activities authorized by this Act. Such planning activities shall include a study and determination by the applicant as to the source and adequacy of non-Federal funds which will be available to sustain the project or activity upon the cessation of Federal assistance.

PAYMENTS

SEC 8. (a) The Secretary shall pay to each applicant which has an application approved under this Act an amount which does not exceed the amount authorized by section 7 for the project or activities set forth in such application.

(b) Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

NEW HOPE FOR A WHALE KILLING MORATORIUM

Mr. WILLIAMS. Mr. President, because of my concern over the increasing danger of extinction posed to todays dwindling whale population, I was very pleased to learn of the Soviet decision this week to phase out one of their three Antarctic whaling fleets. This decision came at the start of the 27th annual meeting in London of the International Whaling Commission, which may finally accept a much-needed moratorium on whale killing. The Soviets also revealed their intent to agree to a reduction of catch levels and to safeguard endangered species. In addition, Japan appears to be moving toward a more realistic position. The Japanese delegate to the Commission said he also thought some agreement could be reached on limiting their catch levels. These positive approaches are quite significant because Japan and the Soviet Union together account for about 80 percent of the world's whale hunting.

For more than a quarter of a century the International Whaling Commission has been warned of the growing threat to these great mammals. More than 2 million whales, including the rarest species, have been killed by commercial hunters in the last 50 years. Today, whales are an endangered species. Complete population figures are not available, of course, but the information we do have is cause for alarm. The Commission has acknowledged this to some extend by its prohibition on the taking of such species as the blue whale, the humpbacks, and four species of right whales. But, it has not protected others. Two years ago, the United Nations Environmental Conference called for a 10-year moratorium on whaling, but Japan and the Soviet Union have consistently ignored appeals by other nations to limit their slaughter. Even if the Commission's limited prohibitions are respected, many authorities believe that it is already too late for some species. Populations of some species are extremely low at the present time, and whales reproduce very slowly. Moreover, as the Commission's limited prohibitions take effect, hunters try to kill ever-larger numbers of other species because quotas for the killing of whales are set in terms of the oil production of the very large blue whale.

I am also pleased to note that public concern for the preservation of the whale population is growing. On June 23, 1975, the New York Times printed an editorial entitled "The Silent Whales," asking, "when will the glad tidings be proclaimed that the harmless leviathans of the oceans can be permitted to live?"

> There is nothing romantic about man the predator, using helicopter spotters, shooting an explosive harpoon from modern whaling ships into the vital organs of a whale—which may then take hours of agonized threshing about before it dies. It's a bloody cruel, and thoroughly degrading business.
>
> The lamps of the world are no longer lit by whale oil, but whale products are now

used in the manufacture of mink feed, pet food, car wax, cosmetics, soap, and commercial lubricants. At the same time that killing methods have "improved," various substitutes have been developed for whale meat and oil that no longer make it essential or even useful to hunt down and destroy the largest creatures inhabiting the earth.

I have long been concerned about the survival of these magnificent sea creatures and I welcome the Times' strong stand in this humane campaign. Although I was the sponsor of the Senate version of the Endangered Species Act and the Marine Mammal Protection Act which were signed into law last Congress, resulting in a ban on the importation of whale products and a prohibition against U.S. fishermen killing whales, a binding international agreement for the protection and conservation of marine mammals is still needed.

Japan and the Soviet Union appear to be accepting the whale conservation plan proposed by Australia. This proposal calls for three categories of protection. In the first group are totally protected species like the giant blue whale. Second, the plan calls for an automatic cutoff in hunting of species that fall below the level regarded as critical. The third provision is for carefully regulated hunting of stocks deemed to be in no danger of depletion. While this proposal is only a limited compromise, I hope it will quickly lead to further negotiation and agreement on a whale killing moratorium.

OUR NATION'S DEFENSE

Mr. McCLURE. Mr. President, it may not be pleasant to face the fact that the decisions we make now with respect to our Nation's defense will affect those who come afterward more than any other decisions. We cannot afford either assumptions about the good will of others or temporary distractions to deter us from examining military realities. There are many problems for which there are more than one solution, but also many situations in which the United States seems to prefer its position on the horns of an apparent dilemma rather than doing any real work toward a satisfactory solution.

In this respect, I was very interested in a statement by the Honorable Paul Nitze made before the Subcommittee on Arms Control of the Senate Foreign Relations Committee. Mr. Nitze finds that in general the SALT accords do not prevent the United States from equalizing the inequities presently found between the United States and Soviet defense capabilities. But he does present us with the fact that we have a clear choice between improving the treaty so that parity can be achieved without major new spending on the part of the United States, and expenses which will allow us to live up to the designated maximum in weapons permitted by the treaty.

Mr. President, I ask unanimous consent that these remarks be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE HONORABLE PAUL H. NITZE

I.

Before dealing with SALT in the context of the Vladivostok accord, I believe it would be helpful to recall a few of the basic historical points. It was in the late fifties, even before Sputnik, that many of us became concerned with the stability of the nuclear relationship between the Soviet Union and ourselves. Our nuclear strategic capability, and that of the Soviet Union, were then largely concentrated in our heavy bomber forces; those forces were deployed on a small number of fields, early warning systems had substantial gaps and could be evaded; a well executed surprise attack could have the prospect of emasculating the strategic forces of the other side. Sputnik, and the possibility that the Soviets might attain a threatening ICBM force before we could deploy an adequate counter-deterrent, further exacerbated the problem. The result was an enormous U.S. R&D and deployment effort to avoid those risks. U.S. obligational authority for the direct costs of Program I, the strategic program, during the six years from 1956 to 1962 averaged some 18 billions a year, expressed in constant 1974 dollars. As a consequence of that effort, from 1962 to the present day, the strategic relationship between the U.S. and the Soviet Union has been such that the Soviet Union could not have hoped to gain from a surprise attack or from preempting in a time of crisis.

In the mid-sixties, however, the United States decided to go down one line in its strategic program while the Soviet side went down a quite different line. I was one of those who participated with Bob McNamara in the decisions of those years. Under a stable nuclear umbrella, what counted at the cutting edge of policy were, in addition to a strong political and economic posture, conventional forces adequate to deter other forms of pressure against our allies. Economic and budgetary considerations made it wise to cut the percentage of our GNP and defense budgets going to Program I. By and large, it is cheaper, and at least in the short run, more effective to make technological improvements than to increase force size. We decided to halt the Minuteman program at 1,000, to halt the Polaris/Poseidon program at 41 boats and substantially to reduce the size of our heavy bomber and air defense force levels. Instead emphasis was put on improved reliability, command control, accuracy, and penetration capability, including pen aids and MIRVs and on conventional forces. In 1967 the decision was made to go forward with the Sentinel Safeguard technology despite McNamara's doubts as to its cost effectiveness. As a result of these decisions it became possible to reduce Program I's real annual direct expenditures by almost two-thirds; in 1974 they were approximately seven billion dollars.

The Soviet Union made quite different decisions. They decided, first of all, to equal and then to exceed us in the number of strategic missile launchers and greatly to exceed us in the average throw-weight of the missiles these launchers could launch. This left them with the later option technologically to improve the capabilities of this large force size. Their program has required an increase, rather than permitting a reduction, in their annual expenditures on what we would call Program I.

Many people today emphasize the potentially destabilizing nature of technological progress. To me, the lesson of the last twenty years is quite different. Technology is inherently neutral; whether it is good or bad depends on the uses it is put to and whose ox is being gored. Without an enormous technological effort it would not have been possible for the U.S. to restore crisis stability by its efforts of the late fifties and sixties. Whether we will need to make a comparable effort in the late seventies and eighties is at the heart of the SALT TWO problem.

II.

In talking to various audiences in the months prior to Vladivostok, I was often asked whether I was optimistic or pessimistic about the prospects for a new SALT agreement. In reply I said there really were two questions to be answered. The first was, "what are the prospects for a SALT agreement?" The second was, "how useful an agreement could we expect, if one proved possible?"

As to the first question I said there were some grounds for optimism. I would expect the Soviet leaders to be more anxious to make progress, and to be more flexible in their approach, than they had been in the preceding two years, and in particular, more so than during the Nixon/Brezhnev summit early last summer. At that time, they were fully aware of the President's crumbling domestic support and the possibility that he might be impeached. There were no pressing reasons why they should at that time fall off their previous hard line and show flexibility on the important issues.

Things were different after Nixon's resignation. Mr. Ford could be expected to be President until at least January 20th, 1977. The Interim Agreement expires in 1977. I said that if I were in the Soviet shoes I would try to get some kind of agreement to replace or extend the Interim Agreement before the election year of 1976. Secondly, as Soviet leaders look at what is happening to the economic and political foundations of Western Europe, Japan, the non-oil producing parts of the third world—and even in the United States—they must judge that new opportunities are opening up for them. Furthermore, I believe they see their relative military position improving as they deploy the new family of weapons which they have been developing and testing during recent years.

Under those circumstances, I said that if I were they, I would not wish to rock the boat too much. I would try to maintain "detente" and the special relationship with the United States. Some form of extension or replacement of the Interim Agreement would fit in with such an evaluation of the situation.

On the second part of the question—how useful an agreement might we expect if one were possible—I said I believed the answer would have to be much less hopeful.

The Soviets in the past have taken an extremely one-sided position with multiple built in possible fallbacks. Even if they were to show considerable new flexibility, I did not believe they could justify to themselves giving up the superior position they saw virtually within their grasp. With a U.S. budget ceiling and continuing inflationary and balance of payments problems, they must see some prospect of our not adding to our strategic programs sufficient additional real resources to change the present relative trends. I therefore said I did not see how, under present circumstances, we could expect to achieve an agreement which would significantly unstress our growing strategic defense problems—those arising from a potential shift from parity to Soviet superiority and from assured, to significantly less assured, crisis stability.

This now brings us to the Vladivostok accord. That accord provides for equal ceilings of 2400 on the number of ICBM and SLBM launchers and heavy bombers each side can have over the next ten years; it also provides for equal ceilings of 1320 on the number of MIRVed launchers, MRVs, as opposed to MIRVs, are not to be counted under the MIRV ceiling. The accord carries over from the Interim Agreement a restriction on building fixed ICBM launchers at new locations and limits what are called modern larger missiles (MLBM) launchers to those operational or under construction in May 1972; 308 to 320 on the Soviet side and none on the U.S. side. It provides for freedom to mix between various systems subject to the above limitations. Air to surface missiles with a range more than 600 kilometers carried on heavy bombers are to be counted within the 2400 ceiling. Administration sources have indicated that whether this limitation is to cover only ballistic ASMs or cruise ASMs as well remains to be negotiated at Geneva. Mobile ICBM launchers if permitted, are to be counted. Forward based systems deployed on carriers, in Europe, in the Far East or elsewhere, are not to be counted, although there may be a provision that neither side will circumvent the provisions of the agreement through deployment of otherwise nonlimited systems. The nuclear systems of the British and French are not to be counted. Verification problems remain to be negotiated. There is no agreement on what bombers are to be included under the definition of a heavy bomber.

Thus, the Soviet side did make substantial concessions from their previous extreme positions. The accord gives an appearance of equality in that the number of launchers, MIRVed and unMIRVed, permitted to each side are equal. It does not, however, deal with throw-weight—the most useful verifiable measure of relative missile capability, either MIRVed or unMIRVed. It is difficult to see how the accord reduces, in a meaningful way, the U.S. strategic defense problem posed by the new family of Soviet missiles and bombers which are now completing test and evaluation and whose large scale deployment is now beginning. If we do not add new strategic programs to those which are now programmed, the U.S. will at the end of the ten year duration of the agreement have a half to a third of the Soviet MIRVed throw-weight. The Soviet side would thus have more or larger RVs. The U.S. would also end up with a half to a third of Soviet UnMIRVed throw-weight. The bomber forces of the two sides, in view of our lighter air defenses, would have approximately equal capability.

The accord, provided the cruise missile problem is straightened out and others do not arise, appears not to bar the United States from doing those things which would appear to me to be necessary to compensate for or correct these imbalances. Thus, the accord does not nail down Soviet superiority or prevent the U.S. from maintaining stability and high quality deterrence. But to do do so would requre a significant increase in the U.S. strategic program beyond that now planned or authorized. An important question before your Committee is therefore whether the Vladivostok accord can be improved in a manner which would make such additional U.S. programs less necessary.

IV

To my mind, the basic difficulty with the accord is that it addresses appearances rather than fundamentals. To reduce the danger of nuclear war it would be more important to limit the throw-weight of the missile forces of both sides, particularly of the fixed ICBM forces, than to put a ceiling on the number of launchers. I see no reason why the Soviet Union needs to replace its SS-9s with MIRVed SS-18s, having six to seven times the throw-weight of our Minuteman III nor why it needs to replace a large number of its SS-11s with SS-19s which have three times the throw-weight of our Minuteman III. It is perfectly feasible for the United States to develop missiles of equally large or even greater throw-weight than the SS-19 and to fit them into our Minuteman silos. But would it not be far better for both sides if there were a sub-limit of, say, fifty on the number of SS-18s the Soviets were permitted to deploy and a sub-limit of 500 or less on the number of ICBMs of the SS-19 class that either side were permitted to deploy?

If such sub-limits were agreed, it should then be more feasible to work out subsequent reductions in numbers of launchers which would include the older Soviet unMIRVed missiles, such as the SS-9s, along with our Minutemen II and Titans.

Furthermore, it would seem appropriate to urge the Executive Branch to insist that the Soviet Backfire bomber, and perhaps our FB-111—which is a third of the size of the Backfire—be included in the definition of heavy bomber. Without such inclusion, particularly in the absence of a restriction on deploying tankers for refueling, the entire concept of a 2400 ceiling on ICBM and SLBM launchers and heavy bombers becomes essentially meaningless.

These would be difficult negotiating targets to achieve, but it is my view that the attempt should be made. If the attempt is unsuccessful, we will then have a firmer understanding of the problems to which we must then address ourselves in continuing to maintain the quality of our deterrent posture.

HUD DOCUMENT CONTRADICTS FORD ADMINISTRATION CLAIMS OF A RECOVERY IN THE HOUSING INDUSTRY

Mr. HUMPHREY. Mr. President, I have today released an internal Department of Housing and Urban Development document containing projections, made before the emergency housing bill veto, showing that the housing industry is headed for its worst year since 1966.

This document reveals that the administration probably knew, before this bill was vetoed, that we are headed into a prolonged depression in the housing industry. Housing starts are not projected to rise during the remainder of the year according to HUD's own estimates.

Yet, President Ford vetoed the emergency housing bill, which was specifically designed to generate up to 800,000 jobs, stimulate the construction of 400,000 houses annually and, by increasing Federal tax revenues more than expenditures, to cut the budget deficit. The veto, in view of the fact that the administration had this information, displayed callous disregard for the housing industry. The memorandum is a remarkable document in view of the President's assertion in his veto message that, a housing recovery is "clearly under way." The administration knew that no significant recovery was underway and that builders' expectations actually had deteriorated during the spring until, on May 1, only 16 percent of HUD's field offices felt that builders plans to start new one-family homes were increasing.

The HUD document was cleared by Michael Moskow, HUD's Assistant Secretary for Policy Development and Research, on June 4 and prepared for Secretary Carla Hills. In the section of the internal document entitled, "Comment," the following evaluation was made:

> While it is still too early to measure the tax credit's impact on sales, and on starts, conflicting reports on its use and effects are available from many sources. This is another area requiring a wait-and-see attitude. However, unless some dramatic improvements in consumer attitudes and strong improvements in sales and rental markets occur within the next few months, it appears that housing production in 1975 may be headed for the lowest starts rate since 1966's 1,195,800 units, and may even equal that mark.

Mr. President, this is a remarkably candid statement and one clearly intended for internal Government circulation only. It directly contradicts the claims made on Tuesday by President Ford. The President's veto of the Emergency Housing Act and the ensuing turmoil over veto overrides and substitute bills can only worsen consumer confidence in housing and the economy. In vetoing that bill, President Ford took, perhaps, the most effective single action to bring about the dire projections contained in this confidential HUD evaluation.

The document went on to say:

> The May 1, 1975 opinion survey of HUD field offices found little improvement in the outlook for future builder activity. Only 16 percent of the offices believed builders' plans to start new one-family homes were advancing, compared with 19 percent on March 1 and April 1, and 20 percent on May 1, 1974.

The document speaks for itself, and it also speaks loudly and clearly about the public relations job put on by the President and the administration to disguise a do-nothing policy toward housing.

Mr. President, I ask unanimous consent that the HUD memorandum be printed in the Record.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

From: A/S for Policy Development and Research.

Subject: PD&R Housing Production Trends and Outlook.

The latest developments in housing production and marketing are (in thousands of units at seasonally adjusted annual rates, except as noted):

	Latest month	Previous month	Same month a year ago	Percent change from— Month ago	Percent change from— Year ago
April data:					
Private housing starts	990	974	1,580	1.6	—37.3
Private housing permits	897	706	1,296	27.1	—30.8
Unused building permits (actual)	233	229	348	1.7	—33.0
March data:					
Private housing completion	1,246	1,319	1,813	—5.5	—31.3
Units under construction (actual)	1,068	1,086	1,506	—1.7	— 9.1
Sales of new 1-family homes	449	408	564	10.0	—20.4
New homes for sale (actual)	386	395	443	—2.3	—12.9
Mobile home shipments	199	219	409	—9.1	—51.3
Existing home sales (index: 1972=100)	100	97	109	3.1	—8.3

COMMENT

Along with increased savings flows and lending activity, housing permits provided the brightest news in April. This was particularly true in the extremely depressed multifamily sector, which also experienced a modest increase in starts. However, this sector has been so depressed that a small increase appears to be large when translated into percentage terms. Further, builders still hold unused permits for almost 154,200 units in two or more unit structures; since only 21,800 such units were actually started in April, the unused permit inventory is sufficient for 7 months of starts at that level. Thus the April increase in permit issuances may be a one month phenomenon.

Sales of new and existing single family units began moving slowly upward before the much publicized tax credit for certain new homes became available. While it is still too early to measure the tax credit's impact on sales, and on starts, conflicting reports on its use and effects are available from many sources. This is another area requiring a wait-and-see attitude. However, unless some dramatic improvements in consumer attitudes and strong improvement in sales and rental markets occur within the next few months, it appears that housing production in 1975 may be headed for the lowest starts rate since 1966's 1,195,800 units, and may even equal that mark.

HOUSING PRODUCTION

April single family starts were virtually unchanged from the three previous months. The preliminary April figure of 754,000 units started, at a seasonally adjusted annual rate was not statistically different from 757,000 in March, 733,000 (revised) in February or 739,000 in January. However, the April figure was 22.7 percent below the rate of 975,000 units in April 1974. The annual starts rate for units in 2 to 4 unit structures was also statistically unchanged February through April, but the April rate of 46,000 units was up 18.0 percent above January's rate of 39,000 units, but down 44.6 percent from the 83,000 unit rate in April 1974. Multifamily starts, on the other hand, had a real increase of 11.8 percent in April to a rate of 190,000 units from 170,000 units in March. However, the April rate was 13 to 14 percent below the rates in January and February of this year, and 63.7 percent below the 523,000 unit rate in April 1975.

Regionally, the April starts rates were up 12.7 percent from March in the Northeast to 124,000 units, unchanged in the South at 396,000 units, down slightly in the North Central at 228,000 units, and up slightly in the West at 242,000 units.

Actual private starts of 98,600 units in April were 23.3 percent greater than the 80,000 units started in March, but 38.2 percent fewer than the 159,500 units started in April 1974. April 1975 starts of 66,100 units inside SMSAs were up 25.2 percent from March but down 41.7 percent from a year earlier. April 1975 starts of 32,400 units outside SMSAs were up 22.7 percent from March and down 29.7 percent from April 1974.

Total public and private starts in the first 4 months of 1975 are reported at 292,200 units. Total starts in the first third of 1974 numbered 483,900 units; the 1975 production is 39.6 percent below that of a year ago.

Single family permits issuances in April 1975 rose 16.7 percent to a seasonally adjusted annual rate of 610,000 units from 523,000 units in March, but were down 16.1 percent from the 727,000 unit rate in April 1974. The authorization rate for units in 2 to 4 unit structures rose 50.0 percent from 44,000 units in March to 66,000 units in April, but was 19.5 percent below the 82,000 unit rate in April 1974. The seasonally adjusted annual rate of unit authorizations for structures with 5 or more units was 221,000 units, up 59.0 percent from 139,000 in March, but still 54.6 percent below the 487,000 unit rate in April 1974.

In the Northeast region, the April permits rate was 136,000, up 29.5 percent from March, but down 24.9 percent from a year earlier. The North Central rate in April was 223,000, 37.7 percent above March and only 8.2 percent below April 1974. The April permits rate in the South was 285,000 units, 29.0 percent above March but 44.8 percent below the previous April. The West's April 1975 rate was 253,000 units, up 16.1 percent from March but 29.1 percent below April 1974.

Unused permits in the hands of builders at the end of April included 79,000 for single family units, compared with 75,900 in March and 105,200 in April 1974. Builders held permits for 13,300 units in 2 to 4 unit structures, up from 12,100 at the end of March, and down from 21,700 units at the end of April 1974. Unused permits for multifamily units declined slightly to 140,900 at the end of April 1975 from 141,400 at the end of March, but down greatly from 221,400 units at the end of April 1974.

Completions of privately-owned housing units continued to drift downward (on a seasonally adjusted, annual basis) during March 1975. The annual rate of 1,246,000 was the third lowest rate reported since seasonally adjusted figures were first released in 1968. The drop in the completion rate over the past year reflects the continued adjustment to the slowed pace of sales and rentals. Since March 1974, single family structure completions rates declined by 26.3 percent to 709,000 units, structures with 2 to 4 units off by 48.0 percent to a 53,000 unit rate, and structures of 5 or more units dropped by 35.3 percent to a 490,000 unit rate. The latter was up 3.2 percent from the 475,000 in March 1975, but was offset by declines in one unit and 2 to 4 unit completions over the month.

Actual completions for the month of March 1975 totaled 93,200, a slight increase from February's 89,600, but a drop of 30.2 percent from the March 1974 figure of 133.600. The South accounts for 45 percent of the March completions, the West had over 21 percent, the North Central states more than 17 percent, and the Northeastern region over 16 percent, continuing the distribution pattern observed in the recent past.

New, privately-owned, housing under construction at the end of March included 477,100 single family units, up from 470,200 units at the end of February, but down 13.2 percent from 549,600 units at the end of March 1974. There were 53,600 units under construction in 2 to 4 unit structures, up slightly from 52,600 at the end of February but down 30.2 percent from 76,800 units at the end of March 1974. Units under construction in multifamily structures totaled 537,700 at the end of March 1975, down 4.5 percent from 563,300 units at the end of February and down 38.8 percent from 879,000 units at the end of March 1974.

The May 1, 1975 opinion survey of HUD field offices found little improvement in the outlook for future builder activity. Only 16 percent of the offices believed builders' plans to start new one-family homes were advancing, compared with 19 percent on March 1 and April 1, and 20 percent on May 1, 1974. Almost 63 percent reported no change in builders' plans, compared with 57 percent on April 1, but 21 percent reported declining plans, down from 26 percent on April 1 and 24 percent a year ago. There was a slight improvement in the outlook for moderate priced homes, with 27 percent of the offices reporting advancing plans, up from 23 percent on April 1.

Actual mobile home shipments by manufacturers to dealers and land developers were reported by Elrick and Lavidge at 16,270 units in March, up 10.9 percent from 14,670 units in February but down 51.2 percent from 33,340 units in March 1974. Shipments in the first quarter of 1975 totaled 42,600 units, down 50.8 percent from the 86,520 units shipped in the first quarter of 1974. The estimated retail value of the 1975 shipments was $451.4 million, down 42.4 percent from $783.8 million for shipments in the same period of 1974.

HOUSING MARKETS

Actual sales of new, one-family homes during March 1975 rose 30 percent to 43,000 units from 33,000 units in February. Compared with March 1974, when sales totaled 53,000 units, the 1975 sales were down 18.9 percent. The median price of homes sold was $38,300, up from $37,800 in February 1975, and $36,000 in March 1974.

The ratio of houses for sale to houses sold during the month dropped appreciably, from 12.0 for February to 10.6 for March, indicating a better balanced flow from stock for sale to sales. On the other hand, the median number of months from construction start to sale moved up from February's 5.0 months to March's 5.3 months, indicating increased carrying costs for the builder in bringing his product to market. Completed, single family houses for sale at the end of March stood at 143,000, less than 40 percent of the total of 386,000 new single family houses being offered for sale, which include 187,000 under construction, and 56,000 for which permits have been issued, but on which construction has not yet started.

Existing home sales in March rose again, continuing up from the low rate experienced in January. The Northeast and the South were two points above the average 1972 sales rate, while the North Central and the West were each two points below the 1972 rates, The West's rate was 3 percent above March 1974, but the other regions were down from a year earlier; the South by 6 percent, the Northeast by 7 percent, and the North Central by 16 percent.

The median price of existing homes sold in the United States in March 1975 was $34,240, up from $33,850 in February, and up by 9 percent from $31,350 in March 1974.

The market continues to weaken for new unfurnished rental apartments in buildings with 5 or more units. Of such units completed in the three months of November and December 1974 and January 1975, only 56 percent were rented within three months of completion. This was the lowest absorption rate ever experienced in any 3 month period since the series began in 1969. Comparable rates for the same period in the previous four years varied from 62 to 65 percent.

SOVIET VIOLATIONS OF THE SALT DEAL

Mr. McCLURE. Mr. President, it may come as a shock to some in the State Department and some abroad that the primary function of U.S. foreign policy is not the retrieval of the reputation of Henry Kissinger. Neither is it to assist the reentry of Mr. Brezhnev to the front pages of the world's press.

At present Dr. Kissinger strains toward achieving agreements for agreements sake, which for him spells success while Mr. Brezhnev holds an acquiescent press as a cudgel over the Dr.'s head.

The most important issue is ignored: The safety of the American citizen. The risks are of a fundamental kind. The United States, optimistic, naive and finally just war-weary, entered into a series of negotiations concerning the limitation of strategic arms. The first round led to the negotiation of a treaty to limit antiballistic missiles on both sides to nominal levels. In addition, an executive agreement was made to limit strategic offensive weapons for a 5-year period in a 3-to-2 ratio; three ballistic missiles for the Soviets for every two of ours. An agreement in principle on a new 10 year agreement was made at Vladivostok between Ford and Brezhnev to replace the interim executive agreement. The first round of these has resulted in extreme confusion for the United States because the agreement was so loosely drawn that the Soviets have managed to carry out a vast program of concealment, camouflage and evasion in their R. & D. program, as well as major expansion of their strategic nuclear capability with scarcely a word of protest from the U.S. Government.

The second risk is that whatever the validity and integrity of the documents themselves, the Soviet Union seems no more disposed to honor them than she has her commitments in the past. America's newly perceived moral weakness will be no stimulus for change. What then can we expect from future efforts at negotiation?

When Congress approved an executive agreement in September of 1972 to limit offensive arms it was not unanimously hailed. Those opposed did understand that at worst this mutually agreed upon U.S. inferiority was only to last for a period of 5 years. At the end of this time we were assured of an agreement limiting offensive strategic arms in such a manner that the whole process did not make the United States worse off than it would have been without an agreement. The Jackson amendment added over the resistance of the administration to the instrument of ratification of the interim executive agreement, specifically expressed the intent of Congress in favor of nothing less than parity, not inferiority.

Since that time interpretations of past agreements and projections for future ones have been subjects of discussion between Ford and Brezhnev at Vladivostok, between the United States and Soviet SALT delegations, and in secret Kissinger-Gromyko discussions. The direction taken in these forums is one which if unscrutinized and unchanged will result in a substantial violation of congressional intent. Parity, the specifically defined congressional purpose, will have been eschewed in favor of codified long-term strategic inferiority for the United States. It could be an expensive one.

The Vladivostok accords focus on delivery vehicles, including sea and land-based intercontinental missiles but without reference to the characteristics of the missiles involved. They provide for equal numbers of strategic delivery vehicles for each side—including missiles, bombers and submarine launched ballistic missiles—but fail to account for the disparity between the payload capacities of United States and Soviet missiles. Those provisions carried over from the SALT I accords permit the Soviets to retain very high payload missiles, that is missiles with the potential to carry large numbers of warheads.

But the United States is prevented from deploying the same large numbers of heavy payload missiles. For example: The current Minuteman III missile, the most modern in the U.S. inventory has a payload which is only one-sixth that of the Soviet SS-18. Even if we deployed a new land based ICBM, the proposed M-X which exists only on paper would not be deployed in significant numbers during the life of the agreement, even if a decision to do so were made tomorrow.

Even then, it would have only one-third the payload of the Soviets' SS-11 and less payload than any likely replacement for the SS-11, which is supposedly the "light missile" equivalent of the Minuteman III/II. The significance of this payload disparity if easily illustrated. Our Minuteman III missile now deploys two or three warheads. If the SS-18 were loaded with warheads of the same size and weight as our own, it could carry 28 of them at intercontinental distances.

If the U.S. citizen is really to be protected, those charged with negotiating strategic arms limitation executive agreements should be instructed to focus on the long-term potential capability of the Soviet strategic forces rather than simply achieving numerical equality in the number of delivery vehicles, all of which have vastly different properties.

The situation is analogous to one faced by a businessman who seeks to store a number of cartons of a given size in a warehouse. The size of the warehouse sets the limit on the number of cartons which can be packed in. If the material in the cartons is packed more tightly so that smaller cartons can be used, then the warehouse can hold more of the smaller cartons. In each case, the crucial issue is the size of the warehouse. So it is with missile payload. The larger the payload, ultimately the greater the number of warheads that can be packed into the missile. With the ICBM force the Soviets now have, their payload capacity is four times our own.

If Soviet engineers are only 15 years behind the skills of their U.S. counterparts in warhead miniaturization and missile guidance technology—that is, achieve by 1980 what U.S. engineers were able to achieve in the mid-1960's on the Minuteman III and Poseidon programs—they would be able to deploy four times as many warheads as we now deploy. This advantage would be due to the large Soviet advantage in missile payload.

This disparity in payload will grow to over 10 million pounds—approximately 12 million pounds for the Soviets compared to less than 1.5 million pounds for the United States—if the United States fails to deploy a heavier payload missile, and the Soviets replace their 313 SS-9 missiles with the SS-18 while replacing the SS-11 with either the S-17, SS-19 or the SS-20 now being flight tested.

An article in winter 1974 edition of Foreign Policy by Paul Nitze, a member of the U.S. SALT delegation from 1969 to 1974 dramatizes the significance of payload disparity:

> Let us assume that 2,000 pounds of throw-weight are needed to give high confidence of achieving a 95 percent probability of destroying a hardened fixed point, that 3,500 pounds of throw-weight are required to blanket an area of 400 square miles with blast and radiation effects sufficient to destroy an aircraft in flight, that 15,000 pounds of throw-weight are necessary to disable a submarine, localized to a 300 square mile area of the sea, by a barrage attack. Let us further assume the Soviets wish to destroy 1,200 fixed points, blanket 400,000 square miles of aircraft escape area and barrage 100 aim points at sea. How much throw-weight would be required? The first task would require 2.4 million pounds, the second task 3 million pounds, the third task 1.5 million pounds—approximately half the Soviet throw-weight could be kept in reserve.

We must be certain that future SALT agreements do not perpetuate the Vladivostok inequities. To allow them to do so would be to guarantee Soviet strategic nuclear superiority while violating the intent of Congress.

An additional problem deals with MIRV verification. Secretary Kissinger once emphasized that MIRV verification provisions must stipulate that Soviet missiles tested in the MIRV mode, and subsequently deployed, should be counted against the ceiling of 1,320 MIRVed missiles. I do not think that the American people will be happy to hear that compromise on this position is being considered. We are now considering a proposal to allow the Soviets to deploy their largest missile, the SS-18, in both the MIRV mode and the un-MIRVed mode, even though it has already been tested in the MIRV mode.

There is no reliable means to tell the difference between the two when deployed. They will not delight in the idea that some faceless negotiations can change their country's relative position in the world or their safety in their own country by the addition of a phrase or the deletion of a clause. The Soviets insist that they must deploy the SS-18 both the MIRV and the un-MIRVed modes. They say they will keep them in separate sites. The only way we can establish how many there are of each for the count is to depend upon the Soviet's good faith in making the identification. Given the size and potential destructive ability of these missiles it would be naive to accept an unverified account.

There is still another way in which we have managed to jeopardize our strategic security. For the past several years the Soviets have been developing a new supersonic bomber known as the Backfire. Initially there were disagreements as to its ability to conduct intercontinental operations. The second aircraft in this series, the Backfire B, has settled the dispute. It can operate from over 400 airstrips in the Soviet Union and land at a large number of North American fields. It could be used in missions against the United States without having to return to the Soviet Union. Our B-52 bombers may well be in the same position of making a foreign landing after hitting Soviet targets, but it is the fact that they are targeted on the Soviet Union which designates them intercontinental bombers. Despite the fact that there is no basis for asserting that the Backfire B has no intercontinental capability it is not to be counted as a Soviet strategic delivery vehicle under the Vladivostok accords. In addition, the Soviets have 1,200 other medium bombers similar in payload capacity to the U.S. FB-111 which is now targeted against the Soviet Union. They would also be excluded from the Soviet strategic delivery ceiling.

The other difficulty concerns the entire pattern of Soviet behavior since the first round SALT Accords were signed. Rather than facilitating our ability to verify Soviet compliance with the agreement by national technical means of verification, the Soviets have engaged in a series of practices which have the effect of concealing their activities. This concealment is serious enough with respect to the relatively simple problem of verifying the number of missile silos, submarines, and conformation to requirements of the ABM Treaty. Even on the relatively straight-forward ABM Treaty, the Soviets cannot resist the opportunity to cheat. The Soviets agreed not to test antiaircraft radar in a manner which would permit it to direct antiballistic missiles against ballistic missile warheads. Yet the Soviets conducted scores of illegal experiments with their radars for 18 months. They only ceased doing so in recent months but may well have developed an acceptable ABM radar despite the agreement. The SALT II Accords cover a much more complicated range of military activity with vastly more complex verification requirements. If the Soviets continue to conceal their activities in violation of the previous agreements it would be unwise for the United States to continue the SALT process.

Mr. President, Mr. Tad Szulc has written an article published in the June edition of the New Republic which addresses itself to the facts that the Russians may have not only outmaneuvered the United States in the 1972 SALT Accord and the 1974 Vladivostok talks, but that they are also violating the spirit or the letter of the original treaty in at least five key areas. Mr. President, I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New Republic, June 7, 1975]

SOVIET VIOLATIONS OF THE SALT DEAL—HAVE WE BEEN HAD?

(By Tad Szulc)

The differences between the United States and the Soviet Union over the implementation of the 1972 nuclear strategic arms' limitation agreements (SALT) are deepening and new ones are emerging around the "tentative" accord for a second step in SALT that President Ford and Chairman Brezhnev reached in Vladivostok last November. This state of affairs, throwing a pall on the future of détente unless the basic SALT problems are promptly resolved, has been generally concealed from the American public and to a large extent from the Congress because of its enormous political sensitivity. That so many of these problems result from ambiguities that the US has accepted in the SALT treaty and the accompanying protocols is also a reflection on the quality of Secretary of State Kissinger's diplomacy. Besides Kissinger, wittingly or not, may have misled the Congress in explaining the 1972 pact.

As far as is known Kissinger and Soviet Foreign Minister Gromyko made virtually no progress in breaking the SALT deadlock when they met in Vienna in May. The standing US-Soviet Consultative Commission on SALT, which was to have resumed its secret discussions in Geneva on June 2, postponed its session for at least a month, possibly pending Kissinger's and Gromyko's scheduled new meeting in July. If they fail to settle the current controversy, not only SALT but détente will be in considerable trouble.

The commission is the forum where both aides bring up problems resulting from SALT agreements and attempt to implement such new decisions as those reached in principle by the US and the Soviet Union at Vladivostok last fall.

Brezhnev has already postponed his planned Washington visit in June or July to sometime in the late autumn because of the realization that a new SALT agreement could not be signed in time. The Russians, in fact, have informed their Eastern European allies that the SALT stalemate was the reason for delaying Brezhnev's trip. They have also suggested that if no agreement on SALT II is feasible, there may be no Brezhnev visit at all.

Meanwhile evidence becoming available through intelligence and diplomatic channels indicates that the Russians may have not only outmaneuvered the US in the 1972 SALT accord and the 1974 Vladivostok talks, but that they are also violating the spirit or the letter of the original treaty in at least five key areas.

Some of this information was given the subcommittee on arms control of the Senate Armed Services Committee (which is headed by Sen. Henry M. Jackson, Kissinger's principal tormentor in the Senate) in secret testimony by Central Intelligence Agency Director William E. Colby last February 11, and by Defense Secretary James R. Schlesinger last March 6. Kissinger was scheduled to testify on May 15, but he requested, not surprisingly, an indefinite postponement. According to intelligence and Pentagon sources, Colby and Schlesinger spoke at length of the highly disturbing Soviet behavior in the SALT context, but they avoided direct charges of violations against Moscow. This would have been a political judgment that Colby and Schlesinger preferred to leave to Kissinger.

The apparent Soviet violations range from what American experts regard as an unauthorized conversion of "light" intercontinental missiles into heavy ones (thus threatening the strategic balance), to a significantly growing interference with US efforts to carry out verification procedures to assure that our détente partner is abiding by the SALT treaty. The US now finds itself deprived of much vital strategic intelligence, particularly concerning the new Soviet testing of MIRV missiles. The Soviets are interfering, in disregard of treaty provisions, with our satellite photography of their missile launch sites and, perhaps even more importantly, they are preventing telemetric measurements by the US of MIRV test flights.

The basic SALT document is the 1972 agreement. Actually it consists of two separate treaties. One covers the "limitation of anti-ballistic missile systems" (ABM) and it is confined to defensive strategic arms. This treaty limits the deployments of defensive ABM systems by both sides and is of "unlimited duration." The second treaty is a five-year "interim agreement" (it expires in 1977) on the limitation of offensive nuclear weapons systems. In effect it froze the number of Soviet land-based intercontinental ballistic missile launchers at 1419 and the number of US ICBM launchers at 1054. The Soviets were allowed 950 submarine-based missile launchers and the US 656 of them, with the option of going up to 710 if it chose to reduce the land-based launchers to 1000.

The general concept of the interim agreement was to freeze strategic forces at roughly the 1972 levels rather than to seek actual reductions at that stage. But because the interim agreement made no reference to MIRV systems, the net effect of it was that the U.S. and the Soviet Union were shifting from a quantitative to a qualitative arms' race. In other words the Russians, who had not yet developed an operational MIRV system when the 1972 treaty was being negotiated, were given time to catch up with the United States in this field (we had MIRVed some time earlier) before a permanent accord would be negotiated to replace the interim agreement. Five years was the period during which the Soviets were expected to be able to deploy MIRV systems. By the same token Moscow was allowed more missile launchers than the United States to compensate for the American MIRV advantage. Although the Soviet Union is ahead of the United States in the size and throw-weight (the launch thrust of a missile) of existing ICBMs, Nixon and Kissinger had to accept the Soviet numerical superiority in 1972 because Brezhnev made it clear that otherwise he would not sign the pact. The tacit agreement was that the two superpowers would start thinking in terms of *reducing* nuclear forces only after the Russians had achieved a technological equivalence in MIRV weapons.

The current problems consist mainly of Soviet violations of the 1972 agreements. As seen by American experts, they are in the following five areas:

1. *Light and Heavy Missiles.* While the Americans and the Russians agreed in Moscow on the numerical limits on land-based ICBMs, the United States attempted to place restrictions on the size of Soviet missiles by insisting on a clause preventing the conversion of "light" missiles into "heavy" missiles. Moscow, however, flatly refused either to discuss this point or even to define a "heavy" missile. Kissinger's response to this refusal was to devise the method of "unilateral statements" that were appended to the treaty. In the case of missile weights, the American delegation said in its unilateral statement "D" that "Under these circumstances . . . the United States would consider any ICBM having a volume significantly greater than that of the largest light ICBM now operational on either side to be heavy missiles. The U.S. proceeds on the premise that the Soviet side will give due account to this consideration."

Of the 1409 land-based ICBM launchers allowed the Russians, 313 were in the heavy SS-9 class (some of these were under construction and the United States tacitly recognized that a certain number would be upgraded to what now is the super-heavy SS-18 missile) and 1096 in the "light" class of the SS-11 missile.

The American expectation was that none of these 1096 light missiles would be converted into heavy ones. In 1972 the light SS-11 missile had the volume of 69 cubic meters. The secret record of the negotiations shows that the Americans told the Russians that they would consider as "significantly greater"—and, therefore, as a "heavy" weapon—any missile exceeding 70 cubic meters. Briefing members of Congress at the White House on June 15, 1972, Kissinger put it this way: "The agreement specifically permits the modernization of weapons. There are, however, a number of safeguards. First there is the safeguard that no missile larger than the heaviest light missile that now exists can be substituted. Secondly, there is the provision that the silo configuration cannot be changed in a signficant way and then the agreed interpretive statement or the interpretive statement which we made, which the other side stated reflected its views also, that this meant that it could not be increased by more than 10 to 15 percent. We believe that these two statements, taken in conjunction, give us an adequate safeguard against a substantial substitution of heavy missiles for light missiles. So, we think we have adequate safeguards with respect to that issue . . . As far as the break between the light and the heavy missiles is concerned, we believe that we have assurances through the two safeguards."

What Kissinger was saying, however, was misleading. In the first place the United States never received Soviet assurances that the American unilateral interpretation was acceptable. Kissinger simply omitted this vital fact in briefing the congressmen. He brushed aside the fact that Moscow had shied away from defining heavy missiles and claimed that the United States had "adequate safeguards" though none really existed.

Subsequent events proved him wrong. According to United States intelligence the Soviets have all along been converting the SS–11 missile into the SS–19, which has a volume of close to 100 cubic meters. The quantum jump from the 69 cubic meters of the SS–11 to the 100 cubic meters of the SS–19 is indeed "significantly greater." Kissinger was likewise wrong in assuming that the agreement in "agreed interpretations" on limiting the increase of silo configurations for launchers to 10 or 15 percent would prevent the installation of the new heavy missiles in the old holes.

In this area Kissinger was defeated by new Soviet technology. Thus the Russians have developed the so-called "cold-launch" technique in which compressed air is used to "pop up" (elevate) the missile in the silo before its engines are ignited. In this fashion a SS–19 can be fitted into a slightly enlarged SS–11 silo.

The United States has privately protested against the SS–19 conversion. At this juncture, however, the Russians are deploying hundreds of SS–19s and testing them with MIRV warheads. Quite aside from strategic implications of this development, this episode serves to demonstrate how useless was Kissinger's recourse to unilateral statements in SALT diplomacy.

2. *Covered Facilities*. Article V of the interim agreement provides that "for the purpose of providing assurance of compliance . . . each Party shall use national technical means of verification at this disposal," that "each Party undertakes not to interfere with the national technical means of verification of the other party," and that "each Party undertakes not to use deliberate concealment measures which impede verification by national technical means of compliance. . . ." But United States intelligence sources report that for a number of months now the Soviet Union has been engaging in "deliberate concealment measures" to prevent American overhead photography of many of its silo fields containing launchers. The standard "national technical means of verification" are Samos satellites orbiting over the Soviet Union around the clock photographing the sites. Intelligence photo analysts study the incredibly high resolution pictures taken on each pass to determine whether any differences can be detected pointing to possible change in Soviet deployments. According to intelligence reports, mentioned by Colby and Schlesinger, the Soviets have been placing canvas over their mobile missile launchers thus preventing United States photography. The canvas covers roughly 80 by 30 feet areas in several places.

The United States has protested this concealment practice at the recent Geneva session of the Consultative Commission, but it has received no satisfactory reply from the Russians. One of the Soviet responses was that the concealment of the launchers relates to testing that is not specifically covered in the interim agreement. United States intelligence obviously has no way of determining whether the Soviets are telling the truth. Another Soviet comment was that the United States, occasionally places covers on its Minuteman launchers. In this instance, however, covers are placed for only 18 or 72 hours to let concrete harden on the new silos. The administration, incidentally, never reported publicly these Soviet violations nor the American protests in Geneva.

3. *Telemetry*. Soviet interference with United States measurements by telemetry of Russian MIRV testing may be the most serious SALT violation, particularly in the light of last November's tentative agreement between Brezhnev and Ford in Vladivostok that for the first time added MIRVed vehicles to the limitation of strategic arms. Under the tentative agreement each side would be entitled to 2400 nuclear delivery vehicles of which 1320 would be MIRVed. The American interpretation was that if a missile has been tested with multiple warheads, every missile of that type that is deployed is to be counted against the ceiling of MIRV warheads.

But this was another instance where Kissinger's diplomacy may have been caught in Soviet ambiguities. It was Kissinger who pushed for the Vladivostok agreement in a top-secret "eyes only" memorandum be submitted to Ford a few weeks after the new President was sworn in last August. His point was that following Nixon's failure to negotiate a new SALT agreement in the summer of 1974, Ford had to move quickly to reinforce the tottering *détente*. After the document was signed in Vladivostok, Kissinger told newsmen that if SALT II is signed in 1975 "it will mean that a cap has been put on the arms race for a period of 10 years."

Soon, however, it developed that the Russians had a different interpretation concerning the MIRV count and, above all, the verification procedures Kissinger had in mind. In December he declared that "the one principle on which we're going to be adamant and will not yield, which is nonnegotiable, is that any missile that has been tested with a MIRV mode successfully, I mean if they've run five or six tests, will be counted as a MIRVed missile when it is deployed . . . If they reject the verification formula, unless there is enormous ingenuity in which we come up with another one, I really wouldn't know where to begin . . . I think that if they reject verification it will be very hard to conceive how there can be a deal."

But last February the Russians informed the Americans that they rejected the notion that a whole class of missiles should be counted against the MIRV ceiling only because some of them have been tested with MIRVs. Gromyko repeated it in May, and Kissinger suddenly began talking of "compromises." But of the greatest concern to the United States is the extent of Soviet MIRV testing of the huge new SS–17 SS–18 and SS–19 missiles (the SS–19 is the "light" missile that became a "heavy" one). According to Schlesinger the SS–18—the biggest missile in the Soviet arsenal—is already being deployed with eight MIRV warheads. And this is where the importance of telemetry in monitoring MIRV tests comes in.

The use of radar makes it possible for United States intelligence to track the reentry of a MIRV vehicle carrying a single independently targeted warhead. It may also show the separation of multiple warheads under certain circumstances. But only telemetry—the monitoring of electronic signals broadcast by the missile—can reveal absolutely vital information concerning MIRV functions. This may include data on the fusing mechanism for the nuclear weapons carried in a MIRVed vehicle, the method of deployment of the individual missiles from the mother warhead, the missile's internal functions such as fuel consumption, temperature, pressure and so on.

Denial of telemetry intelligence thus deprives the United States of necessary information to determine whether MIRV tests are successful. As a top scientist put it, "the margin of uncertainty is gravely increased." And this is precisely what the Russians have attempted to do. Late last year they began to jam United States telemetry receivers and to encode and encapsulate the electronic data signals.

Most importantly, they switched from the analogue to the digital system of transmitting signals. Under the analogue system the signals are transmitted in the clear and can be read by American intelligence through verification procedures. But in the digital system the signal data is transformed into numbers that are "reconstructed" by computers on the ground into meaningful information. This form of encoding signals cannot be broken by American experts because it is based on arbitrary numbers that can be changed daily. In other cases the data are encapsulated in flight recorders—it is not even transmitted in flight—and it is retrieved after a missile comes down. It is unclear whether the U.S., too, is, in response to the Russians, now encoding its telemetry. It did before the 1972 SALT agreement banned interference with verification, but apparently discontinued the practice thereafter.

4. *Command and Control*. The United States suspects that the Soviets may be violating Article I of the 1972 interim agreement, which provides that "the Parties undertake not to start construction of additional fixed land-based ICBM launchers after July 1, 1972." This view is based on the fact that in the spring of 1973 the United States discovered through overhead reconnaissance that new silos were being built, apparently for the SS–18. Although Nixon failed to raise it with Brezhnev at the 1973 summit in Washington, Kissinger made subsequent inquiries in Moscow through his "back channel."

The Soviet reply was that the new installations were not missile silos, but "command and control" capsules. The intelligence community has reported, however, that these capsules have the same characteristics as missile-launcher silos. The doors of these structures, for example, are identical with doors on launcher silos. They can be blown off instantly as if to surface a missile, something that a command-and-control post does not require. Intelligence has counted one such installation with each of the 150 launcher groups. In theory this may add 150 launchers to the Soviet ICBM totals if the suspicion held here is correct.

5. *ABM Violations*. The ABM treaty limits defensive deployments to specified areas in the United States and the Soviet Union. Although the 1972 treaty allowed two areas to each, this was modified in 1973 to a single system protecting Moscow and one protecting United States silos in Montana. Moreover the treaty stipulates that each side will confine itself to the use of antiballistic launchers and radars "deployed for an ABM role." This means that no anti-ballistic systems can be installed beyond the Moscow area.

American intelligence has discovered, however, that the Soviets are testing a modified version of the SAM–5 Griffon surface-to-air missile, in conjunction with radars, in other areas of the country in what the treaty calls "an ABM mode." Inasmuch as the Griffon test firings have been observed up to an altitude of 100,000 feet, the United States questions whether this system can be intended against aircraft. Likewise non-ABM radars have been tested against incoming objects behaving like United States ICBM or submarine-launched warheads. This activity is known in the SALT community as "SAM upgrading," and Pentagon officials believe that the Soviets are surreptitiously acquiring an added ABM defensive potential to match their growing offensive strength.

Here, once more, Kissinger was trapped in ambiguities. Inasmuch as the Russians insisted on leaving unclear the "ABM mode" provisions, he appended to the text a unilateral declaration setting for the US interpretation of what it should be. But as in the case of the light missiles, this is not binding on the Russians.

Where Kissinger goes from here in terms of SALT and its impact on détente is unclear. The differences between the United States and the Soviet Union, as illustrated by the disputes over the violations and interpretations of the SALT treaties, are quite deep and may no longer be able to be papered over for the sake of détente cosmetics. New "compromises" may keep the process alive a while longer. But, in the end, reality must be faced.

OPPRESSION IN INDIA

Mr. HELMS. Mr. President, the newspapers today carry stories about the collapse of democracy in India, the land so often held up as the model of political organization for the developing nations.

Mrs. Ghandi, accused of minor corruption and now facing action before India's Supreme Court, has chosen to respond by suspending the constitution and initiating waves of mass arrests of her political opposition. This morning's press announces at least 100 such arrests of national political leaders, including the distinguished and outspoken thinker, Jayaprakash Narayan. This afternoon's wires report that the wave of arrests now extends to the provinces, especially in Punjab and Haryana. Since then, censorship has blacked out further news.

It is rather ironic that the excuse given by Mrs. Ghandi is the call by Mr. Narayan for civil disobedience as long as Mrs. Ghandi remains in office. Mrs. Ghandi, as is well known, is the daughter of Nehru, the disciple of the late Mahatma Ghandi, whose political success against the British was based upon the same principle. Undoubtedly it is this very factor which has caused her to react so strongly.

But on the other hand, the dramatic collapse of the vaunted democracy in India is not something that has just happened because of the events of the past few weeks. It is well known, and openly discussed, that the minor incident of corruption for which Mrs. Ghandi was cited, was but a symbol of the corruption which permeates every level of the Ghandi administration, and maintains her in power. It is well known that her status depends upon the iron-clad control which she maintains over the political apparatus with bribery, nepotism, so-called black money, and threats. And not to be left out is the firm support of the Congress Party by the Soviet-controlled Communist Party. The organizational skills of the Communists have been very effective in keeping the people of India in line. Mrs. Ghandi now controls 85 percent of the Indian Parliament.

Unfortunately, the same apparatus that is useful in keeping political power in tight control, has brought India to economic chaos and starvation in many areas. Doctrinaire socialism, coupled with massive inefficiency and incredible bureaucracy, has systematically despoiled India's productive base. Most of India, for example, has been floundering in a subsistence agriculture, hamstrung with arbitrary economic controls, and lacking an effective system of distribution. Yet in those areas which do produce a grain surplus—principally in Haryana and Punjab in the north—Mrs. Ghandi has decreed land "reform" based upon the destruction of the local free enterprise oriented agricultural system that made the surplus possible.

It is not surprising that it is in such areas where the opposition to Mrs. Ghandi is the strongest, and where the second wave of mass arrests immediately began. The sudden flood of oppression, then, is nothing surprising. Just as the incident which formed the basis of the court decision against Mrs. Ghandi was but the tip of the hidden corruption maintaining her political power, so too the sudden arrests were symptomatic of the oppression which simmered just below the surface of political life in India.

The fact is that the Communists need Mrs. Ghandi in power for their own control of India. They know that there is no one who can hold India together in the present circumstances; as long as Mrs. Ghandi adheres to the policy they have set for her, the Communists can accomplish their objectives without taking any of the blame for domestic problems. Mrs. Ghandi's advisers know, therefore, that her power must be maintained at all costs—hence the suspension of the constitution, the mass arrests, the censorship.

Mrs. Ghandi's problem is unlike the problems faced by nations with an external enemy. When subversion comes from the outside, or when a country is faced with a massive military presence on its borders, it is sometimes necessary to have something less than a perfect democracy.

But the enemy Mrs. Ghandi fears is the people of India, and the problems which her socialism has brought upon her country. The diversion of resources to military nuclear potentials, her aggressive attitude toward her neighbors, the undermining of the free enterprise system, and the universal corruption have brought her popularity to the lowest ebb. The time of her greatest power is the time of her greatest vulnerability. The show of democracy, put on for the sake of world opinion, is over. The trumpery and false front has fallen.

It is time to reexamine our policy toward India. We have given over $9 billion to India since 1946. We are planning to resume AID programs to India in fiscal year 1976. I think that Congress should reexamine the postulates upon which this aid is given. Is it given to reinforce Mrs. Ghandi in power? Or is it given to help the Indian people reestablish the productive resources of the Indian nation? We should examine carefully whether or not our aid program has contributed to the rampant corruption and whether or not that corruption has been used mainly to keep Mrs. Ghandi's political machine well-oiled. We should also consider whether or not a country which deliberately diverts funds in order to explode a nuclear device for the sake of increasing military potential is deserving of participating in the aid program.

Too often in the past, our aid program has been used primarily to establish or perpetuate a socialist attitude toward property and toward the development of productive resources. This is one reason why I have always voted against aid programs. After $9 billion, India still cannot feed itself. It is actually those of her farmers who are willing, according to free enterprise principles, to undertake to produce a grain surplus who fed India in the past. Who will feed India in the future? If any aid is given, it should be given in such a way as to bypass socialist governments and directly benefit those citizens who have the incentive to increase production. It should not be used to strengthen oppression.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is the Senate still in morning business?

The PRESIDING OFFICER. The Senate is still in morning business.

Mr. ROBERT C. BYRD. I ask that morning business be closed.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

INCREASE IN THE TEMPORARY DEBT LIMITATION

Mr. HARRY F. BYRD, JR. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Senate will now resume the consideration of H.R. 8030, which the clerk will state.

The assistant legislative clerk read as follows:

> A bill (H.R. 8030) to increase the temporary debt limitation until November 15, 1975.

Mr. CURTIS. Mr. President, the Senator from Nebraska is prepared to yield back the remainder of his time, if the other side is. I urge the passage of the measure as it passed the House of Representatives, without amendment.

Mr. HARRY F. BYRD, JR. Mr. President, I do not know who controls the other half of the time.

Mr. MANSFIELD. How much time does the Senator want?

Mr. HARRY F. BYRD, JR. Ten minutes.

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Louisiana (Mr. Long) I yield 10 minutes to the Senator from Virginia.

First, will the distinguished Senator yield, without losing his right to the floor, so that third reading may be had?

Mr. HARRY F. BYRD, JR. I yield.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 8030) was ordered to a third reading, and was read the third time.

Mr. HARRY F. BYRD, JR. Mr. President, I shall vote against the proposal to increase the statutory debt ceiling.

I do this as a protest against the reckless spending by the Federal Government.

Federal spending is totally out of control. If one is willing to study the figures, one can reach no other conclusion.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. HARRY F. BYRD, JR. I say again, Federal spending is totally out of control.

The way the tax funds of our Nation are being handled is, in my judgment, a disgrace.

There is only one place the Federal Government can get money, and that is out of the pockets of the hard-working wage earners of this country.

The facts show, Mr. President, that our Government has been operating on deficit-financing almost continuously now over a long period of years.

We have not had a balanced budget since 1960. We have had only two balanced budgets in the past 20 years.

But more serious than that is that the amount of the deficit each year is increasing.

For the current fiscal year plus the new fiscal year which will begin July 1, the deficit will approximate $120 billion. Yes, $120 billion, during that 2-year period.

For the 6-year period 1971 through 1976, the accumulated Federal funds deficit will approximate $220 billion.

To put it another way, 36 percent of the total national debt of our Nation will have been created in 6 short years. I might say that has been done under Republican administrations, greatly aided, I might add, by a Democratic Congress.

What does all this mean from the point of view of the working people?

I think it means a great deal. In the first place, of every personal and corporate income tax dollar paid into the Federal Treasury, 23 cents goes for one purpose, namely, to pay the interest on the national debt. The higher the national debt, the greater is the interest which must be paid on that debt.

In the current budget, in the current year which ends next week, the taxpayers are paying $33 billion in interest on the debt. For the new fiscal year the taxpayers will pay $36 billion in interest on the debt.

How else does it affect the wage earners of our Nation?

These smashing deficits represent the major cause of the inflation which is eating so heavily into every wage earner's paycheck and into every housewife's grocery dollar.

Yesterday when Secretary of the Treasury Simon came before the Senate Committee on Finance to testify on this legislation, I asked him this question: I said:

> Mr. Secretary, how much has the American dollar depreciated since 1969?

And Secretary Simon replied that the American dollar has depreciated 41 percent, in that short period of time since 1969.

When this country embarks on deficit spending to the extent that it has, the individual citizen is paying the price, whether the citizen realizes it or not. The idea, that Congress can appropriate all the money it wishes and no one has to pay for it, is, of course, completely phony. The whole impression that Washington seeks to convey to the people of these United States, the wage earners who pay the bill, is that Congress can appropriate all the money it wants and at the same time reduce taxes, and no one has to pay for the huge deficits which are accumulated.

I say that is a hoax and a cruel hoax on the working people of our Nation; if the people do not pay through direct taxation, for Government spending, then it will be paid for through the hidden and cruel tax of inflation.

Inflation is a tax that hits indiscriminately everyone and affects most adversely those on fixed income and those in the lower- and middle-economic brackets.

So as a protest against the reckless spending of the Federal Government, I shall vote against this resolution.

I am hopeful that one of these days it will become apparent to Congress that it cannot continue this uncontrolled spending, that it cannot continue piling up more and more debt.

I say again that in the short period of 6 years, from 1971 to 1976, 36 percent of the total national debt will have been accumulated.

Mr. LONG. Mr. President, there is no doubt that the Government owes a great deal of money. There is no doubt that we will have a big deficit this year. We voted a tax cut because, I believe, we realized very correctly from the economic point of view that, if we made the mistake that Herbert Hoover made of trying to balance the budget by reducing Government spending and raising taxes at a time when the Nation was headed into a recession, that could even become a depression, that that could be a disaster for this country, and it might take many years to correct the mistake that was made by unwisely restricting the economy and money supply at a time when the Nation was headed into a recession.

As a matter of fact, the way it appeared to work out in the Hoover administration was, as fast as the Government could cut Federal spending, the economy moved down even faster. So, the Government policy did nothing more than help to chase the spiral down: the economy declined with Government policies contributing to it.

The economists have advised since that time, and I think it is the prevailing view, that when a nation is faced with a severe recession, as is the case today, deficit spending is justified and should be used.

I know it comes very reluctantly to a man like Gerald Ford, always a conservative Republican from the economic point of view, to find that he must recommend a large deficit in his budget and recommend spending to pay unemployment insurance to unemployed people and to sign a bill that would reduce taxes when the Government has a great deficit, but the President felt that that was necessary because he indicated that even a conservative Republican tends to learn from experience what kind of economic policy can be a disaster.

I do not quarrel with those who take a different point of view. Simply, this is the decision the Senate has made. When the Senate voted for that big tax cut it clearly indicated that it would be better to have a deficit than a depression, so we made the decision, consciously, and we have been moving with that in mind.

We knew we were going to have to borrow money when we cut taxes, and that is what the increase in the debt limit means, that we are going to have to borrow some more money. I am sorry, but there could be worse things than having to borrow money when the economy is in a recession. We could go into a very deep and lasting depression.

So we believe, reluctantly, that this is a necessity.

Some day some Senate is going to fail to pass a debt limit bill. Let me predict what is going to happen when that occurs.

Throughout the world Uncle Sam will be pictured as the richest man on Earth who refuses to pay his honest debts. They will say, here we are, the richest nation on the face of the Earth. We refuse to pay the money we honestly owe to one another because we have officially declared ourselves bankrupt and incapable of paying our debts by an act of Congress, though we are better able to pay than anyone else.

We will be held up to opprobrium and scorn throughout the entire world as a bunch of fools and idiots who run up big debts, spend all this money, and refuse to pay what we owe to people around the world, including our own.

Mr. President, once this has happened, it will never happen again. From that point on, there will never be any difficulty about passing a debt limit bill, which is simply an authorization to borrow some money because of the Government deficit.

I point out that the Federal Government is not the only institution that owes money. The public and private debt of the United States exceeds $3 trillion, and the Federal portion of it is about 16 percent which is not that tremendous when one looks at the overall debt structure, about half of which is corporate debt that is reasonably well secured.

Corporations, just like governments, find that circumstances change from time to time, whereby one is justified in incurring a liability. Usually you do it because you have a reason that you feel justifies that conduct, such as to put people back to work, to reduce taxes temporarily, to try to get the economy going. In due course, when the economy is moving, we expect to recover some of the tax receipts we have lost by stimulating the economy.

As I say, Mr. President, the decisions to spend and to reduce taxes have been made. The time comes when one must do that. He finds it is as necessary in some circumstances to spend more money as it is to reduce taxes. He must also borrow some money. If not, it means we do not pay our Federal employees or our brave men and women in the Army, Navy, Marine Corps, and Air Force. We do not pay the Government contractors, and they in turn cannot pay their employees. It is a rather foolish way to do business.

Some day, I suppose, Congress will insist that it will not pass a debt limit bill, and we will have occasion to prove how foolish it is not to do it. We will not have much difficulty after that in persuading Congress to pass a bill to borrow money that is needed to pay for the essential services of Government.

I prefer a balanced budget or a surplus. But if I have to choose between a balanced budget and a depression, I think I would take a deficit, as we have at this time.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BROCK. I cannot argue with anything the Senator has said; but at the same time, I have a great deal of sympathy for the position of the Senator from Virginia.

I tried to support a number of efforts to reduce spending. As the Senator knows, I could not support the tax cut, but we have done it; so we really do not have any choice other than to finance the Federal debt.

It is not so much the question of whether it is really logical to have a debt ceiling bill that comes up two or three times a year. It becomes a sort of exercise in futility. The real problem lies in our individual votes on individual issues. Once we spend a great deal of money, there is no question about whether we have to finance it and borrow money.

What bothers me is when I look at New York City. New York City is a part of this country. It is one of our major governments. New York City is about as close to bankruptcy as you can get. The reason there is that in New York, they have borrowed money not to finance capital expenditures, investments, that yield a return, such as a water or sewer project. They have been voting bonds to finance operating expenditures, to finance an increase in pay for the firemen or the policemen that was negotiated the same year. What frightens me is that I see us doing almost the same thing. In other words, I do not see Congress making investments that yield a return and on which you can logically borrow money and repay it with the return on the investment; but, rather, increasing current operating expenditures and borrowing money to do that. That, to me, has to lead us to a point of no return at some time in the future. I do not know where it is.

I understand the Senator's position, that he would rather have a deficit than a depression. So would the Senator from Tennessee. But somehow, somewhere in this process of recession-prosperity and its swings and cycles, we have to get the thing back in balance. I do not know where we start, other than right now. We have not done a very good job, I say to the distinguished Senator.

Mr. LONG. Historically, the debt limit measures were preceded by the old Liberty Loan bills, that would authorize each bond issue. For example, if we had a war on our hands, we would pass a bill to have a bond issue and borrow money to fight the war.

Subsequent to that, with the big deficits we incurred in World War II, we found that it made better sense simply to say that we would pass a bill periodically to authorize a certain level of Federal debt, which meant you were going to authorize the Federal Government to issue as many bills, certificates, bonds, or notes that would be needed to finance the deficit. That is how we have done business for quite a while now.

I favor the concept of reviewing and changing the debt limit periodically. I think that at least once every year, if we are going in the red, we should talk about it.

Mr. BROCK. I do not mind it once a year, but I think we are playing a little politics when we do it every 3 or 4 months. To me, that is not very responsible.

Mr. LONG. That is not because I want it that way.

Mr. BROCK. I know that.

Mr. LONG. So far as I am concerned, I would be willing to pass a debt limit bill about once a year or once a Congress. I think it might be well to do it about once a year. Periodically, we should review our fiscal and monetary situation to see where we stand.

When we look at this matter, I always ask the Treasury Department to bring up to date its figures that show us how this debt relates to the income of the Government, how it relates to the gross national product, how it relates to the entire public and private debt structure, because all of that is relevant. In effect, we should take a look at what our assets are while we are looking at our liabilities, and also see who else owes money in this Government. We should look at it all in context. I think that is desirable.

Eventually, we find ourselves with one simple problem, and that is that we owe the money, and we either are going to borrow money to pay for it, have a heavy tax increase—I would not recommend that this moment—or we are going to do the most foolhardy thing of all and put ourselves in the position of the richest man on Earth who refuses to pay his honest debts. I think that is the worst of the three alternatives. Someday, I assume, some Senate or some House will insist on doing that. When they do, they will prove themselves wrong; and in due course they will get back on a path that makes better sense, such as pursuing one of the other alternatives, which is what we are doing now.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HARTKE. What the Senator from Louisiana, the chairman of the Committee on Finance, is saying, in effect, is that a psychological factor is involved in having a debt limit, which makes everyone sit back and take notice and review what has happened in the past. We are faced again with the necessity of increasing the debt limit. We recognize that Congress twice has passed on every one of those measures through the appropriations process and the authorization process. That is, by necessity, creating a situation which increases the debt. But I think the Senator from Louisiana is correct, in that it is out of tune with today's conversations, with talking about balancing the budget, a concern with fiscal responsibility, and all those other slogans.

The fact still remains that compared with the situation during World War II, the proportion of individual debt in relation to individual income, the proportion of the individual debt in relation to the national debt, the proportion of the national debt in relation to the gross national product, we are not nearly at as bad a rate today as many people would like things to seem. As a matter of fact, there has been a steady decline—the Senator has referred to the charts—in the relative position of the national debt with respect to almost everything else.

The country has become larger. I recall, as I am sure the Senator from Louisiana does, the first time we hit a budget of $100 billion. That happened when President Johnson was in the White House, in 1965. He first came up with a budget which was $105 billion and finally got it down to what I call the Sears, Roebuck figure of $99.8 billion.

I think that what the Senator is saying, in substance, is good, sound advice. Let us take a periodic review; and if that has to be done every several months, it is not so out of line with the times. Times have changed. We should review the national debt limit and act responsibly and pay our debts. But we should have a complete, fair examination, without flowery rhetoric to camouflage the situation, scare people half to death or, as some people do, minimize the difficulties. We should deal with it straight across the board.

I will say that, as the Senator well knows, it was my intention to use this little vehicle to try to get Congress out of its present stalemated situation. The leadership persuaded me to relent, which I have done. But the fact remains that that vehicle is always there. When Congress does not act responsibly, there is always a possibility that one of these days, somebody—maybe the Senator from Indiana—I am not precluding myself from doing that. I would be willing to place Congress in a position of facing up to the fact that, if there is a much more severe crisis on our hands than just meeting the debt at the moment, it might not hurt to wait a day or two.

Sometimes I think my good friend from Louisiana, the chairman of the Committee on Finance, is sympathetic to that approach himself.

Mr. LONG. I have supported that approach on occasion. Sometimes, I have offered amendments totally irrelevant to a debt limit on a bill to try to force some issue.

The PRESIDING OFFICER. The time of the debt limit bill has expired. The question is on passage.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that I be permitted to speak for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Virginia is recognized for 10 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, reference earlier was made to the days of Herbert Hoover. I wish to say, Mr. President, that there is no similarity whatsoever between the conditions which exist today and the conditions which existed 45 years ago, when Herbert Hoover was President of the United States.

In regard to the tax reduction legislation which was mentioned, what I object to a great deal is that Congress is attempting to mislead the people.

At the same time it is increasing spending by $50 billion or more, it is reducing taxes by $22 billion. It is saying to the people that we can spend all the money we want, but no one has to pay for it.

I say that is a cruel hoax.

It is a cruel hoax on the working people of this country because they are the ones who pay the bills.

There is no other way that this Government can get money than out of the pockets of the people who work. If that money is not forthcoming by direct taxation, the Government takes it in the form of inflation, which is a cruel tax, yet a hidden tax.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STONE. Will the Senator yield?

Mr. HARRY F. BYRD, JR. I am happy to yield.

Mr. STONE. Would the Senator be interested in a kind of advance pledge this year for next year, based on some kind of formula tied to a reducing unemployment rate, whereby each time the unemployment rate decreases by, say, 1 percent or a half percent, those who take this pledge would be pledged to cut or to lower the budget ceiling that we are going to be agreeing on in the Senate and in the House by, say, $10 billion or some such multiple in order to begin practically to approach a balanced budget, as the pangs of unemployment hurt less? Unemployment seems to be the one major excuse for huge spending over what the Treasury takes in. The Senator from Florida has been thinking to offer that kind of pledge type of agreement just among those Senators who would be willing to try to observe it in the coming year.

Mr. HARRY F. BYRD, JR. I think the Senator from Florida has a very good proposal. It would certainly have appeal to the Senator from Virginia.

Mr. STONE. Somehow, I suspected that it might. I thank the Senator from Virginia.

Mr. HARRY F. BYRD, JR. I thank the Senator from Florida.

Another way, Mr. President, that these huge deficits and this stupendous national debt hurt the people of our country is that the more the Government goes into the money markets to borrow money, the greater the upward pressure is on interest rates.

The Federal Reserve Board has been holding down interest rates by printing more money, but that cannot continue indefinitely. Even the Federal Reserve Board admits that it cannot continue indefinitely. But it can, and the Senator from Virginia so recognizes, have the effect over a short period of time of holding the interest rates down.

In the long run, I am convinced that the average American citizen is going to be greatly disadvantaged by what Congress has been doing and what Congress is doing now—namely, the reckless spending on the part of Congress without the willingness to levy the taxes to pay for the spending, but to require that it be paid for through inflation.

As I mentioned earlier, the Secretary of the Treasury testified yesterday that the American dollar has depreciated to the extent of 41 percent in a 6-year period—namely, 1969 to date.

I have a statement by the Under Secretary of the Treasury, Mr. Bennett, at a press conference which he held, I think on yesterday or the day before—just recently.

He was asked the question by the press as to the net increase in marketable borrowing in the last half of calendar years. He gave these figures—this is borrowing by the Government in the last half of the following years: 1970, $1.5 billion; 1971, $3.9 billion; 1972, $2.5 billion; 1973, $1.1 billion; 1974, $5 billion; and, for 1975, he predicts $28 billion.

Look at that increase in Government borrowing which is coming during the next 6 months.

That is a tremendous increase in the Government's activity in the money markets.

The Government, as Secretary Simon has frequently pointed out, goes to the head of the line when it comes to borrowing money. No one can compete with the Federal Government. If a company needs to borrow money to create jobs, if a person wants to build a home, buy an automobile, whatever he or she might need, to borrow for their needs, they must come behind the Federal Government.

The upward pressure on the interest rates is going to be tremendous as the months go by. I predict that this will stimulate inflation—not immediately but within the next 18 months. The inflation rate, as I see it, is going to be very severe. And it is going to be the fault of Congress, in my judgment, because of the very unsound policies that the Government has been pursuing.

I recognize that my views are contrary to those of the experts.

But the experts who have been advising this Congress are the same liberal economists who have been wrong throughout the years.

They are wrong now, and they are going to be proved wrong in the next 18 months to 2 years.

So I have no objection at all, as a protest against the reckless spending of the Federal Government, to vote against this bill.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. FANNIN. I wish to commend the distinguished Senator from Virginia for his comments and for the stand he has taken. I know of his sincerity in achieving the objectives which are so representative of his work here in the Senate.

I would just ask the distinguished Senator from Virginia is it not correct that presently there are 36 States in this country that are prohibited from incurring a deficit either by constitutional or statutory provisions.

Mr. HARRY F. BYRD, JR. May I say to my dear friend from Arizona, the able Senator from Arizona, so far as I can judge virtually every State has a constitutional requirement that its budget be balanced.

Incidentally, I had lunch not long ago with the Finance Minister of West Germany, and I asked him what the debt was of West Germany. He said:

> Debt? What do you mean a debt?

He said:

> Our Constitution prohibits us from going into debt as a government.

West Germany is not as foolish as the Congress of the United States. Our Government operates year after year on the theory of deficit spending.

So West Germany, which was crushed to the earth 30 years ago, has a currency stronger than that of the United States.

Mr. FANNIN. Is it true that the Federal Government has followed the same policy as the city of New York in not considering what the expenditures will be in relation to revenue to cover those expenditures? Is it not true that their debt now is around $13.5 billion, they cannot meet their obligations? As I understand it, they are calling upon the merchants of New York City to pay their taxes for next year to meet this year's obligations. Is that the understanding of the distinguished Senator from Virginia?

Mr. HARRY F. BYRD, JR. The Senator from Arizona is absolutely correct. The State of New York—the city of New York rather——

Mr. FANNIN. The city.

Mr. HARRY F. BYRD, JR. Having made such a mess of its own affairs, having gotten itself in a bankrupt condition, aided and abetted by the State of New York, I might say, now it comes down to the U.S. Congress and wants the Federal taxpayers from all over the Nation to bail New York City out.

So far as the Senator from Virginia is concerned, I am going to resist any such endeavor. I do not want the taxpayers of the State of Virginia to be required to bail out the city of New York.

Mr. FANNIN. I thank the distinguished Senator.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that a table I have prepared be printed in the RECORD at this point, although I am convinced that the Treasury Department's estimate of the 1976 deficit is unrealistically low.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1957-76 INCLUSIVE

[In billions of dollars]

Year	Receipts	Outlays	Surplus (+) or deficit (−)	Debt interest
1957	68.8	67.1	+1.7	7.3
1958	66.6	69.7	−3.1	7.8
1959	65.8	77.0	−11.2	7.8
1960	75.7	74.9	+.8	9.5
1961	75.2	79.3	−4.1	9.3
1962	79.7	86.6	−6.9	9.5
1963	83.6	90.1	−6.5	10.3
1964	87.2	95.8	−8.6	11.0
1965	90.9	94.8	−3.9	11.8
1966	101.4	106.5	−5.1	12.6
1967	111.8	126.8	−15.0	14.2
1968	114.7	143.1	−28.4	15.6
1969	143.3	148.8	−5.5	17.7
1970	143.2	156.3	−13.1	20.0
1971	133.7	163.7	−30.0	21.6
1972	148.8	178.0	−29.2	22.5
1973	161.4	186.4	−25.0	24.2
1974	181.2	198.7	−17.5	29.3
1975 [1]	188.4	237.1	−48.7	32.9
1976 [1]	201.8	259.7	−57.9	36.0
20-yr total	2,323.2	2,640.4	−317.2	330.9

[1] U.S. Treasury Department estimates.

Note: Prepared by Senator Harry F. Byrd, Jr., of Virginia.

Source: Office of Management and Budget and Department of the Treasury.

Mr. LONG. This bill, H.R. 8030, increases the debt limitation to $577 billion from the date of enactment through November 15, 1975.

The present limit is $531 billion, and it is effective through June 30, 1975. This limit consists of a permanent debt limit of $400 billion and a temporary limit of $131 billion. H.R. 8030 does not change the permanent debt limit. It simply increases the temporary limit from $131 billion to $177 billion for 4½ months.

The committee agreed with the House that extending the debt limit to November 15, 1975, was desirable.

By November, Congress will be in a good position to assess the economy's impact on the budget. But still more important is the point that Congress will, by that time, have acted on a second budget resolution and the reconciliation bill. The November 15 date will allow plenty of time after completing action on the budget matters to consider a new debt limit bill this fall. And that is the sensible sequence for these subjects.

In setting a debt limit for a portion of the fiscal year, the committee first determined the best estimate of the debt management needs for the entire fiscal year. In making this estimate, the first budget resolution was used as the basis for the receipts and outlays totals since this represents Congress own conclusions as to revenues and spending. In the first budget resolution, expenditures totaled $367 billion and receipts totaled $298.2 billion. As a result, the deficit in the budget resolution amounts to $68.8 billion.

Then the monthly pattern of receipts and expenditures must be estimated. In developing that pattern, recognition also must be given to other adjustments in debt management that vary considerably each year. For example, this time a $3 billion increase in the limit is required at the end of fiscal year 1975 in order to maintain the normal $6 billion operating cash balance. In addition, the Federal Financing Bank will finance some $10.6 billion worth of off-budget agencies' credit activities through Treasury issues. While these issues must be included within the debt limit for the entire year, only a small amount is expected to be issued before November 15, and as a result this bill takes little of this amount into consideration.

The monthly pattern of receipts, outlays, and the other debt-related matters, as reflected in the table that was developed for the committee, shows the end of the month debt limit requirements through all of fiscal year 1976. On November 30, 1975, the debt requirements are $577.4 billion. Flows of receipts and expenditures during November are such that the mid-month requirement does not differ appreciably from the end of the month totals. Thus, the committee selected $577 billion as the appropriate debt limit through November 15, 1975.

Estimates of debt subject to limitation under concurrent resolution on the budget, fiscal year 1976, monthly

[In billions]

June 30, 1975	$534.0
July 31	546.2
Aug. 31	544.6
Sept. 30	555.1
Oct. 31	567.8
Nov. 30	577.4
Dec. 31	581.6
Jan. 31, 1976	588.9
Feb. 29	595.9
Mar. 31	607.4
Apr. 30	605.3
May 31	615.5
June 15	617.6
June 30	612.9

All estimates based on operating cash balance of $6.0 billion.

Consistent with the $68.8 billion unified budget deficit contained in the concurrent resolution. It assumes $10.6 billion of borrowing from the Federal Financing Bank by the off-budget agencies.

Source: Staffs of the Budget Committee and the Joint Committee on Internal Revenue Taxation.

The bill provides for the new debt limit to become effective on the date of enactment. Approximately $4 billion in interest payments on investments of the trust funds must be paid on June 30, 1975, and the payments must be invested immediately in U.S. Government securities. As a result, the Treasury Department estimates that on that date the outstanding debt would be $533 billion if its operating cash balance is to be the usual $6 billion. The committee decided to allow for these debt management requirements by making the new debt limit effective on the date of enactment.

I ask unanimous consent that the nine tables prepared for me by the Treasury Department that show how Federal and private debts have changed through the years, in absolute and in terms of the relative amounts of debt with respect to gross national product, be printed in the Record at the end of my remarks.

In general, these tables show that through the years, private debt has gone up faster and to higher levels than the debt of the Federal Government. Since the end of World War II, debt of State and local governments also has risen faster than Federal Government debt.

At the end of 1974, Federal debt was 25.3 percent of gross national product which is the lowest percentage it has been since 1931. This is an indication that the Federal debt has contributed to the growth of the economy. Similarly, Federal debt per capita in constant prices has declined steadily since peak levels reached in 1945—the year World War II ended.

There being no objection, the tables were ordered to be printed in the Record, as follows:

TABLE 1.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

[Dollar amounts in billions]

Dec. 31	Private [1]			State and local	Federal [2]			Total gross debt	Percent Federal of total
	Individual	Corporate	Total		Public	Agency	Total		
1929	$72.9	$107.0	$179.9	$17.8	$16.3	$1.2	$17.5	$215.2	8.1
1930	71.8	107.4	179.2	18.9	16.0	1.3	17.3	215.4	8.0
1931	64.9	100.3	165.2	19.5	17.8	1.3	19.1	203.8	9.4
1932	57.1	96.1	153.2	19.7	20.8	1.2	22.0	194.9	11.3
1933	51.0	92.4	143.4	19.5	23.8	1.5	25.3	188.2	13.4
1934	49.8	90.6	140.4	19.2	28.5	4.8	33.3	192.9	17.3
1935	49.7	89.8	139.5	19.6	30.6	5.6	36.2	195.3	18.5
1936	50.6	90.9	141.5	19.6	34.4	5.9	40.3	201.4	20.0
1937	51.1	90.2	141.3	19.6	37.3	5.8	43.1	204.0	21.1
1938	50.0	86.8	136.8	19.8	39.4	6.2	45.6	202.2	22.6
1939	50.8	86.8	137.6	20.1	41.9	6.9	48.8	206.5	23.6
1940	53.0	89.0	142.0	20.2	45.0	7.2	52.2	214.4	24.3
1941	55.6	97.5	153.1	20.0	57.9	7.7	65.6	238.7	27.5
1942	49.9	106.3	156.2	19.2	108.2	5.5	113.7	289.1	39.3
1943	48.8	110.3	159.1	18.1	165.9	5.1	171.0	348.2	49.1
1944	50.7	109.0	159.7	17.1	230.6	3.0	233.6	410.4	56.9
1945	54.7	99.5	154.2	16.0	278.1	1.5	279.6	449.8	62.2
1946	59.9	109.3	169.2	16.1	259.1	1.6	260.7	446.0	58.5
1947	69.4	128.9	198.3	17.5	256.9	.7	257.6	473.4	54.4
1948	80.6	139.4	220.0	19.6	252.8	1.0	253.8	493.4	51.4
1949	90.4	140.3	230.7	22.2	257.1	.8	257.9	510.8	50.5
1950	104.3	167.7	272.0	25.3	256.7	1.1	257.8	555.1	46.4
1951	114.3	191.9	306.2	28.0	259.4	.8	260.2	594.4	43.8
1952	129.4	202.9	332.3	31.0	267.4	.9	268.3	631.6	42.5
1953	143.2	212.9	356.1	35.0	275.2	.8	276.0	667.1	41.4
1954	157.2	217.6	374.8	40.2	278.8	.7	279.5	694.5	40.2
1955	180.1	253.9	434.0	46.3	280.8	1.4	282.2	762.5	37.0
1956	195.5	277.3	472.8	50.1	276.6	1.7	278.3	801.2	34.7
1957	207.6	295.8	503.4	54.7	274.9	3.2	278.1	836.2	33.3
1958	222.9	312.0	534.9	60.4	289.9	2.4	292.3	887.6	32.9
1959	245.0	341.4	586.4	66.6	290.8	5.7	296.5	949.5	31.2
1960	263.3	365.1	628.4	72.0	290.2	6.4	296.6	997.0	29.7
1961	284.8	391.5	676.3	77.6	296.2	6.8	303.0	1,056.9	28.7
1962	311.9	421.5	733.4	83.4	303.5	7.8	311.3	1,128.1	27.6
1963	345.8	457.1	802.9	89.5	309.3	8.1	317.4	1,209.8	26.2
1964	380.1	497.3	877.4	95.5	317.9	9.1	327.0	1,299.9	25.2
1965	415.7	551.9	967.6	103.1	320.9	9.8	330.7	1,401.4	23.6
1966	444.2	617.3	1,061.5	109.4	329.3	14.0	343.3	1,514.2	22.7
1967	476.3	672.9	1,149.2	117.3	344.7	20.1	364.8	1,631.3	22.4
1968	513.8	779.1	1,292.9	127.2	358.0	15.1	373.1	1,793.2	20.8
1969	548.6	912.7	1,461.3	137.9	368.2	13.8	382.0	1,981.2	19.3
1970	586.2	997.7	1,583.9	149.2	389.2	12.5	401.7	2,134.8	18.8
1971	647.6	1,084.7	1,732.3	167.0	424.1	11.0	435.1	2,334.4	18.6
1972	734.3	1,230.8	1,965.1	181.2	449.3	11.8	461.1	2,607.4	17.7
1973	821.9	1,413.8	2,235.7	193.5	469.9	11.6	481.5	2,910.7	16.5
1974	880.1	1,584.2	2,464.3	209.3	492.7	11.4	504.1	3,177.7	15.9

See footnotes at end of tables.

TABLE 2.—ESTIMATED PER CAPITA GROSS GOVERNMENT AND PRIVATE DEBT [3]

Dec. 31	Private [1]			State and local	Federal [2]			Total gross debt
	Individual	Corporate	Total		Public	Agency	Total	
1929	$598	$878	$1,477	$146	$133	$9	$143	$1,767
1930	583	872	1,455	153	129	10	140	1,750
1931	523	808	1,331	157	143	10	153	1,643
1932	457	769	1,227	157	166	9	176	1,561
1933	406	735	1,141	155	189	11	201	1,498
1934	394	716	1,110	151	225	37	263	1,526
1935	390	705	1,096	154	240	44	284	1,534
1936	395	709	1,105	153	268	46	314	1,572
1937	396	700	1,096	152	289	45	334	1,583
1938	385	668	1,053	152	303	47	351	1,557
1939	388	663	1,051	153	320	52	372	1,577
1940	399	671	1,070	152	339	54	393	1,616
1941	415	728	1,143	149	432	57	489	1,782
1942	368	785	1,153	141	799	40	839	2,135
1943	355	803	1,159	131	1,208	37	1,245	2,536
1944	364	784	1,149	123	1,659	21	1,681	2,954
1945	389	708	1,097	113	1,979	10	1,990	3,202
1946	422	770	1,192	113	1,825	11	1,836	3,142
1947	479	890	1,370	120	1,775	4	1,780	3,271
1948	547	946	1,494	133	1,717	6	1,724	3,351
1949	603	936	1,540	148	1,716	5	1,722	3,410
1950	684	1,101	1,786	166	1,685	7	1,693	3,645
1951	738	1,239	1,977	180	1,674	5	1,680	3,837
1952	821	1,287	2,109	196	1,697	5	1,702	4,008
1953	893	1,329	2,223	218	1,718	4	1,723	4,164
1954	964	1,334	2,299	246	1,710	4	1,714	4,260
1955	1,085	1,530	2,615	279	1,692	8	1,700	4,595
1956	1,157	1,641	2,799	296	1,637	10	1,647	4,743
1957	1,207	1,719	2,927	318	1,598	18	1,617	4,862
1958	1,274	1,784	3,058	345	1,657	13	1,671	5,075
1959	1,377	1,919	3,297	374	1,635	32	1,667	5,339
1960	1,457	2,020	3,478	398	1,606	35	1,641	5,518
1961	1,550	2,131	3,681	422	1,612	37	1,649	5,753
1962	1,672	2,259	3,931	447	1,627	41	1,668	6,047
1963	1,827	2,415	4,242	472	1,634	42	1,677	6,392
1964	1,980	2,591	4,572	497	1,656	47	1,704	6,774
1965	2,139	2,840	4,979	530	1,651	50	1,701	7,212
1966	2,259	3,140	5,400	556	1,675	71	1,746	7,703
1967	2,396	3,386	5,783	590	1,734	101	1,835	8,209
1968	2,559	3,881	6,441	633	1,783	75	1,858	8,934
1969	2,706	4,503	7,209	680	1,816	68	1,884	9,775
1970	2,861	4,869	7,731	728	1,899	61	1,960	10,420
1971	3,127	5,238	8,366	806	2,048	53	2,101	11,274
1972	3,516	5,893	9,409	867	2,151	56	2,207	12,485
1973	3,906	6,719	10,626	919	2,233	55	2,288	13,834
1974	4,153	7,453	11,629	987	2,325	53	2,378	14,995

See footnotes at end of tables.

TABLE 3.—GROSS GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

Dec. 31	Gross National Product (billions)[4]	Ratios of debt to Gross National Product (percent)							
		Private[1]			State and Local	Federal[2]			Total gross debt
		Individual	Corporate	Total		Public	Agency	Total	
1929	$96.7	75.4	110.7	186.0	18.4	16.9	1.2	18.1	222.5
1930	83.1	86.4	129.2	215.6	22.7	19.3	1.6	20.8	259.2
1931	66.9	97.0	149.9	246.9	29.1	26.6	1.9	28.6	304.6
1932	56.8	100.5	169.2	269.7	34.7	36.6	2.1	38.7	343.1
1933	60.3	84.6	153.2	237.8	32.3	39.5	2.5	42.0	312.1
1934	68.6	72.6	132.1	204.7	28.0	41.5	7.0	48.5	281.2
1935	77.4	64.2	116.0	180.2	25.3	39.5	7.2	46.8	252.3
1936	86.5	58.5	105.1	163.6	22.7	39.8	6.8	46.6	232.8
1937	87.6	58.3	103.0	161.3	22.4	42.6	6.6	49.2	232.9
1938	87.6	57.1	99.1	156.2	22.6	45.0	7.1	52.1	230.8
1939	94.8	53.6	91.6	145.1	21.2	44.2	7.3	51.5	217.8
1940	107.6	49.3	82.7	132.0	18.8	41.8	6.7	48.5	199.3
1941	138.8	40.1	70.2	110.3	14.4	41.7	5.5	47.3	172.0
1942	179.0	27.9	59.4	87.3	10.7	60.4	3.1	63.5	161.5
1943	202.4	24.1	54.5	78.6	8.9	82.0	2.5	84.5	172.0
1944	217.4	23.3	50.1	73.5	7.9	106.1	1.4	107.5	188.8
1945	196.0	27.9	50.8	78.7	8.2	141.9	.8	142.7	229.5
1946	221.4	27.1	49.4	76.4	7.3	117.0	.7	117.8	201.4
1947	245.0	28.3	52.6	80.9	7.1	104.9	.3	105.1	193.2
1948	261.2	30.9	53.4	84.2	7.5	96.8	.4	97.2	188.9
1949	260.5	34.7	53.9	88.6	8.5	98.7	.3	99.0	196.1
1950	311.3	33.5	53.9	87.4	8.1	82.5	.4	82.8	178.3
1951	338.2	33.8	56.7	90.5	8.3	76.7	.2	76 9	175.8
1952	361.0	35.8	56.2	92.1	8.6	74.1	.2	74.3	175.0
1953	360.8	39.7	59.0	98.7	9.7	76.3	.2	76.5	184.9
1954	379.8	41.4	57.3	98.7	10.6	73.4	.2	73.6	182.9
1955	409.7	44.0	62.0	105.9	11.3	68.5	.3	69.9	186.1
1956	433.2	45.1	64.0	109.1	11.6	63.9	.4	64.2	184.9
1957	438.1	47.4	67.5	114.9	12.5	62.7	.7	63.5	190.9
1958	469.2	47.5	66.5	114.0	12.9	61.8	.5	62.3	189.2
1959	496.8	49.3	68.7	118.0	13.4	58.5	1.1	59.7	191.1
1960	503.5	52.3	72.5	124.8	14.3	57.6	1.3	58.9	198.0
1961	542.8	52.5	72.1	124.6	14.3	54.6	1.3	55.8	194.7
1962	574.7	54.3	73.3	127.6	14.5	52.8	1.4	54.2	196.3
1963	611.8	56.5	74.7	131.2	14.6	50.6	1.3	51.9	197.8
1964	654.0	58.1	76.0	134.2	14.6	48.6	1.4	50.0	198.8
1965	719.8	57.8	76.7	134.4	14.3	44.6	1.4	45.9	194.7
1966	772.6	57.5	79.9	137.4	14.2	42.6	1.8	44.4	196.0
1967	825.0	57.7	81.6	139.3	14.2	41.8	2.4	44.2	197.7
1968	898.6	57.2	86.7	143.9	14.2	39.8	1.7	41.5	199.6
1969	953.7	57.5	95.7	153.2	14.5	38.6	1.4	40.1	207.7
1970	1,009.8	58.1	98.8	156.9	14.8	38.5	1.2	39.8	211.4
1971	1,099.1	58.9	98.7	157.6	15.2	38.6	1.0	39.6	212.4
1972	1,226.8	59.9	100.3	160.2	14.8	36.6	1.0	37.6	212.5
1973	1,351.4	60.8	104.6	165.4	14.3	34.8	.9	35.6	215.4
1974	1,424.0	61.8	111.3	173.1	14.7	34.6	.8	35.4	223.2

See footnotes at end of tables.

TABLE 4.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

Dec. 31	Private[1]			State and local	Federal[5]	Total net debt	Percent Federal of total
	Individual	Corporate	Total				
1916	$36.3	$40.2	$76.5	$4.5	$1.2	$82.2	1.5
1917	38.7	43.7	82.4	4.8	7.3	94.5	7.7
1918	44.5	47.0	91.5	5.1	20.9	117.5	17.8
1919	43.9	53.3	97.2	5.5	25.6	128.3	20.0
1920	48.1	57.7	105.8	6.2	23.7	135.7	17.5
1921	49.2	57.0	106.2	7.0	23.1	136.3	16.9
1922	50.9	58.6	109.5	7.9	22.8	140.2	16.3
1923	53.7	62.6	116.3	8.6	21.8	146.7	14.9
1924	55.8	67.2	123.0	9.4	21.0	153.4	13.7
1925	59.6	72.7	132.3	10.3	20.3	162.9	12.5
1926	62.7	76.2	138.9	11.1	19.2	169.2	11.3
1927	66.4	81.2	147.6	12.1	18.2	177.9	10.2
1928	70.0	86.1	156.1	12.7	17.5	186.3	9.4
1929	72.9	88.9	161.8	13.6	16.5	191.9	8.6
1930	71.8	89.3	161.1	14.7	16.5	192.3	8.6
1931	64.9	83.5	148.4	16.0	18.5	182.9	10.1
1932	57.1	80.0	137.1	16.6	21.3	175.0	12.2
1933	51.0	76.9	127.9	16.3	24.3	168.5	14.4
1934	49.8	75.5	125.3	15.9	30.4	171.6	17.7
1935	49.7	74.8	124.5	16.1	34.4	175.0	19.7
1936	50.6	76.1	126.7	16.2	37.7	180.6	20.9
1937	51.1	75.8	126.9	16.1	39.2	182.2	21.5
1938	50.0	73.3	123.3	16.1	40.5	179.9	22.5
1939	50.8	73.5	124.3	16.4	42.6	183.3	23.2
1940	53.0	75.6	128.6	16.4	44.8	189.8	23.6
1941	55.6	83.4	139.0	16.1	56.3	211.4	26.6
1942	49.9	91.6	141.5	15.4	101.7	258.6	39.3
1943	48.8	95.5	144.3	14.5	154.4	313.2	49.3
1944	50.7	94.1	144.8	13.9	211.9	370.6	57.2
1945	54.7	85.3	140.0	13.4	252.5	405.9	62.2
1946	$59.9	$93.5	$153.4	$13.7	$229.5	$396.6	57.9
1947	69.4	109.6	179.0	15.0	221.7	415.7	53.3
1948	80.6	118.4	199.0	17.0	215.3	431.3	49.9
1949	90.4	118.7	209.1	19.1	217.6	445.8	48.8
1950	104.3	142.8	247.1	21.7	217.4	486.2	44.7
1951	114.3	163.8	278.1	24.2	216.9	519.2	41.8
1952	129.4	172.3	301.7	27.0	221.5	550.2	40.3
1953	143.2	180.9	324.1	30.7	226.8	581.6	39.0
1954	157.2	184.1	341.3	35.5	229.1	605.9	37.8
1955	180.1	215.0	395.1	41.1	229.6	665.8	34.5
1956	195.5	234.1	429.6	44.5	224.3	698.4	32.1
1957	207.6	249.1	456.7	48.6	223.0	728.3	30.6
1958	222.9	262.0	484.9	53.7	231.0	769.6	30.0
1959	245.0	287.0	532.0	59.6	241.4	833.0	29.0
1960	263.3	306.3	569.6	64.9	239.8	874.3	27.4
1961	284.8	328.3	613.1	70.5	246.7	930.3	26.5
1962	311.9	353.5	665.4	77.0	253.6	996.0	25.5
1963	345.8	383.6	729.4	83.9	257.5	1,070.8	24.0
1964	380.1	417.1	797.2	90.4	264.0	1,151.6	22.9
1965	415.7	463.2	878.9	98.3	266.4	1,243.6	21.4
1966	444.2	517.8	962.0	104.8	271.8	1,338.6	20.3
1967	476.3	562.6	1,038.9	112.8	286.4	1,438.1	19.9
1968	513.8	653.0	1,166.8	122.7	291.9	1,581.4	18.5
1969	548.6	764.8	1,313.4	133.3	289.3	1,736.0	16.7
1970	586.2	836.4	1,422.6	144.8	301.1	1,868.5	16.1
1971	647.6	909.1	1,556.7	162.8	325.9	2,045.4	15.9
1972	734.3	1,030.8	1,765.1	176.9	341.2	2,283.2	14.9
1973	821.9	1,185.7	2,007.6	189.5	349.1	2,546.2	13.7
1974	880.1	1,330.6	2,210.7	205.6	360.8	2,777.1	13.0

See footnotes at end of tables.

TABLE 5.—ESTIMATED PER CAPITA NET GOVERNMENT AND PRIVATE DEBT[3]

Dec. 31	Private[1]			State and local	Federal[5]	Total net debt
	Individual	Corporate	Total			
1916	$356	$394	$750	$44	$11	$806
1917	374	423	797	46	70	915
1918	431	455	886	49	202	1,138
1919	420	509	930	52	244	1,227
1920	451	541	993	58	222	1,274
1921	453	525	978	64	212	1,255
1922	462	532	994	71	207	1,273
1923	479	559	1,038	76	194	1,310
1924	488	588	1,077	82	184	1,344
1925	514	627	1,142	88	175	1,406
1926	534	649	1,183	94	163	1,441
1927	557	682	1,239	101	152	1,494
1928	580	714	1,295	105	145	1,546
1929	598	730	1,328	111	135	1,575
1930	583	725	1,308	119	134	1,562
1931	523	673	1,196	128	149	1,474
1932	457	640	1,098	132	170	1,401
1933	406	612	1,018	129	193	1,341
1934	394	597	991	125	240	1,357
1935	390	587	978	126	270	1,375
1936	395	594	989	126	294	1,410
1937	396	588	985	124	304	1,414
1938	385	564	949	124	311	1,385
1939	388	561	949	125	325	1,400
1940	399	570	969	123	337	1,431
1941	415	622	1,038	120	420	1,578
1942	368	676	1,045	113	751	1,910
1943	355	695	1,051	105	1,124	2,281
1944	364	677	1,042	100	1,525	2,667
1945	389	607	996	95	1,797	2,889
1946	$422	$658	$1,080	$96	$1,616	$2,794
1947	479	757	1,237	103	1,532	2,872
1948	547	804	1,351	115	1,462	2,929
1949	603	792	1,396	127	1,452	2,976
1950	684	937	1,622	142	1,427	3,192
1951	738	1,057	1,795	156	1,400	3,352
1952	821	1,093	1,914	171	1,405	3,492
1953	893	1,129	2,023	191	1,415	3,630
1954	964	1,129	2,093	217	1,405	3,716
1955	1,085	1,295	2,381	247	1,383	4,012
1956	1,157	1,386	2,543	263	1,327	4,134
1957	1,207	1,448	2,655	282	1,296	4,234
1958	1,274	1,498	2,772	307	1,320	4,400
1959	1,377	1,613	2,991	335	1,357	4,684
1960	1,457	1,695	3,152	359	1,327	4,839
1961	1,550	1,787	3,337	383	1,343	5,064
1962	1,672	1,895	3,567	412	1,359	5,339
1963	1,827	2,027	3,854	443	1,360	5,658
1964	1,980	2,173	4,154	471	1,375	6,001
1965	2,139	2,383	4,523	505	1,371	6,400
1966	2,259	2,634	4,894	533	1,382	6,810
1967	2,396	2,831	5,228	567	1,441	7,237
1968	2,559	3,253	5,813	611	1,454	7,879
1969	2,706	3,773	6,480	657	1,427	8,565
1970	2,861	4,082	6,943	706	1,469	9,120
1971	3,127	4,390	7,518	786	1,574	9,879
1972	3,516	4,935	8,451	847	1,633	10,932
1973	3,906	5,635	9,542	900	1,659	12,101
1974	4,153	6,279	10,432	970	1,702	13,105

See footnotes at end of tables.

TABLE 6.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

Dec. 31	Gross national product[4] (billions)	Ratios of debt to gross national product (percent)					
		Private[1]			State and local	Federal[5]	Total net debt
		Individual	Corporate	Total			
1929	$96.7	75.4	91.9	167.3	14.1	17.1	198.4
1930	83.1	86.4	107.5	193.9	17.7	19.9	231.4
1931	66.9	97.0	124.8	221.8	23.9	27.7	273.4
1932	56.8	100.5	140.8	241.4	29.2	37.5	308.1
1933	60.3	84.6	127.5	212.1	27.0	40.3	279.4
1934	68.6	72.6	110.1	182.7	23.2	44.3	250.1
1935	77.4	64.2	96.6	160.9	20.8	44.4	226.1
1936	86.5	58.5	88.0	146.5	18.7	43.6	208.8
1937	87.6	58.3	86.5	144.9	18.4	44.7	208.0
1938	87.6	57.1	83.7	140.8	18.4	46.2	205.4
1939	94.8	53.6	77.5	131.1	17.3	44.9	193.4
1940	107.6	49.3	70.3	119.5	15.2	41.6	176.4
1941	138.8	40.1	60.1	100.1	11.6	40.6	152.3
1942	179.0	27.9	51.2	79.1	8.6	56.8	144.5
1943	202.4	24.1	47.2	71.3	7.2	76.3	154.7
1944	217.4	23.3	43.3	66.6	6.4	97.5	170.5
1945	196.0	27.9	43.5	71.4	6.8	128.8	207.1
1946	221.4	27.1	42.2	69.3	6.2	103.7	179.1
1947	245.0	28.3	44.7	73.1	6.1	90.5	169.7
1948	261.2	30.9	45.3	76.2	6.5	82.4	165.1
1949	260.5	34.7	45.6	80.3	7.3	83.5	171.1
1950	311.3	33.5	45.9	79.4	7.0	69.8	156.2
1951	338.2	33.8	48.4	82.2	7.2	64.1	153.5
1952	$361.0	35.8	47.7	83.6	7.5	61.4	152.4
1953	360.8	39.7	50.1	89.8	8.5	62.9	161.2
1954	379.8	41.4	48.5	89.9	9.3	60.3	159.5
1955	409.7	44.0	52.5	96.4	10.0	56.0	162.5
1956	433.2	45.1	54.0	99.2	10.3	51.8	161.2
1957	438.1	47.4	56.9	104.2	11.1	50.9	166.2
1958	469.2	47.5	55.8	103.3	11.4	49.2	164.0
1959	496.8	49.3	57.8	107.1	12.0	48.6	167.7
1960	503.5	52.3	60.8	113.1	12.9	47.6	173.7
1961	542.8	52.5	60.5	113.0	13.0	45.5	171.4
1962	574.7	54.3	61.5	115.8	13.4	44.1	173.3
1963	611.8	56.5	62.7	119.2	13.7	42.1	175.0
1964	654.0	58.1	63.8	123.9	13.8	40.4	176.1
1965	719.8	57.8	64.4	122.1	13.7	37.0	172.8
1966	772.6	57.5	67.0	124.5	13.6	35.2	173.3
1967	825.0	57.7	68.2	125.9	13.7	34.7	174.3
1968	898.6	57.2	72.7	129.8	13.7	32.5	176.0
1969	953.7	57.5	80.2	137.7	14.0	30.3	182.0
1970	1,009.8	58.1	82.8	140.9	14.3	29.8	185.0
1971	1,099.1	58.9	82.7	141.6	14.8	29.7	186.1
1972	1,226.8	59.9	84.0	143.9	14.4	27.8	186.1
1973	1,351.4	60.8	87.7	148.6	14.0	25.8	188.4
1974	1,424.0	61.8	93.4	155.2	14.4	25.3	195.0

TABLE 7.—ESTIMATED FEDERAL DEBT RELATED TO POPULATION AND PRICES

Dec. 31	Outstanding Federal debt			Per capita Federal debt[3]			Real per capita Federal debt[8]		
	Gross[2]	Net[5]	Privately held net[6]	Gross[2]	Net[5]	Privately held net[6]	Gross[3]	Net[5]	Privately held net[2]
1927	$17.5	$16.5	$16.0	$143	$135	$131	$434	$409	$397
1930	17.3	15.5	15.8	140	134	128	452	431	413
1931	19.1	18.5	17.7	154	149	142	547	530	507
1932	22.0	21.3	19.4	176	170	155	698	676	616
1933	25.3	24.3	21.9	201	193	174	794	763	687
1934	33.3	30.4	28.0	263	240	221	1,018	929	856
1935	36.2	34.4	32.0	284	270	251	1,067	1,014	943
1936	40.3	37.7	35.3	314	294	275	1,167	1,091	1,022
1937	43.1	39.2	36.6	334	304	284	1,203	1,094	1,022
1938	45.6	40.5	37.9	351	312	291	1,299	1,154	1,080
1939	48.8	42.6	40.1	372	325	306	1,386	1,210	1,139
1940	52.2	44.8	42.6	393	337	321	1,449	1,244	1,183
1941	65.6	56.3	54.0	489	420	403	1,644	1,411	1,353
1942	113.7	101.7	95.5	840	741	705	2,579	2,307	2,166
1943	171.0	154.4	142.9	1,245	1,124	1,041	3,709	3,349	3,099
1944	223.6	211.9	193.1	1,681	1,525	1,390	4,902	4,447	4,052
1945	279.6	252.5	228.2	1,990	1,797	1,624	5,675	5,125	4,632
1946	260.7	229.5	206.1	1,836	1,616	1,452	4,418	3,889	3,493
1947	257.6	221.7	199.1	1,780	1,532	1,376	3,940	3,391	3,045
1948	253.8	214.3	192.0	1,724	1,462	1,304	3,721	3,156	2,815
1949	257.9	217.6	197.7	1,722	1,452	1,320	3,785	3,193	2,901
1950	257.8	217.4	196.6	1,693	1,427	1,291	3,515	2,965	2,681
1951	260.2	216.9	193.1	1,680	1,400	1,246	3,293	2,745	2,443
1952	268.3	221.5	196.8	1,702	1,405	1,249	3,308	2,731	2,427
1953	276.0	226.8	200.9	1,723	1,415	1,254	3,325	2,732	2,420
1954	279.5	229.1	204.2	1,741	1,405	1,252	3,324	2,724	2,428
1955	282.2	229.6	204.8	1,700	1,383	1,243	3,284	2,672	2,383
1956	278.3	224.3	199.4	1,647	1,328	1,180	3,093	2,493	2,216
1957	278.1	223.0	198.8	1,617	1,296	1,155	2,946	2,363	2,106
1958	292.3	231.0	204.7	1,671	1,320	1,170	2,993	2,365	2,096

TABLE 7.—ESTIMATED FEDERAL DEBT RELATED TO POPULATION AND PRICES—Continued

Dec. 31	Outstanding Federal debt			Per capita Federal debt [3]			Real per capita Federal debt [8]		
	Gross [2]	Net [5]	Privately held net [6]	Gross [2]	Net [5]	Privately held net [6]	Gross [3]	Net [5]	Privately held net [3]
1959	296.5	241.4	214.8	1,667	1,357	1,207	2,942	2,395	2,131
1960	296.6	239.8	212.4	1,641	1,327	1,175	2,855	2,308	2,044
1961	303.0	246.7	217.8	1,649	1,343	1,185	2,851	2,321	2,049
1962	311,3	253.6	222.8	1,668	1,359	1,194	2,849	2,321	2,039
1963	317.4	257.5	223.9	1,677	1,360	1,183	2,817	2,286	1,987
1964	327.0	264.0	227.0	1,704	1,375	1,183	2,829	2,284	1,964
1965	330.7	266.4	225.6	1,702	1,371	1,161	2,772	2,233	1,891
1966	343.3	271.8	227.5	1,746	1,382	1,157	2,752	2,179	1,824
1967	364.8	286.4	237.3	1,835	1,441	1,194	2,808	2,204	1,826
1968	373.1	291.9	238.9	1,858	1,454	1,190	2,715	2,124	1,738
1969	382.0	289.3	232.1	1,884	1,427	1,145	2,594	1,964	1,576
1970	401.7	301.1	239.0	1,960	1,469	1,166	2,558	1,917	1,522
1971	435.1	325.9	255.1	2,101	1,574	1,232	2,652	1,987	1,555
1972	481.1	341.2	269.9	2,207	1,633	1,292	2,695	1,994	1,577
1973	481.5	349.1	268.6	2,288	1,659	1,276	2,567	1,861	1,432
1974	504.1	360.8	280.1	2,378	1,702	1,321	2,378	1,702	1,321

TABLE 9.—CHANGES IN PER CAPITA REAL GROSS NATIONAL PRODUCT

Dec. 31	GNP in millions of 1958 dollars	GNP per capita constant 1958 dollars [3]	GNP per capita, change from year ago	
			Constant 1958 dollars	Percent
1929	$203.6	$1,672		
1930	183.5	1,491	−$181	−10.8
1931	169.3	1,365	−126	−8.5
1932	144.2	1,155	−210	−15.4
1933	141.5	1,127	−28	−2.4
1934	154.3	1,221	94	8.4
1935	169.5	1,332	111	9.1
1936	193.0	1,507	175	13.2
1937	203.2	1,577	70	4.7
1938	192.9	1,486	−91	−5.8
1939	209.4	1,600	114	7.7
1940	227.2	1,714	114	7.1
1941	263.7	1,969	255	14.9
1942	297.8	2,200	231	11.7
1943	337.1	2,456	256	11.6
1944	361.3	2,601	145	5.9
1945	355.2	2,529	−72	−2.8
1946	312.6	2,202	−327	−12.9
1947	309.9	2,142	−60	−2.8
1948	323.7	2,199	57	2.7
1949	324.1	2,164	−35	−1.6
1950	355.3	2,333	169	7.8
1951	383.4	2,475	142	6.1
1952	395.1	2,508	33	1.3
1953	412.8	2,577	69	2.8
1954	407.0	2,497	−80	−3.1
1955	438.0	2,640	143	5.7
1956	446.1	2,641	1	.1
1957	452.5	2,631	−10	−.4
1958	447.3	2,558	−73	−2.8
1959	474.9	2,671	113	4.4
1960	487.7	2,699	28	1.1
1961	497.2	2,707	8	.3
1962	529.8	2,840	133	4.9
1963	551.0	2,912	72	2.5
1964	581.1	3,028	116	4.0
1965	617.8	3,180	152	5.0
1966	658.1	3,348	168	5.3
1967	675.2	3,398	50	1.5
1968	706.6	3,521	123	3.6
1969	725.6	3,580	59	1.7
1970	722.5	3,527	−53	−1.5
1971	746.3	3,605	78	2.2
1972	792.5	3,795	190	5.3
1973	839.2	3,989	194	5.1
1974	821.2	3,875	−114	−2.8

TABLE 8.—PRIVATELY HELD FEDERAL DEBT RELATED TO GNP

[Dollar amounts in billions of dollars]

Dec. 31	Gross National Product [4]	Privately held debt [6]	Ratio of debt to GNP	Year to year price changes [7]
1929	$96.7	$16.0	16.5	
1930	83.1	15.8	19.0	−6.0
1931	66.9	17.7	26.5	−9.5
1932	56.8	19.4	34.2	−10.3
1933	60.3	21.9	36.3	.5
1934	68.6	28.0	40.8	2.0
1935	77.4	32.0	41.3	3.0
1936	86.5	35.3	40.8	1.2
1937	87.6	36.6	41.8	3.1
1938	87.6	37.9	43.3	−2.8
1939	94.8	40.1	42.3	−.5
1940	107.6	42.6	39.6	1.0
1941	138.8	54.0	38.9	9.7
1942	179.0	95.5	53.4	9.3
1943	202.4	142.9	70.6	3.2
1944	217.4	193.1	88.8	2.1
1945	196.0	228.2	116.4	2.3
1946	221.4	206.1	93.1	18.5
1947	245.0	199.1	81.3	8.7
1948	261.2	192.0	73.5	2.6
1949	260.5	197.7	75.9	−1.8
1950	311.3	196.6	63.2	5.8
1951	338.2	193.1	57.1	5.9
1952	361.0	196.8	54.5	.9
1953	360.8	200.9	55.7	.7
1954	379.8	204.2	53.8	−.4
1955	409.7	204.8	50.0	.4
1956	433.2	199.4	46.0	2.9
1957	438.1	198.8	45.4	3.0
1958	469.2	204.7	43.6	1.7
1959	496.8	214.8	43.2	1.5
1960	503.5	212.4	42.2	1.5
1961	542.8	217.8	40.1	.6
1962	574.7	222.8	38.8	1.2
1963	611.8	223.9	36.6	1.6
1964	654.0	227.0	34.7	1.2
1965	719.8	225.6	31.3	1.9
1966	772.6	227.5	29.4	3.3
1967	825.0	237.3	28.8	3.0
1968	898.6	238.9	26.6	4.7
1969	953.7	232.1	24.3	6.1
1970	1,009.8	239.0	23.7	5.5
1971	1,099.1	255.1	23.2	3.4
1972	1,226.8	269.9	22.0	3.4
1973	1,351.4	268.6	19.9	8.8
1974	1,424.0	280.1	19.7	12.2

---

[1] Private corporate debt includes the debt of certain federally sponsored agencies in which there is no longer any Federal proprietary interest. The debt of the following agencies are included beginning these years: FLBs in 1949; FHLBs in 1951; FNMA-Secondary market operations, FICBs and BCOOPs in 1968. The total debt for these agencies amount to $700,000,000 on Dec. 31, 1947, $3,500,000,000 on Dec. 31, 1960, $38,800,000,000 on Dec. 31, 1970, $59,800,000,000 on Dec. 31, 1973, and $76,400,000,000 on Dec. 31, 1974.

[2] Total Federal securities includes public debt securities and budget agency securities.

[3] Per capita debt is calculated by dividing debt figures by population of conterminous United States. Beginning 1949, population includes Armed Forces overseas, Hawaii, and Alaska.

[4] Implied level of GNP for end of year. Calculated as an average of the 4th and 1st calendar quarters at seasonally adjusted annual rates for the years 1939 through present. Prior to 1939, averages of 2 calendar year figures are used as the best approximation of Dec. 31 levels.

[5] Borrowing from the public equals gross Federal debt less securities held in Government accounts (a unified budget concept).

[6] Borrowing from the public less Federal Reserve holdings.

[7] Measured by all item Consumer Price Index, December to December basis.

[8] Per capita debt expressed in December 1974 prices (Consumer Price Index for all items).

Note: Detail may not add to totals because of rounding.

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

Mr. **DOLE**. Mr. President, my vote in favor of H.R. 8030, the $46 billion increase in the Federal debt ceiling, should in no way be taken as an endorsement of the deficit spending policies of the past several years—policies which will result in indebtedness of over $577 billion by November 15, 1975. Rather, my vote is merely a recognition of the simple fact that the Federal Government must pay the bills it has already incurred.

If I thought a negative vote on this increase in the so-called ceiling on the Federal debt would lead, directly or indirectly, to a diminution in Federal spending and a reduction of the deficit, I would not hesitate to vote against this legislation. But it is evident that the only effective method of controlling the level of public debt is to decrease the level of Federal spending—not to cast a meaningless, and potentially harmful, vote against a mandatory increase in the debt ceiling.

Instead, we should begin now an all-out effort to control Federal spending and reduce or eliminate costly, but outmoded, Federal programs. In this connection, I offered an amendment to the first concurrent resolution on the budget to cut a modest amount from the fiscal year 1976 budget. Unfortunately, this amendment was defeated. Since then, I have introduced Senate Resolution 152, a measure which would require all Senate committees to conduct oversight hearings on all Federal spending programs to determine which programs might be cut back or eliminated. I am pleased that a bipartisan group of my colleagues have cosponsored this resolution. For it represents a beginning in the difficult task of controlling Federal spending and, thus, reducing the level of Federal debt.

Mr. President, I share with my colleagues abhorrence of a level of public debt of $577 billion—and rising. The fact that we will be paying out over $36 billion in interest alone over the next fiscal year should shock the fiscal conscience of every Member of the Congress who would further increase Federal spending beyond the level necessary to deal effectively and equitably with the recession. But this bill is not the vehicle for lowering the level of public debt. Instead, we must move toward reduced spending. Then, and only then, can we be spared the necessary agony of consistently voting to raise the public debt ceiling.

The dangers of persistent Federal deficits are well articulated by the Secretary of the Treasury, the Honorable William E. Simon, in his testimony yesterday before the Senate Committee on Finance.

His remarks are very enlightening on this matter and I ask unanimous consent that they be inserted in the RECORD at this point.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE HONORABLE WILLIAM E. SIMON

Mr. Chairman and Members of this distinguished Committee:

It is again time to consider the borrowing authority of the Treasury Department.

The present temporary debt ceiling of $531 billion, which was enacted by the Congress on February 19, will expire at the end of this month. On July 1, in the absence of new legislation, the Treasury will be unable to issue any new debt obligations of any kind, either to refund maturing issues or to raise needed new money.

In the past, Secretaries of the Treasury have come to the Congress—as I have today—to request an increase in the debt limit only when the Treasury was close to running out of borrowing authority. I doubt, however, whether this procedure has really insured the most productive consultation between the Congress and the Administration. For that reason, I would like to discuss with you today, as I did earlier with the Ways and Means Committee, some possible new departures.

Under the new procedures prescribed in the Congressional Budget and Impoundment Control Act of 1974, the Congress has now established its own timetable for determining the government's aggregate receipts, outlays, deficit, and debt. As the new congressional budget and debt limit process is placed into effect, it would seem to me appropriate for this Committee to consider shifting its focus from the amount of the debt to the way in which the debt is managed; that is, to the timing of debt issues, the size of denominations, the maturity structure, and the marketing techniques.

While a detailed account of the stewardship of the Secretary of the Treasury with regard to these debt management matters is already presented to the Congress each year in the Annual Report of the Secretary of the Treasury on the State of Finances, we would be happy to work with this Committee in any way that it sees fit in scheduling oversight hearings for the review of these important governmental activities in greater depth.

In this regard, I should note the considerable discussion in recent months of the potential impact of large Federal deficits on the prospects for economic recovery. Dr. McCracken put the matter succinctly when he noted before the Joint Economic Committee earlier this year that—

"If the financial community has been slow to appreciate the role of fiscal policy in the management of the economy, economists have been slow to face fully the implications of the fact that Treasury financing and private borrowing do compete for funds in the same money and capital markets. And Treasury requirements are now large enough so that their impact on financing in the private sector must be faced quite explicitly."

For the fiscal year 1976, the whole Congress has already spoken with regard to the debt limit. The congressional budget resolution for fiscal 1976, which was adopted by the Congress on May 14 provided for an $86.6 billion increase in the debt limit to a figure of $617.6 billion for the fiscal year ending June 30, 1976.

I understand that this congressional action does not have the force of law in the sense of providing the Treasury with borrowing authority after the end of this month. Yet, as I said to the Ways and Means Committee, I wonder whether it would not be more productive if we just accepted that number and got down to a more substantive discussion of the real issues of debt management.

We all know that there is no widespread inclination to use the debt ceiling as a real determinant of federal spending and taxing. Decisions on those subjects are made by the Congress in other legislation, and once the taxes are set and the spending is mandated, the government has no choice but to borrow to cover the differences between its revenues and outlays.

I could, therefore, accept the $617.6 billion figure as a reasonable estimate of the peak borrowing of the Treasury in the next fiscal year despite the fact, which you all know, that the fiscal 1976 budget deficit figure adopted by the Congress in its May 14 action is significantly larger than the deficit proposed by the President.

In suggesting that Ways and Means also adopt the $617.6 billion figure, I was influenced by several considerations.

First, I had understood that the Congress in setting its debt ceiling figure was concentrating on a forecast of the June 30, 1976, debt level. Normally, however, the debt is as much as $5 billion higher a few weeks earlier in mid-June just before the heavy June tax receipts are received.

Second, I understood that the Congress was operating with an estimate which was about $5 billion lower than our current estimate of Federal borrowing which is subject to the debt ceiling even though the purpose is to finance Federal agency programs which have been placed outside the budget.

Table 1 attached to my statement shows our estimates, based on the President's proposed budget program in 1976, of debt subject to statutory limitation at the end of each month through fiscal year 1976, as well as the peak debt in mid-June 1976. Our estimates include all Treasury borrowing to finance both budget and off-budget programs and make the usual assumptions of a $6 billion cash balance and $3 billion margin for contingencies. The table shows our peak debt limit need on June 15 at $613 billion, compared to the congressional figure of $617.6 billion. Given the uncertainty in estimates and the fact that the debt limit does not control spending, I questioned whether this relatively small difference was worth an extensive legislative exercise.

Indeed, in view of the new congressional procedures, the Committee should consider doing away with separate legislation on the debt ceiling and concentrating on our debt management operations.

As members of this committee know, the House yesterday approved an increase in debt limit to $577 billion through November 15, effective on the date of enactment. I am glad to be able to endorse this action as evidencing a reaffirmation of the policy adopted in the Congressional Budget and Impoundment Control Act.

Obviously, I believe that the President's views on the size of the budget deficit in fiscal 1976 should and will prevail. But it seems to me that the House action is a highly responsible act in that it provides the borrowing authority required by the budgetary targets adopted by the Congress on May 14.

It also seems to me to be significant that the expiration of the temporary limit under the House bill essentially coincides with the date for the final congressional resolution on the budget totals.

Since the Congress will speak to the debt limit in that resolution, that action on the debt limit itself will be a pro forma action, and an opportunity will be afforded for the review of our debt management operations and economic and financial developments in some more detail than heretofore has been feasible.

In light of the very large deficits that we have been financing and will need to finance in the coming year, whether we look at the congressional numbers or the President's, I think it is important for the Congress and the American people to understand what the Treasury has been doing in the area of debt management.

In making our financing decisions, we have sought and obtained the best advice of practical and experienced market participants and financial leaders.

The Government Borrowing Committee of the American Bankers Association numbers among its membership senior bank officers from banks in all geographical areas of the country and of a wide range of sizes from the very largest to relatively small banks. Commercial banks are the largest private purchasers of Government securities. Advice on bank demands for new Government securities is vital.

The Government Securities and Federal Agencies Committee of the Securities Industry Association similarly includes senior officials of institutions active in the government securities market, a number of whom have served also in responsible positions in government—several in the Treasury as Assistants to the Secretary for Debt Management. This Committee also has a broad view of the market.

The members of both advisory committees have been in full agreement that the Treasury must tap all maturity sectors of the market and that its offerings should be designed to create and build an upward sloping yield curve to appeal to nonbank investors and to improve the maturity structure of the debt. They have pointed out also that such policies would provide some protection against excessive monetary growth.

We have not followed the specific recommendations of the advisory committees in all respects, for the ultimate judgments have been ours, as they should be. But their advice has been valuable, and the results of our financing operations have indeed been satisfactory.

I agree completely with the wisdom of their consistent advice that to raise the tremendous sums we require, without extreme disturbance to our financial structure, we must issue securities in all the different maturity ranges; and we must do our best to halt the long continued concentration of our debt in short-dated securities. In that regard, it is a matter of concern to me that the average maturity of the privately-held marketable debt has been allowed to deteriorate to the point that the average maturity at the end of June will be 2 years and 9 months compared to 5 years and 9 months just a decade ago and 10 years and 5 months in June 1947.

The importance of an upward sloping yield curve should not be underestimated. In the words of one committee:

"Because the majority of institutional investors borrow short-term funds and invest them longer—this is true of commercial banks, of savings institutions and others—anything that raises short-term rates destroys the incentive to invest longer term, be it in mortgages, corporate bonds, or stocks. This is because any action that makes short rates higher than otherwise simply increases the risks of investing long, and destroys the incentive or need to extend investment maturities."

I particularly call your attention to the attached charts showing the recent course of interest rates. As these charts indicate, intermediate and longer-term interest rates rose steadily from mid-February until the announcement on May 1 of our May refunding and cash financing program.

The Treasury was accused of having "talked up" these interest rates and has also been blamed by some for the market difficulties encountered by corporate and other borrowers in this period.

There is, in fact, very little, if any, lasting market effect from a statement by the Secretary of the Treasury or any other person regarding the course of future market rates unless the facts support his conclusions.

Those who make decisions in markets do not survive for long by acting on statements that are not based on fact. Market reactions to statements which are not based on facts are temporary and self-correcting. The key to fundamental market moves is what market participants perceive as the realities of current and prospective financial conditions. These, in turn, are determined by existing and anticipated conditions affecting the supply and demand for savings, including the present and prospective federal deficits.

I would like to point out that as Secretary of the Treasury it is my responsibility to maintain the financial integrity of the U.S. Government and, in so doing, to speak out whenever that integrity is threatened. Unfortunately, the cause of a problem is too frequently attributed to the messenger rather than to the message itself. As the Wall Street Journal said in an editorial, it's like blaming the obstetrician for the high birth rate. As you all well know, in the period between February and May, it appeared that the federal deficits for fiscal 1975 and fiscal 1976 would be increased by congressional tax and spending actions almost without limit. That was the factor in this period that was clearly responsible for the rise in interest rates.

The market rally following our May financing announcement was based on the downward revision in the anticipated federal deficit resulting from larger than anticipated corporate and individual tax receipts and the immediate relief to the market that was provided by the reduction in our estimated borrowing requirements for the two months of May and June.

The further factor which has since helped to lower rates, is the growing sign of greater congressional recognition of the financial and economic dangers of excessive budget deficits. Our experience has clearly indicated that further reductions in interest rates from now on depend on maintaining a firm grasp on the budget situation, on continued progress against inflation, and on continued progress in improving the financial structure of our business firms. All of these things are essential to achieving a solidly based and long-lasting recovery of the economy.

Based on the Administration's projection of a $60 billion deficit in fiscal 1976, our new cash requirements, including off-budget financing, will total nearly $73 billion—$38.2 billion in the July–December 1975 half year and $34.5 billion in the January–June 1976 half year. This has not been generally recognized, except by active market participants. The simple facts are these: On December 31, 1974, private investors held $181 billion of marketable Treasury obligations. By June 30, 1976—18 months later—they will have acquired another $80–90 billion more of marketable Treasuries.

In Fiscal 1976 all Government borrowing, including State and local, is expected to amount to about 80% of the net borrowings in the securities market; and the Federal sector alone will account for 50% or more of the total funds raised in all credit markets.

Tables and charts are attached to my statement showing changes in the ownership of total outstanding Treasury debt over the past year; offerings of new marketable securities by maturity since January 1; the schedule of obligations maturing in the next twelve months; and historical information on new issues, maturities, and new money financing for recent years.

Also attached to my statement are transcripts of financing press conferences this year.

I believe that analysis of this data will support a conclusion by this committee and the Congress that the Treasury has been financing the deficit in a responsible and constructive manner. In this regard, however, I must say that I am personally deeply concerned by the notion I sometimes hear expressed that there is some simple answer to financing the deficits which will avert painlessly all risks which are inherent in operations of this magnitude.

In addition to raising an unprecedented amount of new money, we will also have substantial refunding requirements in fiscal 1976, as Table 4 shows. Apart from the $93 billion of privately-held regular weekly and monthly bills, $26.0 billion of privately-held coupon issues will mature in FY 1976.

Thus, our gross financing job will total over $190 billion.

The sheer size of this financing job requires the greatest flexibility with regard to the choice of maturities for every new securities offering. And yet, under present law, however, there is a statutory limitation of $10 billion on the amount of bonds held by the general public with interest rates in excess of 4¼ percent. Moreover, Treasury notes, which are not subject to an interest rate limitation, are restricted to a maximum maturity of 7 years. Bear in mind that, since 1965, interest yields required by the market on longer-term Treasury securities have been in excess of 4¼ percent, and the Congress on three occasions in this decade has recognized Treasury needs for greater flexibility in its debt management operations.

In 1967, the maximum maturity on Treasury notes was increased from 5 years to the present maximum of 7 years, thus exempting issues up to 7 years from the 4¼ percent limitation.

In 1971, the Treasury was authorized to issue up to $10 billion of bonds without regard to the 4¼ percent ceiling.

Then, in 1973, the $10 billion exemption from the 4¼ percent ceiling was amended so that it would apply only to bonds outstanding in the hands of the public. The effect was to exclude any bonds held by government accounts, including the Federal Reserve Banks, in calculating the amount outstanding against the $10 billion limitation.

The Treasury has used $8.5 billion of the $10 billion bond authority. This leaves a balance of only $1.5 billion.

In light of the magnitude of our projected refunding and new money needs in FY 1976 and beyond—and also in light of the basic need to restructure the debt to redress the neglect of past years—the flexibility which I now have for conducting our borrowing operations is grossly inadequate.

The weight of practical and experienced market advice, as I have already indicated, is that we should offer securities in all maturity areas to minimize the risk of an adverse impact on any particular sector. Indeed, unless we can offer securities in all the maturity ranges to a wide range of investor interests, debt management is made more difficult and the ultimate cost of financing our deficits is likely to be increased. Obviously, this means a market judgment is called for at the time of any financing, and if our choices are restricted by inadequate authority to issue a range of securities, such choices are made more difficult and the results are likely to be less satisfactory.

In this connection, I should mention the sometimes erroneous conclusions about the impact of Treasury financing operations on particular sectors of the economy. There is a tendency, for example, to think of housing finance in terms of permanent, 30-year mortgage financing, but as every home builder knows, the availability of short-term construction financing is as important to getting a job started as the permanent financing is to getting the job completed. We also know that the deposit flow to financial institutions, such as savings and loan associations, is far more sensitive to the competition of shorter-term Treasury obligations than to the competition of longer-term obligations. Indeed, every sector of the economy, every aspect of our financial markets, is so interrelated that undue concentration of Treasury financing in any particular maturity area can have adverse effects throughout the whole market—which could largely have been avoided by a better choice of new securities.

As we move forward into the recovery phase, there is an additional reason for concern with our debt structure.

It is obvious that a substantial portion of our financing in the future, as in the past, will have to be handled in the short and intermediate area. In fact, in the first 6 months of this year we have issued $47.6 billion of new marketable securities excluding exchange offerings to the Federal Reserve and Government accounts and counting only the net additions to bills. Of this total, $32.5 billion—68 percent—has been in maturities of less than 2 years; $12.4 billion—26 percent—has been in maturities of 2–7 years; and only $2.7 billion—less than 6 percent—has been in maturities over 7 years; that is, in the bond area. Only $1.5 billion, 3 percent of the total, has been in long-term maturities over 20 years.

But if we concentrate our new offerings entirely in the short- and intermediate-term areas, then, when the economy has achieved a substantial measure of recovery, the problems of the Federal Reserve will be greatly complicated, as would the problems of future Secretaries of the Treasury. The already substantial build-up in the amount of securities coming due in each year is likely to continue. Two years ago, the privately-held marketable debt maturing within a year amounted to just $84 billion. Today, the figure is $119 billion. Two years ago our major refundings were quarterly, but it is now likely that we will soon have significant coupon maturities in every month of the year.

We cannot escape all of the future adverse consequences of necessary short-term financing. In my judgment, however—and I know this is a judgment shared by other market professionals—excessive amounts of short-term Treasury debt could contribute to another situation in which we could get an excessive rise in short-term interest rates, with the whole panoply of adverse economic and financial consequences such as developed in 1966, 1969–70, and again in 1973.

This is obviously not an immediate problem, but as the recovery develops and private credit demands expand, commercial banks and other lenders will attempt to liquidate Treasury securities to obtain funds for lending to the private sector.

Short-term Treasury debt is very near to money and, unless there is a substantial rise in interest rates, it can be readily liquidated at small cost to provide funds for other purposes. If Treasury financing needs are still large at that time and excess demand threatens to reignite inflationary pressures, the Federal Reserve System will have to resist this liquidation by the private sector by allowing short-term interest rates to rise.

The alternative of Federal Reserve purchases from the private sector—monetization of the debt—could temporarily restrain such a rise in rates, but only at the expense of adding to the inflationary potential.

I know the argument that we should refrain from long-term borrowing at this time when rates are historically high and wait until a time when rates are lower. Despite the superficial appeal of this argument, to preclude the Treasury from the sound debt management practices available to virtually all other financial market participants will inevitably lead to undesirable and damaging results.

It may seem strange that any Secretary of the Treasury would wish to borrow at a rate of near 8 percent in the long-term market when he could borrow at a rate of 5 percent or less with 91-day bills, an apparent cost difference of 3 percent, which could translate into many millions of dollars of interest in a year's time.

Such mechanical-type calculations beg the question.

In the first place, long-term financing avoids the need for frequent future refundings of debt at unpredictable rates of interest. Short-term rates are volatile and their volatility would be increased by concentrating federal financing unduly in the short-term area. Such volatility would harm not only Treasury finance but the financing of private borrowers. This is one reason that the Treassury chose to do a substantial part of World War II financing with 2½ percent bonds, when the alternative was financing with ⅜ of 1 percent bills. The immediate budget cost was less of a concern than the consideration for future economic stability; but undoubtedly, with the subsequent rises in interest rates, the long-run cost of bond financing was less than the cost of continually rolling over the bills.

Second, and more important, short-term Treasury debt is a near-money, so that to achieve the same economic effects, Federal Reserve policy must be relatively more restrictive if the amount of short-term Treasury debt outstanding is larger. If we finance all of our debt in the short-term area, therefore, we will create a prospect that future interest rates will be higher throughout all financial markets than if we finance a meaningful portion of our debt in the longer-term area.

Thus, the apparent interest saving from short-term financing can be an illusion, whether we are concerned about the budget alone or whether we take the point of view of the economy as a whole, and I might add that nearly every corporate or municipal treasurer who has relied on short-term financing in the last few years will share this view.

Beyond this an inability of the Treasury Department to utilize all maturity sectors, including the long-term sector, would be interpreted by the market, and the public generally, as indicative of a lack of will to deal with the inflation which is still our basic, long-run economic problem. Whether that were or were not a valid concern, it would be an important psychological barrier to the future reductions in longer-term rates, which I perceive as essential if we are to restore health to the housing industry and are to encourage the business investment which is needed if this country's economic progress is not to falter. Long-term interest rates have continued to reflect ingrained inflationary expectations. Our financing should be conducted in a way that will help to overcome those expectations—not in a way which will tend to confirm them.

For these reasons, I believe the time is now appropriate to increase the amount of bonds that may be issued without regard to the 4¼ percent ceiling on rates and to extend the maximum maturity of Treasury notes.

I specifically recommend, with regard to the 4¼ percent ceiling, that the exception be increased from $10 billion to $20 billion. I wish to emphasize as strongly as I can that market conditions are unpredictable, so that the amount of longer-term issues which might be issued in any specific period could vary greatly, depending upon market demands. The record indicates, however, that we have been responsible and sensitive to financial and economic conditions in our use of the exception to the 4¼ percent limit. We will continue to be responsible and sensitive.

I also strongly recommend that the maximum maturity of Treasury notes be extended from the present 7 years to 10 years. This extension of the maximum note maturity, assuming that market conditions permit, could be a powerful tool in helping to arrest the decline in the average maturity of the debt and reduce the concentration in short-term issues which has taken place in recent years.

In addition, I want to urge that early consideration be given to removing the 6 percent rate ceiling on Savings Bonds. Such action would allow the rate on Savings Bonds to be varied from time to time in accordance with changing financial circumstances in the interest of both savers and taxpayers. Thus, we could provide greater assurance to the Savings Bond investor that his Government will continue to give him a fair rate of return on his investment. Greater flexibility to adjust Savings Bonds rates could also make a significant contribution to the Government's overall debt management objectives. Savings Bonds account for about one-fourth of the total privately-held Treasury debt, and the average Savings Bonds investor holds his security for a longer period than investors in marketable Treasuries and is thus an important source of stability to debt management.

Such flexibility would obviously need to be exercised with due regard to the impact of Savings Bonds rate changes on depositary institutions. As experience has demonstrated, however, there is no way permanently to insulate these institutions from the effects of changing economic circumstances. We have, therefore, proposed a Financial Institutions Act, which will allow the removal of Regulation Q-type ceilings by providing the thrift institutions with expanded powers which will improve their ability to compete without a Federal crutch.

The urgency of the need for greater debt management flexibility is, I believe, underscored by the fact that I have already mentioned. During this calendar year, out of the $47.6 billion of marketable securities issued to the public, $32.5 billion has been in maturities of less than 2 years. This is 68 percent of the total in money market instrument. $12.4 billion has been in maturities of 2 to 7 years. This is 26 percent of the total. And only $2.7 billion, less than 6 percent of the total, has been in the bond area over 7 years. In fact of all our market financing, only $1.5 billion, just 3 percent, has been in maturities of over 20 years.

There is a large debt management job before us. The Treasury will handle its part of the debt management job responsibly. I urge you to act promptly to give us the tools to do the job.

TABLE 1.—PUBLIC DEBT SUBJECT TO LIMITATION FISCAL YEAR 1976

(BASED ON ESTIMATED BUDGET RECEIPTS OF $299,000,000,000, OUTLAYS OF $358,900,000,000, UNIFIED BUDGET DEFICIT OF $59,900,000,000, AND OFF-BUDGET OUTLAYS OF $14,200,000,000)

[In billions of dollars; estimated]

	Operating cash balance	Public debt subject to limitation	With usual $3,000,000,000 margin for contingencies
1975:			
June 30	6	533	536
July 31	6	540	543
Aug. 31	6	548	551
Sept. 30	6	547	550
Oct. 31	6	553	556
Nov. 30	6	560	563
Dec. 31	6	567	570
1976:			
Jan. 31	6	569	572
Feb. 29	6	579	582
Mar. 31	6	591	594
Apr. 15	6	600	603
Apr. 30	6	593	596
May 31	6	605	608
June 15 (peak)	6	610	613
June 30	6	607	610

TABLE 2.—CHANGES IN OWNERSHIP OF TREASURY PUBLIC DEBT SECURITIES

[Par values [1] in billions of dollars]

End of month	Outstanding		Federal and GA		Total privately held		Commercial banks [2]		Individuals [3]		Insurance companies		Mutual savings banks		Corporations [4]		State and local governments		Foreign and international [5]		Other investors [6]	
	Lv.	Chg.	Lv.	Chg.	Lv.	Chg.	Lv.	Chg.	Lv.	Chg.	Lv.	Chg.	Lv.	Chg.	Lv.	Chg.	Lv.	Chg.	Lv.	Chg.	Lv.	Chg.
1974:																						
May	474.7	2.8	215.3	4.1	259.4	−1.3	54.4	−2.4	80.0	0.8	6.0	0.1	2.6	−0.1	11.2	0.7	29.2	−0.9	57.3	1.4	18.6	−1.1
June	475.1	.4	218.7	3.4	256.4	−3.0	53.2	−1.2	80.7	.7	5.9	−.1	2.6	0	10.8	.4	28.3	.9	57.7	.4	17.3	−1.3
July	475.3	.2	215.6	−3.1	259.7	3.3	53.9	.7	81.6	.9	5.7	−.2	2.6	0	11.3	.5	28.8	.5	56.9	−.8	18.8	1.5
August	481.8	6.5	222.8	7.2	259.0	−.7	53.0	−.9	82.6	1.0	5.7	0	2.6	0	11.0	−.3	29.2	.3	56.0	.9	19.0	.2
September	481.5	−.3	221.6	−1.2	259.8	.8	52.9	−.1	83.3	.7	5.8	.1	2.5	−.1	10.5	−.5	29.3	.1	56.0	0	19.5	.5
October	480.2	−1.3	217.8	−3.8	262.5	2.7	53.5	.6	83.8	.5	5.9	.1	2.5	0	11.2	.7	28.8	.5	56.6	.6	20.3	.8
November	485.4	5.2	220.0	3.2	265.3	2.8	54.5	1.0	84.3	.5	5.9	0	2.5	0	11.0	−.2	28.7	−.1	58.3	1.7	20.1	−.2
December	492.7	7.3	221.7	1.7	271.0	5.7	56.5	2.0	84.8	.5	6.1	.2	2.5	0	11.0	0	29.2	.3	58.4	.1	22.4	2.3
1975:																						
January	494.1	1.4	220.4	−1.3	273.8	2.8	54.5	−2.0	85.3	.5	6.2	.1	2.6	.1	11.3	.3	30.0	.8	61.5	3.1	22.3	−.1
February	499.7	5.6	220.8	.4	278.9	5.1	56.9	2.4	85.3	0	6.2	0	2.7	.1	11.4	.1	30.5	.5	64.6	3.1	21.3	−1.6
March	509.7	10.0	219.9	−.9	289.8	10.9	62.0	5.1	85.7	.4	6.6	.4	2.9	.2	12.0	.6	29.7	−.8	65.0	.4	25.9	4.2
April	516.7	7.0	225.9	6.0	290.9	1.1	63.0	1.0	86.1	.4	6.7	.1	3.2	.3	12.5	.5	29.8	.1	64.9	−.1	24.7	−1.4
May	528.2	11.5	226.5	.6	301.7	10.8	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

[1] U.S. savings bonds are included at current redemption value.

[2] Consists of commercial banks, trust companies, and stock savings banks in the United States and in territories and island possessions. Figures exclude securities held in trust departments.

[3] Includes partnerships and personal trust accounts.

[4] Exclusive of banks and insurance companies.

[5] Consists of the investments of foreign balances and international accounts in the United States. Beginning with July 1974 the figures exclude noninterest-bearing notes issued to the International Monetary Fund.

[6] Consists of savings and loan associations, nonprofit institutions, corporate pension trust funds and dealers and brokers. Also included are certain government deposit accounts and government-sponsored agencies.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TABLE 3.—OFFERINGS OF MARKETABLE SECURITIES,[1] JANUARY-JUNE 1975

[Dollar amounts in billions]

Maturity	Amount	Percent of total
Total offerings	$47.6	100.0
Under 2 yr	32.5	68.3
Bills	15.7	33.0
13, 26-week bills	11.7	
52-week bills	2.4	
Other bills	1.6	
Coupons	16.8	35.2
1 yr, 3 mo, issued Jan. 9	.8	
1 yr, 6 mo, issued Mar. 3	1.7	
2 yr, 0 mo, issued Mar. 3	1.7	
1 yr, 2 mo, issued Mar. 25	1.6	
2 yr, 0 mo, issued Mar. 31	2.3	
1 yr, 8 mo, issued Apr. 8	1.5	
2 yr, 0 mo, issued Apr. 30	1.6	
2 yr, 0 mo, issued May 27	2.1	
1 yr, 5 mo, issued June 6	$1.6	
2 yr, 0 mo, to be issued June 30	2.0	
2 to 7 yr	12.4	26.0
4 yr, 4 mo, issued Jan. 7	1.3	
3 yr, 3 mo, issued Feb. 18	3.3	
6 yr, 0 mo, issued Feb. 18	1.8	
6 yr, 8 mo, issued Mar. 19	1.8	
3 yr, 3 mo, issued May 15	2.8	
7 yr, 0 mo, issued May 15	1.5	
7 to 20 yr	1.2	2.6
15 yr, 1 mo, issued Apr. 7	1.2	
Over 20 yr	1.5	3.2
20 to 25 yr, 0 mo, issued Feb. 18	8	
25 to 30 yr, 0 mo, issued May 15	.7	

[1] Includes net additions only to bills and excludes exchange offerings to Federal Reserve and Government accounts.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TABLE 4.—MARKETABLE MATURITIES THROUGH JUNE 30, 1976 (ISSUED OR ANNOUNCED THROUGH JUNE 30, 1975)

[In billions of dollars]

	Outstanding	Privately held
Treasury bills	$126.9	93.2
Regular weekly	100.5	NA
52-week	26.4	NA
Coupons and other	37.0	26.0
1975:		
5⅞ percent note Aug. 15, 1975	7.7	4.6
8⅜ percent note Sept. 30, 1975	2.0	1.9
1½ percent note Oct. 1, 1975	(1)	(1)
7 percent note Nov. 15, 1975	3.1	2.4
7 percent note Dec. 31, 1975	1.7	1.5
1976:		
Jan. 31 bill[2]	$1.6	1.5
6¼ percent note Feb. 15, 1976	3.7	.9
5⅞ percent note Feb. 15, 1976	4.9	3.5
8 percent note Mar. 31, 1976	2.3	2.1
1½ percent note Apr. 1, 1975	(1)	(1)
6½ percent note May 15, 1976	2.7	1.9
5¾ percent note May 15, 1976	2.8	2.2
6 percent note May 31, 1976	1.6	1.5
8¾ percent note June 30, 1976	2.7	2.0
Total	163.9	119.2

[1] Less than $50,000,000.

[2] Treasury bills in 2-year note cycle slot.

Note: Figures may not add to totals because of rounding. NA equals not available.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TABLE 5.—TREASURY ISSUES, MATURITIES AND NEW MONEY, FISCAL YEARS 1973-1975

[In millions of dollars]

	July-December 1972	January-June 1973	Total	July-December 1973	January-June 1974	Total	July-December 1974	January-June 1975p	Total
Gross issues	144,374	134,745	279,119	142,145	141,228	283,373	167,379	187,419	354,798
Bills	125,297	120,660	245,957	132,111	128,981	261,092	144,307	149,565	293,872
Coupons	19,077	14,085	33,162	10,034	12,247	22,281	23,072	37,854	60,926
Gross maturities	131,565	140,915	272,480	134,562	144,349	278,911	147,651	154,632	302,283
Bills	115,975	124,463	240,438	124,490	131,740	256,230	130,854	140,859	271,713
Coupons	15,590	16,452	32,042	10,072	12,609	22,681	16,797	13,773	30,570
Net (+) or (−) issues	12,809	−6,170	6,639	7,583	−3,121	4,462	19,728	32,787	52,515
Issued to private:									
Bills (net)	9,322	−3,805	5,519	7,621	−2,759	4,862	13,453	[1]8,706	22,159
Coupons to foreign[2]	15,327	6,683	22,010	8,102	9,810	17,912	14,561 (200)	31,955 (985)	46,516 (1,185)
Total	24,649	2,880	27,529	15,723	7,051	22,774	28,014	40,664	68,678
Maturities privately held:									
Coupons	11,798	9,114	20,912	8,095	10,061	18,156	8,568	7,215	15,783
New money from private	12,851	−6,234	6,617	7,628	−3,010	4,618	19,446	33,446	52,892

[1] Assumes rollover of $4,506 million regular bills maturing June 26, 1975.

[2] Included in coupons issued to private.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

THE FEDERAL DEFICIT: WHAT CAN WE DO ABOUT IT

Mr. MUSKIE. Mr. President, the Senate is considering H.R. 8030, the bill requested by the President to increase the Federal debt limit so that the Government can pay its bills. The debt ceiling before the Senate would increase the debt limit by $46 billion, to a total of $577 billion. The President anticipates that this debt limit increase will permit the Government to pay its bills until November 15, 1975. It is appropriate that we limit this debt ceiling to a few months. By the time this debt ceiling legislation comes up for renewal in November, Congress will have adopted the budget resolution our committee intends to submit this fall. That resolution will have binding spending ceilings for the remainder of the fiscal year which will give us a clear picture of the exact amount of debt required for the rest of the year. There is no point in sanctioning at this time an amount of debt which economic conditions, tax collections, or spending limitations subsequently prove to be unnecessary.

The course of continual deficit financing of the Federal Government is unacceptable to most of our citizens. It is also unacceptable to many in Congress. It is unacceptable to me.

That is why we hammered out and passed the Congressional Budget Reform Act last year. One of our principal purposes was to bring deficit spending under control and move as rapidly as possible toward a balanced budget. We are acting now to help Congress and the President plan and act more prudently on spending decisions. But we see serious problems ahead on the energy issue which threaten to derail our efforts to move out of the present recession and toward a balanced Federal spending policy.

The new Budget Act we passed last year requires the Budget Committees to recommend to Congress a tax and spending plan appropriate to our national economic needs. Faced with the worst economic collapse since the Great Depression—with nearly 1 out of every 10 American workers out of a job—the Congress has adopted the Budget Committee's plan for a tax reduction and expenditure limitation program to limit the deficit to $68.8 billion for the coming fiscal year. We were under considerable pressure not to limit the deficit this way. A number of economists and others advocated that the deficit should be higher, and the Director of the Office of Management and Budget suggested that the deficit might go to $100 billion or beyond.

We resisted the pressure to increase the deficit. We defeated the amendments designed to increase the budget we proposed. Taking into account different cost and revenue estimates for the same programs, the deficit which resulted under our plan was virtually the same as that suggested by the President. Our Budget Committee report on the budget target resolution detailed how the taxes lost to the recession and the increased Federal aid to the laid-off workers account for virtually all of this year's deficit. I ask unanimous consent that that portion of our report be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

CHAPTER V. THE DEFICIT

Every witness who appeared before the Committee agreed that a sizable deficit was inevitable in fiscal 1976. The Secretary of the Treasury, the Chairman of the Council of Economic Advisers, and the Director of the Office of Management and Budget testified before the Committee that a deficit of $53 billion could not be avoided. President Ford later adjusted his deficit ceiling to $60 billion. In response to a question, Secretary Simon said on March 17:

"Mr. Chairman, budget deficits this year are unavoidable. We must take care of the unemployed in this country. We have to get the economy moving again through tax stimulus. . . . That creates a deficit."

Many witnesses also testified that both the fiscal 1975 and the anticipated fiscal 1976 deficits will be entirely the product of the recession. Dr. Okun told the Joint Economic Committee on February 28:

"As private incomes have contracted, so have the tax bills of individuals and corporations; meanwhile, the Federal bills for unemployment benefits and similar anti-recessionary transfers have soared."

Expenditures are higher than they would be without the recession. The costs of unemployment insurance payments, food stamps, and welfare programs will be more than $15 billion higher in fiscal 1976 than they would be if the unemployment rate were 4 percent and $12 billion higher than they would be if 5 percent of the Nation's workers were unemployed. Thus, without any temporary recovery programs, the recession itself causes a virtually unavoidable $68 billion deficit—$53 billion in lost revenues and $15 billion in added expenditures. In addition, the Committee believes the $4.5 billion in temporary recovery programs will be necessary in order to bring the recession to a more rapid end. The $4.5 billion in temporary spending still would leave a small surplus in the full-employment budget.

Administration and other expert witnesses testified that attempts to eliminate the deficit not only would be futile but destructive. Raising taxes or cutting expenditures would only lead to a deeper recession, further lost revenues and even higher unemployment compensation. A tax increase or expenditure cut large enough to eliminate the deficit could cause a major 1930's-style depression.[1]

RECOVERY AND DEFICITS

The only way to stop deficit spending is to bring the economy back to something close to full employment. That is why the President proposed, Congress passed, and the President signed the tax reduction bill. Similarly, that is why the President proposed, and the Congress should support, an expansion of public service employment.

The budget the Committee is recommending represents a minimum adequate level of expenditures in light of the tax cut and the depressed state of the economy. If the unemployment rate were at 4 percent, expenditures for the fiscal year probably would be $345 billion. If it were at 5 percent, expenditures would be approximately $348 billion. However, the economy is not at full employment by either definition. Therefore, expenditures automatically rise and other temporary program increases are required.

The anticipated deficit is large. But as Dr. Okun told the Joint Economic Committee on February 28: "There is no cut-rate recovery program." At that time, Dr. Okun recommended a deficit of $80 billion.

The effects of economic activity on the budget—on revenue, on expenditure, and therefore on the defiit—must not be ignored. The numbers that the Committee proposes for expenditures and revenue are part of a package. Changes in one expenditure or revenue component will affect many of the others. The revenue estimate that the Committee presents is based on an assumption that total outlays will come to $365 billion. A different level of expenditure would produce a different gross national product which, in turn, would produce a different level of revenues.

INFLATION AND RECESSION

In summary, the fiscal 1976 budget should be planned with both recession and inflation in mind. Unemployment is the major problem of 1975. But in combating the one problem, Congress must avoid actions that could lead to major inflation in the years ahead.

This budget aims to fight unemployment with:

(1) The aid of the stimulus of a $22.8 billion tax reduction as provided by the Tax Reduction Act of 1975; and

(2) A total of nearly $20 billion in recovery expenditures, including $15.2 billion to ease the burden of unemployment and $4.5 billion for temporary recovery programs.

This budget should aim to check future inflation by:

(1) Holding the fiscal base below full employment revenue, calculated at a 4-percent unemployment rate; and

(2) Explicitly tying temporary recovery expenditure programs to the unemployment rate or other economic indicators so that they gradually phase out as recovery proceeds.

This, therefore, should be a budget that will stimulate the economy without repeating the policy mistakes of the past.

Under existing tax law, the deficit the Committee recommends is $7.2 billion greater than the $60 billion limit proposed by the President. If all provisions of the Tax Reduction Act were carried through calendar 1976 and if an energy tax were approved, the difference would be $9.6 billion. The difference is primarily a matter of different assumptions about revenues and about the likely cost of permanent programs as shown below.

The pattern of the President's spending recommendations is markedly different from the one the Committee recommends. The Committee proposes that defense and international affairs outlays and energy tax equalization payments be reduced by a total of $11 billion and that an equal amount of money be shifted to human resources programs. Any reconciliation between the President's ceiling and the Committee's recommendation must take note of those differences.

DIFFERENCES BETWEEN THE COMMITTEE'S RECOMMENDATION AND THE $60 BILLION PRESIDENTIAL CEILING

[In billions of dollars]

	Current law	With tax changes
President's recommended ceiling	60.0	60.0
Reestimated costs of existing programs	2.0	2.0
Extending Tax Reduction Act		4.4
Energy tax		2.0
Change in estimated revenues from leases for Outer Continental Shelf	4.0	4.0
President's ceiling adjusted for Senate Budget Committee assumptions	66.0	68.4
Additional temporary recovery programs	+2.1	+2.1
Other changes because of stronger economy[1]	–.9	–.9
Total recommended deficit	67.2	69.6

[1] This additional deficit would produce a lower unemployment rate by the end of next year than the 8 percent which is likely if the $60 billion limit is maintained.

Mr. MUSKIE. Mr. President, although there is no way the Federal Government can balance the budget this year, progress toward a balanced fiscal policy will remain the cornerstone of the Budget Committee's efforts. Our spending target plan has been in effect for only a month, so it is too early to predict with certainty the outcome of this year's efforts.

To aid Congress in meeting the spending targets adopted in our budget resolution, the Senate Budget Committee staff has been working closely with the staffs of other Senate committees to help these committees compare the costs of legislation they are considering to the spending targets in our budget resolution. The committee staff has also worked out a "scorekeeping report" to be published by the Congressional Budget Office which will be especially designed for use by the

---

[1] In testimony on February 5, former Deputy Secretary of the Treasury Charles E. Walker gave the Committee an impromptu lecture on the results of an attempt in the early 1930's to balance the budget during a recession:

[Balancing the budget] did not sound crazy in 1931 and 1932. That is precisely what they tried to do. It was a bipartisan effort. President Hoover and Mr. Garner and the whole crowd wanted to balance the budget. That was the fiscal orthodoxy of the day. So they sent a message to the Treasury and the Treasury raised practically every tax it could get its hand on. I believe the deficit was running in the general horrifying range of a billion dollars and they tried to raise taxes about a billion, maybe around $800 million. And they did not get anything back. They raised the taxes and they further exacerbated the deflationary pressures and incomes dropped and profits dropped and it just did not work.

Senate. The purpose of this scorekeeping report is to enable Senators to understand how their spending and taxing decisions on individual bills compare to the spending and taxing targets in the budget resolution. This scorekeeping sheet, soon to be published for the first time, will be a valuable tool to help Congress hold the line on the spending ceilings

Despite all our plans, however, a new round of oil price increases threatens to destroy both the economic recovery we are setting in motion and to drag us back next year into an even deeper inflation-recession-deficit cycle. If the price of oil goes up as now is predicted, much greater inflation, recession, and an even more staggering deficit may be ahead for us. As Dr. Charles Schultze, the respected former Director of the Bureau of the Budget recently stated, a significant part of our present recession can be traced to the $35 billion drain imposed on our citizens' purchasing power by oil price increases since 1974. This loss of buying power meant people had to buy less, business could sell less, and workers lost jobs. As much as one third of our present unemployment may be attributable to these oil price increases.

If we are now hit with a new and equally staggering round of oil price increases, we have little reason to hope that a new wave of general price increases, job losses, lost taxes, and deep deficits will not result again. Pursuing what I believe is a counterproductive energy policy, the President has already raised oil prices by $2 a barrel. The foreign oil producing countries indicate they intend to increase oil prices by another $2 a barrel this fall. Additionally, the President wants Congress to agree to a rapid decontrol of the price of oil produced in our own country, further inflating the average per barrel cost of oil to U.S. citizens. Dr. Schultze estimates the effect of these actions will be to boost the price of oil in the United States from the $9.50 a barrel which was paid earlier this year to an average of $12 by this September and to $16 within 3 years.

As the effect of this oil price explosion moves through the economy, we must anticipate a further $13 billion loss in consumer purchasing power in the first half of next year, and $30 to $35 billion by the end of the following year. If we cannot prevent or counteract these price increases, Dr. Schultze says a further recession is a virtual certainty. He predicts an unemployment stagnating at between 8½ and 9 percent for a long period and easily sliding over 10 percent. At the same time, the oil price increases would add 2½ to 3 percent to the cost of living, with resulting wage demands which could raise the cost of living to a full 3½ to 4 percent by late 1977.

Under these circumstances, the proposed oil price increase by the producing nations, as President Ford said yesterday, is unacceptable. In my view, the oil tariff imposed unilaterally by the President is equally unacceptable.

Our problems will not be solved, however, by stalemate or by the Congress and the President engaging in partisan political accusations. There is plenty of blame to go around for our Government's inability so far to deal constructively with the oil price increase.

To help work toward a constructive solution to the present impasse, last week our Budget Committee created a new energy task force. I have asked the distinguished senior Senator from Utah, Senator Moss, to chair that task force, to explore all facets of the energy problem, and to report to our committee on possible solutions.

The Budget Committee will work as closely and constructively as possible with the President and his administration to find solutions which limit the damage which past price increases have caused to our economy and our citizens, and deal with the present energy crisis without the inflation and joblessness which the President's program and the threatened producing nations' price increase will create.

As this first fiscal year of the new budget reform process begins, there is little good economic or fiscal news. The Budget Committees have begun their work in the worst economic period of the last 40 years. But while the economic news is bad, I think we can be cautiously optimistic that the budget reform process itself is succeeding.

The Budget Committee is beginning its work now toward establishing the firm spending target ceilings Congress will enact this fall. We will report those ceilings to the Senate and any necessary action to change spending and taxing legislation to conform to those ceilings as soon as the appropriations process is substantially completed, and before the pending debt ceiling legislation expires November 15. This debt ceiling legislation, therefore, is consistent with the Budget Reform Act.

Mr. HRUSKA. Mr. President, the only favorable comment I can make about the proposed increase in the debt ceiling to $577 billion is that it is keyed to the deficit level of $68.8 billion established last May by the first concurrent resolution on the budget. The decision to extend the ceiling to November 15, 1975, rather than to June 30, 1976, will provide an opportunity to consider deficit and debt ceiling levels in September during action on the second concurrent resolution on the budget.

Before the Senate voted on May 1 on the budget resolution, I noted my support for much lower deficit levels. Much to my regret these lower levels had been rejected during action on amendments to the resolution. I then stated that I would vote for the resolution because it represented the best compromise obtainable and to give the new budget reform procedures a fair test.

Recent action on appropriation bills and other spending measures suggests that Congress is unlikely to reduce the deficit level set in May. Indeed, we will be hard put to stay at $68.8 billion. When we act this September on the second concurrent resolution, we will give the Nation clear signals on the debt ceiling to be voted in mid-November.

By September action will be completed on appropriation bills. If they call for increases in the deficit and thus in the debt ceiling, our choices will be to cut spending, increase taxes, or accept a larger deficit and debt. In the latter case the American people should be better able than in previous years to determine which of their representatives should be held accountable for the increases.

On a more positive note, Mr. President, I am pleased to note that the House Ways and Means Committee in developing the debt ceiling bill took careful account not only of the first concurrent resolution on the budget but also of the data generated by the Budget Committees. This is the kind of coordination and cooperation envisioned in the 1974 Budget Reform Act. We are making progress toward bringing spending, revenue and debt measures into a coherent pattern.

Mr. FANNIN. Mr. President, my vote against passage of the debt ceiling extension bill was based on a continuing belief that Congress has failed to meet its duty to the American people of fiscal responsibility in Government. Despite the establishment of a more sophisticated budgetary process within the legislative branch, Congress continues to pass many bills which exceed the dictates of reason.

Congress has established the practice of voting several times a year on the size of the legal public debt. This sham should cease. It makes no sense whatsoever to pass judgment on how many red-ink dollars the Federal Government should be allowed to spend after they have been committed or spent through other legislative measures.

My concern also extends to the fact that this Nation will be spending $32.8 billion in fiscal year 1975 and approximately $36 billion in fiscal year 1976 to service the Federal public debt. I sincerely hope these figures are found to be disturbing by others as well.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I ask unanimous consent that the Committee on Finance be discharged from further consideration of the nomination of Christopher U. Sylvester, of North Dakota, who has been nominated to be a member of the Renegotiation Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF CHRISTOPHER U. SYLVESTER OF NORTH DAKOTA TO BE A MEMBER OF THE RENEGOTIATION BOARD

Mr. CURTIS. Mr. President, I call up the nomination for Senate approval.

Mr. LONG. Mr. President, I shall not oppose the nomination. I understand why the Senator has sought to expedite this matter. I simply wish to have it understood that when we vote the nomination through, no motion to reconsider will be made at that point in the event that someone may come in and say he was not aware of the fact that we were planning to vote on it.

Mr. CURTIS. Very well.

Mr. LONG. If there is some objection, of which I am totally unaware, any Senator reading the record may come in and ask that it be reconsidered, and we would reconsider it.

Mr. CURTIS. Very well.

The PRESIDING OFFICER. Without objection, the nomination will be stated.

The assistant legislative clerk read the nomination of Christopher U. Sylvester to be a member of the Renegotiation Board.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. CURTIS subsequently said: Mr. President, I wish to report that the nomination of Christopher U. Sylvester, of North Dakota, to be a member of the Renegotiation Board was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate. Mr. Sylvester has made such a commitment. He has also written a letter to the chairman of the Committee on Finance complying with that ruling.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

ORDER FOR 1 HOUR OF DEBATE ON CLOTURE MOTION TO BEGIN AT 10:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the 1 hour on cloture tomorrow begin running at the hour of 10:45 a.m.

Mr. HUGH SCOTT. Mr. President, if the Senator will yield, that is, I take it, as I understand it, will be preceded by a quorum call, not necessarily an automatic, but a quorum call. In other words, we can expect the vote to occur by 12 noon in the way in which the Senator's request is framed.

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

INCREASE IN THE TEMPORARY DEBT LIMITATION

The Senate continued with the consideration of the bill (H.R. 8030) to increase the temporary debt limitation.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD of West Virginia. I announce that the Senator from Wyoming (Mr. McGEE), the Senator from Illinois (Mr. STEVENSON), and the Senator from California (Mr. TUNNEY), are necessarily absent.

I also announce that the Senator from New Mexico (Mr. MONTOYA), is absent because of death in the family.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Oregon (Mr. HATFIELD), are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) and the Senator from Arizona (Mr. GOLDWATER) would each vote "nay."

The result was announced—yeas 72, nays 21, as follows:

[Rollcall Vote No. 256 Leg.]

YEAS—72

Abourezk
Baker
Bayh
Beall
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fong
Ford
Glenn
Gravel
Griffin
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mathias
McClellan
McGovern
McIntyre
Metcalf
Mondale
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stone
Taft
Tower
Weicker
Williams
Young

NAYS—21

Allen
Bartlett
Bellmon
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Fannin
Garn
Hansen
Helms
Hollings
Laxalt
Mansfield
McClure
Morgan
Moss
Nunn
Scott, William L.
Symington
Talmadge
Thurmond

NOT VOTING—6

Goldwater
Hatfield
McGee
Montoya
Stevenson
Tunney

So the bill (H.R. 8030) was passed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DOLE). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OLDER AMERICANS AMENDMENTS OF 1975

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 249, S. 1425.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1425) to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Public Welfare, with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Older Americans Amendments of 1975".

TITLE I—AMENDMENTS TO OLDER AMERICANS ACT OF 1965

TRANSMISSION OF CERTAIN RECOMMENDATIONS RELATING TO FEDERAL COUNCIL ON AGING

SEC. 101. (a) Section 205(g) of the Older Americans Act of 1965, as amended (42 U.S.C. 3015(g)) (hereinafter in this title referred to as the "Act") is amended by striking out "eighteen months after enactment of this Act" and inserting in lieu thereof "January 1, 1976,".

(b) Section 205(h) of the Act (42 U.S.C. 3015(h)) is amended by striking out "eighteen months after enactment of this Act," and inserting in lieu thereof "January 1, 1976,".

APPLICATION OF OTHER LAWS

SEC. 102. Title II of the Act (42 U.S.C. 3011 et seq.) is amended by adding at the end thereof the following new section:

"APPLICATION OF OTHER LAWS

"SEC. 211. The provisions and requirements of the Act of December 5, 1974 (Public Law 93–510; 88 Stat. 1604) shall not apply to the administration of the provisions of this Act or to the administration of any program or activity under this Act.".

DEFINITION OF SOCIAL SERVICES

SEC. 103. Section 302(1) of the Act (42 U.S.C. 3022(1)) is amended—

(1) in subparagraph (E) thereof, by striking out "or" at the end thereof; and

(2) by redesignating subparagraph (F) as subparagraph (H) and by inserting immediately after subparagraph (E) the following new subparagraphs:

"(F) services designed to provide legal (including tax and financial) counseling and services to older persons;

"(G) services designed to enable older persons to attain and maintain physical and mental well being through programs of regular physical activity and exercise; or".

GRANTS TO INDIAN TRIBES

SEC. 104. (a) Section 303(b) of the Act (42 U.S.C. 3023(b)) is amended by redesignating paragraph (3) as paragraph (4) and by inserting immediately after paragraph (2) the following new paragraph:

"(3)(A) In any State in which the Commissioner determines (after having taken into account the amount of funds available to the State agency or to an appropriate area agency on aging to carry out the purposes of this title) that the members of an Indian tribe are not receiving benefits under this title that are equivalent to benefits provided to other older persons in the State or appropriate area, and if he further determines that the members of such tribe would be better served by means of grants made directly to provide such benefits, he shall reserve from sums that would otherwise be allotted to such State under paragraph (2) not less than 100 per centum nor more than 150 per centum of an amount which bears the same ratio to the State's allotment for the fiscal year involved as the population of all Indians aged sixty or over for whom a determination under this paragraph has been made bears to the population of all persons aged sixty or over in such State.

"(B) The sums reserved by the Commissioner on the basis of his determination under this paragraph shall be granted to the tribal organization serving the individuals for whom such a determination has been made, or where there is no tribal organization, to such other entity as he determines has the capacity to provide services pursuant to this title.

"(C) In order for a tribal organization or other entity to be eligible for a grant for a fiscal year under this paragraph, it shall submit to the Commissioner a plan for such fiscal year which meets such criteria as the Commissioner may prescribe by regulation and which meets criteria established by section 305(a), to the extent the Commissioner determines such criteria to be appropriate.

"(D) Recipients of grants under this paragraph may retain for administrative purposes an amount equal to the amount available for the cost of the administration of area plans under section 303(e) (1).".

(b) Section 102 of the Act (42 U.S.C. 3002) is amended by adding at the end thereof the following new paragraphs:

"(4) 'Indian' means a person who is a member of an Indian tribe.

"(5) 'Indian tribe' means any tribe, band, nation, or other organized group or community of Indians (including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 683)) (A) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; or (B) which is located on, or in proximity to, a Federal or State reservation or rancheria.

"(6) 'Tribal organization' means the recognized governing body of any Indian tribe, or any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body: *Provided*, That in any case where a contract is let or grant made to an organization to perform services benefiting more than one Indian tribe, the approval of each such Indian tribe shall be a prerequisite to the letting or making of such contract or grant.".

(c) The first sentence of section 303(b) (2) of the Act (42 U.S.C. 3023(b) (2)) is amended by striking out "From" and inserting in lieu thereof "Subject to the provisions of paragraph (3), from".

(d) Section 303(b) (4) of the Act (42 U.S.C. 3023(b) (4)), as so redesignated by subsection (a), is amended by inserting immediately after "States" the following: ", and the number of Indians aged sixty or over on, or in proximity to, any Federal or State reservation or rancheria.".

STATE AND AREA PLAN REQUIREMENTS

SEC. 105. (a) Section 304(a) (1) of the Act (42 U.S.C. 3024(a)) is amended by redesignating subparagraph (E) as subparagraph (F) and by inserting immediately following subparagraph (D) the following new subparagraph:

"(E) in conjunction with the agency designated pursuant to section 2003(d) (1) (C) of the Social Security Act (42 U.S.C. 1397b), and as required by section 2004(2) (H) of such Act, coordinate activities under the State plan developed pursuant to section 305(a) with the provision of services to older Americans under part A of title XX of the Social Security Act;"

(b) Section 304(c) (4) of the Act (42 U.S.C. 3024(c) (4)) is amended by striking out subparagraph (C) and by redesignating subparagraph (D) through subparagraph (F) as subparagraph (C) through subparagraph (E), respectively.

(c) Section 304 of the Act (42 U.S.C. 3024) is amended by inserting after subsection (c) the following new subsection:

"(d) (1) Subject to regulations issued by the Secretary of Health, Education, and Welfare, an area agency on aging designated under subsection (a) or, in areas of a State where no such agency has been designated, the State agency, is authorized to enter into agreements with agencies administering programs under the Rehabilitation Act of 1973, as amended, and titles VI, XIX, and XX of the Social Security Act for the purpose of developing and implementing plans for meeting the common need for transportation services of persons receiving benefits under such Acts and older Americans participating in programs authorized by titles III and VII of this Act.

"(2) Pursuant to an agreement entered into under paragraph (1), funds appropriated under titles III and VII of this Act may be used to purchase transportation services for older persons and may be pooled with funds made available for the provision of transportation services under the Rehabilitation Act of 1973, as amended, and titles VI, XIX, and XX of the Social Security Act.".

LOW-INCOME INDIVIDUALS AND RURAL ELDERLY

SEC. 106. Section 305(a) of the Act (42 U.S.C. 3024) is amended by renumbering paragraphs 6, 7, 8, and 9 as paragraphs 8, 9, 10, and 11, respectively, and inserting the following new paragraphs:

"(6) provides that the needs of low-income elderly persons will be taken into account in developing and implementing the State plan;

"(7) provides that the relative distribution of older persons residing in rural and urban areas within the State will be taken into account in developing and implementing the State plan;".

ADMINISTRATION OF STATE PLANS

SEC. 107. (a) Section 306(b) (1) of the Act (42 U.S.C. 3026(b) (1)) is amended by striking out "$160,000" in clause (A) and inserting in lieu thereof "$200,000", and by striking out "$50,000" in clause (B) and inserting in lieu thereof "$62,500".

(b) Section 306(b) of the Act is amended by redesignating paragraph (2) as paragraph (7) and by inserting immediately after paragraph (1) the following new paragraphs:

"(2) For fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, each State agency may retain an amount equal to—

"(A) the increase in the minimum amount specified in clause (A) of the first sentence of this paragraph enacted by section 107(a) of the Older Americans Amendments of 1975, or

"(B) an amount not to exceed 8 per centum of the amount by which the allotment for that State under section 303 plus the allotment for that State under section 703 (i) for that fiscal year exceeds the sum of such allotments for fiscal year 1974, but in any case an amount not to exceed $100,000, and (ii) for the period beginning July 1, 1976, and ending September 30, 1976, exceeds an amount equal to 25 per centum of such allotments for fiscal year 1974, but in any case an amount not to exceed $25,000.

whichever is greater.

"(3) For fiscal year 1977 and for each succeeding fiscal year each State agency specified in clause (A) of paragraph (2) may retain an amount equal to an amount not to exceed 8 per centum of the amount by which the allotment for that State under section 303 plus the allotment for the State under section 703 for the fiscal year exceeds the sum of such allotments for fiscal year 1976, but in any case an amount not to exceed $100,000.

"(4) For fiscal year 1977 and for each succeeding fiscal year, each State agency specified in clause (B) of paragraph (2) may retain an amount equal to an amount not to exceed 8 per centum of the amount by which the allotment for that State under section 303 plus the allotment of that State under section 703 for the fiscal year exceeds the sum of such allotments for fiscal year 1974 but in any case an amount not to exceed $100,000,

"(5) Notwithstanding any other provision of this subsection, no State shall receive less than that State received under this subsection for fiscal year 1975.

"(6) Amounts received under this paragraph shall be used for administration of programs under this title and title VII of this Act.".

MODEL PROJECT REQUIREMENTS

SEC. 108. Section 308(a) of the Act (42 U.S.C. 3028(a)) is amended by striking out the word "or" at the end of paragraph (3) and inserting immediately after paragraph (4) the following new paragraphs:

"(5) enable State agencies on aging and other public and private nonprofit organizations to assist in the promotion and development of ombudsmen services for residents of nursing homes;

"(6) meet the special needs of, and improve the delivery of services to, older Americans who are not receiving adequate services under other provisions of the Act, with emphasis on the needs of low-income minority, Indian, and limited-English individuals, and the rural elderly;

"(7) encourage the participation of older persons in activities connected with the celebration of the American Bicentennial; or

"(8) assist older persons to remain within their communities and out of institutions and to maintain their independent living by (A) providing financial assistance for the establishment and operation of senior ambulatory care day centers (providing a planned schedule of health, therapeutic, educational, nutritional, recreational, and social services at least twenty-four hours per week, transportation arrangements at low or no cost for participants to and from the center, a hot mid-day meal, outreach and public information programs, and opportunities for maximum participation of senior participants and senior volunteers in the planning and operation of the center), and (B) maintaining or initiating, or providing reasonable assurances of doing so, arrangements with the agency of the State concerned which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act, and with other appropriate social services agencies receiving or reimbursed through Federal financial assistance, for the payment of all or a part of the center's costs in providing services to eligible persons.".

TRANSPORTATION, HOME SERVICE, AND LEGAL COUNSELING PROJECTS

SEC. 109 Section 309 of the Act (42 U.S.C. 3029) is amended to read as follows:

"SEC. 309. (a) There are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1976, $12,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $50,000,000 for the fiscal year ending September 30, 1977, to be allotted to the States in accordance with the allotment formula contained in section 303 in order to carry out the purposes of this section. From sums appropriated under this section, the Commissioner is authorized to make grants to each State having a State plan approved under section 305 for the purpose of paying up to 90 per centum of the costs of the following:

"(1) Projects designed to meet the transportation needs of older persons, with special emphasis on (A) providing supportive transportation in connection with nutrition projects operated pursuant to title VII of this Act, and (B) providing transportation for the purpose of enabling older persons to obtain medical services;

"(2) Projects designed to meet the needs of older persons for home services including homemaker services, home health services, shopping services, escort services, reader services, letter writing services, and other services designed to assist such persons to continue living independently in a home environment; and

"(3) Projects to establish or support legal (including tax and financial) counseling and services programs for older persons, including the training of lawyers and paraprofessional persons where the provision of such training is necessary for the successful operation of a program authorized by this paragraph.

"(b) The allotment to a State under this section shall be available for grants and contracts to area agencies on aging, designated under section 304(a)(2) or, where there is no area agency, to other public or nonprofit private agencies that the State agency determines have the capacity to meet the transportation, home service, or legal counseling and services needs of older persons. In making grants and contracts for the provision of transportation, home services or legal counseling and services under this section, State agencies shall give priority to applicants proposing to serve areas in which the supply of such services is inadequate to meet the needs of older persons.

"(c) Within 120 days following the enactment of legislation appropriating funds as authorized by this section, the Commissioner shall issue final regulations for implementation of the program herein authorized.

"(d) The Commissioner is authorized and directed to request the technical assistance and cooperation of the Secretary of Transportation and such other departments and agencies of the Federal Government as may be appropriate for the proper and effective administration of this section.".

ATTRACTING QUALIFIED PERSONS TO THE FIELD OF AGING

Sec. 110. Section 403 of the Act (42 U.S.C. 3033) is amended by inserting "two or four year" before "institutions" the first time it appears in such section.

TRAINING PERSONNEL TO PERFORM COUNSELING AND MONITORING FUNCTIONS

Sec. 111. (a) Section 404(a)(1) of the Act (42 U.S.C. 3034(a)(1)) is amended to read as follows:

"(1) to assist in covering the cost of training or study for two-year or four-year college or university-based programs including but not limited to the coverage of such costs as faculty support, student support (in classroom and field learning exercises, including workshops, seminars, and professional meetings), courses within the appropriate curricula, and such costs as technical assistance and program development in working with older persons.".

(b) Section 404(a)(3) of the Act (42 U.S.C. 3034(a)(3)) is amended to read as follows:

"(3) for short-term or inservice training to support program operational activities, strengthen program management, improve the capacity of public and private agencies entrusted with administrative responsibilities under this Act, and to clarify the roles and relationships between and among public and private agencies which administer programs essential to fulfill the purposes of this Act, including but not limited to such short-term training activities as workshops, technical assistance, and organizational development support,".

(c) Section 404 of the Act (42 U.S.C. 3034) is amended by adding at the end thereof the following new subsection:

"(c) The Commissioner may make grants under subsection (a) to assist in (A) the training of lawyers and paraprofessional persons who will (1) provide legal (including tax and financial) counseling and services to older persons; or (2) monitor the administration of any program by any public or private nonprofit institution, organization, or agency, or any State or political subdivision of a State, designed to provide assistance or services to older persons, including nursing home programs and other similar programs; and (B) the training of persons employed by or associated with public or private nonprofit agencies or organizations, including a State or political subdivision of a State, who will identify legal problems affecting older persons, develop solutions for these problems, and mobilize the resources of the community to respond to the legal needs of older persons.".

STATE PLANS

Sec. 112. Section 705(a)(4) of the Act (42 U.S.C. 3045d(a)(4)) is amended by changing the period to a comma and inserting the following immediately after the comma: "and that the relative distribution of older persons residing in rural urban areas in such State will be taken into account in awarding grants.".

PURCHASE OF CERTAIN PRODUCTS BY THE SECRETARY OF AGRICULTURE

Sec. 113. (a) Section 707(d) of the Act (42 U.S.C. 3045f) is amended by striking out "10 cents per meal:" and inserting in lieu thereof "25 cents per meal during the fiscal year ending September 30, 1976, and 50 cents per meal during the fiscal year ending September 30, 1977:".

(b) Section 707 of the Act is amended in paragraphs (a), (b), and (c) by striking out "may" each time it appears and inserting in lieu thereof "shall".

AUTHORIZATION OF APPROPRIATIONS

Sec. 114. (a) Section 204(c) of the Act (42 U.S.C. 3014(c)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975," the following: "the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year ending September 30, 1977,".

(b)(1) Section 303(a) of the Act (42 U.S.C. 3023(a)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975," the following: $200,000,000 for the fiscal year ending June 30, 1976, $60,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $240,000,000 for the fiscal year ending September 30, 1977,".

(2) Section 303(b)(2) of the Act (42 U.S.C. 3023(b)(2)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975," the following: "for the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal year ending September 30, 1977,".

(c) Section 308(b) of the Act (42 U.S.C. 3028(b)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975" the following: ", the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year ending September 30, 1977."

(d) Section 431 of the Act (42 U.S.C. 3037) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975" the following: ", the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year ending September 30, 1977."

(e) Section 505(a) of the Act (42 U.S.C. 3041d(a)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975" the following: "the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year ending September 30, 1977.".

(f) Section 708 of the Act (42 U.S.C. 3045g) is amended in the first sentence thereof by striking out: "$200,000,000" and inserting in lieu thereof "$225,000,000", and by striking out "$250,000,000" and inserting in lieu thereof "$275,000,000.".

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Sec. 115. (a) The Act is amended by adding at the end thereof the following new title:

"TITLE IX—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

"SHORT TITLE

"Sec. 901. This title may be cited as the 'Older American Community Service Employment Act'.

"OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM

"Sec. 902. (a) In order to foster and promote useful part-time work opportunities in community service activities for unemployed low-income persons who are fifty-five years old or older and who have poor employment prospects, the Secretary of Labor (hereinafter in this title referred to as the 'Secretary') is authorized to establish an older American community service employment program.

"(b)(1) In order to carry out the provisions of this title, the Secretary is authorized to enter into agreements with public or private nonprofit agencies or organizations, including national organizations, agencies of a State government or a political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivision, or tribal organizations in order to further the purposes and goals of the program. Such agreements may include provisions for the payment of costs, as provided in subsection (c), of projects developed by such organizations and agencies in cooperation with the Secretary in order to make the program effective or to supplement the program. No payment shall be made by the Secretary toward the cost of any project established or administered by any such organization or agencies unless he determines that such project—

"(A) will provide employment only for eligible individuals, except for necessary technical, administrative, and supervisory personnel, but such personnel shall, to the fullest extent possible, be recruited from among eligible individuals;

"(B) will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities;

"(C) will employ eligible individuals in services related to publicly owned and operated facilities and projects, or projects sponsored by organizations, other than political parties, exempt from taxation under the provisions of section 501(c)(3) of the Internal Revenue Code of 1954, except projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

"(D) will contribute to the general welfare of the community;

"(E) will provide employment for eligible individuals whose opportunities for other suitable public or private paid employment are poor;

"(F) (i) will result in an increase in employment opportunities over those opportunities which would otherwise be available, (ii) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work or wages or employment benefits), and (iii) will not impair existing contracts or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

"(G) will not employ or continue to employ any eligible individual to perform work the same or substantially the same as that performed by any other person who is on layoff;

"(H) will utilize methods of recruitment and selection (including listing of job vacancies with the employment agency operated by any State or political subdivision thereof) which will assure that the maximum number of eligible individuals will have an opportunity to participate in the project;

"(I) will include such training as may be necessary to make the most effective use of the skills and talents of those individuals who are participating, and will provide for the payment of the reasonable expenses of individuals being trained, including a reasonable subsistence allowance;

"(J) will assure that safe and healthy conditions of work will be provided, and will assure that persons employed in community service jobs assisted under this title shall be paid wages which shall not be lower than whichever is the highest of (i) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (ii) the State or local minimum wage for the most nearly comparable covered employment, or (iii) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

"(K) will be established or administered with the advice of persons competent in the field of service in which employment is being provided, and of persons who are knowledgeable with regard to the needs of older persons;

"(L) will authorize pay for necessary transportation costs of eligible individuals which may be incurred in employment in any project funded under this title in accordance with regulations promulgated by the Secretary;

"(M) will assure that, to the extent feasible, such project will serve the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State; and

"(N) will authorize funds to be used, to the extent feasible, to include individuals participating in such project under any State unemployment insurance plan.

"(2) The Secretary is authorized to establish, issue, and amend such regulations as may be necessary to effectively carry out the provisions of this title.

"(c)(1) The Secretary is authorized to pay not to exceed 90 per centum of the cost of any project which is the subject of an agreement entered into under subsection (b), except that the Secretary is authorized to pay all of the costs of any such project which is (A) an emergency or disaster project, or (B) a project located in an economically depressed area as determined in consultation with the Secretary of Commerce and the Director of the Community Services Administration.

"(2) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary is authorized to attribute fair market value to services and facilities contributed from non-Federal sources.

"ADMINISTRATION

"SEC. 903. (a) In order to effectively carry out the purposes of this title, the Secretary shall, through the Commissioner, of the Administration on Aging, consult with the State agency on aging designated under section 304(a)(1) and the appropriate area agencies on aging established under section 304(a)(2) with regard to—

"(1) the localities in which community service projects of the type authorized by this title are most needed;

"(2) consideration of the employment situations and the type of skills possessed by available local individuals who are eligible to particapate; and

"(3) potential projects and the number and percentage of eligible individuals in the local population.

"(b) If the Secretary determines that to do so would increase job opportunities available to individuals under this title, the Secretary is authorized to coordinate the program assisted under this title with programs authorized under the Emergency Jobs and Unemployment Assistance Act of 1974, the Comprehensive Employment and Training Act of 1973, the Community Services Act of 1974, and the Emergency Employment Act of 1971. Appropriations under this Act may not be used to carry out any program under the Emergency Jobs and Unemployment Assistance Act of 1974, Comprehensive Employment and Training Act of 1973, the Community Services Act of 1974, or the Emergency Employment Act of 1971.

"(c) In carrying out the provisions of this title, the Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies, and instrumentalities in the use of services, equipment, and facilities.

"(d) Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

"(e) The Secretary shall not delegate any function of the Secretary under this title to any other department or agency of the Federal Government.

"PARTICIPANTS NOT FEDERAL EMPLOYEES

"SEC. 904. (a) Eligible individuals who are employed in any project funded under this title shall not be considered to be Federal employees as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

"(b) No contract shall be entered into under this title with a contractor who is, or whose employees are, under State law, exempted from operation of the State workmen's compensation law, generally applicable to employees, unless the contractor shall undertake to provide either through insurance by a recognized carrier, or by self-insurance, as authorized by State law, that the persons employed under the contract shall enjoy workmen's compensation coverage equal to that provided by law for covered employment.

"INTERAGENCY COOPERATION

"SEC. 905. (a) The Secretary shall consult with, and obtain the written views of, the Commissioner of the Administration on Aging prior to the establishment of rules or the establishment of general policy in the administration of this title.

"(b) The Secretary shall consult and cooperate with the Director of the Community Services Administration, the Secretary of Health, Education, and Welfare, and the heads of other Federal agencies carrying out related programs, in order to achieve optimal coordination with such other programs. In carrying out the provisions of this section, the Secretary shall promote programs or projects of a similar nature. Each Federal agency shall cooperate with the Secretary in disseminating information about the availability of assistance under this title and in promoting the identification and interests of individuals eligible for employment in projects assisted under this title.

"EQUITABLE DISTRIBUTION OF ASSISTANCE

"SEC. 906. (a)(1) From sums appropriated under this title for each fiscal year, the Secretary shall first reserve such sums as may be necessary, and such additional sums as he may deem advisable, for national grants or contracts with public agencies and public or private nonprofit organizations for the administration of programs under this title in an aggregate amount equal to the payments made for such contracts in fiscal year 1975 from funds appropriated under title IX of the Older Americans Comprehensive Services Amendments of 1973 and under title III of the Comprehensive Employment and Training Act of 1973 for community service employment programs for older Americans. Preference in awarding such grants or contracts shall be given to national organizations of proven ability in providing employment services to older people under this and similar programs. Each such grant or contract shall contain provisions to assure that projects conducted pursuant to such contracts during fiscal year 1975 will be continued if the Secretary determines that such projects are successfully carrying out the purposes of this title.

"(2) The Secretary shall allot for projects within each State the remainder of the sums appropriated for any fiscal year under section 908 so that equal proportions are distributed on the basis of an amount which bears the same ratio to such sums as the number of persons aged fifty-five or over in the State involved bears to the number of such persons in all States, except that (A) the Secretary shall reduce the allotment made to each State under this paragraph by the amount reserved under paragraph (1) of this subsection and available for expenditure in that State for the fiscal year for which the determination is made, (B) no State shall be allotted any sums under this paragraph for any fiscal year until the Secretary determines that the amount to be allotted to that State in the fiscal year for which the determination is made is equal to the amount reserved under paragraph (1) of this subsection and available for expenditure in that State for that fiscal year, (C) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $100,000, whichever is greater, and (D) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $50,000, which is greater. For the purpose of the exception contained in this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(3) The number of persons aged fifty-five or over in any State and for all States, shall be determined by the Secretary on the basis of the most satisfactory data available to him.

"(b) The amount allotted for projects within any State under subsection (a) for any fiscal year which the Secretary determines will not be required for such year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to projects within other States in proportion to the original allotments to projects within such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates that projects within such State need and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"(c) The amount apportioned for projects within each State under subsection (a) shall be apportioned among areas within each such State in an equitable manner, taking into consideration (1) the proportion which eligible individuals in each such area bears to such total number of such individuals, respectively, in that State, and (2) the relative distribution of such individuals residing in rural and urban areas within the State.

"DEFINITIONS

"Sec. 907. As used in this title—

"(1) the term 'State' means any of the several States of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands;

"(2) the term 'eligible individual' means an individual who is fifty-five years old or over, who has a low income, and who has or would have difficulty in securing employment except that pursuant to regulations prescribed by the Secretary any such individual who is sixty years old or over shall have priority for the work opportunities provided for under this Act;

"(3) the term 'community service' means social, health, welfare, educational, legal counseling, library, recreational, and other similar services; conservation, maintenance or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; economic development; and such other services essential and necessary to the community as the Secretary, by regulation, may prescribe; and

"(4) the term 'program' means the Older American Community Service Employment Program established under this title.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 908. There are authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1976, $37,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, $150,000,000 for the fiscal year ending September 30, 1977, and $200,000,000 for the fiscal year ending September 30, 1978.".

(b) Title IX of the Older Americans Comprehensive Services Amendments of 1973 (42 U.S.C. 3061 et seq.) is hereby repealed.

(c) Notwithstanding any other provision of law, sums appropriated to carry out title IX of the Older Americans Comprehensive Services Amendments of 1973 for fiscal year 1975 may be used for older American community service employment projects conducted as part of the Operation Mainstream program under title III of the Comprehensive Employment and Training Act of 1973.

TECHNICAL AMENDMENTS

Sec. 116. (a) Section 102(1) of the Act (42 U.S.C. 3002(1)) is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a period.

(b) The heading for section 202 of the Act (42 U.S.C. 3012) is amended by striking out "OFFICE" and inserting in lieu thereof "ADMINISTRATION".

(c) Section 202(a)(8) of the Act (42 U.S.C. 3012(a)(8)) is amended by striking out "and" at the end thereof.

(d) Section 303(b)(1) of the Act (42 U.S.C. 3023(b)(1)) is amended by striking out "authorized to be".

(e) The last sentence of section 305(e) of the Act (42 U.S.C. 3025(e)) is amended by striking out "Commissioners'" and inserting in lieu thereof "Commissioner's".

(f) Section 432(b) of the Act (42 U.S.C. 3037a(b)) is amended by striking out "part" and inserting in lieu thereof "title".

(g) The last sentence of section 507(b) of the Act (42 U.S.C. 3041f(b)) is amended by striking out "or" the second place it appears therein and inserting in lieu thereof "of".

(h) The heading for section 703 of the Act (42 U.S.C. 3045b) is amended by striking out "ALLOTTMENT" and inserting in lieu thereof "ALLOTMENT".

(i) The last sentence of section 703(c) of the Act (42 U.S.C. 3045b(c)) is amended by striking out "in kind" and inserting in lieu thereof "in-kind".

(j) The last sentence of section 703(d) of the Act (42 U.S.C. 3045b(d)) is amended by striking out "in kind" and inserting in lieu thereof "in-kind".

(k) Section 705(a)(2) of the Act (42 U.S.C. 3045d(a)(2)) is amended by striking out "sets" and inserting in lieu thereof "set".

(l) Section 705(a)(2)(B) of the Act (42 U.S.C. 3045d(a)(2)(B)) is amended by striking out "cost, for the fiscal year ending June 30, 1973," and all that follows through "1973, funds" and inserting in lieu thereof "cost. Funds".

(m) Section 705(a)(5) of the Act (42 U.S.C. 3045d(a)(5)) is amended by striking out "areas" and inserting in lieu thereof "area".

(n) The last sentence of section 705(c) of the Act (42 U.S.C. 3045d(c)) is amended by inserting a comma immediately after "failure" the first place it appears therein and such sentence is further amended by striking out the word "part" and inserting in lieu thereof "title".

(o) Section 706(a)(5) of the Act (42 U.S.C. 3045e(a)(5)) is amended by inserting a comma immediately after "requirements" the second place it appears therein.

(p) Section 706(a)(8) of the Act (42 U.S.C. 3045e(a)(8)) is amended by inserting a comma immediately after "program" the second place it appears therein.

TITLE II—AMENDMENTS TO OTHER LAWS

HIGHER EDUCATION ACT OF 1965

Sec. 201. Section 110(b) of the Higher Education Act of 1965 (20 U.S.C. 1008a(b)) is amended by striking out "July 1, 1977" and inserting in lieu thereof "October 1, 1977", by striking out "and" immediately after "1973," and inserting in lieu thereof "for", and by inserting immediately before the period at the end thereof the following: ", and for the period beginning July 1, 1976, and ending September 30, 1976".

ADULT EDUCATION ACT

Sec. 202. Section 310(b) of the Adult Education Act (20 U.S.C. 1208a(b)) is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1977", by striking out "and" immediately after "1973," and inserting in lieu thereof "for", and by inserting immediately before the period at the end thereof the following: ", and for the period beginning July 1, 1976, and ending September 30, 1976".

OLDER AMERICANS COMPREHENSIVE SERVICES AMENDMENTS OF 1973

Sec. 203. Section 805 of the Older Americans Comprehensive Services Amendments of 1973 (42 U.S.C. 2809 note) is amended—

(1) by striking out "fiscal year" the second place it appears therein and inserting in lieu thereof "four fiscal years and the period beginning July 1, 1976, and ending September 30, 1976"; and

(2) by striking out "Economic Opportunity Act of 1964" and inserting in lieu thereof "Community Services Act of 1974".

VOCATIONAL EDUCATION ACT OF 1963

Sec. 204. Section 161(d) of the Vocational Education Act of 1963 (20 U.S.C. 1341(d)) is amended by inserting "(1)" immediately before "At least one-third" and by adding at the end thereof the following new paragraph:

"(2) From funds made available under this section, special consideration shall be given to special consumer and homemaking programs for persons aged sixty or older who are in need of services provided by such programs, as determined by the Commissioner. Such programs shall be designed to assist such persons to live independently in their own homes and to alleviate the adverse effects of loneliness and isolation.".

AMENDMENT TO RESEARCH ON AGING ACT OF 1974

Sec. 205. Section 464 of the Public Health Service Act (42 U.S.C. 289k-5) is amended by striking out "one year" and inserting in lieu thereof "two years".

TITLE III—STUDY OF DISCRIMINATION BASED ON AGE

Sec. 301. (a) The Commission on Civil Rights (hereinafter called the "Commission") is directed to undertake a study to determine whether persons who are otherwise qualified are, because of their age, excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving Federal financial assistance. If the Commission finds substantial evidence of such exclusion, denial, or discrimination on account of age, the Commission shall seek to determine the nature, extent, and causes of such exclusion, denial, or discrimination and shall identify with particularity the federally assisted programs or activities concerned.

(b) No later than one year following the date on which legislation is enacted to appropriate funds for the conduct of the study herein provided, the Commission shall make a report of its findings to the Congress and the President, together with its recommendations regarding the legislative and administrative measures necessary for corrective action, if any.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

The PRESIDING OFFICER (Mr. BAKER). The Senate will be in order. Senators will please take their seats.

Mr. EAGLETON. Mr. President, I shall be very brief. The distinguished Senator from Kansas (Mr. DOLE) has an amendment which he will offer, which I am sure will be accepted—it is acceptable to myself as manager of the bill and to the ranking Republican member, the Senator from Maryland (Mr. BEALL).

Mr. President, programs authorized under the Older Americans Act have become vital elements in the range of measures through which we seek to improve the lives of older people in this Nation. Under title III of the act which authorizes grants to the States for the provision of social, educational, and related services, and entire new network of area agencies on aging has been established—more than 400 of them in communities across the Nation. Today's bill authorizes the continuation of this program for an additional 2 years through September 30, 1977, at somewhat increased levels of authorization.

In addition, the bill developed by our Subcommittee on Aging contains a new program of special emphasis grants to the States for activities in three areas that Congress has identified to be of critical importance to older citizens: Transportation, home services, and legal counseling and services. The need for improved transportation services for the elderly has been thoroughly documented, most recently in a study by HEW's Administration on Aging entitled, "Transportation for the Elderly: The State of Art." This report points up the inadequacy of present public and private transportation services for older people and makes the cases for special transportation arrangements for the elderly where feasible. The new title III program contained in this bill will help to make that possible by authorizing grants to the States, which will in turn provide the money to local agencies, to establish new transportation services and improve existing ones. I should add, Mr. President, that one of the inspirations for this program has been the OATS—older Americans transportation system—project in my home State of Missouri. This system operates in three-fourths of Missouri counties on regular routes to meet the needs of older persons—particularly the rural elderly—for transportation into town, to the doctor's office, to go shopping, or for the multitude of other purposes that help older persons avoid the social isolation that so often afflicts old age.

The value of various kinds of home services has been equally well demonstrated. Far too often, older people are warehoused in institutions simply because there is not available the kind of minimal health care or homemaker assistance or shopping assistance that would enable them to stay in heir own homes. It is always risky to claim that a new program will actually result in cost savings, yet it is the fact that respected medical and gerontological authorities are convinced that many of the more than 1 million older Americans confined at great expense in nursing homes could be treated more cheaply at home. And, more importantly, the availability of home care would enable them to live fuller, richer lives.

The third special emphasis program covered by the new authority in this legislation deals with legal services to the elderly. Perhaps more than any other group, old people rely upon complex public and private programs for their daily subsistence. Many have no experience at dealing with governmental programs and they are often confused by the bureaucracies administering the programs upon which they are dependent. If they meet poverty guidelines, they may be able to get some assistance under the legal services program. However, there is clearly a need for funds to stimulate the growth of legal programs for the aging and particularly to serve those who, while not falling below the poverty line, do not have sufficient means to employ lawyers to assist them in the conduct of their affairs.

The new special emphasis program contained in S. 1425 authorizes $50 million a year in grants to the States for the development of services in these three priority areas, Mr. President. I hope that we will be able to convince our colleagues of the need for appropriating funds so that the promise that these new programs hold will become reality.

Another major program that is continued and expanded by this legislation, Mr. President, is the Older Americans Community Service Employment Act which is included as title IX of the Older Americans Act. Under this program, more than 12,000 retired individuals, aged 55 and older, are performing useful work in their local communities on a part-time basis. Funds under this program are provided to the Department of Labor for grants to create these part-time public service job opportunities for older persons. The program is administered primarily through contracts with four major national aging organizations and the U.S. Forest Service. The record of this program—known variously as senior aides and green thumb—is a splendid one, Mr. President, and an outstanding record has been established in its administration by the national contractors. The committee bill would enable the continuation of this program for 3 years at an expanded rate. We calculate that if this title were fully funded, there would be available 33,000 older workers jobs in fiscal year 1976, 45,000 in fiscal year 1977, and 59,000 in fiscal year 1978.

There are a number of other provisions contained in this bill which amend various sections of the Older Americans Act. For the most part they do not make major changes in the act since we enacted a complete revision only 2 years ago. More time is needed to evaluate the results of that work. However, this legislation addresses itself to several areas in which problems have arisen, including the provision of services to the rural elderly, who are so often left out of programs because of the difficulty in reaching them, and special arrangements are made to insure that members of Indian tribes are not ignored by agencies having responsibilities under this act. The section-by-section analysis which I shall append to the conclusion of my statement provides a more detailed statement of the provisions of this bill.

Finally, Mr. President, there is one additional matter to which I wish to call the attention of my colleagues, the subject of age discrimination. In the companion bill passed by the House of Representatives (H.R. 3922) there is included as one title the proposed "Age Discrimination Act of 1975." The purpose of this act is to bar discrimination on account of age in the administration of any federally assisted program. The effect is to create a new system to enforce the sanction against age discrimination that is generally parallel to the system embodied in title VI of the Civil Rights Act. Any entity operating a program assisted with Federal funds would be subject to termination of funding if a finding were made that individuals were denied the benefits of, or participation in, the program because of their age. In addition, the Attorney General would be empowered to sue to enjoin a pattern or practice of age discrimination.

Mr. President, our Subcommittee on Aging shares the concern expressed by the House on the subject of age discrimination. For that reason, we included in the bill reported by our subcommittee provisions barring age discrimination in federally assisted programs much the same as those included in the House bill. However, after our subcommittee executive session, the following letter was received from the Honorable Caspar Weinberger, Secretary of the Department of Health, Education, and Welfare, pointing up a number of difficulties which the administration had with the antiage discrimination language; which I ask unanimous consent to have printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
June 18, 1975.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is to expand on one of the central points made in our letter to you of May 9 outlining a number of concerns that the Department of Health, Education and Welfare has regarding certain provisions of the House-passed H.R. 3922, a bill to Amend the Older Americans Act of 1965, now under consideration by your Committee.

While we have not had an opportunity to review the bill as reported by the Subcommittee on Aging and thus do not know to what extent the concerns outlined in our May 9 letter may have been accommodated, we understand that Title III of the bill—the "Age Discrimination Act of 1975"—has been reported substantially in the form passed by the House, and that the only significant change from the House-passed Title III is a specific exemption of employment practices of employers, employment agencies or labor organizations which are subject to the Age Distrimination in Employment Act.

As noted in my earlier letter, we fully agree that the issue of age discrimination should be addressed with respect to all programs operated under aegis of Federal law. However, Title III of H.R. 3922 still raises questions which we believe have not been sufficiently explored.

Since neither the Congress nor the Administration have had sufficient time to explore the potential ramifications of the Age Discriminaiton Act, its enactment at this time in the form passed by the House would leave unresolved a host of issues comparable in gravity and complexity to those raised in the sex discrimination provisions of Title IX of the Education Amendments of 1972 and the prohibitions of discrimination against the handicapped contained in Section 504 of the 1973 Rehabilitation Act. Thus, for the Congress to enact Title III of H.R. 3922 as written would leave to the Executive Branch the formulation of momentous policy decisions in wholly uncharted areas without the benefit of any specific legislative guidance.

In one key respect the Title III language before your Committee is even vaguer than that of Title IX and Section 504: it bars only "unreasonable" discrimination on account of age. The proposed Act would prohibit discrimination based on age in any program or activity receiving Federal financial assistance except where age is "reasonably" taken into account as a factor necessary to the normal operation of a program of activity, or where "reasonable" factors other than age are the basis of differentiation by age, or where another law provides for benefits or assistance to persons on the basis of age.

Neither the bill nor its legislative history indicates what factors would be "reasonable." Even a very preliminary review of the potential ramifications suggests a myriad of unexplored issues such as the following:

Is it "reasonable" for school systems to exclude three-year-olds from kindergarten classes? Or eleven-year-olds from high school classes?

Can a medical or dental school bar a 50-year-old person from taking one of its limited classroom seats because his or her life expectancy suggests a practice of relatively brief duration?

Is it "reasonable" to limit reduced-fare or free public transportation to those age 65 or over?

Can existing guaranteed housing loans and senior citizens housing programs be limited to specific age groups?

At what age would a person be deemed to be sufficiently mature to consent to sterilization, to receive family planning information or to elect specific medical treatment?

We are also greatly concerned over the immense workload that implementation of Title III as proposed would add to this Department's Office for Civil Rights, which is now responsible for dealing with the issues flowing from the 1972 Education Act Amendments, the 1973 Rehabilitation Act and Title VI of the Civil Rights Act of 1964.

We suggest that the Congress not act precipitously on this matter but instead give itself and the Executive Branch a reasonable interval to explore and resolve such issues as I have outlined above before formulating an Age Discrimination Act.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

Mr. EAGLETON. This subject was considered by the full Committee on Labor and Public Welfare and we determined that, in view of the seriousness of the concerns expressed by Secretary Weinberger, a study of the problem of age discrimination should be conducted by the agency that has had the broadest experience in analyzing discriminatory situations in federally assisted programs. Therefore, the bill assigns to the Civil Rights Commission the task of making a study of the nature, scope, and causes of such age discrimination as may exist in the administration of federally assisted programs with a mandate to report back to Congress and the President within 1 year after the date on which funds are appropriated for the conduct of the study. We will then be able to assess the question of age discrimination with the necessary data in hand and determine whether or not legislation of the kind I have described is called for.

Mr. President, I urge my colleagues to lend their support to the adoption of S. 1425, the Older Americans Amendments of 1975.

Mr. President, I ask unanimous consent to have printed in the RECORD a section-by-section analysis of S. 1425, the Older American Amendments of 1975.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS: TITLE I—AMENDMENTS TO THE OLDER AMERICANS ACT OF 1965

Section 101—Federal Council on Aging:

This section extends until January 1, 1976 the deadline for completion of studies to be conducted by the Federal Council on Aging.

Section 102—Application of Other Laws:

This section amends title II of the Act by adding a new section 211. Section 211 states that the provisions and requirements of the Joint Funding Simplification Act of 1974 shall not apply to the administration of the provisions of this act or to the administration of any program or activity under this act. The Joint Funding Simplification Act allows the transfer of programs from one agency or department to another agency or department.

Section 103—Definition of Social Services:

This section amends section 302(1) of the act to include within the definition of the term "social services," legal counseling and services to older persons and programs designed to maintain and improve the physical fitness of older persons.

Section 104—Allotments to Indian Tribes:

This section amends Section 303(b) of the act by adding a new paragraph which permits the Commissioner to provide direct funding to an Indian tribal organization when he finds that members of such tribe are not receiving benefits equivalent to those provided to other older persons in the state or appropriate area (taking into account the amount of funds made available to the state or area agency for such purposes) and when he further finds that members of the tribe would be better served through such direct funding. Funds so provided through direct funding are to be reserved from the allotment to the state.

Section 105—State and Area Plan Requirements:

Subsection (a) amends section 304(a) of the act by adding a new paragraph authorizing the state agency on aging to coordinate activities under the state plan with activities conducted under Title XX of the Social Security Act.

Subsections (b) and (c) amend section 304 of the act by adding a new paragraph permitting state and area agencies on aging to enter into agreements with agencies administering programs under the Rehabilitation Act of 1973 and Titles VI, XIX, and XX of the Social Security Act for the purpose of jointly funding transportation programs to meet the common needs of persons receiving benefits under such acts and persons participating in programs under Titles III and VII of this Act.

Section 106—Low Income Individuals and Rural Elderly:

Amends Section 305(a) to provide that, in developing and implementing their state plans, states must take into account:

The needs of low income elderly persons,

The relative distribution of older persons residing in rural and urban areas of the state.

Section 107—Administration of State Plans:

This section amends Section 306 to increase the minimum allotment for state administrative funds for each state from $160,000 to $200,000 and to allow states, other than those benefiting by the increase in the minimum allotment, to retain for state administration 8% of Title III and Title VII funds granted them in excess of FY 74 levels. The states benefiting by the increased minimum would be allowed to retain 8% of the amount by which Title III and Title VII funds exceed their Fiscal Year 1976 allotments under these titles.

Section 108—Model Projects:

Section 308 of the Act is amended by adding the following new categories of model projects:

(1) Projects which enable the state agencies on aging and other public and private non-profit organizations to establish ombudsmen programs on behalf of nursing home residents.

(2) Authorize the Commissioner on Aging to make grants to improve the level of services to low income, minority, Indian and limited English-speaking individuals and to the rural elderly.

(3) Encourage the participation of older persons in Bicentennial activities.

(4) Assist in the establishment of senior ambulatory care day centers.

Section 109—Transportation, home services and legal counseling projects:

This section revises the present section 309 of the Older Americans Act and authorizes the appropriation of $50 million in each, Fiscal Year 1976 and Fiscal Year 1977, to be distributed to the states under the formula contained in present section 303 of the Act for the purpose of paying up to 90% of the cost of the following projects:

(1) Transportation projects, with special emphasis on those providing transportation in connection with Title VII nutrition projects and on projects providing transportation to older persons to enable them to obtain medical services;

(2) Home service projects, including those which provide homemaker, home health, escort, shopping, and other services designed to assist older persons in avoiding institutionalization;

(3) Projects to provide legal counseling and services to older persons.

Funds under this section are made available to the states for grants to area agencies on aging or, in areas where no such agency has been designated, to other public or private non-profit agencies to carry out such projects. Priority must be given to applicants that will serve areas where the supply of such services is inadequate. The Commissioner on Aging is required to issue regulations for implementation of these provisions within 90 days after legislation appropriating funds is enacted and the Commissioner is authorized to request the technical assistance and cooperation of the Secretary of Transportation in administering this program.

Section 110—Gerontology Training:

Amends Section 403 of the Act to make clear that both two year and four year institutions of higher education are eligible for grants and contracts for the purpose of attracting qualified persons to the field of aging.

Section 111—New Training Authorities:

Amends Section 404 of the Act to authorize training grants in two new categories:

(1) To assist in the training of lawyers, lay advocates, and paraprofessional persons to provide legal (including tax and financial) counseling and services to older persons and to monitor the administration of programs intended for their benefit, including nursing home programs; and

(2) Grants for university based training in gerontology in addition to currently authorized short-term and in-service training.

Section 112—State Plans:

Amends Section 705(a) to require that in awarding grants for nutrition projects, the relative distribution of older persons between rural and urban areas of the state must be taken into account.

Section 113—Provision of Certain Products by Secretary of Agriculture:

Amends section 707 of the Act, relating to the availability of surplus commodities for nutrition projects for the elderly, in the following respects:

(1) Changes "may" to "shall" in setting out the Secretary of Agriculture's authority to provide such commodities for nutrition projects for the elderly, and

(2) Increases the level of assistance to be provided by the Secretary of Agriculture in donated commodities from 10¢ to 25¢ per meal in Fiscal Year 1976 and to 50¢ per meal in Fiscal Year 1977.

Section 114—Authorization of Appropriations:

Extends the authorization for appropriations for two years in the following amounts (in millions of dollars):

Program:	[1] *FY 76*	*FY 77*
Title II—National Information and Resource Clearinghouse	[2] s/s	s/s
Title III—Grants for state and area activities	$260	$240
Model Project Grants	s/s	s/s

Special Emphasis Grants for transportation, home services and legal services	$62.5	$50
Title IV—Training and Research	s/s	s/s
Title V—Multipurpose Senior Centers	s/s	s/s
Title VII—Nutrition Projects	$225	$275

[1] FY 76 figure includes transitional period from July 1, 1976 to September 30, 1976.

[2] Such sums as may be appropriated.

Section 115(a)—Community Service Employment for Older Americans:

This subsection amends the Older Americans Act by adding a new title: Title IX—Community Service Employment for Older Americans.

Section 901. This title may be cited as the Older American Community Service Employment Act.

Section 902(a). In order to foster and promote useful part-time work opportunities in community service activities for unemployed low-income persons who are 55 years old and older and who have poor employment prospects, the Secretary of Labor is authorized to establish an Older American Community Service Employment Program.

Subsection (b) (1) authorizes the Secretary to enter into agreements with public or private nonprofit agencies or organizations, including national organizations, State or local governmental agencies and Indian tribes in order to carry out the purposes of this title. However, no payments may be made toward the cost of any project unless certain conditions are met. These conditions include:

(1) providing employment only for eligible individuals, including administrative personnel when feasible;

(2) providing projects in the community in which project participants reside;

(2) employing eligible individuals in services related to publicly owned and operated facilities or projects sponsored by organizations other than political groups and religious organizations;

(4) providing employment to individuals whose opportunities for regular employment are poor;

(5) providing such training as may be necessary as well as payment of reasonable expenses to enrolled individuals during the training period;

(6) assuring safe and healthy working conditions and a minimum wage which will not be lower than the higher of:

(a) the minimum wage established under the Fair Labor Standards Act;

(b) the State or local minimum wage for comparable employment; or

(c) the prevailing rates of pay for persons performing similar work for the same employers;

(7) assuring that, to the extent feasible, projects will serve the needs of minority, Indian, and limited English speaking eligible individuals in proportion to their numbers.

Subsection (c) (1) directs the Secretary to pay not in excess of 90 percent of the cost of any project which meets the conditions specified in subsections (b) (1). However, the Secretary is authorized to pay the full cost of emergency or disaster projects, or projects located in economically depressed areas. The non-Federal share shall be in cash or in kind.

Section 903. *Administration*—This section requires the Secretary to consult with State and local agencies concerning the areas in which community service programs are most needed, the types of skills possessed by local individuals who are eligible to participate, and the number of eligible individuals in the local population.

Subsection (b) provides that the Secretary may coordinate programs assisted by this title with other Federal employment legislation, if such coordination would increase job opportunities available to individuals under the title. The Secretary may coordinate programs with: the Emergency Jobs and Unemployment Assistance Act of 1974, the Comprehensive Employment and Training Act of 1973, the Community Services Act of 1974, and the Emergency Employment Act of 1971.

Subsection (e) provides that the Secretary shall not delegate any functions given to him under this title to any other department or agency of the Federal Government.

Section 904. *Participants Not Federal Employees*—Subsection (a) requires that individuals employed in programs under this title shall not be considered Federal employees and generally shall not be subject to laws related to Federal employment.

Subsection (b) forbids contracts to be entered into under this title with a contractor who is, or whose employees are, exempted from State workmen's compensation law, unless the contractor makes alternative provisions so that employees enjoy coverage equal to that provided by law for covered employment.

Section 905. *Interagency Cooperation*—Subsection (a) directs the Secretary to consult with and obtain the written views of the Commissioner of the Administration on Aging prior to the establishment of rules or general policy concerning the administration of this title.

Subsection (b) directs the Secretary to consult and cooperate with the Secretary of Health, Education, and Welfare and the heads of other Federal agencies carrying out related programs in order to achieve optimal coordination with other programs.

Section 906. *Equitable Distribution of Assistance*—The existing formula for distribution of funds among the states is retained, however, the Secretary is directed to reserve from each year's appropriation funds to enter into grants and contracts with national aging organizations to conduct older workers employment programs before allotting the balance of the appropriation to the states. The amount reserved will be equal to the level of funding of such national contracts in Fiscal Year 1975 plus such additional sums as the Secretary deems advisable. Expenditures in a state for an older workers program conducted under a national contract must be charged against the state's allotment, thus reducing the allotment to each state in a given fiscal year by the amount spent in the state in that fiscal year for an older workers program conducted pursuant to a national contract.

Section 907. *Definitions*—This section defines terms used in this title. "Eligible Individual" is a person who is 55 years old or over with low income, and who has or would have difficulty in securing employment.

Section 908. The authorization for appropriations is extended through September 30, 1978 in the amount of $137.5 million for FY 76, $150 million for FY 77, and $200 million for FY 78. Funds appropriated under Title IX in FY 75 are to remain available for use to continue similar programs conducted under Title III of the Comprehensive Employment and Training Act of 1973.

Section 115(b) repeals title IX of the Older Americans Comprehensive Services Amendments of 1973.

Section 116. Technical Amendments:

Makes numerous minor technical amendments in the Act.

TITLE II—AMENDMENTS TO OTHER LAWS

Sections 201 and 202. These sections extend through fiscal year 1977 provisions authorizing funds for programs for the elderly under the Adult Education Act and the Higher Education Act of 1965.

Section 203. This section extends through fiscal year 1977 authorizations for the Senior Opportunities and Services Programs under the Community Services Act.

Section 204. This section requires that special consideration be given to special consumer and homemaker education programs under the Vocational Education Act for persons aged 60 and over.

TITLE III—STUDY OF DISCRIMINATION BASED ON AGE

Section 301(a). The Commission on Civil Rights is directed to undertake a study to determine whether otherwise eligible persons are, because of their age, discriminated against in the administration of federally assisted programs. In the event that the Commission finds that such discriminatory practices do exist, it is to seek to determine their causes and extent and identify the federally assisted programs involved. The Commission's report is due within one year after the date on which appropriations are made for the conduct of the study.

(b) Such sums as may be necessary to carry out this section are authorized to be appropriated.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER (Mr. BAKER). Without objection, the bill as now amended will be considered as original text for the purpose of further amendment.

Mr. EAGLETON. Mr. President, I yield to the distinguished Senator from Maryland (Mr. BEALL).

Mr. BEALL. Mr. President, it is a pleasure to join with my distinguished colleague from Missouri (Mr. EAGLETON), the chairman of the Labor and Public Welfare Committee's Subcommittee on Aging, during the Senate's consideration of the 1975 amendments to the Older Americans Act. As a ranking minority member on the Subcommittee on Aging, and a member on the Special Committee on Aging, I have a deep and abiding inteest in the welfare of our Nation's 20 million senior citizens. I have always contended that America's elderly citizens deserve a great deal more attention than they have previously received. They have certainly earned the right to live their retirement years in security, dignity, and independence. I believe that we owe our senior citizens a great debt of gratitude, for they are primarily responsible for the prosperity and the greatness our Nation enjoys today.

Mr. President, during the past 6 months the members of the Subcommittee on Aging have worked to shape a bill that would extend, expand, and build upon the substantial progress we made with the enactment of the Older Americans Comprehensive Services Act of 1973 (Public Law 93–29). The 1973 amendments to the Older Americans Act achieved three basic goals: First, strengthened and increased the visibility of the Administration on Aging within the Department of Health, Education, and Welfare; second, established, within the frameword of title III, a comprehensive and coordinated system for the delivery of social services to the elderly, and third, title VII, established a nationwide nutrition program for needy senior citizens which is currently serving over 200,000 hot meals per day. S. 1425 represents a refinement and a reaffirmation of the basic goals contained in Public Law 93-29.

One can hardly comment on the progress we have made in recent years in our effort to meet the needs of the elderly without mentioning the role of Dr. Arthur S. Flemming. Dr. Flemming is a distinguished public servant and academician who has served his nation in a variety of capacities in the last four decades. As the Chairman of the 1971 White House Conference on Aging, Dr. Flemming brought together thousands of delegates and experts from all across the Nation. He foresaw a highly productive White House conference which helped to generate the momentum that was needed to enact the kind of progressive legislatiion we have before us today. Since the White House Conference on Aging, Dr. Flemming has served, first, as Special Consultant to the President on aging, and, since 1973, as Commissioner on Aging, Dr. Flemming is an able administrator, an advocate of the needs of senior citizens, and a man dedicated to the cause of coordinating and making more effective the various governmental programs affecting senior citizens.

I believe that S. 1425 will continue the progress we have made in the last 2 years and further strengthen and solidify the administrative structure on the State and area agency level.

Last November I chaired a subcommittee hearing in Salisbury, Md. which examined the area agency on aging concept in considerable depth. The lower four counties of Maryland's eastern shore have been included in an "area agency" which was established as a demonstration project 3 years ago. Thus, this particular areawide model project gave the subcommittee a chance to study the area agency concept in a more fully developed mode. This hearing, which was the first in the five part series conducted by the subcommittee in the preparation of this legislation reaffirmed my personal confidence in the area agency approach to delivering services to the elderly.

Mr. President, S. 1425 extends the older Americans Act for 2 additional years. In doing so, it places emphasis on delivering several additional types of services: First, transportation; second, home services; third, legal and counseling services; and fourth, services designed to improve and maintain the physical fitness of older persons. In addition, this legislation would require the Civil Rights Commission to undertake a comprehensive study of age discrimination. I believe that the Congress should enact legislation to prohibit unreasonable and unwarranted discrimination against senior citizens. At the present time, however, the committee did not feel that a sufficient body of data was available for us to adequately structure effective legislation to address this problem. The 1-year study by the Civil Rights Commission should remedy this situation and enable us to address ourselves to this pressing social problem.

In addition, we have sought to insure that the Governors will coordinate State plans drafted pursuant to title III of the Older Americans Act with the State plans contained in the title XX social service program in the Social Security Act. Since the Governor is ultimately responsible for both plans the task of coordinating the services provided pursuant to each logically falls on his shoulders. Both the bill and the report seek to maximize the participation by senior citizens in the Bicentennial Celebration. When I was chairman of the sesquicentennial celebration in my hometown—Frostburg, Md.—I found that retired persons had the skill, the dedication, and the time to successfully plan and execute such a celebration. I believe that the Bicentennial Celebration desperately needs such an infusion of talent and conversely the Bicentennial grants to many retired persons a golden opportunity to actively participate in a meaningful national undertaking.

Last year, the Congress passed and the President signed into law Public Law 93-351. This legislation extended the title VII nutrition program for 3 additional years. During the debate on that legislation I proposed an amendment which required the Secretary of Agriculture to donate agricultural commodities to the title VII nutrition program. The annual level of support was 10 cents per meal. Mr. President, I would like to commend Secretary Butz, Juan Del Castillo, the Director of the Food Distribution Division, and the other officials at USDA who so promptly implemented the provisions of Public Law 93-351. I am especially pleased that the Department of Agriculture implemented this program in the same positive spirit which brought about its enactment by the 93d Congress. I am equally pleased that the committee has accepted my recommendation to raise the support level to 25 cents per meal during fiscal year 1976 and 50 cents per meal in fiscal year 1977. I proposed this increase in the level of agricultural commodities support for several basic reasons:

First. The infusion of USDA commodities has allowed the title VII program to expand in a significant manner even during a period of rapid inflation and necessarily tight budgetary restrictions.

Second. The huge purchasing power of the Department of Agriculture makes these commodities available to the nutrition projects at a far lower cost than they could expect to find if they purchased the same goods on the local market.

Third. This type of program helps the agricultural sector of our economy by enabling the Secretary to stabilize farm prices by purchasing the items he makes available to the school lunch program, the title VII program, and so forth.

In closing, Mr. President, I would also note that S. 1425 extends and expands the title IV training and research program, the title V senior citizen center provisions, and the title IX community service employment program. These three provisions were originally included in Public Law 93-29 and each is retained and/or expanded in this legislation.

Mr. President, I urge the Senate to give prompt and favorable consideration to this vital legislation.

Mr. EAGLETON. Mr. President, I ask whether it has been ordered that the committee amendment be treated as original text for purposes of amendment so that the Senate may consider an amendment to be offered by the Senator from Kansas?

The PRESIDING OFFICER. The previous order was that the bill as amended be considered as original text for the purpose of further amendment.

Mr. EAGLETON. Thank you.

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. EAGLETON. I yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I commend the Senator from Missouri (Mr. EAGLETON) and the Senator from Maryland (Mr. BEALL), who have given much time to this subject matter.

Certainly the Older Americans Act was legislation which had as its purpose equity for the older citizens of the United States of America. It has worked well. It has had a productive record. The action being taken here today is not only in the interest of our aging population, but in the interest of the American people as a whole. I again commend my able colleagues, Senator EAGLETON and Senator BEALL, for their effective efforts in bringing this vital measure to the Senate.

Mr. President, it is my privilege to serve as a member of the Special Committee on Aging and the Subcommittee on Aging of the Committee on Labor and Public Welfare. In these capacities I have a deep interest and concern for the well-being of the "senior citizens" of America.

In these cruel times of inflation and recession, the elderly have great need—a need perhaps greater than in any other segment of society—for Federal, State, and local assistance, both from a financial and from a services standpoint.

Programs under the Older Americans Act need to be improved. Notwithstanding steady, congressionally mandated increases in the level of social security, the increases have been eroded virtually to nothing by inflation. Fundamental prerequisites to survival—food, shelter, warmth—are becoming more and more difficult to retain for those on low and fixed incomes. Millions of older people suffer silently as these problems take their toll.

In expressing my support for the pending measure, I note that the executive director of the West Virginia Commission on Aging, Dr. Louise Gerrard, testified before the Aging Subcommittee. She is a diligent, effective, and capable director of our West Virginia program, and she is President of a new organization known as the National Association of State Units on Aging, on whose behalf she testified. Dr. Gerrard contributed significantly to our committee consideration of this bill.

Mr. President, I urge adoption by the Senate of this legislation to extend and expand the Older Americans Act of 1965.

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated:

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an amendment as follows:

Amend section 113 of S. 1425 by inserting a new subsection immediately after subsection (b).

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE's amendment is as follows:

Amend Section 113 of S. 1425 by inserting a new subsection immediately after subsection (b):

"(c) Sec. 707 of the Act is amended by redesignating subsection (e) as subsection (f) and inserting the following new subsection immediately following subsection (d):

"'(d) (1) Notwithstanding any other provision of law, where a State phased out its commodity distribution facilities prior to June 30, 1974, such State may, for purposes of the programs authorized by this Act, elect to receive cash payments in lieu of donated foods. Where such an election is made, the Secretary of Agriculture shall make cash payments to such State in an amount equivalent in value to the donated foods that the State would otherwise have received if it had retained its commodity distribution facilities.

"'(d) (2) When such payments are made, the State agency shall promptly and equitably disburse any cash it receives in lieu of commodities to recipients of grants or contracts and such disbursements shall be used by such recipients of grants or contracts to purchase United States agricultural commodities and other foods for their nutrition projects.'"

Mr. DOLE. Mr. President, this amendment has been discussed with the Senator from Missouri and the Senator from Maryland, and is acceptable to both.

The amendment I offer to S. 1425 is designed to deal with a unique situation which exists in Kansas. For a State to receive USDA commodities under title VII of the Older Americans Act, it must have a commodity distribution system. Last year, with the active encouragement of the Department of Agriculture, Kansas dismantled its commodity distribution system.

As a consequence of this action, Kansas was not able to receive the benefits of donated commodities for use in nutrition programs under the Older Americans Act, the National School Lunch Act, and the Child Nutrition Act of 1966. Instead, the State's schools have been authorized by language in the conference report on last year's child nutrition legislation to receive direct cash payments from USDA in lieu of donated commodities. And this year, the Senate Agriculture Committee has agreed to language in the child nutrition bill (H.R. 4222) which would enable the State's schools and other service institutions to receive cash-in-lieu-of-commodities in all child nutrition programs.

In recognition of the unique problems faced by Kansas with respect to commodities, the amendment I am offering would enable Kansas nutrition projects for the elderly under the Older Americans Act to receive the same cash-in-lieu-of-commodities benefits now made available to schools in the State.

The amendment in no way increases the amount of assistance which Kansas would receive under the Older Americans Act. It simply assures that the State's older citizens receive their fair share of Federal assistance.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

Mr. EAGLETON. Mr. President, I yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I would like to inquire, so that the record will be clear, what is the amount of the authorization?

Mr. EAGLETON. Over 3 years, a total of $1.6 billion.

Mr. MAGNUSON. The Senator from Washington has the responsibility over the appropriation for this bill. Does the Senator from Missouri expect to receive full funding?

Mr. EAGLETON. It is my anticipation—I serve with the distinguished Senator from Washington on the committee, and it is my expectation that we will appropriate something less than $1.6 billion.

Mr. MAGNUSON. Which will meet the needs of a given year.

Mr. EAGLETON. We had hoped to meet the needs of fiscal year 1976.

Mr. MAGNUSON. Not all the needs, but the reasonable needs.

Mr. EAGLETON. Yes.

Mr. BEALL. Mr. President, if the Senator will yield, I do not serve on the Appropriations Committee but I will say that the Appropriations Committee has been very generous with these programs in the past; and, on the other hand, the Subcommittee on Aging has been conservative in the requests we have incorporated in this legislation.

Mr. MAGNUSON. I am sure the Senator from Missouri will join with me in suggesting that if we funded everything that is authorized in the Appropriations Committee, in the whole field——

The PRESIDING OFFICER. Will the Senator from Washington please use his microphone?

Mr. MAGNUSON. I say if we funded everything that is authorized in these bills that come out of the Committee on Labor and Public Welfare and some of the rest of the committees, even though we just raised the debt ceiling a few minutes ago, the U.S. marshal would march down with a big sign and put it on the door of the Treasury.

I just want to warn the Senators that we will have to cut the bill, because we have a ceiling on appropriations beyond which we cannot go.

But I assure the Senate that we will fund this measure in a reasonable way. It is a good program. I just wanted to have those remarks in the RECORD, because Congress may appropriate $1.4 billion for the elderly, so our constituents will understand, and will not be saying, "Oh, we are going to get $1.6 billion," because it is authorized.

It will be somewhere between the authorization and what we finally appropriate.

Mr. EAGLETON. Mr. President, I think the distinguished Senator from Washington is absolutely correct, and that it is very appropriate that he makes those remarks at this time.

Mr. WILLIAMS. Mr. President, today we consider legislation which extends and strengthens the Older Americans Act. S. 1425 is a measure which I believe every Member of the Senate can support.

Let me commend the distinguished chairman of the Senate Subcommittee on Aging (Mr. EAGLETON) for the unanimity of support developed for this measure. The Senate Labor and Public Welfare Committee has a long and active history of concern for older Americans and this support is a fine tribute to their needs.

Older Americans are waging a daily struggle against the high cost of living. The social and economic problems which plague America have a special impact on her 20 million older citizens.

Inflation remains the No. 1 problem. Twenty percent of all Americans over the age of 65 live in poverty. Many others live dangerously close to the poverty level.

Rapidly rising food, fuel, and medical costs put a severe economic squeeze on their budgets. Increasing property taxes often drive them from their lifelong homes.

Unemployment, like other social problems, takes a higher toll among older workers. Among persons 55 and older, unemployment jumped nearly 70 percent in the last 8 months.

But these economic threats are not the the only assaults on the elderly budget. The Ford administration has demonstrated a definite lack of concern for their plight.

The President's proposed cutbacks in the elderly manpower and nutrition programs were especially shortsighted.

Congress successfully resisted these cutbacks at every turn. While I agree with the President's desire to control Federal spending, his assault on the elderly budget was both shortsighted and self-defeating.

We spend billions on the institutional care of the elderly yet we still see great reluctance for programs which help the elderly to remain independent and maintain productive lives while avoiding dependency.

This is the point that President Ford's budget-cutting advisers always miss. At its very heart, a policy of reducing elderly services is first and foremost false economy.

Here the Older Americans Act has a vital role to play. Ten years ago, this act was passed to coordinate the fragmented programs and services of the Government.

The Administration on Aging was created within the Federal structure as the focal point for national action and concern.

Today, 412 area agencies have been established in areas where 70 percent of the elderly live. Twenty-one agencies in my home State of New Jersey coordinate and develop systems to link public and private agencies to meet the needs of older people.

Area agencies have acted as both a stimulus and a catalyst in the development of a comprehensive network of services. These agencies are not designed to be competitors, but rather innovators and coordinators of services which could not otherwise be supplied.

OLDER AMERICAN ACT AMENDMENTS

As chairman of the Senate Labor and Public Welfare Committee, and ranking member of the Senate Special Aging Committee, I have a long-standing commitment to the title III programs.

Over the years, title III has provided a wide range of innovative programs including home health care, homemaker, employment referral, friendly visitor, meals-on-wheels, and many others.

In 1972, Congress amended the act to provide for the title VII nutrition projects which now serve wholesome meals to 225,000 elderly at more than 4,000 sites. These programs involve far more than food.

In my visits to these sites, I have seen the human contact which is made when the elderly have a place to meet and socialize. Those attending enjoy a new breath of life as they associate with others making new friends and renewing old ones.

Even more important is the information service which enlightens them concerning the many available services and health programs which are saving lives.

S. 1425 would continue these programs for another 2 years with authorizations at increased levels. In addition, it would further strengthen title VII by authorizing funds to assist States in paying part of the administrative costs of the program.

OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT ACT

Until community service employment programs were initiated under the Older Americans Act, very little attention had been paid to the income needs of those who were at or close to retirement. S. 1425 would continue the title IX National Senior Service Corps for 3 years with increased authorizations.

Experience under this program has demonstrated that there are many community tasks on which older persons can be employed.

Community work can recapture and preserve human abilities, utilize manpower, provide satisfying occupation, and forestall additions to the mounting welfare caseload.

With unemployment at its highest level in 34 years, this amendment becomes all the more compelling.

The committee estimates that enactment of title IX can provide 137,000 part-time jobs for older workers over the next 3 years.

Economic hardship alone would be adequate cause for expansion of employment opportunities of the older age group. But other reasons exist, too.

The Department of Labor over the last few years has given sporadic attention and study to the unique needs and problems of older workers.

Indicative of the negative attitude was the announced plan to phase out elderly manpower programs administered by national contractors. Although the Department has since retreated from this position, the amendments would clarify the congressional intent to preserve the elderly programs first developed under Operation Mainstream.

OTHER AMENDMENTS

The 1975 amendments build on the solid achievements of the past 10 years and I urge their early adoption.

But they also contain something for the future. They incorporate and propose a special emphasis for programs involving home service projects, legal counseling, and transportation.

Each program focuses on the future directions of elderly services.

Legal counseling and assistance is a program of special importance to me. We have come face to face with the need for legal assistance in our 3-year investigation of the private pension system.

Time and again, we found our elderly citizens struggling with the legal complexities of various private and public benefit programs.

All too often, benefits were lost simply because they could not understand the complex legal requirements. The reality of "equal justice under the law" depends on the ability of our legal services delivery system to reach the millions of Americans who need legal assistance each year.

Today's legislation provides a special emphasis to this goal.

Transportation is another service of critical importance. Transportation represents the third largest expenditure in the elderly budget and is the critical element for many in obtaining any participation in elderly programs.

More than 1 million elderly live in nursing homes. Patients must often stay in the hospital longer than is necessary from a medical point of view. Or they must go to a nursing home because they cannot receive adequate care at home.

A recent GAO study found that 25 percent of patients in hospitals and nursing homes are being treated in facilities which provide a higher level of care than they need.

Here again, the amendments to title III permit additional authorizations for projects designed to encourage home services. These projects could provide an important impetus to the development of services which will assist the elderly to avoid institutionalization.

For those in institutions, we must explore mechanisms to maintain the vitality of life. Many times, the institutionalized American is the forgotten American.

S. 1425 incorporates an amendment which I proposed in committee to authorize a nursing home ombudsman program.

This program could draw on the excellent experience of the nursing home ombudsman experiment of the National Council of Senior Citizens. Since 1972, the national council has conducted an ombudsman experiment which has attained excellent results in employing volunteers to insure the elderly have an advocate to protect their interests in various institutions.

Finally, S. 1425 directs the Civil Rights Commission to undertake a thorough study of age discrimination. There is increasing evidence of significant discrimination against older persons in programs which receive Federal funding for provisions of services to the general population. This form of discrimination in receipt of services based on age is not as well recognized as is discrimination in employment, but it is certainly as detrimental to the health and well-being of older persons.

In conclusion, Mr. President, I want to emphasize that S. 1425 is a tuneup, not a major overhaul. The 1975 amendments strengthen and expand the programs of proven quality, and therefore I urge my colleagues to promptly pass these vital improvements.

Mr. CHURCH. Mr. President, I support the enactment of S. 1425, the older Americans amendments.

First, however, I wish to commend the chairman of the Subcommittee on Aging (Mr. EAGLETON) and the chairman of the Labor and Public Welfare Committee (Mr. WILLIAMS) for their leadership in bringing this bill to the floor.

The bill makes major improvements in the Older Americans Act and other legislation affecting the elderly. And, I am hopeful that it can be acted upon expeditiously in order that the elderly can benefit promptly from this measure.

I am also pleased that the bill includes in one form or another almost every provision in my older Americans amendments, S. 1426. That proposal received strong support and was cosponsored by the Senators from New Jersey (Mr. WILLIAMS), California (Mr. TUNNEY), Florida (Mr. CHILES), Iowa (Mr. CLARK), Florida (Mr. STONE), Rhode Island (Mr. PELL), Indiana (Mr. HARTKE), West Virginia (Mr. RANDOLPH), North Dakota (Mr. BURDICK), Massachusetts (Mr. KENNEDY), Minnesota (Mr. HUMPHREY), Connecticut (Mr. RIBICOFF), Colorado (Mr. HASKELL), and Washington (Mr. MAGNUSON).

OLDER AMERICANS ACT AMENDMENTS

The committee bill—as proposed in my older Americans amendments—would extend the title III State and community programs on aging for 2 years and with increased funding authority. Title III has proven its value to older Americans time and time again by making helpful services available to enable them to live independently in their own homes, instead of being institutionalized at a much higher public cost.

Moreover, S. 1425 would provide a specific earmarked authorization to give special attention to three major needs of the elderly: transportation, in-home services, and legal counseling.

Today many older Americans—regardless of their income—are discovering that they live under a form of house arrest, cut off from vital services because of limited mobility. This is especially true in rural areas. Only about 46 percent of all elderly persons are licensed to drive. Unfortunately, however, public transportation is frequently inconvenient, inaccessible, or expensive.

As chairman of the Senate Committee on Aging, I am pleased that S. 1425 emphasized in-home services as a priority need. Most older Americans would prefer to remain in their own homes. And, the vast majority can, provided appropriate supportive services are available.

Hearings conducted by the Senate Committee on Aging have made it abundantly clear that older Americans have numerous legal problems—whether it involves litigation, planning their personal affairs, or understanding Federal benefit programs.

The new provisions in title III and title IV, it is my hope, can help to sensitize the private bar, law schools, and others to respond to the legal needs of the elderly.

S. 1425 would also expand the model projects section by including my amendment to develop new and better approaches for making services more readily available for the rural aged.

The bill includes other provision to focus more attention on the needs of rural areas. Title III and title VII plans, for example, would be required to take into account the relative distribution of older persons residing in rural and urban areas.

Another measure with potentially far-reaching implications for the elderly is the increased funding authorization for the title VII nutrition programs for fiscal years 1976 and 1977.

Food prices have jumped by 25 percent during the past 2 years. The net impact is that many older Americans are finding it more and more difficult to stretch their limited budgets to meet their nutritional requirements. The title VII program, however, has enabled many elderly persons to obtain nutritious meals at prices within their reach.

Nearly 220,000 aged individuals now participate in the title VII program at 4,000 sites.

The increased funding authorization would allow many more to have nutritious meals, and it would provide an opportunity to meet new friends or renew old acquaintances.

OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT ACT

Equally important, S. 1425 would continue and expand the older American community service employment program.

With unemployment at its highest level in 34 years, this measure becomes all the more compelling.

During the past 10 months unemployment for persons 55 and above has soared from 395,000 to 702,000, for a 78-percent increase.

But these figures—depressing as they are—do not begin to describe the whole story because there is a substantial amount of hidden unemployment among older workers.

However, community service employment can be an effective means to reduce joblessness for the aged and to provide essential services at the same time.

AGE DISCRIMINATION STUDY

In addition, S. 1425 would direct the Civil Rights Commission to undertake a study to determine whether persons are being discriminated against because of age under any program or activity receiving Federal financial assistance. The Commission would be required to determine the nature, extent, and causes of the discrimination.

Moreover, the bill would direct the Commission to report on its findings to the Congress with appropriate recommendations for legislative and administrative actions.

VALUE OF THE OLDER AMERICANS ACT

Almost 10 years of experience under the Older Americans Act have amply demonstrated its value and worth.

Today all Americans—whether they be young or old—have a vital stake in assuring that our Nation's commitment in aging is built upon a sound and effective strategy.

We cannot afford half-hearted policies because we are in the midst of a social revolution relating to retirement patterns.

The development of this bill now before us is one important response to these emerging changes.

For these reasons, I reaffirm my support for the enactment of the older Americans amendments.

Mr. CRANSTON. Mr. President, I rise to urge support for final passage of S. 1425, the Older Americans Amendments of 1975 as reported. As a cosponsor of the bill and as the ranking majority member of the Senate Labor and Public Welfare Committee's Subcommittee on Aging, I have been deeply involved in committee consideration and development of the reported bill. I express my congratulations to the distinguished subcommittee chairman (Mr. EAGLETON) and the subcommittee's ranking minority member (Mr. BEALL) for their judicious and insightful leadership in steering this bill through committee. There were several bills from which the reported bill was crafted. The result, I believe, is a piece of legislation that broadens and strengthens the provisions of the Older Americans Act of 1965, while preserving the original intent of the act.

Mr. President, I would also like to express my appreciation for the continued excellent leadership given to the full committee by its chairman, Senator WILLIAMS. Chairman WILLIAMS has always shown the greatest willingness to see to the expeditious handling of the business before the committee. The provisions of the bill before us would extend the Older Americans Act authorizations of appropriations beyond their present June 30, 1975, authorization date.

Even though the continuing resolution adopted by the Senate on June does include funds to continue all of the Older Americans Act programs at fiscal year 1975 or greater levels, acting now on this legislation will help us give sense of certainty for many programs of vital importance to older persons.

Mr. President, I shall make a detailed statement tomorrow on the Older Americans Amendment of 1975. I shall leave the remainder of my remarks for that time. Now, I urge the support of my colleagues for the provisions of the bill as reported from committee.

Mr. JAVITS. Mr. President, thousands of older citizens throughout the United States have been well served by programs provided under the Older Americans Act. I am pleased to take this opportunity to urge favorable consideration by my colleagues of S. 1425, which extends and strengthen this important act.

I have long been an advocate of legislation which extends services to, and lessens the financial burden of, senior citizens. I am deeply concerned about the welfare of older Americans who must live on fixed incomes which are, in many cases, inadequate.

It is our responsibility to see that elderly Americans are provided with the opportunity to lead lives of dignity, comfort, and purpose. I am pleased to say that S. 1425 brings us closer to that goal than ever before. In the past 10 years Congress has made tremendous strides to better meet the needs of older Americans.

In fiscal year 1975, $130,000,000 was authorized and $105,000,000 was awarded to State agencies to implement projects for the transportation, housing, nutrition, and health needs of the elderly. Four hundred and twelve area agencies have been estabilshed in areas containing 70 percent of the Nation's senior citizens. One hundred and thirty thousand older Americans annually participate in the retired senior volunteer program, providing community-based volunteer programs as well as financial support for low-income senior citizens.

However, even in light of these accomplishments, there is much more to be done. The time has come to expand significantly the Older Americans Act programs to serve the needs of the elderly which have been left unanswered.

A major provision of S. 1425 creates a special service program to provide an alternative to institutional care for the elderly. Included are homemaker services, home health services, shopping, residential repair, and a variety of other services. This program will enable the elderly to continue to live independently at home, while receiving necessary personal or health care. A GAO report estimated that $1 to $2 billion could be saved in senior citizen health care costs if the length of stay in a hospital could be cut by 1 day. The National Association of Home Health Care estimates that home care is 3.5 times less expensive than hospitalization.

Furthermore, as we all know, the lack of alternatives to long-term care often results in the premature institutionalization of many older Americans. Clearly, innovative programs which would cater to the personal specific needs of elderly citizens are long overdue. Thus, home services will provide a tremendous saving, in the long run, of tax dollars needlessly spent for the institutional care of the elderly, while providing services better suited to the actual needs of older Americans.

S. 1425 also provides for a significant expansion of the older Americans community services program. We can estimate that on a national basis, the expansion of title IX will create 210,000 part-time, community-based jobs for low-income older Americans who have few prospects for employment otherwise. The psychological as well as social importance of this provision cannot be overemphasized. As one of the original cosponsors of the Older Americans Comprehensive Service Employment Act in 1973, I believe it is our responsibility to promote useful work opportunities for unemployed older Americans.

Also included in S. 1425 is a provision which will enable the Commissioner to more readily provide appropriate services to certain Indian groups.

The measure provides for an extension of the title VII nutrition program, one of the most successful projects initiated to assist elderly Americans. As a cosponsor of the original legislation to provide a nutrition program for the elderly, and as a supporter of subsequent increases in funds, it would be profoundly disappointing if Congress fails to continue this essential program which serves 221,000 older Americans each year.

S. 1425 also enables the Commissioner to examine new ideas to better provide for the need of our older citizens. Innovative programs and services for the elderly must be examined and enacted. Their needs are many and serious. For example, decent nursing home care must be provided—but also, alternatives to nursing care must be developed.

Mr. President, I urge my colleagues to support these amendments to the Older Americans Act. We have seen these programs work before. We recognize many need strengthening. We know there is room for innovation. Let us join our colleagues in the House—who passed a similar bill in an overwhelming vote of 377 to 19—and give our strong support to this important legislation.

The older American citizen who has sacrificed so much to the health, strength, and vitality of this Nation, can no longer be ignored—or told his share of the American dream is in the past. S. 1425 is a further step in the right direction, but one which should remind us all there is much to be done for the future.

The **PRESIDING OFFICER**. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1425) was ordered to be engrossed for a third reading, and was read the third time.

Mr. **EAGLETON**. Mr. President, I move that the Senate proceed to the consideration of H.R. 3922.

The **PRESIDING OFFICER**. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3922) to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such act, to prohibit discrimination on the basis of age, and for other purposes.

The **PRESIDING OFFICER**. The question is on agreeing to the motion of the Senator from Missouri.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. **EAGLETON**. I move to strike out all after the enacting clause and insert in lieu thereof the text of S. 1425, as amended.

The motion was agreed to.

The **PRESIDING OFFICER**. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 3922) was read the third time, and passed, as follows.

Resolved, That the bill from the House of Representatives (H.R. 3922) entitled "An Act to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such Act, to prohibit discrimination on the basis of age, and for other purposes,", do pass the following amendment:

Strike out all after the enacting clause and insert: That this Act may be cited as the "Older Americans Amendments of 1975".

TITLE I—AMENDMENTS TO OLDER AMERICANS ACT OF 1965

TRANSMISSION OF CERTAIN RECOMMENDATIONS RELATING TO FEDERAL COUNCIL ON AGING

SEC. 101. (a) Section 205(g) of the Older Americans Act of 1965, as amended (42 U.S.C. 3015(g)) (hereinafter in this title referred to as the "Act") is amended by striking out "eighteen months after enactment of this Act" and inserting in lieu thereof "January 1, 1976,".

(b) Section 205(h) of the Act (42 U.S.C. 3015(h)) is amended by striking out "eighteen months after enactment of this Act," and inserting in lieu thereof "January 1, 1976,".

APPLICATION OF OTHER LAWS

SEC. 102. Title II of the Act (42 U.S.C. 3011 et. seq.) is amended by adding at the end thereof the following new section:

"APPLICATION OF OTHER LAWS

"SEC. 211. The provisions and requirements of the Act of December 5, 1974 (Public Law 93–510; 88 Stat. 1604) shall not apply to the administration of the provisions of this Act or to the administration of any program or activity under this Act.".

DEFINITION OF SOCIAL SERVICES

SEC. 103. Section 302(1) of the Act (42 U.S.C. 3022(1)) is amended—

(1) in subparagraph (E) thereof, by striking out "or" at the end thereof; and

(2) by redesignating subparagraph (F) as subparagraph (H) and by inserting immediately after subparagraph (E) the following new subparagraphs:

"(F) services designed to provide legal (including tax and financial) counseling and services to older persons;

"(G) services designed to enable older persons to attain and maintain physical and mental well being through programs of regular physical activity and exercise; or".

GRANTS TO INDIAN TRIBES

SEC. 104. (a) Section 303(b) of the Act (42 U.S.C. 3023(b)) is amended by redesignating paragraph (3) as paragraph (4) and by inserting immediately after paragraph (2) the following new paragraph:

"(3)(A) In any State in which the Commissioner determines (after having taken into account the amount of funds available to the State agency or to an appropriate area agency on aging to carry out the purposes of this title) that the members of an Indian tribe are not receiving benefits under this title that are equivalent to benefits provided to other older persons in the State or appropriate area, and if he further determines that the members of such tribe would be better served by means of grants made directly to provide such benefits, he shall reserve from sums that would otherwise be allotted to such State under paragraph (2) not less than 100 per centum nor more than 150 per centum of an amount which bears the same ratio to the State's allotment for the fiscal year involved as the population of all Indians aged sixty or over for whom a determination under this paragraph has been made bears to the population of all persons aged sixty or over in such State.

"(B) The sums reserved by the Commissioner on the basis of his determination under this paragraph shall be granted to the tribal organization serving the individuals for whom such a determination has been made, or where there is no tribal organization, to such other entity as he determines has the capacity to provide services pursuant to this title.

"(C) In order for a tribal organization or other entity to be eligible for a grant for a fiscal year under this paragraph, it shall submit to the Commissioner a plan for such fiscal year which meets such criteria as the Commissioner may prescribe by regulation and which meets criteria established by section 305(a), to the extent the Commissioner determines such criteria to be appropriate.

"(D) Recipients of grants under this paragraph may retain for administrative purposes an amount equal to the amount available for the cost of the administration of area plans under section 303(e)(1).".

(b) Section 102 of the Act (42 U.S.C. 3002) is amended by adding at the end thereof the following new paragraphs:

"(4) 'Indian' means a person who is a member of an Indian tribe.

"(5) 'Indian tribe' means any tribe, band, nation, or other organized group or community of Indians (including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688)) (A) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; or (B) which is located on, or in proximity to, a Federal or State reservation or rancheria.

"(6) 'Tribal organization' means the recognized governing body of any Indian tribe, or any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body: *Provided*, That in any case where a contract is let or grant made to an organization to perform services benefiting more than one Indian tribe, the approval of each such Indian tribe shall be a prerequisite to the letting or making of such contract or grant.".

(c) The first sentence of section 303(b)(2) of the Act (42 U.S.C. 3023(b)(2)) is amended by striking out "From" and inserting in lieu thereof "Subject to the provisions of paragraph (3), from".

(d) Section 303(b)(4) of the Act (42 U.S.C. 3023(b)(4)), as so redesignated by subsection (a), is amended by inserting immediately after "States" the following: ", and the number of Indians aged sixty or over on, or in proximity to, any Federal or State reservation or rancheria.".

STATE AND AREA PLAN REQUIREMENTS

SEC. 105. (a) Section 304(a)(1) of the Act (42 U.S.C. 3024(a)) is amended by redesignating subparagraph (E) as subparagraph (F) and by inserting immediately following subparagraph (D) the following new subparagraph:

"(E) in conjunction with the agency designated pursuant to section 2003(d)(1)(C) of the Social Security Act (42 U.S.C. 1397b), and as required by section 2004(2)(H) of such Act, coordinate activities under the State plan developed pursuant to section 305 (a) with the provision of services to older Americans under part A of title XX of the Social Security Act;"

(b) Section 304(c)(4) of the Act (42 U.S.C. 3024(c)(4)) is amended by striking out subparagraph (C) and by redesignating subparagraph (D) through subparagraph (F) as subparagraph (C) through subparagraph (E), respectively.

(c) Section 304 of the Act (42 U.S.C. 3024) is amended by inserting after subsection (c) the following new subsection:

"(d)(1) Subject to regulations issued by the Secretary of Health, Education, and Welfare, an area agency on aging designated under subsection (a) or, in areas of a State where no such agency has been designated, the State agency, is authorized to enter into agreements with agencies administering programs under the Rehabilitation Act of 1973, as amended, and titles VI, XIX, and XX of the Social Security Act for the purpose of developing and implementing plans for meeting the common need for transportation services of persons receiving benefits under such Acts and older Americans participating in programs authorized by titles III and VII of this Act.

"(2) Pursuant to an agreement entered into under paragraph (1), funds appropriated under titles III and VII of this Act may be used to purchase transportation services for older persons and may be pooled with funds made available for the provision of transportation services under the Rehabilitation Act of 1973, as amended, and titles VI, XIX, and XX of the Social Security Act.".

LOW-INCOME INDIVIDUALS AND RURAL ELDERLY

SEC. 106. Section 305(a) of the Act (42 U.S.C. 3024) is amended by renumbering paragraphs 6, 7, 8, and 9 as paragraphs 8, 9, 10, and 11, respectfully, and inserting the following new paragraphs:

"(6) provides that the needs of low-income elderly persons will be taken into account in developing and implementing the State plan;

"(7) provides that the relative distribution of older persons residing in rural and urban areas within the State will be taken into account in developing and implementing the State plan;".

ADMINISTRATION OF STATE PLANS

SEC. 107. (a) Section 306(b)(1) of the Act (42 U.S.C. 3026(b)(1)) is amended by striking out "$160,000" in clause (A) and inserting in lieu thereof "$200,000", and by striking out "$50,000" in clause (B) and inserting in lieu thereof "$62,500".

(b) Section 306(b) of the Act is amended by redesignating paragraph (2) as paragraph (7) and by inserting immediately after paragraph (1) the following new paragraphs:

"(2) For fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, each State agency may retain an amount equal to—

"(A) the increase in the minimum amount specified in clause (A) of the first sentence of this paragraph enacted by section 107(a) of the Older Americans Amendments of 1975, or

"(B) an amount not to exceed 8 per centum of the amount by which the allotment for that State under section 303 plus the allotment for that State under section 703 (i) for that fiscal year exceeds the sum of such allotments for fiscal year 1974, but in any case an amount not to exceed $100,000, and (ii) for the period beginning July 1, 1976, and ending September 30, 1976, exceeds an amount equal to 25 per centum of such allotments for fiscal year 1974, but in any case an amount not to exceed $25,000,

whichever is greater.

"(3) For fiscal year 1977 and for each succeeding fiscal year each State agency specified in clause (A) of paragraph (2) may retain an amount equal to an amount not to exceed 8 per centum of the amount by which the allotment for that State under section 303 plus the allotment for the State under section 703 for the fiscal year exceeds the sum of such allotments for fiscal year 1976, but in any case an amount not to exceed $100,000.

"(4) For fiscal year 1977 and for each succeeding fiscal year, each State agency specified in clause (B) of paragraph (2) may retain an amount equal to an amount not to exceed 8 per centum of the amount by which the allotment for that State under section 303 plus the allotment for that State under section 703 for the fiscal year exceeds the sum of such allotments for fiscal year 1974 but in any case an amount not to exceed $100,000.

"(5) Notwithstanding any other provision of this subsection, no State shall receive less than that State received under this subsection for fiscal year 1975.

"(6) Amounts received under this paragraph shall be used for administration of programs under this title and title VII of this Act.".

MODEL PROJECT REQUIREMENTS

SEC. 108. Section 308(a) of the Act (42 U.S.C. 3028(a)) is amended by striking out the word "or" at the end of paragraph (3) and inserting immediately after paragraph (4) the following new paragraphs:

"(5) enable State agencies on aging and other public and private nonprofit organizations to assist in the promotion and development of ombudsmen services for residents of nursing homes;

"(6) meet the special needs of, and improve the delivery of services to, older Americans who are not receiving adequate services under other provisions of the Act, with emphasis on the needs of low-income, minority, Indian, and limited-English individuals, and the rural elderly;

"(7) encourage the participation of older persons in activities connected with the celebration of the American Bicentennial; or

"(8) assist older persons to remain within their communities and out of institutions and to maintain their independent living by (A) providing financial assistance for the establishment and operation of senior ambulatory care day centers (providing a planned schedule of health, therapeutic, educational, nutritional, recreational, and social services at least twenty-four hours per week, transportation arrangements at low or no cost for participants to and from the center, a hot mid-day meal, outreach and public information programs, and opportunities for maximum participation of senior participants and senior volunteers in the planning and operation of the center), and (B) maintaining or initiating, or providing reasonable assurances of doing so, arrangements with the agency of the State concerned which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act, and with other appropriate social services agencies receiving or reimbursed through Federal financial assistance, for the payment of all or a part of the center's costs in providing services to eligible persons.".

TRANSPORTATION, HOME SERVICE, AND LEGAL COUNSELING PROJECTS

SEC. 109. Section 309 of the Act (42 U.S.C. 3029) is amended to read as follows:

"SEC. 309. (a) There are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1976, $12,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $50,000,000 for the fiscal year ending September 30, 1977, to be allotted to the States in accordance with the allotment formula contained in section 303 in order to carry out the purposes of this section. From sums appropriated under this section, the Commissioner is authorized to make grants to each State having a State plan approved under section 305 for the purpose of paying up to 90 per centum of the costs of the following:

"(1) Projects designed to meet the transportation needs of older persons, with special emphasis on (A) providing supportive transportation in connection with nutrition projects operated pursuant to title VII of this Act, and (B) providing transportation for the purpose of enabling older persons to obtain medical services;

"(2) Projects designed to meet the needs of older persons for home services including homemaker services, home health services, shopping services, escort services, reader services, letter writing services, and other services designed to assist such persons to continue living independently in a home environment; and

"(3) Projects to establish or support legal (including tax and financial) counseling and services programs for older persons, including the training of lawyers and paraprofessional persons where the provision of such training is necessary for the successful operation of a program authorized by this paragraph.

"(b) The allotment to a State under this section shall be available for grants and contracts to area agencies on aging, designated under section 304(a)(2) or, where there is no area agency, to other public or nonprofit private agencies that the State agency determines have the capacity to meet the transportation, home service, or legal counseling and services needs of older persons. In making grants and contracts for the provision of transportation, home services or legal counseling and services under this section, State agencies shall give priority to applicants proposing to serve areas in which the supply of such services is inadequate to meet the needs of older persons.

"(c) Within 120 days following the enactment of legislation appropriating funds as authorized by this section, the Commissioner shall issue final regulations for implementation of the program herein authorized.

"(d) The Commissioner is authorized and directed to request the technical assistance and cooperation of the Secretary of Transportation and such other departments and agencies of the Federal Government as may be appropriate for the proper and effective administration of this section.".

ATTRACTING QUALIFIED PERSONS TO THE FIELD OF AGING

SEC. 110. Section 403 of the Act (42 U.S.C. 3033) is amended by inserting "two or four years" before "institutions" the first time it appears in such section.

TRAINING PERSONNEL TO PERFORM COUNSELING AND MONITORING FUNCTIONS

SEC. 111. (a) Section 404(a)(1) of the Act (42 U.S.C. 3034(a)(1)) is amended to read as follows:

"(1) to assist in covering the cost of training or study for two-year or four-year college or university-based programs including but not limited to the coverage of such costs as faculty support, student support (in classroom and field learning exercises, including attendance of workshops, seminars, and professional meetings), courses within the appropriate curricula, and such costs as technical assistance and program development in working with older persons.".

(b) Section 404(a)(3) of the Act (42 U.S.C. 3034(a)(3)) is amended to read as follows:

"(3) for short-term or inservice training to support program operational activities, strengthen program management, improve the capacity of public and private agencies entrusted with administrative responsibilities under this Act, and to clarify the roles and relationships between and among public and private agencies which administer programs essential to fulfill the purposes of this Act, including but not limited to such short-term training activities as workshops, technical assistance, and organizational development support,".

(c) Section 404 of the Act (42 U.S.C. 3034) is amended by adding at the end thereof the following new subsection:

"(c) The Commissioner may make grants under subsection (a) to assist in (A) the training of lawyers and paraprofessional persons who will (1) provide legal (including tax and financial) counseling and services to older persons; or (2) monitor the administration of any program by any public or private nonprofit institution, organization, or agency, or any State or political subdivision of a State, designed to provide assistance or services to older persons, including nursing home programs and other similar programs; and (B) the training of persons employed by or associated with public or private nonprofit agencies or organizations, including a State or political subdivision of a State, who will identify legal problems affecting older persons, develop solutions for these problems, and mobilize the resources of the community to respond to the legal needs of older persons.".

STATE PLANS

SEC. 112. Section 705(a)(4) of the Act (42 U.S.C. 3045d(a)(4), is amended by changing the period to a comma and inserting the following immediately after the comma: "and that the relative distribution of older persons residing in rural and urban areas in such State will be taken into account in awarding grants.".

PURCHASE OF CERTAIN PROCEDURES BY THE SECRETARY OF AGRICULTURE

SEC. 113. (a) Section 707(d) of the Act (42 U.S.C. 3045f) is amended by striking out "10 cents per meal:" and inserting in lieu thereof "25 cents per meal during the fiscal year ending September 30, 1976, and 50 cents per meal during the fiscal year ending September 20, 1977:".

(b) Section 707 of the Act is amended in paragraphs (a), (b), and (c) by striking out "may" each time it appears and inserting in lieu thereof "shall".

(c) Section 707 of the Act is amended by redesignating subsection (e) as subsection (f) and inserting the following new subsection immediately following subsection (d):

"(d)(1) Notwithstanding any other provision of law, where a State phased out its commodity distribution facilities prior to June 30, 1974, such State may, for purposes of the programs authorized by this Act, elect to receive cash payments in lieu of donated foods. Where such an election is made, the Secretary of Agriculture shall make cash payments to such State in an amount equivalent in value to the donated foods that the State would otherwise have received if it had retained its commodity distribution facilities.

"(2) When such payments are made, the State agency shall promptly and equitably disburse any cash it receives in lieu of commodities to recipients of grants or contracts and such disbursements shall be used by such recipients of grants or contracts to purchase United States agricultural commodities and other foods for their nutrition projects.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 114. (a) Section 204(c) of the Act (42 U.S.C. 3014(c)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975," the following: "the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year ending September 30, 1977,".

(b)(1) Section 303(a) of the Act (42 U.S.C. 3023(a)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975," the following: "$200,000,000 for the fiscal year ending June 30, 1976, $60,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $240,000,000 for the fiscal year ending September 30, 1977,".

(2) Section 303(b)(2) of the Act (42 U.S.C. 3023(b)(2)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975," the following: "for the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal year ending September 30, 1977,".

(c) Section 308(b) of the Act (42 U.S.C. 3028(b)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975" the following: ", the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year ending September 30, 1977."

(d) Section 431 of the Act (42 U.S.C. 3037) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975" the following: ", the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year ending September 30, 1977."

(e) Section 505(a) of the Act (42 U.S.C. 3041d(a)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975" the following: "the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year ending September 30, 1977.".

(f) Section 708 of the Act (42 U.S.C. 3045g) is amended in the first sentence thereof by striking out: "$200,000,000" and inserting in lieu thereof "$225,000,000", and by striking out "$250,000,000" and inserting in lieu thereof "$275,000,000.".

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SEC. 115. (a) The Act is amended by adding at the end thereof the following new title:

"TITLE IX—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

"SHORT TITLE

"SEC. 901. This title may be cited as the 'Older American Community Service Employment Act'.

"OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM

"SEC. 902. (a) In order to foster and promote useful part-time work opportunities in community service activities for unemployed low-income persons who are fifty-five years old or older and who have poor employment prospects, the Secretary of Labor (hereinafter in this title referred to as the 'Secretary') is authorized to establish an older American community service employment program.

"(b)(1) In order to carry out the provisions of this title, the Secretary is authorized to enter into agreements with public or private nonprofit agencies or organizations, including national organizations, agencies of a State government or a political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or tribal organizations in order to further the purposes and goals of the program. Such agreements may include provisions for the payment of costs, as provided in subsection (c), of projects developed by such organizations and agencies in cooperation with the Secretary in order to make the program effective or to supplement the program. No payment shall be made by the Secretary toward the cost of any project established or administered by any such organization or agencies unless he determines that such project—

"(A) will provide employment only for eligible individuals, except for necessary technical, administrative, and supervisory personnel, but such personnel shall, to the fullest extent possible, be recruited from among eligible individuals;

"(B) will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities;

"(C) will employ eligible individuals in services related to publicly owned and operated facilities and projects, or projects sponsored by organizations, other than political parties, exempt from taxation under the provisions of section 501(c)(3) of the Internal Revenue Code of 1954, except projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

"(D) will contribute to the general welfare of the community;

"(E) will provide employment for eligible individuals whose opportunities for other suitable public or private paid employment are poor;

"(F) (i) will result in an increase in employment opportunities over those opportunities which would otherwise be available, (ii) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work or wages or employment benefits), and (iii) will not impair existing contracts or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

"(G) will not employ or continue to employ any eligible individual to perform work the same or substantially the same as that performed by any other person who is on layoff;

"(H) will utilize methods of recruitment and selection (including listing of job vacancies with the employment agency operated by any State or political subdivision thereof) which will assure that the maximum number of eligible individuals will have an opportunity to participate in the project;

"(I) will include such training as may be necessary to make the most effective use of the skills and talents of those individuals who are participating, and will provide for the payment of the reasonable expenses of individuals being trained, including a reasonable subsistence allowance;

"(J) will assure that safe and healthy conditions of work will be provided, and will assure that persons employed in community service jobs assisted under this title shall be paid wages which shall not be lower than whichever is the highest of (i) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (ii) the State or local minimum wage for the most nearly comparable covered employment, or (iii) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

"(K) will be established or administered with the advice of persons competent in the field of service in which employment is being provided, and of persons who are knowledgeable with regard to the needs of older persons;

"(L) will authorize pay for necessary transportation costs of eligible individuals which may be incurred in employment in any project funded under this title in accordance with regulations promulgated by the Secretary;

"(M) will assure that, to the extent feasible, such project will serve the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State; and

"(N) will authorize funds to be used, to the extent feasible, to include individuals participating in such project under any State unemployment insurance plan.

"(2) The Secretary is authorized to establish, issue, and amend such regulations as may be necessary to effectively carry out the provisions of this title.

"(c)(1) The Secretary is authorized to pay not to exceed 90 per centum of the cost of any project which is the subject of an agreement entered into under subsection (b), except that the Secretary is authorized to pay all of the costs of any such project which is (A) an emergency or disaster project, or (B) a project located in an economically depressed area as determined in consultation with the Secretary of Commerce and the Director of the Community Services Administration.

"(2) Th non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary is authorized to attribute fair market value to services and facilities contribtued from non-Federal sources.

"ADMINISTRATION

"SEC. 903. (a) In order to effectively carry out the purposes of this title, the Secretary shall, through the Commissioner of the Administration on Aging, consult with the State agency on aging designated under section 304(a)(1) and the appropriate area agencies on aging established under section 304(a)(2) with regard to—

"(1) the localities in which community service projects of the type authorized by this title are most needed;

"(2) consideration of the employment situations and the type of skills possessed by available local individuals who are eligible to participate; and

"(3) potential projects and the number and percentage of eligible individuals in the local population.

"(b) If the Secretary determines that to do so would increase job opportunities available to individuals under this title, the Secretary is authorized to coordinate the program assisted under this title with programs authorized under the Emergency Jobs and Unemployment Assistance Act of 1974, the Comprehensive Employment and Training Act of 1973, the Communisty Services Act of 1974, and the Emergency Employment Act of 1971. Appropriations under this Act may not be used to carry out any program under the Emergency Jobs and Unemployment Assistance Act of 1974, Comprehensive Employment and Training Act of 1973, the Community Services Act of 1974, or the Emergency Employment Act of 1971.

"(c) In carrying out the provisions of this title, the Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies, and instrumentalities in the use of services, equipment, and facilities.

"(d) Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

"(e) The Secretary shall not delegate any function of the Secretary under this title to any other department or agency of the Federal Government.

"PARTICIPATION NOT FEDERAL EMPLOYEES

"SEC. 904. (a) Eligible individuals who are employed in any project funded under this title shall not be considered to be Federal employees as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

"(b) No contract shall be entered into under this title with a contractor who is, or whose employees are, under State law, exempted from operation of the State workmen's compensation law, generally applicable to employees, unless the contractor shall undertake to provide either through insurance by a recognized carrier, or by self insurance, as authorized by State law, that the persons employed under the contract, shall enjoy workmen's compensation coverage equal to that provided by law for covered employment.

"INTERAGENCY COOPERATION

"SEC. 905. (a) The Secretary shall consult with, and obtain the written views of, the Commissioner of the Administration on Aging prior to the establishment of rules or the establishment of general policy in the administration of this title.

"(b) The Secretary shall consult and cooperate with the Director of the Community Services Administration, the Secretary of Health, Education, and Welfare, and the heads of other Federal agencies carrying out related programs, in order to achieve optimal coordination with such other programs. In carrying out the provisions of this section, the Secretary shall promote programs or projects of a similar nature. Each Federal agency shall cooperate with the Secretary in disseminating information about the availability of assistance under this title and in promoting the identification and interests of individuals eligible for employment in projects assisted under this title.

"EQUITABLE DISTRIBUTION OF ASSISTANCE

"SEC. 906. (a)(1) From sums appropriated under this title for each fiscal year, the Secretary shall first reserve such sums as may be necessary, and such additional sums as he may deem advisable, for national grants or contracts with public agencies and public or private nonprofit organizations for the administration of programs under this title in an aggregate amount equal to the payments made for such contracts in fiscal year 1975 from funds appropriated under title IX of the Older Americans Comprehensive Services Amendments of 1973 and under title III of the Comprehensive Employment and Training Act of 1973 for community service employment programs for older Americans. Preference is awarding such grants or contracts shall be given to national organizations of proven ability in providing empolyment services to older people under this and similar programs. Each such grant or contract shall contain provisions to assure that projects conducted pursuant to such contracts during fiscal year 1975 will be continued if the Secretary determines that such projects are successfully carrying out the purposes of this title.

"(2) The Secretary shall allot for projects within each State the remainder of the sums appropriated for any fiscal year under section 908 so that equal proportions are distributed on the basis of an amount which bears the same ratio to such sums as the number of persons aged fifty-five or over in the State involved bears to the number of such persons in all States, except that (A) the Secretary shall reduce the allotment made to each State under this paragraph by the amount reserved under paragraph (1) of this subsection and available for expenditure in that State for the fiscal year for which the determination is made, (B) no State shall be allotted any sums under this paragraph for any fiscal year until the Secretary determines that the amount to be allotted to that State in the fiscal year for which the determination is made is equal to the amount reserved under paragraph (1) of this subsection and available for expenditure in that State for that fiscal year, (C) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $100,000, whichever is greater, and (D) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made, or $50,000, whichever is greater. For the purpose of the exception contained in this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(3) The number of persons aged fifty-five or over in any State and for all States, shall be determined by the Secretary on the basis of the most satisfactory data available to him.

"(b) The amount allotted for projects within any State under subsection (a) for any fiscal year which the Secretary determines will not be required for such year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to projects within other States in proportion to the original allotments to projects within such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates that projects within such State need and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"(c) The amount apportioned for projects within each State under subsection (a) shall be apportioned among areas within each such State in an equitable manner, taking into consideration (1) the proportion which eligible individuals in each such area bears to such total number of such individuals, respectively, in that State, and (2) the relative distribution of such individuals residing in rural and urban areas within the State.

"DEFINITIONS

"SEC. 907. As used in this title—

"(1) the term 'State' means any of the several States of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands;

"(2) the term 'eligible individual' means an individual who is fifty-five years old or over, who has a low income, and who has or would have difficulty in securing employment except that pursuant to regulations prescribed by the Secretary any such individual who is sixty years old or over shall have priority for the work opportunities provided for under this Act;

"(3) the term 'community service' means social, health, welfare, educational, legal counseling, library, recreational, and other similar services; conservation, maintenance or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; economic development; and such other services essential and necessary to the community as the Secretary, by regulation, may prescribe; and

"(4) the term 'program' means the Older American Community Service Employment Program established under this title.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 908. There are authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1976, $37,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, $150,000,000 for the fiscal year ending September 30, 1977, and $200,000,000 for the fiscal year ending September 30, 1978.".

(b) Title IX of the Older Americans Comprehensive Services Amendments of 1973 (42 U.S.C. 3061 et seq.) is hereby repealed.

(c) Notwithstanding any other provision of law, sums appropriated to carry out title IX of the Older Americans Comprehensive Services Amendments of 1973 for fiscal year 1975 may be used for older American community service employment projects conducted as part of the Operation Mainstream program under title III of the Comprehensive Employment and Training Act of 1973.

TECHNICAL AMENDMENTS

SEC. 116. (a) Section 102(1) of the Act (42 U.S.C. 3002(1)) is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a period.

(b) The heading for section 202 of the Act (42 U.S.C. 3012) is amended by striking out "OFFICE" and inserting in lieu thereof "ADMINISTRATION".

(c) Section 202(a)(8) of the Act (42 U.S.C. 3012 (a)(8)) is amended by striking out "and" at the end thereof.

(d) Section 303(b)(1) of the Act (42 U.S.C. 3023(b)(1)) is amended by striking out "authorized to be".

(e) The last sentence of section 305(e) of the Act (42 U.S.C. 3041f(b)) is amended by striking out "or" the second place it appears ing in lieu thereof "Commissioner's".

(f) Section 432(b) of the Act (42 U.S.C. 3037a (b)) is amended by striking out "part" and inserting in lieu thereof "title".

(g) The last sentence of section 507(b) of the Act (42 U.S.C. 3041f(b)) is amended by striking out "or" the second place it appears therein and inserting in lieu thereof "of".

(h) The heading for section 703 of the Act (42 U.S.C. 3045b) is amended by striking out "ALLOTTMENT" and inserting in lieu thereof "ALLOTMENT".

(i) The last sentence of section 703(c) of the Act (42 U.S.C. 3045b(c) is amended by striking out "in kind" and inserting in lieu thereof "in-kind".

(j) The last sentence of section 703(d) of the Act (42 U.S.C. 3045(d)) is amended by striking out "in kind" and inserting in lieu thereof "in-kind".

(k) Section 705(a)(2) of the Act (42 U.S.C. 3045d(a)(2)) is amended by striking out "sets" and inserting in lieu thereof "set".

(l) Section 705(a)(2)(B) of the Act (42 U.S.C. 3045(a)(2)(B)) is amended by striking out "cost, for the fiscal year ending June 30, 1973," and all that follows through "1973, funds" and inserting in lieu thereof "cost. Funds".

(m) Section 705(a)(5) of the Act (42 U.S.C. 3045d(a)(5)) is amended by striking out "areas" and inserting in lieu thereof "area".

(n) The last sentence of section 705(c) of the Act (42 U.S.C. 3045d(c)) is amended by inserting a comma immediately after "failure" the first place it appears therein and such sentence is further amended by striking out the word "part" and inserting in lieu thereof "title".

(o) Section 706(a)(5) of the Act (42 U.S.C. 3045e(a)(5)) is amended by inserting a comma immediately after "requirements" the second place it appears therein.

(p) Section 706(a)(8) of the Act (42 U.S.C. 3045e(a)(8)) is amended by inserting a comma immediately after "program" the second place it appears therein.

TITLE II—AMENDMENTS TO OTHER LAWS

HIGHER EDUCATION ACT OF 1965

SEC. 201. Section 110(b) of the Higher Education Act of 1965 (20 U.S.C. 1008a(b)) is amended by striking out "July 1, 1977" and inserting in lieu thereof "October 1, 1977", by striking out "and" immediately after "1973," and inserting in lieu thereof "for", and by inserting immediately before the period at the end thereof the following: ", and for the period beginning July 1, 1976, and ending September 30, 1976".

ADULT EDUCATION ACT

SEC. 202. Section 310(b) of the Adult Education Act (20 U.S.C. 1208a(b)) is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1977", by striking out "and" immediately after "1973," and inserting in lieu thereof "for", and by inserting immediately before the period at the end thereof the following: ", and for the period beginning July 1, 1976, and ending September 30, 1976".

OLDER AMERICANS COMPREHENSIVE SERVICE AMENDMENTS OF 1973

SEC. 203. Section 805 of the Older Americans Comprehensive Services Amendments of 1973 (42 U.S.C. 2809 note) is awarded—

(1) by striking out "fiscal year" the second place it appears therein and inserting in lieu thereof "four fiscal years and the period beginning July 1, 1976, and ending September 30, 1976"; and

(2) by striking out "Economic Opportunity Act of 1964" and inserting in lieu thereof "Community Services Act of 1974".

VOCATIONAL EDUCATION ACT OF 1963

SEC. 204. Section 161(d) of the Vocational Education Act of 1963 (20 U.S.C. 1341(d)) is amended by inserting "(1)" immediately before "At least one-third" and by adding at the end thereof the following new paragraph:

"(2) From funds made available under this section, special consideration shall be given to special consumer and homemaking programs for persons aged sixty or older who are in need of services provided by such programs, as determined by the Commissioner. Such programs shall be designed to assist such persons to live independently in their own homes and to alleviate the adverse effects of loneliness and isolation.".

AMENDMENT TO RESEARCH ON AGING ACT OF 1974

SEC. 205. Section 464 of the Public Health Service Act (42 U.S.C. 289k–5) is amended by striking out "one year" and inserting in lieu thereof "two years".

TITLE III—STUDY OF DISCRIMINATION BASED ON AGED

SEC. 301. (a) The Commission on Civil Rights (hereinafter called the "Commission") is directed to undertake a study to determine whether persons who are otherwise qualified are, because of their age, excluded from participation in, denied the benefits of, or subject to discrimination under any program or activity receiving Federal financial assistance. If the Commission finds substantial evidence of such exclusion, denial, or discrimination on account of age, the Commission shall seek to determine the nature, extent, and causes of such exclusion, denial, or discrimination and shall identify with particularity the federally assisted programs or activities concerned.

(b) No later than one year following the date on which legislation is enacted to appropriate funds for the conduct of the study herein provided, the Commission shall make a report of its findings to the Congress and the President, together with its recommendations regarding the legislative and administrative measures necessary for corrective action, if any.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

Mr. EAGLETON. Mr. President, I further move that the Senate insist upon its amendment to H.R. 3922 and request a conference with the House of Representatives, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. EAGLETON, Mr. CRANSTON, Mr. KENNEDY, Mr. RANDOLPH, Mr. WILLIAMS, Mr. PELL, Mr. NELSON. Mr. BEALL, Mr. SCHWEIKER, Mr. TAFT, and Mr. STAFFORD conferees on the part of the Senate.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the consideration of S. 1425 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUSPENSION OF DUTY ON CERTAIN ISTLE

Mr. LONG. Mr. President, I ask unanimous consent that the Committee on Finance be discharged from further consideration of H.R. 7709, a bill to continue for a temporary period the existing suspension of duty on certain istle, and that the bill be laid before the Senate for its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

> A bill (H.R. 7709) to continue for a temporary period the existing suspension of duty on certain istle.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

Mr. ALLEN. Mr. President, reserving the right to object, what is the nature of this bill?

Mr. LONG. This is a bill to continue the existing suspension of duty on istle until June 30, 1978. We have extended the suspension of the duty on istle a number of times. One might argue that the suspension should be made permanent. But the House of Representatives has sent it to us with about a 3-year extension. I know of no objection whatever to the bill.

Mr. ALLEN. Is it contemplated that an amendment is to be added to this bill?

Mr. LONG. Yes, it is.

I will explain the amendment if the Senator so wishes.

Mr. ALLEN. I would like to have an explanation because, as the Senator knows, frequently these minor bills are used as vehicles for attaching amendments of much greater import than the original bill.

Mr. LONG. I will be happy to explain my amendment. The problem is that there are 11 States that are going to lose Federal matching for their child support activities because they have not yet been able to amend their laws and their practices to come into compliance with the new child support regulations. My amendment would simply amend the law to postpone the effective date from July 1 up to August 1. This will allow us 30 days in which to consider the problems of the States, that need to adjust their laws to meet the requirements of Federal law.

Without this amendment, we would find that 11 States would lose Federal funding for their child support activities. The Senator would not want that to happen, and I do not want it to happen either.

Mr. ALLEN. Is there a bill pending on this to accomplish what the Senator seeks to accomplish by the amendment?

Mr. LONG. I am proposing an amendment which simply postpones the effective date by 30 days. That is all we need. I have no doubt that we can find an adequate answer to the problem. It is simply that we require some time to do it.

Here are those States that will have a real problem that will occur during the recess unless we take care of this matter: Arizona, Georgia, Indiana, Maryland, Mississippi, Missouri, Nevada, New Mexico, South Carolina, Tennessee, and Wisconsin.

Mr. ALLEN. I am not disturbed about that.

Mr. LONG. Yes.

Mr. ALLEN. Will the Senator in making his request stipulate that except for this amendment that all amendments, if any, should be germane?

Mr. LONG. Yes, I will.

Mr. ALLEN. Very well. With the request made in that fashion, I have no objection.

Mr. LONG. I so modify my unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. CURTIS. Go ahead. I shall not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I send to the desk the amendment to which I have made reference and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill, add the following new section:

SEC. 2. Section 101(f) of Public Law 93-647 is amended by striking "July 1, 1975" and inserting in lieu thereof "August 1, 1975".

Mr. LONG. Mr. President, the problem here, as I have tried to explain, is that there are 11 States that so far as we can determine are in complete good faith about the matter, but they simply have not yet been able to amend their laws to take the necessary steps to come into compliance with the new child support law.

I have no doubt at all that the problems of the States can be handled very well between the Secretary of Health, Education, and Welfare, and Congress, but unfortunately during the recess we simply will not have the opportunity to take care of the matter. I have discussed this matter with the Senator from Nebraska, and he suggested that the logical way to handle the problem would simply be to postpone the effective date for a 30-day period and that when we come back after the recess we can consider the problem and propose legislation to take care of it.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CURTIS. Mr. President, I concur with the position of the distinguished chairman of the Committee on Finance. It is my understanding that all we are doing here is that instead of trying to go into any substantive changes that arise by reason of the difficulty of some States in complying, we are merely moving the effective date of this act back 30 days. This is done without prejudice on the part of anyone to go into the matter during those 30 days and work out a solution that seems proper at that time.

The 11 States that have some problems in reference to this are Arizona, Georgia, Indiana, Maryland, Mississippi, Missouri,, Nevada, New Mexico, South Carolina, Tennessee, and Wisconsin, as well as Puerto Rico, which has a special problem.

Inasmuch as this does not change any program that Congress has adopted, but merely delays the effective date 1 month, I urge support of the amendment and of the bill.

Mr. NELSON. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. NELSON. I just wish to endorse what the Senator from Nebraska has just said, as well as what the chairman has said.

I was notified by people in Wisconsin, in the State government, that they were proceeding legislatively to comply with the Federal requirements and that they thought they could have a bill passed putting us in compliance prior to mid-July.

So it is vital, at least to my State, as I am sure it is to the other 10, that they have the opportunity to finish the legislative process.

Mr. LONG. I have been advised by the great majority of the welfare administrators that they agree with what we are trying to do in the new child support law to try to make fathers help support their children, but that they are going to have some difficulty complying as quickly as the law requires with some of its provisions. They would probably like to have a longer postponement than this amendment allows.

We can look at the matter when we return from the recess, but we are going to create severe problems in some States if we do not just continue the existing law for a brief period of time. We can look at it and find the best answer that logic would suggest when we return after the recess.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. ALLEN. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield.

Mr. ALLEN. This is the suspension of duty on what product?

Mr. LONG. Istle. Istle is a vegetable fiber derived from several species of the agave plant, which is indigenous to Mexico. There is no domestic production of crude istle in the United States.

Mr. ALLEN. Does the Senator have some other bills, possibly applying to jute or popcorn or something of that sort, that he can pull out on order to use as a vehicle for attaching other amendments?

Mr. LONG. The istle bill was the most noncontroversial bill I could find. If I could find one less controversial than istle, I would use it. For example, we do have a bill in committee to suspend the duty on open-top hopper cars exported for repairs or alterations on or before June 30, 1975. But I was concerned that there might be more controversy with respect to hopper cars than istle.

Mr. ALLEN. The Senator does not know yet which amendment he is going to add to that bill, does he?

Mr. LONG. No. If the Senator knows of an emergency problem that has to be taken care of on short order, he might suggest it to us; and when the open-top hopper car bill comes along, we will be willing to talk to him about it.

Mr. ALLEN. I commend the Senator for his resources.

Mr. LONG. The open-top hopper car bill might be a good measure for a rider, but right now it might be considered controversial.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 7709) was passed.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

QUORUM CALL

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 218, 219, and 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

DINO MENDOZA PASCUA

The bill (S. 55) for the relief of Dino Mendoza Pascua, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Dino Mendoza Pascua may be classified as a child within the meaning of section 101(b)(1)(F) of such Act upon approval of a petition filed in his behalf by Staff Sergeant and Mrs. Anthony M. Garcia, citizens of the United States, pursuant to section 204 of such Act. The natural brothers and sisters of the said Dino Mendoza Pascua shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–223), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM REPORT No. 94–223

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry of the beneficiary into the United States as an immediate relative of United States citizen parents by whom he is to be adopted.

STATEMENT OF FACTS

The beneficiary of the bill is a 3-year-old native and citizen of the Philippines. He currently resides with his natural parents in Coto, Masinloc, Zambales, Philippines. The beneficiary's natural parents are financially unable to care for him; he is currently being supported by his prospective adoptive parents, Staff Sergeant and Mrs. Anthony Garcia, who reside in Honolulu, Hawaii, Mrs. Garcia is the sister of the beneficiary's natural father.

VICTOR HENRIQUE CARLOS GIBSON

The bill (S. 92) for the relief of Victor Henrique Carlos Gibson, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(22) of the Immigration and Nationality Act, Victor Henrique Carlos Gibson may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act and the provisions of section 245(c) of the Act shall be inapplicable in this case: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act: *Provided further,* That nothing in this Act shall be construed to waive the provisions of section 315 of the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–224), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM REPORT No. 94–224

PURPOSE OF THE BILL

The purpose of the bill is to waive the excluding provision of existing law relating to an alien who applied for exemption from the draft in behalf of the husband of a citizen of the United States, thus enabling him to adjust his status in the United States to that of permanent residence. The bill also provides that the beneficiary shall not be exempt from those provisions of the Immigration and Nationality Act which bar from citizenship aliens who have requested and were granted relief from military service. The bill has been amended in accordance with established precedents.

STATEMENT OF FACTS

The beneficiary of the bill is a 55-year-old native of the United States and a citizen of Peru. At the time of his birth, his parents were residing in Washington, D.C., his father being the Secretary of the Peruvian Embassy. He presently resides in Washington, D.C. with his U.S. citizen wife and their four citizen children. The beneficiary was first admitted to the United States for permanent residence September 23, 1941, and after graduating from Harvard University in 1942, he was employed by the Rubber Development Corporation, an agency of the U.S. Government. He was assigned as transportation officer in Belem, Para, Brazil. He reentered the United States July 24, 1943, as a returning resident for business purposes and was approached by the U.S. Selective Service. On August 24, 1943, he applied for relief from military service at his father's request, since it was then against the laws of Peru for a Peruvian to join any foreign armed service. He departed from the United States in October 1943, and subsequently returned in 1944, in the Diplomatic Service of Peru where he remained until his position as minister-counsellor for financial affairs for the Embassy of Peru was terminated April 15, 1971, because his views were incompatible with official Peruvian Policy regarding financial matters between his country and the United States. An immediate relative petition submitted in his behalf by his spouse October 10, 1972, was approved. However, he is ineligible to receive an immigrant visa because he is statutorily barred from citizenship on the ground that he requested and was granted exception from military service in 1943.

RAUL ALVAREZ RODRIGUEZ

The bill (H.R. 1387) for the relief of Raul Alvarez Rodriguez, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–231), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM REPORT No. 94–231

PURPOSE OF THE BILL

The purpose of the bill is to provide for the adjustment of status as an immediate relative of the adopted child of a U.S. citizen.

STATEMENT OF FACTS

The beneficiary of the bill is a 21-year-old native and citizen of Mexico who last entered the United States on December 28, 1970, as a temporary visitor. The beneficiary was adopted by Maria Francisca Rodriguez-Hernandez, his maternal aunt, in Mexico on June 25, 1969. He currently resides with his adoptive mother, a naturalized U.S. citizen, in Brownsville, Tex., where he attends Texas Southmost College. The beneficiary's natural mother resides in Mexico; the whereabouts of the father, from whom she is divorced, are unknown.

ORDER FOR H.R. 8109 TO BE HELD AT THE DESK

Mr. LONG. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ALLEN. I will be delighted.

Mr. LONG. I ask unanimous consent that H.R. 8109 be held at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Alabama to division 1 of the amendment of Mr. ALLEN.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution—Senate Resolution 166—relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. ALLEN. Mr. President, the Senator from Alabama, ever since this matter has been pending before the Senate, has been seeking to help devise a plan by which this matter can be disposed of. To that end, on Monday, he offered an amendment, which was an amendment in the first degree at that time, and still is, of course, that would have decided 15 of the 35 issues pending under Senate Resolution 166. Those were issues 6 and 7 and issues 12 through 24, both inclusive, in the resolution.

What it would do, Mr. President, is provide that out of the 185,000 ballots in the hands of the Senate Committee on Rules and under lock and key, there be taken an equal number of so-called skip-Durkin ballots to offset, along with the one "skip-Durkin" ballot before the committee and the Senate, offset the 12 so-called skip-Wyman ballots that are before the committee.

The committee, by a 4-to-4 vote, refused to count for Mr. Wyman 12 straight party ticket votes wherein the voter had marked, in the circle under the emblem in the Republican column, a cross. Under the law of New Hampshire, that constructively placed a cross in the small square opposite each name in that column.

Either before or after marking the cross in the circle under the Republican emblem, the voter had, in eight of the ballots, placed a cross in the square opposite the name of each candidate in the Republican column except Mr. Wyman; then in four more there had been a skip of either one more or two more candidates. None of these ballots was counted for Mr. Wyman, even though, according to the testimony in proceedings in New Hampshire before the secretary of state and then on appeal to the ballot law commission, they had been counted for Mr. Wyman.

Under the procedure set by the committee, set by unanimous vote, it was stipulated that the committee would consider every protest made by either party at any stage of the proceeding. So before the committee it was pointed out, and I, myself, made a motion that we take from the 185,000 votes an equal number of "skip-Durkin" votes to equal the number of "skip-Wyman" votes, feeling that that would be a fair disposition of the matter. If the committee and the Senate want to allow all of those votes, they would do it as to all 24. They would treat both candidates in the same fashion. If they wanted to allow them, they would do that to all of them. If they wanted to disallow them, they would do that to all of them.

I believe, Mr. President, that if this amendment were adopted—and I have been trying since Monday to get a vote on it and am agreeable at any time to vote, but it has been displaced as the pending business by other amendments—I believe that we could resolve these 15 issues, we would go a long way toward breaking this logjam that exists in the Senate.

There has been some jockeying for position in the Senate on the matter of which of these issues would come up first. So the amendment of the Senator from Alabama was sought to be amended by Mr. GRIFFIN and Mr. SCOTT to provide, not for just taking 11 of the "skip-Durkin" ballots to offset the "skip-Wyman" ballots, but to go into this mass of ballots and get out all the "skip-candidate" ballots.

Now, it was testified before the committee or a statement was made before the committee that there were several hundred "skip-Durkin" ballots that were cast and that they were not protested because, under New Hampshire law, they would be supposed to go to the candidate in that column. So protest was not made. But it is the function of the committee and of the Senate to find out who got the most votes not who made timely protest, and even if the timely protest is important, the Senate, in its resolution, agreed to consider every protest that was made at any stage of the proceeding.

So the way is paved for this offset in "skip-candidate" ballots. Therefore that would decide, as I say, issues 6 and 7 and issues 12 through 24, both inclusive.

The Scott-Griffin amendment was voted down by a very narrow vote, 48 against, 45 for. I felt that it was not advisable to bring out many more "skip-candidate" ballots and have the committee mull over them when New Hampshire law, as the Senator from Alabama sees it, is clear that they should be counted for the candidate, each candidate, in that column unless his name had been erased or stricken out in accordance with New Hampshire law, and that to get more than was necessary to decide the question was an exercise in futility.

I find, however, that many Senators take a different view of that. They think it would be more equitable to bring all of them out, and I would certainly be willing to go that route if that would help solve the matter.

So while the Senator from Alabama's amendment was the only amendment pending, the distinguished Senator from Nevada, the chairman of the committee, filed an amendment which, in effect, activated issue 2 in the resolution. His amendment said that there should be no recount of the tally sheets in the secretary of state's findings in the precincts of Merrimack, Meredith, and Lancaster. That amendment was offered by the distinguished Senator from Nevada, the distinguished chairman of the committee, as an amendment to the amendment of the Senator from Alabama.

The Senator from Alabama then modified his amendment by accepting and embracing the amendment of the distinguished Senator from Nevada. His amendment then fell.

There were then two parts to the amendment of the Senator from Alabama. A request then was made for a division of the question. That request was made by the distinguished Senator from California (Mr. CRANSTON) which meant then that, first, the amendment of the Senator from Alabama would be voted on, then the modification that the Senator from Alabama added, which was the amendment of the Senator from Nevada.

So then the distinguished Senator from California offered an amendment to part 1 of my amendment. His amendment was that vote No. 120 would be counted for Mr. Durkin. So the Senator from Alabama, wanting to accommodate the Senator from California, modified his amendment again to accept and embrace the amendment of the Senator from California.

Then, he offered the pending amendment which is, in effect, a restatement of the Scott-Griffin amendment, and that is what is pending now; that there be added to the amendment of the Senator from Alabama the further stipulation that in addition to the 11 ballots, they will go in and get all of the "skip-candidate" ballots. This is, in effect, the same issue that was voted so closely on yesterday.

If this amendment should be adopted, then if there are no further amendments, the question would be on agreeing to the amendment of the Senator from Alabama, as modified in the first instance, and then as amended by the pending amendment, if it is adopted.

So, Mr. President, I believe that stated either way we either get all of the ballots out, which the pending amendment provides for, all the "skip-candidate" ballots out, turn them over to the committee for such uniform action, I would say, as it saw fit to take—that is being offered as an amendment to the original amendment of the Senator from Alabama that we just take out 11 ballots, 11 "skip-Durkin" ballots.

So the question, to put it simply, is: Shall we take all of the "skip-candidate" ballots out and have the Senate consider them or shall we leave the amendment like it is, which says just take out 11?

So it is just about as simple an issue as could be resolved here or presented, Mr. President, which is whether to take all of the "skip-candidate" ballots out and consider them in the committee or merely take out 11.

The pending amendment says to take all skip-candidate ballots out and have the Rules Committee consider them, it being the thought of many that is more equitable and fairer than merely, in effect, compounding a mistake or omission or misconstruction of the Rules Committee.

Actually it is not, it was not, a misconstruction by the Rules Committee, I do not suppose, because of a 4-to-4 tie, and it has been left for the Senate to consider.

I hope that we will be able to proceed to, if not an immediate vote, at least an early vote and, to that end, Mr. President, I ask on the pending amendment, I request, the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, if I may address some questions to the distinguished Senator from Alabama——

Mr. ALLEN. I would be delighted to reply.

Mr. CANNON. Earlier we discussed the question as to the issues that would be resolved. There was some question then as to whether issue No. 2 would have been resolved.

Mr. ALLEN. Yes.

Mr. CANNON. Do I understand the Senator's statement now is that if his amendment, as amended, including divisions 1 and 2, were approved it would resolve, it would, in effect, have resolved, issue No. 1 of the resolution, issue No. 2 of the resolution, and ballot No. 120, and issues No. 6 and 7 in the resolution, as well as the other so-called skip-candidate types except for the fact that the Senate would ultimately have to decide what it is going to do with the skip-candidate ballots?

Mr. ALLEN. Yes, sir.

As the Senator from Alabama understands it, issue 2, the recount in Merrimack, Meredith, and Lancaster would be decided if all of the elements of the amendment are acted on, and they would be in line to be acted on.

Issue No. 1, that would not be resolved because the amendment of the Senator from Alabama makes two parts out of issue No. 1. It does not really touch or concern the present issue No. 1 because this is just added at the top of issue No. 1 as a separate issue, but it would decide issue No. 2, not this vote right here, but when we get to the other order of division that is correct.

Mr. CANNON. Does the Senator's amendments prescribe the mechanics of going through the process; that is, does he just say that the Rules Committee shall do it, or does he prescribe a team?

Mr. ALLEN. No, that would be left in the discretion of the Rules Committee. They could prescribe whatever method they saw fit, whether it be done by the General Accounting Office or the team that the Rules Committee had working on some of the ballots, but it would be up to the Rules Committee, and I would anticipate no difficulty at all in agreeing on that.

Mr. CANNON. Of course, the main thing is that it would require another meeting of the Rules Committee and more action on their part.

I am wondering if it could not be, perhaps, made self-executing whereby a team from the General Accounting Office would be employed to do this thing under the direction of Dr. Riddick, or someone else we wanted to direct or assume the job, so that they could, perhaps, get on with it during the recess?

Mr. ALLEN. I would certainly have no objection to a unanimous consent for a modification to that effect, but I would assure the distinguished chairman that I would certainly be in favor of any impartial group doing this because I believe it is merely a ministerial act. I do not see that it takes a great deal of discretion.

Mr. CANNON. Would the Senator believe that that could be accomplished by some agency, such as the General Accounting Office, under the supervision of Dr. Riddick or some other person, and not even have any representatives of the parties there to participate in this, just a mechanical thing?

Mr. ALLEN. That would suit me and, as I say, as it is now, that would be within the discretion of the Rules Committee, but such committee would not have any authority to make any decisions other than to bring the ballots back in for further action by the Rules Committee.

Mr. CANNON. Does the Senator in his amendment as amended, either in his basic one or in his latest amendment to the amendment, prescribe or define what a "skip-candidate" type is?

Is it a ballot on which the circle is marked at the head and every other race except one, and that being the Senate race being skipped, is that what he is referring to?

Mr. ALLEN. No, the amendment does not say, but it would obviously be a ballot where a cross had been placed in the circle under one of the party emblems and then all of the candidates in that column having had a cross placed in the square opposite their name, except the Senate candidate alone, or along with others, less than the whole number.

Mr. CANNON. Would the Senator say any others, less than the whole number? I raise that question because the Rules Committee, the Senator will recall, on at least one ballot where the number was more than one skip, but certainly was far less than the whole number, on that particular ballot voted to give that ballot to Mr. Wyman, that is not a tie vote that was here.

Mr. ALLEN. I believe the largest number of skips that the Rules Committee had before it was three, including the Senate candidate, that is my recollection.

Mr. CANNON. On ballot 256, there was the X at the top and an X for the Governor candidate, Mr. Thomson, and then there had been an X placed in Mr. Wyman's square, then that one had been erased, but still left a trace.

Then, it went on down the line, voted for the next two then it left three blanks, one of those for State senator and two blanks for the general court. There were three candidates running in the general court race.

So it had three blanks then, and then an X, so that there really were, I guess, a total of four blanks in that particular one, with all of the rest of the squares being filled in.

So that the one distinction here, of course, the argument was that it being very clear from looking at the ballot that the voter had put an X in Mr. Wyman's square and then erased it and one could still see the traces of the X over where the erasure had not erased it, we believe the argument being there that was other evidence to be taken in connection with the so-called skip. I think that one had probably the largest number of skips than any other, but that was one type of more than one skip.

Then one of the others was where the voter voted by the checkmark. That was on ballot 279, and in that case the voter put the checkmark at the top. The committee ruled the checkmarks were a valid means of voting. Voted for the Governor, skipped Wyman, voted for James Cleveland, voted for Lyle Hersom, voted for Stephen Smith, and then came to Cynthia Clark.

Cynthia Clark, according to the statement before the committee, was a well-known Democratic candidate and she was running unopposed. She was on both tickets, Democrat and Republican.

The argument was made that this person was a Republican and did not want to vote for any Democrat, even if she was unopposed and on the Republican ticket.

So Cynthia Clark was skipped, and the next was William Webb, Herbert Ash, John Eames, Willard Bromage, Jr., Charles Wood, Barbara Fortier, Richard Bradley, Marlene Stuart, and George T. Ray, Jr.

That consisted of all of the candidates on that particular ballot and, as I said, there were two blanks there.

Mr. ALLEN. Yes.

Mr. CANNON. One was Mr. Wyman and the other was Mrs. or Miss Clark, whichever it was, who was running on both tickets.

That was the situation on ballot number 279.

Mr. ALLEN. Well, I think you might define the situation of a skip ballot as any ballot where the voter marked in the circle under the emblem of the party and in the square opposite his name there was no crossmark or other mark indicating his choice, but there were crossmarks in the squares of some of the other candidates. I believe that would be a fair statement of what a skip ballot is.

Mr. CANNON. On ballot 305 also we had a little different situation than in the last two, where there was more than one skip. The X was in the circle at the top. The person then voted for Mr. Thomson for governor and for some reason crossed out the vote for governor. Then he went down, skipping Mr. Wyman, and voted for the next two candidates, skipped the next candidate, voted for three out of four possible candidates in the next race, then voted for the sheriff, for the county attorney, for the county treasurer, for the register of deeds, and skipped Margaret Ogden who, again, was running on both tickets unopposed; then went to Neil Robinson for county commissioner, and George Young for county commissioner; then William Lockhart for supervisor of the checklist, and Joseph Michael, Jr.

Plus Mr. Wyman there were two skips on that one.

What I have failed to complete here was the person having scratched out Mr. Thomson, indicating that he voted for him and then scratched him out, came back and placed an X again by Mr. Thomson's name near the square, indicating that he changed his mind, voted for him, changed his mind and scratched him out and then went back and voted again. So it certainly was some evidence, at least, of the fact that the voter did not believe that he had voted a straight party ticket because of the way he marked the ballot in going through it.

Mr. ALLEN. I think there was some little difference of opinion in the committee as to what constituted a so-called "skip-candidate" ballot. The argument was made by one of the participants that if only a senatorial candidate's box were skipped, that definitely was a skipped candidate ballot. But if there were two skips, it would weaken that case, and if there were three skips the case would fall, or words to that effect.

Mr. CANNON. That was the position that I believe Mr. Durkin took.

Mr. ALLEN. That is correct.

Mr. CANNON. But he said three skipped absent any other evidence.

Mr. ALLEN. The committee apparently took the position that as many as three skips still kept it in the class of "skip-candidate" ballots.

Mr. CANNON. The Senator is correct. That is, three skips plus some other evidence. I have been describing these particular ones as to what that other evidence consisted of.

On ballot 314 there were two skips, the skip of Louis Wyman and the skip of

James H. Hayes for councilor. Ballot 314 was a two-skip. Ballot 324, if I have my figures correctly, was the ballot where the person indicated that he might have intended to vote for Mr. Wyman and even had a dot in the Wyman square. But he did not go ahead and complete it. He put his pen down but did not go ahead and complete the mark.

Mr. ALLEN. But he had made a cross in the circle at the top of the ticket.

Mr. CANNON. The Senator is absolutely correct.

Then on ballot 322, that was the ballot where the person not only had the skips and that was a Durkin ballot, he had two skips on the Durkin side, but in addition to skipping Mr. Durkin went over and voted for Mr. Cleveland on the Republican side. In other words, he had the X in the circle and came down here and voted for Mr. Leonard. He skipped Mr. Durkin. Next was Helen Bliss and he skipped her. He went over and voted for James Cleveland on the Republican side. Then he went all the rest of the way down voting in the square of every other candidate on the ballot.

Mr. ALLEN. That was improperly cast if he marked through the name of the candidate whose square he did not cross.

Mr. CANNON. Yes, according to statute, if he marked through. Of course, according to the Murchie case, if you try to determine the intent of the voter, that again raises a question. Of course, the Murchie case, as the Senator knows, says the legislature shall prescribe how the ballot shall be cast but shall not prescribe how the judicial body shall count it.

I may say that in the Senator's amendment to his amendment the thing that creates a problem to me is the fact that I think if we are going to act on it, we are going to have to specifically define what is considered a skip candidate. We will have to write that into the amendment itself, I believe, rather than leave it up to the Rules Committee to go back and hassle about it for some period of time. I would find the Senator's amendment more acceptable if we were able to limit it to the so-called single skip type because they very clearly pinpoint the issue. As the Senator knows, we had eight of those of the single skips, although one of them was the single skip with other evidence, that being ballot 324, and the other evidence being the dot mark where the person put their pen down and then omitted crossing in the X.

Mr. ALLEN. The Senator's pending amendment is to retrieve all skip candidate ballots. That is the amendment to the amendment. I personally like retrieving only 11, but feeling that more Senators would like to go in and retrieve all of them is the reason that the amendment is couched in that language. As far as that is concerned, I would not object to a time limit on my original amendment, not as amended. I would have to resubmit it to the Senate. Of course, I am ready to vote on the amendment to the amendment. I do not want to prolong the matter.

Mr. CANNON. As I said, I believe we are going to have to work out some kind of a definitive language.

Mr. ALLEN. I would be glad to consider anything that the Senator would suggest.

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I am prepared to offer a motion to invoke cloture on Senate Resolution 166. I ask unanimous consent that I be permitted to send that motion to the desk today, with the understanding that the 1 hour under the rule begin running at 3 p.m., on Tuesday of the week following July 4.

Mr. GRIFFIN. Reserving the right to object, Mr. President, and I do not intend to object, as I understand the situation, if the Senator presents such a cloture petition on tomorrow, it would be voted on Tuesday, under the recess resolution that we have adopted. With the hope that it might not be necessary to come in tomorrow, I see no objection to what the Senator suggests.

Mr. ALLEN. Reserving the right to object, was not a cloture petition filed on yesterday?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. That ordinarily would be voted on tomorrow?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. It would not be voted on under the plans of the distinguished assistant majority leader?

Mr. ROBERT C. BYRD. No; I am not saying that. Unless consent is granted——

Mr. ALLEN. I am not going to object. I am trying to get information on the present cloture motion.

Mr. ROBERT C. BYRD. Without consent being granted to the request I have just made, it would be necessary for the Senate to come in tomorrow and for the pending matter to be before the Senate before a cloture motion could be offered, thus assuring a cloture vote on Tuesday, July 8. My purpose at this time is to offer the motion that will get consent that the rollcall vote will occur on July 8 rather than on July 7.

Mr. ALLEN. I see. Will there or will there not be a cloture vote tomorrow?

Mr. ROBERT C. BYRD. As of now, there still will be a cloture vote tomorrow.

Mr. ALLEN. I thank the distinguished Senator.

The PRESIDING OFFICER (Mr. Brock). Is there objection?

Without objection, it is so ordered.

Mr. GRIFFIN. Could the distinguished acting majority leader enlighten us at all in the terms of what the program might be for the rest of the day?

Mr. ROBERT C. BYRD. I am in no position at the moment to do that, because I, myself, am not aware of what the program will be for the rest of the day. If the Senator would request a quorum call, perhaps after a while, the distinguished assistant Republican leader could be obliged in that regard.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 166, relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

> Mike Mansfield, Robert C. Byrd, Mike Gravel, Philip A. Hart, William Proxmire, Jennings Randolph, Daniel K. Inouye, Walter F. Mondale, James Abourezk, Dale Bumpers, Wendell H. Ford, John Glenn, Hubert H. Humphrey, Alan Cranston, John C. Culver, Richard "Dick" Stone.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FOR 30 MINUTES

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess for 30 minutes.

The motion was agreed to, and at 4:14 p.m. the Senate recessed until 4:44 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Dole).

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY INDEPENDENCE FOR THE NATION—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. Dole) laid before the Senate a message from the President of the United States relating to the need for energy independence, which was referred to the Joint Committee on Atomic Energy. The message is as follows:

To the Congress of the United States:

Every so often, a Nation finds itself at a crossroads. Sometimes, it is fortunate and recognizes it has a choice. Sometimes it does not.

We are at such a crossroads in America today.

The course we select will touch the lives of most of us before the end of this century and surely affect the lives of generations of Americans yet to come.

Today, I am asking the Congress to join me in embarking this Nation on an exciting new course which will help assure the energy independence we seek and a significantly strengthened economy at the same time.

I am referring to the establishment of an entirely new private industry in America to provide the fuel for nuclear power reactors—the energy resource of the future. I am referring to uranium enrichment which is presently a Federal Government monopoly.

Without question, our energy future will become more reliant on nuclear energy as the supplies of oil and natural gas diminish.

The questions we must answer are (1) whether the major capital requirements for constructing new uranium enrichment facilities will be paid for by the Federal taxpayer or by private enterprise, and (2) whether a major new and expanding segment of our economy will be under the control of the Federal Government or the private sector.

The private sector has already demonstrated its capability to build and operate uranium enrichment facilities under contracts with the Federal Government. Since it is also willing to provide the capital needed to construct new uranium enrichment plants, I am asking the Congress to enact legislation to enable American industry—with all its financial resources, management capability and technical ingenuity—to provide the enriched uranium needed to fuel nuclear power plants.

I believe this is the proper and correct course for America to take. The alternative is continued Federal monopoly of this service at a cost to the taxpayers of at least $30 billion over the next 15 years.

The enrichment of uranium—which means, in brief, separating the fissionable U-235 in uranium from non-fissionable parts to provide a more potent mixture to fuel nuclear reactors—is an essential step in nuclear power production.

For more than twenty years, the United States Government has supplied the enrichment services for every nuclear reactor in America and for many others throughout the world. Our leadership in this important field has enabled other nations to enjoy the benefits of nuclear power under secure and prudent conditions. At the same time, this effort has been helpful in persuading other nations to accept international safeguards and forego development of nuclear weapons. In addition, the sale of our enrichment services in foreign countries has returned hundreds of millions of dollars to the United States.

These enrichment services have been provided by plants—owned by the Government and operated by private industry—in Oak Ridge, Tennessee, Portsmouth, Ohio, and Paducah, Kentucky. A $1 billion improvement program is now underway to increase the production capacity of these plants by 60 percent. But this expanded capacity cannot meet the anticipated needs of the next 25 years.

The United States is now committed to supply the fuel needs for several hundred nuclear power plants scheduled to begin operation by the early 1980's. Since mid-1974, we have been unable to accept new orders for enriched uranium because our plant capacity—including the $1-billion improvement—is fully committed.

In short, further increases in enrichment capacity depend on construction of additional plants, with seven or eight years required for each plant to become fully operational.

Clearly, decisions must be made and actions taken today if we are to insure an adequate supply of enriched uranium for the nuclear power needs of the future and if we are to retain our position as a major supplier of enriched uranium to the world.

It is my opinion that American private enterprise is best suited to meet those needs. Already, private industry has demonstrated its willingness to pursue the major responsibilities involved in this effort. With proper licensing, safeguards, cooperation and limited assurances from the Federal Government, the private sector can do the job effectively and efficiently—and at enormous savings to the American taxpayer. In this way, direct public benefits will be provided on a long-term basis by private capital, not by taxpayers.

Accordingly, I am proposing legislation to the Congress to authorize Government assurances necessary for private enterprise to enter into this vital field.

A number of compelling reasons argue for private ownership, as well as operation, of uranium enrichment plants. The market for nuclear fuel is predominantly in the private sector. The process of uranium enrichment is clearly industrial in nature.

The uranium enrichment process has the making of a new industry for the private sector in much the same tradition as the process for synthetic rubber—with early Government development eventually being replaced by private enterprise.

One of the strengths of America's free enterprise system is its ability to respond to unusual challenges and opportunities with ingenuity, vigor, and flexibility. A significant opportunity may be in store for many firms—old and new—to participate in the growth of the uranium enrichment industry. Just as coal and fuel oil are supplied to electric utilities by private firms on a competitive basis, enriched uranium should be supplied to them in the same fashion in the future.

The energy consumer also stands to benefit. The production of nuclear power now costs between 25 and 50 percent less than electricity produced from fossil fuels. It is not vulnerable to the supply whims or unwarranted price decrees of foreign energy suppliers. And based on the past 15 years of experience, commercial nuclear power has an unparalleled record of safe operation.

The key technology of the uranium enrichment process is secret and will remain subject to continued classification, safeguards, and export controls.

But for several years, a number of qualified American companies have been granted access to the Government's technology under carefully controlled conditions to enable them to assess the commercial potential for private enriching plants.

The Government-owned gaseous diffusion enriching plants have run reliably and with ever-improving efficiency for more than a quarter of a century. One private group has chosen this well-demonstrated process as part of its $3.5 billion proposal to build an enrichment plant serving 90 nuclear reactors here and abroad in the 1980's. Others are studying the potential of the newer gas centrifuge process. Though not yet in large-scale operation, the centrifuge process—which uses much less power than the older process—is almost ready for commercial application.

I believe we must move forward with both technologies and encourage competitive private entry into the enrichment business with both methods. A private gaseous diffusion plant should be built first to provide the most urgently needed increase in capacity, but we should proceed simultaneously with commercial development of the centrifuge process.

With this comprehensive approach, the United States can reopen its uranium "order book," reassert its supremacy as the world's major supplier of enriched uranium, and develop a strong private enrichment industry to help bolster the national economy.

For a number of reasons, a certain amount of governmental involvement is necessary to make private entry into the uranium enrichment industry successful.

The initial investment requirements for such massive projects are huge. The technology involved is presently owned by the Government. There are safeguards that must be rigidly enforced. The Government has a responsibility to help ensure that these private ventures perform as expected, providing timely and reliable service to both domestic and foreign customers.

Under the legislation I am proposing today, the Energy Research and Development Administration would be authorized to negotiate and enter into contracts with private groups interested in building, owning, and operating a gaseous diffusion uranium enrichment plant.

ERDA would also be authorized to negotiate for construction of several centrifuge enrichment plants when more definitive proposals for such projects are made by the private sector.

Contract authority in the amount of $8 billion will be needed, but we expect almost no actual Government expenditures to be involved. In fact, the creation of a private enrichment industry will generate substantial revenues for the United States Treasury through payment of Federal income taxes and compensation for use of Government-owned technology.

Under the proposed arrangements, there will be an opportunity for foreign investment in these plants, although the plants will remain firmly under U.S. control. There will be no sharing of U.S. technology and, there will be limitations on the amount of capacity each plant can commit to foreign customers.

In addition, all exports of plant products will continue to be made pursuant to Governmental Agreements for Cooperation with other Nations. All will be subject to appropriate safeguards to preclude use for other than agreed peaceful purposes.

Foreign investors and customers would not have access to sensitive classified technology. Proposals from American enrichers to share technology would be evaluated separately, and would be subject to careful Government review and approval.

Finally, the plants proposed will be designed and built to produce low enriched fuel which is suitable only for commercial power reactors—not for nuclear explosives.

In the remote event that a proposed private venture did not succeed, this legislation would enable the Government to take actions necessary to assure that plants will be brought on line in time to supply domestic and foreign customers when uranium enrichment services are needed.

I have instructed the Energy Research and Development Administration to implement backup contingency measures, including continuation of conceptual design activities, research and development, and technology assistance to the private sector on a cost-recovery basis.

ERDA would also be able to purchase from a private firm design work on components that could be used in a Government plant in the unlikely event that a venture fails.

Finally, I pledge to all customers—domestic and foreign—who place orders with our private suppliers that the United States Government will guarantee that these orders are filled as needed. Those who are first in line with our private sources will be first in line to receive supplies under this assurance. All contracted obligations will be honored.

I also pledge that cooperative agreements made with private firms under the proposed new authority will fully reflect the public interest. In fact, all contracts will be placed before the Congress in advance of their effectiveness. The Congress will have full and complete review of each one.

In sum, the program I am proposing will take maximum advantage of the strength and resourcefulness of industry and Government.

It will reinforce the world leadership we now enjoy in uranium enrichment technology. It will help insure the continued availability of the reliable energy for America. It will move America one big step nearer energy independence.

Although the development of a competitive nuclear fuel industry is an important part of our overall energy strategy, we must continue our efforts to conserve the more traditional energy resources on which we have relied for generations. And we must accelerate our exploration of new sources of energy for the future—including solar power, the harnessing of nuclear fusion and development of nuclear breeder reactors which are safe, environmentally sound and reliable.

I ask the Congress for early authorization of this program.

GERALD R. FORD.

THE WHITE HOUSE, *June 26, 1975.*

NUCLEAR FUEL ASSURANCE ACT OF 1975—S. 2035

Mr. PASTORE. Mr. President, the President of the United States has sent to the Senate today a message on the subject of energy independence.

By request, in behalf of myself and the Senator from Tennessee (Mr. BAKER), I send to the desk for appropriate reference a bill on that subject, together with a section-by-section analysis which I ask unanimous consent to have printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the analysis will be printed in the RECORD.

BILL ANALYSIS

Section 1 of the proposed bill cites the Act as the "Nuclear Fuel Assurance Act of 1975."

Section 2 of the proposed bill would amend Chapter 5, Production of Special Nuclear Material, of the Atomic Energy Act, as amended, by adding a new Section 45, entitled "Cooperative Arrangements for Private Projects to Provide Uranium Enrichment Services."

Subsection a. of the new Section 45 would authorize the Administrator of the Energy Research and Development Administration (ERDA) to enter into cooperative arrangements with private enterprise to facilitate the development of a competitive private industry for the enrichment of uranium to make fuel for nuclear power plants. This subsection would enable the Administrator to promote private investment in the construction, ownership and operation of uranium enrichment plants by providing such Government cooperation and assurances as are determined to be necessary and in the best interests of the Government after detailed negotiation with selected individual proposers of enrichment services. Such negotiations would be directed toward obtaining arrangements most advantageous to the Government and the public interest and with a degree of risk to the private entrepreneurs consistent with the objective of creating a private competitive uranium enrichment industry.

Cooperative arrangements authorized by Section 45a could include such Government cooperation and assurances as enumerated in the bill, including the specific authority provided in subsection 45a(5), for the Government to acquire the assets or interests and assume the liabilities (including debt) of a private enrichment firm in the event—which is highly unlikely—that private industry could not complete a plant or bring it into operation. It is intended that any undertaking by the Government under subsection 45a(5) to acquire assets or interest and to assume liabilities of a private venture would terminate after approximately one year of commercial operation of a plant. The precise period would be defined during the negotiations of defined agreements. Any obligations to pay off debt and to acquire equity interest would be limited to citizens of the United States.

Subsection b. of the new Section 45 would provide for review by the Joint Committee on Atomic Energy of the basis for any cooperative arrangement, or amendment thereof, which the Administrator proposes to undertake, including the basis for acquiring assets or interests, or assuming liabilities of any private venture, and any plan the Administrator may have for modifying, completing, operating, or disposing of any plant built under a cooperative agreement.

Section 3 of the proposed Nuclear Fuel Assurance Act would authorize the Administrator of ERDA to enter into contracts, pursuant to the new subsection 45a, in an amount not to exceed $8 billion, as may be provided in appropriation Acts. This amount is an estimate of the total potential cost to the Government in the unexpected event that all private ventures covered by cooperative arrangements were to fail and it was then necessary for the Government to assume assets and liabilities of the ventures, take over plants, and compensate domestic investors. It is not expected that any of the these funds would be expended for the assumption of private ventures, but the authorization is necessary to provide assurance, to customers and sources of debt financing for private producers, of the Federal Government's commitment to create a competitive industry.

Section 3 would also provide that, in the event of Government assumption of the debts, interests and liabilities of a private venture, the Administrator is authorized to secure funds through the Secretary of the Treasury to liquidate contract authority, up to the levels previously provided in an appropriations Act.

Section 4 of the proposed bill would authorize the Administrator of ERDA to initiate preliminary engineering design and planning for expansion of a Government-owned uranium enrichment facility for contingency purposes.

RECESS FOR 30 MINUTES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 30 minutes.

The PRESIDING OFFICER. Without objection, the Senate will stand in recess until the hour of 5:17 p.m.

Thereupon, at 4:47 p.m. the Senate took a recess for 30 minutes.

The Senate reassembled at 5:17 p.m., when called to order by the Presiding Officer (Mr. STONE).

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

EMERGENCY COMPENSATION AND SPECIAL UNEMPLOYMENT ASSISTANCE EXTENSION ACT OF 1975—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on H.R. 6900 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6900) to provide an additional 13 weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of today.)

Mr. LONG. Mr. President, generally speaking, from the Senate's point of view, this was a very successful conference, with the exception of one amendment, that of the Senator from Louisiana, which would move forward the housing tax credit.

The House was willing to agree to the part of the amendment which was favored by the Senator from Florida (Mr. CHILES) that would take care of the problem involved in the date of the lowest price and the regulation aspect of the amendment, but they were unwilling to move forward the date of the tax credit on housing.

It is understood on both sides that we will discuss this matter at a future date because I personally would insist that we extend the tax cut into next year, that this measure should be considered in connection with that. However, we were compelled to yield on that part of it.

Mr. President, the conference agreement on H.R. 6900, extending and modifying the programs of emergency unemployment compensation and special unemployment assistance will assure the continuation of benefits under these programs to more than 250,000 individuals who will otherwise have their payments cut off at the end of this week.

I am very disappointed that we were unable to convince the conferees on the part of the House to agree to a Senate amendment with respect to making the tax credit for the purchase of a new residence applicable to housing constructed after March 26 and up to June 19 of this year. Despite our best efforts in this regard, we were unable to obtain any agreement on that issue. In most other respects, however, the conference agreement incorporates the amendments proposed by the Senate.

The conferees agreed to the Senate amendment under which the emergency unemployment benefits program will continue to provide unemployed individuals with a maximum of 65 weeks of benefits in all States through the end of this year with the duration of benefits after that time being dependent upon the rate of insured unemployment in each State. In States with more than 6-percent unemployment, 65 weeks of benefits will be available; in States with between 5- and 6-percent unemployment, 52 weeks of benefits will be available. Where insured unemployment is below 5 percent, benefit duration will be limited to the 39 weeks provided under the regular and extended benefit programs of permanent law.

The conferees also agreed to Senate amendments extending the emergency benefit program to March 31, 1977—as opposed to the December 31, 1976, termination date in the House bill—and continuing to March 31, 1977, the waiver of the so-called 120-percent requirement for extended unemployment benefits.

The Senate had added an amendment to require individuals to apply for available training opportunities and to accept any reasonable job offer as a condition of receiving emergency unemployment benefits, that is, benefits beyond the 39th week. The conferees accepted this Senate amendment insofar as the requirement of applying for available training programs is concerned. However, the conferees on the part of the House were not willing to accept the requirement that after 39 weeks of benefits unemployed persons accept any available job without regard to whether it paid as much as they were used to earning.

The conferees also agreed to Senate amendments providing for a study of the emergency and special unemployment programs and eliminating the possibility of people drawing more than 65 weeks of benefits by combining their entitlements under both programs.

The conferees agreed—with certain modifications—to a Senate amendment which allows States an additional 3 years to repay amounts borrowed from the Federal accounts in the unemployment trust fund provided that the Secretary of Labor finds that they have taken the necessary action to shore up the financing of their programs.

The Senate had proposed that emergency unemployment benefits—that is, those payable beyond the 39th week of unemployment—be funded directly by the general revenues of the Treasury, but this Senate amendment was not agreed to by the conferees.

The provisions of H.R. 6900 dealing with the special unemployment assistance program added by the Senate were all accepted by the conferees. The most significant of these provided that 39 weeks of benefits under this program will be available from July 1 of this year through the end of the program on December 31, 1976. The House bill had provided 39 weeks of benefits only through July 1, 1976.

The conferees also agreed to a Senate amendment improving a House provision which authorizes a loan of up to $5 million to cover deficiencies in the unemployment funds of the Virgin Islands and an amendment which would allow States an additional 2 weeks to come into compliance with certain provisions of the Trade Act relating to worker adjustment assistance.

The Senate will recall that in the area of the housing credit it sent two amendments to conference. One of these was the Chiles amendment which itself represented a part of an earlier amendment which I had offered. This amendment provided that the housing credit is to be available, assuming other conditions are met, where the house is sold at the "lowest price for which the residence was ever offered for sale after February 28, 1975." The Senators will recall that under existing price the "lowest price" rule requires that the residence must be sold at the "lowest price for which the residence was ever offered for sale."

The Senators will remember that this lowest price rule was added in order to be sure that the benefit of the housing credit went to the buyer of the house rather than the seller. Because price increases occurred in the past in the case of some of the existing housing inventory for reasons unrelated to the credit, the Senate concluded that this was no reason for making the credit available.

In addition, the amendment provides specifically the language of the certificate that is required to be given by the builder to the purchaser. This is done in order to be sure that the builders in making the certification do not have to wait for the Internal Revenue Service to provide information as to the specific nature of the certification.

The certification is to be written but not in any particular form, as long as it shows that the construction of the residence began before March 26, 1975, and the purchase price of the residence is the lowest price at which the residence was offered for sale after February 28, 1975.

The Senators will recall that in a second amendment agreed to in the Senate, the inventory date of the housing eligible for the housing credit was moved up from March 26, 1975, to June 19, 1975. The House conferees were adamant in refusing to go along with this amendment. It was agreed that this, however, if passed again by the Senate in subsequent legislation, would be given careful consideration by the House conferees when pressure of time was not quite the problem that it is today. As I have already indicated, the House conferees also agreed to a triggering amendment in the unemployment compensation aspect of the bill to which they would like a modification. We, in turn, agreed that the modification they seek would be a matter that we would consider in subsequent legislation if the House again passes a provision of that type.

Mr. President, the conference agreement on H.R. 6900 represents a true compromise between strongly held positions of the Senate and the House of Representatives. The House conferees were reluctant to agree to the major Senate amendments with respect to the emergency unemployment program and, in particular, to the provisions relating to triggering that program down as unemployment levels decline. The Senate conferees were equally reluctant to abandon the provision which would make the housing tax credit applicable to housing starts since March 26 of this year and up to June 19. However, because of the urgency of this bill and the need to assure that hundreds of thousands of unemployed workers do not face a benefit cutoff in the coming weeks, the Senate and House conferees reached this agreement with the understanding that this does not necessarily represent the final resolution of these issues.

The House Ways and Means Committee has already declared its intent to deal with the unemployment insurance program later this year and may seek to modify the triggering provisions in whatever legislation it may send us on that subject. Similarly, it was understood by the conferees that the Senate is not foreclosed from pursuing the housing tax credit amendment on another appropriate piece of legislation.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. LONG. Yes; I yield.

Mr. ALLEN. Do I understand the Senator to say then that the effect of the conference report is that the amendment offered by the distinguished Senator from Louisiana having to do with the tax credit on the purchase of new homes, as amended by the amendment offered by the distinguished Senator from Florida (Mr. CHILES), was agreed to; is that correct?

Mr. LONG. That is right.

Mr. ALLEN. But the amendment offered by the distinguished Senator from Louisiana, after the time for debate on the bill as it was before the Senate, was rejected by the conference; is that correct?

Mr. LONG. Yes; that part was not accepted. I am disappointed it was not, but I will seek to bring that matter before the Senate on a future date.

Mr. ALLEN. I hope the Senator will. I might state when that time comes it is the intention of the Senator from Alabama to support that effort as a separate bill or as having been considered by the Finance Committee.

As the Senator will recall, the Senator from Alabama was trying to uphold the jurisdiction of the Senator's committee when he was opposed to the amendment offered on the floor by the distinguished Senator from Louisiana. As a separate bill, the Senator from Alabama will be glad to support it.

Mr. LONG. I am sure the Senator knows that unless the House sends us a separate bill dealing with a tax credit on housing we would have to amend some other bill. But that we will seek to do.

Mr. ALLEN. It might be amended in committee after a hearing though.

I thank the distinguished Senator.

Mr. LONG. I thank the Senator.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CURTIS. Mr. President, I support the conference report on H.R. 6900 and urge prompt passage of this report by the Senate. As my colleagues will recall from the debate on this bill last week, H.R. 6900 has as its principal purpose the extension of two of our temporary Federal unemployment compensation programs. I am pleased to report that, with but two exceptions, the House conferees accepted the Senate amendments to the Federal supplemental benefits program. Additionally, the House conferees accepted all of the amendments made by the Senate to the special unemployment assistance program. Therefore, Mr. President, it cannot be denied that we had an excellent conference. The distinguished chairman of our Committee on Finance is to be commended for his leadership in securing the agreement of the House conferees to the Senate amendments.

Mr. President, I will not attempt to explain all of the provisions of this bill. That is the function of the conference report. Nevertheless, Mr. President, I do want to point out that this is a good bill which merits the support of all Senators.

I am particularly pleased that the bill contains a mechanism, effective January 1, 1976, for the orderly phasing down of emergency benefits on a State-by-State basis when and as the unemployment situation improves. The concept of a "trigger-off" was and is supported by the administration. It had the support of the Committee on Finance and the Senate and I am pleased that it is a part of the bill now before us. A second important feature of the bill is that persons receiving emergency benefits, which cover the 40th through the 65th weeks of benefits, would be required to register for an approved training program if certain conditions are met.

With these amendments, the bill will continue the emergency benefits program through March 31, 1977. The bill thus both responds to the need for a continuation of the emergency benefits program and deals with some of the basic problems of the emergency benefit program.

As I have indicated, Mr. President, two of the Senate amendments to the emergency benefits program were deleted in conference. The first of these amendments related to the conditions under which an individual receiving emergency benefits may refuse a job offer. The second Senate amendment on which agreement could not be reached provided for general revenue financing of the emergency benefits program. There were some problems with these two amendments, but I am confident that these two subjects will receive further study by the appropriate committees here in the Senate and in the House. I therefore support the final bill even without these two amendments.

I should also like to note that the Senate amendments to correct some technical defects in the housing tax credit were accepted by the House. However, the House conferees would not agree to extend the housing credit to cover homes built after March 26 and before June 19 of this year. The Senate conferees receded on this point, but with the clear understanding that the issue may well be raised again later this year.

Let me conclude, Mr. President, by saying simply that the Senate passed a good bill last week and that the overwhelming majority of the Senate's amendments were preserved in conference. This is still a good bill which warrants prompt passage.

I wish to extend to the distinguished chairman of the Committee on Finance, who was chairman of the conference, my thanks and the thanks of all the members of the conference, and commendations for the expeditious and fair way in which he handled this matter.

Mr. President, I yield the floor.

Mr. JAVITS. Mr. President, I urge approval of this conference report on H.R. 6900. This legislation will provide vital additional protection for the more than 8.5 million unemployed American working men and women who, although ready, willing and able to accept employment, have been unable to find jobs as a direct result of the current economic crisis. Without this legislation 2 million unemployed American workers would exhaust their entitlements to unemployment compensation benefits during fiscal year 1976.

This bill amends two emergency programs enacted last December to combat the intolerably high rate of unemployment which this Nation continues to experience. Workers who are covered by the special unemployment assistance program will be eligible for an additional 13 weeks of unemployment assistance—providing up to 39 weeks of benefits—through calendar year 1976. The SUA program provides unemployment compensation protection for workers who, although having substantial labor market attachment, are ineligible for benefits under the regular unemployment insurance system.

Workers receiving benefits under the FSB program will continue to be eligible for a maximum of 26 weeks of FSB for a total of 65 weeks of unemployment compensation under the regular unemployment insurance program, the Federal-State extended benefits program and the Federal supplemental benefits program through March of 1977. The FSB program protects workers who are suffering long-term unemployment and have exhausted their entitlements under the regular unemployment insurance program and the Federal-State extended benefits program.

In considering the differences between House and Senate versions of the legislation, the conference committee acted with a true spirit of compromise, with full cognizance of the urgent need to enact this legislation before the Congress adjourns for the July Fourth recess. Despite the speed with which it was necessary to act, the bill before us incorporates some of the best provisions from both the House and Senate bills.

As with all compromises, there are elements of this legislation with which I am not in full accord. I am wary of the potential impact of the trigger requirements for the FSB program adopted by the Finance Committee and approved by the Senate and the conferees. There is, in my judgment, danger that certain States which have relatively low statewide unemployment, as compared to the rest of the Nation, will trigger out of some or all of the FSB program next January 1. Some of those States may contain large metropolitan areas suffering significant unemployment, and central city areas where unemployment overall may continue to run as high as 10 or 15 percent, even though unemployment in the State as a whole is much lower. To deprive unemployed workers in those areas of the benefits provided by this act at a time when they may well be experiencing as much difficulty in obtaining employment as similarly situated workers in States with higher overall unemployment concerns me deeply.

For this reason, I proposed an amendment, which was adopted on the floor of the Senate, and is retained in the conference report, which would delay the trigger which had been recommended by the Finance Committee until January 1, 1976. This will allow ample time to study the impact of these triggers on unemployed workers, and permit the Congress to take action to alter the trigger requirements, if dictated by the economic situation.

With regard to altering criteria for eligibility for benefits under the FSB program, the conference report retains a provision recommended by the Finance Committee, and modified by an amendment which I cosponsored with Senator Williams, to require FSB claimants to be in a job training or retraining program, or to apply for such a program, if the appropriate State agency determines that they have need of upgrading or broadening their occupational skills in order to enable them to find gainful employment. The bill requires that unemployed workers apply to training programs only if they are available without cost to him or her, and within a reasonable distance of his or her home.

The House conferees rejected a Senate adopted provision to substantially alter the so-called suitable work requirement by requiring FSB recipients to accept virtually any offer of employment, without regard to previous work experience, or training abilities. The concern which led the Committee on Finance to recommend this amendment can be carefully studied in the context of comprehensive unemployment insurance reform and dealt with at such a time as the Congress considers permanent unemployment insurance reform legislation.

The conference committee adopted all of the Senate Labor and Public Welfare Committee's amendments to the special unemployment assistance program, including the amendment continuing eligibility for up to 30 weeks of benefits through December 1976. The House bill had cut maximum eligibility back to 26 weeks effective June 30, 1976.

I would like to thank and commend the Senators and Representatives who have acted so expeditiously in clearing this legislation for the President's signature before June 30. In particular, the chairman of the Senate Labor and Public Welfare Committee, Mr. Williams, the chairman and ranking member of the Senate Finance Committee, Mr. Long, and Mr. Curtis, and the chairman of the House Ways and Means Committee, Mr. Ullman, and that committee's Subcommittee on Unemployment Compensation chairman, Mr. Corman. These gentlemen have acted in full recognition of the urgent consideration this legislation required.

As a direct result of our action on this bill, over 250,000 unemployed workers, who would otherwise have exhausted their entitlements to unemployment compensation benefits by July 1, will be able to continue to provide at least a minimum level of income security for themselves and their families.

I particularly join Senator Curtis in applauding the very fine work by our chairman, Senator Long, and by Senator Curtis and all of their colleagues of the Finance Committee.

The essential purpose of this legislation is being met, to wit, that unemployment compensation shall be continued both for those workers covered in regular UI system and for those workers newly put into unemployment compensation who are not covered in the system. We made that fundamental decision here last December in lieu of putting all these people on relief.

The conferees had that very foremost in their minds, and Senator Long, with very fine appreciation of that fact in terms of the feeling and the views of the people for what he felt about the housing amendment, stated that he will be back. But I may not have the pleasure of sitting in that particular conference as that represents the exclusive work of the Finance Committee.

Mr. President, the emphasis here must be on the fact that if this legislation is not passed 2 million unemployed American workers will exhaust their entitlement to unemployment compensation benefits during fiscal year 1976, beginning only a few days from now on July 1, and a quarter of a million will be cut off on July 1, with every State suffering. So this is really a monumental achievement.

Mr. President, the compromise which Senator Long, I and others on both committees, Labor and Finance, agreed to, which leaves the situation as it is as to triggers, the 4-percent State or national trigger until December 31, 1975, and put in a new trigger requirement as of January 1, 1976, and with the FSB program extending to March 31, 1977, is, in part, not very agreeable to me. But I felt it was a deal we made to balance both points of view, stood by with fidelity by the Senate conferees and by me, notwithstanding my feelings on the matter, because of our understanding as to how this measure went to conference. The House took the whole provision.

Those changes which the House made, I think, were dictated by their point of view, and Senator Long was very gracious in yielding what he felt he had to yield, and I believe it very important that the amendment made here by Senator Williams of New Jersey for himself and me respecting training was accepted by the House.

It has been a very fine experience to work with my colleagues on the Committee on Finance. I feel, Mr. President, that, on the whole, the country is deeply indebted to them, and if we feel that we are in the depths of the recession still toward the end of this year I am confident, just as Senator Long said to the House that he will be back on the housing, so I know he will forgive me if I say I may have to be back on unemployment compensation.

Mr. President, this bill represents the second time in the last 6 months that the Congress has been called upon to consider emergency legislation to shore up the permanent Federal-State unemployment insurance system to meet the requirements of the current economic crisis. In all, Congress has acted 5 times in the past 2 years to amend the unemployment insurance laws in this way. This history makes clear the urgent need for consideration of permanent unemployment insurance reform during this Congress. I am pleased that the House Ways and Means Committee has indicated its intent to begin consideration of such permanent amendments in the near future.

To further this consideration, the conference report contains a provision calling for the Secretary of Labor to conduct a comprehensive study of the FSB and SUA programs, the characteristics of the long-term unemployed and report to the Congress on his findings.

I would hope that during this Congress action will be taken to assure the millions of unemployed American working men and women that they will be able to continue to provide at least minimum income security protection for themselves and their families for as long as this Nation experiences an economic crisis of the length and severity of the recession we are currently facing.

I hope the Senate will quickly approve this conference report, and send this bill on to the President for his signature. I would also hope that we will consider, before the end of this Congress, permanent reforms in the Federal-State unemployment insurance system which will obviate the necessity of further consideration of temporary emergency amendments to provide adequate protections for unemployed workers during periods of serious unemployment.

Mr. LONG. Mr. President, I thank the distinguished Senator from New York and my colleague from Nebraska for the kind words they had to say about this matter. However, I do not particularly enjoy coming back with a conference report where we have met with great success regarding everything except my amendment. I would like to report that we had to yield on another amendment, but, somehow, that is how it worked and my amendment which I labored on diligently was the one dropped. I would hope at some future date I would have better luck.

I would point out, Mr. President, that this conference, I believe, helped indicate why we really do not need any more special committees, in my judgment.

This bill involved the jurisdiction of two committees. There was more of it within the jurisdiction of the Finance Committee than in the jurisdiction of the Labor Committee, but how did we resolve it? We gave about two-thirds of the conferees to the Finance Committee and about one-third to the Labor Committee and had an informal understanding that those on the Finance Committee would defer to the Labor Committee Senators with regard to measures that properly were within the jurisdiction of that committee, and they would defer to us with regard to measures properly in the jurisdiction of the Finance Committee. In that way, in complete cooperation and good humor, we worked out our differences. We supported them on their parts of the bill and they supported us on our parts of the bill.

We worked out what I think is a fair conference report. In my judgment, there is no reason why the same type of thing could not be done where other issues involve the jurisdiction of two committees.

This is not the first time these two committees have done that. Senators will recall we had a pension reform bill before the Senate in the last Congress and the Labor Committee appointed about half the conferees and the Finance Committee appointed about half. There was a long conference. In that case, Mr. WILLIAMS, the chairman of the Labor Committee, was chairman of the conferees, and it worked out extremely well. We simply respected them in their area and they respected us in ours. It was a successful conference.

So I would hope that we could stop this thing of having to spend so much time arguing about committee jurisdiction and just work together. That is all that has to be done, as I see it, to solve most of these difficult problems which involve the jurisdiction of more than one committee.

Just name the conferees for two of them and let one committee recommend the amendments in their area of expertise and the other in their area and try to work out in conference our differences.

Mr. President, I am not going to ask for a rollcall vote on this. I do not think there is any substantial opposition to this conference report.

Mr. DOLE. Mr. President, there are a number of us who had that feeling last Friday, but there were five rollcall votes after we departed, having been told, in essence, it would take 20 minutes with no votes, and on the basis of that many of us who supported the measure were not recorded. We were somewhere else, other than Washington.

Mr. President, as we take up H.R. 6900, Emergency Compensation and Special Unemployment Assistance Extension Act of 1975, I want to express my continued support for this bill.

The Finance Committee did a fine job in reporting out this legislation in such a short period of time. The committee members resisted the urge to fine tune it out of recognition and they are to be commended for their restraint.

I have to admit, Mr. President, that as a member of the Finance Committee I had expressed concern about these so-called temporary or emergency measures. Many times they seem to have a longer life span than the Members who urged their passage. My concern has not been completely abated but I recognize the need for swift action.

Certainly, these times of excessive unemployment demand quick and responsible action from Congress. At the same time, though, we need to guard against the possible evolution of a protracted income maintenance system without the benefit of a full and comprehensive evaluation of all similar and related programs. A thorough evaluation not unlike the one I have proposed in Senate Resolution 152 to expand our own oversight activities.

The House passed the conference report and I think we should join in supporting this emergency legislation to help those currently without jobs. But I urge my colleagues to keep in mind that our responsibility goes beyond emergency measures.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LONG. Mr. President, I would like for the record to show that I am merely trying to show consideration for the Senators. If I had known the Senator was going to miss a rollcall vote, at the prior time I would have tried to withhold action at that time.

Mr. DOLE. Mr. President, after I talked to the Senator from Louisiana, I decided to leave. I do not want to do that here.

I do not want to put anyone in a situation of missing a vote. I do not ask for rollcall votes frequently, but I do support the conference report and I did support many of the amendments offered last Friday.

It is my understanding most of the Senators have been waiting around for the vote, and they are here.

Mr. LONG. Mr. President, I ask——

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. LONG. Well, I ask that the rollcall be a 10-minute rollcall.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I urge the adoption of the conference report on H.R. 6900, the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975.

This is must legislation, urgently requiring enactment before June 30, when thousands of unemployed workers who have not been able to find jobs will begin to exhaust the emergency unemployment assistance that has sustained them in the recession.

The most important features of the bill, as reported by the conference, are the extension of the maximum 65 weeks of benefits under the regular program for another 21 months and the addition of 13 weeks of supplemental unemployment assistance for jobless persons who were not covered by the regular program.

If H.R. 6900 were not enacted, figures compiled by the Committee on Labor and Public Welfare show that, over the next 3 months, 675,200 persons would run out of weekly benefits under the emergency extensions of the regular program, and 95,600 would exhaust their full entitlement under the special unemployment assistance program.

At least a significant fraction of these persons, on the order of 250,000, would have their weekly payments interrupted if action on H.R. 6900 is delayed beyond June 30.

To prevent these additional hardships, I believe the Senate should act swiftly to approve the conference report.

This is not to say, however, that I am altogether satisfied with its provisions. The conference has agreed to report several matters that I have felt should be considered only in the context of a comprehensive reform of the unemployment compensation system, and not in urgent legislation of this type.

First, there is the matter of a new trigger mechanism proposed by the Finance Committee to phase out emergency unemployment compensation benefits if and when unemployment begins to decline. The conference has reported these provisions as they passed the Senate, providing for a reduction to 52 weeks of maximum benefits in any State whose insured unemployment rate falls below 6 percent and a reduction to 39 weeks when the IUR falls below 5 percent. The new trigger mechanism would go into effect on January 31, 1976.

For purposes of illustration, if the triggers were to go into effect on July 1 of this year, all 26 weeks of emergency unemployment compensation would terminate in seven States and the District of Columbia. The States are Colorado, Iowa, Kansas, North Dakota, South Dakota, Texas, and Wyoming, where the insured unemployment rate is below 5 percent as of May 31.

In five other States, if the triggers were to be applied on July 1, maximum benefits would be reduced to 52 weeks. These States are Hawaii, Louisiana, Nebraska, Oklahoma, and Virginia where the insured unemployment rate is between 5 and 6 percent as of May 31.

In terms of impact on individuals in these States, data compiled by the Labor and Public Welfare Committee indicate that approximately 71,000 persons will exhaust their benefits in each of the first two quarters of 1976 as a result of the application of the new triggers.

Since under this bill the triggers are to be applied on a State-by-State basis, some inequities may result, particularly with respect to unemployed persons in pockets of high unemployment within a State. In some sections of many States, the unemployment rate exceeds 15 percent and can be expected to remain high for many, many months. When the State's overall unemployment rate drops below trigger levels, however, emergency benefits would be reduced in duration, and jobless persons in areas of concentrated unemployment would have their benefits cut off as much as 13 weeks earlier than similarly situated persons in other States.

It is the understanding among the conferees that the trigger mechanisms contained in the report will be reviewed over the next 3 months, on the basis of developing informaiton with an eye toward modifying them before they take effect on January 1.

Under pressure of the June 30 deadline for action on this bill, the opportunity did not present itself to take this matter back to the drawing board. Should the January 1 effective date of the triggers approach without action having been taken on comprehensive reform of the unemployment compensation system, it is my intention to seek a delay in the effective date until April 1, 1976, or, if necessary, later.

The second matter of concern to me in the conference report relates to the proposal of the Finance Committee requiring recipients of emergency compensation benefits to participate in, or apply for, training to which they are referred by a Senate agency.

Mr. President, this requirement was modified by an amendment offered by myself and Mr. JAVITS and adopted by the Senate. Our amendment provides that a recipient of emergency unemployment compensation can be required to accept training only when it is approved by the Secretary, when it is available at no charge to him for tuition and fees, when it is accessible within a reasonable distance from his home, and when the State agency has made a specific finding that such training is needed to upgrade or broaden the recipient's occupational skills. Individuals who are participating in training when this provision becomes effective or at the time that they otherwise qualify for emergency compensation benefits could not be disqualified from eligibility. Individuals who are not in training at such times could be disqualified only if they refused to accept training that is approved by the Secretary, feasible for the participant, and determined by the State to be needed.

Mr. President, I am pleased that the conferees accepted the modifications of this job training requirement, with only technical changes.

I wish to advise the Senate, however, that existing training programs under the Federal auspices fall far short of meeting the new demand for training that the provisions of this bill can be expected to create.

Our committee's data shows that approximately 1,450,000 unemployed persons will be subjected to the training requirement when it becomes effective on July 1. This figure comprises 756,000 persons who are currently receiving emergency unemployment compensation plus 693,000 persons who are expected to exhaust 39 weeks of benefits over the next 3 months without finding a job.

That is the potential new demand for training as a result of this bill. The actual demand is uncertain; we have no way of knowing how many of these persons will choose to take any available job, rather than enter a training program. Some, I presume, will be disqualified from benefits rather than accept training.

Assuming, however, that as many as one-half—or 725,000—begin to seek training so as to continue to be eligible for unemployment benefits, the cost of providing the training would be substantial. Under existing Federal programs for manpower and work experience, the Federal Government now spends about $1,100 for each person in training. We spend over a million dollars to train 1,000 persons each year. These figures suggest the need for a Federal financial investment in new training programs on the order of several hundred million dollars.

Mr. President, it seems eminently clear to me that, by adoption of the job training requirement, the Congress assumes a responsibility to help provide the necessary training programs. We can do that, and we should.

In the alternative, we could reduce the demand for new job training programs by getting people off of the unemployment compensation rolls. We can do that by creating jobs, and by every measure of good sense, we should.

The administration has persisted in the notion that the Nation's first line of defense against joblessness is unemployment compensation. The President has repeated this policy many times, and I have heard it recited before Senate committees by the Secretary of Labor, the Secretary of Transportation, and the Secretary of Health, Education, and Welfare.

At modest levels of unemployment in the range of 5 percent and below, I might be persuaded to agree. But in the existing crisis, with nearly 10 million able, capable, and willing workers unable to find jobs, we have got to meet the need head on.

Mr. President, there have been recent signs in the economy that the recession may be bottoming out. Should that prove to be the case, it would be good news.

For the millions of unemployed, however, there will be no immediate joy or relief. Reemployment will occur with great reluctance and very slowly. It always does after a recession.

The national unemployment rate stood at 9.2 percent in May, the highest since the depths of the Great Depression. I believe it will rise further.

In my home State of New Jersey, joblessness has reached the astounding level of 13 percent. I earnestly hope that we have seen the worst with this level.

No State can be permitted to suffer such economic malignancy without immediate help. No national economic policy that inflicts such injury should be permitted to continue unchallenged and unchanged.

While we are, with this bill, alleviating some of the pain and misery of unemployment, we are doing virtually nothing to cure the basic economic illnesses that have forced 10 million Americans out of work.

Only the most adventurous economists predict that unemployment will decline below 8 percent before well into next year, and we are under the obligation to see that unemployed workers are not consigned to bankruptcy and the welfare rolls in the current recession.

Adoption of H.R. 6900 will provide unemployed workers with a barricade against such misfortunes for another 21 months.

Enactment of new job training legislation will help to meet the new responsibilities assumed by the Congress with passage of this bill.

And establishment of new emergency jobs programs, focused on meeting critical needs of the Nation, still remains a necessity if we are to help bring our economy swiftly out of the worst recession in 40 years.

Mr. NELSON. Mr. President, the conference agreement on the Emergency Compensation and Special unemployment Assistance Extension Act of 1975 extends two emergency unemployment assistance programs which were enacted in December. The President requested enactment of these two programs at that time and has requested the extensions included in the pending bill.

The first of these, the Federal supplemental benefits programs—FSB—currently provides up to 26 weeks of additional assistance for unemployed workers who exhaust their 39 weeks of potential benefits under preexisting regular and extended unemployment insurance laws, for a total of 65 weeks of potential benefits. The conference agreement amends the Federal supplemental benefits program, to insure that up to 65 weeks of total assistance will be available beyond this June 30 to workers who exhaust their regular benefits. In the absence of this measure, the program would revert back to a total of 52 weeks on June 30, cutting off many thousands of unemployed workers.

The second program extended by this bill, the special unemployment assistance program—SUA—included in the Emergency Jobs and Unemployment Assistance Act of 1974 which the Senate passed by a vote of 79 to 13 last December 12, currently provides up to 26 weeks of assistance to unemployed experienced workers who would not otherwise be eligible for assistance under other State or Federal unemployment insurance laws. The conference agreement extends the special unemployment assistance program—which would expire December 31, 1975—through December 31, 1976, with assistance payable through March 31, 1977. The bill also adds 13 weeks of additional assistance to SUA, bringing the maximum assistance available under that program to 39 weeks for any individual.

Title I of the bill extends and amends the Emergency Unemployment Compensation Act of 1974. The legislation, enacted last December, provided that unemployed workers who are covered under existing State and Federal unemployment insurance laws are eligible, through December 1976, for extended benefits—up to 39 weeks—whenever the national or State rate of insured unemployment exceeds 4 percent, and for Federal supplemental benefits—FSB—from the 39th to the 52d week—if they exhaust their extended benefits. In March of this year, an amendment to the tax cut bill provided for an additional 13 weeks of benefits for exhaustees under a temporary provision that expires this June 30, for a total of up to 65 weeks of benefits.

The pending conference agreement extends this latter provision beyond June 30, so that benefits could be paid up to 65 weeks under the FSB program through March 1977, except that, after January 1, 1976, the 53d through 65th week of compensation will only be payable in States where the insured unemployment rate—IUR—exceeds 6 percent, and for the 40th through 52d week will only be payable in States where the IUR exceeds 5 percent.

In addition, if an individual who is not enrolled in a training program seeks more than 39 weeks of unemployment compensation, the bill authorizes the State agency to determine whether such individual requires an upgrading or broadening of his or her occupational skills. If the State agency makes such a determination, and there is a training program approved by the Secretary for such upgrading or broadening available within a reasonable distance and without charge to the individual, the individual must apply for such training in order to continue to receive unemployment benefits.

Title II of H.R. 6900 extends and improves the special unemployment assistance program—SUA—first enacted as title II of the Emergency Jobs and Unemployment Assistance Act of 1974.

Until December 31, 1975, workers not entitled to UI may qualify for SUA in the same way they qualify for UI in the State where they were last employed, so long as the overall rate of unemployment in their area exceeds 6.5 percent or the rate of overall unemployment in the Nation exceeds 6 percent. Approximately 12 million workers were thus brought under the umbrella of Federal unemployment protection for the first time, for the duration of the current unemployment crisis, including previously uncovered State and local governmental employees, agricultural workers, and domestic workers. Currently over 180,000 such unemployed workers are receiving special unemployment assistance under this program.

Amendments to the current law contained in the bill redefine "employment and wages" to specify an intent that workers be engaged as employees in an employee-employer relationship to be eligible; prevent experienced teachers and other professional educational personnel with contracts for the fall term from drawing this emergency assistance during the summer; establish procedures in cases of fraud or overpayment under the program; entitle workers who have exhausted assistance under the current SUA program to the additional 13 weeks of assistance as of July 1.

Mr. President, it is urgent that the Senate pass this measure today and clear it for the President's signature. Over a quarter of a million individuals are now, or soon will be, affected by the automatic June 30 cutback from 65 to 52 weeks in assistance available to covered workers. In addition, many thousands of the 180,000 previously uncovered workers now receiving assistance under SUA will soon exhaust their first 26 weeks of assistance. For these people, Mr. President, recession is far from over, because unemployment is traditionally the last of the major segments of our economy to recover.

Congress must continue to be concerned about unemployment, because unemployment is a cancer with serious complications for the American economy. Each 1-percent increase in the rate of unemployment drains up to $16 billion from the gross national product. Unemployment of 9.2 percent therefore represents an almost incomprehensible tragedy for the entire country, as well as an individual tragedy for each and every worker who loses his job in a recession.

Mr. HANSEN. Mr. President, I support passage of this bill. As a conferee, I am pleased to report that, with the leadership of the distinguished chairman of our Finance Committee, most of the Senate amendments were agreed to in conference.

Mr. President, I support the concept of unemployment compensation as a form of assistance to those who are temporarily unemployed. However, I have become increasingly concerned that our program of unemployment compensation has become more like an income maintenance system with benefits covering 65 weeks. For these reasons, I had some concern about this bill, which extends the emergency benefits program.

However, I am now prepared to support this bill because it not only provides what seems to be a needed extension of emergency benefits, but because it also begins to deal with some of the basic problems in the program. The most important problem that this bill faces up to is that of providing a way to reduce emergency benefits on an orderly basis as the unemployment rate goes down. Under the bill, effective January 1, 1976, the level of unemployment in a State will determine whether emergency benefits will be paid in that State and, if so, how many weeks of benefits will be paid.

This important provision, and other parts of the bill as well, encourage me because they indicate a willingness on our part to face up to the problems involved in unemployment compensation. For these reasons, I support the bill and urge its passage.

The PRESIDING OFFICER. Is all time yielded back?

Mr. LONG. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senate will be in order so that the vote may be completed. Senators who have voted will please take their seats.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Mississippi (Mr. STENNIS), the Senator from Illinois (Mr. STEVENSON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Michigan (Mr. GRIFFIN), the Senator from Oregon (Mr. HATFIELD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 83, nays 3, as follows:

[Rollcall Vote No. 257 Leg.]

YEAS—83

Abourezk
Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Weicker
Williams

NAYS—3

Helms
McClure
Scott, William L.

NOT VOTING—13

Bayh
Church
Griffin
Hatfield
Kennedy
McGee
Mondale
Montoya
Ribicoff
Stennis
Stevenson
Tunney
Young

So the conference report was agreed to.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER SETTING ASIDE SENATE RESOLUTION 166 UNTIL MONDAY, JULY 7, AND VITIATING ORDER FOR VOTE TOMORROW ON CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I have cleared this request with the distinguished Republican leader and the distinguished majority leader.

Mr. President, I ask unanimous consent that Senate Resolution 166, the New Hampshire election dispute, be laid aside until Monday, July 7, 1975 and that the order for the cloture vote on tomorrow be vitiated.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

SENATE JOINT RESOLUTION 100—TO AUTHORIZE THE PAYMENT OF COMPENSATION TO PHAN THI YEN

Mr. HUGH SCOTT. Mr. President, I send to the desk a joint resolution and ask for its immediate consideration.

The PRESIDING OFFICER. (Mr. STONE). The Senate will be in order. Senators will take their seats. Senators wishing to confer will kindly withdraw to the cloakrooms.

The joint resolution will be stated.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 100) to authorize the Secretary of the Senate to pay compensation to Phan Thi Yen.

The **PRESIDING OFFICER**. Without objection, the Senate will proceed to its consideration, and, without objection, the joint resolution will be considered as having been read the second time at length.

The joint resolution (S.J. Res. 100) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That not withstanding any other provision of law, the citizenship or nationality of Phan Thi Yen shall not prohibit the Secretary of the Senate from paying compensation, for a period not to exceed 12 months, to the said Phan Thi Yen while serving as an employee of the Senate.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. ROBERT C. BYRD. Mr. President, the New Hampshire election dispute having been set aside until Monday, July 7, I ask unanimous consent that all committees of the Senate be permitted to meet during the session of the Senate tomorrow.

Mr. HUGH SCOTT. I have no objection.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PERCY TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, the Senator from Illinois (Mr. PERCY) be recognized for not to exceed 15 minutes.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

DESIGNATION OF PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. I ask unanimous consent that, following the recognition of Senator PERCY, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each, and that the period be used only for the introduction of petitions, memorials, bills, resolutions, and statements into the RECORD.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO FILE REPORTS ON THURSDAY, JULY 3, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees be authorized to file reports on Thursday, July 3, 1975, between the hours of 10 a.m. and 3 p.m.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senate go into executive session to consider two nominations reported earlier in the day from the Committee on Commerce, and one nomination on the executive calendar.

The **PRESIDING OFFICER**. Without objection, it is so ordered. The clerk will state the first nomination.

DEPARTMENT OF TRANSPORTATION

The assistant legislative clerk read the nomination of John Hart Ely, of Massachusetts, to be General Counsel of the Department of Transportation.

The **PRESIDING OFFICER**. Without objection, the nomination is confirmed.

NATIONAL FIRE PREVENTION AND CONTROL ADMINISTRATION

The assistant legislative clerk read the nomination of David A. Lucht, of Ohio, to be Deputy Administrator of the National Fire Prevention and Control Administration.

The **PRESIDING OFFICER**. Without objection, the nomination is confirmed.

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senate now proceed to the consideration of Executive Calendar No. 157.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The nomination will be stated.

DEPARTMENT OF JUSTICE

The assistant legislative clerk read the nomination of Michael M. Uhlmann, of Virginia, to be an Assistant Attorney General.

The **PRESIDING OFFICER**. Without objection, the nomination is confirmed.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

Mr. MANSFIELD. Mr. President, if I may have the attention of the distinguished Senator from Nebraska, earlier in the day we approved a nomination in connection with which a motion was not made to notify the President. I wonder if, since that time, there has ben any indication that there is any objection now to notifying the President.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF EDUCATIONAL APPROPRIATIONS, 1976 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow the Senate proceed to the consideration of Calendar No. 195, H.R. 5901, the higher education appropriation bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

EXTENSION OF THE EMERGENCY PETROLEUM ALLOCATION ACT

Mr. ROBERT C. BYRD. I ask unanimous consent that upon the disposition of H.R. 5901 tomorrow, if it is disposed of tomorrow, the Senate proceed to the consideration of Calendar Order No. 215, S. 1849, a bill to Extend the Emergency Petroleum Allocation Act.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(The following proceedings occurred later in the day.)

Mr. HUGH SCOTT. I thought I heard the Senator lay down Order No. 215, S. 1849, a bill to extend the Emergency Petroleum Allocation Act. I notice we had a hold on this side. I wonder whether that has been cleared by the chairman.

Mr. ROBERT C. BYRD. I am not sure about that.

Mr. President, I ask unanimous consent to vitiate the consent that was given to proceed to the consideration of Calendar Order No. 215 following the disposition of Calendar Order No. 195 on tomorrow. Action with respect to Calendar No. 215 can wait until tomorrow.

Mr. HUGH SCOTT. I thank the Senator.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

NEW HAMPSHIRE ELECTION DISPUTE

Mr. ROBERT C. BYRD. Mr. President, has the order been entered for the resumption on Monday, July 7, on Senate Resolution 166?

The **PRESIDING OFFICER**. The Senator is correct.

Mr. ROBERT C. BYRD. The cloture vote scheduled for tomorrow was vitiated.

The **PRESIDING OFFICER**. The order has been entered to lay the New Hampshire dispute aside until that date, but not to resume its consideration as of that date.

Mr. ROBERT C. BYRD. I ask unanimous consent that on Monday, July 7, at the conclusion of routine morning business, the Senate resume the consideration of Senate Resolution 166.

The **PRESIDING OFFICER**. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. The cloture vote on tomorrow having been vitiated, I ask unanimous consent that I may be permitted to withdraw the cloture motion that was introduced and on which a cloture vote would have occurred tomorrow.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the next vote on the motion to invoke cloture on Senate Resolution 166 will occur on Tuesday, July 8. Am I correct?

The **PRESIDING OFFICER**. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. HUGH SCOTT. Mr. President, we have an agreement as to time on that on Tuesday?

Mr. ROBERT C. BYRD. Yes.

The 1 hour under the rule will begin running at 3 p.m. on Tuesday, July 8. This would mean that the rollcall vote will occur at about 4:15 p.m.

Mr. HUGH SCOTT. I thank the Senator.

ORDER OF BUSINESS TOMORROW

Mr. WILIAM A. SCOTT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. WILLIAM L. SCOTT. I wonder if the Senator can tell us the following. As I recall, he has indicated one measure will be considered tomorrow. Is there any time limitation or would he anticipate a rollcall vote on the matter that will be brought up tomorrow?

Mr. ROBERT C. BYRD. At the present time, no time agreement has been entered into with respect to the higher education appropriations bill.

I would think that certainly possible even likely that there would be a rollcall vote or votes in relation to that measure.

Mr. WILLIAM L. SCOTT. Will the Senator tell us what time we will convene tomorrow?

Mr. ROBERT C. BYRD. The Senate convenes at 9 a.m. tomorrow morning. This would mean the Senate would proceed to the taking up of that bill at around 9:30 a.m.

Mr. WILLIAM L. SCOTT. Mr. President, I have some other business at noon. Would the Senator be in a position to tell whether or not any rollcall vote that we would have might be before noon tomorrow?

Mr. ROBERT C. BYRD. It is entirely possible. I am in no position to make a commitment to that end, but I would hope that would be the case.

Mr. WILLIAM L. SCOTT. I appreciate the Senator's remarks.

Mr. HRUSKA. Mr. President, may I inquire whether a unanimous consent request has been granted for the filing of Presidential messages and nominations?

Mr. ROBERT C. BYRD. When does the Senator mean?

Mr. HUGH SCOTT. During the recess.

ORDER AUTHORIZING SECRETARY OF THE SENATE TO RECEIVE MESSAGES FROM THE PRESIDENT DURING THE RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the recess over until Monday, July 7, the Secretary of the Senate be authorized to receive messages from the President of the United States which will include nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER AUTHORIZING SECRETARY OF THE SENATE TO RECEIVE MESSAGES FROM THE HOUSE OF REPRESENTATIVES DURING THE RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive messages from the House of Representatives during the recess over until July 7.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER AUTHORIZING SIGNING OF ENROLLED BILLS AND JOINT RESOLUTIONS DURING THE RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Vice President and that the President pro tempore of the Senate and the Acting President pro tempore of the Senate be authorized to sign duly enrolled bills and joint resolutions during the recess over until July 7.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT NO ROLLCALL VOTES OCCUR PRIOR TO 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no rollcall votes occur tomorrow prior to the hour of 10:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR HUBERT HUMPHREY—A GREAT CHAIRMAN OF THE JOINT ECONOMIC COMMITTEE

Mr. PROXMIRE. Mr. President, I wish to draw the attention of the Senate and the public to the great job that Senator HUBERT HUMPHREY has been doing as chairman of the Joint Economic Committee.

While the committee has no direct legislative jurisdiction it is responsible for keeping tabs on the country's economic policies and in carrying out the Employment Act of 1946 which calls for maximum growth and employment.

The Joint Economic Committee has an influence that depends greatly on the vigor, information, and force of the chairman. Its hearings where every major Cabinet official must explain Government economic policy; the studies it puts out which are of great merit and have had major influence in the academic and economic communities; and the public witnesses who appear to give advice, have raised the level of economic intelligence and understanding to an unusually high plane. But whether or not all of this does any real good depends on whether Members of Congress and the public know about it. That is the chairman's job, and Senator HUMPHREY does that job superbly.

INNOVATIVE CHAIRMAN

Those of us who know and who have worked with Senator HUMPHREY know that no man has more good ideas or is more capable of translating good ideas into action than he is. And this enthusiasm has transformed that committee as only HUBERT HUMPHREY could do. Here are some of the things he has done.

WEEKLY NEWSLETTER

First, he has instituted a weekly newsletter which gives the highlights of the testimony and information presented to the committee. This goes to every Senator and every Congressman, as well as to Governors, mayors, and other officials.

No one has ever accused Senator HUMPHREY of hiding his light under a bushel, but the work of the committee would be to no avail if it were not publicized. A good idea needs wings and Senator HUMPHREY has helped to provide those wings by way of the weekly newsletter.

HIGH QUALITY OF WITNESSES

Second, he has brought to the committee an extremely high quality of witness—Government witnesses, private critics, and knowledgeable economists. He believes in the cut and thrust of debate and knows that ideas and issues are best winnowed by exposing them to public criticism. And because he believes in that process—essentially the democratic process—the committee has heard the views of those from the right and the left and the middle.

ZEST FOR QUESTIONING

Third, I would be remiss if I did not mention the special quality he brings to the committee. The rollicking, humorous, zestful questioning of witnesses by HUBERT HUMPHREY is a marvel to behold. It is the best show in town.

BELIEVES IN CUT AND THRUST OF DEBATE

Finally, let me mention the effective challenge Senator HUMPHREY has mounted to the administration's economic policies.

This is a vital function to perform in a political democracy. It should be done by Congress whether the President is of the majority party or the minority party. All truth does not lie with the administrators nor the particular stable of economists now at the Council of Economic Advisers, the Treasury, and the Office of Management and Budget. In fact most of us believe that this particular set of economic advisers are the most conservative advisers any President has had since Herbert Hoover.

The chairman, the President's top economist, openly opposes the progressive income tax, the antitrust laws, and consumer protection legislation. His views are best described by the term "antediluvian" which, translated literally, means "born before the flood." His views are as antiquated as those held before Noah loaded his Ark.

HE KEEPS THEM HONEST

Now, in these circumstances it takes someone with the bounce and the zest and the essential good humor of the Senator from Minnesota to keep the administration economists on their toes without ever offending them in any personal way.

HUBERT HUMPHREY, as chairman of the Joint Economic Committee, is right out of the tradition of that other superb JEC chairman, Paul Douglas. HUMPHREY was mayor of a great city; Senator from

Minnesota; and Vice President of the United States. Now he is back in the Senate and is chairman of this important committee.

I am delighted to report that he has taken charge and is doing a great job.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination at the desk, which was reported earlier today.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

FEDERAL HOME LOAN BANK BOARD

The legislative clerk read the nomination of Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board.

Mr. PROXMIRE. Mr. President, Mr. Marston appeared before the Committee on Banking, Housing and Urban Affairs today for us to consider his nomination. The Senator from Utah (Mr. GARN) and I were the two Senators present.

I was very impressed by Mr. Marston. We questioned him for about an hour or so. He is a man of great ability. He already has served on this board since April 1974.

It is estimated that the Senate act promptly, because this man's term expires on June 30, and the chairman of the board has resigned. In order for the board to have a quorum, it is necessary that Mr. Marston's nomination be confirmed promptly. That is the reason why we are pushing hard for the confirmation of the nomination now, if possible.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

"CONTENT" KEYWORD IN FIRST AMENDMENT DECISION

Mr. PROXMIRE. Mr. President, the Supreme Court says that if I am driving or walking past a drive-in theater and I can see on its screen human nudity that distracts or offends me, I just should turn my eyes away.

The Supreme Court does not say I should turn off my radio or television set if I hear an opinion on an important public issue I disagree with. No, it says that I may complain and, under certain circumstances, it might even help me put the station off the air.

In a case involving a Jacksonville, Fla., drive-in theater that showed a movie containing nudity, the Court this week said, in effect, "If you do not like nudity, that is just too bad. Nobody is forcing you to look. Do you not know that the theater owner has first amendment rights? Besides, some people want to see those movies. They might not be able to if the owner can be forced to spend a lot of money to put up a big fence."

Mr. President, I do not disagree with the Jacksonville case. But I wonder why the Supreme Court in the past has not worried as much about free speech and free press rights when it comes to radio and television.

The Court in a 6-to-3 decision on Monday held invalid an ordinance that made it a public nuisance for drive-ins to exhibit movies showing human nudity if the screen were visible from a street or other public place.

The majority decision, written by Mr. Justice Powell, said:

> The Jacksonville ordinance discriminates among movies solely on the basis of content.

In a footnote to that sentence, it said that the issue in the case—

> is not the viewing rights of unwilling viewers but rather the rights of those who operate drive-in theatres and the public that attends these establishments. The effect of the Jacksonville ordinance is to increase the cost of showing films containing nudity. . . . In certain circumstances theatres will avoid showing these movies rather than incur the additional costs. As a result persons who want to see such films at drive-ins will be unable to do so.

The city of Jacksonville argued that it wanted to protect its citizens against unwilling exposure to materials that may be offensive to them. And it said it had police powers to protect children.

The Supreme Court said:

> In concluding that this ordinance is invalid we do not deprecate the legitimate interests asserted by the city of Jacksonville. We hold only that the present ordinance does not satisfy the rigorous constitutional standards that apply when Government attempts to regulate expression. Where first amendment freedoms are at stake we have repeatedly emphasized that precision of drafting and clarity of purpose are essential. These prerequisities are absent here.

Because the huge size of drive-in screens draws attention, Chief Justice Burger in dissenting drew an analogy with a 1932 case involving billboards. He quoted Mr. Justice Brandeis in that case:

> The radio can be turned off, but not so the billboard or street car placard.

That is right. The radio and TV can be turned off.

Yet, supporters of the Federal Communications Commission's so-called fairness doctrine scoff at the suggestion that if a broadcast discussion of public affairs—not nudity, but important public issues—offends the listener he can merely switch off the set or turn the dial to something else.

In the Jacksonville case, the Supreme Court did not order that a fence be built to protect unwilling viewers. It even hinted that the cost of such a requirement might be so great as to cause the theater owner to opt for discontinuing the showing of such movies. And that option, it said, could deprive persons who want to pay to see such movies from their right to see them.

But because of interpretations of the fairness doctrine by the Supreme Court and by the FCC, there is no such thing as an unwilling TV viewer or a radio listener. Instead, it is the Government that builds fences around the receiving sets. By controlling the content of broadcast programing, even indirectly, the fairness doctrine creates a chilling effect.

In the Red Lion Broadcasting Co., case the landmark decision on the fairness doctrine, the Supreme Court said that—

> If the "administration of these (fairness) doctrines indicates that they have the net effect of reducing rather than enhancing the volume and quality of coverage, there will be time enough to reconsider the constitutional implications.

So far the Court has not been brought such a case.

But the Supreme Court took upon itself consideration of the chilling effect of the Jacksonville ordinance.

The parallel between the Jacksonville case and the administration of the fairness doctrine is not perfect. In the drive-in theater case there is nothing about what other kind of movies should be shown. In fact, no question is even raised about the right of the theater operator to show what he pleases. In fairness doctrine cases, of course, the question is always about whether additional programing should be required to give opposing viewpoints a chance to be heard.

There is a parallel, however, in that content is involved at the heart of both.

Listen to Mr. Justice Powell in the Jacksonville case:

> Much that we encounter offends our esthetic, if not our political and moral, sensibilities. Nevertheless, the Constitution does not permit the Government to decide which types of otherwise protected speech are sufficiently offensive to require protection for the unwilling listener or viewer. Rather, absent the narrow circumstances described above, the burden normally falls upon the viewer to "avoid further bombardment of (his) sensibility simply by averting, his eyes."

One of those narrow circumstances the Court referred to "above" was "when the speaker intrudes on the privacy of the home."

Ah hah, says the defender of the fairness doctrine, radio and TV are most often heard and seen in the privacy of the home.

But the Court's reference is to a 1972 decision in which the Court upheld the law that permits a person receiving a pandering or erotic advertisement by mail to instruct the Postmaster General to inform the sender that such mail is not to be sent in the future.

But what about protecting the children?

The Jacksonville decision says that "minors are entitled to a significant measure of first amendment protection." And it goes on to say, "Clearly all nudity cannot be deemed obscene even as to minors."

I am not defending nudity. But the fairness doctrine does not deal with nudity or moral questions. There is a statute in the criminal code to deal with obscene language on radio and television. The fairness doctrine deals not with moral questions, but with politics in the broad sense of that word.

So what we have in effect is this: The Supreme Court says that when dealing with a moral question such as might be involved in nude movies, the Government should not get involved because the unwilling viewer does not have to watch. But the Supreme Court has given constitutional blessing to parts of the fairness doctrine which says that the willing listener when offended can take action that ultimately could lead to forcing the TV screen to carry something more to his liking. He surely must be willing because the Court has said nothing in fairness cases about turning off the set.

At another point in the Jacksonville case, the majority decision quotes Police Department of Chicago against Mosley:

> (A)bove all else, the first amendment means that Government has no power to restrict expression because of its message, its ideas, its subject matter, or its content.

Defenders of the fairness doctrine say that the doctrine does not prevent broadcasters or persons appearing on their programs from saying anything they wish to say. Rather, all the fairness doctrine requires is that once having said something, opposing viewpoints must be given a chance to be heard. And the fairness doctrine also requires that broadcasters devote reasonable amounts of time to discussion of controversial issues of public importance.

Such requirements clearly involve government in the regulation of expression. And that means governmental control over content.

The Court is saying on one hand, go ahead and show nude movies, and on the other hand, watch out about having robust discussions of issues that may affect the public and in turn, the public's voice in governmental affairs.

There is something incongruous about this state of affairs.

Let us get back to the cost of governmental regulation to the person regulated. As pointed out earlier, the Court is solicitous of the theater owner who might be put to extra cost because of the Jacksonville ordinance. Two costs are implied by the Court: The cost of putting up a fence to block the vision of passersby; and the cost of losing customers if nude movies could not be shown absent a fence.

What about the cost to the broadcaster caused by the fairness doctrine? To my knowledge, the Court has not worried about that. It has not been concerned about the time and effort required to answer fairness complaints, complaints that must be answered if the FCC is not to get involved. It has not been concerned about the legal costs involved in defending, successfully or unsuccessfully, a fairness complaint. It has not been concerned about the cost involved in surveying the public to find out what public issues face a community, issues that any trained newsman can recognize without being told.

Broadcasting generally is a profitable business, and broadcasters can afford these added costs. But why is it that these costs have not been considered in fairness doctrine cases in a similar fashion to the costs of the Jacksonville drive-in operator?

The majority decision in the Jacksonville case ends with the statement that where "first amendment freedoms are at stake—precision of drafting and clarity of purpose are essential" in writing laws.

The Jacksonville ordinance did not meet that test. What about section 315 of the Communications Act, the statute that gave authority to the FCC's fairness doctrine? This Senator, incidentally, had a hand in drafting that law.

On Tuesday I obtained unanimous consent to insert in the RECORD a Texas Law Review article that noted that the Congress ordered no studies of first amendment consequences of regulating the discussion of public issues on radio and television. Yet, the article noted, the Congress did order a study of violence on television but did not act to control it because of possible risks to protected expression.

Nude movies, yes; unfettered discussion of public issues, no. That is what the Court has handed us.

It seems that we in the Congress should be taking another look at the fairness doctrine. That is why I have introduced S. 2, the First Amendment Clarification Act of 1975.

Mr. President, I ask unanimous consent that the Supreme Court decision in the Jacksonville case be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Supreme Court of the United States]

ERZNOZNIK v. CITY OF JACKSONVILLE

APPEAL FROM THE DISTRICT COURT OF APPEAL OF FLORIDA, FIRST DISTRICT

No. 73-1942. Argued February 26, 1975—Decided June 23, 1975

A Jacksonville, Fla., ordinance making it a public nuisance and a punishable offense for a drive-in movie theater to exhibit films containing nudity, when the screen is visible from a public street or place, is facially invalid as an infringement of First Amendment rights. Pp. 3–12.

(a) The ordinance by discriminating among movies solely on the basis of content has the effect of deterring drive-in theaters from showing movies containing any nudity, however innocent or even educational, and such censorship of the content of otherwise protected speech cannot be justified on the basis of the limited privacy interest of persons on the public streets, who if offended by viewing the movies can readily avert their eyes. Pp. 3–7.

(b) Nor can the ordinance be justified as an exercise of the city's police power for the protection of children against viewing the films. Even assuming that such is its purpose, the restriction is broader than permissible since it is not directed against sexually explicit nudity or otherwise limited. Pp. 7–.

(c) Nor can the ordinance be justified as a traffic regulation. If this were its purpose, it would be invalid as a striking under-inclusive legislative classification since it singles out movies containing nudity from all other movies that might distract a passing motorist. Pp. 9–10.

(d) The possibility of a narrowing construction of the ordinance appears remote, particularly where appellee city offered several distinct justifications for it in its broadest terms. Moreover, its deterrent effect on legitimate expression in the form of movies is both real and substantial. Pp. 11–12.

288 So. 2d 260, reversed.

SYLLABUS

POWELL, J., delivered the opinion of the Court, in which DOUGLAS, BRENNAN, STEWART, MARSHALL, and BLACKMUN, JJ., joined. DOUGLAS, J., filed a concurring opinion. BURGER, C. J., filed a dissenting opinion, in which REHNQUIST, J., joined. WHITE, J., filed a dissenting opinion.

[Supreme Court of the United States, No. 73–1942]

RICHARD ERZNOZNIK, ETC., APPELLANT, VERSUS CITY OF JACKSONVILLE

On Appeal from the District Court of Appeal of Florida for the First District

[June 23, 1975]

MR. JUSTICE POWELL delivered the opinion of the Court.

This case presents a challenge to the facial validity of a Jacksonville, Florida, ordinance that prohibits showing films containing nudity by a drive-in movie theater when its screen is visible from a public street or place.

I

Appellant, Richard Erznoznik, is the manager of the University Drive-In Theatre in Jacksonville. On March 13, 1972, he was charged with violating § 330.313 of the municipal code for exhibiting a motion picture, visible from public streets, in which "female buttocks and bare breasts were shown." [1] The ordinance, adopted January 14, 1972, provides:

"330.313 *Drive-In Theaters, Films Visible From Public Streets or Public Places*. It shall be unlawful and it is hereby declared a public nuisance for any ticket seller, ticket taker, usher, motion picture projection machine operator, manager, owner, or any other person connected with or employed by any drive-in theater in the City to exhibit, or aid or assist in exhibiting, any motion picture, slide, or other exhibit in which the human male or female bare buttocks, human female bare breasts, or human bare public areas are shown, if such motion picture, slide, or other exhibit is visible from any public street or public place. Violation of this section shall be punishable as a Class C offense."

Appellant, with the consent of the City Prosecutor, successfully moved to stay his prosecution so that the validity of the ordinance could be tested in a separate declaratory action. In that action appellee, the city of Jacksonville, introduced evidence showing that the screen of appellant's theater is visible from two adjacent public streets and a nearby church parking lot. There was also testimony indicating that people had been observed watching films while sitting outside the theater in parked cars and in the grass.

The trial court upheld the ordinance as a legitimate exercise of the municipality's police power, and ruled that it did not infringe appellant's First Amendment rights. The District Court of Appeals, First District of Florida, affirmed, 288 So. 2d 260 (1974), relying exclusively on *Chemline, Inc.* v. *City of Grand Prairie*, 364 F. 2d 721 (CA5 1966), which had sustained a similar ordinance.[2] The Florida Supreme Court denied certiorari, three judges dissenting. 294 So. 2d 93 (1974). We noted probable jurisdiction,[3] 419 U.S. 822 (1974), and now reverse.

II

Appellee concedes that its ordinance sweeps far beyond the permissible restraints on obscenity, see *Miller* v. *California*, 413 U.S. 15 (1973), and thus applies to films that are protected by the First Amendment. See *Joseph Burstyn, Inc.* v. *Wilson*, 343 U.S. 495 (1952); *Jenkins* v. *Georgia*, 418 U.S. 153

Footnotes at end of article.

(1974). Nevertheless, it maintains that any movie containing nudity which is visible from a public place may be suppressed as a nuisance. Several theories are advanced to justify this contention.

A

Appellee's primary argument is that it may protect its citizens against unwilling exposure to materials that may be offensive. Jacksonville's ordinance, however, does not protect citizens from all movies that might offend; rather it singles out films containing nudity, presumably because the lawmakers considered them especially offensive to passersby.

This Court has considered analogous issues—pitting the First Amendment rights of speakers against the privacy rights of those who may be unwilling viewers or auditors—in a variety of contexts. See, *e.g.*, *Kovacs* v. *Cooper*, 336 U.S. 77 (1949); *Breard* v. *Alexander*, 341 U.S. 622 641–645 (1951); *Cohen* v. *California*, 403 U.S. 15 (1971); *Lehman* v. *City of Shaker Heights*, 418 U.S. 298 (1974). See generally Haiman, Speech v. Privacy: Is There A Right Not To Be Spoken To?, 67 N.W.U.L. Rev. 153 (1972). Such cases demand delicate balancing because

> "[i]n th[e] sphere of collision between claims of privacy and those of [free speech or] free press, the interests on both sides are plainly rooted in the traditions and significant concerns of our society." *Cox Broadcasting Corp.* v. *Cohn*, 420 U.S. 469, 491 (1975).

Although each case ultimately must depend on its own specific facts, some general principles have emerged. A State or municipality may protect individual privacy by enacting reasonable time, place, and manner regulations applicable to all speech irrespective of content. See *Kovacs* v. *Cooper*, *supra*; *Cox* v. *Louisiana*, 379 U.S. 536, 554 (1965); *Adderly* v. *Florida*, 385 U.S. 39 (1966). But when the government, acting as censor, undertakes selectively to shield the public from some kinds of speech on the ground that they are more offensive than others, the First Amendment strictly limits its power. See, *e.g.*, *Police Department of Chicago* v. *Mosley*, 408 U.S. 92 (1972); *Fowler* v. *Rhode Island*, 345 U.S. 67 (1953); *Kovacs* v. *Cooper*, 336 U.S., at 97 (Jackson, J., concurring). Such selective restrictions have been upheld only when the speaker intrudes on the privacy of the home, see *Rowan* v. *Post Office Dept.*, 397 U.S. 728 (1970),[4] or the degree of captivity makes it impractical for the unwilling viewer or auditor to avoid exposure. See *Lehman* v. *City of Shaker Heights*, *supra*.[5] As Mr. Justice Harlan cautioned:

> "The ability of government, consonant with the Constitution, to shut off discourse solely to protect others from hearing it is . . . dependent upon a showing that substantial privacy interests are being invaded in an essentially intolerable manner. Any broader view of this authority would effectively employ a majority to silence dissidents simply as a matter of personal predilections." *Cohen* v. *California*, 403 U.S., at 21.

The plain, if at times disquieting, truth is that in our pluralistic society, constantly proliferating new and ingenious forms of expression, "We are inescapably captive audiences for many purposes." *Rowan* v. *Post Office Dept.*, 397 U.S., at 736. Much that we encounter offends our esthetic, if not our political and moral, sensibilities. Nevertheless, the Constitution does not permit the governmental to decide which types of otherwise protected speech are sufficiently offensive to require protection for the unwilling listener or viewer. Rather, absent the narrow circumstances described above,[6] the burden normally falls upon the viewer to "avoid further bombardment of [his] sensibilities simply by averting [his] eyes." *Cohen* v. *California*, 403 U.S., at 21. See also *Spence* v. *Washington*, 418 U.S. 405, 412 (1974).

The Jacksonville ordinance discriminates among movies solely on the basis of content.[7] Its effect is to deter drive-in theaters from showing movies containing any nudity, however innocent or even educational.[8] This discrimination cannot be justified as a means of preventing significant intrusions on privacy. The ordinance seeks only to keep these films from being seen from public streets and places where the offended viewer readily can avert his eyes. In short, the screen of a drive-in theater is not "so obtrusive as to make it impossible for an unwilling individual to avoid exposure to it." *Redrup* v. *New York*, 386 U. S. 767, 769 (1967). Thus, we conclude that the limited privacy interest of persons on the public streets cannot justify this censorship of otherwise protected speech on the basis of its content.[9]

B

Appellee also attempts to support the ordinance as an exercise of the city's undoubted police power to protect children. Appellee maintains that even though it cannot prohibit the display of films containing nudity to adults, the present ordinance is a reasonable means of protecting minors from this type of visual influence.

It is well settled that a State or municipality can adopt more stringent controls on communicative materials available to youths than on those available to adults. See, *e.g.*, *Ginsberg* v. *New York*, 390 U.S. 629 (1968). Nevertheless, minors are entitled to a significant measure of First Amendment protection, see *Tinker* v. *Des Moines Independent Community School Dist.*, 393 U.S. 503 (1969), and only in relatively narrow and well-defined circumstances may government bar public dissemination of protected materials to them. See, *e. g.*, *Interstate Circuit, Inc.* v. *City of Dallas*, 390 U.S. 676 (1968); *Rabeck* v. *New York*, 391 U. S. 462 (1968).

In this case, assuming the ordinance is aimed at prohibiting youths from viewing the films, the restriction is broader than permissible. The ordinance is not directed against sexually explicit nudity, nor is it otherwise limited. Rather, it sweepingly forbids display of all films containing *any* uncovered buttocks or breasts, irrespective of context or prevasiveness. Thus it would bar a film containing a picture of a baby's buttocks, the nude body of war victim, or scenes from a culture in which nudity is indigenous. The ordinance also might prohibit newsreel scenes of the opening of an art exhibit as well as shots of bathers on a beach. Clearly all nudity cannot be deemed obscene even as to minors. See *Ginsberg* v. *New York*, *supra*.[10] Nor can such a broad restriction be justified by any other governmental interest pertaining to minors. Speech that is neither obscene as to youths nor subject to some other legitimate prescription cannot be suppressed solely to protect the young from ideas or images that a legislative body thinks unsuitable for them. In most circumstances,[11] the values protected by the First Amendment are no less applicable when government seeks to control the flow of information to minors. See *Tinker* v. *Des Moines Independent Community School Dist.*, *supra*. Cf. *West Virginia Bd. of Educ.* v. *Barnette*, 319 U.S. 624 (1943). Thus, if Jacksonville's ordinance is intended to regulate expression accessible to minors it is overbroad in its proscription.[12]

C

At oral arugment appellee, for the first time, sought to justify its ordinance as a traffic regulation. It claimed that nudity on a drive-in movie screen distracts passing motorists, thus slowing the flow of traffic and increasing the likelihood of accidents.

Nothing in the record or in the text of the ordinance suggests that it is aimed at traffic regulation. Indeed, the ordinance applies to movie screens visible from public places as well as public streets, thus indicating that it is not a traffic regulation. But even if this were the purpose of the ordinance, it nonetheless would be invalid. By singling out movies containing even the most fleeting and innocent glimpses of nudity the legislative classification is strikingly underinclusive. There is no reason to think that a wide variety of other scenes in the customary screen diet, ranging form soap opera to violence, would be any less distracting to the passing motorist.

This Court frequently has upheld underinclusive classification on the sound theory that a legislature may deal with one part of a problem without addressing all of it. See, *e. g.*, *Williams* v. *Lee Optical, Inc.*, 348 U.S. 483, 488–489 (1955). This presumption of statutory validity, however, has less force when a classification turns on the subject matter of expression. "[A]bove all else, the First Amendment means that government has no power to restrict expression because of its message, its ideas, its subject matter, or its content." *Police Dept. of Chicago* v. *Mosley*, 408 U.S., at 95. Thus, "under the Equal Protection Clause, not to mention the First Amendment itself," *id.*, at 96, even a traffic regulation cannot discriminate on the basis of content unless there are clear reasons for the distinctions. See also *Cox* v. *Louisiana*, 379 U.S., at 581 (opinion of Black, J.). Cf. *Williams* v. *Rhodes*, 393 U.S. 23 (1969); *Shapiro* v. *Thompson*, 394 U.S. 618 (1969).

Appellee offers no justification, nor are we aware of any, for distinguishing movies containing nudity from all other movies in a regulation designed to protect traffic. Absent such a justification, the ordinance cannot be salvaged by this rationale.[13]

III

Even though none of the reasons advanced by appellee will sustain the Jacksonville ordinance, it remains for us to decide whether the ordinance should be invalidated on its face. This Court has long recognized that a demonstrably overbroad statute or ordinance may deter the legitimate exercise of First Amendment rights. Nonetheless, when considering a facial challenge it is necessary to proceed with caution and restraint, as invalidation may result in unnecessary interference with a state regulatory program. In accommodating these competing interests the Court has held a state statute should not be deemed facially invalid unless it is not readily subject to a narrowing construction by the state courts, see *Dombrowski* v. *Pfister*, 380 U. S. 479, 497 (1965), and its deterrent effect on legitimate expression in both real and substantial. See *Broadrick* v. *Oklahoma*, 413 U.S. 601, 612–615 (1973). See generally Note, The First Amendment Overbreadth Doctrine, 83 Harv. L. Rev. 844 (1970).

In the present case the possibility of a limiting construction appears remote. Appellee explicitly joined in this test of the facial validity of its ordinance by agreeing to stay appellant's prosecution.[14] Moreover, the ordinance by its plain terms is not easily susceptible to a narrowing construction.[15] Indeed, when the state courts were presented with this overbreadth challenge they made no effort to restrict its application. Compare *Coates* v. *City of Cincinnati*, 402 U.S. 611, 612–613 (1971), and *Brandenburg* v. *Ohio*, 395 U. S. 444, 448–449 (1969), with *Cox* v. *New Hampshire*, 312 U. S. 569, 575–576 (1941), and *Chaplinsky* v. *New Hampshire*, 315 U. S. 568, 572–573 (1942). In these circumstances, particularly where as here appellee offers several distinct justifications for the ordinance in its broadest terms, there is no reason to assume that the ordinance can or will be decisively narrowed. See *Gooding* v. *Wilson*, 405 U. S. 518, 520–527 (1972). Cf. *Grayned* v. *City of*

Footnotes at end of article.

Rockford, 408 U. S. 104, 111–112 (1972); *Time, Inc.* v. *Hill*, 385 U. S. 374, 397 (1967).

Moreover, the deterrent effect of this ordinance is both real and substantial. Since it applies specifically to all persons employed by or connected with drive-in theaters, the owners and operators of these theaters are faced with an unwelcome choice: to avoid prosecution of themselves and their employees they must either restrict their movie offerings or construct adequate protective fencing which may be extremely expensive or even physically impracticable.[16] Cf. *Lake Carriers' Assn.* v. *MacMullan*, 406 U.S. 498, 513 (POWELL, J., dissenting).

IV

In concluding that this ordinance is invalid we do not deprecate the legitimate interests asserted by the city of Jacksonville. We hold only that the present ordinance does not satisfy the rigorous constitutional standards that apply when government attempts to regulate expression. Where First Amendment freedoms are at stake we have repeatedly emphasized that precision of drafting and clarity of purpose are essential. These prerequisites are absent here. Accordingly the judgment below is *Reversed*.

FOOTNOTES

[1] The movie, "Class of '74," had been rated "R" by the Motion Picture Association of America. An "R" rating indicates that youths may be admitted only when accompanied by a parent or guardian. See generally Friedman, The Motion Picture Rating System of 1968: A Constitutional Analysis of Self-Regulation by the Firm Industry, 73 Col. L. Rev. 185 (1973). Although there is nothing in the record regarding the content of the movie, the parties agree that it includes pictures of uncovered female breasts and buttocks.

[2] The only other Circuit Court of Appeals to consider this question reached a contrary result. See *Cinecom Theatres Midwest States, Inc.* v. *City of Fort Wayne*, 473 F. 2d 1297 (CA7 1973).

[3] A local ordinance is deemed a state statute for purposes of invoking this Court's jurisdiction under 28 U.S.C. § 1257 (2). See *King Manufacturing Co.* v. *City Council of Augusta*, 277 U.S. 100 (1928).

[4] *Rowan* involved a congressional statute that permits a person receiving "a pandering advertisement" which he believes to be "erotically arousing or sexually provocative" to instruct the Postmaster General to inform the sender that such mail is not to be sent in the future. The Court upheld the statute, emphasizing that individual privacy is entitled to greater protection in the home than on the streets and noting that "the right of every person 'to be let alone' must be placed in the scales with the right of others to communicate." See *id.*, at 736–738.

[5] In *Lehman* the Court sustained a municipality's policy of barring political advertisements while permitting nonpolitical advertisements on city buses. The issue was whether the city had created a "public forum" and thereby obligated itself to accept all advertising. While concluding that no public forum had been established, both the plurality and concurring opinions recognized that the degree of captivity and the resultant intrusion on privacy is significantly greater for a passenger on a bus than for a person on the street. See *id.*, at 302–304 (opinion of Mr. Justice Blackmun), and at 306–308 (Douglas J., concurring). See also *Public Utilities Comm'n* v. *Pollak*, 343 U.S. 451, 467 (1952) (Douglas, J., dissenting).

[6] It has also been suggested that government may proscribe, by a properly framed law, "the willful use of scurrilous language calculated to offend the sensibilities of an unwilling audience." *Rosenfeld* v. *New Jersey*, 408 U.S. 901, 905 (Powell, J., dissenting). Cf. *Ginzburg* v. *United States*, 383 U.S. 463 (1966). In such cases the speaker may seek to "force public confrontation with the potentially offensive aspects of the work." *Id.*, at 470. It may not be the content of the speech, as much as the deliberate "verbal [or visual] assault," *Rosenfeld, supra*, at 906, that justifies proscription. See *Redrup* v. *New York*, 386 U.S. 767, 769 (1967). In the present case, however, appellant is not trying to reach, much less shock, unwilling viewers. Appellant manages a commercial enterprise which depends for its success on *paying* customers, not on free-loading passersby. Presumably, where economically feasible, the screen of a drive-in theater will be shielded from those who do not pay.

[7] Scenes of nudity in a movie, like pictures of nude persons in a book, must be considered as a part of the whole work. See *Miller* v. *California*, 413 U.S., at 24; *Kois* v. *Wisconsin*, 408 U.S. 229 (1972). In this respect such nudity is distinguishable from the kind of public nudity traditionally subject to indecent exposure laws. See *Roth* v. *United States*, 354 U.S. 476, 512 (1957) (DOUGLAS, J., dissenting) ("No one would suggest that the First Amendment permits nudity in public places"). Cf. *United States* v. *O'Brien*, 391 U.S. 367 (1968).

The Chief Justice's dissent, in response to this point, states that "[u]nlike persons reading books, passersby cannot consider fragments of drive-in movies as a part of the 'whole work' for the simple reason that they *see* but do not *hear* the performance, . . ." *Post*, at 4 (emphasis in original). At issue here, however, is not the viewing rights of unwilling viewers but rather the rights of those who operate drive-in theaters and the public that attends these establishments. The effect of the Jacksonville ordinance is to increase the cost of showing films containing nudity. See n. 8, *infra*. In certain circumstances theaters will avoid showing these movies rather than incur the additional costs. As a result persons who want to see such films at drive-ins will be unable to do so. It is in this regard that a motion picture must be considered as a whole, and not as isolated fragments or scenes of nudity.

[8] Such a deterrent, although it might not result in total suppression of these movies, is a restraint on free expression. See *Speiser* v. *Randall*, 357 U.S. 513, 518–519 (1958). The record does not indicate how much it would cost to block public view of appellant's theater. Such costs generally will vary with circumstances. In one case the expense was estimated at approximately a quarter million dollars. See *Olympic Drive-In Theatre, Inc.* v. *City of Pagedale*, 411 S.W. 2d 5, 8 (Mo. 1969).

[9] We are not concerned in this case with a properly drawn zoning ordinance restricting the location of drive-in theaters or with a nondiscriminatory nuisance ordinance designed to protect the privacy of persons in their homes from the visual and audible intrusions of such theaters.

[10] In *Ginsberg* the Court adopted a variation of the adult obscenity standards enunciated in *Roth* v. *United States*, 354 U.S. 476 (1957), and *Memoirs* v. *Massachusetts*, 383 U.S. 413 (1966) (plurality opinion). In *Miller* v. *California, supra*, we abandoned the *Roth-Memoirs* test for judging obscenity with respect to adults. We have not had occasion to decide what effect *Miller* will have on the *Ginsberg* formulation. It is clear, however, that under any test of obscenity as to minors not all nudity would be proscribed. Rather, to be obscene "such expression must be, in some significant way, erotic." *Cohen* v. *California*, 403 U.S., at 20. See *Paris Adult Theatre I* v. *Slaton*, 413 U.S. 49, 106–107 (1973) (Brennan, J., dissenting).

[11] The First Amendment rights of minors are not "co-extensive with those of adults." *Tinker* v. *Des Moines Independent Community School Dist.*, 393 U. S., at 515 (Stewart, J., concurring). "[A] state may permissibly determine that at least in some precisely delineated areas, a child—like someone in a captive audience—is not possessed of that full capacity for individual choice which is the presupposition of First Amendment guarantees." *Ginsberg* v. *New York*, 390 U. S., at 649–650 (Stewart, J., concurring). In assessing whether a minor has the requisite capacity for individual choice the age of the minor is a significant factor. See *Rowan* v. *Post Office Dept.*, 397 U. S., at 741 (Brennan, J., concurring).

[12] See Part III, *infra*.

[13] This is not to say that a narrowly drawn nondiscriminatory traffic regulation requiring screening of drive-in movie theaters from the view of motorists would not be a reasonable exercise of police power. See *Police Dept. of Chicago* v. *Mosley*, 408 U.S., and 98, and cases cited.

[14] In this respect the present case arises in a posture that differs from most challenges to a statute or ordinance considered by this Court. Typically in such cases the issue arises in a context where the statute or ordinance has been applied to allegedly unprotected activity. Thus, we are able to consider the constitutionality of the statute "as applied" as well as "on its face."

[15] The only narrowing construction which occurs to us would be to limit the ordinance to movies that are obscene as to minors. Neither appellee nor the Florida courts have suggested such a limitation, perhaps because a rewriting of the ordinance would be necessary to reach that result.

[16] In this case appellant himself is a theater manager. Hence the statutes' deterrent effect acts upon him personally; he is not seeking to raise the hypothetical rights of others. See *Breard* v. *Alexandria*, 341 U.S. 622, 641 (1951).

[Supreme Court of the United States,
No. 73–1942]

RICHARD ERZNOZNIK, ETC., APPELLANT, V.
CITY OF JACKSONVILLE

On Appeal from the District Court of Appeal
of Florida for the First District

[June 23, 1975]

MR. JUSTICE DOUGLAS, concurring.

I join wholeheartedly in the Court's view that the ordinance in issue here is fatally overinclusive in some respects and fatally underinclusive in others. I do not doubt that under proper circumstances, a narrowly drawn ordinance could be utilized within constitutional boundaries to protect the interests of captive audiences[1] or to promote highway safety. In these days of heavy traffic, it is reasonable to attempt to remove all distractions that might increase accdents. These legitimate interests cannot, however, justify attempts to discriminate among movies on the basis of their content—a "pure" movie is apt to be just as distracting to drivers as an "impure" one, and to be just as intrusive upon the privacy of an unwilling but captive audience. Any ordinance which regulates movies on the basis of content, whether by an obscenity standard[2] or by some other criterion, impermissibly intrudes upon the free speech rights guaranteed by the First and Fourteenth Amendments.

---

[1] See *Lehman* v. *City of Shaker Heights*, 418 U.S. 298, 305 (1974) (DOUGLAS, J., concurring in judgment); *Public Utiltiies Comm'n* v. *Pollak*, 343 U.S. 451, 467 (1952) (DOUGLAS, J., dissenting).

[2] I adhere to my view that any state or federal regulation of obscenity is prohibited by the Constitution. *Roth* v. *United States*, 354 U.S. 476, 508–514 (1957); *Miller* v. *California*, 413 U.S. 15, 42–47 (1973); *Paris Adult Theatre I* v. *Slaton*, 413 U.S. 49, 70–73 (1973).

[Supreme Court of the United States
No. 73–1942]

RICHARD ERZNOZNIK, ETC., APPELLANT,
v. CITY OF JACKSONVILLE

On Appeal from the District Court of Appeal
of Florida for the First District

[June 23, 1975]

MR. CHIEF JUSTICE BURGER, with whom MR. JUSTICE REHNQUIST joins, dissenting.

Although the Court pays lip service to the proposition that "each case ultimately must depend on its own facts," *ante*, at 4, it strikes down Jacksonville City Code § 330.313 by a mechanical application of "general principles" distilled from cases having little to do with either this case or each other. Because I can accept neither that approach nor its result, I dissent.

The Court's analysis seems to begin and end with the sweeping proposition that, regardless of the circumstances, government may not regulate any form of "communicative" activity on the basis of its content. Absent certain "special circumstances," we are told, the burden falls upon the public to ignore offensive materials rather than upon their purveyor to take steps to shield them from public view. In four short sentences, *ante*, at 6–7, the Court concludes that Jacksonville's ordinance does not pass muster under its tests, and therefore strikes it down.

None of the cases upon which the Court relies remotely implies that the Court ever intended to establish inexorable limitations upon state power in this area. Many cases upheld the regulation of communicative activity and did not purport to define the limits of the power to do so. *E.g., Lehman* v. *City of Shaker Heights*, 418 U.S. 298 (1974); *Rowan* v. *Post Office Dept.* 397 U.S. 728 (1970); *Beard* v. *Alexandria*, 341 U.S. 622 (1951); *Kovacs* v. *Cooper*, 336 U.S. 77 (1949). Other cases relied upon by the Court were either expressly or impliedly decided upon equal protection grounds and, although recognizing that First Amendment interests were involved, turned upon "the crucial question . . . whether there is an appropriate governmental interest suitably furthered by differential treatment." *Police Dept. of Chicago* v. *Mosley*, 408 U.S. 92, 95 (1972). See also *Fowler* v. *Rhode Island*, 345 U.S. 67 (1953). Such a standard necessarily requires particularized review. Finally, yet other of the cases cited by the Court were decided on vagueness and overbreadth. *E.g., Cox* v. *Louisiana*, 379 U.S. 536 (1965). Again, application of these doctrines requires scrutiny of the specific statute and activity involved rather than reliance upon generalizations. See, *e.g.*, 379 U.S., at 544–558.

In short, nothing in this Court's prior decisions justifies disregard of the admonition that "the nature of the forum and the conflicting interests have remained important in determining the degree of protection afforded by the [First] Amendment to the speech in question." *Lehman* v. *City of Shaker Heights*, 418 U.S. 298, 302–303 (1974) (plurality opinion of Mr. Justice Blackmun). Rather, in applying this principle in contexts similar to the instant case, members of this Court have cautioned that every medium of communication "is a law unto itself," *Kovacs* v. *Cooper*, 336 U.S. 77, 97 (1949) (opinion of Mr. Justice Jackson), and that the "tyranny of absolutes" should not be relied upon "to meet the problems generated by the need to accommodate the diverse interests affected by the motion pictures in compact modern communities." *Joseph Burstyn, Inc.* v. *Wilson*, 343 U.S. 495, 518 (1952) (opinion of Mr. Justice Frankfurter).

A careful consideration of the diverse interests involved in this case illustrates, for me, the inadequacy of the Court's rigidly simplistic approach. In the first place, the conclusion that only a limited interest of persons on the public streets is at stake here can be supported only if one completely ignores the unique visual medium to which the Jacksonville ordinance is directed. Whatever validity the notion that passersby may protect their sensibilities by averting their eyes may have when applied to words printed on an individual's jacket, see *Cohen* v. *California*, 403 U.S. 15 (1971), or a flag hung from a second-floor apartment window, see *Spence* v. *Washington*, 418 U.S. 405 (1974), it distorts reality to apply that notion to the outsize screen of a drive-in movie theater. Such screens are invariably huge; [1] indeed, photographs included in the record of this case show that the screen of petitioner's theater dominated the view from public places including nearby residences and adjacent highways. Moreover, when films are projected on such screens the combination of color and animation against a necessarily dark background is designed to, and results in, attracting and holding the attention of all observers. See Note, Motion Pictures and the First Amendment, 60 Yale L. J. 696, 707–708 (1951). Similar considerations led Mr. Justice Brandeis, writing for the Court in *Packer Corp.* v. *Utah*, 285 U.S. 105 (1932), to conclude that there is a public interest in regulating billboard displays which may not apply to other forms of advertising:

"Advertisements of this sort are constantly before the eyes of observers on the streets and in street cars without the exercise of choice or volition on their part. Other forms of advertising are ordinarily seen as a matter of choice on the part of the observer. The young people as well as the adults have the message of the billboard thrust upon them by all the arts and devices that skill can produce. The radio can be turned off, but not so the billboard or street car placard. These distinctions clearly place this kind of advertising in a position to be classified so that regulations or prohibitions may be imposed upon all within the class." 285 U.S., at 110.

So here, the screen of a drive-in movie theater is a unique type of eye-catching display that can be highly intrusive and distracting. Public authorities have a legitimate interest in regulating such displays under the police power; for example, even though traffic safety may not have been the only target of the ordinance in issue here, I think it not unreasonable for lawmakers to believe that public nudity on a giant screen, visible at night to hundreds of drivers of automobiles, may have a tendency to divert attention from their task and cause accidents.

No more defensible is the Court's conclusion that Jacksonville's ordinance is defective because it regulates only nudity. The significance of this fact is explained only in a footnote:

"Scenes of nudity in a movie, like pictures of nude persons in a book, must be considered as a part of the whole work. In this respect such nudity is distinguishable from nudity traditionally subject to indecent exposure laws." *Ante*, at 6 n. 7.

Both the analogy and the distinction are flawed. Unlike persons reading books, passersby cannot consider fragments of drive-in movies as a part of the "whole work" for the simple reason that they *see* but do not *hear* the performance, cf. Note, *supra*, at 707 and n. 27; nor do drivers and passengers on nearby highways see the whole of the visual display. The communicative value of such fleeting exposure falls somewhere in the range of slight to nonexistent. Moreover, those persons who legitimately desire to consider the "work as a whole" are not foreclosed from doing so. The record shows that the film from which appellant's prosecution arose was exhibited in several indoor theaters in the Jacksonville area. And the owner of a drive-in movie theater is not prevented from exhibiting nonobscene films involving nudity so long as he effectively shields the screen from public view. Thus, regardless of whether the ordinance involved here can be loosely described as regulating the content of a certain type of display, it is not a restriction of any "message." Cf. *Police Dept. of Chicago* v. *Mosley*, 408 U.S. 92, 95–96 (1972); *Grayned* v. *City of Rockford*, 408 U.S. 104, 115 (1972). The First Amendment interests involved in this case are trivial at best.

On the other hand, assuming *arguendo* that there could be a play performed in a theater by nude actors involving genuine communication of ideas, the same conduct in a public park or street could be prosecuted under an ordinance prohibiting indecent exposure. This is so because the police power has long been interpreted to authorize the regulation of nudity in areas to which all members of the public have access, regardless of any incidental effect upon communication. A nudist colony, for example, cannot lawfully set up shop in Central Park or Lafayette Park, places established for the public generally. Cf. *Paris Adult Theatre I* v. *Slaton*, 413 U.S. 49, 67 (1973); *Roth* v. *United States*, 354 U.S. 476, 512 (1957) (DOUGLAS, J., dissenting). Whether such regulation is justified as necessary to protect public mores or simply to insure the undistracted enjoyment of open areas by the greatest number of people—or for traffic safety—its rationale applies *a fortiori* to giant displays which through technology are capable of revealing and emphasizing the most intimate details of human anatomy.

In sum, the Jacksonville ordinance involved in this case, although no model of draftsmanship, is narrowly drawn to regulate only certain unique public exhibitions of nudity; it would be absurd to suggest that it operates to suppress expression of *ideas*. By conveniently ignoring these facts and deciding the case on the basis of absolutes the Court adds nothing to First Amendment analysis and sacrifices legitimate state interests. I would affirm the judgment of the Florida Court of Appeals.[2]

[Supreme Court of the United States, No.
73–1942]

RICHARD ERZNOZNIK, ETC., APPELLANT, v. CITY
OF JACKSONVILLE

On Appeal from the District Court of Appeal
of Florida for the First District

[June 23, 1975]

MR. JUSTICE WHITE, dissenting.

The Court asserts that the State may shield the public from selected types of speech and allegedly expressive conduct, such as nudity, only when the speaker or actor invades the privacy of the home or where the degree of captivity of an unwilling listener is such that it is impractical for him to avoid the exposure by averting his eyes. The Court concludes: "that the limited privacy interest of persons on the public streets cannot justify this censorship of otherwise protected speech on the basis of its content." *Ante*, p. ——. If this broadside is to be taken literally, the State may not forbid "expressive" nudity on the public streets, in the public parks or any other public place since other persons in those places at that time have a "limited privacy interest" and may merely look the other way.

I am not ready to take this step with the Court. Moreover, by the Court's own analysis, the step is an unnecessary one. If, as the Court holds in Part II B of its opinion, the ordinance is unconstitutionally overbroad even as an exercise of the police power to protect children, it is fatally overbroad as to the population generally. Part II A is surplusage. I therefore dissent.

---

[1] For example, in a case similar to this one the screen measured 35 feet by 70 feet and stood 54 feet above the ground. *Bloss* v. *Paris Township*, 380 Mich. 466, 157 N. W. 2d 260 (1968).

[2] On my view of this case it is not necessary to deal with the issues discussed in Parts II B, II C, and III of the Court's opinion.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at the hour of 9 a.m. After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Illinois (Mr. PERCY) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 3 minutes each, and at the conclusion of routine morning business, the Senate will proceed to the consideration of Calendar Order No. 195, H.R. 5901, an act making appropriations for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Rollcall votes on amendments thereto may occur. Rollcall on final passage thereof may occur.

Upon the disposition of H.R. 5901 tomorrow, it is the present intention of the leadership to proceed to the consideration of Calendar Order 215, S. 1849, a bill to extend the Emergency Petroleum Allocation Act.

So, rollcall votes, I would say, are likely to occur tomorrow.

RECESS UNTIL 9 A.M. TOMORROW

Mr. GARN. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 a.m. tomorrow.

The motion was agreed to, and at 6:25 p.m., the Senate recessed until tomorrow, Friday, June 27, 1975, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 26, 1975:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Forrest David Mathews, of Alabama, to be Secretary of Health, Education, and Welfare, vice Caspar W. Weinberger.

COUNCIL OF ECONOMIC ADVISERS

Burton Gordon Malkiel, of New Jersey, to be a member of the Council of Economic Advisers, vice Gary L. Seevers.

DEPARTMENT OF STATE

Walter J. P. Curley, Jr., of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Fred Kornet, Junior, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a) in grade as follows:

To be lieutenant general

Maj. Gen. Jack Carter Fuson, [redacted], U.S. Army.

IN THE NAVY

The following-named (Naval Reserve Officers Training Corps candidates) to be permanent ensigns in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law:

Thomas G. Comfort
Richard A. Fletcher
Clarence L. Lamar
Stephen B. Oster
James N. Shanahan
Jimmy Thompson

The following-named naval enlisted scientific educational program candidates to be permanent ensigns in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law:

Graham T. Hall
Jerome P. Rapin
Michael J. Tierney

Timothy G. Schacherer (Midn, Naval Academy) to be a permanent ensign in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law.

The following-named enlisted candidates to be ensigns in the Medical Service Corps, for temporary service, subject to the qualifications therefor as provided by law:

Samuel P. Alford
Neil D. Bacon
Richard Blanchette
Russell L. Cain
Michael Cawley
Jack D. Chapman
Clarence R. Cline
David A. Debella
Millard J. Driscoll
Alexander D. Eclar
Robert J. Englehart
Stanley L. Fish
Charles L. George
James F. Gollogly
John A. Hetsko
Napoleon Hodges
Howard T. Lightbody
Richard L. Mallea
John D. Marshall
Thomas R. McCoy
William L. Mitchell
Gerald M. Nicholas
Lawrence L. Oxford
Roderick J. Pierce
Pat B. Powers, Jr.
Emmett Quesenberry
Michael W. Ross
William A. Silva
Alexander Stewart
Walter Stringfield
John P. Taylor
Michael E. Teague
Ronald Thibodeau
Stephen P. Vanzee
David J. Vaughn
Bryan F. Ward
Timothy F. Weyers
John B. Wilcox
Arthur D. Williams
Ronald J. Zuber

Edward D. Johnson (U.S. Navy officer) to be appointed a temporary commander in the Chaplain Corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Gustav R. Robertson, Jr. (U.S. Navy officer) to be appointed a temporary commander in the Dental Corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Ellis H. Hall, Jr. (Naval Reserve officer) to be appointed a permanent lieutenant (jg) and a temporary lieutenant in the Dental Corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

James H. Isaacson and Robert S. Jones (Naval Reserve officers) to be appointed permanent lieutenants and temporary lieutenant commanders in the Dental Corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve officers) to be appointed permanent lieutenants in the Dental Corps of the U.S. Navy, subject to the qualifications therefor as provided by law:

Paul A. Andrews
Walter N. Gallagher
Jacob W. Jorishie, Jr.
Michael P. Mullen
James L. Peterson
Jeffrey W. Rodden

Albert E. Tompkins (civilian college graduate) to be appointed a permanent commander in the Medical Corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Donovan D. Hanson and Carl W. Slocum (U.S. Navy officers) to be appointed temporary commanders in the Medical Corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

The following-named (U.S. Navy officers) to be appointed temporary commanders in the Medical Corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

Richard P. Buedingen
Jon H. Dodson
Edwin J. Henrie
William S. Moore

Jerry A. Newton and Ward C. Parsons III (Naval Reserve officers) to be appointed permanent lieutenants in the Medical Corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

Sam Stafford III and Archie R. Traynor, Jr. (Naval Reserve officers), to be appointed permanent lieutenants and temporary lieutenant commanders in the Medical Corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

Michael Stek, Jr. (Naval Reserve officer), to be appointed a permanent lieutenant commander in the Medical Corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

Allan H. Nash, U.S. Air Force cadet, to be a permanent ensign in the line of the U.S. Navy, subject to the qualifications therefor as provided by law.

Charles M. Byrne, U.S. Army cadet, to be a permanent ensign in the line of the U.S. Navy, subject to the qualifications therefor as provided by law.

Robert C. Donaldson (Naval Reserve officer) to be appointed a permanent lieutenant commander in the Medical Corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

Bruce R. Blome (U.S. Navy officer) to be appointed a temporary commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Peter Gasperini (civilian college graduate) to be appointed a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

IN THE MARINE CORPS

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Anderson, Charles G.
Bausch, Dan O.
Benjamin, Richard D.
Burkes, Robert A.
Core, William L.
Dimitroff, Dale S.
Feldman, Kerry K.
Fetzer, Barry R.
Green, Eric J.
Heidicker, Roy W.
Hunt, Karen J.
Knittig, David G.
Langford, William R.
Lovejoy, Michael T.
Pruessner, Harold T.
Reagan, Jerry E.
Rybacki, Peter L.
Sparks, Jake L. II
White, Steven B.
Whitted, Michael W.

The following-named (Navy enlisted scientific education program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Beard, Robert L. III
Blumel, Raymond H., Jr.
Bowers, Charles S. III
Brady, Bruce F.
Depierre, Vincent G.
Mitchell, Bruce E.
Schmidt, Richard J.
Schroeck, Dennis R.
Snider, William T., Jr.
Youell, Benjamin H. III

The following-named (Marine Corps enlisted commissioning education program) graduate for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Harkins, Jack R., Jr.

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Kenneth L. Tallman, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. John Norton [redacted], Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a), in grade as follows:

To be lieutenant general

Maj. Gen. Robert Carter McAlister, [redacted] U.S. Army.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 26, 1975:

RENEGOTIATION BOARD

Christopher U. Sylvester, of North Dakota, to be a member of the Renegotiation Board.

DEPARTMENT OF JUSTICE

Michael M. Uhlmann, of Virginia, to be an Assistant Attorney General.

DEPARTMENT OF TRANSPORTATION

John Hart Ely, of Massachusetts, to be General Counsel of the Department of Transportation.

NATIONAL FIRE PREVENTION AND CONTROL ADMINISTRATION

David A. Lucht, of Ohio, to be Deputy Administrator of the National Fire Prevention and Control Administration.

FEDERAL HOME LOAN BANK BOARD

Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board for the term expiring June 30, 1979.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

SENATE—*Friday, June 27, 1975*

(Legislative day of Friday, June 6, 1975)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by Hon. GARY W. HART, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God before whom the generations rise and pass away, we thank Thee for the high heritage granted to us in the United States. As we commemorate the birth of the Nation, show us that liberty must be won and maintained in every generation. May the spiritual impulses which prompted the fathers to found a republic "of the people, by the people, and for the people" be in us to preserve that Union and to provide the amenities of life for all people which was the hope of those who won our freedom.

Be with all who are Members of this body or serve it in any way. Be with us in our lying down and in our getting up, in our going out and our coming in, in our silence and in our speaking, in our resting and in our traveling. May goodness and mercy follow us and at length bring us to our tasks again renewed in heart and mind and soul.

Through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 27, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. GARY W. HART, a Senator from the State of Colorado, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. GARY W. HART thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, June 26, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 250 and 253.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR AN ADDITIONAL ASSISTANT SECRETARY OF COMMERCE

The bill (S. 1622) to authorize an additional Assistant Secretary of Commerce was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there shall be in the Department of Commerce, in addition to the Assistant Secretaries now provided by law, one additional Assistant Secretary of Commerce who shall be appointed by the President, by and with the advice and consent of the Senate, shall receive compensation at the rate prescribed by law for Assistant Secretaries of Commerce, and shall perform such duties as the Secretary of Commerce shall prescribe.

(b) Title 5, United States Code, section 5315, is amended by striking item (12) and inserting in lieu thereof: "Assistant Secretaries of Commerce (8)".

ROBERT L. RAUSCH

The bill (S. 738) to authorize Robert L. Rausch to accept an office or position in a university maintained by the Government of Canada was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with clause 8, section 9, article I of the Constitution, the Congress consents to Robert L. Rausch accepting an office or position in a university maintained by the Government of Canada, or any political subdivision thereof, and accepting compensation for services performed in such an office or position, except that consent is not given to his performing services in such an office or position during any period during which he is performing active service as an officer of the Public Health Service.

NOTIFICATION TO THE PRESIDENT OF THE CONFIRMATION OF NOMINATIONS

Mr. MANSFIELD. Mr. President, I ask that the President be notified of the approval of the nominations of Christopher U. Sylvester, to be a member of the Renegotiation Board, and Garth Marston, to be a member of the Federal Home Loan Bank Board. It was due to an oversight on my part that this request was not made yesterday.

The ACTING PRESIDENT pro tempore. Without objection, as in executive session, the President will be notified.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I do not seek recognition.

Mr. GRIFFIN. I do not seek recognition.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Illinois (Mr. PERCY) is recognized for not to exceed 15 minutes.

THE ENERGY CRISIS

Mr. PERCY. Mr. President, the Nation's dependency on foreign oil is now so severe that failure to enact mandatory conservation measures could mean eventual disaster for our economy.

We are familiar with the effects of the energy crisis. Our dependence on expensive foreign oil has fueled inflation and created the worst recession and unemployment since the Great Depression. But this evidence of the severity of the energy crisis has failed to move Congress. In fact, Congress has behaved as if there was no problem at all. The current effects of the energy crisis are bad enough, but the consequences of inaction in the face of growing energy demands in the next decade and the next generation are frightening.

Our energy demand is outstripping our energy supply at an alarming rate. The gap between demand and supply promises to widen until we will simply run out of energy. Unless we immediately begin to conserve, and this means cutting down on such energy wastes as excess driving, then our energy supply will eventually be overwhelmed by the energy demands of a growing economy.

We have two sources of energy—what we produce ourselves and what we buy from other nations. Our domestic production of oil and gas has actually been declining in recent years, and total domestic energy production has nearly leveled off. Crude oil production has dropped every year since 1970. New discoveries of natural gas have been fewer each year since 1968. Coal production is at about the same level as in the forties.

Because of this slowdown in domestic energy supply, we have turned to foreign nations for more and more energy every year. Our prime source is the nations of OPEC—Organization of Petroleum Exporting Countries—with their vast supplies of untapped oil reserves located in the Middle East.

OPEC and other foreign suppliers now furnish 36 percent of the oil consumed in the United States, triple the percentage in 1970. The cost of this oil has escalated at a startling rate. Last year, because of OPEC price increases, we paid $25 billion for foreign oil, 10 times as much as in 1970. OPEC leaders plan to raise the price again in October to an unprecedented $15 a barrel or more.

This energy supply crunch—a leveling off of domestic energy production and a growing dependence on foreign energy sources—has occurred during a period when our energy demand has grown enormously. We experienced a brief interruption in this rapid demand growth during and after the Arab oil embargo of late 1973 and early 1974, but now the demand curve is climbing again. The most alarming rise in postembargo energy demand has been in increased consumption of automobile gasoline, which is now back up to preembargo levels and rising fast. Americans seem willing to pay any price and risk any financial disaster to avoid a change in their driving habits. Even the Arab oil embargo, which forced millions of American motorists to wait in endless gas lines, failed to cool our national love affair with the automobile.

The growing gap between our energy supply and our energy demand represents either increased dependence on foreign energy sources or severe energy shortages. We cannot afford or tolerate the expense and the vulnerability of greater dependence on foreign oil sources, but we must have additional energy supplies to meet the needs of a growing economy.

These facts and trends leave us with few choices in charting a national energy policy. Conservation is clearly the key to future energy security for America. Even a modest increase in our energy demand, say 3 to 4 percent a year, eventually will outstrip our energy supplies and leave us even more dependent on expensive foreign oil. There is no doubt that we will need to develop new sources of domestic energy. But conservation can help narrow the supply and demand gap now.

The Nation's mandate is clear; we must conserve energy now and at the same time make a commitment to the development of all forms of energy—oil, coal, natural gas, nuclear, solar, geothermal, and hydroelectric power. If we fail in making and meeting this commitment, then our dependence on expensive foreign oil will increase. The size of the commitment is awesome. It will be expensive to develop new energy sources, and it will take time. But the alternatives are crippling energy shortages or intolerable dependence on foreign oil sources.

To underscore the need for mandatory conservation, consider the kinds of resource development that would be required by 1985—only 10 years from now—just to keep pace with our projected demand: Develop 1 billion tons of coal a year, almost twice the amount now produced; lease 15 to 20 million acres of offshore oil lands in the Santa Barbara Channel, the Baltimore Canyon, and other areas in the Pacific, Atlantic, and Gulf of Mexico; complete another pipeline through Canada, in addition to the Alaskan pipeline now under construction, and develop the vast Naval Petroleum Reserve No. 4 in Alaska; and build nuclear powerplants at the rate of one every 3 weeks.

If this sounds like an awesome task full of environmental hazards, consider the type of domestic energy development we would need to meet our supply needs by the year 2000—only 25 years away—if we do not begin to conserve now: Mine three times as much coal as we do today, mostly by strip mining; develop oil shale reserves at a rate equivalent to digging the Panama Canal every day in Colorado, Utah, or Wyoming; build nuclear powerplants at the rate of one every week between 1985 and 2000, or develop an equivalent solar power system; and produce geothermal energy equal to the power produced by 100 Hoover Dams.

We cannot estimate precisely the scope of the commitment to developmet of new energy sources that will be needed. However, projections show that if energy demand grows at historical rates and we fail to conserve, we will need to produce energy at the rate of a new Alaska pipeline every year by 1985 and, by the year 2000, at a yearly rate equivalent to the present annual crude oil production of the State of Texas. To reduce both the long- and short-range pressure on our energy supply, we urgently need to make energy conservation a national policy.

Development of new energy sources will require a sizable economic investment and changes in our lifestyles. Our environment will be affected adversely. In order to lessen the negative impact of this development, both the Congress and the American people need to make a commitment to conserve.

This commitment will require sacrifice, but I believe the American people will make the necessary sacrifice when they realize what is at stake. They will respond if their elected leaders show leadership and ask them to respond in the national interest.

But so far Congress has failed to ask the American people to respond. To date, congressional consideration of mandatory energy conservation measures has been an exercise in futility motivated by political cowardice. Congress has stuck its collective head in the sand and rejected all mandatory conservation measures with the apparent hope that if it ignores the energy crisis long enough it will disappear. It will not disappear. In fact, it will get worse and promises to plague the Nation for decades.

That should be our greatest concern today. The fact that Congress has failed to adopt an equitable gasoline tax, an effective auto-efficiency plan, or some combination of energy-saving measures is not the real problem.

I might say, Mr. President, that when we have completed and committed virtually 99 percent of the highway system of this country envisioned in the 1950's, when it was originally laid out, and we still continue to accrue and adopt in the trust fund billions of dollars, when we have railroads and mass transit and ultimate means of transportation in a bankrupt condition, I think this indicates the lack of will in the Congress to adapt to changing circumstances and to face up to the condition that we are in today.

The real problem is that Congress has done nothing to mandate energy conservation. Congress has behaved like a reckless band of irresponsible politicians who cannot see beyond the next election.

Some claim that Congress has reflected the will of the people by rejecting mandatory energy conservation measures. Congress should not lead, they say, it should react, and its reaction in this case has been a reflection of popular opinion. I reject that notion. The American people are not children. They are smart enough to spot it when their elected leaders take the path of least political resistance.

I believe Members of Congress who fail to support mandatory energy conservation measures will pay dearly for their inaction. If Congress fails to take decisive action on energy this year, the voters will register their displeasure in the November 1976 election. Who will be the targets of public outrage if Americans again face long lines at gas stations and even experience brownouts and blackouts? The answer is obvious—Congress.

Congress should immediately consider a number of tough mandatory energy conservation measures and pledge to the American people that action on an equitable and meaningful energy bill will be completed in July. If Congress passed a program now that included a rebatable 10-cent-a-gallon gas tax, a home insulation tax credit, and repeal of the deduction for State gas taxes, and considered abolition of the highway trust fund, or at least the creation of a transportation trust fund, we could immediately begin saving a half million barrels of oil a day.

Congress should act now to begin phasing out price controls on domestic oil and gas over the next 3 to 5 years, and tilt the price effects toward gasoline. This would both conserve fuel and stimulate production of new supplies. Congress should also act now to pass a gas-guzzler tax and auto-efficiency bonus plan to take effect on 1978 model cars.

In the longer term we need incentives for coal production and for the development of alternate energy sources. We need mass transit incentives, improvement in building codes, and restructuring of utility rates. Only if Congress enacts a conservation-oriented program like this now can we narrow the dangerous energy gap in the future.

Such a program would mean a considerable financial saving. If the price of oil is $15 a barrel in 1980—and there is no guarantee that the price will be that low, we would be paying OPEC and other foreign suppliers $49 billion that year if we fail to conserve. By saving fuel we can reduce that financial burden substantially, and we can hopefully exert a downward influence on OPEC prices.

The consequences of inaction to combat the energy crisis are indeed disturbing. Even with mandatory conservation measures, the national effort to develop new energy sources will be incredibly demanding. I believe we owe it to the American people to tell them the truth about the severity of the energy crisis and the challenge we face in the future to meet our projected energy needs. If we fail to level with the American people and we avoid making tough choices, then we will be guilty of a breach of public confidence and an abdication of responsibility that will make us unfit to hold public office.

Mr. President, I feel we can draw a comparison of the situation.

For some 30 or 40 years we had huge food surpluses in this country and then suddenly there was a food shortage, a famine in certain parts of the world, bad weather in this country and our reserves were virtually depleted, they had been wiped out.

Now we are living right off our current production, as is the world.

The same thing, literally, is happening in energy, except much worse.

We have been consuming more than we produce for a period of 7 to 8 years now. We have been living off the shelf and suddenly and very recently we have learned that the bottle is only about one-third full, that all those reserves we felt we had, very simply, do not exist.

If we depended entirely upon our own domestic production of oil and only used our own production, the reserves in this country are now down to a level or an estimated basis of between 8 and 21 years.

If we do not see catastrophe and recognize we are in the eye of the storm, we are simply sound asleep and doing nothing about it. Someday we are going to look back on the inaction of this Congress and wonder what happened, why we did not do something about the situation we are in.

Mr. PASTORE. Will the Senator yield?

Mr. PERCY. I am happy to yield to the Senator.

Mr. PASTORE. I congratulate the Senator on his statement this morning.

I am wondering whether or not my colleague from Illinois is familiar with the report our ad hoc committee made.

As a matter of fact, I think that he spelled out in substance about everything that is contained in that report.

We have been accused of having produced a marshmallow report, and that is not true at all.

The Senator, as I understand it, is suggested a 10-cent rebatable tax on gasoline. We went further than that. We had a 5-cent tax not rebatable to build up what was known as an energy fund in order to get into these conservation measures on the conversion to coal, on doing something about the waste.

America has been on an energy binge, no question about it, as far back as 1961. I called upon President Kennedy at that time to have a study made to determine just what the chances were for the development of nuclear energy and what part it would play in an overall energy policy and a report was made in November of that year, 1961.

At that time, the prediction was that we would run out of our petroleum by the turn of the century and that natural gas was in short supply.

I realize that one of the hard nuts to crack is this question of the domestic controlled oil, the old oil.

That has to be looked into very, very carefully. I was told by Mr. Greenspan, who is the economist, that in the event we removed the controls abruptly and summarily from old oil, the price would rise on the imported oil. That would be unfair to the consumers of America. If we took the price of $5.25 and in one swoop brought it up to $14.50, one can imagine the catastrophe on the part of the consumers.

Talking about food, even though I am from a consuming State, I have always—always—supported our price support program. I always felt it was better to have too much food than to have a paucity of it. In many instances, of course, we were told that it was costing too much to store it and all of that. Here we are, most of the world is hungry and most of the world looks to us for a little bit of help. Regrettably, we have been very, very generous with our largesse throughout the entire world, even more so, sometimes, than we have been with our own people. We have a lot of people in this country—and the Senator knows it better than I do because he has made an investigation of it—suffering from malnutrition. They are not eating the right foods; they are not getting enough of the right foods.

That, of course, led to the luncheon program, to the school lunch program. I am saying very frankly there are some families where there are children who only have one good meal a day and they have it at school.

Here is the most affluent country in the world. We have shown the world how to raise more and more and more, produce more and more and more, and it looks like we are getting into the business of less and less and less. That is all wrong. I congratulate the Senator for his timely speech.

The ACTING PRESIDENT pro tempore. The time of the Senator from Illinois has expired.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes with statements therein limited to 3 minutes.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—H.R. 5901

Mr. JAVITS. Mr. President, I ask unanimous consent that Gregory Fusco, of the staff of the Committee on Labor and Public Welfare may have the privilege of the floor during the consideration of the higher education appropriation bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, the Genocide Convention must be ratified very soon. There are many arguments and many misunderstandings in regard to the treaty, but the four main objections to be cleared up are the following:

First. The liberties guaranteed by our Constitution would not be abrogated by U.S. ratification. Under constitutional law, the basic personal liberties guaranteed by the Constitution cannot be superseded or set aside by any provision of a treaty.

Second. The convention would not supersede State laws nor would it deprive the States of the power to prosecute persons charged with acts enumerated in the convention. Congress must enact the necessary implementing legislation to execute the convention's provisions.

Third. The convention would not require the United States to accept the jurisdiction of an international penal tribunal to try persons accused of genocide. No such court exists. Separate congressional action would be necessary for the United States to adhere to a treaty establishing such a court and to accept its jurisdiciton, and no such action is contemplated. Nor would American citizens be subject to trial before the International Court of Justice; that Court has no jurisdiction over individuals.

Fourth. The convention would not require automatic extradition of any U.S. citizen. Extradition under the convention can only be granted in accordance with the laws and treaties in force of the contracting parties.

Mr. President, I feel that the clearing up of these objections puts us one step closer to ratification of the Genocide Convention. At this point, ratification would be a concrete example of our dedication to the safeguarding of human rights and basic freedoms.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. GARY W. HART) laid before the Senate a message from the President of the United States submitting the nomination of John Meier, of Colorado, to be Chief of the Children's Bureau, Department of Health, Education, and Welfare, which was referred to the Committee on Finance.

REPORT ON THE ADMINISTRATION OF THE RADIATION CONTROL FOR HEALTH AND SAFETY ACT—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States transmitting the 1974 annual report on the administration of the Radiation Control for Health and Safety Act, as prepared by the Secretary of the Department of Health, Education, and Welfare, which, with the accompanying report, was referred to the Committee on Commerce. The message is as follows:

To the Congress of the United States:

I transmit herewith the 1974 annual report on the administration of the Radiation Control for Health and Safety Act (Public Law 90-602), as prepared by the Secretary of the Department of Health, Education, and Welfare.

The report's only recommendation is that the requirement for the report itself, as contained in P.L. 90-602, be repealed. All of the information found in the report is available to Congress on a more immediate basis through congressional committee oversight and budget hearings. The Department of Health, Education, and Welfare has concluded that this annual report serves little useful purpose and diverts agency resources from more productive activities.

GERALD R. FORD.

THE WHITE HOUSE, *June 27, 1975.*

REPORT ON THE OCCUPATIONAL SAFETY AND HEALTH ACTIVITIES OF THE FEDERAL GOVERNMENT—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. GARY W. HART) laid before the Senate a message from the President of the United States transmitting the third President's report on the occupational safety and health activities of the Federal Government, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I am submitting today the third President's report on the occupational safety and health activities of Federal Government carried out under the Occupational Safety and Health Act of 1970.

This report—covering programs of the Department of Labor, the Department of Health, Education, and Welfare, and the Occupational Safety and Health Review Commission for calendar year 1973—indicates significant progress toward the goal of a safe and healthful work environment for all Americans. It also points to the tasks ahead.

Government efforts in occupational safety and health began to show significant results in 1973. Increased public attention was focused on the problems of workplace hazards. This awareness was reflected in a number of areas—collective bargaining agreements, union and industry safety and health program activities, and industry association and journal articles, among others.

Another achievement in 1973 was the development of State occupational safety and health programs. The Department of Labor approved 20 new State plans marking important progress toward development of an integrated Federal-State partnership in occupational safety and health.

During 1973, the National Institute of Occupational Safety and Health (NIOSH) in the Department of Health, Education, and Welfare—which has responsibility for occupational safety and health research—significantly increased knowledge of toxic substances and other causes of unhealthy working environments. It also further developed detailed criteria for use by the Department of Labor in establishing standards governing the use of hazardous substances in the workplace.

This report contains results of the first full-year occupational injury and illness survey, covering 1972. This survey by the Bureau of Labor Statistics will become the base for the future measure of progress in reducing deaths, injuries, and illnesses caused by workplace conditions.

The 1973 report is another step in providing a record of our Government's efforts in behalf of a safe and healthful work environment for all Americans. All of us share this goal of improving the welfare of the working men and women of our country.

GERALD R. FORD.

THE WHITE HOUSE, *June 27, 1975.*

REPORT OF THE DIRECTOR OF THE NATIONAL LUNG INSTITUTE—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. GARY W. HART) laid before the Senate a message from the President of the United States transmitting the second annual report of the Director of the National Lung Institute, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I am transmitting herewith the Second Annual Report of the Director of the National Lung Institute, as required by the National Heart, Blood Vessel, Lung, and Blood Act of 1972. This report was prepared in consultation with the National Heart and Lung Advisory Council, and it is accompanied by a program plan for the next five years.

The five-year resource allocation projection proposes two levels of expenditures for fiscal years 1977 through 1981, both of which are in excess of what has been requested in the 1976 budget. The report states that these projected expenditures are based on scientific judgment of these particular research areas, but correctly recognizes that the allocation of national resources for the program must be determined in relationship to other competing national needs and in accord with the total resources available for Federal programs.

The report describes encouraging progress. Since 1969, deaths caused by the number one killer—coronary heart disease—have shown a decline of about two percent, or 14,000 deaths per year. Deaths from stroke, hypertension and rheumatic heart disease are continuing their downward trend, and the death rate from emphysema and chronic bronchitis, after years of sharp increases, has leveled off.

Investments in the National Heart, Blood Vessel, Lung, and Blood Program are showing results. I am hopeful that this momentum will be maintained and, through successful research and its application in medical practice, loss of lives from heart, blood vessel, lung, and blood diseases will be further reduced.

Gerald R. Ford.

The White House, *June 27, 1975.*

MESSAGE FROM THE HOUSE

At 11:55 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has agreed to the following concurrent resolutions and has passed the following bills in which it requests the concurrence of the Senate:

H. Con. Res. 143. A concurrent resolution to authorize the printing of the hearing on Nomination of Nelson A. Rockefeller to the Vice President of the United States; and

H. Con. Res. 215. A concurrent resolution providing for the printing as a House document of a revised edition of "The Capitol";

H.R. 83. An act to exclude from gross income gains from the condemnation of certain forest lands held in trust for the Klamath Indian Tribe; and

H.R. 5559. An act to amend section 883(a) of the Internal Revenue Code to provide for exclusion of income from the temporary rental of railroad rolling stock by foreign corporations; and

H.R. 8121. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Appropriations, with amendments:

H.R. 6950. A bill making appropriations for the Legislative Branch for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94-262).

EXECUTIVE REPORTS OF COMMITTEE

As in executive session, the following executive reports of committee were submitted:

By Mr. PASTORE, from the Joint Committee on Atomic Energy:

Richard W. Roberts of Maryland, to be an Assistant Administrator of Energy Research and Development.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the following nominations for the Army to be placed on the retired list in the grade of lieutenant general (Lieutenant Generals Foster, Talbott, Hollis, Almquist); to be promoted to the grade of lieutenant general (Major Generals Sumner, Jr., Camm, Fulton, and Cooper); to be promoted to the grate of major general (Brigadier Generals Persons, Jr., and Williams). There are three rear admirals in the Navy for appointment to the grade of vice admiral (Rear Admirals Forbes, Jr., Shanahan, and Coogan). And, in the Air Force there are two generals to be placed on the retired list in that grade (Generals Eade and Phillips); seven lieutenant generals to be placed on the retired list in that grade (McKee, Schultz, Snavely, Hudson, DeLuca, Shaefer, and Vogt, Jr.); and, two major generals to become lieutenant generals (Casey and Hartinger). I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. In addition, there are 1,533 in the Navy and Naval Reserve for permanent promotion to the grade of commander (list beginning with Abbott and ending with Young); and, in the Air Force and Reserve of the Air Force there are two lists totaling 174 in the grade of colonel and below (one list contains 32 promotions and begins with Ballow and ends with Noyes and the other list contains 142 promotions and appointments and begins with Allen and ends with Findley). Since these names have already appeared in the Congressional Record and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's Desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of June 12 and 13, 1975, at the end of the Senate proceedings.)

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following House concurrent resolutions were referred to the Committee on Rules and Administration:

H. Con. Res. 143. A concurrent resolution to authorize the printing of the hearing on Nomination of Nelson A. Rockefeller to be Vice President of the United States; and

H. Con. Res. 215. A concurrent resolution providing for the printing as a House document of a revised edition of "The Capitol".

HOUSE BILLS REFERRED

The following House bills were each read twice by their titles and referred as indicated:

H.R. 83. An act to exclude from gross income gains from the condemnation of certain forest lands held in trust for the Klamath Indian Tribe; and

H.R. 5559. An act to amend section 883(a) of the Internal Revenue Code to provide for exclusion of income from the temporary rental of railroad rolling stock by foreign corporations; to the Committee on Finance.

H.R. 8121. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; to the Committee on Appropriations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MAGNUSON:

S. 2041. A bill for the relief of Neam Vone Sae-Kuan aka (Paul Kuan). Referred to the Committee on the Judiciary.

By Mr. BEALL:

S. 2042. A bill to amend and strengthen the Natural Gas Pipeline Safety Act of 1968, and to authorize additional appropriations therefor. Referred to the Committee on Commerce.

By Mr. CHILES (for himself and Mr. Stone):

S. 2043. A bill to amend the Internal Revenue Code of 1954 to impose an additional income tax on taxable income attributable to certain countries. Referred to the Committee on Finance.

By Mr. CURTIS:

S. 2044. A bill to provide a natural gas priority for agricultural seed drying. Referred to the Committee on Commerce.

By Mr. RANDOLPH:

S. 2045. A bill to insure that Federal buildings and certain buildings assisted with Federal funds employ the best practicable energy conservation and management practices; and for other purposes. Referred to the Committee on Public Works.

By Mr. PERCY:

S. 2046. A bill to amend the Internal Revenue Code of 1954 to provide tax incentives for the manufacture, importation, and purchase of automobiles which use fuel efficiency, and for other purposes. Referred to the Committee on Finance.

By Mr. PERCY:

S. 2047. A bill to amend the Internal Revenue Code of 1954 to increase the Federal excise tax on gasoline, to make such tax, as increased, a permanent tax, to provide that revenues derived from the increase in and extention of, such tax are credited to the general fund rather than to the Highway Trust Fund, and to provide a credit for the increased tax paid with respect to not more than 500 gallons of gasoline purchased each year by the taxpayer. Referred to the Committee on Finance.

By Mr. BURDICK:

S.J. Res. 101. A joint resolution to authorize the President to issue annually a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BEALL:

S. 2042. A bill to amend and strengthen the Natural Gas Pipeline Safety Act of 1968, and to authorize additional appropriations therefor. Referred to the Committee on Commerce.

Mr. BEALL. Mr. President, I introduce today the Natural Gas Pipeline Safety

Act Amendments of 1975. A bill to improve pipeline safety in the United States. This bill would amend the Natural Gas Pipeline Safety Act of 1968 to—

First, provide that in the "design" of pipeline facilities that special consideration be given where subsequent excavation activity is likely;

Second, strengthen the technical Pipeline Safety Standards Committee by requiring at least two meetings annually, one of which will be for the purpose of considering the reports and recommendations of the National Transportation Safety Board, a Federal independent agency charged with investigating accidents;

Third, provide for the establishment of statewide utility coordinating councils and encourage local coordinating councils and excavation damage prevention programs under which excavators will notify local utility coordinating councils of contemplated excavations, preferably by a one-call central system, and such local utilities will then followup by marking their lines and otherwise assisting excavators in averting damage to underground lines;

Fourth, require greater reporting of gas leaks;

Fifth, assure that required utility plans include provisions for emergencies and procedures in response thereto, and a program to educate customers on the dangers of leaks;

Sixth, require each operator to maintain a log showing the receipt and handling of gas leaks and emergency reports;

Seventh, direct the Secretary of the Department of Transportation to evaluate the performance of the respective States and require annual indepth evaluation of at least two States;

Eighth, delineate nine specific priority areas for research and development;

Ninth, provide for increased personnel training authority; and

Tenth, authorize a 3 year, $30.6 million program, including full Federal funding for a safety engineer and from one to three inspectors in each State depending on the miles of pipelines and the need of the respective States. This authorization level includes funds for the transitional quarter, as Congress moves to a new fiscal year.

Now, Mr. President, I will discuss the bill's provisions in greater detail.

Section 1 states that the act may be cited as the "Natural Gas Pipeline Safety Act Amendments of 1975."

Section 2 amends section 3(b) of the Natural Gas Pipeline Safety Act of 1968—the "act"—to provide that in establishing "design" standards for pipeline facilities that special consideration will be given in locations where subsequent excavation activity is likely.

This was one of the recommended regulation changes I proposed to the Department of Transportation—DOT—in 1974. It simply makes sense during the design phase to give special consideration to the prevention of pipeline damages, especially in those areas where later excavation can reasonably be expected. In many urban areas, it is predictable that heavy construction activity will occur. Given such facts, we should give consideration in the design phase to steps and procedures to prevent such accidents.

The National Transportation Safety Board—NTSB—as well as the task force in Prince Georges County, Md., which investigated the so-called Bowie explosion in my State advocated the consideration of such an approach. Such matters as the depth of the line, concrete barriers to cover or protect the lines, and increasing the material strength of the pipelines should be considered to prevent subsequent damage.

This section would also add "emergency plans and procedures" as subjects appropriate for safety standards. In addition, the importance of the NTSB's recommendations and reports would be underlined in considering safety standards.

Section 3 amends section 4 of the 1968 act, which relates to the Technical Pipeline Safety Standards Committee, to require that such committee meet at least twice annually. Present law is silent in this regard and in 1973, the committee did not hold a single meeting.

Since 1972, the committee has met only twice. The committee should be made a functioning, effective entity or be abolished. These amendments to section 4 seek to make the committee both active and effective.

At one of the committee meetings, the committee would be required to consider the recommendations and reports of the NTSB and the Secretary's response thereto. A week prior to the meeting at which the NTSB reports will be considered, the Secretary is required to have prepared for the members of the committee a summary of the NTSB recommendations and the Department of Transportation's responses thereto.

Section 4 amends section 5 of the 1968 act to require the formation of statewide utility coordinating councils. The purpose of such State councils would be to encourage and promote: First, local utility coordinating councils in areas of the State where excavation damages represent a significant problem, and second, damage prevention programs established either through the cooperation and initiative of the private sector or, if necessary, by State and local legislation. It is hoped, but not required, that the notification process will be via a one-call system where calls from excavators are received by a central system and the report of planned construction activity is related to utility companies, city department, and other parties with underground interests. Such systems are functioning in a number of areas and are reducing pipeline accidents. This concept has been endorsed by many parties, public and private, in this field. Such an approach helps cities and utilities prevent damage to their lines. It helps prevent interruption of services to consumers and it is good for the contractors since it enables them to avoid potential catastrophic pipeline blasts and the consequences thereof.

This section, I would emphasize, does not require legislation to establish such local councils. It would not abolish successful functioning local efforts. It does contemplate the establishment of local utility coordinating councils one way or the other—voluntarily if possible, but by legislation if required or if the private effort is not effective.

The Federal Power Commission in a survey of interstate gas transmission lines indicated that from 1950 to 1965, "carelessness in the operation of farming, roadbuilding, and excavation equipment caused the largest number of gas failures, accounting for 26 percent of such failures reported."

By 1972 according to the National Transportation Safety Board, 52 percent of the gas transmission accidents were caused by outside forces; 41 percent involved excavation damage and in 85 percent of the excavation accidents, the pipeline operator was not notified before excavation was done. The Board also found that of the 70 percent gas distribution line failures caused by outside force accidents, 42 percent related to excavation damage. In 62 percent of these excavation-related accidents, the pipeline operators had been given prior notice. A 1975 study of gas distribution systems showed outside forces responsible for 68 percent of the significant leaks.

This section would also provide for 100 percent Federal funding of a full-time safety engineer and from one to three full-time inspectors for each of the respective States. A number of States have previously suggested that the Federal grants be at least sufficient to pay for a full-time safety engineer.

The Prince Georges County task force concluded in its study that both the DOT's Office of Pipeline Safety—OPS—and the Maryland Public Service Commission, have minimum personnel in the field and that little or no onsite inspection was found to be carried on in Maryland to verify compliance with regulations. Maryland now has only one pipeline safety inspector for the entire State and Maryland appears to be a representative State in this regard. If the Federal Government is going to rely on the Federal-State partnership, we must make certain that States administering the pipeline safety programs have at least minimum staff. This provision will be a step in the right direction.

Section 5 amends section 11 of the 1968 act to require that operators, in addition to filing a plan for inspection and maintenance of each pipeline facility, also include in such plan, or in separate plans, the following: First, emergencies and procedures in response thereto; and second, an education program for its customers to alert them on the dangers of natural gas and the importance of reporting leaks.

In addition, each operator would be required to maintain a log which records the receipt and handling of each leak and emergency report. This latter provision grew out of the NTSB's Annandale, Va., report. In the Annandale report the National Transportation Safety Board listed the information that should be included in such a log as follows:

> Information concerning the time that the report was first received, that a crew was first dispatched to the scene, that such a crew arrived, and that the condition was consid-

> ered safe should be included. In addition, each pipeline operator should be required to analyze his performance in responding to gas leak emergencies and reports. Both the logs and the analysis should be made available to State agencies and the Office of Pipeline Safety.

The provision requiring that the plans include "emergencies and procedures in response thereto" is most important. In a number of accidents, pipeline operator's personnel have been on the scene in sufficient time before the accident. The National Transportation Safety Board in its 1974 report on a pipeline accident in Clinton, Mo., stated:

> In at least 5 recent pipeline accidents (including this accident) on which the Safety Board has issued reports, the pipeline operator's personnel were at the leak site from 10 minutes to more than 90 minutes before any explosions occurred. In each case, there should have been sufficient opportunity to prevent an accident. In none of the cases, however, was the flow of gas turned off, and in four, nearby buildings were not checked for the presence of gas before the explosions. As a result of these accidents, 19 persons died.

Locally, in the 1972 Annandale, Va., explosion, personnel of the gas company were on the scene some 20 to 25 minutes prior to the explosion and in its Annandale, Va., report the NTSB observed:

> It appears reasonable that Washington Gas Light personnel could have taken steps prior to the explosion to stop the flow of leaking gas or to reduce hazards to the public.

Only last week in Stroudsburg, Pa., it appeared that company personnel were alerted 2 days prior to an explosion which resulted in destruction of a home and the death of a man. To me, these reports reveal inadequate leak searches and emergency procedures and operator plans should clarify the requirements for emergency procedures. To prevent explosions when personnel arrive on the scene in sufficient time, management has to give its personnel in the field proper training and practice for actual emergencies and appropriate guidance.

It is often "ingrained" in personnel not to shut off services. Indeed, one can understand the reluctance of companies to interrupt service to its customers. Yet, it seems we should insist that gas operators have certain emergency procedures. For example, the emergency practices should cover pipeline cutoff procedures. Further, when a leak or break in the lines occurs, the company should not have to examine maps to determine what valves to close. This should all be preplanned and programed ahead of time so that when emergencies occur the information on which valves to close is readily at hand. I am convinced that we can, with proper planning, improve emergency procedures and that management can provide clear directions to its personnel in the field.

Section 6 amends section 12 of the 1968 act to require the DOT to evaluate the performance of the States in administering the pipeline safety program. Further, DOT would be required to evaluate in depth at least two States, one of which must be urban and one of which must be rural, annually. Such evaluation should help to keep all States on their toes and also serve to force self-examination by the States not examined as such States review the in-depth evaluations of the examined States to see if the DOT's findings and recommendations are applicable to them.

Section 7 amends section 13 of the 1968 act to provide for new research and development and training authority. Nine specific priority research areas and a general research authority are delineated; they are:

First, methods to detect leaks and the methods of repair of such leaks;

Second, the development of monitoring devices, both automatic and manual;

Third, improved procedures for accident control;

Fourth, component reliability of gas pipelines and facilities and the development of safe service life prediction for the various components;

Fifth, gas odorization and migration into buildings;

Sixth, the development of safety or quality assurance programs or systems;

Seventh, the development of tools and procedures for inplace evaluation;

Eighth, excavation damage accidents and their prevention;

Ninth, offshore and arctic pipeline safety problems; and

Tenth, other appropriate areas which will promote the purposes of this act.

Also, new training authority is provided. The Office of Pipeline Safety in its annual reports has previously pointed out the "growing need" that exists for specialized training of personnel to improve State and local pipeline safety programs. This section provides DOT with flexible training authority to conduct the necessary training either in-house or to make grants or contracts with institutions of higher education and nonprofit entities or to contract with private for-profit organizations in the carrying out of such training. Further, DOT would be directed to develop minimum qualifications for inspectors and other important field personnel.

Section 8 amends section 14 of the 1968 act to require reporting of all leaks. Under present law, only major leaks and failures are reported. With only a small fraction of the overall leaks reported, it is difficult to put the reported leaks in context with the number of total leaks that occur. A summary of all such leaks, which could be divided between major and other leaks, should be reported to the country and the Congress and this section would so provide.

Also, this section would require in the annual report a complete listing of the recommendations of the NTSB together with the responses, if any, by DOT thereto.

Section 9 amends section 15 of the 1968 act to substantially increase the authorization level over 3¼ years—which includes authorization for the transitional one-quarter as Congress moved to a new fiscal year. The total authorized amount over this period would be $30.6 million of which $16.2 million would be authorized for Federal grants-in-aid to the States.

Mr. President, my interest in natural gas safety problems grew out of the series of explosions which rocked the Washington-Baltimore area in recent years. These include:

A 1972 blast in Annandale, Va., which destroyed three houses, killed three, and injured a fourth citizen;

A 1973 explosion in Bowie, Md., which resulted in three deaths; and

The 1973 destruction of a Columbia, Md., home, although fortunately in this instance there were no deaths or injuries since the family was on vacation.

On July 28, 1973, I offered a Senate floor amendment to the DOT Appropriations bill, which earmarked $1 million for the study of the growing and serious problem of natural gas explosions in residential areas. In my Senate floor statement, I pointed out to my colleagues that the Washington, D.C. area had six natural gas explosions in the preceding 16 months, $275,000 was retained in the subsequent House-Senate Conference Report and the study was enacted as part of Public Law 93-98. As a result of my amendment, four contracts were let. They were:

First, a study of the use of plastic pipes;

Second, a study of the property and effectiveness of odorization used in the gas industry;

Third, a study of current technology and equipment available for in-place evaluation of pipeline systems, and

Fourth, a study to analyze the overall safety of gas distribution systems. One of these studies has been completed and the remaining studies are expected to be completed in the near future.

In March of 1974 I introduced S. 3245, the "National Transportation Safety Board Independence and Improvement Act of 1974." This measure was designed to provide independence to the National Transportation Safety Board and to provide the Board with additional authority, similar to its authority in the airline area, in the surface transportation field, including pipeline safety. Legislation along the lines of S. 3245 was enacted and is now Public Law 93-633.

On May 21, 1974, I made a Senate floor statement urging various changes in the Labor Department's OSHA regulations and in the Department of Transportation's pipeline safety regulations. Specifically, I urge amending the OSHA and pipeline safety regulations to:

First, require that the contractor shall positively determine the location of all underground facilities prior to excavation;

Second, require each pipeline operator to establish a program for prevention of excavation-type damage to its underground facilities;

Third, require that during the design phase, consideration shall be given to the prevention of damage to pipelines in the future, especially in locations where later excavation might reasonably be expected to occur;

Fourth, require uniform reporting requirements, including common definition and classification of gas leaks and the development of a common data base to enable valid comparisons;

Fifth, increase the odorant added to gas so as to make the odor detectable at a lower explosive level and to require that this amount be increased further by at least twice the new recommended rate during each heating season for a reasonable period as a leak test program; and

Sixth, define what constitutes an emergency and provide clarification of requirements of emergency procedures.

This year, I urged the Secretary of the Department of Housing and Urban Development urging that the Department implement the recommendations made by the NTSB in the Bowie report with respect to gas migration, as follows:

> Study the flow of natural gas through various basement wall and floor materials and through various types of construction. The study should include effective methods of sealing the space around underground utility lines and ducts where they enter a building, and methods of permitting gas to escape in the open atmosphere when conducted to these entrance areas.

The Nation's gas distribution system consists of over 1.1 million miles of buried pipelines. Such systems serve some 44 million residential customers. With an average family size of approximately 3.5, this would mean that there is a population-at-risk of some 150 million citizens.

When one looks at deaths from pipelines compared to other transportation accidents, it is true that the number is relatively small. In 1973, for example, while 61,000 Americans lost their lives in transportation accidents, only 70 of these deaths resulted from pipeline accidents.

Gas distribution systems are plagued with leaks, an estimated 900,000 such leaks in 1973 or an average of one leak per mile. Fortunately, very few of these leaks produce the spectacular blasts that grab headlines, such as the Bowie, Md., and Annandale, Va., explosions locally a few years ago. However, while citizen concern is high in the wake of such disasters, such concern recedes with the passage of time, that is until another disaster occurs.

The Washington Gas & Light Co. in 1973 estimated that it checked 80,000 residential leaks and that one-quarter, if left unattended, were serious enough to cause an explosion. Projecting this local experience nationwide would mean that some 225,000 of the 900,000 leaks might be potentially explosive.

While natural gas is a safe, clean, and until recently, a very inexpensive form of energy, it is also potent. And in this business, complacency, when the potential for catastrophe looms so large, has no place.

As the Washington Post concluded in a 1974 editorial following the rash of explosions in this region:

> Meanwhile, when and where will the next blowup occur? Until federal and state officials, not to mention the gas companies themselves, take the problem with more seriousness, the accident rate is not likely to go down. It may even go up, like the homes and buildings in the blasts.

The Christian Science Monitor in a 1973 article entitled, "Gas Pipelines—They Leak," interviewed Mr. Barry Sweedler of the National Transportation Safety Board who is one of the Nation's foremost experts in this area. Mr. Sweedler is quoted as saying:

> It's difficult to say if we're having more accidents each year or not. If some recent accidents we've been extremely lucky. If they'd happened a few miles down the line, or at another time of the day, the death rate would be very much higher. I don't foresee a drastic reduction in the number of serious accidents unless action is taken in a number of areas. . . . So far we have been lucky.

We have been lucky, and I see little evidence of the sense of urgency, which I believe, is demanded. This prompted me last year when the Senate reported legislation to extend for 1 year the 1968 Pipeline Safety Act, to file individual views to the measure, saying:

> While I voted to report S. 3620, the Natural Gas Pipeline Safety Act Amendments of 1974, I did so with reservations.
>
> Since the Act expires, we obviously must provide for its extension. I believe, however, that this Act needs more than a simple extension, without even a single day of hearings. In fact, the growing problem of natural gas explosions calls for a reexamination of both the Act and its administration.

The Commerce Subcommittee on Surface Transportation, on which I serve, is expected to hold hearings following the July recess on pipeline safety. I am hopeful that these hearings which will examine the 1968 act and its administration, together with new legislative proposals, such as I advance today, will result in a new sense of urgency and bring about improvements in pipeline safety for the American public.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2042

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Pipeline Safety Act Amendments of 1975".

SEC. 2. Section 3(b) of the Natural Gas Pipeline Safety Act of 1968, as amended, (49 U.S.C. 1672(b)) is amended—

(1) by adding immediately after the word "design" in the second sentence, the following: "(with special consideration in locations where subsequent excavation activity is likely to occur)";

(2) by adding before the word "testing" in the second sentence, the following: "emergency plans and procedures," and

(3) by adding following the word "data" in clause (1) a comma and the following: "including the reports and recommendations of the National Transportation Safety Board".

SEC. 3. Section 4 of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1673) is amended by designating subsection (c) as subsection (e) and by striking out subsection (b) and inserting in lieu thereof the following:

"(b) The Secretary shall submit to the Committee all proposed standards and amendments to such standards and afford such Committee a reasonable opportunity, not to exceed ninety days, unless extended by the Secretary, to prepare a report on the technical feasibility, reasonableness, and practicability of each such proposal. Each report by the Committee, including any minority views, shall be published by the Secretary and form a part of the proceedings for the promulgation of standards. In the event that the Secretary rejects the conclusions of the majority of the Committee, he shall not be bound by such conclusions but shall publish his reasons for rejection thereof.

"(c) The Committee shall meet at least twice annually. During one such meeting, the Committee shall consider the reports and recommendations of the National Transportation Safety Board relating to gas pipeline safety and the response of the Secretary thereto. A week prior to the meeting at which the National Transportation Safety Board reports will be considered, the Secretary shall provide the members of the Committee with a summary of the National Transportation Safety Board's recommendations, particularly those directed to the Federal Government, and a statement of action, if any, taken by the Secretary.

"(d) The Committee may propose safety standards for pipeline facilities and the transportation of gas to the Secretary for his consideration. All proceedings of the Committee shall be recorded and the record of each such proceeding shall be available for public inspection.".

SEC. 4. (a) Section 5(a) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1674(a)) is amended by (1) redesignating clause (4) as clause (5) and (2) inserting before "and" preceding such clause the following: "(4) has established a Statewide Utility Coordinating Council to encourage and promote—

"(A) the establishment of local utility coordinating councils in appropriate areas of the State where excavation damages represent a significant problem, and

"(B) damage prevention programs voluntarily established by the private sector or, if necessary, by State or local legislation, under which excavators will notify (preferably by a one-call system) all underground operators prior to their commencing of excavation and all underground operators will follow-up by marking their underground lines and assisting the excavator in avoiding damage to such lines;".

(b) Section 5(c) of such Act is amended by inserting after the word "available" in the first sentence the following: "100 percent (but not to exceed $85,000 for each State) of the cost of a full time safety engineer, and not less than one or more than three full time inspectors, as determined by regulations issued by the Secretary taking into account the needs of the respective States and the miles of pipelines within such States and,".

SEC. 5. Section 8(a)(2) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1677 (a)(2)) is amended by striking "inspection and maintenance".

(b) Section 11 of such Act is amended to read as follows:

"REQUIRED PLANS

"(a) Each person who engages in the transportation of gas or who owns or operates pipeline facilities not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act shall (1) file with the Secretary or, where a certification or an agreement pursuant to section 5 of this Act is in effect, with the State agency, a plan or plans, and any changes in such plans, in accordance with regulations prescribed by the Secretary or appropriate State agency, for—

"(A) inspection and maintenance of each such pipeline facility owned or operated by such person;

"(B) emergencies and procedures in response thereto; and

"(C) the education of its customers on the importance of reporting gas odors and leaks and the possible hazards and dangers of not reporting them; and

"(2) maintain a log which shows the receipt and handling of each leak and emergency report.

"(b) The Secretary may, by regulation, also require persons who engage in the transportation of gas or who own or operate pipeline facilities subject to the provisions of this Act to file such plan or plans for approval. If at any time the agency with responsibility for enforcement of compliance with the standards established under this Act finds that such plan is inadequate to achieve safe operations, such agency shall after notice and opportunity for a hearing, require such plan to be revised. The plan required by the agency shall be practicable and designed to meet the need for pipeline safety. In determining the adequacy of any such plan, such agency shall consider—

"(1) relevant available pipeline safety data, including the reports and recommendations of the National Transportation Safety Board;

"(2) whether the plan is appropriate for the particular type of pipeline transportation;

"(3) the reasonableness of the plan; and

"(4) the extent to which such plan will contribute to public safety.".

Sec. 6. Section 12(b) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1681 (b)) is amended to read as follows:

"(b)(1) The Secretary is authorized to monitor and evaluate the performance of the respective States and their enforcement practices and carry out such other inspections and investigations as may be necessary to aid in the enforcement of the provisions of this Act and the standards established pursuant to this Act. Each year the Secretary shall evaluate at least two States, one urban and one rural, in depth and, after providing the States selected with an opportunity to comment on the findings and recommendations of such evaluations, issue a report, either separately or as a part of the annual report pursuant to section 14 of this Act, to the President for transmittal to the Congress.

"(2) For purposes of enforcement of this Act, officers, employees, or agents authorized by the Secretary, upon presenting appropriate credentials to the individual in charge, are authorized (A) to enter upon, at reasonable times, pipeline facilities, and (B) to inspect, at reasonable times and within reasonable limits and in a reasonable manner, such facilities. Each such inspection shall be commenced and completed with reasonable promptness.".

Sec. 7. Section 13 of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1682) is amended by (1) redesignating subsections (b), (c) and (d) as subsections (c), (d) and (e), respectively, and by (2) adding new subsections (a) and (b) as follows:

"(a) The Secretary shall conduct, through grants or contracts, or both, with individuals, States, and nonprofit institutions, research, testing, and development in—

"(1) methods to detect leaks and the methods of repair of such leaks;

"(2) the development of monitoring devices, both automatic and manual;

"(3) improved procedures for accident control;

"(4) component reliability of gas pipelines and facilities and the development of safe service life prediction for the various components;

"(5) gas odorization and migration into buildings;

"(6) the development of safety or quality assurance programs or systems;

"(7) the development of tools and procedures for in-place evaluation;

"(8) excavation damage accidents and their prevention;

"(9) off-shore and Arctic pipeline safety problems; and

"(10) other appropriate areas which will promote the purposes of this Act.

"(b) The Secretary is authorized to conduct programs or to make grants or enter into contracts, or both, with States and public and private nonprofit institutions of higher education and to contract with private for profit entities to (1) provide for specialized training of personnel employed in the pipeline safety field, except that employees of any person shall not be eligible for such training unless such person pays the full cost thereof and (2) develop minimum qualifications for inspectors and other important field personnel.".

Sec. 8. Section 14 of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1683) is amended by (1) striking "accidents" in subsection (a)(1) and inserting in lieu thereof "leaks, accidents" and (2) by redesignating clauses (2) through (10) as clauses (3) through (11), respectively, and inserting the new clause (2) as follows:

"(2) a complete list of the recommendations of the National Transportation Safety Board relating to pipeline safety, with an indication of the action taken in response thereto by the Secretary.

Sec. 9. Section 15 of the Natural Gas Pipeline Safety Act of 1968 is amended to read as follows:

"APPROPRIATIONS AUTHORIZED

"Sec. 15. (a) There are authorized to be appropriated such sums as are necessary not to exceed $3,500,000 for the fiscal year ending June 30, 1976; not to exceed $875,000 for the period beginning July 1, 1976, and ending September 30, 1976; not to exceed $4,500,000 for the fiscal year ending September 30, 1977; and not to exceed $5,500,000 for the fiscal year ending September 30, 1978, except the funds appropriated pursuant to this section shall not be used for federal grants-in-aid.

"(b) For the purpose of carrying out the provisions of subsection 5(c) of this Act, there is authorized to be appropriated for federal grants-in-aid, such sums as necessary not to exceed $4,500,000 for the fiscal year ending June 30, 1976; not to exceed $1,250,000 for the period beginning July 1, 1976, and ending September 30, 1976; not to exceed $5,000,000 for the fiscal year ending June 30, 1977; and not to exceed $5,500,000 for the fiscal year ending June 30, 1978.".

By Mr. CURTIS:

S. 2044. A bill to provide a natural gas priority for agricultural seed drying. Referred to the Committee on Commerce.

NATURAL GAS PRIORITY FOR SEED PRODUCTION

Mr. CURTIS. Mr. President, I send to the desk a bill that would provide priority for the use of natural gas in the drying of seed corn, seed grain sorghum, and other seeds needed for agricultural production. Currently there are several bills under consideration that establish priorities for many facets of agricultural production. I am particularly concerned, however, with the production of seed, and have drafted this legislation to give the proper attention to this most vital segment of agriculture, particularly the production of seed corn and seed grain sorghum.

These feed grains are the most important crops to our livestock and poultry industries and have attained that importance through their hybridization during the past two decades. The seed is carefully harvested at a relatively high moisture level and dried in a rather technical process utilizing natural gas dryers in order to maintain the best germination and growth vigor in the seed.

Without this priority, our feed grain producers would be denied the seed they need to produce the grain we so desperately need to maintain the livestock production our consumers demand. I urge my colleagues to examine this matter and give it their fullest support.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2044

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Natural Gas Act, as amended, is amended by inserting immediately after section 22 the following new section:

"Sec. 22A. Notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Commission shall prohibit any interruption or curtailment of natural gas and take such other steps as are necessary to assure the availability of sufficient quantities of natural gas in interstate commerce for use in agricultural seed drying in existing plants for present or expanded capacity."

By Mr. RANDOLPH:

S. 2045. A bill to insure that Federal buildings and certain buildings assisted with Federal funds employ the best practicable energy conservation and management practices; and for other purposes. Referred to the Committee on Public Works.

LEGISLATION TO FOSTER ENERGY CONSERVATION IN FEDERAL INSTALLATIONS

Mr. RANDOLPH. Mr. President, the price of all energy is increasing, as is the cost of foreign oil which we import in growing amounts.

The challenge to America is well known: We must develop domestic energy resources so we can supply a greater portion of our needs and we must lower our level of energy consumption. To meet this latter objective, I introduce today the Federal Facilities Energy Conservation and Utilization Act of 1975. It is similar to legislation I introduced in the 93d Congress which was approved by the Senate.

This measure requires the Federal Government to exercise leadership in the development and implementation of energy conservation techniques in building construction and renovation. It would commit the Federal Government to a policy of energy conservation in all Federal and federally assisted construction.

The energy savings from adoption of such a policy are substantial. They would serve to stimulate energy conservation in the private sector.

The Federal Government owns and operates some 410,000 buildings in the United States. In addition, there are about 7,123 hospitals, 114,287 schools, and some 20 million multifamily dwelling units. A substantial portion of these have been constructed with Federal assistance or federally insured funds. Future construction of these types of structures would be covered by the provisions of this bill.

Energy conservation must be a permanent consideration in all aspects of our lives. This means that, among other facts, we must examine customary building design and construction methods from this new perspective. It has been estimated that if all new buildings were electrically heated and properly insulated, there would be a 40-percent reduction in energy consumption.

The Federal Government has already instituted energy conservation programs in the facilities it owns. The General Services Administration recently reported that its energy conservation efforts saved the equivalent of 833,758 barrels of oil during the first 3 months of this year. This is a 28.4-percent reduction from the comparable period 2 years ago.

These savings provide an insight into what can be accomplished through the energy conscious operation of existing buildings. Many of the 10,000 structures controlled by the General Services Administration are of conventional design. As such they were not designed with efficient energy consumption in mind. When the reductions came they were brought about through imposition of such simple measures as fewer light bulbs and adjustments to thermostats. It takes little imagination to recognize that even greater reductions in energy consumption can be realized in more efficiently constructed and operated buildings.

Mr. President, I introduce this legislation to insure energy conservation practices are employed in the construction and renovation of Federal and federally assisted facilities.

The Federal Facilities Energy Conservation and Utilization Act of 1975 directs that all Federal agencies consider energy conservation to the fullest extent possible consistent with their existing authorities.

Agencies of the Federal Government also would be required, for all new facilities exceeding 25,000 square feet, to prepare both an energy-economic analysis and an energy utilization analysis. These analyses would have to consider the facility's heating, ventilation, air conditioning, and lighting system, in addition to other energy consuming systems.

Mr. President, I ask unanimous consent that the text of this measure be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2045

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Facilities Energy Conservation and Utilization Act of 1975."

FINDINGS AND PURPOSES

Sec. 2. (a) the Congress finds that—

(1) the consumption of energy in buildings, including Federal buildings and Federally assisted buildings, has a significant impact on the United States' use of energy;

(2) the energy conservation practices adopted for the design, construction, renovation, and operation of these buildings will have a beneficial effect on the United States' overall supply of energy;

(3) energy utilization over the economic life of these buildings must be considered, in addition to the initial cost of such buildings; and

(4) the design of these buildings must take into consideration the efficient use of energy over the economic life of the building.

(b) The Congress declares that it is the policy of the United States to assure that the best practicable energy conservation and utilization practices are employed in Federal and federally assisted buildings.

DEFINITIONS

Sec. 3. As used in this Act, the term—

(a) "Federal agency" means an executive department, a Government corporation, or an independent establishment in the executive branch;

(b) "Federal building" means any building which is constructed or renovated by a Federal agency, or which is leased by a Federal agency and more than 66 per centum of the net assignable area of which is used by a Federal agency;

(c) "major building" means any building of twenty-five thousand or more square feet of usable floor space;

(d) "major Federal building" means a major building which is constructed or renovated by a Federal agency, or which is leased by a Federal agency and more than 66 per centum of the net assignable area of which is used by a Federal agency;

(e) "federally assisted building" means a building constructed in whole or in part, other than by a Federal agency, with Federal funds or with funds guaranteed or insured by a Federal agency;

(f) "federally assisted major building" means a major building constructed or renovated in whole or in part, other than by a Federal agency, with Federal funds or with funds guaranteed or insured by a Federal agency;

(g) "existing building" means a building (other than a privately owned residential structure) which is owned by the United States or which is leased by a Federal agency and more than 66 per centum of the net assignable area of which is used by a Federal agency on or after the date of the enactment of this Act or on behalf of the United States.

(h) "initial cost" means the cost of construction, and, in the case of a major building the cost of construction or renovation;

(i) "economic life" means the projected useful life of a building; and

(j) "initiated" means, with respect to construction or renovation, that offers or proposals for the construction or renovation work have been solicited or invited by the responsible Federal agency or its grantee, or the lessor in the case of a building leased by a Federal agency.

ENERGY CONSERVATION GUIDELINES

Sec. 4. (a) The Administrator of General Services, in consultation with the Administrator of the Federal Energy Administration, the Secretary of Defense, the Secretary of Commerce, acting through the Director of the National Bureau of Standards, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, and the Administrator of Veterans' Affairs, shall, not later than one year after the date of the enactment of this Act, publish energy conservation guidelines (including energy management guidelines) for use in the design, construction, renovation, and operation of certain residential office, commercial, institutional, and other buildings. *Provided, however,* That the United States Postal Service shall, not later than one year after the date of the enactment of this Act, publish such energy conservation guidelines for those Federal buildings, including major Federal buildings, under the custody or control of the United States Postal Service and may at periodic intervals thereafter amend its guidelines. Such guidelines shall take effect with respect to Federal buildings, federally-assisted buildings, major Federal buildings, and federally-assisted major buildings on which construction or renovation is initiated after the effective date of the guidelines, but such effective date shall be within 180 days after the issuance of such guidelines.

(b) The guidelines published pursuant to this section by the Administrator of General Services and the United States Postal Service shall include information on those variable factors which may affect energy conservation and utilization, including—

(1) architectural features and site orientation and composition (including the usage of glass and insulation), illumination levels, electrical distribution systems, and the elimination of excessive fenestration;

(2) wasteful energy consumption practices in heating, ventilation, air conditioning, and service water systems;

(3) new techniques for energy supply, generation, and transmission; and

(4) to the extent feasible, the energy expended in the development, processing, manufacture, and transportation of basic materials used in the construction, renovation, and maintenance of such buildings.

(c) The Administrator of General Services may, in consultation with the Administrator of the Federal Energy Administration, the Secretary of Defense, the Secretary of Commerce, acting through the Director of the National Bureau of Standards, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, and the Administrator of Veterans' Affairs, at periodic intervals amend or revise the guidelines published pursuant to this section, and such amendments or revisions shall take effect as determined by the Administrator.

(d) In the development of energy conservation guidelines pursuant to this section, the Administrator of General Services is authorized to consult with and utilize the services of private individuals, institutions, and organizations, including, but not limited to, professional engineering and architectural societies, private standard setting bodies, trade associations, and consumer interest organizations.

ENERGY ECONOMIC AND UTILIZATION ANALYSES

Sec. 5. (a) Each Federal agency shall follow to the guidelines established pursuant to Section 4 of this Act.

(b)(1) Each Federal agency having authority over the construction of any Federal building or federally-assisted building or the construction or renovation of any major Federal building or any federally-assisted major building shall require the preparation of an energy utilization analysis and an energy-economic analysis for such building, *Provided, however*, that in the case of Federal buildings and federally-assisted buildings, each Federal agency may for a category or type of building, including residential buildings, determine that the energy conservation benefits to be derived from an energy utilization analysis or an energy-economic analysis do not justify the expense for either, or both, such analysis, in which such analysis shall not be required under this subsection. In the case of residential buildings that determination shall be made taking into consideration the size of the residential development involved.

(2) Energy utilization analysis performed pursuant to this subsection shall consist of an evaluation of the efficiency of the energy consuming systems and components by demand and type of energy, including the internal energy load imposed on a building by its occupants, equipment and components, and the external energy load imposed on a building by climatic conditions. Such energy analysis shall include—

(A) an evaluation of two or more energy system alternatives;

(B) the simulation of each energy system over the anticipated range of operation of the building for a year's operating period considering the variable occupancy and operating levels of the building, including illumination levels;

(C) the evaluation of the energy consumption of component equipment in each energy system considering the operation of such components at both full and part load conditions as well as rated outputs; and

(D) the consideration of energy management procedures.

(3) Energy-economic analysis shall include consideration of—

(A) the economic aspects of the energy utilization analysis performed for such building pursuant to paragraph (2) of this subsection;

(B) the initial cost of each energy-consuming system being compared and evaluated;

(C) the cost of maintaining and operating each energy-consuming system including the cost of all utilities;

(D) the average replacement cost for each energy consuming system for the economic life of the building;

(E) the coordination and positioning of the building on its physical site; and

(F) the building composition and configuration, including the amount and type of fenestration and the amount of insulation incorporated in the building.

(c) The energy consuming system or combination of systems shall be selected for each major Federal building and each federally assisted major building, taking into consideration the energy-economic analysis performed for such building under this section.

(d) Estimates of the utilization, including specific data relating to the consumption, efficiency, and cost, of energy for a building shall be included in any prospectus submitted by a Federal agency to the Congress, including any prospectus submitted by the Administrator of General Services to the Committee on Public Works of the Senate and House of Representatives under Section 7 of the Public Buildings Act of 1959, as amended.

(e) In the selection of locations for new Federal and federally-assisted buildings the Administrator of General Services and Federal agencies shall consider the proximity of such buildings to existing and planned mass transit facilities.

(f) Nothing in this Act shall preclude the demonstration of experimental energy systems.

FEDERAL PROCUREMENT

SEC. 6. The Administrator of General Services, in consultation with the Director of the Office of Federal Procurement Policy and the Administrator of the Federal Energy Administration is directed to make a study and survey of all Federal agency procurement in excess of $10,000, from the viewpoint of energy conservation and report not later than one year after enactment of this Act, to the President and to the appropriate committees of the Congress the results of such study and survey, together with such recommendations as he may have of measures to assure that energy conservation is a major consideration in Federal agency procurement policies and practices.

REPORTS

SEC. 7. (a) The Administrator of General Services shall prepare and submit an annual report to the Congress on his activities under this Act. Each such report shall include a description of equipment, methods of construction, and operating practices used to achieve energy conservation, and shall also include comparisons of energy consumption and costs for buildings in which such equipment, methods, or practices are and are not used.

(b) Each Federal agency shall conduct an inventory and examination of buildings under its custody or control and report to the Congress, not later than one year after the date of enactment of this Act, on improvements that can be or are being made to assure that such buildings will utilize the best practicable energy management practices for the conservation of energy: *Provided, however,* that the Administrator of General Services may coordinate such inventory and examination of buildings and prepare a consolidated report to the Congress pursuant to this subsection.

AUTHORIZATION

SEC. 8. There is authorized to be appropriated to carry out the purposes of this Act not to exceed $7,500,000.

By Mr. PERCY:

S. 2046. A bill to amend the Internal Revenue Code of 1954 to provide tax incentives for the manufacture, importation, and purchase of automobiles which use fuel efficiency, and for other purposes. Referred to the Committee on Finance.

Mr. PERCY. Mr. President, I am today introducing a revised version of S. 635, my auto efficiency tax incentive legislation. As with S. 635, the purpose of this bill is to provide a strong stimulus for both the production and purchase of fuel-efficient new cars.

I have revised the bill in light of testimony before the House Ways and Means Committee. My bill is tailored to correspond with average levels of fuel efficiency which the auto industry itself said it could realistically achieve.

In addition, the onset of the penalty and bonus plan would be delayed until the 1978 model year, as in the House passed bill, to give the industry adequate leadtime to prepare for its effects. Finally, the bonus plan has been revised so as not to provide an additional incentive for the purchase of imported cars.

The approach of my bill differs from the auto efficiency provision passed by the House in three important respects:

First. The tax-incentive program is an inducement for consumers to purchase efficient new cars, as well as an inducement for the industry to continually produce more efficient automobiles.

Second. The tax on inefficient automobiles is large enough to have a real deterrent effect.

Third. The fuel economy standards would apply to each new car sold in the United States, not merely to the average of a manufacturer's entire line of new cars.

In my legislation, there would be a penalty for purchasing a new car which delivers less than the standard fuel efficiency for that model year, as determined by Government tests for combined city and highway driving. The penalty, in the form of an excise tax, would be paid only once, at the point of original purchase. The tax would increase in four steps from $200 to $1,000, depending on the fuel efficiency of the car.

The standard fuel efficiency on which the tax is based would be 18 miles per gallon in 1978, and would increase by 1 mile per gallon each year until 1983. For the model year 1983 and thereafter, the standard fuel efficiency would be 23 miles per gallon.

In 1978, the maximum penalty of $1,000 would apply to a new car that averages less than 12 miles per gallon. In 1983, the $1,000 tax would apply to a new car delivering less than 17 miles per gallon.

Individuals who purchase new cars that deliver higher than the standard fuel efficiency for each model year would be rewarded with a bonus payment from the Government. The purchase of fuel-efficient automobiles is both in the national interest to save energy and in the personal interest of the consumer to save money. The bonus payment would be a strong inducement to make such a purchase, and thereby help to reduce our Nation's dangerous dependence on high-priced foreign oil.

The bonus would be paid from the Treasury directly to the consumer, upon certification of purchase. The bonus would increase in four steps from $75 to $300, depending on the fuel efficiency of the new car. No bonus would be paid on the purchase of a car not produced in the United States or Canada, and no more than one bonus payment could be made each year to any one purchaser.

The maximum bonus payment of $300 would apply in the 1978 model year to any new domestic car that achieves more than 26 miles per gallon in fuel efficiency. In 1983 and thereafter, the maximum $300 would be paid on a car delivering over 31 miles per gallon.

The bonus payments on high-efficiency cars would be financed out of the excise tax on low-efficiency cars, so that the net cost to the Government in any year would be zero. If the auto industry fails to keep pace with the schedule of fuel-efficiency improvements which it has set for itself, then more new cars than expected will be subject to the tax and the penalty-bonus plan will yield net revenues.

Mr. President, it has been nearly 2 years since I first introduced auto-efficiency legislation. The wisdom of such a proposal is becoming more apparent every day as our domestic energy resources diminish and our dependence on foreign energy sources grow.

For this country, the gas-guzzling dinosaur has long been a cherished symbol of our affluence. But the days of cheap energy and wasteful driving habits are over. We need a new national policy based on conservation of our energy resources.

This bill is an important step toward that policy. I strongly urge the Senate to adopt this auto efficiency tax incentive program.

Mr. President, I ask that the text of the bill I am introducing be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2046

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part I of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new section:

"SEC. 4064. AUTOMOBILE FUEL EFFICIENCY TAX

"(a) IMPOSITION OF TAX.—There is imposed on the sale of an automobile by the manufacturer or importer thereof a tax determined in accordance with the following table:

"If the fuel consumption rate (miles per gallon) is—	The tax is—					
	For model year					
	1978	1979	1980	1981	1982	1983 or later
Over 23	0	0	0	0	0	0
Over 22, but not over 23	0	0	0	0	0	200
Over 21, but not over 22	0	0	0	0	200	200
Over 20, but not over 21	0	0	0	200	200	420
Over 19, but not over 20	0	0	200	200	420	420
Over 18, but not over 19	0	200	200	420	420	680
Over 17, but not over 18	200	200	420	420	680	680
Over 16, but not over 17	220	420	420	680	680	1,000
Over 15, but not over 16	420	420	680	680	1,000	1,000
Over 14, but not over 15	420	680	680	1,000	1,000	1,000
Over 13, but not over 14	680	680	1,000	1,000	1,000	1,000
Over 12, but not over 13	680	1,000	1,000	1,000	1,000	1,000
Not over 12	1,000	1,000	1,000	1,000	1,000	1,000

"(b) Determination of Fuel Consumption Rate.—

"(1) Determination of rate.—

"(A) In general.—The fuel consumption rate of every automobile which may be subject to tax under this section is the fuel consumption rate determined by the Secretary or his delegate for the class of automobiles of which such automobile is a member. The determination of the fuel consumption rate for any class of automobiles shall be based on a composite mileage resulting from the testing of such class of automobiles, conducted in accordance with procedures established under paragraph (4). The determination shall be published in the Federal Register.

"(B) Review of determination.—Within 30 days after the fuel consumption rate of any class of automobiles has been published under subparagraph (A), the manufacturer or importer of such class of automobiles may file a petition in the United States Court of Appeals for the District of Columbia for judicial review of such determination. Upon the filing of such petition, the court shall have jurisdiction to review the determination in accordance with the provisions of chapter 7 of title 5, and to grant such relief as may be appropriate under such chapter.

"(2) Interagency cooperation.—In order to avoid unnecessary expense and duplication of effort, the Secretary or his delegate shall make such arrangements or agreements for cooperation or mutual assistance in the performance of his functions under this subsection and the functions of any department, agency, or establishment of the United States, as he may find practicable and consistent with law. The Secretary or his delegate may have access to and utilize, on a reimbursable or other basis, information, facilities, or services of any department, agency, or establishment of the United States. Each such department, agency, or establishment shall cooperate with the Secretary or his delegate and, to the extent permitted by law, provide such information, facilities, or services as he may request.

"(3) Fuel consumption rate.—The term 'fuel consumption rate' means, with respect to any class of automobiles, the number of miles which an automobile in such class can reasonably be expected to travel for each gallon of fuel which it consumes under ordinary driving conditions.

"(4) Procedure for determining fuel consumption rate.—The Secretary or his delegate shall, by regulation, establish procedures for conducting tests to determine the fuel consumption rate of automobiles which may be subject to tax under this section. Under such regulations the Secretary or his delegate shall establish separate classes of automobiles which may be based upon—

"(A) the manufacturer (or division of the manufacturer) of automobiles;

"(B) the engine family of automobiles (which takes into account the type of engine, fuel induction system, and emission control system);

"(C) the type of transmission of such automobiles;

"(D) whether or not the automobiles have air conditioners;

"(E) whether or not the automobiles are station wagons; and

"(F) the inertia weight of the automobiles.

For purposes of subparagraph (F), the inertia weight shall be taken into account in categories of 250 pound increments for automobiles which have inertia weights under 3,000 pounds, and in categories of 500 pound increments for automobiles which have inertia weights of 3,000 pounds or more.

"(f) Determination of Fuel Consumption Rate for Each Manufacturer or Importer.—

"(1) Manufacturer.—The fuel consumption rate of any manufacturer for any model year shall be based on all automobiles produced by such manufacturer in the United States or Canada during the model year.

"(2) Importer.—The fuel consumption rate of any importer for any model year shall be based on all new automobiles imported into the United States during such model year which were produced (outside the United States and Canada) by the manufacturer who produced the automobiles imported by such importer. If there is more than one such manufacturer, the importer shall have a separate fuel mileage rating with respect to the automobiles of each such manufacturer.

"(3) Special Rules.—For purposes of this subsection—

"(A) Persons who manufacture and import.—A person who is both a manufacturer and an importer shall be treated—

"(i) as a manufacturer with respect to automobiles described in paragraph (1) and

"(ii) as an importer with respect to automobiles described in paragraph (2).

"(B) Certain imports from Canada.—A person who is not a manufacturer with respect to automobiles described in paragraph (1), but who imports automobiles from Canada, shall be treated as an importer with respect to such automobiles.

"(C) Production in United States or Canada.—An automobile is produced in the United States or Canada if at least 50 percent of the cost to the manufacturer of such automobile is attributable to value added in the United States or Canada.

"(D) Treatment of certain exports and imports and sales for further manufacture.—An automobile otherwise taken into account under paragraph (1) shall not be taken into account under paragraph (1)—

"(i) if it is sold to any person before the close of the model year in which it is produced for use in further manufacture,

"(ii) if it is exported from the United States before the close of the model year in which it is produced, or

"(iii) in the case of an automobile the production of which is completed outside the United States, unless it is imported into the United States before the close of the model year in which it is produced.

"(g) Definitions and special rules.—For purposes of this section—

"(1) Automobile.—The term 'automobile' means—

"(A) any passenger automobile (within the meaning of such term as used in section 4061(b)(2)), or

"(B) any automobile truck or bus which has a gross vehicle weight of 6,000 pounds or less (as determined under regulations prescribed by the Secretary or his delegate),

which uses gasoline or diesel fuel as a fuel for propulsion.

"(2) Model year.—The term 'model year' means, with reference to any calendar year, the manufacturer's annual production period (as determined by the Secretary or his delegate) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term 'model year' means the calendar year.

"(3) Manufacturer.—The term 'manufacturer' includes a producer.

"(4) Changes in emission standards.—If there is any change (whether by law or by administrative action) from the Federal emissions standards which apply to automobiles produced on May 1, 1975, the Secretary or his delegate shall determine by rule (in accordance with section 553 of title 5) and publish in the Federal Register the extent (if any) to which such change increases fuel consumption rates for classes of automobiles.

"(h) Exemptions.—Under regulations prescribed by the Secretary or his delegate, for purposes of this section the tem 'automobile' does not include—

"(1) an ambulance, hearse, or combination ambulance-hearse,

"(2) any bus which is to be used predominantly by the purchaser in mass transportation services in urban areas, or

"(3) any bus sold to any person for use exclusively in tansporting students and employees of schools operated by State or local governments or by nonprofit educational organizations (within the meaning of section 4221 (d) (5)).

For purposes of paragraph (3), incidental use of a bus in providing transportation for State or local governments or a nonprofit organization described in section 501 (c) which is exempt from tax under section 501 (a) shall be disregarded.

"(i) Application of Certain Sections.—Sections 4221 and 4293 do not apply to the tax imposed by this section."

(b) Technical and Clerical Amendments.—

(1) The table of sections for part I of subchapter A of chapter 32 is amended by adding at the end thereof the following new item:

"Sec. 4064. Excessive fuel consumption tax.".

(2) Section 6161(b)(1) (relating to extensions of time for pay tax) is amended by inserting after "or 43," the following: "or by section 4064,". The second sentence of

such section 6161(b) is amended by inserting after "chapter 43," the following: "or by section 4064 of chapter 32,".

(3) Section 6201(d) (cross reference) is amended by striking out "and chapter 43 taxes" and inserting in lieu thereof the following: "chapter 43, and section 4064 taxes".

(4) Section 6211 (defining deficiency) is amended—

(A) by striking out so much of subsection (a) as precedes paragraph (1) and inserting in lieu thereof the following:

"(a) In General.—For purposes of this title in the case of income, estate, and gift taxes imposed by subtitles A and B and excise taxes imposed by section 4064 or by chapter 42 and 43, the term 'deficiency' means the amount by which the tax imposed by subtitle A or B, by section 4064, or by chapter 42 or 43, exceeds the excess of—"; and

(B) by inserting after "or B" in subsection (b)(2) the following: ", section 4064,".

(5) Section 6212 (relating to notice of deficiency) is amended—

(A) by inserting after "or B" in subsection (a) the following: ", section 4064,";

(B) by inserting after "chapter 12" each place it appears in subsection (b)(1) the following: ", section 4064,";

(C) by striking out "TAXES IMPOSED BY CHAPTER 42" in the heading of subsection (b)(1) and inserting in lieu thereof "CERTAIN EXCISE TAXES";

(D) by striking out "or of chapter 42 tax" in subsection (c)(1) and inserting in lieu thereof "of chapter 42 tax"; and

(E) by inserting after "to which such petition relates" the following: ", or of section 4064 tax with respect to the calendar year to which such petition relates".

(6) Section 6213 (relating to restrictions applicable to deficiencies and petition to Tax Court) is amended by inserting after "or B" in subsection (a) the following ", section 4064,".

(7) Section 6214(d) (relating to final decisions of Tax Court) is amended by inserting after "this chapter," the following: "section 4064,".

(8) Section 6344(a)(1) (relating to cross references) is amended by inserting before "chapter 42" the following: "section 4064 or".

(9) Section 6512 (relating to limitations in case of petition to Tax Court) is amended—

(A) by striking out "or 43" each place it appears therein and inserting in lieu thereof ", 43", and

(B) by inserting after "to which such petition relates" the following: ", or of section 4064 tax with respect to the calendar year to which such petition relates".

(10) Section 6601(d) (relating to interest on underpayment, nonpayment, or extensions of time for payment of tax) is amended by striking out in the heading thereof "Chapter 42 or 43" and inserting in lieu thereof "Certain Excise".

(11) Section 7422(e) (relating to civil actions for refund) is amended by inserting before "chapter 42" the following: "section 4064 or".

Sec. 2. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowed) is amended by redesignating section 45 as 45A and by inserting after section 44 the following new section:

"Sec. 45. Automobiles.

"(a) General Rule.—In the case of an individual who purchases an automobile during the taxable year, there is allowed as a credit against the tax imposed by this chapter an amount determined under the table set forth in subsection (b).

"(b) Determination of amount.—The amount of the credit allowable under subsection (a) for the taxable year shall be determined in accordance with the following table:

	The credit is—					
	For model year					
"If the fuel consumption rate (miles per gallon) is—	1978	1979	1980	1981	1982	1983 or later
Over 31	$300	$300	$300	$300	$300	$300
Over 30, but not over 31	300	300	300	300	300	225
Over 29, but not over 30	300	300	300	300	225	225
Over 28, but not over 29	300	300	300	225	225	150
Over 27, but not over 28	300	300	225	225	150	150
Over 26, but not over 27	300	225	225	150	150	75
Over 25, but not over 26	$225	225	150	150	75	75
Over 24, but not over 25	225	150	150	75	75	0
Over 23, but not over 24	150	150	75	75	0	0
Over 22, but not over 23	150	75	75	0	0	0
Over 21, but not over 22	75	75	0	0	0	0
Over 20, but not over 21	75	0	0	0	0	0

"(c) Limitations.—

"(1) Domestic and Canadian automobiles.—No credit is allowed under subsection (a) for the purchase of any automobile which is not produced in the United States or Canada (as determined under section 4064).

"(2) Taxable year.—No credit is allowed under subsection (a) for the taxable year to any taxpayer for the purchase of more than 1 car (more than 2 cars in the case of a joint return under section 6013).

"(d) Definition of Automobile; Determination of Fuel Consumption Rate.—For purposes of this section, the term 'automobile' is defined in section 4064, and the fuel consumption rate for any automobile shall be determined in accordance with the provisions of such section.".

(b)(1) Section 56(a)(2) of such Code (relating to imposition of minimum tax) is amended by striking out "and" at the end of clause (vi), by striking out the semicolon and "and" at the end of clause (vii) and inserting in lieu thereof a comma and the word "and", and by inserting after clause (vii) the following new clause:

"(viii) section 45 (relating to credit for automobiles); and".

(2) Section 56(c)(1) of such Code (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (F), by striking out "exceed" at the end of subparagraph (G) and inserting in lieu thereof "and", and by inserting after subparagraph (G) the following new subparagraph:

"(H section 45 (relating to credit for automobiles), exceed".

(3) Section 6096(b) of such Code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44" and inserting in lieu thereof a comma and "44 and 45".

(c)(1) The Table of Sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 45. Automobiles.

"Sec. 45A. Overpayments of tax.".

Sec. 3. Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by inserting "(a)" after "Sec. 3." and by adding at the end thereof the following:

"(b) Every label required to be affixed under subsection (a) shall include, in the case of any automobile on which a tax is imposed by section 4064 of the Internal Revenue Code of 1954 (relating to excessive fuel consumption tax) or on which a credit is allowed by section 45 of such Code (relating to automobiles)—

"(1) the fuel consumption rate determined to be applicable for such automobile, and

"(2) the tax paid or credit allowed under such section.".

By Mr. PERCY:

S. 2047. A bill to amend the Internal Revenue Code of 1954 to increase the Federal exise tax on gasoline, to make such tax, as increased, a permanent tax, to provide that revenues derived from the increase in and extention of, such tax are credited to the general fund rather than to the Highway Trust Fund, and to provide a credit for the increased tax paid with respect to not more than 500 gallons of gasoline purchased each year by the taxpayer. Referred to the Committee on Finance.

Mr. PERCY. Mr. President, the latest figures indicate that consumption of gasoline in this country is up to preembargo 1973 levels and rising fast. In the first 4 months of this year, Americans consumed an average of 6.4 million barrels of gasoline per day, the same average as in the first 4 months of 1973.

By contrast, consumption of other petroleum products, such as heating oil, residual oil, diesel fuel, and jet fuel, remains well below preembargo levels. For one reason or another—the recession, higher prices, or voluntary conservation—Americans are using less of these petroleum products. This takes the pressure off oil imports and slows temporarily our Nation's headlong rush toward greater and greater dependence on expensive foreign oil.

But Americans are not saving gasoline. This summer motorists are packing the kids and the dog in the station wagon and heading for the beaches and mountains. It is almost as if a neon sign was flashing across the Nation's highways saying: "The Energy Crisis Is Over!"

This reaction is understandable. During the 2 years since gasoline shortages first occurred, many Americans have stayed home or curtailed their pleasure driving. They were worried that they might not be able to buy enough gasoline to get home from vacation, that gasoline prices might be too high, or long lines might form at the gas pumps. Moreover, they were exhorted by the President and the Congress to conserve energy in the national interest, and they tried to respond.

But this summer there is no apparent shortage of gasoline. The price of gasoline is high, but not high enough to reduce driving. One House of Congress has voted down a 23 cents-a-gallon gasoline tax. The people have stopped worrying and they are hitting the road again.

For 2 years Congress has been faced with the energy crisis, but we have failed to adopt a policy to cope with it. By failing to pass any meaningful energy conservation measures, Congress is telling the people that there is no serious energy problem. Congress is, in effect, plugging in that neon sign on the highways, encouraging motorists to return to their old driving, and buying habits.

Unfortunately, the energy crisis is not over, and every monthly increase in gasoline consumption only worsens our situation with respect to the oil-producing countries. As long as Congress refuses to enact a rebatable gasoline tax to reduce consumption and raise revenues, foreign oil producers will continue collecting their own nonrebatable "tax" on all petroleum products. Further, the oil producers plan to raise their own revenues by another $2 a barrel or more on October 1.

Mr. President, for 9 months I have been advocating the unpopular gasoline tax, because I believe it is a necessary part of an effective energy conservation program. We cannot continue indefinitely without a sound energy policy. If we do, we will surrender our destiny to the oil producers.

We need a gasoline tax, even though we do not like it. Gasoline is the only petroleum product which is not now being conserved. Discretionary use of gasoline, above and beyond the amount required by the average person for getting to and from work and for conducting personal business, should be taxed. It is a luxury in today's world, and it should be taxed as a luxury.

The 10 cents-a-gallon gasoline tax I am introducing today would be rebated through the income tax withholding system for up to 500 gallons of gasoline per year for each individual taxpayer who drives a car. Under this proposal, a husband and wife filing a joint income tax return would receive a total refund for the tax paid on the first 1,000 gallons of gasoline used each year. This is equivalent to 15,000 miles of driving in a car that averages 15 miles per gallon.

The refund would be added to individual paychecks by reducing the Federal withholding rate. At income tax time, individuals would reconcile their actual gasoline consumption with the amount of tax that had already been rebated to them. The process of computing personal gasoline consumption each year would be a strong psychological stimulus for conservation.

This rebatable gasoline tax would begin immediately to reduce consumption of gasoline—by about 300,000 barrels per day in the first year and 500,000 barrels per day by 1980—without having a detrimental effect on personal income. Only discretionary driving would be taxed, not essential driving.

In addition, a 10-cents-a-gallon rebatable gasoline tax would raise net revenue after the rebate of about $4 billion annually. This revenue, unlike the present 4-cents-a-gallon Federal tax receipts, would go into the general fund of the Treasury. The funds would then be free for use in improving mass transit, developing alternate forms of energy, and for other national priorities.

I urge the Congress to enact a meaningful energy conservation program that includes a rebatable gasoline tax. Unfortunately, the price of gasoline will continue to rise. One question is clear. Will the price increase mean even more dollars flowing into the oil-producing countries, or will those dollars be returned to American pocketbooks?

Mr. President, I ask that the text of the bill I am introducing be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2047

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part III of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to gasoline) is amended by redesignating section 4084 as 4085 and by inserting after section 4083 the following new section:

"Sec. 4084. Additional Tax.

"There is imposed on gasoline sold by the producer or importer thereof, or by any producer of gasoline, a tax of—

"(1) 10 cents a gallon with respect to sales occurring before October 1, 1977, and

"(2) 12.5 cents a gallon with respect to sales occurring after September 30, 1977.".

(b)(1) Section 4082(d) of such Code (relating to definition of wholesale distributor) is amended by inserting "or section 4084" after "section 4081" where it appears in paragraph (2).

(2) Section 4083 of such Code (relating to exemption of sales to producer) is amended by inserting "or section 4084" after "section 4081".

(3) Section 4101 of such Code (relating to registration) is amended by striking out "section 4081 or section 4091" and inserting in lieu thereof "section 4081, section 4084, or section 4091".

(4) Section 4221(d)(6)(C) is amended by inserting "or section 4084" after "section 4081".

(5) Section 4226(a) of such Code (relating to floor stocks taxes) is amended by adding at the end thereof the following new paragraph:

"(8) Additional taxes on gasoline.—

"(A) 1975 Tax.—On gasoline subject to tax under section 4084 which, on the first day of the first calendar month beginning more than 29 days after the effective date of such section, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 10 cents a gallon. The tax imposed by this subparagraph does not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor does it apply to gasoline held for sale by a producer or importer of gasoline.

"(B) 1977 Tax on Gasoline.—On gasoline subject to tax under section 4084 which, on October 1, 1977, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 12.5 cents a gallon. The tax imposed by this subparagraph does not apply to gasoline and retail stocks held at the place where intended to be sold at retail, nor does it apply to gasoline held for sale by a producer or importer of gasoline.".

(6) Section 6421(b)(1)(A) of such Code (relating to allowance for local transit systems) is amended to read as follows:

"(A) 7 cents for each gallon of gasoline so used, by".

(c) The table of sections for such subpart A is amended by striking out the item relating to section 4084 and inserting in lieu thereof the following:

"Sec. 4084. Additional tax.

"Sec. 4085. Cross references.".

(d) The amendment made by this section apply to gasoline sold on and after the first day of the first calendar month beginning more than 29 days after the date of enactment of this Act.

Sec. 2. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by redesignating section 45 as 45A, and by inserting after section 44 the following new section:

"Sec. 45. Excise Tax on Gasoline.

"(a) In General.—In the case of an individual there is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 10 cents multiplied by the number of gallons of gasoline purchased by the taxpayer during the taxable year for the use of the taxpayer, his spouse, and his dependents.

"(b) Limitations.—

"(1) Amount.—The credit allowed by subsection (a) for any taxable year shall not exceed $50 ($100 in the case of a joint return under section 6013).

"(2) Application with other credits and deductions.—In determining the number of gallons of gasoline purchased by the taxpayer during the taxable year, any gasoline purchased with respect to which a credit or deduction is claimed under this chapter (other than under this section) for the taxable year shall be disregarded.".

(b) Section 6401 (b) of such Code (relating to excessive credits) is amended by—

(1) inserting after "43 (relating to earned income credit)," the following: "45 (relating to excise tax on gasoline),", and

(2) striking out "sections 31, 39, and 43" and inserting in lieu thereof the following: "sections 31, 39, 43, and 45".

(c) Section 6201(a)(4) of such Code (relating to assessment authority) is amended by—

(1) striking out "or 43" in the caption thereof and inserting in lieu thereof "43, or 45", and

(2) striking out "or section 43 (relating to earned income)," and inserting in lieu thereof the following: "section 43 (relating to earned income, or section 45 (relating to excise tax on gasoline),".

(d) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by striking out the item relating to section 45 and inserting in lieu thereof the following:

"Sec. 45. Excise tax on gasoline.

"Sec. 45A. Overpayments of tax.".

(e) The amendments made by this section apply to taxable years ending after the date of enactment of this Act but only with respect to gasoline purchased by the taxpayer on which the tax imposed by section 4084 of the Internal Revenue Code of 1954 (as added by the first section of this Act) is imposed.

Sec. 3. (a) Section 3402(a) of such Code (relating to requirement of withholding) is amended to read as follows:

"(a) Requirement of Withholding.—Except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables prescribed by the Secretary or his delegate. Such tables shall reflect the liability for tax of employees under chapter 1 to be computed by taking into account the amount of wages and affording the employee an opportunity to have the credit allowed by section 45 taken into account for withholding purposes. For purposes of applying such tables, the term 'amount of wages' means the amount by which the wages exceed the number of withholding exemptions claimed, multiplied by the amount of one such exemption as shown in the table in subsection (b)(1).".

(b)(1) The amendment made by subsection (a) applies to wages paid after the last day of the calendar month ending more than 60 days after the date of enactment of this Act.

(2) Section 209(c) of the Tax Reduction Act of 1975 is amended by adding at the end thereof the following: "The amendment made by section 205(b) shall also apply to wages paid after December 31, 1975.".

By Mr. BURDICK:

S.J. Res. 101. A joint resolution to authorize the President to issue annually a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week." Referred to the Committee on the Judiciary.

Mr. BURDICK. Mr. President, I have introduced a joint resolution to authorize the President to annually proclaim the week in November which includes Thanksgiving Day as National Family Week. The purpose of the resolution is simply to recognize that family life has been a major influence in forming respect for the values upon which our Nation was founded. It picks the Thanksgiving week as an appropriate time to turn our Nation's thoughts to what the family means in American life and what it can do in the future to promote liberty, justice, understanding, and unity.

I think that many of us are skeptical about the increasing number of special national "celebrations" that are sought to be authorized each year. In reflecting about this resolution, however, I came to realize that its purpose is not promotional. Its thrust is not to encourage the formation of festivities. It is simply a way of allowing our Nation a moment to pause—to take time from its frenetic pace—to encourage each of us to meditate in our own way about the family and the role it has played in our lives and the course of our Nation.

Over the past few years through the work of the American Legion and the Committee for National Family Week, each of the 50 States has set aside some time for this purpose. In 1972, the Nation was called to do so by Presidential proclamation. I think that it is time for this enthusiasm to be captured and hope that my resolution can be swiftly enacted.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 327

At the request of Mr. Jackson, the Senator from Delaware (Mr. Biden) was added as a cosponsor of the bill (S. 327) to amend the Land and Water Conservation Fund Act of 1965, as amended, to establish the National Historic Preservation Fund, and for other purposes.

S. 1681

At the request of Mr. Eagleton, the Senator from South Dakota (Mr. McGovern) and the Senator from Vermont (Mr. Leahy) were added as cosponsors of S. 1681, the cosmetic safety amendments.

S. 1864

At the request of Mr. Jackson, the Senator from Indiana (Mr. Hartke) was added as a cosponsor of S. 1864, the Energy Information Act.

S. 1906

At the request of Mr. Church, the Senator from Arkansas (Mr. Bumpers), the Senator from Arizona (Mr. Fannin), the Senator from Colorado (Mr. Haskell), the Senator from Minnesota (Mr. Mondale), and the Senator from Connecticut (Mr. Ribicoff) were added as cosponsors of S. 1906, a bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program.

S. 1961

At the request of Mr. Biden, the Senator from Montana (Mr. Mansfield) was added as a cosponsor of S. 1961, the Consumer Leasing Act of 1975.

SENATE RESOLUTION 144

At the request of Mr. Burdick, the Senator from West Virginia (Mr. Randolph) was added as a cosponsor of Senate Resolution 144, to urge the restoration of the status of amateur athlete for the late Jim Thorpe, and for other purposes.

SENATE RESOLUTION 200—SUBMISSION OF A RESOLUTION RELATING TO RURAL POST OFFICES

(Referred to the Committee on Post Office and Civil Service.)

Mr. ABOUREZK submitted the following resolution:

S. Res. 200

Resolved, It is the sense of the Senate that the continuation of post offices in small towns and rural communities serves the national interest, and that the U.S. Postal Service should not close third-class or fourth-class post offices on other than a case-by-case basis.

NOTICE OF HEARING

Mr. PHILIP A. HART. Mr. President, due to the press of Senate business, the final day of hearings on S. 1284—the Antitrust Improvements Act of 1975—has been rescheduled from June 26 to July 9 at 9:30 a.m. in room 6202 Dirksen Senate Office Building.

Statements and additional material for the hearing record will continue to be accepted until such date, at which time the hearing record will be closed.

NOTICE OF HEARING

Mr. NELSON. Mr. President, I wish to announce that the Subcommittee on Monopoly of the Senate Small Business Committee has scheduled hearings for July 8, 9, and 10 on the antibiotics clindamycin and linomycin and the oral blood-sugar-lowering drugs. The witnesses will be announced later. The hearings will be held as follows: On July 8 in room 4229 Dirksen Senate Office Building, and July 9 and 10 in room 1114 Dirksen Senate Office Building. They will begin at 10 a.m. each day.

NOTICE OF JOINT HEARINGS BEFORE THE SMALL BUSINESS COMMITTEE AND THE INTERIOR COMMITTEE ON THE WESTLANDS WATER DISTRICT, CENTRAL VALLEY, CALIF.

Mr. NELSON. Mr. President, Senator Jackson and I are pleased to announce that the full Select Committee on Small Business and the full Committee on Interior and Insular Affairs will open joint hearings on July 17. Sessions on that date and on July 22, in Washington, will examine the Westlands Water District of the Central Valley Reclamation Project, California, as an example of the impact of Federal policies upon family farms and the institution of family farming.

These hearings will open a series of hearings initiated by the Small Business Committee on the general question, "Will the family farm survive in America?" Because jurisdiction for legislation and legislative oversight on the subject of the Federal reclamation program resides with the Committee on Interior and Insular Affairs, the first two sessions—and any subsequently scheduled hearings dealing with the Reclamation program—will be joint hearings of the two full committees.

The July 17 hearing will begin at 10 a.m. in room 1202, Dirksen Senate Office Building. The July 22 hearings will begin at 10 a.m. in room 1114, Dirksen Office Building. Senator Jackson has designated Senator Haskell to serve as acting chairman on behalf of the Interior Committee, and I shall cochair the sessions on behalf of the Small Business Committee.

SUBJECT: ALL ASPECTS OF FAMILY FARMING

Through this series of hearings, the Small Business Committee—aided when appropriate by the Interior Committee—expects to examine all aspects of the present condition of the farming establishments of this country that are owned and operated by families residing on or near the land they till.

The major focus throughout these hearings, however, will be on the effect of Federal Government policies and programs on the condition of the family farmer and his prospects for continuing in business at a decent level of earnings and security, or indeed for continuing in business at all.

The fundamental question is, literally: Will the family farm survive as the basic economic and social unit in rural America? And the next key question is: Are the policies and programs of the Federal Government encouraging or undermining family-farm survival?

FAMILY FARM AS SMALL BUSINESS

For many years, the Small Business Committee has been concerned with the condition of the independent family farmer as small businessman, with the condition of small business enterprise in rural communities, and with the increasing penetration of large conglomerate corporations into American agriculture. The hearings announced today will continue this tradition of concern for the economic position of the independent small business farm operation within the American economy and society.

In the opening joint hearings inquiring into the operation of the Westlands Water District in the Central Valley of California, the two committees will be focusing on a highly significant aspect of the influence, both positive and negative, of major Federal programs on modern-day, family-based, independently owned and operated farms.

The long developed programs of the U.S. Bureau of Reclamation are vital in the Western United States in bringing the lifeblood of irrigation water to the fertile but arid lands of those regions. Throughout the West the Federal Reclamation program has transformed areas of limited agricultural possibilities into literal garden spots of the highest agricultural productivity, abundance and wealth.

As a member of the Interior Committee for a number of years, I took great interest in the development of the Federal Reclamation program in general, and in the Westlands Water District in particular. In 1964 and again in 1966 it was my privilege to chair hearings of the Interior Committee on the Westlands Water District. It is of particular interest now, 10 years later, to see how national policy has in fact been carried out in Westlands.

One of the fundamental and consistent purposes and goals of reclamation law in the United States, dating most notably from the seminal Reclamation Act of 1902, has been to encourage the settlement of farming families on the land. F. H. Newell, the first director of the U.S. Reclamation Service—now the Bureau of Reclamation—stated in 1905:

> The object of the Reclamation Act is not so much to irrigate the land as it is to make homes. President Theodore Roosevelt in his message to this Congress today, and in every previous message to this Congress and to the Congress of the United States, has emphasized again and again that the primary objective of the law was to make homes. It is not to irrigate the lands which now belong to large corporations or to small ones; it is not to make these men wealthy; but it is to bring about a condition whereby that land shall be put into the hands of the small owner, whereby the man with a family can get enough land to support that family, to become a good citizen, and to have all the comforts and necessities which rightly belong to an American citizen.

In pursuit of this fundamental policy goal of not only irrigating the land, but also of making homes, reclamation law and policy has also encouraged the breaking up of the large private ownership of land wherever necessary in those areas where the highly subsidized benefits provided through public water reclamation projects have been made available to farmowners. The amount of Federal subsidy involved, through the provision of reclamation project water to irrigation users at less than full cost for a period of 40 years or more, is substantial. Its magnitude is indicated by an estimate of the General Accounting Office that, in the case of the California Central Valley project as a whole, this subsidy to water users will amount ultimately to a total of $1.5 billion.

The Westlands Water District and its member landowners, the largest single organization of recipients of Central Valley project water, have been and will continue to be major direct beneficiaries of the Federal subsidies provided through low cost irrigation water. For the year 1971 alone, GAO estimated the amount of this subsidy accruing to the 10 largest farm operators in the Westlands Water District who were receiving Central Valley project water at that time as amounting to a total of $1,780,300.

The providing of this highly subsidized Federal reclamation project water to large landowners for a limited period of time is part of an historic compromise that was struck in establishing a mechanism for the eventual breaking up of the large landholdings. In exchange for the substantial benefits in low-cost water which they may obtain for a period limited to 10 years, the large landowners who choose to participate in this arrangement thereby undertake the legal obligation to sell, by the end of that 10-year period, their holdings in excess of 160 acres—or 320 acres per married couple—to purchasers in farm plots of no more than 160 acres—or 320 acres per couple. This is, of course, the famous "160-acre limitation" of the reclamation law, and it has been one of the key elements in the American tradition of public policy in this area: to provide eventually the widest possible opportunity for the development of independent small business enterprise in farming, as elsewhere, to spread eventually the substantial benefits of the federally subsidized irrigation program to the maximum number of direct beneficiaries, and to promote ultimately the independent family farm operation—and the stable rural community of bona fide farm families—as the most desirable social and economic pattern for American agriculture.

In the original congressional debate on the Reclamation Act of 1902 one of its sponsors, Congressman Eben Martin of South Dakota, noted:

> The bill is drawn exclusively for the protection of the settler and actual home builder, and every possible safeguard is made against speculative ownership and the concentration of the lands or water privileges into large holdings.

A half century later, the Supreme Court affirmed in plain language the intent of Congress and the constitutionality of placing limitations on the amount of federally subsidized water provided to large landholders. In its Ivanhoe decision of 1958 the Court said:

> It is a reasonable classification to limit the amount of project water available to each individual in order that benefits may be distributed in accordance with the greatest good to the greatest number of individuals. The limitation insures that this enormous expenditure will not go in disproportionate share to a few individuals with large landholdings. Moreover, it prevents the use of the federal reclamation service for speculative purposes. In short, the excess acreage provision acts as a ceiling, imposed equally on all participants, on the federal subsidy that is being bestowed.

Senator JACKSON, as chairman of the Interior Committee for 13 years now, has also frequently been counted among the strong defenders of the family farm concept in America. In 1972, Senator JACKSON wrote in an article on "Problems of Rural America":

> I firmly believe that the family farm is the ideal farming situation in our country.

That is a conviction which I heartily endorse and share.

Our first and foremost criterion, in evaluating every Government program that bears on the conditions of agriculture in this country—and especially those, like the reclamation program, that involve substantial subsidies to private landowners in the furtherance of important public goals—should be to ask: Does this program improve the conditions and opportunities for genuine small business enterprise in agriculture—modern in outlook, and technically efficient, but within the hands of bona fide independent, family based farm owner-operators? Or, does the impact of this program contribute to a continuing shift adverse to the independent family farmer and toward the increasing concentration of control of the land and of farming under the auspices of large corporate ventures?

These are the fundamental questions that must be asked in evaluating the impact of all our Fedreal programs bearing on agriculture, and they are the major questions we will be addressing in the hearings announced today.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of the witnesses for the first 2 days of hearings.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

WITNESS LIST

July 17, 1975, 10 a.m., Room 1202, Dirksen Office Building:

David Weiman, National Farmers Union.

George Ballis, National Land for People.

Edward Weinberg, attorney, former Solicitor of the U.S. Department of the Interior.

Angus McDonald, former Director of Research, National Farmers Union.

Rev. James Vizzard, S. J., United Farm Workers, AFL-CIO and former director of the National Catholic Rural Life Conference.

July 22, 1975, 10 a.m., Room 1114, Dirksen Office Building:

Hon. Gilbert F. Stamm, Commissioner, Bureau of Reclamation, U.S Department of the Interior, and appropriate officers and employees of the Department.

Berge Bulbulian, President, National Land for People, and small farm operator.

Jessie de la Cruz, small farm operator.

DEVELOPMENTALLY DISABLED ASSISTANCE AND BILL OF RIGHTS ACT

Mr. JAVITS. Mr. President, in light of the Senate's recent passage of S. 462, the

Developmentally Disabled Assistance and Bill of Rights Act, I would like to take this opportunity to commend to my colleagues a speech by J. Stanley Pottinger of the Department of Justice regarding the constitutional rights of retarded citizens.

On May 8, Mr. Pottinger, Assistant Attorney General of the Civil Rights Division, spoke before the National Association for Retarded Citizens on the importance of providing treatment to retarded citizens in a manner least restrictive of personal liberty. Recognizing a retarded citizen's right to treatment and right to appropriate program support after institutionalization, Mr. Pottinger questioned whether institutionalization of retarded citizens always provides the most effective type of treatment.

To emphasize the importance of considering alternative types of treatment programs for mentally retarded citizens, Mr. Pottinger stated—

> Our experience in the right to treatment cases is that only a small number of retarded persons require institutionalization. The vast majority of presently institutionalized retarded persons could appropriately be placed and treated in a variety of community-based facilities. But placement of this kind ought to be consistent with the principle of "normalization". That is, the environment must permit the individual retarded person the opportunity to function as any other non-retarded person, at least insofar as his condition permits.

Mentally retarded citizens—as Mr. Pottinger points out—are sometimes placed in inappropriate institutional settings, even nursing homes, under the pretense that needed care will be provided. Frequently, however, the person's dependence on the institution increases with prolonged confinement, and further diminishes the possibilities for effective deinstitutionalization. Institutionalization of retarded citizens is not necessarily consistent with appropriate treatment.

Mr. President, the Senate has reiterated its commitment to maintain the rights of retarded citizens with the recent passage of S. 462. I ask unanimous consent that Mr. Pottinger's address, which reviews the constitutional and policy implications of our national commitment to improve the care, treatment, and habilitation of the mentally retarded be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PLACEMENT OF MENTALLY RETARDED PERSONS IN NURSING HOME SETTINGS

(Speech by J. Stanley Pottinger)

I am honored to have this opportunity to address The National Association for Retarded Citizens Symposium on Nursing Homes because of the importance of the subject, because of our role in dealing with it, and because of our need to examine where we ought to go from here.

The Civil Rights Division of the Department of Justice has been participating in litigation concerning the constitutional rights of retarded citizens since 1971 when U.S. Federal District Court Judge Frank M. Johnson of Montgomery, Alabama, requested the United States to assist the court in the now famous *Wyatt* v. *Stickney* case concerning the care provided to Alabama's institutionalized mentally retarded citizens. In the *Wyatt* case, we presented facts to the court which showed the cruel and unusual practices which existed at the Partlow State School for Retarded Persons in Tuscaloosa, Alabama.

We also presented to the court the testimony of Phil Roos, the Executive Director of this Association, which was of immense value to the court in establishing the standards necessary to implement meaningful relief in that case. We supported the constitutional right to treatment for our institutionalized mentally ill and retarded citizens in the *Wyatt* case, both in the trial court and on appeal in the fifth circuit, where the right to treatment was affirmed.

Since *Wyatt*, we have devoted an increasingly larger litigation effort to protect the rights of our retarded citizens. In September, 1974, we established the Office of Special Litigation to conduct litigation concerning the rights of children and physically and mentally handicapped persons of all ages. We are now participating as plaintiff-intervenor or as a friend of the court in law suits to establish the right to treatment for institutionalized mentally ill or retarded citizens in New York (the *Willowbrook* case), Pennsylvania, Ohio, North Carolina, South Carolina, Alabama (the *Wyatt* case), Louisiana, Texas, and Nebraska.

Moreover, we have filed independent actions as plaintiff concerning mental retardation institutions in Maryland and Montana. In our case in Louisiana (*Gary W.* v. *Stewart*), we are for the first time becoming involved in the private child care industry. In that case, Louisiana has contracted with private care facilities in Texas to care for their dependent and neglected emotionally disturbed and mentally retarded children. We have intervened in the case to assist the court in establishing appropriate standards of care for these children.

More recently, we participated in the negotiated settlement of the *Willowbrook* case in New York. The court has accepted the detailed relief incorporated in that consent decree. The decree provides, among other things that Willowbrook will be gradually reduced in size from its current population of approximately 3,000 to a total of 250 residents over a six-year period. The State of New York has shown admirable concern for its retarded citizens in agreeing to the required relief and has set an example which other states could well follow.

The first right to treatment case has now reached the Supreme Court. The case, called *O'Connor* v. *Donaldson*, concerns the failure of Florida to provide treatment to an involuntarily committed mentally ill person, and was heard by the court in January of this year. While we did not participate directly in *Donaldson*, the Solicitor General did indicate our support for the right to treatment in that case through a letter to the court. We are, of course, hopeful that the Supreme Court will define and uphold the constitutional right to treatment. We believe that the establishment of a clearly defined, feasible and understandable right to treatment as the law of the land for involuntarily institutionalized mentally handicapped persons, including mentally retarded citizens, is likely to be accomplished soon.

Improving conditions in institutions is important, of course, but there are related issues of equally critical importance. Civil commitment to and confinement in any institutional setting—even those made more desirable—still constitutes a substantial denial of personal liberty, particularly where the persons involved are not accused of a crime and, typically, are not given the procedural protections accorded criminal defendants. The federal courts have developed the constitutional principle that a person whose liberty has been denied pursuant to civil process—that is, not as punishment for the commission of a crime, but for some other lawful state purpose such as the treatment and protection of mentally retarded persons—must be confined in a manner which is the least restrictive of personal liberty, commensurate with the treatment needs of the person whose liberty has been denied.

Thus, the nature and duration of confinement must bear a reasonable relationship to the purpose of confinement. Mentally handicapped persons whose particular conditions do not warrant the almost total restriction of personal liberty resulting from institutionalization must be placed in freer settings. This is not to say that all institutions are inherently evil or are unable to rehabilitate. Rather, it is to recognize that institutionalization constitutes a severe encroachment on personal liberty and that therefore, under our systems of laws which holds personal liberty paramount, only those persons whose conditions truly require it should be so confined.

State mental retardation and mental health systems are feeling a double pressure to deinstitutionalize their residents as a result of the right to treatment litigation. First, as has been demonstrated in our cases, institutional confinement may have a debilitative effect on some residents with a resulting regression in their life skills.

Our participation as a litigating friend of the court in the *Willowbrook* case was primarily directed toward demonstrating these physical, intellectual, emotional and social regressions in order to support our demand for further relief in that case. One response to the debilitative effects of improper institutionalization that some institutions have resorted to is to remove the residents hastily.

The second pressure to deinstitutionalize residents stems from the relief ordered by federal courts in the right to treatment cases which often requires the addition of substantial numbers of staff based upon the numbers of residents in the institutions and their treatment needs.

If the resident population remains static, court-required increases in staff presents a substantial financial burden to the institution, as compared with the cost of operating the same institution with less staff. A rapid, significant drop in the total resident population helps resolve the immediate financial problem of obtaining more favorable staff-patient ratios. As a result, the pressure on an institution to deinstitutionalize its residents precipitiously may be substantial. The possible damage to mentally retarded residents, who have been conditioned to depend upon the institution, may also be substantial if proper program support is not provided on a continuing transition basis.

We have recently received information that nursing homes and other boarding facilities are being used in several states as facilities where mentally retarded persons may be placed as an alternative to continued institutionalization. While such placements may often be appropriate based upon the treatment needs of individual patients, we are concerned that residents of institutions may be subjected to a "dumping" process where, after years of institutionalization, they are placed in facilities which are not capable of treating them or are left to fend for themselves.

We believe that the right to treatment, which we and many others have worked so hard to establish, includes the responsibility to prepare residents for non-institutional life, and to provide appropriate program support after deinstitutionalization so that our mentally handicapped citizens will succeed in community placements of all kinds and will be able to retain a maximum degree of their personal liberty and promote the maximum use of their human abilities.

Recently, as this symposium knows, the

conditions in the nursing home industry have been receiving widespread attention. The information contained in recent governmental reports and major news articles indicates that the conditions in some nursing homes may be as debilitative as the conditions were in some of the state institutions with which we have become familiar. Long and thoughtful consideration must be given to whether nursing homes are appropriate placement alternatives for mentally retarded persons.

The Senate's Subcommittee on Long-Term care Reports in *Nursing Home Care in the United States: Failure in Public Policy* that the conditions in a substantial number of nursing homes are truly shocking. The Committee report (Supporting Paper No. 1; December 1974) is a litany of abuses in nursing homes. Some of the most common abuses found were: negligence leading to death; intentional physical injury; poor care; poor food; unsanitary conditions; fire hazards; lack of dental care; lack of any psychiatric care; untrained and inadequate personnel; lack of activities, and unnecessary or unauthorized use of restraints. This parade of horribles is reminiscent of the conditions we found at Partlow in Alabama and at Willowbrook in New York.

The Special Committee on Aging reported further that:

> Thousands of elderly patients have been transferred from state mental institutions to nursing homes. . . . This trend is caused partially by progressive thinking intended to reduce patient population in large impersonal institutions. Another powerful reason, however, may be cost. . . . It costs the states an average of $800 per patient per month to care for mental patients in state hospitals while these same individuals can be placed in boarding [nursing] homes at a substantially reduced cost. Charges of "wholesale dumping" of patients have been made in several states.

Although the Special Committee was referring here to the placements of mentally ill patients in nursing homes, the analogy to a possible "dumping" of mentally retarded patients is obvious.

At the request of Congress, the Government Accounting Office conducted a sample survey of nursing homes, which had been certified for the Medicare and Medicaid programs, and reported on March 18, 1975, that as many as 72 percent of the nursing homes in its sample failed to meet major fire safety code provisions which are incorporated in federal medicare/medicaid regulations. It appears that a substantial number of nursing homes constitute a danger to the lives and well-being of their residents.

We are aware of the fire hazards presented by some nursing homes and are taking action to end the danger. On October 11, 1974, following a referral from the Department of Health, Education, and Welfare we filed a civil suit (*United States* v. *Commonwealth of Pennsylvania*) in the U.S. District Court in Harrisburg, Pennsylvania to enforce the fire safety regulations concerning skilled nursing homes which house the beneficiaries of Medicare/Medicaid throughout Pennsylvania. Prior to our filing suit, there had been several fatal fires in Pennsylvania nursing homes and it had been determined that the fires were caused by violations of Medicare/Medicaid fire safety regulations. We believe that this suit constitutes a major step forward in protecting the rights of residents of nursing homes.

It is clear that more persons will be removed from institutional settings and placed in freer environments, and for the most part this is a long-overdue trend. But this change in setting for persons committed to the care of the state does not relieve the state of its responsibilities to protect such persons from harm, or to provide the kind of care and treatment that is designed to give residents a real chance to maximize their human skills and enhance their ability to cope with their environment.

The state cannot relieve itself of its constitutional obligations merely by contracting with a privately operated facility to provide services.

Fire hazards and other dangerous conditions that have been exposed in nursing homes must be remedied before they may be used as a placement alternative. Whether any particular non-institutional setting, including nursing homes, will comply with the constitutional treatment standard depends upon whether the basic treatment needs of each patient can be met in that setting. Obviously danger to one's life from fire hazards is not consistent with any form of effective treatment.

But sound, effective deinstitutionalization depends upon steps taken prior to transfer as much as after. It is likely that a patient who has been confined in an institution for a substantial period of time will require assistance in preparing him to function in a non-institutional setting, just as he will require assistance after transfer to insure his continued successful adjustment.

Our experience in the right to treatment cases is that only a small number of retarded persons require institutionalization. The vast majority of presently institutionalized retarded persons could appropriately be placed and treated in a variety of community-based facilities. But placements of this kind ought to be consistent with the principle of "normalization." That is, the environment must permit the individual retarded person the opportunity to function as any other non-retarded person, at least insofar as his condition permits.

To the extent that a nursing home may be entirely a geriatric facility, it would not be consistent with the principle of normalization to place a young mentally retarded patient there. The persons who are available to interact with retarded persons should represent a wide spectrum of ages and abilities and should include a substantial number of persons of the mentally retarded person's age group.

A final consideration is whether the detailed standards concerning care and treatment set forth in such decisions as *Wyatt* are applicable to community-based facilities in general, and to nursing homes specifically. The court in *Wyatt* set forth standards which included considerable detailed relief, as staff-patient ratios. While many of those standards have general applicability to all facilities where retarded persons are treated, the specific relief in that case was, of course, designed to meet the specific problems presented in that case.

Different patient groups with different needs in different settings may well require different staff-patient ratios and the like. The constitutional mandate is not that specific predetermined ratios be met, but that effective care and treatment is provided.

The law must retain its traditional flexibility to permit the development of new treatment modes in the profession and, at the same time, insure that the right of personal liberty of our mentally retarded citizens is protected. For that reason, the movement to protect the rights of retarded citizens is proceeding forward at an increasingly greater speed.

The traditional practice of committing mentally retarded persons to large impersonal institutions is under attack. As author David Rothman has pointed out, institutionalization has been too seductive. As responsible officials and society as a whole, we succumbed too easily to the fallacy that merely keeping retarded patients behind walls would do some good. Because confinement of the patient was so easily confused with the improvement of the patient, abuses proliferated.

Deinstitutionalization must therefore continue for those who will benefit from it. Our vigilance must be maintained to insure that proper care and treatment will continue to be provided in freer settings for our most helpless class of citizens.

The Department of Justice is proud to continue to play an active role in the development of this important area of constitutional law.

HOUSING NEWS IS NOT GOOD

Mr. BIDEN. Mr. President, if we listened only to the words and rhetoric of the Ford administration, it would appear that the severely depressed housing industry in America is on its way toward recovery.

However, that is not the case.

The fact of the matter is that the U.S. housing industry is in a state of severe recession, and the prospects are not good. A number of us have been making just that point in pressing for broad-based, meaningful emergency housing legislation, such as the bill President Ford vetoed earlier this week.

Mr. President, in this morning's editions of the News in Wilmington, Del., Norm Lockman—the paper's Washington correspondent—has an article which examines, in some detail, the sad state of the Nation's housing industry.

It makes for sober reading, but it is information that should be disseminated. I ask unanimous consent, therefore, that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wilmington (Del.) Morning News, June 27, 1975]

HOUSING NEWS IS NOT THAT GOOD

(By Norm Lockman)

WASHINGTON.—A memorandum sent to the Secretary of Housing and Urban Development in early June warned that U.S. housing production in 1975 may be the lowest since 1966 unless the housing market is stimulated drastically.

That opinion of HUD's Policy Development and Research Department, supported by many of the same statistics used to back up President Ford's veto of the Emergency Housing Act of 1975, was not reflected in the President's veto message, which painted a much rosier view of the housing industry's immediate future.

Sen. Hubert H. Humphrey, D-Minn., made the memo public yesterday at a sparsely attended session of the Joint Economic Committee, which was holding hearings on the housing situation.

The memo had no housing figures for May, which showed continuing improvement. But in its commentary on long-range trends, it said the industry was in such bad shape that the current improving climate still leaves it far behind last year's sales and production.

Yesterday, a HUD official agreed that the May housing figures had improved, but declined to comment on whether or not they would change any of the department's conclusions of the June 4 memo.

The figures used by both HUD and Ford are available from the Census Bureau on a monthly basis. However, texts of policy memos normally do not become public.

Humphrey said he was baffled by the sharp differences between the HUD researchers' outlook and the President's.

"Who is to be believed on this?" he asked.

The memo, which was cleared by Michael H. Moskow, assistant secretary for policy development and research, conceded that in flows of money into savings institutions, lending activity and housing permits was "the brightest news in April."

"However, this sector (the housing industry) has been so depressed that a small increase appears to be large when translated into percentage figures," the memo said.

In his veto message, the president, in arguing that the bill wasn't needed said home building permits climbed 24 percent in April and an additional 9 percent in May.

The HUD memo warned that the April increase in permits issued to builders may be a 1-month phenomenon. It said a good many permits were not being translated into housing starts.

The gloomy forecast was endorsed by housing experts testifying before the Joint Economic Committee, most of whom had a stake in the building of new homes or the sales of new and existing homes.

Leon N. Weiner, a Wilmington builder who is president of the National Housing Conference, and is considered one of the top authorities on the housing industry, said the president's use of the current housing statistics was misleading.

Even as he talked, the Senate was passing 94–0, a stripped down housing bill virtually tailored to Ford's dictates. Gone were the direct mortgage subsidies, gone were the direct payments to prospective home buyers, retained were the mortgage repayment loans and added were funds for purchasing mortgages from private lenders by financial institutions linked with the federal government. However, White House officials told a group of mayors late yesterday that even the stripped down bill has a clause about rehabilitation loans which the administration doesn't like. The compromise bill is not expected to be acted upon by the House before the July 4 recess.

Sen. Joseph R. Biden, Jr., D-Del., who criticized Ford's veto of the Emergency Housing bill, supported the compromise bill yesterday, but said it was a "tragedy" that Congress should have to settle for half a loaf.

FOREIGN CARS IN THE UNITED STATES

Mr. FANNIN. Mr. President, I call to my colleagues attention the fact that complaints have been registered with the Department of the Treasury alleging the "dumping" of foreign cars in the United States. These are very serious allegations, particularly when the American automobile industry is experiencing severe economic problems which have resulted in one of the highest unemployment rates of any domestic industry.

It is my information from Congressman JOHN DENT, chairman of the Labor Standards Subcommittee, that certain imported cars are being offered at a lower sales price in the United States than in the manufacturing country. He cites, for example, that the Austin Marina which is manufactured by British Leyland Motors sells for $300 more in Britain than in the United States. Likewise, the Volkswagen Rabbit model apparently sells for $650 less in the United States than in West Germany.

The number of automobiles imported increased from 2.5 million units valued at $6.48 billion in 1973 to 2.6 million units valued at $7.54 billion in 1974. While these figures increased, sales of American made cars plunged 2.3 million units. The auto industry estimates that imports now constitute 32 percent of the American market as of April 1975.

While this significant increase occurred in our Nation, sales of these imports in their nations of origin decreased dramatically. For example, Fiat's sales are off 18 percent from 1974 and Peugeot sales are off 17 percent from last year.

Mr. President, title III of the Trade Reform Act of 1974 makes provisions for dealing with the practice of "dumping." I know that Congressman DENT has called for an investigation into this matter by the Treasury Department. I add my full support to this request and encourage the Department to expedite its inquiry with the utmost speed. It is essential that these allegations be examined quickly and thoroughly in order to determine whether any action is required on the part of the United States.

SENATE TV COVERAGE REQUIRES PLANNING

Mr. METCALF. Mr. President, referring to the abortive attempt to bring television cameras into the Chamber for the Wyman-Durkin seating debate, a number of commentators have viewed with alarm what they see as a setback for the idea of broadcasting Senate floor proceedings.

As a sponsor of a resolution calling for a 1-year experiment with broadcasting, it is perhaps incumbent upon me to do likewise. But in my judgment the initiation of such coverage on this issue and on a tight time schedule—without adequate planning—might well have resulted in a good deal more serious setback.

Let me emphasize this point: I strongly favor opening the Senate to radio and television coverage. And I am most encouraged by the commitment, in principle, expressed by the leadership on both sides of the aisle earlier this month.

As my esteemed colleague, the senior Senator from Montana, pointed out, a "little sunshine" will not hurt any of us. Rather, it may make this body a more productive institution.

The heart of the matter, however, is the manner in which radio and television are accommodated. We must insure that this type of coverage simply records and communicates our proceedings. It must not be permitted to become a highly disruptive influence, disturbing or even distorting our deliberations.

Mr. President, the potential for disruption is very real if we act on an ad hoc basis, providing in effect for "special events" coverage. To avoid the problems foreseen by those who have opposed broadcasting over the years, we should take this step only after careful consideration of alternative ways of accommodating the broadcast media and only after developing orderly procedures for installing and operating the necessary equipment.

Senate Resolution 39—introduced January 28, 1975, and cosponsored by 34 other Senators—is intended to implement recommendations made by the Joint Committee on Congressional Operations after a 2-year study of the broadcasting question. My floor statement on this resolution, first introduced late in the 93d Congress, appears on pages 38825–38829 of the December 10, 1974 RECORD, and a detailed report on broadcasting House and Senate proceedings is available from the Joint Committee.

Mr. President, events of the past months make it clear why we should move forward with planning for broadcast coverage. Certainly, there are approaches, other than the one envisioned in Senate Resolution 39, which ultimately may be found to be better suited to the Senate's customs and procedures. But the time to decide how to proceed is now, calmly and deliberately, not in a last minute effort in the days just before another Vice Presidential confirmation, seating contest, or similar event of special significance.

A Washington Post editorial this week made the point cogently: Broadcasting of floor sessions ought to be begun, not as an occasional and hastily improvised move, but as a carefully considered step toward permanent improvement.

In the other body, a special subcommittee has just been established by the Rules Committee to hold hearings on a resolution similar in purpose to Senate Resolution 39, with Representative B. F. SISK of California as its chairman.

It is my understanding that the distinguished assistant majority leader of the Senate, the junior Senator from West Virginia, intends to conduct similar hearings in his Standing Subcommittee on Rules. All of us are acutely aware, of course, of the tremendous time and other pressures on Senators serving on this body's Committee on Rules and Administration. Theirs has been a full agenda of terribly complicated issues.

It is imperative, however, that we act to establish appropriate rules and procedures for broadcasting as soon as possible. And it is my hope that with the resolution of the Wyman-Durkin issue the Rules and Administration Committee will be in a position to take up this important question and report a carefully conceived resolution to the Senate.

Mr. President, the editorial from the Washington Post that I mentioned a moment ago, together with recent columns by George F. Will, were previously inserted in the CONGRESSIONAL RECORD by Representative JAMES CLEVELAND, Republican of New Hampshire, a member of the Joint Committee on Congressional Operations, but inasmuch as I have referred to them and they, together with a column by Walter Pincus, contain information on broadcasting floor proceedings that I believe will be of interest to Senators at this time and in this context I ask unanimous consent that these materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 23, 1975]

PUTTING CONGRESS ON THE AIR

Earlier this month it seemed that broadcasting had finally scored a breakthrough on Capitol Hill. The Senate, in an unprecedented move, voted to permit television and radio to cover the floor debates on the New Hampshire Senate election case. Properly handled, this could have been a good test of the usefulness of letting the public see and hear what actually occurs in an important, complicated congressional debate. Moreover, broadcasting would have been a particular service to the people of New Hampshire, who obviously have a special interest in the Senate's conduct of this case.

Unfortunately, the last-minute effort to air this debate foundered on tactical and technical points. Senate Democrats made broadcasting contingent on setting some limits to debate. No such agreement could be reached. Then the senators learned that TV coverage on such short notice would require banks of obtrusive lights that would make the Senate look like a TV studio and that could generate enough heat to overwhelm the air conditioning.

Neither of these difficulties amounts to a permanent problem. If broadcast coverage of floor sessions were to become routine, it could not be used as a bargaining chip in parliamentary disputes. And the lighting troubles are also surmountable. Technicians believe that, with some time to plan and experiment, it would be possible to provide enough light without too much heat—and without changing the basic appearance of the historic Senate and House chambers.

The key element is a sensible plan. One orderly approach has been developed by the Joint Committee on Congressional Operations, led by Sen. Lee Metcalf (D-Mont.) and Rep. Jack Brooks (D-Tex.). This proposal calls for a one-year test of continuous audio and video coverage of both chambers. The service would be launched on a closed-circuit hookup to members' offices. After a trial period of a few months, the coverage would be made available live and on tape to public and commercial broadcasters. An especially noteworthy aspect of this plan is that, once general broadcasting began, Congress would not try to limit or dictate uses of the service. News judgments would be made, as they should be, by the various broadcasters.

At a House hearing the other day, Rep. Don Fuqua (D-Fla.) noted that a similar system has worked well in the Florida legislature. Far from disrupting the proceedings, he said, broadcasting has probably helped to improve the quality of floor debate. That should be true in Congress. Broadcasting of floor sessions ought to be begun, not as an occasional improvised move, but as a permanent improvement.

[From the Washington Post, June 23, 1975]

THE ELECTRONIC CONGRESS

(By George F. Will)

When Fred Allen called television "chewing gum for the eyes" he did not anticipate the visual nourishment Congress soon may provide. Congress is inching toward allowing television and radio broadcasters to cover floor debates live and to use taped excerpts on news shows.

The electronic age dawned in Congress Dec. 4, 1923, when President Calvin Coolidge made a radio speech there. Although Coolidge's speech did not stir dangerous public passions, Congress always has treated broadcasting as a threat. It is unlikely that broadcasting Congress would lower the public's opinion of it, but it is understandable that Congress is wary of new surveillance.

Congressional "debate" rarely is a deliberative process that changes minds. It usually involves primarily "building a record" with prepared statements, some of which are prepared by the executive branch. When members lapse into spontaneity, they later "clean up" the record—they falsify the Congressional Record.

Some congressmen think viewers will misunderstand the periods of inaction in both chambers, and will make unflattering comparisons between congressmen and lilies of the field. Lilies toil not, neither do they spin, but neither do they pull down $42,500 a year plus perquisites.

But Americans understand that much work is done outside the chambers. And, besides, it is intolerable for politicians to restrict coverage of public events, like chamber activities, because they think a wide audience might not appreciate them.

Broadcasting might partially redress the growing imbalance between Presidents and Congress in the struggle for the public's attention. Americans cannot avoid seeing a President who is determined to be seen: the current one even commandeered all three networks so he could be seen not vetoing a tax bill. But only a few hundred people in Congress' public galleries can see Congress attempt to override any veto.

Most presidential candidates come from Congress. We should keep more of an eye on them than we can do with current restrictions on Capital Hill broadcasting.

Moreover, the television camera, although in some ways a superficial news-gathering instrument, conveys some things—sports, conventions, and other spectacles—with an immediacy that print journalism cannot match.

Television has a dreadful time reporting economic news because no one can take a picture of the law of supply and demand. But Sen. Lowell Weicker (R-Conn.) in high or even lower-middle dudgeon—that is a news event that only television can adequately capture.

And occasionally there is a congressional event which, if televised, might change history. Sen. Joe McCarthy's hearings made his primitiveness apparent to a wide audience. The nation might have avoided three years of his mischief if, in 1951, television had carried his bilious Senate diatribe against Gen. George Marshall.

Some congressmen worry that television footage will be "taken out of context." That certainly will happen, every day, just as print journalists excerpt paragraphs and phrases from congressional speeches.

This is part of a process called editing. It can be done well or poorly. But there is no way Congress can properly—that is, constitutionally—regulate it.

Congress has been allowed to act as though broadcasting of its activities is a privilege that it can bestow and regulate as it pleases, rather than a right belonging to broadcasters as legitimate journalists.

The exercise of this right by broadcasters may not have any of the good or bad consequences that people anticipate; it may only add to the public stock of harmless pleasure. But it is supremely important that Congress should abandon the pernicious idea that it has a right to deny that right.

Congress should remember what it did in expanding the public's access to televised professional football. Congress made it illegal for team owners to black out television coverage of home games that are sold out.

Having consulted Natural Law, and public opinion (which, to most congressmen, is Natural Law), Congress decided that the public has a sovereign "right" to see such games. Congress declared, in effect, that a contest between two private owned professional teams is not private property, and that the team owners cannot control access to their product.

By banning cameras and microphones from its chambers, Congress has said, regarding broadcasters, that congressional proceedings are Congress' private property. Without implying that Congress is as important or interesting as football, the public can insist that if it has a "right" to see a Rams-Redskins game, it was a right to see the great game of legislation.

[From the Washington Post, June 2, 1975]

BROADCASTING THE DEFENSE DEBATE

(By Walter Pincus)

The Senate today begins a week-long debate on defense policies focused around the defense procurement authorization bill. If it works as planned, this will be a real debate—senator standing up against senator—and not the normal series of long-winded staff-prepared floor statements. Thus such strong Pentagon supporters as Goldwater, Stennis, Thurmond and Jackson are expected to argue head-on with such defense critics as Kennedy, Mathias, Cranston, Humphrey, Brooke and McGovern.

At a time when questions are being raised about the role of Congress in analyzing and approving defense and foreign policies, such a debate is important both in this country and abroad. And this raises an important question: Shouldn't the public, other than several hundred who can get into the public gallaries during the week, be able to see and/or hear what takes place? A resolution to open Senate floor debates to radio and television coverage has been tied up in the Rules Committee since mid-January. Despite 33 co-sponsors, including the Democratic and Republican leaders, Mike Mansfield and Hugh Scott, plus strong support from Majority Whip Robert Byrd, the broadcast resolution is given little chance of approval until the Rules Committee clears away other pending matters.

With microphones and cameras barred from the chamber, the electronic media must depend on after-the-fact interviews, which carry none of the impact of the event itself. Nightly network news shows—which have become the public's primary source of national news—won't devote much time to isolated press gallery interviews of debate participants, although they would do so for film of a particularly sharp policy argument where the give-and-take on the Senate floor pitted one senator against another. Furthermore, if the cameras and microphones were running, the opportunity would exist for public radio and television to give full coverage and commercial networks to have the raw material for later documentaries.

Print journalists, of course, will be in the gallery. But their reports tend to keep vote scores and to recapitulate highlights rather than to convey the facts and emotions of the critical exchanges, if they cover them closely at all.

The House floor debate on the same pieces of defense legislation on May 19 and 20 offered an illustration. In the course of two days of debate, the pros and cons of various defense issues, albeit in simplified form, were laid out side by side in a way that does not occur publicly in any forum save Congress. The Ford administration has its own internal debates before it settled on the basic defense proposals, but those arguments were in private. When Defense Secretary James Schlesinger, Gen. George S. Brown, chairman of the Joint Chiefs of Staff and other defense officials testified before congressional committees, they presented a united front. At those hearings, for the most part, the public only learned of what the administration sought and what critics questioned.

It was different when the House floor debate took place. Then proponents and opponents debated specific issues through a series of amendments to the bill. And though most amendments failed, they sparked discussion that developed information and arguments on a number of key issues including U.S. troop strength abroad and the ICBM reentry vehicle called MaRV.

For example, Rep. Ron Dellums (D-Calif.), and his staff had worked for a number of years analyzing U.S. military troop strength overseas. He told his House colleagues he believes "the greatest waste in the military today is the huge excess of spending as a result of our overseas troop commitments," and he argued that these troops levels abroad have been set by the administration and foreign governments without any congressional control.

In South Korea, Dellums said, "the United States also (has) 1000 tactical nuclear weapons . . . and 54 nuclear bomb-carrying airplanes," in addition to 42,000 troops. "My question is," he went on, "are we there to defend the South Koreans from a North Korean attack . . .?" Defense Secretary Schlesinger had told him in committee that ". . . we cannot justify on military grounds the forward deployment of troops in South Korea. We are there to provide a political presence." To that Dellums asked, "Why do we need 42,000 troops to provide a political presence? Why not 4200 or 420 or 42. . . .?"

Dellums is out of the congressional mainstream; he often takes extreme positions. But he reflects the feelings of a significant segment of the American people. His amendment to cut 70,000 overseas troops sparked a debate the public should have heard.

The network news shows carried mention of final House passage of the defense bill but no debate details. As for newspapers and the wire services, they limited themselves for the most part to summaries, excluding details of the discussions.

Although it is too late to have television coverage of the current debate, radio coverage is not an impossibility; the Senate floor already is wired with microphones plugged into the loudspeaking system. All it would take would be for the Senate to vote a limited change in its rules. Such a special broadcast of the defense debate might break down the barriers to regular future coverage. It certainly would raise the quality of the week's discussions and the size of the audience that would hear it.

Perhaps it is too much to ask the Senate at this late date to take this simple step. But one can think of no better argument than this particular debate for prompt approval of the resolution before the Rules Committee to let the public look in as a general rule upon the more important deliberations on the Senate floor—via television as well as radio.

[From the Los Angeles Times, Dec. 22, 1975]

THE CHOICE FOR CONGRESS: TV OR NOT TV?

(By Walter Pincus)

The television cameras trained on the Senate chamber for the first time to bring Vice President Rockefeller's swearing-in to the American people raise again the question of TV coverage of Congress. Would the exposure help Congress regain its place as a branch of government equal to the White House?

Sen. Lee Metcalf (D-Mont.), chairman of the Joint Committee on Congressional Operations, recently introduced a resolution which, if passed by the Senate, would authorize a year-long test of radio and television broadcasting of the upper chamber's floor debates.

Ironically, none of the three network news shows that night (Dec. 9) mentioned the matter, nor did the Washington Post or the New York Times the next morning. If Capitol Hill newsmen ignored the story because they thought Metcalf's resolution had no chance of being approved, they may have another think coming. At the last minute, Metcalf picked up as co-sponsors Senator Robert Byrd (D-W. Va.), Democratic Whip of the Senate and de facto floor leader, and Sen. Hugh Scott (R-Pa.), the Republican chief. Byrd and Scott are important for reasons beyond their leadership positions. Both are members of the nine-man Senate Rules Committee which will now take up the measure.

When Byrd decides to press for approval, the measure will almost certainly get through both the Rules Committee and the Senate. Meanwhile, on the House side, Speaker Carl Albert's staff is beginning to research the pros and cons of House TV floor coverage with an eye toward taking some steps in that direction during the coming 94th Congress.

For years, major networks have been requesting the Congress to permit live coverage of major debates and votes, but rules in both bodies prohibit cameras and microphones in the chambers.

Those rules have remained untouched, although television has grown to be the prime news source for most Americans. As Presidents have taken to using television more and more to promote their causes, Congress has found itself less able to respond effectively. Sen. Byrd, voicing support for television floor coverage before Metcalf's committee last March, pointed out the incongruity: "Where a struggle exists over spending authority, the President can use television to veto a bill in full view of the American population—he can take what conceivably could be a private act and make it public. The subsequent Senate vote," Byrd went on, "to override or sustain the veto, however, cannot be seen by the general public, only by the 426 persons accommodated by the public gallery."

Watergate hearings in the Senate and the televised impeachment sessions of the House Judiciary Committee helped demonstrate the power of TV to the Congress. To the surprise and pleasure of the House leadership, most of the committee members appeared on the screen as serious, thoughtful men and women. Grandstanding was kept to a minimum.

Despite the good reviews for Congress in the Watergate and impeachment experiences, an undercurrent of Congressional opposition still runs against the type of coverage proposed by Metcalf. There is anxiety that the mere presence of the cameras may influence floor debate and decisions; that Congress, like the party conventions, would become a media event.

Beyond all this is a fear that network news programs using selected segments from televised floor debate may distort what happened. Though congressmen are resigned to acceptance of what they consider distortions in press coverage, they balk at TV because the picture conveys reality more sharply than does print.

Recognizing these apprehensions, the Metcalf proposal sets up a one-year test, thus giving the Senate a chance to see how broadcasters handle this new opportunity for Congressional coverage. At first, cameras in the Senate chamber would be turned on for a 60-day trial period, with receivers set up in strategic spots such as the Senate cloakroom and areas in the Capitol and Senate office buildings. After 60 days, a continuous television coverage would be initiated and network and local broadcasters would be permitted to use excerpts from the tapes in news shows and documentaries. Live coverage would be allowed only in special situations.

Metcalf leaves it to the Rules Committee and the Senate itself to deal with the tricky question of who will run the cameras.

Senate members worry that commercial broadcasters will focus on embarrassing situations or at least those uncomplimentary to a particular legislator. Network newsmen, on the other hand, fear that a Senate-run camera crew will steer clear of all conflicts. Radio coverage presents no such problem since it has less impact on its audience.

There is one major question that TV newsmen and Congress must face up to. It was expressed at the Metcalf hearings by Rep. Claude Pepper (D-Fla.): "There might come a time that we found abuse. That we found the (networks) were only putting the Democrats on, only the Republicans on, and not giving fair coverage." To Pepper and others, opening the floors of Congress to television cameras is a "privilege" to be granted by the House and Senate to the networks, not a right. And for that "privilege," the networks should be held accountable in their coverage on Congressional terms. Those terms are embodied in Metcalf's proposal as "procedures . . . to ensure that broadcast coverage is carried out in a nonpartisan manner and is fair and equitable in recording the views of members participating in floor proceedings." No other journalists are held to such a congressionally-set fairness standard and should the Senate attempt to apply it in this case, the one-year experiment is bound to be a failure.

The public deserves an opportunity to see Congress in action. House and Senate members need the exposure TV can give them if they are to move toward equalizing the power now vested in the Presidency. The final determination as to what the public sees, however, must be left to television journalists—and not a congressional committee of second-guessers.

STATEMENT BY SENATOR JACOB K. JAVITS OF 1974 DIRECT AND INDIRECT FINANCIAL INTERESTS AND TAX INFORMATION

Mr. JAVITS. Mr. President, under the Senate rules, I filed with the Secretary of the Senate on May 4, 1975 a "Statement of Contributions and Honorariums" which discloses all contributions or honorariums received by me during the calendar year 1974; and it incorporates by reference all reports of campaign contributions which are also on file with the Secretary of the Senate. These reports are public documents.

In addition, on May 14, 1975, I filed under the Senate rules with the Comptroller General of the United States a "Confidential Statement of Financial Interests" which includes a list of my assets and liabilities and my 1974 tax return. However, that report is not available to the public and therefore I am publishing a list of my assets and liabilities for calendar year 1974 as filed on May 14, 1975. The listing includes: First, each of my interests in property having a value of $10,000 or more *; second, the assets held in a family trust established in 1937, of which I am the trustee and in which as a beneficiary I have a life interest, each item having a value of $5,000 or more; and third, each of my liabilities having a value of $5,000 or more.

Finally, I am including a summary of Mrs. Javits and my 1974 Federal income tax return and the amounts of State and local taxes paid for 1974.

I ask unanimous consent that these items be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

INTERESTS IN PROPERTY (1974) [1]

Nature of interest, type of property, and location

Indian Trail Groves, Ltd. Shareowner—Indian Trail Ranch Inc. Real Estate Interests: Land; Miami, Florida.

Big Mound Trail Corp., Trust: Land; Miami, Florida.

Footnotes at end of article.

Arrowhead Associates: Land; Tyson Corners, Va.

TBV Lessors: Land; California.

Magic Marker: Corporate Stock; New York, N.Y.

Westmorland Coal Co.: Corporate Stock; New York, N.Y.

322 East 57th Street, Inc., Stock, Marion B. Javits: Residence; New York, N.Y.

Watergate West, Inc., Stock: Residence; Washington, D.C.

Computer Investors Group, Inc., Stock: Corporate Stock; New York, N.Y.

L. S. Inc., Stock: Corporate Stock; New York, N.Y.

Southern Tier Cattle: Cattle; Kansas City, Mo.

Terra Bella Vineyards: Vineyards; California.

Southgate Associates: Land & Buildings; Chicago, Ill.

Checking Account: Cash; First National City Bank, New York City.

Checking Account: Cash; National Commercial Bank and Trust Company, Schenectady, N.Y.

BENEFICIAL INTEREST IN TRUSTS (1974)

Trust holdings[2]

Name of Trust of Fiduciary Interest: Ida Javits Trust.

Name of Trustee or Other Fiduciary: Jacob K. Javits, Trustee.

Address of Trustee or Other Fiduciary: 322 East 57th Street, New York, New York.

Belco Oil & Gas Fund, land interest.

East Hampton Property, land interest.

Loxahatchee Real Estate, land interest.

American Telephone & Telegraph Co., bonds.

Bartell Media, bonds.

Carolina Telephone & Telegraph, bonds.

Government Employees Corp., bonds.

Government Employees Financial Corp., bonds

New York State Tax Anticipation Notes, bonds.

Suffolk County N.Y. Tax Anticipation Notes, bonds.

West Indies & Caribbean Development Debentures, bonds.

Various short-term notes and commercial paper, commercial paper.

American Standard, Inc., stocks.

American Water Works, stocks.

American Telephone & Telegraph Co., stocks.

Anaconda Co., stocks.

Archer-Daniels-Midland Co., stocks (sold).

Arlen Realty & Development Corp., stocks.

Bankers Securities Corp., stocks.

Cenco Instruments Corp., stock.

Chessie System Inc., stocks (sold).

Citicorp, stocks.

Cities Service Co., stocks.

Consolidated Marbenor Mines Ltd., stocks.

Continental Illinois Properties, stocks.

Corporate Property Investors, stocks.

Criterion Insurance Co., stocks.

Crown Zellerbach Corp., stocks.

Equity Commercial Corp., stocks (liquidated).

Federal Paperboard, stocks.

Government Employees Financial Corp., stocks.

Government Employees Insurance Co., stocks.

Government Employees Life Insurance Co., stocks.

Great Northern Nekoosa, stocks.

I.M.B., stocks (sold).

I.D.B. Bank Holding, stocks

Indian Trail Ranch, Inc., stocks.

Inland Container Co., stocks.

I.M.C. Magnetics Corp., stocks.

Kaiser Alum. & Chem. Corp., stocks

Magic Marker Corp, stocks

Marathon Oil Co., stocks.

Marcor, stocks.

Peerage Realty Corp., stocks.

Polaroid Corp., stocks.

Royal Palm Beach Colony, Inc., stocks.

Royal Dutch Petr. Co., stocks.

St. Joe Minerals Corp., stocks.

Sherritt Gordon Mines, stocks.

South Carolina Electric & Gas Co., stocks.

Southern Co., stocks.

Telco Marketing Service, stocks.

Transamerica Corp., stocks.

Tubos De Aero De Mexico, stocks.

Westvaco Corp., stocks.

White Shield Oil & Gas, stocks.

Other property held for investment, painting.

LIABILITIES (1974)

[Not including current trade bills]

Name of creditor, address of creditor, and type of liability

1. Ida Javits Trust, c/o Jacob K. Javits, 322 East 57th Street, New York, New York, income advances unliquidated.
2. First National City Bank, New York, New York, Contingent liability on partnership loan re Southgate Associates.
3. First National City Bank, New York, New York, personal loan for home improvements at 322 East 57th Street (paid).
4. Northwestern Life Insurance Company, Travelers Insurance Company, Union Labor Life Insurance Company, Equitable Life Assurance Society, New York Life Insurance Co., Massachusetts Mutual Life Insurance Co., Mutual of New York, various loans on life insurance policies secured by cash surrender value of poliices.

SUMMARY OF 1974 JOINT FEDERAL INCOME TAX RETURN OF SENATOR AND MRS. JAVITS[3]

Income

Senate salary	$42,500
Dividends	1,294
Interest	1,210
Income other than wages, dividends and interest (includes rents and royalties, articles and lectures, investments and buyout of interest in law firm (Javits, Trubin, Sillcocks & Edelman) from which Senator Javits retired Sept. 30, 1971); deductions appropriate to this item	46,522
Total	91,526
Less payment to self-employed pension plan	5,000
Adjusted gross income	86,526
Other Deductions (includes charitable contributions of $6,294)	73,145
Federal Tax	2,180
State and Local Taxes:	
New York State Tax	4,940
New York City Tax	188

FOOTNOTES

*I have published similar reports on my own and the trust's investments in the CONGRESSIONAL RECORD for many years.

[1] In all cases these are for normal investment only and do not represent any element of control or of relative major size.

[2] In all cases these are for normal investment only and do not represent any element of control or of relative major size.

[3] Filing date June 15, 1975 (per IRS extension) and subject to adjustments before filing.

WHERE WILL IT ALL STOP?

Mr. BIDEN. Mr. President, on June 18, 1975, one of my distinguished colleagues, Senator MONDALE, of Minnesota, introduced a resolution to impose an immediate international moratorium on the transfer to non-nuclear weapons countries of nuclear materials. I am a cosponsor of this bill, Senate Resolution 188. Senator MONDALE has introduced a timely resolution to prevent the further dangerous proliferation of nuclear materials and technology. Senate Resolution 188 requests the President to seek high-level consultations with other nuclear suppliers for an immediate moratorium on such transfers until negotiations and agreement are reached regarding more effective safeguards to substantially reduce the risk of diversion or theft of nuclear materials.

The consideration and adoption of this resolution is urgent in view of the agreement that West Germany and Brazil will sign on June 27th, just a few days from now, under which West Germany will provide Brazil with nuclear technology and equipment. This agreement is potentially dangerous. Furthermore, it is probably only the first of a series that some countries would like to sign. According to an editorial that appearead in the New York Times on June 24, 1975:

> If West Germany goes ahead with the Brazilian sale, there will be less hope of French restraint. This breach in the dike could lead quickly to a breakdown of the whole system to avoid the spread of nuclear weapons.

I recommend this editorial to my colleagues.

Mr. President, I agree with the recommendations contained in this editorial and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BONN'S NUCLEAR THREAT

The Ford Administration has apparently failed to convince the West German Government that the United States views with grave concern Bonn's projected sale to Brazil of a complete nuclear industry and technology that would permit production of atomic bombs as well as electricity. Only Congress now can bring the message home in time to delay this tragic misstep; the unprecedented German-Brazilian agreement is scheduled to be signed by the end of the week.

Senator Mondale of Minnesota has introduced a resolution expressing the opposition of the Senate to the sale of uranium enrichment and plutonium extraction technology that would put weapons-grade fissionable material in the hands of more countries.

West Germany is planning to sell both types of plants and technology to Brazil; France is negotiating sales of plutonium extraction plants to South Korea and Pakistan. The United States for thirty years has refused to permit sales of such technology and rejected a Brazilian request last year, leading to the German success in obtaining the multibillion-dollar nuclear-power contracts.

France has been taking part in a series of American-initiated exploratory talks among the main nuclear-exporting countries to see whether common rules can be adopted that would prevent competitive degradation of safeguards in pursuit of commercial advantage. But if West Germany goes ahead with the Brazalian sale, there will be less hope of French restraint. This breach in the dike could lead quickly to a breakdown of the whole system to avoid the spread of nuclear weapons.

Yet, for reasons that are not entirely clear, the West Germans say that concern over the Brazilian deal has not been expressed to them from the top levels of the Ford Administration. It is understandable that Secretary of State Kissinger would like to avoid a major German-American crisis at this difficult time. But the representations made to

Bonn at lower levels—urging that West Germany conform to the export standards that the United States sets for itself—seem merely to have convinced West German leaders that Washington is not serious about the nuclear danger.

Senate passage of the Mondale resolution, which urges a summit-level approach by President Ford to seek suspension of the German and French nuclear exports, might yet lead to second thoughts in Bonn.

NEED FOR FEDERAL INQUIRY INTO ILLEGAL POLICE SURVEILLANCE IN CHICAGO AND NATIONWIDE

Mr. PERCY. Mr. President, I call to the Senate's attention the need for a thoroughgoing investigation at the Federal level of recent allegations of illegal surveillance activities by the police departments of Chicago and several other major cities.

The practice of some local law enforcement agencies of carrying on surveillance on noncriminal subjects for noncriminal reasons must be ended. Not only does this involve an unnecessary misallocation of resources in the face of the real need to stem the ever-growing flood of crime, but the practice also infringes upon the constitutional rights of all Americans.

If these charges are correct, the activities represent a most ominous precedent. According to reports, these were not criminals that were under investigation, but law abiding citizens and civic groups. Included in this group were prominent businessmen, educators, sports figures, newsmen, and Members of Congress. Outside of Chicago, similar patterns of illegal surveillance have surfaced in such cities as Baltimore, Philadelphia, and Houston.

At my request, the General Accounting Office sought to determine if any Federal funds had been used for illegal surveillance activities in Chicago. The findings of the report indicate that as much as $779,000 of Federal revenue-sharing funds and $5.1 million of Federal Law Enforcement Assistance Administration Commission funds were paid to Chicago for intelligence-related activities.

What the GAO could not determine was how much of this total went to inappropriate surveillance of noncriminal subjects. I therefore endorse the suggestion of Comptroller General Elmer B. Staats that the Permanent Subcommittee on Investigations conduct a preliminary inquiry into this matter. The subcommittee has the power, where necessary, to subpena pertinent information.

I have already asked Subcommittee Chairman Henry Jackson to approve such an inquiry so that, with GAO's proffered help, we can determine to what extent Federal funds may have been used to subsidize patently illegal activity. I have offered to make available minority investigators to assist the subcommittee and GAO in this effort.

In addition to the problem of improper intelligence gathering by local law enforcement groups, I also feel we must begin to reevaluate concretely the role of the LEAA. Once again the funds of the agency have been linked with dubious practices. It is becoming increasingly evident that the Senate does not have sufficient oversight of this huge spending program aimed at fighting crime.

I also think it is necessary to consider the allegations of improprieties involving the Army's 113th Military Intelligence Unit and certain civilian vigilante groups, another area where the GAO has not been able to conduct a thorough investigation. In this respect, I am writing the Secretary of the Army to request assistance in locating the necessary information which the GAO was not able to obtain.

Mr. President, with respect to this matter, I ask unanimous consent to have printed in the Record copies of my correspondence with Comptroller General Elmer B. Staats, together with the GAO report, as well as my correspondence with Attorney General Edward H. Levi and Chairman Jackson of the Permanent Investigations Subcommittee.

There being no objection, the material was ordered to be printed in the Record, as follows:

Washington, D.C.,
March 26, 1975.

Hon. Elmer B. Staats,
Comptroller General of the United States, Washington, D.C.

Dear Mr. Comptroller General: According to newspaper accounts in Chicago and other cities, the Chicago Police Department has been infiltrating several legitimate and well-established community organizations in the Chicago area for a number of years. These news accounts also allege that the police have been keeping dossiers on public figures who are not involved in criminal investigations.

The persons and organizations involved have not been told of the police activities regarding them.

In Chicago, these news accounts report, the persons on whom surveillance has been carried out include the president of the University of Notre Dame, the chairmen of the First National Bank and Sears, Roebuck, and Co., a prominent athlete, several newsmen and members of Congress, including myself.

While law enforcement agencies are clearly within their rights to maintain surveillance on criminal suspects, it would be a gross abuse of police power to compile dossiers on respected and law-abiding citizens. If confirmed, such activities would represent an unwarranted diversion of law enforcement effort and can be expected to damage the reputation of a police department which desperately needs the respect—not the contempt—of the citizens it is sworn to protect. Such actions, if they took place, make a mockery of professional law enforcement at a time when public confidence in intelligence-gathering organizations at all levels is badly shaken.

According to newspaper accounts, police in Houston, Baltimore, Philadelphia, and Washington, D.C., have been carrying out surveillance on public figures who are not involved in criminal investigations.

Since there is a serious question as to whether any Federal moneys or other forms of Federal assistance have gone to any of these police departments for such reprehensible activities, I would appreciate learning from GAO whether any funds, resources, training or direction were provided by any agency of the Federal government to the Chicago Police Department which may have resulted in surveillance, dossier preparation, or infiltration not connected with legitimate criminal investigations. I would also like GAO to determine if any of the information gathered in such non-criminal surveillance was exchanged with any Federal, state or local law enforcement intelligence agency.

I have discussed this serious issue with Senator Ribicoff, the Chairman of the Government Operations Committee, and Senator Jackson, the Chairman of the Permanent Subcommittee on Investigations. Both Senators support this request.

Sincerely,

Charles H. Percy,
U.S. Senator.

Comptroller General of the United States,
Washington, D.C., April 9, 1975.

Hon. Charles H. Percy,
U.S. Senate.

Dear Senator Percy: Your March 26, 1975, letter requested that we investigate certain issues related to the Chicago, Illinois, Police Department's conduct of domestic intelligence operations. Specifically, you requested us to determine (1) the extent of any Federal funds or resources which may have been applied to such operations, (2) whether such operations were legitimate criminal investigations, and (3) if information gathered during such activities was exchanged with a Federal, State, or local law enforcement intelligence agency.

We discussed these matters with members of your staff on April 7, 1975. We should be able to provide you information on the amount of Federal funds being provided to the Chicago Police within a few days. Most Federal funds would come from either the Law Enforcement Assistance Administration or from the Federal Government's revenue sharing program.

A determination of the appropriateness of such activities and the extent to which information from such operations was disseminated is more difficult to make. Such an assessment would probably have to involve a detailed examination of investigative files.

There are several alternatives for trying to obtain such information, all of which are complicated to some extent because the Cook County grand jury is currently looking into the matter and any disclosure of information provided to it could prejudice any subsequent legal action taken as a result of the grand jury's investigation. Alternatives are to:

Refer the matter to the Department of Justice for investigation,

Have the General Accounting Office try to obtain the information, or

Have the staff of the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations investigate the issue.

If the matter was referred to the Department of Justice, we would anticipate, based on our previous experiences, that the Department would subsequently advise appropriate officials whether an investigation was ongoing but would not disclose details of such an effort because of concern about possible adverse effects on future legal actions.

We could attempt to examine such files, but we would anticipate experiencing a series of delays in trying to see pertinent documents from investigative files in the possession of local law enforcement agencies because of the sensitive nature and confidentiality of such information. Subpoena power would be useful in such cases, but we do not have such power.

Accordingly, we believe the most expeditious way to proceed to obtain information on the appropriateness of the activities and what information was disseminated would be for the Subcommittee's investigators to conduct the inquiry. The Subcommittee has subpoena power and represents a formidable group should the local police resist requests for information. We would be willing to assign staff members to assist the Subcommittee in this work.

We are providing a copy of this letter to

Chairman Jackson and look forward to working out an arrangement satisfactory to you and the Subcommittee.

Sincerely yours,

______ ______,
Deputy Comptroller General of the United States.

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, D.C., May 29, 1975.

Hon. CHARLES H. PERCY
U.S. Senate.

DEAR SENATOR PERCY: Your March 26, 1975, letter requested that we review certain issues related to the Chicago Police Department's domestic intelligence operations. Specifically, you requested that we determine (1) the extent to which any Federal funds or resources have been applied to such operations, (2) whether such operations were legitimate criminal investigations, and (3) if information gathered during such activites was exchanged with a Federal, State, or local law enforcement intelligence agency. We received similar requests from Senator Henry M. Jackson, as Chairman of the Permanent Subcommittee on Investigations, Senate Committee on Government Operations, and from Congressman Ralph H. Metcalfe.

On April 7, 1975, we discussed these issues with your office and agreed to provide information on Federal funds provided the Chicago Police Department. On April 9, 1975, we advised you that efforts to obtain additional information were complicated because the Cook County grand jury was looking into the Chicago Police Department's domestic intelligence operations. Disclosing information provided to the grand jury could prejudice any subsequent legal action taken as a result of its investigation.

Subsequently, we agreed to obtain information on certain allegations reported in Chicago newspapers that the U.S. Army's 113th Military Intelligence Group had supplied equipment and funds to a Chicago citizens' group known as the Legion of Justice.

Our work showed that:

About $134.6 million in general revenue sharing funds were designated as being used between December 1972 and October 1974 by Chicago to pay police salaries. These funds represented about 73 percent of all revenue sharing moneys provided Chicago.

About $539,000 in revenue sharing funds were designated as being used between December 1972 and October 1974 to pay the salaries of the Chicago Police Department's Intelligence Division. However, there was no apparent pattern as to when such moneys were used to pay the Intelligence Division's salaries.

The Illinois Law Enforcement Commission awarded about $5.1 million in Law Enforcement Assistance Administration funds to Chicago, between May 1971 and February 1975, for use by its police department for activities that appeared to be related to intelligence activities. Moreover, Law Enforcement Assistance Administration funds have been used by other States to fund similar projects.

The Army 113th Military Intelligence Group was deactivated in December 1971. Army policy in effect in 1972 stated that, after the Inspector General examined basic financial and administrative records for audit purposes, the records could be destroyed. The activities noted in the press occurred in the late 1960s and early 1970s. All pertinent records of the 113th Military Intelligence Group relating to that period were destroyed after being reviewed in February 1972. Thus, we could not determine if the allegations were substantiated. Army officials referred to a 1971 court case in the U.S. District Court of the Northern District of Illinois, Eastern Division, (*American Civil Liberties Union, etc., et al.,* v. *General William C. Westmoreland, Chief of Staff, United States Army, et al.*), in which the plaintiffs sought a declaratory judgment and injunctive relief with respect to certain Army domestic intelligence operations. The Federal judge dismissed the complaint and stated that the evidence presented was not sufficient to warrant court action.

These matters are discussed in detail in the enclosure to this letter.

We did not obtain written comments from the Federal departments involved but did discuss our findings with department officials who generally agreed with them.

We are also providing this information to Senator Jackson and Congressman Metcalfe.

Sincerely yours,

ELMER B. STAATS,
Comptroller General.

SUMMARY OF FEDERAL FUNDING PROVIDED TO THE CHICAGO POLICE DEPARTMENT FOR INTELLIGENCE ACTIVITIES

The Chicago Police Department received Federal funds from two basic sources—the general revenue sharing program and the Law Enforcement Assistance Administration (LEAA) program. Funds from both programs were used to support certain types of intelligence activities. The expenditure of both general revenue sharing and LEAA funds for such law enforcement activities is consistent with the intent of Federal laws governing the disbursement of moneys under both programs.

REVENUE SHARING FUNDS

Title I of the State and Local Fiscal Assistance Act appropriated $30.2 billion for periodic distribution to State and local governments during a 5-year period beginning January 1, 1972. The first funds were distributed in December 1972. Chicago received its most recent funds in October 1974.

Chicago had received about $183,210,000 in revenue sharing funds plus $1,580,000 in interest on these funds through October 1974, for a total of $184,790,000.[1] Approximately $134,555,000, or about 73 percent, of Chicago's funds were used to reimburse the city's Corporate Fund for police salaries. About $539,000 was designated as being used to pay Police Intelligence Division salaries.

Local governments may use revenue sharing funds only for priority expenditures, which are defined by the act as (1) ordinary and necessary capital expenditures authorized by law and (2) operating and maintenance expenses for public safety, environmental protection, public transportation, health, recreation, libraries, social services for the poor or aged, and financial administration. The category "public safety" includes such activities as police, courts, corrections, fire protection, and building inspection.

Chicago's budget is made up of funds such as the Park District Fund and Mental Health Fund. The primary fund is the Corporate Fund, which is used to pay the normal expenses of city administration, including public safety activities. Each city fund has sources of revenue, and the city considers revenue sharing funds as another of these sources.

Chicago has distributed its revenue sharing funds to three areas, as follows:

[In thousands]

	Amount	*Percent*
Total	184, 790	100. 0
Corporate	$182, 271	98. 6
Library	1, 427	. 8
Municipal tuberculosis sanitarium	1, 092	. 6

Within the Corporate Fund the distribution to public safety has been as follows:

[In thousands]

Activity:	*Amount*	*Percent*
Police department	$134, 555	73. 8
Fire department	45, 999	25. 2
Building demolition	1, 717	1. 0
Total	182, 271	100. 0

Revenue sharing funds are received periodically under "entitlements." Expenditures are made from the general revenues of various city funds as they are incurred and in turn are reimbursed from revenue sharing funds when they are received. The city does not follow a policy of using a set amount of its Corporate fund to cover the costs of various programs on a recurring basis.

To reimburse the city's regular funds from revenue sharing funds requires an authorized expenditure from reimbursement. For Chicago Police Department salaries, the Comptroller's Office merely accumulates previously paid payrolls until it has an amount that approximates the amount of revenue sharing funds allotted to the police department and transfers funds from the Revenue Sharing Trust Funds to the Corporate Fund. This accumulation can be for an entire 2-week payroll period, a partial payroll for a pay period, or for arbitrarily selected units within the department for a pay period.

The Chicago Police Department's personnel costs for calendar years 1972 through 1974 were as follows:

[In thousands]

1972	$201, 993
1973	213, 128
1974	[1]240, 090
Total	655, 211

[1] 1974 budgeted amount. Actual data not available at time of our review.

The $134,555,000 in Federal revenue sharing funds used to reimburse the Corporate Fund for Chicago Police Department salaries, therefore, accounted for about 20 percent of total salaries. Documentation available at the Comptroller's Office showed that Intelligence Division salaries appeared in the units used as the basis for reimbursement on at least three occasions for a total of $539,000. An additional $240,000 was possibly used for the Intelligence Division's salaries; however, the city's accounting records were not specific enough to allow us to say for certain what these moneys were used for. Possibly as much as $779,000 in revenue sharing funds were used to reimburse Intelligence Division operations.

The city comptroller's annual report for calendar years 1972 and 1973 showed that actual expenses for the Intelligence Division totaled about $6,756,000. The annual report for 1974 is not yet available but the Intelligence Division's 1974 budget amounted to $3,239,564. Therefore, since a possible $779,000 in revenue sharing funds were used by the Division, possibly as much as 7.8 percent of the Division's total expenses for 1972–74 were reimbursed by revenue sharing funds.

Revenue sharing funds thus were designated as being used exclusively for personnel costs, including Intelligence Division salaries. However, from the limited data available, we cannot show that the Chicago Police Department increased its intelligence activities as a result of the introduction of additional revenue sharing funds. The city's financial and accounting unit merely uses the actual paid salaries of the police department as a basis for reimbursing the Corporate Fund from revenue sharing funds. Moreover, there did not appear to be any particular pattern to the use of revenue sharing funds to pay salaries of Intelligence Division personnel.

---

[1] As an outgrowth of Chicago not complying with LEAA's Equal Employment Opportunity Regulations, a U.S. District Court judge in Washington, D.C., on December 18, 1974, ordered the Federal Government to withhold all revenue sharing payments to Chicago until it complied with court-ordered efforts to end racial and sexual discrimination in the police department.

LEAA FUNDS

The Omnibus Crime Control and Safe Streets Act of 1968, as amended, encouraged the funding of projects that used new methods to prevent or reduce crime or that strengthened the criminal justice activities at the community level. Action grants under the LEAA program consist of two types—block and discretionary. Grants can also be received for planning purposes. Discretionary grants are made according to LEAA-determined criteria, terms, and conditions. Block grants are awarded to State planning agencies—the Law Enforcement Commission in Illinois—for further distribution to programs and subgrantees.

Since the beginning of the LEAA program in 1968, Chicago has received the following LEAA funds:

[Dollar amounts in thousands]

Type of grants:	Number of projects	Amount
Planning	2	$247
Discretionary	8	1,427
Block	73	21,817
Total	83	$23,491

Note: Two grants totaling $300,000 were also awarded to the city by the Illinois Law Enforcement Commission for a juvenile delinquency program funded by the Department of Health, Education, and Welfare.

The planning grants were awarded to the city for comprehensive law enforcement planning. The majority of the discretionary grant funds were awarded for a parolee employment program. There was no indication that any discretionary funds were used for intelligence activities.

Of the 83 projects funded with LEAA funds, 26, totaling about $14.4 million, were Chicago Police Department projects. But as of February 28, 1975, four of these projects, totaling about $2.7 million, had not actually been funded because the Department of Justice's Civil Rights Division filed suit in the U.S. District Court in Chicago in August 1973 stating that the city's police department and civil service commission were not complying with LEAA's Equal Employment Opportunity Regulations.

Of the remaining $11.7 million, approximately $10.4 million had been disbursed as of February 28, 1975, as follows:

[In thousands]

Item:	Amount
Personnel	$2,114
Equipment	4,025
Other	[1] 4,227
Total	$10,366

[1] $3,630,000 of this amount was for constructing a police headquarters building.

We examined information available at the Illinois Law Enforcement Commission for the 26 Chicago Police Department projects. The data indicated that 20 projects did not appear to be related to intelligence activities. Their objectives included purchasing such equipment as shields, body armor, radio equipment, and a forensic microscope and constructing an area police headquarters building.

The remaining six projects, which appear to be related to intelligence activities, are shown on the following table:

ENCLOSURE

Grant number	Amount of award	Award date	Expenditure as of Feb. 28, 1975	Description
197	$36,000	May 24, 1971	$35,939	Acquisition and modification of 6 panel trucks for surveillance. For use of all units of the police department.
633	21,489	June 28, 1972	21,191	Purchase of 4 night-vision scopes for surveillance and night photography. For use of Intelligence and Vice Control Divisions.
1000	30,000	Oct. 10, 1973	30,000	Purchase of narcotics to infiltrate narcotics traffic. For use of Intelligence and Vice Control Divisions and C-5 unit.
1408	461,970	Feb. 1, 1975	0	To establish a new covert investigative unit completely removed from police headquarters to infiltrate the middle and upper echelon of the criminal hierarchy. The unit is to have 1 lieutenant, 5 sergeants, and 10 patrolmen whose salaries will be paid by the city. The grant is for support personnel, 1 accountant, 3 typists, vehicles, equipment, space rental, and buy money. (No funds have been expended due to the discrimination suit.)
1434	$46,200	Feb. 1, 1975	0	An extension of grant 1000 above. (No funds have been expended due to the discrimination suit.)
408	4,522,854	Jan. 28, 1972	$3,396,000	Installation of a computer system for interface with the Federal Bureau of Investigation's National Crime Information Center. Project will permit police department to share operational data with other criminal justice agencies; create a hot desk system of wanted persons, stolen autos, etc.; and develop criminal histories.
Total	5,118,513		3,483,130	

The largest Chicago Police Department project to receive LEAA funds is the computer system described on the previous page. This system, which cost $4,613,000 ($4,522,854 in LEAA funds), is located at Chicago's Datacenter. Since one of the purposes of the project is to develop an automated system for exchanging criminal history information, it may be used for intelligence activities. However, from the limited data available, we were unable to determine whether it was used for this purpose.

U.S. ARMY INTELLIGENCE ACTIVITIES

Recent Chicago newspaper articles alleged that the Army's 113th Military Intelligence Group (deactivated in December 1971) provided equipment and funds to the Legion of Justice, a citizens' group, to disrupt the activities of anti-Vietnam war groups from 1969 through 1971. We could not substantiate the allegations.

LACK OF RECORDS

According to Army officials, if the group had provided such resources the following procedures would have been followed:

Funds would have been obtained, through channels, from intelligence contingency funds.

Equipment would have been acquired through intelligence property channels.

Each action involving the expenditure of such funds or disbursement of such equipment would have been logged in appropriate records.

All expenditure and property records of the group for the period in question were destroyed after the Army Inspector General audited them in February 1972. This action was in accordance with Army policy at that time, which stated that fiscal and property records audited by the Inspector General could be destroyed.

We were told that the group's activity records would describe, in general terms, significant daily actions of the group. However, the activity records of the 113th Military Intelligence Group are not readily available and may have been destroyed. According to an Army Military Intelligence officer, those records were retired when the group was deactivated and such records are periodically purged and destroyed.

The officer said that the only possible sources that might contain information pertaining to the allegations would be the personnel folders of Army staff assigned to the group during the period in question. But he did not know if information in such files would be detailed enough to be useful for determining the validity of the allegations. We did not review personnel files because there was not sufficient evidence to warrant expending the resources needed for such an effort.

INFORMATION AVAILABLE

In sworn testimony in the 1971 case of the *American Civil Liberties Union, etc., et al.,* v. *General William C. Westmoreland, Chief of Staff, United States Army, et al.,* heard in the United States District Court, Northern District of Illinois, Eastern Division, the liaison officer[2] of the 113th Military Intelligence Group during 1969–71 denied allegations similar to those that appeared recently in the press. In the case the plaintiffs sought a declaratory judgment and injunctive relief with respect to certain Army domestic intelligence operations. The Federal judge dismissed the complaint and stated that the evidence presented was not sufficient to warrant court action. Because of more publicity the liaison officer again denied the allegations in a sworn statement to Army officials taken during April 1975.

The Subcommittee on Constitutional Rights, Senate Committee on the Judiciary, held extensive hearings during 1971 on possible abuses of U.S. military domestic intelligence operations. These hearings covered activities between 1967 and 1971. The Subcommittee's 1973 report, "Military Surveillance of Civilian Politics," discusses many of the issues and activities reviewed during the 1971 hearings. The specific allegations relating to the 113th Military Intelligence Group's dealings with the Legion of Justice were not raised during those hearings. However, the records of the hearings and the Subcommittee's report do provide a broad perspective on the scope of the Armed Forces' domestic intelligence operations.

---

[2] A liaison officer is the contact point for dealings between the intelligence unit and Federal and local law enforcement agencies.

Washington, D.C.,
March 26, 1975.

Hon. Edward H. Levi,
Attorney General,
Washington, D.C.

Dear Mr. Attorney General: It has been responsibly reported that for a number of years the Chicago Police Department has been infiltrating several legitimate and well-respected community organizations in the Chicago area. In addition, it has been alleged that the police have been keeping dossiers on public figures who are not suspected of criminal activities.

This has taken place without the knowledge of the persons and organizations whose movements and activities are being reported. The groups which have been infiltrated have similarly not been told until now that law enforcement officials of the Chicago Police Department are among their members.

According to allegations, the President of the University of Notre Dame, the Chairman of the First National Bank and Sears, Roebuck, & Co., a prominent football player and several newsmen became the subjects of unwarranted police surveillance and written reports. The police also have dossiers on Members of Congress and other public figures, according to these reports.

As I am sure you will agree, these tactics adopted in the City of Chicago represent a pernicious precedent which must be halted now.

Law enforcement agencies are clearly justified in maintaining surveillance on criminal suspects, but it is a gross abuse of power to place under surveillance or compile dossiers on respected, law-abiding citizens.

Such conduct by the Chicago Police Department, if confirmed, is unjust harrassment of the persons and groups involved, and a diversion of law enforcement effort from a crime-impacted urban area. It further damages the reputation of a police department which so desperately needs the respect—not the contempt—of the citizens it is sworn to protect.

These actions by the Chicago Police Department make a mockery of professional law enforcement at a time when public confidence in intelligence-gathering organizations at all levels is badly shaken.

In view of these disturbing reports, it is important to know what role the Federal government played, if any. For this reason, I would appreciate your advising by April 7, if at all possible, of any funds, resources, training or direction provided by any law enforcement or intelligence agency of the Federal government to the Chicago Police Department which may have resulted in surveillance, dossier preparation, or infiltration not connected with legitimate criminal investigations. I would also like to learn if any of the information gathered in such non-criminal surveillance was exchanged with any Federal, state or local law enforcement intelligence agency.

Should you need further information, guidance or time, please let me know. I do appreciate your assistance.

Sincerely,

Charles H. Percy,
Ranking Minority Member, Senate Permanent Subcommittee on Investigations.

Office of the Attorney General,
Washington, D.C., April 7, 1975.

Hon. Charles H. Percy,
Senate Permanent Subcommittee on Investigations, U.S. Senate, Washington, D.C.

Dear Senator Percy: This is in response to your letter of March 26, 1975 requesting information on whether any funds, resources, training or direction was provided by any law enforcement or intelligence agency of the Federal government to the Chicago Police Department which resulted in surveillance, dossier preparation, or infiltration not related to criminal investigations. Also requested is information on whether any data gathered in such non-criminal surveillance was exchanged with any Federal, state or local law enforcement intelligence agency.

Initially, I want to emphasize most strongly both my personal and official concern regarding the matters set forth in your letter. Accordingly, I requested a review of all elements of the Department of Justice which may have had some contact with the Chicago Police Department. The results indicate that this Department has not provided any funds, resources, technical assistance, or direction to the Chicago Police Department which is known to have resulted in any non-law enforcement activity.

Over the last five years, the Chicago office of the Federal Bureau of Investigation has participated in the basic police training program of the Chicago Police Academy by providing instructors for approximately 40 hours of instruction each year. All instructions have been limited to legitimate criminal investigation topics. Further, during FY–74 and FY–75, a total of 61 Chicago police officers attended the two-week law enforcement training school at the National Training Institute at the Drug Enforcement Administration headquarters. This school is designed to upgrade the level of narcotics law enforcement among state and local police officers. The curriculum is designed strictly to enhance criminal narcotic investigations and is not in any way related to dossier preparation or infiltration of legitimate organizations.

Concerning your inquiry regarding the exchange and dissemination of information gathered by the Chicago Police Department in non-criminal surveillances, I am informed that there is a continuing exchange of information between the Chicago office of the FBI and the Chicago Police Department. This cooperation is common to all law enforcement agencies. Information furnished by the FBI to the Chicago Police Department was acquired during the course of official investigations and disseminated based upon a determination by the FBI that the information would be of interest to the Chicago Police Department in carrying out its law enforcement functions. We have no way of determining, however, what actions may have been taken by the Chicago Police Department with respect to this information.

Similarly, the Chicago Police Department has furnished on numerous occasions information to the Chicago office of the FBI which they believed to be of interest to the Bureau. We are unable to determine from this information whether it could be categorized as resulting from legitimate criminal investigations or non-criminal surveillances.

In conclusion, while we have many law enforcement contacts with the Chicago Police Department, we are not aware of any participation by the Justice Department, either directly or indirectly, in any improper activities which may have been undertaken by that police department.

Sincerely,

Edward H. Levi,
Attorney General.

Washington, D.C., *June 6, 1975.*

Hon. Edward H. Levi,
Attorney General,
Washington, D.C.

Dear Mr. Attorney General: I refer to my earlier letter to you of March 26, 1975, and your response back of April 7, 1975, relating to any possible involvement by law enforcement agencies of the Federal government relating to intelligence activities of a a special unit of the Chicago Police Department. I want to share with you at this time certain additional information, specifically a report I have received from the General Accounting Office indicating that the Illinois Law Enforcement Commission awarded some $5.1 million in LEAA funds to Chicago, between May, 1971, and February, 1975, for use by its police department for activities which appear to be related to intelligence activities. The report further indicates that LEAA funds may have been used by other states to fund similar projects.

If the intelligence activities for which these funds were used were reasonably related to proper criminal investigations and surveillance, then there is no reason for further concern. However, on the basis of published reports of sworn testimony given by former Chicago Police Superintendent James B. Conlisk, it now appears that what were formerly mere allegations, now have very weighty corroboration. Superintendent Conlisk has indicated that burglaries, break-ins, illegal wiretapping, and other highly questionable or illegal intelligence and surveilance were carried on by the intelligence division of the Chicago Police Department. From other reports around the country, particularly Houston, Baltimore, and Philadelphia, among others, there appear to be similar kinds of allegations relating to improper or illegal spying activity by local police departments which may have a Federal connection through the dissemination of LEAA and revenue sharing funds.

In view of the fact that GAO investigators, lacking subpoena authority, could not determine precisely whether the Federal monies that went to the Chicago Police Department's intelligence division went precisely to the support and subsidization of illegal or improper spying and intelligence activity, I am bringing this matter to your attention once more for any further action you may determine to be appropriate. I do this in the recognition that, since our earlier correspondence, the reports of similar activities in other major cities have undoubtedly come to your attention.

I will welcome your additional thoughts on this matter and such further investigation as is warranted by the Department of Justice.

Sincerely,

Charles H. Percy,
Ranking Minority Member.

Text of Letter From Senator Percy to Senator Henry M. Jackson, Chairman of the Senate Permanent Subcommittee on Investigations

May 30, 1975.

Dear Mr. Chairman: As you know, there recently have been local investigations into possible illegal police department surveillance on non-criminal subjects in a number of cities, including Baltimore, Houston, Philadelphia and, most recently, in the city of Chicago.

We both called on the General Accounting Office to determine if any federal funds had been used for illegal surveillance in Chicago. The GAO response has found that federal revenue sharing funds—as much as $779,000—were paid in salaries to the Chicago Police Department's Intelligence Division. What the GAO cannot tell us is whether the intelligence division salaries went to officers involved in any illegal surveillance of noncriminal subjects.

Deputy Comptroller General Robert F. Keller reports that GAO is unable to determine how this money was used. In a letter to me, he said: "The most expeditious way to proceed to obtain information on the appropriateness of the activities and what information was disseminated would be for the Subcommittee's investigators to conduct the inquiry. The Subcommittee has subpena power and represents a formidable group should the local police resist requests for information."

Accordingly, I am asking you to authorize a preliminary inquiry by the Subcommittee into possible illegal surveillance activities supported by federal tax dollars by the Chicago Police Department. Through such action, the Subcommittee can, if necessary, issue subpenas that will compel the information necessary to make the determination that the GAO, lacking such subpena power, cannot make.

Since there are reports of alleged illegal surveillance in cities besides Chicago, I would suggest that the order for the preliminary inquiry cover these other cities as well.

I am hereby offering the services of minority investigators to begin the first phase of the inquiry in Chicago and any other city where a problem has been identified.

Sincerely,

Charles H. Percy,
U.S. Senator.

THE IMPACT OF OIL DECONTROL AND OPEC PRICE INCREASES

Mr. HUMPHREY. Mr. President, the administration still seems intent to decontrol the price of old oil. That would be a great mistake. Twice in television addresses and repeatedly in statements, the President has advocated decontrol. Originally, he urged a phased decontrol program over 2 years which would have been subject to immediate Congressional veto. The President backed down from this program for two reasons: Congress would not go along with his ill-conceived, unnecessary decontrol scheme, and authority to control oil prices expires on August 31 anyway—why fight a losing battle with Congress when he may well have decontrol in any case by August 31.

The situation, therefore, now is this: The President need only veto legislation, such as S. 621, S. 622 or S. 1849, extending old oil price controls beyond August 31. In the event that these vetoes cannot be overridden by both Houses, the President will have complete old oil decontrol immediately on September 1.

That would be an economic disaster. According to a preliminary staff evaluation by the Joint Economic Committee, immediate decontrol of old oil would, in conjunction with the present tariffs, raise energy prices and the prices of related goods like fertilizer by approximately 55 billion dollars over the next year. That would increase consumer prices by 3.6 percent and push 500,000 people out of work in the midst of our worst postwar economic recession.

The staff evaluation reveals that the two tariff increases on imported oil have raised oil, coal, and intrastate natural gas prices by $8.7 billion; decontrol will increase these prices about another $23 billion annually at current energy consumption levels. This total direct energy cost of some $31 billion, however, is the effect of the tariffs and decontrol on just oil, coal, and intrastate natural gas prices. But, that is only the tip of the iceberg. The price of thousands of other items, from fertilizer to plastic diaper liners will increase too, in response to the rise in energy prices. These so-called ripple effects in the year following decontrol will add some $24 billion to consumer and business costs.

Chase Econometrics estimates that every 1 percent increase in price due to rising energy costs will: First, reduce real growth by one-half of 1 percent; and second, raise unemployment by 140,000 persons. Extrapolating these estimates yields the findings noted above that the administration's tariffs and oil decontrol will result in adding 3.6 percent to inflation, and forcing 500,000 workers out onto the streets.

OPEC PRICE INCREASE

The JEC staff has also evaluated the impact on prices and employment of various increases in OPEC oil prices. The results are startling, and emphasize even more the necessity to continue controls on the price of old domestic oil.

If we combine the total impact of tariffs, old oil decontrol and—say—a $2 per barrel OPEC price rise, energy and associated costs will rise some $8 billion over the next year—assuming the OPEC price increase occurs as speculated on October 1. That will mean 5.4 percent higher prices than otherwise next year, and an additional 760,000 out of work—plus a decline of about 800,000 in auto sales.

Even if old oil remains under price controls, the Ford administration tariffs and a $2 OPEC price jump alone will result in energy and ripple-effect costs totaling $33 billion over the next year. Tragically, this is the minimum impact we can expect as long as the administration persists in its almost obsessive pursuit of higher and higher energy costs regardless of their debilitating economic impact.

This minimum case—the tariffs, a $2 OPEC price rise on October 1, but continued price controls on old oil—will have these specific effects over the next year:

Oil, coal, and intrastate natural gas will rise $18.5 billion in price; $8.7 billion due to the tariff and $9.8 billion due to OPEC's action;

Prices for energy-related items will increase an additional $13.5 billion, pushing the total cost to $32 billion;

Prices will rise 2.2 percent more over the next year than now projected; and

Unemployment will be one-third of 1 percent higher than now projected—resulting in some 310,000 job layoffs. More than 8.5 million workers will be unemployed through at least the middle of next year, as a result.

In short, our economic recovery will be severely delayed even if the price of old oil continues to be controlled. To sustain our economic recovery, the Congress must insure that price controls on old oil are continued.

The Joint Economic Committee will shortly conduct hearings on the impact of old oil decontrol and possible OPEC price increases. I direct my colleagues' attention to these hearings which begin July 10.

I also direct my colleagues' attention to the JEC's evaluation of the price and employment impacts of the oil tariffs, old oil decontrol and possible OPEC price hikes.

I ask unanimous consent that the JEC evaluation be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Impact of the Administration's Tariffs, Old Domestic Oil Decontrol and Alternative Possible OPEC Price Increases on Direct and Associated Product Costs, Prices and Employment Through September 1976—The Economic Committee.

June 23, 1975.

Impact of Old Oil Decontrol

Total cost impact: $23 billion.

Cost of Decontrol of Old Oil Prices: Old oil production is estimated at 2 billion barrels per year (5.5 million barrels per day). Based on Federal Energy Administration data (Monthly Energy Review, May, 1975, page 54), the $2.00 tariff on imported crude oil will increase the price of new oil—and therefore the price of old oil if decontrolled—to $13.40 per barrel.

Cost of decontrol on oil oil: 2 billion barrels × ($13.40—$5.25/barrel) = $16.3 billion.

To assess the impact on coal and natural gas prices of old oil decontrol, the following assumptions were made:

1. Coal and intrastate natural gas prices are related to the average price of all domestically consumed oil.* Old oil decontrol will increase the average price of all oil consumed by $2.90 per barrel. This is comparable to an equivalent coal price rise of $11.50/ton, and a natural gas price rise of .50/M.c.f.
2. Fifty percent (275 million tons) of all coal consumed domestically will rise in price within one year following old oil decontrol.
3. Seventy percent (7.2 trillion cubic feet) of all intrastate natural gas consumed will rise in price within one year following old oil decontrol.

Impact of Old Oil Decontrol for Coal Costs: 275 million tons × $11.50 per ton = $3.16 billion.

Impact of Old Oil Decontrol for Natural Gas Costs: 7.2 Trillion c.f. × 50¢ per M.c.f = $3.6 billion.

IMPACT OF $2 TARIFF

(Without decontrol of old oil)

Total cost impact: $8.68 billion.

Cost of Tariffs on Imported Crude: Quantity of imports is estimated at 1.5 billion barrels per year (4 million barrel per day).

Cost of tariffs on imported crude oil: $2 per barrel × 1.5 billion barrels = $3 billion.

Cost of Tariffs on Imported Refined Oil: The initial $1 tariff on imported crude imposed a 60¢ entitlement loss on refiners; the second $1 tariff on imported crude imposed a 60¢ per barrel tariff on imported refined products. Quantity of imported refined oil products is estimated at 912 million barrels per year. (2.5 million barrels per day).

Cost of tariffs on imported refined oil: $1.20 per barrel × 912 million barrels = $1.09 billion.

Cost of Tariffs on New Domestic Oil: New domestic oil production is estimated at 1 billion barrels (2.8 million barrels per day).

---

*Most refinery customers purchase a mix of old and new oil as a result of the entitlements program. In evaluating the impact of higher oil prices on coal and natural gas, therefore, the average rather than the marginal increase in oil prices is used.

The $2 tariff will increase the price of domestic new oil by $2.00 per barrel.

Cost of tariffs on new domestic oil: $2.00 per barrel × 1 billion barrels=$2 billion.

Impact of Tariffs on Coal Costs: It is assumed that 275 million tons of coal will rise in price due to the tariff. The tariff increased the average price of oil consumed domestically by $1.12 per barrel. The equivalent coal price rise is $4.50 per ton.

Impact on Coal: $4.50 per ton × 275 million tons=$1.23 billion.

Impact of Tariffs on Natural Gas: It is assumed that 7.2 trillion cubic feet of gas will rise in price due to the tariffs. If the average oil price increase is $1.12 per barrel, the equivalent natural gas price rise will be 19¢ per M.C.F.

Impact on Natural Gas: 19¢ per M.C.F. × 7.2 trillion c.f.=$1.36 billion.

IMPACT OF ALTERNATIVE OPEC PRICE INCREASES

Cost Impact of a $1.00 per barrel OPEC Price Rise: With Old Oil Decontrol: $7.7 billion; Without Old Oil Decontrol: $4.9 billion.

Cost of $1 OPEC Price Increase on Old Oil: Old Oil production is estimated at 2 billion barrels per year (5.5 million barrels per day). The $1.00 OPEC rise will increase decontrolled old oil price by $1.00 per barrel.

Cost of $1.00 OPEC Price Increase on Old Oil:

With decontrol: $1.00 per barrel×2 billion barrels=$2 billion.

Without decontrol: N.A.

Cost of $1 OPEC Price Increase on New Domestic Oil: New domestic oil production is estimated at 1 billion barrels (2.8 million barrels per day). New oil will rise $1.00 per barrel in price with or without old oil decontrol.

Cost of $1.00 OPEC Price increase on new oil: $1.00 per barrel×1 billion barrels=$1 billion.

Cost of $1 OPEC Price Increase on Imported Oil: The quantity of imported oil products is estimated at 2.37 billion barrels (6.5 million barrels per day). The price of imports will rise $1.00 with or without old oil decontrol.

Cost of $1.00 OPEC Price increase on imported oil: $1.00 per barrel×2.37 billion barrels=$2.37 billion.

Impact of $1 OPEC Price Increase on Coal Costs: It is assumed that 275 million tons of coal will rise in price due to a $1 OPEC price rise. This $1.00 price rise will increase the average price of oil consumed domestically by $1.00 per barrel with decontrol. The equivalent coal price rise is $4.00 per ton with decontrol, and $2.67 per ton without decontrol.

Impact on Coal:

With decontrol: $4.00 per ton × 275 million tons=$1.1 billion.

Without decontrol: $2.67 × 275 million tons=$730 million.

Impact of $1 OPEC Price Increase on Natural Gas Costs: It is assumed that 7.2 trillion cubic feet of natural gas will rise in price due to the $1 OPEC price rise. If the average oil price hike is $1.00 per barrel with decontrol, and 63¢ per barrel without decontrol, the equivalent natural gas price rise is 17¢ per M.c.f., and 12¢ per M.c.f. without decontrol.

Impact on natural gas:

With decontrol: 17¢ per M.c.f. × 7.2 billion c.f. =7.2 billion c.f.=$1.22 billion.

Without decontrol: 12¢ per M.c.f. × 7.2 trillion c.f.=$860 million.

Cost Impact of a $2.00 per barrel OPEC Price Rise:

With Old Oil Decontrol: $15.4 billion.

Without Old Oil Decontrol: $9.8 billion.

Cost Impact of a $4.00 per barrel OPEC Price Rise:

Cost Impact of a $4.00 per barrel OPEC Price Rise:

With Old Oil Decontrol: $30 billion.

Without Old Oil Decontrol: $19 billion.

SUMMARY TABLE

Policy action	Direct cost increase[1] (billions)	Direct and associated cost increase[2] (billions)	Price increase[3] (percent)	Real growth[4] (percent)	Job loss[5]
Old oil decontrol	$23.0	$40	2.6	−1.3	360,000
With tariff	31.7	55	3.6	−1.8	500,000
$2 tariff	8.7	15	1.0	−.5	140,000
$1 per barrel OPEC price rise with tariff:					
With decontrol	38.7	68	4.5	−2.25	630,000
Without decontrol	13.3	23	1.6	−.8	220,000
$2 per barrel OPEC price rise with tariff:					
With decontrol	$47.0	$81	5.4	−2.7	760,000
Without deccntrol	18.5	32	2.2	−1.1	310,000
$4 per barrel OPEC price rise with tariff:					
With decontrol	61.0	106	7.2	−3.6	1,000,000
Without decontrol	28.6	50	3.3	−1.65	470,000

[1] Direct cost increases for oil, coal, and natural gas.

[2] Direct costs plus an estimated ripple effect of 75 percent.

[3] One percent is $15,000,000,000 in direct and associated costs.

[4] Real growth is assumed to decline 1 percent for every 2 percent rise in prices.

[5] Unemployment rises three-tenths of 1 percent (280,000 jobs) for every 1 percent decline in real growth.

GUN CONTROL

Mr. PACKWOOD. Mr. President, I wish to offer my comments on the subject of gun control. These comments reflect my own sentiments and those of thousands of sports-minded Oregonians who regularly enjoy recreational pursuits connected with the ownership and use of firearms.

Proponents of gun control suggest a correlation between gun control and crime control. I do not believe this to be the case. We have only to look at New York City which endures the strictest gun control measures in effect in this country. Despite such legislation, that city has one of the highest rates of murder by firearms. Overall, in New York City the rate of murder and nonnegligent manslaughter in 1973 was 17.5 per 100,000 inhabitants. For the same year, the rate in my hometown of Portland, Oreg., was 5 per 100,000. If gun control has anything to do with crime control, one would expect the reverse to be true. Portland has not adopted New York City's gun restriction and yet experiences a far lower criminal homicide rate.

It therefore seems obvious to me that the crime rate in a given area has little to do with numbers of guns or the controls exercised over their ownership. According to the FBI, crime rates are determined by such factors as population numbers, makeup, density, economic status, education, et cetera. Thus it should not be surprising that the National Commission on Causes and Prevention of Crime has concluded that increases in the crime rate occur for reasons unrelated to home firearms possession.

Those who advocate gun control for purposes of crime control may well get the reverse of their expectations. It is distinctly possible that gun control may serve only to increase the crime rate. The criminal intending to burglarize a home or store would hesitate knowing the likelihood of encountering an owner in the possession of a firearm. However, given increased assurances by gun control legislation that the owner would be defenseless, it would be possible to find ourselves with a dramatic increase of theft and/or assault. I can cite specific examples which show the possession of firearms serves to deter crime:

First. New York City policemen were permitted to moonlight as cab drivers in 1967 and cab robberies fell by over a third;

Second. In Orlando, Fla., after a well publicized police shooting course for women, violent crimes declined sharply;

Third. Responding to a rash of robberies in Detroit in 1966, a grocery association sponsored shooting clinics. A few holdups fizzled and their would be perpetrators wound up between hospital sheets with the result that robberies dropped from 86 to 10 per month; and

Fourth. Hunting States in this country tend to have lower rates of assault and robbery. While many factors are responsible for this, it is suspected that one significant reason is the knowledge on the part of the potential criminal that he may be confronted by a firearm in the course of his endeavor.

The foregoing is not to suggest that we solve our crime problem by arming our citizenry to the teeth and urging them to shoot anytime they perceive another under suspicious circumstances. It is to suggest that we may substantially increase the rate of crime in this country by suppressing the ownership of guns.

Aside from the possibility of increasing crime rates, gun control legislation would create whole new classes of criminals. Consider two such instances:

First. Anytime something is banned or restricted, a new field of criminal endeavor is created for those who would actively circumvent the law by producing and selling the prohibited or restricted item.

Second. A ban or restriction would make criminals out of a multitude of gun owners who would simply refuse to register or surrender their guns.

In short, gun control legislation will create thousands of criminals in an attempt to deal with a few.

While we are on the subject, it might be appropriate to consider just how few guns in this country are used for the perpetration of crime. For purposes of an example let us take the latest available figures from the most serious of all crime, murder. There were 17,123 murders committed in the United States during 1973. Fifty-three percent of these were by handgun, or 9,075. It is conservatively guessed that there are 40 million handguns in the United States. Assuming that a different handgun was used in each of these murders, this means that less than two one-hundredths of 1 percent of the Nation's handguns were used to murder. Would we penalize 99.98 percent of the handgun owners in this country in an attempt to get at those murderous few? Even if we tried I do not see how we could be successful. It would literally be like looking for a twig in a longjam.

At the same time, none of this searching through the logjam would be without a price tag. Let us, for example, consider the cost of a nationwide handgun license-registration law. Take our figure of 40 million handguns. Mayor Lindsay estimated in 1968 that the cost of issuing a handgun permit in New York City was $72.87. At that figure, it would have cost us about $3 billion to issue handgun permits in 1968. Registration—involving inspection, recording, copying, filing, and so forth—would easily cost an additional billion. That is $4 billion in 1968 costs; an amount equal to the total law enforcement budget of the country for that year. And if we went farther to license and register all firearms the cost would be beyond staggering. It is estimated that there are five long guns for every handgun in the country.

Because of the cost of gun control programs and their dubious merit, I am supporting legislation during this session of Congress which would repeal the Gun Control Act of 1968 and impose greater penalties on those who would perpetrate crime through the use of a firearm. The Gun Control Act serves only to bear out my promise that firearms legislation is an extravagance the taxpayer cannot afford. The Bureau of Alcohol, Tobacco, and Firearms has been charged with administration of the act and their budget has risen from $36 million in fiscal year 1968 to $76 million in fiscal year 1973. This increase is principally due to the Bureau's responsibility to administer the act. Further, because of limited finances, the Bureau is by no means fully implementing the act. To do that the Bureau estimates it would need an additional $278 million and 9,506 new agents.

If we have millions of dollars to spend in the name of crime control, let us put the money directly into our criminal justice system where it is desperately needed. Further, without spending any money, we can increase penalties on those using firearms to commit crime. In the scheme of our criminal laws we import more serious penalties on those who commit crimes with deadly weapons but no distinction is made between different types of weapons. Here is a perfectly obvious place for gun control which would cost the taxpayer little and which would not, in an attempt to get at a few people who would misuse firearms, penalize the millions of those who do not.

It seems to me that gun control would definitely have fewer proponents if it were analyzed more with reference to its cost and effectiveness, and less in the emotional context we so often find this issue.

GAO INTERIM REPORT ON AREA AGENCIES ON AGING

Mr. CHURCH. Mr. President, the General Accounting Office was asked last year by three congressional units to survey implementation of certain provisions of the Older Americans Comprehensive Services Amendments of 1973 (P.L. 93–29).

That request was made by Senator Thomas Eagleton as chairman of the Subcommittee on Aging, Senate Committee on Labor and Public Welfare; Representative John Brademas, chairman of the Select Subcommittee on Education, House Committee on Education and Labor; and by me as chairman of the Senate Special Committee on Aging.

We wanted the GAO to focus on the operations of area agencies on aging, which were authorized under Public Law 92–29 to develop at substate level a system of comprehensive and coordinated services for older persons. AAA's are authorized to commit title III funds under the Older Americans Act, in accordance with a State plan and with State approval, for developing comprehensive and coordinated systems for delivery of social services to the elderly and for model projects.

To comply with the joint request, GAO interviewed officials of 28 area agencies on aging, 17 State agencies on aging, and 9 Department of Health, Education, and Welfare regional offices. They also interviewed representatives of selected area agency grantees, local governments, councils of governments, and review agencies.

The GAO has responded to our request to provide preliminary findings before the June 30 deadline for extension of the Older Americans Act. These findings do not reflect all the data gathered by GAO, but they do provide important insights into the workings of the AAA's.

For example, the GAO reports that generally, the area agencies did not feel they were receiving sufficient funds for obtaining necessary staff to administer the program. In addition, the GAO also described difficulties encountered in the "pooling of resources" and direction from Federal and State levels.

Despite the problems, the AAA's appear to have taken hold; more than 400 are now at work throughout the Nation. In addition, legislation now before the Senate and House would continue the AAA strategy.

Acknowledging that its evaluation of data is not yet complete, GAO offers no specific recommendations at this time.

It also says, however:

> We believe that progress has been made by the States and area agencies in implementing the Older Americans Comprehensive Services Amendments of 1973. Although the officials we interviewed identified a number of problems in implementing the 1973 amendments, most appear to be attributable to the relative newness of the area agency concept and its recent beginnings in any of the States.

GAO will continue its analysis and will submit a more detailed report later in the year. But the information provided thus far provides useful insights which will be of help as this year's Older Americans Act nears final action. In addition, GAO has been requested by the Senate Committee on Labor and Public Welfare, in its report on this year's Older Americans Act amendments, to continue its scrutiny of AAA operations.

I believe that GAO is performing an important and useful service in assisting Congress to perform its oversight functions, and I join with the Committee on Labor and Public Welfare in urging sustained attention to the implementation of the AAA strategy.

THE NUTRITION TODAY SOCIETY

Mr. PERCY. Mr. President, the Nutrition Today Society recently celebrated its first anniversary.

The Nutrition Today Society, a nonprofit organization, was founded here in Washington, D.C., by 17 interested, world-renowned physicians, dietitians, nutritionists, health administrators, and concerned laymen.

The Nutrition Today Society is dedicated to increasing and disseminating nutrition knowledge. To achieve this goal, the society seeks to educate health professionals, who stand in need of a greater understanding of the role of nutrition in the prevention and treatment of disease and, more importantly, to educate the general public about proper nutrition. Among other things, the society seeks to expose those who would expound unproven nutritional fads and fancies on the American public and to promote nutrition education in elementary and secondary schools in this country.

The Nutrition Today Society publishes Nutrition Today, a magazine which was founded 9 years ago. It is the most widely read periodical in the world on the subject of nutrition. It is designed for both health and nutrition professionals as well as laymen and is a principal benefit of membership in the Nutrition Today Society. Some 8,000 copies of the magazine are distributed without charge to men and women in the Federal, State, and local governments who have a need for a better knowledge of nutrition in fulfilling their responsibilities.

I congratulate the Nutrition Today Society on its first birthday. It is noteworthy that more than 25,000 health professionals and concerned laymen have joined the society since its inception. This is indicative of the ever-increasing interest in the relationship between good nutrition and good health. Hearings before the Senate Select Committee on Nutrition and Human Needs, upon which I serve as the ranking minority member, have shown conclusively that an investment in sound nutrition now will save us health care dollars in the future.

I wish the Nutrition Today Society even greater success in its second year of activity on behalf of improved nutrition.

FOUR CALIFORNIANS AWARDED NATIONAL MEDAL OF SCIENCE

Mr. CRANSTON. Mr. President, I want to take this opportunity to commend 13 distinguished Americans who were recently recognized for their achievements in science, mathematics, and engineering development.

On June 23, 1975, President Ford announced the 1974 recipients of the National Medal of Science. The 86th Congress established the medal in 1959 to provide special recognition for individuals who had made outstanding contributions in the physical, biological, mathematical, or engineering sciences. This year's winners were selected from among 204 distinguished and able individuals nominated by universities, professional societies and the National Academies of Sciences and Engineering.

It is a special pleasure to note that 4 of the 13 recipients pursue their research at institutions in the State of California.

Mr. President, I ask unanimous consent that the list of the 13 National Medal of Science winners be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Nicholaas Bloembergen, Professor of Applied Physics, Harvard University, Cambridge, Massachusetts.

Britton Chance, Director of the Johnson Research Foundation and Chairman of the Department of Biophysics, University of Pennsylvania, Philadelphia, Pennsylvania.

Erwin Chargaff, Professor of Biochemistry, College of Physicians and Surgeons, Columbia University School of Medicine, New York, New York.

Paul J. Flory, Jackson-Wood Professor of Chemistry, Stanford University, Stanford, California.

William A. Fowler, Professor of Physics, California Institute of Technology, Pasadena, California.

Kurt Godel, Professor of Mathematics, Institute for Advanced Study, Princeton, New Jersey.

Rudolph Kompfner, Director, Electronics and Radio Research, Bell Telephone Laboratories, Inc., Holmdel, New Jersey.

James Van Gundia Neel, Lee R. Dice Professor of Human Genetics, University of Michigan Medical School, Ann Arbor, Michigan.

Linus Carl Pauling, Professor of Chemistry, Stanford University, Stanford, California.

Ralph Brazelton Peck, Consulting Foundation Engineer, Albuquerque, New Mexico.

Kenneth S. Pitzer, Professor of Chemistry, University of California, Berkeley, Berkeley, California.

James A. Shannon, Special Adviser to President, Rockefeller University, New York, New York.

Abel Wolman, Professor Emeritus, Sanitary Engineering, The Johns Hopkins University, Baltimore, Maryland.

CONTROVERSY OVER CONSUMER PRODUCT SAFETY COMMISSION CONSIDERATION OF BAN ON HANDGUN AMMUNITION

Mr. McCLURE. Mr. President, I daresay there is not a Member of this Senate who is not keenly aware of the current controversy involving the Consumer Product Safety Commission's consideration of a ban on handgun ammunition. This Congress has been deluged with mail against such a ban—mail from literally millions of Americans who buy and use handgun ammunition for legitimate purposes: For sport or for protection of their homes or businesses. This is indeed a consumer issue—where the consumers of a specific product have made their wishes to be left alone abundantly clear. Purely and simply, this so-called protection in the form of any effort to ban ammunition or firearms by CPSC amounts to backdoor gun control.

The Senate Commerce Committee has reported out the Consumer Product Safety Commission Improvements Act of 1975, S. 644—a measure that as originally drafted would have prohibited the Consumer Product Safety Commission from regulating any aspect of firearms, firearms ammunition, or components of either. That original language is virtually identical to a CPSC gun-control prohibition reported out by the House Interstate and Foreign Commerce Committee in H.R. 6844.

However, because of a confused markup session of S. 644 by the Senate Commerce Committee, that prohibition language was drastically altered, and, as reported, might well give the CPSC a loophole to consider banning ammunition.

When the Senate reconvenes, I shall introduce an amendment to S. 644 that would simply substitute for the Senate prohibition language the House language against any CPSC regulation of any aspect of firearms or ammunition so there can be no doubt in conference over what Congress intends.

MARIANA EXPECTATIONS RUN HIGH AFTER PLEBISCITE ON U.S. TIES

Mr. GARY W. HART. Mr. President, Americans are beginning to hear something about the new colony the administration hopes to create in the middle of the Pacific Ocean. Of course, this is as it should be because Americans have been committed by the administration to pay for the privilege of making the inhabitants of the Mariana Islands citizens of the United States. We have the right to know where our money is going and for what reason. Unfortunately, we are not finding out what is going on from the administration which made promises and signed agreements in our name. Instead, we know about events in Micronesia from what we read in the newspapers.

Before long, Congress is going to consider how much the President's representatives have promised the people of the Marianas in order to convince them to vote to become Americans and to open their islands to the Pentagon's base-builders. If we are not careful, however, we are going to be asked merely to ratify what has been done, without a thought for the international and military implications acquisition of a new colony represents. Least we think this is hardly an important issue in these times, we should remember that absorbing these islands will cost us hundreds of millions in direct costs over many years. In addition it might be the first step in tacitly authorizing the construction of multibillion-dollar bases, and the citizens of the Marianas will undoubtedly be public wards forever.

The New York Times of June 19 contains an interesting article reporting the reactions of some of the residents of the Marianas following Tuesday's plebiscite in which union with the United States was endorsed. You will notice that all of those who favor the outcome, consider their potential new status a dream come true. And well they should because they clearly see the door of the Treasury opening up to them. On the other hand, those devoted to the preservation of local cultural values and minority peoples consider colonization a threat to their way of life. Still others, perhaps most, simply do not understand what has happened and what colonization will mean. In general, the article shows what a poor "educational campaign" advocates of commonwealth status conducted at the expense of the American taxpayer.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MARIANA EXPECTATIONS RUN HIGH AFTER PLEBISCITE ON U.S. TIES

(By Richard Halloran)

SUSUPE, MARIANA ISLANDS, June 18.—Jose Cruz paraded across the courtroom here on Saipan clapping his hands over his head and chortling: "I've become an unofficial American citizen tonight. I'm changing my name to Joe Smith."

Mr. Cruz walked past a blackboard on which were recorded the unofficial returns of a plebiscite yesterday. The voters voiced their approval of a plan under which the 14,000 people in the northern Marianas would become Americans and these Pacific islands a commonwealth of the United States.

The vote was just the first step in the process toward commonwealth status. The steps include Congressional approval of the proposal, Presidential approval of a constitution, and approval by the United Nations Security Council of the separation of the northern Marianas from the trusteeship of the Pacific Islands under which the United States has administered these islands since 1947.

But there were expectations that everything would be accomplished by 1980 or 1981, or possibly sooner. For the islanders, that means a national identity after three centuries of Spanish, German, Japanese, and American colonial rule.

BENEFITS EXPECTED

Most people here also expect economic benefits to improve life after 30 years of indifferent American administration that has left Saipan, the main island of the chain, what an American official privately called "an island slum."

But the Marianas, especially Mr. Cruz's island of Tinian, three miles south of Saipan, will most likely become a major military base. Moreover, some think the promise of economic benefits has been overdone.

"I feel sorry for them," said an American resident. "They're not going to get what they expect."

Even so, the tone was optimistic.

"We want to be identified as Americans," Mr. Cruz said. "The Spanish called this place the Islands of Thieves, the Ladrones. But they did bring us Christianity. The Germans started the copra business and homesteading so that people could own their own land. But they and the Japanese failed to give us human rights. Under the Americans, for the first time we got democratic values and we can send our children to school.

"I know why the American military like Tinian. It's flat and there are few people and all of those are in one village. But there's no doctor or hospital, and no high school, and not much employment, and no shipping to take our agricultural products to a market. That's why we're willing to accept the military, to get the other things we need. That's the sacrifice we have to put up with."

LOOKING FOR U.S. AID

Edward Pangelinan, the chairman of the Marianas Political Status Commission which negotiated the commonwealth covenant with American officials, said he expected a dramatic improvement in life once commonwealth was achieved.

"When Congress approves the covenant," he said, "we will get $1.5-million in planning money. We can start planning for the $14-million we will get each year after that. We're going to be able to upgrade the quality of government services and our infrastructure, to reorganize our legislature, and get our constitutional convention started. For the first time, we will have money for our needs—roads, hospitals, power."

Not everyone is so optimistic. Felix R. Rabauliman, who was among those who led the opposition to the commonwealth covenant, said:

"The people do not understand what's in that covenant. The bad wasn't mentioned. The people are saying 'Now I'm poor but I'll be much better off after.' But if the people understood, they would not agree."

Mr. Rabauliman contended that the terms of the 50-year lease of land for military purposes, with an option to renew for another 50 years, were wrong.

"The lease should have been shorter," he said, "so that the next generation could have some say in the lease."

He also said the land was worth more than the $19.5-million single payment for 100 years of use.

"Many people don't see any benefit in becoming American citizens," he added. "But there's no disadvantage either. They're just indifferent."

He added that he was worried, lest the local culture "break up" under the impact from the outside.

AN ETHNIC MIXTURE

Mr. Rabauliman's unhappiness with plans for commonwealth status also had an undertone of fear—fear of discrimination. He is a Carolinian on an island dominated by Chamorros, who comprise about two-thirds of the 12,000 people on Saipan.

The people who live in the Marianas today are a mixture of races and ethnic groups, the consequence of migration and conquest. The original Chamorros, who may themselves have been a mixture of Asians and Polynesians from the South Pacific, nearly disappeared under Spanish rule or disease in the 16th century.

Today's Chamorros are descendants of the original Chamorros, Spaniards and Filipinos. The other major ethnic group is the Carolinians, or people from the Caroline Islands to the south. They are related to the Malays and came here about 150 years ago to settle.

There are also traces of the Germans, who took the islands when the United States did not want them after the Spanish-American War at the end of the 19th century. After that came the Japanese, who seized the islands from the Germans in 1914 and held them until 1944. Finally came the Americans. As a result of these varying influences various languages are spoken here.

The Chamorro and Carolinian communities are deeply split, with intermarriage discouraged, certain jobs held only by persons from one or the other, and separate living areas. In the plebiscite, many Carolinians voted against the commonwealth.

Mr. Rabauliman said the Carolinian community wanted to remain with the other five districts in the Micronesian trust territory so that they would not be a minority as they will be when the Marianas are separated from Palau, Yap, Truk, Ponape, and the Marshall Islands.

"With the six districts," he said, "we are Saipanese, along with the Chamorros. But the Chamorros don't want to be with the other districts. Chamorros really want something. They want to change, they want to improve. I must admit that we are a slow-moving people—we like to go fishing and climb up the coconut trees."

Others did not share Mr. Rabauliman's concerns and concentrated on the economic aspects of the proposed changes. An employe of the trust territory administration said:

"We're going to get better roads and better hospitals and things of that nature. Right now, 20 per cent of our taxes go to the Congress of Micronesia. In the new government, we'll keep our own money and use it here."

A young musician in a dance band said he thought his life would be better, but that it would not change overnight. "These things take time," he said.

A community service worker said: "The way I feel, it's not too bad to become part of the American family. We've been under the United States flag and that's been a help to us."

But a policeman on duty at a polling station said:

"To tell you the truth. I don't understand the convenant. I'm a high school graduate and I can read the words and I can pronounce them. But I don't know what they mean. I don't think the special education program has done much for the masses. The radio and the TV are full of propaganda. I don't know what to believe.

"You know, I help protect 14,000 people for 96 cents an hour. I expect my salary to improve under the new government. But there's nothing in the covenant that guarantees that my pay will improve."

Still another government employe said:

"It's too soon for the people of the Marianas to govern ourselves. If we govern ourselves we should be in a position to negotiate with the Federal Government. But the people are not politically educated enough to fight the Federal Government. It's the politicians who are doing things for themselves. They've been negotiating for their own benefit. They don't give a damn for the people."

Some were indifferent. A waitress said she voted "because my mother told me to." On the other hand, a boy on a bicycle outside a polling station was asked whether he knew what the vote was about.

"Sure," he said with a smile, "they're going to say 'yes' and by 1980 or 1981 we'll be American."

If that comes to pass, the United States will gain a commonwealth of great natural beauty. The mountains on Saipan along the spine of the island are dark green and, on the west, slope gently down to a light green lagoon that spreads behind a coral reef nearly the length of the island.

There is little evidence that the United States has improved the lives of the people during its trust administration. Saipan is neither an unspoiled idyllic Pacific isle nor a developed tropical area, like Hawaii or even Guam. It is somewhere in between and that is its problem.

The island has no self-sustaining economy. Despite the lush vegetation, few farms with more than a scattering of banana trees are to be seen. Yet, in the Japanese days, it was a respectable producer of sugar cane.

Houses are tin shacks or frame sheds, although there are many concrete five-room or six-room houses. Sanitation is inadequate, the water supply chancy, electricity unreliable. Perhaps a thousand small cars, many of them dilapidated second-hand Japanese vehicles, jounce over rough or unpaved roads. Everywhere there is litter of soft drink and beer cans.

BUY AMERICAN PROVISIONS OF THE DEFENSE APPROPRIATIONS ACT

Mr. PERCY. Mr. President, as this body knows, I am an advocate of nondiscriminatory open world trade. I was a strong supporter of the trade bill and its philosophy of a free flow of worldwide goods and services. The trade bill is not the only legislative vehicle used to shape the trade policy of the United States. Numerous small but cumulatively important phrases, clauses, or mandates exist in a myriad of legislative bills which restrict trade or play favor to various local, regional, or national interests. One such case is the buy American provision of the Defense Appropriations Act.

I do not disagree, Mr. President, that it is in our national security interest to protect and preserve some industries in the United States that are critical to our national defense but are inefficient in the context of the world economy. These industries should be given subsidies through direct grants. I do not believe they should be covered by a protective financial umbrella such as a buy American clause. This is a highly inefficient way of supporting American industry when we need every dollar appropriated for defense to be spent wisely.

Recently this entire issue of the Buy American clause of the Defense Appropriations Act was addressed before a House committee by David J. Steinberg, president of the U.S. Council for an Open World Economy. I ask unanimous consent that Mr. Steinberg's testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF DAVID J. STEINBERG

My testimony is addressed particularly to the Buy American strictures in the Defense appropriations act concerning procurement of specialty metals and textiles. These strictures should be reassessed and reformed in the interest of government economy, a stronger private enterprise system, a coherent and consistent liberal-trade policy, but also (and not least) the need to evaluate candidly and constructively the problems and capabilities of these industries and determine the best form of government assistance, to the extent that these industries need help at all.

Congress should be asking and determining if these import-control measures are needed and helpful for curing a problem or just alleviating one. And are they a sensible means to do either? Are they in fact a handy way to show interest in the problems of the affected industries, workers and communities without taking the trouble to go deeply into these problems and come up with sound solutions? Is not easy recourse to import restriction diverting the government from the tougher, more responsible task of carefully diagnosing the problems of these industries and providing government help (if needed) in ways that best serve the overall national interest, including the overall national-security interest?

These questions and standards should apply to any use of trade restriction as a form of government assistance. They assume a special priority when production for national defense is involved. The affected industries—those that produce the products designated for Buy American protection and those that consume these products—are producing goods for national-security purposes and hence deserve much more careful attention than these Buy American provisions (textiles since the mid-1950's and specialty metals since 1972) reflect.

OTHER EXAMPLES

The shortcomings of the Buy American strictures in the Defense appropriations law are akin to what is perhaps the most notorious example of irresponsible recourse to import controls for national-security purposes—the imposition of import quotas on oil in 1959 (under the national-security clause of the trade-agreements law) without a coherent petroleum policy geared to the needs of national security and the total national interest. If there had been such a coherent petroleum policy, carefully monitored, the present energy crisis might have been averted or at least alleviated.

Another example of faulty national-security policy in import controls concerns Defense procurement itself. The Defense department, by executive discretion, gives Buy American assistance to producers of small ball bearings. Producers of larger products in this industry get escape-clause tariff relief. Yet there is no coherent, comprehensive policy of government assistance to any sector of this important industry. There is no clear evidence that the industry's real problems and real needs, its strengths and weaknesses, are getting the coherent concern and systematic reassessment—with appropriate accountability to Congress—which one has reason to expect from a government shouldered with basic responsibility for the nation's defense capability.

OVERALL APPRAISAL OF IMPORT CONTROLS

To think that import controls, whether or not involving government contracts, are in themselves a commendable, constructive response to the problems of ailing industries and the needs of the nation is lazy thinking and irresponsible policy. The Defense budget offers a significant opportunity to correct past mistakes of this kind.

If Congress is this year not inclined, for time or other reasons, to subject the Buy American sections of the current Defense appropriations bill to the reassessment I have proposed the least it can and should do is program for later decisions an appraisal of all import-restriction policies affecting Defense procurement. Ths should be done for many worthy purposes including greater economy in the use of taxpayers' money and more enlightened attention to the strength and reliability of our defense-production industries. The time has come to cleanse the Defense budget of all import-restricting distortions that are not part of and indispensable to a coherent policy of constructive assistance to industries whose need for government help has been clearly established.

This appraisal should include an assessment (not yet made, to my knowledge) of the desirability of continuing the 50 percent Buy American differential which under Executive Order has been applied to overall Defense procurement since 1962. If this and the Buy American regulations on specific products are to be continued, let us be sure they are really needed and that they are really worth whatever they cost, financially and otherwise. If the Buy American strictures on specialty metals, textiles and ball bearings are to be continued, they should be cast and systematically reviewed in the framework of a coherent specialty-metals policy, a coherent textiles policy and a coherent ball-bearings policy. In this way, the government and the people can get a clear idea of the need for such controls, how they are working, what they cost, and what means might be found to phase out these subsidies as quickly as possible.

(The views expressed in this testimony are those of the witness, and do not necessarily in every detail represent those of the U.S. Council for an Open World Economy and its trustees. The Council is engaged in a research and public-education program concerned with the merits, instruments and problems of progress toward an open international economic system.)

RIGHT OF A BANK SHAREHOLDER TO INSPECT THE LIST OF SHAREHOLDERS

Mr. PROXMIRE. Mr. President, I wish to insert in the RECORD a revealing series of letters between the Comptroller of the Currency and myself, because it so beautifully illustrates the tendency of regulators to become captives of the industry they regulate, as well as the influence of the big Washington law firms. And the story has a happy ending.

The tale begins when a young reporter named David Rothman decided to write an article on who controls several of Washington, D.C.'s banks. Being an enterprising reporter, Mr. Rothman decided to take advantage of a provision of title 12 of the United States Code which permits a shareholder in a national bank to examine the list of other shareholders. Mr. Rothman did the obvious thing; he purchased one share of stock in the first bank on his list, Madison National, and showed up bright and early with his one share and requested to see the list.

Despite the clarity of the law, the officers of the bank insisted that Mr. Rothman had no such right, and instead of showing him the list they showed him the door. Mr. Rothman then sought redress from the Comptroller of the Currency, who regulates national banks. He also sent a letter to me, as chairman of the Banking Committee, asking that I use my good offices to see that the Comptroller did his job. The Comptroller, incidentally, is a former lobbyist for the American Bankers Association.

Next, Madison National retained the prestigious law firm of Arnold & Porter, which wrote a remarkable brief contending that the law did not mean what it said, and that since Mr. Rothman did not have a bona fide business purpose, but merely a commercial motive to sell his article, the law did not apply to him. I do not understand the distinction between "business" and "commercial," but in any case Arnold & Porter argued that as a reporter, Mr. Rothman had fewer rights than other people.

Now comes the best part. The Comptroller wrote me a letter saying in effect, "If Arnold & Porter says it is so, it must be so," and he suggested that Mr. Rothman sue. Let me at this point include the text of the relevant statute, because it has to be one of the most unambiguous Congress has ever written.

> The president and cashier of every national banking association shall cause to be kept at all times a full and correct list of the names and residences of all the shareholders in the association, and the number of shares held by each, in the office where its business is transacted. Such list shall be subject to the inspection of all the shareholders and creditors of the association, and the officers authorized to assess taxes under State authority, during business hours of each day in which business may be legally transacted. A copy of such list, verified by oath of such president or cashier, shall be transmitted to the Comptroller of the Currency within ten days of any demand therefor made by him.

So the Comptroller politely declined to enforce the law. I then asked the Library of Congress to research the question, and not surprisingly the Library found that the law meant pretty much what it said. I also wrote the Comptroller suggesting that he might want to have his own legal department research the question, rather than taking the word of Arnold & Porter, who are not exactly neutral in the dispute. And I again asked that he see that the law be enforced.

At that point, one of the Comptroller's assistants telephoned one of my assistants to say that they were sorry, but they still agreed with Arnold & Porter. I then hinted that this all might be a useful matter to explore at a hearing. The Comptroller agreed to go ahead and have his own legal department study the law and decide whether it meant what is said.

Meanwhile, magically, Arnold & Porter decided that even though they still felt that the law meant otherwise, their client, Madison National might as well be good guys and let Mr. Rothman see the list. In the meantime, the comptroller had been advised by Arnold & Porter that Mr. Rothman had lost interest, and the issue was therefore moot. While that would certainly have been understandable, since he had been getting the runaround for 6 months, in fact Mr. Rothman is a persistent fellow, and again he arrived at the bank to examine the list.

Well, the bank executives said he could look at the list, but not photocopy it, so Mr. Rothman copied down several hundred names longhand, and presumably he is now hard at work on his story. The happy ending is that the other day the General Counsel of the Comptroller's Office completed his review of the cases, and though his language is exquisitely hedged, he too now agrees that the law means what it says after all. So perhaps this served some useful purpose.

I am sure that now when other shareholders wish to find out who has controlling interest in their banks, the Comptroller's Office, armed with their new knowledge, will be pleased to cooperate in assisting shareholders in exercising their rights under the law.

I ask unanimous consent that the entire correspondence be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MADISON NATIONAL BANK,
Washington, D.C., December 17, 1974.

DEAR MR. ROTHMAN: This is in response to your request to me Friday for permission to examine and copy the list of shareholders of Madison National Bank.

Our records indicate that a certificate for one share of stock in this Bank was issued to you on December 2, 1974. You have stated that you wish to inspect the stockholder list in connection with your preparation of an article that you are planning to submit to the Washingtonian Magazine dealing in part with certain stockholders of this Bank.

Under the circumstances, I have been advised that the purpose of your request is not within the intended scope of section 62 of Title 12 of the United States Code. Accordingly, we will be unable to permit you to inspect and copy the list of stockholders of the Bank.

At your request, I am sending a copy of this letter to your attorney, Mr. John Brown, at the Corporate Accountability Research Group.

Very truly yours,
LOUIS C. PALADINI,
Chairman of the Board and President.

FEBRUARY 11, 1975.

Hon. JAMES E. SMITH,
Comptroller of the Currency,
Washington, D.C.

DEAR MR. SMITH: I understand that Mr. David Rothman has requested the assistance of your office in obtaining access to a list of persons holding stock in the Madison National Bank of Washington, D.C. It is my understanding that Section 62 of USC 12 authorizes stockholders of a national bank to obtain access to the bank's list of stockholders during normal business hours.

Mr. Rothman indicates that he is a stockholder in the Madison National Bank and that he is preparing an article on banking for the Washingtonian Magazine. He further indicates that the Bank has refused him access to its stockholders list on the grounds that 12 USC 62 does not contemplate the release of such information for the purposes desired by Mr. Rothman. I am curious as to how the Bank arrived at this position, since a literal reading of the statute does not condition access on the purpose for which information is to be used.

I would appreciate your reviewing this matter and taking whatever action is consistent with the law and your responsibility in assisting Mr. Rothman to obtain a list of stockholders from the Madison National Bank.

Sincerely,
WILLIAM PROXMIRE, *Chairman.*

THE ADMINISTRATOR OF NATIONAL BANKS,
Washington, D.C., March 14, 1975.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: Please refer to your letter of February 11, 1975, relative to the request by Mr. David Rothman for assistance of this Office in obtaining access to a list of persons holding stock in the Madison National Bank of Washington, D.C.

We are enclosing herewith for your information a copy of the memorandum dated January 24, 1975, submitted by Arnold & Porter, attorneys for the bank, in justification for the bank's position in refusing Mr. Rothman access to the bank's shareholders' list.

Upon review of this matter there would appear to be sufficient doubt as to whether the judiciary would, in the circumstances, compel the bank to make the list accessible to Mr. Rothman so that it is deemed inappropriate for this Office to initiate action to compel the bank, in this instance, to make the list available.

It may be noted, however, that a copy of shareholders' list of the bank, filed in connection with its organization certificate, is available for inspection in the Public Disclosure Files of this Office and Mr. Rothman has been advised accordingly.

Sincerely,
JAMES E. SMITH,
Comptroller of the Currency.

ARNOLD & PORTER,
January 24, 1975.

MEMORANDUM

To: Office of the Comptroller of the Currency
Subject: Right of a National Bank Shareholder To Inspect the List of Shareholders

INTRODUCTORY STATEMENT

This memorandum is submitted on behalf of Madison National Bank, Washington, D.C., in response to a request from Chief National Bank Examiner Kenneth W. Leaf in a letter to Madison dated December 30, 1974. The circumstances giving rise to Mr. Leaf's request are as follows:

On December 13, 1974, Mr. David H. Rothman presented himself at the main office of Madison National Bank, and, after identifying himself as the holder of record of one share of Madison stock, requested permission to examine the complete list of shareholders. Mr. Louis C. Paladini, President of the Bank, referred Mr. Rothman to the Bank's counsel, Mr. John D. Hawke, Jr., of this firm.

Mr. Rothman thereupon met with Mr. Hawke and exhibited to him a certificate for one share of Madison stock registered in Mr. Rothman's name. In response to Mr. Hawke's inquiry as to his purpose in seeking to inspect the shareholder list, Mr. Rothman stated that he was writing a free-lance article for the Washingtonian magazine and that he wished to inspect the list in connection with the preparation of that article. Mr. Rothman stated that the article would not be about the Bank, but would be concerned in some unspecified way with certain individuals whom he knew to be shareholders of the Bank. Mr. Rothman further informed Mr. Hawke that if inspection were permitted it was his intention to copy the complete list of shareholders.

Mr. Paladini, acting upon Mr. Hawke's advice, subsequently informed Mr. Rothman that he would not be permitted to inspect the shareholder list because the purpose for which he sought inspection was not a permissible one.

Section 62 of Title 12, United States Code, provides that every national bank shall keep a "full and correct list of the names and residences of all the shareholders in the association, and the number of shares held by each." It further provides that "such list shall be subject to the inspection of all the shareholders and creditors of the association, and the officers authorized to assess taxes under State authority, during business hours of each day in which business may be legally transacted." It is the position of Madison National Bank that insofar as it deals with the rights of shareholders, section 62 merely codifies the common law right of a shareholder to inspect the list of shareholders for any "proper" purpose—that is, a purpose germane to his interest as a shareholder. Section 62 was not intended and should not be interpreted to make national bank shareholder lists available to stockholders for commercial purposes unrelated to their interests as shareholders, nor was it intended to make such lists freely available for any purpose to any member of the public willing to pay the cost of a single share of stock.

I. The Right of Inspection Conferred by Section 62 Is Subject to a "Proper Purpose" Limitation

The right of a national bank shareholder to inspect the bank's shareholder list was originally set forth in section 53 of the National Currency Act of 1863, 12 Stat. 665. That provision was reenacted without significant change as section 40 of the National Bank Act of 1864, 13 Stat. 99, and it has remained in virtually identical form since that time.[1]

The legislative history of the National Currency Act does not reveal any intention on the part of Congress to confer upon national bank shareholders a right of inspection of corporate books and records that was any greater than that existing at common law.[2] The common law right of inspection was described by the Supreme Court in *Guthrie* v. *Harkness*, 199 U.S. 148, 153 (1905):

> "There can be no question that the decisive weight of American authority recognizes the common law right of the stockholder, for proper purposes and under reasonable regulations as to place and time, to inspect the books of the corporation of which he is a member".[3]

As one state court has stated:

> "At common law, independently of statute, it has been uniformly held that the right to examine books of a corporation exists only in favor of stockholders, who invoke such right for a proper and legitimate purpose."

Shea v. *Sweetser*, 119 Me. 400, 111 A. 579, 580 (1920); *accord, Leher Spring & Tire Corp.* v. *Superior Court of Alameda County*, 52 Cal. App. 2d 467, 126 P.2d 391 (1942); *Varney* v. *Baker*, 194 Mass. 239, 80 N.E. 524 (1907).

Under the common law rule, a "proper purpose" for inspection is one that is germane to the shareholder's interests qua stockholder. The requirement has been stated as follows:

> "At common law the stockholder has the right to see corporate books and records but it is not unlimited. His demand must be germane to his interests as stockholder, and the interests of the corporation and other shareholders may control to deny inspection."

Garner v. *Wolfenbarger*, 430 F.2d 1093 (5th Cir. 1970), *cert. denied,* 401 U.S. 974 (1971). This qualification has been widely accepted. As one leading authority has commented:

> "It was one of the generally accepted conditions of the common law right that it must be sought by the stockholder as such and that his purpose must relate or be germane to his interest as stockholder."

5 Fletcher, Corporations, § 2218 at 799 (1967).

We have discovered no decision of any federal court under section 62 dealing with circumstances comparable to those presented in this case, or considering the question whether the right of inspection reflected in that section is qualified by any "proper purpose" test. There are, however, a number of state court decisions interpreting section 62, and these cases, we believe, strongly support Madison's position that inspection can properly be denied when it is sought for an improper purpose.

For example, in *People ex rel. Lorge* v. *Consolidated National Bank,* 105 App. Div. 490, 94 N.Y. Supp. 173 (App. Div. 1905) a stockholder sought access to the bank's shareholder list for the purpose of identifying persons from whom he might purchase additional shares of stock. The court held that this was a proper purpose, and that under section 62 inspection is "mandatory" if "it is sought for a legitimate purpose." However, the court noted that it "doubtless" was proper to withhold "an inspection for an illegitimate purpose." In *People ex rel. Hunter* v. *National Park Bank of New York,* 107 N.Y. Supp. 369 (App. Div. 1907), the record holder of four shares of the bank's stock sought inspection of the shareholder list for the ostensible purpose of purchasing stock in the bank. His request was resisted on the ground that he was acting on behalf of others who were not stockholders, and that he had an ulterior and improper purpose in seeking the inspection. The court refused to compel production of the list, stating that the right to production "will not be enforced when it appears that the application is not made in good faith for a legitimate and proper object." *Id.* at 372. The court emphasized that where facts are presented giving rise to the inference that the inspection is sought "for some ulterior or improper purpose," a heavy burden is cast on the applicant "to affirmatively show that he is acting in good faith, for a legitimate purpose and his own or the corporation's protection." This is especially so, the court observed, "when it appears that a small number of shares of stock of an important

---

Footnotes at end of article.

financial corporation have been acquired for the express purpose" of making the application for inspection, *Ibid.*[4]

The Comptroller of the Currency has himself recognized the "proper purpose" qualification on the right of inspection. In 1953, when Congress had before it legislation to eliminate from section 62 the requirement that national banks file their shareholder lists annually with the Comptroller, he was asked whether shareholders could inspect copies of the list in his possession. In explaining why he refused to allow inspection of copies filed with him the Comptroller, citing the *Lorge* case, stated that:

> "If the bank had any legitimate grounds for denying such inspection this office should not defeat such right, for in at least one decided case the court indicated that it would not compel a bank to permit inspection of the list of shareholders for what it called an illegitimate purpose."

Hearings on H.R. 4004 Before the House Committee on Banking and Currency, 83d Cong., 1st Sess. 15 (1953).

The most recent case dealing with this issue under section 62 is the decision of an intermediate appellate court in California in *Most* v. *First National Bank of San Diego*, 246 Cal. App. 2d 425, 54 Cal. Rptr. 669 (1966). The court found no guiding federal court decision, and, accordingly, referred to prior California decisions interpreting an earlier California statute that, like section 62, contained no express limitations on the right of inspection. On the basis of these pre-1917 state decisions it sustained the claim that motive was not relevant under section 62.

Most can be distinguished or limited on several grounds, however. First, the "proper purpose" issue was considered in that case in the context of the bank's efforts to learn, through pre-trial discovery, what in fact the plaintiff's purpose was in seeking inspection. The case may therefore be read to stand only for the proposition that where no purpose is stated by the applicant the court will not compel him to disclose it. In the present case, there is no question about Mr. Rothman's purpose; he frankly stated it, and it is, we believe, clearly an "improper" one under the common law test. Second, the court in *Most* itself recognized that the modern tendency is to deny inspection where improper motives are shown, and it suggested that if the issue were to be examined afresh today by a California court, it might well conclude that California's pre-1917 "unqualified" statute was merely declaratory of the common law rule requiring a proper purpose as a condition of inspection. 54 Cal. Rptr. at 673. Thus, while *Most* pays lip service to the notion that a shareholder's right under section 62 is "absolute," it cannot be considered a compelling precedent for Mr. Rothman's case.

As the court in *Most* intimated, the fact that statutory right of inspection is not expressly qualified by a "proper purpose" limitation is not necessarily dispositive of an issue such as that raised by Mr. Rothman's request. Courts have frequently held that such "unqualified" statutes are merely declaratory of the common law right of inspection and subject to the same qualifications and conditions that characterize the common law right, including particularly the requirement that the inspection be sought in good faith and for a proper purpose. See, *e.g.*, *Dines* v. *Harris*, 88 Colo. 22, 291 Pac. 1024 (1930); *Florida Tel. Corp.* v. *State*, III So.2d 677 (Fla. 1959); *Sawers* v. *American Phenolic Corp.*, 404 Ill. 440, 89 N.E.2d 374 (1949).

This conclusion was reached in *State ex rel. Theile* v. *Cities Service Co.*, 31 Del. 514, 115 Atl. 773 (1922), where the court read into an inspection statute that was "absolute" in its terms a caveat that improper purposes justify a refusal of inspection. The court stated that:

> "We are of the opinion that the right given to the stockholder by the statute to inspect the company's books is given to him as stockholder and is to be exercised by him qua such. . . . We do not conceive that the bestowing by the statute upon the stockholder of this right gives him a privilege that is his in his individual capacity. The right by the terms of the statute is given to the "stockholder"; and if it appears that it is sought to exercise the right not as a "stockholder" but in some capacity that is purely individual and in no way germane to the relationship of stockholder to the corporation, then a case is presented which it never was the intention of the statute to provide for."

115 Atl. at 776.

Moreover, even where the right of inspection is deemed to be "absolute" because of the absence of any qualifying language in the statute, courts have refused to exercise their discretion to compel production where inspection is sought in bad faith or for an improper purpose. In *Shea* v. *Sweetser*, 119 Me. 400, 111 Atl. 579 (1920), for example, an inspection deemed to be improperly motivated was denied despite the unqualified language of the applicable state statute. The court stated that:

> "[T]he writ of mandamus is an "extraordinary remedy." . . . It would become a very ordinary remedy indeed if a mandatory writ, like a trading stamp, should go with the sale of every share of stock.
>
> "The court will protect the interests of the smallest stockholder, but it will not exercise its extraordinary power at the mere behest of one who acquires a normal stock interest for the sole purpose of advertising other goods or stocks. . . ."

111 Atl. at 581; *accord*, *Foster* v. *White*, 86 Ala. 467, 6 So. 88 (1888).[5]

II. Mr. Rothman's request was not made for a proper purpose

Assuming, as we believe the law to be, that section 62 is qualified by a "proper purpose" limitation, it is clear that Mr. Rothman's request does not satisfy this condition. His purpose in seeking production was plainly not to protect or advance his interests as a stockholder, but was in furtherance of his independent commercial interest in selling a magazine article. Indeed, he became a holder of one share of stock for the sole purpose of advancing this commercial interest.

Courts have repeatedly held that the "proper purpose" test is not satisfied when the shareholder's intent is to advance personal or commercial objectives unrelated to his interest as a shareholder. For example, in *State ex rel. Thiele* v. *Cities Service Co.*, *supra*, the owner of one share of a company's stock demanded inspection of the stock list, within two weeks after purchasing his stock. His intention was to sell copies of the list for use in circularizing the public to purchase stock of other corporations. Applying a state statute granting an "unqualified" right of inspection, the court held that this purpose was not germane to the plaintiff's interest as a stockholder, and it refused the demand on that basis.

Similarly, in *Eaton* v. *Manter*, 114 Me. 259, 95 Atl. 948 (1915), the court found that the holder of one share had requested inspection for the purpose of enabling him to sell the list to brokers and others dealing in stock. Applying an inspection statute that did not explicitly qualify the right of inspection by reference to the purpose for which inspection was sought, the court held that an inspection would not be judicially compelled to aid a stockholder in advancing his own commercial purposes. Subsequently, in *Shea* v. *Sweetser*, 119 Me. 400, 111 Atl. 579 (1920), the same court denied inspection to a holder of five shares who desired to examine the stock list for the purpose of attempting to sell stock of other corporations to those on the list.

Neither Mr. Rothman's status as a journalist, nor his intention to write an article that may be of interest to the general public give any special weight to his request or provide any basis for distinguishing his case from those we have cited. While his purpose is perhaps somewhat less crass than that of a shareholder who wishes to use the list to sell merchandise or securities to fellow shareholders, it is indisputably a commercial purpose. The "proper purpose" test does not require or permit any assessment of the social utility or desirability of the stockholder's intent in seeking production. If the purpose is not one related to the stockholder's interest as a stockholder, it is "improper" even though the stockholder may have a perfectly legitimate object in mind.[6]

CONCLUSION

While we appreciate the concern of the Comptroller's office that national bank shareholders not be treated improperly in attempting to exercise their rights under section 62, we believe that Madison National Bank has acted reasonably and lawfully under the circumstances of this case. We are confident, furthermore, that the concern of the Comptroller's office is in protecting the legitimate interests of bank shareholders *in their capacities as shareholders*, and not in facilitating commercial use of bank shareholder lists.

We do not think a distinction can be drawn in principle between various types of commercial uses of such lists, or that the Comptroller should favor or disfavor particular types of commercial uses based upon his own assessment of their social utility. If Mr. Rothman's purpose were to be sanctioned, we see no basis upon which a national bank could refuse access to its shareholder list to a person whose only interest was in selling merchandise to bank shareholders, to a person who wished to embarrass or harass others who happened to be bank shareholders, or simply to a person whose business was compiling mailing lists for use by other commercial enterprises.

Observance of a "proper purpose" limitation, on the other hand, would in no way affect the ability of national bank shareholders to inspect a shareholder list for any lawful objective related to the individual's interest as a shareholder.

Respectfully submitted.

ARNOLD & PORTER.

FOOTNOTES

In 1953, section 62 was amended to eliminate the requirement imposed by the National Bank Act of 1864 that each national bank submit a copy of its shareholder list to the Comptroller of the Currency in July of each year. Act of May 18, 1953, C. 59, § 1, 67 Stat. 27.

[2] Because national banks were chartered under federal law, and because it was believed that "there is no common law of the United States in the sense of a national customary law," (see *Guthrie* v. *Harkness*, 199 U.S. 148, 151 (1905)), Congress may have believed it necessary to codify the common law right of inspection in order to make that right available to national bank shareholders.

[3] Significantly, *Guthrie* involved an effort by a national bank shareholder to inspect the books, accounts and loans of the bank in which he held stock in order to ascertain the value of his stock and to determine whether the bank's business had been conducted according to law. Upon a refusal of his request, he sought and received a judgment, affirmed in the Supreme Court of Utah, permitting him to make his inspection. The United States Supreme Court affirmed on grounds that the common law right applied to national banks, noting that while inspection may not be denied "for legitimate purposes," it could be denied "for speculative purposes or to gratify idle curiosity." 199 U.S. at 156.

While *Guthrie* did not involve a request under section 62, the Court pointed out that the "obvious" purpose of that section was related to other provisions of the statute authorizing state taxation of national bank shareholders and providing for individual liability on the part of shareholders in the case of insolvency of the bank. 199 U.S. at 156.

[4] In a later New York case, *Hurley* v. *National Bank of Middletown*, 252 App. Div. 272, 299 N.Y. Supp. 241(1937), inspection was sought by a stockholder who allegedly wished to buy additional stock in order to gain control of the bank. The court held alternatively that the petitioner's motive was not determinative, but that even if motive were relevant there was no showing of an improper motive.

[5] Some statutes granting an unqualified right of inspection have been read to change the common law rule only to the extent that the burden of coming forward with evidence on purpose is shifted from the shareholder to the corporation. In *State ex rel. Thiele* v. *Cities Service Co., supra*, for example, the court ruled that a state inspection statute unqualified on its face relieved the stockholder of the need to show the reason behind his request. The court further ruled, however, that if the corporation could show that the request was for an improper purpose the request could properly be refused. The decision in the *Most* case, *supra*, denying discovery as to purpose is consistent with this rule. In the present case, of course, Mr. Rothman's purpose is known and is clearly improper.

[6] That even humanitarian motives may be considered "improper" for these purposes is exemplified by *State ex rel. Pillsbury* v. *Honeywell, Inc.*, 291 Minn. 322, 191 N.W. 2d 406(1971). In that case, an individual whose object was to force Honeywell to cease the production of munitions for the Vietnam war bought shares of Honeywell stock for the purpose of enlisting the support of Honeywell shareholders to accomplish this objective. Noting that the stockholder would probably not have purchased the stock but for his interest in advancing his personal political views, the court found that the stockholder did not have a proper purpose and refused to compel inspection.

APRIL 8, 1975.

Hon. JAMES E. SMITH,
Comptroller of the Currency,
Washington, D.C.

DEAR MR. SMITH: I have your letter of March 14 responding to my inquiry about David Rothman's request for assistance in exercising his rights as a shareholder to secure access to a list of other persons holding stock in the Madison National Bank. I also have the brief prepared by Arnold and Porters, attempting to justify management's novel argument that Mr. Rothman, as a reporter, somehow has fewer rights under the law than other individuals.

In response to the Arnold and Porter memorandum, I asked the Library of Congress's American Law Division to prepare a paper on the question of whether Section 62 of Title 12, U.S. Code governing access to national banks shareholder lists permitted any exceptions. The paper, which I am enclosing, indicates that the law is unequivocal and so are the pertinent cases. You will see that the Arnold and Porter brief hypothesizes that Section 62 of 12 USC "merely codifies the common law right of a shareholder", and then goes on to cite ambiguous court rulings under the older common law, which of course is not relevant to the case.

In light of the foregoing, I wonder if it is still your position that the Comptroller's office has no obligation to assist a shareholder seeking to enforce his rights under this unambiguous law. Could you kindly inform Madison National of their clear obligation to follow law? If not, at minimum I would expect you to prepare a thorough brief of your own rather than accepting at face value Arnold and Porter's self-serving memorandum, and to go through a formal rulemaking proceeding before you nullify the intent of the law through arbitrary administrative action.

Sincerely,
WILLIAM PROXMIRE, *Chairman.*

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., April 1, 1975.

To: Senate Banking, Housing and Urban Affairs, Attention: Mr. Robert Kuttner.
From: American Law Division.
Subject: National Bank Stockholders List, availability to individual stockholder.

This responds to your request for a report on the availability of the list of stockholders of a national bank. You relate that a constituent of Senator Proxmire has requested such a list from the Madison National Bank of Washington, D.C. and that the bank has declined to furnish the information. According to the Senator's letter to the Comptroller of the Currency concerning this matter, a copy of which was sent for our information, the bank takes the position that the purpose for which the request is made is subject to approval of the bank. The bank apparently acknowledges the provision of section 62 of Title 12, U.S. Code, and is aware that the constituent is a stockholder in the bank.

The code provision reads as follows:

§ 62. List of shareholders

The president and cashier of every national banking association shall cause to be kept at all times a full and correct list of the names and residences of all the shareholders in the association, and the number of shares held by each, in the office where its business is transacted. Such list shall be subject to the inspection of all the shareholders and creditors of the association, and the officers authorized to assess taxes under State authority, during business hours of each day in which business may be legally transacted. A copy of such list, verified by the oath of such president or cashier, shall be transmitted to the Comptroller of the Currency within ten days of any demand therefor made by him. As amended May 18, 1953, c. 59, § 1, 67 Stat. 27.

A reading of this provision fails to reveal any intention that a request from a stockholder to inspect the stockholder list must meet any kind of test at all—except, of course, that the inspection must be made during business hours. Specifically, the language appears neither to suggest that a particular purpose must be the basis for the request, nor that the bank may deny the request whatever the purpose.

The question whether stockholder's motive in requesting inspection of the stockholder list must meet a particular standard was considered in *Most* v. *First National Bank of San Diego*, 54 Cal. Rptr. 669, 24 C.A.2d 425 (1966). The stockholder was asked to furnish information as to why he purchased the bank stock and who furnished the money as well as the purpose for his request for the list. The court held that these questions were irrelevant. Once it was established that stockholder was registered owner and holder of the stock, he had a right to inspect the list without imposition of requirements by the bank. To the same effect are three older state cases, *In re Murray's Will*, N.Y.S.2d 579 (1949), *Hurley* v. *National Bank of Middletown*, 299 N.Y.S. 241, 252 App. Div. 272 (1937) and *Murray* v. *Walker*, 161 S.W. 512, 156 Ky. 536 (1913).

The necessity for a motive that will pass muster with the bank does not appear to have been ruled on as yet by a Federal court. It is conceivable that the bank feels that the result of such a contest in the Federal system would favor its position. At any rate, when and if the question is decided by a Federal court, that decision, subject to appeal, of course, would prevail as to a national bank and this particular code provision. (*Murray's Will, supra.*) Until that time, the decided law on the subject is stated by the California court in the *San Diego* case to be that the pertinent code section makes no requirement beyond a request from a stockholder of the bank who is shown to be the true owner and holder of the stock and inspection during business hours. The court holds further that the code provision is enforceable in state courts.

ROBERT G. LAUCK,
Legislative Attorney.

THE ADMINISTRATOR
OF NATIONAL BANKS,
Washington, D.C., May 30, 1975.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your letter of April 8, 1975 concerning the request of David Rothman for the assistance of this office in securing access to the shareholders' list of Madison National Bank, Washington, D.C. The delay in replying was caused by our mistaken belief that the issue had become moot and that Mr. Rothman was no longer interested in writing an article.

The state of the law as to the availability of lists of shareholders of national banks is similar to that of corporations generally. The general rule is that such lists are not considered public documents and, to date, Congress has not seen fit to require such lists to be made public. The primary reason for not doing so is the belief that such a requirement would invade the privacy of shareholders who are considered prime targets for various kinds of direct mail solicitations.

Whether or not a person wishing to obtain a shareholder list for commercial or other purposes not related to investment can avoid the general rule by the purchase of one share of stock has not been decided by any federal court in the case of national banks. The memorandum of law you have submitted from the Library of Congress points this out in the following passage:

The necessity for a motive that will pass muster with the bank does not appear to have been ruled on as yet by a Federal court. It is conceivable that the Federal system would favor its position. At any rate, when and if the question is decided by a Federal court, that decision, subject to appeal, or course, would prevail as to a national bank and this particular code provision. (*Murray's Will, supra.*)

We believe that the cases cited in the bank's brief raise an issue of law as to the correct construction of section 62 and that the proper forum for the resolution of that issue is a federal court rather than this agency. The courts, unlike this agency, are empowered to conduct adversary proceedings between private litigants and have traditionally been considered the appropriate forum for resolving disputes over shareholder lists.

Based on the foregoing considerations, we must respectfully disagree that section 62 is unambiguous and that there was anything arbitrary about our declining to assist Mr. Rothman. Quite the contrary, it might be considered arbitrary under these circumstances for us to moot the question by ordering the bank to turn over the list. However, in accordance with your request, I have instructed our Law Department to prepare its own memorandum on law on the legal question and shall be happy to make it available to you upon completion.

Please be assured that we have no desire to make a *cause celebre* out of this matter, and if you still wish us to direct Madison National Bank to turn over its list of shareholders to Mr. Rothman, we shall comply with your request. As indicated above, we think it would be preferable and more appropriate to have the issue decided by the courts. If the bank decides to contest our order, as it has a right to do under 12 U.S.C. 1818(b) and 1818(h)(2), it could do so in a proceeding in which Mr. Rothman may not have standing to participate as a party. It would seem that the better and faster way to resolve the issue would be for Mr. Rothman to bring an equity action against the bank directly.

Sincerely,

James E. Smith,
Comptroller of the Currency.

June, 4, 1975.

Hon. James Smith,
Comptroller of the Currency,
Washington, D.C.

Dear Mr. Smith: Thank you for your letter of May 30 on Mr. David Rothman's request for access to the shareholder list of Madison National Bank. I am pleased that you have agreed to direct Madison to provide Mr. Rothman with the list, as the statute clearly requires.

Your letter suggests that you will do so only because I am requesting it. I would be more comfortable if you would proceed on the basis that the law requires the disclosure, as it so obviously does. In any case, do proceed and keep me apprised of your results.

I have no desire to make a *cause celebre* out of this case any more than you do. I simply want to see the law enforced. In that context, incidentally, I think your construction of the Library of Congress study is tortuous in the extreme. The study states that all of the relevant state cases found that "once it was established that the stockholder was the registered owner and holder of the stock, he had a right to inspect the list without imposition of requirements by the bank."

There has never even been a challenge in Federal court precisely because the law is so clear, not because its meaning has ever been in doubt.

You suggest that it might be more expeditious for Mr. Rothman to sue Madison, since Madison might challenge your directive. I disagree.

You have the resources and responsibilities of a regulatory agency. Mr. Rothman does not. Further, I fear that if Mr. Rothman sued and won, this would be one case, and your peculiar doubts might still remain; whereas if the Comptroller directed Madison to comply with the law and Madison challeged the directive, the resulting litigation would settle the matter once and for all.

So kindly proceed with your directive. I am also looking forward to your Law Department's memorandum on the question of law.

Yours sincerely,

William Proxmire, *Chairman.*

The Administrator
of National Banks,
Washington, D.C., June 23, 1975.

Hon. William Proxmire,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

Dear Senator Proxmire: With reference to our previous correspondence concerning the request of Mr. David Rothman for assistance in securing access to the shareholders' list of Madison National Bank, Washington, D.C., there is enclosed for your information a copy of the memorandum on the question of law as prepared by our Law Department.

Sincerely,

James E. Smith,
Comptroller of the Currency.

Office Memorandum

The Comptroller of the Currency,
June 16, 1975.

To: Mr. Robert Bloom, Chief Counsel, Law Department.

From: Mr. Martin Goodman, Director, Corporate Regulation Division—Law Department.

Subject: 12 U.S.C. Section 62—Lists of Shareholders.

This memorandum is presented in accordance with your request and pursuant to the request of Chairman William Proxmire of the United States Senate Committee on Banking, Housing and Urban Affairs. It addresses the question of whether 12 U.S.C. Section 62 grants to the holder of one share of common stock of a national bank an absolute right to inspect the list of shareholders, required to be kept by the bank, for the stated purpose of using the list in connection with the preparation of an article for a commercial magazine and divests the bank of any right it may have otherwise had to refuse access to the list on the ground that the purpose was not reasonably related to the shareholder's interest as a stockholder.

In a case involving a shareholder's request for leave to inspect the books and records of a national bank, the Supreme Court stated in *Guthrie* v. *Harkness*, 199 U.S. 148, 153 (1905):

"There can be no question that the decisive weight of American authority recognizes the common law right of the stockholder, for proper purposes and under reasonable regulations as to place and time, to inspect the books of the corporation of which he is a member."

The court further noted that while no reason was shown in that case for denying the shareholder's right to inspection, it does not follow that the courts will compel the inspection of the bank's books under all circumstances. In issuing the writ of mandamus the court will exercise a sound discretion, and grant the right under proper safeguards to protect the interests of all concerned. The writ should not be granted for speculative purposes or to gratify idle curiosity, or to aid a blackmailer, but it may not be denied to the stockholder who seeks the information for legitimate purposes.

Thus, the common-law right of a shareholder to inspect the bank's books was quite broad and included the right to inspect the shareholders' list although the right was generally limited to inspection for proper purposes. Since the right of inspection grows out of the stockholder's relationship to the corporation, and is given to him for the protection of his interests therein, it seems that it should properly be qualified by requiring that it be exercised for purposes germane to his status as stockholder, and it is generally recognized that the common-law right is so qualified.[1]

12 U.S.C. 62 provides a statutory right of inspection relating to the narrower area of the shareholders' list maintained by a national bank and reads as follows:

"The president and cashier of every national banking association shall cause to be kept at all times a full and correct list of the names and residences of all the shareholders in the association, and the number of shares held by each, in the office where its business is transacted. Such list shall be subject to the inspection of all the shareholders and creditors of the association, and the officers authorized to assess taxes under State authority, during business hours of each day in which business may be legally transacted. A copy of such list, verified by oath of such president or cashier, shall be transmitted to the Comptroller of the Currency within ten days of any demand therefor made by him."

Where common-law principles, associated with the subject matter with which a statute deals, are not expressly affirmed or denied, the extent to which the common law is altered or changed is left to implication . . . . The statute may subtract from, or add to the persons, things, duties or rights affected in only a few particulars and aside from those variations the common law will govern. The maxim of interpretation that mention of one thing implies the exclusion of others may have less force where that which its application would exclude is a common-law rule.[2]

There does not appear to be any decision of a federal court which considered the question of whether 12 U.S.C. 62 is merely declaratory of the common-law rule and thus whether the right of inspection reflected in the statute is qualified by an implied "proper purpose" test.

One commentator observes:

"At common law a shareholder had a qualified right which entitled him to inspect corporate books and records including the stock ledger, for a proper purpose in good faith at a proper time and place. The right was based upon his beneficial ownership of corporate assets and the corresponding right to protect his interests as a shareholder. If the shareholder making the inspection demand had to go to the court, he had the burden of alleging and proving that the purpose for the inspection was proper.

"As a result of dissatisfaction over resistance by corporate officers in allowing the right of inspection to minority shareholders, most states enacted, in the latter part of the nineteenth century, statutes expressing the right of inspection by shareholders in unqualified terms. Generally, the courts found that such statutes vested the shareholder with an absolute right to inspect the books regardless of motive or purpose. From the face of the state statutes, proper purpose was not a condition of access, and the right of the shareholder could not be denied by insiders even on the grounds of improper or illegal purpose. However, despite the fact that the right of inspection was absolute, the remedy which the shareholder sought, a writ of mandamus, did not allow absolute enforcement. When the shareholder who was denied this absolute inspection right sought mandamus to compel its recognition, most courts concluded that the extraordinary writ of mandamus had never been issued as a matter of right but always in the court's discretion. Therefore, while the right was an absolute one, the writ to enforce the right would not be issued when the shareholder's motive or purpose was improper. . . . The statute did affect the procedure . . . the burden shifted to the corporation of alleging improper purpose or motive. . . .[3]

Holding that a statute granting to a shareholder an apparently unqualified right to inspect corporate books and papers did not deprive the writ of mandamus of its discretionary nature, the court in *State ex rel. Thiele* v. *Cities Service Co.* (1922) 31 Del. 514, 115 A 773, 22 A.L.R. 8, said:

"We are of the opinion that the right given to the stockholder by the statute to inspect the company's books is given to him as stockholder and is to be exercised by him qua such. If it appears that he seeks to exercise the right for some purpose that is in no wise connected with his interest as stockholder, but is entirely foreign to such interest, the court which is asked to issue mandamus upon the corporation to compel it to aid him in pursuing such purpose, not only has the right under the statute to deny him the writ, but it is its duty in the exercise of a sound discretion to do so. We do not concede that the bestowing by the statute upon the stockholder of this right gives him a privilege that is his in his individual capacity. The right by the terms of the statute is given to the 'stockholder'; and if it appears that it is sought to exercise the right not as a 'stockholder', but in some capacity that is purely individual and in no way germane to the relationship of stockholder to Corporation, then a case is presented which it never was the intention of the statute to provide for."

Referring to similar statutory language, the court in *Morris* v. *Broadview, Ind.*, 385 Ill. 228, 235, 52 N.E. 2d 769, 771 (1944) Annot., 15 A.L.R. 2d 11 (1951) recognized that ". . . the right of inspection was made absolute with the only express limitation that the right should be exercised at reasonable and proper times. The shareholder was not required . . . to show any reason or occasion rendering an examination proper. The custodian of the books and papers could not question or inquire into the motives and purposes of the shareholder. If he had reason to be-

---

Footnotes at end of article.

lieve that the shareholder's purpose was improper or illegitimate, and refused access to the books and records on that ground the burden was on him to prove it . . ." This court approved the rule announced by the Maryland court in *Weihenmayer* v. *Bitner*, 88 Md. 325, 42A 245, 248, 45 L.R.A. 446 wherein that court said:

"The right is given to him as a stockholder by statute, and is absolute, and not made to depend upon any circumstance but the ownership of the stock. It is easy to see that there might be good reasons for refusing an application,—for instance, if it were made for some evil, improper, or unlawful purpose, and if such purpose were alleged and proved the writ would be denied."

However, some courts, under statutes not expressly qualifying the stockholder's right of inspection, have held that it is immaterial that the purpose for which the inspection is sought is not germane to the stockholder's status as such.

Stating that a statutory right to inspect the stock ledger and list of stockholders was absolute and not qualified or conditioned, the court in *Wire* v. *Fisher* (1919) 66 Colo. 545, 185 p. 469 held that the writ of mandamus to enforce the right of inspection had been properly issued over the defendant's contention that the petitioner desired the list of stockholders for his own private purposes wholly independent of and outside his interest in the company as a stockholder.

There appear several State court decisions interpreting Section 62.

Stating that the distinction between the right at common law and the statutory right is that in the former case the power to compel an exercise of the right is discretionary, while in a case brought within the terms of the statute it is mandatory, the court in *People ex rel. Lorge* v. *Consolidated Nat. Bank* (1905) 105 App. Div. 409, 94 N.Y. 173 held that a shareholder of the bank had a right to have access to and copy the shareholders' list and the court granted a writ of mandamus. The shareholder had admitted that he was a dealer in stocks and bonds, and that he desired to obtain a list of the stockholders of the bank, in order that he might negotiate for the purchase of the stock. The court states that "Doubtless the court has the power to withhold an inspection for an illegitimate purpose . . ." but accepts the shareholder's purpose in this case as not an illegitimate one.

In *Murray et al.* v. *Walker* (1913) 156 Ky. 536, 161 S.W. 512, over allegations that the shareholder's purpose in demanding to inspect the list of stockholders was either for purely speculative purposes or to blackmail the bank and its president the court held that if the plaintiff was in good faith a stockholder in the bank, he was entitled to inspect the list of stockholders under the statute, and his motive for wishing to inspect the list is wholly immaterial.

Stating that, if it was intended that, as a condition precedent to the examination provided for in Section 62, the motives of the shareholders should be pure and beyond question, appropriate language might readily have been used to delimit such right of examination, the court in *Hurley* v. *National Bank of Middletown* (1937), 252 App. Div. 272, 299 N.Y.S. 241 held that the only requisites to the right of examination are that the plaintiff be a bona fide shareholder, and that the application be made during business hours. The right is absolute and depends not at all upon motive. The shareholder, owner of record of four shares, was held entitled to a peremptory order of mandamus over the bank's claim that she was not acting in good faith for herself, but in the interests of others who wished to get a list of stockholders and their addresses so that they may "engage upon a campaign for the buying of the stock of said bank" and obtain control thereof.

The most recent interpretation of 12 U.S.C. 62 by a state court is found in *Most* v. *First National Bank of San Diego* (1966) 246 C.A. 2nd 425, 54 Cal. Rptr. 669. Acknowledging that courts of the United States have not passed directly upon the question whether the right recognized by Section 62 is lost because of an improper motive on the part of the shareholder seeking inspection, the court applied the reasoning employed in an earlier interpretation of language of a pre-1917 California code section which, while not identical with Section 62, was equally free from conditions as to the purpose of inspection, and held that the right of inspection is absolute and the motive for inspection irrelevant.

The court includes quotations from the earlier case, *Johnson* v. *Landon* (1902), 135 Cal. 624, 67 P. 1050 as follows:

"Neither is it any defense to allege that the object and purposes are improper, and that the petitioner desires to injure the business of the corporation. The clear legal right given by the constitution and the statute cannot be defeated by stopping to inquire into motives. * * * The shareholder is not required to show any reason or occasion for making the examination. Nor can he be met with the defense that his motives are improper. * * *

"It may be conceded that cases may arise in which a small stockholder, largely interested in some other corporation, desires the information for improper purposes. But we cannot presume such purpose or motive, nor can we allow it as a defense to an application for a writ of mandate."

The court notes that numerous state court decisions indicate a clear tendency to deny inspection of records of corporations organized under state law, because of improper motives, even in states which earlier had held the right of inspection to be absolute and that such tendency is reflected in the statutory changes made in California. The court further observed that

"Were the question being examined for the first time . . . a California court might now, perhaps, impose such conditions if it considered that the pre-1917 inspection statute was merely declaratory of the common law rule."

FOOTNOTES

[1] Annot. 15 A.L.R. 2d 25.

[2] 2A. C. Sands, Statutes and Statutory Construction, Sec. 50.05, at 281 (4th Ed. 1973).

[3] *"Proper Purpose" For Inspection of Corporate Stock Ledger*, Vol. 1970, Duke Law Journal 393.

SOLAR UTILIZATION NOW

Mr. FANNIN. Mr. President, besides the fact that Arizona has the most ideal climate for the utilization of solar energy, my State also has a cooperative spirit between individuals involved in research and those affiliated with industry. Thus as new solar developments come about, manufacturers are at hand to share this new knowledge. The homebuilding industry in the Southwest is also watching solar heating and cooling development closely, as the high amount of new construction in this region provides a ready market for innovative energy systems.

Another large source of talent is being developed by our State universities in the fields of solar architecture and engineering. Students in these departments develop an interest and often their careers in a field which will benefit homeowners and businesses everywhere, as solar utilization comes into commercial realization with other traditional sources. I ask unanimous consent to have printed an article from the May 14 issue of the Arizona Republic which explains an engineering project at Northern Arizona University aimed at lowering collector costs. NAU students are also working on a project for thermal energy storage by utilizing volcanic cinders. We in Arizona are certainly proud to have such productive endeavors in progress and look forward to the commercial application of their results.

There being no objection, the article was ordered to be printed in the Record, as follows:

Engineering Project at NAU—Students Seek Economical Solar Heating

(By John Schroeder)

Flagstaff.—Although solar energy heating systems use the cheapest, most abundant fuel there is—the sun—they also must be economical in terms of the collector-storage system.

A project in Northern Arizona University's College of Engineering is aimed at shaving the costs of such a system to balance economy and efficiency.

Dr. Bill W. Davis, associate professor of engineering, said Monday that experiments by two engineering seniors have shown that an all-wood forced air solar collector system is practical and can trim costs dramatically.

The model, constructed by John F. Works of Window Rock and Brad Gray of Bagdad, cost about $1.04 per square foot. A commercially manufactured metal, water-cooled collector costs about $14 a square foot.

The collector is the part of the system that traps heat, which is transferred to a heat storage system within the building.

"Unless we can do something now about reducing the construction cost of both solar collectors and storage media, we're going to have to wait a few years until the cost of fossil fuel climbs to the point where solar systems are feasible," Davis said.

"I think we can make solar systems economically feasible today by sacrificing a little bit in efficiency and reducing the cost," he said.

"We're attempting to demonstrate that low-cost flat plate solar collectors could be built in a simple enough fashion so that ordinary people could build them at a low cost," said Davis, the two students' adviser and NAU coordinator of solar energy research.

Solar heating, he noted, is particularly applicable to northern Arizona because "We've got all the sunshine plus a colder climate."

The students' nine-square-foot model uses a blackened plywood cavity with baffles. It is covered with window glass.

A second phase of their research is the utilization of volcanic cinders for the thermal energy storage system, which Davis said is practical because of the abundance of cinders here.

The two students presented a paper on their solar research last week at Stanford University in competition with 17 western universities and won third place in the American Institute of Astronautics and Aeronautics Conference.

Davis explained that the all-wood collector is "less efficient than a metal system that uses water as a heat transfer medium, but is not appreciably lower in efficiency than a metal system with an air conductor."

He noted that although many solar collectors—mostly metal—have been built, few people have ever measured or compared their effectiveness and practicality.

"We're trying to quantitize these things," he said.

The wood collector achieved a 49 per cent efficiency under optimum conditions, while water-cooled metal collectors reached a peak efficiency of 85 per cent.

MOLDS IN THE CORN

Mr. CLARK. Mr. President, I wish to call attention to an excellent and provocative article by Abigail Trafford Brett, of the American Chemical Society, in the June 15 issue of the Washington Post. The implications of this article are simply frightening.

Ms. Brett reports that in the fall of 1972, curtailment of natural gas supplies limited farmers' ability to use artificial drying methods for the corn crop, at the same time that transportation demands, created by the Soviet wheat deal, caused shipping delays for other commodities. As a result, much of the corn crop was left to the mercy of the weather.

The Food and Drug Administration alerted the Office of Emergency Preparedness in 1973 that the resulting exposure of the corn crop to moisture had caused a portion of the crop to be contaminated with molds—including, in some instances, a highly cancer-inducing mold. Ms. Brett notes that—

> The FDA's so-called "soft alert" . . . never reached the public and that eventually the matter was apparently dropped.

It is not hard to guess the reasons for this inexcusable disregard for public health.

We should congratulate the American farmer for the job he has done in meeting the demands placed upon him for higher food output. But use of the new technologies associated with modern, large-scale farming has not been without risks—and the mold problem is one good example. Ms. Brett demonstrates that while the mold problem was most severe in 1973, it is a continuing problem not limited to corn. The use of automated harvesting machinery requires that crops be harvested slightly wet, thus increasing the mold danger. Some experts also believe that overuse of herbicides in the soil and antibiotics in animal feeds reduces plants' resistance to toxic molds.

Despite this situation, the United States tolerates less Government control over grain inspection than any other country, and is failing to develop any new means of controlling the danger posed by toxic molds.

Ms. Brett's article raises alarming questions not only about our crop inspection processes, but also about current trends in American farming. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOLDS IN THE CORN

(By Abigail Trafford Brett)

In the fall of 1972, stories began to circulate that the corn harvest was not going well in the Midwest. There was a tremendous amount of rain; plants were beaten down in the fields and farmers couldn't get in to harvest the crops. To make matters worse, the energy crisis cut off supplies of natural gas, limiting the amount of corn that could be dried properly by artificial methods once it was harvested.

Meanwhile ,the country's agri-business was turned upside down by the famous billion-dollar grain deal with the Soviets. While vast amounts of wheat purchased by the Soviets were rushed to ports in the southern United States for export, transportation of other grains to the elevators was reportedly tied up.

As a result, the corn was left in piles in the fields or in the streets, alternately covered with snow, warmed by the sun and then soaked with rain.

So critical was the situation that, in the summer of 1973, acting director Sherwin Gardner of the Food and Drug Administration (FDA) wrote to the Office of Emergency Preparedness: "I would like to bring to your attention a national problem." The letter continued, ". . . In the fall and winter of 1972, farmers in parts of the corn belt experienced considerable difficulties in harvesting and storing their corn crops. The Food and Drug Administration has determined that because of these difficulties a portion of the crop became contaminated with certain molds and chemical substances which may represent human and animal health hazards."

The FDA's so-called "soft alert" on the corn crop of 1972-73 never reached the public. If at that time the U.S. taxpayer was still smarting over the idea that the Russians had bought too much wheat for too little money, there were those in government and industry who were growing increasingly concerned over a more far-reaching problem posed by the "certain molds and chemical substances" referred to in the FDA alert.

FEDERAL CONCERN

That concern has been more than justified. Two months ago the Soviets complained that the latest shipment of corn to Russia contained a high percentage of broken kernels. While the complaint focused on faulty U.S. grade standards, it was clear to agricultural circles that a major reason for the complaint is that a broken kernel is an open invitation to those molds and chemical substances the FDA warned about in 1973.

If corn—and other grains—are contaminated at high enough levels, they are unsafe. More than the apparent quality is at stake and, given the very loose and superficial inspection of U.S. grains both for export and domestic use, there is no systematic way without sophisticated chemical analysis to control these poisonous mold substances in grain, or even to know if they are there.

The FDA has identified these molds as a major health problem in food and is in the process of stiffening existing regulations and in some cases setting new ones. It is also investigating several key mold poisons to determine the long term effects of these toxic substances on test animals.

These poisons are called mycotoxins. They are highly toxic and in some cases carcinogenic, or cancer-causing, substances produced naturally by ordinary fungi that grow on nuts and grains. These molds attack the plant while it is growing and spread while it is stored. What exacerbates the problem with mold toxins is that the contamination is not always apparent. In many cases, all visible evidence of the fungus disappears and the chemical lingers on in the plant like a phantom.

Corn is one of the commodities most susceptible to these molds. When news reached Washington that the 1972 corn harvest was going badly, the FDA worried about three mycotoxins in particular: aflatoxin B–1, considered a powerful carcinogen and the only mycotoxin currently regulated by the FDA; zearalenone, a potent substance whose hormonal effects on human beings are no understood but which causes abortions in animals; and T–2 trichothecene toxin which in high amounts causes heart failure.

In the spring of 1973, the FDA decided to make a special survey of the corn crop. Samples were taken both from food processing establishments and terminal elevators. The FDA didn't expect to find much aflatoxin since the mold producing that compound only grows in warm moist climates and as yet the weather had been too cold. But scientists knew that T–2 and zearalenone thrive in freezing conditions and it was these that the FDA was worried about—with good reason, it developed.

The survey results confirmed that the corn crop was seriously contaminated. Out of 223 samples tested, FDA scientists found zearalenone in 38; out of 173 samples, they found evidence of T–2 in 94 samples and high levels of T–2 in 16 samples. What's more, a number of toxin-ridden samples had been intended for conversion to human foodstuffs as opposed to animal feed—and both types of mycotoxin were found in corn destined for export.

A few months later, scientists at the Agriculture Department's Northern Regional Laboratory in Peoria conducted additional spot surveys. By then, it was warm enough for aflatoxin and in one lot of corn generally contaminated with zearalenone, scientists found hot spots of the carcinogenic compound as well. In fact, the levels averaged *1600 parts per billion*—as opposed to the *15 parts per billion* level currently proposed for federal regulation and the same amount that produces cancer in rats 100 per cent of the time.

In July, the FDA brought the whole matter of mycotoxin contamination to the attention of the Office of Emergency Preparedness. A special interagency meeting was held with representatives of the Agriculture Department, the Department of the Army, the Federal Power Commission, the FDA, the Office of Oil and Gas and the Department of Transportation.

The meeting's purpose was to present the results of the FDA survey and to discuss the agricultural conditions which lead to the growth of these poisonous molds. The amount of moisture in a crop is a key factor and the FDA asked that a fuel priority be set so that farmers could dry their crops artificially, the most effective way to keep the mycotoxin problem from getting out of hand as it had in that 1972–73 crisis.

By then, however, it was August. The 1972–73 corn crop was gone. The energy crisis had abated and the 1973–74 crop looked good. The matter was apparently dropped.

INTERNATIONAL REPERCUSSIONS

Meanwhile, the Soviets had received a billion dollars worth of grain from the United States, most of it wheat. Although government officials knew how badly the corn crop had been contaminated no special analyses were made on the wheat for mycotoxins despite the fact that it was the presence of one of these same mold compounds, T–2 trichothecene toxin, in wheat and millet that probably caused an epidemic in Russia 30 years earlier during World War II.

There are no official statistics but estimates range between 10,000 and 100,000 deaths in the Soviet Union and untold loss of animals from mold grains in that epidemic. The men were away at war. The wheat and millet were left in the fields covered with snow. By the time crops were finally harvested, the grains were very moldy and highly contaminated. At its peak in 1944, in some areas the epidemic wiped out 10 per cent of the population.

The Soviets, concerned over recurring outbreaks of mold-borne diseases, have established an epidemiology institute with a special laboratory to investigate mold toxins. But the U.S. Agriculture Department is not known for its sensitivity to historic ironies. As far as the government was concerned, the billion-dollar grain deal was just a private matter between grain companies and Soviet buyers.

Inspection of the grains that went to Russia was handled in the usual way. "All we would supply are the grade standards," explains Edward B. Liebe, in charge of grain grading at USDA. "There would be nothing extra. We have an implied responsibility that no poisonous material goes out but many times we don't know the origin or the destination of the grain. We will be told (by the inspector at the loading terminal) what the grade is and then, a week later, we might find out it went to Russia or China or someplace."

Publicly, the Soviets only complained after that billion-dollar grain deal that the lots they received were infested with bugs and the quality was poor. But behind the scenes, mycotoxins were becoming an important issue in international agri-business.

The year before the famous grain deal, the U.S. sent its first shipment of corn to Russia. Word got back that the corn was analyzed there for several mycotoxins and the Russians claimed that the corn was contaminated with T-2, a disquieting reminder of the wartime epidemic. Apparently, the Soviets tried unsuccessfully to return the corn. According to sources in the Agriculture Department, the combination of the T-2 toxin in the first corn shipment and the presence of aflatoxin in cornmeal seized by the FDA months earlier in this country may have contributed to the Soviet decision to buy predominantly wheat in that 1972-73 deal.

As a general rule, wheat is less susceptible to mycotoxins because it is harvested earlier than corn. But wheat is not immune, as surveys in this country show—not to mention the Soviet wartime experience. And in fact, the Chinese actually refused to unload two of six wheat shipments because the grain was contaminated with a certain type of smut. Smut is a fungal disease which in itself is not toxic but which scientists believe makes the wheat more susceptible to molds that are.

A NUMBER ONE PROBLEM

Suddenly, everybody is talking about molds. "Up to three years ago, we didn't have anybody who would listen to us about mycotoxins," USDA's Liebe says. "It's surprising how many friends we've got all of a sudden."

Farmers consider molds a number one problem both for their crops and for the animals that feed on meal susceptible to mycotoxins. International grain traders talk of mycotoxins in terms of market value, and a consumer-oriented public is growing concerned over the safety of foods.

And for good reason: The sheer volume of the food industry that could be affected by these molds is sufficient to suggest a major impact on U.S. agri-business if the problem gets out of hand.

More than 185 million metric tons of corn are grown in the United States every year. Roughly 80 per cent goes into feed, which means that if there is a mold problem, animals will get the brunt of it. But the FDA is concerned that people will be exposed to mycotoxins in the milk, eggs, liver and perhaps even the meat of animals and poultry raised on contaminated feed.

The corn that is not used for feed—more than 35 million metric tons—is processed into 25 different products such as corn syrup or corn starch and converted into food in the form of corn flakes or hominy grits. Sweet corn—corn on the cob—is not affected by these mycotoxins, but the question facing the FDA is to what degree these toxins exist in cereals and other processed foods.

Both government and industry are concerned. The USDA is trying to get a handle at least on the levels of mycotoxins that exist in U.S. grains, especially corn. The major concern is the sheer volume of the corn crop. As one Agriculture Department official has commented, it would be "an impossible task" to analyze all the corn grown in the United States. Furthermore, it takes sophisticated chemical methods to scan for mycotoxins and as yet these are expensive and time-consuming. New techniques, however, are being developed and, after three years of research, the USDA is ready to try a quick screening method for aflatoxin.

LAX INSPECTION

Another problem is the grain inspection system itself. In no other country does the government have so little control over inspection. In many instances, grains here are not inspected at all. For domestic use, processors can contract directly with local farmers and the grain does not have to be graded according to federal standards.

Even if grain is inspected, the examination is superficial. "Odor and appearance—these are the two keys to determine grades at the present time," Liebe says. With export grains, the U.S. does issue a Phytosanitary Certificate which includes basic chemical analysis for noxious weeds, but molds are not considered. And no other routine chemical tests are made on corn or any other grains.

Meanwhile, industry is developing its own in-house monitoring system. As one industrial representative points out: "There is a moral obligation not to sell grains contaminated with mycotoxins and a practical consideration: industry can't afford to have the FDA find them."

In the final analysis, however, the mold problem begins in the field and that's where government agriculturalists think it should end. Several conditions favor mold growth. Some scientists suggest that the overuse of herbicides in the soil and antibiotics in animal feeds lowers the resistance of both plants and animals to the invasion of mycotoxin-producing molds.

In general, the amount of moisture is the critical factor. If there is a lot of rain and the harvest is delayed, then there is bound to be a problem with mycotoxins.

Ironically, the more advanced and more automated the methods of harvesting employed, the higher the content of moisture and the more likely the growth of molds. With the use of giant self-propelled harvesting machines and automatic corn pickers, the grain must be harvested slightly wet.

Harvesting corn with a higher moisture content makes it imperative that the farmer dry the grain properly afterward, requiring the expensive use of artificial drying equipment and natural gas.

Dr. T. Colin Campbell, biochemist at Virginia Polytechnic Institute, believes the mold problem here has increased as "an outgrowth of technological development. Machines on the farm may have saved labor at first," says Campbell, "but they've introduced new costs and new problems" as well.

* * * AND IN OTHER FOODS

The Food and Drug Administration is investigating several key poisons produced by certain molds in food and is also preparing to set new regulations for these elusive but toxic chemical substances.

Called mycotoxins, these compounds belong to a class of about 15 poisons which vary greatly in chemical structure and type of toxic effect. They can cause cancer (aflatoxin), abortions (zearalenone and ergot), respiratory failure (patulin), heart failure (trichothecenes), muscle paralysis and tremors (cylopiasonic acid) and nerve disorders (citreovidin.)

Mycotoxins have also been responsible for several great historical epidemics—St. Anthony's Fire in Europe (ergot in bread), Yellow Rice Disease in Japan, China and Korea (a combination of toxins in rice), and Alimentary Toxic Aleukia in the Soviet Union (trichothecenes in wheat).

The molds that produce these compounds grow on almost all nuts and grains. While corn and peanuts seem to be the most susceptible, these toxins are also found in apples, oats, wheat, barely, millet, pistachio nuts, Brazil nuts—even garlic and coffee.

Until the 1960's, mold-borne diseases in the United States were considered primarily a veterinary problem. But as scientific research identified the potent biochemical properties of these compounds and linked some of them to cancer in experimental animals, the question of human safety was raised.

"These things just haven't disappeared and we know they can get into food in the United States," explains organic chemist Joseph V. Rodricks who is in charge of FDA mycotoxin research. "We're probably not going to get any kind of epidemic situation but we don't want to get anywhere near that.

"If these compounds contaminate food at lower levels, what is the hazard to human health?"

To answer this question, the FDA is testing three particular mycotoxins in addition to aflatoxin: patulin, T-2 (trichothecene) toxin and zearalenone. Over the next four years, the agency will spend more than $2 million to determine the chronic effects of these poisons in test animals.

Patulin is a mycotoxin of great concern to the FDA because it is found in apple juice and apple cider, consumed in great quantities especially by children. Over 50 million gallons of apple juice are produced in this country a year.

In a recent survey of commercial products, the FDA found that 37 percent of the 140 samples were contaminated, which the FDA considers a high incidence of contamination. Early experiments show that patulin produces tumors when injected into mice at the site of injection, and in large amounts it is known to cause respiratory failure.

What patulin does when it reaches the intestines is to destroy all the micro-organisms there; the immediate result is diarrhea. Curiously, however, it leaves one microorganism alone, a gas-producer which then takes over in the intestines, forcing the liquid back up through the trachea and into the lungs. The end result is respiratory failure.

The mold that produces patulin is the rot in apples, and all it takes is one rotten apple to spoil the juice. Patulin is not found in apple slices or apple sauce if the apple skins have been removed, which suggests that the toxin is formed close to or in the skin.

Preliminary studies indicate that there is no danger of patulin poisoning from apple juice grown in the United States, but the FDA is concerned about the chronic effects of the low levels of patulin currently found in commercial products. Apple processors are being "encouraged" to screen out bruised as well as rotten applies in making juice and cider.

Zearalenone is another mycotoxin of interest to the FDA. This estrogenic compound is prevalent in corn and, curiously, affects swine and not cattle or poultry. It enlarges the genitalia in male hogs and causes the animals to vomit. In female swine, it prevents conception and causes abortion.

Very little is known about how this compound works and, given the dramatic changes zearalenone produces in swine, medical researchers are concerned about its effect on human beings. A key question is whether it survives food processing and persists in such commodities as corn flakes and corn meal. If it does, the hormonal effect is a matter for concern; perhaps, subtle physical changes are stimulated by low levels of this toxin over a long period of time. Acute doses could have a more dramatic effect. As one USDA official remarks: "A woman suddenly aborts—how is she to know it's from mold toxin in her food?"

The T-2 toxin is a very complex compound belonging to the trichothecene family which scientists believe causes Alimentary Toxic Aleukia, the recurring disease that plagued the Soviet Union and Eastern Europe since the 19th century.

After experiencing skin rashes, bleeding from the mouth, and internal hemorrhages, victims of ATA finally suffer heart failure. The disease affects animals as well as people.

"All of these chemical compounds (aflatoxin, patulin, zearalenone, T-2) have extremely toxic properties," explains biochemist T. Colin Campbell of Virginia Polytechnic Institute in Blacksburg, Virginia. "The problem is you don't know how toxic these things really are and it takes a lot of experimental work with animals to extrapolate back to the human situation.

"The real toxicity that exists in this country may be chronic and we may already be seeing the effects of mycotoxins in illnesses and diseases for which we don't know how to list the cause."

A FAREWELL TO "WILKIE" UPON HIS RETIREMENT

Mr. DOLE. Mr. President, today is the last day the Senate Republican Policy Committee, and all Senators on this side of the aisle, will enjoy the service of Mr. F. Clyde Wilkinson, better known as "Wilkie."

Always pleasant, always professional, "Wilkie" has been an invaluable help to Republican Senators since the mid-1950's when he worked for the Republican Senatorial Campaign Committee. In that capacity, and since 1962 as a member of the Republican Policy Committee staff, he has always made himself available to us, often enough on a next to impossible last-minute scheduling basis.

Prior to coming to work in the Senate, "Wilkie's" photographs had graced the pages of some of the Nation's greatest publications, the Washington Star, Newsweek magazine, the Chicago Sun, and the old Washington Times-Herald.

As a native of Richmond, Va., he has brought to his job all the gentlemanly grace of the South, mixed at the same time with the demanding standards of a professional.

We are all grateful to him for his service over these past years and wish him all the best in the years to come.

OUR MISSING PRISONERS OF WAR

Mr. GOLDWATER. Mr. President, I believe it is too easy for those of us in Congress and elsewhere to believe that all of our interests in Southeast Asia came to an end when our militant actions there ceased.

But I should like to point out that a vital matter still remains unattended. I refer to the fate of over 1,300 American fighting men, prisoners of war and missing in action in Vietnam, Laos, Cambodia, and China.

Mr. President, this concern is especially deep in the State of Arizona. In fact the legislature in my State recently passed a senate concurrent memorial urging the Congress of the United States to take positive action to insure return of our missing POW's. It also urged the appointment by the President of a special task force to assist in achieving such an objective. Mr. President, I ask unanimous consent that this resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Senate Concurrent Memorial 1002

A Concurrent Memorial urging positive action by Congress to ensure return of missing prisoners of war and appointment by the President of a special task force to assist in achieving such objective

To the President and the Congress of the United States of America:

Your memorialist respectfully represents:

Whereas, on January 27, 1973, the Vietnam Cease-fire Agreement was signed in Paris, France; and

Whereas, on August 15, 1973, the United States government ended all United States military involvement in Indochina; and

Whereas, today, over two years after the signing of the Paris Agreement, the fate of over thirteen hundred men, prisoners of war and missing in action, in Vietnam, Laos, Cambodia and China is still unknown; and

Whereas, in view of the recent fall of the governments of Cambodia and South Vietnam and the take over of those countries by the Communist forces of Southeast Asia, there is no evidence the Communists intended to comply with the provisions of the Paris Agreement calling for the return of all prisoners of war, an accounting of all of the men who are still missing in action and a return of the remains of those who died on foreign soil; and

Whereas, it is the responsibility of the people of the United States of America and their elected representatives in the Congress of the United States to ensure the officials of the Administration, including the Executive Branch and the Department of State, do everything humanly possible within their power to secure an honorable accounting of these prisoners and missing men; and

Whereas, recent information available to the United States government reveals two United States Army men missing in Cambodia since 1970 and 1971 were alive as of July, 1974, and being held by Communist forces in that country and thereby providing evidence some of these men are, in fact, alive.

MOZAMBIQUE'S INDEPENDENCE

Mr. CLARK. Mr. President, on June 25, after 500 years of Portuguese colonial rule, Mozambique became an independent State. This was one of the most significant days in modern African history. Independence did not come so easily to Mozambique as it did for many African nations. It came after 13 years of struggle. This struggle was supported by the independent African nations, nations which realized that their freedom was not complete or secure so long as others on their continent were oppressed. It was supported by other, non-African nations that were opposed to colonial domination and committed to national self-determination. The celebration on June 25 was therefore in a real sense a celebration by all African nations of their independence. And it was a celebration of freedom by all the nations of the world.

The United States was not, for good reason, officially represented at these celebrations—although many Americans who have long supported the fight for freedom in Mozambique were there. It was this country's official policy during the colonial period not to offend a NATO ally, Portugal. The U.S. position on the liberation struggle in Mozambique was determined by the cold war rather than by a commitment to ending colonialism or to national self-determination. It is now the task of U.S. policymakers to find ways of showing this country's support for genuine independence not only in Mozambique, but throughout southern Africa.

Robin White, an Alicia Patterson Foundation award winner on leave from the Christian Science Monitor, has been providing excellent coverage of Mozambique on the eve of independence. In one article, the interim Prime Minister of Mozambique was quoted as saying,

> Having freedom does not mean the struggle is over, that the people really have the power.

This article shows that Frelimo, the governing party of Mozambique, is convinced that self-determination is not achieved simply by an African becoming the head of state. It is achieved only when all the people become part of the decisionmaking process and part of the economic development process. The new government's first major programs will therefore be to establish elected local governments, to form agricultural cooperatives, and to mount a literacy campaign. One way the United States could show its commitment to self-determination would be to offer whatever bilateral or multilateral assistance is appropriate to these efforts.

But economic assistance is not enough. If this country's commitment to self-determination and human rights are to be at all credible in Africa, it must demonstrate greater political support for those principles in southern Africa. A Christian Science Monitor editorial "What Future for Africa?" points out that the nations in Africa that are still under colonial domination are going to be independent: the Spanish Sahara, Angola as well as Mozambique, Rhodesia, and—probably sooner than was expected—Namibia. It is clear that our future relations with Mozambique, with these other new nations and with all the nations of Africa will be determined by our political support for independence now. This support could take many forms. If Mozambique decides to comply with economic sanctions against Rhodesia, the United States should contribute to the international fund to support it. The United States should support those who are trying to effect a negotiated settlement of the Rhodesia problem by returning to full compliance with sanctions against Rhodesia. This Government should support U.N. initiatives to prepare for the independence of Namibia, such as the school that is being founded in Zambia. And this country should do everything possible to support the efforts to achieve unity in Angola before independence.

Mr. President, I ask unanimous consent that Robin Wright's articles from the Christian Science Monitor of June 20 and June 17, "Independence in Mozambique" and "Mozambique Whites Weigh Flight" as well as the editorial of June 20, "What Future for Africa?" be printed in the Record.

There being no objection, the articles and editorial were ordered to be printed in the Record, as follows:

What Future for Africa?

The very name of the great Zambezi River called up images of old Africa to generations of outsiders who barely knew one African country from another. But the Zambezi's route to the sea is through Mozambique, whose final independence from Portugal next week will be followed by that of Angola in November, virtually completing the continent's stormy transition to a new Africa free of colonial rule. When future generations hear "Zambezi," will their images be of an Africa where strife continue and freedom dwindled again—or of independence wisely used after being bravely won, and of fruitful interdependence among African lands and with the rest of the world?

Not encouraging is the trend toward military authoritarian rule in still young independent nations. Economic and health problems remain severe. Tribal animosities linger. The threat of famine is seldom far away.

But the momentum for independence continues. (Spain last month announced it would give up Spanish Sahara.) And hope for peace and individual rights inches forward a shade more than it drops back in conflict-ridden areas.

This week the leaders of three clashing liberation movements in Angola announced efforts to "permit the decolonization process to return to normal." The progress toward constitutional reform in Rhodesia moves back one day and forward the next, as the white government and divided black nationalists wrangle over preconditions.

In the latter situation, hopes are bolstered by the impetus toward settlement being given by Prime Minister Vorster of South Africa, even though he remains firm on his basic racial policy, with some concessions, within South Africa. South Africa has failed to meet United Nations demands to act quickly and decisively in ending its illegal occupation of Namibia (South-West Africa). But South Africa's position stated to the United Nations last month seems less obdurate than two years ago. It can be nudged further in this direction by world opinion, even without the mandatory arms embargo which was vetoed in the Security Council by Britain, France, and the U.S.

As for the new Africa's emerging position in an interdependent world, there has been progress through recently agreed-on linkages with the European Common Market. Out of the UN food conference came considerable relief for hunger. African voices are heard more and more in international assemblies.

But, in many ways, Africans still understandably feel neglected. Some leaders have been outspokenly concerned about the U.S. replacement of Donald Easum, with all his experience and goodwill in Africa, by Nathaniel Davis, whom they opposed, as Assistant Secretary of State for African Affairs. But Secretary Kissinger has placed the appointment in a context of showing not less but greater regard for Africa—an intention that now needs proving.

One touchstone will be relations with the newly independent black lands like Mozambique, which is described elsewhere in this paper today as it prepares to cope with the solution of its problems in its own post-colonial way. The State Department ought to ensure that Mr. Davis does not have to preside over a policy of tilting toward white minority governments bordering Mozambique. Though Africans may regard Mr. Davis with suspicion for his ambassadorial service in Chile during the CIA activities there, he also has an active record in civil rights. There is no reason he could not carry out an enlightened policy if he is permitted one.

Mozambique Whites Weigh Flight

(By Robin Wright)

LOURENCO MARQUES, MOZAMBIQUE.—"What am I supposed to do?" Rita asked. "I want to stay in Mozambique. My family, my home, my work are here. But I am afraid. I don't know of what specifically. I guess the possibilities.

"I am afraid there will be many cases of reverse racism, no matter what the government says."

Rita's question is echoed by many Portuguese, as Portugal prepares to wind up 500 years of colonial domination with the formal independence of Mozambique on June 25.

At least 103,000 people—or about one-half of the white population—already have chosen to find new homes elsewhere, mainly in Portugal, South Africa, and Brazil.

According to the Portuguese High Commission some 30,000 left in 1973 when the war between guerrillas of the Front for the Liberation of Mozambique (Frelimo) and Portuguese troops spread south. Between January, 1974, and the military takeover in Lisbon on April 25, 1974, another 20,000 left.

The main exodus came after September, 1974, when two white-initiated incidents frightened the remaining white community. In September white extremists seized a Lourenco Marques radio station in an abortive bid to prevent Frelimo from coming to power. White mobs roamed the town, and many Africans were killed. In October Portuguese soldiers clashed with Frelimo guerrillas in the main district of Lourenco Marques, sparking a gun battle that led to the death of an estimated 47 whites.

Although things have been peaceful since then and few now anticipated trouble at independence or immediately afterward, many are still afraid.

The new government has long maintained that Mozambique will be a multiracial state.

But words are not enough to soothe the fears of many of the whites. A Lourenco Marques businessman said:

"They [the new government] needs us now. But what about when [black] people are trained for our positions? Look at every other African country. Ghana, Nigeria, Tanzania, Kenya, Uganda—they all promised multiracial societies. But how often do you see whites in governments there? 'Africanization' programs have led to nationalization of companies all over the continent. What kind of future do I have here?"

Many of the whites, especially the younger generations, feel they can play a crucial part in the years ahead and intend to stay. "What do we have to fear—equality?" asked Cesar, a young steward for Deta, Mozambique's airline.

"Things will change, sure. But many of the changes are probably overdue. We never did anything to help the poor because we did not have to. No one really forcefully encouraged it, so we did nothing," Cesar said. "I'm just as scared as anyone of losing the material advantages I've had. But in my conscience I cannot fight it."

The transitional government has tried to alleviate the whites' concerns. Recently Frelimo agreed to allow many whites in key government and business position to deposit 25 percent of their incomes in foreign banks, as an incentive to stay. And several sources both inside and outside the government estimate that 15 percent of the new faces in government are white.

The government also has quietly welcomed back an estimated 250 white Mozambican exiles who have returned from Portugal, Brazil, South Africa, Rhodesia and other European countries. Many more are expected after independence.

The current feeling among most Portuguese and foreign observers is that the mass exodus has ended. "Those who wanted to leave are gone. The rest will probably stay," a foreign diplomatic said.

For many the decision to remain appears to be voluntary. Others say it now would be difficult to depart even if they wanted to.

Most say they will stay in Mozambique despite qualms. The attitude was summed up by a white geologist: "I want to be part of the new Mozambique. I want to see it work. I believe what Frelimo wants is right. But until I see whether it works I am going to keep my Portuguese passport—just in case."

Independence in Mozambique

(By Robin Wright)

(After 500 years of Portuguese colonial rule, Mozambique gains full independence next week (June 25). In preparation, leaders of Frelimo, the liberation group that fought the Portuguese for 11 years and is overseeing the current transition, toured the country to talk with the people about independence. Below is a report from the first foreign journalist to travel with the new Prime Minister and his Cabinet.)

XAI XAI, MOZAMBIQUE.—The crowd, 11,000 strong, had been waiting, standing, for almost three hours, many having walked over 20 miles to hear what the new leaders of Mozambique had to say. As Prime Minister Joaquim Chissano reached the open platform it started to pour, but no one moved.

"Who has the power?" the energetic figure called to the crowd, ignoring the rain.

"The people," the crowd called back, smiles breaking out on many faces.

"Who?" he asked again, also smiling.

"The people," they roared back louder.

Then, in a sudden serious tone, he asked: "Do you say that just because now you have a black Prime Minister?"

Before giving the crowd an opportunity to answer he continued: "Having freedom does not mean the struggle is over, that the people really have the power.

ASSESSING THE FUTURE

"We have a whole system to change, and it will take the people—all the people, both black and white people—to do all the work we have ahead of us."

Candidly he appraised the future: "We have many problems. People are starving in the north. Some people have no water. Others have been flooded out of their homes and lost their crops. But we knew we would find Mozambique in the mess it is now in. That is why we began the fight for independence 11 years ago. We wanted to change the inequility and exploitation and rebuild the nation."

For 2½ hours the soft-spoken but charismatic figure held the crowd, all standing in the cool damp night air, as he assessed the future of this massive southeast African country. The only breaks were pauses to hear from the people about their problems and concerns. "Comrade" Chissano easily wove each issue put forward by the crowd back into the message he had been relaying from the start.

"What about unequal distribution?" an older man shouted from the back. The Prime Minister responded:

"Before there is equal distribution there must be production. [Currently there is a shortage of both food and foreign exchange in Mozambique.] To do that people must be organized. Equal distribution also means there must be concern about more than the immediate locale or one tribe. Equal distribution means de-tribalization, unity, awareness of the needs of the entire country."

"Discrimination?" a woman called out next.

"It is not color that exploits and oppresses people; it is a system," Mr. Chissano declared in a firm tone.

PEACETIME FRELIMO

"Color alone does not divide. It is ideas, not color, that counts, and anyone who has the right ideas, who wants to work is welcome to stay. Frelimo [Front for the Liberation of Mozambique] fought to establish equality, so we will not refuse equality to those who refused it to us. We need everyone for the work ahead of us."

As people in the crowd continued to call out their problems, the real concerns that had drawn most of them to this rally—What is a peacetime Frelimo? And how will it change their lives?—were slowly being answered.

Although Mozambicans are well acquainted with the movement's reputation and the names of its assassinated founded, Eduardo Mondlane, and current president, Samora Machel, until recently they have known little about its structure, programs, or its plans for the future.

Since it was founded on June 25, 196[illegible], Frelimo has operated from bases in neighboring Tanzania. The Portuguese Government suppressed publicity about the movement as much as possible. At its peak during the war Frelimo held about one-third of the land, setting up schools, health facilities, farm cooperatives, and establishing new administrative and judicial systems there. But this affected only about 10 percent of the population.

Thus 90 percent of the population knew Frelimo mainly as a military unit, when the transitional government took over last Sept. 20. And communication since then has been difficult because 80 percent of the population is illiterate and cannot read the newspapers or sidewalk billboards that broadcast Frelimo's socialist platform.

RESTORING PEOPLE'S INITIATIVE

At Xai Xai (formerly Joao Belo) the Prime Minister told the crowd:

"The colonialists took initiative away from the people. We had no voice in what we grew, how much we grew, or what happened to our produce. We want to give the initiative back to the people."

The crowd cheered.

The message has a practical as well as ideological motive. Frelimo has neither the manpower nor the desire to send in groups of outsiders to run each village and city, thus simply replacing the Portuguese with Mozambicans.

First of all, the nation currently faces an acute shortage of skilled personnel, due mainly to the mass exodus of more than 100,000 Portuguese, who dominated the education system and thus provided the vast majority of skilled and professional labor. The white population of just over 200,000 has been halved since January, 1973.

But more fundamentally, Frelimo has always advocated that in principle the masses should be involved in government. Throughout the war the movement promised radically to alter the system to allow greater self-reliance once it took over.

'SPREADING THE REVOLUTION'

Promoting participation in the new government—"spreading the revolution"—was thus one of the primary reasons for the tour that brought Frelimo officials to Xai Xai. The Prime Minister repeatedly told the crowd here: "Freedom by itself does not produce, does not solve our problems. We must not just sing unity; we must apply it through organization."

Frelimo has a specific plan of organization that it is currently installing throughout the country to provide a means for participation. At the core of the system is the circle or cell, a small group of people gathered from either work or residential areas. A secretariat elected by the members administers the unit.

Cells theoretically are "to set in motion the masses' creative ability." Specifically, the most immediate purpose of the cells is to implement two programs to politicize and educate the masses.

"Dynamization," a political "consciousness-raising" program, is the chief concern. Through it Frelimo hopes to explain its policies and prepare people for their new responsibilities. "Alphabetization" is a dual education and work program designed to lower Mozambique's illiteracy rate and organize cooperatives for farming.

Basically cells are to promote the "collective spirit" and to replace the tribal unit as the source of local authority. Previously both production and administration—except in the few urban areas—have been tied to the country's nine main tribes, which were easily controlled by the colonial government. Now village administration will be reorganized into elected people's committees, and agriculture reorganized so that producers work in cooperatives under the direction of the local party.

The elimination of tribalism and the switch to a "people's democracy" is a radical one and the Frelimo leadership is trying hard to make it a smooth and fast one—again for both ideological and practical reasons.

Currently Mozambique relies economically on South Africa and Rhodesia, which use its ports and railways, and on South African employment of Mozambican mineworkers. Through these ties South Africa provided about 75 percent of Mozambique's foreign exchange.

ECONOMIC FREEDOM

The new government is determined to become economically independent, and agriculture is one of the chief means to this goal. Although agriculture has provided 80 percent of Mozambique's exports, the system is drastically underdeveloped. Only 17 percent of the territory's fertile land is cultivated, and mainly for subsistence farming. Through encouraging new cooperatives and the "collective spirit" Frelimo hopes to spur production and provide badly needed new revenue to help pay off the country's exorbitant $950 million external debt.

In explaining the next stage of "the struggle" to his Xai Xai audience, the Prime Minister said:

"We will have to work hard to achieve real independence. The most important steps to real freedom are organization and unity, so we can produce for the future and fight any remnants of the past. You control the future," he told the crowd, "because you control the pace at which we organize and unite to begin this work."

NORTH SEA OIL SUPPLY THREATENED

Mr. STEVENS. Mr. President, it has become painfully clear in the course of the last few months that, in a world of diminishing resources, mineral deposits and specfically petroleum have become the new pawns on the chessboard of international politics. The game has already begun, and it can only increase in intensity. We have seen the growing concentration of military strategy, both on the part of the Soviet Union and on our own, in the Middle East. We have seen the game of cat and mouse played between their naval forces and our own throughout the Mediterranean—where, only a few years ago, few Russian ships had ever sailed.

But it would be a mistake to think that this game is confined to that distant part of the world—perhaps a tragic mistake. Soon it will spread to the other mineral-rich areas of this earth, as the Soviets gain confidence and strength in their new military stance. I believe that we must not let them find us unprepared.

A recent article in the Wall Street Journal provides an excellent indication of what I am talking about. Written by Mr. Neil Ulman of that newspaper, it details the growing concern of NATO at increased Soviet naval activity in the vicinity of the North Sea oil supplies, which Europe relies upon for its future defense stockpile. While Soviet submarines pose a threat to both the oil rigs themselves and our own supply route to the continent, through diplomatic harassment their government has prevented Norway from allowing the West to develop further petroleum installations on the North Cape-Spitzbergen ocean line. And we have yet to come up with any coherent countereffort.

The article states that NATO does not really have any idea as to how to protect the North Sea rigs from this potential attack. They have stepped up their surveillance activities, but still, fully 25 percent of the Soviet submarines sailing out of Murmansk go undetected. And the Soviet submarine fleet is not small.

But at least we are aware of the problem there; at least we are working on it. There are other areas just as important where nothing at all has been done, and this brings me to the core of my subject. Consider the oil and mineral resources of Alaska. Here we have a natural stockpile, which could, in an emergency, supply nearly all of the mineral needs of the United States, right on our own continent. The trans-Alaska oil pipeline and future oil and gas pipelines are critical to the energy independence goals of the United States. And yet our defense effort in protecting the riches of Alaska has been nothing more than negligible. Even the gate of Hell was guarded by Cerberus, the three-headed dog; our defenses in Alaska remind one less of Cerberus than they do of Snoopy.

Even though the Coast Guard in Alaska has limited military readiness capability, the United States has not one fighting ship of any kind assigned to Alaska. Our Army maintains only one brigade of troops in the entire State. That is barely 5,000 men—not all of them combat troops. California, with less than a third of Alaska's territory, has nearly 200,000 military personnel. And Virginia, which is immeasurably smaller than both of them and has almost no natural resources, has well over 50,000. Even discounting Alaska's unparalleled natural wealth, the idea of a mere 5,000 men deployed to defend the largest State in the Union is simply ludicrous. When one further considers Alaska's geographical position—isolated, exposed, and with the Soviet Union just across the Bering Straits—it becomes worse than ludicrous. And despite repeated requests for an adequate defense force, the Army has only augmented the brigade by minimal amounts, when at least a division is needed.

It is, of course, true that the Soviet Union has, as of now, not mounted any attempts to develop its own military presence in the area. But there have been too many occasions in the past when we have been forced to scurry after the Soviets, and react instead of act. Department of Defense experts on the Soviet Union agree that it is only logical to suppose that they will move into the Bering Sea eventually, in view of their current buildup and its orientation toward petroleum centers, in addition to the fact that they have mineral reserves of their own to protect in Siberia. I believe it is necessary that the Armed Forces assemble new plans, put forth new programs, and take positive steps to assure the adequacy of Alaska's future defense posture. The only action that has been taken in the past year is the disestablishment of the Alaskan Command, which seems to me a rather offbeat way of dealing with the situation.

I am not trying to be an alarmist now, or conjure up false ghosts. We all know that the era of the cold war, if not entirely past, is certainly well on its way into history. Russian paratroopers are not going to sabotage the pipeline tomorrow. And we all know, too, that the whole military position of America in the world has undergone a drastic revision in the last few years. There may even be some who question our military involvement in the North Sea oil fields—perhaps even our military support of Europe itself. And I freely admit that the subject is open to question and discussion.

But when we talk about Alaska, we are talking about our own border, our own country, our own resources, and this is not open to debate; it is not the sort of thing, either, that we can just quietly ignore. The Federal Government has an undeniable responsibility to see to it that Alaska is adequately defended, and the people of America have a right to know that their largest potential supply of domestic oil and other mineral needs is getting the protection it requires and deserves.

An adequate Alaskan defense is basic and essential to our whole system of defense, something which not only should be taken care of but must be. Alaskans remember all too well that Alaska was the only U.S. soil to experience foreign invasion in World War II. If proper protection of Alaska is not undertaken, we could wake up one day to find a Soviet presence in the Bering Sea which will pose a serious and immediate threat to our stockpile of mineral resources and to our national security. And this is something which we cannot allow to happen, or else we will find ourselves confronting a drastic erosion of our strength, our prestige, and our continuing position in the leadership of the free world.

Mr. President, I ask unanimous consent that the article from the Wall Street Journal of June 11, 1975, entitled, "Europe Fears Growing Soviet Submarine Fleet Poses Future Threat to North Sea Oil Supply," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Europe Fears Growing Soviet Submarine Fleet Poses Future Threat to North Sea Oil Supply

(By Neil Ulman)

Keflavik, Iceland.—In the small, windowless room at the heart of the U.S. naval air station's operations center, a computer screen plays out in glowing lines and dots and a bobbing, twisting circle the gathering drama of a new East-West war of nerves.

The lines are bearings, and the dots mark listening buoys. The circle is a U.S. patrol plane searching for nuclear-armed Soviet submarines that have slipped through Western defenses into the wide expanse of the North Atlantic.

An operator presses a button, and the computer screen introduces a new element to the drama: a shimmering green web of interlocking circles representing the more than 50 oil-drilling rigs and production platforms that have sprung up in the British and Norwegian sectors of the North Sea over the past decade.

The oil platforms and the Soviet subs are creating a whole new defense problem for the North Atlantic Treaty Organization. It is the problem of how to defend Europe's future North Sea oil supply from the fast-expanding Soviet navy, which daily sends its submarines from the northern port of Murmansk, around the North Cape of Norway and into the Atlantic.

A CAT-AND-MOUSE GAME

So vast is this "gateway" to the ocean that NATO forces, such as the partol plane from the U.S. Keflavik station, have to play a cat-and-mouse game to keep track of the elusive subs. Often the Russians slip by undetected.

The defense of the oil rigs, says Adm. Ralph W. Cousins, the American commander of NATO's Atlantic forces, "is a future and developing problem."

One way in which NATO could keep a closer eye on the Soviet subs is through the development of the potentially oil-rich 350 miles of ocean between the Norwegian North Cape and the rocky islands of the Norwegian Spitsbergen group. Oil rigs in the area would be astride the Soviet northern fleet's Atlantic access route and thus would be natural sites for submarine-detection devices.

The Soviet Union, not surprisingly, is strongly opposed to the development of the area by Western oil companies and has made it clear to Norway that it would regard as unfriendly any collection of allied oil rigs in the area.

ELUSIVE MURMANSK SUBS

The Russians are concerned about keeping this vast stretch of water open because the largest concentration of Soviet naval power is in the northern fleet based around Murmansk on the Kola Peninsula, about 75 miles from the Norwegian border. The London-based International Institute for Strategic Studies believes that 160 Soviet submarines, or about 52% of the Soviet under sea fleet, are based there.

Other Soviet subs, from the Black Sea and Baltic fleets, are easily counted as they surface through the Dardanelles or pass through the narrow passage between Sweden and Denmark. It is the Murmansk subs that Adm. Cousins considers his "major, day-to-day" problem.

Their ballistic missiles can cover the U.S., and their torpedoes menace not only the transatlantic supply route to Europe but also the oil-supply route from the Persian Gulf around Africa to Europe.

Meantime, the growth of North Sea exploration has paralleled the change in the Soviet navy from a coastal defense force to an oceangoing navy.

The $35 billion effort to recover oil off Britain and Norway is going to be of growing economic importance to the countries of Western Europe. A small amount of Norwegian offshore oil already is flowing, and the first British oil will come ashore this summer. By the early 1980s the flow is expected to become a gush of five million barrels a day (that compares with the present consumption of about 15 million barrels daily by the European members of NATO).

Thus it will be up to Adm. Cousins' successors (he will be retiring soon) to protect the growing number of North Sea production platforms. It is a task that is becoming increasingly difficult.

Recently, Britain's Defense Ministry disclosed that Soviet aircraft, intelligence-gathering trawlers and naval vessels have been paying regular visits to North Sea oil rigs. Even neutral Sweden, which usually defers to Soviet sensibilities in any public statements, has produced a defense review pointing out the potential dangers of the Soviet military buildup in the Murmansk area.

Adm. Cousins concedes that NATO hasn't really figured out what to do about the looming threat to the oil rigs in the event of an East-West conflict. One widely held view is that it is a "police problem." Accordingly, Britain's Royal Navy is building five small patrol vessels for North Sea duty. The Royal Air Force is supposed to fly regular patrols over the rigs, and an ancient tug and an old Fisheries Department vessel have been commissioned for patrol duty (all of these moves are criticized by Britain's Conservative Party opposition as pathetically inadequate).

COMPLEX TRACKING TECHNOLOGY

Of course, for a police effort to be successful, the quarry's location must be known. NATO officials won't say just how effective their submarine-tracking efforts are, but some military sources estimate that British, French, Norwegian and American submarine trackers detect three-fourths of the Murmansk subs as they enter the Atlantic.

A recent flight aboard a U.S. Navy plane out of the Keflavik station illustrates the complexity of this tracking technology. The plane, a four-engine, Lockheed P3C Orion, covers the stretch of the North Atlantic between Greenland, Iceland, the Faeroes and Scotland. At this "line," the Soviet subs are presumed to have passed undetected through the Norway-Spitzbergen passage farther north.

The Orion is equipped with a computer that has become so vital to the tracking operation that the mission is controlled not by the pilot but by a "tactical coordinator" who mans the computer console.

The computer receives and stores a vast amount of information, from water temperature to weapons availability, presenting it all on a screen at the touch of a finger. The coordinator quickly can select the information he needs to plan his search pattern. This information may come from sound-ranging and direction-finding buoys dropped from the aircraft, from radar or a magnetic detection system, or from "see-in-the-dark" television cameras.

Since the computers were installed in the patrol planes two years ago, they have made the search effort far more effective. Indeed, Adm. Cousins says, if he were limited to just one "weapon" to buy for the Navy, he would choose more computer-equipped Orions.

The Soviet navy is well aware that NATO's computer-armed surveillance planes have made it harder to find strategic hiding places from which, in time of conflict, oil rigs could be destroyed and missiles launched against the U.S.

Thus the Soviets are opposed to the developing of further detection aids for NATO in the form of oil platforms between Norway and Spitsbergen. Last month the Soviet propaganda magazine New Times accused NATO of exerting pressure on Norway over its offshore oil for the organization's "strategic interests." The Norwegian continental shelf, it said, "has become a stamping ground for countries and firms that have nothing to do with it."

BEHIND SOVIET LINE

The Norwegians, although members of NATO, aren't insensitive to the demands of their powerful northern neighbor. Recently Norwegian Prime Minister Trygve Bratteli suggested that Soviet "vital interests" in free naval passage between Norway and Spitsbergen required careful handling of economic development under strict Norwegian control. Possibly Norway has little choice in the matter because, says Johann J. Hoist of the Norwegian Institute of International Affairs, the country already has "fallen behind the Soviet forward defense line."

The dispute is complicated by the fact that under a 1920 treaty, Spitsbergen is under Norwegian sovereignty. But all 42 signatories to the treaty, including the U.S. and the Soviet Union, are guaranteed the right to exploit Spitsbergen's economic resources (in fact, Norwegians and Russians mine Spitsbergen coal, and U.S. companies have drilled for oil on the island).

The Norwegians claim that foreign development of offshore Spitsbergen isn't covered by the treaty because the waters around the islands are part of Norway's continental shelf and thus under Norwegian control.

But the U.S. and Britain reason that if it can be proved that Spitsbergen has a continental shelf of its own, the 1920 treaty might give them offshore exploration rights.

The dispute is likely to be an extended one that will prevent early development of the area. Not a great deal is known about the area's oil resources, but it is suspected they may be extensive. The Norwegians have done a "massive" geological survey of the area and "are sitting on it real tight," a London-based spokesman for Phillips Petroleum Co. says.

OLDER AMERICANS AMENDMENTS OF 1975

Mr. CRANSTON. Mr. President, yesterday the Senate passed unanimously S. 1425, the Older Americans Amendments of 1975. At that time I advised the Senate that I would make a more detailed statement today.

INTRODUCTION

Congress last dealt with the Older Americans Act in 1973 when we authorized the creation of a national network of area agencies on aging to function under the State agencies on aging to plan and provide a wide variety of services to older people. Since that time, about 400 of a projected 600 area agencies have been established and have begun to function, although most are less than a year old.

The legislation we passed yesterday would extend a number of programs authorized by the Older Americans Act. They are:

First. The authorizations of appropriations for grants to the States under title III for funding State and area agency programs are extended for 2 years through fiscal year 1977 at levels of $200 million for fiscal year 1976, $60 million for the fiscal year 1976–77 transitional budget period, and $240 million for fiscal year 1977. The present level of authorization for title III is $130 million for fiscal year 1975; the amount appropriated is $83 million.

The bill passed by the House would extend these authorizations for 4 fiscal years; however, it was the committee's judgment that the area agency strategy was so recently adopted, and the results as yet so inconclusive, that a 4-year extension is not warranted.

The bill would also establish a new program of grants to the States—section 309—to conduct three special emphasis programs in transportation, home services, and legal services. This program is authorized to be funded at a rate of $50 million a year each for fiscal year 1976 and fiscal year 1977.

Second. The autthorizations of appropriations for the title V programs for the establishment and staffing of senior community centers are continued for 2 years with such sums as may be necessary to be appropriated.

Third. The authorization of appropriations for the older workers community service employment program contained in title IX of the act would be extended for 3 years, rather than 2, since it does not involve the area agencies. Funds are authorized to be appropriated at the level of $137.5 million for fiscal year 1976, $150 million for fiscal year 1977, and $200 million for fiscal year 1978. The fiscal year 1975 title IX authorization is $100 million; appropriations are $12 million, and an additional $20 million is allotted to the program from CETA title III funds. The continuing resolution for fiscal year 1976, now on the President's desk, would make available $42 million under title IX. Under the committee bill, funds would be reserved for the continuation of manpower programs now being carried out by national aging organizations.

Fourth. Other authorizations of appropriations are extended for 2 years for training and research in gerontology and a number of technical amendments are made to the Older Americans Act.

Mr. President, at this point I would like to describe the amendments that I offered to S. 1425 when the bill was under committee consideration and which were in the bill as reported and now passed by the Senate.

SENIOR DAY CENTERS

The first of these amendments would authorize the Commissioner to give special consideration in funding model projects to projects that are designed for the establishment and operation of senior day centers. The day center concept is not new—it has been successfully used in Europe and is being experimented with here in our country—including a program at the On Lok Senior Health Services Center in San Francisco.

The day center provides more comprehensive services than the multipurpose senior center, which does not provide any health services and serves seniors who are free of serious illness or disability. The day center, on the other hand, is designed to meet the needs of the frail, moderately impaired, or somewhat disoriented older individual who is in need of some supervised health care, but whose health is not so impaired as to require institutionalization on a 24-hour basis. Without the alternative of a day center, many of these seniors must acquire the often costly services of a home health aide or enter an institution.

In order for a senior day center to be eligible for special consideration for model projects funding under my amendment, the center must operate according to a planned schedule of health, therapeutic, educational, nutritional, recreational, and social services; provide necessary transportation arrangements for clients, serve a hot midday meal, carry out Outreach and public information programs, and provide for senior participants and senior volunteers in the planning and operation of the day centers.

In addition, Mr. President, the center would be required to enter into arrangements with the State's medicaid program and with other appropriate social service agencies to assure payment to the day center of all or a part of the center's costs.

It is intended that the centers serve as a focal point not only for the provision of medical treatment, but preventive health care services as well. These services should include screening and diagnostic services for the detection of hypertension, diabetes, and tuberculosis, and pap smears and other cancer screening programs. They should be made available to the senior population served by the day center and should be coordinated with other local public health service programs.

Mr. President, there have been two articles published recently that describe some of the existing experimental senior day center programs and the philosophy and objectives of such programs. The first article comes from the May issue of the California State Office on Aging's publication, Apex. The second appears in the May–June 1975 issue of Perspective on Aging.

Mr. President, I ask unanimous consent that these two articles be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

NEW "MODEL PROJECT" ADULT DAY CARE CENTER

Elderly Sacramento County residents who may be recovering from an illness or accident, or who need supervision during the day, now have an alternative to nursing home placement.

The Senior Health Day Care Center, located in a bright, modern facility on Elvas Avenue in Sacramento, opened its doors on March 17 and currently has 34 participants enrolled in its program.

The center is a model project federally funded through the State Office on Aging, under Title III, Section 308, of the Older Americans Act. It provides limited medical and dental services, rehabilitation services, physical therapy, and transportation via a specially equipped minibus.

Participants—ranging in age from 60 to 95—receive personal care services, recreation, education, and social services Monday through Friday. The center also serves a hot nutritious lunch each day, along with morning and afternoon snacks.

The center fills a unique need in Sacramento, which, according to the 1970 census has more than 65,000 residents over age 60, of whom more than 15% have incomes below the U.S. poverty level. While there are currently 37 licensed skilled nursing facilities in the county, for many of the elderly such placement would be inappropriate and costly.

"Participants in our program do not need constant, around-the-clock care," said Vernon Freeman, the center's director. "On the other hand, because of an illness or handicap, these men and women tend to become isolated from the activities of life. They don't have the mobility, for instance, to participate in senior citizens' groups. Some live with spouses or families who are employed, making it difficult for them to get needed therapy or other care during the day."

Each participant is thoroughly screened before enrollment in the program. Participants must be at least 60 years of age; must reside in Sacramento County; and must meet one or more of the following criteria:

Without the center's services would have to enter a nursing home or convalescent hospital.

Require supervision for confusion, daily living activities, or frailty.

Require limited nursing care while recovering from an operation, or other illness.

Fourteen staff members, including a full-time RN, social worker, and physical therapist, are primarily interested in assuring that the potential participant can benefit from day care services, and that the center can respond to the individual needs of each one.

[From Perspective on Aging, May-June 1975]

Organized Day Care for Older Persons Fulfills Social and Emotional Needs

(By Abraham Monk, Ph. D.[*])

Organized day care for older persons has come to public attention only recently. The policies that sharply cut geriatric admissions to state psychiatric hospitals in the late sixties resulted in a marked expansion of the demand for community services. However, because of obvious discontinuities in the planning and policy formulation processes, patients became discharged without a concomitant provision of community alternatives to institutionalization.

Ultimately, the results were a transfer of geriatric patients to other high levels of care, even when they only required partial or limited service components. When nursing homes turned out to be the viable alternative to state psychogeriatric hospitals, the most accessible dispensers of medical services for the aged, nothing much was really gained; unnecessary long-term institutionalization only gave way to another form of overutilization of costly services.

INTEREST IS RENEWED

Now the skyrocketing increase in institutional care costs, along with the tight reimbursement regulations of Medicare, has rekindled interest again in community-based services, such as multiservice senior centers and health services.

Though centers promote the social and emotional adjustment of the physically and mentally well aged, they are not meant to provide specific therapeutic assistance nor to handle in depth the psychological and emotional needs of their users. Home health care, in turn, through coordinated multiservice programs including nursing, dietary and rehabilitative services, is equipped to handle many of the needs of the individual in a home situation on a temporary basis.

However, the social and emotional needs of aged or disabled persons permanently confined in their own homes and without transportation remain unmet. Most of those needs could be fulfilled through activity and socialization programs in a community setting.

Day care centers would be the logical framework for such programs; their aim is basically to serve a greater number of older persons in need of care but not round-the-clock supervision. More specifically, a day care project performing this service would mitigate the burden of families caring for their ill and aged relatives, as well as eliminating or significantly postponing the elderly relative's institutionalization.

NEED ADDITIONAL OBJECTIVES

Though the impetus for setting up such programs has often come from realization of potential benefits for the family and the taxpayer, the developmental usefulness for the elderly themselves tends to be overlooked. A day care center should be more than a protective environment where people spend the long hours of the day under reasonable supervision.

Day care programs should provide rehabilitation through remotivation, normalization of living routines and counseling, as well as opportunities for social reinvolvement. From a preventive perspective, such programs should deter confusion, apathy and social deprivation. The planner of health and social services could easily assign them additional objectives, such as:

Providing services to applicants to nursing homes and extended-care facilities to reduce waiting lists.

Acting as the equivalent of half-way houses between hospitals or nursing homes and private homes or lower levels of care.

Offering regularly balanced diets to otherwise independent persons.

FEW MEET REQUIREMENTS

Despite their service potential, geriatric day centers have not yet turned into a viable service alternative. In a survey conducted by the Levindale Geriatric Research Center of state commissioners on aging, only two could identify centers meriting the label of day care-oriented. The number of such facilities is insignificant.

An unfinished study by the Arizona Institute for Research (1973) listed only 51 such centers in the U.S.; it may be safe to assume that the number does not exceed today 60 or 70 at best, servicing perhaps no more than 3,000 or 4,000 clients, a trifle compared to a potential target population numbering well into the millions.

Research efforts for this study, conducted under the auspices of the Erie County Office of the Aging, were ultimately aimed at conceptualizing a basic planning framework for the operational development of day care programs. Of 24 programs identified across the nation, information was secured from 18 such programs, the findings indicating that:

Day care services are only one category of a range of community-based respite services; they do not have an autonomous service identity, usually operating as part of another facility. In order of frequency, their host institutions were multi-service centers, nursing homes, rehabilitation centers, homes for the aged, hospitals and social service departments.

Only one day care center, sponsored by a consortium of community agencies, was independent. Despite this apparent diversity, centers easily fit conceptually into the "community" and "medically" based models outlined by Helen Padula.[1] The former, defined as day care centers, have an emphasis on social programs; the latter tend to offer health-related programs for the disabled or ill aged.

SEEN AS MIXED BLESSING

Several respondents regarded the inclusion of a day care program in an ongoing facility as a mixed blessing, though it lends itself to a more rational utilization of manpower and services, thus reducing per capita costs. The presence of such a program in a hospital or nursing home might give some persons unnecessarily institutonalized an incentive to leave and become more independent. For those who cannot leave the institution, it can provide a valuable opportunity for social interaction.

However, since individuals participating in a day care program are more self-sufficient and independent than those confined to an institution, the latter may harbor jeolousy and resentment of the outsiders. Residents may think that they are displaced or even neglected by the staff; the staff itself may have difficulty, at least initially, in distinguishing the different requirements of the two client groups. Also, staff could resent the additional burdens and increased patient dependency if the daytimers are treated as long-term residents.

LACK OF CRITERIA FOR COMPARISON

Comparison between day care centers becomes difficult without a standardized program criteria. However, model statistical tendencies indicate that an average operation includes pickup between 9 a.m. and 10 a.m. arrival, coffee and socialization time; organized group activities such as arts and crafts, lectures, discussion groups, games, films and music; individualized rehabilitative programs such as exercise, physical therapy and counseling.

A hot noon meal is followed by a rest period, then recreational and rehabilitative programs until time to return home, usually between 2:30 p.m. and 4 p.m. The average number of days the centers are open is 4.6; the norm is five days a week. Only one facility regularly provides services seven days a week; two provide night care and three vacation care, one of the latter only if residential beds are available. The range of daily hours of operation is four to 8.5 hours but most are open eight hours.

MOST PROVIDE COUNSELING

Recreation seems to be the common denominator of all programs. All but one facility also provide counseling, social services and meals; less than one-third (five) include physical, occupational and remotivational therapy; another five do not offer any of these. Only four include medical service for chronically ill ambulatory patients.

Most centers have a small intake capacity. Though one claimed ability to serve 120 clients a day, the majority put their ceiling between 15 and 20, a reflection of the fact that they have not been primarily planned as day programs but operate as extensions of existing facilities.

ROLE IS COMPLEX

The social worker's role in a day care program for the aged is complex and often ill-defined, tending to require a multi-methodological approach to practice. It most frequently includes: Short-term social services for day-to-day living; family and personal counseling; information and referral on Social Security, Medicare, Medicaid and other specialized programs; follow-through and advocacy to insure effective utilization of available services.

Also, the social worker is usually involved in community action programs and sources of volunteer or paid activities; screening of applicants and conducting orientation at intake; developing a continuous in-service training program for staff and volunteers; concurrent supervision of paraprofessionals and trained volunteers. Many also gather information on needs and interests for referral, facilitate the provision of consumer education and legal services and participate in milieu therapy and reality-orientation programs.

ACCESSIBILITY IS CRUCIAL

Accessibility to the center is a crucial determinant of success. All but two of the 18 survey respondents provide this service but without a consistent pattern. Some use passenger vans with automatic lifts for wheelchairs; others report the use of station wagons, minibus, schoolbuses or even ambulances. Four centers do not own their vehicles, instead purchasing time from parochial school buses. Though the vehicles are usually manned by paid drivers, a few centers resort to volunteers despite the risks of higher turnover and service discontinuity.

The elderly require more time for pickup. They must finish dressing, be conducted to the vehicle and assisted to enter. Considering fatigue, possible incontinence and the time required for driving from house to house, only a limited number of passengers can be carried each trip, weighing heavily on final operating costs.

OPERATING COSTS VARY

The main budget expenditures for respite day care programs are space rental, professional services purchased from host facilities, additional staff expenses and transportation. The range of daily operating costs per client oscillated between $5 to $16, with the average at $9.79 as of August 1972. In a more recent report, Elizabeth Gustafson[2] states that full-time day care five days a week costs up to $200 monthly, a figure coming very close to our average.

---

[*] Dr. Monk, School of Social Work professor, State University of New York, Buffalo, presented this previously unpublished paper in an NCOA-sponsored session at the National Conference of Social Work's 101st annual forum in Cincinnati last spring. Barbara Grossman, Robert N. Gilbert and Helene Scherer, Erie County Office for the Aging, assisted in research for the paper.

[1] *"Developing Day Care for Older People,"* p. 6. The National Council on the Aging, Inc., Washington, D.C. 1972.

[2] *"Day Care for the Elderly,"* The Gerontologist, 1974 14(1): pp. 46–54.

The three main sources of financing were, in order of frequency, Medicaid, Title III of the Older Americans Act and supplemental funds of the Department of Housing and Urban Development (Title XVI) channeled through Model Cities, with matching funds provided by the state-local counterparts.

There is not, however, a single comprehensive source of funding; no Federal legislation refers especially to respite services for the aged.

NO PATTERN EMERGES

Our exploratory survey, based on an incidental sample of an estimated one-third of all day care programs in the nation, revealed the lack of a dominant pattern identifying such programs. However, they could be arranged on a continuum ranging from a medical to a community recreation model.

Most of the existing programs are located in host facilities such as nursing homes and hospitals, utilizing their manpower resources on residual, part-time and often erratic bases. This conspires against rational service planning, both because institutionalized patients resent the competition of outsiders and because staff tends to give priority to their own patients.

Day care programs should acquire, with the help of new social policies, an identity of their own in order to transcend their current status as social experiment. This implies establishing independent program directions and staffing patterns, even at the risk of higher costs. It is assumed here that, even then, costs will remain only a fraction of higher levels of care.

SERVICES FOR LOW-INCOME OLDER PERSONS

Mr. CRANSTON. Mr. President, my second amendment, cosponsored by Senator EAGLETON, was added in order to perfect an amendment in the bill as reported from subcommittee in order to place some greater emphasis in the State plan on the provision of services to low income older persons. During subcommittee discussion on this question, some concern was expressed and it was agreed that the amendment in no way would authorize the establishment of a means test or a fee schedule for Older Americans Act services. The report makes this clear.

Upon reflection, it appeared that the language in the subcommittee bill calling for "a priority" was not the most effective way to carry out the purpose of requiring that attention be given to the needs of low-income older persons and still preserve the underlying philosophy of the Older Americans Act that services are not being provided to senior citizens thereunder as a part of a poverty program.

RURAL INDIANS

Mr. President, the third amendment I offered was designed to make it possible for tribal organizations living off of reservations in rural areas to be treated the same as members of Indian tribes living on reservations for purposes of direct grants from the Commissioner on Aging—section 303(b) as amended in the committee bill. In California, more than 45 percent of the 91,000 Indians reside in rural communities which are not within the boundaries of any Federal or State reservation. Under this amendment, if the Commissioner determines that benefits provided to such Indians 60 or older are not equivalent to those being provided to other older Americans in the State, and if he further determines that such Indians would be better served by means of direct grants, off reservation tribal organizations in rural areas would also be eligible for direct grants as are Indian tribes on reservations under section 303(b)(3) as added by section 104 of the reported bill.

The definition I offered would require that the members be organized in a band, group, or other organization, and thus individual Indians would be eligible for direct grants.

INCREASE IN SET ASIDE FOR INDIANS

Mr. President, my fourth amendment deals with the maximum amount of funds which may be set aside for Indian tribal organizations in a reservation of funds by the Commissioner on Aging when he makes the two determinations required under the new paragraph (3) which section 104 of the reported bill would add to section 303(b) of the Older Americans Act. The provision the subcommittee bill provided that when the Commissioner determines that the members of an Indian tribe are not receiving benefits equivalent to benefits provided other older persons in the appropriate area and if he further determines that those members would be better served by means of direct grants, then he has to make a certain reservation of funds—this reservation was to be less than 100 percent of the dollar amount which is the same proportion of the total allotment to the State or area as the number of Indians 60 years of age or older in the area proposed to be served by direct grant bears to the total number of older persons in the State or area.

In the subcommittee provision, however, the commissioner was given discretion to make the reservation more than 100 percent but not greater than 105 percent of this amount. Upon reflection and further discussion with other subcommittee members, it appeared that it was desirable to give the Commissioner greater upward latitude in determining the amount of this reservation.

Thus, my amendment would permit the Commissioner to go up to 150 percent in determining the amount of the set-aside based upon the needs of a particular Indian tribal organization on a grant-by-grant basis. The purpose of the amendment is also to provide a greater incentive to the State and area agencies to provide the services themselves to the Indians within their jurisdictions rather than to rely upon the tribal organization in question qualifying for a direct grant. With knowledge that it could lose as much as 150 percent of the share of funding for those Indians, a State or area, will have a greater incentive to provide equitable services directly themselves.

TAX AND FINANCIAL COUNSELING

Mr. President, tax and financial counseling services can make a substantial difference in the living conditions of many older Americans who are trying to stretch fixed incomes to cover inflated living expenses. Yet these are the very people who can ill afford the fees charged by professional counselors. Moreover, because elderly persons have been the target of less than honest advisers, it is often difficult for the private sector to establish a trust relationship with retirees. Thus, I offered an amendment that makes tax and financial counseling an integral part of the legal services to be provided and training for provision of legal services, to older Americans under this act.

OTHER PROVISIONS

Mr. President, I would like to turn now to a brief discussion of some of the other features of the reported bill that enhance the delivery of services to older Americans.

LEGAL SERVICES

NEED FOR ASSISTANCE

The hearings before the Subcommittee on Aging underscored the need to expand the provision of legal services to the elderly. Perhaps more than any other group, the elderly rely upon complex public and private programs and institutions for their daily subsistence. Many have no experience at dealing with the governmental programs and large bureaucracies upon which they have become largely dependent.

Superimposed upon the lives of the elderly is a vast array of complex statutory, regulatory, and decisional law. Their shelter may be provided or secured under Federal or State public or subsidized housing laws, relocation laws, and zoning laws. Their health is often dependent upon medicare, medicaid, laws regulating nursing homes, and laws relating to prescription drugs. Their nutrition is often secured by the title VII nutrition program, the food stamp program or other federally established nutrition programs. The source of their incomes may be social security, supplemental security income under title XVI of the Social Security Act, or private pensions. Finally, the dignity of their personal freedom and control of their personal and real property is subject to the complex laws of guardianship, conservatorship, and involuntary commitment. They must have someplace to turn for adequate and effective legal assistance in dealing with a vast complex of crucial legal issues if they are to take full advantage of the governmental programs designed to benefit the elderly.

But, in far too many instances and far too many areas, Mr. President, our Nation's elderly lack adequate legal services. Testimony before this committee showed that, although comprising over 20 percent of the Nation's poor, the elderly represent only 6 percent of the client load of the average legal services program funded by the Community Services Administration—the successor to the Office of Economic Opportunity. Consequently, I am convinced that there is a critical need to expand the provision of legal services specifically designed to meet the legal needs of older Americans.

In addition, the situation of the nondestitute elderly with respect to legal representation may be even more acute than that of the elderly poor. The former have too much income or resources to qualify for free legal services and yet often cannot afford to hire a private attorney. Moreover, even if resources are available to pay a private attorney, such attorneys may be unavailable since the intricacies of the programs governing an elderly person's life are unfamiliar to many in the private bar.

In recognition of the above considerations, we included a number of provisions in the reported bill that authorize legal counseling and services, including tax and financial counseling, specifically designed to meet the needs of older Americans. I would like to describe these:

SOCIAL SERVICES DEFINITION

First, the basic definition of social services in title III—section 302(1)—of the Older Americans Act has been amended to include legal, including tax and financial, counseling and services to older persons. A basic legislative purpose of the Older Americans Act is to provide basic social services to the elderly. Consequently, I believe that legal services for older persons should be a basic component of the social services that are to be provided to older persons as part of the area plans for a planning and service area under title III of the act. I am happy to note the developing trend to fund legal services for older Americans out of title III funds. There are now over 60 legal services projects receiving substantial assistance under the Older Americans Act.

Similarly, I support strongly the model project grants recently made by the Commissioner under section 308 to provide for legal services to older Americans. Such model projects certainly are an effective way to expand and improve social services and otherwise promote the well-being of older persons, the statutory purpose of section 308 grants. The addition of legal counseling and services to the definition of social services in section 302(1) of the act should serve to emphasize the value of legal services model projects. Thus, the committee has urged the Commissioner to continue model projects funding for successful programs and to fund new model projects to demonstrate effective ways of providing legal services to older Americans under section 308.

SPECIAL GRANTS

Second, a new section 309(a)(3) would be added to the act to provide authorization for the Commissioner to make special grants to the States for three purposes, one of which is programs specifically for legal, including tax and financial, counseling and services for older persons. This section also authorizes the training of lawyers and paraprofessionals, where such training is necessary for the successful operation of a program authorized by this section. Such training and the work of paralegals would, of course, be carried out in full compliance with State legal practice laws, rules of court, court, and custom.

TRAINING AND RESEARCH

Third, Mr. President, a subsection (c) would be added to section 404 in title IV, the training and research part of the act, to provide authority for the Commissioner to make grants to assist in the training of lawyers, lay advocates, and paraprofessionals to provide legal, including tax and financial, counseling and services for older persons, or to monitor the administration of programs designed to provide assistance or services to older persons—including nursing homes and similar services—and to train persons to identify the legal problems of the elderly, develop solutions to these problems, and mobilize community resources to solve these problems. The training of paralegal workers under this subsection would also be subject to appropriate State law and practice.

SENIOR OPPORTUNITIES AND SERVICES

The reported bill would extend through fiscal year 1977 authorizations of appropriations for the senior opportunities and services programs under the Community Services Act. This program has provided significant employment and volunteer service opportunities to older poor persons above the age of 60. In addition, the senior opportunities and services program offers effective referral to existing health, welfare, employment, housing, legal, consumer, transportation, education, and recreational and other services, and stimulates the creation of additional services and programs to remedy gaps and deficiencies in presently existing services and programs.

NUTRITION FOR THE ELDERLY

We must assure an adequate and wholesome food supply at reasonable cost to all of our senior citizens. Last summer the Congress passed legislation, of which I was an original cosponsor, extending for an additional 3 years the nutrition program for the elderly, authorized under title VII of the Older Americans Act. This program has demonstrated great success in providing elderly people with hot, nutritious meals in group settings. In the reported bill the authorization of appropriations for fiscal year 1976 is increased from $200 million to $225 million and for fiscal year 1975 from $225 million to $275 million. These increases were proposed in an amendment by Senator Kennedy which I sponsored.

ACTION AGENCY OLDER AMERICAN VOLUNTEER PROGRAMS

Mr. President, there are two important sections—on pages 32–34—in the committee report (S. Rept. 94–255) accompanying S. 1425 that I would like to have included in my remarks, since they pertain to the operations of the domestic volunteer programs of the ACTION Agency, which is under the jurisdiction of the Special Subcommittee on Human Resources, which I chair.

I ask unanimous consent that these sections be printed in the Record at this point.

There being no objection, the sections were ordered to be printed in the Record, as follows:

Older Americans Volunteer Programs

FOSTER GRANDPARENT PROGRAM AGE LIMITATION

The Committee has received a number of complaints from groups and individuals about the ACTION Agency's age-limitation regulations for the persons served under the Foster Grandparent Program. These regulations preclude Foster Grandparents from working with children once they reach the age of 18. Those who wish to have these regulations modified argue that, in the case of mentally retarded individuals, chronological age should not apply.

The Foster Grandparent Program was established to provide benefits to both low-income older persons and underprivileged children. Because this is the purpose of the program, the Committee believes that, generally, Foster Grandparents should serve children. There are still thousands of children who are shut in institutions, without any opportunity to develop under the compassionate care of a Foster Grandparent; similarly, thousands of older persons are denied the chance to work with children due to limited program funds. The Committee is very concerned, however, about cases where established relationships between Foster Grandparents and their "grandchildren" have been disrupted because of strict adherence to the ACTION Agency's age limitation regulations.

The Committee believes that established relationships which are mutually satisfying and beneficial for both the Foster Grandparent and the particular individual served should be allowed to continue even though the child passes the chronological age of 18, as long as the relationship remains mutually desirable. The Committee notes that there is no legislative specification of the chronological age of Foster grandchildren, and directs the ACTION Agency to revise its regulations to embody this concept so that such productive established relationships of this type are not terminated until all efforts have been exhausted to arrange for an appropriate alternative relationship for the individual being served.

Considerable concern has been expressed that the Foster Grandparent program should have no age limit at all in terms of initiation of services to recipients with exceptional needs. The Committee finds this a contradiction in terms, and believes, as stated above that the Foster Grandparent Program should initiate services to children.

The Committee has recognized, however, that the successful Foster Grandparent model should be expanded to enable older low-income Americans to work with underprivileged individuals other than children. Thus, it provides for establishment of a new program for this purpose in section 211(b) of the Domestic Volunteer Service Act of 1973—the Senior Companions Programs. The Senior Companions Program was designed to complement the Foster Grandparent Program by providing for older persons to volunteer their services to help those, other than children, with developmental disabilities or other exceptional needs. This program has been funded at less than 20 percent of the amount authorized—the Administration has not requested more funding—and the Committee will work to see that this new program is expanded so that those over the age of 17 may also benefit from having new relationships with older American volunteers.

The Committee also notes that the ACTION Agency established a policy with respect to the initial grants for this program requiring that 80 percent of the recipients of Senior Companion services be older persons themselves. Application of this kind of a cutoff does not derive from the statutory provision (Section 211(b)), or the underlying legislative history, of the Domestic Volunteer Service Act of 1973. Thus, and particularly in light of the above discussion, the Committee directs the Agency to revise its policy so that all eligible persons with special needs over the age of 17, especially persons with developmental disabilities as specified in the statute, will have equitable opportunities to benefit from relationships with Senior Companions.

RESOURCE SPECIALIST ON AGING

The Committee wishes to address the matter of coordination between the Older American Volunteer Programs included in the Domestic Volunteer Service Act of 1973 (title II of P.L. 93–113), administered by the ACTION Agency, and the Older Americans programs under the Older Americans Act of 1965, as amended. The House of Representatives on April 8, 1975, passed the Older Americans Amendments of 1975—H.R. 3922—which included a provision (sec. 205(a)(2)) that requires each State agency on aging to designate a person—to be paid with ACTION Agency funds—to coordinate and serve as a resource person with respect to carrying out programs under title II of the Domestic Volunteer Service Act of 1973 and title III of the Older Americans Act. This action was taken in response to certain criticisms that the ACTION Agency had failed to give recognition to the unique needs of its older Volunteers; had not provided adequate technical assistance and training to project sponsors and Agency staff; and had acted to diminish the special identity of the individual Older American Volunteer programs—such as R.S.V.P. and Foster Grandparents—within title II by fostering a policy of program integration promoting the identification of all Volunteers within the Agency as "ACTION Volunteers". This Committee has received similar complaints.

The ACTION Agency has strongly opposed the House provision, and has taken the position that the funding of resource specialists which ACTION would have no voice in selecting and no authority to supervise or direct, would not be conducive to responsible and efficient management. In response to the concerns expressed above, the ACTION Agency has advised that it is preparing a directive to require that each ACTION Agency State Office have at least one program officer whose primary responsibility will be for the ACTION Agency P.L. 93–113 title II Older American Volunteer (OAV) programs.

The Committee has not agreed to the House-passed provision or yet been able to determine the adequacy of the forthcoming ACTION Agency policy. It is currently attempting to obtain from the Agency information concerning the extent of the additional responsibilities of the program officer who would be assigned "primary responsibility" for the OAV programs and the manner in which the officer would coordinate with programs under the Older Americans Act. The Committee expects that the Agency will provide additional information on these matters prior to the conference on this legislation so that the Committee can reach a final position on the House provision.

Mr. CRANSTON. Mr. President, this report language was adopted by the committee at my request and represents the response of the committee to the three older Americans volunteer programs—OAVP—amendments in the House-passed bill, H.R. 3922. These amendments are described in the May 22, 1975, ACTION Agency report to the committee, opposing the amendments. Mr. President, I ask unanimous consent that the text of this letter, which appears on pages 40–41 of the committee report, be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

ACTION,
Office of the Director,
Washington, D.C., May 22, 1975.

Hon. Harrison A. Williams,
Chairman, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: I am writing in response to the request of Mr. James Murphy, Counsel for the Subcommittee on Aging, for ACTION's comments on the provisions of H.R. 3922, which amend the Domestic Volunteer Service Act of 1973, P.L. 93–113.

H.R. 3922 contains amendments to three sections of P.L. 93–113. It is our feeling that several of these amendments will adversely affect ACTION's programs and that consideration of all of them should best be left until next year when the question of the renewal of the Domestic Volunteer Service Act is before the Congress.

Our most serious concern is with the proposed amendments to Section 201, which add a new Subsection 201(c) providing for a coordinator or resource person for Older Americans Programs, funded by ACTION but located in each state office on aging.

Implementation of this proposal would cost ACTION an estimated additional $1.3 million to support a staff person in each of the fifty state agencies on aging. It would also create an anomalous situation whereby ACTION, the Federal volunteer agency, would be funding the staff of another agency, the Department of Health, Education and Welfare, over which it had no supervisory responsibility or control.

We believe that the same objective of closer cooperation and coordination between ACTION Title II programs and the programs authorized by Title III of the Older Americans Act can be achieved more effectively and without the added costs.

Accordingly, in an effect to be responsive to the wishes of Congress as indicated by the House amendment to Section 201, I have directed our Acting Associate Director for Domestic and Anti-Poverty Operations, Mr. Gerevas, to take steps immediately to designate one or more staff persons in each of the 47 ACTION State Program Offices to have primary responsibility for administration of the Foster Grandparents, Senior Companions, and Retired Senior Volunteer Programs and for coordination of these programs with the programs administered under Title III of the Older Americans Act.

Each coordinator will be experienced or will receive training in the field of aging. In addition, all ACTION state and regional program staff have received basic training in the administration of Older Americans Volunteer Programs in order to be equipped to provide backup and support as necessary.

I believe that these measures will go a long way toward alleviating the concerns expressed in recent House hearings and again on April 17, 1975, testimony before the Senate Subcommittee on Aging, and that they will make unnecessary the proposed amendment to Section 201 of the Domestic Volunteer Service Act of 1973.

Amendments to Sections 211 and 212.—H.R. 3922 makes several changes in the language of Sections 211 and 212 related to the designation of Foster Grandparents and Senior Companions as volunteers. More specifically, H.R. 3922 amends the wording of Title II to read "National Older Americans Volunteer Programs" and replaces the word "volunteer" with the word "individual" where used in Section 211 and 212.

We believe that these changes are unwise and may have a detrimental impact on the Foster Grandparent and Senior Companion programs. From a purely technical standpoint, they are inconsistent with the Domestic Volunteer Service Act which consistently uses the world "volunteer" with reference to participants in all of the programs authorized by the Act. More importantly, they may do a disservice to the thousands of elderly poor who volunteer to serve as Foster Grandparents and Senior Companions.

Amendments to Title V.—H.R. 3922 also contains amendments to Title V of the Domestic Volunteer Service Act of 1973, which would extend and increase the authorizations for the Foster Grandparents, Senior Companions, and Retired Senior Volunteer Programs. We believe it would be preferable to postpone consideration of appropriate funding levels for them until the Congress considers extension of the Domestic Volunteer Service Act as a whole and ACTION has an opportunity to present its assessment of the needs of all the programs in the Act.

In view of the foregoing ACTION opposes enactment of the provisions of H.R. 3922 discussed above.

The Office of Management and Budget advises us that there is no objection to the submission of this report to the Congress, and that enactment of H.R. 3922, as passed by the House, would not be consistent with the objectives of the Administration.

Thank you for your interest in ACTION and its programs. If I may be of any further assistance, please do not hesitate to contact me.

Kind personal regards.

Sincerely,

Michael P. Balzano, Jr.,
Director.

Mr. CRANSTON. Mr. President, the committee's position in not agreeing to these three OAVP House amendments to the Domestic Volunteer Service Act of 1973—Public Law 93–113—was based on the fact that these programs—RSVP, foster grandparents, and senior companions—are carried out at present under the ACTION Agency and were transferred out of the Older Americans Act by Public Law 93–113. The authorizations of appropriations for these OAVP programs extend through fiscal year 1976, and the committee intends to undertake a comprehensive review of these programs as part of its oversight and evaluation over the next year of all of the domestic programs carried out under the ACTION Agency.

Thus, the committee viewed the House amendments—including the 3-year extension of the authorizations of appropriations for the OAVP programs—as premature.

Mr. President, I am hopeful that the ACTION Agency will study carefully the report language I have just set forth and comply with the committee directions with respect to revised regulations. Also, I note that we will have little alternative in conference on the aging resource specialist question other than to accept that House amendment unless the Agency is able to provide satisfactory data in support of the new policy it proposes to implement with respect to the assignment of an ACTION State program office in each State as primarily responsible for OAVP programs and their coordination with title III Older Americans Act programs.

Mr. President, I want to thank for his cooperation, in dealing with these OAVP questions, the ranking minority member of the Aging Subcommittee (Mr. Beall), who also serves as the ranking minority member of our Special Subcommittee on Human Resources. His contributions were most constructive. I am also grateful for the help, in this connection, of the chairman (Mr. Williams) and the ranking minority member (Mr. Javits) of the full committee.

CONCLUSION

Mr. President, I congratulate the leadership of the Aging Subcommittee and the full committee for a job well done on the committee bill. It was truly a cooperative effort. The committee's action was greatly assisted, as always, by the hard and effective work of the Aging Subcommittee Counsel, Jim Murphy, and other committee and Senate staff, principally David Rust, Jon Steinberg, Traer Sunley, and Jack Andrews.

ARIZONA FIGHTS SALE OF PEABODY COAL CO. TO TVA

Mr. GOLDWATER. Mr. President, the Federal Trade Commission has ordered the Kennecott Copper Corp. to sell its subsidiary, the Peabody Coal Co., and the people of Arizona are concerned at the possibility that the firm might be sold to the Tennessee Valley Authority.

The interests of Arizona officials rest on the fact that the Peabody Co. operates the Black Mesa Coal Mine in the heart of the Navajo-Hopi Indian Reservation. The sale of this company to a tax exempt government agency like TVA would result in serious losses of income taxes and transaction privilege taxes to the State of Arizona and the United States.

Because of these facts, the House of Representatives in Arizona has adopted a memorial measure urging Congress and the Federal Trade Commission to prohibit the possible sale to TVA. I ask unanimous consent that the full text of the memorial be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

HOUSE MEMORIAL 2004

A memorial urging Congress and the Federal Trade Commission to not permit sale of the Peabody Coal Company to the tax-exempt Tennessee Valley Authority

To the Congress of the United States and the Federal Trade Commission: Your memorialist respectfully represents:

Whereas, the Federal Trade Commission has ordered Kennecott Copper Corporation to sell its subsidiary, Peabody Coal Company, which operates the Black Mesa coal mine in the heart of the Navajo-Hopi Indian reservation in Arizona; and

Whereas, Peabody Coal Company has notified its stockholders that it has received three acceptable offers, one of which is from the Tennessee Valley Authority; and

Whereas, any purchase of the property, valued for assessment purposes in 1973 at fifteen and one-half million dollars and in 1974 at eleven million dollars, is subject to approval by the Federal Trade Commission; and

Whereas, the Tennessee Valley Authority is not subject to federal or state income taxes or state transaction privilege taxes; and

Whereas, the Peabody Coal Company's operations in this state are located on federal land and, thus, not subject to real property taxes; and

Whereas, such sale to a tax-exempt governmental entity shall result in serious losses of income taxes and transaction privilege taxes to this state and the United States.

Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

1. That the United States Congress investigate and oppose the sale of the Peabody Coal Company to the Tennessee Valley Authority because of the serious tax losses which would be suffered by this State and the United States.

THE NEWEST FRONTIER

Mr. GARY W. HART. Mr. President, the June 30 issue of Newsweek contains a short but interesting article on how the White House's plans for absorbing the Marianas into the United States are proceeding. Most significant are the remarks of "one official involved in the negotiations." His views represent the worst sort of colonial attitude, inferring that the islanders will be docile citizens, apparently because the promises made to them without the permission of Congress or the knowledge of the American taxpayer.

The official says the Marianas inhabitants are "friendly, warm and open" and this means "they will make a nice addition to the American population." It strikes me the language the official has selected is normally reserved for pets, not human beings.

I ask unanimous consent that the Newsweek article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NEWEST FRONTIER

If all goes according to plan, the U.S. will soon acquire its first new territory since Swan's Island was annexed to American Samoa in 1925. Last week the inhabitants of the northern Mariana Islands, a 500-mile-long archipelago in the western Pacific, voted overwhelming to join the U.S. as a commonwealth. For both sides, there were advantages: the fourteen islands would get Federal aid of nearly $1,000 a year for each of their 14,000 residents, and the U.S. might someday use the islands as military bases, a role they played in World War II—first as Japanese outposts conquered in a storied U.S. campaign, later as the take-off point for the atom bombing of Japan.

Last week's vote was only the first of several steps leading to a possible union by 1981, when the U.N. trusteeship of the Marianas, administered by the U.S. since 1947, is expected to end. Next September, Congress is expected to ratify the plebiscite; then the President must approve a locally drafted constitution, which would give the new commonwealth control of all of its own affairs except foreign relations and defense. The islanders are "friendly, warm and open," said one official involved in the negotiations, "and they will make a nice addition to the American population."

NATIONAL COMMISSION ON SMALL BUSINESS IS NEEDED

Mr. GARN. Mr. President, the important role which small business plays in our economy today is fairly well recognized. However, I believe that the obstacles which small businesses are facing in the form of increasing Government regulation, burdensome taxes, and the ever-growing demands for real and financial resources are only now beginning to be fully appreciated.

The problems, aspirations, and needs of small businesses in this country were discussed recently at a conference held here in Washington by the National Federation of Independent Business. The conference sessions covered a wide range of issues affecting small businesses, including the prospect for new legislation, the influence of consumer activism, the effect of inflation and recession, the impact of antitrust and regulatory reform, the future of the Small Business Administration, the outlook for small business tax reform, and the effect of ever-expanding Federal regulation. In my opinion, this wide ranging list of issues underscores the deep concern which small businessmen have over a number of developments in the economy and the Government attitude toward them.

The need to make some sense out of all these issues was recognized by Senator TOWER, ranking minority member of the Banking, Housing and Urban Affairs Committee, who addressed the conference and called for the establishment of a National Commission of Small Business. I understand that Senator TOWER intends to introduce legislation shortly to accomplish this end. As ranking minority member of the committee's Small Business Subcommittee, I find Senator TOWER's proposal an intriguing one, and I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATER JOHN TOWER

The question of "What's in the Future for the SBA?" depends in large part on the answer to the questions "What's in the Future for Small Business in America?" and "What Role Should the Federal Government Play in Helping to Shape the Future of Small Business?" Once these two questions are answered, it will be possible to see what the future holds for the Small Business Administration and its efforts to aid small business.

Certainly, everyone recognizes the tremendous contribution of small business to the productivity of the American economy.

I am concerned, however, that small business may not be able to fulfill all of our hopeful expectations because we are unnecessarily hindering and frustrating its efforts at the very time we need them most. Small business is being unnecessarily frustrated and hindered, I believe, because of increasing government regulation and paperwork, an unnecessarily heavy tax burden, and Federal subsidy programs that are capable of helping only a very limited segment of the small business community.

Of all these, no factor is more critical to the future success of small business than the need to eliminate unnecessary government regulation and paperwork. The burden imposed on the private sector by increased government regulation and paperwork has increased sharply in recent years, and the effect which this has had on small business has been particularly pronounced. The paperwork burden is especially heavy for small businesses because they are not in a position to afford the sophisticated clerical staff needed to satisfy the bureaucracy's appetite for information and compliance. Because regulations often apply equally to both small and large businesses alike, and because the capacity of small businesses to comply with those regulations is limited, a greater proportion of the efforts of small businesses are being diverted away from productive into nonproductive channels.

The tax burden which small business bears in this country is another unjustifiable factor standing in the way of its success. It inhibits the ability of small businesses to expand and grow through the reinvestment of earnings, and forces the small business sector to rely more and more on credit markets where both government and other private interests are able to preempt the necessary funds. The recently passed tax bill has lightened somewhat the tax burden under which small corporate businesses operate, by raising the level of income which is exempt from the corporate income surtax.

But much more needs to be done to lighten the tax burden across the board for all small businesses, corporate and noncorporate alike.

Finally, efforts to help small businesses are not being felt generally by all those within the small business community. Ways need to be found by which the fruits of those efforts can be realized across the board, thereby expanding the opportunities for success which can be realized by the small business community in general.

What is really needed is less government involvement, less control and regulation, and more reliance on free market forces in a less restrictive environment.

At the same time, however, I believe the outlook for small business in this country continues to be very bright. The overwhelming majority of businesses in this country are small, which indicates to me that the door is still wide open for those who believe that new and untried ideas should and can be tested successfully in the marketplace. Small businesses also have the flexibility to adapt more easily to changing economic conditions and to meet the needs and demands of the public quickly. Small businesses also tend to be very innovative in their approach to meeting new and emerging demands. Finally, they are extremely well suited to compete in the service sector, which is a growing and expanding sector of our economy. With proper management, small business in this country will be able to compete and thrive if a proper environment is created for them to do so.

It seems to me that efforts on the part of the Federal Government to help small businesses at this point in time can take one of two routes. One route would be to continue providing subsidies to those individual small businesses which are aware of, or capable of, taking advantage of Federal subsidy programs. The drawback to this approach is that resources are limited and only a tiny fraction of the small business community can really be helped through such an approach. At best, this may be merely a holding action and not a means of really providing small business in general with the ability to thrive and compete on an ever-expanding scale.

This is not to say, of course, that there have not been success stories resulting from our present system of subsidizing small business. All of us are aware of businesses which received aid through one of the existing programs, and as a result became dynamic and successful business enterprises. But the benefits are not shared by millions of small businesses that could compete more effectively if a proper environment were established. It is interesting to note in this regard that surveys show a significant portion of the small business community is unfortunately not aware of, and cannot relate to, existing Small Business Administration programs.

The other approach would be to create a climate in which small businesses will be given greater opportunity to thrive and flourish. Such an approach should include a reduction in the existing tax burden on small businesses and the increased use of tax incentives for expanding investment in both fixed and human capital. This approach would be designed to assist the small business community in general, and would not be designed to aid any small business enterprise in particular. All small businesses would be treated alike, and the benefits would be available to all of them on the same basis.

Faced with the choice of these two approaches, it may be useful at this time to focus the nation's attention on small business by establishing a national commission on small business in America. In my opinion, this commission should be responsible for addressing three basic issues: One, the effect of government regulation on small business; two, the effectiveness of our current Federal subsidy programs; and three, the alternatives which are available for creating an environment in which all small businesses can be given the opportunity to compete effectively, expand to their full potential, and meet the emerging demands of an expanding economy.

The purpose of such commission would be to focus national attention on the problems facing small businesses and what can be done to solve them. It has been more than twenty years since such a review has been undertaken, and it is long overdue.

Depending on the outcome of such a review, the question of "What's in the Future for the SBA?" could be answered. If it is then felt that the present subsidy system should be continued, SBA would play an important role in seeing that such a system continues to be operated as efficiently and as pervasively as possible. If, on the other hand, it is felt that the approach should be to create an environment that is conducive to the successful and efficient operation of small businesses in general, then SBA could play an important role in providing the technical assistance, educational services, and counseling which small businesses will need to take advantage of the emerging possibilities in a freer and less restrictive economic climate.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the Record the notification I have just received.

There being no objection, the notification was ordered to be printed in the Record, as follows:

Office of the Director Defense
Security Assistance Agency and
Deputy Assistant Secretary
(Security Assistance), OASD/
ISA,
Washington, D.C.

Hon. John J. Sparkman,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 75-29, concerning the Department of the Air Force's proposed Letter of Offer to Saudi Arabia for an extension of Northrop Corporation's in-country training, maintenance and supply support of the Saudi F-5 aircraft program, at a cost of $119.5 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. Fish,
Lieutenant General, USAF, Director,
Defense Security Assistance Agency
and Deputy Assistant Secretary
(ISA), Security Assistance.

[Transmittal No. 75-29]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as Amended

a. Prospective Purchaser: Saudi Arabia.

b. Total Value: $119.5 million.*

c. Description of Articles or Services Offered: This amendment covers the extension of Northrop Corporation's in-country training, maintenance and supply support of the Saudi F-5 aircraft program for an additional six months from 16 August 1975 to 15 February 1976. This amendment also covers U.S. Air Force contract management services.

d. Military Department: Air Force.

e. Date Report Delivered to Congress: 25 June 1975.

GENERALIZED TRADE PREFERENCES FOR DEVELOPING COUNTRIES

Mr. FANNIN. Mr. President, last year the Congress passed and this year the President signed the Trade Act of 1974. This legislation enables the United States to proceed with the multilateral trade negotations. It is my belief that that very important piece of legislation will benefit the United States in years ahead. However, attention is called to one section of that bill which should not be misused. Title V of the Trade Act of 1974 provides for a system of generalized preferences to be granted to developing countries. It is the intention of the United States to assist these countries in their efforts to industrialize. A basic, underlying premise to inclusion of title U is that assisting developing countries better their economies will promote world peace. At the same time that this objective is being pursued, the United States must be careful not to let those countries take advantage of us as a result of our goodwill.

The Trade Act of 1974 requires the President to take into account the extent to which a developing country has assured the United States that "it will provide equitable and reasonable access" to its markets (section 502(c)(4).) This is a particularly acute item in connection with agricultural products. Many agricultural products that have been designated as possible items on which a generalized special preferences may be granted do not have market access to the markets of developing countries. It is only fair that, if the United States is willing to grant duty free treatment on particular products, similar U.S. products should be permitted to enter the markets of the developing countries subject only to a reasonable duty. Where such conditions do not exist, a generalized special preference should not be granted on that item.

Let me give you an example of the inequities currently being proposed. Inshell almonds, many processed citrus products, and processed avocado products are included among the items which are being considered by the President for generalized special preferences. One of the countries designated as developing is Brazil. It recently increased its duties on these products by 100 percentage points. In the case of almonds, the duty was increased from 55 percent to 155 percent. Mexico, designated as developing, will not grant licenses for citrus oil to be imported. These are only two of many possible examples. It is my belief that the President should not grant a generalized special preference on any item that cannot be exported from the United States to designated developing countries subject only to a reasonable tariff.

In taking action under title V of the Trade Act of 1974 the President is directed to have regard for:

(1) Effect on economic development of the beneficiary countries;

(2) Comparable action by other major developed countries; and

---

*This is an amendment to a case established 4 April 1972 which provided similar training, maintenance and supply support for the F-5 program.

(3) Impact on U.S. producers.

Consideration (2) refers primarily to the European Economic Community, Japan, and Canada which have had, for a time, generalized systems of preference for developing countries. The economic viability of their schemes, insofar as fruits and vegetables are concerned, is quite shallow. So much so, in fact, that if the U.S. GSP system goes much beyond theirs, the U.S. market will be the major recipient of preferential exports from the developing world. If the United States should offer greater preferential benefits, world trade distortions will inevitably follow.

While there is little significant difference in the lists of eligible countries, the EEC and Japan have far more stringent safeguards than are provided in the Trade Act of 1974. The EEC excludes from its GSP list of countries those to which it grants specialized preferences.

Fruit and vegetable commodities, for the most part, are covered by chapters 7, 8, and 20 of the BTN. The following table provides a simplistic view of the preference treatment by the EEC, Japan and Canada for those three chapters compared with the basic structure of BTN.[1]

Item	BTN	EEC	Japan	Canada
Chapter 7:				
Separate items	41	3	1	0
Other categories	4	1	1	0
Preparation	4	1	1	0
Duty free	NA	1	0	NA
Chapter 8:				
Separate items	42	14	11	0
Other categories	4	4	3	0
Preparation	4	4	3	0
Duty free	NA	9	6	NA
Chapter 20:				
Separate items	83	18	11	5
Other categories	8	5	4	1
Preparation	8	5	3	2
Duty free	NA	0	0	5

NOTES

Chapter 7—Edible vegetables and certain roots and tubers.

Chapter 8—Edible fruit and nuts; peel of melons or citrus fruit.

Chapter 20—Preparations of vegetables, fruit or other parts of plants.

Separate items: Refers to specifically provided commodities.

Other: Categories refers to basket provisions for unnamed commodities.

Preparation: Refers to specific processes or packages and includes fresh.

Duty free: Refers to zero duties for preferential entries.

NA: not applicable.

Trade opportunities offered to the beneficiary countries are, practically, somewhat less than indicated in the above data largely because a substantial number of the concessions are for noncommercial products.

Equally of interest is that none of the named commodities in the lists is commercially produced in the respective country.

Title V of the Trade Act should not be misused. The United States should be very careful in granting a generalized special preference on a particular item. Congress did not intend that as many items as possible be placed on the list of eligible commodities. Since the EEC, Canada and Japan have determined not to grant generalized special preferences on commodities produced in those countries, the United States would do well to follow their example. If there is a persistent effort to extend the generalized preferences on agricultural items, then it may be time to amend title V of the Trade Act of 1974.

NAVY FIGHTER POLICY

Mr. GARY W. HART. Mr. President, the Navy's recent decision to ignore the instructions of Congress by deciding against the new F–16 fighter in favor of a modified version of its F–17 competitor—now called the F–18—may have been done for reasons other than those so far publicly announced. John T. Hayward, a contributing editor of Government Executive, suggests in the magazine's June issue some political and historical reasons that have not so far been heard. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NAVY FIGHTER POLICY: "COMES NOW THE F–18?"

The Navy's recent "decision" to "buy" the F–18 fighter aircraft—which doesn't exist except on paper—is hard to understand . . . unless you assume they don't really want it at all.

More than anything else, the whole exercise recalls history to me—and after 34 years as an active Navy aviator, I believe I can justify some objective statements on naval aviation.

When I quit, I had more than 13,000 flying hours, and had flown more than 100 different types of aircraft; including French, British, German and Japanese as well as U.S.—almost every kind built from the immediate post-World War II period up through the F–111.

At the beginning of the jet age, right after that war, naval aviation was run by the most conservative type of people, technically. They had done a superb job in the war (with first-rate results like the F6F Hellcat); but like most successful people, they were not ready for change.

Thus, while the jet engine was revolutionizing aviation, more than one high admiral said no jet could operate from a CVA/aircraft carrier. And they coppered their bets with such compromises as the Ryan Fireball (a combination jet and reciprocating engine) and were strong for the turboprop. The A2D, A2J and the Tailsitter are monuments to their beliefs. But our concern here is with fighters.

While the F–86, one of America's most successful fighters, was proving its worth in the Korean war, the Navy was stuck with its Grumman F9F, a low-performance, overweight, underpowered fighter. Its Korean record was dismal and it couldn't compete with MIGs. So the Navy bought FJ–1's but, conservative as usual, said a swept-wing fighter could never operate from a CVA.

And its straight-wing *FJ–1* naturally was not in the same performance class with the *F–86*. About that time, the Navy came out with its first real modern jet combat fighter since World War II, the Chance Vought ***F8U*** *Crusader*—a plane that subsequently built an enviable air combat record.

I wouldn't be a bit surprised if it couldn't outperform the *"F–18"* in a fight.

Engines are the secret to a good jet aircraft. And when Navy realized this, they came out with a new fighter requirement. Basically, it had to go Mach 2 speed at altitude and land within 750 feet on an angled deck carrier. It had to have sufficient fuel for what is called a two-hour cycle time for the carrier; i.e., be able to fly as a fighter two hours and still have sufficient fuel reserve to return to the carrier.

The competition boiled down to just two. The ***F8U–3*** with a ***J–75*** engine and the ***F4H*** with two ***J–79*** engines. The reasons the ***F4H*** won should have taught us a great deal about what to demand of this *"F–18"* generation of aircraft.

But the *Crusader*, while it had good performance, required a mass of electronics which would have made it a maintenance nightmare aboard ship.

While I was Chief of Naval Development, we had worked long and hard, and spent millions, on improvements in interception radar. It was a technical step-up of the highest order.

(On retrospect, it is strange that we worked so hard and long in the technical areas to obtain all-weather capability, then find out that in any war short of an all-out one the chances of using such systems are small. Limited war requires use of what we call the "Mark One" eyeball before firing. The constraints inherent in such limited actions demand better identification than just firing at a radar blip).

Also, we could not imagine a lone ***F8U*** pilot at Mach 2, gazing into the radar scope and still being able to operate the whole system efficiently. That problem brought about a two-seater concept which, coupled with the all-weather, long-range requirement, eliminated the ***F8U*** from the competition for all practical purposes.

The record to date of the **F4** attests to the soundness of selecting it in 1954–55; but at the time, the idea of not only two engines but two seats horrified the "Hellcat Aces" of WWII. They quieted down when it first flew in 1958 and achieved Mach 2.6 speeds.

The evolution of the ***F–14*** out of the infamous ***TFX*** has been covered in detail and needs little added here. It is basically an expensive, heavy, twin-engine fighter using what one would call an air combat fighter.

The Navy named its missile system *Phoenix* because it rose out of the ashes of the *Eagle-Missileer* program Robert McNamara cancelled.

The same engine developed for the *Missileer* plane, the ***TF–30***, is in the ***F–111 and the F–14***. The whole ***F–14*** concept is another chapter in the running argument in the Navy and in the Congress—where Navy is always under fire for concentrating on carrier task force defense leaving nothing for the offense.

In addition to that argument, the ***F–14*** is party to another one: twin engines vs. single engined aircraft. But for all the heated emotion on the subject, about the only reliable conclusion that can be drawn from the statistics on fatal accidents is that two-seat air craft consistently kill more people than single-seat—a not entirely surprising fact.

Fatal Accidents/Fatalities for 1970–74:

A–4; *54/61;* A–7: *64/64;* F–8: *25/25;* A–6: *22/40;* F–4: *61/95.*

Fatal Accident Rate per 10,000 flying hours:

A–4: *0.464;* A–7: *0.666;* F–8: *0.692;* A–6: *0.430;* F–4: *0.646.*

As noted, the ***F4H*** selection had nothing to do with the dictates of safety. (Its accident record, incidentally, in its early operational phases was considerably higher than that of the much-maligned *F–111*.)

A more pertinent factor in the debate is cost. It is a little-known fact that the 15-year life cycle costs of an aircraft are more than 16 times greater than the acquisition cost. Carrier people know the fewer types of engines they have, the cheaper the whole operation becomes. It is one of the reasons we insisted on putting the *J–52* engine in both the *A4* and *A6;* the *J–79* engine in both the *F4* and the *A–3J* (that later became the *A5*).

The *F–16* having the same engine as the *F–15* is one of the major reasons for the *F–16* having an expected $1.3 billion savings in the life cycle costs compared to the *F–17* whose engine would be new and unique.

Which brings us to Navy's selection of the *"F–18"* as its Air Combat Fighter! How it could select an aircraft that lost both on cost and performance in an Air Force competition is really hard to rationalize. I believe the Navy did not want either the *F–16* or *F–17;* but wanted Congress to permit it to pursue its over-all program with the *F–14.*

---

[1] Basic structure from Department of State Pub. 7529. EEC from Regulation No. 3055/74 of the Council. Japan from GATT document TD/B/534. Canada from McGoldrick's Canadian Customs and Excise Tariffs.

The awarded contract is really just a "look-see" engineering one. Maybe it's true they expect Congress to stop it because it flies in the face of what Congress desired. If they do, they may hope the result of stopping it will be that, eventually, they will get the *F–14*'s they desire—after some time lapses and they can point out they have too few fighters to man the carriers.

Or they may have picked a loser because they think it will make Congress happy to spread the work around on fighters and help solve unemployment problems.

So they may get the *F–18* they don't want, anyway.

If they do, it will be history repeating itself. The Navy will once again not have the available top-line fighters it needs.

As an experienced aviator, I say it was a poor decision.

S. 1 HAS MANY FACETS AND IS MASSIVE

Mr. HRUSKA. Mr. President, in President Ford's Message on Crime to Congress on June 19, 1975, laudatory reference is made to pending Senate bill S. 1, the Criminal Justice Reform Act of 1975, a bill with which I have been connected for the past 10 years, and which is a massive effort to codify and revise the criminal laws of the United States.

In view of its broad purposes, S. 1 necessarily touches upon many areas of the Federal criminal law which are of great concern to the people of this country. In any attempt to deal with such volatile issues as capital punishment, the insanity defense, appropriate lengths of sentences, increased sentences for special dangerous or repeat offenders, new sentencing treatment of certain marihuana offenses, and parole and probation to mention just a few, some opposition to any position taken is to be expected. Indeed it is even welcomed in the interests of informed debate so that the crucible of Congress, representing the people, may decide. It should be remembered that in addition to the controversial provisions, there are also dozens that are unquestionably advances: Expanded recognition of civil rights; compensation for victims of violent crimes; increased fines for regulatory offenses currently inadequately deterred; prohibition of "dirty tricks" and other political tactics of Watergate fame; and a tighter crackdown on organized crime, to name only some.

The controversial provisions must not be considered in a vacuum: For example, the increased sentences for some crimes must be considered together with the lowered sentences for others—including the lowered sentence for noncommercial possession of small amounts of marihuana—and together with S. 1's innovative concept of appellate review of sentences.

One particular area of controversy needs special mention, as it has been the area of some press criticism. I mention it to avoid the impression of intractability on my part. That is the area of punishing those who "leak" secret Government information. Let me hasten to assure the press and others, that this is still an open area to change in the bill. We are still attempting to define that area where disclosure of Government information may be made permissibly without undue harm to the Nation—indeed, perhaps with benefit to the Nation—and to differentiate that area from the area where disclosure would be unduly injurious in terms of the national defense. I am sure all will recognize what a difficult endeavor this is. We have been receiving much helpful information from many sources in this regard, and hope to continue to receive it.

Already since May of this year, a new tentative draft of these provisions has been under consideration, which strikes the balance in a way more favorable to disclosure than the preceding draft against which much of the criticism seems to be directed.

Similarly in the process of being worked out in the bill, with changes already in the process of drafting, is the difficult problem of when interference with Government functions, and conduct or exhortations presenting a risk of violence, should and should not be permitted, having due regard for considerations of free speech and the benefits and dangers that may flow from the conduct.

On these and other matters in the bill, I wish to make it clear that I retain an open and receptive mind. The arguments brought out in the hearings over the preceding 4 years, and in the extensive work of the National Commission on the Reform of the Federal Criminal Laws, upon which S. 1 builds, and by others, have been, and will continue to be, enormously helpful in this regard.

S. 1 has several hundred provisions. Several, as I mentioned, are still in flux. Several may still need improvement. Most, however, are unquestionably sound. We should not lose sight of the fact that stating the Federal criminal laws all in one place, in a rational fashion, for the first time, is beyond doubt something that is long overdue. S. 1 will accomplish that objective, to the immeasurable benefit of all in the criminal justice system and the country generally.

THE PEOPLE OF THE NORTHERN MARIANAS HAVE SPOKEN—BUT WHAT ABOUT THE AMERICAN TAXPAYER?

Mr. GARY W. HART. Mr. President, last Friday, June 20, 1975, President Ford issued a statement through the White House press office complimenting the people of the Mariana Islands for their recent vote in favor of the annexation of their homeland by the United States. That this vote came out the way it did had more to do with the extravagant promises of huge cash payments and endless Federal subsidies—as well as a one-sided, procommonwealth "education campaign"—than it did with a free expression of the will of the islanders.

President Ford did not comment on the triumph of advertising techniques which the June 17 plebiscite represented, and he said nothing about the fact that the American taxpayer and the U.S. Congress have not yet been consulted on the subject of why we need a new colony in the far reaches of the Pacific Ocean. He did promise, however, that Congress would soon get a chance to examine the promises of his personal representatives made to insure that the plebiscite came out as it did.

President Ford tells us that "the people of the northern Marianas have now spoken." There is no question about that, but what he failed to say is that less than 5,000 islanders and a handful of U.S. Government officials are about to steamroller the 200 million citizens of the United States. This is a clear case of the tail wagging the dog because the American people have heard little or nothing about what benefit all of us get by creating a few thousand new citizens. It is time that Congress had a say in this matter, and I trust that the appropriate committees will examine in depth the financial, diplomatic, and military implications inherent in the administration's desire to set up a colony.

I agree with President Ford that "the people of the Northern Marianas have spoken," but the time is long overdue for the American taxpayer to speak.

I ask unanimous consent that the President's press release on the Marianas plebiscite be printed in the Record.

There being no objection, the press release was ordered to be printed in the Record, as follows:

The White House.

Statement by the President

I would like to take this opportunity to extend to the people of the Northern Mariana Islands my personal greetings and to convey to them my pleasure with the results of the plebiscite held on June 17, 1975. I have been informed that a substantial majority has voted in favor of the Commonwealth Convenant in free and open balloting observed by the United Nations and preceded by a fair and impartial education program. I wish personally to congratulate and commend all of those who were responsible for the conduct of the plebiscite, including the Plebiscite Commissioner and his staff, the Voter Registration Board and the Plebiscite Advisory Committee.

The people of the Northern Marianas have now spoken. The next step will be consideration of the Covenant by the Congress of the United States. I intend to submit without delay the Covenant to the Congress with my strong endorsement for its early favorable action. It is my earnest hope that we may look forward to further steps in the near future which will move the people of the Northern Mariana Islands still closer to the long-desired ultimate goal of political union with the United States. I know the American people join with me in sending to the people of the Northern Mariana Islands our warmest regards.

VIRGINIAN RETURNS TAX REBATE TO GOVERNMENT

Mr. HARRY F. BYRD, JR. Mr. President, just recently I received a letter from a constituent in Sandston, Va., in which he enclosed his $200 tax rebate check.

This is one of the most thought-provoking communications I have ever received. I think his message should have careful consideration by my colleagues.

Mr. President, I ask unanimous consent that the text of this letter and enclosure be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

JUNE 10, 1975.

DEAR SIR: Will you please have this check voided and use the money in the following order:

1. 50% to the national debt.
2. 25% to Vietnam veterans who lost a war because politicians lost a will to win.
3. 10% to a benefit fund for any congressman who will be truthful about the communist threat and vote against bills giving my money to welfare rogues.
4. 10% to defeat bills as congressmen vote to serve themselves. (See enclosed article.)
5. 5% to defeat school bussing and rid the country of a bad judicial system.

This check represents 20% of my savings account but never would I spend it in the face of what is happening in our country today. If you can't help or disagree please forward it to the I.R.S.

Thank you very much.

GENEROSITY ON THE HILL

In times of economic distress, too, Congress looks out for No. 1.

The House Administration Committee on Tuesday granted more than $10 million in new benefits to members of the House.

It increased the staff allowance for each member from $204,720 to $227,270. It increased each member's number of free trips home each year from 18 to 32. It decided to pay the printing costs of two newsletters to constituents from each member each year.

The cost of running Congress has doubled in a mere five years, tripled in the past 10. The number of Senate and House employes has jumped from 10,000 to 17,000 in five years.

Our lawmakers don't do badly at all, financially speaking. The salary is $42,500 a year. Then there are liberal retirement benefits after as little as five years' service, free mailing privileges; free parking; telephone, telegraph and stationery allowances; free swimming pools, gym, steam rooms and masseurs, and low-cost government-subsidized meals in private Capitol dining rooms. Senators even get free haircuts.

Congress is in the enviable situation of not having to ask anybody for more money. It just decides it needs more, and, presto! There it is.

Thanks, of course, to the taxpayers.

Mr. HARRY F. BYRD, JR. I opposed the Tax Reduction Act of 1975. Not that I am against lower taxes—I think taxes are too high—but because of the record Federal deficits and Federal spending which is out of control. Increased inflation, higher intrest rates and widespread unemployment affecting all of our citizens has been a result of these Washington policies.

Yet here is a citizen willing to return to his Government an amount equal to 20 percent of his savings because he—better than so-called Washington experts—realizes that the country is headed in the wrong direction. And the gentleman added that he is returning his tax rebate because "I think it is time for middle America to speak up and be heard."

I agree.

I urge my colleagues' close attention to this taxpayer's sincere and thoughtful message. As he requested, I have forwarded his $200 tax rebate check to the Internal Revenue Service.

FEARS ON REFUGEES CALLED UNFOUNDED

Mr. MORGAN. Mr. President, a few days ago, I rose on the floor of the Senate to comment on a trip I had taken to Eglin Air Force Base to personally inspect the Vietnam refugee camp there. I stated in my report to this body that, contrary to some allegations, I had found the camp to be well-managed, clean and orderly and the spirits of the people high. I was impressed with the demeanor of the refugees I talked with and observed and felt then that surely reports I had read that these people were largely illiterate and improper for resettlement must be without factual basis.

For this reason, I was delighted this morning to see on the front page of the New York Times an article titled "Fears on Refugees Called Unfounded," based on a report by the President's Interagency Task Force on Vietnamese Refugees. In short the report shows that aspersions previously cast upon these homeless people were without foundation and that the great majority of them are in fact responsible persons, "mostly affluent, educated and from middle-class backgrounds."

I think this study is very significant in furthering our understanding of these people to whom the people of America have extended the hand of friendship and, therefore, I ask unanimous consent that this article titled "Fears on Refugees Called Unfounded," from the Friday, June 27, 1975, New York Times, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEARS ON REFUGEES CALLED UNFOUNDED

(By Douglas E. Kneeland)

CAMP PENDLETON, CALIF., June 26.—The frequently expressed fears of many officials and others dealing with the South Vietnamese refugee program—that thousands of those who fled as Saigon fell to the Communists would be illiterate people for whom resettlement would be difficult—appear to have been unfounded.

The first sociological studies by the President's interagency task force on Indochina refugees showed that the Vietnamese group was mostly affluent, educated and from middle-class backgrounds. Large numbers of them also speak English.

One computer study of the records of 52,951 refugees showed that almost 90 per cent of the 10,039 who classified themselves as heads of households had a high school, college or post-graduate education. In fact, 33 per cent reported they had done university or post-graduate work.

Another, broader study bears out the government's longstanding contention that large numbers of women and children among the refugees would minimize the impact on the job market.

The Government had estimated that only about 30,000 positions would be needed to take care of the newcomers. So far only about 40,000 of the refugees have found sponsors and left the military bases where they are being housed.

The second study, involved 177,106 of the approximately 130,000 refugees, has found that 45 per cent were under 18 years old, about 16 per cent between the ages of 18 and 24 and about 27 per cent between 25 and 44. It found 52.3 per cent were male and 47.7 per cent female.

The smaller survey found that 31 per cent of the heads of households had professional, technical or managerial skills. Of the remainder, 13 per cent were in clerical or sales work; 12.3 per cent in service industries; 10.9 in farming, fishing, forestry and related industries; .03 per cent in agricultural processing; 1.2 per cent, machine trades; 1.5 benchwork, assembly and repairs; 1.9 per cent, structural and construction; and 26 per cent, transportation and miscellaneous. Five per cent did not indicate their occupation.

For weeks, some persons involved with the resettlement of the refugees have been particularly worried about the and jobs for the large numbers of untrained escapers they assumed made up a major portion of the last wave to flee by boat.

However, these studies and others showed that the last to leave were not markedly different from those who left earlier by plane. Most, also, were middle-class, fairly well educated or well-trained, and many spoke some English.

Aside from the statistical studies, officials here at Camp Pendleton have noticed little difference between the late arrivals and the earlier ones.

NO "RICE PADDY" TYPES

"I don't think there has been a tremendous difference," Marine Lieut. Col. Arthur P. Brill, the Department of Defense spokesman here, said today. "There has been some. There have been more military people. But there was a lot of speculation that we'd be winding up with a lot of illiterates and that doesn't seem to be true."

To the contrary, Colonel Brill said that studies here had shown that 50 per cent of the adult refugees speak some English.

One spokesman here, who asked not to be named, added, "We've certainly not getting the rice paddy type in."

Camp Pendleton is now housing 18,500 refugees, the most it can.

In Washington, Elinor Green, chief spokesman for the task force, said in making available the results of the group's studies:

"We never agreed with the assumption on the part of the people who claimed they [the last to leave] were all fishermen and farmers because they were the only ones who had access to boats."

Contending that most of the last waves of refugees were middle-class and well educated, she added:

"A lot of people who couldn't make it on a plane had a fall-back position. Some people sank all their money into a boat.

She cited task force studies conducted nearly a month apart at the Asan Camp on Guam to support her contention.

In the first survey on May 6, shortly after the first refugees arrived there, 1,220 persons were interviewed.

Of those, 15 percent were classified as skilled, 33 per cent classified as professionals, 50 as housewives or students, and 2 per cent as unskilled.

In the later survey on June 1, after most of those who fled by boat had arrived, 1,181 persons were interviewed. Of those, 23 per cent were classified as professionals, 66 per cent as skilled, 4 per cent as housewives or students, and 7 per cent as unskilled.

As examples of the types of persons who fled in the different waves of escape, she noted that there were 22 doctors or persons in related fields in the first group and 13 in the second. However, she said, there were only 12 nurses in the first group and 15 in the second.

The first group had 25 engineers, the second, 17. Twenty-five pilots were in the first, 22 in the second; 22 technicians in the first 20 in the second.

The first group had 25 engineers, the second, 17. Twenty-five pilots were in the first 22 in the second; 22 technicians in the first, 20 in the second.

However, in some areas, there were greater discrepancies. For instance, 51 business managers were in the first group and only 4 in the second; 34 secretaries in the first, three in the second. Presumably this was because many persons who worked for the United States Government or American companies were flown out early.

The second group also had many more military men, police and civil servants who fled at the last minute. There were 148 senior military officers in that group compared with eight in the first; 41 policemen compared with none in the first; and 68 civil servants compared with none in the first.

A NEW MILITARY COLONY IN THE PACIFIC

Mr. GARY W. HART. Mr. President, on Saturday, June 21, the Washington Post carried an editorial comment raising a number of important questions about the administration's plan to set up a new military colony in the Pacific. The Post rightly asks how new territories fit into our Asian defense policies, considering we already have a multitude of bases in the area. The editorial calls on Congress to ask a few questions, not only about the strategic rationale, but also about whether it is correct policy to dismember the whole of Micronesia because 10 or 15 percent of the Micronesians seem to want it that way.

No doubt Members of Congress will be surprised to discover that the administration's plans have developed as far as they have, for plans are to separate the Marianas' Government from Micronesia's, even before Congress gets a look at the arrangements promised.

There can be no question that this Congress should take a hard look in the appropriate committees of the political, diplomatic, and strategic reasons for the White House proceeding as it is.

I ask unanimous consent that the Post editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Vote in the Marianas

The plebiscite held Monday in the Marianas moved the remote Pacific archipelago a long step toward permanent political union with the United States. An emphatic 78.5 per cent of the 4,650 voters asked to separate their 12 islands from the 2000-island United States Trust Territory of Micronesia in which they have been grouped since World War II. They want to become American citizens in a commonwealth of the United States. The President is about to ask the Congress to accept the commonwealth "covenant" on which the Marianas voted and to start taking the other steps necessary to put it into effect over the next five years or so. In return for receiving the Marianas, the United States is to get the opportunity to develop military bases there; the specific terms are elaborated in the "covenant."

We salute the Marianas on their vote. But we think the Congress ought to make haste in acting on it. For while the principle of self-determination is being handsomely served in the Marianas, it is being served in the name of American strategic conceptions which were laid down some years ago and which may or may not be relevant now. The American purpose in promoting commonwealth has been to provide a secure "fall-back" location for military bases from which to support American commitments on Asia's Pacific rim. But the United States already has the bases, and the vast ocean reaches, which it needs for strategic deterrence. It surely cannot be considering new bases for the purpose of fighting another war on the Asian mainland. And it remains to be demonstrated just how or why it would need to support its commitments to, say, Japan, Taiwan or the Philippines, if bases in those countries themselves were no longer available. Dr. Kissinger declared the other evening that the United States would not "turn away from Asia." But he did not indicate that new bases were necessary. On the contrary, his emphasis was, properly, on strengthening old relationships. How do the Marianas fit in?

We think, therefore, that Congress should look with a beady eye at the strategic rationale for absorbing the Marianas. This will force it at the same time to ask why the Marianas should be separated from the five other districts of the Micronesian Trust Territory, which includes about 100 *inhabited* islands (120,000 people) spread over an area the size of the continental United States. It is quite true that the Marianas feel themselves to be separate and that there is scant unity or consensus evident among the Micronesians. But the question remains unresolved of what the political future of the five other districts should be. This is not so much a reason to back off from the Marianas commonwealth as to hold off a final decision on it until the choices for the other districts are clarified. Their future may turn out to be different, but the process of determining it ought to be related to the process involving the Marianas.

THE RESUMPTION OF STRATEGIC ARMS LIMITATION TALKS

Mr. HUMPHREY. Mr. President, in the coming weeks the United States and the Soviet Union will have an important opportunity to make significant progress in the strategic arms limitation talks in Geneva. There are a number of unresolved issues that will be considered by the negotiators. It is my sincere hope that many of the remaining issues which stand in the way of completion of SALT II can be settled soon so that the momentum generated for sensible strategic arms control will not be lost. I think that it is fair to say that the success in the field of control of strategic systems influences the willingness of both the United States, the Soviet Union and others to consider arms control negotiations in such critical areas as nuclear nonproliferation and conventional armaments.

Recently, the Minneapolis Tribune addressed the issue of the upcoming SALT talks in a forthright and commendable manner. In an editorial entitled, "The Urgency of Arms Control," the Tribune dealt with the importance of making substantial progress at SALT as well as discussing the very vexing problems of cruise missile development. The editorial also mentions the desirability of strong support for the budget of the Arms Control and Disarmament Agency. The Foreign Relations Committee intends to complete consideration of the ACDA budget in early June. At that time I intend to offer a series of amendments drafted by Congressman Zablocki to upgrade the role of the Arms Control Agency.

Mr. President, I ask unanimous consent that the above-mentioned editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Urgency of Arms Control

Strategic arms limitation talks (SALT) résumé in Geneva July 2 on subjects that, like the vocabulary used in discussing them, are to most of us all but incomprehensible. Comprehension could really come only from experience, which the world fortunately has been spared since the destruction of Hiroshima and Nagasaki 30 years ago. Fred Ikle, director of the U.S. Arms Control Agency, puts it this way: "Nuclear strategists of all countries analyze a shadow world of abstract calculations. We are not moved by compassion, and the corrective mechanism of learning from experience cannot work.

We mention this to emphasize that the numbers under discussion in SALT are something different from numbers of tanks or airplanes or bushels of wheat. Consider: The Soviet Union is evidently replacing its older SS9 intercontinental missiles with a newer, bigger variety called the SSX18. The SSX18 can carry half a dozen separate warheads or one quaintly called a "city-buster" with a destructive force of up to 25 megatons. That is about 1,000 times as powerful as the bomb used on Hiroshima. The total force of nuclear weapons ready for launching by the United States and the Soviet Union is measured in the thousands of megatons on each side.

The SSX18 is an example of the qualitative improvements permitted under previous SALT agreement, not cheating, it would appear, but something less than enthusiastic pursuit of arms limitation. The same can be said of two other Soviet missiles, which Defense Secretary Schlesinger said Friday are now deployed with multiple warheads—the kind used for years in U.S. missiles.

For its part, the United States has sought to maintain a long-held technological advantages to offset the greater destructive power of the Soviet arsenal. Oversimplified, this means that the United States has more warheads on fewer missiles, but with greater accuracy. The Russians have more "throw weight"—bigger missiles and megatonnage—fewer warheads, less accuracy.

A different kind of qualitative improvement undertaken by this country is the cruise missile—a relatively low-cost device that operates like a pilotless airplane. At less than $1 million apiece, it can be used for tactical (non-nuclear) purposes such as naval warfare. ("Low-cost" fighter planes now run around $6 million.) But with increasing engine efficiency, which extends its range, and with improved guidance systems, the cruise missile is adaptable to nuclear-weapons use as well. It will be tested next year and could become operational shortly afterward. It is not covered by existing SALT agreements.

There's a dilemma here. Those who warn that the cruise missile and other U.S. advances in weapons development fuel the arms race have a point. But those who say that the Soviet Union is spending more on strategic weapons have an equally valid point. Taken together, those arguments lead to the unsurprising conclusion that neither country is willing to stand idly by when the nuclear threat posed by the other is growing or is suspected of growing. Which brings us back to the importance of SALT.

President Ford has had much to say about the importance of maintaining American military strength. He has said less about the danger to national security from expanding nuclear arsenals on both sides. ". . . what in the name of God is strategic superiority?" Henry Kissinger asked a year ago. "What do you do with it?" Mr. Ford need not take that kind of impassioned but rhetorical approach to give arms control a greater sense of urgency. It would be enough for him to say that no military issue transcends the importance of SALT and to give the arms-control agency the budgetary support it now lacks.

THE GANDHI COUP

Mr. PELL. Mr. President, what was the "world's largest democracy" is no longer. India has been pushed by Prime Minister Indira Gandhi to the brink of totalitarian rule. Hopes that the current crisis resulting from her violations of Indian electoral laws in 1971 could continue to be settled peacefully have been dashed.

It is difficult to agree with Mrs. Gandhi's statement that "this is nothing to panic about." Overreacting to the mounting tide of opposition to her rule, she has declared a state of emergency, imprisoned hundreds and perhaps thousands of her opponents, and muzzled the once-free Indian press.

As one who has followed developments within India for many years, I must admit that the events of recent days have not come as a total surprise. India has had a long record of resorting to force versus her neighbors, including Goa, Pakistan, and most recently, Sikkim. Now, Mrs. Gandhi has resorted to force against many of her own people.

In retrospect, Sikkim provided an indication as to the new tenor of Mrs. Gandhi's rule. Using the pretext of following the will of the Sikkimese people, India cynically absorbed that once proud and independent state. Sikkim is no longer sovereign, but merely the smallest and newest of India's 22 Provinces.

The real tragedy of what is hopefully only the temporary interruption of democracy in India is that Mrs. Gandhi's pronouncements do nothing to alleviate the serious internal problems confronting India today. Many of the 600 million inhabitants of this country face a bleak future of poverty, disease, and suffering, while the Government has done little to root out corruption or limit social tensions. Indeed, Mrs. Gandhi's state of emergency, which she claims is intended to save democracy, will only serve to further undermine it while postponing efforts to come to grips with India's fundamental challenges.

I ask unanimous consent that an editorial from the New York Times of today, June 27, entitled "The Gandhi Coup," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Gandhi Coup

Democracy has ended in India for the time being. We profoundly hope that it will soon return to what was until yesterday the world's largest democratic state, but it is certainly hard to be optimistic for the immediate future.

For all practical purposes Prime Minister Indira Gandhi is today the dictator of India, the chief beneficiary of the coup she carried out yesterday when she proclaimed a state of emergency, fastened censorship upon the country, and ordered nearly 700 of her chief political opponents imprisoned. What began earlier this month as a constitutional crisis, a confrontation between an Indian judge and the Prime Minister, has now brought about the most significant political change in India since that country achieved independence.

In her speech to the nation yesterday morning, Mrs. Gandhi sought to justify her unprecedented moves. She alleged the existence of a "deep and widespread conspiracy" to frustrate her "progressive measures of benefit" to India's common people. She complained of agitation, murders, incitement of the armed forces to mutiny, and "all manner of false allegations" hurled against herself. Her speech was very much in the spirit of her remarks last week when she complained publicly about the difficulty of struggling with India's unemployment problem "when constantly we are being attacked, when constantly as we try to build society there are people who have power and strength who try to break down what we are doing."

It must be conceded that opposition leaders contributed to the breakdown of democratic procedures by calling for extra-legal actions, including widespread civil disobedience, when they still had recourse to legitimate means of achieving their goal of removing Mrs. Gandhi from office. The court case was continuing and national elections were imminent, constitutionally mandated to take place not later than next February.

Yet if the Prime Minister and her party had the overwhelming popular support they claim to have—or even if they had not—could they not have withstood the challenge of civil disobedience without taking the repressive measures that have now been adopted? It is almost as though former President Nixon, while in office, had answered the anti-war protesters by imprisoning the entire spectrum of opposition political leadership from George McGovern to George Wallace and imposing censorship upon all American media.

Two root causes help explain India's current agony: the nation's terrible poverty while the population continues to expand, and the divisiveness of the many tongues, cultures and religions embraced by the great variety of India's people. Last January a perceptive American observer of India, Ved Mehta, himself a native of India, wrote of his latest trip home: "There is a sense of looming calamity here, a sense of danger." Mrs. Gandhi's coup has vindicated those fears and precipitated an ominous crisis in her country's crisis-strewn history.

THE MARIANAS OPT FOR COMMONWEALTH

Mr. GARY W. HART. Mr. President, on these pages in the last few days I have tried to make the Senate and the American people aware of some of the questions the administration has not answered about its plan to make the Mariana Islands a new colony of the United States. This task has been made necessary because the White House has already proceeded far down the road toward accomplishing this purpose, but has so far told the Congress and the American people very little about how the Nation will benefit from acquiring new lands and new citizens. Perhaps the lack of general information on this subject is intentional in order to cover, until it is too late to turn back, the details of promises made to the people of the Marianas, promises which will cost the American taxpayer much in dollars and might also vastly change our foreign and military policies.

Acquisition of the Marianas by the method the administration has chosen to accomplish it also raises yet again the fundamental question of whether Congress has a right to participate in the formation of foreign and military commitments before the bill arrives. Many of us feel very strongly our obligation to do what the Constitution and our constituents require and expect of us. For this reason, I hope that the Senate will make a full and complete examination of this subject in the appropriate committees.

I ask unanimous consent that an editorial raising still more questions from the Baltimore Sun of June 19 be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Baltimore Sun, June 19, 1975]

The Marianas Opt for Commonwealth

The lopsided vote by northern Marianas islanders to make their tiny land a U.S. commonwealth promises the Pentagon a convenience it has long coveted. It also points the American-administered Trust Territory of the Pacific Islands toward uncharted legal waters. For the U.S. military, making American soil of the Marianas would make them, with Guam, a potential forward base area with no risk of the political complications that have been growing in Japan, Thailand and the Philippines. Such an expansion of the Guam base from which American B-52 bombers struck Indochina might help somewhat to offset the diminishing American presence in Southeast Asia. More importantly, to many Pentagon thinkers, it would make Hawaii and the West Coast safer by keeping any enemy from establishing bases not only in the Marianas but anywhere in Micronesia.

American officials cite Puerto Rico as a precedent for what is proposed for the Marianas, though it is harder to imagine the Marianas, with 14,000 people, as an independent country, the technical premise for commonwealth status. How one-sided the political relationship could become is suggested by some considerations—welfare checks, food stamps and $14,000,000 a year in U.S. tax support—that weighed in favor of commonwealth status during the debate leading to Tuesday's plebiscite. More troubling, legally and morally, is the prospect of splitting off this somewhat Americanized portion from the larger Pacific trust territory in Micronesia, which the United Nations envisioned as a single entity when it was put under U.S. administration. Ethnic and geographic lines tend to reinforce each other in dividing the area, and lend some weight to arguments for political separation. But the other island regions of Micronesia are already protesting the plan to split off the Marianas. The U.S. Congress, which is expected to vote on the commonwealth covenant within a year, and the United Nations Security Council, which must eventually approve any end to the trusteeship mandate, can be expected to debate the wisdom of separating a key archipelago from the rest of the vast oceanic region.

The islanders' overwhelming vote puts the United Nations in an especially delicate position. The Security Council will not vote on the issue for at least five or six years, so there is still time to work out plans for the rest of the territory. But responsibility for the future of Micronesia as a whole rests most directly on the U.N. If Washington has no plan satisfactory to the rest of the islands by then, the Council could well face an impossible choice between rejecting the results of a U.N.-observed plebiscite in the northern Marianas and rejecting vocal demands by elected leaders of the rest of Micronesia that the Marianas remain in the territory.

GOVERNOR BYRNE'S MESSAGE ON OLDER AMERICANS

Mr. WILLIAMS. Mr. President, Gov. Brendan T. Byrne has taken significant steps to assure that the elderly of New Jersey receive due attention by his administration.

He has, for example, created a cabinet-level task force which actively involves the participation of all cabinet members who have responsibility for the implementation of the Older Americans Act and nutrition programs, as well as those responsible for welfare and institutional programs, health, transportation, housing, and legal representation of the elderly through his cabinet-level public advocate.

In addition, under his administration the State office on aging was elevated to the status of State division on aging.

The Governor's position on many issues related to aging was vividly expressed recently in a statement he gave before a hearing conducted by the House Select Committee on Aging at a legislative conference of the National Council of Senior Citizens.

Governor Byrne presented a masterful summation of major issues facing the State. For example, he points to the unmet need in housing, a matter of special concern to me as chairman of the Subcommittee on Housing for the Elderly, Senate Special Committee on Aging. But he also provides important suggestions for responding to those needs at a time of challenge and heavy demands upon State and Federal Governments.

Mr. President, the Governor's statement is a useful summing-up on matters that should receive widespread attention. I ask unanimous consent to have it printed in the RECORD.

In addition, I will invite testimony on several matters discussed by the Governor when I conduct hearings in the near future in New Jersey on "Future Directions in Social Security: The Cost of Living as it Affects Older Americans."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATE OF NEW JERSEY,
OFFICE OF THE GOVERNOR,
Trenton, June 9, 1975.

TESTIMONY OF GOVERNOR BRENDAN T. BYRNE BEFORE THE HOUSE SELECT COMMITTEE ON AGING

Mr. Chairman, thank you for permitting us this opportunity to tell you a few things about the aging situation in New Jersey, and to make a few suggestions on changes in the proposed Amendments to the Older Americans Act.

New Jersey is proud of its past record in examining the situation and needs of its seniors. We were the first State to establish a full time Division on Aging in State Government. We were in business some seven or eight years before the Federal Administration on Aging, and a number of concepts and programs that the Administration on Aging has developed across the country originated in our Division. The present Area Agency concept is the latest New Jersey innovation picked up by AoA.

First, I would like to speak briefly about three broad areas not part of the Older Americans Act direct responsibilities, but which affect strongly the lives of our seniors.

I would like to begin by emphasizing that our current national economic picture has caused severe hardships for many of New Jersey's elderly. I am sure that other states face a similar dilemma.

An increasing number of New Jersey's aged residents are becoming more dependent on Social Security benefits, Supplementary Security Income, Food Stamps, and other public assistance programs. The aged population of the State is presently estimated to be at least 800,000, of which approximately 84 percent is receiving Social Security payments.

As you are probably aware, the low income elderly are faced with a higher rate of inflation than the average CPI (Consumer Price Index) family during the current inflationary period because they spend a larger proportion of their budgets on necessities—food, fuel, housing, medical expenses—which have recently experienced higher rates of inflation than other items in the index. We must also consider that such factors as rigid habits, dental deficiency, limited mobility, general poor health, combined with high inflation to make it difficult for the aged to "shop around," "economize" or substitute lower cost, lower quality food for their present purchases.

These factors are further compounded by middle-income consumers who are now dramatically increasing the price of traditionally low-cost foods by increasing the demand for them. A few examples will illustrate how rapidly the prices of these heretofore "cheap foods" have risen: frying chicken up 244%; potatoes 252%; pork sausage 209%. On the other hand, beef and veal—typically middle class foods—climbed only 75% during the last year. The major result of these drastic price increases in food commonly purchased by the aged and the poor is decreased consumption, particularly of foods which are vital to sustaining good health. The cost of food consumed away from home has risen even more sharply than supermarket prices, severely hurting those aged who lack the facilities or capability to cook for themselves.

In addition to food costs, fuel, utilities and housing costs are mounting at a frightening rate. We find that one-fourth of all homeowners over the age of 62 have incomes of less than $4,000, hardly sufficient to cover 90% increases in fuel and electricity, rising property taxes and spiraling food costs. Aged renters are not immune from the effect of inflation. Landlords traditionally pass on to their tenants the rising costs of fuel and electricity by either or both of two means—reduced service or increased rents. This situation should not be tolerated for any of our citizens, least of all our elderly.

New Jersey has researched the possibility of a State program of utility stamps or utility rate reductions for the low-income senior citizen. Yet, financially-strapped State governments simply cannot afford to undertake a utility stamp plan. Nor can relief be accomplished by rate restructuring; middle class citizens are already up in arms over increases in utility rates and industry threatens to leave the State if their rates are further increased.

Action must be taken at the Federal level. It is good that experiments with utility stamps are being conducted in several cities, but stronger action is needed. Rates continue to rapidly increase. While we have had two very mild winters, we cannot expect this to continue. If action is not taken soon, low-income senior citizens will find themselves simply unable to pay for gas, electricity and fuel oil. We ask this Committee to make implementation of a utility stamp program a major concern.

Fnally, many of our elderly who are seeking employment in an attempt to lift themselves from this economic crisis face a hopeless situation. Discrimination against employment of the aged has long been a problem and with New Jersey's seasonably adjusted unemployment rate at 11.6%, the highest in years, there is little relief in sight. Often unskilled and with low levels of education, they are the "last hired and first fired." If they are black or Hispanic—a minority within the aged minority they face double jeopardy.*

In brief, an analysis of the relative impact of inflation on aged couples in the State, based on the distribution of their budget expenditures, indicates that the elderly in New Jersey experienced at least 23 to 28 percent more inflation than the typical CPI family from August, 1973 to August, 1974. Rapid price increases, accompanied by inadequate compensation for losses in real income, has placed serious constraints on the budgets of the aged. It is impossible to determine what kinds of individual tradeoffs senior citizens have been forced to make in their budgets among medical care, housing, heat and food.

I strongly urge that Federal increases in SSI benefits, to compensate recipients for increases in the cost of living, should be passed on by the State in order to compensate them for decreases in real income. New Jersey did not pass on the latest Federal increase in SSI benefits to the recipients because it would have had to bear the full expense of the increase. Some incentive should be included in Federal legislation to encourage the states to pass on cost of living increases to beneficiaries.

Furthermore, Social Security and SSI benefits should be adjusted more often so that benefits keep pace with the rapid rise in the cost of living. Since lags in cost of living increases are inherent in the current system, general funds should be appropriated by the Congress to be available for immediate increases in public assistance payments during periods of rapid inflation.

Next there is health care. Costs are rising faster than the income of seniors, and many of them no longer seek medical attention until their debilities are acute. This is a self-defeating attempt at economy for both the senior and the community. By postponing a medical check-up or treatment the senior is gambling with his life. Can our society really accept this as a condition of life for our aging? Also, by waiting until the crisis stage for treatment the senior then needs to be institutionalized which is the most expensive of all treatments.

We need a national health care program for all people with special safeguards to take care of the particular needs of the poor and the aging. We urge your attention in this direction.

The third broad area of need is adequate housing. Since there simply are not sufficient resources available in municipalities or in States to meet the housing needs of seniors, and since housing and individual income are so closely related, this must be a problem for Federal attention.

Look at our housing situation in New Jersey. The latest figures we have are from 1973. The total low-rent publically supported housing units available then, and there has been few new units built since, is 15,619. Under construction are 4,355 units. In the planning stage at this present date are 9,474 units. This, assuming all planned units will be built, gives us a total of 29,448 units. The State Agency on Aging estimates the present need for low to moderate incoming housing units for seniors in 1975 to 1980 is 101,103. This leaves us over 70,000 units short.

We need a vastly expanded building program and we need an adequately funded program of home maintenance and home services to enable our seniors to remain as long as possible in their present environment. Along these same lines, I have directed my staff to convene an interdepartmental working group to study alternatives to nursing homes and other forms of long term institutional care. I expect this group to make recommendations as to how we can alter Federal and State regulations to provide greater incentives for community based care. With the current series of crises and scandals surrounding nursing homes in many states, it is reasonable to expect that the Federal government will take direct action on this issue. Attached to this statement are specific recommendations from our Department of the Public Advocate. These suggestions for amendments to S-1426 are specifically related to the problem of long term care and I endorse them.

The monetary, health care and housing needs of our aged population goes far beyond the purposes of the Older Americans Act, but they are major problems you must address.

1. Commenting specifically on the changes we would like to see in any Amendments to the Older Americans Act, our first point is that the allotment formula providing administrative funds to State Agencies needs to be liberalized. Since the original formula was developed as part of Title III and intended to support the services under that title, the role of the State Agency has greatly increased. It is now called upon to provide a full range of professional services in housing, education, health care, voluntarism,

---

*Many of the above statistics are taken from "Impact of Inflation on the Aged Poor in New Jersey," Melinda Green, Woodrow Wilson School, Princeton University.

etc.; new titles have been implemented requiring administrative support, such as Titles VII, and the creation of Area Agencies with the attendant responsibilities of guiding, monitoring and evaluating their operations. Recently new emphasis is developing from AoA for the State Agency to increase its coordinating and cooperating efforts with other State and non-public agencies.

A new allocation formula that recognizes these additional responsibilities is absolutely necessary.

2. As the present Amendments stand, at least the last time we saw them, Section 807(b.) is vague and potentially disruptive to both State Plans and Area Plans. It could require an unrealistic amount of matching funds from States to implement their Plan. Section 807(b.) should be stricken.

3. Title V of the Act provides for the construction of Senior Centers, but this Title has never been appropriated any funds. There are many areas in our State where there is not a suitable place for seniors to congregate. The success of the Nutrition Project emphasizes the value of providing a congregate setting for senior activities and morale building, so we urge you to provide start-up funds for Title V. Not only will it help our seniors, but with the unemployment rate approaching 25% in our construction industry it will help us in other critical areas.

4. Provide adequate funding for Title VIII which is designed to enable seniors to remain independent and out of an institution. Not only is this a most humane approach, but all the studies and analyses we have seen reiterate the economy of home support services in relation to the expense of institutionalization. We feel there is great potential for significant and meaningful change in the lives of thousands of our seniors through Title VIII. The strain on both the present health delivery system and the burden of financing adequate health care by our seniors, as mentioned earlier, can be lessened through Title VIII approach.

5. We would like to see legislation which permits the use of Social Security Act Title XX funds to allow for the purchase of raw food. This is presently not allowable and the regulation seems to us to be based more upon misunderstanding than clear logic. It is obvious, at least to us in New Jersey, that the Nutrition Project for the Elderly is a resounding success. It does not have sufficient funding to cover anywhere near all the seniors who are now eligible, so any extension of feeding capacity should be enthusiastically encouraged. Present SSA Title XX regulations block this expansion and they should be amended.

Thank you for your attention.

STATEMENT BY SENATOR STENNIS ON ROLLCALL VOTE NO. 250

Mr. STENNIS. Mr. President, the Senate recently voted on an amendment to Senate Resolution 166 which would have declared the New Hampshire Senate seat vacant and returned the issue to the State of New Hampshire for a decision thereon. This vote was Roll Call No. 250 and appears on page 20532 of the Record of Tuesday, June 24, 1975. This was an amendment by Senator Hugh Scott to an amendment offered by Senator Allen.

The Record shows that I voted against this amendment, which I did. At the time I cast my vote against this amendment, in the rush of coming to the floor from a conference meeting on the military authorization bill, I had the wrong information to the real issue involved.

Heretofore, when this same issue was before the Senate, I did vote in favor of returning this matter to the State of New Hampshire, and would have done so again had I fully realized the nature of the vote at the time the roll was called. I did not obtain the correct information until after the session had adjourned for the day.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS, 1976

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of H.R. 5901, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (H.R. 5901) making appropriations for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to its consideration.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. The pending business is H.R. 5901.

Mr. MAGNUSON. I wish at this time to make the usual request. I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be considered as original text for the purpose of further amendment, provided that no points of order shall be considered to be waived by reason thereof.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, in line 5, strike out "($2,032,212,000)" and insert "($2,015,750,000)".

On page 2, in line 6, strike out "($16,538,000)" and insert "($33,000,000)".

On page 2, in line 8, strike out "($95,270,000)" and insert "($100,270,000)".

On page 2, in line 9, after "VII" insert "and section 842 ($10,000,000)".

On page 2, in line 11, strike out "($2,000,000)" and insert "($4,000,000)".

On page 2, in line 16, strike out "$2,403,158,000" and insert "$2,435,158,000".

On page 2, at the end of line 16, strike out "$10,000,000" and insert "$15,000,000".

On page 2, in line 22, strike out "($2,032,212,000)" and insert "($2,015,750,000)".

On page 2, in line 23, strike out "($16,538,000)" and insert "($33,000,000)".

On page 3, in line 5, after "93–980" insert a colon and the following:

Provided, That the amount made available to each State from sums appropriated for fiscal year 1976 or from sums appropriated for fiscal year 1977 for title IV shall not be less than the amount made available for comparable purposes for fiscal year 1975.

On page 3, in the line 12, strike out "$649,000,000" and insert "$700,000,000".

On page 3, in line 14, strike out "and".

On page 3, in line 16, after "Act," insert "and $51,000,000 shall be for payments under subparagraphs (B) and (C) of section 305 of the Education Amendments of 1974".

On page 3, in line 20, strike out "$10,000,000" and insert "$25,000,000".

On page 3, in line 22, after "1950", insert a colon and the following:

Provided, That, with the exception of up to $5,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities payment has been made of 100 per centum shall be available to pay for any other section of the Act of September 23, 1950, until of the amounts payable under section 5 and subsections 14(a) and 14(b): *Provided further*, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 per centum may be used to fund section 5 of said Act: *Provided further*, That the Commissioner of Education is hereby authorized to provide amounts necessary to meet the costs of providing increased school facilities in communities located near the Trident Support Site, Bangor, Washington; notwithstanding section 421A (c)(2)(A) of the General Education Provisions Act, the Commissioner is authorized to approve applications for funds for this purpose on such terms and conditions as he may reasonably require without regard to any provision in law.

On page 4, in line 20, after "and", insert section 705 ($185,588,000), section 708(a) ($11,309,000), section 708(c) ($9,052,000), section 711 ($6,794,000), and section 713 ($2,257,000) of

On page 4, in line 23, strike out "$226,700,000" and insert "$241,700,000".

On page 5, in line 5, strike out "$235,000,000" and insert "$237,750,000".

On page 5, in line 13, strike out "($438,978,000)" and insert "($453,978,000)".

On page 5, in line 14, strike out "($35,994,000)" and insert "($45,994,000)".

On page 5, in line 19, strike out "$668,849,000" and insert "$696,349,000".

On page 5, beginning in line 23, after "1977," insert:

and not to exceed $18,000,000 for research and training under part C of said 1963 Act: *Provided*,

On page 6, in line 17, strike out "$2,346,184,000" and insert "$2,534,934,000".

On page 6, in line 20, strike out "reallocation among eligible institutions for".

On page 6, in line 24, strike out "$660,000,000" and insert "$795,000,000".

On page 7, in line 1, strike out "$648,500,000" and insert "$783,500,000".

On page 7, in line 4, strike out the colon and the following:

Provided, That none of the funds in this Act shall be used to pay any amount for basic opportunity grants for students who were enrolled at institutions of higher education prior to April 1, 1973.

On page 7, in line 14, strike out "title" and insert "titles".

On page 7, in line 15, after "II" strike out "part A" and insert "and VI ($15,000,000)".

On page 7, in line 17, strike out "$209,054,000". and insert "$227,054,000".

On page 8, in line 18, strike out "$107,841,000" and insert "$105,224,000".

On page 10, in line 19, strike out "$80,000,000" and insert the following: "$70,000,000, of which up to $30,000,000 shal be made available by the Institute to the educational laboratories and research and development centers".

On page 11, in line 12, strike out "$34,500,000" and insert "$34,500,000".

On page 13, beginning with line 1, insert:

"NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

"For necessary expenses of a White House Conference on Library and Information Services, authorized by the Act of December 31, 1974 (Public Law 93-568), $3,500,000, to remain available until expended".

On page 13, beginning with line 12, insert "except as provided in section 204 of Public Law 93-554."

On page 16, beginning with line 25, strike out

SEC. 314. No part of the funds contained in this Act may be used to force any school or school district to take any action to force the busing of students; to force on account of race, creed, or color the abolishment of any school; or to force the transfer or assignment of any student attending any elementary or secondary school to or from a particular school over the protest of his or her parents or parent.

SEC. 315. (a) No part of the funds contained in this Act shall be used to force any school or school district to take any action to force the busing of students; to require the abolishment of any school; or to force on account of race, creed, or color the transfer of students to or from a particular school as a condition precedent to obtaining Federal funds otherwise available to any State, school district, or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

and insert in lieu thereof:

SEC. 314. No part of the funds contained in this Act may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed, or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

SEC. 315. (a) No part of the funds contained in this Act shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed, or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district, or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

On page 18, beginning with line 24, strike out:

SEC. 316. (a) No funds appropriated under this Act shall be used by the Department of Health, Education and Welfare to draft, publish, promulgate or enforce regulations requiring any organization, association, institution, school district, or unit of government to integrate by sex physical education classes, Boy Scouts, Girl Scouts, YMCA, YWCA, Campfire Girls, Boys Clubs, Girls Clubs, and sororities and fraternities, whether honorary, service or social.

(b) No funds appropriated under this Act shall be withheld, nor shall any funds appropriated under this Act be used to effect the withholding of funds by the Department of Health, Education and Welfare from any organization, association, institution, school district or unit of government to compel the integration by sex of physical education classes, Boy Scouts, Girl Scouts, YMCA, YWCA, Campfire Girls, Boys Club, Girls Club, fraternities and sororities, whether honorary, service or social, or any similar organization.

Mr. MAGNUSON. Mr. President, I will say a few words at this point about the education appropriation bill for fiscal year 1976. To anyone who has gone through this bill and report, it should be obvious that a great deal of hard work went into it. The committee has been working on this since last February, when the budget was sent up to Congress. Here we are, 4 months later, after weeks of hearings with governmental witnesses and public experts—after untold numbers of special analyses and detailed reviews of the budget. Here we are with a broad and comprehensive bill to strengthen and improve education at every level. The job was difficult—but there was never any lack of incentive. When we first started working on this, I recall getting a brief note from one of my people back home in my State of Washington. The note quoted something that Abraham Lincoln once said. It read:

> A child is a person who is going to carry on what you have started. He is going to sit where you are sitting, and when you are gone, attend to those things which you think are important. The fate of humanity is in his hands. Teach him well.

That is what we are striving to do with this bill.

OVERALL TOTALS

The bill now before the Senate totals $7.7 billion. This represents an increase of $339 million over the House bill and $753 million over the 1975 level.

As usual, the President's budget was unrealistically low in most cases, so thought the committee. It proposed to phase out many tried and proven programs—about 40 of them, yes, 40 of them. That is a large number, Mr. President. These were programs which the Congress has seen work, and work well, over the years.

The House, which usually holds down any changes to the budget, added $1.2 billion much of which was just to get programs to last year's level. Our committee bill fills in some of the important gaps left by the House action. More importantly, we are not satisfied with a standstill budget—or a set of backward priorities. I sincerely believe that what we do now, the investments we make today, will be felt for years to come.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a detailed comparison of what is in the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MAGNUSON. For now, I believe it is important to highlight a few of the major items in the bill.

ELEMENTARY AND SECONDARY EDUCATION

The largest single program in the area of elementary and secondary education is the title I program. Here, the committee has included $2 billion to help educate the disadvantaged. This is a large amount, but it has to reach a great many children. More than 6.5 million school children will get badly needed help under the Senate version of the bill. This includes aid to migrants, the handicapped, and homeless children who are in State schools.

The Members will remember that in the last few years, State legislatures and the courts have reaffirmed the right of every child to equal educational opportunities—including the 7 million handicapped in this country. Let us not turn our backs on them; if we do, we are wasting valuable human resources. The committee bill includes $238 million for them. This amount will help reach about one-half million handicapped youngsters, this is a great step forward. Naturally, the major responsibility falls on States and local school districts. But they are in bad need of support, guidance, and resources. And this was the preponderance of the testimony before the committee.

For the last several years, the committee has been saying that more is needed for vocational and technical training; the tradesmen, the skilled workers—they are the backbone of our working population. For years, everyone was talking about Ph. D.'s and masters degrees. At the same time vocational school enrollments were going up 10 percent a year, or they are even higher this year.

The committee bill includes $570 million for grants to States, including basic grants, consumer education, and work-study. We have calculated that this amount will reach about 13 million students expected to sign up this fall. That will be an increase over the 10 percent that I mentioned.

For impact area aid, the committee bill includes $725 million. Last year new and complex legislation was passed which set up various levels of payment, called "tiers," and hold-harmless provisions. The effect of the law, in essence, was to turn this into an entitlement program. By that I mean: The law says that unless you fully fund a payment tier—you cannot fund any of it. Each is dependent on the other. The House, using HEW's estimates, thought they were funding the first two payment tiers. Now, we are told that the House amount falls short by $51 million. The committee has included this amount in the bill. We hope that HEW will do a better job of calculating in the future. The bill also includes $25 million to help renovate and expand school facilities which are being seriously affected by nearby military installations. In my own State of Washington the Trident project is and will be putting heavy burdens on the surrounding schools. These are the kinds of problems we are addressing here. This is similar to the problem the Congress faced a few years ago with the Safeguard project.

HIGHER EDUCATION

Another of the most important components of this bill is the higher education program. The bulk of this is for aid to students wishing to attend college. As usual, the budget proposed to wipe out funding for two ongoing programs—direct loans and grants for the exceptionally needy. The budget proposed we put most of the money in basic grants—the new BOG's program. The problem is, the BOG's program is still having trouble—they have had a surplus of $200 million over the last 2 years, which means the program does not yet have the capability to reach all the students in need. The committee put in enough money—$795 million—to keep average grants at $592 million, approximately the current level. Hopefully, this money will reach 1.3 million students.

In the area of work-study, the committee bill includes $420 million, to support jobs for 873,000 students. Here, we felt it worth the investment to help those who want to earn a part of their education costs. Also, by providing this support, we hold down the unemployment and welfare ranks.

In other areas, the committee provided $300 million for direct loans—the old national defense loan program—and $452 million for guaranteed loans; 409,000 students will get direct loans, 1.1 million will get insured loans. The committee has also included $44 million for State incentive grants. This is a 50–50 matching program, and we think it is a good investment toward helping 109,000 students further their education.

When it came to student aid programs, we upped some programs and lowered others. What we tried to do was reach a parity, a balance which would result in a sound, cohesive package, without ballooning the amounts. Competition for this money is keen; however, we do not want to shut off anyone from having an equal opportunity.

OTHER AREAS OF INTEREST

Earlier I spoke of special commitments to our handicapped children. The same holds true for the bilingual student. The bill includes $100 million, mostly for classroom services and teacher training. These students morally and legally must be afforded the same opportunities everyone else has.

For the library programs, the committee feels very strongly about preventing any reductions in effort; $227 million is included in the bill. About 6 percent of the population is without access to a library. Most of these people are in rural areas. Approximately 30 million people would be helped with this amount. We want to place special emphasis on services to the needy—not rhetoric.

The bill also includes funds to maintain emergency school aid at the 1975 level of $241 million, the National Institute of Education at $70 million, and a number of special innovative projects such as metric education, career education, Sesame Street, and community schools.

The bill also contains busing provisions, the same as were just recently agreed to in the supplemental bill signed last week and in earlier appropriation bills. The committee also struck House language dealing with sex discrimination. There is already a great deal of confusion in this area without adding to it. I suggest we wait to see what happens with new regulations and guidelines before we try to change everything in midstream.

The bill also contains funds for the 3-month transition period next year—when the Government switches to the new fiscal year. A total of $464 million is in the bill for this—but it should be understood that this is not associated with either fiscal year 1976 or 1977. As we approach the transition period, we will watch closely to be sure the amounts in the bill are adequate.

CONCLUSION

I want to take this opportunity to thank Senator BROOKE and other members on the subcommittee who were so deeply involved in the many, many hearings we held on this bill. We heard scores of witnesses. I would also like to thank the staff for their efforts.

Overall, I believe this bill represents good balance of funding for education. It totals $7.7 billion for well-thought-out, carefully reviewed programs. But let us not deceive ourselves—this has become a Government by veto. If anyone here is thinking about an add-on—large or small—he might as well count on a veto. If that happens, then all these programs go on a restrictive continuing resolution, and, most likely, will be phased down by the President. Too much is at stake to have that happen, but it will happen if any add-ons are made. Senators can send home a clipping of the CONGRESSIONAL RECORD, or they can help enact an appropriation that can be put to use in the schools and colleges across the country.

I do not know whether the bill will be vetoed because of these added expenditures. I hope it will not. This is a very sensitive area with which the commitee has to contend—education, health, and welfare. Much is at stake. The add-ons were not just taken willy-nilly. It was done after long discussion and after hearing scores of witnesses—good, sound opinions from people who have a great deal to do with the future of our children—and, most importantly, through a careful, tedious examination of every program in the bill.

Mr. President, I recall when Federal aid to education was a sort of naughty word around here, and it was not established that we should even undertake Federal aid to education in any degree whatsoever. Finally, it was established, at long last, that we did have some responsibility for education in this country.

Yet, with the amount in this bill, we are only participating in the field of education to the tune of about 8.5 percent of total U.S. expenditures. The cost of education in the local communities is almost 92 percent. In this bill, we have only gone into those areas where the need does not appear to be met by the local communities.

Some of the problems we have addressed occur in the field of bilingual education, migrant programs, impacted aid, and title I. For the most part, these programs have been a success. We think that the Federal Government's participation here is sound and well within our means in this country. These are national problems and responsibilities with respect to the future of our children. They require a mutual effort by all.

I yield to the Senator from Massachusetts.

EXHIBIT 1

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS BILL H.R. 5901

Agency/appropriation	1975 appropriation	1975 estimate	1976 House allowance	1976 Senate committee
OFFICE OF EDUCATION				
Elementary and secondary education:				
1. Grants for disadvantaged	$1,876,000,000	($1,900,000,000)	($1,900,000,000)	($1,900,000,000)
Advance for 1977		1,900,000,000	2,050,000,000	2,050,000,000
2. Support and innovation grants	141,495,000	(172,888,000)	(172,888,000)	(172,888,000)
Advance for 1977		172,888,000	172,888,000	172,888,000
3. Bilingual education:				
(a) Grants to school districts	53,370,000	46,900,000	60,000,000	65,000,000
(b) Training grants	21,000,000	16,000,000	25,370,000	25,370,000
(c) Curriculum development	7,000,000	7,000,000	7,000,000	7,000,000
(d) Bilingual vocational grants	2,800,000		2,800,000	2,800,000
(e) Advisory councils	100,000	100,000	100,000	100,000
Subtotal	84,270,000	70,000,000	95,270,000	100,270,000
4. Right to read	12,000,000	12,000,000	12,000,000	22,000,000
5. Follow through	55,000,000	41,500,000	59,000,000	59,000,000
6. Drug abuse education	4,000,000		2,000,000	2,000,000
7. Environmental education	1,900,000		2,000,000	4,000,000
8. Educational broadcasting facilities	12,000,000	7,000,000	10,000,000	15,000,000
9. Equipment and minor remodeling	250,000			
10. Assistance to States for State equalization plan				10,000,000
Total	2,187,415,000	2,203,388,000	2,403,158,000	2,435,158,000
Interim budget				

Agency/appropriation	1975 appropriation	1975 estimate	1976 House allowance	1976 Senate committee
School assistance in federally affected areas:				
1. Maintenance and operations:				
(a) Payments for "A" children	$223, 900, 000	[1] $162, 000, 000	$248, 737, 758	$248, 737, 758
(b) Payments for "B" children	354, 616, 000	[1] 40, 000, 000	341, 597, 262	341, 597, 262
(c) Special provisions	14, 500, 000	[1] 8, 000, 000	12, 664, 980	12, 664, 980
(d) Payments to other Federal agencies	43, 000, 000	46, 000, 000	46, 000, 000	46, 000, 000
(e) Savings provisions				51, 000, 000
Subtotal	636, 016, 000	256, 000, 000	649, 000, 000	700, 000, 000
2. Construction	20, 000, 000	10, 000, 000	10, 000, 000	25, 000, 000
Total	656, 016, 000	266, 000, 000	659, 000, 000	725, 000, 000
Interim budget		5, 000, 000	70, 000, 000	70, 000, 000
Emergency school aid:				
1. Special projects:				
(a) Bilingual education projects	9, 052, 000		8, 000, 000	9, 052, 000
(b) Educational television	6, 794, 000		6, 000, 000	6, 794, 000
(c) Special programs and projects	11, 309, 000	74, 250, 000	10, 000, 000	11, 309, 000
Subtotal	27, 155, 000	74, 250, 000	24, 000, 000	27, 155, 000
2. State apportionment:				
(a) Pilot programs	33, 948, 000		30, 000, 000	33, 948, 000
(b) Special programs and projects	18, 103, 000		16, 000, 000	18, 103, 000
(c) General grants to school districts	133, 537, 000		128, 000, 000	133, 537, 000
Subtotal	185, 588, 000		174, 000, 000	185, 588, 000
3. Civil rights advisory services	26, 700, 000	26, 700, 000	26, 700, 000	26, 700, 000
4. Evaluation	2, 257, 000	750, 000	2, 000, 000	2, 257, 000
Total	241, 700, 000	101, 700, 000	226, 700, 000	241, 700, 000
Interim budget		325, 000	325, 000	325, 000
Education for the handicapped:				
1. State assistance:				
(a) State grant program	100, 000, 000	(100, 000, 000)	(100, 000, 000)	(100, 000, 000)
Advance for 1977		50, 000, 000	110, 000, 000	110, 000, 000
(b) Deaf-blind centers	12, 000, 000	16, 000, 000	16, 000, 000	16, 000, 000
(c) Severely handicapped projects	2, 826, 000	3, 250, 000	3, 250, 000	3, 250, 000
Subtotal	114, 826, 000	69, 250, 000	129, 250, 000	129, 250, 000
2. Innovation and development:				
(a) Early childhood education	13, 330, 000	22, 000, 000	22, 000, 000	22, 000, 000
(b) Specific learning disabilities	3, 250, 000	4, 250, 000	4, 250, 000	5, 000, 000
(c) Regional vocational, adult, and post-secondary programs	575, 000	2, 000, 000	2, 000, 000	2, 000, 000
(d) Research and demonstration	9, 341, 000	11, 000, 000	11, 000, 000	11, 000, 000
Subtotal	26, 496, 000	39, 250, 000	39, 250, 000	40, 000, 000
3. Media and resource services:				
(a) Media services and captioned films	13, 250, 000	16, 000, 000	16, 250, 000	16, 250, 000
(b) Regional resource centers	7, 087, 000	9, 750, 000	10, 000, 000	10, 000, 000
(c) Recruitment and information	500, 000	1, 000, 000	500, 000	500, 000
Subtotal	20, 837, 000	26, 750, 000	26, 750, 000	26, 750, 000
4. Special education manpower development	37, 700, 000	39, 750, 000	39, 750, 000	41, 750, 000
Total	199, 859, 000	175, 000, 000	235, 000, 000	237, 750, 000
Interim budget		13, 100, 000	10, 500, 000	10, 500, 000
Occupational, vocational, and adult education:				
1. Vocational education:				
(a) Grants to States for vocational education:				
(1) Basic vocational education programs	420, 978, 000	358, 684, 000	395, 080, 200	435, 978, 000
(2) Programs for students with special needs	20, 000, 000		20, 000, 000	20, 000, 000
(3) Consumer and homemaking education	35, 994, 000		35, 994, 000	45, 994, 000
(4) Work-study	9, 849, 000		9, 849, 000	9, 849, 000
(5) Cooperative education	19, 500, 000		19, 500, 000	19, 500, 000
(6) State advisory councils	4, 316, 000	4, 316, 000	4, 316, 000	4, 316, 000
Subtotal	510, 637, 000	[2] 363, 000, 000	484, 739, 200	535, 637, 000
(b) Vocational research:				
(1) Innovation	16, 000, 000	160, 000, 000	16, 000, 000	16, 000, 000
(2) Curriculum development	1, 000, 000		1, 000, 000	1, 000, 000
(3) Research	18, 000, 000		43, 897, 800	18, 000, 000
Subtotal	35, 000, 000	[2] 160, 000, 000	60, 897, 800	35, 000, 000
2. Adult education	67, 500, 000	(67, 500, 000)	(67, 500, 000)	(67, 500, 000)
Advance for 1977		67, 500, 000	71, 500, 000	71, 500, 000
3. Educational personnel:				
(a) Teachers Corps	37, 500, 000	37, 500, 000	37, 500, 000	37, 500, 000
(b) Other education professions development:				
(1) Elementary and secondary training	8, 139, 000	5, 212, 000	5, 122, 000	5, 712, 000
(2) Vocational education	9, 000, 000		9, 000, 000	11, 000, 000
(3) Higher education	2, 100, 000			
(4) Educational leadership		3, 000, 000		
Subtotal	56, 739, 000	45, 712, 000	51, 712, 000	54, 212, 000
Total	669, 876, 000	636, 212, 000	668, 849, 000	696, 349, 000
Interim budget		17, 000, 000	151, 000, 000	151, 000, 000
Higher Education:				
1. Student assistance:				
(a) Basic opportunity grants	660, 000, 000	1, 050, 000, 000	660, 000, 000	795, 000, 000
(b) Supplemental opportunity grants	240, 300, 000		240, 093, 000	240, 093, 000
(c) Work-study	300, 200, 000	250, 000, 000	360, 000, 000	420, 000, 000
(d) Subsidized insured loans—interest subsidies	382, 400, 000	452, 000, 000	452, 000, 000	452, 000, 000

EXHIBIT 1—Continued

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS BILL H.R. 5901—Continued

Agency/appropriation	1975 appropriation	1975 estimate	1976 House allowance	1976 Senate committee
(e) Direct loans:				
(1) Federal capital contributions	$32,000,000		$321,000,000	$300,000,000
(2) Loans to institutions	2,000,000		2,000,000	2,000,000
(3) Teacher cancellations	6,440,000	$8,960,000	8,960,000	8,960,000
(f) Incentive grants for State scholarships	20,000,000	44,000,000	44,000,000	44,000,000
Subtotal, Student aid	1,932,340,000	1,804,960,000	2,088,053,000	2,262,053,000
2. Special programs for the disadvantaged	70,331,000	70,331,000	70,331,000	70,331,000
3. Institutional assistance:				
(a) Strengthening developing institutions:				
(1) Basic program	52,000,000	52,000,000	52,000,000	52,000,000
(2) Advanced program	58,000,000	58,000,000	58,000,000	58,000,000
(b) Construction:				
(1) Subsidized loans				
(2) Undergraduate facilities grants				
(c) Language training and area studies:				
(1) Centers, fellowships, and research	11,300,000	8,640,000	11,300,000	15,300,000
(2) Fulbright-Hays fellowships	2,700,000	1,360,000	2,700,000	2,700,000
(d) University community services	14,250,000		10,000,000	14,250,000
(e) Aid to land-grant colleges	9,500,000		9,500,000	9,500,000
(f) State postsecondary education commissions	3,000,000		3,000,000	5,000,000
(g) Veterans cost of instruction	31,250,000		23,750,000	23,750,000
(h) Cooperative education	10,750,000	8,000,000	8,000,000	10,750,000
(i) Continuing education centers				
Subtotal, institutional aid	192,750,000	128,000,000	178,250,000	191,250,000
4. Personnel development:				
(a) College teacher fellowships	4,000,000	1,000,000	1,000,000	2,000,000
(b) Fellowships for disadvantaged	750, 00	750,000	750,000	
(c) Ellender fellowships	500,000	500,000	500,000	500,000
(d) Public service fellowships	4,000,000		4,000,000	4,000,000
(e) Mining fellowships	1,500,000		1,500,000	3,000,000
Subtotal	10,750,000	2,250,000	7,750,000	9,500,000
5. Ethnic heritage	1,800,000			1,800,000
Total	2,207,971,000	2,005,541,000	2,346,184,000	2,534,934,000
Interim budget		124,000,000	124,000,000	124,000,000
Library resources:				
1. Public libraries	51,749,000	10,000,000	51 749,000	51,749,000
2. School libraries and instructional resources	135,580,000	(137,330,000)	(137,330,000)	(137,330,000)
Advance for 1977		137,330,000	147,330,000	147,330,000
3. College Library resources	9,975,000		9,975,000	9,975,000
4. Training and demonstration	3,000,000			3,000,000
5. Undergraduate instructional equipment	7,500,000			15,000,000
Total	207,804,000	147,330,000	209,054,000	227,054,000
Interim budget				
Innovative and experimental programs:				
1. Metric projects		2,090,000	2,090,000	2,090,000
2. Gifted and talented		2,560,000	2,560,000	2,560,000
3. Community schools		3,553,000	3,553,000	3,553,000
4. Career education	10,000,000	10,135,000	10,135,000	10,135,000
5. Consumer education		3,135,000	3,135,000	3,135,000
6. Women's educational equity		6,270,000	6,270,000	6,270,000
7. Arts in education programs	500,000	750,000	750,000	750,000
8. Packaging and field testing	1,400,000	3,500,000	1,400,000	1,400,000
9. Educational TV programming	7,000,000	7,000,000	7,000,000	7,000,000
Total	18,900,000	38,993,000	36,893,000	36,893,000
Interim budget				
Student loan insurance fund	197,600,000	201,787,000	201,787,000	201,787,000
Interim budget		30,000,000	30,000,000	30,000,000
Higher education facilities loan and insurance fund	2,701,000	2,192,000	2,192,000	2,192,000
Interim budget		548,000	548,000	548,000
Educational activities overseas (special foreign currency program)	1, 00,000	2,000,000	2,000,000	2,000,000
Interim budget		200,000	200,000	200,000
Salaries and expense:				
1. Program administration	91,915,000	100,684,000	98,000,000	96,000,000
2. Planning and evaluation	6,383,000	9,000,000	7,000,000	6,383,000
3. General dissemination	500,000	500,000	500,000	500,000
4. Advisory Committees	1,681,000	2,041,000	2,041,000	2,041,000
5. Information clearinghouses	150,000	300,000	300,000	300,000
Total	100,629,000	112,525,000	107,841,000	105,224,000
Interim budget		24,643,000	24,643,000	24,643,000
Total, Office of Education	6,691,471,000	5,892,668,000	7,098,658,000	7,446,041,000
Consisting of:				
Current year funds	6,691,471,000	3,564,950,000	4,546,940,000	4,894,323,000
Advance year funds		2,327,718,000	2,551,718,000	2,551,718,000
Funds available for the fiscal year	6,691,471,000	(5,942,668,000)	(6,927,658,000)	(7,272,041,000)
Total, interim budget		214,816,000	214,816,000	214,816,000
NATIONAL INSTITUTE OF EDUCATION				
1. Research and development	58,700,000	69,300,000	69,300,000	59,300,000
2 Program administration	11,656,000	10,700,000	10,700,000	10,700,000
Total, NIE	70,356,000	80,000,000	80,000,000	70,000,000
Interim budget		20,000,000	20,000,000	20,000,000
ASSISTANT SECRETARY FOR EDUCATION				
1. Improvement of postsecondary education	11,500,000	17,500,000	13,500,000	13,500,000
2. Salaries and expenses	6,795,000	8,669,000	8,000,000	8,000,000
3. National Center for Education Statistics	10,565,000	16,665,000	14,000,000	13,000,000
Total, ASE	28,860,000	42,834,000	35,500,000	34,500,000
Interim budget		5,599,000	5,599,000	5,599,000
Total, Education Division	6,790,687,000	6,015,502,000	7,214,158,000	7,550,541,000
Total interim budget		240,415,000	436,815,000	436,815,000

Footnotes at end of table.

Agency/appropriation	1975 appropriation	1975 estimate	1976 House allowance	1976 Senate committee
SPECIAL INSTITUTIONS				
American Printing House for the Blind	$1,967,000	$2,408,000	$2,408,000	$2,408,000
Interim budget		602,000	602,000	602,000
National Technical Institute for the Deaf:				
1. Academic Program	7,838,000	9,836,000	9,836,000	9,836,000
2. Construction	1,981,000			
Total	9,819,000	9,836,000	9,836,000	9,836,000
Interim budget		2,932,000	2,932,000	2,932,000
Gallaudet College:				
1. Academic Program	10,591,000	12,155,000	12,155,000	12,155,000
2. Construction	4,445,000	5,334,000	5,334,000	5,334,000
3. Kendall School	2,328,000	2,691,000	2,691,000	2,691,000
4. Construction	18,231,000	2,255,000	2,255,000	2,255,000
Total	35,595,000	22,435,000	22,435,000	22,435,000
Interim budget		5,606,000	5,606,000	5,606,000
Howard University:				
1. Academic Program	49,788,000	54,559,000	54,559,000	54,559,000
2. Construction	12,500,000	10,000,000	10,000,000	10,000,000
3. Freedman's Hospital	19,412,000	19,599,000	19,599,000	19,599,000
Total	81,700,000	84,158,000	84,158,000	84,158,000
Interim budget		18,728,000	18,728,000	18,728,000
National Commission on Libraries and Information Sciences				3,500,000
Interim budget				
Total, Special institutions	129,081,000	118,837,000	118,837,000	118,837,000
Grand total	6,919,768,000	(6,134,339,000)	7,332,995,000	7,672,878,000
Consisting of:				
Current year funds	6,919,767,000	3,806,621,000	4,781,277,000	5,121,160,000
Advance year funds		2,327,718,000	2,551,718,000	2,551,718,000
Funds available for the fiscal year	(6,919,768,000)	(6,184,339,000)	(7,158,995,000)	(7,495,378,000)
Total interim budget		268,283,000	464,683,000	464,683,000

---

[1] $210,000,000 proposed for later transmittal, new legislation. Amounts shown for purposes of comparability.

[2] Budget proposed $523,000,000 for later transmittal ($363,000,000 for basic programs, $160,000,000 for innovative programs), new legislation—amounts shown for purposes of comparability.

Mr. BROOKE. Mr. President, I am pleased to recommend favorable Senate action on the pending education appropriations bill for fiscal 1976 and beyond. This is one of the most important bills we will act upon in this session of Congress.

I particularly express my deep appreciation and adoration for the outstanding work which the distinguished chairman of the subcommittee has done on this bill, and to express my appreciation to the distinguished chairman of the full committee and the ranking minority member, as well as Mr. Harley Dirks, Mr. Gar Kaganowich, and Mr. Don Ruscio of our staffs, who have worked diligently on this bill.

Mr. President, this is also a substantial bill in terms of the dollars it contains.

The bill as reported to the Senate totals $7,672,878,000. It is $339,883,000 over the bill passed by the House, $1,538,539,000 over the budget estimates and $753,110,000 above comparable appropriations for 1975.

Our bill provides funding for three separate periods—for fiscal year 1976; for a 3-month—July 1 to September 30, 1976—transition period that will lead to an October 1 beginning date for all future fiscal years, and for advance funding for fiscal year 1977.

Also, this measure has been separated from the regular Labor-HEW appropriations bill which still will take some time to complete. The purpose of separate and earlier passage of education appropriations is to let all concerned know as soon as possible how much federal assistance they may expect. This will provide more time to plan for the careful use of the funds.

The pending bill is a reflection of the resolve of this and previous Congresses to meet important goals and fulfill vital national needs in the field of education.

Through this measure assistance will be provided to poor children in urban and rural areas; to the handicapped; to those who seek a vocation; to needy college students; to adults who wish to continue their educations, and to many, many more.

The bill also provides assistance to expand the reach and quality of library resources; to explore new and better ways to do things in elementary, secondary and higher education; and to help lessen the economic impact of Federal activities on local school districts.

Through such programs as bilingual education, emergency aid for desegregating schools and education for the handicapped, our bill seeks to continue progress toward equality of educational opportunity for those disadvantaged by race, by language background and by physical inability.

In this regard, our committee revised or struck down House provisions that would impede the desegregation of public schools or block the removal of discriminatory practices directed at the female sex.

I believe we all recognize the social and economic gains that education has brought us. We wish to continue that progress and to spread the benefits of education to more of our people, particularly the less fortunate.

Thus we must have a Federal budget that is commensurate with the continuing importance of education to our country.

We cannot accept a basically standstill budget in elementary and secondary education, reductions in education for the handicapped and vocational education, and reduction or elimination of student assistance programs in higher education, to mention only a few areas of concern with the administration's proposals.

While the House-passed bill is an improvement over administration requests, it, too, contains deficiencies and omissions. We believe our committee's bill makes the necessary improvements to the House-passed measure and we confidently recommend it to you.

Let me review some of the highlights of our bill as well as the important changes we have made:

ELEMENTARY AND SECONDARY EDUCATION

Our committee provides $2.050 billion in advance funds for 1977 for the cost of educating disadvantaged children. This is $150 million more than the budget request and the same as the House allowance. For other elementary and secondary education programs, our committee provides: $100.2 million for bilingual education, or $40,270,000 more than the budget request and $5 million more than the House allowance; $22 million for reading improvement programs, including $12 million for the existing right to read program; and $15 million for educational broadcasting facilities, an increase of $8 million over the budget request and $5 million over the House allowance. Our goal is full coverage of the public by educational TV and radio.

Also, we provide $4 million for environmental education. The budget requested no money for this program while the House provided $2 million; and $10 million to fund a new program to assist the States in planning for equalization of financing public education. This program is of importance to Massachusetts and other States where present financing methods are under challenge.

IMPACT AID

Our committee provides $725 million for the impact aid program. This is $459 million above the request to Congress and $66 million more than the House provides. Our bill provides $700 million for payments to school districts impacted by Federal activities. This includes $51 million more than the House allowance and is designed to assure funding of two levels, or tiers, of eligible beneficiaries plus guaranteeing certain minimum levels of payment to districts adversely affected by new payment schedules adopted last year. In addition our committee allows $25 million for school construction. This is $15 million more than the House level for the same purpose.

EMERGENCY SCHOOL AID

Adopting my amendment which provides an additional $15 million, the committee allows $215 million in advance funding for the ESA program in the 1976–77 school year. This is the same amount as we recently provided for 1975–76 in the Second Supplemental Appropriations Act. Once again our committee report urges particular help to cities such as Boston which are experiencing severe school desegregation problems. In addition, the committee bill includes $26.7 million for civil rights advisory services, bringing the total to $241.7 million for the ESA program.

HANDICAPPED

Our committee bill provides $237,750,000, $62.7 million more than the budget request and $2,750,000 above the House allowance. The funds include $110 million for State grants, the full amount authorized by law. Some 495,000 children, 245,000 more than in the budget request, will be assisted by the grant funds.

The committee agreed to my amendment to increase funds for specific learning disabilities from the $4,250,000 provided by the budget and the House, to $5,000,000 originally requested of HEW. The learning disabled are the largest category of handicapped children not served. We are advised that no more than 25 percent of these children are in an appropriate educational setting. This clearly is an area of need. The authorization for this program in fiscal year 1976 is $20,000,000.

Our committee also provides an additional $2,000,000 to train special teachers for handicapped children; 80 percent of the State education departments have reported shortages in this field.

OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

The committee bill provides $696,349,000 for this program. This is an increase of $27.5 million over the House bill and $26.4 over the comparable 1975 appropriation. The administration budget had proposed a $523 million program to consolidate existing vocational education activities already authorized by law. Our increases over the House were a net $15 million for basic State grants; $10 million for consumer and homemaking education; $500,000 to restore teacher training programs for Indians, and $2 million to help alleviate shortages in the field of vocational and industrial arts education.

Our bill includes $71,500,000, the same as the House, to advance funds for adult education for the 1976–77 school years. The amount will permit States to maintain training in reading, writing, and speech for about 1 million adults with less than a high school level of education.

HIGHER EDUCATION

The committee bill provides $2,262,053,000 for student assistance. The committee wisely, in my view, provides $795 million for basic education opportunity grants, BOG's, $135 million more than the House allowance. This will permit an average grant of $592 compared with the $490 average grant that would be available under the House allowance. Increased funding also is necessary because BOG grants in 1976–77 will be extended to all eligible undergraduates rather than freshman through junior classes as is presently the case.

Our committee bill also includes the House level of $44 million for State student incentive grants and $70.3 million for special programs for the disadvantaged college or college-bound student.

Other increases over the House made by our committee include: plus $60 million for the college work-study program to a total of $420 million—and I would here like to point out the particularly fine work which the Senator from Ohio (Mr. TAFT) has done in connection with this program; plus $4 million for language training and area studies for a total of $18 million; plus $4,250,000 for university-community services to restore the program to last year's level of $14,250,000; plus $2,750,000 for cooperative education to continue the program at the $10,750,000 level; and a plus $2,000,000 for State post-secondary commissions for a total program of $5.000.000.

The committee bill also includes the House levels of $110 million for strengthening developing institutions; $9,500,000 for aid to land-grant colleges, and $23,750,000 for the veterans' cost of instruction program.

LIBRARY RESOURCES

The committee recommends $227,054,000 for library resources and related programs. This represents an $18,000,000 increase over the House allowance and $79,724,000 over the budget request. The program provides funding for public school and college libraries. In addition the committee continues funding for training and demonstrations—$3,000,000; and for undergraduate instructional equipment—$15,000,000—whereas no funds for these purposes were provided by the House or the budget estimates.

In a related action, the committee provides $3,500,000 to support a White House Conference on Library and Information Services.

MISCELLANEOUS

In other actions, the committee provides $70,000,000 for NIE, the House level of $13,500,000 for the fund for the improvement of post secondary education and funding for such special institutions as Howard University and Gallaudet College in the District of Columbia.

I believe our committee has developed a responsible bill that will contribute to the further progress of education in this country.

I want to associate with my distinguished colleague, our chairman, Senator MAGNUSON, when he said that this is an important piece of legislation; that the times demand, even in these times of fiscal problems, that Congress act as it has acted.

We believe we have acted wisely, that we seriously need this money for education.

The committee, as I said, has worked very diligently on this bill, and I reiterate that I think it is perhaps the most important piece of legislation to come before this session of Congress.

I hope the President will not see fit to veto this important piece of legislation. We have done all we can, but there are many matters involved in this bill. We are serious about every penny we have included in this bill, and we feel it is essential that it be passed.

We hope the President, in his wisdom, will look very, very closely at this bill and sign it into law because it is so sorely needed in the areas I have outlined, areas we hope will bear some weight in the President's decision as to whether this bill will be signed.

Again I want to thank my distinguished colleague, Mr. MAGNUSON; and certainly our chairman, Mr. McCLELLAN, and our ranking Republican Member, Mr. YOUNG, who have given their full cooperation and worked with us on this bill.

Mr. MAGNUSON. I want to discuss for a minute with the Senator from Massachusetts the point that he mentioned on the possibility of a veto.

Yesterday, the Secretary of HEW sent a letter to Senator HUGH SCOTT, the minority leader, in which he complains, of course, about some of the additional amounts. He says that he has no other course of action—he takes it with regret—but that he is going to recommend a veto of these amounts. What he states in the third paragraph is that he is concerned about the $1.5 billion increase over the budget. When we go to conference it will be lower than that, I suspect, but it will be a little over $1 billion. He is complaining about that. He says:

> The committee recommendation for impact aid alone is nearly three-quarters of a billion dollars and includes funding for the first time for children living in public housing.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. MAGNUSON. If I may complete my remarks first, then I shall yield.

If he is complaining about this amount which will be a little over $1 billion when we are through with the House, he is really complaining about three-quarters of it—which is made up of impact area aid.

Under the law which the Congress passed last year and the President signed, I might add, no portion of the tier may be funded unless all of it is funded. If appropriations had fallen short, the school districts could not get their payments—it goes back to the Treasury. I want to repeat, this is not something the committee thought up—it is the law. There were big ceremonies and press releases downtown when this law was signed. Now, when we fund the law—only the minimum mind you—we are told the amount is excessive.

So I would consider we are not very far apart about vetoing anything when we are required by law to put in that extra three-quarters of a billion dollars for impact area aid. We could not do anything else.

Mr. YOUNG. Mr. President, will the Senator yield at this point?

Mr. MAGNUSON. Yes.

Mr. YOUNG. I think we put in title C funds for the first time though. Was that put in by the Senate, the House, or by both?

Mr. MAGNUSON. Let me explain that. Low-rent housing children—the so-called category C students—are now built into the payment tiers with everyone else. The committee bill provides funds for the first two tiers, which includes some payments to C students. The bulk of the C students would be covered in the third payment tier. No funds are specifically earmarked for that third tier—the committee and the House have only addressed the first two tiers. Should there be some small amount left after the first two are funded, it would slip over to the third tier.

Mr. YOUNG. There is no specified amount.

Mr. MAGNUSON. No, no amount. This is a new twist from prior years and we do not yet have good solid estimates we can point to.

Mr. CASE. Mr. President, if the distinguished chairman will yield, I would like to pose a question in order to clarify the intent of the committee in regard to the amount provided in the bill for the so-called impacted areas aid program, Public Law 874.

Mr. MAGNUSON. I would be happy to yield to the Senator from New Jersey, who is a valued member of our subcommittee.

Mr. CASE. I thank the Senator. The bill, as reported by our Appropriations Committee, provides $700,000,000 for the impacted areas aid program. The committee report, on page 9, states:

> The Committee, although somewhat skeptical of HEW's ability to accurately estimate actual needs in this area, has, therefore, provided $700,000,000, enough to fully fund the first two tiers of the payment schedule, as well as the hold-harmless provisions (305 (b) (2) (B) and 305(b) (2) (C)).

As that language indicates we, in committee, were not too confident about the estimates supplied by HEW of the amount needed to fund the payment schedules. It is my understanding that it was the intent of the committee that, in the event that the funds provided are in excess of the amounts needed to satisfy the requirements of tiers 1 and 2, as well as the two hold harmless provisions, those amounts should be applied to the unsatisfied entitlements under tier 3 in accordance with the authorizing legislation. In order to establish legislative history on this point, I ask the chairman whether my understanding is correct.

Mr. MAGNUSON. The Senator's understanding of this matter is correct. It is the intent of the committee that any funds provided in the bill that are in excess of the amounts needed to satisfy the requirements of tiers 1 and 2 as well as the two hold harmless provisions will be applied to the unsatisfied entitlements of tier 3.

We are required by law to put in at least three-quarters of a billion dollars in this bill. We could not do anything else.

Here is a letter threatening to veto the bill because it is currently $1.5 billion over the budget. After conference with the House, the amount is likely to be less. When you subtract impact area aid requirements in law, you are talking about an increase of about $300 million or $400 million.

Mr. BROOKE. That is the point I wanted to raise.

Mr. MAGNUSON. Mr. President, I would like to have this letter from the Secretary of HEW printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., June 26, 1975.

Hon. HUGH SCOTT,
Minority Leader, U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: This letter is to express my strong opposition to H.R. 5901, making education appropriations for FY 1976. At a time when the country is beginning to get some good economic news indicating that we are starting to make some headway against inflation, the Senate has under consideration a highly inflationary bill of almost $8 billion, an excess of $1.5 billion over the President's request.

If this measure involving a more than 25% increase over the budget is adopted, I will certainly recommend a veto to the President. This is a course of action I will take with regret, for one of the reasons for having a separate education bill this year was to speed up enactment of appropriations for State and local educational programs. If so much money is put in the bill that the President has no choice other than to veto it, we will have deprived the State and local educators of their ability to know the level of Federal assistance in a timely fashion and to plan effectively for the next school year.

The excessive funding level provided for in this bill is the result of perpetuating many marginal, duplicative or ineffective aspects of Federal programs. The Committee recommendation for impact aid alone is nearly three-quarters of a billion dollars and includes funding for the first time for children living in public housing. Instead of improving a program which many studies suggest has relatively little economic justification, the Committee has instead increased its funds and expanded its scope. The Committee bill would also perpetuate many of the older student assistance programs while simultaneously funding the new basic educational opportunity grants and the guaranteed student loan program which were designed to supplant these older programs.

In addition, funds for emergency school desegregation assistance have been included at the same level as in past years, although the incidence of new court-ordered and voluntary desegregation plans has decreased substantially. Numerous additional programs, including land grant college aid, college library support, equipment programs, and others, would under the Committee bill continue to dole out marginal amounts of funds to a large universe of institutions without regard to their need for support. The bill underscores the apparent impossibility of terminating any Federal program once it gets started.

I would urge the Senate to reject the Committee bill and amend it to the levels requested by the President.

Sincerely,

CASPAR WEINBERGER,
Secretary.

Mr. MAGNUSON. This letter was sent to Senator HUGH SCOTT. It was distributed to all of us.

Mr. BROOKE. It was distributed.

As the chairman pointed out—and I have a copy of that letter from the Secretary of Health, Education, and Welfair—they are complaining that this is in excess of $1.5 billion over the administration request.

Mr. MAGNUSON. Yes.

Mr. BROOKE. Now, as the Senator from Washington has pointed out, if their chief complaint is with impacted aid, which is three-quarters of a billion dollars——

Mr. MAGNUSON. Yes.

Mr. BROOKE. That is a good bit of the total that the administration is complaining about.

Mr. MAGNUSON. Yes.

Mr. BROOKE. I look back into some of the criticisms. One is that—

> In addition, funds for emergency school desegregation assistance have been included at the same level as in past years, although the incidence of new court-ordered and voluntary desegregation plans has decreased substantially.

We had hearings on that, as the chairman will recall, and we had people from the South, the West, and the North who all complained that they needed this money so sorely at this point.

It shows absolutely no wisdom as to what is going to be happening in the school year of 1976–77—and, for that matter, 1975–76, because we need the funds now, and they would suggest here, I take it, that we should cut back even below the level that we had in 1974–75.

Mr. MAGNUSON. Yes.

Mr. BROOKE. To me, I just cannot conceive——

Mr. MAGNUSON. Another thing about these emergency funds is that they are there for the purpose the name implies; they do not have to use them and sometimes we are hopeful they will not.

Mr. BROOKE. But they have to make the case every time they request those emergency funds. If they cannot make a case, they do not get the funds. They have to use them, generally, in an emergency and they are emergency funds.

Mr. MAGNUSON. When we get

through with being reasonable about this, with the entitlements, I do not assume the House will take all that we add, but I would wager we are talking about $400 million in increases which the law does not mandate.

Mr. BROOKE. After we finish in conference.

Mr. MAGNUSON. Yes; and then we include what we had to do on entitlements under the new impact aid law.

Mr. BROOKE. On those court cases relating to school desegregation, I would just like to add that the court orders are just the tip of the iceberg. Many school districts have only taken the first steps toward desegregation. The process is a long one and by our appropriation we are recognizing that these districts will require financial support for some time to come.

So we really do need those funds. I quite agree with the chairman we are talking here now maybe about $1.2 billion.

Mr. MAGNUSON. $0.1 or $0.2 billion.

Mr. BROOKE. We are talking about $1.1 billion or $1.2 billion and, as the letter would indicate, three-quarters of a billion dollars or more in impact aid which we have to do——

Mr. MAGNUSON. We have to do.

Mr. BROOKE. Then we are really not that far apart with the administration at all.

So we are sending it to the President ultimately and hope the President will sign it. This letter was signed by Mr. Weinberger and, as I understand it, he is no longer Secretary of Health, Education, and Welfare.

Mr. MAGNUSON. No, he resigned yesterday.

Mr. BROOKE. He has resigned.

So I hope that the Department will take a closer look at this bill which we are hopeful is going to pass today and maybe we can come to some agreement with the administration.

Mr. MAGNUSON. This is his last job, his last act, to veto this bill, and I do not think he has taken and given any consideration to entitlement requirements in the law or any of the other factors which the committee must weigh.

Mr. BROOKE. But Mr. Weinberger has done an outstanding job, in my opinion, Mr. President, as the Secretary of Health, Education, and Welfare and I personally regret that he is leaving the job, because he has been such an outstanding Secretary.

But I do think they could have taken another look at this and found they could do a job here in the best interests of education and still keep within our fiscal restraints.

Mr. MAGNUSON. Every time I turn around, it seems, in handling this bill, we have a new Secretary.

I am convinced that down at HEW the sign painter is the busiest fellow in town. I think there must be some money in here for a helper. They are changing around down there like musical chairs and these programs that serve people are the ones hurt the most.

Mr. YOUNG. Will the Senator yield?

Mr. MAGNUSON. I personally think we ought to have a separate Department of Education, that is what I personally believe.

Mr. BROOKE. What we did this year, in taking this out of the HEW bill, is a step in the right direction.

Mr. MAGNUSON. Yes, making it a separate bill; it is just too big a department.

Another thing, there is so much integration of labor programs now, manpower training, we appropriate money to one department like Head Start and turn it over to another department for administration, and there is no cohesion at all.

I am hopeful that we will have a separate Department of Education and that we might get some people to stay there long enough for us to sit down and work out these programs.

Caspar Weinberger has been around Washington for a long time. I have known him for many, many years as a personal friend, but he has taken on so many jobs that I suppose he got worn out. Anybody in HEW that takes on HEW must be worn out before he starts, just looking at what he has to do.

That is what causes a great deal of this confusion.

They should have known that the entitlement was a mandatory matter and not put it in a letter yesterday complaining about it. They should go up to the other committee then if they do not like this, and change the law, not to pick on appropriations.

Mr. PROXMIRE. Mr. President, with great regret, I will have to vote against this bill. I say that most reluctantly.

The principal reason, as all of us know, the best investment that an individual family or a nation can make is in education, but I think in this bill we do go too far. I think it is just not fiscally responsible.

I think the work that the Senator from Washington has done—hard, diligent work, it is the toughest assignment we have in the Senate—the chairman of that subcommittee, and the excellent work of the Senator from Massachusetts, deserves our thanks. I have great sympathy for them.

Frankly, one of the reasons I vote against the bill is that there is no way we can justify the colossal amount of impractical aid and in this bill, in my view. How can we just give millions and millions of dollars to Fairfax County and Montgomery County on the ground the people who live there and pay property taxes on the residences they live in, work for the Government in Washington?

And so, they work for the Federal Government in Washington, but the Federal Government does not pay property tax. We pay instead this in lieu tax, which in my view is an outrageous giveaway.

The chairman contends there is an entitlement. I have complained about this earlier. I have put in amendments, they have been defeated, the committees say they will study it and change it and they never do.

This is a program that was opposed by President Eisenhower, President Kennedy, President Johnson, President Nixon, and President Ford. They all recognized it as a pork barrel and a ripoff.

They have told us that in Congress, and they will just not change it.

For that reason, Mr. President, as I say, there is nothing that the Appropriations Committee can do about this, they are locked in by authorization legislation which I think is misguided and just must be corrected. But as a protest, I intend to vote against this bill also because I do think when we are $1.5 billion over the budget recommendation, 25 percent over it, the House is more than $1.2 billion over the recommendation of the President, I think we are asking for a veto and we are going to get it.

Because of the veto this legislation will be delayed and we will have to try to pass it over a veto. I doubt if we can do that.

If that happens, we will have a situation in which educators are not going to know until the fall how much Federal money they have. That means they will be spending inefficiently and wastefully.

I would hope there were some way we could do this, but at this point there is no realistic expectation.

Once again I want to reiterate my compliments to the Senator from Washington and the Senator from Massachusetts for their hard work. This is not their doing, that it is this high. The authorizations forced them into this position.

Mr. MAGNUSON. I thank the Senator from Wisconsin for calling the Senate's attention to this matter .

I have said many times that this formula belongs up in the committee and they do nothing about it.

Obviously, there are some places where it is really abused, no question about it. The best example is right around here.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. JAVITS. Mr. President, a number of States face a little embarrassment with the committee bill, because at page 3, lines 5 to 9 of the bill, there is a proviso respecting hold harmless intended to assist 17 small States by providing funds which they would otherwise have received if it were not for the consolidation of Elementary and Secondary Education Act, title IV, which was accomplished last year in the Education Amendments of 1974, Public Law 93-380.

Under those consolidations, the original guaranteed minimum amount for each State which relate to the now consolidated items were canceled out, so that States like the State of the author of the amendment, the Senator from Wyoming (Mr. McGEE), would suffer very serious reductions from previous levels unless there were a hold harmless.

The difficulty is that the committee bill as reported adds no funds to compensate for these reductions, and unless there is more money, the hold harmless takes money from the other 33 States, including my own State. This would cost New York State alone an estimated $1,200,000.

I am very sympathetic with the position of the smaller States which are involved, and will do my utmost to bring about the necessary authorizing legislation.

I believe it is clear that a point of order would lie against this particular provision. However, I have worked this difficulty out with the wonderful cooperation of Senator MAGNUSON, Senator BROOKE, and Senator PASTORE, so that an amendment adding the necessary money will be included at this point in the bill, and both the hold harmless proviso to which I have referred and the additional money will be made subject to enactment of the necessary authorization.

I pledge to do my utmost to bring about the necessary authorization legislation very promptly. I believe it would avoid unintended reductions for any State, and that this amendment and a change in the authorizing law will dispose of the matter. Senator PASTORE will offer the necessary amendment.

Mr. PASTORE. Mr. President, if the Senator will yield——

Mr. JAVITS. Yes.

Mr. MAGNUSON. I yield the Senator from Rhode Island such time as he may require.

Mr. PASTORE. I agree with my distinguished friend from New York. I do not believe there is any intention on the part of the large States to hurt the small ones, or any intention on the part of the 17 small States to hurt the large ones.

There has been no authorization that would justify appropriating the money in order to carry out that objective. Therefore, we have prepared an amendment, which the Senator from New York is now scrutinizing, which we will offer at an appropriate time, making both the proviso and the money subject to authorization.

Mr. JAVITS. I am very grateful to my colleagues, and again express my appreciation.

Mr. MAGNUSON. Mr. President, the Senator from Massachusetts and I will be glad to accept the Pastore amendment.

Mr. PASTORE. May I send it to the desk at this time?

Mr. MAGNUSON. Yes.

Mr. PASTORE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 3, line 5, after "Public Law 93-380" strike the following:

": *Provided*, That the amount made available to each State from sums appropriated for fiscal year 1976 or from sums appropriated for fiscal year 1977 for title IV shall not be less than the amount made available for comparable purposes for fiscal year 1975" and insert in lieu thereof:

For carrying out title IV of the Elementary and Secondary Education Act an additional $11,633,852 for fiscal year 1977: *Provided*, That none of such funds may be paid to any State for which the allocation for fiscal year 1977 exceeds the allocation for comparable purposes for fiscal year 1974: *Provided further*, That these funds shall become available contingent upon enactment of authorizing legislation.

Mr. PASTORE. Mr. President, I ask unanimous consent that the name of Senator YOUNG be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I ask unanimous consent that my name be added as well as a cosponsor of the Pastore amendment.

Mr. PASTORE. And that the name of Senator JAVITS be added.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BROOKE. Mr. President, I am very pleased that the distinguished Senator from New York in customary fashion has raised this issue, and the distinguished Senator from Rhode Island (Mr. PASTORE) has offered his amendment.

Under this Pastore amendment all of the States which lose money under the consolidation would be held harmless; that is, they would not lose any money relative to the funds that they received in 1974.

The amendment provides that $11.6 million will be required and that it would make the matter subject, as I understand it, to authorization, both the language and the money, and I think we are glad to have this matter resolved in this fashion.

Mr. JAVITS. Mr. President, may we now vote on the amendment?

Mr. PASTORE. Mr. President, I move the adoption of the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open for further amendment.

Mr. BIDEN. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 11, line 13, strike $34,500,000" and insert "$31,000,000"

Mr. BIDEN. Mr. President, this amendment can be explained very simply.

The education appropriations bill reported by the Senate Appropriations Committee provides $34.5 million for the office of the Assistant Secretary for Education, the same as provided in the House bill.

Within this bill, $13.5 million is provided for the fund for the improvement of postsecondary education. The amount contained in the bill would support 80 continuation projects and 45 new project awards.

The amendment I am offering would provide $10 million for the fund, a reduction of $3.5 million below the Senate committee bill and $7.5 million below the budget request. It is also $1.5 million below the fiscal 1975 appropriation.

Let me make myself clear. The $10 million which I propose for the fund would continue to support the 80 ongoing projects, the same as supported in the committee bill, but it would allow only 15 new project awards, instead of the 45 new awards contemplated by the committee.

Obviously, Mr. President, we are not speaking of vast amounts of money here. What we are talking about is cutting back on Federal programs which are of marginal value. The fund for the improvement of postsecondary education is an example of just such a program where cuts can and should be made.

The fund has as its purpose the improvement of "the effectiveness of postsecondary education by supporting activities and projects throughout the field of postsecondary education, which have the potential for achieving needed reforms and improvements."

Certainly, the goals of the fund are admirable. There is justification for efforts to achieve reforms and improvements in higher education. However, what must be questioned is whether these goals are actually being met.

Serious questions have been raised as to the value of many projects supported by the fund. For example, the awarding of $102,826 to finance a "network of practitioners to answer telephone inquiries about the initiation, development, and evaluation of improvements in postsecondary education" seems somewhat frivolous, given our present economic difficulties. We paid $102,826 for that program.

I was astonished to learn that until recently the fund had intended to support a project in "beginning tennis," but withdrew this support as a result of congressional pressure.

These projects, and many others of the same type, appear to be of dubious value. Further, the projects are often duplicative of ongoing activities of other programs.

In addition, the fund for the improvement of postsecondary education frequently makes awards to associations and groups rather than to institutions of higher education, a practice which may merit investigation.

My amendment would permit the continuation of ongoing projects, but sharply reduce the amount of new awards. Quite frankly, I would like to see all of them eliminated, Mr. President. It would not affect the ones that are ongoing but would reduce the authorization to go to 45 new programs.

The rationale for this reduction is simply that concrete results of ongoing projects should be obtained before we expand the number of new projects.

Finally, it is my understanding that the distinguished chairman of the Senate Subcommittee on Labor-HEW Appropriations (Mr. MAGNUSON) supports this amendment. I am hopeful he does and that my colleagues will adopt it.

One last comment, Mr. President: Although the amount of money is small, and although HEW and the whole broad area is so vast, it seems to me that we may have lost our way a little bit in education in this country. I know it sounds a bit reactionary to state it but I think it is about time instead of spending money on programs like these and many others we could name, in teaching children how to cope and have fruitful marriages, if we can teach them how to read, write, add and subtract—if we teach them to read, write, add and subtract—and get a lot of our phony philosophers, psychologists and sociologists out of education so our children can cope and compete by knowing how to read, write, add and subtract, we shall much better spend our money, not only in this area but in every other area.

Again, I thank the chairman of the subcommittee. As was stated earlier, I cannot think of any job in the Senate that I would least rather have than his, being chairman of a major committee and of this subcommittee. I commend him for his work and hope that he is inclined, and the ranking minority member of the subcommittee is inclined, to support this amendment. I do not intend to ask for a rollcall vote.

Mr. MAGNUSON. The Senator does not need to, as far as the chairman is concerned. I wish the Senator had made it $10 million instead of $3.5 million.

This is an attempt to establish another NIE. I have a list of their projects that they spent this money on. I am going to ask unanimous consent to have it printed in the RECORD. I hope it is not read until I leave the Chambers because the Senators are apt to laugh me off the Senate floor for even considering this amount in committee. These were in the House bill. Some of these are just amazing. One of the funds is to establish a beginners' tennis clinic. I have no objection to tennis, but I think the school ought to do that. Does the Senator agree?

Mr. BIDEN. I certainly do. I think the school should be doing that.

Mr. MAGNUSON. One of them provides a project for a network of practitioners to answer telephone inquiries.

Mr. BIDEN. There are several others.

Mr. MAGNUSON. Another one provides mature students with specially designated baccalaureate program which encourages students to integrate their work experiences with formal classroom activities, thereby creating links between the campus and the community.

Mr. BIDEN. If the Senator will yield, there is a very interesting one that might be of interest to our colleagues——

Mr. MAGNUSON. That overlaps some of these even worse programs that they have in NIE. So I gladly accept the amendment. I hope my colleague from Massachusetts will accept it. I protested the whole amount in the committee but I did not succeed.

Mr. President, I ask unanimous consent that this material be printed in the RECORD so the Senators will have good reading material over the weekend.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION, FISCAL YEAR 1974 PROJECTS

Recipient, grant awarded, and brief description:

Alabama Consortium for the Development of Higher Education, Demopolis, Alabama, $37,005, Establishes a counseling and resource center to serve the students of six Alabama colleges thereby enabling each college to expand its services at lower costs.

Alaska Methodist University, Anchorage, Alaska, $83,297, Develops programs which emphasize teaching excellence and appropriate services to students, now including large numbers of Native Alaskans.

University of Albuquerque, Albuquerque, New Mexico, $30,379, Provides mature students with a specially designed Baccalaureate Program which encourages students to integrate their work experiences with formal classroom activities, thereby creating links between the campus and the community.

Alpha Phi Alpha, Atlanta, Georgia, $31,125, Uses the voluntary services of black professionals in reaching students who are not pursuing postsecondary education. This project operates at four sites in the South and provides potential learners with tutoring, counseling, and career advisement.

Alverno College, Milwaukee, Wisconsin, $247,916, Revises the liberal arts curriculum and the standards for learning a bachelor's degree based on what a student can do rather than how many hours the student has spent in the classroom. The college is seeking an integration of knowledge and experience that will result in liberal arts graduates with saleable skills.

American Association for Higher Education, Washington, D.C., $102,826, Provides through project "Nexus" a network of practitioners to answer *telephone* inquiries about the initiation, development, and evaluation of improvements in postsecondary education.

American Association of Community and Junior Colleges, Washington, D.C., $47,879, Provides experimental educational programs developed by the AACJC in cooperation with the courts to rehabilitate selected first offenders.

American Council on Education, Washington, D.C., $120,370, Evaluates formal learning programs in private industry and public agencies. The resultant recommendations for credentialling these learning experiences will be distributed to colleges and universities in *New York State and nationally*.

American Sociological Association, Washington, D. C., $99,760, Develops and encourages projects demonstrating more effective approaches to undergraduate instruction in sociology. Of particular importance is the sponsorship of this effort by a large, influential professional association.

Antioch School of Law, Washington, D. C., $86,000, Educates law students many of whom are minorities in a new competency based learning program that uniquely combines clinical training with classroom instruction toward development of identified skills and knowledge needed by practicing urban attorneys.

Appalachian State University with Winston-Salem University, Boone, North Carolina, $202,000, Implements a set of cooperative programs between a predominantly Black, urban university and a predominantly white, rural institution. These programs include student and faculty exchanges, community service internships and joint curriculum development.

The Aspen Institute for Humanistic Studies, Aspen, Colo., $28,435, Convenes officers of the nation's largest state higher education systems to address problems of coordination, planning and budgeting within and across systems, to develop more efficient and effective state participation in higher education.

Bethel College, North Newton, Kansas, $66,889, Improves the effectiveness of the undergraduate program by reorganizing it around a unifying central theme with components on curriculum revision, learning modules, faculty development, and revised institutional policies.

Blue Mountain Community College, Pendleton, Oregon, $41,476, Coordinates training programs and identifies training needs for people employed in a variety of social service agencies in rural Oregon. These employees might not otherwise learn of some existing educational courses and by bringing together a number of people across agencies, special resources can be brought in which could not be afforded by one agency alone.

Boston University, Boston, Massachusetts, $74,189, Prepares doctoral candidates in the humanities and social sciences to teach in open enrollment colleges, including practical experience in urban community colleges serving large numbers of disadvantaged and minority students.

Bowling Green State University, Bowling Green, Ohio, $158,160, improves undergraduate education by introducing competency learning programs and emphasizing new standards of undergraduate performance. This project also establishes a center on competency based learning which provides information and assistance to other competency projects.

Bowling Green State University, Bowling Green, Ohio, $34,737, provides graduate students with a comprehensive set of skills for teaching at the postsecondary level, including the use of internships, teaching exercises, and close supervision. Because these students also teach at Bowling Green, both the individuals and institution benefit from this approach.

Bucknell University, Lewisburg, Pennsylvania, $20,817, establishes supportive services for elderly students living in residence in a small liberal arts institution. This project explores ways in which the interaction of two different generations promotes learning as well as changes in the climate of that institution.

California State University and Colleges Foundation, Los Angeles, California, $124,288, provides 19 member colleges with effective campus-based approaches for faculty development, after development and testing at 6 competitively selected campuses.

Mr. BROOKE. Mr. President, I have said how much I respect my chairman. We disagree on this point. I feel that a lot of good work is being done in postsecondary educational research. I do not happen to think tennis is as frivolous as the distinguished chairman does. He has pulled out one and I cannot argue for that one. I can say that many excellent research programs have been done, and we do need research in postsecondary education. It is very sorely needed, if we are to improve it.

As I look at it, the budget estimate was $17,500,000. The House cut it by $4 million already, to $13,500,000.

We had quite a discussion on this in the committee. Senator CASE was very strong for improvement of postsecondary education, this particular item. I think Senator STEVENS and some others were also very strong. We went along with the House cut of $4 million.

As I understand it, the Senator from Delaware, for whom I have great respect, wants to cut it another $3,500,000. In deference to my chairman and to the Senator from Delaware, to avoid a lengthy debate and a rollcall on this, would the Senator consider a cut of $1.5 million or $1.7 million? When we go to conference with the House, we will have to drop it anyway.

Mr. MAGNUSON. Will the Senator yield?

Mr. BROOKE. I yield.

Mr. MAGNUSON. Of course, the Senator may disagree with me, and I am sure he does on this, but I took a look at some of these programs. This group was overlapping and duplicating. The amount that the Senator from Delaware suggests would reduce the amount of new projects until we get some hard, useful results on the ongoing projects.

Mr. BIDEN. The intent of the $3.5 million suggestion was not only to eliminate those of duplication, but to only allow 15 of the 45 requests. There are 45 new requests, many of which, in my opinion, do, in fact, overlap and/or are completely senseless. For example, we are spending $108 million, I believe it is, to have 36 senior citizens live in college dormitories on the college campus to learn what it is like.

I am quite sure—maybe that is a needed program. Maybe we need to put senior citizens in college dormitories to see what effect it will have upon the college students or the senior citizens. But when we are running around this country wondering where we are going to get the money to build new schools, or to provide for the education of children who are obviously receiving inferior educations, especially in the area of minority and low-income people, when we argue about the question of busing and the inequities in our educational system which require us to discuss that subject, and then when we allow programs to be funded which are at best of dubious merit, and we are talking about 45 new programs not all of which I personally took a look at; there are about 14 that I did take a look at, and my inclination says to come in here and try to eliminate the whole bloody program, but I am advised that there would be too much of a dog fight and it is too late in the game to do that, so I should get my act together for the next time out, when we bring this out next year.

But I thought, frankly, I was being quite liberal in terms of expenditures in suggesting a cut of only $3.5 million. I would like to be accommodating, but I think I would like to hold fast on that $3.5 million, because it relates to new programs.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. BIDEN. I yield.

Mr. BROOKE. All those groups the Senator mentioned are certainly helped by research in post-secondary education. I disagreed with Secretary Weinberger, but now I want to agree with that he said when he wrote to us. He even asked us to restore the $4 million that was cut from the budget request by the House of Representatives.

The Secretary said:

> $4 million for the Fund for the Improvement of Postsecondary Education. This increase is vital to support the President's effort to bridge the gap between education and work. Moreover, without this increase, the Fund's ability to develop more cost effective educational approaches—in a period of financial stringency in postsecondary education—will be sharply curtailed. This is certainly a laudable goal.

I do want to point out to the distinguished Senator from Delaware that this is an important program. The President has said we want to close that gap between education and work. Certainly, I am sure, that is something the Senator from Delaware wants to do. Certainly our chairman wants to do that.

I just feel that to cut it down any further below the House level of $13.5 million would be ill-advised.

The chairman is making the suggestion that if the Senator from Delaware will agree on $2 million, we would take the $2 million and go to conference with the House of Representatives on it.

Mr. BIDEN. Mr. President, I am a bit confused. Mr. Weinberger recommended a veto of the bill because it cost too much money.

Mr. BROOKE. That is correct.

Mr. BIDEN. Then he comes back and recommends that it is essential that we have $4 million in this area?

Mr. BROOKE. That is correct. It is a matter of his priorities. I think the Senator was on the floor when the matter was previously discussed.

Mr. BIDEN. Yes. And even though my State benefits by the impacted aid provision because of Dover Air Force Base, I agree with the Senator from Wisconsin, I do not like that provision.

But there are Senators who, at least today, I do not think, expect any rollcall votes, and while in good faith it would be difficult for me, if the chairman of the committee will accept the $2 million total, I would be inclined to go along with that, and as a matter of fact I will.

I request that my amendment be so modified, to reflect a cut of $2 million instead of $3.5 million.

The **PRESIDING OFFICER.** The amendment will be so modified.

Mr. BIDEN. But I would like for all Senators to be on notice that since I have been in the Senate, which has not been very long, 2½ years, I have consistently voted for every program that has come along with respect to education. I think education is, in fact, the singlemost important thing we can deal with in this body.

I am becoming more and more of a skeptic as I grow older, and I am beginning to wonder whether or not, having been a teacher myself, my wife having taught for 7 years, and my sister now having taught for 6 years, I am beginning to have a less than favorable view of the educational system in this Nation. I think it is becoming bankrupt, not only financially but in terms of its goals and its ends.

When we in fact have an educational crisis such as we have in this Nation, where, in Philadelphia, a report by the Federal Reserve Bank indicates that 70 percent of those graduating from high school in that metropolitan area cannot read beyond an eighth grade level; when we are graduating people like that all around the Nation, I say that our educators are in fact blowing it.

As a member of the Budget Committee, I remember the discussion we had when we took up education, and the National Education Association became very offended, and printed on the front page of the flier they sent out to teachers all over the country a quotation I made, and I stand by that quotation.

Everyone talks about how we should cut defense and put the money into social programs and education. I have voted to cut defense more than anyone on the Budget Committee, and as much as anyone in the Senate, and have introduced an amendment to that effect.

We all say euphemistically that the Defense Department builds planes that cannot fly. Well, the educators of America are building children who cannot read. They are building children who cannot write. They are building children who do not know how to compete, because we do not equip them to be able to compete. Then we wonder why in fact they cannot cut it. Then we have the NIE and this other program we have now to spend money on indoor gardens, prospective parenthood, and educating the emotions.

I am not sure that the educational system we have in America is capable of taking on the responsibility for the total development of the individual, no matter how much money we give them, to take a child and teach him not only how to read and write—I think it is good to teach them to cooperate, and to handle their emotions and every aspect of their lives, but I think the family ought to be involved in that some way.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. BIDEN. I yield.

Mr. BROOKE. I think the Senator has made a great case for more research. I think he has indicated that we do need more research in our educational system.

If the fund has deficiencies, I think we ought to correct them and repair them, as we are doing with NIE. As the Senator pointed out, the Senator is an educator himself. He sounds like a brilliant lawyer, and he has convinced me that we need more research. Maybe we ought to go back up to the $17 million.

Mr. STONE. Mr. President, will the Senator yield for one brief observation?

Mr. BROOKE. I yield.

Mr. STONE. I think as a result of all the research, after we get through spending another x billion dollars to do the research, the results of the research will show that we ought to do better in teaching kids how to read, how to multiply, how to subtract and add, and that, in turn, will equip them to cope, as opposed to the socializing, psychological approach to coping, which does not equip the kids to cope.

That, I think, is the point the Senator from Delaware has made so effectively this morning, with which the Senator from Florida could not agree more.

Mr. BROOKE. Let me state to the Senator from Florida that he can teach that kid to read, write, and add, but does that kid take that education and transfer it to a work program, for which he is totally unprepared in this world today, and I think the Senator from Florida and the Senator from Delaware know it?

But the Senator from Delaware has modified his amendment, and we will accept it, so that we will have an education bill.

I hope the Senator does not get old and become more cynical and more skeptical. Education is still the No. 1 issue for us in this country, I agree with him; I salute the work he has done in this field, and would hate to see him lost to it.

Mr. BIDEN. Mr. President, there are not many Members of this body whom I consider more capable or more worthy adversaries than the Senator from Massachusetts. I would like very much to prolong this discussion and go into the research programs at NIE, and take a look at what they produce; but that is for another day and another time. I appreciate the Senator's willingness to accept the $2 million cut, and the chairman assuring that.

As they say in athletic fields, I will be back next year and see what we can do then.

Mr. BROOKE. Come before our committee. We would love to have the Senator.

Mr. BIDEN. I thank the Senator.

The PRESIDING OFFICER. Is there objection?

Mr. RANDOLPH. Mr. President, who has been recognized?

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. MAGNUSON. The Senator may have all the time he wants. I yield to the Senator from West Virginia.

I merely want to say one thing to get this record clear now. I opposed that NIE. I want to abolish it and start all over again. But I did not get much help from the committee. That is all this is, the same thing.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. RANDOLPH. Mr. President, I listened with intense interest to the colloquy between the Senators, particularly Senator Biden and Senator Brooke, in reference to what is education and what is not education, and how we approach instruction programs. But we are talking here today in part about the higher education funding. That is the thrust of the discussion, is it not?

Mr. MAGNUSON. Part of it.

Mr. RANDOLPH. Yes, a very important part of this measure.

I think it is very important, while we are discussing that which students can use later in life, to underscore the continuing need for greater emphasis on vocational and technical training. I say to the Senator from Massachusetts, there are areas in which jobs are waiting to be filled by young people. It is not necessary today for a young person to hold a college degree. There may be very real reasons why that youth may be more a productive member of society if she or he does not go through the 4 years of college for a degree.

I speak personally, and I hope not inappropriately. One of our two sons at the end of 2 years in college came and talked to his mother and to me, and he said: "I am doing all right in college, but I want to be out doing what my life's work is to be. I do not believe that those 2 years will add to my opportunity—not only to do something gainful for myself but to help others."

So we agreed with him. He did not complete the 2 years at a college or university. Yet he went into the work that he wanted to do, and he has been doing exactly what he indicated at that time that he desired—a helpful life to himself, but also helpful to others.

I underscore this today to indicate that throughout the United States of America we are becoming not only aware but we are becoming realistic from the standpoint of the type of education which can supplement—not supplant—the arts and sciences. At the college and university levels, as well as the high school levels, and the elementary levels we can train young people to do jobs that are there waiting for them.

It was my privilege only a few days ago to dedicate the career and technical center in Boone County in the State of West Virginia, far back in the mountains of our State. The center will serve, I say to the Members who are in the Chamber today, not only the students who are in high school but adults in classes at night. The Senator from Kentucky (Mr. Ford) knows what is being done in many of the educational programs in his State—where older persons—many fathers and mothers, frankly—are coming in at night and working in vocational and technical centers and receiving an education even at adult age and then moving into gainful employment. It is very, very necessary for us to be realists in the programing of education and the aids to education not only as we consider this bill, but increasingly in the years ahead.

Mr. President, I ask unanimous consent to have printed in the Record certain information about the number of vocational and technical centers and schools that are now operating in West Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RANDOLPH. I quote also from Sidney Marland, who was not so many years ago the Commissioner of Education of the United States. Dr. Marland underscored the need for the type of program that I am advocating today—career education to be a part of programs at the lower levels and at the higher levels. It is an absolute necessity if we are to use our dollars realistically to work, instruct, and train our young people for productive lives in our society.

Commissioner Marland once observed to a group of top educators:

> Educators must be bent on preparing students either to become properly and usefully employed immediately upon graduation from high school, or to go on to further formal education. The student should be equipped occupationally, academically, and emotionally to spin off from the system at whatever point he chooses—whether at age 16 as a craftsman-apprentice, at 30 as a surgeon, or age 60 as a newly-trained practical nurse.

EXHIBIT 1

VOCATIONAL EDUCATION IN WEST VIRGINIA

West Virginia is widely recognized as having one of the outstanding vocational education programs in the Nation. When the current phase of construction is completed, there will be a total of 43 area vocational-technical centers or comprehensive high schools in the State—within the reach of every student who wants to learn a skill or plan a career.

During the past school year, more than 76,000 West Virginians were enrolled in vocational programs, an increase of almost 14,000 over the previous year. This enrollment consisted of nearly 50,000 secondary students and over 25,000 adults. A significant trend is found in the fact that more than 4,200 post-secondary students are presently enrolled in vocational programs, nearly double the number in the previous year. This means that many of those students who decide to go on to college at the two-year or four-year level are realizing the need for a job-oriented curriculum.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. BROOKE. Mr. President, I wish to say to the distinguished Senator from West Virginia, that I cannot agree with him more on just about everything that he said on the need for vocational and technical education. I think that our bill reflects that very well. I was invited to address a commencement exercise just last week for adult education, and a lady 75 years of age received her diploma from high school. It used to be, get either a high school diploma or college degree, and that was the end of it; you were set for life. But in our changing technological society, there is a need for continuing education at all times, and people are changing jobs so much. I do not want to get into it at this time at any great length but many Senators are waiting for a vote on this. We are going to have the yeas and nays on final passage on this bill. But I just want to say that is a great contribution, and I hope we will continue to recognize that we cannot put all of our money into baccalaureate, that some of that money has to go into vocational, technical education, and adult education as well.

Mr. RANDOLPH. I appreciate what my colleague has said. By the same token, as we reason these matters through, we must realize that there are persons in the United States of America who are what I call professional students. They very frankly are on the college and university campuses from one degree to another, never coming to a realization that they need to go out into life, not only to serve themselves, but to serve others.

Mr. MAGNUSON. Mr. President, the Senator from Washington will say for the last several years we have pushed a program to put more emphasis on vocational training, and I think we have done very well. In this bill, I want to point out, that the vocational school enrollments have been going up about 10 percent a year.

Mr. RANDOLPH. The other is down.

Mr. MAGNUSON. Yes. And the bill has $570 million for grants to States which is important, basic grants, consumer education, and work study; and we calculated that with this amount, which is larger than last year and the year before and the year before that, that we will reach about 13 million students. That is good progress.

Mr. RANDOLPH. Yes. I commend the Senator from Washington, who manages this bill with the Senator from Massachusetts (Mr. BROOKE), because they have given the appropriate emphasis to worthwhile education programs. I felt it would not be inappropriate to stress my own thinking about the importance of career education.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

LIBRARY SERVICES AND CONSTRUCTION ACT

Mr. MATHIAS. Mr. President, I should like to pose a question for the record and for the edification of my colleagues and myself with respect to the amendment which I had proposed in committee. This amendment provided $12,288,750 for title I—library services—of the Library Services and Construction Act and $648,500 for title III—interlibrary cooperation—of the act for the so-called interim, or transition, quarter, the period July 1, 1976, to September 30, 1976.

As is well known, under the terms of the 1974 budget reform law, Public Law 93-344, the next fiscal year extends from July 1, 1975, through September 30, 1976, with a transition—or interim—quarter running from July 1, 1976, to September 30, 1976, being added to the traditional 12-month fiscal year which would extend from July 1, 1975, to June 30, 1976. This transition quarter is necessary in order that future fiscal years, beginning with fiscal year 1977, might run from October 1 to September 30.

As I pointed out in committee, my amendment does not add to the spending level for library programs but merely provides funding for the transition quarter at the same rate as the committee provided for the 12-month period, incidentally the same as the fiscal year 1975 appropriation level. This amendment would forestall a cutoff of Federal funds during the interim quarter period.

The administration did not recommend money for the transition quarter, beacuse, in its words—

> No funds were included in the interim budget for Library Services since the fiscal year 1976 budget assumed a gradual phase-out of the program, to be completed in the interim period and fiscal year 1977.

My question, therefore, Mr. Chairman, is: Am I correct in believing that the omission of transition quarter funding for the Library Services and Construction Act does not imply congressional agreement with the administration's statement that this program should be phased out, and that this interim period funding will be considered at a later time in a separate measure?

Mr. MAGNUSON. Yes. The committee will consider these items later in the year, if necessary.

Mr. MATHIAS. Thank you, Mr. Chairman. I am reassured as, I am certain, are all my colleagues who, for the better part of a decade, have been supporters of the Federal library program.

I ask unanimous consent that there appear at this point in the RECORD a brief description of the amendment to which I have referred.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT

Amend the "Library Resources" section as follows:

For Title I of the Library Services and Construction Act for the period July 1, 1976, through September 30, 1976, $12,288,750.

For Title III of the Library Services and Construction Act for the period July 1, 1976, through September 30, 1976, $648,500.

RATIONALE

The Education Appropriations Bill, H.R. 5901, covers three fiscal periods:

(1) The traditional 12-month FY 1976, July 1, 1975 to June 30, 1976.

(2) The transition (or interim) quarter, July 1, 1976 to September 30, 1976.

(3) FY 1977, in which some (but not all) programs are forward (or advance) funded.

As passed by the House, H.R. 5901 provided for the 12-month FY 1976 period for Library Services (Title I, Library Services and Construction Act) $49,155,000, an increase over the House committee recommendation of $5 million, but the same as FY 1975. The Administration had requested $10 million. The House provided $2,594,000 for Interlibrary Cooperation (Title III), the same as FY 1975 (the Administration had requested zero).

The Administration did not request transition quarter money for Library Services. The House concurred, as it did with all transition quarter Administration requests.

When Senate staff queried the Administration on the lack of a transition quarter request for Library Services, the Department responded as follows:

"No funds were included in the interim budget for Library Services since the fiscal year 1976 budget assumed a gradual phase-out of the program, to be completed in the interim period and fiscal year 1977."

This response was received after House passage on H.R. 5901. The issue had not been discussed either in the House report or on the floor.

It is clear that if interim (transition) quarter funding is not provided for the 3-month interim period, then the actual result is a reduction in funding for the program. Public libraries, the beneficiaries of the program, are not run on a school year basis. Libraries, for example, do not receive a 15-month subscription to a scholarly journal or a news magazine for the 12-month price just because FY 1976 is a transition year of 15 months (five quarters). Costs for public libraries (including salaries) are obviously proportionately higher during the 15-month transition year—yet, H.R. 5901 includes no interim (transition) quarter funds. This should be remedied by providing for the interim period (July 1, 1976 through September 30, 1976) an amount equal to 25% of the FY 1976 12-month period funding.

VETERANS COST-OF-INSTRUCTION PROGRAM

Mr. MATHIAS. Mr. President, I would also like to clarify for the record one other item of considerable importance to me and to a number of my colleagues: namely, the Veterans' Cost-of-Instruction program, which provides much-needed funding for educational counselling, outreach and other special programs for veterans on our campuses.

I am pleased to note that the Appropriations Committee continues to support this program and has recommended funding of $23.7 million for it in this bill for fiscal year 1976—the same amount we originally included in the current year's regular appropriation bill and that the House provided for fiscal year 1976. As the chairman is aware, however, we also recently passed a supplemental appropriation bill which provided an additional $7.5 million for VCIP for the current fiscal year, bringing the total amount made available for fiscal year 1975 up to $31.2 million.

My question is this: Is it the chairman's understanding that by recommending only the House-approved level of $23.7 million for VCIP at this time, the committee did not intend to cut this badly-needed program back, and that the committee will give full consideration to possible supplemental funding later in the year if the number of eligible institutions and campus veterans continues to warrant such supplemental funding as it did during the current fiscal year?

Mr. MAGNUSON. Yes. The committee will give this consideration later in the fiscal year, when we have some hard estimates.

Mr. MATHIAS. I thank the distinguished chairman. I am well aware of his skill and dedication in providing fair consideration for adequate funding of the great many crucial educational programs under his jurisdiction.

Mr. MAGNUSON. Mr. President, I call up a technical amendment which is to correct an oversight in the bill. It deals with funds for the vocational education programs.

The committee has also provided a 2-year availability for some of this money. That has been that way in all the bills we have enacted, and we have talked with the House of Representatives, and they agree it should be done. It was an oversight on their part. I ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Washington (Mr. MAGNUSON) proposes an amendment. On page 5, line 23, after "30", insert the figure 1976 in linetype type and change 1977 to italics.

The **PRESIDING OFFICER.** Is there objection to the amendment?

Mr. MAGNUSON. Mr. President, I ask that the amendment be agreed to.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER.** The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be

engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. EAGLETON. Mr. President, I wish to call to the attention of my colleagues that section of the bill which relates to appropriations for the National Institute of Education. As will be noted on page 10 of the bill, the text states that up to $30 million of the $70 million appropriated for the NIE is to be used to continue support of educational laboratories and centers.

The committee considered language which Senator Schweiker and I offered which states that not less than $30 million be used to continue support of educational laboratories and centers. However, because the committee reduced the total funding of the Institute, it was felt that the "not less than" language which Senator Schweiker and I offered was too inflexible, and thus the committee adopted the language which is before you in the bill.

However, I would like to clearly establish the committee's intent with regard to this language, so I will direct this question to the distinguished chairman of the Labor-HEW Appropriations Subcommittee: At this time, the labs and centers are receiving approximately $34 million in support from the NIE. I recognize that a reduced level of total funding will necessitate a proportional cut in lab and center support. I understand from the subcommittee staff that such a reduction could reduce present funding of laboratories and centers to slightly less than $30 million. Is that correct?

Mr. MAGNUSON. That is correct. The committee expects continued support of educational laboratories and centers at only slightly less than is now being allocated.

Mr. EAGLETON. I thank the chairman. I would like to note that the distinguished senior Senator from West Virginia, Mr. Randolph, has expressed his interest in and concern about this matter, also.

The educational labs and centers across the country have developed many products which are being used in schools in 3,650 cities throughout the Nation. These are products which have shown great promise for improving the quality of education, and I believe that is the central purpose of this entire bill. Thus, I am delighted that the chairman agrees that the intent of the committee language is to continue the work of the past years with adequate support from the NIE to make every effort to see that competitively-developed educational products are disseminated to schools throughout the Nation.

Mr. BUCKLEY. Mr. President, I am compelled to vote against the education division and related agencies appropriations bill of 1976 because it represents an increase of more than 10 percent over the current level. Inflation continues to be a major threat to every American, and we can only remove that threat by beginning to exercise the kind of fiscal restraint that too many Americans are now having to face because of reckless spending by Congress.

I might add that this bill exceeds the President's request by more than $1.5 billion.

Mr. CHURCH. Mr. President, I wish to commend the members of the Senate Committee on Appropriations, especially its Subcommittee on Labor-HEW, for the fine work they have done on H.R. 5901, the Education Appropriations bill of 1976 with particular plaudits to the subcommittee's chairman, Senator Magnuson.

First, I am pleased that the committee and its counterpart in the House of Representatives have considered appropriations for education programs separately from those for other HEW programs and the Department of Labor. In recent years, several singular issues in education, health, welfare and labor programs have become most controversial, and the lengthy debates that have ensued have delayed appropriations for all the programs under these Departments. Consideration of education programs separately has allowed the Congress to act on their appropriations bill early in the session, well before the beginning of the school year. This expeditious action will be of great benefit to our schools, and I know that all of my distinguished colleagues must be pleased with this procedure.

Recent years have seen tremendous changes and improvements in education programs. Last year, Congress enacted Public Law 93–380, which revised and improved virtually all but vocational and higher education programs. Included in Public Law 93–380 is the new community education program, which I and so many others have worked to achieve.

With the attitude of the administration toward new programs, it is very significant to me that the President requested $3,553,000 for community education. This figure is, of course, far below the $15 million authorization in Public Law 93–380, but I am confident that community schools will prove so successful and dynamic that increased funding will result in the months and years ahead.

H.R. 5901 also contains a hold-harmless provision for title IV programs. In the Senate-passed version of Public Law 93–380, the Senate retained language that had been in the law to guarantee that all States would receive significant funds to carry out experimental and innovative programs. The House did not, and then insisted on its position in conference. The Senate, with great reluctance, finally accepted the House position on this matter. But as a result, many small States would have lost the ability to have these programs. This year, for example, Idaho would lose almost $365,000.

Small States have taken a leading role in innovative and experimental programs. In Idaho, these programs have emphasized the teaching of basic skills. They have proved very popular in Idaho's schools and communities. Their success is demonstrated by the fact that three of Idaho's programs have been approved for national dissemination. It is most shortsighted to assume that size should be the criterion for distribution of these funds, and I joined with Senator McGee and a number of others in urging that H.R. 5901 contain a hold-harmless provision, so that small States could continue their excellent efforts in innovative and experimental programs at least at the level of prior years. The Senate committee has agreed to our request, and I commend the committee for having done so.

With this hold-harmless provision, H.R. 5901 provides substantial funds for the revisions and improvements made in education programs by the Congress last year, including sufficient funds under the new formula for Public Law 874, aid to federally impacted areas. For years, the administration has treated Public Law 874 as the black sheep of education programs. The Congress has had to insist, time after time, that Public Law 874 be continued, and that the executive branch execute the law instead of trying to scuttle it. Finally Congress enacted an entirely new funding formula for Public Law 874, to accomplish its intent that the program be continued, for the same purposes it has served for over 20 years. The Senate committee has provided sufficient funds for the operation of the new formula, but we must watch with great care to determine whether the administration will meet its responsibilities under this program.

The Senate Committee on Appropriations is to be commended for its well-considered and expeditious treatment of the education appropriations bill, which gives substance to the revisions and improvements made in education programs by the Congress last year. I know that the full Senate will now overwhelmingly endorse its efforts.

Mr. HRUSKA. Mr. President, in the pending education division appropriation for fiscal year 1976 the Congress is applying for the first time the school impact aid provisions authorized by Public Law 93–380, the Education Amendments of 1974.

The new payment formula has relieved the Appropriations Committee of writing allocation priorities into the education appropriation. This represents progress. I must note, though, that heavily impacted school districts serving military installations cannot receive full entitlements at current appropriation levels. The committee has noted this problem in its report. The answer, Mr. President, is not to add large amounts of funds but to consider legislative changes which will meet the needs of these school districts at minimal cost.

Such a proposal has been suggested by Dr. Richard Triplett, superintendent of the Bellevue, Nebr., public schools. Bellevue is adjacent to Offutt Air Force Base, headquarters of the Strategic Air Command. Dr. Triplett is a nationalliy recognized authority on school impact aid. His proposal concerns 29 States, 91 school districts, and a relatively small annual increase of $5 million in the impact aid appropriation. I believe this proposal merits careful consideration by the Committee on Labor and Public Welfare.

Dr. Triplett's proposal requires careful explanation. It is deserving of my following remarks for future reference in the appropriate committee.

As the Appropriations Committee has noted at page 8 of its report on the bill:

> The pattern of payments closely resembles the distribution adopted by the Committee in previous appropriation bills.

As one who had a direct hand in establishing the 100 percent and 90 percent of entitlement provisions for category A—"on base" impaction—I am pleased that these rates have been retained in the first two payment stages of the new formula. Without these payment rates, school districts with large category A enrollments would suffer severe financial hardships. For example, in the Bellevue, Nebr., public schools, two of every five students are in category A. Impact aid payments for these students at 100 percent of entitlement constitute 26.7 percent of the school district's budget for the 1974–75 school year.

My purpose in speaking today, Mr. President, is not to take issue with the impact aid payments recommended by the Appropriations Committee in title I of the pending bill. The committee has done the best it could. The new formula virtually mandates payments through the first two of the three payment stages if we are to approach the aid levels of recent years.

I do want to call attention today to the fact that the Education Amendments of 1974, while they maintain the 100 and 90 percent priorities for category A, offer little relief for school districts burdened with large numbers of military category B—off base—pupils. The Appropriations Committee has recognized this situation at page 9 of its report with this statement:

> The Committee notes that the new impact aid formula appears to offer little relief, at current appropriation levels, for school districts with large numbers of category 3 (b) military dependents. Generally, these districts serve large military installations which heavily impact on local economies and tax bases. The new law will generate a new more detailed base for classifying students. The Committee urges the Commissioner to review and analyze this new data and, if necessary, recommend formula adjustments or improvements which might be made to the basic law.

Over the past 10 fiscal years, the payment rates for category B students have fallen from 100 to 63 percent. In the pending bill, the fiscal year 1976 payment rate for category B military students will be 60 percent of entitlement.

Fiscal year 1966 was the last year in which category B payments were made at 100 percent of entitlement. I ask unanimous consent that a table showing the payment rates for category B military dependents allowed by appropriation bills since fiscal year 1966 be printed at this point in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

Payments for category B military dependents at percents of entitlement indicated[1]

Fiscal year:	
1966	100.0
1967	98.7
1968	98.0
1969	91.7
1970[2]	84.7
1971	70.0
1972	73.0
1973	84.0
1974	68.0
1975	63.0
1976	60.0

[1] Before Fiscal Year 1976, the authorizing legislation made no distinction between Category B military and civilian students. For Fiscal Year 1976, the first two stages of the new payment formula provide 60 percent of entitlement for B military, 57 percent for B civilian in-country and 53 percent for B civilian out-of-country.

[2] Fiscal Year 1970 was the first year in which A's and B's were treated separately for prorating annual appropriations which fall short of the total required to make payments at full entitlements. This was accomplished though the appropriation process. Separate treatment of A's and B's for proration purposes was incorporated into the Education Amendments of 1974.

Mr. HRUSKA. Some may think, Mr. President, that the question of military B payments at full entitlement should be resolved by full funding through stage three of the new payment formula. That would require a fiscal year 1976 impact aid appropriation in the vicinity of $1.2 billion or nearly $500 million more than the amount recommended by the committee. Veto questions aside, any attempt to add $500 million for impact aid would prompt demands for compensating increases in appropriations for other education programs. I will not strain the credulity of my colleagues by suggesting that appropriations for other education programs be reduced to permit impact aid funding through all three payment stages of the new formula.

It is fair to ask whether school districts with large numbers of military B's have special need of payments at 100 percent of entitlement. In response, I will not repeat the customary arguments about the relatively greater impaction experienced by these districts compared with jurisdictions such as nearby Montgomery, Md., and Fairfax, Va., counties which have large civilian B enrollments. It would help, though, now that the impact aid student population has been divided into several subcategories, for the U.S. Office of Education to reassess the 1969 findings of the Batelle Institute study. Apart from the new impact aid formula, there have been significant changes in recent years in the composition, location and compensation levels of the Federal civilian and military establishments. These changes warrant reassessments of relative impaction and aid needs among different classes of school districts.

Those familiar with Federal impaction in school districts serving large military installations understand that in most cases there are difficult local tax base problems. In Bellevue, Nebr., the school district has the lowest tax base of any of the 297 school districts in the State that serve kindergarten through grade 12. The local mill levy is at least double the State average. Per pupil expenditure is about 80 percent of the average. This situation, I believe, is fairly typical of heavily impacted districts which serve military installations.

New data on student populations and per pupil expenditures are being generated in response to the new impact aid payment formula. Within the next year the U.S. Office of Education should have much more specific information than is now available on the precise relations between severe military impaction and local aid needs.

Meanwhile, Mr. President, I want to assure the Senate that the data already available indicate that costly measures would not be required to provide payments at 100 percent of entitlements for all A's and for all military B's in the heavily impacted districts.

Dr. Richard Triplett, who, as I mentioned earlier, is superintendent of the Bellevue Public Schools and a nationally recognized authority on impact aid, proposed a new measure of heavy military impaction in testimony on April 9, 1975, before the Senate Labor-HEW Appropriations Subcommittee. This measure would identify the genuine hardship districts and provide Congress with choices in setting the percentage rate at which heavy impaction would exist for purposes of authorizing full payments for all A's and for military B's.

The present three-stage payment formula and, until recently, the provisions of appropriation bills, treat Category A impaction separately from Category B impaction. Each Category B pupil is counted as one-half of an A pupil. Or, it takes two B's to equal one A. Districts with both A's and B's have two impaction rates. An individual district could have a high A rate and a low military B rate, or vice-versa. Generally, the districts with large A populations have heavy military impaction, while mainly B districts vary widely in the military and civilian character of impaction.

In Dr. Triplett's view, it would serve the Congress better if heavy military impaction were reduced to one rather than two measures. He has proposed a straightforward combination of A's and military B's into a single measure of relative impaction. Each military B pupil would continue to be counted as one-half of an A pupil. Under Dr. Triplett's proposal a school district would establish its relative impaction rate by obtaining the sum of its A's plus one-half the number of its military B's and dividing that sum by total pupil enrollment. Civilian B's would continue to receive payments according to the present formula as would military B's in districts which could not meet the heavy impaction test.

The next question is where to set the relative impaction rate which would qualify a school district for full payment for all A's and for military B's. Using data provided by the U.S. Office of Education at my request, Dr. Triplett has found that full payment for school districts down to relative impaction rates as low as 25 percent would amount to an estimated additional cost of slightly less than

$5 million in fiscal year 1976. That amount is less than 1 percent of the total impact aid appropriation recommended by the Appropriations Committee in the pending bill.

Based on current data, only 91 of the more than 4,500 school districts participating in the impact aid program have a relative impaction rate of 25 percent or more. A much more stringent 40 percent rate would involve only 43 school districts. Again, we are dealing with small segments of the whole—between 1 and 2 percent of the participating districts.

I ask unanimous consent that a table showing the number of school districts, the number of States and the estimated additional costs involved at relative impaction rates ranging from 25 to 40 percent be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Relative impact	Number of districts (cumulative)	Number of States (cumulative)	Estimated added costs for full payments in fiscal year 1976: 3(a) (now at 90 percent) (cumulative)	Estimated added costs for full payments in fiscal year 1976: 3(b) military (now at 60 percent) (cumulative)	Estimated added costs for full payments in fiscal year 1976: Total (cumulative)
40 percent or more	43	19	None	$1, 886, 961	$1, 886, 961
35 to 39 percent	52	21	None	2, 028, 076	2, 028, 076
30 to 34 percent	70	27	$159, 035	3, 111, 385	3, 270, 420
25 to 29 percent	91	29	882, 653	4, 095, 702	4, 978, 355

Mr. HRUSKA. Senators may be interested in knowing the names of the 29 States with school districts having the relative impaction rates shown in this table, and I ask unanimous consent that a listing be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

NUMBER OF SCHOOL DISTRICTS WITH RELATIVE IMPACTION RATES INDICATED

[Estimated for fiscal year 1976]

States with school districts having 25 percent or more relative impaction	40 percent or more (N=43)	35 to 39 percent (N=9)	30 to 34 percent (N=18)	25 to 29 percent (N=21)
Alaska	1			1
Arizona	1			
California	9		6	3
Colorado	1	1		
Connecticut			1	
Idaho	1			
Illinois	3		2	1
Indiana			1	
Kansas	2			
Maine	2			
Massachusetts	1			
Michigan		1		
Minnesota	1			
Mississippi			1	
Missouri	2	1		1
Montana			1	2
Nebraska	1			
Nevada	1			
New Hampshire				1
New Jersey	3	1		1
New Mexico	2	1		2
New York			1	
North Dakota				1
Oklahoma	3	3	1	7
Oregon		1		
South Dakota	2			
Texas	5		2	1
Virginia			1	
Washington	2		1	

Mr. HRUSKA. Details for individual school districts in all 29 States are shown in a more extensive table. I ask unanimous consent that this table be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. Mr. President, I have been speaking on behalf of only 91 school districts in the United States—or less than 91 if the Senate in later legislative action permits full payment only at a relative impaction rate higher than 25 percent. But these few school districts will suffer the most from the dilution of appropriations by the continued provision of impact aid for civilian impaction and the extension of aid to pupils who live in public housing.

Predominantly civilian school districts still weigh heavily in the impact aid program. In some instances these districts may gain at the expense of those which experience most severely the kind of Federal impaction Congress envisioned when it passed Public Law 874 in 1950.

My purpose in speaking today will have been served, Mr. President, if the Labor and Public Welfare Committee and the U.S. Office of Education will go beyond the rough-cut analysis I have presented to assess precisely the impaction situation of the school districts serving large numbers of military dependents.

It would appear in order to consider legislative action to adjust the payment formula to meet the special needs of these districts, if further analysis corroborates Dr. Triplett's findings that the number of school districts with heavy military impaction and the dollar amounts involved are almost negligible against the total size of the impact aid program.

EXHIBIT 1

INDIVIDUAL SCHOOL DISTRICTS WITH RELATIVE IMPACTION RATES INDICATED (ESTIMATED FOR FISCAL YEAR 1976)

RELATIVE IMPACTION OF 40 PERCENT OR MORE (N=43)

District	Percent impact	Full entitlement: 3(a)	Full entitlement: 3(b) military	Difference between 60 and 100 percent for 3(b) military
Alaska	80	$27, 428, 880	$9, 200	$3, 680
Yuma, Ariz	57	384, 864	982	393
Klamath Trinity, Calif	60	418, 418	2, 286	914
Atwater, Calif	42	624, 178	200, 709	80, 283
Herlong, Calif	40	87, 912	977	391
Adelanto, Calif	93	766, 094	25, 308	10, 123
Wheatland, Calif	83	856, 781	18, 454	7, 382
Wheatland University High School, Calif	69	414, 352	16, 750	6, 700
Muroc, Calif	71	1, 692, 331	7, 051	2, 820
Center, Calif	61	336, 470	22, 506	9, 002
Travis, Calif	100	2, 054, 850	8, 219	3, 288
El Paso County Colo	40	1, 038, 811	112, 747	45, 099
Mountain Home, Idaho	44	808, 682	102, 933	41, 173
North Chicago, Ill	48	1, 179, 988	14, 553	5, 821
Rantoul, Ill	54	927, 141	138, 189	55, 276
Muscoutah, Ill	63	1, 563, 997	62, 069	24, 828
Fort Leavenworth, Kans	100	1, 548, 089	1, 896	758
Junction City, Kans	48	1, 689, 695	408, 470	163, 388
Limestone, Maine	62	663, 602	6, 260	2, 504
Winter Harbour, Maine	48	49, 000	1, 652	661
Ayer, Mass	61	1, 695, 628	65, 183	26, 073
Rudyard, Mich	67	819, 448	6, 867	2, 747
Waynesville, Mo	63	1, 389, 061	161, 036	64, 414
Knob Noster, Mo	62	$552, 265	$69, 157	$27, 663
Bellevue, Nebr	51	3, 167, 726	1, 116, 292	446, 517
Mineral Co., Nev	40	329, 729	5, 168	2, 067
North Hanover, N.J	77	955, 096	11, 886	4, 754
Eaton Town, N.J	46	887, 792	28, 100	11, 240
Northern Burlington, N.J	44	884, 303	18, 144	7, 258
Gallup-McKinley, N. Mex	61	4, 034, 446	9, 933	3, 973
Bernalillo, N. Mex	44	658, 898	1, 021	408
Broyton, Okla	55	41, 998	1, 575	630
Vamcosa, Okla	44	23, 958	1, 089	436
Ryal, Okla	68	27, 706	533	213
Douglas, S. Dak	79	1, 811, 390	76, 416	30, 566
White River, S. Dak	42	139, 014	653	261
Killeen, Tex	43	2, 197, 144	1, 256, 911	502, 764
Delvalle, Tex	58	1, 059, 996	203, 043	81, 217
Randolph Field, Tex	94	1, 061, 521	13, 448	5, 379
Lackland, Tex	99	768, 549	3, 897	1, 559
Fort Sam Houston, Tex	82	994, 535	7, 825	3, 130
Oak Harbour, Wash	42	836, 119	445, 177	178, 071
Medical Lake, Wash	56	687, 526	52, 843	21, 137
Total		69, 557, 983	4, 717, 408	1, 886, 961
For 100 percent of 3(b) military				1, 886, 961

District	Percent impact	Full entitlement 3(a)	Full entitlement 3(b) military	Difference between 60 percent and 100 percent funding for 3(b) military and 3(a) at 100 percent
Relative impaction of 35 percent to 39 percent (N=9):				
Air Force Academy, Colo	37	$728,313	$192,651	$77,060
Oscoda, Mich	38	776,530	99,570	39,829
Big Piney, Mo	39		8,880	3,552
Lakehurst, N.J	35	255,256	40,003	16,001
Tularos, N. Mex	35	282,242	7,237	2,895
Greasy, Okla	35	46,454	516	206
Pleasant Grove, Okla	36	40,776	1,032	413
Stoney Point, Okla	39	16,001	516	206
Hebo, Oreg	38	27,801	2,383	953
Total		2,173,373	352,788	141,115
Additional amount for 100 percent funding of 3(b) military				141,115
Relative impaction of 30 percent to 34 percent (N=18):				
Coronado, Calif	34	[1] 491,092	231,373	[1] 141,658
Seeley, Calif	34	92,185	2,845	1,138
Ocean View, Calif	34	342,185	53,780	21,512
Warner, Calif	34	$20,563	$1,582	$633
Monterey Peninsula, Calif	32	3,450,477	513,028	205,211
Sierra Sands, Calif	34	1,499,356	4,795	1,918
Groton, Conn	32	1,599,134	178,107	71,243
North Chicago Comm., Ill	30	555,422	3,986	1,594
Highwood-Highland, Ill	33	452,474	8,414	3,366
Maconaquah, Ind	34	639,276	55,732	22,293
Biloxi, Miss	31	1,040,444	193,131	77,252
Hardin, Mont	33	205,916	527	211
CSD NC Town of P, N.Y	34	1,103,176	69,003	27,601
Altus, Okla	32	[1] 621,761	350,428	[1] 202,347
Burkburnett, Tex	33	[1] 457,702	165,827	[1] 112,101
Copperas Cove, Tex	31	[1] 19,795	794,577	[1] 319,810
Prince George Co., Va	31	785,301	80,622	32,249
Columbia, Wash	34	45,584	518	207
Total		13,421,843	2,708,275	1,242,344
Additional amount for 3(b) military at 100 percent				1,083,309
Additional amount for 3(a) at 100 percent				159,035

[1] 90 percent funding for 3(a) under current law.

Districts	Percent impact	Full entitlement 3(a)	Full entitlement 3(b) military	Difference between 100 percent and 60 percent for 3(b) military and 100 percent and 90 percent for 3(a)
Relative Impaction of 25 to 29 percent (N=21):				
Buena, Ariz	27	[1] 192,839	$63,259	[1] 44,588
Lompoc, Calif	29	2,173,059	246,856	98,742
Moreno Valley, Calif	28	[1] 849,630	449,934	[1] 264,937
Oceanside, Calif	26	[1] 1,268,157	788,695	[1] 442,293
Rantoul, Township, Ill	28	[1] 359,844	64,876	[1] 61,934
Belton, Mo	28	[1] 591,666	119,181	[1] 106,839
Glasgow, Mont	29	238,257	1,632	653
St. Ignacius, Mont	25	[1] 71,582	1,245	[1] 7,656
Portsmouth, N.H	25	[1] 1,277,095	146,615	[1] 186,355
Pemberton, N.J	26	[1] 1,600,579	380,090	[1] 312,094
Alamogordo, N. Mex	26	[1] 1,024,790	171,713	[1] 171,165
Bloomfield, N. Mex	27	332,836	1,052	421
Minot, N. Dak	26	1,237,036	10,395	4,158
Carnegie, Okla	27	114,644	$514	206
Gracemont, Okla	26	37,163	1,032	413
Picker Cardin, Okla	29	113,556	531	212
Quapaw, Okla	29	88,401	511	204
Burns Flat, Okla	27	76,173	977	391
Graham, Okla	27	27,872	1,032	413
Indian Camp, Okla	29	26,914	1,121	448
Flour Bluff, Tex	26	421,947	9,533	3,813
Total		12,124,040	2,460,794	1,707,935
Additional amount for 3(b) at 100 percent			984,317	
Additional amount for 3(a) at 100 percent			723,618	
Total			1,707,935	

[1] 90 percent funding for 3(a) under current law.

Mr. BELLMON. Mr. President, Members of the Senate, before us today is the "Education Division and Related Agencies Appropriation Act, 1976." This bill represents the first 1976 appropriations bill to reach the Senate floor. Traditionally a part of the annual HEW/Labor appropriations bill, education was "spun off" this year so as to allow local and State school administrators the advantage of knowing how much money they will receive before school begins this fall. My purpose in rising to speak on this bill is to inform this body of the relationship between this act and the authority set forth by the concurrent resolution on the budget.

This year's education bill, coupled with last year's advance funding for 1976, will provide approximately $7.68 billion in 1976 budget authority.

The administration's budget request for education in fiscal year 1976 was $6.1 billion. The education bill as reported by the Senate Appropriations Committee calls for $7.68 billion. Consequently, the bill before us exceeds the President's request for education moneys by $1.5 billion. However, the bill is well within the level of budget authority of House Concurrent Resolution 218, to which the Senate agreed on May 14, 1975. The point that I wish to emphasize is that this bill is not a budget-buster. The bill simply represents the rearrangement of priorities by the Congress. Further, the level of spending as proposed in this bill will help meet the objective which this appropriation is designed to accomplish—that of a well-educated citizenry.

This bill does not represent a "fat" budget for education. The President's budget request proposed an absolute dollar cut of $900 million from the 1975 spending levels—of this, $400 million represents cuts to impact aid. This continuing policy of the executive branch to exclude adequate requests for impact aid within the education appropriations bill has gone on long enough. As the Appropriations Committee stated, for the most part, the President's budget requests were either unrealistic or insufficient.

Therefore, with this in mind, the committee has recommended an education bill which is realistic and adequate to provide a strong educational system at all levels, as well as remaining within the confines of the concurrent resolution on budget for fiscal year 1976.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent to insert in the Record a copy of a letter from Secretary Weinberger to me on H.R. 5901.

There being no objection, the letter was ordered to be printed in the Record, as follows:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., June 26, 1975.

Hon. HUGH SCOTT,
Minority Leader,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: This letter is to express my strong opposition to H.R. 5901, making education appropriations for FY 1976. At a time when the country is beginning to get some good economic news indicating that we are starting to make some headway against inflation, the Senate has under consideration a highly inflationary bill of almost $8 billion, an excess of $1.5 billion over the President's request.

If this measure involving a more than 25% increase over the budget is adopted, I will certainly recommend a veto to the President. This is a course of action I will take with regret, for one of the reasons for having a separate education bill this year was to speed up enactment of appropriations for State and local educational programs. If so much money is put in the bill that the President has no choice other than to veto it, we will have deprived the State and local educators of their ability to know the level of Federal assistance in a timely fashion and to plan effectively for the next school year.

The excessive funding level provided for in this bill is the result of perpetuating many marginal, duplicative or ineffective aspects of Federal programs. The Committee recommendation for impact aid alone is nearly three-quarters of a billion dollars and includes funding for the first time for children living in public housing. Instead of improving a program which many studies suggest has relatively little economic justification, the Committee has instead increased its funds and expanded its scope. The Committee bill would also perpetuate many of the older student assistance programs while simultaneously funding the new basic educational opportunity grants and the guaranteed student loan program which were designed to supplant these older programs.

In addition, funds for emergency school desegregation assistance have been included at the same level as in past years, although the incidence of new court-ordered and voluntary desegregation plans has decreased substantially. Numerous additional programs, including land grant college aid, college library support, equipment programs, and others, would under the Committee bill continue to dole out marginal amounts of funds to their need for support. The bill underscores the apparent impossibility of terminating any Federal program once it gets started.

I would urge the Senate to reject the Committee bill and amend it to the levels requested by the President.

Sincerely,

CASPAR WEINBERGER,
Secretary.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCLURE (after having voted in the negative). On this vote I have a pair with the distinguished Senator from Alaska (Mr. STEVENS). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I, therefore, withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Texas (Mr. BENTSEN), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. McGEE), the Senator from Mississippi (Mr. STENNIS), the Senator from Illinois (Mr. STEVENSON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Indiana (Mr. BAYH) is absent on official business.

I also announced that the Senator from New Mexico (Mr. MONTOYA) is absent because of death in family.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL), the Senator from Illinois (Mr. STEVENSON), the Senator from California (Mr. TUNNEY), and the Senator from California (Mr. CRANSTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The result was announced—yeas 64, nays 12, as follows:

[Rollcall Vote No. 258 Leg.]

YEAS—64

Abourezk
Beall
Bellmon
Biden
Brooke
Bumpers
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Culver
Dole
Domenici
Eagleton
Eastland
Ford
Glenn
Hart, Gary W.
Hartke
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Leahy
Long
Magnuson
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stone
Symington
Talmadge
Weicker
Williams
Young

NAYS—12

Bartlett
Brock
Buckley
Curtis
Fannin
Garn
Goldwater
Griffin
Proxmire
Scott,
William L.
Thurmond
Tower

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

McClure, against.

NOT VOTING—22

Allen
Baker
Bayh
Bentsen
Cranston
Fong
Gravel
Hansen
Hart, Philip A.
Haskell
Hatfield
Helms
Kennedy
Laxalt
Mathias
McGee
Montoya
Stennis
Stevens
Stevenson
Taft
Tunney

So the bill (H.R. 5901) was passed.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any necessary technical and clerical corrections in the engrossment of the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MAGNUSON. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing vote thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. MAGNUSON, Mr. STENNIS, Mr. ROBERT C. BYRD Mr. PROXMIRE, Mr. MONTOYA, Mr. HOLLINGS, Mr. EAGLETON, Mr. BAYH, Mr. CHILES, Mr. McCLELLAN, Mr. BROOKE, Mr. CASE, Mr. FONG, Mr. STEVENS, Mr. SCHWEIKER, and Mr. YOUNG conferees on the part of the Senate.

STRATEGIC ENERGY RESERVES ACT OF 1975

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 252, S. 677, and that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 677) to establish a Strategic Energy Reserve Office in the Federal Energy Administration, to create a strategic energy reserve to minimize the impact of interruptions or reductions of energy imports, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Strategic Energy Reserves Act of 1975".

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS.—(a) The Congress hereby determines that—

(1) the Nation's increasing dependence on foreign energy sources poses a significant threat to the Nation's economy, security, and well-being;

(2) there is a continuing danger that imports of energy supplies will be subject to interruption or reduction for political or economic reasons;

(3) such interruptions or reductions would have a disruptive economic effect, creating hardship for million of Americans; and

(4) there is a clear need to minimize the impact of such interruptions or reductions through the establishment of a national system of strategic energy reserves.

SEC. 102. DECLARATION OF POLICY.—It is hereby declared to be the policy of the United States to create over a period of seven years, and to maintain thereafter, strategic energy reserves in storage capable of replacing energy imports for at least ninety days in order to reduce the impact of interruptions or reductions in imports of energy supplies.

TITLE II—STRATEGIC ENERGY RESERVE SYSTEM

SEC. 201. GENERAL PROVISIONS.—(a) In order to protect the United States economy against interruptions in energy imports and to provide adequate energy inventories for national security purposes there is hereby created a strategic energy reserve system (hereinafter referred to as the "system") for those fuels subject to the provisions of this Act which shall be composed of—

(1) national strategic energy reserves;

(2) regional petroleum product reserves; and

(3) such other components of the system as may be authorized by Congress.

(b) There shall be established in the Federal Energy Administration a Strategic Energy Reserve Office (hereinafter referred to as the "Office"). The Administrator of the Federal Energy Administration (hereinafter referred to as the "Administrator") acting through the Office shall exercise authority over the establishment, management, and replenishment of the strategic energy reserve system provided for in this Act.

(c) As used in this Act, the term "crude oil" means a mixture of hydrocarbons that existed in liquid phase in underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating facilities.

(d) As used in this Act, the term "refined petroleum products" means gasoline, naphtha, kerosene, distillates, refined lubricating oils, and diesel fuel.

(e) As used in this Act, the term "residual fuel oil" means those fuel oils commonly known as ASTM Grades No. 5 and No. 6 fuel oils, heavy diesel, Navy Special, Bunker C and all other fuel oils which have a 50 percent boiling point over 700 degrees Fahrenheit in the ASTM D86 standard distillation test.

(f) As used in this Act, the term "importer" means any person that owns at the first place of storage any crude oil, refined petroleum product, or residual fuel oil brought into the United States.

(g) As used in this Act, the term "refiner" means any firm that owns, operates, or controls the operations of one or more refineries.

(h) As used in this Act, the term "person" means any individual, firm, estate, trust, sole proprietorship, partnership, association, company, joint-venture, corporation, governmental unit or instrumentality thereof, or a charitable, educational, or other institution, and includes any officer, director, owner, or duly authorized representative thereof.

SEC. 202. NATIONAL STRATEGIC ENERGY RESERVES.—(a) There are hereby authorized to be created national strategic energy reserves, which shall consist of crude oil stored in tanks, natural geological formations, or otherwise.

(b) The Administrator is hereby authorized and directed to establish within seven years of the date of enactment of this Act, and maintain thereafter, national strategic energy reserves equal to not less than the volume of crude oil imports into the United States for three consecutive months.

(c) For the purpose of this section, the base period for determining the volume of crude oil imports for three consecutive months shall be those three consecutive months in the preceding twenty-four months in which import levels were the highest, which volume shall be recomputed annually.

(d) For the purpose of establishing and maintaining the reserves authorized in subsection (b) hereof, the Administrator is authorized to place in storage, transport, or exchange:

(1) crude oil produced from Federal lands, including the naval petroleum reserves to the extent authorized by law;

(2) crude oil to which the United States is entitled as royalty from future production upon Federal lands, including the Outer Continental Shelf; and

(3) crude oil acquired by purchase, exchange, or otherwise.

(e) In order to commence the establishment of the reserves authorized by subsection (b) hereof as promptly as possible, the Administrator shall give priority to the utilization of existing storage capacity for that purpose and shall place in storage:

(1) not less than 10 per centum of the oil required to be stored within eighteen months of the date of enactment of this Act;

(2) not less than 25 per centum of the oil required to be stored within three years of the date of enactment of this Act; and

(3) not less than 65 per centum of the oil required to be stored within five years of the date of enactment of this Act.

(f) If the Administrator determines that the attainment of the storage schedule, required by this section, within the times specified therein, will have substantial adverse economic impacts or if the necessary storage capacity or supplies of crude oil to be stored are temporarily unavailable, he may, after providing Congress wtih a justification therefor, delay the attainment of required storage levels for up to six months. Thereafter, the Administrator may further delay the attainment of required storage schedule provided that—

(1) the specific action proposed to be taken is submitted to both Houses of the Congress. Each House then shall have the opportunity to disapprove of such action within sixty days of the receipt of the proposal pursuant to the procedures provided for in sections 906(a), (b), and (c), 908, 909, 910, 911, 912, and 913 of title 5, United States Code, except that for the purposes of this Act:

(A) any reference in such sections to "reorganization plan" shall be deemed to be a reference to "petroleum storage schedule", which for the purposes of this Act shall mean the storage schedule required by this section;

(B) such sixty day review period shall begin when such action is submitted to the Congress.

(2) The Administrator shall submit to both Houses of the Congress together with the specific action proposed a finding and report, which shall contain the following:

(A) the need for the proposed action;

(B) the prices of imported and domestic petroleum and other fuels and forms of energy that are in fact anticipated to result from the proposed action;

(C) the impact of the proposed action upon domestic production, consumption, and imports of petroleum and other fuels and forms of energy.

SEC. 203. REGIONAL PETROLEUM PRODUCT RESERVES.—(a) There are hereby authorized to be created regional petroleum product reserves which shall consist of refined petroleum products or residual fuel oil stored in tanks, natural geological formations or otherwise.

(b) The purpose of these reserves is to reduce the impact of interruptions or reductions in imports of energy supplies in any region of the United States wherein limitations in the capacity or capabilities of refineries, delivery systems, or other factors preclude the attainment of such a reduction by the storage of crude oil alone.

(c) The Administrator is hereby authorized and directed to establish within five years of the date of enactment of this Act, and maintain thereafter, regional petroleum product reserves in any Petroleum Administration for Defense District (hereinafter referred to as "PAD District") wherein more than 25 per centum of demand for residual fuel oil or any refined petroleum product has been met by imports during the preceding twenty-four-month period. The Administrator shall accumulate and thereafter maintain in storage in the PAD District in tanks, natural geological formations, or otherwise a reserve for each such commodity equivalent to not less than the highest level of imports for three consecutive months for such commodity into that PAD District during the preceding twenty-four months, which level shall be computed annually. Such reserves shall be available for distribution according to the terms and conditions set forth in title III of this Act.

(d) The Administrator may place in storage crude oil, residual fuel oil, or any refined petroleum product in substitution for all or part of the volume of any commodity required to be stored in the regional petroleum product reserves pursuant to the provisions of subsection (c) of this section if he finds that such substitution is necessary or desirable for purposes of economy, efficiency, or for other reasons and may be made without delaying or otherwise adversely affecting the fulfillment of the purpose of the regional petroleum product reserves as described in subsection (b) of this section. Prior to making any such substitution the Administrator shall transmit his finding to the Congress together with a description of the substitution to be made and specifying the date on which it is to commence. Such substitution may commence on the date specified by the Administrator but in no case sooner than the close of the earliest period which begins after the submission of the Administrator's finding to the Congress and which includes at least thirty days during which the House was in session and at least thirty days during which the Senate was in session.

(e) For the purpose of establishing and maintaining the reserves authorized in this section the Administrator is authorized to place in storage, transport, or exchange crude oil, residual fuel oil, or refined petroleum products acquired by purchase, exchange, or otherwise.

(f) If the Administrator determines that the attainment of the storage schedule, required by this section, within the times specified therein, will have substantial adverse economic impacts or if the necessary storage capacity or supplies of crude oil, residual fuel oil, or refined petroleum products to be stored are temporarily unavailable, he may, after providing Congress with a justification therefor, delay the attainment of required storage levels for up to six months. Thereafter, the Administrator may further delay the attainment of the required storage schedule provided that—

(1) the specific action proposed to be taken is submitted to both Houses of the Congress. Each House then shall have the opportunity to disapprove of such action within sixty days of the receipt of the proposal pursuant to the procedures provided for in sections 906 (a), (b), and (c), 908, 909, 910, 911, 912, and 913 of title 5, United States Code, except that for the purposes of this Act:

(A) any reference in such sections to "reorganization plan" shall be deemed to be a reference to "petroleum storage schedule", which for the purposes of this Act shall mean the storage schedule required by this section;

(B) such sixty-day review period shall begin when such action is submitted to the Congress.

(2) The Administrator shall submit to both Houses of the Congress, together with the specific action proposed, a finding and report, which shall contain the following:

(A) the need for the proposed action;

(B) the prices of imported and domestic petroleum and other fuels and forms of energy that are in fact anticipated to result from the proposed action;

(C) the impact of the proposed action upon domestic production, consumption, and imports of petroleum and other fuels and forms of energy.

SEC. 204. OTHER STORAGE RESERVES.—Within six months after the date of enactment of this Act, the Administrator shall prepare and submit to the Congress a report setting forth his recommendations for including in the system—

(a) utility storage reserves to consist of reserves of coal, residual fuel oil, or refined petroleum products to be established and maintained by all fossil-fueled baseload electric power generating stations fueled by coal, residual fuel oil or refined petroleum products, and with a generating capacity of one hundred million British thermal units or more in an hour and sufficient to maintain normal power generation for a period of not less than three months;

(b) coal storage reserves to consist of reserves equivalent to three months of coal consumption, such reserves to consist of (1) federally owned coal mined by or for the United States from federally owned coal lands, and (2) Federal coal lands from which coal could be mined for consumption within thirty days of an order to do so;

(c) industry storage reserves consisting of crude oil, residual fuel oil, or refined petroleum products maintained in storage by importers, refiners, or others for the purpose of reducing the adverse impact of unplanned interruptions or reductions in imports of energy supplies during the period while the reserves created pursuant to section 202 and 203 of this Act are being established and thereafter; and

(d) the study required by subsection (c) of this section shall include, but need not be limited to:

(1) analysis of alternative feasible systems for storage of industry-owned petroleum products;

(2) an evaluation of the impact of each of the proposed alternative storage systems on:

(A) the retail prices of imported and domestic petroleum and other fuels and forms of energy; and

(B) domestic production, consumption, and imports of petroleum and other fuels and forms of energy.

(3) an evaluation of the economic impact including industry costs and the impact on competition of proposed alternative storage systems upon the several sectors of the petroleum industry and specific recommendations for preventing or minimizing any inequities or undue hardships arising from the imposition of such alternative storage systems; and

(4) a recommendation including proposed legislation for which of the alternatives studied would be the most desirable.

TITLE III—ADMINISTRATION

SEC. 301. AUTHORITY OF THE ADMINISTRATOR.—To implement the establishment, management, and replenishment of the strategic energy reserve system created pursuant to section 201 of this Act, the Administrator, in furtherance of and not in limitation of any authority, is authorized to—

(a) promulgate rules, regulations, or orders necessary or appropriate to implement the provisions of this Act;

(b) acquire by purchase, condemnation, or otherwise, land or interests in land for the location of storage and related facilities;

(c) construct, purchase, lease, or otherwise acquire storage and related facilities;

(d) acquire by purchase, exchange, or otherwise crude oil for storage in the national strategic energy reserves created pursuant to section 202 of this Act and refined petroleum products or residual fuel oil for storage in the regional petroleum product reserves created pursuant to section 203 of this Act;

(e) require by rule, regulation, or order that importers or refiners maintain minimum working level inventories of crude oil, refined petroleum products, and residual fuel oil equal to the average volume of such minimum working level inventories maintained for the corresponding month of the three preceding years;

(f) use, lease, maintain, sell, or otherwise dispose of storage and related facilities acquired pursuant to this Act;

(g) execute any contracts necessary to carry out the provisions of this Act;

(h) cause proceedings, whenever he deems it necessary to implement this Act, to be instituted in any court having jurisdiction of such proceedings to acquire by condemnation, any real or personal property, including facilities, temporary use thereof, or other interests therein, together with any personal property located thereon or used therewith, that he deems necessary to achieve the objectives of this Act;

(i) order the use, sale, exchange, or disposal of all or part of the reserves established pursuant to this Act, if (1) imports of crude oil, residual fuel oil, and refined petroleum products have fallen significantly or will within thirty days in his judgment, fall significantly below existing requirements for such imports, resulting in an existing or prospective shortage of at least 10 per centum of import requirements; or (2) if required to fulfill obligations of the United States under an international agreement to which it is a party;

(j) require that the replenishment of depleted reserves is accomplished expeditiously;

(k) use, sell, exchange, or otherwise dispose of crude oil, residual fuel oil, or refined petroleum products from the strategic energy reserve system created pursuant to section 201 of this Act which may be in excess of the volumes required to be stored by sections 202 and 203 of this Act;

(l) establish price levels and allocation procedures for any crude oil, residual fuel oil or refined petroleum product withdrawn from the national strategic energy reserves created pursuant to section 202 of this Act or from the regional petroleum product reserves created pursuant to section 203 of this Act. Such price levels and allocation procedures shall be consistent with the objectives enumerated in section 4(b) (1) of the Emergency Petroleum Allocation Act of 1973. In the event of the expiration of the Emergency Petroleum Allocation Act of 1973, price levels and allocation procedures established in accordance with this subsection shall, notwithstanding the expiration of that Act, be consistent with the purposes and standards and according to the procedures set out in section 4, subsections (a) through (d) of that Act; and

(m) waive application of the provisions of the Federal Property and Administrative Services Act of 1949, as amended, with respect to procurement necessary for the purpose of this Act, if he finds it is in the national interest to do so.

SEC. 302. CONDEMNATION PROCEEDINGS.—Before any condemnation proceedings are instituted pursuant to this Act, an effort shall be made to acquire the property involved by negotiation unless, because of reasonable doubt as to the identity of the owner or owners, because of the large number of persons with whom it would be necessary to negotiate, or for other reasons, the effort to acquire by negotiation would involve, in the judgment of the Administrator, such delay in acquiring the property as to be contrary to the national interest. In any condemnation proceeding instituted pursuant to this section, the court shall not order the party in possession to surrender possession in advance of final judgment unless a declaration of taking has been filed, and a deposit of the amount estimated to be just compensation has been made, under the first section of the Act of February 26, 1931 (46 Stat. 1421), providing for such declarations. Unless title is in dispute, the court, upon application, shall promptly pay to the owner at least 75 per centum of the amount so deposited, but such payments shall be made without prejudice to any party to the proceeding. Property acquired under this section may be occupied, used, and improved for the purpose of this Act prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended.

SEC. 303. PROHIBITED ACTS.—It shall be unlawful for any person to violate any provision of this Act or to violate any rule, regulation, or order issued pursuant to any such provision.

SEC. 304. ENFORCEMENT.—(a) Whoever violates any provision of this Act or rule, regulations, or orders promulgated pursuant thereto, shall be subject to a civil penalty of not more than $5,000 for each violation.

(b) Whoever willfully violates any provision of this Act or rules, regulations, or orders promulgated pursuant thereto, shall be fined not more than $10,000 for each violation, and each day that a violation continues shall constitute a separate violation.

(c) It shall be unlawful for any person to offer for sale or distribute in commerce any product or commodity in violation of an applicable order or regulation issued pursuant to this Act. Any person who knowingly and willfully violates this subsection after having been subjected to a civil penalty for a prior violation of the same provision of any order or regulation issued pursuant to this Act shall be fined not more than $50,000 for each violation, and each day that a violation continues shall constitute a separate violation, or imprisoned not more than six months, or both.

(d) Whenever it appears to any person authorized by the President or the Administrator to exercise authority under this Act that any individual or organization has engaged, is engaged, or is about to engage in acts or practices constituting a violation of this Act, such person may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with any provision of this section.

(e) Any person suffering legal wrong because of any act or practice arising out of any violation of this Act may bring an action in a district court of the United States without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgement or writ of injunction. Nothing in this subsection shall authorize any person to recover damages.

SEC. 305. DISCLOSURE, INSPECTION, INVESTIGATION.—(a) Every importer, refiner, or user of fuel subject to the provisons of this Act shall prepare such accounts, records of cost-accounting procedures, correspondence, memoranda, papers, books, and other records as the Administrator may by rule or regulation prescribe as necessary or appropriate for purposes of the administration of this Act.

(b) The Administrator shall at all times have access to and the right to inspect and examine all producing, transportation, storage, refining, or processing facilities, and all accounts, records, and memoranda of persons subject to the provisions of this Act; and it shall be the duty of such persons to furnish to the Administrator, within such reasonable time as the Administrator may order, any information with respect thereto which the Administrator may by order require.

SEC. 306. ANNUAL REPORTS.—The Administrator shall prepare, have printed, and transmit to the President and the Congress an annual report summarizing all actions taken under authority of this Act, with an analysis of their impact, an evaluation of their effectiveness in fostering the objectives listed in section 102, and any recommendations for legislation further implementing the objectives of this Act.

SEC. 307. AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Administrator such funds as are necessary for implementation of the provisions of this Act.

SEC. 308. SEVERABILITY.—If any provision of this Act or the applicability thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

AMENDMENT TO TITLE XIX OF THE SOCIAL SECURITY ACT

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 8109.

The PRESIDING OFFICER laid before the Senate H.R. 8109, an act to amend title XIX of the Social Security Act to extend the protection against the loss of medicaid because of the 1972 increase in social security benefits, and to extend the exemption of Puerto Rico, Guam, and the Virgin Islands from certain requirements relating to choice of provider, which was read twice by its title.

Mr. CURTIS. Mr. President, reserving the right to object, and I shall not object, but I wish to make a statement before the matter is presented for passage.

Mr. MANSFIELD. Fine.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. CURTIS. Mr. President, this bill, H.R. 8109, was handled by the Committee on Interstate and Foreign Commerce of the House. It passed the House of Representatives and it came over here. I could object to consideration of this bill at the present time, and have it referred to the Committee on Finance. There is, however, a date involved that may have some significance.

The basic reason why I am not objecting to immediate consideration of this bill is that I feel, in light of the action of the Senate on this same matter on two previous occasions, there is no question but what the Committee on Finance would approve it and that it would pass the Senate. Therefore, there is nothing to gain by making an objection at this time.

I do, however, feel that this bill does carry an inequity in it, that it should not have been passed in the first place, and it should not be passed now.

There are two parts to the bill. With respect to one part there is no objection whatever. It involves a necessary waiver in regard to Puerto Rico, Guam, and the Virgin Islands. There is no objection to that.

There is objection to the other part of the bill. The administration is opposed to it, and I share their views. It involves medicaid recipients. Medicaid is paid on the basis of need. When the 20 percent increase in social security benefits was passed in 1972, it was provided that, as to persons receiving medicaid at that time, this increase should not be counted as income for the purpose of qualifying for medicaid. This provision has been extended once previously by the Senate, and it now expires on June 30, 1975.

It is true that the people who benefit from this provision are decreasing in number, but its extension would still cost something around $20 million to $40 million depending on the estimates.

But here is the injustice of the provision now before us. Unlike medicare, medicaid is paid regardless of age. Medicaid is medical care extended to individuals who do not have the funds to pay for it. If one family has a certain level of income and seeks medicaid it may be turned down. However, this family may have a neighbor with identically the same income, but consisting of social security. The social security recipient would not be refused medicaid because Congress has said that the 1972 increase in social security passed is not counted as income for this purpose.

This provision is manifestly unfair to persons who are similarly situated as far as total income is concerned. Nevertheless, as I say, the pattern has been set. Congress passed this provision originally, and it has been extended once before.

Although I believe the provision is objectionable, I also believe that no good purpose would be served by requiring this bill to be referred to the Finance Committee and then be brought back here, particularly when there is a deadline involved. If the bill is referred to committee and reported favorably, as I believe it would be, it would then become an item of retroactive legislation. I do not believe if it is handled retroactively it would be a great administrative problem, but it would be some problem.

Although I felt compelled to state the views of the administration, with which I agree, and express my opposition to the measure, I nevertheless will not object to its consideration by the Senate at this time.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The bill, having been read the third time, the question is, Shall the bill pass?

The bill (H.R. 8109) was passed.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination reported earlier in the day from the Joint Committee on Atomic Energy.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the nomination.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

The assistant legislative clerk read the nomination of Richard W. Roberts, of Maryland, to be an Assistant Administrator of Energy Research and Development.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I request the President be notified.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

STRATEGIC ENERGY RESERVES ACT OF 1975

The Senate continued with the consideration of the bill (S. 677) to establish a strategic Energy Reserve Office in the Federal Energy Administration, to create a Strategic Energy Reserve System to minimize the impact of interruptions or reductions of energy imports, and for other purposes.

The PRESIDING OFFICER. The clerk will state the pending business by title.

The assistant legislative clerk read as follows:

> Calendar No. 252, S. 677, a bill to establish a Strategic Energy Reserve Office in the Federal Energy Administration, to create a Strategic Energy Reserve System to minimize the impact of interruptions or reductions of energy imports, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the proviso that the Senator from Washington does not lose his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington is recognized when the quorum call is terminated. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

Mr. JACKSON. Mr. President, this is a matter that has been pending for some time. We have been working in the Interior Committee over the past several years on the creation of a strategic energy reserve to take care of possible embargoes and cutoffs.

I am very pleased to report that we have achieved, I think, virtually unanimous agreement on this issue both within the committee and between the committee and the administration.

Fundamentally, what we do is set up a national system of civilian strategic reserves. This would be administered by the Administrator of FEA acting through a Strategic Energy Reserve Office. The object is to provide for a strategic reserve of energy capable of offsetting a 3-month total interruption in energy imports.

I want to point out, Mr. President, that there is a second question that arises pertaining to the setting up of a——

Mr. STENNIS. Mr. President, may we have order in the Senate? This is a highly important matter; the Senator is an authority on the subject.

The PRESIDING OFFICER. The Senate will be in order.

Mr. JACKSON. I point out, Mr. President, there is a second part to this problem and that is the need for legislation from the Armed Services Committee to cover the role that will be played by the existing naval petroleum reserves.

There are four of those reserves. One is rather notoriously known; that is, Teapot Dome in Wyoming, and there are two in California, the principal one in California is Elk Hills which has about 1.1 billion barrels of oil, and the fourth, Mr. President, is the Naval Petroleum Reserve No. 4 in Alaska. That reserve may well have more oil in it than we have onshore in all the lower 48 States.

In order to tap those reserves special legislation is required which must originate in the Armed Services Committee. The subcommittee having jurisdiction is chaired by the distinguished senior Senator from Nevada.

I have discussed this matter with him. If we act on the bill today, it would be my intention to work in concert with the chairman of the subcommittee and we would not take action in connection with the conference on this subject with the House until we have resolved the situation as it pertains to the area covered by the Armed Services Committee.

Mr. President, S. 677 addresses part 1 of the problem and part 2 will be dealt with by the Armed Services Committee.

I made the commitment, and I notice that the chairman of the full committee is here, the distinguished junior Senator from Mississippi (Mr. Stennis), and I can say to him that I have cleared this matter with the distinguished Senator from Nevada and this procedure is agreeable. It is also agreeable to the ranking minority member of the committee (Mr. Fannin).

Mr. President, I ask unanimous consent to have printed in the Record extracts from the committee report and a statement on naval petroleum reserves.

There being no objection, the material was ordered to be printed in the Record, as follows:

Discussion of S. 677 Extracted From the Committee Report on the Bill

I. PURPOSE OF THE MEASURE

The purpose of S. 677, the "Strategic Energy Reserves Act of 1975", is to provide for the creation, at the earliest practicable date, and for the maintenance thereafter, of strategic energy reserves that will reduce the adverse impact on the Nation of interruptions or reductions in imports of energy supplies.

II. NEED FOR THE LEGISLATION

In 1973, 35.3 percent of total U.S. petroleum consumption was met through imports of crude oil and petroleum products. In 1974, we relied on imports for 37 percent of our requirements. Forecasts for 1975 suggest that imports will contribute over 40 percent of domestic consumption.

Obviously, the degree of reliance on imports will depend on the success of efforts to restrain demand through conservation programs and on increased domestic production. But the lead times involved in security payoffs from either production or conservation programs assure substantial reliance on imports for the next decade.

The Federal Energy Administration concluded, in its Project Independence study, that "oil imports will remain level or rise in the next few years, no matter what long-term action we take."

As long as substantial reliance on foreign oil is inevitable, some provision must be made to protect the Nation's economy against the impact of import interruptions. The experience during the Arab embargo from mid-October 1973 to mid-March 1974 showed how serious that impact can be. During the first quarter of 1974, when the full effect of the embargo was felt, imports averaged 2.2 million barrels per day below earlier projections. The resulting cutback in petroleum consumption was accompanied by a 7-percent decrease in real GNP, rather than the increase forecast before the embargo.

Reporting on the effects of the embargo, the National Petroleum Council found that—

"While the primary effects on industry were held to a minimum, the secondary repercussions resulting from disruptions in world energy markets and from consumer reactions were significant. Gasoline shortages and rising fuel prices triggered a demand shift toward smaller cars, which slowed activity in domestic automotive and related industries. The tourist industry and vacation areas were hard hit. Repercussions in money markets contributed to slowdowns in the housing and construction trades."

The relatively short duration of the embargo, coupled with strong energy conservation efforts, kept the impact of the embargo within manageable limits, but a prolonged embargo could have far more serious effects. Obviously, the degree of vulnerability depends on the level of imports. The Project Independence report, asserting that vulnerability to import disruption depends on world prices, concluded that—

"At $7 oil and no new domestic policy actions, imports will reach 12.3 M bbl/d in 1985, of which 6.2 m bbl/d are susceptible to disruption. A 1-year embargo could cost the economy $205 billion.

"At $11, imports will decline to 3.3 M bbl/d by 1985, and only 1.2 M bbl/d are susceptible to disruption, at a cost of $40 billion for a 1-year embargo."

Thus, the impact of a future embargo could be serious enough to justify comprehensive—albeit costly—measures to minimize such impacts.

The need for building stockpiles of petroleum has been increasingly discussed as the Nation's dependence on imports has grown. In 1970, the Cabinet Task Force on Oil Import Control recommended that—

"* * * further intensive study be given to the feasibility of developing safeguards for U.S. oil security by means other than import controls, with a view to possible legislative recommendations. Particular alternatives meriting continued study are underground and conventional storage, subsidization of shale oil or coal oil capacity, and the development of deliverable emergency productive capacity in Naval Petroleum Reserve No. 4."

The Department of the Interior, in a submittal for hearings on oil import issues in January 1973, agreed that a storage program "may be very desirable to help offset against short-term supply interruptions so as to provide a cushion against longer-term interruptions in imports." But the Department deferred specific proposals pending the outcome of its own studies and a study by the National Petroleum Council.

The final report of the National Petroleum Council on this subject dated September 10, 1974, concluded that the United States should develop an emergency petroleum security storage system. The report asserted that a substantial volume of such storage was needed and that "efforts to implement such a program should begin immediately because of the long construction lead times involved." The report went on to state that—

"First consideration should be given to providing crude oil security storage to protect domestic refinery runs. This study indicates that 500 million barrels of crude storage in combination with normally available inventories will provide 90 to 180 days of supply for a large percentage range of crude imports presently foreseen. Crude storage can be efficiently located in one or more Gulf Coast salt dome projects and integrated with the crude transportation system that will serve Gulf Coast deep-water terminals. Specific circumstances and specific logistical problems could require storage of fuel oil at strategic locations on the East Coast."

Other recent energy studies have reached the same conclusion as the National Petroleum Council.

The preliminary report of the Ford Foundation's Energy Policy Project in mid-1974 concluded that if the Nation chooses to increase imports—

"It is incumbent on us to undertake a positive program for dealing with future cutoffs—a strategic storage program."

The report pointed out that it had been normal practice for industry to maintain inventories of 40 to 50 days' supply to deal with seasonal demands and operating requirements. This normal inventory is not adequate in the event of a sudden interruption.

An economic evaluation of the concept of energy self-sufficiency by the MIT Energy Laboratory Policy Study Group, published by the American Enterprise Institute for Public Policy Research, found that security could be provided against import disruption by the introduction of radically new import policies, one important element of which would be oil stockpiles. The study found that the maintenance of a stockpile to guard against a 1-year cutoff of 2 million barrels per day of imports would cost about $990 million a year. If industry were required to provide such a stockpile, the cost of oil delivered to consumers would rise by no more than 25 cents a barrel, or two-thirds of a cent a gallon.

The Research and Policy Committee of the Committee for Economic Development released a statement on energy policy in December 1974, which endorsed the concept of strategic reserves.

The Agreement on an International Energy Program, signed by the United States and other major oil consuming nations in September 1974, requires each participating country to maintain "emergency reserves sufficient to sustain consumption for at least 60 days with no net oil imports."

The United States currently meets the requirements of the Agreement in this respect because the Agreement defines emergency reserves to include unavailable inventories such as petroleum in tank bottoms and pipelines.

At the Interior Committee's hearing on the International Energy Agreement on November 26, 1974, the administration witnesses made clear that compliance with the requirements for emergency reserves under the Agreement was no substitution for the establishment of a genuine strategic reserve.

President Ford's state of the Union message on January 15, 1975, approved a "strategic storage program of 1 billion barrels of oil for domestic needs and 300 million barrels for defense purposes." This was the first Presidential commitment to establishing a strategic reserve.

In summary, there are three compelling reasons for the creation of a system of strategic energy reserves.

First, possession of a sufficient reserve of petroleum reduces our vulnerability and minimizes the adverse impact on the Nation of any potential curtailment of oil imports; second, because a system of strategic reserves would reduce our vulnerability to import curtailments, the effectiveness of an embargo as a politico-economic weapon would be significantly reduced, thereby reducing the likelihood of its employment; lastly, when compared with a strategy of seeking total near-term energy self-sufficiency, one that combines enhancing energy self-sufficiency with the creation of a system of strategic reserves is significantly more cost-effective.

III. COMMITTEE AMENDMENTS

The Committee amended S. 677 by striking everything after the enacting clause and substituting a new text. The principal changes in the new text are as follows:

1. The declaration of policy has been revised to extend from five to seven years the period during which the strategic energy reserves are to be created.

2. The composition of the strategic energy reserve system has been revised to include:

(a) National strategic energy reserves.

(b) Regional petroleum product reserves.

(c) Such other components of the system as may be authorized by Congress.

3. The requirements for the national strategic energy reserves have modified so as to:

(a) Extend from five to seven years the period during which they are to be created.

(b) Require that priority be given to the utilization of existing storage capacity and that there be placed in storage stated percentages of the oil required to be stored within 18 months, 3 years, and 5 years after the date of enactment.

4. A new type of reserves, the regional petroleum product reserves, is created to provide for the needs of areas where the storage of crude oil alone would be inadequate.

5. The Administrator is required, within six months after enactment, to submit to the Congress a report setting forth his recommendations for including in the system:

(a) Utility storage reserves.

(b) Coal storage reserves.

(c) Interim industry storage reserves.

6. The authority granted to the Administrator to establish price levels or allocation procedures in the event of withdrawals from the reserve system is modified to require that such price levels or allocation procedures be consistent with the objectives set forth in the Emergency Petroleum Allocation Act of 1973.

7. New sections on "Prohibited Acts" and "Enforcement" have been added.

8. The requirement for the establishment of a petroleum storage prototype program has been deleted.

Naval Petroleum Reserves

Sec. 202 of the bill authorizes the storage in national strategic energy reserves of crude oil produced from Federal lands, "including the Naval Petroleum Reserves to the extent authorized by law."

At the present time, no authorization exists for the direct use of oil produced from Naval Petroleum Reserves or for the exchange of oil produced from Reserves with oil produced by private industry to be earmarked for this purpose. With allowance made for constraints of development and limitations of pipeline capacities, it is estimated that within seven years of authorization of production, Naval Production Reserve No. 1 (Elk Hills) alone could provide up to 367 million barrels of oil for storage or exchange for storage.

The Committee feels very strongly that production from the Naval Petroleum Reserves should be made available for storage in strategic reserves. Clearly, this is the most economical alternative for developing strategic storage. Furthermore, oil produced from the Naval Petroleum Reserves and stored in the national strategic energy reserves will be far more accessible in the event of an emergency than if it remained unproduced underground. It is equally clear that essential military needs will be given priority in the event of an oil shortage, as they were during the 1973–1974 Arab embargo.

Senator Haskell proposed an amendment to the bill which authorized and directed the exploration, development, and production of Naval Petroleum Reserves No. 1, 2, and 3 for storage in the National Strategic Energy Reserves although he realized the Act would then have to be re-referred to the Committee on Armed Services. The amendment, the text of which appears below, also authorized and directed the construction and procurement of pipelines and associated facilities for the transportation of crude oil.

The Committee considered and approved in principle the amendment proposed by Senator Haskell. However, it deferred final action on the amendment to give the Committee on Armed Services, which has jurisdiction over matters related to the Naval Petroleum Reserves, the opportunity to act on legislation dealing with this subject. The Committee agreed that it would ask the Majority Leader to defer Senate action on S. 677 until the Armed Services Committee acts, so that the Senate can consider at the same time the question of establishing strategic reserves and the use of production from the Naval Petroleum Reserves for such reserves.

Mr. JACKSON. I now yield to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. FANNIN. Mr. President, I wish to express my appreciation to the distinguished Senator from Washington, the chairman of our committee.

I am in agreement with him that this is a very essential move, that we are dependent on foreign countries for too great a percentage of our petroleum products and this is a move in the right direction.

There is a continuing danger that imports of energy supplies will be subject to interruption and reduction. This has happened in the past, it can happen again. Interruptions and reductions would have disruptive economic effects as well as create hardships for millions of Americans.

So I feel it is very clear we need to minimize the impact of such interruptions.

Mr. President, we do have the ability to store large quantities of crude in salt caverns. This is one of the geologic wonders of this great Nation of ours, and we can utilize these caverns, because salt domes are available in many different areas of the country.

This is highly essential, that we utilize these facilities. Not only will it be tremendously beneficial from the standpoint of protection of this Nation of ours, from the standpoint of military strategy but then, too, it will mean a better chance of negotiating with the OPEC countries of the world that have the cartel.

They can dictate to us now in many instances just what the price of petroleum will be, but if we have these large reserves that are being recommended in this legislation and which will be studied by the FEA, decisions will be made as we go along, decisions by the Congress as to just how extensive they will be.

This is very essential legislation, it is timely, I am very much in favor of it and hope that we can dispose of it at an early date.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. JACKSON. Mr. President, I commend the Senator from Arizona for a fine statement. I think he has put his finger on the main problem and that is that we do not have a true strategic reserve today. The reserve consists of what is in the pipelines and that is not available for use.

We went through this problem during the period of the embargo. The fact is that we are now moving to develop a specific reserve. We are talking in terms of roughly 3 months' supply. Let us say, we consume annually over 6 billion barrels of oil. To withstand a year's embargo we would need roughly—I think the administration request was 1 billion 300 million. The equivalent of 3 months' imports on the other hand would equal, at current levels, about 594 million barrels. However, we need to make that beginning and that is what this legislation will do.

The creation of a reserve system—it will have, I think, a significant impact, as the Senator from Arizona has indicated, in connection with our negotiating posture, it will be a deterrent against the "oil weapon."

We have an advantage unique to this country as compared with other countries in our program to create a reserve system. We have salt domes, huge salt domes, that are readily usable for purposes of storage of our petroleum products. Those salt domes can be filled up in strategic areas of the country, available to the existing petroleum logistic system. This is important, because we must relate it to our ability to draw from reserves that will be near the refining plants so that we can have the continuity of supply in the event of a cutoff.

This bill, I think, comes at a most propitious time when the resolution of the situation in the Middle East remains uncertain. Spokesmen for the administration just the other day indicated that the possibility of an embargo or a cutoff is an ever-present danger. We legislate today, Mr. President, in that context.

While we have had differences about various other aspects of the energy program, what we on the Democratic side feel essential and what President Ford feels essential, I can report this is one of the items where we have virtual unanimity. I think it is important that we act expeditiously on the pending legislation.

Mr. STENNIS. Will the Senator yield?

Mr. JACKSON. I yield.

Mr. STENNIS. Mr. President, I warmly endorse the sentiments expressed by the Senator from Washington and also the Senator from Arizona. I believe they have taken a real forward step.

As far as the military reserves are concerned, I do endorse what the Senator from Washington has said. He has checked it out with the chairman of the subcommittee, the Senator from Nevada. I favor movement in that direction, too.

This matter of having a ready reserve taken out of the ground and put back in is something we can do. There is no excuse for not doing it, as I see it.

We have already burned up a good deal of time. I hope this matter will move forward. I support this whole idea and commend the Senators.

Mr. FANNIN. Mr. President, I commend the Senator from Mississippi. He is certainly knowledgeable in this field of endeavor. An oil well which would pump a few thousand barrels a day or 15,000 or 20,000 barrels a day would be an exceptional oil well in this country though maybe not in Saudi Arabia. In this country, unfortunately, we do not have wells that produce at that rate. If we have a strategic reserve in the salt domes, they can, if necessary, be pumped out at the rate of hundreds of thousands of barrels a day or even millions of barrels a day. This is one of the areas where we are fortunate, that we do have those particular caverns that can be made available throughout the Nation.

I commend the distinguished Senator from Mississippi for supporting this program.

Mr. RANDOLPH. Mr. President, the legislation pending before the Senate is important. Sometimes in this country we have allowed ourselves to be lulled into a situation where we feel, because of our so-called strength, we are not vulnerable from the standpoint of a nation that increasingly has been rubbing diplomatic shoulders and from the standpoint of our actual fighting in other areas of the world.

Certainly, here in the United States of America there is every valid reason to have strategic materials of one type or another, that can be used in case of one type of an emergency or another.

I realize the emphasis in this debate centers upon petroleum reserves. I can understand that.

I nevertheless think that it is appropriate for me to call to the attention of my colleagues, and have the record reflect, that we very much need to also have stockpiles of coal in the United States—stockpiles which are not only available for those industries that are using coal in one way or another, but which are also available to those transportation entities that use coal in one way or another.

In other words, there is every reason to husband, and I use the word advisedly, the many materials, including fossil fuels, that come from the many types of mining activities in the United States. These industries employ tens of thousands of people to produce mining products which are necessary for this country to have on hand, as it were, in times of stress, strain, and emergency.

I simply underscore what the Senator from Washington (Mr. JACKSON) and the Senator from Arizona (Mr. FANNIN) are saying.

We must not permit ourselves, as we have done too often in the past, to think that everything is all right, so we need not husband these resources of one type or another and have them ready in reserve stockpiles.

Not only a person can be on the alert but a nation also can be on the alert, from the standpoint of the materials that are kept ready to be used if needed in an emergency.

I commend those who bring this measure to the floor. I have understandably stressed coal, because it is in such abundance. There is four times the coal in this country in the form of energy as all of the oil of the Middle East. We must remember that fact here. Coal is to be increasingly used in our quest for energy independence, but it also is to be stockpiled—ready for use in case of emergencies of one type or another.

Mr. JACKSON. Mr. President, I thank the distinguished Senator from West Virginia who has played such a long and outstanding role in this matter.

STRATEGIC ENERGY RESERVES ACT OF 1975

The Senate continued with the consideration of the bill (S. 677) to establish a strategic energy reserve office in the Federal Energy Administration, to create a strategic energy reserve system to minimize the impact of interruptions or reductions of energy imports, and for other purposes.

UNANIMOUS-CONSENT AGREEMENT

Mr. JACKSON. Mr. President, I ask unanimous consent that further consideration of the pending measure be postponed until Tuesday, July 8, after the rollcall in connection with the vote on cloture on the so-called New Hampshire bill; that the bill be open for debate and amendment for a period of 1 hour, the time to be equally divided between the Senator from Arizona and myself, and that the rollcall vote occur after the completion of that debate and any amendment or amendments thereto that may be offered.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. JACKSON. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. Under the unanimous-consent agreement, the yeas and nays previously ordered will be in order?

The PRESIDING OFFICER. The yeas and nays ordered would obtain.

Mr. JACKSON. I thank the Chair.

Mr. MANSFIELD. Mr. President, may I say as I understand the unanimous-consent request under the usual stipulations it is that the time will not exceed 1 hour.

Mr. JACKSON. The Senator is correct. That is the intention. I doubt whether we will use the whole hour, I say to my colleagues. We have only one amendment that we now know of that may be pending. That is an amendment that may be offered by Senator HASKELL. The reason for this request is that we had an understanding that his amendment or one related to it, which was discussed but not acted upon in the committee, would be offered on the floor.

The Senator from Colorado acted on that very proper understanding, and he is not available to offer the amendment at this time.

As I understand it, he would like 30 minutes on his amendment, and I ask unanimous consent at this time that he be granted, out of that hour, the 30 minutes.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. JACKSON. And the other 30 minutes, as I understand, would be divided between the Senator from Washington and the Senator from Arizona.

Mr. FANNIN. That is all right.

Mr. JACKSON. Or I will make it all available to the Senator from Arizona.

Mr. FANNIN. It is my understanding, now, from the explanation of the distinguished chairman, that this is not a printed amendment; or is it a printed amendment?

Mr. JACKSON. The amendment is printed in the report.

Mr. FANNIN. Printed in the report?

Mr. JACKSON. And it will be available to the Members of the body in advance.

Mr. FANNIN. Mr. President, would it be possible, I ask the chairman, that this amendment could be stated in connection with the remarks that are being made at this time, in order that Senators may know what is involved?

Mr. JACKSON. Mr. President, I ask unanimous consent that the text of the amendment proposed by the Senator from Colorado be printed in the RECORD at this point, and therefore available to all Members of the body.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HASKELL's amendment is as follows:

Insert the following new title IV:

TITLE IV. NAVAL PETROLEUM RESERVES

FINDINGS

SEC. 401. The Congress hereby determines that—

(a) nationwide shortages of crude oil, residual fuel oil, and refined petroleum products caused by inadequate domestic production and the unavailability of imports sufficient to satisfy domestic demand, are an ever present danger;

(b) potential disruptions in the availability of imported energy supplies, particularly crude oil and petroleum products, pose a serious risk to national security, economic well-being, and health and welfare of the American people;

(c) the result of domestic petroleum shortages and the reduced availability of petroleum to the Armed Forces of the United States from sources outside of the United States would be to deny to the Armed Forces petroleum essential to the national defense;

(d) the state of development of Naval Petroleum Reserves Numbered 1, 2, and 3 is not adequate for the production of petroleum in the volume required for national defense; and

(e) production of petroleum from Naval Petroleum Reserves Numbered 1, 2, and 3 for storage in readily available strategic energy reserves will permit the most effective and efficient use of such petroleum to minimize adverse impacts of the disruption of imported energy supplies upon the national security, economic well-being, and health and welfare of the American people.

SEC. 402. PRODUCTION OF THE NAVAL PETROLEUM RESERVES FOR STORAGE

(a) Notwithstanding any other provision of law, the Secretary of the Navy is authorized and directed:

(1) to explore, develop, operate and produce petroleum, from Naval Petroleum Reserves Numbered 1, 2, and 3 at the maximum rate consistent with sound oil field engineering practices for a period not to exceed seven years commencing ninety days after the date of enactment of this Act, and

(2) to construct or procure pipelines and associated facilities for transporting oil, associated liquids, and gases, from Naval Petroleum Reserves Numbered 1, 2, and 3 to the points where such production will be refined or shipped.

Any such pipeline and associated facilities constructed at Naval Petroleum Reserve Numbered 1 shall have a combined delivery capability of not less than three hundred and fifty thousand barrels per day, and shall be fully operable within three years after the date of enactment of this Act.

(b) Notwithstanding any other provision

of law the Administrator is authorized to place in storage, transport, or exchange petroleum produced pursuant to this section for the purpose of establishing and maintaining the National Strategic Energy Reserves established by Section 202 of this Act.

(C) As used in this section the term "petroleum" means crude oil, associated gases, natural gasoline, and other related hydrocarbons, and the products of any of such resources.

EXTENSION OF THE EMERGENCY PETROLEUM ALLOCATION ACT

Mr. JACKSON. Let me also say I have discussed with the ranking minority member another important energy bill that is on the calendar, Calendar No. 215, S. 1849, the Mandatory Allocations Act.

So that Members of this body will be aware, we have a general understanding that sometime during the week that we return, we will be taking that measure up. This is agreeable with the majority leader, as I understand it. But we wanted the Members of the body to be on notice that that legislation will be brought up for debate, and it is the desire of both of us to pass that legislation during the week of July 7.

We have not agreed upon a specific date and time, but it is our intention to act on it during that week.

Mr. FANNIN. Let me just say, Mr. President, that on the minority side, as I am sure the chairman remembers, there were objections to some of the provisions incorporated in that measure, stated in the minority views of the report. I can say that the minority members are not in favor of the passage of that particular bill, S. 1849. But it will be discussed, and the basis on which the Senator has stated that it will be taken up is certainly satisfactory.

Mr. JACKSON. There will be ample time, Mr. President, for debate. I understand that the minority wants an opportunity to review it carefully, and may have some amendments to offer, but the point is that we will be able to act on it during that week.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GLENN). Without objection, it is so ordered.

GERMAN OFFSET AGREEMENT

Mr. NUNN. Mr. President, I would like to draw the Senate's attention to an article that appeared in the New York Times yesterday, which indicated that West Germany sees, or at least some high officials in West Germany see, no reason to negotiate a new offset agreement after the current one expires on June 30.

The article quotes West German Chancellor Schmidt as saying that the negotiation of a new agreement is not a pressing problem at the moment and goes on to say that other West German officials regard offset payments to the United States as unnecessary.

I have talked briefly with the Senator from Washington (Mr. JACKSON) on this subject, and I believe that he would join with me in these comments today.

Mr. President, I am personally dismayed by this report, if it is accurate, and I hope the situation can be rectified.

I observe that the majority leader is here in the Chamber. He has been interested in this subject for a long time. In what I think has been one of the real acts of statesmanship in this Congress, the majority leader, even though he has strong feelings on the subject, did not renew an amendment that he had been pushing for several years.

I do not know all of his reasons, but I am sure one of them is because of the difficult situation all around the world today, following the Vietnam situation.

I think it is particularly distressing, after this kind of statesmanship has been displayed by people who have strong feelings on our troop deployments in Europe and after the authorization bill has passed without any challenge to the European troop deployment, that this kind of statement could be made, if the report in the New York Times is correct.

Perhaps there is a misunderstanding of why the United States and West Germany have had offset agreements since 1961. Part of the reason is a consensus among NATO allies that no NATO country, including the United States, should bear undue budgetary or balance-of-payments burdens as a member of the alliance.

Of course, we are stationing troops in Europe, not solely for the protection of Europe, but for our own protection and for our own defense perimeters. But, at the same time, for many years, at least in expressions of NATO formal policy, time after time, NATO has given, without any equivocation, support to the premise that no NATO country should bear undue balance-of-payments problems by reason of troop deployments in other NATO nations.

As has been noted many times by Members of this body, the United States has suffered a deficit in its balance of payments with Europe because of the large numbers of American military and civilian personnel and their dependents stationed in Germany as part of the U.S. commitment to NATO. In addition, the United States incurs annual direct budgetary expenses related to bases, installations and other fixed facilities, including permanent construction, costs of hiring local personnel, and operations and maintenance.

The offset agreements between the United States and Germany up to 1973 were an attempt at more equitable burden sharing, but the balance-of-payments deficits were never fully offset.

In the fall of 1973, Senator JACKSON and I offered an amendment providing that a failure to obtain total offset of any balance-of-payments deficit incurred as a result of the deployment of U.S. forces in Europe would result in a reduction of those troops by the percentage shortfall. The amendment was aimed at more equitable burden sharing and strengthening of NATO, focusing on the kinds of offsets which would increase the real military effectiveness of NATO.

In short, Mr. President, this amendment was an attempt to turn NATO rhetoric into NATO reality.

The amendment was accepted here in the Chamber of the Senate, and it was adopted in conference after having been changed to some extent and became Public Law 93-155, section 812, carrying with it a specific time period in which the deficit, as calculated, had to be offset. Thus, the amendment had an expiration date and indeed has now expired. The President reported to the Congress on May 27, 1975, that the deficit was fully offset. The United States-West German offset agreement played a major part in the total offset.

Mr. President, the amendment carried an expiration date rather than being permanent law because it was hoped by the authors of the amendment, and I believe by most of the Members of Congress, that after one very pointed and specific legislative nudge the goals of full balance of payments offsets and equitable burden sharing would be handled in the future through the diplomatic channel, which is an executive branch function. In other words, we felt a clear concise statement of legislative policy, carrying with it certain sanctions, would certainly send the message, both to the West German Government and, indeed, to our own Government that Congress felt strongly about the balance-of-payment problems.

Indeed, in March of this year, at a hearing of the Manpower and Personnel Subcommittee of the Committee on Armed Services, which I chair, I urged the administration to go forward with negotiations for the next 2-year offset agreement with West Germany and other NATO nations. No indication of problems was given at that time by the administration, and I thought that by now negotiations were under way or at least scheduled, especially since the current agreement expires next Monday. However, it appears the executive branch has only recently moved toward even a discussion with the Germans.

Now is a poor time, in my opinion, to find out that the offset agreement machinery is only slowly clanking into motion.

The Senate just debated the military authorization bill, giving support and encouragement to increased conventional capabilities in Europe with the assumption—at least I had the assumption—that the full offset concept was being actively followed, not only by our Government but also by the German Government.

Mr. President, if the account in this article is correct, it is an incredible position for the West German Government to take. The United States has acted in good faith to increase its combat capability in Europe. The best example is the new combat brigade deployed to Germany this year to replace support personnel that were removed under a law passed in 1974, an amendment which I sponsored.

Now Germany seems to be telling us

that we will have to bear the full burden of housing those troops, because it seems that West Germany is inclined to no longer contribute to the cost of supporting U.S. forces in Europe.

Mr. President, I hope that I am wrong in this interpretation. I am hoping that there has been some misunderstanding or that the New York Times article was not completely and totally reflective of the West German opinion.

It is argued by some that an offset agreement is no longer needed because the United States now has a surplus in its balance of trade. But, Mr. President, the balance-of-payments account that relates to the stationing of U.S. personnel in Europe is not running a surplus. And the direct budgetary expenses I mentioned a moment ago that relate to facilities and upkeep have not diminished.

I had hoped that annual legislation on offsets would not be necessary but if the situation as presented in the Whitney article is not corrected, I shall introduce legislation to address the problem again.

Mr. President, I ask unanimous consent that the article referred to by the New York Times be printed in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 26, 1975]

BONN OPPOSING OUTLAY TO UNITED STATES FOR TROOPS

(By Craig R. Whitney)

BONN, June 25.—West Germany, which has paid the United States more than $10-billion dollars over 14 years to offset the costs of stationing American troops here sees no reason to negotiate a new offset agreement after the current one expires next week, a high official said today.

Asked about this at a news conference today, Chancellor Helmut Schmidt said: "I do not consider it a pressing problem at the moment."

A West German official who played a key role in working but the last two-year offset agreement, said today: "Why should we have a new one? I don't think it is necessary."

The West Germans point out that dollar devaluations and improved American export performance have eliminated the chronic American deficit in the balance of payments that West German subsidies for the American troop presence were designed to "offset."

If no such agreement is signed, it would represent a major change in West German relations with the United States. An American Embassy spokesman said that the United States was aware of the West German position, but said: "We haven't yet reached the stage at which negotiations could begin."

American officials do not regard the current West German position as the final one. But it is clear that 30 years after the end of World War II, the West German Government no longer feels obliged to buy its way into full membership in the international community—either in the North Atlantic Treaty Organization or in the Common Market.

Congress made a major issue of forcing the European allies to contribute toward the cost of the American commitment to NATO over the last two years. But now, with Congressional support for a United States troop withdrawal from Europe apparently on the wane, West Germany sees one more reason not to pay Washington to keep the 186,000 American troops here.

BONN INCREASINGLY RELUCTANT

West Germany has been increasingly reluctant to sign these offset agreements in recent years, though it has entered into six since 1961.

The last one, which expires on June 30, involved the sum of $2.2-billion, spent by the West Germans on barracks modernization projects, low-interest United States bonds, and arms purchases. It was reached under pressure of the Jackson-Nunn amendment, a Congressional requirement for the Administration to withdraw troops from any country that did not offset the cost of stationing the troops there.

West German officials said today that the provision was no longer binding on Washington. The measure was named for its supporters, Senators Henry M. Jackson, Democrat of Washington, and Sam Nunn, Democrat of Georgia.

Bonn wants the American troops to remain here and will no doubt continue to buy arms from the United States even without a formal agreement, according to West German and American officials here.

West Germany was not among the European countries that contracted earlier this month to buy the new American F–16 fighter. It is committed to a German-British-Italian-built fighter called the MRCA, but Bonn will not reach a final decision until this fall.

"You've just made this big F–16 deal, a Foreign Ministry official said, "and you really don't have a balance-of-payments deficit any more. The offset agreements really began to help you out with that, and they are now anachronistic."

The question of a formal offset agreement has been getting more and more ticklish to the West Germans over the last few years. Two years ago, Chancellor Schmidt, then Finance Minister, complained to a friend about "blackmail" by the United States. "Either we pay or the Administration withdraws troops," he remarked. "It can only end badly."

Nevertheless, on April 25 of last year, eleven months after expiration of the 1971–73 agreement, he negotiated the one that expires next week.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. NUNN. I am glad to yield.

Mr. MANSFIELD. Mr. President, may I say that I am very pleased that the distinguished Senator from Georgia has made the statement which he has because there was a deliberate attempt this year to see to it that no amendment was offered seeking to bring about a reduction of the over 300,000 U.S. military personnel and the over 250,000 dependents in Western Europe because of the situation in which we and the world find ourselves in at the present time.

But we find, for example, a few weeks ago the German President, Walter Scheel, comes to this country, is accorded all the honors we are capable of giving to a head of state, he returns to Germany, to the Federal Republic, and then about a week later the announcement is made that as far as the Germans are concerned, there will be no compensatory payments vis-a-vis the presence of American military personnel in that country and in Western Europe in general.

If I remember correctly, about 3 years ago, the total cost of maintaining U.S. forces in Europe amounted to about $17 billion. With the floating of the dollar, the subsequent devaluations and the weakening of the dollar overall, I would hazard the guess that the figure now approaches something on the order of $22 billion a year.

Mr. NUNN. Mr. President, will the Senator from Montana yield just on that point?

Mr. MANSFIELD. Yes.

Mr. NUNN. That figure includes the resources in this country that are allocated and pointed toward NATO, but the figure just for keeping the troops in Europe, that is, the direct balance-of-payment figure, is about $2 billion per year which is a very large sum in the overall balance-of-payment equation.

Mr. MANSFIELD. That is correct. May I say that I think the statement made by the Germans goes contrary to the Nunn-Jackson amendment which the Congress has approved.

I would like to read a portion of an editorial which appeared in this morning's Baltimore Sun. The title of the editorial is "German Payments, U.S. Troops."

> The Bonn government would be well advised to think carefully before it wholly spurns another agreement to offset the balance of payments losses the United States incurs by keeping 200,000 troops in West Germany. If this becomes a fixed policy position, rather than an opener for negotiations, Congress might react adversely even in this period of post-Vietnam stiffening on defense matters. Two years ago, the Jackson-Nunn amendment stipulated that American troop strength in Europe would be reduced in proportion to any West European failure to offset American payments costs estimated at about $2 billion a year. This year Congress wisely abstained from this kind of intrusion in complex diplomacy, but its attitude could harden again if the Germans become adamant.

Mr. President, I ask unanimous consent that the entire editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, June 27, 1975]

GERMAN PAYMENTS, U.S. TROOPS

The Bonn government would be well advised to think carefully before it wholly spurns another agreement to offset the balance of payments losses the United States incurs by keeping 200,000 troops in West Germany. If this becomes a fixed policy position, rather than an opener for negotiations. Congress might react adversely even in this period of post-Vietnam stiffening on defense matters. Two years ago, the Jackson-Nunn amendment stipulated that American troop strength in Europe would be reduced in proportion to any West European failure to offset American payments costs estimated at about $2 billion a year. This year Congress wisely abstained from this kind of intrusion in complex diplomacy, but its attitude could harden again if the Germans become adamant.

The situation requires deft handling because the Washington-Bonn connection is the most important part of this country's most important alliance, the North Atlantic Treaty Organization. Secretary Kissinger was correct in warning certain allies (meaning Turkey and Greece) that they would undermine their own security more than ours by closing U.S. bases. But by the same token, the United States must be circumspect in the way it uses the threat of American troop withdrawals as a means of extracting offset payments from the Bonn government.

> Complicating matters is the widespread European feeling that the American dollar is undervalued against other Western currencies, thus giving the United States trade advantages reflected in record U.S. surpluses. In addition, Belgium has just completed "the deal of the century" by joining Norway, Denmark and the Netherlands in massive purchases of Northrup's F-16 fighter. This, in the German view, represents an important NATO contribution to the health of the American aviation industry.
>
> Just as Bonn should think carefully before refusing any kind of offset agreement, so should Washington be flexible about the kind of financial package it is willing to accept from West Germany. While NATO retains a usefulness that has been lost by some other alliances, its character is bound to change under the force of strong international, economic and domestic political pressures. The Alliance will remain healthy to the extent it adapts to these changes. There need be nothing sacrosanct about the composition of offset agreements or the precise levels of U.S. troop deployments so long as the United States and West Germany retain a spirit of mutual confidence and mutual respect, a sense of shared danger and shared security.

Mr. MANSFIELD. Mr. President, I hope that the officials in the Federal Republic will pay attention to what the distinguished Senator from Georgia has said, because he certainly is a friend of the Germans and looks upon Germany as a needed asset in the North Atlantic Treaty Alliance. Hopefully, there will be some second thoughts, and this announced procedure will be negated or alleviated to a considerable extent.

I commend the distinguished Senator for once again showing his knowledge in questions of this nature.

Mr. NUNN. I thank the distinguished Senator from Montana.

I might add to the Senator's comments this observation, in which I believe the Senator will be interested.

The Senator from Georgia is a little puzzled by this whole situation. I think the Senator from Montana will be interested, as the Senator from Georgia is, in the fact that our own administration, in my opinion, has not moved very forcefully on this whole subject. I have made several phone calls and have had the staff make several phone calls since reading this article in the New York Times, and I have been a little dismayed and disappointed at the lack of a position in our own administrative branch of Government. I am not certain exactly what approaches have been made to West Germany on this subject, but I think Congress will be very disappointed if our own Government does not have a strong position on this matter.

I say frankly to the Senator from Montana that right now it does not appear to me that the administration has laid the kind of foundation and groundwork that is absolutely essential in this area and that the Senator from Georgia had felt and assumed was necessary to make substantial progress. So I am not certain that the West German statement has not in some ways reflected the lack of a strong position on the part of our own Government.

I hope that our State Department, the Secretary of State, and the President, will take due note of the strong congressional concern in this matter; because if the administration does not have a policy, I believe Congress does have a policy, and I believe that policy was accurately reflected in the Jackson-Nunn amendment. I believe that continues to be the strong policy of Congress today, even if it may not be the strong policy of the administration. On that point, the administration's policy, I cannot be certain.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. NUNN. I yield.

Mr. MANSFIELD. To the best of my knowledge, when the State Department has been queried on this latest German declaration, the answer has been, "No comment."

The Senator will recall that Senator PASTORE, a few weeks ago, raised some very pertinent questions about an arrangement covering nuclear plants, I believe, between West Germany and Brazil which was brought about. To the best of my knowledge, there has been no reaction on the part of the State Department to that particular proposal, either.

I join the distinguished Senator from Georgia in urging that the State Department look into these two matters, get away from the "no comments," explain the point of view, and come up with some results.

Mr. NUNN. I agree completely with the Senator from Montana, and I thank him for his opinion on this subject.

A CALL FOR ACTION ON A HOUSING BILL

Mr. TOWER. Mr. President, it is my understanding that we will adjourn today without having an opportunity to act on the House amendments to H.R. 5398, the Emergency Housing Act of 1975.

I am very disappointed that the Senate will not have the opportunity to act on that measure today. It is my view that most of the Members of the Committee on Banking, Housing and Urban Affairs on this side of the aisle and the majority of the Senate would like to expedite the passage of this bill and accept the House amendments. If you will recall, we passed this measure yesterday by a vote of 94 to 0. Therefore, I am very disappointed that those in charge have not seen fit to bring it up today.

We could have a housing bill that would be operative as we leave on our recess, if we could but act today. Apparently, however, that is not to be the case.

I wish I had it in my power to call up that bill from the desk, to have it acted on, to give the Senate the opportunity to act on the House amendments, either to accept them or to reject them.

I believe we should act on that bill, because there is a virtual certainty that we are not going to be able to get what we want in conference. The House already has made some major concessions in order to get a bill acceptable to the Senate, to the House, and to the administration. We could send a housing bill to the President today which he would sign. I think it is a reflection on the Senate that we are going to do nothing about housing today. It is my hope that we could bring this bill up today rather than having to delay this matter for several more weeks.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I understand that there are some nominations from the Committee on Armed Services which have been reported earlier today. I understand it is agreeable to all concerned to take them up at this time.

I ask unanimous consent that the Senate go into executive session to consider certain Army, Navy, and Air Force nominations.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

NOMINATIONS IN THE ARMY, NAVY, AND AIR FORCE

The second assistant legislative clerk proceeded to read sundry nominations in the Army, Air Force, and Navy.

Mr. TOWER. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nomination are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I move that the President be notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

STRATEGIC ENERGY RESERVES ACT OF 1975

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, earlier today, agreement was reached for a time limitation on Calendar No. 252, S. 677. The time limitation was 1 hour, at the conclusion of which a vote would be taken on S. 677. I ask unanimous consent that there be an additional half hour, which may or may not be used, to be allocated to the distinguished Senator from Alaska (Mr. GRAVEL) for the purpose of perhaps offering one, two, or no amendments. If no amendments are to be offered, the time will be yielded back. If amendments are to be offered, it will be within that time. I ask unanimous consent that at the conclusion of the hour and a half, the vote on final passage will occur.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Chair understand correctly that the one hour and a half is maximum so that the vote will occur no later than——

Mr. MANSFIELD. Yes. Thirty minutes have already been allocated to the distinguished Senator from Colorado (Mr. Haskell) and 30 minutes to the distinguished Senator from Alaska (Mr. Gravel). The rest, I understand has been allocated to the distinguished Senator from Arizona (Mr. Fannin).

Mr. Gravel, of course, will yield some time during his half hour when requested.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1 p.m.

There being no objection, the Senate, at 12:30 p.m., recessed until 1 p.m., whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. Cranston).

RECESS TO 1:30 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:30 p.m.

There being no objection, the Senate at 1:01 p.m. recessed until 1:30 p.m., whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. Proxmire).

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Harry F. Byrd, Jr.). Without objection, it is so ordered.

EMERGENCY HOMEOWNERS' RELIEF ACT

Mr. PROXMIRE. Mr. President, yesterday the Senate passed, by a 94-to-0 vote, emergency housing legislation and sent it to the House. This legislation covered a number of areas. The most controversial part of it related to $10 billion that was to be made available at 7.5 percent for mortgagees with a 1 percent maximum for fees and charges.

The House took the bill, amended that particular part by eliminating the limit on fees and mortgages, and sent it back here.

I was very, very much opposed to what the House did; in fact, so strongly opposed, although there are some good features of the bill, I felt I could not in good conscience recommend it to the Senate and would do my very best to prevent it from passing in that form.

I am happy to say we have worked out an agreement with the Department of Housing and Urban Development, and I have a letter here which I will take a minute to read from Mr. Daniel P. Kearney, who is president of the Government National Mortgage Association, who writes as follows:

> This is in response to your inquiry concerning the policy of the Government National Mortgage Association (GNMA) with respect to fees and charges to be allowed under the Emergency Housing Act of 1975. At the present time, GNMA's fees and charges total 2½ percent; participating lenders are allowed to charge an origination fee not to exceed 2 percent.
>
> I have discussed these policies with Secretary Carla Hills and she has authorized me to assure you that until July 1, 1976 (the expiration date of the law) the total fees levied by GNMA and the origination fees allowed to participating lenders will not exceed 4 percent.

That is the crux, the 4 percent will be the limit, that is, the 4 points will be the limit. We have calculated that as an effective yield for mortgages of 7.92 percent.

He concludes—and this is the president of the Government National Mortgage Association—as follows:

> Should Treasury borrowing costs rise significantly, we would, of course, strongly recommend enactment of the Brooke-Cranston amendment to the statutory formula.

Mr. President, I am happy to yield to the distinguished Senator from Massachusetts, who is the ranking member of the Housing Subcommittee of the Banking Committee.

Mr. BROOKE. I thank my distinguished colleague.

Mr. President, I am very pleased that the Senator from Wisconsin has raised this question, that he has been satisfied with this letter from Daniel Kearney, who is the president of the Government National Mortgage Association and, as has been said, this will put a ceiling of four points which, I think, was the point that the Senator from Wisconsin was trying to make, and I think he has performed a great service in having this agreement with the Department of Housing and Urban Development.

The final paragraph of the letter that Mr. Kearney sent to Senator Proxmire, I think, as I understand it, is merely a statement that they will make such a recommendation under certain circumstances and, of course, that will be left up to Congress as to whether Congress, of course, will enact that legislation.

The bill to which Mr. Kearney refers is a bill which Senator Cranston and I introduced about 5 or 6 months ago. It is not law at the present time, and it may very well not become law, but it will be a question for Congress. I think this would be no more than the fact that they may have to take that recommendation to us if the situation should be that the costs rise significantly.

Mr. PROXMIRE. I thank the Senator from Massachusetts. That is precisely the point that concerns me. That means, as I understand it, that HUD is now committed that as long as this program, this $10 billion program, continues, which will be until June 30 of next year, that the points charged would not exceed four points. This is calculated, and we calculated it carefully, as a yield of 7.92 percent. This is substantially below the present market rate for mortgages and, for that reason, it seems to me that the family that cannot now afford to buy a home will be able to buy a home because this will be a substantially lesser rate, and that means their monthly payments will be less, and this should open up more housing, more jobs. This is what we are working for.

The cost to the Government, on the basis of everything I have seen, will be negligible because the cost of money to the Government is less than this 7½ percent.

Mr. President, I ask unanimous consent that the letter of Mr. Kearney, dated June 27, 1975, be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Government National
Mortgage Association,
Washington, D.C., June 27, 1975.

Hon. William Proxmire,
U.S. Senate,
Washington, D.C.

Dear Senator Proxmire: This is in response to your inquiry concerning the policy of the Government National Mortgage Association (GNMA) with respect to fees and charges to be allowed under the Emergency Housing Act of 1975. At the present time, GNMA's fees and charges total 2½ percent; participating lenders are allowed to charge an origination fee not to exceed 2 percent.

I have discussed these policies with Secretary Carla Hills and she has authorized me to assure you that until July 1, 1976 (the expiration date of the law) the total fees levied by GNMA and the origination fees allowed to participating lenders will not exceed 4 percent.

Should Treasury borrowing costs rise significantly, we would, of course, strongly recommend enactment of the Brooke-Cranston amendment to the statutory formula.

Very truly yours,
Daniel P. Kearney,
President.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. BROOKE. Mr. President, both the Senator and I and other Members of the Senate are not pleased. This is not the bill that we had wanted. A lot of work was done on the Senate bill. We passed it overwhelmingly in the Senate, sent it to the House, and this is what has come back from the House. But I think we want a bill, we want to have a foreclosure provision, we want to have an extension of section 312; we want to extend the Brooke-Cranston provision as well, and with the problems we are having with the housing industry today, this will not do all we wanted it to do by any means, but this is a step in the right direction.

Even more importantly it appears to be a bill which the White House, the President, will sign, and I think that is important because we need it, and I think that in the spirit of cooperation which the Senator from Wisconsin has certainly exhibited, he has performed a great service to the country in agreeing to accept this when he knows full well, as do I know full well, this is not what we actually wanted. We wanted a much stronger bill. We wanted to do more, but because of fiscal constraints the President has said he would veto anything more than this. He did veto our original bill, and we do not want to send a bill back to the President and have him veto it again.

I commend the Senator from Wisconsin for acting in the spirit of cooperation and in getting legislation through which now, hopefully and expectantly, the President will sign.

Mr. PROXMIRE. May I say to the Senator from Massachusetts I could not agree more. This is not the bill we wanted that was vetoed. We also preferred the bill we sent over to the House. That has been modified, but there is still—I want to reassert there is still—a bill here that will work. It will provide more housing will provide a lower rate of interest for hundreds of thousands of homebuyers.

Mr. President, I just want to add one point. It is understood, let me say, with Mr. Kearney, that when he writes in his letter, "the total fees" he includes discounts.

Mr. BROOKE. Yes.

Mr. PROXMIRE. He includes discounts, not only the points charged and fees charged but discounts also.

Mr. BROOKE. I quite agree also.

I was present at the conversation which led up to this letter, and that is my understanding as well.

Mr. President, if the Senator will yield, I would just like to ask to clarify the language in the bill regarding flood insurance.

Is it the intent of the provision to limit the delay in implementing sanctions to existing housing that is used as primary residences?

Mr. PROXMIRE. Yes, I think it is very important to stress two things. They have to be houses that are used, not houses that will be built, and they have to be primary residences.

Mr. BROOKE. I thank my distinguished colleague and I am pleased to join with him.

Mr. PROXMIRE. Now, Mr. President, I would just like to point out this amendment not only includes the section we talked about, which is title II which provides the $10 billion at 7.5 percent now plus four points, but also includes foreclosure protection for hundreds of thousands of homeowners; $250 monthly payment with as much as 24 months for those about to lose their homes, repayable with interest. It provides for $100 million for housing rehabilitation which, I think, is important to many homeowners who have low income and need rehabilitation assistance in order to rehabilitate their homes.

It also provides compensation for defects, a program that has been worked on by Senator STEVENSON, and which has passed the Senate before, and which is an essential program. It had not been enacted into law.

It also provides for the flood insurance which Senator McINTYRE worked on very, very hard and has now succeeded in enacting into law.

Mr. President, I think this is some progress, at least, and I am hopeful that the President will sign this measure.

Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 5398.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the amendment of the Senate to the bill (H.R. 5398) to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions, as follows:

Page 14, strike out all after line 23.

Page 15, line 2, strike out "SEC. 204.", and insert: "SEC. 203."

Page 15, strike out all after line 11.

Page 16, line 2, strike out "SEC. 206.", and insert: "SEC. 204."

Page 16, line 10, strike out "SEC. 207.", and insert: "SEC. 205."

Page 18, line 2, strike out "SEC. 208.", and insert: "SEC. 206."

Page 18, line 13, strike out "SEC. 209.", and insert: "SEC. 207."

Page 19, after line 15, insert:

"SEC. 303. Section 202(b) of the Flood Disaster Protection Act of 1973 is amended by inserting before the period at the end thereof a comma and the following: 'except that the prohibition contained in this sentence shall not apply to any loan made prior to January 1, 1976, to finance the acquisition of a previously occupied residential dwelling'."

The PRESIDING OFFICER. Does the Senator move to concur in the House amendments?

Mr. PROXMIRE. Mr. President, before I do that, I have a brief statement that I would like to read in connection with another part of the bill which will take me about a minute to read, and I think I should bring it to the attention of the Senate.

Mr. President, the legislation before us authorizes GNMA to purchase both Government-assisted mortgages and conventionally financed mortgages. At the present time the FHA mortgages authorized to be purchased by GNMA make no provision for mortgages to finance section 202 housing for the elderly. Housing for the elderly has been a very, very successful program, a vital program, a program that has overwhelming support, and on which there virtually have been no foreclosures. I think it is the most successful housing program our Government has. In fact, the Administration has limited the use of section 202 to construction lending but has made no provision for long-term financing of such housing for the elderly.

This new emergency program with interest rates at 7½ percent could be very effective in financing section 202 housing. I hope that the administration will issue regulations to include mortgages to finance section 202 housing for the elderly. Thus with 202 funds for construction loans and with a 7½-percent FHA-insured mortgage for the long-term financing the purposes of Congress in supporting housing for the elderly will be carried out.

Mr. TOWER. Mr. President, I would like to focus the attention of my colleagues for a moment on title I of the bill. Under title I, we would be authorizing two separate approaches to the problem of mortgage foreclosures.

First, section 105 authorizes the Secretary to coinsure portfolios of mortgage relief loans or advances of credit made by mortgagees.

Second, section 106 authorizes the Secretary to make direct loans on behalf of borrowers in default to the holder of the homeowner's mortgage.

I would like to emphasize for the record that title I is designed to provide flexible tools which the Secretary of HUD could use as necessary.

Neither of these approaches is mandated and we hope neither will have to be used. However, should implementation of title I become necessary, I believe and I think my colleagues will agree, that the primary vehicle for assistance should be the coinsurance program attempted under section 105. I think the main responsibility for providing mortgage relief should rest with the homeowner's mortgagee, which is most familiar with the homeowner's financial situation.

As I see it, the section 106 approach is a backstop to the basic discretionary authority under section 105 which could be used by the Secretary in cases where lenders do not qualify or, for good reasons, are unable to participate in the coinsurance program.

The Secretary has complete discretion under section 106; she has the discretionary authority to determine that a lender who qualifies under 105, may or may not receive payments under 106, and her authority includes the ability to prescribe the terms and conditions under which a lender could receive such payments.

Furthermore, it is my understanding that discretionary authority on the part of the Secretary will be applicable to title II. These funds will be made available by the Secretary when she makes the findings as required by section 313 of the National Housing Act. Of course, should economic conditions not warrant the use of these funds, it is not expected that they would be used.

Mr. PROXMIRE. I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion to concur in the House amendments.

The motion was agreed to.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS ON MONDAY, JULY 7, 1975

Mr. ROBERT C. BYRD. Mr. President, what is the order of business following morning business Monday, July 7?

The PRESIDING OFFICER. That the Senate will proceed to the unfinished business which will then be Senate Resolution 166.

Mr. ROBERT C. BYRD. I thank the Chair.

ORDER DESIGNATING PERIOD FOR ROUTINE MORNING BUSINESS, MONDAY, JULY 7, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on Monday, July 7, under the standing order, there be a period for the transaction of routine morning business of not to exceed 30 minutes with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE RECORD OF CONGRESS TO DATE

Mr. MANSFIELD. Mr. President, since convening January 14, the Senate has met 94 days for over 550 hours, approved 314 measures and enacted 40 public laws. A comparison with last year to date follows:

	1974	*1975*
Days in session	87	94
Hours in session	531:44	556:19
Total measures passed	325	314
Public laws	75	40
Private laws	26	1
Treaties	3	1
Record votes	270	258

The 94th Congress has dealt with a range of issues important to the Nation and to the better functioning of the Senate.

A primary achievement has been the enactment of the Tax Reduction Act which add needed stimulus to the economy with a rebate to all taxpayers, tax credits, and personal and business tax reductions. At the same time a new revenue source was created by the repeal of the oil depletion allowance for major oil companies.

If the economic indicators are showing a slight upturn it is due in major part to the insistence of Congress on a tax reduction.

The administration has vetoed six bills in the past 6 months: oil import fees, farm price supports, strip mining controls, tourist promotion, emergency employment appropriations, and emergency middle-income housing assistance. Some commentators delight in labeling these vetoes a victory for the President. It is more accurate, in my judgment, to call them a defeat for the people of the Nation. The fact is that four of these measures form an integral part of a program for economic recovery and energy sufficiency which was proposed by a large majority in the Congress.

Notwithstanding the vetoes, the Congress has persisted in trying to do something positive about the economic deterioration in this Nation, especially in the interrelated fields of employment and housing. A special summer youth employment appropriations bill, as a partial remedy to one aspect of the unemployment problem, was drawn up and passed only 2 weeks after the veto of the broader bill. At least, some of our young people will have a chance to do something constructive for themselves and their localities this summer. I regard that, may I say, as a victory not for the Congress over the President, but a victory for all of the people of the Nation.

Under the leadership of Senator PROXMIRE, a housing measure, as a substitute for the more comprehensive vetoed housing bill, passed both Houses only 2 days after the veto and will soon be sent to the President. Hopefully, the administration on this occasion will show more concern for doing something about homebuying and homebuilding and a little less interest in running up its veto record.

The Senate and House have sent to the President another bill to alleviate some of the hardships which result from unemployment. This measure will extend for an additional 13 weeks emergency unemployment compensation benefits to persons qualified to receive such payments. It will also extend special unemployment assistance payments to the unemployed who do not qualify for unemployment compensation. Again, I hope the reaction in the White House will be a little more cooperative in meeting a national need and a little less absorbed in chalking up another veto.

The Senate has passed a number of other bills designed to speed economic recovery and to develop energy sufficiency, including the railroad improvement and employment bill, and a standby energy authority measure on which the House has not yet acted. Several other major bills in the congressional economic and energy program have been reported from committee and are ready for Senate floor action including: mandatory fuel economy standards, emergency petroleum allocation extension, reregulation of natural gas, and the emergency health benefits program.

Other measures affecting our energy needs are being worked on in committee and should be reported out in July including truth-in-energy labeling of appliances, industrial and commercial energy efficiency incentive standards, energy supply and coal conversion, outer continental shelf lands development, ERDA funding of synthetic fuels, strategic energy reserves system, and the creation of a National Energy Production Board.

There is no reason for the Nation to be particularly impressed with the work of the Congress. There is even less reason for the people to be delighted by what the administration has done to undermine that effort. There is no such thing as a veto-proof Congress, but there is such a thing as a veto-happy administration.

I most respectfully suggest that the President and his administration use this national holiday to do some of the same as the Members of Congress will be doing; that is, take some soundings from the people on the state of the Nation. When the soundings are in, perhaps, it will be discovered that the people are not so much interested in vote victories or vetoes but in concrete Federal actions which will restore a sense of well-being in the land.

A more detailed accounting of the measures passed by the Senate this year is contained in the report prepared by the staff of the Democratic Policy Committee which I ask unanimous consent to have printed at this point in the RECORD along with a status report on the 1976 appropriations bills.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Status of 1976 Appropriations Bills

Cleared for President:

(Continuing appropriations, 1976)

Passed both Houses:

Education appropriations—Passed House April 16; Passed Senate, amended June 27.

Passed House:

HUD—Passed House June 24.

Labor-HEW—Passed House June 25.

Legislative—Passed House May 21.

Public Works—Passed House June 24.

State-Justice-Commerce—Passed House June 26.

Await House committee action:

Agriculture—House subcommittee markup began June 12.

Defense—One day of House subcommittee hearings.

D.C.—No budget request received.

Foreign Aid—House subcommittee hearings in progress.

Interior—Subcommittee markup completed June 24.

Military Construction—Subcommittee hearings in progress.

Transportation—Reported out June 26.

Treasury-Postal Service—Subcommittee markup completed June 23.

Senate Legislative Activity Index

(94th Congress—1st Session)

(By Senate Democratic Policy Committee)

AGRICULTURE

African/Brazilian Honeybee Control (S. 18).

Disaster Loan Program (S. 555).

Food Stamp Increase (H.R. 1589).

Food Stamp Program Study (S. Res. 58).

Food Stamps—SSI Recipient Eligibility (S. 1662).

Forest Pest Control (S. 441).

Forestry Research (S. 1307); (S. 1529).

Insecticides (H.R. 6387).

Livestock Credit (S. 1236).

Peanut Distribution (S. Res. 101).

Plum Island Animal Disease Center (S. Res. 190).

Potato Stocks (S. Res. 122).

*Price Supports (H.R. 4296).

Watershed Projects (S. 1230).

Wheat Referendum (S. 435).

Potato Stocks (S. Res. 122).

White Corn (S. Res. 155).

APPROPRIATIONS

1975:

Continuing (H.J. Res. 219).

*Emergency Employment (H.R. 4481).

Foreign Assistance (H.R. 4592).
Summer Youth Employment and Recreation (H.J. Res. 492).
Supplemental (H.J. Res. 210); (H.R. 5899).
Veterans' Supplemental (H.J. Res. 375).
Vietnamese Refugee Aid (H.R. 6894).
1976:
Continuing (H.J. Res. 499).
Education (H.R. 5901).

ATOMIC ENERGY

International Agreements:
Atomic Energy Cooperation Agreement With Israel (S. Con. Res. 15).
Enriched Uranium Distribution to EURATOM (S. Con. Res. 14).
Enriched Uranium Distribution to IAEA (S. Con. Res. 13).
Nuclear Regulatory Commission Authorizations (S. 994); (S. 1716).

BUDGET

Deferrals:
Energy Research and Development Administration (S. Res. 32); (S. Res. 75); (S. Res. 76); (S. Res. 77); (S. Res. 78); (R. Res. 79); (S. Res. 80).
HUD—Comprehensive Planning Grants (S. Res. 23).
Transportation—Highway Funds (S. Res. 69).
Rescissions:
HEW—Health and Medical Service Programs (H.R. 6573).
HUD—homeownership assistance (S. Res. 61).
Agriculture, Commerce, DOD, Executive Office, General Services, Justice, HEW, State, Treasury (H.R. 3260).
Agriculture, Commerce, Consumer Product Safety, DOD, HEW, Labor (H.R. 4075).
Resolutions:
First Budget Resolution (H. Con. Res. 218).

CONGRESS

Cloture Rule (S. Res. 4).
Guam and Virgin Islands Delegate Allowance (H.R. 4269).
Joint Committee on the Bicentennial (S. Con. Res. 44).
New Hampshire Senate Contest (S. Res. 177).
Select Committee on Intelligence (S. Res. 21); (S. Res. 167); (S. Res. 165).
Senate Committee Expenses (S. Res. 111); (S. Res. 191).
Senate Committee staffing (S. Res. 60); (S. Res. 182).
Senate Witness Fees (S. Res. 17).
Supreme Court Chamber (S. Res. 164).

CONSUMER AFFAIRS

Consumer Protection (S. 200).
Motor Vehicle Information and Cost Savings (S. 1518).

CRIME-JUDICIARY

Federal Rules of Evidence (S. 1549).
Florida Judicial District (S. 723).
Pyramid Sales (S. 1509).
Robert E. Lee (S.J. Res. 23).
Three-Judge Courts (S. 537).

DEFENSE

Coast Guard Authorization (H.R. 5217).
Defense Production—Commission on Productivity and Work Quality (S.J. Res. 94).
Military Construction Authorization (S. 1247).
Military Procurement Authorization (H.R. 6674).
Naval Museum (S. Con. Res. 9).
Officer Graduate School Appointees (S. 1767).

DISTRICT OF COLUMBIA

Southeastern University (S. 611).

ECONOMY-FINANCE

Commodity Futures (H.J. Res. 335).
Council on International Economic Policy (S.J. Res. 97).
Council on Wage and Price Stability (S. 409).

Duty Suspensions:
Istle Fiber—Child Support Funding (H.R. 7709).
Lower Interest Rates (H. Con. Res. 133).
National Commission on Supplies and Shortages (S.J. Res. 27); (S.J. Res. 48).
National Insurance Corporation Program (H.R. 4075).
Public Debt Limit Extensions (H.R. 2364); (H.R. 8030).
Repatriated U.S. Citizens—SSI Recipient Food Stamp Eligibility (H.R. 6698).
Securities Acts Amendments (S. 249).
Social Security—Medicaid (H.R. 8109).
Tax Rebate—State Taxation (S. Res. 158).
Tax Reduction (H.R. 2166).
Unemployment Compensation (H.R. 6900).
Variable Interest Rate Mortgages (S. Con. Res. 45).

EDUCATION

College Work-Study Program Funds (H.R. 4221).
Handicapped Children (S. 6).
Lister Hill Scholarship (S. 1191).

ENERGY

International Petroleum Exposition (S.J. Res. 59).
*Oil Import Fees (H.R. 1767).
Oil Pricing (H.R. 4035).
Oil Shale Revenues (S. 834).
Petroleum Products Fair Marketing (S. 323).
Standby Energy Authority (S. 622).

ENVIRONMENT

Council on Environmental Quality—Environmental Policy (H.R. 6054).
Environmental Impact Statements (H.R. 3130).
Scrimshaw Art Preservation (S. 229).
* Strip Mining (H.R. 25).

GENERAL GOVERNMENT

Assistant Secretary of Commerce (S. 1622).
American Legion Badges—Patent Renewals:
American Legion (S. 720).
American Legion Auxiliary (S. 721).
Sons of American Legion (S. 719).
Assistant Secretary of Commerce (S. 1622).
Attorney General's Salary (S. 58).
Barrier-Free Environment (S. Con. Res. 11).
Bikini Atoll (H.R. 5158).
F.B.I. Director, Ten-Year Term for (S. 1172).
Federal Election Commission (S. 1434).
Federal Metal and Nonmetalic Mine Safety Board Abolishment (S. 1774).
General Federation of Women's Clubs (S. 240).
NASA Authorization (H.R. 4700).
National Guard Technicians' Retirement (S. 584).
National Science Foundation Authorization (H.R. 4723).
Overseas Citizens Voting Rights (S. 95).
Patents (S. 24).
Small Business Act Amendments (S. 1839).
Standard Reference Data Program (H.R. 37).
* Tourism Promotion (H.R. 5357); (S. 2003).
Trust Territory of the Pacific (S. 326).

GOVERNMENT EMPLOYEES

Part-Time Government Employees (S. 792).
Travel Expenses (S. 172).

HEALTH

Developmentally Disabled Persons Assistance (H.R. 4005).
Drug Abuse Office and Treatment (S. 1608).
Medical Device Safety (S. 510).
Nurses Training—Health Revenue Sharing and Services (S. 66).
Older Americans (H.R. 3922).
School Lunch and Child Nutrition Program (S. 1310).
Supplemental Food Programs (H.R. 7136).

HOUSING

*Emergency Middle-Income Housing (H.R. 4485).

INDIANS

Indian Health Care (S. 522).
Pueblo of Laguna (S. 557).
Pueblo Tribe, New Mexico (S. 217).

INTERNATIONAL

Cambodia—Food Aid (S. Res. 94).
Japan-U.S. Friendship Trust Fund (S. 824).
Middle East Dispute (S. Res. 119).
Nuclear Non-Proliferation Treaty (S. Res. 146).
Treaties:
International Office of Epizootics (Ex. M., 93d–2d).
United Nations Peacekeeping Forces in Middle East (S. 818).
Turkey—Military Assistance (S. 846).
Vietnam and Cambodia—Humanitarian Assistance (S. 1696).
Vietnam Assistance and Evacuation (H.R. 1484).
Vietnam Peace Negotiations (S. Res. 133).
Vietnamese Refugee Aid Authorization (H.R. 6755).
Vietnamese Refugees (S. Res. 187).
Vietnamese Refugees Welcome (S. Res. 148).
World Food Conference (S. Con. Res. 19).

LABOR

Railroad Improvement and Employment (S. 1730).

MEMORIALS, TRIBUTES, AND MEDALS

Aleksandr I. Solzhenitsyn (S.J. Res. 36).
American Revolution Bicenntenial Commemorative Medals (S. 371).
Bess Truman's Birthday (S. Res. 65).
Boys Scouts of America (S. Con. Res. 6).
Girl Scouts of America (S. Con. Res. 22).
International Ladies Garment Workers Union (S. Res. 194).
King Faisal, Death of (S. Res. 120).
Martin Luther King (S. Res. 14).
Rabbi Menachem Schneerson (S. Res. 22).
Roy Wilkins (S. Res. 35).
U.S. Flag Display (S.J. Res. 98).
Veterans' Day (S. 331).
Vietnam Veterans (S. Res. 171).

NATURAL RESOURCES—NATIONAL HISTORIC SITES

Assateague Island National Seashore, Maryland and Virginia (S. 82).
Franklin D. Roosevelt National Historic Site (H.R. 2808).
Grand Canyon National Park, Arizona (H.R. 4109).
Guadalupe Mountains National Park, Texas (S. 313).
Hells Canyon National Recreation Area (S. 322).
Indian Trails (S. 1123).
Indoor Recreation Facilities (S. 288).
Klondike Gold Rush National Historical Park, Washington and Alaska (S. 98).
Saline Water Authorization (H.R. 3109).
Volunteers in the Parks (S. 896).
Wilderness Areas:
Eagles Nest Wilderness, Colorado (S. 268).
Flat Tops Wilderness, Colorado (S. 267).

NOMINATIONS

(*Action by rollcall vote*)

Alexander P. Butterfield (S. 182).
Stanley K. Hathaway to be Secretary of Interior.
Carla Anderson Hills to be Secretary of HUD.
Thomas J. Meskill to be U.S. Circuit Judge.

PROCLAMATIONS

American Business Day (S.J. Res. 15).
American Institute of Banking Week (S.J. Res. 58).
Buchenwald Concentration Camp (S.J. Res. 56); (S. Res. 123).
Car Care Month (S.J. Res. 57).
Child Abuse Awareness Week (S. Res. 43).

Earth Day (H.J. Res. 258).
Energy Conservation Month (S. Res. 59).
Historic Preservation Week (H.J. Res. 242).
Hobby Month (S.J. Res. 84).
Honor America (S.J. Res. 92).
Hunting and Fishing Day (S.J. Res. 34).
Indian Day (S.J. Res. 44).
Music in Our Schools Day (S.J. Res. 18).
Newspaper Week (S.J. Res. 46).
Newspaper Carrier Day (S.J. Res. 46).
Norwegian-American Day (S. Res. 135).
Shut-In Day (S.J. Res. 79).
Youth Art Month (S.J. Res. 8).

TRANSPORTATION-COMMUNICATIONS

Airport and Airway Development (S. 1972).
Amtrak—(Penn Central) (S. 281).
Amtrak Supplemental Authorization (H.R. 5975).
Federal-Aid Highway Projects (H.R. 3786).
Maritime Authorizations (S. 332); (S. 1542).
Railroad Safety—Hazardous Materials Transportation Authorizations (S. 1462).
Railroad Temporary Operating Authority (Rock Island) (S. 917).

VETERANS

Disability Compensation and Survivors' Benefits (H.R. 7767).

Senate Legislative Activity

(94th Congress, 1st Session)

(By Senate Democratic Policy Committee)

Days in Session	94
Hours in Session	556:19
Total Measures Passed	314
Private Laws	1
Public Laws	40
Treaties	1
Confirmations	27,851
Record Votes	258
Vetoes	6

Symbols: P/H—Passed House; P/S—Passed Senate; *—Vetoed in 1975; (VV)—Passed by Voice Vote; numbers in parenthesis indicate number of record vote on passage, conference report, or reconsideration.

AGRICULTURE

African/Brazilian honeybee control: Amends the Act of 1922 regarding honeybees by prohibiting the importation of honeybees in all of their life stages (from germ plasma to adult) except under certain specified conditions and authorizing the Secretary of Agriculture to cooperate with State governments, organizations, individuals, and the governments of Mexico, Canada and the Central American countries to eradicate and control the spread of undesirable species of honeybees, including all forms of the African (or Brazilian) honeybee. S. 18. P/S June 16, 1975. (VV)

Disaster loan program: Amends the Consolidated Farm and Rural Development Act to simplify the procedures under which loans are made to victims of natural and major disasters and make additional credit assistance available to them; eliminates the requirement that there be a general need for agricultural credit; clarifies the authority of the Secretary to delegate authority to State directors of the Farmers Home Administration to make emergency loans to an area if the director finds that a natural disaster has substantially affected twenty-five or less farming, ranching, or oyster producing operations in the area; provides that loans would be made only to victims of a disaster who are unable to obtain credit from other sources; makes emergency loans available for livestock (as well as crop) changes deemed desirable as a result of shifts in market demand occurring after a disaster; authorizes loans in excess of the actual loss caused by the disaster provided that a rate of interest is charged for the amount in excess which is equal to the commercial rate charged for similar loans; requires that an applicant seeking an emergency loan based on production losses show that his operation sustained at least a 20 percent loss as a result of the disaster; provides annual subsequent loans for a period of up to 5 years when the borrowers need the credit to continue their operations and cannot obtain financing from other sources; and authorizes the Secretary—for any disaster occurring between January 1, 1975, and July 1, 1976—to make an emergency loan for an operating-type purpose for 20 years if it is determined that the applicant's financial need justified a longer payment term than that normally extended for operating loans in order to afford needed relief to victims of such severe disasters as the January 1975 blizzard in the Midwest. S. 555. P/S Mar. 26, 1975. (VV)

Food stamp increase: Suspends until December 30, 1975, the proposed administrative increase in the costs of coupons to food stamp recipients published in the Federal Register on January 22, 1975, (which would have the effect of increasing food stamp purchase requirements to 30 percent of net income for nearly all food stamp recipients by March 1, 1975), in order to give Congress an opportunity to pass on the merit of such an increase. H.R. 1589. Public Law 94–4, without approval Feb. 20, 1975. (8)

Food stamp program study: States the sense of the Senate that the Secretary of Agriculture should conduct a study of the food stamp program and report to Congress by June 30, 1975, recommendations for legislative changes which will (1) disqualify families who have adequate incomes; (2) reduce administrative complexities; (3) tighten accountability for procurement, shipping, and handling of food stamps; and (4) increase penalties for those who abuse the program, as well as any other recommendations he deems desirable. S. Res. 58. Senate adopted Feb. 5, 1975. (6)

Food stamps—SSI recipient eligibility: Continues through June 30, 1976, the provisions of law under which the Secretary of Agriculture issued his regulations governing the eligibility of SSI recipients (aged, blind and disabled) to receive food stamps and participate, where applicable, in the family commodity distribution program; permits eligible SSI food stamp recipients to use the stamps, where a need exists, to purchase meals prepared and delivered to them by private nonprofit organizations ("meals on wheels"); and directs the Secretary to provide certification procedures to allow a food stamp aid applicant to receive temporary certification and authorization to purchase food stamps on the same day the person applies. S. 1662. P/S June 10, 1975. (VV)

Forest pest control: Provides that funds appropriated for fiscal year 1975 to carry out the program of eradication and control of forest insect pests and diseases shall remain available until expended. S. 441. Public Law 94–40, approved June 20, 1975. (VV)

Forestry research: Amends the McIntyre-Stennis Act of 1962 to make privately endowed colleges eligible for the cooperative program of forest research under this act. S. 1307. P/S Mar. 24, 1975. (VV)

Amends the McIntyre-Stennis Act of 1962 to authorize the Secretary of Agriculture to make matching grants to private colleges and universities (that are ineligible under present law) which carried out a forestry and research program prior to enactment; authorizes such additional funds as necessary; and authorizes the Secretary to appoint officials of participating colleges and universities to the advisory committee. S. 1529. P/S Apr. 29, 1975. *NOTE*: (This bill is intended to clarify the purpose of S. 1307 which passed the Senate on Mar. 25, 1975.) (VV)

Insecticides: Extends the Federal Insecticide, Fungicide, and Rodenticide Act from July 1, 1975, through September 30, 1975, and authorizes therefor $11,967,000 to carry out the act. H.R. 6387. Public Law 94– , approved 1975. (VV)

Livestock credit: Amends the Emergency Livestock Credit Act of 1974 to (1) extend financial assistance to a farmer or rancher primarily involved in the breeding, raising, fattening, or marketing of livestock including dairy cattle; (2) permit secondary financing of the guaranteed portion of livestock loans through the Federal Financing Bank; (3) provide that contracts of guarantee shall not require the Secretary of Agriculture to guarantee more than 90 percent of principal and interest on such loan; (4) provide that guaranteed loans shall be for the period reasonably required by the needs of the borrower but not to exceed 7 years and may be renewed for not more than 3 years; (5) increase the guarantee of a line credit from $250,000 to $350,000 and limits the total outstanding loan guarantees to $1.5 billion; (6) authorize the payment of administrative expenses from any funds available including the Agriculture Credit Insurance Fund; (7) extend the act from July 25, 1975, until December 31, 1976; (8) require that action by the Department of Agriculture on each loan application be completed within 30 days; (9) require collateral adequate to protect the government's interest but allows collateral which has depreciated in value owing to temporary economic conditions; and (10) require an annual report on the effectiveness of the Act; and also amends the Consolidated Farm and Rural Development Act to provide that contracts of guarantee under that Act shall not require the Secretary to guarantee more than 90 percent of the principal and interest on such loans. S. 1236. Public Law 94–35, approved June 16, 1975. (VV)

Peanut distribution: Expresses the sense of the Senate that the Secretary of Agriculture immediately take steps to distribute excess peanut stocks in useful edible forms to needy persons at home and abroad under the domestic food assistance programs and the Public Law 480 program. S. Res. 101. Senate adopted Mar. 24, 1975. (VV)

Plum Island Animal Disease Center: States the sense of the Senate that the Office of Management and Budget should expedite its consideration of the supplemental budget request of the Department of Agriculture for $9.45 million for the expansion of animal quarantine facilities and diagnostic laboratories and for the construction of a pilot vaccine plant at the Plum Island, New York, Animal Disease Center, and forward this request to Congress for its consideration. S. Res. 190. Senate adopted June 19, 1975. (VV)

Potato stocks: States the sense of the Senate that the Secretary of Agriculture immediately take steps to distribute potato stocks, which are now in abundant supply, in useful edible forms to needy persons at home and abroad under the domestic food assistance programs and the Public Law 480 program to supplement protein deficiencies, the basic cause of malnutrition. S. Res. 122. Senate adopted May 16, 1975. (VV)

*Price supports: Establishes an emergency price support program for the 1975 crop or commodity year for upland cotton, wheat, feed grains, soybeans and milk; increases the target price on cotton from 38 cents to 45 cents a pound, on corn from $1.38 a bushel to $2.25 and on other feed grains at comparable levels, on wheat from $2.05 a bushel to $3.41; increases the production loan levels on cotton from 34 to 38 cents per pound, on corn and feed grains from $1.10 a bushel to $1.87, and on wheat from $1.37 a bushel to $2.50; sets the support price of milk at no less than 85 percent of the parity price on the date of enactment and provides that the milk support price shall be adjusted quarterly thereafter, with this provision to remain in effect until April 1, 1976; and contains other provisions. H.R. 4296. Vetoed May 1, 1975. House sustained veto May 13, 1975 (116)

Watershed projects: Amends the Watershed Protection and Flood Prevention Act to require congressional approval of watershed projects where the estimated Federal contribution is in excess of $750,000 instead of $250,000 as under existing law. S. 1230. P/S June 21, 1975. (VV)

Wheat referendum: Amends the Agricultural Adjustment Act to change the marketing year for wheat from July 1–June 30, to June 1–May 31. S. 435. P/S Apr. 24, 1975. (VV)

White corn: Expresses the sense of the Senate that the Department of Agriculture should continue the white corn survey, which provides the white corn industry with critical data for orderly production, marketing and processing, and make the survey reliable by obtaining data from all the significant white corn producing States. S. Res. 155. Senate adopted May 21, 1975. (VV)

APPROPRIATIONS

1975

Continuing: Extends the continuing resolution, which expires on February 28, 1975, to provide obligational authority for foreign assistance programs through March 25, 1975, and funding of activities under title IX of the Public Health Service Act through June 30, 1975, for the following programs within HEW and the Community Services Administration which did not achieve final enactment during the 93d Congress: Health Revenue Sharing and Services; Nurse Training; Health Manpower; Developmental Disabilities Services and Construction; and the Regional Medical program. H.J. Res. 219. Public Law 94–7, approved Mar. 14, 1975. (VV)

* Emergency employment: Appropriates a total of $5,306,508,000 in new budget authority, $485 million in loan authority and $92,362,000 in liquidation of contract authority for the acceleration of existing Federal programs and projects in order to increase immediately employment throughout the nation; provides two approaches to the unemployment problem: (1) $2,318,150,000 in direct creation of jobs as follows: $1.625 billion in public service jobs, $458,050,000 for summer youth employment and transportation, $30 million in jobs for older Americans, $119.8 million in work-study grants for college students, $70 million in the work incentive program to provide jobs, training and related child care for welfare recipients, and $15.3 million for the summer youth recreation program to be administered by the Community Services Administration which together with funds previously appropriated or available total about $3.5 billion; and (2) $2,988,358,000 for funding of projects which would stimulate jobs through acceleration of on-going public works projects, increase of rural water and sewer grants, improvement and modernization of existing veterans' hospitals, increased maintenance of the national cemeteries, reforestation and timber stand improvement, expansion and upgrading of facilities in national parks, forests and other Federal lands, increased assistance to small businesses, major repairs and renovations of existing buildings, and purchase of automobiles used by Federal agencies. H.R. 4481. Vetoed May 28, 1975. House sustained veto June 4, 1975. (151)

Foreign assistance: Appropriates a total of $3,674,346,982 in new obligational authority, which is $175,926,982 more than the amount allowed by the House and $271,750,000 less than that allowed by the Senate, $272,113,927 less than the fiscal year 1975 amended budget estimate, and $193,637,982 more than the 1974 appropriations; and includes:

Appropriations for Foreign Assistance Act activities of $854,800,000 in new obligational authority for economic assistance, which includes $300 million for food and nutrition development assistance, $125 million for population planning and health development assistance; $125 million for international organizations and programs, $5 million for the United Nations Environment Fund, $500,000 earmarked for the National Association of the Partners of the Alliance skill exchange program among peoples of the Americas, $17.5 million for international narcotics control, $35 million for famine or disaster relief assistance, $25 million for assistanct to Portugal and Portuguese colonies in Africa gaining independence; $440 million for Indochina Postwar Reconstruction Assistance; $100 million for the Middle East Special Requirements Funds; and $660 million for Security Supporting Assistance and Middle East peace programs; and,

Appropriations for military assistance of $450 million in new obligational authority, which equals the 1974 appropriation, and is $757 million below the budget estimate of $1,207,000,000 in new obligational authority, which, when added to other available funds, would support a proposed fiscal year 1975 program of $1,246,000,000;

Appropriations for foreign military credit sales of $300 million, which is $255 million less than the budget estimate of $555 million and, combined with outside credits, will support a total military credit sales program of up to $872.5 million, the ceiling established in the authorization bill;

Appropriations for other foreign assistance of $844,546,982, which is $355,813,927 less than the budget estimate of $1,200,360,909, and includes $77 million for the Peace Corps, $90 million for the Cuban Refugee Program, $8,420,000 for migration and refugee assistance, $40 million for Soviet Jewish immigrants to Israel, $10 million for assistance to Palestinian refugees, funds to the President for international financial institutions (Asian Development Bank, Inter-American Development Bank, and the International Development Association) of $619,126,982; and

Sets a limitation on use of corporate funds for the Export-Import Bank of $6,413,328,000 which is the same as the House amount and the budget estimate. H.R. 4592. Public Law 94–11, approved Mar. 26, 1975. (77)

Summer youth employment and recreation: Appropriates a total of $475,350,000 for the summer youth employment and recreation programs of which $15,300,000 is to be used for the recreation program. H.J. Res. 492. Public Law 94–36, approved June 16, 1975. (VV)

Supplemental: Appropriates a total of $143,175,000 in new budget authority for fiscal year 1975 of which $17,175,000 is for alteration, maintenance, furnishing, and protection of House office space, $1 million is for temporary parking facilities for the Senate and additional costs in acquiring the site for a Senate garage, and the remaining $125 million is for operating assistance for the Penn Central and other railroads in reorganization under the Regional Rail Reorganization Act of 1973, and contains an increase of $150 million in loan guarantees for these railroads upon which no appropriations action is required; and repeals the provisions of Public Law 93–554 which, in effect, amounted to a blanket 5 percent reduction in Government travel. H.J. Res. 210. Public Law 94–6, approved Feb. 28, 1975. (31)

Appropriates in title I, a total of $15,065,595,998 in new obligational authority for general program supplemental appropriations for fiscal year 1975, advance funding for fiscal 1976, and one small item for fiscal 1974; in addition, also provides $206,407,375 in transfer authority, $274,306,000 in increased limitations and $53,714,000 for liquidation of contract authority; in title II, provides for increased pay costs; and in title III, prohibits use of funds under this Act to force the busing of students in schools or school districts which are desegregated as defined in title IV of the Civil Rights Act of 1964, to abolish a desegregated school, or to force the transfer of students in desegregated schools, and prohibits the use of funds under this Act for busing of students or teachers in order to overcome racial imbalance in any school or school system or carry out a plan of racial desegregation of any school or school system; and contains other provisions. H.R. 5899. Public Law 94–32, approved June 12, 1975. (192,194)

Veterans' supplemental: Appropriates an additional $638,038,000 for Veterans Administration readjustment benefits to fund the authorized increases contained in Public Law 93–337 which increased to 10 years the 8 year delimiting period for post-Korean veterans; in Public Law 93–358 which increased from $2,800 to $3,300 the maximum grant for specially equipped automobiles for disabled veterans and extended eligibility for training and adaptive equipment; in Public Law 93–356 which increased from $17,500 to $25,000 the housing grant for certain disabled veterans; and in Public Law 93–602 which increased from 18.2 percent to 22.7 percent the monthly allowance for vocational rehabilitation trainee programs makes a total VA appropriation of $4,125,738,000 for fiscal year 1975; and appropriates $500,000 for salaries and expenses of the Federal Election Commission. H.J. Res. 375. Public Law 94–17, approved Apr. 25, 1975. (140)

Vietnamese refugee aid: Appropriates $405 million to aid refugees from Cambodia and Vietnam—$305 million to the Department of State for relocation and resettlement costs and $100 million to the Department of Health, Education, and Welfare for income, medical and education assistance to refugees in the United States—and prohibits aid to the government of Vietnam. H.R. 6894. Public Law 94–24, approved May 24, 1975. (187)

1976

Continuing: Makes continuing appropriations for fiscal year 1976 which shall be available from July 1, 1975, and until enactment of the individual appropriation act or the sine die adjournment of the first session of this Congress, whichever occurs first. H.J. Res. 499. Public Law 94– , approved 1975. (230)

Education: Appropriates $7,682,478,000 for fiscal year 1976 for education programs, including support to local school districts, aid to individuals attending institutions of higher learning, and special assistance to the needy and the handicapped. H.R. 5901. P/H Apr. 16, 1975; P/S amended June 27, 1975. (258)

ATOMIC ENERGY

International agreements

Atomic energy cooperation agreement with Israel: Approves the proposed two year extension of the Agreement for Cooperation Between the United States and Israel which concerns peaceful research applications in the field of atomic energy. S. Con. Res. 15. Senate adopted Feb. 19, 1975; House adopted Mar. 11, 1975. (VV)

Enriched uranium distribution to Euratom: Approves the proposed increase (from the present 35,000 megawatt ceiling to 55,000 megawatts) in the amount of enriched uranium which may be distributed by the United States to Euratom under Section 54 of the Atomic Eneregy Act of 1954, as amended, to support the fuel cycle of power reactors in the Community, such transfers to be subject to the additional Agreement for Cooperation with Euratom which, among other things, contains provisions for safeguards against the diversion of special nuclear material to military applications and in accordance with our Non-Proliferation Treaty obligations. S. Con. Res. 14. Senate adopted Feb. 19, 1975; House tabled Mar. 17, 1975. (VV)

Enriched uranium distribution to the International Atomic Energy Agency: Approves the proposed increase in the amount of enriched uranium which may be distributed by the United States to the IAEA under Section 54 of the Atomic Energy Act of 1954, as amended, to allow for the support of fuel cycle of power reactors, to be purchased from U.S. manufacturers, located in member states of IAEA (2 in Mexico, 1 in Yugoslavia) having a total installed capacity of 2,015 megawatts of electrical energy. S. Con. Res. 13. Senate adopted Feb. 19, 1974; House tabled Mar. 17, 1975. (VV)

Nuclear Regulatory Commission authorizations: Authorizes supplemental appropriations of $50.2 million to the Nuclear Regulatory Commission for fiscal year 1975 which is in addition to the $90,765,000 fiscal year 1975 authorization for the Atomic Energy Commission (Public Law 93–276) and transferred to the Commission on January 19, 1975, when the Atomic Energy Commission was abolished pursuant to the Energy Reorganization Act of 1974 (Public Law 93–438) and its functions transferred to the Nuclear Regulatory Commission and Energy Research and Development Administration. S. 994. Public Law 94–18, approved Apr. 25, 1975. (VV)

Authorizes $222,935,000 for fiscal year 1976 and $52,750,000 for the transition period July 1–September 30, 1976, for the Nuclear Regulatory Commission. S. 1716. P/S June 17, 1975; P/H amended June 20, 1975. (VV)

BUDGET

Deferrals:

Energy research and development administration: Rescinds $66.5 million and disapproves $46.1 million of the $112.6 million deferral recommended by the President in his message of November 26, 1974, provided under the 1975 Public Works–AEC Appropriations Act (P.L. 93–393) for various programs within the Energy Research and Development Administration. By this action, deferral of budget authority was disapproved for the following programs: Biomedical and Environmental Research—Artificial Heart Research, $4 million (S. Res. 32); Nuclear Materials, $12 million (S. Res. 75); Laser Fusion Program, $4.7 million (S. Res. 76); Controlled Thermonuclear Research—Fusion Program, $8 million (S. Res. 77); Physical Research, $2.7 million (S. Res. 78); Gas Cool Fast Reactor Program, $6.7 million (S. Res. 79); and LMFBR Technology, $8 million (S. Res. 80). S. Res. 32, S. Res. 75, S. Res. 76, S. Res. 77, S. Res. 78, S. Res. 79, S. Res. 80. Senate adopted May 7, 1975. (VV)

HUD—Comprehensive planning grants: Disapproves the $50 million deferral for the HUD Comprehensive Planning Grant Program recommended by the President in his message of November 26, 1974. S. Res. 23. Senate adopted Mar. 13, 1975. (VV)

Transportation—Highway funds: Disapproves the $9,136,590,427 deferral for Federal highway funds to the States recommended by the President in his message of September 20, 1974. S. Res. 69. Senate adopted Apr. 24, 1975. (149)

Rescissions:

HEW—Health and medical service programs: Disapproves $264,700,000 of the proposed rescission of $266,323,000 recommended by the President in his message of April 8 and May 8, 1975, for the following programs of the Department of Health, Education, and Welfare: Alcohol, Drug Abuse and Mental Health; D.C. medical facilities; Nurse training, allied and public health, and funding for medical facilities and construction; and emergency food and medical services, and summer youth sports; and approves the rescission of $1,623,000 for health services. H.R. 6573. P/H May 12, 1976; P/S amended June 10, 1975; House disagreed to Senate amendment June 12, 1975. (VV)

HUD—Homeownership assistance: Disapproves the $264,117,000 rescission for the HUD Homeownership Assistance Program recommended by the President in his message of October 4, 1974. S. Res. 61. Senate adopted Mar. 13, 1975. (VV)

Agriculture, Commerce, DOD, Executive Office, General Services, Justice, HEW, State, Treasury: Approves rescission of budget authority in the amount of $243,359,370, and disapproves $706,083,802 of the amounts proposed for rescission by the President, for the following departments:

Department of Agriculture: Approves a partial rescission of $7,856,470 for the Agriculture Stabilization and Conservation Service Water Programs, leaving available $13,356,470 for the wetlands and marshlands conservation program; disapproves rescissions of $14,921,000 for the Forest Service;

Department of Defense: Approves rescission of $60,300,000 for operations and real property maintenance; disapproves rescission of $5,700,000 for Army UH–IH utility helicopters procurement because rescission would result in no procurement of needed helicopters in fiscal year 1975; approves rescission of $122,900,000 for Air Force F–111F fighter aircraft; disapproves rescission of $29,600,000 for Air Force A–7D attack aircraft as being necessary for modernization of the Air National Guard;

Department of Health, Education, and Welfare: Disapproves rescission of $284,719,000 for Hill-Burton hospital bed construction;

Department of State: Approves rescissions of $2.1 million in savings;

Department of Justice: Disapproves rescission of $5,350,000, $1.3 million, and $2.4 million, respectively, for salaries and expenses of the FBI, Immigration and Naturalization Service, and the Drug Enforcement Administration on the basis that the rescission would adversely affect accomplishment of the purpose of these agencies; approves rescission of $7 million for the Bureau of Prisons in view of a lower than expected prison population and the possibility of acquiring a new facility at no cost;

Department of Commerce: Approves rescissions totaling $2.25 million for Social and Economic Statistics Administration, Trade Adjustment Assistance, U.S. Travel Service, the Patent Office and the marine data buoy project of the National Oceanic and Atmospheric Administration; disapproves rescission of $2 million for Economic Development Administration assistance programs which affect planning for areas of chronic, high unemployment; disapproves rescissions of $1.3 million, $500,000, and $500,000, respectively, for National Oceanic and Atmospheric Administration, salmon and steelhead rearing ponds, three regional fisheries commissions under the National Fisheries Policy, and the marine ecosystems project in Puget Sound;

Department of the Treasury: Approves rescissions of $1.53 million affecting the Office of the Secretary, the Federal Law Enforcement Training Center, the Bureau of Accounts, and the Internal Revenue Service; disapproves rescission of $9,230,000 and $10,240,000, respectively, for accounts, collection, and taxpayer service and compliance in the Internal Revenue Service; disapproves rescission of $3 million for Customs Service on the basis of adverse impact on its functions;

Executive Office of the President: Approves rescission of $2,240,000 for the Special Action Office for Drug Abuse Prevention as legislative authority for this office expires June 30, 1975 and other funding available is considered sufficient:

General Services Administration: Approves rescission of $20,022,900 for the Federal Buildings Fund which will be withdrawn from programmed low-priority work which has not started. H.R. 3260. Public Law 94–14, approved Apr. 8, 1975. (68)

Agriculture, Commerce, Consumer Product Safety, DOD, HEW, Labor: Rescinds $16,454,704 ($10 million for Forestry Incentive Programs, $955,000 for Defense special foreign currency programs, $500,000 for the Consumer Product Safety Commission, and $4,999,704 for the Latin-American Cultural and Trade Center within the Department of Commerce) and disapproves $1,243,939,250 of the rescission of $1,260,393,954 recommended by the President in his message of January 30, 1975, and the communications of the Comptroller General of February 7 and 14, 1975, as follows: Department of Agriculture—$191,690,000; Consumer Product Safety Commission—$1,209,000; Community Service Employment for Older Americans in the Department of Labor—$12 million; Department of HEW—$936,030,250; and Department of Commerce—$125 million which is for the Job Opportunities Program which had been submitted as a deferral and reclassified by the Comptroller General as a rescission. H.R. 4075. Public Law 94–15, approved Apr. 8, 1975. (VV)

Resolutions:

First budget resolution: Recommends budget outlays of $367 billion, estimated revenues of $298.18 billion and an estimated deficit of $68.82 billion as compared to the President's budget estimates of $355.6 billion in outlays adjusted as of April 4, estimated revenues of $297.5 billion, and a proposed deficit level of $60 billion; recommends, in order to achieve the revenue level suggested that revenues should be decreased by $3.4 billion; and, in making the revenue recommendations (1) assumes that major provisions of the Tax Reduction Act scheduled to expire December 31, 1975 will be extended by the Congress and thus lower revenues by $4.4 billion, (2) takes the position that additional revenues should be raised through enactment of tax reforms legislation in the amount of $1 billion in fiscal year 1976, and (3) assumes that, as a result of recent tax collection experience, an additional $2 billion in revenues will be received during fiscal year 1976; does not contain the function-by-function allocations which will be reported in later years but is based on recommended outlays for budget programs by function for fiscal year 1976 as compared with the President's proposed budget outlays as follows:

National Defense: $91.2 billion in budget outlays as compared to $93.9;

International Affairs (conduct of foreign affairs, foreign information and exchange activities, the Peace Corps, Food for Peace, and foreign assistance except for military assistance): $4.9 billion as compared to an estimated $5.1 to $6.4 billion;

General Science, Space, and Technology: $4.6 billion, which is the same as that proposed in the President's budget;

Natural Resources, Environment, and Energy: $11.6 billion as compared to $10.2 billion;

Agriculture: $1.8 billion, which is the same as that in the President's budget;

Commerce and Transportation: $17.5 billion as compared to $14.7 billion;

Community and Regional Development: $8.65 billion as compared to $6 billion;

Education, Manpower, and Social Services: $19.85 billion as compared to $16.6 billion;

Health: $30.7 billion as compared to $16.6 billion;

Health: $30.7 billion as compared to $28.4 billion;

Income Security (social security and unemployment insurance, retirement systems for Federal and railroad employees and assistance programs for the needy): $125.3 billion as compared to $120.9 billion;

Veterans Benefits and Services: $17.5 billion as compared to $16.2 billion;

Law Enforcement and Justice: $3.4 billion as compared to $3.3 billion;

General Government: $3.3 bililon as compared to $3.2 billion; President's budget;

Revenue Sharing and General Purpose Fiscal Assistance: $7.2 billion, which is the same as that in the President's budget;

Interest: $35.3 billion as compared to $34.4 billion;

Allowances (includes energy tax equalization payments, civilian agency pay raises and contingencies): $1.2 billion as compared to $8.1 billion, caused mainly by the deduction of $7 billion included in the President's budget to equalize the impact of his original energy tax proposals based on the assumption that the President's program will not be approved by the Congress; and

Undistributed Offsetting Receipts (includes Federal Government contributions to the employee retirement funds, interest earned on trust funds and revenue from oil leases on the Outer Continental Shelf): Deduction of $16.2 billion in undistributed offsetting receipts from the budget total in 1976 as compared to $20.2 billion in the President's budget, in the Congressional budget difference being due to an estimate of $4 billion in receipts by the Committee from the sale of leases for offshore oil drilling and an estimate of $8 billion in such receipts in the President's budget. S. Con. Res. 32. Senate adopted May 1, 1975; Vacated and indefinitely postponed May 5, 1976. (157) H. Con. Res. 218. House adopted May 1, 1975; Senate adopted amended May 5, 1975; House agreed to conference report May 14, 1975; Senate agreed to conference report May 14, 1975. (VV)

CONGRESS

Cloture rule: Amends rule XXII (cloture) of the Standing Rules of the Senate to change from two-thirds present and voting to a constitutional three-fifths of the membership (or 60 Senators) the number of Senators required to vote for ending debate except on a measure or motion to amend the Senate rules, which shall require an affirmative vote by two-thirds of the Senators present and voting. S. Res. 4. Senate adopted Mar. 7, 1975. (55)

Guam and Virgin Islands delegate allowance: Provides that the clerk hire allowance and the transportation expenses subject to reimbursement under Federal law of the Delegates from Guam and the Virgin Islands shall be the same as allowed for Members of the House of Representatives. H.R. 4269. Public Law 94–26, approved May 27, 1975. (VV)

Joint Committee on the Bicentennial: Establishes a joint committee on Arrangements for the Commemoration of the Bicentennial, to be composed of the majority and minority leaders of the Senate and House and the members of Congress who are members of the American Revolution Bicentennial Board, to coordinate the planning and implementation of Bicentennial activities and events of the Congress with those of other group; to consult with the Speaker of the House and President of the Senate to provide for congressional representation at appropriate Bicentennial events; and to develop and implement programs to inform and emphasize to the Nation the role of the Congress, as the representative of the people, through the past 200 years. S. Con. Res. 44. Senate adopted June 13, 1975. (VV)

New Hampshire Senate contest: Suspends Senate Rule IV for regulation of the Senate wing of the United States Capitol to permit radio, television and photographic coverage of all proceedings of the Senate in open session with respect to the determination of the contested New Hampshire Senate seat contingent upon prior agreements limiting debate thereon; provides that such broadcasting shall be in conformity with procedures agreed upon by the joint leadership; and requires the leadership to assure that the most advanced technology is employed in televising these proceedings especially with respect to the selection of cameras that require no additional lighting in the Senate Chamber. S. Res. 177. Senate adopted June 9. 1975. (VV)

Select Committee on Intelligence: Authorizes $750,000 for the establishment of an 11-member select committee composed of six Democrats and five Republicans to investigate and study governmental operations with respect to intelligence activities and the extent, if any, to which illegal, improper, or unethical activities were engaged in by any agency of the Federal Government or by any persons, acting individually or in combination with others, on behalf of the Federal Government; empowers the committee to require by subpena the attendance of witnesses and the production of evidence; directs an investigation of the following matters among others:

(1) Whether the Central Intelligence Agency has conducted an illegal domestic intelligence operation;

(2) The conduct of domestic intelligence or counterintelligence operations against citizens by the FBI or any other Federal agency;

(3) The origin and disposition of the so-called Huston Plan to apply intelligence agency capabilities against individuals or organizations within the U.S.;

(4) The extent to which the FBI, the CIA and others coordinate their respective activities;

(5) The extent to which domestic intelligence or counterintelligence activities within the United States by the CIA conforms to its legislative charter;

(6) Past and present interpretation by the Director of Intelligence of the responsibility to protect intelligence sources;

(7) The extent and nature of executive branch oversight as well as congressional oversight of all intelligence activities;

(8) The need for specific legislative authority to govern the operation of any intelligence agencies of the Federal Government without explicit statutory authority, such as the Defense Intelligence Agency and the National Security Agency;

(9) The extent to which intelligence agencies are governed by Executive orders, rules or regulations either published or secret and the extent to which these Executive orders, rules or regulations interpret, expand, or conflict with specific legislative authority;

(10) Violation or suspected violation of any State or Federal statute by any intelligence agency or person on its behalf, including surreptitious entries, surveillance, and illegal opening or monitoring of U.S. mail;

(11) Whether any of the existing laws are inadequate to safeguard the rights of American citizens, to improve control of intelligence activities and to resolve uncertainties as to the authority of U.S. intelligence and related agencies;

(12) Whether there is unnecessary duplication of expenditure and effort in the collection and processing of intelligence information by agencies; and

(13) The extent and necessity of overt and covert intelligence activities in the United States and abroad; authorizes the committee to recommend new legislation with regard to its findings and to make a final report of the results of the investigation; provides that the committee shall prevent disclosure of information relating to CIA or other intelligence activities which would adversely affect intelligence activities in foreign countries; prohibits committee personnel from accepting any honorarium, royalty or other payment for a speaking engagement, article, or book in connection with the investigation; and requires security clearance for employees who have access to classified information.

S. Res. 21. Senate adopted Jan. 27, 1975 (1)

Authorize the Select Committee to obtain data contained in tax returns provided that names, addresses, and personal identifications are presented in such a form as not to identify the individual tax returns from which the data is derived. S. Res. 167. Senate adopted May 22, 1975. (VV)

Amends S. Res. 21 to increase the authorization for expenditures of the Select Committee from $750,000 to $1.5 million of which not to exceed $300,000 shall be for the procurement of consultants. S. Res. 165. Senate adopted June 6, 1975. (VV)

Senate committee expenses: Continues through May 31, 1975, the authority of Senate Committees to pay employees and make expenditures for inquiries and investigations. S. Res. 111. Senate adopted Mar. 17, 1975. (VV)

Continues through July 15, 1975, the authority of the Senate committees to pay employees and make expenditures for inquiries and investigations. S. Res. 191. Senate adopted June 23, 1975. (VV)

Senate committee staffing: Amends Senate Rule XXV to authorize each Senator to employ personal staff persons to assist in committee duties; allows funds for this purpose in an amount equivalent to that for three professional positions—two for all standing committees except for the District of Columbia, Post Office and Civil Service, Rules and Administration and Veterans' Affairs Committees, and allows one position for these four standing committes and for select, special, and joint committees; provides that a Senator who serves on three of the standing committees in the category for which two positions are provided and who does not serve on any of the other standing committees for which one position is provided may use all three positions for his standing committees; and offsets the number of positions allowed by the number of present employees allocated to a Senator. S. Res. 60. Senate adopted June 12, 1975. (225)

Amends S. Res. 60, to direct the Secretary of the Senate to make available for public inspection names and total aggregate compensation of any professional staff appointed to assist Senators in connection with their committee responsibilities. S. Res. 182. Senate adopted June 13, 1975. (VV)

Senate witness fees: Increase the limitations with regard to daily witness fees and transportation expenses payable to witnesses summoned to appear before the Senate or any of its committees as follows: Witness fees—from $25 to $35 a day; transportation expenses for not more than 600 miles—from 20 cents to 35 cents per mile; and transportation expenses for more than 600 miles—from 12 cents to 20 cents per mile. S. Res. 17. Senate adopted June 4, 1975. (VV)

Supreme Court chamber: Declares officially open the Chamber of the Supreme Court which is located in the Capitol and extends congratulations and appreciation to the various people who contributed to the restoration of this Chamber. S. Res. 164. Senate adopted May 21, 1975. (VV)

CONSUMER AFFAIRS

Consumer protection: Protects the interests of consumers and promotes consumer protection in the United States; creates an independent Agency for Consumer Advocacy (ACA) to represent and advocate the interests of consumers before other Federal agencies and Federal courts; authorizes the ACA to receive and transmit complaints from consumers and develop and disseminate information concerning interests of consumers;

Exempts from the jurisdiction of the ACA the following: the Central Intelligence Agency, the Federal Bureau of Investigation, or the National Security Agency, or the national security and intelligence functions of the Departments of State and Defense and the military weapons program of the Energy Research and Development Administration, as well as any Federal Communications Commission proceeding relating to renewals of radio or television broadcasting licenses, or any labor-management case before the National Labor Relations Board; prohibits intervention or participation by the ACA in any proceeding or activity directly affecting producers of livestock, poultry, agricultural crops or raw fish products; prohibits such intervention with respect to the granting or enforcement of any right-of-way or other authorization relating to the Alaska pipeline system of oil or natural gas; prohibits such intervention in proceedings relating to limiting the manufacture or sale of firearms or ammunition;

Requires the General Accounting Office to review all of ACA's activities and report to Congress thereon within 3 years; makes the provisions of the Freedom of Information Act applicable to the ACA; provides for the preparation of cost and benefit assessment statements by Federal agencies issuing rules or proposing legislation which have a substantial economic impact; and contains other provisions. S. 200. P/S May 15, 1975. (184)

Motor vehicle information and cost savings: Amends the Motor Vehicle Information and Cost Savings Act to authorize additional appropriations to implement the four titles of the bill for fiscal year 1976, the fiscal year transition period July 1–September 30, 1976, and fiscal year 1977 respectively, as follows: Title II, which requires the Secretary of Transportation to promulgate bumper standards applicable to all passenger motor vehicles: $500,000, $125,000 and $500,000; Title II, which provides for an automobile consumer information program: $2 million, $650,000 and $4 million; Title III, which provides for diagnostic inspection demonstration projects: $5 million, $1.5 million, $7.5 million; and Title IV, which sets odometer requirements: $400,000, $100,000 and $650,000; redefines the special motor vehicle diagnostic inspection demonstration project under title III to assure that the project will be designed for use by States for high volume inspection facilities to evaluate conditions of parts, components and repairs required to comply with State and Federal safety, noise and emission standards and to assist the owner in achieving the optimum fuel and maintenance economy and authorizes an additional $7.5 million for fiscal year 1978 to implement this program; provides the Secretary with additional authority to enforce the odometer anti-tampering provisions; and imposes a civil penalty of not to exceed $10,000 for each violation and criminal penalties of not more than $50,000 and/or 1 year in prison. S. 1518. P/S June 5, 1975. (VV)

CRIME—JUDICIARY

Federal rules of evidence: Amends the Federal Rules of Evidence to make clear that nonsuggestive lineup, photographic and other identifications, made in compliance with the Constitution, are admissible in evidence. S. 1549. P/S June 19, 1975. (VV)

Florida judicial district: Transfers Madison County from the middle judicial district to the northern district of Florida to reduce the average travel time for Madison County residents. S. 723. P/S June 19, 1975. (VV)

Pyramid sales: Prohibits the use of any means of instrumentality of transportation or communication in interstate commerce or of the mails for sales, offers, or attempts to sell a participation or rights to participate in a "pyramid sales scheme" which is defined as an investment program based on inducing people to buy the right to sell similar rights to other people. S. 1509. P/S May 14, 1975. (VV)

Robert E. Lee: Restores posthumously full rights of citizenship to General Robert E. Lee, effective June 13, 1865, which were forfeited by him as General of the Army of Northern Virginia in the war between the States. S.J. Res. 23. P/S April 10, 1975. (VV)

Three-judge courts: Eliminates the requirement for special three-judge courts in cases seeking to enjoin the enforcement of State or Federal laws on the grounds of unconstitutionality except when specifically required by act of Congress or in any case involving congressional reapportionment or any statewide legislative body and clarifies judge courts in those cases where they are required. S. 537. P/S June 20, 1975. (VV)

DEFENSE

Coast Guard authorization: Authorizes transition period (July 1–September 30, 1976) to the Coast Guard for the procurement of vessels and aircraft, construction of shore and offshore establishments including the Valdez, Alaska, vessel traffic control system and the Sitka, Alaska, Air Station to assure that the stations are operational upon the completion of the Trans-Alaska pipeline, and payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges across the navigable waters of the United States; authorizes the year-end strength for active duty personnel and provides additional personnel for fishery surveillance and enforcement by helicopter; and authorizes the military training student loads. H.R. 5217. P/H May 19, 1975; P/S amended June 17, 1975. (VV)

Defense production—Commission on Productivity and Work Quality: Extends the expiration date of the Defense Production Act of 1950 and funding for the National Commission on Productivity and Work Quality for 90 days, through September 30, 1975. S.J. Res. 94. Public Law 94—, approved 1975. (VV)

Military construction authorization: Authorizes a total of $3,870,982,000 for fiscal year 1976 ($3,540,982,000) and the transition period July 1–September 30, 1976 ($330 million) to provide construction and other related authority for the military departments, and the office of the Secretary of Defense, within and outside the United States, and authority for construction of facilities for the Reserve Components; includes authorization of $13.8 million for construction and expansion of the naval base at Diego Garcia in the Indian Ocean subject to the provision added to last year's bill requiring the President to certify as to the necessity of the construction and allowing Congress 60 days to consider such certification before construction may begin; and contains other provisions. S. 1247. P/S June 9, 1975. (VV)

Military procurement authorization: Authorizes a total of $25,012,535,000 for fiscal year 1976 and $5,271,798,000 for the transition period of July 1, 1976 through September 30, 1976 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces; authorizes the personnel end strength for military active duty components of the Armed Forces at 2,081,700 for fiscal year 1976 and 2,097,100 for the transition period; authorizes the annual average military training student load for each of the active and reserve components; authorizes the personnel end strengths for the Selected Reserve of each of the Reserve components at 896,800 for fiscal 1976 and 897,600 for the transition period; provides criminal sanctions against any corporation or individual who willfully discriminates in supplying petroleum products for the Armed Forces; provides that no service member who retired after January 1, 1971 may receive less retired or retainer pay than they would have received at an earlier date on or after January 1, 1971; reduces the number of enlisted service personnel who may be assigned as servants to officers; prohibits funds to flight test a Maneuvering Reentry Vehicle (MARV) on a ballistic missile unless the President certifies to Congress that the Soviet Union is so doing or has taken action which makes such flight testing essential to our national security; extends until December 31, 1977 the President's authority to transfer aircraft and related equipment by sale, credit, or guarantee in order to maintain the military balance in the Middle East; and contains other provisions. H.R. 6674. P/H May 20, 1975; P/S amended June 6, 1975; In conference. (214)

Naval Museum: Expresses the approval of Congress with respect to the establishment by the State of South Carolina of the Naval and Maritime Museum in the city of Charleston. S. Con. Res. 9. Senate adopted Feb. 28, 1975. (VV)

Officer Graduate School appointees: Eliminates any period during which an officer was listed in a missing status for the purpose of computing the 6-year period in considering eligibility of the appointees to officer graduate school. S. 1767. P/S May 21, 1975. (VV)

DISTRICT OF COLUMBIA

Southeastern University: Insures the continued eligibility of Southeastern University for the benefits of the several acts providing for aid to higher education and amends its Charter to make possible the continued operation of the University as a nonprofit, tax-exempt educational institution under the provisions of section 501(c)(3) of the Internal Revenue Code. S. 611. P/S June 19, 1975. (VV)

ECONOMY–FINANCE

Commodity futures: Extends for 90 days the following provisions of the Commodity Futures Trading Act of 1974 (Public Law 93–463) which becomes effective April 21, 1975: provisional designation as a contract market to any board of trade for commodities traded thereon; required Commission approval of contract market bylaws and rules; provisions and eventual permanent registration of any futures commission merchant, floor broker, associated person, commodity trading adviser, or commodity pool operator; and amends the Act to provide that the Commission will have 9 months instead of 6 months to determine whether trading by floor brokers and futures commission merchants for their own accounts and for their customers at the same time is permitted; provides the Commission 180 days instead of 90 days to define bona fide heging transactions or positions; and delays the effective date to 15 months instead of 1 year of the provisions for handling customers' complaints. H.J. Res. 335. Public Law 94–16, approved Apr. 16, 1975. (VV)

Council on International Economic Policy: Authorizes $400,000 for the period July 1–September 30, 1975, for the Council on International Economic Policy. S.J. Res. 97. P/S June 21, 1975. (VV)

Council on Wage and Price Stability: Extends from August 15, 1975 to June 30, 1976 the expiration date of the Council on Wage and Price Stability, which was established on August 24, 1974 to monitor wage and price developments in the private economy, to review the inflationary impact of governmental programs and policies, and to recommend measures for containing inflation:

Provides for Senate confirmation of persons appointed as director of the Council in the future; authorizes an increase from five to eight in the number of supergrade staff members;

Gives the Council authority to require periodic information reports and subpena power regarding witnesses and the production of relevant books and other documents relating to wages, prices, costs, profits, and productivity by product line or by such other categories as the Council may prescribe;

States the sense of Congress that no ceiling, presently proposed at 5 percent, shall be placed on the July 1975 automatic social security cost-of-living increase currently scheduled at 8 percent under the existing cost-of-living formula;

Amends the Congressional Budget Act of 1974 to require the Congressional Budget Office to prepare inflationary impact statements containing an estimate of the probable impact of any legislation reported for consideration by a House or Senate committee on the aggregate rate of inflation and the cost of goods and services to be affected by its enactment for the year of enactment and the following 4 fiscal years; and,

Requires the Federal Energy Administration to include in its quarterly energy information reports under the Energy Supply and Environmental Coordination Act information on pricing and related developments in the coal industry and other major energy industries also not subject to Federal price regulation, and requires an assessment and report on the relationship between these pricing and related developments and national energy policies, including any recommendations the Administrator of FEA may wish to make. S. 409. P/S May 6, 1975. (167)

DUTY SUSPENSIONS

Istle fiber—child support funding: Extends from September 5, 1975 to June 30, 1978 the existing suspension of duty on processed istle fiber; and amends Public Law 93-647 to extend from July 1 to August 1, 1975 the effective date of the act in order to enable some 11 States to comply with the statutory child support regulations in order to receive Federal matching grants for their child support activities. H.R. 7709. Public Law 94- , appoved 1975. (VV)

Lower interest rates: States the sense of the Congress that the Federal Reserve Board and the Federal Open Market Committee (1) pursue policies in the first half of 1975 so as to encourage lower long term interest rates and expansion in the monetary and credit aggregates appropriate to facilitating prompt economic recovery and (2) maintain long-run growth of the monetary and credit aggregates commensurate with the economy's long-run potential to increase production so as to promote effectively the goals of maximum employment, stable prices and moderate long-term interest rates; and provides for semiannual oversight hearings by the House and Senate Banking committees wherein the Board of Governors of the Federal Reserve System and the Open Market Committee will consult with Congress with respect to the ranges of growth or diminution of monetary and credit aggregates in the upcoming 12 months. H. Con. Res. 133. House adopted Mar. 4, 1975; Senate adopted Mar. 17, 1975; Senate agreed to conference report Mar. 20, 1975; House agreed to conference report Mar. 24, 1975. (65)

National Commission on Supplies and Shortages: Provides that section 720 of the Defense Production Act creating a National Commission on Supplies and Shortages is amended to assure that certain conflict of interest provisions shall not apply to members appointed to the Commission from the private sector; extends from March 1, 1975, to June 30, 1975, the time in which the Commission must submit its report to the President and Congress with respect to institutional adjustments and from June 30, 1975, to December 31, 1975, the time for the Commission to prepare, publish and transmit such other reports it deems appropriate; provides that the $75,000 authorization for the advisory committee shall remain available until December 31, 1975; and extends the $500,000 authorization for the Commission from June 30, 1975, until December 31, 1975. S.J. Res. 27. P/S Feb. 5, 1975. (VV)

Amends section 720 of the Defense Production Act which created a National Commission on Supplies and Shortages to extend from March 1, 1975, to June 30, 1975, the time in which the Commission must submit its report to the President and Congress with respect to institutional adjustments and from June 30, 1975, to December 31, 1975, the time for the Commission to prepare publish and transmit such other reports it deems appropriate: provides that the $75,000 authorization for the advisory committee shall remain available until December 31, 1975; and extends the $500,000 authorization for the Commission from June 30, 1975, until December 31, 1975. S.J. Res. 48. Public Law 94-9, approved Mar. 21, 1975. (VV)

National Insurance Development Program: Extends the National Insurance Development Program, which would expire on April 30, for an additional 2 years so as to maintain the Federal Riot Reinsurance Program which reinsures the general property insurance business against the peril of riot and the Federal Crime Insurance Program which provides basic crime insurance coverage in States where it is needed. H.R. 2783. Public Law 94-13, approved Apr. 8, 1975. (VV)

Public debt limit extensions: Increases the debt limit by $131 billion for a total temporary and permanent debt limit of $531 billion until June 30, 1975. H.R. 2634. Public Law 94-3, approved Feb. 19, 1975. (10)

Increases the debt limit by $46 billion for a total temporary and permanent debt limit of $577 billion until November 15, 1975. H.R. 8030. Public Law 94- , approved , 1975. (256)

Repatriated U.S. citizens—SSI recipient food stamp eligibility: Makes permanent the authority under section 1113 of the Social Security Act permitting the Secretary of Health, Education, and Welfare to provide temporary assistance to American citizens and their dependents who have been repatriated from foreign countries and limits the authorization to $8 million through September 30, 1976, and $300,000 for each subsequent fiscal year; and amends Public Law 93-233 to extend for an additional 12 month period, through June 30, 1976, the provision which makes needy, aged, blind and disabled people qualifying for benefits under the SSI program eligible to participate in the Food Stamp program. H.R. 6698. Public Law 94- , approved 1975. (VV)

Securities Acts amendments: Amends the Exchange Act, Securities Investor Protection Act, Investment Advisers Act, and Investment Company Act to make changes in the structure and regulation of the securities industry as follows:

National Securities Market System: Grants the Securities and Exchange Commission (SEC) broad, discretionary powers to oversee the development of a national market system encompassing all segments of the corporate securities markets including common and preferred stocks, bonds, debentures, warrants and options in order to provide greater investor protection and maintain a strong capital raising and allocating system; encourages maximum reliance on communication and data processing equipment consistent with justifiable costs and grants the SEC broad authority over the processing and distribution of market information; sets as a goal the establishment of trading rules and procedures for auction trading, trading in unlisted securities, and third market trading;

Self-Regulation and SEC Oversight: Consolidates and expands SEC oversight powers with respect to the self-regulatory exchange organizations, their members, and officers; confers upon the District courts the jurisdiction to command compliance with the act; clarifies the rule-making powers of SEC; and provides for judicial review of SEC actions in an appropriate court of appeals;

Municipal Securities: Extends Federal regulation to brokers and dealers trading exclusively in tax-exempt State and local bonds thus removing their exemption from the provisions of the Exchange Act; vests the ultimate authority and responsibility for the regulation of the municipal securities industry in SEC with the rulemaking responsibilities vested in a new self-regulatory agency, the Municipal Securities Rulemaking Board;

Clearing Agencies and Transfer Agents: Establishes a system for the development of an integrated national system for clearance and settlement of stock-transactions in interstate commerce; centralizes in the SEC the authority and responsibility to regulate, coordinate and direct the operations of all persons involved in the securities handling process, and requires registration and reporting by clearing agencies and transfer agents; and empowers the SEC to review and amend the rules of such entities;

Securities Trading by Members of a National Securities Exchange: Prohibits stock exchange members from effecting any transaction on the exchange for its own account of an associated person, or an account with respect to which the member or an associated person exercised investment discretion; provides exemptions from this prohibition for certain types of transactions which contribute to the fairness and orderliness of exchange markets or which have not given rise to serious problems, such as transactions by market makers, including specialists and block positions, bona fide arbitrage transactions, transactions for a member's own account and transactions for the account or estate of a natural person or a trust created by a natural person for himself or another person; authorizes the SEC to exempt any other transaction which is consistent with the purposes of these provisions and also to regulate or prohibit the exchange transactions which are specifically exempted; authorizes the SEC to extend the broad prohibition against the combination of money management and brokerage to the over-the-counter market to maintain fair and orderly markets, assure equal regulation or to protect investors; and provide for a 3-year phase in of these provisions following the date of enactment for exchange members who were members on May 1, 1975;

Commission Rates: Prohibits fixed commission rates after the date of enactment except that rates charged by members acting as brokers on the floor of an exchange for other members or as an odd-lot dealer may be fixed until May 1, 1976: permits the SEC to reimpose fixed rates, by rule, prior to November 1, 1976, and provides a procedure for continuing or reimposing fixed rates after that date;

Institutional Disclosure: Authorizes the Commission to require the disclosure of certain institutional portfolio holdings and transactions;

And contains other provisions. S. 249. Public Law 94-29, approved June 4, 1975. (VV)

Social security—medicaid: Makes permanent the temporary provision of law authorizing disregard of the 1972 Social Security increase in regard to medicaid eligibility, thus protecting the medicaid eligibility of those who would otherwise lose their eligibility because of the 1972 increase; and gives Puerto Rico, the Virgin Islands, and Guam, which deliver care to medically indigent people through their public health care systems, a permanent exemption from the freedom of choice requirement for obtaining medical services in order to alleviate the costs connected with private services. H.R. 8109. Public Law 94- , approved 1975. (VV)

Tax rebate—State taxation: Clarifies the intent of the Senate that the tax rebates provided under the Tax Reduction Act of 1975 (Public Law 94-12) are not subject to State income tax. S. Res. 158. Senate adopted June 9, 1975. (VV)

Tax reduction: Amends the Internal Revenue Code of 1954 for a $22.8 billion net tax reduction as follows:

INDIVIDUAL TAXES

1974 Tax Rebate: Provides a refund on 1974 tax liability to be paid in one installment within 45 to 60 days equal to 10 percent, ranging from $100 (or the amount of taxes paid if less than $100) to a maximum of $200 on an adjusted gross income of $20,000 which is scaled down to $100 when income reaches $30,000 and over;

1975 Standard Deduction: Increases the low income allowance on minimum standard deductions from $1,300 for single and joint returns to $1,600 for single and $1,900 for joint returns; increases the regular standard deduction to 16 percent of adjusted gross income up to a maximum of $2,300 for single and $2,600 for joint returns;

1975 Personal Exemption Credit: Provides a $30 tax credit for each member of the family in addition to the $750 personal exemption;

1975 Earned Income Credit or Work Bonus: Provides a refundable credit of 10 percent of earned income up to a maximum of $400 to families with dependent children with a phase-out to zero when income rises from $4,000 to $8,000;

1975 Home Purchase Tax Credit: Provides a 5 percent credit against tax liability up to a maximum of $2,000 for individuals purchasing a newly constructed home including a mobile home, provided it was built or under construction by March 25, 1975;

Cash Payment to Social Security Recipients: Provides a one-time $50 cash payment from the Treasury at the earliest practicable date to each recipient of Social Security, railroad retirement, or Supplemental Security Income benefits;

BUSINESS TAXES

1975–76 Investment Tax Credit: Increases the investment tax credit rate to 10 percent for taxpayers, including public utilities; provides an additional 1 percent and requires companies with investments of $10 million or more to use the 1 percent savings for an employee stock ownership plan; increases from $50,000 to $100,000 the cost of used property qualifying for the credit; for public utilities increases the amount of tax liability that may be offset in a year to 100 percent for a two year period which is reduced back to 50 percent over the next 5 years;

Depletion Allowance: Repeals the 22 percent depletion allowance for major oil and natural gas producers; retains the 22 percent depletion allowance for independent companies, who do not have retail outlets, on a daily maximum of 2,000 barrels of oil or 12 million cubic feet of natural gas which is phased down to 1,000 barrels or 6 million cubic feet of gas by 1980 and to a 15 percent depletion allowance on the first 1,000 barrels or 6 million cubic feet by 1984;

Foreign Source Income: Provides that the foreign tax credit for foreign oil and gas extraction income is limited to 10 percent above the normal U.S. tax rate for 1975, 5 percent for 1976 and 2 percent for 1977; provides that excess credits cannot be claimed as a credit only against foreign oil related income including interest and dividends; eliminates tax deferral for certain specified types of "tax-haven" income of multinational corporations provided it exceeds 10 percent of gross income; limits tax deferral for shipping income received by a foreign subsidiary to reinvestment in shipping operations only; ends the deferral for certain income earned abroad but reinvested in a less-developed country; repeals the "per-country" limitation for oil and gas related income; eliminates foreign tax credit for payments made to a sovereign government for the purchase of oil where the taxpayer has no economic interest in oil in place and buys or sells such oil at other than the market price; denies DISC (Domestic International Sales Corporation) benefits for the export of natural resources for scarce commodities; denies investment tax credit for drilling rigs used in international and territorial waters of the Southern Hemisphere;

1975 Corporate Surtax Exemption: Increases the present $25,000 surtax exemption to $50,000; provides a tax rate of 20 percent on the first $25,000, 22 percent on the next $25,000 and 48 percent on income over $50,000; increases the accumulated earnings tax from $100,000 to $150,000;

Federal Welfare Recipients Employment Incentive (W.I.N.) Tax Credit: Allows employers to hire a Federal welfare recipient for more than 30 days and obtain a tax credit equal to 20 percent of wages not to exceed $1,000 per individual, until July 1, 1976;

MISCELLANEOUS

Extends unemployment compensation for those eligible under the 1974 Emergency Unemployment Act for an additional 3 months to June 30, 1975; allows a maximum of $4,800 in child care expenses to be deducted by families with an income up to $35,000 and phases out to zero such a deduction when income reaches $44,000; extends the tax deferment period for reinvestment in residences from the current 12 months to 18 months; and contains other provisions. H.R. 2166. Public Law 94–12, approved Mar. 29, 1975. (112, 117)

Unemployment compensation: Extends the time for payment for the additional 13 weeks of unemployment compensation authorized by the Tax Reduction Act of 1975 for the Federal Supplemental Benefits (FSB) program established by the Emergency Unemployment Compensation Act of 1974, which authorized 26 weeks, thus making a total of up to 39 weeks of benefits payable in addition to regular unemployment compensation benefits (which averages 26 weeks) through March 1, 1977;

Changes, effective January 1, 1976, the rate of insured unemployment (which is about 2 percentage points less than the actual unemployment rate) which must be reached for payment so that, instead of payment when the rate is 4 percent or more nationally or in the State for all additional weeks, payment for benefits after the first 39 weeks (26 regular weeks and 13 additional weeks) will be made for the 39th to 52nd weeks when the insured unemployment rate is between 5 and 6 percent in an individual State and payment for the 53rd to 65th week may be made when the insured unemployment rate is 6 percent or over in the individual State;

Extends the Supplemental Unemployment Assistance (SUA) benefits program (payable to unemployed people who do not qualify for unemployment compensation) established by the Emergency Jobs and Unemployment Assistance Act of 1974 to permit payments through March 31, 1977, and increases the number of benefit weeks from 26 to 39; entitles the Virgin Islands to borrow money from Federal general revenues as necessary to continue its unemployment insurance program; and contains other provisions. H.R. 6900. Public Law 94– , approved 1975. (240,257)

Variable interest rate mortgages: States the sense of the Congress that the Federal Home Loan Bank Board shall refrain from authorizing, by rule, regulation, or otherwise, a Federal savings and loan association to offer loans with variable interest rates and secured by one-to-four family homes or dwelling units unless Congress specifically, by law, authorizes such variable interest rates. S. Con. Res. 45. Senate adopted June 16, 1975. (VV)

College work-study program funds: Permits the intrastate reallocation of funds appropriated for the College Work-Study program in cases where funds originally obligated to institutions are not needed and permits such funds to be expended in the succeeding fiscal year; extends the termination date of the National Advisory Council on Equality of Educational Opportunity from June 30, 1975 through the end of fiscal year 1976 to make it coterminous with its related program, the Emergency School Aid program; and authorizes the Commissioner to carry over into fiscal year 1976 Basic Educational Opportunity Grant funds for fiscal year 1975 which have not been paid to students entitled to such grants. H.R. 4221. P/H Mar. 19, 1975; P/S amended May 20, 1975; Senate agreed to conference report June 10, 1975. (VV)

Handicapped children: Amends and extends the Education of the Handicapped Act to aid in making an appropriate education available to all handicapped children; extends the present entitlement formula for payments to States through fiscal year 1976; establishes a new entitlement formula for payments in fiscal years 1977–79 which provides that the maximum amount to which a State is entitled shall be equal to $300 multiplied by the number of handicapped children, aged 3 to 21, who are receiving special education and related services in the State; assures each State a minimum base payment in each fiscal year equal to the amount it received in the previous fiscal year; provides that a State, in order to be eligible for funding, must have a "right to education" policy for all handicapped children and requires that a free appropriate public education must be made available to all handicapped children aged 3 to 18 by September 1, 1978, and to all handicapped children aged 3 to 21 by September 1, 1980, unless the application of this requirement would be inconsistent with State law or practice, or a court order; further extends the protections afforded under present law assuring handicapped children and their parents of procedural safeguards in any decisions affecting the education of the children by providing for an individualized planning conference which is to be held a minimum of three times a year with the parents, an education agency representative, the teacher, and when appropriate, the child, to be present for the purposes of developing and reviewing a written statement of the educational program for the child; includes provisions designed to strengthen the administration and evaluation process provided by the Office of Education; provides that all recipients of funds under this act take affirmative action to employ handicapped individuals; gives new authority to the Commissioner of Education to make grants to State and local educational agencies for the removal of architectural barriers; and contains other provisions. S. 6. P/S June 18, 1975. (227)

Lister Hill scholarships: Amends the Public Health Service Act to require the Secretary of Health, Education, and Welfare to make grants to ten individuals a year, to be known as Lister Hill Scholars, who agree to enter into the family practice of medicine in shortage areas upon completion of their educational program, and authorizes therefor $60,000 for fiscal year 1975, $120,000 for fiscal year 1977, and $240,000 for fiscal year 1978. S. 1191. P/S June 13, 1975. (VV)

ENERGY

International Petroleum Exposition: Authorizes the President to invite the several States and foreign nations to participate in the International Petroleum Exposition at Tulsa, Oklahoma, from May 16 through May 22, 1976, for the purpose of exhibiting machinery, equipment, supplies, and other products used in the production and marketing of oil and gas, and bringing together buyers and sellers for the promotion of foreign and domestic trade and commerce in such products. S.J. Res. 59, P/S May 13, 1975. (VV)

*Oil import fees: Suspends for the 90-day period beginning on the date of enactment any authority the President might have to adjust imports of petroleum and petroleum products; negates any Presidential action to adjust petroleum imports taken after January 15, 1975, and before the date of enactment, and also provides for the rebate of any duties or import fees or taxes levied and collected pursuant to any such action; provides that the suspension of this authority will cease if at any time during the 90-day period war is declared, a national emergency occurs, or certain situations involving the commitment of U.S. Armed Forces arise; and provides that the import license fee system on petroleum and petroleum products which the provisions of this bill provide shall not affect the import license fee system on petroleum and petroleum products which was in effect on January 15, 1975. H.R. 1767. Vetoed Mar. 4, 1975. House referred to Ways and Means Committee Mar. 11, 1975. (13)

Oil pricing: Gives Congress an opportunity to review and disapprove the decontrol of the price of domestic oil planned for May 1, 1975 and any other future Presidential action under existing authority intended to increase domestic energy prices by: (1) releasing any category of crude oil from price control or raising the prices on presently controlled crude oil; or (2) using tariffs or quotas on imported oil to create or maintain a "floor" under domestic energy prices; requires the President to establish a maximum price ceiling for all crude oil not classified as "old" oil, to a price not to exceed the prevailing price for such oil on January 31, 1975; and exempts from price regulation that oil produced from secondary and tertiary recovery. S. 621. P/S May 1, 1975. (161) H.R. 4035. P/H June 5, 1975; P/S amended June 11, 1975; In conference. (VV)

Oil shale revenues: Amends the Mineral Leasing Act of 1920 to permit each State, after January 1, 1974, to use its share of oil shale revenues for planning, construction and maintenance of public facilities, and provision of public services. S. 834. P/S Apr. 22, 1975. (VV)

Petroleum products fair marketing: Prohibits the termination, cancellation, or nonrenewal of a petroleum products franchise unless the affected franchise failed to comply substantially with any essential and reasonable requirement of the franchise, failed to act in good faith in carrying out the terms of the franchise, or the supplier withdraws entirely from the sale of petroleum products in commerce; provides that a civil action may be brought against a distributor or refiner who is in violation of the act within 3 years of the date a termination or cancellation notice is rendered; and limits, on an equal basis, marketing activities of all major oil companies to restrict the expansion of distribution and retaining operations with personnel under their direct control. S. 323. P/S June 20, 1975. (VV)

Standby energy authority: Grants the President authority to ration fuels in the event of an acute energy shortage subject to congressional review and right of disapproval; authorizes the President to allocate materials and equipment for energy production if a critical shortage occurs; authorizes the President to (1) require production of designated domestic oil and gas fields at the maximum efficient rate and over that rate for a period of 90 days if he determines that the condition of a reservoir permits such production without excessive risk of losses in the later recovery of the remaining oil or gas, (2) utilize production on properties on Federal land, (3) require adjustment of processing operations of domestic refiners to produce refined products in amounts commensurate with national needs;

Authorizes priority fuel allocations to those engaged in the exploration, production and transportation of fuels and other minerals; authorizes the President to restrict exports of coal, natural gas, petroleum products, and petrochemical feedstocks, drill pipe, drilling rigs, and such supplies which he determines are necessary to further production or conservation of energy supplies;

Contains provisions for administrative procedure and judicial review; authorizes the collection of such energy information as is necessary to achieve the purposes of the above provisions; contains procedures for carrying out international voluntary energy agreements;

Extends the Emergency Petroleum Allocation Act from August 31, 1975, to March 1, 1976; makes any increases in the price of "old" oil (oil from wells existing in 1973 produced at a rate equal to 1972 production) and any proposed exemptions of crude oil, residual fuel oil, or a refined petroleum product from price controls subject to congressional review and approval; permits the pricing of oil recovered by secondary or tertiary methods up to $7.50 a barrel; sets a maximum price for "new" domestic crude oil at a level not to exceed that prevailing on January 31, 1975; exempts small refiners (100,000 barrels a day) for the first 50,000 barrels from the entitlements program under the oil allocation regulations;

Authorizes the President to institute interim energy conservation plans pending the promulgation of regulations to establish national energy conservation standards which include but are not limited to standards for: Federal buildings and for homes and buildings financed under any Federal loan guarantee or mortgage program; decorative and nonessential lighting; the increase of industrial efficiency in the use of energy; the better enforcement of the 55 mile per hour speed limit; the maximizing of use of carpools and public transportation; reasonable controls and restrictions on discretionary transportation activities; energy efficiency standards for Federal procurement; and low interest loans and loan guarantee programs to improve the thermal efficiency of individual residences;

Directs the Feneral Energy Administration to issue the regulations containing the national standards, and makes such plans and standards subject to congressional review and the right of disapproval; provides for the development and implementation of approved State energy conservation programs with Federal technical and financial assistance, failing which, Federal standards shall apply;

Extends the Energy Supply and Environmental Coordination Act, which contains the Coal Conversion Act of 1974, from June 30, 1975, to December 31, 1975;

And contains other provisions. S. 622. P/S Apr. 10, 1975. (138)

ENVIRONMENT

Council on Environmental Quality—Environmental policy: Authorizes $2 million for fiscal year 1976 and $500,000 for the transition period (July 1–September 30, 1976) for the Council on Environmental Quality and amends the National Environmental Policy Act of 1969 to permit the Council to accept certain reimbursements for domestic and international travel, and to make use of volunteer and uncompensated services. H.R. 6054. Public Law 94– , approved 1975. (VV)

Environmental impact statements: Amends the Environmental Policy Act of 1969 to establish a single uniform procedure for environmental impact statement (EIS) preparation in a very limited number of Federal programs most analogous to, and including, the Federal-aid highway program; permits State preparation of an EIS so long as the responsible Federal official guides and participates in the EIS preparation and independently evaluates the product before approving and adopting it; and requires the Federal official to prepare independently for the EIS the analysis of the impacts and alternatives of major interstate significance associated with the project or action which is the subject of the EIS. H.R. 3130. P/H Apr. 21, 1975; P/S amended May 22, 1975; In conference. (VV)

Scrimshaw art preservation: Permits the Secretary of Commerce, who administers the Endangered Species Act with respect to whales, to grant exemptions for a limited period of time for the sale of finished scrimshaw (etched designs and carvings from whale bone) products in interstate commerce. S. 229. P/S Apr. 10, 1975. (VV)

*Strip mining: Establishes a program for the regulation of coal surface mining activities and the reclamation of coal mined lands in order to assure that surface coal mining operations—including exploration activities and the surface effects of underground mining—are conducted so as to prevent or minimize degradation to the environment, and that surface mining operations are not conducted where reclamation is not feasible according to the terms and conditions of the act;

Establishes the Office of Surface Mining Reclamation and Enforcement in the Department of the Interior to administer the programs for controlling surface coal mining operations, including the State programs which must be submitted for approval;

Requires the Corps of Engineers to approve the basic standards regulating mine waste disposal and review plans but with no responsibility for on-the-gorund supervision and enforcement;

Establishes a fund and a program for the reclamation of abandoned mined lands and for relief of impacted areas; provides funding for such activities from reclamation fees collected at 35 cents per ton for surface mined coal, 15 cents per ton for all coal mined by underground methods or 10 percent of the value of the coal at the mine, whichever is less except that the fee will not exceed 5% of the value of lignite; provides that 50% of fees collected in any one State are to be expended in that State for reclamation or alleviating the impact of coal development in the area; provides that, in areas where there is relatively little damage from past coal mining, the States' share of the fees may be used for other purposes;

Sets a series of minimum uniform requirements for all coal surface mining operations on both Federal and State lands which deal with four basic issues—pre-planning, mining practices, post-mining reclamation and the protection of water resources; specifies that lands which cannot be reclaimed under the standards of the act and lands within the National Park, Wildlife Refuge, Wilderness and Wild and Scenic Rivers systems, National Recreation Areas, National Forests, and certain other areas may not be strip-mined; makes special provision for mining which affect alluvial valley farming land; provides for certain limited variances to the prescribed standards where such variances provide equal or better protection to the environment and result in a higher post-mining use;

Provides, in regard to rights of private surface owners, for obtaining consent as a condition of issuing a new Federal coal lease, and requires payment of all damages, including lost income, and payment of limited additional compensation to the surface owner;

Establishes a grant program to fund mining and mineral resources and research institutes in public colleges and universities to train qualified personnel in mine-related fields and to conduct research related to mining technology;

Provides for a study, to be completed by 1976, to determine the appropriate program for regulating surface coal mines on Indian lands and requires, in the interim, that all leases on Indian lands include certain performance standards at least as stringent as those in the Act; and contains enforcement and other provisions. H.R. 25 (S. 7). Vetoed May 20, 1975. House sustained veto June 10, 1975. (62)

GENERAL GOVERNMENT

American Legion badges—patent renewals: American Legion: Renews and extends for

14 years design patent No. 54,296 for the protection of the emblem and insignia of the American Legion. S. 720. P/S May 13, 1975. (VV)

American Legion Auxiliary: Renews and extends for 14 years design patent No. 55,398 for the protection of the emblem and insignia of the American Legion Auxiliary. S. 721. P/S May 13, 1975. (VV)

Sons of the American Legion: Renews and extends for 14 years design patent No. 92,187 for the protection of the emblem and insignia of the Sons of the American Legion. S. 719. P/S May 13, 1975. (VV)

Assistant Secretary of Commerce: Authorizes an additional Secretary of Commerce who shall be appointed by the President with the advice and consent of the Senate. S. 1622. P/S June 27, 1975. (VV)

Attorney General's salary: Repeals Section 1 of Public Law 93–178 (enacted to remove the question concerning the impact of Article I, Section 6, Clause 2 of the Constitution on the President's nomination of Senator William B. Saxbe to be Attorney General of the United States) to restore to the Office of the Attorney General the annual rate of basic pay of $60,000 (Level I of the Executive Schedule) and provides that the act shall take effect February 4, 1975, following the February 3, 1975, resignation date of Attorney General William Saxbe. S. 58. Public Law 94–2, approved Feb. 18, 1975. (VV)

Barrier-free environment: Declares the sense of the Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the manmade environment, and that the adoption and implementation of this policy requires the mobilization of the resources of the private and public sectors to integrate handicapped people into their communities. S. Con. Res. 11. Senate adopted May 20, 1975. (VV)

Bikini Atoll: Provides a $3 million ex gratia payment to the people of Bikini Atoll who were relocated to Kili Island in 1946 in order to provide a nuclear test site on the Atoll. H.R. 5158. Public Law 94–34, approved June 13, 1975. (VV)

FBI Director, ten-year term for: Amends the Omnibus Crime Control and Safe Streets Act of 1968 to provide for a ten-year term of service for the Director of the Federal Bureau of Investigation; limits the appointment of a Director to one 10-year term; and provides that the law regarding Federal mandatory retirement at age 70 shall apply to this appointment. S. 1172. P/S Mar. 17, 1975. (64)

Federal Election Commission: Extends the Federal Election Commission through December 31, 1976, and increases the authorization therefor from $10 million to $15 million. S. 1434. P/S June 18, 1975; P/H amended June 19, 1975. (VV)

Federal Metal and Nonmetallic Mine Safety Board abolishment: Abolishes the Federal Metal and Nonmetallic Mine Safety Board of Review which reviews appeals by non-coal mine operators from closure orders issued by the Department on Interior's Mining Enforcement and Safety Administration and transfers such functions to the Secretary of Interior. S. 1774. P/S June 24, 1975. (VV)

General Federation of Women's Clubs: Amends the Act granting a charter to the General Federation of Women's Clubs to delete the $1.5 million figure on real estate the Federation may hold under the charter, thus allowing the value of its real or personal property to be determined by current market value which has increased due to inflation. S. 240. P/S May 8, 1975. (VV)

NASA authorization: Authorizes to the National Aeronautics and Space Administration $3,562,310,000 for fiscal year 1976 and $925,150,000 for the transition period July 1–September 30, 1976, for research and development, construction of facilities and research and program management including continued development of the space station and shuttle program. H.R. 4700. Public Law 94–39, approved June 19, 1975. (VV)

National Guard technicians' retirement: Amends title 5, U.S.C., to grant retirement credit for National Guard technician service performed before 1969 to all former technicians serving in any position subject to the retirement law on or after January 1, 1969, including those who have retired and whose annuities therefor would be subject to recomputation; allows credit for 100 percent of pre-1969 technician service for annuity computation purposes; and permits eligible technicians to pay the full amount rather than 55 percent otherwise owed as a deposit for pre-1969 technician service. S. 584. P/S June 16, 1975. (VV)

National Science Foundation authorization: Authorizes $822,600,000 to the National Science Foundation for fiscal year 1976 and an additional $4 million in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States. H.R. 4723. P/H Apr. 9, 1975; P/S amended May 13, 1975; In conference. (VV)

Overseas citizens voting rights: Guarantees the right of otherwise qualified private U.S. citizens residing outside the United States to vote in Federal elections in the State of their last voting domicile; requires a citizen, voting under the bill, to state his intent to retain his prior State as his voting residence and domicile if he has not registered to vote and is not voting in any other State, territory or possession of the United States; adopts a uniform absentee registration and voting procedure including the requirement that election officials mail out balloting material as promptly as possible after receipt of a properly completed application; assures that Federal and State governments could not seek to impose taxes on a citizen which would cause him to lose any tax exemption solely on the basis of having exercised his right to register and vote absentee; and imposes a $10,000 fine and 5 years imprisonment for willfully giving false information when registering or voting absentee. S. 95. P/S May 15, 1975. (VV)

Patents: Amends certain section of title 35, U.S.C. to implement the Patent Cooperation Treaty which enables U.S. and foreign nationals to file international applications with the Patent Office which would act as a Receiving Office and process such applications and provides applicants filing applications for patents only in the U.S. with the same flexibility afforded to applicants filing under the treaty. S. 24. P/S June 21, 1975. (VV)

Small Business Act amendments: Increases from $725 million to $825 million the subceiling for the Small Business Investment Company loan and guarantee program; increases from $450 million to $525 million the subceiling for economic opportunity loan programs; increases from $35 million to $45 million the authorization for the Surety Bond Guarantee Fund and allows additional appropriations up to $15 million for the program; and clarifies the language in Public Law 93–501 to allow Small Business Investment Companies to charge an interest rates, in certain cases, that is in excess of the State usury law. S. 1839. P/S June 4, 1975. (VV)

Standard reference data program: Authorizes to the Department of Commerce $2.8 million for fiscal year 1976, $750,000 for the transition period July 1-September 30, 1976, $3 million for fiscal year 1977, and $3 million for fiscal year 1978 to carry out the purposes of the Standard Reference Data Act which provides the scientific community with accurate and accessible quantitative data needed in the physical sciences, together with critical evaluations thereof. H.R. 37. Public Law 94– , approved 1975. (VV)

*Tourism promotion: Amends the International Travel Act to authorize funding for the United States Travel Service, Department of Commerce, which is charged with promoting travel and tourism to and within the United States as follows: for international tourism promotion—$5 million for the transition period July 1-September 30, 1976, $25 million for fiscal 1977, and $30 million in each fiscal 1978 and 1979; for domestic tourism promotion—$625,000 for the transition period July 1-September 30, 1976, and $2.5 million for each fiscal 1977 through 1979. H.R. 5257. Vetoed May 28, 1975. House referred to Committee on Interstate and Foreign Commerce June 20, 1975. (VV)

Amends the International Travel Act to authorize funding for the U.S. Travel Service, Department of Commerce, which is charged with promoting travel and tourism to and within the United States as follows: for international tourism promotion—$5 million for the transition period July 1-September 30, 1976, $25 million for fiscal 1977, and $30 million for each fiscal 1978 and 1979; for domestic tourism promotion—$2.5 million for fiscal 1976, $625,000 for the transition period July 1-September 30, 1976, and $2.5 million for each fiscal 1977 and 1978; and directs the Secretary of Commerce to promote travel within the United States and its possessions through activities that are in the public interest and which do not compete with those of any State, city or private agency. S. 2003. Public Law 94– , approved 1975.

Trust territory of the Pacific: Increases the fiscal year 1975 authorization for the activities of the civil government of the Trust Territory of the Pacific Islands from $60 to $75 million and authorizes an additional $1.5 million to fund the transition of the Mariana Islands District from the Trust Territory Government to a new commonwealth status as a territory of the United States, pursuant to an agreement signed on February 15, 1975, by the U.S. and the Marianas, if approved by Congress. S. 326. Public Law 94–27, approved May 28, 1975. (VV)

GOVERNMENT EMPLOYEES

Part-time government employees: Declares as policy that a certain regulated proportion of all positions in the General Schedule (except positions in grades GS–16, GS–17, and GS–18) shall be made available on a part-time career employment basis (16 to 30 hours per week) for persons who are unable or do not wish to work fulltime; covers, with certain exceptions, executive and regulatory agencies subject to the rules of the Civil Service Commission; provides for a gradual phase-in of part-time career employment, with at least 2 percent of all positions in each grade in each agency to become available yearly until the 10 percent limit placed on part-time positions is reached; authorizes waivers of the percentage minimum by the Civil Service Commission in cases of need; prohibits the forcing of an employee to accept part-time employment as a condition of new or continued employment; gives part-time employees entitlement to the same proportionate fringe benefits as those vested in regular hour employees; and contains other provisions. S. 792. P/S June 23, 1975. (VV)

Travel expenses: Increases the per diem allowance (from $25 to a maximum of $35) and the actual daily expense reimbursement (from $40 to a maximum of $50) which may be paid to regular employees of the Federal Government, and to consultants and experts employed intermittently, who are traveling on official business within the continental United States; authorizes the President to establish the per diem allowance for travel outside the continental United States and authorizes the Administrator of General Services to prescribe the conditions under which an employee may be reimbursed for actual and necessary expenses (not to exceed $21 per day) in addition to the maximum per diem established for that locality; provides commensurate increases, under regulations established by the Senate Committee on Rules and Administration, in the per diem allowances and actual expense reimbursement for Senators and Senate employees and members of a Senator's personnel staff traveling to and from the Senator's home State on official business; prohibits reimbursement for travel to or from a home State 120 days prior to a primary or general election in which the Senator is a candidate; increases the mileage rates for the use of privately owned vehicles used while traveling on official business (automobiles—from 12 cents to 15 cents; airplanes—from 12 cents to 18 cents; and motorcycles from 8 cents to 11 cents); requires the Administrator of General Services to make a determination with respect to the cost of travel and the operation of privately-owned vehicles and adjust the rates at least once a year; and provides that the agency or branch of Government concerned must absorb expenses incurred during fiscal year 1975 as a result of increases in per diem and mileage allowances out of its existing funds. S. 172. Public Law 94–22, approved May 19, 1975. (VV)

HEALTH

Developmentally disabled persons assistance: Extends and improves the programs initiated under the Developmental Disabilities Services and Facilities Construction Act for five years through fiscal year 1980 and authorizes a total of $714.5 million for these programs over the five year program; expands the definition of a "developmental disability" to include autism, severe specific learning disabilities, and any condition closely related to mental retardation as well as mental retardation, cerebral palsy, and epilepsy; continues the University-Affiliated Facilities (UAF's) clinical facilities program and system of demonstration and training grants for professional personnel, with emphasis directed to accomplishing the provision of services to adults and children in programs of community care as alternatives to such services being provided in institutionalized settings; proposes the establishment of UAF Satellite Centers which would be primarily concerned with the delivery of clinical services; revises the organizational structure for administration of the act and continues formula grants to the States for planning, services and facilities; directs the Secretary of Health, Education, and Welfare to develop a model system for evaluation of services by February 1, 1977, which will specify a minimal evaluation system to be implemented by all States by October 1, 1977; directs the Secretary to issue final regulations not later than 90 days after enactment of this legislation; contains a bill of rights for the protection of the human and legal rights of developmentally disabled persons, including criteria for services, physical facilities, and assurance of individual attention for each person, and requires the establishment of a protective and personal advocacy agency in each State; and contains other provisions. H.R.. 4005 P/H Apr. 10, 1975; P/S amended June 2, 1975; In conference. (VV)

Drug abuse office and treatment: Continues the current authorization of $45 million through fiscal year 1979 for drug abuse prevention and treatment programs; increases from $100 million to $200 million the figure used to determine the minimum formula grant to any State (currently $66,666, which would increase to $133,333 if there is no change in the ratio of actual to authorized appropriations); recognizes narcotic addiction and drug abuse as a serious, long-term problem requiring continuous effort; redesignates the Special Action Office for Drug Abuse Prevention as the Office of Drug Abuse Prevention Policy, and redefines its role as strictly that of coordination and policy direction; confirms and clarifies the programmatic role of the National Institute of Drug Abuse; broadens the prohibition on discrimination against drug abusers in hospital admissions to include all admissions instead of emergency admissions only; and contains other provisions. S. 1608. P/S June 26, 1975. (VV)

Medical device safety: Authorizes the Food and Drug Administration to regulate the development and marketing of medical devices; requires that medical devices used in life-supporting situations, including all implanted medical devices such as a heart valve, pacemaker or interuterine device (IUD), shall be subject to premarket scientific testing; authorizes the Secretary of Health, Education, and Welfare to establish protocols for testing medical devices and requires that test data be submitted to HEW when a manufacturer seeks approval of a lifesupporting medical device for marketing; provides that medical devices for which experts agree standard-setting is sufficient to protect the public health and safety need only meet performance standards; provides that the third classification of devices which are generally safe when used in accordance with their instructions, such as a tongue depressor, is exempted from either procedure; and contains other provisions. S. 510. P/S Apr. 17, 1975. (139)

Nurses training—health revenue sharing and services: Amends title VIII of the Public Health Service Act as follows:

Title I, Nurse Training Act—Extends through 1977 the nurse training authorities of title VIII including authorization for: construction grants with priority funding to schools expanding their capacity to enroll nurses in advanced training programs; "capitation" grants to schools based on the number of nursing students enrolled but designating different amounts for different types of nursing schools to reflect more accurately the differential in costs between baccalaureate degree, associate degree, and diploma schools of nursing; special assistance to nursing schools that are in serious financial straits to meet operational costs for maintaining quality programs or their accreditation requirements; special project grants to assist schools in trying out better methods of teaching, better utilization of faculty, expanded enrollments and recruiting and retaining students from disadvantaged backgrounds; graduate and other advanced training programs for professional nurses to teach, serve as administrators or practice in nursing specialties; and the nursing loan, scholarship and traineeship program to meet current demands and needs;

Title II, Health revenue sharing and health services—Contains substantive revisions of four expired programs and several new initiatives for the provision of health services; extends the Community Health Centers program for 2 years authorizing grants for the planning, development and operation of community health centers, including existing neighborhood health centers; extends the Migrants Health Centers Program and authorizes planning, development and operation grants to such centers which offer a broad range of health services in an area in which not less than 6,000 migrants reside; includes a separate authorization to cover the reasonable costs of inpatient and outpatient hospital services for migrants; extends the Community Mental Health Centers programs to continue progress toward the goal of establishing a center in each of the approximately 1,500 catchment areas across the Nation and to assure continued support of the 500 centers already begun; extends Health Revenue Sharing provisions of the Public Health Service Act for 2 years with a total authorization of $160 million per year, of which 22 percent each year must be used for screening, detection, diagnosis and treatment of hypertension (high blood pressure); extends the authorizations in title X regarding Family Planning Programs and specifies that population research shall be conducted under the authorities of that title and requires an annual report on family planning programs; provides authorization to expand the types of disease control programs to include programs for diseases borne by rodents; establishes a demonstration program of start up grants to home health agencies and grants for training personnel to provide home health services; establishes a Committee on Mental Health and Illness of the Elderly for a one year period to review the mental health needs of the elderly and recommend policy for the care and treatment of mentally ill aged persons; establishes a Rape Prevention and Control Center within the National Institute for Mental Health to study the causes, control and treatment of rape and to establish a clearinghouse of information and provides support for demonstration projects in the prevention and control of rape; establishes a temporary Commission on Epilepsy to devise a national plan for the control of epilepsy and its consequences, the State and Federal role in research on epilepsy and on the identification, treatment and rehabilitation of persons with epilepsy; establishes a temporary Commission on Huntington's Disease to devise a comprehensive national plan similar to the one outlined for epilepsy; establishes a new Hemophilia Diagnosis and Treatment program and provides grants to establish treatment centers; provides for grants for programs for training nurse practitioners with specific emphasis on geriatrics and the care of nursing home patients and short-term in-service training programs for nursing home personnel; extends until June 30, 1975, the physician shortage scholarship program; and contains other provisions. S. 66. P/S Apr. 10, 1975; P/H amended June 5, 1975; In conference. (132)

Older Americans: Continues for an additional two years until September 30, 1977, authorizations for programs conducted under the Older Amercans Act; increases the authorizations for nutrition projects for the elderly by 12 and ½ percent to offset inflation; continues the authorization for the Older Workers Community Service Employment Program for three years through September 30, 1978 at increased levels; and continues authorizations for special programs for the elderly under the Library Services and Construction Act, the Adult Education Act, the Higher Education Act, the Community Services Act, and the Vocational Education Act; creates a new program of grants to the States to establish programs of transportation, home services, and legal services to the aging; authorizes direct grants to Indian tribal organizations for the provision of services to elderly Indians; provides for a study of the subject of age discrimination to be conducted by the U.S. Commission on Civil Rights; and contains other provisions. P/H Apr. 8, 1975; P/S amended June 26, 1975; Senate requested conference June 26, 1975. (VV)

School lunch and child nutrition program: Amends section 13 of the National School Lunch Act to continue the Special Food Service Program for children, which expires June 30, 1975, through September 30, 1975; authorizes 1975 summer meal reimbursement rates to be adjusted to account for increase in food costs this past year; and requires USDA, within 10 days following enactment, to issue its regulations pertaining to the option of this year's summer feeding program. S. 1310. Public Law 94–20, approved May 2, 1975. (VV)

Supplemental food programs: Extends through September 30, 1975, the special supplemental food program for women, infants, and children. H.R. 7136. Public Law 94–28, approved May 28, 1975. (VV)

HOUSING

Emergency housing: Contains provisions for mortgage foreclosure relief to homeowners who cannot meet their mortgage payment because of recession conditions which authorize the Department of Housing and Urban Development (HUD) to co-insure mortgages in default or to make monthly payments of up to $250 for as long as 24 months when lenders are unwilling or unable to forebear on their loans; and, authorizes $1.5 billion for co-insurance contracts and a maximum of $500 million for mortgage relief loans;

Provides for home purchase assistance which expands the President's authority to make mortgage credit available when housing starts are low; extends the existing Home Purchase Assistance Act to June 30, 1976; permits financing of condominiums and apartments, sets a maximum rate of interest at 7 and ½ percent, and provides for additional housing financing by the Federal Finance Bank; and authorizes an additional $10 billion in mortgage credit;

Includes provisions for housing rehabilitation and repair; continues the section 312 rehabilitation loan program through August 1976 at an authorized level of $100 million; and,

Extends by 7 months, the time period during which certain purchasers of older inner-city housing insured by FHA can apply for compensation for correcting serious defects that were not detected at the time of purchase. H.R. 5398. Public Law 94- , approved 1975. (255)

Emergency middle-income housing: Authorizes emergency Federal assistance to stimulate housing construction, to increase employment and to provide critically needed housing for families now priced out of the housing market;

In title I, establishes a temporary emergency program in order to increase the present low level of housing starts and create jobs; gives homebuyers whose family income does not exceed 120 percent of the median income of their area three options to assist them in buying a home; (1) a 6 percent mortgage loan which will gradually increase to the market rate after 3 years; (2) a 7 percent mortgage for the life of the contract; or (3) a $1,000 cash grant to be used to defray the downpayment expenses on a newly constructed house; provides that no new commitment or contract for assistance can be entered into after June 30, 1976;

In title II, authorizes $500 million to the Secretary of Housing and Urban Development to make repayable, emergency mortgage relief payments up to $250 per month for a period of no longer than 2 years on behalf of homeowners who are delinquent in their mortgage payments as a result of a substantially reduced income because of involuntary unemployment or underemployment;

In title III, contains miscellaneous provisions extending the section 312 rehabilitation loan program until August 22, 1977 and authorizing therefor $35 million for each of the two years; increasing the set-aside of contract authority for projects to be owned by public housing agencies from $150 million to $300 million; extending the section 235 homeownership assistance program until July 1, 1977; extending by seven months the period during which owners of FHA-insured houses which have serious structural defects can request assistance from HUD to repair such defects; extending until January 1, 1976 the date after which Federal financial assistance will be denied to flood-prone areas unless the community is participating in the National Flood Insurance Program; and contains other provisions. H.R. 4485. Vetoed June 24, 1975. House sustained veto June 25, 1975. (148,221)

INDIANS

Indian health care: Provides the direction and financial resources to overcome the inadequacies in the existing Federal Indian health care program and invite the greatest possible participation of Indians and Alaska Natives in directing and managing that program;

Establishes, in title I, the Indian Health Manpower Program and authorizes: a grant program to recruit and aid Indians in pursuing health careers; a preparatory scholarship program for the final two academic years of any pre-professional health education curriculum; a health professions scholarship program; a program to facilitate employment by the Indian Health Service of medical students to further expand their opportunities for training; education and training programs in environmental health, health education, and nutrition; and a continuing education allowances program, for the purpose of assuring an adequate health manpower base for proper Indian health services and a sufficient cadre of Indian professional and health workers to permit Indian communities to have a maximum voice in shaping those services;

Provides in title II, for a planned growth of the Indian Health Service's delivery system and facilities and authorizes funds to remove the backlogs in direct patient care and dental care, improve field health services, mental health care and services, treatment centers for the children, and other unmet health needs;

Authorizes, in title III, funds for construction of modern, efficient hospitals and other health care facilities serving Indians where none exist and to renovate existing facilities, most of which are in a state of general deterioration and to remedy the lack of safe water and sanitary waste disposal facilities in the Indian environment;

Meets, in title IV, the problem of limited access by Indians to services supported by Medicare or Medicaid due to most Indians living on remoote reservation lands, by authorizing payments under the two programs to be made to qualified Indian Health Service hospitals and long-term care facilities for services rendered to Medicare and Medicaid patients, and provides 100 perecnt Federal Medicaid matching funds for services provided to any eligible Indian in an IHS facility;

Establishes, in title V, programs in urban areas to make health services more accessible to the urban Indian population and assist them in making the difficult transition from traditional reservation life to the urban world;

Authorizes a total of $1.6 billion for fiscal years 1977 through 1983; and changes the various Secretarial reporting requirements to assist Congress in undertaking a thorough review of all expenditures at the end of the third fiscal year in order to revise authorization levels if appropriate. S. 522. P/S May 16, 1975. (VV)

Pueblo of Laguna: Declares that 480 acres of land used for cattle grazing by the Pueblo of Laguna Indians be held in trust for the tribe by the United States, and provides for the trust transfer of 39.9 acres of land which was omitted from other lands transferred to the Pueblo pursuant to the Act of August 13, 1949. S. 557. P/S May 21, 1975. (VV)

Pueblo Tribe, New Mexico: Repeals a 1926 statute which subjects Pueblo tribal lands to condemnation pursuant to State law. S. 217. P/S May 21, 1975. (VV)

INTERNATIONAL

Cambodia—food aid: States as the sense of the Senate that 50 percent of the food commodities which the President has budgeted for Cambodia under title I of the Agricultural Trade Development and Assistance Act of 1954 which is delivered after the date this resolution is agreed to and prior to July 1, 1975, be made available for humanitarian purposes under Public Law 480 title II humanitarian grant assistance and be administered by voluntary agencies already established in Cambodia. S. Res. 94. Senate adopted Mar. 10, 1975. (VV)

Japan-U.S. friendship trust fund: Creates a Japan-U.S. Friendship Trust Fund to support a variety of mutual educational and cultural studies, facilities, exchanges, and other activities between Japan and the U.S.; authorizes therefor the transfer of 10 percent of the proceeds from the Okinawa Reversion Agreement ($32 million) and those funds available in U.S. accounts in Japan under the G.A.R.I.O.A. (Government and Relief in Occupied Areas) (approximately $14 million) with the interest and up to 5 percent of the principal to be used annually; and establishes a Commission to administer the program. S. 824. P/S June 13, 1975. (VV)

Middle East dispute: Endorses the efforts of and commends the Secretary of State and the President in trying to achieve a peaceful resolution of the Middle East disputes and urges the Secretary to continue to use his good auspices to help the parties in dispute abandon intransigence and see the wisdom of these objectives. S. Res. 119. Senate adopted Mar. 24, 1975. (VV)

Nuclear Non-proliferation Treaty: Endorses the purpose of the conference of parties in Geneva reviewing the operation of the Nuclear Non-Proliferation Treaty to assure that its purposes and provisions are being realized and commends the President for his commitment to furthering the objectives of this Treaty. S. Res. 146. Senate adopted May 6, 1975. (VV)

Treaties

International office of epizootics: Established an International Information Office of Epizootics to report on the outbreak of animal diseases, provide and exchange of technical information on the control of animal diseases and provide uniform sanitary codes for the movement of livestock and other animals in international trade. Ex. M, 93d-2d. Resolution of ratification agreed to May 5, 1975. (162)

Turkey—military assistance: Amends the Foreign Assistance Act of 1961—and related continuing resolutions (the terms of which have expired)—to make possible on a contingent basis the resumption of United States military assistance to Turkey, and to provide that the President shall make monthly reports to the Congress on progress toward the conclusion of a negotiated solution of the Cyprus conflict. S. 846. P/S May 19, 1975. (190)

United Nations peacekeeping forces in Middle East: Authorizes such appropriations as may be necessary for the payment of the United Nations peacekeeping forces in the Middle East for the period beginning October 25, 1974, and $5.7 million in supplemental payments for the period prior to October 25, 1974, to meet the U.S. share of peacekeeping expenses in excess of those originally anticipated. S. 818. Public Law 94–37, approved June 19, 1975. (VV)

Vietnam and Cambodia—humanitarian assistance: Authorizes the President to use any noncommitted funds available for military assistance for South Vietnam and Cambodia for humanitarian assistance for South Vietnamese and Cambodian refugees. S. 1696. P/S May 8, 1975. (VV)

Vietnam—Assistance and evacuation: Authorizes (1) the use of the armed forces, if the President determines such use is necessary, in the expeditious withdrawal of the remaining American citizens and dependents from South Vietnam and the withdrawal of such foreign nationals as may be brought out along with U.S. citizens and their dependents: (2) $177 million in unappropriated balances of previous authorizations for economic aid to Indochina which will be available for humanitarian assistance to and evacuation programs from South Vietnam; and (3) additional humanitarian assistance in South Vietnam in the amount of $150 million to be dispersed through international organizations and voluntary relief agencies to the extent feasible; requires a quarterly report from the President to the Congress regarding the amount and nature of assistance, the expected recipients, the organizations involved in the distribution and the means of distribution; and contains other provisions. H.R. 6096 (S. 1484). P/H Apr. 24, 1975; P/S amended Apr. 24, 1975; Senate agreed to conference report Apr. 25, 1975; House rejected conference report May 1, 1975. NOTE: (The conference report was rejected by the House because American evacuation of South Vietnam had been completed.) (145,152)

Vietnam—peace negotiations: Calls upon the President to request all Vietnamese parties to reopen discussion toward the implementation of the Agreement on Ending the War and Restoring Peace in Vietnam; to encourage those elements seeking a political settlement; and to make known that American assistance to all Vietnamese will depend on the degree of good faith efforts made by them to obtain a cease-fire and political solution to the conflict; and directs the President to report to the Senate, within 30 days, on the steps he has taken. S. Res. 133. Senate adopted Apr. 21, 1975. (VV)

Vietnamese refugee aid authorization: Authorizes $455 million, without fiscal year limitation for assistance to and in behalf of Cambodian and Vietnamese refugees utilizing procedures and administrative machinery established under the Migration and Refugee Assistance Act of 1962; requires the President to keep the appropriate committees of Congress fully and currently informed regarding the use of funds and the exercise of activities carried out pursuant to this act and requires submission of a plan for their resettlement or return, and further requires the President to submit periodic reports on the status of his efforts to retrieve all amounts previously authorized for assistance to South Vietnam and Cambodia excluding the $98 million allocated to the State Department for the movement of refugees. H.R. 6755. Public Law 94–23, approved May 23, 1975. (186)

Vietnamese refugees: States as the sense of the Senate that State and local governments, with the assistance of voluntary and civic organizations, should join with the Federal Government in assuming responsibility for the sponsorship, resettlement and assimilation of Indochinese refugees into American communities. S. Res. 187. Senate adopted June 18, 1975. (VV)

Vietnamese refugees welcome: Welcomes on behalf of the Senate the latest exiles to American shores—the refugees from South Vietnam and Cambodia. S. Res. 148. Senate adopted May 8, 1975. (168)

World food conference: Endorses the World Food Conference of 1976 to be held in Ames, Iowa from June 27 through July 1, 1976, and commends the Iowa State University of Science and Technology for a humanitarian undertaking of international significance. S. Con. Res. 19. Senate adopted Apr. 25, 1975; House adopted June 17, 1975. (VV)

LABOR

Railroad improvement and employment: Creates a supplemental public service employment program to accelerate the repair and rehabilitation of railroad roadbed and facilities which are essential to national transportation needs; authorizes $600 million to the Secretary of Transportation to make grants to States, local transportation authorities, railroads, regional commissions and similar bodies to enable them to hire persons for approved railroad roadbed and facility repair on rehabilitation projects; authorizes an additional $100 million to enable the Secretary to assist grant recipients to purchase materials or equipment for the approved projects if the recipient is financially unable to acquire materials without assistance; provides $100 million for loan guarantees for assistance in purchasing materials and equipment; and contains other provisions. S. 1730. P/S May 16, 1975. (189)

MEMORIALS, TRIBUTES, AND MEDALS

Aleksandr I. Solzhenitsyn: Authorizes the President to declare by proclamation that Aleksandr I. Solzhenitsyn shall be an honorary citizen of the United States. S.J. Res. 36. P/S Mar. 20, 1975. (VV)

American Revolution Bicentennial commemorative medals: Authorizes the Secretary of the Treasury to strike and furnish to the American Revolution Bicentennial Administration a maximum of 25,000 medals commemorating up to 21 ethnic heroes of the American Revolution to be selected by the Bicentennial Administration. S. 371. P/S June 6, 1975. (VV)

Bess Truman's birthday: Extends best wishes to Elizabeth Wallace Truman on the occasion of her ninetieth birthday. S. Res. 65. Senate adopted Feb. 7, 1975. (VV)

Boy Scouts of America: Pays tribute to the Boy Scouts of America on the occasion of its 65th anniversary. S. Con Res. 6. Senate adopted Jan. 28, 1975. (VV)

Girl Scouts of America: Pays tribute to the Girl Scouts of America on the occasion of the 63d anniversary of its founding. S. Con. Res. 22. Senate adopted Mar. 6, 1975. (VV)

International Ladies Garment Workers Union: Commends the International Ladies Garment Workers on its 75th anniversary. S. Res. 194. Senate adopted June 25, 1975. (VV)

King Faisal, death of: Expresses the sorrow of the Senate upon the death of King Faisal of Saudi Arabia. S. Res. 120. Senate adopted Mar. 26, 1975. (VV)

Martin Luther King: Commemorates the forty-sixth anniversary of the birth of the Reverend Doctor Martin Luther King, Jr., on January 15, 1929, and honors his contributions to the cause of social progress and economic justice for all Americans. S. Res. 14. Senate adopted Jan. 16, 1975. (VV)

Rabbi Menachem Schneerson: Congratulates Rabbi Menachem Schneerson on the observance of his twenty-fifth anniversary, January 22, 1975, as leader of the Movement of Lubavitch. S. Res. 22. Senate adopted Jan. 21, 1975. (VV)

Roy Wilkins: Honors Roy Wilkins, Executive Director of the NAACP, on the occasion of his being named "American of the Year" by the American Religious Town Hall Meeting, Inc., in Dallas, Texas. S. Res. 35. Senate adopted Jan. 27, 1975. (VV)

U.S. Flag display: Provides that the American flag may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge, Pa. S.J. Res. 98. P/S June 26, 1975. (VV)

Veterans' Day: Redesignates effective January 1, 1978, November 11 of each year as Veterans' Day and makes such day a legal public holiday. S. 331. P/S Mar. 13, 1975. (VV)

Vietnam veterans: Commends those Americans, living and dead, who participated in the Southeast Asian conflict and extends gratitude to them and their families. S. Res. 171. Senate adopted May 22, 1975. (VV)

NATURAL RESOURCES—NATIONAL HISTORIC SITES

Assateague Island National Seashore, Maryland and Virginia: Amends the 1965 law which provided for the establishment of Assateague Island National Seashore in the States of Maryland and Virginia to repeal sections 7 and 9 mandating the construction of roads and overnight and other public accommodations on the island and authorizes the Secretary of the Interior to hold hearings and make payments to the County of Worcester, Maryland, on claims for compensation for damages or other losses incurred by the county as a result of the repeal of these sections. S. 82. P/S June 4, 1975. (VV)

Franklin D. Roosevelt National Historic Site: Authorizes the acceptance of additional lands for the home of the Franklin D. Roosevelt National Historic Site in Hyde Park, New York and authorizes an additional amount, not to exceed $104,000, for development purposes. H.R. 2808. Public Law 94–19, approved Apr. 30, 1975. (VV)

Grand Canyon National Park, Arizona: Provides for a study of the enlarged Grand Canyon National Park for possible inclusion in the wilderness system pursuant to the provisions of the Wilderness Act. H.R. 4109. Public Law 94–31, approved June 10, 1975. (VV)

Guadalupe Mountains National Park, Texas: Authorizes the exchange of certain lands within the Guadalupe Mountains National Park, Texas for other lands which will provide an improved access road to the McKittrick Canyon portion of the park. S. 313. P/S June 4, 1975.

Hells Canyon National Recreation Area: Establishes the Hells Canyon National Recreation Area in the States of Idaho, Oregon, and Washington to be comprised of an approximate 100 mile area with specified parts designated as recreational, scenic and wild; and deauthorizes the Asotin Dam which was authorized under the provisions of the Flood Control Act of 1962. S. 322. P/S June 2, 1975. (VV)

Indian Trails: Provides for the study of the Indian Nations Trail in Oklahoma for possible designation as a National Trail under the National Trails System Act. S. 1123. P/S May 21, 1975. (VV)

Indoor recreation facilities: Amends the Land and Water Conservation Fund Act by adding new authority which permits a State to use not more than 25 percent of its total annual allocation from the Fund for the planning and development of sheltered recreational facilities within specified areas thus permitting the enclosure of swimming pools, ice skating rinks, tennis courts, and similar outdoor facilities for year-round use where climate now controls the season or where there is a shortage of available land. S. 288. P/S May 21, 1975. (VV)

Klondike Gold Rush National Historic Park, Washington and Alaska: Authorizes the Secretary of the Interior to establish the Klondike Gold Rush National Historical Park, an area of approximately 13,271 acres consisting of the following four units: Pioneer Square, Seattle, Washington and the Skagway, Chilkoot Trail, and White Pass units in Alaska. S. 98. P/S June 4, 1975 (VV)

Saline water authorization: Authorizes $4.1 million for fiscal year 1976 for the Federal saline water conversion program conducted by the Secretary of the Interior including $250,000 for completion of research on the freeze crystallization process of water purification which was developed as an advanced water desalinization process. H.R. 3109. Public Law 94–38, approved June 19, 1975. (VV)

Volunteers in the parks: Increases the annual authorization for the Volunteers in the Parks Program from $100,000 to $250,000. S. 896. P/S May 1, 1975. (VV)

Wilderness areas

Eagles Nest Wilderness, Colorado: Designates a 128,084 acre area in the Arapaho and White River National Forests, Colorado as the Eagles Nest Wilderness. S. 268. P/S June 5, 1975. (VV)

Flat Tops Wilderness, Colorado: Designates a 235,230 acre area in the Routt and White River National Forests, Colorado, as the Flat Tops Wilderness. S. 267. P/S June 5, 1975. (VV)

NOMINATIONS

(Action by Roll Call Vote)

Alexander P. Butterfield: Authorizes the President to appoint Alexander P. Butterfield (formerly a retired colonel, United States Air Force, until he resigned his commission in order to meet the eligibility requirements that the Administrator of the Federal Aviation Administration be a civilian at the time of his nomination) to the grade of colonel on the retired list of the Regular Air Force with pay and other benefits based on a retirement date of February 1, 1969. S. 182. Senate rejected May 20, 1975. (193)

Stanley K. Hathaway, of Wyoming, to be Secretary of Interior: Nomination confirmed June 11, 1975. (220)

Carla Anderson Hills, of California, to be Secretary of Housing and Urban Development: Nomination confirmed Mar. 5, 1975. (44)

Thomas J. Meskill, of Connecticut, to be U.S. circuit judge for the second circuit: Nomination confirmed Apr. 22, 1975. (141)

PROCLAMATIONS

American Business Day: Designates May 13 of each year as "American Business Day". S.J. Res. 15. P/S Mar. 20, 1975. (VV)

American Institute of Banking Week: Proclaims the week of May 25 to 31, 1975, as "National American Institute of Banking Week". S.J. Res. 58. P/S Apr. 18, 1975. (VV)

Buchenwald concentration camp: Proclaims April 6, 1975, as a day of observance of the liberation of the survivors of the Buchenwald concentration camp. S.J. Res. 56 P/S Mar. 20, 1975. (VV)

Proclaims April 6, 1975, as a day of observance of the liberation of the survivors of the Buchenwald concentration camp. S. Res. 123. Senate adopted Mar. 26, 1975. (VV)

Car care month: Designates May 1975 as "National Car Care Month". S.J. Res. 57. P/S Mar. 20, 1975. (VV)

Child Abuse Awareness Week: Designates the period of January 9 through January 15, 1975, as "National Child Abuse Awareness Week". S. Res. 43. Senate adopted Feb. 3, 1975. (VV)

Earth Day: Designates March 21, 1975, as "Earth Day". H.J. Res. 258. Public Law 94-8, approved Mar. 21, 1975. (VV)

Energy Conservation Month: Declares the period from February 16 to March 15, 1975, as "Energy Conservation Month"; requests the President to report to Congress by March 31, 1975, on the steps taken to promote energy conservation and their results and on any recommendations for legislation necessary to implement a continuing program of energy conservation; and requests the President to report monthly to the American people and Congress on the status of energy conservation initiatives and their effectiveness, domestic energy supplies and shortages, energy imports and the impact of available supplies or shortages on the economy of and employment in the United States. S. Res. 59. Senate adopted Feb. 5, 1975. (VV)

Historic Preservation Week: Designates the week beginning May 12, 1975, as "National Historic Preservation Week". H.J. Res. 242. Public Law 94-21, approved May 9, 1975. (VV)

Hobby Month: Designates October 1975 as "Hobby Month". S.J. Res. 84. P/S June 19, 1975. (VV)

Honor America: Declares the 21-days from Flag Day through Independence Day as a period to honor America. S.J. Res. 92. Public Law 94-33, approved June 13, 1975. (VV)

Hunting and Fishing Day: Designates the fourth Saturday of September 1975, as "National Hunting and Fishing Day". S.J. Res. 34. P/S May 8, 1975. (VV)

Indian Day: Designates September 28, 1975, as "National Indian Day". S.J. Res. 44. P/S May 8, 1975. (VV)

Music in our Schools Day: Designates March 13, 1975, as "Music in Our Schools Day". S.J. Res. 19. P/S Feb. 19, 1975. (VV)

Newspaper Week: Designates October 5 through 11, as "Newspaper Week". S.J. Res. 46. P/S May 8, 1975. (VV)

Newspaper Carrier Day: Designates October 11, 1975, as "Newspaper Carrier Day". S.J. Res. 46. P/S May 8, 1975. (VV)

Norwegian-American Day: Designates October 9, 1975, as "Norwegian-American Day". S. Res. 135. Senate adopted June 19, 1975. (VV)

Shut-in Day: Designates the first Sunday in June 1975, as "National Shut-In Day". S.J. Res. 79. P/S May 8, 1975. (VV)

Youth Art Month: Designates March 1975 as "Youth Art Month". S.J. Res. 8. P/S Feb. 19, 1975. (VV)

TRANSPORTATION—COMMUNICATIONS

Airport and airway development: Extends to September 30, 1975, the authorization for airport development grants contained in the Airport and Airway Development Act of 1970, as amended. S. 1972. P/S June 24, 1975. (VV)

Amtrak—Penn Central: Authorizes an additional $347 million to insure the continuation of essential rail services in the Northeast and Midwest under the Regional Rail Reorganization Act (Public Law 93-236); increases from $85 million to $282 million Federal grants to bankrupt railroads in the Northeast and Midwest to keep them in operation until a plan being developed by the U.S. Rail Association becomes effective after its submission to Congress by March 28, 1975; increases from $150 million to $300 million loan guarantees to bankrupt railroads to maintain and improve rail facilities until the new system is in operation and gives the Secretary of Transportation more flexibility in deciding how and when the guarantees will be used; provides a mechanism for allowing a Federal district court overseeing a reorganization to reconsider the decision that a bankrupt railroad was capable of reorganization on an income basis and thus outside of many parts of the Regional Rail Reorganization Act as in the case of the Erie-Lackawanna; clarifies the position of the Interstate Commerce Commission's Rail Services Planning Office during the reorganization period by making it explicit that they are to continue representing the interests of the small communities and users during the whole reorganizing process and authorizes the Office to hold public hearings on any supplement to the preliminary system plan; provides that no railroad in reorganization shall withhold from a State or subdivision any tax collected from a tenant of its property and imposes a maximum fine of $10,000 for violations; and contains other provisions. S. 281. Public Law 94-5, approved Feb. 2, 1975. (5, 28)

Amtrak supplemental authorization: Provides a $63 million supplemental authorization for fiscal year 1975 to meet increased costs identified as (a) railroad performance incentive contract payments of an additional $21.5 million; (b) settlement of the Amtrak/Penn Central contractual dispute, which has resulted in an additional expense of $22.9 million; (c) additional expenses in Amtrak's car overhaul program of $5 million; and (d) increased operating costs primarily due to inflation of $49.7 million; and provides that the salary of the president of Amtrak may be as high as $85,000 instead of $60,000—the present salary ceiling. H.R. 4975. Public Law 94-25, approved May 26, 1975. (173)

Federal-aid highway projects: Increases the Federal matching share for Federal-aid highways and certain mass transportation projects to provide States unable to meet the matching requirements for Federal-aid highway funds with moneys to cover Federal Highway Administration apportionments up to 100 percent. H.R. 3786. Public Law 94-30, approved June 4, 1975 (VV)

Maritime authorizations: Authorizes $562,933,000 for the following six categories of programs of the Maritime Administration for fiscal year 1975: (1) acquisition, construction, or reconstruction of vessels and construction-differential subsidies; (2) ship operating-differential subsidies; (3) research and development; (4) reserve fleet; (5) maritime training at the Merchant Marine Academy at Kings Point, N.Y.; and (6) financial assistance to State marine schools; authorizes additional supplemental appropriations for increases in salaries, pay, retirement, or other employee benefits authorized by law; and requires that at least one regional office of the Maritime Administration be maintained for each of the four major seacoasts (Atlantic, Gulf, Great Lakes, Pacific). S. 332. Public Law 94-10, approved Mar. 23, 1975. (VV)

Authorizes $543,618,000 for the following six categories of programs of the Maritime Administration for fiscal year 1976: (1) acquisition, construction, or reconstruction of vessels and construction-differential subsidies; (2) ship operating-differential subsidies; (3) research and development; (4) reserve fleet; (5) maritime training at the Merchant Marine Academy at Kings Point, N.Y.; and (6) financial assistance to State marine schools; authorizes additional supplemental amounts for increases in pay, retirement, or other employee benefits authorized by law and in operating expenses of the Merchant Marine Academy; clarifies Congressional intent with respect to the capital construction funds authorized by section 607 and the relationship of such funds to the investment tax credit provided by section 38 of the Internal Revenue Code to eliminate an impediment to the national policy to rebuild the merchant marine fleet; requires, subject to certain limitations, that not less than 10 percent of appropriated funds be allocated to serve the foreign trade requirements of the ports of each of the four seacoasts of the United States (Atlantic, Pacific, Gulf, and Great Lakes); and increases from $5 billion to $8 billion the limitation on the aggregate unpaid principal on obligations guaranteed by Title XI Federal ship mortgage guarantee program. S. 1542. P/S Apr. 29, 1975; P/H amended May 12, 1975; In conference. (VV)

Railroad safety-hazardous materials transportation authorizations: Authorizes $35 million for fiscal year 1976 and $9 million for the transition period July 1, 1976 through September 30, 1976, to carry out the purposes of the Federal Railroad Safety Act of 1970 which prescribes regulations to ensure the safety of the Nation's railroads; and authorizes $7 million for fiscal year 1976 and $2 million for the transition period July 1, 1976 through September 30, 1976, to carry out the purposes of the Hazardous Materials Transportation Act which regulates the transport of hazardous materials by rail. S. 1462. P/S May 16, 1975. (VV)

Railroad temporary operating authority (Rock Island): Amends the Interstate Commerce Act to authorize the Interstate Commerce Commission to grant temporary operating authority to a carrier by railroad pending a final determination by the Commission as in the case of the Chicago Rock Island and Pacific Railroad Company which has entered reorganization under section 77 of the Bankruptcy Act; authorizes the Commission to grant temporary approval of the operation of a railroad by another railroad applying to conduct such operations if failure to do so would result in the destruction of railroad properties or limit future usefulness with no direct cost to the Federal government; directs the Commission to report bi-monthly to Congress on the effects of any such orders issued; permits the Commission to extend service orders for not to exceed an aggregate of 240 days instead of the present 180 day period; and provides for repayment, within 30 days, to carriers ordered to so operate. S. 917. P/S Apr. 28, 1975; P/H amended June 23, 1975. (VV)

VETERANS

Disability compensation and survivors benefits: Provides a 12 percent cost-of-living increase in the rates of disability compensation for those veterans rated 50 percent disabled or less and a 14 percent increase for more severely disabled veterans rated 60 percent to totally and permanently disabled; provides a 12 percent cost-of-living increase in the rates of additional compensation for dependents of veterans whose disability is rated 50 percent or more; increases from $150 to $175 the annual clothing allowance for a veteran who because of his compensable disability wears or uses a prosthetic or orthopedic appliance, including a wheelchair, which tends to wear out his clothing; makes the effective date of an award of increased compensation the earliest date that it is ascertainable that an increase in disability occurred if the application is received within a year of such date; provides a 14 percent cost-of-living increase in the rates payable for dependency and indemnity compensation (DIC) for widows and children, as well as for additional allowances for those in receipt of DIC and death compensation in need of aid and attendance; and provides that the survivors of a veteran who was rated totally disabled and permanently service-connected disabled at the time of death would be automatically entitled to dependency and indemnity compensation. H.R. 7767. P/H June 16, 1975; P/S amended June 23, 1975. (VV)

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet next on Monday, July 7, 1975, at the hour of 11 a.m. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with Senators permitted to speak during that period for not to exceed 5 minutes each. After the period for routine morning business has expired, the Senate will resume consideration of Senate Resolution 166, the New Hampshire election dispute, and debate will continue thereon. The Senate, on Tuesday, will vote on the motion to invoke cloture on Senate Resolution 166, with the 1 hour of debate under rule XXII beginning at 3 p.m. At the hour of 4 p.m. the automatic quorum call will occur, and upon the establishment of a quorum, or at about 4:15 p.m., on Tuesday, the automatic rollcall vote will occur on the motion to invoke cloture.

Following the cloture vote there will be 1½ hours' debate on S. 677, a bill to establish a strategic energy reserve system. After that 1½ hours' debate the rollcall vote will occur on S. 677.

What will then occur will depend upon the outcome of the vote on the motion to invoke cloture.

In summation, Mr. President, rollcall votes could occur on Monday, July 7, and definitely will occur on Tuesday, July 8.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess awaiting the call of the Chair.

The motion was agreed to, and at 2:08 p.m., the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 2:09 p.m. when called to order by the Presiding Officer (Mr. **STONE**).

ADJOURNMENT UNTIL MONDAY, JULY 7, 1975, AT 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the provisions of House Concurrent Resolution 324, as amended, that the Senate stand in adjournment until the hour of 11 a.m. on Monday, July 7, 1975.

The motion was agreed to; and at 2:10 p.m. the Senate adjourned until Monday, July 7, 1975, at 11 a.m.

NOMINATION

Executive nomination received by the Senate June 27, 1975:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

John Meier, of Colorado, to be Chief of the Children's Bureau, Department of Health, Education, and Welfare, vice Edward F. Zigler, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 27, 1975:

ENERGY RESEARCH AND DEVELOPMENT

Richard W. Roberts, of Maryland, to be an Assistant Administrator of Energy Research and Development.

(The above nomination was approved subject to the nominee's commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Maurice F. Casey, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. George H. McKee, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Kenneth W. Schultz, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. William W. Snavely, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. John B. Hudson, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Joseph R. DeLuca, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. Samuel C. Phillips [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. George J. Eade, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. John W. Vogt, Jr [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066 to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. James V. Hartinger, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Richard F. Shaefer, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

Brig. Gen. Wilton Burton Persons, Jr., [redacted] Army of the United States (colonel, Judge Advocate General's Corps, U.S. Army), for appointment as The Judge Advocate General, U.S. Army, as major general, Judge Advocate General's Corps, in the Regular Army of the United States and as major general, Army of the United States, under the provisions of title 10, United States Code, sections 3037, 3442, and 3447.

Brig. Gen. Lawrence Harvey Williams, [redacted] Army of the United States (colonel, Judge Advocate General's Corps, U.S. Army), for appointment as the Assistant Judge Advocate General, as major general, Judge Advocate General's Corps, in the Regular Army of the United States and as major general, Army of the United States, under the provisions of title 10, United States Code, sections 3037, 3442, and 3447.

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Gordon Sumner, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant General

Lt. Gen. Ralph Longwell Foster, [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a) in grade as follows:

To be lieutenant General

Maj. Gen. William Bennison Fulton, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant General

Lt. Gen. Orwin Clark Talbott, [redacted], Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a) in grade as follows:

To be lieutenant General

Maj. Gen. Frank Ambler Camm, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Harris Whitton Hollis, [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Elmer Hugo Almquist, Jr., [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a) in grade as follows:

To be lieutenant general

Maj. Gen. Kenneth Banks Cooper, [redacted] U.S. Army.

IN THE NAVY

Rear Adm. Bernard B. Forbes, Jr., U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Rear Adm. John J. Shanahan, Jr., U.S. Navy, having been designated for commands and other duties of great importance and responsibility commensurate with the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Rear Adm. Robert P. Coogan, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

IN THE AIR FORCE

Air Force nominations beginning Ronald E. Ballow, to be colonel, and ending Frank R. Noyes, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 13, 1975.

Air Force nominations beginning Robert K. Allen, to be first lieutenant, and ending Keith G. Findley, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 13, 1975.

IN THE NAVY

Navy nominations beginning William Arlen Abbott, to be commander, and ending Mary Leonard Young, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 12, 1975.

HOUSE OF REPRESENTATIVES—*Friday, June 27, 1975*

FRIDAY, JUNE 27, 1975

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of June 13, 1975, page 18837:

H.R. 7000. May 14, 1975. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to allow a nursing salary cost differential in determining the reasonable cost of inpatient nursing care for the purpose of reimbursement to a provider of services under the Medicare program.

H.R. 7001. May 14, 1975. Atomic Energy. Authorizes appropriations to the Nuclear Regulatory Commission for fiscal year 1976 and three months of fiscal year 1977.

H.R. 7002. May 14, 1975. Atomic Energy. Amends the Atomic Energy Act of 1954 to establish procedures for the review of applications for approval of sites for nuclear energy utilization or production facilities. Authorizes the Atomic Energy Commission to coordinate Federal review proceedings with those of State agencies. Directs the staff of the Commission to disclose information to the maximum extent possible.

Directs the Atomic Energy Commission to establish additional incentives for advanced planning of proposed nuclear energy utilization and production sites.

H.R. 7003. May 14, 1975. Education and Labor. Directs the Director of the Community Services Administration to establish a multiservice program for displaced homemakers designed to assist them in obtaining employment and educational opportunities.

Authorizes a study of existing Federal programs to determine the feasibility of participation by displaced homemakers.

H.R. 7004. May 14, 1975. Interstate and Foreign Commerce. Education and Labor. Directs the Secretary of Health, Education, and Welfare to appoint a Committee on Uniform Adoption Regulations to study current adoption regulations and practices and to propose uniform adoption regulations.

Establishes a National Office of Adoption Information and Services in the Children's Bureau of the Office of Child Development of the Department of Health, Education, and Welfare to act as the Secretary's principal agent in carrying out adoption assistance programs.

H.R. 7005. May 14, 1975. Education and Labor. Judiciary. Amends the Legal Services Corporation Act of 1974 to allow the Corporation to undertake research, training and technical assistance and to serve as an information clearinghouse by grant or contract as well as directly.

H.R. 7006. May 14, 1975. International Relations. Declares that no debt owed to the United States by any foreign country may be settled in an amount less than the full value of the debt except by concurrent resolution of the Congress.

H.R. 7007. May 14, 1975. Rules. Amends the Congressional Budget Act of 1974 (1) to provide that Federal revenues and outlays shall not exceed Federal revenue and budget outlays limits with specified exceptions, and (2) to require that when they are introduced all bills or joint resolutions contains a "fiscal note" disclosing the fiscal impact of the bill on Government finances.

H.R. 7008. May 14, 1975. Interstate and Foreign Commerce. Establishes, within the Department of Health, Education, and Welfare, a Medical Injury Compensation Insurance Administration through which the Secretary of Health, Education, and Welfare shall estabilsh and implement a program of no-fault medical malpractice insurance for licensed health professionals and licensed health care institutions. Requires any patient to waive any tort actions with respect to the injury for which no-fault benefits are claimed.

H.R. 7009. May 14, 1975. Merchant Marine and Fisheries. Creates a Fund for Endangered Wildlife to be administered by the Secretary of the Interior. Authorizes the issuance and sale of stamps for hunting, fishing, and trapping on Federal lands to obtain monies for such fund. Authorizes expenditures from the fund for fish and wildlife research and protection programs.

Extends provisions of existing law for the protection of bold and golden eagles to include hawks, owls, and other raptors. Prohibits certain methods of trapping of animals.

H.R. 7010. May 14, 1975. Banking, Currency and Housing. Armed Services. Education and Labor. Government Operations. Ways and Means. Establishes in the Executive Office of the President an office of Economic Adjustment and the Defense Economic Adjustment Council to facilitate the economic adjustment of communities, industries, and workers who may be substantially affected by reductions in defense contracts and facilities.

Requires defense contractors to make plans for the continued employment of workers and utilization of facilities once such defense contract is completed, curtailed, or cancelled.

Authorizes financial assistance to the unemployed or underemployed employees of defense contractors.

H.R. 7011. May 14, 1975. Banking, Currency and Housing. Armed Services. Education and Labor. Government Operations. Ways and Means. Establishes in the Executive Office of the President an office of Economic Adjustment and the Defense Economic Adjustment Council to facilitate the economic adjustment of communities, industries, and workers who may be substantially affected by reductions in defense contracts and facilities.

Requires defense contractors to make plans for the continued employment of workers and utilization of facilities once such defense contract is completed, curtailed, or cancelled.

Authorizes financial assistance to the unemployed or underemployed employees of defense contractors.

H.R. 7012. May 14, 1975. Interstate and Foreign Commerce. Judiciary. Prohibits certain petroleum companies engaged in the production of energy resources from possessing any interest in energy refining transportation or marketing assets. Prohibits such companies from retaining control over certain mineral deposits.

Prohibits certain petroleum companies engaged in the transportation of energy resource products from possessing any interest in energy production, refining, or marketing assets.

Directs the Securities and Exchange Commission to regulate divestment of ownership interests by affected companies.

H.R. 7013. May 14, 1975. Judiciary. Directs the Secretary of the Army to investigate and settle claims of tenants who leased certain lands in Kansas which were taken by the United States. Directs the Secretary of the Treasury to pay such settlements.

H.R. 7014. May 15, 1975. Interstate and Foreign Commerce. Authorizes the President to establish plans to curtail energy consumption, including programs of gasoline rationing, subject to Congressional review. Creates additional reserves to prevent disruption in supplies of petroleum products.

Amends the Emergency Petroleum Allocation Act of 1973 to establish price ceilings on domestic crude oil. Includes provisions designed to develop domestic supplies of oil and gas at the maximum efficient rate.

Directs the Federal Energy Administrator to establish energy efficiency guidelines. Establishes automobile fuel economy standards. Requires disclosure of energy efficiency information by manufacturers of certain products.

Establishes additional incentives to encourage conversion from natural gas to coal.

H.R. 7015. May 15, 1975. Post Office and Civil Service. Expands the prohibition against solicitation and receipt of political recommendations for employment in the Federal competitive service to include solicitations of elected State government officials and officials of political parties and other organizations. Specifies circumstances under which the use by Federal employers of a recommendation made by such an individual is permitted.

H.R. 7016. May 15, 1975. Post Office and Civil Service. Expands the prohibition against solicitation and receipt of political recommendations for employment in the Federal competitive service to include solicitations of elected State government officials and officials of political parties and other organizations. Specifies circumstances under which the use by Federal employers of a recommendation made by such an individual is permitted.

H.R. 7017. May 15, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to require air carriers to file notice of rate changes with the Civil Aeronautics Board 45 days before such changes are to take effect. Requires the Board to notify such carrier at least 15 days before such changes are to take effect of a determination to suspend such rate changes pending hearing.

H.R. 7018. May 15, 1975. Rules. Declares that the House of Representatives of the 95th Congress and each succeeding Congress shall consider and adopt the rules of its proceedings. Specifies the procedure for such consideration and adoption.

H.R. 7019. May 15, 1975. Government Operations. Prohibits Government instrumentalities from requiring nonessential declarations of marital status or the nonessential use of prefixes indicating such status.

H.R. 7020. May 15, 1975. Banking, Currency and Housing. Amends the Federal Credit Union Act with respect to the scope and operation procedures of Federal credit unions. Restructures the Membership and functions of the National Credit Union Administration. Establishes the National Credit Union Central Liquidity Facility (1) to make funds available for the liquidity needs of credit unions and (2) to assist transfer of funds among credit unions and other financial institutions.

H.R. 7021. May 15, 1975. Ways and Means. Amends the Internal Revenue Code to increase the exemption from industrial development bond treatment for certain small issues.

H.R. 7022. May 15, 1975. Agriculture. Directs the Secretary of Agriculture to issue orders applicable to handlers of freestone peaches. Authorizes the Secretary to issue orders authorizing the collection of assessments from producers of freestone peaches, and authorizes the use of such funds to provide research and consumer education with respect to freestone peaches.

H.R. 7023. May 15, 1975. Interstate and Foreign Commerce. Amends the Securities Exchange Act of 1934 (1) to prohibit persons who are not citizens of the United States from acquiring more than five percent of the voting securities or thirty-five percent of the nonvoting securities of any issuer whose securities are registered under the Act; (2) to prohibit any person not a citizen who now owns securities in greater percentages than stated above from acquiring any more of such securities; and (3) to direct the Securities Exchange Commission to require the registration of persons not citizens before their acquisition of securities registered under the Securities Exchange Act of 1934.

H.R. 7024. May 15, 1975. Interstate and Foreign Commerce. Amends the Securities and Exchange Act of 1934 to require foreign investors and proxies of such investors to file a statement with the Securities and Exchange Commission notifying the Commission of their intention to acquire more than five percent of the equity securities of a United States company.

Authorizes the President to prohibit any such purchase by foreign investors.

Requires issuers of securities to file with the Commission a list of the names and nationalities of the owners of their equity securities.

H.R. 7025. May 15, 1975. Interstate and Foreign Commerce, Judiciary. Prohibits certain petroleum companies engaged in the production of energy resources from possessing any interest in energy refining, transportation, or marketing assets. Prohibits such companies from retaining control over certain mineral deposits.

Prohibits certain petroleum companies engaged in the transportation of energy resource products from possessing any interest in energy production, refining, or marketing assets.

Directs the Securities and Exchange Commission to regulate divestment of ownership interests by affected companies.

H.R. 7026. May 15, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of a certain quantity of asbestos chrysotile from the national stockpile and the supplemental stockpile.

H.R. 7027. May 15, 1975. Public Works and Transportation. Directs the Secretary of the Army to construct a four-lane highway bridge across the Snake River to connect the cities of Lewiston, Idaho, and Clarkston, Washington.

H.R. 7028. May 15, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income limited amounts received as dividends or interest on deposits in a savings institution.

H.R. 7029. May 15, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income pensions or annuities received by policemen or firemen or their dependents or survivors, for services performed in the employ of a Federal, State or local government.

H.R. 7030. May 15, 1975. Interstate and Foreign Commerce. Defines the term special dietary uses with respect to the Federal Food, Drug, and Cosmetic Act and limits the authority of the Secretary of Health, Education, and Welfare to regulate foods represented to be for special dietary uses.

H.R. 7031. May 15, 1975. Post Office and Civil Service. Prohibits certain modifications of health insurance benefits under a plan offered to Federal employees unless notice of proposed modifications has been published and a hearing concerning such modifications has been held.

H.R. 7032. May 15, 1975. Ways and Means. Amends the Social Security Act to authorize Federal payments to States for programs providing certain social services regardless of the recipient's income or eligibility for benefits under another program, if such social services are provided in a manner consistent with certain State programs.

H.R. 7033. May 15, 1975. Ways and Means. Amends the Social Security Act by stipulating that certain support and maintenance furnished an individual shall be excluded from income for the purpose of determining such individual's eligibility for Supplemental Security Income benefits.

H.R. 7034. May 15, 1975. Ways and Means. Amends the Tariff Schedules of the United States to prohibit the importation of fresh strawberries during certain periods of the year to be determined by the Secretary of Agriculture.

H.R. 7035. May 15, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 7036. May 15, 1975. Government Operations. Authorizes the Administrator of General Services to assign surplus Federal property to the Secretary of Commerce for disposal of such property to States and local areas threatened by unemployment as a result of the closing of Federal facilities. Requires that such property be used by the transferees for economic development purposes.

H.R. 7037. May 15, 1975. Ways and Means. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government. Amends various other provisions of the Social Security Act and the Public Health Service Act.

H.R. 7038. May 15, 1975. Education and Labor. Amends the Education Amendments of 1974 to delay and extend the effective dates of various programs under the Act. Revises the entitlement criteria to be used by the Commissioner of Education if sufficient sums are not appropriated by Congress to pay in full the amounts all local educational units are entitled to receive. Sets forth a formula for determining the mount local educational agencies are entitled to for programs for handicapped children.

H.R. 7039. May 15, 1975. Interstate and Foreign Commerce. Includes the use of blood and blood products and the management of blood resources within the research and training programs of the National Heart and Lung Institute, under the Public Health Services Act, and extends appropriations for such programs.

Limits the authority of the Secretary of Health, Education, and Welfare to disclose information contained in research grant applications.

Extends appropriations for National Research Service Awards.

Authorizes the Secretary to make grants to and enter into contracts with public and nonprofit private entities for projects related to the testing, diagnosis, counseling, and treatment of individuals respecting genetic diseases.

H.R. 7040. May 15, 1975. Agriculture. International Relations. Establishes an Office of Food Administration and directs the Administrator of the Administration to ascertain annually the food requirements for domestic and foreign assistance programs, the availability of food to carry out such programs, the availability of funding for such programs, and to study other world hunger and nutrition-related problems.

H.R. 7041. May 15, 1975. Agriculture. International Relations. Establishes an Office of Food Administration and directs the Administrator of the Administration to ascertain annually the food requirements for domestic and foreign assistance programs, the availability of food to carry out such programs, the availability of funding for such programs, and to study other world hunger and nutrition-related problems.

H.R. 7042. May 15, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to construct, operate, and maintain the Glen Elder unit of the Pick-Sloan Missouri Basin program in Kansas.

H.R. 7043. May 15, 1975. Ways and Means. Amends the Social Security Act to eliminate Medicare taxes as a source of funds for the Medicare hospital insurance program.

Amends the Internal Revenue Code by repealing Medicare hospital insurance taxes on self-employed individuals, employees and employers.

H.R. 7044. May 15, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to construct, operate, and maintain the Glen Elder unit of the Pick-Sloan Missouri Basin program in Kansas.

H.R. 7045. May 15, 1975. Appropriations. Authorizes additional appropriations for the fiscal year 1975 for certain grants to local governmental units by the Secretary of Housing and Urban Development, under the Housing and Community Development Act of 1974.

H.R. 7046. May 15, 1975. Banking, Currency and Housing. Authorizes additional appropriations for the fiscal year 1975 for certain grants to local governmental units by the Secretary of Housing and Urban Development, under the Housing and Community Development Act of 1974.

H.R. 7047. May 15, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to increase to 90 days the notice required prior to making changes in the charges, classifications, regulations or practices which have been filed with the Federal Communications Commission by common carriers.

Revises the provisions relating to (1) Commission hearings on proposed new or revised charges, classifications, regulations or practices and (2) the suspension of such changes pending the outcome of the hearing.

H.R. 7048. May 15, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to extend appropriations under the Act and to allow the Secretary of Health, Education, and Welfare to award a grant to a public or nonprofit private entity located in an area with a critical health manpower shortage to assist such entity in establishing medical practice management systems, or in acquiring equipment and supplies.

H.R. 7049. May 15, 1975. Interstate and Foreign Commerce. Amends the National Research Service Award Act of 1974 and the Public Health Service Act to extend appropriations and to direct the Secretary of Health, Education, and Welfare to grant awards for research training in subject areas or aspects of subject areas for which there are significantly inadequate numbers of individuals qualified to perform any aspect of biomedical or behavioral research.

H.R. 7050. May 15, 1975. Interstate and Foreign Commerce. Extends appropriations, under the Public Health Service Act, for communicable disease control programs. Authorizes the Secretary of Health, Education, and Welfare and the Comptroller General to audit or examine the books and records of recipients of grants for such control programs.

Authorizes funds appropriated for communicable disease control programs to be available for continuing assistance for programs under the Lead-Based Paint Poisoning Prevention Act.

H.R. 7051. May 15, 1975. International Relations. Requires executive agreements which create national commitments to be transmitted to Congress. Stipulates that such agreements shall come into force within a certain time period unless Congress disapproves such executive agreement by passage of a concurrent resolution by both Houses.

H.R. 7052. May 15, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to authorize the Federal Communications Commission to prescribe regulations governing the use of protective components in audio and visual electronic equipment which are capable of reducing interference to such equipment from radio frequency energy.

H.R. 7053. May 15, 1975. Post Office and Civil Service. Declares that a civil service annuity which has been reduced at the request of the Member of Congress or unmarried Federal employee entitled to receive it shall be recomputed and paid upon the death of the annuitant to the individual having an insurable interest in that annuity as if such annuity had not been reduced.

H.R. 7054. May 15, 1975. Science and Technology. Authorizes the Administrator of the National Aeronautics and Space Administration to establish a research and development program on the nature of serious short-time weather phenomena and to develop improved methods of forecasting and monitoring of such phenomena.

H.R. 7055. May 15, 1975. Banking and Currency and Housing. Directs the Attorney General to make annual grants to any city in which foreign nationals who have resided in such city for not less than 6 months comprise 3 percent or more of the total population. Requires that such grants be paid into the municipal treasury for use in the development and maintenance of the public facilities of such city.

Directs the Secretary of Commerce to determine the population of each city as soon as practicable after January 1 of each year.

H.R. 7056. May 19, 1975. Banking, Currency and Housing. Directs the Secretary of the Treasury to strike gold commemorative coins bearing the seal or symbol of the American Revolution Bicentennial Administration.

H.R. 7057. May 19, 1975. Agriculture. Requires, under the Federal Meat Inspection Act, that imported meat and meat food products made in whole or in part of imported meat must be labeled "imported" or "imported in part" at all stages of distribution until reaching the ultimate consumer. Requires eating establishments serving imported meat or meat food products to so state on their menu or by conspicuous display of a sign indicating such fact.

H.R. 7058. May 19, 1975. Post Office and Civil Service. Designates Election Day as a legal public holiday.

H.R. 7059. May 19, 1975. Judiciary. Amends the Copyright Act of 1909 to extend exclusive rights with respect to copyrighted sound recordings to include performance in public for profit. Establishes a system of compulsory licensing and royalties for public performance of sound recordings.

H.R. 7060. May 19, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to authorize the use of ad valorem taxes as a user charge system.

H.R. 7061. May 19, 1975. Judiciary. Education and Labor. Amends the Civil Rights Act of 1964 and the Act commonly called the Civil Rights Act of 1968 to make it unlawful to discriminate against disabled persons in the areas of employment or housing.

H.R. 7062. May 19, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the Treasure Island National Historic Site in New Jersey.

H.R. 7063. May 19, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Transportation to make a loan of $100,000,000 to the Chicago, Rock Island, and Pacific Railroad Company.

H.R. 7064. May 19, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to permit the temporary operation of certain aircraft without emergency locator transmitters when such equipment has been removed for repair, modification, or replacement.

H.R. 7065. May 19, 1975. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to authorize the Secretary of Transportation to make financial assistance available to qualified applicants for the purpose of providing employment for unemployed or underemployed persons in jobs maintaining or rebuilding railroad rights-of-way, during times of high unemployment.

H.R. 7066. May 19, 1975. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to authorize the Secretary of Transportation to make financial assistance available to qualified applicants for the purpose of providing employment for unemployed or underemployed persons in jobs maintaining or rebuilding railroad rights-of-way, during times of high unemployment.

H.R. 7067. May 19, 1975. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to authorize the Secretary of Transportation to make financial assistance available to qualified applicants for the purpose of providing employment for employed or underemployed persons in jobs maintaining or rebuilding railroad rights-of-way, during times of high unemployment.

H.R. 7068. May 19, 1975. Judiciary. Prohibits certain forms of economic coercion based on religion, race, national origin, sex, support for any foreign government or dealing with or in any foreign country.

H.R. 7069. May 19, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution and sale of a trademarked soft drink product.

H.R. 7070. May 19, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, possession or transportation of handguns except as authorized by the Secretary of the Treasury or by members of the Armed Forces and law enforcement officials.

H.R. 7071. May 19, 1975. Interior and Insular Affairs. Establishes the Santa Monica Mountains and Seashores Urban National Park in California. Directs the Secretary of the Interior to establish a planning commission to develop a plan for the use of the land and water resources within the boundaries of the park.

H.R. 7072. May 19, 1975. Judiciary. Stipulates that the existing district judgeship for the Eastern and Western Districts of Kentucky shall be a district judgeship for the Eastern District of Kentucky only.

H.R. 7073. May 19, 1975. Agriculture. Amends the Consolidated Farm and Rural Development Act to direct the Secretary of Agriculture to give preference in granting farm purchase and improvement loans to nonowner-operators of a farm or to owner-operators who do not rely on the farm for their principal source of income. Authorizes the Secretary to make or insure loans to such nonowner-operators and sets limits for the amount of such loans. Stipulates explicit repayment terms for nonowner-operators of farms who receive loans under the Act.

H.R. 7074. May 19, 1975. Ways and Means. Amends the Internal Revenue Code to allow an employee who has received wages from two or more employers to file a certification with his present employer when the aggregate of wages paid to such employee exceeds the contribution and benefit base of the Social Security Act. Stipulates that upon filing of such certification the employer shall not deduct the amount of the tax imposed by the Federal Insurance Contributions Act.

H.R. 7075. May 19, 1975. International Relations. Directs that the United States assessed share of the budget of the United Nations be reduced, dollar for dollar, by the amount of any appropriations made pursuant to the Indochina Migration and Refugees Assistance Act of 1975.

H.R. 7076. May 19, 1975. Interstate and Foreign Commerce. Increases and extends appropriations, under the Public Health Services Act, for cancer research activities.

H.R. 7077. May 19, 1975. Judiciary. Establishes a Federal death benefit to be paid to the survivors of Federal, State, or local law enforcement, corrections and firefighting personnel.

H.R. 7078. May 19, 1975. Interstate and Foreign Commerce. Ways and Means. Amends the Emergency Petroleum Allocation Act of 1973 to establish a price ceiling on certain sales of crude oil. Defines cricumstances under which such a price ceiling will take effect.

H.R. 7079. May 19, 1975. Interstate and Foreign Commerce Amends the Emergency Petroleum Allocation Act of 1973 to establish a price ceiling on certain sales of crude oil.

H.R. 7080. May 19, 1975. Public Works and Transportation. Directs the Administrator of General Services to establish design criteria for certain new buildings constructed with Federal funds which provide for the best practicable use and conservation of energy.

H.R. 7081. May 19, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcasting stations from 3 to 5 years.

H.R. 7082. May 19, 1975. Public Works and Transportation. Directs the Secretary of the Army, acting through the Chief of Engineers, to make certain modifications in the Center Hill Lake flood control project in Tennessee.

H.R. 7083. May 19, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to establish a national cemetery in either Broward County or Dade County, Florida.

H.R. 7084. May 19, 1975. Interstate and Foreign Commerce. Establishes the Office of Rural Health within the Department of Health, Education, and Welfare to award grants, and to make contracts, loans, and guarantees for projects to examine existing models of rural health care delivery and to assist in the study, planning, development, experimentation, and demonstration of rural health care delivery models.

H.R. 7085. May 19, 1975. Ways and Means. Amends the Internal Revenue Code to increase the exemption from industrial bond treatment for certain small issues.

H.R. 7086. May 19, 1975. Banking and Currency and Housing. Amends the Economic Stabilization Act of 1970 to exclude certain advertising costs from those expenses which regulated public utilities may include in their computation of rates or charges.

H.R. 7087. May 19, 1975. Education and Labor. Transfers to the Secretary of Labor all functions of the Secretary of the Interior under the Federal Coal Mine Health and Safety Act of 1969 and the Federal Metal and Nonmetallic Mine Safety Act. Establishes a Mine and Mineral Health and Safety Administration under the Assistant Secretary of Labor for Occupational Safety and Health within the Department of Labor.

Authorizes the National Institute for Occupational Safety and Health to study and develop mine safety and health standards. Revises enforcement procedures under the Federal Coal Mine Health and Safety Act of 1969 and the Federal Metal and Non-metallic Mine Safety Act.

H.R. 7088. May 19, 1975. Agriculture. Amends the Commodity Credit Corporation Charter Act to authorize the Commodity Credit Corporation to make farm storage facility loans to producers of agricultural commodities for which price support is made available by the Corporation.

H.R. 7089. May 19, 1975. Ways and Means. Amend the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified brewerys.

H.R. 7090. May 19, 1975. Ways and Means. Amends the Internal Revenue Code to exempt any operating foundation which is organized and operated primarily as a library, museum, or other similar educational institution furnishing facilities or services directly to the public from the excise tax on the net investment income of a private foundation.

H.R. 7091. May 19, 1975. May 19, 1975. Ways and Means. Amends the Internal Revenue Code to permit a charitable contribution of any literary, musical, or artistic composition or similar property to be deducted at its fair market value.

H.R. 7092. May 19, 1975. Education and Labor. Amends the Higher Education Act of 1965 to authorize the Commissioner of Education to make grants to institutions of higher education for the development and operation of student internship programs in the offices of elected officials at the local, State and Federal levels of government.

H.R. 7093. May 19, 1975. Post Office and Civil Service. Extends the period during which the revenues from rates of mail as determined by rate schedule decisions for eligible publications mailed by any veterans organization or association shall not exceed the direct and indirect postal costs attributable to the mailing of such publications.

H.R. 7094. May 19, 1975. Public Works and Transportation. Authorizes the Secretary of Commerce to make grants through the Economic Development Administration for local public works projects.

H.R. 7095. May 19, 1975. Ways and Means. Amends the Tariff Schedules of the United States to allow duty-free entry of binder twine and baler twine of manmade fibers.

H.R. 7096. May 19, 1975. Interstate and Foreign Commerce. Includes hair dyes under the provisions of the Federal Food, Drug, and Cosmetic Act which regulate cosmetics.

H.R. 7097. May 19, 1975. Government Operations. Requires that meetings of Federal agencies be open to the public except as stipulated in this Act. Requires that edited transcripts of all meetings be made available to the public. Prohibits ex parte communications during on-the-record agency meetings.

H.R. 7098. May 19, 1975. Post Office and Civil Service. Designates Election Day as a legal public holiday.

H.R. 7099. May 19, 1975. Education and Labor. Amends the Comprehensive Employment and Training Act of 1973 to extend eligibility for Federal manpower assistance programs under the Act to certain Indian tribes in Oklahoma and to Alaska Native Village Corporations.

EXTENSIONS OF REMARKS

BANE OF EVERY BUSINESSMAN

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. PRESSLER. Mr. Speaker, in my home State of South Dakota there is much concern about the amount of paperwork that must be done by the small businessman and the independent farmer. So many records are required by the Federal Government that it is almost enough to force some of these people out of business.

In a recent questionnaire that I sent out to my district, 73 percent of the people felt that it was unfair to fine the small businesses for the minor infractions of the OSHA law, and one of the most pressing problems that they stated was that there was "too much government intervention" in all facets of their lives.

The people of my district are hardworking and believe in an honest day's wage for an honest day's work. But what they resent is having to justify what they do on paper for the work that they do. Some regulations are necessary but small businesses are being driven out of the market in many places because of the controls that large corporations can take but small businesses cannot afford.

I can tell that our State is not alone in these feelings; the following is an article that I would like placed in the RECORD relating to the affect of too many regulations. It is taken from the June 1, 1975, issue of the Minneapolis Tribune which serves the Minneapolis-St. Paul region.

Recently, in the Watertown Public Opinion, the paper of Watertown, S. Dak., with Alex Johnson as the editor, appeared an editorial that suggests a good way to deal with the amount of paperwork. Considering the shortage of hay in central South Dakota it sounds like a good idea to me. This appeared in the June 2, 1975 edition of the paper.

The article follows:

INSPECTORS KILL ONE-MAN MEAT STORE

RIVER FALLS, WIS.—For 20 years Duane Paulson had a sweet deal. He raised beef cattle on his farm, butchered them on his farm and sold them to customers who came out to his farm.

During those years, when some cattlemen were foundering in a sea of fat costs and lean prices, Paulson was making money.

But it all came to an abrupt halt last month when federal inspectors decided he needed to update his butchering operation to the tune of $15,000.

"It just didn't make sense to keep it up," Paulson said. "I couldn't see putting that much money into it." He's decided to keep buying feeder calves as in the past, but now he'll sell most of them before they've reached market weight to other cattlemen who will finish feeding them out.

Federal officials are allowing Paulson to butcher on a custom basis: he'll sell an animal on the hoof to a customer, then butcher the animal for the customer.

"My customers will end up paying about 80 cents a pound for their meat. I'll still make some money, but it won't be as good as before for the customers because they'll have to buy a whole animal now."

He figures he's built up a good enough following over the years that some customers will go together to buy a live animal for custom butchering. But he won't be selling quarters or halves anymore.

"It's a hundred and five percent politics, this order to update my place is," Paulson said. "You gotta figure it's the meat packers who are behind things like this. They're putting pressure on the feds to close guys like me down, and the feds are laying down the law. The worst offense I had was a loose door."

Other changes ordered included improved lighting, some painting and cleaning, a new roof on one of his buildings, and resurfacing of a loading area.

FEDERAL PAPERWORK—BANE OF EVERY BUSINESSMAN

A great deal has been written in awe, disgust and anger over the sheer weight and number of federal rules, and regulations covering every field and aspect of human activity and relationships. The subject gets only slightly less irritation . . . or perhaps slightly more . . . than one wide-ranging scope of federal investigative and research projects into which millions of dollars disappear annually, never to be heard from again.

Ken Balgeman, president of the S.D. Retailers Association, recently wrote the Pierre Times anent the government papr mountain:

"No one has ever done an over-all study to calculate the total cost to American business of federal rules and regulations. I am sure we would be horrified.

"However, we do know that in 1972 alone it cost the small business community of this nation over $18 billion to handle an estimated 10 billion sheets of paper required in federal reports.

"We do know that even the initial regulations published by OSHA stood over six feet high and included such glaring absurdities as a prohibition on the use of ice in ice water.

"We do know that there is enough federal paperwork filed away in Washington to fill the mass of the 555-foot Washington monument more than 30 times.

"We seem to be getting more federal government than we can afford to pay for and now it seems that same statement is true for state government."

For the mathematically-inclined who may wish to compute the capacity of the Washington monument—the base is 55 feet, 1½ inches square and the monument, a tapering shaft or obolisk, rises 555 feet, 5⅛ inches above the ground.

For others of less analytical nature, let it be said only that it would hold an unbelievable amount of paper . . . but then, federal forms and reports require an unbelievable amount.

Large firms often maintain separate offices or divisions whose sole or chief function is to tend to this aspect of doing and staying in business. The small operator has to do it himself. For him it is an arduous, complicated and never-ending chore.

We would guess that if all that federal paper now figuratively piled in the Washington monument were instead stacked like hay in South Dakota and somehow rendered digestible, the livestock feed problem could be solved for years to come . . . and all that paper work would finally have served some useful purpose.

WASHINGTON, D.C.: FORTUNE, FACT, FICTION

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 25, 1975

Mr. FAUNTROY. Mr. Speaker, I would like to take this opportunity to share with each of my colleagues and others who may be interested, the response by a Washington, D.C., based mortgage banking firm, Walker & Dunlop, to a highly controversial, incorrect, and unfortunate story about our Nation's Capital which appeared in a recent Fortune magazine.

The response does not attempt to hide any of our problems; but, it does place them into their proper perspective, which I think each of you would want to do if offered the opportunity. Additionally, it gives credit where it is due: Our cultural activities, park systems, transportation, and business opportunities are fully described and discussed.

I urge you to read this comment on our city and to discuss any of the facets with me or my staff at any convenient time:

WASHINGTON, D.C.: FORTUNE, FACT, AND FICTION

A recent, highly controversial article in *Fortune* magazine took a look at what it called the "Washington tourists don't visit—a city of marble built on a foundation of sand."

In seven grim pages, the article purported to take the District of Columbia's measure in relation to other major cities, and concluded flatly that in important respects "Washington is one of the sickest cities of all."

Had the article appeared in a less prestigious publication, or one whose subscribers did not happen to include the elite of the U.S. investment and corporate worlds, it wouldn't have caused much of a flurry. But *Fortune's* words carry weight. The leaders of the District of Columbia's civic, governmental and business community responded quickly—and deservedly—pointing out the article's factual inaccuracies, and decrying its wholly negative portrait.

Fortune printed the complaints in its next issue, and the controversy simmered down.

Looking at the flap cover over the article in retrospect, several thoughts emerge:

Washington continues to suffer from an unduly negative image, much of which is based on outdated or plainly erroneous information. The District, for example, is still widely thought of as "the crime capital of the U.S.," when in fact its crime rate is significantly lower than other cities its size. Washington is often pictured as a city filled with low income blacks, while in fact it has a higher per capita income than any other city except Los Angeles among the 20 largest in the country.

Although it offered one of the most jaundiced journalistic views of the District printed in years, the *Fortune* article's underlying theme had some merit: Washington, D.C. has come to a crossroads that will determine its fate for the rest of this century. The advent of Home Rule means a wholly new—and not completely predictable—set of conditions for the District, its residents and business enterprises. In the immediate three to four years ahead, the city will either usher in a sustained period of economic development and boom, or lead to a period of stagnation.

Whether it likes it or not, Washington is in direct competition with other cities and metropolitan areas for investment dollars. If it fails to attract new investments—by not spreading the word about its many positive qualities, or by failing to meet the challenges thrown down by Home Rule—it will inevitably find itself stuck in an economic rut.

Let's take a brief look at some of the facts about Washington—its real strengths as well as its real problems—and finally at the challenges and opportunities inherent in Home Rule.

MYTHS DIE HARD

Old myths about the Nation's Capital die hard. Visitors from other parts of the country and abroad often come with the impression that Washington is the most unsafe city in the U.S. They remember slogans about D.C. crime that were made into national campaign issues during the 1960's, and assume that the same situation still prevails. The reality, however, is that of the 20 largest cities, Washington's overall crime rate ranks 13th. The entire Washington metropolitan area's crime rate ranks 59th. These figures are indeed improvements over the 1960's, and have been achieved not only by vigorous police work, but by improvements in the D.C. community attitude toward police.

Big cities in general have crime problems, but relatively speaking the District is in much better shape than most.

Another persistent myth widespread in the country is that as a predominantly black city the District is therefore a poor city. Nothing could be farther from the facts! No major city in the country, with the sole exception of Detroit has a higher median black family income than Washington. No city out of the 20 largest has so few black families or individuals below the poverty line (17 percent) as the District. No city anywhere has as large or better educated a black middle class. Vast expanses of the District are filled with neighborhood after neighborhood of beautifully kept homes and yards that are indistinguishable from suburbs anywhere in the country. These are predominantly black middle class neighborhoods and represent an essential part of the *real* Washington "that tourists don't visit."

But one rarely reads about their existence or prosperity in national news articles. Camera crews and reporters never fail to visit the city's renewal areas, but somehow never find their way to the far large expanses of residential Northeast D.C. or Northwest east of Rock Creek Park.

Perhaps as a by-product of the myth of Washington as a city filled with poor blacks, the District's impressive economic record appears to be one of the best-kept national secrets. Clarence A. Arata, Executive Vice President of the Metropolitan Washington Board of Trade, reports that in his contacts with businessmen in other parts of the U.S., he finds they are astounded at the strength of the District's economy. "They have absolutely no conception of how strong Washington's economic base is," he notes. Yet for years the District consistently has had one of the lowest unemployment rates among large cities (currently 5.3 percent as compared with the national average of 8.9 percent). For years it has been the core of what *Sales Management* magazine describes as one of the several most dynamic consumer markets in the nation. For decades the District has reaped the benefits of the rapid growth of the Federal Government. Of all the major cities in the country, more has an economy whose chief employer (300,000 jobs, $500 million in new office building construction currently underway) has the "full faith and credit" of the U.S. Government behind it. And none has as solid a second major industry: tourism. Washington is the number one tourist attraction in the U.S. with 20 million visitors (who spend $1 billion) a year, and an estimated 35 to 40 million tourists expected during the 1976 Bicentennial.

The District's economic base is far more diverse, of course, than the government establishment and tourism. Washington is a major financial center in its own right, a giant in the publishing and communications industries, number one in the country as a headquarters for national trade groups, and has a significant (but little publicized) variety of light industry located within its borders.

At a time when many other big cities are literally on the brink of fiscal collapse and are forced to curtail services drastically, Washington, D.C. is in comparatively good shape. Its $1 billion annual municipal budget—second in size only to New York City's—is supported by both local revenues and compensation from the Federal Government. Unlike New York and others, however, D.C.'s budget has to be balanced by law, and thus the city hasn't borrowed recklessly in the capital markets to make everyday ends meet.

At a time when many large cities are losing population at a rapid rate, especially in the middle and upper income brackets, Washington's total population is declining marginally, but its number of households is actually on the increase. Between 1960–1970, for example, Washington lost 7,500 persons (1 percent of its population) but gained 10,500 households (a 4 percent rise). While larger families moved outwards to the suburbs, in other words, 1–2 member households moved into the city in significant numbers. This is an extremely important fact for the District's economy because these newcomer households tend to be younger and more affluent people than the population as a whole. They are typically working singles or couples employed downtown, earn good salaries, pump much of it back into the local economy, but don't put pressure on schools, social services, parking facilities, streets, etc. They live in apartments or townhouses in the city because they prefer to be close to their jobs and want the sort of amenities and lifestyle that the city offers but suburbs never will.

The Washington they live in—contrary to another persistent myth—is by no stretch of the imagination the "sleepy southern town" wedged between Virginia and Maryland that bored congressmen used to complain about. The District is rapidly becoming the cultural and artistic leader of the nation, helped along by the John F. Kennedy Center for the Performing Acts, the Hirshhorn Museum and Sculpture Garden, Arena Stage, the revived Corcoran Gallery, the National Gallery, the Renwick, the Phillips, and a healthy group of art galleries located downtown.

Washington is also on the verge of becoming the most advanced city in terms of transportation access downtown and to the surrounding metropolitan area. When the first stretch of the 98-mile, $4 billion Metro subway system becomes operational next year, the multi-decade transformation of the "sleepy southern town" on the Potomac into the busy center of a dynamic and growing metropolitan area will be virtually complete. As Pat Foley, Executive Vice President of the California-based Hyatt Corporation said at the topping out ceremonies for the new 925-room, $35 million Hyatt Regency Washington Hotel in May, D.C. has become "the place to be" if a corporation such as his wants a truly national reputation and scope.

THE OTHER SIDE

Recognition of the District's numerous economic and social strengths is important. But so is acknowledgement of the District's problems.

It is unpleasant but true that:

Seven years after the riots that followed the assassination of the Rev. Martin Luther King, Jr., much of the damaged 14th Street corridor and associated neighborhoods are still not rebuilt. Entire blocks are in worse physical condition than they were in 1968 because they have since been burned, vandalized and abandoned. Why has nothing been done? The answer is a complex one, but essentially boils down to a record of bureaucratic delay on the part of the city government and the Redevelopment Land Agency, and a lack of concern and subsidized housing funds on the part of the Federal Government, chiefly the Department of Housing and Urban Development (HUD). Private business is "ready to help rebuild the riot corridors," says James Denson, Executive Director of the D.C. Chamber of Commerce, "but there's got to be an organized plan, there's got to be incentive on the part of the government for things to happen."

Five years after planning began on a $20 million downtown civic and convention center, nothing has been accomplished. The original center, advocated vigorously by the Metropolitan Board of Trade and other organizations, was blocked by an appropriations subcommittee chairman in Congress. With Home Rule and the arrival of congressional committee chairmen whose sympathies are with the District, there should be no reason why the center cannot become a reality. The center's proponents calculate that the facility will pay $2.5 million in direct taxes back to the city treasury a year, and will generate huge new side enterprises needed to handle the increased convention traffic A $50 million, 1200-room hotel, plus a $50 million housing-office-and hotel complex were to have been built near the original center site by private groups, according to Board of Trade Executive Vice President Arata.

"The convention center is one of the most important keys to reviving and opening up the whole downtown area," he says. "With the Visitors' Center (at Union Station) at one end, and the convention center at 10th Street (Mt. Vernon Square), the entire inner city east of 16th Street will be opened up for new investment in housing and business. Without the center, the area doesn't have as bright an immediate future."

Despite high per-pupil expenditures, the District's public school system continues to be a national embarrassment. D.C. public school children consistently score far below U.S. norms, standards of teaching and classroom behavior do not appear to be high, and the school system continues to be wrapped up in political controversy and bureaucratic red tape. The impact of low quality schools on Washington's residents is clear: Those who are wealthy enough, whites and blacks, send their children to private schools. Those who are mobile enough, often middle class blacks with 2–4 children, move out to the suburbs. And the poor, whose children stand to benefit most from contact with economically better advantaged children, become the chief users of the public schools. Ending the politicization of the school system is the first step needed to begin reviving what should be a model educational program.

The city government has committed itself to a number of revenue and municipal policies that can only retard economic development in the District. The most serious step has been to move for enactment of a 1 percent gross receipts tax, affecting most businesses and professional enterprises in the capital.

Despite the fact that virtually every other city, county or state that has tried the gross receipts tax approach (e.g., New York City) has abandoned it as inequitable and difficult to administer, the District government is intent on using it to balance its budget for the coming year. Witness after witness at public hearings in April testified that a gross receipts tax—a levy that bears no relation to profitability—will (1) drive many businesses to the suburbs permanently, (2) put some medium sized and small minority businesses out of existence, (3) keep away new investment, and (4) raise prices for consumer goods.

"No one in his right mind would start a new business or relocate to a city in which his first year's gross receipts were going to be taxed," said one prominent D.C. business leader. The District already taxes corporations at a rate higher than either Maryland or Virginia (8 percent versus 7 percent and 6 percent respectively). Adding on a gross receipts tax, even for only a year, as the City Council has proposed, could be extremely destructive.

Another policy that retards development is the retention of the building height limit. As it is now, much of the downtown commercial core is turning into an unvaried, architecturally unexciting 12-story plateau.

A far better development pattern—observable in cities like Toronto—would be to permit greater densities at key economic sites in several parts of the city. Toronto's development "clusters" are located at its major underground subway terminals, and include high rise office buildings, housing, entertainment and hotels. With Metro now in progress, the District could do the same, and attract enterprises that need high densities to overcome high initial land costs, but currently feel "zoned out" of Washington.

These are some of the significant economic problems and challenges facing the District as it charts its course for the remainder of this century. There are others, naturally, just as there are other strengths that weren't discussed above.

The biggest challenge of all, however, will be making full use of Home Rule as the enormous problem-solving, economic development tool which potentially it is. The best use of that tool will be to foster a climate in the District that attracts, rather than scares away, private industry; and that encourages a rich diversity of employment, rather than a flight of jobs elsewhere.

Jobs are the key to Home Rule's success. If the District loses its non-governmental sector through lack of sound development policies for downtown, Washington could become another Newark.

Under Home Rule the District needs an aggressive, adequately-funded new Business Development Office in City Hall, a tax policy sensitive to large as well as small businesses, a Convention Center downtown, and extensive use of its $42 million Community Development Block Grant funds to rebuild the riot corridors.

Only then will the Washington that "tourists don't visit" become Washington that no one can afford to ignore.

CITIES OF OVER 100,000 POPULATION, RANKED BY FBI CRIME INDEX

1. New York
2. Chicago
3. Los Angeles
4. Detroit
5. Houston
6. Dallas
7. Philadelphia
8. Phoenix
9. Baltimore
10. St. Louis
11. Boston
12. San Francisco
13. Washington, D.C.

Source: Compiled from FBI Uniform Crime Reports, 1974 Preliminary Release, March 1975.

CONGRESSMAN ROBERT H. MICHEL'S SPEECH TO THE EXECUTIVE DEVELOPMENT SEMINAR AT THE UNIVERSITY OF ILLINOIS

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. MADIGAN. Mr. Speaker, with the increasing concern about Government regulation, I would like to share with you a recent speech by my colleague from Illinois, Bob Michel, to the Executive Development Seminar at the University of Illinois.

The distinguished minority whip speaks with commonsense and insight regarding the issue of regulatory policies and the need to return more decisionmaking power to the people.

Congressman Michel is an effective advocate of limiting the role of government in our society and a strong supporter of private enterprise in a free and growing economy. His comments deserve our attention:

Address to the Executive Development Seminar, University of Illinois, Champaign, June 14, 1975

(Speech by Congressman Robert H. Michel)

Before getting into my remarks on the subject of the government's role in the regulation of business, I want to take the opportunity to congratulate the University of Illinois and those who have had a part in bringing about this executive development program.

It strikes me that efforts of this type are badly needed in these days when the management of business has become an incredibly complex matter, not just because of the sophistication of modern technology and the complexity of the marketplace in our remarkably diverse and ever-changing economy, but also because of precisely the sort of thing we shall be discussing today. The modern executive can no longer succeed on the basis of a thorough knowledge of his business alone. He may be a whiz at engineering, production, marketing, advertising or accounting—or for that matter all of the above—but unless he understands and can deal with government and its role in the economy, he will be at a celar disadvantage.

Now having said this, I should make clear at the outset something which I think will become obvious as we go along today, and that is that I am not particularly happy about all of this. My opinion is that government has intruded far too much into the conduct of business, and for that matter into the daily lives of all our citizens.

Certainly we have come a long way from the day when a President of the United States, Calvin Coolidge, could say "The business of America is business". That statement, by the way, is still true, but we can get a clear idea of how the attitude of America has changed by considering the kind of reaction that would greet such a statement were it to be made by a President today.

Just the other day I listened to a very respected Chairman of the Board of one of our large corporations and a Director of several others tell us that he no longer speaks of our "Free Enterprise System", but rather our "Economic System" because in using the former term he is immediately put on the defensive by the academicians.

America has some very serious economic problems right now, and I regret to have to report to you that for a great many people, it is business and the businessman who has come to be thought of as bearing the lion's share of the blame for those problems. Words like "profit" and "capital" are spoken of with strong negative connotations. That's bad and represents a potentially dangerous circumstance, one which can have severe long-range consequences for the American economy. For it is in the creation of capital, and the earnings of profits that the solutions to our present economic malaise will be found, and unless the American people come to understand that fact, I fear that we shall be condemned to continuing bouts of inflation and unemployment, both of which are directly traceable to misguided government actions by both the executive and legislative branches, and by both political parties.

But as is often the case, there are many who continue to be oblivious to the fact that it is the medicine of government interference that is killing the patient, and that increasing the dosage is only going to compound his sickness.

But lest my remarks be taken as wholly pessimistic, I would like to report to you that mixed in with a bagful of specious and dangerous new interventionist proposals, there are some positive signs too.

Perhaps the most encouraging of all of these is the new attitude that is developing across the political spectrum with regard to those agencies of government which are involved in the direct regulation of businesses.

Liberals and conservatives alike are coming around to the view that much of this regulation is unwise and unneeded, and so I think that there is a very real chance that in the next few years we may see some general reduction of the prerogatives of these agencies, and a corresponding increase in reliance on market factors and private decision-making in dealing with business and the economy.

I grant you that these developments are not isolated from trends in the opposite direction. There is, for example, the proposal for the creation of an Agency for Consumer Advocacy, which is very much with us, having passed the Senate last month, and which represents an increase in government interference in business matters.

Nonetheless, there are stirrings toward deregulation, and as I said, they are coming from liberals as well as conservatives.

A word should be said as to why liberals, historically interventionist in their outlook, are having some second thoughts. Their motivation is not the same as mine, although I share the concern which moves them. They have seen that it is often difficult to separate the regulator from the regulatee, which indeed it is. Railroad interests dominate the Interstate Commerce Commission. The television networks have great influence on the Federal Communications Commission. Utility companies have substantial clout with the Federal Power Commission and so on.

That sort of problem is, it seems to me, inherent in a regulatory system, and represents one of the very real liabilities of such a system. I know of no way to avoid it, short of the even more dubious idea of filling the various commissions with persons who know nothing at all about the business they are to regulate.

That concept, by the way, is part and parcel of the approach taken in the Consumer Protection bill, which would empower the generalized consumer interests to intervene into specific business situations of all sorts. If it becomes law, one of two things is bound to happen: either irrational decisions will be made by an agency without the expertise to consider the problems of a given industry rationally, or those very industries would move in again and place persons who know what they are talking about into the agency, which is to say that the regulators would once again tend to merge with the regulatees.

Any discussion of any subject ought to begin by defining what it is we are talking about. Sadly, but perhaps predictably, when one is discussing the topic of government regulation, that is a very difficult proposition.

Ask fifteen different experts, for example, to list the various agencies in the government which are involved in the regulation of business, and you will find none of the lists identical. In other words, it's anybody's guess as to just what a regulatory agency is.

The list which I have prepared then,* may be challenged as incomplete, and undoubtedly it is. I believe, however, that it contains the major ones.

Of the 18 agencies which I have listed, 12 are so-called "independent agencies", which is to say that they exist outside the executive departments whose heads comprise the President's Cabinet. The other six are parts of those departments, and are thus responsible to cabinet members.

Some of the agencies are concerned with the financial structure of the industry or industries involved, the Federal Communications Commission and the Securities and Exchange Commission, for example. Others are designed to promote certain social goals, such as safety, health and equality; examples of this type would be the Environmental Protection Agency, the Occupational Safety and Health Administration, and the Food and Drug Administration. Still others do both, for example, the Interstate Commerce Commission, which decides on such financial decisions as which truck lines get which routes, and on what safety standards shall be in force for railroads.

Some agencies deal with a single industry, others, EPA, OSHA and the EEOC, for example, operate across the economy.

But all share in common this unifying goal: they would prevent from being done those things (presumably bad) which otherwise would be done by an individual business acting in its own economic interest.

That is a laudable goal, but it involves two important assumptions; we must understand and agree to those assumptions if we are to agree that regulation has a justifiable reason for existing.

The first assumption is that it is possible for someone in the government to judge that a given action by a given business is bad. These judgements are very difficult; how do you weigh, for example, as the Food and Drug Administration must, the relative merits of permitting the introduction of a new drug onto the market. Suppose that in the next six months the drug would save 100 lives. But there is a fifty per cent chance that it will cost 150 lives from undesirable side effects, and a 75% chance that it will cost 100 lives. Suppose further that if certification is withheld for six months, enough new testing would be done to reduce those figures to a 25% chance of costing 150 lives and a 50% chance of costing 100. What do you do? Do you sacrifice those 100 people whose lives you could save now, and whom you are in fact condemning to death by waiting the six months? Or do you go ahead, knowing that there is only a 25% chance you will be better than break even?

Which is the cautious course, and which the bold? The responsibility is tremendous.

The second assumption is that when businesses act in their own economic interest, they are not by that fact acting in the public interest. That assumption, too, is challengeable in my view, but the economic arguments involved are much too complex for discussion today.

But beyond questioning the very assumptions upon which arguments for regulation rest, I would like to discuss some very specific dangers which arise whenever we move from a free to a regulated market in a given industry.

The first of these has already been mentioned: It is that in a regulated market, political clout will tend to replace economic equity and justice in the making of decisions. This happens whenever the merging of regulator and regulatee occurs, as described earlier.

Or consider a recent case involving the Occupational Safety and Health Administration, the regulatory agency that is supposed to make sure that safe and healthful working conditions exist in factories and on work sites.

In May of 1971, OSHA promulgated a rule known as the "no hands in dies" rule designed to protect operators of huge power presses from the considerable risk to their limbs which goes along with their job.

Industry was given until August of last year to comply. In order to comply, they would be forced to make some substantial expenditures for new machinery to replace that which, by the rule, had been found unsafe. The tool-using industry protested, and on December 3, 1974, OSHA reversed itself and repealed the rule.

Now the repeal is being challenged by the AFL-CIO, and more importantly by the builders of machine tools. The reason for the builders position is clear: whereas the users of the machines don't want to have to buy the new machines, the builders, or sellers of those machines very much want them to have to buy.

I do not know how it will end. I do not even presume to know which case has justice on its side. But what seems clear is that the issue will not be decided on that question at all—it will be decided on the basis of which side has the greatest political clout.

Political clout is exercised not only by the rich as opposed to the poor, or the numerous as opposed to the few, but also the organized as opposed to the unorganized. Big business has more clout than small business; unions have more clout than non-unionized workers; organized consumer interest groups have more clout than non-organized consumers.

And when decisions are made through the political process, rather than the market process, it is political resources that will determine the outcome; economic considerations become secondary.

The second danger of regulation is that it tends to retard progress and innovation. This not only creates a general slowing of progress, but also a relative slowing for this country vis-a-vis other countries, a fact of considerable economic importance when one considers the importance of our balance of trade problems at present.

In the financial industry, savings and loan associations, credit unions and savings banks have been prevented from offering innovative services due to the rules of their various regulators. Airlines have had to delay or abandon many innovations for the same reason. The Food and Drug Administration has, in the view of many, held back on allowing new drugs on the market beyond the point of reasonableness. Indeed, the Senate sponsors of the Consumer Protection bill were forced to commit to a thorough investigation of the FDA in order to secure the votes they needed, so strong was the feeling that the FDA is simply not doing its job.

The third danger of regulation is that its true cost may not be taken into account.

There are a number of costs involved in regulation. First, of course, is the billions of dollars in tax revenues which are spent on keeping the agencies going.

But that is just the tip of the iceberg. In their role as consumers, taxpayers are also asked to shoulder the burden of massive paperwork which must be done by businesses in filling out the interminable forms which the regulators require.

A study last year by *U.S. News and World Report* indicated the following:

Washington agencies generate more than 2 billion forms each year—10 for every man, woman and child in the country.

Businesses must contend with 2,500 varieties of Federal reports—not counting tax returns.

The Internal Revenue Service uses nearly 14,000 different forms and letters.

Businessmen spend an estimated 18 billion dollars a year to fill out and return Federal forms.

That $18 billion, of course, becomes a part of the price consumers pay for goods, and represents a non-productive $18 billion drag on the economy—and that is enough money to provide nearly 2 million jobs, or to put it another way, to put 2 million Americans to work doing something productive for the economy.

There is also a cost to the economy in the loss in productivity due to the time and money spent in form-filling, the reduction in progress and innovation, and the uneconomic procedures which must be adopted in many industries to comply with the rules set by the regulators.

With regard to that point, the outstanding case is the trucking industry. The Brookings Institute, a prestigious, liberal think-tank in Washington, has estimated that trucking charges are inflated a full 20% because of trucker's obligations to comply with ICC regulations about who can haul what where. That amounts to almost $2 billion, virtually all of which is a dead loss to the economy.

What are we getting for this $2 billion? We are getting trucks that are obliged to return from one city to another empty, because they are not licensed to carry any commodities that are shipped in that direction. In a celebrated case in Tennessee, a trucker who delivered tomato paste to a pizza factory was prohibited from carrying finished pizzas back to the city from which the tomato paste was hauled, in spite of a clear market to do so.

In addition, many truckers are forced to travel by non-direct routes. A truck traveling from Des Moines to Peoria, for example, may be required to go by way of Missouri.

Two billion dollars worth of circuitous routes and empty back-hauls—a pretty high price to pay for nothing.

The transportation industry is surely the most over-regulated in our economy, and it is interesting to note that American transportation is regulated far more stringently than that of most free nations. In Great Britain, Canada and Australia, for example, deregulation policies have been in effect for a number of years, and by all reports have worked well. Each of the three, by the way, used a different technique in deregulating. In England, a phased, slow program was instituted, designed to gradually increase competition and decrease regulation.

In Canada, a province-by-province system was set up, a sort of local option, and the evidence suggests that in those provinces which have the least regulation, costs are lowest and service best. Australia took the most drastic action. They simply abolished their agency comparable to the ICC, and found, happily, that nobody missed it.

We have had one experience with deregulation in this country, and it is enlightening. A series of court decisions in the mid-1950's held that fresh-dressed poultry, frozen poultry, and frozen fruits and vegetables were not subject to transport regulation. The impact of the deregulation was subsequently studied by the Department of Agriculture, and it was found that the rates for fresh poultry fell an average of 33⅓%, frozen poultry 36%, and frozen fruits and vegetables 19%.

As part of the study, shippers were asked the advantages and disadvantages of regulated versus unregulated carriage. In overwhelming numbers, they said they got better service from deregulation.

Congress, by the way, couldn't stand a situation where the courts were interfering with their prerogatives, and in 1958 they reregulated frozen fruits and vegetables. Rates went up.

The situation in air transportation is just as bad as that in surface transportation. The Civil Aeronautics Board regulates the fares and routes of interstate airlines. Supposedly, they do so in order to assure the public of the greatest possible convenience, safety and comfort at the least possible cost.

In fact, they fall far short of that goal. A continual embarrassment to them, for example, is the existence of a number of intrastate airlines which do not come under their jurisdiction. Since a number of these intrastate airlines compete directly with the regulated, interstate lines, comparisons are easy to make, and when made always reflect poorly on the CAB.

The classic example is the case of Pacific Southwest Airlines, an intrastate carrier in California which serves the Los Angeles, San Francisco and San Diego markets. PSA now carries over 70% of the Los Angeles-San Francisco traffic, at lower rates and with better service than its regulated competition, United and Western Airlines. Several studies have shown conclusively that their ability to dominate the Number One airline market is directly traceable to their freedom from CAB regulation.

A recent and very comprehensive study by George C. Eads, published by the Brookings Institution, strongly concludes that the public would be well-served by a substantial relaxation of control over the airlines by the CAB, basing its conclusion not only on a study of the PSA situation, but by detailed and thorough economic analysis of the entire national air travel industry.

Eads finds that the principal arguments of those favoring regulation do not hold water. Specifically, he finds that deregulation would not lead to reduced safety, reduced service to smaller markets, less efficient service or higher fares, but in fact to precisely the opposite.

In addition to the transportation industry, Brookings has also argued for deregulation in the electric power, telecommunications, insurance, securities and banking industries, and their recently published study, *Promoting Competition in Regulated Markets,* is one of the most important documents on the subject of regulation in our time. I would only hope that they will continue their study, extending it into other regulated markets as well.

The case for regulation rests on the assumption that businesses will not, on their own, behave in a socially acceptable manner.

But that can only be true where a given business acquires sufficient economic power so that it can ignore the threat of competition, which is the natural regulator of business chicanery.

That is, business cannot be socially irresponsible unless it wields monopoly power. If that is true, and I believe that it is, then the appropriate role of government is the prevention of the acquisition of such power. This can be accomplished through the workable and traditional antitrust mechanism.

Where capital requirements are very, very high, entry into a given industry is difficult, and the possibility of monopoly power exists. It costs a heck of a lot of money to build a steel mill, for example, and sheer size thus acts as an impediment to competition.

So, perhaps government needs to be on its toes to make sure that monopoly power does not come to be exercised in an industry like steel.

But how can that be a concern in the trucking business, where any man with a truck, a driver's license and a telephone can enter the business? Of course it cannot, and therefore the massive regulation of trucking is completely unwarranted.

And what about railroads? To be sure, it would be virtually impossible for you and I to go out and acquire the vast rights of way needed to start a new railroad. Yet, in view of their financial picture, it can hardly be argued that today's railroads are gouging the public. Almost all of them are losing money. That is why I have suggested that what may be needed to solve both the financial problems of the railroads and the problem of competition in the railroad industry is for the government to acquire what could be considered the "trunk line" rights of way, roadbeds and track between the principal cities and then to drastically deregulate the carriers themselves.

Were that to be done, entry into the market would be open to anyone who wanted to buy the rolling stock and set up an office. I believe we would have more rail transportation companies, making more profits and providing more service to the public than currently exists.

That is, of course, another complex subject, and one beyond the scope of my remarks today, but I mention it because I want to make the point that I do not stand for a total disengagement of the government from concerns about the economy. Sometimes, government action is needed to promote competition. That is the case with antitrust laws and with my rail proposal.

It is clearly not the case with the great bulk of governmental regulation today, and for that reason, and in the best interests of your businesses and the American people. I shall do all in my power to support the encouraging trends toward rethinking our regulatory policies, and returning a greater share of decision-making power to the marketplace and the American people.

COMMENTS ON HOUSING BILL

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1975

Mr. PRESSLER. Mr. Speaker, it has been my policy, when voting on veto override attempts, to cast my vote in the identical manner in which I voted originally, unless a substantive alternative bill exists. Today I voted to sustain President Ford's veto of the housing bill. The key factor in my decision was the alternative housing bill introduced by the gentleman from Michigan (Mr. BROWN).

I must confess that I had serious reservations about the bill which we sent to the President. The conference report bore little resemblance to the package we sent to conference. The irresponsible and piecemeal additions tacked on therein seriously jeopardized the bill's chances of survival. I supported the bill only because the housing industry so desperately needs attention and assistance, and because at the time it was "the only game in town." Now, fortunately, that is not the case. I ask that Mr. BROWN's bill be given immediate and full consideration.

The Brown bill provides relief to the mortgagor who has been hurt financially by the recession and who faces loss of his home due to his inability to make his home mortgage payments. It also provides a substantial expansion of the emergency housing legislation passed last year authorizing Government National Mortgage Association—GNMA—to much more extensively participate in the encouraging of new housing starts and setting the interest rate on such mortgages at 7½ percent.

This legislation will provide relief to the mortgagor and stimulus to the housing industry in a much more cost-effective and timely way than the hodgepodge of programs which were incorporated in the red flag we waved at the President, drawing his veto.

Specifically, the Brown bill provides:

First. A combination direct loan and coinsurance program to provide relief to a mortgagor facing the loss of his home by authorizing payments of up to $250 a month for up to 24 months.

Second. An additional $10 billion for the purchase of mortgages by GNMA, 80 percent of which would be directed to the median, and slightly above, income family at a fixed interest rate of 7½ percent.

This alternative proposal was developed after having carefully considered objections being raised by officials at the Department of Housing and Urban Development and the administration to the previous legislation.

If the Congress is interested in providing as much help as possible, as timely as possible to the housing industry, we must promptly enact the substitute legislation Mr. BROWN has proposed. I shall work for this result and have urged my colleagues on the other side of the aisle who seek something other than confrontation to do likewise.

THE SUPREME COURT AND THE FREEDOM OF INFORMATION ACT

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Ms. ABZUG. Mr. Speaker, yesterday the Supreme Court in the matter involving statutory interpretation dealt a devastating blow to the Freedom of Information Act and the public's right to know.

In this case, Administrator FAA against Robertson, the Court ruled that some 100-plus statutes on the law books, most of which were enacted prior to the Freedom of Information Act, are authority to withhold information from the public. Many of these statutes grant broad discretionary authority to heads of agencies to determine what information will or will not be made available to the public. The case in question involves a statute conferring upon the Administrator of FAA the authority to determine what information would not be in the public interest to release should a party involved in the subject of the information object to such release.

This decision appears to me and many of my colleagues to be inconsistent with the congressional intent of the Freedom of Information Act. The Freedom of Information Act contains nine exemptions from disclosure, exemptions which the courts have continually ruled be strictly construed. One of these exemptions, subsection (b)(3) exempts information, "specifically exempt from disclosure by statute." Yet the Court found that statutes granting broad discretionary authority would be considered "specific" under the Freedom of Information Act. This is tortured reasoning at best, especially since the majority opinion relies in part on the fact that Congress did not see fit to amend this subsection in 1974.

As a member of the subcommittee which drafted the 1974 amendments to the act and as chairman of that subcommittee at this time, I disagree with the Court's interpretation of the legislative intent.

Our highest court has spoken, however, and has in effect thrown the ball back into our court. It is clear that an additional amendment must be made to the Freedom of Information Act to correct the situation presented by this case. I intend to introduce a bill shortly which will clearly define which other statutes would be considered specific justification for withholding information from the public under the Freedom of Information Act.

U.S. SCIENTISTS PROTEST SOVIET ACTIONS AGAINST SCIENTIFIC SEMINARS

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Ms. HOLTZMAN. Mr. Speaker, Jewish scientists who have tried to emigrate from the Soviet Union have suffered harsh reprisals. For example, most have been refused the right to continue their scientific work.

A number of these scientists have courageously insisted on preserving their professional skills by participating in scientific seminars. They have received threats from the Soviet Government for doing so.

I call to the attention of my colleagues a cable sent by 14 prominent scientists—including 4 Nobel Laureates—to U.S.S.R. President Nikolai V. Podgorny, Secretary General Leonid Brezhnev, and State Chairman/Science and Technology Kirillin. The text of the cable follows:

> New attempts by the Soviet authorities to close down the weekly scientific seminar led by our colleague, Dr. Mark Azbel, are viewed by the undersigned with alarm.
>
> The seminar, devoted purely to the pursuit of group scientific activity, has been held with peaceful intent for three years and has produced much valuable work. It represents the only way an increasing number of Soviet scientists can maintain their intellectual and professional lives in the face of continued denial of their applications to emigrate to Israel.

We are outraged by the accusation that the seminar is a center for "anti-Soviet activity" or that it is a forum for anything other than scientific discourse. Those who have attended the seminar can attest to its nonpolitical character.

The participants are neither "criminals nor traitors"; they are highly respected scientists whose work is known and admired throughout the world. Their efforts to remain part of the international scientific community at all costs have drawn sympathy, admiration and support from Western scientists, whose enthusiasm for scientific exchange with the Soviet Union decreases in direct proportion to the increase in personal threats and punitive measures against Dr. Azbel and his colleagues.

The signators were: Christian Anfinsen, National Institutes of Health; Julius Axelrod, National Institute of Mental Health; Lipman Bers, Columbia University; Raoul Bott, Harvard University; Owen Chamberlain, University of California; Leo Goldberg, Kitt Peak National Observatory; Gerhard Herzberg, National Research Council of Canada; Kurt Isselbacher, Massachusetts General Hospital; Benjamin Lax, Massachusetts Institute of Technology; Stuart Rice, University of Chicago; Harold Scheraga, Cornell University; Sylvan Schweber, Brandeis University; George Wald, Harvard University; Oscar Zariski, Harvard University.

FOREIGN TRAVEL HUGE TOURIST INDUSTRY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. RHODES. Mr. Speaker, foreign tourist travel to the United States is an important segment of our huge tourist industry. In addition to fostering understanding among the peoples of the world community, it contributes to our favorable balance of payments and provides jobs for millions of Americans.

I am pleased to have cosponsored H.R. 8188, the International Travel Act Amendments, which was passed by the House today. I believe that H.R. 8188 will do a better job of furnishing the assistance to the tourist industry that Congress wants to provide without the objectionable features which required the President to veto H.R. 5357. Essentially H.R. 8188 provides adequte funding for an effective U.S. effort to encourage foreign travel to our country. At the same time, it avoids Federal competition in the promotion of domestic tourism efforts by the State, and private programs. States, localities and the private tourism industry are currently spending in excess of $250 million annually in the promotion of domestic tourism. The industry and States are doing a fine job in their promotion and there is no need for the Federal Government to unnecessarily duplicate efforts or compete with them.

I am pleased that this bipartisan bill has been enacted so quickly. I am pleased and encouraged with the kind of bipartisan efforts on this legislation. It is important that we work out provisions so that the needs of the country can be served without a stalemate. I am hopeful that in the future we can take up important issues, work out points of controversy and present legislation to meet our national needs in an efficient way before the confrontation of the veto. Our new tourism bill is an example of a cooperative effort. I extend to my colleagues my desire and willingness to participate in more of this kind of constructive effort—for the good of the House and the good of the country.

NATIONAL HEALTH EDUCATION AND DISEASE PREVENTION ACT OF 1975

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. ROGERS. Mr. Speaker, I have today introduced and would like to call the attention of the Members of the House and the public to H.R. 8278, the National Health Education and Disease Prevention Act of 1975. I am attaching to these remarks, for the interest of those who wish to study this important new legislation, a summary of the provisions of the act and a copy of its text. I am pleased to be able to say that I am joined in cosponsoring this important legislation by most of the members of the Subcommittee on Health and the Environment of the Interstate and Foreign Commerce Committee, which I chair, including Mr. PREYER, Mr. SYMINGTON, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARNEY, Mr. CARTER, Mr. BROYHILL, Mr. HASTINGS, and Mr. HEINZ.

This legislation will serve three major purposes. It revises and extends the existing authority for disease prevention and control programs which expire this year. These revisions are modest and similar to those proposed by the Department of Health, Education, and Welfare in their draft legislation. It revises and extends existing authority for the control and prevention of venereal diseases, authority which is also expiring this year. Finally, it creates new legislative authority for programs concerned with health information, education and promotion for the public, preventive health services, and public education in the appropriate use of medical care. This part of the legislation incorporates and builds on pioneer work done in this area by Dr. TIM LEE CARTER, our ranking minority Member, in his development and sponsorship of H.R. 5839, the National Health Education and Promotion Act of 1975.

In our work on health care in this country, we hear common complaint that people do not know what kind of medical care to seek, when to seek it, how to judge its cost or its quality, how to take care of themselves—either to maintain their own health or to respond properly to whatever diseases they may have—what preventive health services they should use with what frequency, or what effects medical treatment and drugs may have upon them. The proposed legislation responds to these complaints with a wide variety of new authorities intended to open the health care system and the knowledge which it possesses to the public and make it increasingly possible for them to care for themselves, and use the health system appropriately and effectively. Some of the ideas incorporated in the proposed legislation may prove controversial but I think that the importance of the subject cannot be denied. It is my intention to explore these possibilities in hearings within the next few months and subsequently to rewrite this proposal as much as we find necessary.

The proposed act has three titles. The first deals with programs in health information, education and promotion, preventive health services, and education in the appropriate use of health care. The second revises and extends expiring programs concerning disease prevention and control, venereal disease control, rodent control, and lead-based paint poisoning. The third contains an amendment concerning the status of Guam as a state.

The legislation would authorize the programs involved for fiscal year 1976 through 1978 with authorizations of appropriations as shown in the following table:

AUTHORIZATIONS OF APPROPRIATIONS FOR THE NATIONAL HEALTH EDUCATION AND DISEASE PREVENTION ACT OF 1975

[In millions of dollars]

	Present amount authorized in 1975	New authorizations			
		1976	1977	1978	Total
National Institute for Health Information, Education and Promotion, § 1711	0	40.0	50.0	60.0	150.0
Disease Prevention and Control, § 317	45.0	35.0	40.0	45.0	120.0
Venereal Disease Control Program, § 318	62.5	37.5	37.5	37.5	112.5
Total	107.5	112.5	127.5	142.5	382.5

TITLE I—HEALTH INFORMATION, EDUCATION AND PROMOTION

This title would create a new title XVII in the Public Health Service Act dealing generally with programs concerning health information, education and promotion, preventive health services, and education in appropriate use of medical care. It is to be cited as the "National Health Information, Education and Promotion Act of 1975".

The health information, education and promotion programs encouraged by this authority would concern themselves with providing information about health and disease to the public in a variety of different forums, educating the public in the use of this information and its implications for their daily lives, and promoting patterns of living and behavior which will improve and maintain health, and respond appropriately to disease. The preventive health service authorities are oriented toward defining appropriate preventive health services and measures, and encouraging their use by the medical profession and the public. The authority for education in the appropriate use of medical care is concerned with aiding the public in its ability to choose and use medical care of appropriate cost and quality, in appropriate times and places, and suited to people's actual needs for such care. While these three concerns of the new authority are in some degree distinct and therefore require somewhat separate and different activities, they overlap and relate closely enough to each other that it is proper to deal with them in a single legislative package.

The new title has two parts. The first provides the Secretary of HEW with general authority and specific requirements respecting his activities in the area. The second creates and describes a new National Institute for Health Information, Education and Promotion. In addition this title contains one amendment to the Food, Drug and Cosmetic Act concerning the availability of information on prescription drugs.

PART A—SECRETARY'S AUTHORITY AND REQUIREMENTS

GENERAL AUTHORITY

New section 1701—Provides the Secretary of HEW, acting through the new National Institute for Health Information, Education and Promotion created by part B, with general authority for activities in the field of health information, education and promotion, preventive health services, and education in appropriate use of medical care. These authorities include requirements and authority for:

First, formulating national goals and a strategy to achieve such goals with respect to the legislation's concerns,

Second, analyzing the needed and available resources to implement the goals,

Third, undertaking and supporting activities and programs which will encourage and enhance health education, health knowledge, and the evaluation of innovative health education concepts,

Fourth, undertaking and supporting research and demonstrations in the area,

Fifth, undertaking and supporting training programs in the area,

Sixth, undertaking and supporting improved planning and implementation of health planning programs of Public Law 93-641.

Seventh, fostering the exchange of information and cooperation in these areas, and

Eighth, providing technical assistance to those working in them.

The Secretary is required to administer the new title in a manner consistent with the national health priorities and health planning programs of Public Law 93-641.

FEDERAL PROGRAMS

New section 1072—Requires the Secretary to:

First, make recommendations to the Congress for the inclusion in legislation which it is considering of appropriate provisions respecting health information, education, and promotion, preventive health services, or education in the appropriate use of medical care,

Second, identify Federal legislative proposals which would have, if enacted and implemented, adverse effects on public health and make recommendations for the improvement of such proposals so that they will enhance the public health,

Third, identify Federal programs which are not consistent with the public health and make recommendations to those responsible for them for changes in them which would make them consistent with public health, and make public the recommendations, and

Fourth, establish a liaison with other Federal agencies with activities relating to or affecting health for the purpose of coordinating, assisting, and evaluating those activities.

REQUIREMENTS APPLICABLE TO PROVIDERS OF INSTITUTIONAL MEDICAL CARE

New section 1703—This section requires the Secretary of HEW to implement, with respect to health insurance programs and programs in which Federal funds are used to pay for health services which lie within the Committee on Interstate and Foreign Commerce's jurisdiction, various standards and findings which the Secretary is required to develop under other parts of the proposed legislation. Thus in subsequent sections of the proposed legislation the Secretary is required to develop standards for the provision of health education services by providers of institutional health services, standards for publication by the States of information respecting medical care costs and quality, and health insurance policies and findings as to the cost effectiveness of various preventive health services.

Specifically this section would require:

First, that programs or projects funded under the Public Health Service Act, the Community Mental Health Centers Act, the Alcohol Abuse Act, or the Drug Abuse Act which provide institutional health services, as defined in Public Law 93-641, meet standards as a condition of their funding under such acts for the health education of patients receiving such services. The standards to be met are to be developed within 2 years of the date of enactment by the National Institute for Health Information, Education, and Promotion as one of its mandated research activities and are to be met by the providers of institutional health services within a year after their development by the National Institute. The nature and purpose of the standards will be described in more detail in the section requiring their development but the provision in general is intended to assure that appropriate health education is given to patients when they receive health services with respect to those services and the diseases which they are intended to diagnose or treat.

Second, providers of institutional health services whose costs or charges are reimbursed under the medicaid program, title XIX of the Social Security Act, to meet the same standards for health education when providing such services described above as a condition of their payment under the medicaid program. The same deadlines described above, which make the requirements applicable a year after their development, apply to this provision. The Secretary is required to assist the providers in the States (who will be responsible for assuring that the standards are met) in meeting them. A specific requirement is included that the costs of providing the required health education in connection with the provision of institutional health services are to be reimbursed under the medicaid program as a part of the costs of the specific services in conjunction with which the educational services are provided.

Third, the States to publish for their residents information respecting the cost and quality of medical care provided in the State, and information respecting health insurance policies offered within the State. States which do not comply with this requirement will be penalized by a 2-percent reduction in their Federal matching under medicaid. Their costs of meeting this requirement are to be included in their administrative costs, matched at a 90-percent rate under medicaid. In providing this information they are to meet standards for doing so which are again to be developed by the National Institute for Health Information, Education, and Promotion. The Institute is again given 2 years in which to develop the required standards and the States will not have to meet them until a year after their development.

Fourth, the Secretary, beginning 3 years after the date of enactment, to deny payment under the medicaid program for any preventive health measures or services which he has determined are not cost effective. In a manner similar to the provisions described above, the National Institute for Health Information, Education, and Promotion is required in its research programs to determine the cost effectiveness of various preventive health measures and services in order to provide a mechanism for supporting this requirement of the Secretary.

REPORTS

New Section 1704—Requires the Secretary, after consulting with a new National Council on Health Information, Education and Promotion required by the legislation, to submit annual reports to the Congress on the status of health information, education and promotion, preventive health services, and education in the appropriate use of medical care. The content of the reports is specified to include descriptions of activities carried out under the legislation and legislative recommendations. Both the Office of Management and Budget and the National Council on Health Information, Education and Promotion are provided an opportunity to comment on the report for the Congress if they feel it appropriate.

PART B—NATIONAL INSTITUTE FOR HEALTH INFORMATION, EDUCATION AND PROMOTION

ESTABLISHMENT OF INSTITUTE: AUTHORIZATION OF APPROPRIATIONS

New Section 1711—Requires the establishment in the Department of Health, Education and Welfare of a National Institute for Health Information, Education and Promotion. The Institute is to be under the direction of a Director appointed by the Secretary, and supervised by the Assistant Secretary for Health, who is to be paid at a rate equal to level IV of the Executive Schedule. Authorizations of appropriations for grants and contracts by the Institute authorized by this part of the legislation are given in the amounts of $40 million for fiscal 1976, $50 million for 1977, and $60 million for 1978.

RESEARCH PROGRAMS

New Section 1712—Requires the Secretary, acting through the Institute, to conduct within the Department, support by grants and contracts, and encourage others to support research in health information, education and promotion, preventive health services, and education in the appropriate use of medical care. In doing so the Secretary is required to develop a plan for the authorized research, make grants and contracts which will be in accordance with the plan, and provide consultation and technical assistance to people needing help in preparing research proposals or conducting such research. As a part of the research activity the Secretary is specifically required to:

First, determine the best methods of disseminating information on personal health behavior, preventive health services, and the use of medical care and of affecting behavior so that the information is applied to maintain and improve health, prevent disease, reduce its risks, or modify its course or severity.

Second, determine and study the environmental, occupational, social and behavioral factors which affect health, and educational and preventive measures which would improve the effect those factors have on health.

Third, within 2 years of the enactment of the legislation, develop model approaches and standards for health education, by providers of institutional health services, of individuals receiving such services respecting the nature of the services provided and the diagnoses which led to their provision. These standards, when developed, would have to be met by providers of institutional health services funded under acts within the committee's jurisdiction in their provision of such services. This would thus tie health education into the actual provision of health service, the point at which it is most likely to be received and absorbed by the patient, and would encourage and enhance the amount and quality of such education by developing new methods for doing it, materials for assisting it, and requiring their use.

Fourth, enumerate and assess specific preventive health measures and services with respect to their cost effectiveness under various conditions of use. Under this provision the Secretary would be required to list the many suggested measures for detecting and preventing illness (such as tonometry of glaucoma, Pap smears for cervical cancer, annual physical examinations, screening blood pressure tests, and periodic stress cardiograms), apply existing methodologies for determining the cost effectiveness of such measures in various different situations and types of programs, and determine which of them are in fact, cost-effective. These determinations would then be used to govern reimbursements under programs within the jurisdiction of this committee which pay for the delivery of preventive medical services.

New section 1712 also requires the Secretary, acting through the National Center for Health Statistics in coordination with the National Institute for Health Information, Education and Promotion, to conduct a continuing survey of the needs, interests, attitudes, knowledge and behavior of the American public regarding health and medical care. This survey is to provide a data base for the development of policy respecting the concerns of the new legislative authority, and guiding research and other program activities under it.

COMMUNITY PROGRAMS

New Section 1713—Requires the Secretary, acting through the Institute, to conduct and support, and encourage the support of new programs in health information, education and promotion, preventive health services, and education in the appropriate use of medical care. Among the programs which are to be supported are:

First, demonstration and training programs in such matters in hospitals, ambulatory care settings, schools, day care programs and other such locations with reasonable objectives which emphasize the prevention and moderation of illness or accidents which appear controllable through individual knowledge and behavior.

Second, developing model curriculums in such subjects for use in teaching them to health professional students in health professional schools, and to the general public in public schools.

Third, developing materials for public service use by the printed and broadcast media and materials for providers of health care to use in providing health education to their patients. The latter materials would be consistent with the standards for the provision of such health education to be developed by the Institute and would be available to providers to assist them in meeting the standards. They might include pamphlets on various diseases, model explanations of various diagnostic and treatment procedures, and other educational materials for patients geared to specific diseases which are common and significant in our society including cardiovascular disease, cancer and diabetes, and

Fourth, toll-free telephone systems which would use recorded tapes and other methods to provide the public with health information, information on available health services, crisis information, and directions for obtaining health-related publications.

Under this section the Institute would also be required to fund at least 10 independent centers for research and demonstrations in health education. These centers would be responsible for developing new material in health education, doing research on health information, education and promotion, preventive health services, and the appropriate use of health care, and doing training in the area. Requirements for the centers are given, including requirements that they have a full-time director, be located within academic institutions, and have a specific research program.

INFORMATION PROGRAMS

New section 1714—Requires the Secretary, acting through the Institute, to undertake and support, and encourage the support of activities which will make information respecting health information, education and promotion, preventive health services, and education in the use of medical care available to consumers of medical care, providers, schools, and others who need to be informed respecting such matters. Specific activities required of the Institute under this section include:

First, the publication of two separate journals on health information, education and promotion, preventive health services, and education in the appropriate use of medical care. The first is to be a journal for health professionals reporting research and other material of interest for their use in their practice in these areas. The second is to be a lay journal in readily understandable form, similar to the current publication of the FDA called the FDA Consumer, for use by the public in its own education.

Second, a continuing review of health information, education and promotion in advertising to evaluate its content and impact. Where this review reveals information which is false or misleading, the Institute is to notify the Federal Trade Commission, make its notification public, and provide material for the possible use of the media which would correct the false or misleading information, education or promotion presented by the advertising. This provision creates no new authority for the regulation of advertising by the Secretary of HEW but gives him a specific responsibility for oversight of such advertising.

Third, the publication of information, pamphlets and other reports specifically suited to instruct the health consumer on his ability to improve and safeguard his own health, including material accompanied by suitable illustrations on child care, family life and human development, disease prevention, physical fitness, dental health, environmental health, nutrition, safety and accident prevention, drug abuse and alcoholism, mental health, and venereal diseases. These materials are to be updated annually and designed to reach the various different social, cultural and economic parts of the American population.

Fourth, establishing a national information clearinghouse for information concerning the subjects for which the Institute is responsible.

Fifth, securing the cooperation of the communications media, providers of medical care, schools, and others in promoting and encouraging the use of health-maintaining behavior and information.

Sixth, developing, within 2 years of the date of enactment, models and standards for the publication by States, insurance carriers, and others of information to be used by the public respecting the cost and quality of medical care. This requirement would build on the experience of the States of Pennsylvania and Maryland, and the private experience of the Consumers Union with publishing information, for public use in choosing and using medical care, concerning the cost and quality of that care. The standards would have to be met by the States who would be required to begin publishing such information within a year after they were developed. The publication of such information would be intended to enhance competition within the health care market and to make consumers' use of health care both more effective and efficient.

Seventh, developing within 2 years after the date of enactment, models and standards for the publication by States of information for the public concerning health insurance policies being offered within the State. This information would have to include information on the benefits provided by the various types of policies, the charges for them, exclusions from coverage or eligibility under them, and the ratio of amounts paid out as benefits to the amounts received as premiums. The provision is similar to the one which was included in the administration's National Health Insurance Partnership Act, as amended, and is intended to enhance the quality of competition among health insurance carriers and thus to increase the quality and lower the cost of health insurance policies.

Eighth, assessing the effectiveness, safety, cost, and required training and conditions of use of new developments, programs, therapies and activities in the health field. These assessments would have to be published for use by the public in deciding whether or not to avail themselves of such new developments, and where there was controversy with respect to such developments, the published assessments would have to include the presentation of differing views and opinions with respect to them. Specific examples of such new health concerns within the American society are megavitamin therapy, acupuncture, biofeedback, and structural integration or Rolfing. This list is not meant to be exclusive but serves as examples of areas of concern to the committee. The provision is intended to enhance the consumer's ability to choose sources and types of health care on which to spend his money.

NATIONAL COUNCIL ON HEALTH INFORMATION, EDUCATION AND PROMOTION

New section 1715—Requires the establishment in HEW of a National Council on Health Information, Education and Promotion. The Council is to be made up of 19 members with expertise in the fields of medicine, dentistry, health education, social and behavioral sciences, nutrition, and the provision of health services. The membership is also to include representatives of the general public including representatives of business, labor, and consumer groups. The terms of office and reimbursement of the members, and the functioning of the Council are specified. Specifically the Council is to provide advice and recommendations for the consideration of the Secretary on matters of general policy with respect to the functions of the National Institute for Health Information, Education and Promotion. The Council is to make an annual report to the Secretary and the Congress on its performance and recommendations.

AMENDMENT ON LABELING OF PRESCRIPTION DRUGS

Finally, the first title in the act would, in section 103, amend the Food, Drug and Cosmetic Act to require, within 2 years of the date of enactment of the legislation, that the labeling of prescription drugs include in readily understandable language for the use of the consumers of such drugs the various names under which they are dispensed and information relating to their purposes, proper storage and handling, and possible adverse effects when used. The Secretary is to promulgate regulations for such labeling and the regulations are specifically required to allow physicians and other practitioners who prescribe such drugs to specify when the intended consumer of the drug should not be given the information included in the labeling.

TITLE II—DISEASE PREVENTION AND CONTROL

This title, which is to be cited as the "Disease Prevention and Control Amendments of 1975," revises and extends existing authorities for disease prevention and control programs found in sections 311, 314, 317, and 318 of the PHS Act and title I of the Lead-Based Paint Poisoning Prevention Act. The extension is for fiscal years 1976 through 1978 with authorizations shown earlier in the summary.

AMENDMENTS RESPECTING DISEASE PREVENTION AND CONTROL

Section 202—Amends sections 311 and 317 to extend them for 3 fiscal years and make the following substantive modifications:

First, authorize disease prevention and control programs for noncommunicable diseases, including hypertension, pulmonary disease, cardiovascular disease, diabetes, and RH disease, in addition to the communicable diseases which are already covered by section 317;

Second, give priority under the legislative authority to immunization programs and communicable diseases, and require the coordination of the programs conducted under this authority with those conducted under other disease prevention and control authorities such as those found in cancer, and heart and lung acts;

Third, authorize grants to nonprofit private entities as well as State health authorities and public entities, and authorize grants for demonstrations and training with respect to disease prevention and control in addition to grants for actual disease prevention and control programs;

Fourth, give authority for programs for control of diseases borne by rodents and lead poisoning under section 317 rather than continuing the existing, expiring authorities for such programs found in section 314(e) of the PHS Act and title I of the Lead-Based Paint Poisoning Prevention Act;

Fifth, consolidate in section 311 of the PHS Act existing authorities for control of health emergencies and epidemics presently found in sections 317(e) and 311;

Sixth, require a report to the Congress on an annual basis on the status of immunization of the population of the United States which identifies by area, population group, and other categories deficiencies in the immunization status of the population; and

Seventh, simplify and consolidate the authorization of appropriation for programs under section 317 for disease prevention and control.

AMENDMENTS RESPECTING VENEREAL DISEASE

Section 203—Amends section 318 of the PHS Act, Projects and Programs for the Prevention and Control of Venereal Disease, to extend authorizations of appropriations under it for the 3 fiscal years, 1976 through 1978, and make the following substantive modifications:

First, authorize grants for venereal disease prevention and control to public and nonprofit private entities, rather than just public authorities and scientific institutions;

2, specify that project grants for States for venereal disease prevention and control may include routine laboratory testing and follow-up systems; and

3, repeal the authority for formula grants to States for venereal disease prevention and control activities, in view of the fact that appropriations under that authority have never been sought or made and it has therefore never been used.

TITLE III—MISCELLANEOUS AMENDMENTS

This title contains an amendment which would define Guam as a State for the purposes of the Public Health Service Act by adding it to the definition of a State found in section 2(f) of the act.

I urge the Members attention to this legislation and would welcome their comments and suggestions.

IVORY MITCHELL

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. LITTON. Mr. Speaker, the recently adjourned session of the Missouri General Assembly gave special recognition to a citizen of St. Louis, Mr. Ivory Mitchell.

So our colleagues in the U.S. Congress may know of the special recognition given Mr. Mitchell, we would like to make a part of the Record the resolution passed by the Missouri State Senate:

RESOLUTION

Whereas, the members of the Missouri Senate are pleased to pay tribute to one of Missouri's finest and most outstanding citizens, Mr. Ivory Mitchell of St. Louis, Missouri; and

Whereas, Mr. Mitchell has contributed countless hours of his time to a large spectrum of worthy organizations and causes, including serving as vice president of the Negro American Labor Council, serving as a member of the Board of Directors of the Matthew-Dickey Boys, serving as an organizer of Boy Scout Troop No. 203, and he is a member of the Hickey P.T.A., the Simmons P.T.A., the Congress of Parents of Sumner-Beaumont District, the American Legion Post No. 107, and countless other worthy organizations and activities; and

Whereas, Mr. Mitchell is active in the St. Louis Urban League, the United Negro College Fund, the Red Cross and the March of Dimes; and

Whereas, Mr. Mitchell is a disabled veteran and has been limited in some of his community involvement, yet he is surely a shining example of an individual who possesses the finest qualities in humanity, for he is a man of unquestionable integrity and exemplary conduct, and his countless good works and worthy accomplishments will forever be remembered by all who came to know his name;

Now, therefore, be it resolved that the members of the Missouri Senate, Seventy-eighth General Assembly, extend their heartiest congratulations to Mr. Ivory Mitchell for his countless successful contributions to his community, state and nation; and

Be it further resolved that the Secretary of the Senate be instructed to send a properly inscribed copy of this resolution to Mr. Ivory Mitchell and family, St. Louis, Missouri.

THE B-1 BOMBER

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Ms. HOLTZMAN. Mr. Speaker, I wish to bring to the attention of my colleagues a useful analysis of the B-1 bomber program and its cost that appeared in the June 1975 issue of "The Defense Monitor."

In view of the need to trim wasteful Federal spending and to reorder our Federal priorities, this analysis deserves the most careful attention of every Member.

The analysis follows:

THE B-1 BOMBER: IS IT WORTH $92 BILLION?

The proposed B-1 "penetrating bomber"—designed to get past enemy air defenses—may well be an anachronism in the missile age. Not only is the B-1 a questionable addition to our nuclear forces in this day and time, but it is unusually expensive as well.

It will cost the U.S. more than $90 Billion to build and operate the B-1 bomber over its 30 year life. The B-1 is an extravagence that the U.S. cannot afford at a time when hard choices must be made throughout the defense budget.

By 1980, without the proposed B-1, the U.S. will have over 12,000 nuclear weapons on nuclear-powered submarines, land-based missiles, and long-range bombers. The B-1 is not needed for our strategic deterrent.

This year the U.S. Air Force has requested $749.2 million for the B-1. $77.0 million is to begin procurement. The remaining $672.2 million is for research, development, testing and engineering. By the time the bomber is completed, the cost to build 244 B-1's could rise to $25 Billion, with each bomber costing about $100 million.

AIR FORCE ARGUMENTS

The Air Force states that the B-1 is needed to replace the "aging" B-52. However, a replacement for the B-52 will not be needed until 1990. The last B-52 was built in 1962. About 260 B-52's will last at least until 1990. B-52's have not been growing obsolete. They have been constantly modernized with improved navigation aids, electronic counter-measures, terrain avoidance equipment, structural rework and numerous other improvements. Only the 80 D model B-52's are approaching the end of their useful life and the Air Force plans to spend $272 million to modify these planes to keep them operating. The late model B-52 Gs and Hs are fully modern and in excellent flying shape. From the Air Force's own data it is clear that the B-1 is an addition to the late model B-52 and FB-111 force of over 300 aircraft that will exist until the 1990's. Replacements, if indeed they are required, will not be needed for fifteen years.

The Air Force states it must have a bomber that could penetrate any possible Soviet air defense system and strike targets anywhere in the Soviet Union. Between one-third and one-half of the cost of the proposed B-1 will pay for the capability of flying low and fast and evading detection. Late model B-52's will also be able to penetrate Soviet air defenses. More than $3 Billion has spent on electronic jamming devices and other equipment to give them that capability.

The fundamental question is: Does the B-1 with its penetrating capability add significantly to the U.S. deterrent? Missiles that can reach their targets quickly and with no opposition provide a more than adequate nuclear strike force.

The Air Force states that the B-1 is needed because it can carry more bombs and missiles than the B-52. However, with a projected U.S. inventory of nuclear weapons of over 12,000 by 1980, the difference between mission loads of a B-1 and a B-52 is insignificant. Existing bombers can deliver over 220,000 Hiroshima equivalents. U.S. strategic forces, counting bombers, ICBMs and SLMBs can deliver a total of over 369,000 Hiroshima equivalents. The deliverable destructive capability will increase dramatically during the next ten years, even without the B-1.

Finally, the Air Force states it needs the B-1 because the Russians are building a similar bomber—something the Air Force calls the Backfire.

The Soviet bomber force of about 160 is quite small. It consists of 100 heavy Bear bombers, all of which are propeller driven, 35 Bison jet bombers, and the Backfire. The Backfire, of which there are up to 20, is an intermediate range aircraft and far less capable than both the B-52 and the B-1. According to Defense Secretary James Schlesinger, the Backfire is intended primarily for use against China and Europe. The relatively ineffective Soviet bomber force can in no way provide justification for the B-1.

MISSILE'S FOR DETERRENCE

The manned bomber was once the mainstay of our nuclear deterrent force. This is no longer the case. Deterrence is now provided by more reliable, less vulnerable, and less costly Minuteman ICBMs and Poseidon-Polaris submarine-based missiles. In an era when missiles can reach their targets in 30 minutes, bombers that take eight hours can only play a relatively minor role.

Indeed, a major military drawback of the manned bomber is that existing U.S. strategic employment procedures call for the land-based missiles to cut corridors for bombers through Soviet defenses. The bomber is the only strategic weapon system that is dependent on the other parts of the triad for its own survival and effectiveness. It is far simpler and cheaper for missiles to be used directly on primary targets than in suppressing defenses in aid of the B-1 bomber.

Missiles on submarines and in silos are more controllable than manned bombers. It would be easier to keep a nuclear war from escalating by relying on missiles rather than bombers. Once a bomber has passed its "fail safe" point and is committed to attacking a target in the Soviet Union, it is out of civilian control for at least two hours. Missiles fired from land are only out of civilian control for thirty minutes before they strike their targets. Also missiles in their containers are not vulnerable to nuclear accidents as manned aircraft, several of which have crashed in the past.

CURRENT BOMBER FORCE

At present the U.S. has almost 500 bombers. 425 of them are B-58's. The others are FB-111's. The FB-111's along with the 250–270 late model B-52's will comprise a manned bomber force of over 300 aircraft that will last until the 1990's.

In the 1980's these bombers alone will be able to deliver over 5500 nuclear weapons to the Soviet Union—almost as many weapons as the United States had on all its forces at the signing of the SALT accords in 1972.

(It should noted that U.S. ICBMs can deliver more than 2000 nuclear weapons and SLBMs more than 5000 nuclear weapons.)

The Soviets, in contrast to the United States, have not allocated substantial resources to long-range bombers. Their bomber force reached a level of 150–200 planes through the 1950's and 1960's. They currently have about 100 propeller-driven heavy bombers and about 60 jet bombers, including the modern Backfire bomber. The small Soviet bomber threat is reflected in the fact that the U.S. has just about dismantled its anti-bomber defenses. The lack of Soviet interest in heavy bombers provides an opportunity for similar restraint on the part of the U.S. and a potential area for significant arms reduction.

SOVIET AIR DEFENSE

The Soviets have invested heavily in trying to protect themselves against bomber attack. However, the threat to U.S. bombers flying into the Soviet Union is minimal. The Soviet air defense missile network is extensive but has negligible capabilities against low-flying aircraft. Soviet AWACS (Airborne Warning and Control) aircraft for the purpose of detecting bombers and directing interceptors cannot detect low-flying aircraft over land. Soviet Foxbat (Mig 25) interceptor aircraft are ineffective against low-flying bombers. Their radar is intended for a reconnaissance role, not for shooting down bombers. Any breakthrough in Soviet air defense technology that would threaten B-52's would in all likelihood also threaten B-1's.

The Air Force argues that the proposed B-1 will make the Russians allocate greater resources to air defense. That is not a reasonable basis for the U.S. to spend billions needlessly on marginal military capabilities.

TOTAL COST IS $92 BILLION

Congress has a hard time making sound decisions on military programs because it is not provided with complete information by the Defense Department. The full costs of weapons systems are seldom evaluated because these costs are often hidden and spread over many years. Costly programs almost always start small. Today's small research and development program, the tip of the iceberg, is tomorrow's multi-billion dollar weapons system.

The Defense Department has yet to make available to the Congress and the public realistic estimates of the life cycle costs of major weapons. Life cycle cost is the cost of operating and maintaining weapons throughout their lifetime and the cost of associated weapons and equipment in addition to the actual cost of developing and procuring a particular major weapon.

In the absence of Defense Department data, estimates of life cycle costs can only be approximations. But it is clear that the real cost of the B-1 is far more than the current DOD estimate of $21 billion for procurement of the B-1s. Simply the cost of developing and producing the bomber itself has reached $84 million per plane. However, bombers require armament to perfrom their missions and the Air Force will also need support from tanker aircraft to refuel the B-1s. The cost of operating and maintaining the bombers and the tankers also adds a sizeable chunk of money. Combined, these components of life cycle cost add up to $91.5 billion, or $375 million for each B-1 bomber. A new tanker, which may be required, would raise the cost even higher.

FAULTY DOD BOMBER STUDY

To counter criticisms that the B-1 may be an extravagant waste of money and that other ways to bomb the USSR might be cheaper, the Defense Department conducted a year-long investigation called the Joint Strategic Bomber Study which, not surprisingly, concluded, that the B-1 is best. The official conclusion appears to be more commercial than analytical: "Of the equal-cost forces examined, those containing B-1's performed substantially better. The low-flying, nuclear-hard B-1, with its high quality ECM [electronic counter-measures], out-performed all other vehicles by a wide margin." Critical to the DOD's study was the assumption that the United States needs to spend as much money on bombers as the B-1 costs and in its methodology the study compared only "equal-cost" alternatives. The DOD analysts neglected to examine the question of whether the country needs a bomber fleet in the first place and also made no determination as to whether that capability could be obtained at much less cost. As Senator Thomas McIntyre, Chairman of the Senate Armed Services Research and Development Subcommittee, has commented on the Joint Strategic Bomber Study: "The study, like other incidents in the history of the B-1 program, have led me to fear that there is little or no real consideration within the DOD and Air Force that we may not need the B-1 and that, therefore, we should prudently examine other alternatives for our future bomber force."

DECLINING IMPORTANCE OF THE BOMBER—DISTRIBUTION OF NUCLEAR WEAPONS IN U.S. STRATEGIC FORCES

[In percent]

	1960	1965	1970	1975	1980
On submarines	1	17	36	45	58
On ICBM's	2	17	20	22	19
On bombers	97	66	44	33	23

MONEY AND THE RULE OF FOUR

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. KEMP. Mr. Speaker, I bring to the attention of the Congress this vital article entitled "Money and the Rule of Four":

MONEY AND THE RULE OF FOUR

(By Alfred L. Malabre, Jr.)

If you want some idea of what may happen on the price front—not in the next month or two or three but in the next year or two or three—it may be prudent to keep the number four firmly in mind.

Give or take a fraction of a point, the number four—specifically 4%—is the annual rate at which the U.S. economy seems able to expand in the long term. It is the average annual rate at which economic activity in the U.S.—measured in terms of Gross National Product adjusted for price changes—actually has expanded over many decades. And it is approximately the rate at which most forecasters—surveying such fundamentals as the country's resources of labor and material—estimate that the economy should be able to continue expanding in coming decades.

Obviously, it is a basic economic consideration, presumably to be weighed carefully in policy-making deliberations in Washington. And yet, amazingly, it rarely gets a mention.

The problem does not seem to be that anyone seriously questions that 4% is about the appropriate rate of growth for the U.S. economy over the long run. Rather, the 4% figure seems either to have been generally forgotten, or at least disregarded for the time being as an economic fact of life rendered irrelevant when unemployment is so high and so much of the nation's productive capacity stands idle. Such attitudes greatly increase the probability that inflation, recently abating, may begin to worsen again.

When analysts say that the economy has the ability to grow in the long run at a rate of about 4% annually, they are saying, in effect, that the nation's supply of goods and services has the ability to grow at a long-term rate of 4% annually. From this, it follows that money—the means by which goods and services may be purchased—should also grow at a long-term rate of about 4% a year.

One need not major in economics to see that if money year after year after year grows faster than the economy can grow, prices will tend to be driven up. It is a simple matter of supply and demand. The supply of money expands in relation to the supply of goods and services. Conversely, if monetary growth repeatedly lags behind the ability of the economy to grow, prices will tend to fall. The supply of goods and services rises in relation to the supply of money.

When economists talk of money, they usually are referring not only to the coins and paper bills in the wallets and purses of individuals, they also are referring to the checking-account deposits that many individuals and private businesses maintain at banks. The extent to which these monetary components—currency in circulation and checking-account deposits—have been growing over the years is shown in the table below. It traces their combined rate of expansion for each of the last 10 years.

Yearly money-supply growth

	Percent
1965	4.6
1966	2.4
1967	6.6
1968	7.9
1969	3.5
1970	6.1
1971	6.3
1972	8.7
1973	6.1
1974	4.7

A glance at the table makes clear that only twice in the last 10 years has monetary growth been less than the 4% rate deemed compatible with the economy's long-term ability to expand. In all eight other years, monetary growth exceeded 4%. In six of those years it topped 6%. And in 1972 monetary expansion was more than double the economy's potential growth rate.

Indeed, so accustomed have we become to monetary growth in excess of the 4% mark that last year, when the money supply rose 4.7%, is generally characterized as a year of "tight" monetary policy.

As painful as it has been for many individuals, the worsening inflation of the past 10 years might be palatable if it could be demonstrated that the result has been a faster-growing economy. Those high rates of of monetary growth in 1965–74 might be understandable.

Alas, there is no evidence to show that faster monetary growth has produced anything but faster inflation and the various economic dislocations that tend to develop along with inflation. The economy in the 10 years grew at a rate roughly in line with its ability to expand—in other words, at roughly 4% annually.

That is approximately the same rate of increase that prevailed during the preceding 10-year span, in 1956–65. In that period, however, monetary growth averaged slightly less than 4% annually. And by no coincidence there is a big difference in the price figures for the two 10-year periods. The consumer price index rose at annual rates ranging from 3% all the way up to 12%-plus during 1965–74. In the earlier period, in contrast, the index only inched upward. In 1961, consumer prices rose less than 1%. From 1958 to 1965, the index rose less than 2% annually.

Arthur F. Burns, who as chairman of the Federal Reserve Board is the nation's chief money manager, recently announced that he would aim at monetary growth within a range of 5% to 7½% in the 12 months ending in March 1976. Though well above the 4% level, this range is still not high enough to satisfy some observers. Recently, James Tobin, an influential Yale University economist who served as an adviser to President Kennedy, charged that Federal Reserve policy was too parsimonious and bitterly attacked Mr. Burns. Some advocates of still faster monetary expansion have gone so far as to call for Mr. Burns' resignation.

Whether the Fed chairman is beginning to bow to his critics, or whether he simply is unable to adhere to his own monetary targets, the fact is that the money supply recently has been rising even faster than the upper limit of the 5%-to-7½% range. Since the start of the year, the money supply has climbed about 8% annually, within the range. But in the last four months, the annual rate of increase has accelerated to about 10%.

Whatever the explanation may be, virtually no one seems concerned about tailoring monetary growth to the economy's capacity to expand. Always, the unstated implication seems to be that there will be time enough later to gear monetary expansion down to a pace that the economy can absorb.

And so the question: When is "later"—in 1976 or 1977 or 1978?

If recent trends continue through the year, and the money supply grows, say, 10% in 1975, that will be six percentage points over the economy's ability to expand in the long term. Will the money supply in 1976 shrink 2%, so that the 1975–76 rate of monetary expansion will average out to 4% annually? That hardly seems likely when many find a yearly monetary growth target of 5%-to-7½% niggardly.

Perhaps, ever so gradually, the average rate of monetary expansion can be brought down to a level at least remotely in line with the 4% figure. That seems the best hope, if inflation is finally to be subdued. But any such endeavor by policy makers will require a good deal more patience and perseverance than the history of the past 10 years suggests exists in Washington—no matter which political party may be in power.

Several considerations further dim the prospects of any early return to noninflationary rates of monetary growth. One is the fundamental question of whether the economy's ability to grow in the long term may diminish in coming years. The immediate outlook, of course, is for economic growth well in excess of 4% annually, as business begins to rise from the pit of the latest recession. Most forecasters expect that price-adjusted GNP will be growing at an annual rate of more than 6% by the fourth quarter of this year, in sharp contrast to a decline of more than 11% annually in the first quarter. But some forecasters believe that over the next decade or so the economy's growth potential may shrink.

A Labor Department study, for instance, forecasts a "sharp slowdown" in economic growth around 1978, largely on account of demographic factors that should restrict labor-force growth. The study estimates that the economy's growth potential will drop around that time to about 3% from about 4% previously. It follows, of course, that as the economy's ability to expand diminishes, so does the appropriate rate of monetary expansion. By the time policy makers throttle the money supply back to a 4% rate—if they ever manage to do so—they may find that 3% has become the appropriate level.

In any event, in the short run, as the economy expands after the deep 1973–75 recession, Mr. Burns and his colleagues will probably find it increasingly difficult to trim monetary growth at all. One reason is that as business rises demand for bank loans tends to climb. And, as that happens, the money supply tends to rise more rapidly, through what economists call a "multiplier" effect. Policy makers may experience considerable difficulty offsetting this propensity of the money supply to climb extra-swiftly if, in fact, loan demand does mount later this year.

Moreover, if the economy picks up steam, interest rates will likely tend to increase. This is the normal pattern when business is on the rise. Any sharp increase in interest rates in the early stages of a business recovery, of course, could cripple the recovery. Accordingly, much as they might wish to cut back monetary growth several months hence, Fed officials may not dare to do so, in fear that any such effort would force up interest rates too sharply and hobble the nascent recovery.

A recent congressional resolution cautions Fed officials against any restrictive monetary moves that might push interest rates higher. While the resolution aims specifically at monetary policy "in the first half of 1975," it seems bound to influence Federal Reserve attitudes in the second half as well. The resolution also talks vaguely about the importance of gearing monetary policy to "the economy's long-run potential to increase production." But nowhere is there a mention of what that potential may be. The emphasis seems clearly on the importance of keeping interest rates down in the short term.

Such considerations provide scant comfort for anyone who may be hoping that the country's inflation problem has largely been "whipped," as some economists have put it, by the recent recession. That happy eventuality won't arrive, we submit, until policy makers begin to pay at least a modicum of attention to the importance of the number four.

WHERE ARE THE NIBS APPOINTMENTS?

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I sat in this Chamber yesterday listening to the Democrats and Republicans telling us how we have not been compromising enough with the current resident of the White House.

The able gentleman from Illinois (Mr. ANDERSON) from whom I have the utmost respect said, and I quote:

> We are here to do the people's bidding.

The "we" in his words was the Congress and the Executive.

The able minority leader, Mr. RHODES, told us yesterday that we on both sides of the aisle can solve any problem if only we cooperate.

Well, frankly, I am still waiting for the President of the United States to cooperate with the Congress by fully implementing the Housing and Community Development Act of 1974.

It is one thing for this Congress to write and pass legislation and to have it frustrated with a veto. But it is another matter when the President signs a bill into law and his executive employees play Rip Van Winkle and "hot potato" with the implementation.

We all have heard the horror stories of the section 8 housing program, with the phantom 400,000 units that were supposed to be constructed this year, but show up again in the 1976 budget, because not 1 unit was built in 1975. This program was set back an entire year, because HUD could not issue and promulgate workable regulations.

Now we have the new Secretary—after getting her marching orders from OMB—saying this year we will get 400,000 units of new housing. Well, do not hold your breath.

In addition to section 8, the 1974 act contained another provision which created a most significant agency, the National Institute of Building Sciences. This nongovernmental entity was designed to be a testing unit and information clearinghouse for new construction techniques and materials that potentially could cut thousands of dollars from the cost of construction.

Today, 10 months after President Ford signed the bill, he has yet to name one person to the NIBS Board. Is this cooperation?

I have called HUD and the White House repeatedly to find just who was making the decisions on the NIBS Board.

In May, 2 months ago, 8 months after the President created the National Institute of Building Sciences with his signature, I was told by the White House that HUD finally had provided the President with nominees. The White House supposedly had made its approvals and disapprovals and FBI checks—which take 8 weeks—were initiated on the prospective Board members.

Today I called the White House and was told the President just gave his final OK to the list and now, just now, and the FBI was just beginning its investigations into these 21 Americans.

According to my calendar, this means the NIBS appointees will not come to the Senate before August, 12 months after the law creating the Institute was passed by the Congress and approved by the President.

The President complains about the high cost of housing and yet he sits for 1 full year on this low-budget nongovernmental Institute, which has the full support of the construction industry and all of its producers and the potential to save millions of dollars each year in construction costs.

Cooperation, Mr. Minority Leader? Cooperation, my friend, Mr. ANDERSON? Cooperation, Mr. President?

The National Institute of Building Sciences, first called for by the prestigious Douglas Housing Commission back in 1968, is still months away from reality, because a President who chides this Chamber for failing to cooperate with him has not shown one measure of cooperation to it.

STATE DEPARTMENT AUTHORIZATION BILL

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. AMBRO. Mr. Speaker, on Monday, June 23, 1975, this House passed H.R. 7500, the State Department authorization bill. In the bill was a provision for $20 million for assistance of refugees from the Soviet Union; 80 percent of this money is earmarked for the resettlement of Soviet Jews in the State of Israel. For the third year in a row, we have had to provide funds for this program over the lack of interest, and indeed, the opposition of the administration. For an administration that has professed a deep interest and concern for refugees, this is a sorry record.

What is more regrettable than the indifference from the executive branch, is the fact that we are authorizing only one-half of the amount available in fiscal year 1975, because the emigration from the Soviet Union has once again been slowed to a trickle. In spite of past promises and "tacit agreements" few Jews are being allowed to leave the Soviet Union, and those expressing a desire to do so are being subjected to a stepped up campaign of repression.

Mr. Speaker, the question of Jewish emigration from the U.S.S.R. to Israel is an extremely important one for many reasons. It is obviously extremely important for personal reasons for each and everyone who is leaving: It is often the most important event in their lives. In each case an exit visa is arbitrarily refused, the persecutions, repressions, provocations, trials, and incarcerations are great misfortunes in human terms. However, there is a larger dimension to this issue, and that is the right of the free movement of peoples and the right of choice of the country of residence, the latter having been incorporated as the 13th article of the Universal Declaration of Human Rights. It is my feeling that we, as Members of the Congress of the United States have a moral obligation to do all that we can to assist those wishing to emigrate to the country of their ethnic and religious heritage—especially when that heritage has resulted in their suffering from the effects of discrimination in the country of their birth.

I am proud to be part of the effort mounted by the Long Island Committee for Soviet Jewry by participating in the congressional adopt-a-prisoner-of-conscience program. I can only hope that there will be some kind of positive impact from the letters that I have been sending to Chairman Brezhnev and Ambassador Dobrynin on behalf of Mr. Anatoly Altman, a young wood engraver whose main crimes consisted of applying for a visa to emigrate to Israel and the reproduction of materials of Jewish content for distribution to fellow Jews.

Mr. Speaker, on June 21, the newspaper, the Jewish Week and the American

Examiner, in commemoration of the 50th anniversary of the mass arrests that led to the infamous Leningrad trials of 1970 and the imprisonment of numbers of the Soviet Jewish prisoners of conscience, published a special on this matter. It contained a number of moving and informative articles including a section on "Questions and Answers About Soviet Jewry." I am attaching it to these remarks, because I believe that it would be worthwhile for my colleagues to read.

As we approach our own Bicentennial celebration, it is well to remember that our Nation was founded, for the most part, by emigrés who left their native lands because of religious and ethnic persecution, and to continue our efforts to promote the freedom of others.

The material follows:

Questions and Answers About Soviet Jewry

Q. How many Jews are there in the USSR?

A. According to the 1970 official Soviet census, 2,151,000 Jews live in the Soviet Union, as compared with Western estimates of about 3,000,000. The official figure reflects a marked decline from the 1959 figure of 2,268,000 and is significantly lower than a 1969 estimate of 3,000,000 made by NOVOSTI, the government press agency.

Q. Why do Jews wish to leave the Soviet Union for Israel?

A. Although there are a number of motives, and many purely personal ones, the basic underlying reason for the growth of a large Jewish emigration movement in the USSR has been the persistent denial to Jews of equal ethnic rights guaranteed to all nationalities by the Soviet constitution. This makes impossible their efforts to live freely as Jews. The situation is also aggravated by discrimination Jews often experience in employment, education and social life, and the insecurity they feel as a result of widespread virulent anti-Jewish propaganda in the Soviet press which incites popular hatred against them.

Q. What is the existing emigration policy?

A. Prior to 1967, the number of Jews who succeeded in obtaining permission to leave the USSR was negligible. Between 1967–1971, however, a trickle began and a total of 17,082 emigrated to Israel at a gradually increasing rate. In 1971 there was a substantial increase, with the majority of the 13,000 who left coming mainly from the border areas of Soviet Georgia and the Baltic states.

Simultaneously, Jews in the professions and from the larger urban areas were often denied permission and were harassed after requesting visas. To curb Jewish activism, and to limit the drive for emigration, Soviet authorities launched a major counter effort. A number of anti-Jewish trials were held in such cities as Riga, Kishiney, Sverdlovsk and Leningrad; all the defendants had applied for emigration visas to Israel. Incriminating "evidence" included collections of poetry, Hebrew literature and similar "illegal" material. The charges were generally "anti-Soviet activity" or "slandering the Soviet system."

The harassing tactic of placing selected individuals on trial continued well into 1975. In 1974, for example, Lazar Liubarksy of Rostov was sentenced to 4 years; Isaak Shkolnik of Vinnitsa to 7 years; Aleksander Feldman of Kiev to 3½ years. A carpenter from Derbent, Pinkhas Pinkhasov, about to emigrate with his wife and six children, was arrested and sentenced to 5 years, while Dr. Mikhail Shtern in Vinnitsa was sentenced to 8 years. In order to create greater public acceptance of the anti-Jewish trials, charges in more recent trials have often been "criminal" rather than political, including "economic crimes" or "malicious hooliganism."

Q. What is the Soviet policy on anti-Semitism?

A. Soviet ideology condemns anti-Semitism, and there are laws against incitement of hatred on religious, national and social grounds dating from the 1917 Revolution.

While Stalin's anti-Semitic policies are well known, there have been numerous manifestations of anti-Semitism in post-Stalin years, such as the so-called "economic" trials in the early sixties. In addition to the continuing series of anti-Jewish trials, which began with the First Leningrad Trial in 1970, anti-Semitic attacks have occasionally been recorded.

Between 1967 and 1974 over 100 anti-Jewish, anti-Semitic and crude anti-Zionist books, articles and pamphlets were received at Western Jewish research centers. There are reasons to believe that many more never reached the West.

Q. Aren't Soviet emigration practices an internal affair of the Soviet Government, and therefore of no concern to Americans?

A. The right of any individual to leave any country, including his own, is an internationally recognized human right and is upheld by international law. The right to leave is upheld by the Universal Declaration of Human Rights, to which the Soviet Union is a signatory, as well as by the International Convention on the Elimination of Racial Discrimination, also accepted by the USSR.

Although in practice the Soviet authorities discourage emigration, members of national groups have been allowed to return to the countries of their origin. Tundreds of thousands of former Poles, Greeks and Spaniards have been permitted to return. Ironically, the Soviet Union conducts a vigorous campaign to persuade people to return to their "historic homeland, the USSR."

Q. Mr. Brezhnev and other Soviet spokesmen have produced figures to the effect that 95% of Jews who applied have been allowed to emigrate to Israel. Is that true?

A. When Brezhnev made this claim during his 1973 visit to Washington, about 100,000 Jews were awaiting exit visas that year. A total of only about 100,000 Soviet Jews have been permitted to leave since 1968! Meanwhile, the number of those awaiting to leave has grown to more than 130,000 and the number of those waiting continues to grow each month. Soviet Jews say that additional large numbers of Jews would like to go to Israel, but are afraid to apply to leave because of threats of harassment.

During 1974—especially the last months of the year—and in early 1975, Soviet officials cracked down on Jewish emigration and allowed an average of about 1300 per month to leave—the lowest emigration rate in three years.

Q. How many Soviet Jews who have succeeded in emigrating to Israel have left in the hope of returning to the USSR?

A. Fewer than 200 Soviet Jewish immigrants out of over 100,000 returned to Vienna. Forty have been readmitted to the Soviet Union, 20 returned to Israel again, and the others still await a Soviet decision on their future.

Q. What is the procedure to be followed for emigration?

A. First, an invitation is required from a relative in Israel. This must be accompanied by a character reference from the place of employment or institute of education. The authorities often additionally demand a reference from the house committee an applicant's place of residence and a letter from parents—regardless of the applicant's age or degree of attachment to parents—giving their consent to his or her emigration. All these documents, together with the application, are normally submitted to the OVIR, which is the branch of the Ministry of the Interior dealing with passports, travel and migration.

This complicated procedure allows the authorities to block or impose interminable administrative delays on the presentation of applications (invitations from Israel disappear in the mail; character and other references are refused; parents may refuse consent, etc.)

In addition to these difficulties, OVIR offices in some cities open only one or two days a week, often for limited hours, and the queues of applicants cannot be handled without long delays, and sometimes, several visits by the applicant and his family to the OVIR office. Also, in certain major cities applicants must be processed through the police and not OVIR. Not only are many people afraid of dealing with the police in such a sensitve matter, but the police themselves are not equipped to deal properly with the procedures.

If the applicant, after all this, is one of the fortunate recipients of permission to leave, each member of his family must pay the sum of 900 rubles (equivalent to an official rate of about $1,000), 500 rubles of which is for the renunciation of Soviet citizenship, the balance being the charge for his visa. This sum is yet another serious burden since a good monthly salary of a well qualified professional Soviet citizen amounts to some 160 rubles.

Q. What methods of intimidation are used and how far are they effective?

A. The principle ones are demotions, firing, dismissals from institutes of higher education, and denunciations at public meetings held at applicants' places of work. The more persistent and active applicants are shadowed by police and subject to arbitrary arrest, have their mail and telephones interferred with, are sometimes brutally assaulted or otherwise provoked to provide an excuse for arrest on criminal charges, or are threatened with deportation from their home cities. Another form of intimidation is to conscript men into the armed forces, even when those concerned are in their thirties and early forties. In many cities, examples have been made of individual Jews who applied to leave by sentencing them to heavy terms of imprisonment as deterrent to others.

Q. The USSR says that those who are denied exit visas are individuals who hold state secrets, is this true?

A. Those refused visas include dancers, laborers, physicians, clerks, as well as scientists in obviously non-sensitive fields. Only a handful of individuals denied exit visas have had any possible connection with classified materials, and almost all such cases involve information whose relevance is clearly outdated. In some instances, Soviet authorities have drafted an individual into the military thereby guaranteeing that he will be privy to military information and therefore ineligible for emigration on "security" grounds.

Q. Can Israel handle a larger rate of Jewish emigration from the USSR?

A. Israel is eager to receive and ready to absorb every Jew the USSR will let out. The importance of the Soviet Jewish emigration to Israel can be illustrated by the fact that during the October 1973 War, when Israel needed all her aircraft for military use, she sent empty planes daily to bring in Soviet emigrants. Israel is clearly experienced in handling the normal stresses coming from absorption of large numbers of immigrants. During the first years after the establishment of the State in 1948, Israel, with a population one-fourth its present size, absorbed as many as 50,000 immigrants a month.

Q. What is the status of Jewish prisoners?

A. Since 1970 over 65 Soviet Jewish men and women, most of whom still remain in Soviet labor camps, were arrested, tried and convicted for sentences ranging from 3 to 15 years following their efforts to leave for Israel. Soviet prisons and labor camps also contain Jews imprisoned as "Zionists" in the 50's and 60's. Their exact number and locations are unknown. The "crimes" of the newest Jewish prisoners of conscience include such allegations as "parasitism" (being out of work after having been fired), "hooliganism" (bumping into "passerby"), and "owning anti-Soviet materials" (Hebrew primers and prayerbooks).

According to a recent study by American lawyers, the Jewish prisoners are frequently persecuted by both prison inmates and administrators. Prison rights guaranteed by Soviet penal codes are often denied Jewish prisoners, and Jews are sometimes housed with convicted Nazi war criminals. They are compelled to perform hard physical labor on subsistence diets of 900 calories or less. Communication with relatives is often curtailed.

Non-Jewish Soviet prisoners have noted that "the lot of the Jews sentenced to labor camps is particularly difficult . . . The administration provokes anti-Jewish incidents, utilizes informers, spies, and uses false witnesses in order to be able to impose additional punishment upon the Jews. Inmates who have had contact with Jews are summoned for discussions during which anti-Semitic sentiments are advanced and they are told that protests against arbitrariness in camp rules are only profitable to the Zionists. The Jews are forbidden from practicing their religious traditions (such as the wearing of skullcaps), whereas Russian inmates are permitted to wear crosses."

THE SOVIET ELECTION: A JOKE WITH NO LAUGHS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. DERWINSKI. Mr. Speaker, since our distinguished Secretary of State continues his constant admonishment to the public to accept his arguments of the virtues of détente with the Soviet Union, I think it would be helpful for us to review the interesting domestic situation of the Communist government. One of the biggest jokes is the claim that the Soviet Union is a democracy.

With this in mind, I found the following article by James O. Jackson in the Chicago Tribune of June 21, to be especially intriguing:

THE SOVIET ELECTION: A JOKE WITH NO LAUGHS

(By James O. Jackson)

Moscow.—Amid the humorlessness of the Soviet Union's rigid political system, there is one bit of comic relief: the elections.

Every couple of years, the world watches with amusement as the Soviet Communist politicians go thru the elaborate charade of getting indifferent voters to cast pointless ballots for a powerless legislature.

The elections are funny because, as in old Buster Keaton comedy routines, the Russians carry off the whole hilarious farce with a straight face. The Communist Party, the press, and even the voters themselves invariably go thru the pretense at democracy without a snicker.

Men like Leonid I. Brezhnev actually pretend to be nominated and pretend to campaign for a seat on the Supreme Soviet, the country's rubber-stamp parliament. And millions of voters listen to the "campaign" speeches and then flock to the polls without doubling up in fits of laughter at the silliness of what they are doing.

On election day, the press does its part by providing breathless reports on the election returns as if the whole thing had some element of suspense to it. At the end of the day, with every pretense at genuine surprise, the press reports the news that the Communists have won.

Only in a newspaper like Pravda could a reporter sit down and write, with a perfectly straight face, that "the returns are incomplete, but it is apparent that the bloc of Communists and nonparty people has won another remarkable election victory."

In the same newspaper an editorial writer can say, without blushing or winking, that Soviet elections "are the most democratic in the world."

I was curious about how the authorities manage to fool all of the people all of the time, so after last week's elections to the republic parliaments, I asked a Russian friend about the voting process.

"Everybody has to vote," he said. "If you don't show up by noon, they send people called 'agitators' to find you. They are very persuasive.

"Then, when you go to the polling place, they give you a ballot that has only one name for each office. There are two things you can do: You can drop the ballot in the box to vote 'for', or you can go into a curtained booth and write dirty words on the ballot."

The Russian pointed out that it requires a bit of courage to enter the curtained booth under the eyes of all the local officials. "Naturally, they don't think you're going in there to write a poem of praise," he said.

What would happen, I asked my Russian friend, if a person refused to vote—if he simply stayed home, or went fishing.

"If you don't vote, you might start having problems," he said. "You might not be able to get a new apartment. Your kid might not get into university. You might not get a promotion at work. You might have some trouble with your telephone."

That is why, my friend explained, he is always careful to play his part in the farce. He gets up early, swallows his self-respect, and goes to his local polling place. He gets his ballot, folds it, and drops it straight into the ballot box without a glance at the curtained booth.

Somehow, tho, he does not think the situation is very funny.

THE FOLKLIFE FESTIVAL ON THE MALL

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. VANIK. Mr. Speaker, the ninth annual Festival of American Folklife began yesterday, June 25, on the Mall between the Lincoln Memorial and the Washington Monument. The festival will run until June 29, and again from July 2 to July 6.

The theme for this year's festival is "Old Ways in the New World" and will offer glimpses of culture that many of us would otherwise not see. I would like to insert, for my colleagues' information, part of a brochure published by the sponsoring Smithsonian Institution, Division of Peforming Arts. Director Ralph Rinzler and his division are to be congratulated and thanked for their hard work and dedication in making this year's event possible.

I would also like to remind Members and their staffs that a free weekday lunch hour shuttle bus is available to take people to the festival grounds. Marked "Festival," the bus will run on June 25, 26, and 27, and July 2 and 3. On the House side, it will leave from the Metro bus stop on Independence Avenue in front of the Longworth Building, roughly on the half hour, 12:05 p.m. to 1:35 p.m.

The festival bus will return from Monument Circle on the Mall on the half hour from 1 p.m. to 2:30 p.m.

Mr. Speaker, I urge my colleagues to do more than drive past the festival on their way home, and let their curiosity get the best of them—they will be well rewarded.

The short portion describing the festival follows:

FESTIVAL OF AMERICAN FOLKLIFE

Old Ways in the New World brings together American ethnic communities and their traditional counterparts from the Old World. In 1975, Japan, Lebanon, Germany, Italy, Panama, Mexico, Ghana, Jamaica, Haiti and more than 12 American-ethnic groups have been invited to participate.

Native Americans shows the cultural life of the first Americans. This year the six nations of the Iroquois Confederacy will participate. In 1976 more than one dozen tribes from throughout the nation will come to the Bicentennial Festival.

Working Americans explores the traditions of work in America and the pride, skills and lore of working people. Workers in Transportation from the ranks of railroaders, truck drivers, seafarers, air traffic controllers, aircraft and possibly ship assembly workers will participate. In 1976 over 110 unions and organizations will be invited to participate.

Regional Americans demonstrates how the region in which Americans live has contributed to our life styles. In 1975 music, cookery and crafts that are indigenous to Coastal California and the Northern Plains will be featured.

Family Folklore focuses on four areas common to all family life—family expressions, family foods, travel games and family histories. Through photographs, home movies and oral histories entire family groups can share their styles.

Children's Area is the place where children will demonstrate their own culture to parents. This will include the games, rhymes, songs and crafts with found objects that have grown out of their experience.

1975 PRESENTATIONS

Through the efforts of field workers traveling thousands of miles, interviewing thousands of candidates, what is presented at the Festival is a vivid testimony to the diversity and creative dynamism of the traditional American. A partial listing of the planned 1975 presentations:

Crafts

Japanese flower arranging, Japanese stitchery, Japanese ribbon craft, willow basket weaving, sweet grass baskets, hay twisting, oak splint baskets, cheese making, silver work, milling, Lacrosse stick making, soap making, Kente cloth weaving, kite making, rope tricks, corn husk doll making, Sicilian puppetry, guitar making, and Pinata making.

Celebrations

Iroquois socials, Natsu Matsuri, German wedding, Haflah, Saint's Day, and Carnaval Panemeño.

Musical instruments

German accordion, hammered dulcimer (hackbrett), zither, brass, violins, broom playing, saw playing, ud' buzuq, nay, rebarb, darbukkah, Iroquois water drum, koto, Taiko drum, flute, baja sexto, jarana, arpa, and quitarion.

Native Americans

The Iroquois Confederacy: Mohawk, Cayuga, Seneca, Onondaga, Oneida, and Tuscorora.

Countries

Japan, Lebanon, Germany, Italy, Panama, México, Ghana, and Jamaica.

Food

Marakout bread, khubz, corn soup, mochitsuki, sushi, zeppole, calzone, bratwurst, fly bread, pasta, carimanola, chichas, and tamales.

Workers in transportation

Transportation songs, workers' narratives, lashing, splicing, switching, signaling, repairing, and assembly.

Regions

Coastal California, Northern Plains: North Dakota, South Dakota, Nebraska, and Kansas.

CORPORATE PAYOFFS AND AMERICAN CONSUMER

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. RIEGLE. Mr. Speaker, I would like to bring to the attention of my colleagues two editorials that appeared in the June 23 issue of Business Week regarding corporate payoffs to foreign officials and the American consumers' reluctance to buy capital goods.

I believe that the editors of Business Week have made two very valid points. One is their observation of the strategic shortsightedness of corporate payoffs abroad and the second is the farsighted intelligence of the American consumer in making purchasing decisions.

THE UGLY AMERICANS

The lengthening list of U.S. corporations involved in some kind of payoff to foreign officials or political parties is a warning signal that should not be ignored. It indicates that something is seriously wrong with the way at least some American executives have been approaching the problem of doing business in other parts of the world.

It is not fashionable these days to argue in terms of ethics, but the fact remains that bribery is clearly an ugly thing. It cannot be justified on the cynical grounds that in some countries it is the fastest way to get what you want.

If the moral argument does not carry conviction, businessmen should consider the long-term consequences of engaging in dirty practices overseas. The painful admissions of such companies as United Brands, Gulf Oil, and now Northrop provide ammunition to the increasingly vociferous critics of multinational corporations. At the same time, they breed suspicion and hostility to U.S. business abroad. Long after the U.S. public has forgotten about Northrop's payments to two Saudi generals, Arab nationalists will remember them.

There is a limit on what the U.S. government can do in cases of this sort. The Securities & Exchange Commission has raised the question of whether its disclosure requirements apply to United Brands' payments to the president of Honduras, but a broad disclosure rule would be almost impossible to enforce. The solution must come from the corporations themselves.

It is time for the top management of U.S. companies to establish a single standard of ethical behavior for their executives, at home and abroad. Competition should be in terms of product quality, price, and financing—not in the purchase of local politicians. Each company must look past short-term profit to the long-term results of corruption.

In many areas overseas, an American businessman can take off his jacket and tie. He should always remember to keep his morals buttoned up.

THE WARY CONSUMER

Economic forecasters often make the mistake of treating the consumer as a mindless marionette. Pull the strings of income or credit, and you can count on him to jump.

But this year, as the recession reaches bottom and incomes begin to rise, the consumer is not jumping. A careful survey around the country shows that he is wary, still worried about inflation, and still afraid of unemployment (page 43). He is buying what he needs, but he is not rushing out to snatch goods off the retail counters.

This is healthy. It means that the Nation will not come out of the worst recession since the 1930s and go into another violent boom. Th Consumer, signed, scalded, and shaken by what he has been through, will be cautious about making big commitments. He will want value for his money. He will not bid wildly for goods or be stampeded by the threat of shortages.

The danger is that industry will not succeed in giving him what he wants fast enough to promote a strong, steady upturn. It is significant that the two areas where the consumer is holding back are housing and autos, both vital to the economy. In housing, the problem seems to be price and high cost of mortgage money. In autos, the industry has not yet offered a smaller, more efficient car that can turn the lookers into buyers.

The challenge to business in the period ahead will be to give the consumer the merchandise he wants at prices he considers right. This will take smart product planning and effective marketing, two branches of business that quietly atrophied during the great inflation. When the consumer doesn't jump, then the businessman must.

UNIQUE PATRIOTIC SERVICE OFFERED BY ARMED FORCES PERSONNEL

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. PEPPER. Mr. Speaker, the unique patriotic service offered our country by both retired and active duty Armed Forces personnel stands as a testament to a nation rich with respect for a heritage of selfless dedication to our national security. America is only as rich as its recollection of the lessons of history and only as strong as its support for the men and women who are the linchpins of our collective character. Mindful of our need to remain ever vigil to the changing needs of these individuals, I commend to my colleagues and to all Americans the resolutions recently passed by the South Florida Chapter, Disabled Officers Association and Miami Chapter No. 10, Disabled American Veterans which follow these remarks:

RESOLUTION No. 1—1975

Whereas: With increasing frequency members of the Disabled Officers Association, South Florida Chapter learn of proposals to reduce, or eliminate, long established rights, benefits or privileges to which they or their dependents have been entitled as a result of their services to our Nation in time of war; and

Whereas: Use of Department of Defense operated commissaries have been for years included in the 'fringe benefits' extended to active duty and retired personnel, including those who have been retired for disabilities incurred in 'line-of-duty' during periods of war and while serving in one of the uniformed services. It can easily be understood how disturbing it is for those enjoying this benefit to learn that serious efforts are being made to so change the methods of financing and operating them that they will shortly incur such high operating costs that they would be forced to close the doors as the result of no longer being in a position to serve the patrons on a mutually profitable basis; and

Whereas: Such closings would result in reactions most unfavorable to those on active duty, retirees, and especially those retired for, or with, physical disabilities. Aging retirees who depend upon the commissary stores to help them beat inflation will be one with the enlisted men serving in the lower pay grades. Growing use of Food Stamps by those using the commissaries is evidence of the poverty levels to which some of the patrons have been reduced; and

Whereas: Contention that military pay having reached comparability with civilian pay and that therefore discontinuance of commissaries, along with other 'fringe benefits' can be justified is neither true or valid. If accepted it becomes another excuse for placing those who are called upon to make no sacrifice of life or limb in the service of America upon an equal footing with those who render patriotic duty that can easily lead to making the supreme sacrifice, and

Whereas: Loss of commissary privileges can be morale destroying for those it was included as a 'fringe benefit' for, as part of their contract for employment at the time they entered the military service. Denial of this benefit would be at best a disappointment. Certainly it is a breach of faith. Only resentment and bitterness can result. Further loss of confidence in the leadership of those who direct our country's destiny must result. Loss of morale by those serving in our armed forces, upon whom we depend for the defense of our Nation may very well be too high a price to pay for the saving of the few dollars involved.

Therefore be it resolved that:

We, the members of the South Florida Chapter, Disabled Officers Association in regular meeting assembled in Miami, Florida do call upon our fellow members of the national Association to support our position that the commissaries operated by the Department of Defense shall be continued in operation on a basis that will permit them to be efficiently operated in a manner that will assure them to be competitive with all other off-base retail and chain store establishments. By good management we look forward to their patrons being best served at the lowest possible cost. To this end it is requested that this Resolution be presented to, and favorably acted upon without delay, by the National Executive Committee of the Disabled Officers Association. Copies of this Resolution to be forwarded to The President of the United States, the Secretary of Defense, and Chairmen of the House Appropriations Committee, the House and the Senate Armed Services and Veterans Affairs Committees.

RESOLUTION No. 2—1975

Whereas: Each new day seems to bring to the attention of members of the Disabled American Veterans further reports of proposals to reduce, or eliminate, some hard-earned right, benefit or privilege to which members of the uniformed service whether active-duty, or retired from, or veteran of has been entitled; and

Whereas: Commissaries and military exchanges have been for years included in the 'fringe-benefits' extended to active duty and retired personnel by the military and naval services of our country. It is now most disturbing to learn that strong efforts are being made to so change the manner of financing them that they shortly incur such high operating costs as to price themselves out of a competitive position. Result of such closings would react most unfavorably on both active duty and aging retirees who depend upon the commissary stores to help them beat inflation. Many of these, especially, the lower grade enlisted men and the older low grade retirees living on fixed incomes will find it hard to make ends meet. Growing use of Food Stamps at Department of Defense Commissaries is indicative of the almost poverty levels to which some have been forced.

Whereas: Contention that since military pay has reached comparability with civilian pay and that discontinuance of commissaries, along with other fringe benefits, can be justified is neither true or valid. If accepted it becomes another reason for placing the disabled veteran, and all veterans on an equal footing with those in civilian occupations who have rendered no patriotic duty to their Nation. It is morale destroying for those for whom it was a 'fringe benefit' included in their contract with the military at the time they entered the service. At best it is a disappointment, at worst a breach of faith. Only resentment and bitterness can result. Further loss of confidence in the leadership of those who direct the country's destiny must result if these so-called 'fringe benefits' are taken away. Loss of morale by those serving in our armed forces who are charged with the defense of our Nation might very well be too high a price to pay for the saving of the few dollars involved.

Therefore be it resolved that:

We, the members of the Disabled American Veterans, Chapter No. 10, Miami, Florida, in regular meeting assembled do call upon our companions in the D.A.V. to support our position that the Commissaries and Exchanges operated by the Department of Defense shall be continued in operation on a basis that will permit them to be efficiently operated in a manner that will assure them being competitive to all other off-base retail and chain store establishments. By good management we look forward to their patrons being best served at lowest possible cost. To this end it is requested that this Resolution be presented and acted favorably upon at both the Department of Florida and the National Conventions.

Resolution No. 3—1975

Whereas: According to statistics published by the United States Veterans Administration, effective as of June 30th, 1974, there were approximately 1,167,000 veterans of America's wars and armed conflicts residing in the State of Florida. This places the State as being eighth in rank of all the states insofar as the number of veterans living within its boundaries is concerned. Of these, wartime service is reported numerically, as follows:

257,000 served in the Vietnam Era.
248,000 served in the Korean Conflict.
582,000 saw service in World War II.
71,000 served in World War I.

It is further disclosed that Florida ranked fifth in total expenditures for vocational rehabilitation and education; sixth in number receiving compensations and pensions at the same time being fifth in expenditures for such compensation and pensions; and

Whereas: Having a Representative of Congress, dedicated to protecting the interests of the disability retired and of the disabled veteran as well as those of all veterans, their dependents and survivors, should be a reasonable expectation on the part of such veterans of the Armed Forces who, with their families, comprise such a large part of the population of the State of Florida; and

Whereas: At the present time not a single member of the House of Representatives from the State of Florida is included in the membership of the 27 member House Veterans' Affairs Committee.

Now therefore be it resolved that:

Every effort be made to secure consent of at least one of the Florida members of the House of Representatives, Congress of the United States, to seek early appointment to the House Veterans' Affairs Committee that the best interests of those who have patriotically served our Country in times of armed conflict may be protected. Such service cannot help but be of benefit to all citizens of Florida and of the United States but, will also reflect most favorably to the prestige of that Member of Congress who volunteers to accept this added responsibility; Now

Therefore be it further resolved that:

Copies of this resolution shall be forwarded to each of the Congressmen representing Florida districts with request that they advise of their availability and willingness to serve. Copies shall be made available to Chairmen of concerned Congressional Committees; to other veterans groups locally who can be encouraged to support the purpose of this resolution. Also, copies shall be distributed to other Chapters of the Disabled Officers Association operating in the State of Florida, and to the National Commander of Disabled Officers Association.

Resolution No. 4—1975

Whereas: There is an immediate need to provide relief for those disabled veterans, and disability retired officers, and their dependents and survivors, who are dependent on Compensation and/or Disability Indemnity Compensation (DIC) and who have had the purchasing power of such compensation dollar further reduced by continued increases in the cost-of-living. Last previous adjustment which took place May First, 1974 has been wiped out; and

Whereas: Legislation has now been introduced into both the House and the Senate of the Congress of the United States which is designed to provide needed cost-of-living increases in compensation payments also, in DIC payments. One is that introduced by Congressman G. V. (Sonny) Montgomery, 3rd District Mississippi on April 10th, 1975. It is identified as H.R. 5903 and, Senator Vance Hartke, Chairman, Senate Veterans' Affairs Committee has introduced another identified as S-1597, and

Whereas: Both of these bills have been introduced because of the awareness of the urgent need to extend compassionate relief to those entitled to benefit from Compensation payments and DIC. There being some differences in the increases requested and the benefits included between the aforementioned House and Senate bills, and

Whereas: It is our belief that the House bill provides certain justifiable increases in benefits it is urged that S-1597 will be amended to provide that all benefits provided in the bill will be increased by 14 percent. This is proposed in spite of the recommendation of the Veterans Administration that Compensation and DIC payments should be increased by only 5 percent. Their attitude is in line with President Ford's recent declaration that raises in federally supported benefits must be held to a 5 percent level, and that new programs should be curtailed;

Now, therefore be it resolved that:

South Florida Chapter, Disabled Officers Association shall continue to support efforts to bring about increases in Compensation and in DIC payments whenever increases in the Cost-of-Living Index indicates that such compensatory payments are not keeping up with higher living costs. Our national Disabled Officers Association is hopefully requested to support our position as expressed in this resolution; and

Now be it further resolved that:

Thanks of our membership be extended to both Congressman Montgomery and the co-sponsors of H.R. 5903, and to Senator Vance Hartke and the co-sponsors of S-1597, especially do we wish to recognize and thank Senator Richard (Dick) Stone of Florida for his having co-sponsored S-1597. Copies of this resolution to be distributed as deemed desirable and necessary.

Resolution No. 5—1975

Whereas: Lack of adequate dental care, including lack of dentures, where needed, can impair health and contribute to need for extensive medical health care; and

Whereas: Due to economic conditions beyond their control many disability "in-Line-Of-Duty" retirees; and disabled veterans who are receiving compensation payment through the Veterans Administration, are living on the borderline of poverty in these days of inflation. Also, included are the dependents and survivors of these veterans; and

Whereas: It is believed that the aforementioned disabled veterans have sacrificed greatly in the service of their country and have by the disabilities incurred in such service been prevented from acquiring means to permit them to be as self-sustaining as they would have been had they not suffered handicaps 'in-line-of-duty', consequently, they find themselves without the means to purchase adequate needed dental care for either themselves, those dependent on them, or their survivors; and

Whereas: Existing laws are so written as to make it practically impossible for the aforesaid disability veterans to receive proper dental care at any government facility, included being Veterans Administration Hospitals and Clinics; Department of Defense Installations; and United States Public Health Service Hospitals and Clinics. Lack is further compounded by Champus, and Medicare restrictions; Now,

Therefore be it resolved that:

South Florida Chapter, Disabled Officers Association declares itself to be on record as desiring full dental care to those veterans who have been retired for physical disability; those who are receiving compensation from the Veterans Administration for service-connected disabilities; also, for their dependents and for their survivors who are receiving or would be eligible to receive either pensions or Disability Indemnity Compensation (DIC) payments by reason of their relationship to the aforesaid disabled veterans of the uniformed services. It is the belief of the Chapter's membership that any future legislation to rectify the present lack of dental care must include necessary funds to assure availability of space, manpower, and equipment and should not be on a restricted 'as available' basis; Now

Be it further resolved that:

The national Disabled Officers Association be urged to accept the purposes and proposals made within this resolution and adopt them in their efforts to secure revisions of old, or adoption of new legislation by the Congress of the United States. Copies of this resolution shall be distributed to our Florida legislators, and to our National Commander with request for distribution on a national scale. Also, copies will be made available for distribution to local veterans groups.

Resolution No. 6–1975

Whereas: Continued reductions in health care at facilities operated by Department of Defense, and at United States Public Health Service Clinics and hospitals provide ample evidence that these 'fringe benefits' are being drastically reduced and eliminated insofar as both the 'line-of-duty' disability retiree and his dependent and/or survivor is concerned; and

Whereas: At the time of entry into the Armed Forces complete health care, available at these facilities in case of disability retirement, was held out as an added inducement for entry into service, or later for continuing on active duty. Included was care for dependents and survivors. Withdrawl of such health care can easily be considered as being a 'breach of faith'; and

Whereas: Our defense structure is primarily founded on human beings and for them to see those who have served honorably and who have suffered disabilities incurred in 'line-of-duty', denied the complete health care held out to them, their dependents and survivors, as a fringe benefit cannot help but be destructive of morale; and

Whereas: Delivery of good health care depends upon adequate trained and dedicated manpower, adequate facilities, modern equipment, and medicines; and providing for these is dependent upon the Congress of the United States authorizing appropriate funds; now

Therefore be it resolved:

South Florida Chapter, Disabled Officers Association hereby goes on record as opposing any reduction in health care for disability retirees from the Armed Forces, their dependents or survivors, as authorized for delivery to them at any facility coming under the jurisdiction of the Department of Defense and/or the United States Public Health Service Hospitals or Clinics. All concerned should be made aware of the fact that where existing laws do not so provide for it, delivery of health care to the disability retiree, dependents and survivors must be made obligatory and not be subject to 'as available' restrictions. Provisions for adequate funding to be included; Now

Be it further resolved that:

Disabled Officers Association, through its National Commander shall be informed of this resolution by being supplied a copy of same and that they be requested to adopt its provisions as a mandated goal of the Association, taking all possible steps to bring about the proposals and actions recommended therein. In turn they plan to circulate the resolution to the membership in its entirety. Copies of this resolution will be distributed to Florida members of Congress. Copies will be made available for distribution to local veterans groups.

ENVIRONMENTAL AND HEALTH GROUPS OPPOSE REGISTRATION OF MIREX

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. PEYSER. Mr. Speaker, the Health Research Group and the Environmental Defense Fund issued the following statement and thought it might be of interest to Members of the House.

Mirex

The imported fire ant, which infests approximately 126 million acres in nine southern states, as far north as North Carolina, is a major nuisance pest because of its sting, but is not an agricultural pest. It does little damage to crops, although the threat of its sting interferes with hand labor in some crops and its mounds may damage agricultural machinery.

In the early 1960's the Department of Agriculture carried out a program to eradicate the fire ant, utilizing non-selective chlorinated hydrocarbons, such as dieldrin and heptachlor. The adverse environmental impact of these pesticides was so severe, however, that their use was precluded except in very restricted situations. Since its introduction in 1962, Mirex has been the pesticide of choice for control of fire ants.

In 1967, the Department of Agriculture requested the National Academy of Sciences-National Research Council to review the imported fire ant program. The final report of the NAS committee questioned the feasibility of eradicating the fire ant and suggested further research. In the three-year period following, large scale eradication trials were carried out in Georgia, Florida, and Mississippi. These trials indicated that Mirex bait was not effective for eradication although it does provide control of the imported fire ant. Indeed, experience has shown that eradication is rarely feasible for any insect problem except in isolated locations. The trials also demonstrated important operational and technical problems, including the inadequacy of available survey and detection methods to monitor their effectiveness. Thus, in 1971 the Department of Agriculture considered and rejected eradication of the fire ant from the 126 million infested acres as "not a practical alternative." The decision was based on the inability of the states to support the program financially, on problems of logistics, and because questions were raised that required answers concerning the effect of such a large scale use of pesticides on the environment. (USDA Statement on the Imported Fire Ant Index Control 11/12/71 p. 8.) As far back as 1971, therefore, USDA had concluded that eradication was no longer an objective of the Federal-State Cooperative Control program.

On March 18, 1971, EPA cancelled the registrations of Mirex on the grounds that "evidence, primarily from the laboratory, concerning the effect of Mirex on human health and on animals raised serious questions about the safety of continued use of pesticide products containing Mirex." (Determination and Order of the Administrator, May 3, 1972.) The evidence included significant reproductive effects in rats, and induction of tumors in mice as well as production of exceedingly toxic effects on juvenile crustaceans, especially shrimp and crabs. (More recently, the National Cancer Institute has positively identified Mirex as a carcinogen in mice and rats.)

The matter of cancellation was then referred to a scientific advisory committee, at the request of the manufacturer, Allied Chemical Company. The revised report of the Mirex Advisory Committee, dated March 1, 1972, recommended continuation of the registration of products containing Mirex, with labeling restrictions to minimize environmental contamination.

On June 30, 1972, EPA reinstated all of Allied Chemical Corporation's registrations of Mirex pesticides, but imposed restrictions prohibiting all aerial applications of Mirex in coastal counties, and all broadcast applictaions on or near estuaries, rivers, streams, lakes, swamps, ponds, other aquatic areas and heavily forested areas. Ground applications of registered Mirex pesticides in all other areas were permitted with application equipment which could be calibrated to deliver the recommended dosages. The fire ant control program has been carried out by USDA each spring and fall since these restrictions were imposed.

On April 4, 1973, EPA announced a hearing to determine whether the registrations of Mirex should be canceled or amended. The purpose of the hearing was to determine whether widespread and commonly recognized practice involving the use of Mirex generally causes unreasonable adverse effects on the environment, as defined by the Federal Insecticide, Fungicide, and Rodenticide Act. In answering this question, several other questions were raised involving the chemical properties of Mirex such as persistence, mobility, and potential for bioconcentrations, the hazards to man, and the hazards to the environment, especially hazards to aquatic life, and whether these outweighed the benefits arising from the use of Mirex. The hearing had been in progress for over a year when USDA announced its cancellation of the program, ostensibly because of EPA restrictions on application. In ending the program, Agriculture Secretary Butz said that the ants "could be totally eradicated with only negligible effects on the environment." This statement represents an apparent reversal of USDA policy and is not supported by the U.S. Department of Agriculture's own evidence, the conclusions of the National Academy of Sciences panel looking into the problem, or the conclusions of the Mirex Advisory Committee.

BEACH EROSION AND HURRICANE STUDY

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. SOLARZ. Mr. Speaker, last week I submitted a statement to the U.S. Army Corps of Engineers, Division of Rivers and Harbors, concerning the beach erosion and hurricane study on the Coney Island area of Brooklyn, N.Y.

I am deeply concerned about the reaction contained in the revised report and I strongly believe that this is an inadequate response to the needs of the community. Unless these issues can be resolved, I will be compelled to oppose any further authorizations for this project.

Mr. Speaker, I respectfully submit my statement for the RECORD:

STATEMENT OF HON. STEPHEN J. SOLARZ

As the Member of Congress representing the communities of Coney Island, Brighton Beach, Manhattan Beach and Seagate, I am deeply concerned about the recommendations contained in the revised report which has been submitted by the District and Division Engineers to the Board of Engineers for Rivers and Harbors.

The issue of hurricane protection and beach erosion control for the Shorefront communities has been a matter of concern for many years. Various plans and proposals have been circulated for at least the past fifteen years, yet no visible progress has been made.

Three years ago, on March 21, 1972, together with many other members of the community, I testified at the public hearing held at the New York Aquarium. At that time, we expressed our strong opposition to the dual purpose plan and to the mammoth seawall which was proposed for the Manhattan Beach part of the project.

I'm sorry to learn now that the Corps of Engineers has not adequately addressed itself to the objections which the community raised at that time. By failing to propose a more acceptable means of hurricane protection, and by retaining many of the negative features of the original proposal, the Corps has shown both a lack of imagination and an unwillingness to deal constructively with the criticisms which were raised over three years ago.

I believe that there is a real need to rebuild and protect the beach, and to take steps to limit the damage caused by hurricanes, and I want to go on record as supporting the goals embodied in the District Engineer's report.

Unfortunately, however, the revised plan is an inadequate answer to the needs of the community. There are areas where its recommendations are defective, and unless these issues can be resolved, I will be compelled to oppose any further authorizations for this project.

(1) The Corbin Place Groin is not needed, and will have a deleterious impact on the residents of Manhattan Beach

The Corbin Place groin is to be the easternmost groin along the Coney Island Beach. It is presumably intended to retard the erosion of the beach by causing the build-up of sand. This groin, however, will not serve that function since the prevailing littoral drift is from east to west.

What would happen were this groin to be built is that instead of helping the Coney Island Beach, it would accelerate its erosion. Specifically, the groin would lead to the creation of an eddy on the western side, which would result in the rapid erosion of the adjoining beachfront and a concentration of pollutants on the Western side. This is precisely what happened on Fire Island and the Hamptons after groins were put in there. The impact on the beaches has been nothing less than disastrous. In addition to being unnecessary, the construction would have a detrimental impact on Manhattan Beach.

The neighborhood has been the site of a great deal of major construction in the past few years. Further disruption because of the traffic and noise which would be created by the project must be avoided.

In the long run, I am opposed to the placing of what would amount to a fishing pier immediately adjacent to a residential street. The groin would necessarily cause an enormous leap in the use of the street, and public facilities would not be able to handle the increased demands. There is no street parking permitted on Corbin Place, and public transportation is already hard pressed to provide service to the area.

(2) The West 37th Street Groin would be an ecological and environmental disaster for the community.

The fact is that the Sea Gate Beach is eroding much faster than the other beaches along our shorelines. The Corps' own reports indicate that this erosion is due to the interruption of the littoral drift of sand westward along the southern shore of Long Island. The Breezy Point Jetty, together with the existing groins along the Brighton and Coney Island Beaches are the immediate cause of this problem and there has already been considerable flood damage in Sea Gate. There is no question but that the introduction of a 640 ft. groin at West 37th Street would greatly speed up this erosion and would, within a short time wipe out not only the beach, but many of the homes in the community as well.

(3) The effect of the groins on the quality of the water in both Sea Gate and Manhattan Beach has not been studied. Recent reports by the New York City Health Department have indicated that bathing is "not recommended" along a substantial portion of the shorefront. Without the benefit of a complete scientific study of the effects of the groins, two assumptions can be made: 1) the Corbin Place groin will catch the pollutant outfall from Jamaica Bay and trap it along Manhattan Beach and 2) that the West 37th Street groin will catch the outfall from the New York Harbor causing unaccepable pollutant levels along the Seagate beaches.

Both of these conjections must be rejected out of hand. The community will not tolerate any steps which will contribute to the increase of pollution, and unless it can conclusively be determined that the groins will not cause an increase in pollution, then the plan will continue to be unacceptable.

These aspects of the groin structure have not been thoroughly evaluated. I cannot understand why the Corps did not subject this proposal to testing at the Waterways Experiment Station in Vicksburg before completing its report. The potential damage that might result from the construction of the groins is so great that the project must not go beyond this point without rigorous testing and extensive analysis of the impact of the terminal groins.

(4) Recommendations.

The proposed West 37th Street groin should be located at Norton Point. It should, in effect, be designed to prevent both erosion and pollution. It seems to me that this dual purpose approach would serve the entire area by both improving water quality along the entire shorefront and protecting the beach from further erosion in Sea Gate.

The Corbin Place groin should not be built. It would have a negative impact on both the quality of the community water and would create an eddy on its western side which would make Bay One of Brighton Beach unusable and would rapidly erode the newly filled in beach at that location.

II. OTHER ENVIRONMENTAL EFFECTS OF THE PROPOSED REPORT

Paragraph 111 of the report states that the dredging for beach fill would have definite impacts on the bottom dwelling or benthic life." The report goes on to state that "At this time there is insufficient information available to accurately determine the extent or degree of environmental impacts associated with dredging operations in the East Bank Shoal."

I submit that the proposed method of dredging would do irreparable damage to the benthic life. The turbidity that would result from this operation would not only render the beach unusable but would ruin these invaluable waters for both sport and commercial fishermen.

III. CONCLUSIONS

Neither the current proposal nor the possible alternatives have been properly studied. I, therefore, ask that the Board of Engineers for Rivers and Harbors return this report to the New York District with instructions for a full study and report to be made on the following aspects of the proposed project.

1. Alternative methods of hurricane protection.
2. A complete study of the ecological and geological effects of the proposed groins.
3. A complete study of the ecological effects of hydraulic dredging on the East Bank Shoal and a detailed report on alternative sources for fill material.
4. Alternative methods of restoring the beach including, but not limited to, the feasibility of a feeder beach program.
5. The redesign and relocation of the proposed West 37th Street groin to Norton Point so that it might serve to improve the water quality and prevent further erosion at Sea Gate.

I thank the Board for the courtesy of having extended the time in which statements could be submitted. I hope, however, that the dialogue between the Corps of Engineers and the community will continue during the future consideration and study of this proposal. I would like to take this opportunity to invite the members of the Board to visit my district so that they might see, at first hand, the areas which are affected by this study.

The community desperately wants to rebuild and restore its beaches, but not at an unacceptable cost. I trust that the recommendations which I have made and the further studies which I have requested will assist in the development of a Beach Erosion and Hurricane Protection Plan for my district which I will be able to enthusiastically support when it comes before the House of Representatives.

AMERICAN SOCIETY OF CIVIL ENGINEERS SUPPORTS TRUCK WEIGHT REDUCTION

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. KOCH. Mr. Speaker, in the consideration of my amendment to reduce truck weights, to be offered to the Transportation Appropriations Act the week of July 8, I invite the attention of our colleagues to a policy statement and position paper by the American Society of Civil Engineers:

SIZES AND WEIGHT OF VEHICLES: POLICY ADOPTED BY BOARD OF DIRECTION, OCTOBER 30, 1974

Many of our bridges and pavements are now in poor condition and inadequate for the loads they are carrying. A complete inventory of all our bridges is necessary and they must be rated for allowable carrying capacity. States, counties and municipalities must develop programs for maintaining, rehabilitating and upgrading their structures and roads. An evaluation of the costs of future bridge and highway maintenance is necessary and an equitable manner of funding must be devised.

Increases in vehicle size and/or weight limits should not be permitted until existing structures have been inspected, the effects of increased vehicle sizes and weights on bridges, pavements and underground structures evaluated, and appropriate improvement programs and capacity postings are implemented.

SIZES AND WEIGHTS OF VEHICLES: POSITION PAPER ADOPTED BY THE BOARD OF DIRECTION, OCTOBER 19, 1974

On December 15, 1967, the nation's attention was focused upon the tragic collapse of the "Silver Bridge" over the Ohio River at Point Pleasant, West Virginia. Forty-six lives were lost in this accident which caused concern and apprehension regarding the safety of our country's highway bridges. Ironically, at about the time of the collapse, the powerful trucking industry was lobbying in Congress for legislation to permit larger and heavier trucks on the nation's highways. The "Silver Bridge" collapse created an unfavorable climate of opinion for such legislation and the trucking lobby temporarily relaxed its pressure on Congress. Because the matter of permitting heavier, wider and longer vehicles on our roads, streets, highways and bridges has such serious implications in regard to public safety and the public purse, the Structures Group Executive Committee of the Metropolitan Section, American Society of Civil Engineers has prepared this paper on this important question. As its name implies, the Structures Group consists of engineers trained especially in structural engineering, most of whom are engaged in the design of bridges and other structures.

BACKGROUND

For years, the trucking industry has advocated legislation to permit the use of heavier and larger trucks on the nation's highways. Partly because of the collapse of the "Silver Bridge" and President Johnson's order for emergency bridge inspections, together with public concern about bridge safety, action on such legislation was temporarily postponed. However, in March 1968, the issue was again raised when the Department of Transportation backed the proposal for increases in allowable truck sizes and weights on our Interstate highways. At that time, a bill (S. 2658) to permit such increases was introduced by Senator Magnuson (D-Wash.) but no action was taken on it.

In 1969, the Federal Highway Administrator testified in support of legislation permitting increased vehicle weight and width limits, but asked for a three-year delay to allow time for developing new safety standards and to study the effects of such increases on the Interstate highway system. As reported by Engineering News Record on September 11, 1969, the cost of upgrading the Interstate system to accommodate the larger vehicles was estimated by the Federal Highway Administration to be $300 million. This seemingly low figure ($10,000 per mile) has been a point of contention among many engineers. A consultant was retained by the Highway Research Board to study the economic effects of changing the regulations to permit larger and heavier vehicles.

At present, the results of this study have not been made public and no further vehicular weight bills have been introduced or are now awaiting action by the Congress. However, with the recent passage of the "Wider Bus Bill" (H.R. 4354) by the House and the recent revelation that almost 89,000 of the nation's 563,000 bridges are in critical condition, the concern of engineers with the safety of our highways and highway structures has become even more pronounced.

Approximately half of the States have statutory limits for axle loads in excess of those allowed on the Interstate system. Yet, with few exceptions, our highways and bridges are designed in compliance with Interstate system standards and to a great extent these excess loads are the cause for the accelerated deterioration we witness today.

The discussions and Congressional hearings to date have been concerned primarily with the effects on the Interstate highway system, a very small percentage of the total length of streets, roads, and highways in our country. Where AASHO design load limits are still adhered to, how will the heavier vehicles affect our already overtaxed bridges and roads that are under the jurisdiction of State, county and city administrations after these vehicles exit from the Interstate highway system? For example, some 400,000 bridges exist in our contry which were built prior to 1935. They were designed for lighter vehicles than those presently in use. They cannot be expected to sustain the heavier truck loading proposed without extensive, and expensive, strengthening—where this is in fact at all possible. Many structures will have to be replaced. What will be the effect of heavier vehicles on the complex underground utility systems which are often located close to the street surfaces in our towns and cities? As an illustration, the underground systems of New York City comprise some 62,000 miles of major electrical lines, about 7,800 miles of gas mains, and some 50 miles of steam mains, not to mention water mains, sewers, telephone lines, subways, and other services. Many of these services are old, especially the gas and water mains, and could be damaged by heavier traffic loadings. These questions concern the public welfare and have not been adequately studied. The fact that there are 89,000 bridges in critical condition, with 24,000 of these on the Federal-aid highway system, makes it even more imperative that we comprehensively examine our system and determine the effect of heavier loadings. In what follows, the effect of the proposed increases in allowable vehicle weights on bridges will be explored in more detail.

CONDITION OF EXISTING BRIDGES IN THE UNITED STATES

Shortly after the "Silver Bridge" collapse, President Johnson established the Task Force on Bridge Safety which had a committee charged with conducting a national study on the safety of bridges. This committee, chaired by Administrator Bridwell, issued a report in 1969 on the status of bridge safety and included a bridge inventory. A questionnaire was sent to Federal, State, county, and city agencies, as well as toll road authorities and railroads, requesting information on the status of their bridge inspection programs and inventory data of bridge components. From the response to this questionnaire, and studies by the Office of Planning of the Department of Transportation, it was determined that 407,000 bridges exist that were built prior to 1935, of which 353,000 are located on county, secondary and rural roads. A total of some 563,000 highway bridges presently exist in the country.

As mentioned before, President Johnson's Task Force encouraged the States to inspect bridges under their jurisdiction. Although most States reported in 1968 that they would meet the completion deadline of January 1, 1970 for bridge inspection, in fact they did not. Therefore, the deadline was extended to July 1, 1972 for consideration under Federal replacement funding and in any case all bridges must now be inspected by July 1, 1973. Furthermore, because of lack of funding, some county and city bridges may not receive in-depth inspection. These structures seldom receive adequate maintenance and many are in poor condition.

A frightening aspect of the condition of our bridges is that many deteriorated portions of structures are not readily visible. Examples of the hidden problems are the deteriorated structural reinforced concrete bridge slabs covered by wearing surfaces, minute cracks in steel structures which are possible sources of fatigue failures, and the reduction in cross section of metallic members caused by hidden corrosion. The major maintenance and safety problem is probably the deterioration of our bridge decks. Of the three principal defects usually encountered—cracking, scaling, and spalling—the latter is the most serious and the most difficult to control. Spalling is usually caused by salt solutions which permeate through small cracks and pores in the concrete and corrode the reinforcing steel, thereby weakening the bond between the steel and concrete. The weakened deck then becomes progressively more susceptible to failure under truck loading. To subject our bridges to heavier loading, before the spalling problem is solved, would be extremely dangerous to the riding public. It should be noted that the tendency over the past 20 years, with the advent of composite construction has been to make lighter, more flexible structures and thinner concrete decks. This more recent type of construction appears to show evidence of accelerated deterioration on many of our bridges. The true physical condition of our bridges must be determined before the effects of heavier truck loadings can realistically be evaluated.

MAINTENANCE COST

The cost of maintaining our modern highway system and the older county and rural systems is a critical problem confronting State and highway officials. The budget squeeze experienced by most agencies, the greater demand for services, and inflation are major factors affecting the ability to maintain highways adequately. It has been estimated that between 1973 and 1985 it will cost $6 billion per year to maintain roads and streets. Significantly, the annual cost of maintaining the 43,000-mile-long Interstate highway system when completed is estimated at $6,400 per mile. Highway departments have only recently realized the tremendous maintenance programs they face. At one time, 10 to 15 percent of their budgets were allocated for maintenance. Today, the highway departments spend about 30 percent. The amount may be considerably higher, if the proposed heavier truck loadings are approved.

CONCLUSIONS

Many of our bridges and pavements are now in poor condition and inadequate for the loads they are carrying, much less for the larger and heavier vehicles proposed. We need a complete inventory of all our bridges; they must be rated for allowable carrying capacity. States, counties and municipalities must develop programs for maintaining, rehabilitating and upgrading their structures and roads. An evaluation of the real costs of future bridge and highway maintenance is necessary and an equitable manner of funding mut be devised.

Though many factors will affect the decision to permit larger vehicles on our roads, from an engineering point of view no increase in vehicle size or weight should be permitted until existing structures are put in order and the true effects of increased vehicle size and weights on bridges, pavements, and underground utilities are evaluated.

FUEL DILEMMA

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. GOODLING. Mr. Speaker, I, like many of you here today, have for some time listened to the pleas of industry within my district for more fuel. Moreover, and with even greater concern, I have watched the economic and social problems of our country increase alarmingly as a result of this fuel dilemma. I believe something must be done. If there are ways to provide plentiful fuels, competitive to crude oil and natural gas, then means should be available to support this growth.

If we could identify a way which:

First. Uses a fuel readily available in the United States to produce nearly all of our energy needs;

Second. Converts that fuel without major losses into any of the fuels we now use;

Third. Makes these fuels clean burning, thus saving the cost and waste of fuel experienced when we scrub pollutants out of flue gas;

Fourth. Gives the fuels to use in all types of equipment we now use without major change—from automobiles, to utilities, to industry, and to home heating.

And if these fuels can be distributed through our present normal channels of distribution, then I believe we would be on our way to energy independence, and to an end to the economic retardation which the uncertainty about fuel and energy has brought about in the recent years.

According to one of my constituents there is an opportunity now to do all of these things.

Mr. Alwin B. Newton is an energy expert in my district. He is a former vice president of the York division of Borg-Warner, having retired in 1971. He has been concerned with energy resources and what we have been doing with them throughout most of his professional life. He was a founder of the International Solar Energy Society in 1955, and is a charter member. He is active in the solar energy field still and has testified as an expert before committees of this Congress. Recently he has served on a task force of the Governor's Energy Council in Pennsylvania, and has been a consultant to several State legislatures on energy matters. He is a visiting professor at a major university, and a consultant to at least three others, again on energy matters.

Mr. Newton recently said our so-called energy crisis is really a fuel problem. It is not a shortage of all fuels, but of specific ones. There is an abundance of fuel for many decades, perhaps centuries. What we have is a growing number of opportunities for better management of these resources. The United States has more fossil energy than other nations. Our coal reserves are virtually untapped. In terms of energy, they represent many times the world's total oil reserves. Getting this coal out of the ground and using it without pollutants, and doing so economically and efficiently, provides some of our greatest opportunities. Opportunities for new businesses of the type that can again make the United States a world leader in energy production, perhaps even an energy exporter, according to Mr. Newton.

A known process called "micronation" of coal could make the United States as self-sufficient as I have just described, and it can do so quicker and at less cost than any other known solution to the problem.

Any type of coal can be reduced economically to a uniform microscopic shape in the micron or submicron size. At the same time, all the incombustible materials, such as dirt and ash, and all the sulfur can be removed. The process which can dot this was developed in Europe. It is called the Ilok process and it is now available in the United States.

The process, according to Mr. Newton, is the breaking down of all the membranes in the coal to a particle referred to as a "fossil cell." Upon burning, the products of combustion gasify completely, leaving no char or residue.

Not only is such micronated coal clean burning, but, even more important, the fine particles can be combined with hydrogen to make a gas almost exactly the same as natural gas, or to make the equivalent of crude oil. So coal can give us our gasoline and our fuel oils. The coal itself can be burned in fuel injected engines like railway diesels, or trucks—even in fuel injected pleasure cars. It can be used to make other hydrocarbons, many now in short supply.

Even more quickly the fine powder can be used as a colloid in oil and gasoline. Forty percent of such powder would almost immediately save 40 percent of these fuels now in short supply, and perhaps more because the heat values would be raised by the presence of the coal powders.

I am told by Mr. Newton the powders can be briquetted for steel making in lieu of coke. The powder is so fine and pure that it has become a low-cost source of carbon black, and a low-cost activated carbon.

Recent data shows the entire process to be more efficient both in the use of energy and equipment than other methods of coal liquefaction or gasification. It may well obsolete the processes currently being researched. Further, I am advised the capital cost for the process is far less than for the other processes.

Mr. Newton's work as chairman of the Committee on Solar Energy Utilization of the American Society of Heating, Refrigerating and Airconditioning Engineers, has convinced him that solar and nuclear energy may eventually be the source of most of the Nation's energy, but these methods do not offer the immediate solution which this coal process does.

He believes our great coal reserves coupled with this process could give us not only what we have been looking for—a competitive substitute for gas and oil—but also a way for America to emerge as the greatest fuel Nation of the world, by supplying low-cost feedstock of hydrocarbons to our vast chemical industries, producing ultra low-cost activated carbon for the treatment of our drinking water and our lakes and streams, producing vast amounts of lower cost electricity, and improving our steel making processes. Mr. Newton believes we can practice conservation of material by getting more useful products out of the material we mine and more power out of the coal we burn and also do such things as produce low-cost pure carbon for medical use.

Mr. Speaker, if Mr. Newton is correct in his evaluation of the Ilok process, then I believe the process could be a very real answer to the energy problems facing this Nation.

Our current energy situation requires the same kind of national concern we show for other pressing problems and I, for one, would like to see the Federal Government begin immediately an in-depth study researching the potential of this technology and the possibility of providing Federal assistance in the form of grants or low-interest loans to further develop the process, if it appears that it is feasible.

A CRITIQUE ON THE LINOWITZ REPORT

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. PEPPER. Mr. Speaker, at a time when we in Government are carefully reassessing the extent and direction of our international involvements with an eye toward fashioning an up-to-date foreign policy, relations with our brethren in Latin America loom large as a priority issue for our country over the next decade.

While bettering understanding throughout the hemisphere is in our best interest, we must be mindful that our heritage of freedom and equality is not compromised by overzealously persuing détente with nations that view personal liberty as just another cheap commodity.

A leading spokesman in Miami's Cuban community, Dr. Ricardo Nunez-Portuondo, has offered a thoughtful critique of a report recently released by the Commission on United States-Latin American Relations. Prepared under the guidance of Mr. Sol M. Linowitz, the report recognizes the need for upgrading ties with our neighbors to the south, a conclusion we can all support. Dr. Nunez, in remarks prepared for an Inter-American Conference sponsored by Florida International University, is however, extremely critical of the Commission's recommendation that relaxed relations with the Castro regime should be one of our priority interests. I commend the remarks of Dr. Nunez to my colleagues and to all Americans who hold human dignity as the bottom line of our international involvements:

A CRITIQUE ON THE LINOWITZ REPORT

(By Dr. Ricardo Nunez-Portuondo)

I wish to express my most profound gratitude to Florida International University for allowing me this unique opportunity to offer my views on the report prepared by the prestigious Commission on United States-Latin American relations which Sol M. Linowitz heads.

As an American, it is particularly gratifying to share in a discussion of such crucial a topic for the future of our Country before such distinguished guests.

I was specifically asked to analyze the commission's conclusions regarding Cuba and indeed they are worthy of presentation and intense analysis before this audience.

But I find that to accurately discuss Cuba in the context of the report I must first address myself to the basic principles outlined by the commission concerning the United States' global international policies and their application to Latin America in general.

As befits a report prepared by any group of outstanding internationalists I read page after page with the utmost absorption, care and perception that I could possibly summon.

I then proceeded to consult my impressions not only with other respected fellow Americans but also with Cubans, Latin Americans in general and even various good friends from several western European nations.

And we perceived the Commission's message.

We perceived that its primary conclusion was that the time was now ripe for putting into effect changes in United States policies that would bring about a totally new American approach to inter-American relations.

We perceived the Commission's belief that this new approach should be based on the realization that the United States cannot continue to attempt to isolate the Latin-American and Caribbean nations from the rest of the world. . . . That it must recognize that each nation in the region is different . . . with diverse interests and goals . . . and that as such they have the need to find multi-faceted answers to the problems that beset them from nations other than the United States.

We perceived the Commission's conclusion that any new approach would have to be based on the proposition that the United States cannot continue to neglect, exploit or patronize its hemispheric neighbors. . . . A concept based on the premise that justice and decency, and not disparities of power and wealth, should be the guiding forces in hemisphere relations.

We perceived the Commission's belief that the basis for this new approach lay in a commonalty of interests which the Latin American and Caribbean nations now share with the United States.

We agreed with the Commission's belief that the shared experience of working together to solve the very grave political and economic problems confronting the United States and Latin America today can only serve to strengthen the ties between the countries of the hemisphere.

We agreed with the hopes of the Commission that such joint efforts would lead to a future in which the peoples of the Americas would work together in confronting regional and world problems such as maintaining peace, relieving poverty, eliminating hunger and respecting human rights.

We perceived the sense that some of the Commission's pronouncements made and we agreed with them . . . for we all would like to see peace maintained; poverty relieved; hunger eliminated and human rights respected everywhere.

However . . . sometimes in striving toward such lofty goals, human beings . . . as human beings that they are, tend to lose sight of the forest from the trees, and when this happens little stands to be gained and much stands to be lost.

And it is precisely that fear, the fear of gaining little and losing much, which my friends and I share after reading the Commission's report.

It is the fear that in rushing towards an attitude of détente, as the Commission rather ambiguously suggest throughout, we might lose sight of the goals and interests of the United States, and that we might sacrifice those interests and goals for the sake of international appeasement . . . for the sake of being liked by one and all . . . a policy which will not necessarily resolve the problems, but could perhaps serve to perpetuate them and in some cases magnify them to intolerable levels.

The report, as it was phrased, served only to intensify our doubts as to exactly what it is the Commission feels the United States stands to gain by an ameliorating stance towards those who mostly understand and respect strength.

Therein perhaps lies the report's greatest miscue . . . the failure to grasp the concept that Latin Americans, with their time-honored cult of strong political attitudes and decisive leadership, respect negotiations towards the resolution of common problems with an adversary from a position not of weakness but of strength.

If the United States must make concessions, it should secure a firm political alliance in both international and hemispheric security matters as a return for those concessions. These goals must be clearly spelled out and agreed upon beforehand.

If this is not done and if the United States simply follows a policy of appeasement as a consequence of management by crisis, it stands to lose considerably, not only politically, but also economically in Latin America. A fact that the Linowitz Commission overlooks in spite of its importance.

It is a simple fact of life that our Country probably is the most powerful nation in the world and we have to learn to live with that fact instead of constantly striving to apologize for it by adopting weak stances, good samaritan positions in a highly competitive arena where good samaritan stances are scorned.

In the long run, these positions will serve only to further and perhaps irretrievably lose us the respect of the Latin nations, not the relief of poverty; not the elimination of hunger; nor any of the other lofty goals put forth by the Commission's report.

We must indeed take care not to behave as children might behave. When they want to believe in something, children merely rest their heads on their pillow and wish for it to come true.

This may work fine for children, but it does not work in the political-economic world we live in today.

The United States cannot change its role as a world power. It is visualized as a world power by just about everyone. And if just about everyone recognizes this . . . so must we . . . taking care of course, to make use of our strength judiciously exercising great care if you will, but use it nonetheless.

Which brings us to what we perceive is a soft stance that the Commission suggests be adopted towards Cuba.

It appears to us that the Commission is overly preoccupied with the future of the relations between the United States and Cuba, instead of being more preoccupied with what a resumption of those relations might augur in the form of clear-cut benefits for the United States.

This apparent preoccupation leads us to clude its report prior to the recent meeting of hemispheric foreign ministers in Quito, Ecuador, where everyone thought the hemispheric sanctions against Cuba would be lifted.

The sanctions were retained but not because of the United States which adopted a non-voting stance, a stance which has by the way been much criticized everywhere, including Latin America.

If this was a new approach suggested by the Commission, a laisse-faire stance, then it truly backfired. Let us listen to the opinion of a highly respected scholar and former President of Colombia, a nation now moving rapidly towards unilateral recognition of the Fidel Castro regime.

Said Alberto Lleras Camargo in the December 16 edition of the Spanish language international news magazine, Vision:

"The meeting of hemispheric foreign Ministers in Quito was not a failure or victory for anyone . . .

"A majority group voted to lift the sanctions . . . another group voted against and six countries, among them the United States, abstained.

"This gives ammunition to the left once again to criticize the United States. What was the great failure of that nation? Abstaining from voting. But the gravest charge is that it dragged with it other nations and prevented the majority from imposing itself.

"The U.S. abstension was normal . . . it was in a certain manner an effort to seek shelter from a new attack against imperialism. It did not achieve this. When a country has such a low image around the world . . . everything apparently goes wrong."

The over-preoccupation which led the United States to abstain in Quito is the same over-preoccupation that we perceive in the commission's pronouncements concerning Cuba.

And these over-preoccupations have led the Commission to what we believe are fatally erroneous suppositions concerning U.S. attitudes towards Castro.

The Commission believe that the policies of isolation of Cuba have failed and that U.S interest will not be advanced by the continuation of such policies.

But we wonder if the isolationist policies have been as much of a failure as the Commission indicates.

After all . . . Cuban subversive efforts were at a peak when these policies were imposed and today these subversive efforts are virtually nil.

How far we wonder would Cuba have advanced its subversive policies if the United States had not adopted the position it did? And how far might Cuba wish to advance these policies if the United States desists from its strong stance?

We do not believe also that the Commission should merely say that no U.S. interests are advanced by the current policies. It should ask itself instead what U.S. interests would be served by changing them. This, the Commission does not make clear enough. And it is a vital point.

As far as decreasing Cuban dependence on Russia as a result of a shift in policies, this is a highly naive supposition.

For Cuba now is little more than a Russian satellite answerable to the Russians for just about all its actions and dependent on them for its continued economic survival.

It is therefore naive to think that lifting the sanctions would lead to a downward turn in the Soviet's military presence in Cuba.

We quote from a recent report of the prestigious Brookings Institute:

"In order not to strain détente, Washington apparently is overlooking a patent Soviet violation of the 1970 understanding between the two countries that Russian warships would not refuel, repair or otherwise use Cuba as a naval base.

"Since President Nixon warned the Soviets in January of 1971 that the United States would view with the utmost seriousness the establishment of a strategic Russian base on the island, at least 16 Soviet submarines, ranging from a nuclear-powered attack ship to a diesel-strategic Soviet submarines have visited Cuban ports.

"U.S. Defense Department officials concede that each visit represents a small escalation over the previous one."

Further evidence of what a soft stance can lead to is offered by two analysts of the Brookings Institute, Barry M. Blechman and Stephanie E. Levinson, who report that the Russians "aware that the United States does not wish to jeopardize détente, are slowly but surely cheating on the deal not to use Cuban bases."

They warn that these abuses and I quote, "Could help to bring to question, in the eyes of the Soviet decision makers and leaders in other nations, the credibility of U.S. statements and warnings."

There are a number of other concepts in the Linowitz report which we consider erroneous, but we feel we already have taken too much time from this audience.

In conclusion. . .

We do not feel that the recommendations of the Linowitz Commission on Cuba or its approach to United States-Latin American relations, would serve the best interest of the United States or Latin America for that matter. We suggest that in order to come to grips with this highly complex and delicate problem, where a mistake at this juncture could mean long range disastrous consequences to our Country, an objective point of view must be secured. For this, it is indispensable, in our opinion, that a new commission be formed composed not only of some of the great North American minds, who might have the natural tendency, because of the highly dissimilar ethnological background to misinterpret Caribbean and Latin American phychological attitudes concerning U.S. policies, but composed also of distinguished Latin American thinkers, such as: Alberto Lleras Camargo of Colombia; Romulo Betancourt of Venezuela; Vasco Leitao da Cunha of Brazil; Eduardo Frei Montalvo of Chile; Fernando Belaunde Terry of Peru and others of similar stature and experience.

This Commission could truly interpret U.S.-Latin American sentiments without leaving the shadow of a very serious doubt as to whether grave interpretations are being accurately made by those involved.

Thank you for your kind attention.

CURRENT OSHA REGULATIONS PLACE HARDSHIPS ON SMALL BUSINESSMEN

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. HARKIN. Mr. Speaker, yesterday the House of Representatives during consideration of H.R. 8069, the Labor-Health, Education, and Welfare Departments appropriation bill voted on the Findley amendment which would have prohibited the use of funds under this act from being used by the Occupational Health and Safety Administration to enforce a program of first-instance citations for violations involving firms employing 25 or fewer persons. I voted for the Findley amendment and I would like to explain the reasons for my vote.

I am concerned about the hardships which are placed on the small businessman by current OSHA regulations. Everywhere I go in southwestern and central Iowa, I hear from small businessmen "horror stories" of OSHA redtape and bureaucratic intimidation. I would like to share a letter that one of my constituents, Mr. Elmore Wallin of Guthrie Center, Iowa, recently sent to me. The text of the letter follows:

MARCH 18, 1975.

Re: OSHA inspection.

Representative TOM HARKIN,
State Office,
Des Moines, Iowa

DEAR MR. HARKIN: I thought you might be interested in a follow-up of our recent discussion on Osha Inspection of my shop (Wallin Machine Shop) here in Guthrie Center, Iowa. The fact that you were interested enough to discuss this with me after the meeting here with farmers, has renewed some hope in our system of "government of the people, by the people and for the people."

Here's what happened. The same inspector, Mr. Sutton, came back on March 11, 1975 to reinspect and found everything suitable. I did take the time to ask him, what I considered to be, some important questions. The questions I asked and answers he gave me were in essence as follows:

Q. How many businesses in Guthrie Center have you inspected? How many employees did they have? Which businesses?

A. 3 places: Wallin Machine Shop with 5 employees (myself); Guthrie Center Newspaper—6 employees; Dorey Tape Center—5 employees.

Q. Now that I've been inspected, would you mind telling me how you decide which businesses are to be inspected?

A. By lottery—the names are picked from a hat, more or less.

Q. You mean there's no logical system—like alphabetical listing, etc. whereby you follow a listing and know which ones have or haven't been inspected? Does that mean that I may be inspected, say 10 times, and some businesses never?

A. That's the way it is set up now.

Q. Would you answer me this—now that I've been inspected, does that mean you won't be back—is that right?

A. We will be back when your name comes up on the list again—although it takes quite a while to make the rounds.

Q. Now I'd like to show you something. Remember—you said it was necessary to put a shield around this milling machine. I did. Now please watch me try to use it. I have to actually stick my arm underneath the shield to work it—do you call that safety?

A. I see what you mean.

The facts are, Mr. Harkin, that whoever made these laws actually didn't know what they were doing. We don't need them. They are a detriment and huge waste of time and money to the little businessmen like myself. I'm as aware of safety as anyone—but by passing factory inspection rules on a small business is like trying to bring mass transit to a small community. I have been in a shop for over 40 years and can honestly say I have never had a serious accident. If a shop is safe enough for me, why isn't it for my employee? What makes him better than me? Someone is forever making rules to manufacture jobs, and half the time the brunt of it falls on the small businessman. The people who sit at desks and make these bills have no idea of what my shop is like. My customers are mostly farmers and I try to take care of their repair needs. Over 8 businesses have closed in our county. If I closed, it would mean relatively 150–200 customers would have to drive some 30–35 miles to a shop. And if I continue to be harassed by such inspection laws, I WILL DO JUST THAT! IF the lawmakers want to help both the small businessman and the farmers, they will begin by recognizing the facts that:

Small businesses are the heart and soul and very foundation of America.

Imposing rigid laws and demands on small businessmen is expensive, harassing and time-consuming.

And the American people are sick and tired of being treated like infants—they are human beings that do have the knowledge and *common sense* to run their own businesses safely and for the betterment of the whole community and themselves. (If they didn't, they wouldn't be in business long.)

I, personally, consider the OSHA INSPECTION LAWS discriminatory. It's not that they don't accomplish some thing . . . they do:

Here is exactly what they do—in my opinion:

1. They discriminate by means of unfair selection in those they choose to inspect.

2. They degrade the mentality of each and every businessman by telling them how they are going to do things, whether they hire 10 or hundreds of men.

3. They take away the natural initiative to improve and progress by their continual added infringements of useless laws and paperwork, many of which are more hazardous than beneficial to both employee and employer.

4. They tax the businessman mentally, physically, psychologically—and financially.

Mr. Harkin—I do thank you for your concern and your time regarding this, and while I have expressed myself rather strongly on this issue, I feel that by doing so maybe we can get a little action in this area.

I have not only written to you—but I have also written to our concerned and hard-working Rep. Bill Hutchins (from our District), to Sen. Culver in Washington and to the National Federation of Independent Business in California, and I enclosed a copy of this letter I am sending you now.

It is my sincere hope that more people begin writing to their representatives and congressmen when dissatisfied. I am glad we, the people, have someone like you working for us in government, and I have made this fact known to many many people in this area and other areas in the state, and shall continue to do so.

Sincerely,

BOOTS WALLIN.

Everyone is for health and safety of employees, whether the employee be occupied in a large firm or a small firm. Everyone is also in favor of first-instance citations when the safety of workers is immediately and seriously threatened. I certainly am.

However, I feel we must be realistic about the regulations we place on small business, or the day will come when the small business will no longer exist. To my way of thinking, it is totally unrealistic to expect a small businessman to know, comprehend, and obey the same regulations and guidelines that apply to large corporations employing attorneys, safety officers, industrial engineers and other specialists.

This amendment did not repeal OSHA. The specific language of OSHA precludes the use of OSHA officers for consultation visits. The law presently requires OSHA compliance officers to issue citations on first-instance inspections even for minor violations of regulations that are often vague and ambiguous. The Findley amendment would have exempted small firms from enforcement, but only until field compliance officers are permitted—not required, but permitted—to give advice on first inspections. This service is now prohibited, but it is a service which, if allowed, would eliminate the small businessman's fear of OSHA harassment.

Adoption of the Findley amendment would remedy the single biggest flaw of OSHA—the inability of the small businessman to learn what is expected of him. The problem, of course, is that the OSHA regulations are complex and lengthy—over 500 pages of small print. The small businessman acting in good faith simply does not have the expertise to digest and fully implement a mass of OSHA regulations. Allowing OSHA inspectors calling on small firms for the first time to offer advice and consultation rather than issue citations and fines would restore the decency that small businessmen have every right to expect from their Government and its regulatory agencies.

Unfortunately, the Findley amendment was voted down by a record vote of 186 to 231. I strongly feel that an important opportunity for regulatory reform was temporarily lost. This is an idea which, with each passing year, has gained support in the Congress. I hope, as a legislative body, we will soon recognize the "good sense" of this approach to OSHA regulation. I urge the Manpower, Compensation, and Health and Safety Subcommittee of the Education and Labor Committee to hold hearings this session on this proposal, so that Congress can enact this important legislative remedy. When we do, we will earn the gratitude of the American small businessman.

SURVEY SHOWS SUPPORT FOR PRIVATE MEDICINE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. ASHBROOK. Mr. Speaker, I recently received a thought-provoking letter from Dr. N. M. Camardese of Norwalk, Ohio. Dr. Camardese surveyed his patients on some important matters facing our Nation in the field of medicine.

This survey indicated strong opposition to Federal intervention in the doctor-patient relationship. Approximately 95 percent were against additional Government involvement in private medical care. Almost the exact same number—94 percent—believed that improvements in American medicine should be by private means rather than by Government means. Another 93 percent came out against total Government health care plans.

I commend Dr. Camardese on the work he has put into this survey. For the information of my colleagues I am including the survey in the RECORD:

SURVEY OF MY PRACTICE—MAY, 1975

The survey was conducted by mail over a nine day period. 778 Questionnaires were sent out and 174 were returned making a percentage of return of 22.4%. 126 of these questionnaires were signed.

1. Do you favor additional Government involvement in your private medical care? 95%, no.

Yes, 8; no, 158.

2. Are you satisfied with your present medical care? (Services from your doctor—this does not mean hospital.)

Note: (1) 67% are 100% satisfied.
(2) 92% are better than 90% satisfied.
100%, 112 (67%).
95%, 23 (14%).
90%, 17 (18%).

80%, 4.
75%, 6.
50%, 1.
Less than 50%, 0.

3. Should American medicine be improved by—

(A) Private Means, 145 (94%).

(B) Government Means, 9 (6%).

4. Do you favor total government health care plans (medicare for everyone including children)? 93% are against National Health Insurance. Yes, 12; no, 150.

5. Do you think your doctor should be free of Government interference to make his best possible decisions in treating you? (98% yes). Yes, 164; no, 4.

6. Should your doctor be guided primarily by—

(A) "Federal" rules, regulations, "norms", "Average Length of Stay"—etc., etc.—in making his decisions. (A) 5.

(B) By his conscience, medical ethics, and medical knowledge. (B) 149.

(97% are against "Federal" rules, regulations, "norms", "Average Length of Stay" etc.)

7. Have you heard of P.S.R.O.? (65% have not heard about P.S.R.O.). Yes, 56; no, 103.

8. Do you favor P.S.R.O.? (93% are against P.S.R.O.). Yes, 5; no, 63.

9. If you are on medicare:

A. Have your claims been handled satisfactorily? Yes, 30; no, 15.

B. Do you think there is too much red tape? Yes, 44; no, 7.

C. Are you satisfied with Medicare? Yes, 26; no, 19.

D. Have your premiums gone up too fast and too much? Yes, 28; no, 14.

E. Have your "deductibles" increased unreasonably high? Yes, 35; no, 7.

(Deductibles in 1966 were $50.00 Doctor—$40.00 Hospital; deductibles in 1975 are $60.00 Doctor—$92.00 Hospital).

F. How much (what percent) of your medical Expenses have you recovered from Medicare for your doctor bills:

100%, 0; 90%, 0; 80%, 12; 70%, 3; 60%, 0; 50%, 5; 40%, 1; 30%, 2; 20%, 3; 10%, 2; None, 14.

10. Do you think medicare has been fair to you? Yes, 23; No, 20.

11. Do you think private insurance companies would do a better job for you? Yes, 27; no, 23.

12. How much (what percent) of your hospital bill has medicare covered? 100%; 2; 90%, 3; 80%, 12; 70%, 3; 60%, 1; 50%, 3; None, 8.

13. Should medicaid (welfare) payments be made payable by a joint note (check) to both patient and doctor so that the patient may pay his bill to the doctor of his choice? (Please note—95% of the patients favor direct billing and Freedom of Choice). Yes, 97; no, 5.

14. Should a patient on medicaid (welfare) be denied his/her choice of her own doctor if his/her doctors wishes not to fill out bureaucratic papers (red tape) but merely hands him/her a simple statement as the doctor does to all his other patient? Yes, 18; no, 92.

15. Please indicate "what I need most from my family doctor" (please answer this in order of their importance to you—placing the most important of your needs as number one and the next most important as number two etc. etc.)

1. Medical knowledge.
2. Availability.
3. Surgical skill.
4. More help from my doctor to educate me and explain better about my disease and treatment.
5. Understanding.
6. Compassion.
7. Lower fees.
8. More time on my visits.
9. Family counseling.
10. More help with my personal problems.
11. More time for me in hospital visits.
12. Better staff in my doctor's office.
13. Sex education.

16. Would you be willing to help preserve private, personal medical care by:

A. Letters to legislators. (90%) yes 120; no, 12.

B. Helping in distributing truthful information. (86%) yes, 84; No. 14.

C. Helping your doctor in other possible ways such as starting an organization—citizens for private medical care. (83%) yes, 75; no. 15.

1. Local. (83%) Yes, 38; no, 8.
2. Statewide. (71%) Yes, 20; no, 8.
3. Nationwide. (85%) Yes, 39; no, 7.

OBSERVATIONS

1. Signatures, addresses and/or names were optional—yet 126 people signed.

2. The survey consisted of two legal size pages of questions which was returned by 174 people within a period of nine days. (22.4% returned)

CONCLUSIONS AND OBSERVATIONS

1. 95% of the people are against government intervention in Private Medical Care.

2. A. 67% are 100% satisfied with their Medical Care presently received.

B. 92% are better than 90% satisfied.

3. 94% think that American Medicine should be improved by Private means.

A. Note that only 6% favor government means which is an interesting supporting statement of the first statement above.

4. 93% are against National Health Insurance.

5. 98% think their Private Doctor should be free of government interference in making his possible best decisions for the patient.

6. 65% of those answering this question had not heard of P.S.R.O. (We *must* educate our patients).

7. 93% are against P.S.R.O.

A. Note: In a former survey of 35,000 people in Northwest Ohio, April, 1974, 98% of the respondents were against P.S.R.O.—again—a persisting supporting statement.

8. Medical Knowledge and Availability rank first and second in patients' needs from their doctor.

9. "Lower Medical Fees" was placed seventh in a list of thirteen items.

10. A. Washington would lead us to believe that patients would place this first!

10. A. 90% would be willing to help the doctor by writing letters to their legislators.

B. 80% would be willing to distribute truthful information.

C. 80% are willing to start a "Citizens for Private Medical Care Organization"— locally, statewide, and nationally.

11. When the patients were asked to:—"Please list your comments and/or observations as to how I and my staff may improve our services to you."

A. 75% wrote paragraphs, notes and letters.

B. Overwhelmingly, the messages expressed appreciation and gratitude.

C. Several comments were meaningfully constructive. (Again—I should reiterate—signatures etc. were optional).

TAX RELIEF FOR THE ELDERLY AND HANDICAPPED

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. BINGHAM. Mr. Speaker, I have today introduced in the House a number of bills to provide tax relief to some of the most economically hard-pressed sectors of our population.

It would be difficult to find new words with which to describe the problems of the elderly. In the past, when the subject was rarely spoken of, their unaired problems were acute. Now that the topic has begun to be a "hot" issue, the problems have only gotten worse. The elderly throughout my district, New York City, and the Nation, are forced to meet ever-inflating expenses on limited, fixed incomes. Efforts to meet the problem must, of course, be both broad and vigorous; tax relief is only a limited, minimal way to begin such efforts. But it is a beginning, a necessary and equitable beginning.

I have, therefore, proposed the following very simple measure: the first $5,000 of a person's retirement income—from an annuity, endowment, or pension contract—is to be excluded from that taxpayer's gross income.

Through this simple step, sorely needed dollars will be returned to the pockets of our retired elderly.

Another of the bills that I have introduced would provide another form of tax relief to the elderly. This bill uses tax relief to confront the problem of the spiraling cost of housing; it creates a tax credit for any low-income homeowner or renter, age 65 or older, that will equal either his real property taxes—for a homeowner—or up to 25 percent of the rent paid on the taxpayer's principal residence, or up to a maximum credit of $250. The credit would be reduced by $10 for each $100 by which the taxpayer's gross income exceeds $5,500.

Again, this is a measure that will put dollars back in the pockets of the elderly poor.

The special needs of the handicapped call for similar tax relief. Such relief would be provided by two bills that I have introduced today. The first provides an additional tax exemption to any person who is disabled; that additional exemption would also be available if the person disabled is a spouse or dependent of the taxpayer. The second bill that affects the handicapped is called the Commuters' Tax Act. This act provides a credit of up to $750, or a deduction up to $3,000 for expenditures by the handicapped on transportation to and from work.

In order to lure commuters in general out of their cars and into the buses and subways, the Commuters' Tax Act also would provide a credit—up to $200—or a deduction—up to $800—for the mass transit expenses of any commuter.

What I have proposed today is not a major change in our tax system. Such a major change is certainly overdue; and I intend to participate vigorously in the fight to achieve such fundamental changes as the reform of the capital gains tax, a final end to depletion allowances that encourage oil drilling and mining over recycling, an end to the DISC loophole, and many others.

The measures I have proposed today do not constitute any such historic watershed. They are rather simple measures, that can be dealt with quickly. These bills may figure small in the big historic picture, but they can help save the elderly and the handicapped from some of the difficulties and humiliations to which they are too often subjected. To these people, whose lives may be immediately improved by the tax relief I have described, passage of these limited measures will not seem at all a minor matter.

CANADIAN OBJECTIONS AND THE GARRISON DIVERSION UNIT

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. VANIK. Mr. Speaker, a pivotal aspect of the House's consideration of appropriations for the Garrison Diversion Unit irrigation project was the position of the Canadian Government on the effects of the project on their country. Starting in 1969, the Government of Canada has sent a series of official representations to our Government outlining their objections and concerns over the American irrigation project.

Canada is concerned, and has confirmed with tests and estimates, that irrigation water from the North Dakota Garrision Diversion Unit will return to Canada heavily polluted. Pollution may include heavy metals, pesticides, and particularly, dissolved salts, picked up in the water's natural seepage through North Dakota soil and water tables to at least two rivers flowing into Canada. This is a crucial point, since Canada and the United States are bound by the Boundary Waters Treaty of 1909, article IV:

> It is further agreed that the waters herein defined as boundary waters and waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other.

Despite these 5 years of Canadian inquiry into U.S. intentions, I am afraid that the House was not sufficiently aware of Canada's exact position. Accordingly, I would like to submit for the Record the Embassy of Canada's note No. 219 of June 23 and its enclosed summary of the Canadian position.

I have also included a copy of a letter I received from the Department of State. Dated June 25, the letter arrived in my office this morning, June 26, 2 days after the vote on the Garrison question.

The distinguished chairman of the Subcommittee on Conservation, Energy, and Natural Resources (Mr. Moorhead) was able to obtain these documents before the June 24 House vote, but only because of a chance inquiry at the Department of State. It appears that none of the interested and concerned parties—Mr. Andrews of North Dakota, Mr. Bergland, Mr. Fraser, Mr. Moorhead of Pennsylvania, Mr. Nolan, or myself, would have otherwise received this information until today, June 26. We all would have acted without the very vital information that the summary and note No. 219 contain.

As it was, while the several of us did have a chance to review the information because of Mr. Moorhead's vigilance, the rest of the House was able to see it only 1 day before our consideration of a complicated and lengthy Public Works bill.

While I realize that State's compliance with the Government of Canada's request to distribute the information would require normal, bureaucratic routine, I am disappointed that State acted no sooner than it did, considering that the bill was up the day after their receipt of the Canadian note. Canada should have acted sooner, but State cannot be pardoned for allowing important information to arrive at Member's offices 2 days after it was needed.

Mr. Speaker, I hope that all my colleagues can read the materials I insert. It should be kept in mind that it is couched in the normal, understated, diplomatic tones that hope to offend no one while nevertheless conveying a message.

There can be no doubt that Canada does object to the Garrison diversion project as presently being constructed. A matter of considerable concern, as the Government of Canada describes it, cannot be ignored by our Government. Inquiries and objections since 1969 cannot be neglected. A House of Commons unanimous vote seeking a U.S. moratorium cannot be ignored. A 1973 note requesting that the United States "establish a moratorium on all further construction" cannot be treated lightly.

The documents follow:

DEPARTMENT OF STATE,
Washington, D.C., June 25, 1975.

Hon. CHARLES A. VANIK,
House of Representatives,
Washington, D.C.

DEAR MR. VANIK: The Canadian Embassy has asked the Department of State to transmit the enclosed outline of the Canadian position on the Garrison Diversion Unit to appropriate Committees of the United States Congress and to members of the Congress who have indicated particular interest in the Garrison Diversion Unit and its international implications. Also enclosed is a copy of the Canadian Embassy's note #219 of June 23, 1975, which transmitted the outline of the Canadian position to the Department of State.

If I can be of any further assistance in this or any other matter, please do not hesitate to let me know.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

No. 219

The Embassy of Canada presents its compliments to the Department of State and has the honour to inform the Department that, in view of recent developments relating to the Garrison Diversion Unit as it affects Canada, the Embassy has been instructed to transmit an Outline of the Canadian Position on the Garrison Diversion Unit. The Embassy would be grateful if the Department of State would bring this position outline to the attention of the appropriate Committees of the United States Congress and other relevant Departments and Agencies of the United States Government.

The Embassy of Canada avails itself of this opportunity to renew to the Department of State the assurances of its highest consideration.

OUTLINE OF THE CANADIAN POSITION ON THE GARRISON DIVERSION UNIT

During the course of recent testimony before the Subcommittee on Public Works of the House of Representatives Committee on Appropriations, it was stated that the issue with Canada over the Garrison Diversion Unit relates only to the return flows from the Souris Loop division. It was also suggested that alternatives to the Garrison Project are being discussed with Canada.

In this context, it seems desirable to reiterate Canada's concern about the potential adverse effects of the Garrison Diversion Unit, as currently envisaged, on waters crossing the boundary into Canada. The Government of Canada has concluded, on the basis of studies conducted in the United States and Canada, and on the basis of information provided by the United States in response to questions raised in Canada, that the Garrison Diversion Unit, as currently envisaged, would have adverse effects on the Souris, Assiniboine and Red Rivers, and ultimately Lake Winnipeg, which would cause injury to health and property in Canada.

The Government of Canada, therefore, is pleased to learn that consideration is being given to alternatives to the current Garrison Diversion Unit which would not adversely affect Canada. The Government of Canada has not yet been officially informed of these alternatives, however, nor have these alternatives been discussed with Canadian officials.

Since 1969, by means of a series of Diplomatic Notes and meetings, the Government of Canada has been in continuing consultation with the Government of the United States on the Garrison Diversion Unit as it affects Canada. An important stage in this consultative process was reached on October 23, 1973, with the presentation of a Note to the United States Government in which the Government of Canada concluded, based on studies conducted in both countries, that the proposal would run counter to the obligations assumed by the United States under Article IV of the Boundary Waters Treaty of 1909. Accordingly, the Note requested the Government of the United States to "establish a moratorium on all further construction of the Garrison Diversion Unit until such time as the United States and Canadian Governments can reach an understanding that Canadian rights and interests have been fully protected in accordance with the provisions of the Boundary Waters Treaty".

The Government of the United States gave its assurances in a reply Note dated February 5, 1974, that "the United States will comply with its obligation to Canada not to pollute water crossing the boundary to the injury of health or property within Canada." The Note further stated that "no construction potentially affecting waters flowing into Canada will be undertaken unless it is clear that this obligation be met."

The Government of the United States has since repeated these assurances in response to further expressions of concern by Canada in meetings of Canadian and United States officials on the subject, including the January 16, 1975 meeting in Washington where it was agreed to recommend to the respective Governments that they select an appropriate mechanism to undertake a joint examination of certain aspects of or adjustments to the project, to ensure that the provisions of Article IV of the Boundary Waters Treaty are honoured.

That this subject is a matter of considerable concern in Canada is evident from the continuing discussion in the Canadian House of Commons and the Manitoba Legislature, and the fact that Prime Minister Trudeau raised the issue during his discussions with President Ford in Washington in December, 1974.

COMMUTER VAN POOLING AMENDMENT TO THE ENERGY CONSERVATION ACT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. FRASER. Mr. Speaker, earlier this week the House Interstate and Foreign Commerce Committee gave final approval to the Energy Conservation and Oil Policy Act, H.R. 7014. One provision, added to title IV of the act by Representative Tim Wirth, is aimed at encouraging the use of van pooling, a new method of commuter transportation.

Under this innovative transportation arrangement, employees are driven to and from work in vans which carry between 8 and 15 passengers. Van pooling in Minnesota has proved highly successful in cutting gas consumption significantly and in relieving traffic congestion.

The Wirth amendment, which we helped to develop, authorizes the Federal Energy Administration to develop and publicize van pooling programs for public and private employers throughout the country. It also directs that van pool programs be developed for use in nonurban areas and in areas where public transportation is unavailable. Two years after enactment of the legislation, the FEA Administrator is required to report to Congress on the success of the new efforts.

Mr. Speaker, it is clear that we must find alternatives to the individually driven automobile if we are to deal with this country's transportation needs in an energy-efficient way. Van pooling helps meet this objective without long delays and costly governmental programs.

Minnesota firms have been leaders in the use of this form of commuter transportation since April 1973, when 3M Co. became the first employer to make extensive use of van pools. The 3M project, which now uses 67 vans, has saved company employees over 1.4 million vehicle miles of travel and 108,300 gallons of gas per year. In addition to saving money, it frees employees' cars for use by family members, and reduces the risks and tensions of commuting. Significant benefits have also accrued to the company. It has reduced congestion around 3M installations, reduced demand for parking, and enabled 3M to cut back the size of an employee parking ramp from 1,500 to 775 spaces, saving $2.5 million.

The best indicator of the program's acceptance is its tremendous growth and continued acceptance by both employers and employees. In addition to 3M, General Mills, Cenex Corp. and Honeywell all have successfully implemented van pool programs.

In Minnesota alone, if just 10 percent of those people in companies with over 500 employees participate in van pooling, nearly 8 million gallons of gasoline could be saved each year. With over 16,000 employer sites throughout the country with 500 employees or more, van pooling has great potential.

Hopefully, this amendment will give this new approach to transit the encouragement it needs to make a significant impact on the national level.

Mr. Speaker, I would like to insert the following newspaper articles which describe how well van pooling has worked in Minnesota:

[From the Lakewood (N.J.) Times, Jan. 16, 1975]

IN MINNEAPOLIS, DOOR-TO-DOOR SERVICE

MINNEAPOLIS, MINN.—At 7:15 each morning Kris Burhardt, an engineer for the Minnesota Mining and Manufacturing (3M) Company, leaves his house in southwest Minneapolis and takes his seat in his commuter minibus.

The 12-passenger vehicle picks up one last rider, and then enters the freeway for the 15-mile trip to the company's international headquarters east of St. Paul. There he is let out at the door of his office, where the minibus will pick him up at the end of the day.

There are now about 70 such employee-driven minibuses bringing commuters to 3M Center. Last month their arrival was filmed by the Department of Transportation, which considers the system one of the most promising urban transport demonstrations in the country.

The program originated in 3M's problems of getting 10,000 employees to its suburban site every morning. Staggered work hours, begun in 1972, helped. But the need remained to save parking space by increasing the proportion of employees riding to work with some other driver.

The company tried leasing buses from the local transport authority, and encouraging employees to share rides in their private cars. The commuter minibus was designed in March, 1973, to combine the safety and dependability of the bus with the low cost, short pick-up time and personal service of the car pool.

The company buys, licenses, insures and maintains the minibus. It helps employees to organize "bus pools" and selects the driver. It charges fares calculated to cover operating costs and the cost of the vehicle over four years, with eight paying passengers. The driver, who holds a chauffeur's license, rides free, and may use the minibus in the evenings and at weekends.

The firm expects to have 100 minibuses operating by late winter, handling about 10 per cent of its employees at 3M Center. It thinks this can be doubled. The administrative cost, which 3M absorbs, has been more than offset by the deferral of $2 million that was to have been spent on parking ramp construction.

The company is expanding the system—in California and New Jersey—as fast as it can obtain vehicles. It is also being copied by other corporations in the Minneapolis-St. Paul area.

The scheme's appeal lies in the combination of better service and lower cost for the employee who at present keeps a second car solely for driving to work. He can be picked up in a heated vehicle, and be driven there for about $200 a year—as against the $1,600 he would spend to operate his own car.

Eighty per cent of those in 3M's program say that they consider the minibus more convenient, and 98 per cent say it will be their permanent means of getting to work.

The Department of Transportation is increasingly interested in such low-capital systems. About 60 per cent of all federal aid to mass transport has been absorbed by the six cities with rail systems. Now the new system in San Francisco is in financial difficulties while the cost of the rail system for the Washington area, now under construction, has risen past $4.5 billion, with further increases expected.

The department hopes to announce by next spring in what situations it will share in the cost of regional rail systems, and in what situations it will assist only with the financing of what it deems a "cost-effective system."

Early warnings from Claude Brinegar, the Secretary of Transportation, about these forthcoming criteria probably played a part in the voters' decision last month in Los Angeles to reject a one-cent increase in the sales tax to finance the local share of a proposed rail system.

A new emphasis on more careful examination of other systems that produce good service at minimum cost is almost certainly going to be required.

[From the Minneapolis (Minn.) Tribune, Apr. 24, 1975]

VAN-POOLING: WHEELS FOR WORKERS

In April 1973, 3M Company started a van-pooling project for its employees as part of an energy-saving program. It was a modest effort involving only six vans and about 30 workers. Two years later, that project has grown until 3M now has 65 vans on the road (10 more will be added soon), carrying nearly 700 employees, some from as far away as Balsam Lake, Wis.—a round-trip of 150 miles. Fares range from $17.50 to $48 a month, depending on distance.

The vans, which cost 3M about $5,000 each are equipped with double heaters, air conditioning and heavy-duty springs—to make the riding easy. Savings to employees have been significant, in some cases cutting transportation costs in half, eliminating the need for a second car and generally reducing wear and tear on workers' nerves. Company and employees have benefited. In fact, the project has been so successful that other companies—large and small—in the Twin Cities area are beginning to follow 3M's example, and state and federal agencies are studying it to see if it can be applied in other communities.

3M's van-pooling has also attracted the attention of the Scientists' Institute for Public Information, a national nonprofit group which promotes energy and environmental alternatives. The institute, which numbers among its members actor Robert Redford and environmentalist Dr. Barry Commoner, released a report recently lauding the 3M project as "a system for home-workplace travel that saves fuel, travel costs and jobs."

That's not all it saves, a 3M official told us. "It has cut back on some of those late-afternoon meetings that used to run half the night." We commend 3M and its van-using employees for showing the way.

THE REFORM-MINDED 94TH CONGRESS SHOULD REFORM THE CONGRESSIONAL RECORD

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. KASTEN. Mr. Speaker, I urge my colleagues to give careful consideration to House Resolution 569, of which I am a cosponsor, a resolution to reform the Congressional Record so that it more accurately reflects the proceedings of the Congress as well as this great body.

This resolution would effect simple, but important and long overdue reforms of the Record, which we all agree is an essential congressional document. It proposes that the Record should be an accurate and verbatim account of remarks in the order in which they were delivered on the floor; that revisions made in the transcript of verbatim remarks should be limited only to corrections of grammar; and that insertions should have a type face distinctive from that used for verbatim remarks.

Presently, the Congressional Record is a disgrace as an accurate historical and official record. It contains utterances never uttered and statements never stated. Often remarks are even inserted in a section of the Record in which an unrelated topic was discussed. This assuredly is an inaccurate way of recording the history of what takes place on the floors of the House and Senate and is unfair to Members, scholars, the judicial process, those charged with executing the law, and our constituents. The present system of revising and extending remarks detracts from the public's accurate understanding of what we are doing in Congress and the order in which we are doing it. As we all know, staff assistants to Members often revise the remarks of their employers who are then credited with words they possibly may not know are being attributed to them. This indeed is a gross misrepresentation of facts.

Mr. Speaker, it is mandatory that House Resolution 569 be considered and adopted. First, the current practice denies Members of Congress their right to hear all of the debate and arguments on a measure before voting and to reply on the same day to opposing viewpoints. Permitting a Member to insert remarks in the Record after the House has adjourned and having these remarks appear as though they were made prior to a vote or during the course of debate is a disservice to ourselves.

Second, the existing conglomeration of speeches and insertions, with no distinction made among things actually said and with the jumbling of the order in which material was said or inserted, make it difficult for other Government officials and the public to determine authoritatively what Congress actually intended to do in passing a law and the role an individual Member played in the debate. As Members know, Federal agencies frequently look at the debate on a bill to determine just what Congress intended when the bill and report language leave doubt.

Third, current practice denies to the courts clear knowledge of congressional intent. When the courts interpret a Federal statute, they reply upon the statute itself, the committee reports, and the debate on the particular statute in question. Use of congressional debate is exemplified in several recent Supreme Court cases: Train against City of New York, on the impoundment of clean water funds; United States against Enomons, on the Hobbs Act and extortion in interstate commerce; and the Cornell Construction case, involving the immunity of labor unions. In deciding these cases, the Supreme Court decisions show that it studied the congressional debate to determine the legislative intent of Congress when it enacted the Federal Water Pollution Control Act Amendments of 1972, the Hobbs Act, and the Taft-Hartley and Landrum-Griffin Acts respectively.

Therefore, I believe it is mandatory for the legislative intent of a statute to be precise and clear. But unless the Record shows debate on a measure exactly as it took place and identifies clearly the remarks actually spoken on the floor, there is grave danger the courts will misinterpret the intent of Congress.

Fourth, the reforms contained in House Resolution 569 would enable all who use and rely on the Record to read it with greater precision and confidence. Separating insertions from verbatim remarks may actually lead to more careful preparation and consideration of these remarks, even to a reduction in the total size of the Record. Even if this proposal requires additional expense or manpower, it would be minor compared to the money we are presently wasting in spending $278 a page to print each dishonest Record page.

Fifth, current practice may contribute to inaccurate reporting in the press and media. Many Members have complained about the manner in which the press reports congressional business. However, the present state of the Record forces Members and the public to rely upon press reports that may themselves be based upon incomplete information, in error, or partly the product of personal political preference of the writer. If the Congressional Record were a more accurate accounting of congressional debate and activity, I think this problem could be improved.

The Congressional Record is a vital document and must be an honest report that is not misleading. In this time in our history when there is skepticism of Government and those elected to lead the Nation, we must produce an accurate and orderly accounting of congressional proceedings; and it would be in the best interest of us all to do so by passing House Resolution 569.

INTERIOR CONTINUES TO SUPPRESS DOCUMENTS CONCERNING FEBRUARY 1975 DECISION TO TRANSFER THREE WILDLIFE GAME RANGES TO BLM

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. DINGELL. Mr. Speaker, on June 2, 1975, I wrote to Acting Secretary of the Interior Kent Frizzell about Interior's failure to provide to the Congress and the public several important documents concerning Interior's decision of February 15, 1975, to assign sole "management responsibility for three national wildlife ranges"—Kofa, Charles Sheldon, and Charles M. Russell—to the Bureau of Land Management—BLM.

A few days ago, I received Mr. Frizzell's June 11 reply. He said:

> With respect to your statement concerning failure to "make public" the documents referred to in your letter, we would like to correct this misunderstanding. On the Game Range issue we have been diligent in our efforts to cooperate with the Congress, its Committees, various interest groups and individuals who have requested information and materials relating to Secretary Morton's decision to transfer the Cabeza Prieta Range to the sole jurisdiction of the Fish and Wildlife Service and the Kofa, Sheldon and Russell Ranges to the sole jurisdiction of the Bureau of Land Management. We have complied with all these requests for documents. Meetings have been held on the subject with members of Congress and concerned members of the public. There has been no effort or intention to suppress these materials. We are happy to enclose copies of the documents you noted which we have also made available to other requesting parties. Additional material you mentioned in your letter is also enclosed.

There is no "misunderstanding." The record will show that on March 18, 1975, Congressman Henry S. Reuss and I wrote to Interior protesting this decision and requesting all documents, letters, memoranda, et cetera, concerning it. At the May 15, 1975 hearing by our Subcommittee on Fisheries and Wildlife Conservation and the Environment of the Merchant Marine and Fisheries Committee, I noted that several such documents, though included in the general request, were not provided to us.

I now find that at least one other pertinent document, dated January 1973, was never provided to me until now and, to my knowledge, it was never made public. Why? Well, because it was "classified." On the right-hand corner of this document is the following: "Administratively Confidential Controlled Circulation copy 3 of 5."

Above that note is a handwritten note "no longer classified for internal use" with an unintelligible signature.

Mr. Speaker, a few days ago the chairman of the House Subcommittee on Conservation, Energy, and Natural Resources revealed that Interior had failed to disclose to the State Department, Congress, and the public certain data regarding the Garrison Diversion project. Here we have another example of Interior suppressing, by classification, important data from the Congress and the public.

There is another memorandum, dated May 4, 1973, in which the then Bureau of Sports Fisheries and Wildlife purportedly "requested permission" to take action "to vest sole jurisdiction in" that agency. That memorandum has not yet been provided to us.

Mr. Speaker, I find this situation intolerable. Under Executive Order 11652—3 CFR 339—provision is made to classify information "which requires protection against unauthorized disclosure in the interest of the national defense or foreign relations." I find nothing in the various documents thus far provided to us that relates to "national defense or foreign relations."

Once again, I call upon Interior to declassify all its documents concerning and leading up to this decision and make them available to the Congress, the public, and Congressman Reuss and myself.

The January 1973 document was prepared by the Assistant Secretary for Program Management. It is a scandalously sympathetic "white paper" obviously contrived to dismantle the National Wildlife Refuge System and to undercut other Fish and Wildlife Service programs. It states:

A. Present Policy—Recreation: BSF&W on July 3, 1972, announced a policy covering non-program Public Use on National Wildlife Refuges. The policy is to "move to begin the de-emphasis on non-wildlife related public use. These uses are exemplified by swimming, recreation boating, camping, the use of off-road vehicles, picnicking, and similar activities which do not have a direct relationship to wildlife and wetlands values for which these areas were created and are managed."

However, BSF&W initiated legislation was passed and signed into law on October 23, 1972. PL 92-534 provides greater latitude for the Bureau to acquire properties adjacent to established refuges, fish hatcheries and other conservation areas administered for fish and wildlife. This amendment to the Recreational Use of Conservation Areas Act of 1962 has been sought for many years. Its judicious use of this authority would further project BSF&W into the recreation business.

B. Proposed Policy—Recreation: That BSF&W develop plans refuge by refuge to eliminate all recreation activities that are not directly related to sport fish and wildlife programs. Fiscally realistic plans must be developed to identify the parameters of the program oriented recreation effort.

C. Present Policy—Refuges: Continue to manage as before 22 Big Game Areas, National Game Ranges and National Wildlife Ranges.

D. Proposed Policy—Refuges: The four National Game Ranges be transferred back to BLM (2.4 million acres). The big game units are usually unique and of limited importance except locally. Therefore, some of the 14 Big Game Refuges should be turned over to the States. For example, the Bison Range in Montana and the Elk Range in Wyoming. Only those areas essential for the protection of endangered species and research on wildlife resources should be retained. Of the four National Wildlife Ranges, only the Nevada Desert (NWR)—1.6 million acres, appears to be suitable for return to public domain (BLM).

With regard to Migratory Bird Refuges (310), BSF&W should identify those units presently under their control or identified as potential acquisition that are essential to a national program to meet the policy requirements, e.g., migratory bird or endangered species or research on all wildlife resources. Those migratory bird refuges which did not meet this test would be listed for possible disposal.

BSF&W in its 1974 budget, negative banding exercises identified 90 units in the Refuge System (bird and game) that under reduced budget assumptions would have to be eliminated. The best estimate is that $1.8 million would be saved and 215 positions freed from 89 of these refuges and program changes made in others.

Implications of Policy Changes:

1. Refuge system considered important by many Congressmen.

2. Conservationists are likely to challenge States' capability to protect the resource.

3. Conservationists would be skeptical of BLM's willingness to give fish and wildlife resources primary consideration in competition with grazing and other uses.

4. Some refuge units are not now protected from mineral entry or leasing. If such lands are returned without restrictions, additional opposition can be expected.

5. States will react unevenly as to their ability to finance management and operation of refuges.

Mr. Speaker, this apparently was the first recommendation to transfer jurisdiction of the game ranges to the BLM. But, what sparked this document? What response was made to it within Interior? Who in Interior reviewed it? Interior has not told me or the public. Interior apparently is content to now release this document and none of the related documents that obviously must exist.

Again, I request that Interior comply with our March 1975 request and the requirements of the Freedom of Information Act and make all of these documents public.

Sunshine, not suppression, should be the order of the day at Interior.

My letter of June 2 and Interior's reply of June 11 follow:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 11, 1975.

HON. JOHN D. DINGELL,
House of Representatives,
Washington, D.C.

DEAR MR. DINGELL: In response to your letter of June 2, 1975, the following actions are necessary to carry out the Secretary's decision of February 5, 1975, relative to the Game Range issue.

Thee actions are to be completed on or before July 1, 1975: (1) delegation of authority to BLM of the 1966 National Wildlife Refuge System Administration Act as it pertains to the three Ranges; (2) amendment of the Code of Federal Regulations to reflect that BLM will operate under 50 CFR Subchapter C, Part 25, through 33 for the purpose of managing the three Ranges; and (3) transfer of those FWS personnel who wish to join BLM.

We appreciate your concerns relative to the Game Range issue but feel, for the proper administration and protection of the Game Ranges, that the actions which are yet to be taken must be carried out prior to or on July 1, 1975. As you will note in the above actions, there will not be two parallel systems of wildlife refuge regulations.

We have attached, for your information, a summary of the actions which have been taken to date.

With respect to your statement concerning failure to "make public" the documents referred to in your letter, we would like to correct this misunderstanding. On the Game Range issue we have been diligent in our efforts to cooperate with the Congress, its Committees, various interest groups and individuals who have requested information and materials relating to Secretary Morton's decision to transfer the Cabeza Prieta Range to the sole jurisdiction of the Fish and Wildlife Service and the Kofa, Sheldon and Russell Ranges to the sole jurisdiction of the Bureau of Land Management. We have complied with all these requests for documents. Meetings have been held on the subject with members of Congress and concerned members of the public. There has been no effort or intention to suppress these materials. We are happy to enclose copies of the documents you noted which we have also made available to other requesting parties. Additional material you mentioned in your letter is also enclosed.

Please contact us if we can be of further assistance regarding this matter.

Sincerely yours,
KENT FRIZZELL,
Acting Under Secretary of the Interior.
Enclosures,

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 2, 1975.

HON. KENT FRIZZELL,
Acting Secretary,
Department of the Interior,
Washington, D.C.

DEAR MR. FRIZZELL: In the last few weeks I have tried through hearings by the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the House Committee on Merchant Marine and Fisheries and search of Interior Department files, to ascertain the technical basis for the former Secretary's decision announced on February 15, 1975, to assign sole "management responsibility for three National Wildlife Ranges" (Kofa, Charles Sheldon, and Charles M. Russell) to the Bureau of Land Management (BLM). I have concluded that none exists, as to Kofa, and that as to the other two ranges, several important documents have not been made public. I share the view of some Interior officials that this was a political decision and nothing more.

My investigation shows that:

A. The Fish and Wildlife Service (FWS) prepared some months ago a paper entitled "Proposal for Single Agency Management" which recommended that "sole jurisdiction for management" of all of these ranges "be vested" in the FWS. The Director of the FWS, Mr. Lynn Greenwalt, testified that he "was in agreement" with that recommendation (Hearing Transcript, p. 77). However, that paper was never transmitted to the Secretary and to this day it has not been made public by the Interior Department.

B. On August 1, 1973, a briefing paper was apparently prepared by the BLM which states that "it would be timely for BLM and BSF&W to meet to discuss the problems to explore ways of solving it." This paper has not been made public by Interior.

C. On January 23, 1974, Deputy Assistant Secretary for Land Management Hainsworth sent a memorandum to the Secretary proposing the following "actions":

"We concur in the proposal for the Kofa and Cabeza Prieta Game Ranges and support the BSF&W as the single administering agency. We will process the public land orders for the additions immediately;

"We will prepare appropriate public land orders vesting sole jurisdiction of the Charles Sheldon and Charles M. Russell Ranges in the BLM. We will complete the Bureau's Management Framework Plan for these two areas as rapidly as possible and if primitive areas are identified within these ranges those areas shall be designated for that purpose.

"We feel that this is an equitable solution to a problem that has disrupted the resource management potential of these areas since their conception. This action will permit BSF&W to conclude their activities as required by the Wilderness Act.

"In order to comply with the requirements of the National Environmental Policy Act and the Wilderness Act, it is essential that resolution to this problem be accomplished within the next 30 days. We seek your concurrence for this line of action."

This memorandum and its enclosures which discuss various alternatives has never been made public by Interior.

It should be noted that at our hearings one Interior witness said this agreement was predicated on BLM getting an Organic Act.

D. On January 28, 1974, Under Secretary John C. Whitaker replied as follows:

"In response to Deputy Assistant Secretary Hainsworth's memorandum of January 23 (copy attached) on the above subject, I support the proposed wild area additions of BLM lands to the Desert National Wildlife Range and the Kofa and Cabeza Prieta Game Ranges (Proposals 1 and 2). I concur that BSF&W should be sole administrator of all three ranges. Please expedite the processing of the necessary public land orders for these additions. I am pleased that agreement has been reached on these three wilderness proposals, and I am asking (by copy of this memorandum) that Ken Brown transmit them to OMB for clearance as soon as possible.

"Before deciding the jurisdictional issue on the Charles Sheldon and Charles M. Russell Game Ranges (Proposal 3), I am asking Kent Frizzell (by copy of this memorandum) whether transfer of BSF&W's jurisdiction to BLM negates the need for wilderness studies and for reports to the Congress on the suitability or nonsuitability of these ranges as wilderness." (Emphasis supplied)

This decision memorandum has never been made public by Interior, even though it shows that a decision on Kofa was made over one year ago.

E. On February 19, 1974, the Solicitor advised the Under Secretary in a memorandum that such transfer of the Russell and Sheldon Ranges would not negate the need for such studies. This memorandum was not made public by Interior until a few weeks ago, after a request by the Subcommittee for it.

F. On March 1, 1974, the Under Secretary sent the following memorandum to the Directors of the FWS and BLM saying:

"In light of the Deputy Solicitor's memorandum of February 19 regarding the obligation of the Secretary to send a wilderness recommendation to the President on the Charles Sheldon and Charles M. Russell Game Ranges, I request that BSF&W proceed speedily to process its wilderness proposals for these two areas.

"In order to meet the September 4 deadline set by the Congress, we must make the proposals and related environmental impact statements available to the public no later than April 10 for public hearings about May 10. The preliminary proposals should be prepared by BSF&W in accordance with the Department's Wilderness Guidelines. BLM should participate in their preparation to ensure that BSF&W goes to public hearing with a preliminary proposal that BLM can support.

"A resolution of the jurisdictional issue on these two game ranges will await completion of the wilderness review process."

This memorandum has not been made public by Interior.

G. On March 19, 1974, the Director of Interior's Office of Management Consulting said, in a memorandum to the Assistant Secretary for Management, that the Under Secretary's decision to defer such "resolution . . . was prompted by the following considerations:

"Surfacing at this time the possibility of jurisdictional transfer of the two ranges might complicate the public hearings which are part of the wilderness review procedures.

"It might tend to undermine BLM's opposition to a proposed amendment to its organic act which would require a review of all eligible lands under BLM jurisdiction for wilderness area potential."

This memorandum has not been made public by Interior.

H. On July 19, 1974, the BLM State Director in Arizona, Mr. Fallini, sent to the BLM Director a one-sided "Staff Report" on the FWS withdrawal application for Kofa and public hearing thereon and recommending that BLM be assigned "sole jurisdiction on the Kofa." But on October 4, 1974, FWS Regional Director Nelson sent a letter to Mr. Fallini which is highly critical of the accuracy of the Fallini report and asked that Mr. Fallini "make appropriate changes" in the report "to have it more correctly reflect the results of the public hearing."

As to Mr. Fallini's recommendation that BLM be given "sole jurisdiction" over Kofa, Mr. Nelson said:

"This was not an issue in the public hearing!"

These memoranda have not been made public by Interior.

I. On September 30, 1974, the Under Secretary again wrote to the Solicitor noting that he had a "proposal" to transfer the Sheldon and Russell Ranges to BLM. He said:

"Before taking action on his proposal, I would like to know if there is any legal problem in the Secretary's delegating to BLM the responsibility for managing any of these areas as part of the National Wildlife Refuge System."

This memorandum has not been made public by Interior.

J. The Solicitor replied on November 27, 1974, that the Secretary could "delegate" this responsibility to the BLM, but said:

"One consequence of these proposed changes in delegation should be noted. Since the Bureau of Land Management would be vested with the entirety of the Secretary's fish and wildlife authority for the Sheldon and Russell Ranges, the Bureau, within the statutory confines governing the National Wildlife Refuge System, would be free to adopt regulations governing the administration of the Ranges of a different form and content than those adopted by the Fish and Wildlife Service. That is, after the change in delegation, when the Fish and Wildlife Service adopts new regulations generally applicable to the National Wildlife Refuge System, its adoption would not be applicable to the Sheldon and Russell Ranges without an adoption by the Bureau of Land Management. As a consequence, two parallel systems of Wildlife Refuge regulations could result from the proposed delegation."

This memorandum was recently made public by Interior at the Subcommittee's request.

Despite the fact that in January 1974, the Under Secretary had decided that Kofa should be administered by the FWS as recommended by the FWS and the BLM only a few days before, the Department began in the fall of 1974 to write to Members of Congress and others that no decision had yet been made. Thereafter, in February 1975, the Secretary reversed the Under Secretary's "non-decision" and assigned Kofa and the other two ranges to the BLM.

On what basis was the Kofa decision made? In other words, what studies, memos, decision documents, briefings, meetings, etc., led Secretary Morton to the decision to overturn the internal decision on the part of both the Fish and Wildlife Service and the Bureau of Land Management (an arrangement confirmed by the Under Secretary) that the Kofa should be managed by the Fish and Wildlife Service? Was a defensible position articulated within the Department for the action that the Secretary took?

The answer to the last question is no. There are no studies, memos, etc., to support this decision. Indeed, Interior officials advise us that the Secretary was never briefed on the issue, although at least one such briefing session was attempted for December 1974.

Some at Interior contend, but not publicly, that this decision was made to satisfy some Arizona politicians. I do not know if that contention is correct or incorrect. I do know, however, that one distinguished public servant from the other party was appalled by the decision to turn Kofa and the other ranges to the BLM. He wrote the Secretary in March 1975, protesting it. He said:

"A recent decision by the Department of Interior involving three national wildlife ranges could be harmful to Republican standing with citizens throughout the country who are concerned about wildlife conservation.

"Mr. Secretary, it appears to me that the Republican Party has nothing to gain from this decision, but much to lose. Most of those who would favor the decision—mainly livestock interests—are already supporting the party. Those who oppose the decision, on the contrary, include many who have thus far thought of the Administration as being strong advocates of wildlife conservation. The wildlife range decision potentially jeopardizes much of what has been gained over several years' time.

"This is obviously a decision that is going to be in the public eye. I would urge you to scrutinize it carefully, because I believe it is harmful to our cause in 1976."

I, too, think this decision was outrageous. But not for the reasons just cited. I think it outrageous because it was made in secret, without public participation, and with no concern for the views of the experts. Indeed, all of the important documents relative to this matter were suppressed by Interior and have yet to be made public.

This controversial decision was made without benefit of an environmental impact statement. Yet, several of the documents I have just cited discuss many environmental problems associated with single administration of these ranges by either agency.

Lastly, the decision is not sound from a wildlife standpoint.

I request that your Department promptly:

1. Suspend further action on giving the BLM "sole" jurisdiction over these three ranges, pending the issuance of a draft environmental impact statement, the holding of public hearings on this issue, and the resolution by the Congress of H.R. 5512; and

2. Make available to the public all of the above-mentioned documents and related correspondence.

With every good wish,

Sincerely yours,

JOHN D. DINGELL,
Member of Congress.

SUPPORT FOR HAWKINS AND BURKE AMENDMENTS TO H.R. 8069

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Ms. ABZUG. Mr. Speaker, I would like to add my full support to the efforts of Mr. HAWKINS and Ms. BURKE to restore funds to the community action that so many of us have long respected and fought to protect.

The administration's desire, as reflected in the bill reported to the floor, is to once again, through the most myopic possible interpretation of a legislative mandate, cut into the support of many programs which have proved so valuable over many years.

The Community Action program was formed not out of a sentiment to grant alms, but to foster local initiative, "self-help," to develop at the local level productive relationships between members of the community, clients of services, and the agencies which are set up to serve them.

Further, the Community Action program was created to encourage and assist a wide range of locally-based economic development activities to move people out of the cycle of poverty.

At a time when increasing numbers are unemployed, these programs are particularly important, since they generate economic activity. They are not simply income maintenance programs.

The committee recommends the strictest interpretation of the reduction in the Federal share in the Community Services Act of 1974. Mr. HAWKINS has so aptly reminded us, that act provides that there could be an increase in local sharing and adjustments of the Federal/local ratio, but there need not be a reduction in Federal funding.

In addition, there was a hold harmless provision to maintain the total level of funding, and to fall below the full $330 million would render that clause inoperative. The act further allowed for waivers to allow additional Federal funding. It is our obligation to back up the intent of the 1974 legislation and assure that all of the programs are maintained at the fiscal year 1974 level. The amendment accomplishes this.

The administration, backed by the committee recommendation, has also seen fit to snuff out the capability for new research and demonstration programs, many of which have no earmarked appropriaitons. Mrs. BURKE, my distinguished colleague from California, recognizes this in her amendment which replaces $8.8 million for these research and demonstration programs. The amendment also adds $2 million to the senior opportunities and services program, $22.4 million to the community food and nutrition program, and $7.5 million to the economic development program, programs of demonstrated value which deserve continuation.

We should be increasing funding for these programs. To do as the administration or the committee has recommended is another attack on the poor, under the guise of mistaken legislative mandates. It is these people who, ironically, are the repeated targets of this Government's inappropriate response to our economic condition.

I cannot feel stronger in my support for the Hawkins and Burke amendments, and I compliment them both for their initiative.

THE ROLE OF CONGRESS IN AMERICAN HISTORY

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. FORD of Tennessee. Mr. Speaker, I am pleased that this Congress has seen fit to pass the House concurrent resolution that provides for the creation of a Joint Committee for U.S. Bicentennial Arrangements. It is with respect and appreciation that I consider the role of the national legislature in the first 200 years of American history, a role to be emphasized by this committee in the months ahead.

The U.S. Congress has reflected since its inception the people's concern for restricting the powers of the executive branch and guaranteeing that their voices are heard in the process by which national problems are encountered and resolved. When the First Continental Congress met in the autumn of 1774, it was reacting to the abuse of power by the monarch, George III of England. In the following decades, Congress has often—if inconsistently—acted to check the growing powers of the Presidency. In so doing, it has rejected executive appointees, overridden previous vetoes, and forged meaningful legislative programs designed to address a wide range of ills troubling the land.

The elected representatives of the American people have, in the last half-century, compiled an impressive list of accomplishments including new protection for the rights of women and members of minority groups; benefits for veterans; support for the aged, disabled, and indigent; aid to education at the elementary, secondary, and college levels; and protection of the citizen against consumer deception and environmental dangers.

It would be wrong to assert that Congress has been successful in every endeavor. But it would be equally as wrong to ignore its many achievements. As the joint committee begins its work, perhaps the pause we take to reflect upon the past will afford us renewed energy and dedication with which we can approach the many problems facing the people of this country today.

THE PARK RIVER CONDUIT PROJECT

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. DODD. Mr. Speaker, on June 24 the House passed the public works and energy research appropriations bill, H.R. 8122, a bill which contains appropriations for many controversial and well-publicized projects. I commend my colleagues for approving the funding for a little-publicized public works project which is of great significance to the State of Connecticut. The Park River conduit project is a long awaited flood control project, which under the public works and energy research appropriations bill $308,000 will be appropriated for planning and $1.5 million will be appropriated for construction in fiscal year 1976. An additional $2 million will be appropriated for construction during the transition period.

This project is of great importance to the comprehensive flood control program now developed for the North and South branch of the Park River conduit in Hartford, Conn.

The Hartford area, which is the most populous area in the State, has had five major floods since 1900. The largest flood which occurred in 1955 had a drastic effect upon the city. Moreover, it has been estimated that if the 1955 flood reoccurred today, the damage would be an estimated $13,700,000.

The sooner this project is completed, the sooner the people of the Hartford area will be secure from the ravages of flood damage.

In addition to preventing flood damage, the project would help to alleviate the unemployment problem in the Hartford area. According to the Army Corps of Engineers, the Park River project would require 915 man-years of onsite labor during the 5½-year period of construction.

In other words, this project would provide an estimated 305 jobs for non-Government employees for onsite labor during the 5½-year period. In a State which currently has an unemployment rate of 9.7 percent, and an unemployment rate of 7.7 percent in the greater Hartford area, this is at least an attempt to alleviate the pressing problem of unemployment.

With the planning now underway, the actual construction is anticipated to begin in the spring of 1976, with the project being completed in the spring of 1981.

Therefore, because of the critical need in the State of Connecticut for this project, I thank you for your support for the appropriations for the Park River conduit project.

WOMEN'S RIGHTS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mrs. SCHROEDER. Mr. Speaker, Baltimore City Councilwoman Barbara Mikulski spoke recently on the distinction between women's rights and women's liberation. Her remarks were reported in the New York Times and I wanted to share them with my colleagues:

Feminists Cautioned on Attitude Toward Other Women's Work

(By Edith Evans Asbury)

Women will have to mind their language and be careful about how they refer to other women's jobs and beliefs if they want their feminist movement to prosper, an audience here was told yesterday.

The speakers, from various parts of the country, included a university professor of anthropology, an organizer for a union, a member of the Baltimore City Council, a black activist from Detroit and the youngest member ever appointed to the North Carolina state Democratic committee.

"Southern belles," women of European Catholic origin, black women, mill workers from the South and secretaries on Madison Avenue can agree on enough common interests to join in a fight for women's rights, but must not be expected to agree on what women's role in society is, the speaker said.

"It is time to stop talking about women's liberation and start talking about women's rights," Barbara Mikulski of the Baltimore City Council suggested to the audience of 200 at a panel discussion sponsored by the Institute on Pluralism and Group Identity of the American Jewish Committee, at 165 East 56th Street.

Twenty million European Ethnic Catholic Women in and around eight industrial cities across the country have "mixed feelings about the women's movement," Mrs. Mikulski said.

"They don't like to hear about 'role-changing and changing life styles' that hint at derogation of wifehood and motherhood," Mrs. Mikulski said, but they are all for day-care centers, health benefits, reform of Social Security and improved pensions.

These women are "very moderate and conservative in our community outlook," Mrs. Mikulski said. She added: "We were there as Rosie the Riveters, and reformers of the work place and at the barricades of the fight for neighborhood improvement."

Even though such women feel "threatened and confused" by some aspect of "women's liberation," they can be persuaded that "women should be free to do anything we want to be and we unite to make sure this is possible," Mrs. Mikulski said.

Marge Albert, a secretary for 25 years and an organizer for District 65, Distributive

Workers of America, said she had come into the women's movement through her two daughters. Other secretaries, she said feel "put down" when they see women's movement ads chiding industry for holding women down to jobs as secretaries.

"One out of every three women who work, works in an office," and they should be wooed, not looked down on by the movement, Mrs. Albert said. "When you are trying to organize for power you must realize you need each other."

STILL BEING OBSERVED

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. GAYDOS. Mr. Speaker, a constituent writes me to say that, in traveling several main highways this season, he has found, much to his approval, that most motorists still are observing the 55-mile speed limit.

For every speeder exceeding that, he noted two or three others keeping their speeds down and this, in his opinion, was evidence of good sense in a time of fuel crisis. He pointedly excepted trucks from his report.

His experiences included interstate routes 70 and 80 particularly, and also 79 and others, such as the Pennsylvania Turnpike, which serve my State. He noted that State troopers were active and accredited their zeal in enforcing the law for convincing many that speed beyond 55 does not pay.

I bring this person's findings to attention for two reasons. One is that I, also, have witnessed traffic moving generally at a speed below what once prevailed. And, second, this account refutes those skeptics who have been insisting that the 55-mile restriction no longer is effective anywhere.

I feel that it is working and that in its favor now is the experience of those who have found it does save on gasoline and the wear on cars and, moreover, that it makes driving much more enjoyable than when we all raced along. Now people get to their destinations less wornout and nerve-racked.

It is not necessary, of course, to recall the statistics which show that the 55-mile rate has cut accidents. The death and injury rate is down on Pennsylvania highways, where speed once was a wanton killer. And this fact, in my mind, means an accomplishment of far greater importance than fuel conservation.

Thus, we in Congress have an answer for those who claim we have fumbled the energy business completely. We have not done so. We may have spared the motorist harsh tax measures, but we have brought a driving reform which promises enormous savings in gasoline use while, at the same time, saving lives. The latter achievement—a byproduct of our energy conservation efforts—brings to mind how, not so long ago, traffic experts were lamenting the highway slaughter and the ineffectiveness of remedial measures. It appears that we in Congress found one remedy.

A SALUTE TO THE ELKS ON JULY 14TH FROM CONGRESSMAN ALPHONZO BELL

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. BELL. Mr. Speaker, 15,000 members and their families of the Benevolent and Protective Order of Elks will gather in Dallas, Tex., on July 14 for the 111th National Session of this largest fraternal organization in the Nation.

Today there are 1.58 million members of the Elks in the United States. More than 185,000 live in my home State of California.

It seems appropriate, as the Elk's prepare for their annual convocation, that special note be taken of the important work this fine organization is undertaking in our society.

A long time leader in assistance to underprivileged students, the Elks Lodges of America contribute in excess of $16 million each year in scholarships.

The Elks have given enormous support to crippled children across the Nation, particularly those affected by cerebral palsy. Since 1950 Elks Lodges in California, by themselves, have raised more than $20 million for this purpose.

Nationally, the Elks also make significant contributions to children's homes and camps, to hospitalization, and other care for handicapped children, and to eye banks.

In California the American Revolution Committee of the Bicentennial Commission has designated the California Elks Lodges as the official organization to foster and promote the "Honor Our Flag" program.

Throughout 1975 and 1976, the 180 Elks Lodges will foster programs which salute Old Glory, including the presentation of new flags to new citizens as they each take the oath of citizenship.

There will be Elks-sponsored school Flag Day parades and essay contests in communities all over the State. Over 1,000 "Honor Our Flag" billboards will be displayed. And 100,000 brochures telling the story of the flag will be distributed along with bumper stickers and special Bicentennial buttons.

The "Let Freedom Ring" program whereby each community will ring all of its bells simultaneously on July 4, 1976, is a National Elks project.

Traditionally the Elks have led the nation in lending care and assistance to veterans. The first veterans hospital was given by the Elks to the U.S. Government in Boston shortly after the Civil War.

Right after World War I the Elks granted in excess of 15,000 educational loans to veterans who were either unqualified or waiting for governmental assistance. It was considered the first GI bill program.

And in 1942, the Elks began a recruitment program at the request of the Government which brought more than 100,000 men into the armed services.

It is for these reasons, Mr. Speaker, that I call attention with great pride to the Elks National Convention being held next month, to plan among other things, the implementation of these outstanding Bicentennial programs.

It is due in no small measure to the high levels of service and generosity of organizations like the Elks that the quality of life in America has improved so enormously in its first two centuries of freedom.

ONE WORRY CAN BE ENDED

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. GAYDOS. Mr. Speaker, the plight of older Americans struggling to keep their heads above the inflation waters is claiming more and more attention from the news media.

Time magazine recently ran a cover story on the hapless golden agers and the troubles which plague them as they try to get by these days on fixed incomes.

One such trouble is taxes—the real estate levies which keep rising and, in thousands of cases, threatening to force them out of the homes they acquired at much sacrifice over their working years.

I feel, however, that this matter can be eased by the municipalities and school districts which tax them. The retired homeowners can be assured by these taxing authorities that, no matter what the tax circumstances now or in the future, they will not be compelled to sell or yield their homes.

If legislation is required to establish this policy, then Congress should begin studying ways to bring it about. Unpaid taxes on the homes of the elderly, I suggest, could be liened against the properties with full assurance to the owners that they can keep on living in them unmolested for the balance of their lives.

Then, when death does come, the liens could be satisfied in the estate settlements. The only losers under this arrangement would be the heirs and, I am certain, most sons and daughters would gladly give up a part of their coming inheritances to have the minds of their parents eased. Those who would not deserve no consideration.

The option to have the taxes liened would remain with the older folk involved. If they should want to continue paying, then, certainly, they could do so. But if financially pressed, they could have the guarantee that, regardless of ascending governmental costs and tax rates, they would still keep their homes. Indeed, they would not need to be asked to make the decision. They could just let the taxes go and have them automatically charged against their properties.

Could the taxing districts afford such exemptions involving what might add up to hundreds of properties on their tax rolls? This should be no problem. The authorities could borrow on the liens and add the interest costs to the debts to be satisfied at estate settlements. I can think of no better security for loans to governments than the cherished homes of older Americans.

I have thought about this plan and

have talked it over with others and I have yet to hear a valid objection to it once it is fully analyzed. In my mind, it could be the means of making life less worrisome to many of our older citizens by letting them know that, as a matter of governmental policy, perhaps generated here in Congress, their homes will be theirs for as long as they need them with the hardship of meeting tax payments lifted from their shoulders.

ELDERLY HOMEOWNERS PROTECTION ACT

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. MAGUIRE. Mr. Speaker, I am introducing today, with bipartisan support, the Elderly Homeowners Protection Act of 1975 to reform the supplementary security income program, SSI. This bill would eliminate a provision in the supplemental security income program, SSI, which may make it impossible for some of the poorest of our senior citizens to retain ownership of their homes.

When SSI was established in January 1974, it was intended to provide supplemental income for the aged, blind, and disabled with little or no income. However, countless individuals are automatically being excluded from receiving benefits. Individuals owning homes exceeding $25,000—$35,000 in Alaska and Hawaii—in value cannot receive SSI benefits regardless of whether they live in a high cost or low cost area. This is a blatantly unfair provision which takes no account of the variation in market prices of homes between rural, suburban, and urban areas. Furthermore, it is too low a figure even for a rural area since housing prices have surged up with the general rise in prices.

Mr. John B. Martin, legislative consultant to the National Retired Teachers Association and the American Association of Retired Persons, submitted testimony on this problem during the recent hearings on SSI held by the Subcommittee on Public Assistance of the House Ways and Means Committee. He explained that the precedent of establishing a home valuation in determining eligibility for the SSI program represented a new obstacle to helping older people. Under the previous old age assistance program, which SSI superseded, only about one-third of the States set a value limit on the home in which the recipient lived in determining allowable resources. For this reason the home valuation provision of SSI constitutes a new roadblock to assistance which individuals desperately need.

The number of elderly affected is considerable. In 1970, 28 percent of old age assistance recipients owned their home—23 percent without mortgage. These elderly must bear the burden of rapidly rising property taxes as the assessed values of their homes rise with inflation.

A recent Bureau of Labor Statistics study reported that during the 20 years between 1952 and 1972 the cost of homeownership went up 91.7 percent. In many urban areas this figure is much higher, and most importantly, low-income housing values have risen at a very rapid rate. For example, houses in Levittown, N.Y.—the original low-cost housing area—reportedly sell for as much as $40,000 compared to $6,900 in 1948.

In Miami, Fla., homes which cost $16,400 in June 1966 cost $42,000 in January 1973. Such figures are comparable in most metropolitan communities throughout the country. Many owners of modest homes are unfairly being excluded from SSI. This injustice is particularly acute for urban and suburban dwellers where valuations are higher. In my own Bergen County very few homes sell for under $25,000, yet many impoverished elderly who purchased their homes 20 or 30 years ago will not even be considered for SSI.

In summary I feel that reform of the home valuation provision is imperative for the following reasons: A national value limit may represent a modest house in one area and a luxurious house in another; property valuations fluctuate considerably depending upon market conditions, location, and a variety of other factors; and a fixed valuation does not account for the rapid inflationary rise in market prices of homes.

I believe that the Elderly Homeowners Protection Act of 1975 would provide considerable relief from the injustice of the fixed valuation. This measure would instruct the Secretary of Health, Education, and Welfare, who administers SSI, to take into account the variations in market prices of homes and to make periodic adjustments reflecting changes in land and home values. This clear-cut measure would go far to make SSI a more equitable program.

Mr. Speaker, in order that all Members and the public may know specifically what the provisions of this bill are, I request unanimous consent to include the text of the Elderly Homeowners Protection Act of 1975 in the RECORD.

H.R. —

A bill to amend title XVI of the Social Security Act to direct the Secretary, in determining the extent to which the value of an individual's home is excludable for purposes of establishing his or her eligibility for supplemental security income benefits, to take into account regional variations in the market prices of homes and to make periodic adjustments reflecting changes in land and home values

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1613 of the Social Security Act is amended—

(1) by inserting "(in accordance with subsection (c))" after "determines" in subsection (a)(1); and

(2) by adding at the end thereof the following new subsection:

"DETERMINATIONS OF EXCLUDABLE HOME VALUES

"(c) In determining the value of a home which is reasonable for purposes of exclusion under subsection (a)(1), the Secretary shall—

"(1) take into account variations in the prevailing market prices of homes as between different regions of the country and as between urban, rural, and other areas within any such region, and

"(2) periodically review the values previously determined under subsection (a)(1) and make such adjustments therein as may be required in order to reflect changes (whether caused by general increases in real estate values or by other factors) in the prevailing market prices of homes in any such region or area."

SEC. 2. The amendments made by the first section of this Act shall apply with respect to benefits payable under title XVI of the Social Security Act for months after the month in which this Act is enacted.

INTERVIEW ON FEDERAL BUDGET CONTROL WITH CONGRESSMAN BROCK ADAMS OF WASHINGTON

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. BRADEMAS. Mr. Speaker, on June 12, 1975, I was pleased to listen to a radio interview in which our distinguished colleague, Congressman BROCK ADAMS of Washington, chairman of the Committee on the Budget of the House of Representatives, was questioned by James Steiner and Edgar Parsons of the National Chamber of Commerce.

I am sure that every Member of Congress shares my own admiration for the outstanding job BROCK ADAMS is doing as chairman of this important committee.

Mr. Speaker, I believe that Members of Congress will also read with great interest the following interview in which Mr. ADAMS discusses the work of this committee and the problems of Federal budget control.

The transcript of the interview follows:

"WHAT'S THE ISSUE?"

Federal budget control with Representative Brock Adams, State of Washington; James Steiner, Director of the National Chamber's Government Operations and Management Program; and Edgar Parsons, National Chamber's Washington Staff.

Mr. PARSONS. A few weeks ago we had the pleasure of talking with Senator James A. McClure of Idaho, a member of the Senate Budget Committee, about the procedure for controlling the federal budget, which threatens this year to run up a deficit estimated variously at from fifty billion dollars to one hundred billion dollars.

Today our guest is Representative Brock Adams of the State of Washington, the Chairman of the House Budget Committee. Again we have James Steiner, the Director of the National Chamber's Government Operations and Management Program. I'm Edgar Parsons of the National Chamber's Washington Staff.

THE BUDGET CONTROL PROCESS

First of all, Congressman Adams, we'll ask you the same question we posed for Senator McClure: In your case, the House Budget Committee is responsible for coordinating the elements of the federal budget and trying to keep federal spending in line with federal income. Now, the question is: Is the Congressional budget control process working?

Congressman ADAMS. Yes, I think it is. It's working very well and we're very pleased that the resolution has now passed. It's probably unfortunate that the Budget Committee had to start its first year in a time of recession when there was a deficit in the federal budget. But that couldn't be helped because we wanted to proceed as quickly as possible, and I think it is working very well.

Mr. Parsons. Mr. Steiner, you have some questions for the Congressman.

Mr. Steiner. Congressman Adams, on May 14, both Houses of the Congress passed the First Concurrent Resolution on the Budget. What Congressional action comes next in the process to control the federal budget?

Congressman Adams. We will, during the course of the summer, "cross-walk": That is, divide the various categories of the budget among the committees of the House—and I assume the same will be done in the Senate—to indicate the spending levels that are proposed in the budget and what the results will be if they are either exceeded or if somebody should—this doesn't happen very often—go below the totals that are proposed in the budget.

Then in the fall—in September—we will present the Second Concurrent Resolution, which basically establishes the ceilings on each program for the fiscal year. Now the program isnt fully implemented this year because the statute itself contemplates next year that the fiscal year will start October 1. So we will have acted on both the targeting resolution in the spring—the May 15th resolution—and then the final ceiling setting resolution in September before the fiscal year of the government starts.

This year we are working with the old fiscal year which has already been underway about four months, so we have not been able to complete the process as fully as we will next year.

UNEMPLOYMENT AND INFLATION

Mr. Steiner. Thank you very much. In both the House and the Senate Budget Committee reports there were dissenting views. Some members wanted more federal spending, some less. The main point of disagreement, it seems to me, was the size and the impact of the deficit. Would you comment on the significance of a $69 billion deficit? What will be the effect on employment creation and on inflation?

Congressman Adams. Well, the first objective that we wanted our budget resolution to accomplish was to reduce the unemployment level below the present 8.7 percent rate. We were trying to get it down to about 7 percent by the end of calendar year 1976, and we were hoping, and still are, that there would be an upturn in economic activity in the private sector. We therefore, included first the tax break and second, the housing bill. Third, we wanted to try to create public service jobs and accelerated public works jobs.

These programs amounted to about 1,650,000 additional jobs. Our goal is to try to reduce unemployment and increase the Gross National Product. A great portion of this depends upon whether or not the stimulus to the private sector works. If it does not, the government alone cannot hire enough people to reduce unemployment down to the 7 percent range.

Mr. Steiner. Then, inflation. What may be the effect there?

Congressman Adams. All of the various econometric models that we used—which are simply large computers which try to give the structure of the United States economy as a model—indicated that the economy was so slack this year, and there was such a low demand for federal versus private sector financing, that there would be no upward variation in the inflation rate at all. In other words, the deficit this year would not cause any inflation.

Now the danger factor is that if we are successful in turning around the economy, and if it begins to come up in the fall and the winter of next year as is predicted, then we have to be certain that we are reducing the federal involvement in a deficit so that we don't create any future inflation.

So our projections indicate no increased inflation. We will be watching carefully to be certain we are not stimulating at the same time that the private economy is picking up. That might cause inflation.

INCREASES IN THE DEFICIT

Mr. Steiner. Now, Congressman Adams, if, as we've seen, there is a majority in the Congress who agree that a $69 billion deficit is near the limit of federal spending which should be financed by borrowing, what will happen to the legislative bills before Congressional Committees which would add about $40 billion to the spending level and, therefore, add to the deficit?

Congressman Adams. I just don't think they will be enacted this year. The mood of the Congress is to try to bring us out of the recession, and to simply leave the presently existing programs where they are, feeling that we simply cannot go into a number of new programs at a time when we're basically trying to correct our economic ills.

Mr. Steiner. Then it would be your view that in late September when the Second Concurrent Resolution comes before both Houses of the Congress that the Congress is not likely to increase spending by, say, $40 billion with the expectation that a $100 billion would have to be borrowed from the sources of funds?

Congressman Adams. No, I do not think Congress will go to a $100 billion deficit. I think they are trying very hard right now to balance out the enormous expenditures that we are having to make because of the recession—unemployment compensation, food stamps, these programs—against the already enormous loss in receipts because businesses are not producing profits, individuals are out of work, and so on. So our direction is going to be to try to correct that.

There's a rule of thumb that indicates that the deficit grows by about $16 billion for every point of unemployment in the country above 4.5%. The reason for that is you lose about $14 billion in receipts because the unemployed pay no taxes, fewer goods are being produced, and you pay about $2 billion out in unemployment compensation, food stamps and related programs.

So you can see what our problem is. If we do nothing and the recession deepens and unemployment goes up higher and the Gross National Product falls more, our deficit increases without any new programs. So we're kind of caught between the rock and the hard place this year.

CONSTITUENT RESPONSES

Mr. Steiner. In this connection, what kind of responses have you received from the Seventh Congressional District of Washington—your constituents? Have many communications come to your office expressing concern about the budget, about the deficit?

Congressman Adams. Oh, yes. We receive many communications and they break into two basic categories. There's one group that is very concerned that their particular programs are going to be cut or done away with. This runs all the way from senior citizens to various groups that are involved in city improvement, urban renewal and so on.

Then there is another group that writes to us who are very concerned about the size of the deficit, whether or not the money markets can accommodate it, and whether it will drive up interest rates. We try to tell them that our surveys indicate that because of the very slack demand in the private sector, both private and Federal borrowing can be financed during fiscal year 1976.

Mr. Parsons. We pause briefly to remind you that we're talking with Representative Brock Adams of Washington, the Chairman of the House Budget Committee, about controlling the federal budget to see that it doesn't get out of hand; and with James Steiner, Director of the National Chamber's Government Operations and Management Program.

The National Chamber believes that a vital aspect of formal school education is to prepare people for practical and suitable careers in jobs necessary and available in our society. Schools should develop programs that would eliminate the false dichotomy between the intellectual and the practical aspects of living and work. Businessmen and Chambers of Commerce are urged to work with parents and other citizens to remove the negative bias toward programs which prepare young people for occupational pursuits. Pride of work in all kinds should be developed throughout the formal educational process.

Now back to our discussion with Representative Brock Adams and Jim Steiner.

DEFICIT EFFECTS ON BUSINESS AND SAVINGS

Mr. Steiner. Congress Adams, just one more question on the deficit: You've assured us that the Congress is not likely to permit a deficit that's upwards of a $100 billion, but, just an assumption, if it did range upwards from about $70 billion, what would be the effect on business with the estimates you've made?

Congressman Adams. Well, it would depend entirely upon the monetary policy that was pursued by the Federal Reserve Board at that point. If they were to maintain a limited money supply so that credit was not available, then the pressure of federal borrowing would tend to put a squeeze on private sector borrowing.

If they were to increase the money supply to accommodate the federal debt, then it would have no effect either way, but might in the long term lead to inflation coming back. So, we would at that point be in deep discussions with Arthur Burns of the Federal Reserve Board as to what the relationship between monetary policy and fiscal policy should be.

Mr. Parsons. Now I have a question related to that, Mr. Congressman. What about private investment and savings? Now is that really what you're talking about? A huge federal deficit means tremendous federal borrowing. Now doesn't this put the federal government in competition with banks and savings and loans for deposits to provide home loans?

Congressman Adams. Well, actually no, because we have a great flow going into the savings and loan institutions and into the other thrift type institutions now so that we are beginning to build up a surplus in that area.

Where the pressure occurs is when you take all the savings sources running from the individual savings accounts clear through to pension funds, insurance companies and so on, and you place those against the demands for money, which come basically from businesses and from individuals who want to borrow money, then the federal government could come into competition. That's what we're trying to avoid, because if you add up all the money that's available for borrowing and all those who want to borrow, and if you've got more who want to borrow than there is money available, then your interest rates are driven up.

"POLITICAL PAYOFF"

Mr. Steiner. Mr. Adams, the success of many members of Congress is often measured by the amount of federal spending they are able to channel into their own Congressional districts. Now what can members of the House Budget Committee claim they have done for their districts by attempting to control the budget?

Congressman Adams. Produce a fiscal policy in the United States that will make for a healthy economy. Most people now have gotten over the idea that a Congressman is to be measured by the particular public building or street paving job that has occurred in the district.

They are much more interested in seeing that the country is strong in the sense of being able to defend itself, that it has a strong economy that works, that they as individuals have jobs and a place in the economy, and that the total climate around them is one that leads to a good life.

In other words, they want an environment they can live in, and in which they can economically survive. So that's what the Budget Committee is trying to provide.

Mr. Steiner. Well, this is a different kind of a reaction I think from the early days of the activities of the Budget Committee when some members were saying that there was little political payoff. You're saying just the opposite, that your constituents will respect a Congressman who works for a responsible federal budget policy that works.

Congressman Adams. Yes, I do say that, because I think that, at least from this Congressman's viewpoint, we have county officials, city officials, state officials all involved in the various public works and so on in their areas. People want national officials to be involved in national affairs. We are involved in that work. We want to see that states and other groups are represented, both by our voters and by what we do with the various departments that we deal with.

But overall, the constituents want to see an improvement in national policy. So I think that's where we as Congressmen should be going.

LOW-PRIORITY PROGRAMS

Mr. Steiner. Now what about federal government spending? Will the budget control process have the effect of reducing some low-priority programs?

Congressman Adams. I would hope so. That's what the process is all about. It is to present to all of the members of Congress at one time the various programs that are enacted throughout the entire year. At some point, the members of Congress are going to begin to make decisions about which programs they feel they want to spend the money on that is available to be spent.

Now that, to me, is the way the budget process should work. For example, you might have to balance off education versus what you want to do in the health field. If you can't do both, you have to make a choice. Both have merit, and you may defer one to a later year. I think that's what is going to occur.

Mr. Steiner. Could you give us some examples of some existing federal spending programs that have been reduced or dropped as a result of the budget control process of which you are the Leader in the House?

Congressman Adams. Well, you've already had, for example,—and I think we'll see more of it—significant cuts in the expansion of the Defense budget. The Defense budget wasn't cut back, but the President's increases were reduced.

In the area of international affairs—so-called foreign aid—you have seen reductions or cutbacks which we recommended. The same thing has been true with the special financing facility for oil products. This was not included in our budget resolution because we began to see in Congress that that program was not going to pass. These are examples of the kinds of things that are now being examined in the total picture.

Mr. Parsons. Mr. Brock, the problem with cutting low-priority items is that sometimes it's difficult to determine who decides what is low-priority. If I'm a Congressman and have a pet project, it's not low-priority to me.

Congressman Adams. That's precisely right, and that's why the job is so very, very difficult. The priorities then I hope, will be decided on a national interest basis, rather than on a regional basis or single district basis, where the most powerful Congressman or the most powerful Committee Chairman would tend to get more than the new member or the one who had just come. I think we have to decide nationally what our goals are and that's what the Budget Act is all about.

SPECIAL INTEREST GROUPS

Mr. Steiner. In this connection, are you receiving a great deal of pressure from special interest groups—including some government agencies—to reinstate spending programs that have been dropped by the budget control action?

Congressman Adams. Oh, yes. Continually we have. Each agency stands up and argues for its point and that's to be expected. It doesn't bother me. I tell them, "Well, you know, you're in with everybody else and we'll try to see that you're treated fairly in our hearings." That's all I think they can expect.

Mr. Steiner. Now, how would you appeal to the public—your constituents, for example, or to other citizens around the country—to do anything to support the work you're involved in here—to support the Congressional budget control process?

Congressman Adams. I think the most important thing is that they communicate with their Representatives and tell them that the budget process has to work, that Congress has a Constitutional responsibility in budgetary matters. When everybody has finally argued out everything, then they should vote for the budget process.

Mr. Parsons. We've been talking with Representative Brock Adams of Washington; and James Steiner, Director of the National Chamber's Government Operations and Management Program, about controlling the federal budget to hold federal spending within reasonable bounds.

Mr. Congressman, our thanks to you for being with us today.

Each week this program brings you a discussion of the choices facing free Americans. This is Edgar Parsons, speaking for the Business Community and inviting you to listen each week to these discussions.

THE ADMINISTRATION'S NEW NUCLEAR STRATEGY

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Ms. ABZUG. Mr. Speaker, I would like to call the attention of my colleagues to a deeply alarming statement which President Ford made in his press conference yesterday. In response to a question about our nuclear policy, the President said that he did not rule out the possibility that we would be the first to use nuclear weapons in Korea or elsewhere.

This statement only heightens my fear that the new counterforce strategy which includes a first strike option, and which Defense Secretary Schlesinger has been espousing, has become official administration policy. This strategy includes preparation for a so-called limited nuclear war. Apparently, the administration is still operating on the kind of irrational thinking, which masks the real danger of this kind of war with such euphamistic terms as "limited;" this policy must be repudiated. The result of the strategy it adopts would be more destructive than anything now conceivable.

On many previous occasions, I have pointed out that this irrational strategy has become official administration policy. The billion dollar administration request for new nuclear warheads, which I moved to strike from the ERDA appropriation this week, will be used to implement this policy. At the beginning of this session, I introduced House Resolution 11, which would have declared it to be the sense of the Congress that the President should immediately declare our intention never to be the first country to use nuclear weapons. The International Relations Committee has taken no action on this resolution. With the change in administration policy, it is most urgent that the committee hold hearings immediately on this and similar resolutions, which I also support. These hearings should review our overall nuclear strategy, and specifically determine whether the United States is prepared to resort to the use of nuclear weapons in Korea and elsewhere, and threaten the peace of the entire world.

I call on my colleagues to join with me in requesting the immediate schedule of these hearings and to allow Congress to gain a full and accurate understanding of the implications and dangers of this new provocative strategy.

LEGISLATION TO PROMOTE THE USE OF INDUSTRIAL DEVELOPMENT BONDS

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. KASTEN. Mr. Speaker, I am introducing today legislation to increase the ceiling from $5,000,000 to $10,000,000 on tax-exempt industrial revenue bonds. At the present time, tax-exempt industrial revenue bonds in amounts of $1,000,000 or less can be issued with few conditions imposed, while under more complex limits, the amount may go up $5,000,000. The legislation I am proposing would make the limit $10,000,000 on all tax-exempt revenue bonds, and would abolish the limitations imposed on the bonds which are now issued at levels between $1,000,000 and $5,000,000.

Industrial revenue bond financing has a history going back to the late 1930's and early 1940's, when it was heavily used in the South to attract industry by providing long-term capital at tax-exempt rates. The amount of funds raised by this method was relatively low until the 1960's, when States throughout the Nation started to use tax-exempt industrial revenue bonds as a regular method of financing. An indication of the rising use was the increase in value of tax-exempt offerings from $47 million in 1960 to about $1.6 billion in 1968.

The high dollar volume and rapid growth of industrial revenue bond financing raised opposition in a number of places. States found themselves in the position of having to grant tax-exempt status to bonds in order to counter threats from firms to move elsewhere. This situation goes against the aim of such bonds. Instead of helping to promote growth and jobs, this situation forced States to subsidize firms because of fear of loosing jobs to other States which would allow the tax-exempt bonds. For the nation, this approach was wasteful and unproductive; while one State would gain, another would loose.

Other opposition came from the banking community and others involved in the use of tax-exempt municipal bonds. The growth and proliferation of large tax-exempt industrial bond issues had raised the cost of borrowing on the tax-free market by one-fourth of percent. This seemingly small increase can add thousands of dollars to the cost of an issue over its lifetime. Another source of opposition was the U.S. Treasury, which predicated that the Government would lose $200 million in income tax revenue in 1970 and could stand to lose as much as $1.5 billion in 1975 if the rules governing tax-exempt industrial bonds were not changed.

As a result, the rules governing the issuance of tax-exempt industrial revenue bonds were changed in the 1968 Revenue and Expenditude Control Act. The result was a decline in tax-exempt industrial revenue bonds issued in 1969 to $40 million.

The legislation I am proposing would again change the rules governing tax-exempt industrial revenue bonds in a way which I feel will not hurt the municipal bond markets and which will permit badly needed industrial development in communities throughout the Nation. Inflation, new Government rules and regulations applicable to industry, and changing technology have made the $1,000,000 general limit, and the $5,000,000 special limit, no longer applicable or pertinent. The $10,000,000 limit proposed in this legislation will make it easier for towns, both large and small, rural communities, and urban centers to finance the industrial development projects which are so vital to growth and prosperity.

Capital is essential for industry to grow. The funds which would be made available under this legislation would permit the expansion of new or expanded manufacturing industries. This in turn would create jobs, provide increased spending powers, and expand tax revenues. This would lay the groundwork for other local business and government activities, which would create additional revenues which would help support the local, State and National economies.

In particular, such bonds would increase the ability of States and local communities to help finance the installation of pollution control devices which might be too expensive for local firms to finance by themselves. Without such assistance, many new plants might not be built, and many existing facilities might have to close. The increased limit would permit the improvement of local transportation facilities such as roads and rail and seaports. It could also be used for needed medical, educational, and recreational facilitites, which would act as a magnet for other firms and industries.

This legislation would, in my opinion, increase the amount of funds raised by the Treasury by helping the economy of the locality and the State. Increased prosperity means increased Federal tax revenues. On the local level, the increases in local revenues will mean better schools schools, roads, and municipal services, which can act as a stimulant for more job producing businesses locating or expanding in the area.

For these reasons, I urge your support of this legislation.

ELECTRIC VEHICLE BILL

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. McCORMACK. Mr. Speaker, during the first week of June my Subcommittee on Energy Research, Development, and Demonstration held 4 days of hearings on H.R. 5470, the Electric Vehicle Research, Development, and Demonstration Act of 1975. The basic goal of this bill a summary of which is appended, is to accelerate our program to develop a transportation system which need not depend upon imported petroleum for its very survival.

This bill, which would establish a 3-year program within the ERDA, could provide the leading edge of longer range transportation research and development programs. It addresses a broad spectrum of needs ranging from fundamental battery research and development to social and institutional problems associated with the evolution of this new transportation mode. The heart of the program is a demonstration which would involve about ten thousand electric vehicles, and which would provide vital consumer interaction as well as stimulation for the new industry.

The importance of replacing gasoline as quickly as possible must not be underestimated. Transportation now accounts for about 50 percent of our petroleum use, and half of that is used for the automobile. We face an immediate problem because about a third of the petroleum we use now is imported, but even more serious is the fact that we will simply run out of petroleum by the end of this century. By using electrical energy for fueling our vehicles, where the electricity is produced from nuclear energy or coal, we may, therefore, dampen the flow of petrodollars and, at the same time, provide for the future existence of personal transportation in this country. In addition to the conservation of petroleum, electric vehicles can make a significant impact on air and noise pollution, particularly in our cities. Rather than attempting to control emissions of hundreds of thousands of moving sources in a city, we shall be able to control and monitor emissions at a few localized, electrical generating plants.

Our hearings on the electric car bill were extremely constructive and encouraging. On the first day of the hearings, June 3, we began with a convincing demonstration that electric vehicles are not merely a dream of the future. The Electric Vehicle Council provided evidence of an already existing electric vehicle industry by exhibiting cars produced by thirteen different manufacturers. It is worth noting that one of the exhibitors drove his electric car, at highway speeds, all the way from Detroit. At least one of the other exhibitors used his vehicle daily during the hearings for errands and commuting. Incidentally, he had no difficulty in keeping up with Washington traffic.

A list of witnesses who appeared during our hearings is attached. We were gratified to obtain contributions from many different types of organizations including large Government agencies, universities, large vehicle manufacturers, battery manufacturers, small businesses, and individuals.

Several conclusions came out of the hearings, the most important of which was the fact that the current state of the electric vehicle art is completely adequate for meeting the needs for second and third cars in this country. This is borne out by the fact that 50 percent of the trips in the United States are less than 5 miles, whereas the driving range of existing electric vehicles—EV—is typically about 60 miles with speeds up to about 50 miles per hour. With a range of 60 miles, according to a recent report of the Environmental Protection Agency—"Impact of Future Use of Electric Cars in the Los Angeles Region," EPA-460/3-740-020, October 1974—nearly 98 percent of the daily driving of second cars could be met by a single battery charge. According to the same report the short-range electric car could be applied to the functions of 1 million Los Angeles cars by 1980, or 17 percent of the cars in the Los Angeles basin. By the following decade, 1990, nearly half of the area cars could be electric. Replacement of similar fractions of our 100 million gasoline-powered vehicles throughout the Nation would have extremely salutary effects, both on our petroleum supplies and urban pollution. Replacement of 17 percent of the Los Angeles vehicles would affect about 15 percent of the automobile petroleum consumption; on a National scale this would be equivalent to about 1 million barrels of oil per day.

For certain types of application, such as multistop, urban and rural delivery vehicles and farm vehicles, a considerable energy and cost-saving may come about through the use of EV's. One of our witnesses, the U.S. Postal Service, discussed their uses for such vehicles, and their plans to take delivery of about 350 EV's within the next few months. In England, for the past several years, 10 times this number of EV's have been in service as milk trucks. The basic advantage arises in city and in start-stop driving where gasoline-powered vehicles have their lowest efficiencies and their highest pollutant emission levels. A concomitant advantage of daytime EV use is the fact that battery recharging would take place at off-peak hours, at night, leading to increased efficiency in the use of our electric generating capacity.

It was clear that a significant improvement in EV capability will come about as advanced batteries are developed. A nickel-zinc battery, for example, could provide a range of about 150 miles, and an economically feasible prototype is expected within about 2 years, according to Dr. Edward David of Gould, Inc. The importance of battery research, which would also be provided for by the bill, was emphasized by a number of the witnesses, because of the potential for increased EV performance. Other means for improved range or acceleration were also proposed, using an auxiliary source of power, such as a small gasoline engine, a flywheel, regenerative braking, impedance-matching controllers, and thermal energy storage.

A number of nontechnological problems were raised during the 4 days of hearings. Perhaps the most important of these related to: First, the need to provide small businesses with adequate capital to successfully enter the EV market, perhaps by means of loan guarantees; second, the question of EV safety regulations, and possible effects of the "mix" with current gasoline-powered vehicles; third, institutional and consumer needs, including parking and charging facilities, maintenance and parts, and battery or electrolyte charging stations; and fourth, rapid progress and government support for electric vehicle introduction in Western Europe and Japan.

In summary, we believe that the Electric Vehicle Research, Development, and Demonstration Act of 1975 could be one of the most important pieces of legislation of this session. It comes at a time when it can provide just the right stimulus to advance by several years our future mandatory shift from petroleum-based transportation. Through the demonstration phase it will address consumer, industrial, and institutional aspects of EV use and production; parallel research support for mobile, energy-storage systems, particularly advanced batteries, will make it possible for EV's to handle even our longer auto trips. An interesting consequence of the timing of this bill would be the possible use of EV's by the Bicentennial Commission for the transportation of tourists in Washington, D.C.

In conclusion, Mr. Speaker, our subcommittee plans to take action on H.R. 5470 and report it out as quickly as possible. We are extremely pleased to acknowledge related bills by Mr. Corman and Mr. Ottinger. Mr. Corman's bill, H.R. 6354, Automotive Transport Research and Development Act of 1975, and Mr. Ottinger's bill, H.R. 7506, Alternative Vehicle Propulsion Systems Research and Development Act of 1975, will be taken up by my subcommittee during the markup of H.R. 5470. We sincerely invite other Members to join the 66 who have already cosponsored this legislation.

Summary—The Electric Vehicle Research, Development, and Demonstration Act of 1975

The bill establishes an Electric Vehicle Research, Development, and Demonstration Project within ERDA for a three-year period with an authorization of $40 million annually. The primary goal of the project would be to demonstrate the commercial feasibility of electric cars, including the introduction of as many as 10,000 such vehicles over the life of the project. Electric cars, which would be suitable as second cars, would contribute to energy conservaiton through their greater efficiency for short range trips. Also, they would significantly reduce urban pollution since their emissions are essentially zero.

The demonstration project would involve two phases—first, production and introduction into use within one year of several thousand electrically-powered vehicles designed about existing vehicle chassis, and, then within three years, several thousand vehicles would be introduced through a program for purchase or lease by Federal agencies, and individuals and businesses would have an opportunity to purchase or lease such vehicles through an equitable mechanism set up to insure their widespread use. Performance and maintenance standards would be established for the demonstration vehicles, and an adequate evaluation program initiated.

Research and development would include work in energy storage as well as control systems and over-all design of such vehicles, with the aim of reaching maximum energy efficiency, durability, ease of repair, and recyclability of parts. Associated research would focus on urban design and traffic management for optimum transportation energy use, and minimum environmental degradation.

The Administraor of ERDA would also conduct studies of tax provisions, regulatory law, and other factors which might tend to bias the transportation system toward particular vehicles. These findings, as well as assessments of the long-range environmental and economic impacts, would be first reported to Congress within six months, and subsequent reports on the over-all progress of the project would be required every six months following for the three-year lifetime of the project.

Witnesses on H.R. 5470, the Electric Vehicle Research, Development, and Demonstration Act of 1975

TUESDAY, JUNE 3, 10 A.M.

Honorable Claude Pepper, Member of Congress from Florida, accompanied by Dr. Vernon Roan, Professor of Mechanical Engineering, University of Florida, Gainesville.

Dr. James S. Kane, Deputy Assistant Administrator for Conservation, Energy Research and Development Administration.

Major Thomas Bradley, City of Los Angeles.

WEDNESDAY, JUNE 4, 8 A.M.

Dr. Edward David, Vice President, Gould, Inc., Rolling Meadow, Illinois.

Mr. James R. Braughton, Division of Delivery Services, U.S. Postal Service; accompanied by Mr. Don Crane, Director, Office of Fleet Management Delivery Services Department, U.S. Postal Service.

Mr. Cruse W. Moss, President, A.M. General, Wayne, Michigan.

Mr. A. Forbes Crawford, President, Jet Industries, Ltd., New York, New York.

THURSDAY, JUNE 5, 9:30 A.M.

Professor Richard Thornton, Massachusetts Institute of Technology, Cambridge, Massachusetts.

Mr. Edward A. Campbell, Executive Secretary, Electric Vehicle Council, New York, N.Y., accompanied by Mr. James F. Norberg, Administrator, Electric Transportation Projects, ESB, Inc., Philadelphia, Pa.

Mr. Connel A. Baker, Technical Service Engineer, Lead Industries Association, Inc., New York, N.Y.

Mr. Robert Bry, Vice President, Diversified Operations, Otis Elevator, Cleveland, Ohio.

Mr. Robert G. Beaumont, President, Sebring-Vanguard, Inc., Sebring, Florida.

Mr. Robert Aronson, President, Electric Fuel Propulsion Corp., Troy, Michigan.

Mr. Domenic Borello, President, Die Mesh Corporation, Pelham, N.Y.

FRIDAY, JUNE 6, 10 A.M.

Mr. James Holzwarth, Technical Director, General Motors Technical Center, Warren, Michigan.

Mr. Frederick Sanborn, Director, Ecotec Foundation, Cincinnati, Ohio.

Mr. Warren Harhay, President, Electric Vehicle Associates, Inc., Brook Park, Ohio.

Mr. Harry Yoder, President, Battronic Truck Corporation, Boyertown, Pa.

Electric Vehicle Bill (H.R. 5470)

ORIGINAL SPONSORS

Mr. McCormack, Mr. Brown, Mr. Teague, Mr. Mosher, Mr. Goldwater.

SPONSORS OF H.R. 6031

Mr. Hechler of West Virginia, Mr. Bell, Mr. Fuqua, Mr. Symington, Mr. Winn, Mr. Roe, Mr. Thornton, Mr. Myers of Pennsylvania, Mr. Scheuer, Mr. Emery, Mr. Ottinger, Mr. Hayes of Indiana, Mr. Harkin, Mr. Dodd, Mr. Blouin, Mr. Hall, Mrs. Lloyd of Tenn., Mr. Pepper, Mr. Yatron.

SPONSORS OF H.R. 6198

Mr. Milford, Mr. Abdnor, Mr. Byron, Mr. John Duncan of Tenn., Mr. Harold Ford of Tenn., Mr. Grassley, Mr. Guyer, Mr. Harrington, Mr. Hicks, Mr. Jenrette, Mr. Koch, Mr. Lujan, Mr. McCloskey, Mr. Mazzoli, Mr. Nix, Mr. Prichard, Mr. Rodino, Mr. Rosenthal, Mr. Sisk, Mr. Studds.

SPONSORS ON H.R. 6315

Mr. Mark Andrews, Mr. Cleveland, Mr. Cotter, Mr. Downey, Mr. Edgar, Mr. Don Edwards, Mr. Hamilton Fish, Jr., Mr. Frenzel, Mr. Hagedorn, Mr. Helstoski, Mr. Norman F. Lent, Mr. Clarence Miller, Dr. Don Mitchell, Mr. Moorhead, William (Pa.), Mr. Moss, Mr. Pickle, Mr. Staggers, Mr. Stark, Mr. Ullman, Mr. Charles Wilson.

SPONSORS OF H.R. 6531

Mr. Andrews of North Dakota and Mr. Solarz.

WHY SOME OF US DON'T SUPPORT HARVARD

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. ASHBRBOOK. Mr. Speaker, on a number of occasions I have been asked why I do not support by old alma mater, Harvard. The answer is very simple. As an institution of higher learning it is dedicated to promoting ideas which are not objective but subjective, it is hopelessly liberal and has very little balance in political ideology, either on campus or in their speaker program.

The best example came earlier this month. Dick Gregory and John Galbraith were the graduation speakers, Archibald Cox spoke at the Alumni Association. Now that really covers the political spectrum, does it not?

I heard Dick Gregory some years ago when Muskingum College was in my Ohio district. At that time he was brandishing the student body with such radical inspiration as tearing this country down brick by brick. Just the type of man we need on campus. Professor Galbraith would be right at home at Harvard so enough said about that one.

I believe in academic freedom. I believe in presentation of contrasting ideas. Harvard exercises its freedom to present what I think is a biased point of view and emphasis of liberal ideas which I do not support. That is well and good. Hopefully, Americans who are graduates of Harvard will exercise their freedom in the same spirit and not contribute to those institutions and causes which are in opposition to our ideas and which promote the very concepts, people and movements we are struggling against.

WHAT IS MY RESPONSIBILITY AS A CITIZEN?

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. GRASSLEY. Mr. Speaker, each American citizen has an individual responsibility to this country and although we are all aware of this, so often it is forgotten when big government gets in the way.

I would like to share with my colleagues an essay on the responsibility of Americans by a young Iowa resident, David Faldet. Mr. Faldet wrote the winning essay in the Iowa Voice of Democracy contest sponsored by the Iowa Veterans of Foreign Wars. I feel it is a very worthwhile tribute to the individual American in this day of big government.

As we approach the July Fourth holiday all Americans should stop and ask themselves, just as Mr. Faldet has done, "What is my responsibility as a citizen?"

MY RESPONSIBILITY AS A CITIZEN

(By David Faldet)

Among my favorite novels is a book called "Jonathan Livingston Seagull," by Richard Bach. It is the story of a young bird who leaves his flock in order to truly learn to fly; and in so doing is excommunicated because his friends have no desire to allow their dreary lives to be changed. Yet Jonathan does not lose faith in himself nor his friends and assures himself saying, "We can lift ourselves out of ignorance, we can find ourselves as creatures of excellence and intelligence and skill." I believe that this same faith in one's self and one's fellow man is written into our nation's Constitution, for it is such trust that places the responsibility for our government in the hands of every citizen. It is also the kind of confidence in spirit I would like to share as I ask myself, "What is my responsibility as a citizen?"

Immediately the question could be posed, "Why feel any responsibility to the American system?" All too often this question is neglected. For today, we are part of an America more affluent than ever before; and in this affluence we take much for granted. In doing so we fall prey to blind reactionism and momentary whims in public opinion. The actions and energies of people whose lives are unexamined are as transient as sand in swift water, swept along without cause or true course. A government made up of such individuals is little better than no government at all.

In examining my life I believe that I do have a responsibility to the American system. It is a system that has enough faith in me and my fellow citizens that we are free to lift ourselves out of turmoil rather than to be lifted. I value freedom and freedom must arise from one's own power. For if we do not have the power to win our freedom, we surely could not find the energy or the motivation to maintain it. As a citizen, I am free to choose whether or not I shall keep this freedom, and keeping it demands responsibility.

As an American citizen, the opportunity for lifting one's self to the goals one chooses is greater, perhaps, than anywhere else in the world. Granted, the country has its flaws, but we can meet the changes of time. For the majority of Americans are not hard pressed to solely meet the needs of daily survival. We are able to look past the present and on to the future. Our national wealth grants us the power to devote a great portion of our energies to lifting ourselves and our nation to unimaginable heights of achievement.

Jonathan Livingston Seagull was excommunicated, but he learned wonderful flight none the less. He swallowed any malice and returned to his flock to share with them his discovery, that all might be bettered. So it has been with all men history now remembers as great. They discovered where moral strength lay and used it as a guide for their actions. Even if they were along in an unwilling society, they summed up their own inner strength to explore the realm of new ideas on their own. Our founding fathers were such men as in every man who has lived or died for a cause he truly believed in. Because of each such individual, every man becomes just a little richer.

Today, as since man was born, we are confronted constantly by troubles. Ignorance is the natural state of every man; and from it, troubles will always spring. Yet we can lift ourselves out of ignorance, we can find ourselves as creatures of excellence and intelligence and skill. I believe in the American principle, for I have confidence in the good within myself and every man. What is my responsibility as an American citizen? It is to locate that good, to become sure of the places it is found, and like Jonathan Livingston Seagull, draw from this good like a spring of fresh water, letting it guide my actions towards the benefit of myself and my fellow man.

PERSONAL EXPLANATION

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. DRINAN. Mr. Speaker, on Friday afternoon, June 20, I had to leave Washington on official business and necessarily missed some record votes. Had I been present, I would have voted as follows:

H.R. 3474, authorizing appropriations to the Energy Research and Development Administration—"yea."

House Resolution 533, providing for the consideration of H.R. 7001, authorizing appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended—"yea."

H.R. 7001, authorizing appropriations to the Nuclear Regulatory Commission in accordance with the Atomic Energy Act—"yea."

Amendment to H.R. 7001, prohibiting the use of funds to license the export of nuclear fuel or technology to a country that has not signed the nuclear proliferation treaty—"yea."

Amendment to H.R. 7001, prohibiting the transportation by air of plutonium until such time as Congress certifies that such air containers are safe—"yea."

INCREASE IN ESTATE TAX EXEMPTION

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. ESCH. Mr. Speaker, I am today introducing a bill to amend certain sections of the Internal Revenue Code, relating to the Federal estate tax.

In short, my bill would increase the estate tax exemption and the marital deduction, allow an additional deduction in some cases for farmers and small business men, provide an alternate method of valuing certain real property such as farms and scenic open space, and provide for an annual cost-of-living adjustment to the exemption and deduction amounts.

The present $60,000 estate tax exemption was set in 1942. Certainly, the amount of inflation in the 32 years since that time has tremendously reduced the significance of that exemption for many people.

This is especially true for those individuals, such as farmers and small business men, who oftentimes own an asset with a market value far in excess of that asset's ability to generate income, whose asset oftentimes lacks the liquidity necessary to pay an estate tax, and whose death may disrupt the farm or business operation to a point where a successor has a difficult time in making a profit, let alone in paying a sizable estate tax.

In many such cases the unfortunate result has been that farms have had to be sold and subdivided, and small businesses have had to be liquidated out of sheer economic necessity. Not only are the family farms and small family businesses, which have played such a significant part in our Nation's economic growth and prosperity, slowly being squeezed out of existence, but the wishes of the decedent, who desires to pass his farm or business on to a relative, are frustrated.

Similarly, inflation has had a detrimental effect on the decedent's surviving wife or husband. Future financial security, once assured with insurance policies and other fixed assets, is in many cases threatened by the high cost of living.

Several bills already have been introduced to amend the estate tax provisions of the Internal Revenue Code. My bill incorporates some of the provisions already introduced in other legislation, but also provides for a realistic annual cost-of-living adjustment to the exemption and deduction amounts, in order to counter the inflation factor in the future.

In summary, my bill would do the following:

Section 1 increases the estate tax exemption from the present $60,000 to $125,000. The exemption for nonresidents who are not U.S. citizens is increased from $30,000 to $60,000. This exemption increase would be effective for those decedents dying after the date of the enactment of this legislation.

Section 2 increases the marital deduction from 50 percent of the adjusted gross estate to $100,000 plus 50 percent of the adjusted gross estate, to give an added tax break to the surviving spouse.

Section 3 provides for a special deduction from the estate of a decedent holding an interest in a qualified farm or business. In effect, it allows an extra deduction of $75,000 or the value of the interest, whichever is less. In other words, with the exemption increase and this special deduction, a farmer or businessman would have a maximum of $200,000 free of tax.

For purposes of this section, a business is defined as a proprietorship, a partnership with 10 or less partners at the decedent's death, or a corporation with 10 or less shareholders at the decedent's death. This definition of business is similar to that definition of a "closely held business" which is found in section 6166 of the code, allowing for an extension of time for payment of an estate tax.

For purposes of this section, a farm is defined as a trade or business, that involves real property, substantially all of which is—and for the last 60 months preceding the death of the owner has been—used for the production of agricultural commodities and the raising of livestock.

To obtain the extra deduction in this section, the farmer or businessman must do two things. First, he or his spouse must materially participate in the management or operation of the farm or business for 5 out of the 8 years preceding his death. This provision recognizes the possibility that someone's illness preceding his death may prohibit their material participation for a period of time. Second, at the decedent's death, the farm or business must pass to a "related individual," which essentially includes the spouse, an ancestor, or a decedent.

Section 4 of my bill recognizes that land being utilized as a farm, woodland, or scenic open space, because of its location or other factors, may have a market value greatly in excess of that land's ability to generate income. I have provided that for estate tax purposes the executor or administrator may elect to value that land not at its market value, but at its value as a farm, woodland, or scenic open space.

The election made under this section is revoked if within 5 years of the due date of the tax the land is sold or transferred to someone other than a related individual, or is converted substantially to a use other than a farm, woodland, or scenic open space.

Such a provision will prevent a relative of the decedent from subdividing a farm, for example, shortly after the estate tax is paid and the alternative valuation is elected. The Secretary will determine the additional tax that is due in such a situation.

Finally, section 5 of my bill provides for an annual cost-of-living adjustment to the exemption and deduction dollar amounts, based on the average consumer price index for the preceding calendar year as published by the Bureau of Labor Statistics. This annual adjustment is in keeping with H.R. 5430 which I introduced earlier in this session, which would provide for annual cost-of-living adjustments for income tax exemptions and deductions.

It is time for Congress to lessen the burden that inflation has had on those estates for which an estate tax is due. It is also time to give special consideration to the spouses of decedents, and to the relatives of farmers and small businessmen who wish to carry on the business of the decedent. I urge the Ways and Means Committee to hold hearings in the very near future on the question of estate tax revision.

CONGRESSIONAL RECESSES

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. LEVITAS. Mr. Speaker, there has been a great deal said on the subject of congressional recesses during this year, a period of economic and energy crisis.

I, for one, have believed that periodic, prescheduled adjournments of Congress are important in order to let the Members of Congress spend time with their constituents in their districts, attend meetings, confer with local officials, and generally remain in touch with the people who elected them. In addition, there is the necessity, on occasion, to conduct committee hearings away from Washington, and these can be scheduled during the congressional breaks without requiring Members of Congress to be absent on legislative days.

Nevertheless, during this present period of economic crisis, I have felt that we could have given a demonstration to the American people of our concern and of our willingness to share in the sacrifices by curtailing the period of congressional breaks and staying on the job in Washington until the major pieces of important legislation had been acted upon. I have not only felt this way myself, but I have had this sentiment expressed to me, time and time again, by citizens in my district who feel the same way. Only recently, this view was reemphasized by a resolution adopted at the National Convention of the Communications Workers of America, held in San Diego, Calif., during the week of June 9. In order that the views of these Americans can be more widely known, I insert their resolution at this place in the RECORD:

CONGRESSIONAL RECESSES

Although the United States currently is embroiled in the worst economic troubles since the 1930's, Congress has been firmly holding to its intention of taking the scheduled recesses.

As both Houses of Congress assembled in January to begin the 94th Congress, the announcements from the leadership of both Parties went forth on the following periods of recess:

Lincoln's Birthday, February 6 to 17, 11 days;
Easter recess, March 26 to April 7, 17 days;
Memorial Day, May 22 to June 3, 13 days;
Independence Day, June 26 to July 8, 11 days;
August recess, August 1 to September 3, 34 days;
Columbus Day recess, October 9 to 20, 10 days;
Veterans' Day, October 23 to 28, 4 days;
Thanksgiving, November 20 to December 1, 10 days.

As this Convention assembles, the Congress has completed its third recess in 1975; the fourth is scheduled to begin in 2½ weeks.

Recesses can be beneficial to the Members of Congress, provided they take advantage of the time to visit with their constituents at home, to learn what they think, and to hear their concerns. However, the reality is that many Members of Congress do not "go home," but instead remain in Washington or take on various travels.

The Freshman Caucus of the House of Representatives has been pressing the leadership of Congress to abolish or at least curtail the recess schedule, in view of the economic and energy supply/price problems that are not solved.

The President has been openly critical of the Congress for its recesses, but unfortunately for Mr. Ford, he is himself open to criticism. For example, he went on a 2-week skiing vacation in Colorado at the end of 1974. A few weeks earlier, he went to a golf tournament at Pinehurst, North Carolina; the chief purpose of this tournament was to help promote a resort and land development project.

Late in February, President Ford went on another golf outing, this time to Fort Lauderdale; prominent among the sponsors of the February "Inverrary Classic" was a major conglomerate corporation whose large and varied investments in recreational products were well publicized at the tournament.

Late in March, while the President was attempting to indicate that the 94th is a "do-nothing" Congress, he planned still another West Coast golf outing; however, Mr. Ford's spokesmen noted that the President might cancel the outing because of the tax reduction legislation, which he desired on his desk before the Easter Congressional recess. On the Saturday before Easter, the President signed the tax bill into law and promptly went on his vacation.

Be it resolved: That the 37th Annual Convention of the Communications Workers of America request the Congress and the President to drastically curtail any further recesses in 1975, in order to devote full time to getting the energy and economic crises behind the Nation.

HOUSE BEAUTY SHOP

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mrs. BURKE of California. Mr. Speaker, as chairman of the Select Committee on the House Beauty Shop, I rise today to say that the shop is operating at peak performance. I am happy to announce that I have written a letter to the Clerk of the House requesting that $6,000 of profits from the beauty shop be transferred to the U.S. Treasury as a contribution for use of the premises in the Cannon Building in lieu of rent.

KILPATRICK DUCKS THE ISSUE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. HARRINGTON. Mr. Speaker, I call to my colleagues' attention James J. Kilpatrick's article in today's Washington Star, where he argues with his customary eloquence that I ought to be expelled from the Congress.

I beg to differ, of course, but rather than offer a general rebuttal here, I would like to point out a curious omission in Mr. Kilpatrick's commentary. Like his stone age counterparts at the House Armed Services Committee, he wants us to concentrate on committee regulations—on the fact that a disclosure was made, not on what was disclosed. He carefully neglects to mention what his heroes at the CIA did to democracy in Chile, because he knows that that is something the public could not stomach.

But that is the central issue. The CIA, with 8 million of our tax dollars, went in and fomented strikes and demonstrations; it funded rival political factions and propaganda organs; it helped bring down the second oldest democracy in the Western Hemisphere and turn it over to tyrants and torturers.

Kilpatrick's article follows:

PRESCRIPTION FOR HARRINGTON: EXPEL HIM

(By James J. Kilpatrick)

The question is raised: What should the House of Representatives do in the matter of Congressman Michael Harrington of Massachusetts? The answer, in my own view, is plain: The House should expel him.

Mr. Harrington, by his own unrepentant admission, willfully violated a major rule of the House. His misconduct occurred in June of last year; it was investigated late in September; but it was not until 10 days ago that other members of the House learned of the incident. Now Congressman Robin L. Beard of Tennessee has taken the matter to the House Committee on Standards of Official Conduct. The affair cannot be ignored.

This is what happened: On April 22, 1974, William Colby, director of the Central Intelligence Agency, testified before the House Subcommittee on Intelligence. His testimony, taken in executive session, dealt with CIA activities in Chile between 1962 and 1973. In accordance with House procedures, a transcript of his testimony was typed up, and put under lock and key in files of the Armed Services Committee.

On June 4 and again on June 12, Mr. Harrington visited the committee's office. He asked, and was granted, access to this top secret transcript.

On each occasion, Mr. Harrington's attention was called to Rule XI of the House, and to Rule 9 of the Armed Services Committee. The House rule says that no testimony taken in executive session may be released without committee consent. The committee rule applies to members who wish to read classified information in committee files. It says: "The contents of such classified information will not be divulged to any unauthorized person in any way, form, shape or manner."

On each occasion, Mr. Harrington signed a statement: "I have read the Rules of the Committee on Armed Services relative to access by Members of the House of Representatives to classified information in the committee files, and I agree to honor those rules."

Notice, if you will, the verb: *to honor*. Mr. Harrington did not promise merely to obey, to accept, to abide by, or to be governed by the rule. He promised to honor the rule. And at once he dishonored the rule.

Overcome by the Colby testimony, Mr. Harrington concluded that destiny had chosen him as an instrument of revelation. He disclosed the details to Lawrence Stern of the Washington Post. He conveyed the information to "a fellow named Jerome Levinson who works for Frank Church." He prepared and sent explicit letters to Thomas E. Morgan, chairman of House Foreign Affairs, and to William Fulbright, then chairman of Senate Foreign Relations.

On September 6, Seymour Hersh of The New York Times got hold of a copy of Mr. Harrington's letter to Dr. Morgan. Mr. Harrington made no objection to publication. On the contrary, he welcomed disclosure. He felt the Colby testimony had to be imparted to the country "without regard for the rules of the House."

On September 25, Mr. Harrington appeared before an executive session of the Subcommittee on Intelligence. There he freely admitted what he had done. His conscience, he said, had been "twinged," but it had not been twinged much. Congressman Bob Wilson asked if he had not felt bound by the pledge he had signed.

"In a strange way," replied Mr. Harrington, "it is sort of a yes and a no." It was mostly no: "I didn't feel . . . any compunction at all at that point in time about those rules."

Incredibly, the subcommittee took no action. Chairman Lucien Nedzi says lamely that "no one wanted to make a martyr out of Harrington." Besides, the House had just been through the trauma of the Nixon impeachment hearings, and adjournment of the 93rd Congress was close at hand. The subcommittee let it go, and if Mr. Harrington two weeks ago had not again demanded access to confidential files, only to be refused, the matter might never have come to light.

In the fashion of a wife who condones her husband's adultery, or vice versa, the House may have condoned Mr. Harrington's dishonorable act by its failure to punish his behavior either in September of last year or, following his reelection, in January of this year. But the House did not know what had happened.

Three members of the House were expelled in 1861. None has been expelled since. But if Mr. Harrington's brazen contempt is not cause for expulsion, no cause will ever be found.

RICARDO DUTRIZ

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. PEPPER. Mr. Speaker, at a time when international diplomacy has once again assumed a paramount place in the politics of nations, it is important to pay tribute to those career professionals who give the word "diplomat" an honored dimension.

Mr. Ricardo Dutriz, Consul General of El Salvador, is such a man. Recently named "Consul of the Year" for 1975, by the International Consular Academy, Mr. Dutriz exemplifies the very best in professionalism and excellence. His recent commendation by the academy is a recognition of his tireless efforts in advancing the cause of world peace.

As vice dean of the Consular Corps of Miami, Mr. Dutriz stands as a linchpin to the comity and good relations which underlies relations between this country and its partners in the Western Hemisphere. I know that all my fellow countrymen join me in saluting Mr. Dutriz for his well-deserved award. I ask, Mr. Speaker, that the press release about Mr. Dutriz receiving this award, which was put out by the academy, be included in the RECORD following these remarks:

The press release follows:

RICARDO DUTRIZ

Ricardo Dutriz has been selected as "Consul of the Year" for 1975 in consideration of distinguished service rendered in the field of Consular Affairs.

The complexity of the international situation, the intensification of international intercourse, and the increased interdependence between countries has enhanced immeasurably the importance of the Consular Corps.

In spite of widely encountered hazards of service, such as hijackings and kidnappings, consular officers have continued to discharge their functions with a sense of mission and devotion to duty. The Consul today personifies the highest concern for humanitarian rights of an individual in aiding and protecting life and property.

The selection of the "Consul of the Year" recognizes the singular contribution to the improvement of our society, intensification of international trade and culture and understanding between the sending and receiving countries, and service to the needy and disadvantaged.

H.R. 1287, HALTING THE IMPORTATION OF RHODESIAN CHROME

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. FRASER. Mr. Speaker, for the benefit of my colleagues who have not had an opportunity to see the new revised version of H.R. 1287, I am today placing in the RECORD the complete text of the bill as amended June 19 by the International Relations International Organizations Subcommittee. This supercedes the version of H.R. 1287 reprinted April 23, 1975, at page 11582 of the RECORD:

H.R. 1287

A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(a) of the United Nations Participation Act of 1945 (22 U.S.C. 287c(a)) is amended by adding at the end thereof the following new sentence: "Section 10 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596; 50 U.S.C. 98–98h) shall not apply to prohibitions or regulations established under the authority of this section.".

SEC. 2. Section 5 of the United Nations Participation Act of 1945 (22 U.S.C. 287c) is amended by adding at the end thereof the following new subsection:

"(c)(1) During the period in which measures are applied against Southern Rhodesia under subsection (a) pursuant to Security Council Resolutions numbered 232 (adopted December 16, 1966) and numbered 253 (adopted May 29, 1968), a shipment of any steel mill product (as such product may be defined by the Secretary) containing chromium in any form may not be released from customs custody for entry into the United States if—

"(A) a certificate of origin with respect to such shipment has not been filed with the Secretary; or

"(B) in the case of a shipment with respect to which a certificate of origin has been filed with the Secretary, the Secretary determines that the information contained in such certificate does not adequately establish that the steel mill product in such shipment does not contain chromium in any form which is of Southern Rhodesian origin;

unless such release is authorized by the Secretary under paragraph (3) (B) or (C).

"(2) The Secretary shall prescribe regulations for carrying out this subsection.

"(3) (A) In carrying out this subsection, the Secretary may issue subpenas requiring the attendance and testimony of witnesses and the production of evidence. Any such subpena may, upon application by the Secretary, be enforced in a civil action in an appropriate United States district court.

"(B) The Secretary may exempt from the certification requirements of this subsection any shipment of a steel mill product containing chromium in any form which is in transit to the United States on the date of enactment of this subsection.

"(C) Under such circumstances as he deems appropriate, the Secretary may release from customs custody for entry into the United States, under such bond as he may require, any shipment of a steel mill product containing chromium in any form.

"(4) As used in this subsection—

"(A) the term 'certificate of origin' means such certificate as the Secretary may require, with respect to a shipment of any steel mill product containing chromium in any form, issued by the government (or by a designee of such government if the Secretary is satisfied that such designee is the higest available certifying authority) of the country in which such steel mill product was produced certifying that the steel mill product in such shipment contains no chromium in any form which is of Southern Rhodesian origin; and

"(B) the term 'Secretary' means the Secretary of the Treasury.".

STEEL HAVE REACHED CRISIS PROPORTIONS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. GAYDOS. Mr. Speaker, on February 19 of this year, I addressed the Members of this House and pointed out the serious unemployment in the domestic specialty steel industry caused by the substantial increase in foreign imports.

I rise again today to bring to the attention of the Members of this body, the fact that the foreign imports of specialty steel have now reached crisis proportions.

In the opinion of Mr. A. P. Simmons, president of Allegheny Ludlum Steel Corp.

> Much of the substantial increase in imports has come from Japan and is being sold in the United States at prices we believe are below their manufacturing cost.

Accordingly, Mr. Simmons is attempting to work through the executive branch, namely the Presidential Economic Advisors, the International Trade Commission, and the Office of the Special Trade Representatives in an effort to solve the problem.

Implementation of the Anti-Dumping Act has been subject to some criticism in the past. But the Trade Act of 1973 contains provisions which are intended to strengthen the prohibitions against the dumping of foreign goods in the United States, and provide for a more expeditious way in handling complaints of foreign dumping.

I am optimistic that the International Trade Commission will now be more responsive to such complaints. I say this, not only because of the provisions of the Trade Act of 1974, but also from the remarks of the new Chairman of the International Trade Commission, Mr. Will E. Leonard, Jr., delivered at his swearing-in as Chairman on June 17, 1975. Mr. Leonard stated;

> If there is one message that my fellow commissioners and I received in our travels around the country listening to the people talk of their trade problems, it was that it is not possible for the United States to compete in the international area against the unfair tactics used by others.

The dumping of foreign specialty steel in the United States must stop. The loss of American jobs and the destruction of a domestic industry indispensable to our national security cannot be tolerated.

Mr. Simons' letter to me of June 13, 1975, setting forth the gravity of the problem of foreign specialty steel imports follows:

ALLEGHENY LUDLUM STEEL CORP.,
Pittsburgh, Pa., June 13, 1975.

HON. JOSEPH M. GAYDOS,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. GAYDOS: The import of foreign specialty steel, specifically stainless steel and tool steel, has now reached crisis proportions.

Enclosed is specific data indicating the serious nature of this problem. Much of the substantial increase in imports has come from Japan and is being sold in the United States at prices we believe are below their manufacturing cost.

We attach copies of Japanese publications which indicate that the Japanese specialty steel producers are indeed selling products below cost.

At the present time, we are attempting to work through the Executive branch of government, specifically the economic advisors to the President as well as the International Trade Commission and the Office of the Special Trade Representative, to enlist their support for this most serious problem.

As you well know, specialty steels are truly essential to the economy of this nation. Almost nothing in this transportation, energy, chemical, or petrochemical fields is possible without the use directly or indirectly of specialty steels. The Armed Services Committee of the Senate has found specialty steels essential for our national defense. The present level of imports has caused the loss of thousands of jobs in many communities in Pennsylvania as well as other nearby states.

We would be glad to meet with you and to provide any additional information that you might wish to have to be further informed on this most serious problem.

Very truly yours,

R. P. SIMMONS.

FRASER AND MONDALE INTRODUCE SSI OUTREACH BILL

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. FRASER. Mr. Speaker, on June 24, Congressman KARTH and I introduced H.R. 8182, providing for the establishment of a comprehensive SSI outreach program. Today, Senator MONDALE will introduce a companion bill in the Senate.

The urgent need for this legislation is, I think, illustrated by the fact that after a year and a half of operation, recent estimates by the Social Security Administration indicate that only about 4 million out of approximately 7 million potential recipients are now receiving benefits.

The Fraser-Mondale bill is an effort to make sure that eligible individuals receive the benefits to which they are entitled. Recent successful court challenges to the adequateness of the food stamp outreach program developed by the Department of Agriculture have pointed out the need for outreach legislation to be more specific and demanding than the generally vague provisions of the Food Stamp Act. Our bill responds to this need.

For the convenience of my colleagues wishing to cosponsor this legislation, which is currently under consideration by the House Subcommittee on Public Assistance, the full text of the bill, along with a letter from the National Council of Senior Citizens to Subcommittee Chairman FULTON in support of H.R. 8182, follows. The full text of my introductory remarks can be found on pages 20636 and 20637 of the June 24 RECORD:

H.R. 8182

A bill to amend title XVI of the Social Security Act to provide for the establishment of an outreach program to assure that potentially eligible recipients of supplemental security income benefits will be fully informed of the availability of such benefits and the steps to be taken in obtaining them

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part B of title XVI of the Social Security Act is amended by adding at the end thereof the following new section:

"OUTREACH PROGRAM

"SEC. 1635. (a) The Secretary shall establish and carry out a program designed specifically to assure that all individuals who are or may become eligible for supplemental security income benefits under this title will be fully informed of the availability and nature of such benefits and of the steps to be taken in obtaining them.

"(b) The information to be provided through the program established under this section shall include—

"(1) an explanation of who is eligible for benefits under this title;

"(2) an explanation of the income and resources requirements for such eligibility, including an indication of how income is defined and how the value of resources is determined, the income and resources which are excluded from consideration, and the maximum amount of income and resources which an individual may have and still qualify for such benefits;

"(3) a statement of how such benefits are computed, including a description of the cost-of-living increase provisions of section 1617;

"(4) an explanation of how to apply for such benefits, including specifically what documentation is required and the names, addresses, phone numbers, and office hours of the places where application may be made;

"(5) a specific statement of where and how applicants and potential applicants for such benefits may obtain further information and receive answers to questions;

"(6) an explanation of the rights of applicants to hearings with respect to their eligibility; and

"(7) such other information as may be necessary or appropriate to assure that all applicants and potential applicants are fully informed as described in subsection (a).

"(c) In providing information to applicants and potential applicants for supplemental security income benefits through the program under this section, the Secretary shall—

"(1) make maximum use of radio, television, and other communications media;

"(2) establish on the widest possible basis a system of toll-free telephone numbers to assure that such information is readily accessible; and

"(3) obtain the cooperation and participation of State and local welfare, social service, and other agencies, senior citizens organizations, settlement homes, grocery stores, legal aid offices, day care centers, alcoholic and drug treatment centers, family planning centers, and any other establishments and organizations through which substantial numbers of such applicants and potential applicants might be reached.

"(d) The Secretary is authorized to carry out his functions under this section through the personnel and facilities of the Department of Health, Education, and Welfare, or to enter into appropriate contracts or arrangements with State and local agencies and nonprofit organizations for the performance of such functions, or both, with the objective in any case of assuring the widest and most effective dissemination of the information described in the preceding provisions of this subsection.

"(e) The Secretary shall report to the President and the Congress at least once every six months on the progress and accomplishments of the program under this section, including any recommendations he may have for improving its effectiveness.

"(f) There are authorized to be appropriated such sums as may be necessary to carry out this section."

NATIONAL COUNCIL OF
SENIOR CITIZENS, INC.,
Washington, June 23, 1975.

Hon. RICHARD H. FULTON,
Chairman, Subcommittee on Public Assistance, Ways and Means Committee, Cannon House Office Building, Washington, D.C.

DEAR CONGRESSMAN FULTON: I understand that Congressman Donald M. Fraser of Minnesota has introduced a bill to amend Title XVI of the Social Security Act, to provide for the establishment of an outreach program designed to assure that all individuals who are or may become eligible for Supplementary Security Income benefits will be fully informed of the availability and the nature of such benefits, and how they may proceed to obtain them.

The National Council of Senior Citizens believes that outreach legislation of this sort is urgently needed. You may recall that when I testified before your Subcommittee on June 6, 1975, I provided an analysis that indicated the probability that there are hundreds of thousands of individuals who have never been informed about SSI and offered the opportunity to apply.

You may recall that after SSI was enacted, but before the program became effective, we urged HEW to launch a vigorous program with extensive use of the media, to inform the elderly, disabled and the blind about this new program, pointing to the effective effort that had been conducted under Medicare Alert when the Medicare program was inaugurated. Our proposal was rejected, and, instead, HEW called upon the Red Cross and a number of voluntary organizations to conduct a search for persons potentially eligible for SSI. This program fell far short of the massive outreach program we believed then, and do now, should have been inaugurated.

The National Council of Senior Citizens welcomes this opportunity to endorse an outreach program for SSI similar to that contained in the legislation introduced by Congressman Fraser.

We understand that a companion bill has been introduced in the Senate by Senator Walter Mondale.

We urge that this legislation be favorably considered by your Subcommittee.

Sincerely,

WILLIAM R. HUTTON,
Executive Director.

CONGRESSIONAL REVIEW OF FEDERAL REGULATIONS IS A NECESSITY

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. KASTEN. Mr. Speaker, I have joined a growing number of my colleagues in an effort to control Government by decree as a cosponsor of H.R. 7979, the Administrative Rulemaking Control Act. The issue which this legislation treats transcends considerations of partisanship and ideological persuasion, as is evidenced by the list of those who are sponsoring this measure. I would urge those who have not had an opportunity to scrutinize the bill to do so as it has importance for both the Congress and the Nation in terms of safeguarding against executive branch encroachments upon legislative authority and protecting against the intrusion of a faceless, depersonalized bureaucracy into more and more areas of social intercourse.

The Constitution of the United States vests "all legislative powers . . . in a Congress" but also requires that the President "take care that the laws be faithfully executed." From the earliest days of the Republic, the President and the principal officers of the executive branch have utilized various orders, directives, and regulations to implement or "faithfully execute" the statutes enacted by the Congress. This process has, in two centuries of Government operations, undergone only two major procedural changes. Prior to 1935 most of these types of instruments were fugitive in nature. There was no centralized arrangement for their publication, retrieval, or identification. The growth of the Federal Government during World War I accelerated and compounded difficulties in this area and, with the advent of the New Deal, the situation became chaotic. In late 1934 the Executive was found to be pressing a case before the Supreme Court—United States against Smith—based upon an agency regulation that did not actually exist. A few months later the Government was again embarrassed when it was discovered that prosecution was being pursued under a revoked Executive order—Panama Refining Co. against Ryan. To bring order out of such confusion, Congress established the Federal Register in 1935 (49 Stat. 500) and created the Code of Federal Regulations in 1937 (50 Stat. 304).

It was also realized at about this same time that there was no standardized or uniform procedure whereby agencies established their rules and regulations pertaining to the implementation of statutes. After a number of years of study, interrupted by the demands of World War II, Congress enacted the Administrative Procedure Act in 1946 (60 Stat. 237) which still provides the basic authority for the manner in which rules and regulations are promulgated.

The necessity for these laws is reflective of the fact that after World War I, and especially after the administration of Franklin D. Roosevelt, the executive branch was being granted greater and broader administrative discretion than ever before in faithfully executing the law. Congress, of course, may not abdicate its legislative function by delegating legislative power to the Executive. What has been provided, in varying degrees of latitude, is administrative discretion which, with but one exception—the National Industrial Recovery Act of 1933, 48 Stat. 195—the Supreme Court has approved, diligently refraining from conceding that the discretion conferred partakes of the lawmaking function. On two occasions—Panama Refining Co. against Ryan, 1935; Schechter Poultry Corp. against United States, 1935—involving the same statute, the Court has expressed that an improper grant of legislative power was involved in such a delegation.

The advantages of this practice of delegating administrative discretion are well known to us all—the direct application of expert knowledge, economization of the time of the legislature in acting on a complex matter, reduction of partisan conflict, and speedy policy formation. It does not appear that any of these conditions would be lost with the enactment of the Administrative Rulemaking Control Act.

There are also costs or disadvantages to this procedure. As a democratic republic, the United States is committed to the belief that the elected servants of the people should make the law of the land. There is little recourse available to the public, other than the courts, in combating executive branch decrees.

Also, the legislature is an open forum subject to the scrutiny of the citizenry. An element of secrecy is too often attached to executive decisionmaking on rules and regulations such that the people do not know just what is taking place until an agency announces provisions which develop the outlines of the law in an unanticipated and unpopular fashion.

Finally, it is too often an impossibility to differentiate between the expert opinion and the special interest opinion in executive determinations of rules and regulations. By not playing the expert, Congress avoids the pitfalls of this avenue of lobbying. It is my belief that the proposed Administrative Rulemaking Control Act will mitigate against these disadvantages of delegating administrative discretion by providing Congress a continuous avenue for causing rules proposed by executive agencies to be consistent with legislative intent.

The proposed legislation is a logical next step beyond the requirements of publication and uniform procedures of rulemaking established by the Federal Register Act and Administrative Procedure Act. It would provide the Congress an opportunity to check arbitrary and capricious use of administrative discretion deriving from statutes delegating such authority.

And this is a consideration with a very human dimension. Executive branch agencies are injecting themselves into more and more areas of the private sector, increasingly governmentalizing social intercourse and regulating human existence.

On the face of it, this intrusion of the state might be expected as society becomes more complex and concentrated. However, we must be aware of the ridiculous and the ludicrous with regard to such developments as well. On the matter of sheer bulk, John Barron, writing in the May issue of Reader's Digest, advises us that in 1973, the Federal Register needed 35,591 pages to publish new rules and decisions and that last year it required 45,422 pages. If you examine the current Code of Federal Regulations you will find it occupies over 20 linear feet of shelf space and does not include regulations and rules pertaining to the defense agencies or certain special taxation and banking/finance dictates. This panoply of decrees has generated such a flood of reporting and compliance documents that a special national study commission was created last year and is now just getting underway to find ways of reducing the resultant Federal paperwork burden burying business, industry, and labor.

Agency regulations reach well beyond basic health, safety, and general welfare considerations to the outer reaches of the bizarre and unexplainable. Naval-Orange Regulation 311, according to Mr. Barron's article, prescribes how many oranges may be shipped from California and Arizona counties during a specified one-week period.

> Contractors in Allegheny County, Pa., are informed that their bricklayers must be paid $9.25 an hour, whereas bricklayers in Adams and York counties, in another part of the State, can receive $7.65.

Inspectors for the Occupational Health and Safety Administration may walk into any business unannounced, search the premises without a warrant, and set fines without a trial or hearing on the matter. Senseless and incompetent rulings by the regulatory agencies are contributing to spiraling prices, the loss of competition, stifling innovation, and fostering inefficiency.

The Nation can ill-afford the continuation of such policies and practices as contribute to this state of affairs. The Administrative Rulemaking Control Act is an attempt to curb these situations. The bill would establish a procedure whereby Congress may review certain rulemaking activities of the executive agencies with a view to exercising greater control and oversight over their operations. Excluded from coverage are military or foreign affairs functions or matters relating to agency management and personnel, or public property, loans, grants, benefits, or contracts. What the proposal would create is a situation where, whenever a resolution, stating in substance that one Chamber of Congress does not favor a rule proposed by an agency, is referred to a committee of either House, the rule in question may take effect only after the expiration of the first period of 60 days of continuous session of Congress after the date on which the rule, was published, and only if, between the date of publication and the end of the 60-day period neither Chamber passes the resolution in question. In brief, Congress would single out objectionable rules for question, leaving the normal rulemaking process unfettered. The procedure goes beyond the comment allowance provided by the Administrative Procedure Act to give Congress a veto over rules found to be inconsistent with legislative intent or statutory language.

Mr. Speaker, I strongly urge the adoption of this proposal and commend it to my colleagues for their consideration and evaluation. The innovation suggested by the legislation works absolutely no hardship upon the executive branch: rather, the bill establishes a procedure to prevent the agencies from overstepping congressional intent and will do much to eliminate costly litigation on this point. Beyond this consideration, the measure has the potential for halting executive branch inroads into areas of societal activity where Congress has not authorized such governmental penetration. The result, hopefully, will be a less cumbersome body of administrative law and a Nation less fettered by such rules.

EMERGENCY MEDICAL SERVICES

HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. MOLLOHAN. Mr. Speaker, on June 25, I introduced H.R. 8212, a bill to amend and extend the Emergency Medical Services Systems Act of 1973—EMSS—(Public Law 93-154).

Over the past several years, I have been extremely concerned about the need for more advanced emergency medical services to improve the delivery of critical health care services to our communities. I think everyone agrees that if we are going to save lives, we must have adequate emergency medical service systems throughout America to assure that critically ill or injured persons have prompt access to health care facilities. These systems must also be staffed by qualified personnel to treat patients while they are in transit to hospitals and medical centers.

In 1972, after reviewing the status of emergency medical services systems developed throughout the country, I came to the conclusion that we could not achieve these goals without a program of Federal assistance to provide for improved systems of emergency medical care and for regional coordination and implementation of such systems. That prompted me to author an emergency medical services bill, which was the predecessor to the Emergency Medical Services Systems Act of 1973, which was passed by the Congress and signed into law on November 16, 1973.

The EMSS Act of 1973 is a 3-year program that expires on June 30, 1976. It authorizes the expenditure of $185 million over that period to help State, local, and nonprofit entities plan systems of coordinated emergency medical services, to establish these systems and to expand and improve existing EMS systems. It also provides a program for training emergency medical service attendants, technicians, and other health care personnel in the techniques of providing emergency medical care. Finally, the law provides for grants and contracts for research to develop methods and techniques for improving the delivery of emergency medical services, particularly in rural areas.

The bill I have introduced extends the Emergency Medical Services Systems Act of 1973 and authorizes the appropriation of $447 million over 4 fiscal years—1977 to 1980—for EMS planning, implementation of initial systems, expansion of existing systems, research, and training of emergency medical services personnel.

H.R. 8212 also includes several changes and modifications which have been made in an effort to strengthen the present EMS program, including:

(1) PLANNING

Under the existing law, no EMS planning grants under section 1202 are authorized for fiscal year 1976. My bill provides authority for section 1202 planning grants in fiscal year 1976 and fiscal year 1977. This is necessary to encourage continued development of sensible, reasonable, and cost-effective plans for implementing coordinated regional systems of emergency medical services. No planning grants would be authorized after fiscal year 1977. The objective is to get planning behind us and get down to the important business of putting badly needed EMS systems into actual operation.

(2) RESEARCH

My bill authorizes the appropriation of $5 million in fiscal year 1976 and $6.5 million in fiscal years 1977-78 for research into the techniques for improving the delivery of emergency medical services, particularly in rural areas. It also includes language stressing the need for determining how medical research such as this can be applied in the field. Too much valuable information is conducted and then put on a shelf. Valuable information and new data are of little benefit unless placed in the hands of those who need it and who can put it to work. In this vein, I believe we could all benefit a great deal by analyzing how the U.S. Department of Agriculture, through its Cooperative Extension Service programs, has taken the latest in agricultural techniques and methods and placed this information in the hands of the American farmer. This highly successful approach has made our Nation the leading food producer in the world. A similar method of applying health research, such as that authorized in the EMSS Act, holds great promise for vastly improving the health care we can offer to the American people.

(3) SYSTEMS IMPLEMENTATION

My bill makes very few changes in sections 1203 and 1204 of the present law, which provide authority for funding the development and operation of initial EMS systems and the improvement and expansion of existing systems. However, it does provide that no new applicant can get on the Federal funding pipeline under sections 1203 and 1204 after fiscal year 1978. This is to encourage nonprofit organizations and governmental units across the Nation to start immediately to utilize this act to improve emergency medical services in their areas and to phase out the Federal Government's role in providing "startup" assistance by the end of fiscal year 1980.

(4) TRAINING

Perhaps the most significant difference between H.R. 8212 and the Emergency Medical Services Systems Act of 1973 regards the authorization for conducting essential training of the medical professionals and paraprofessionals that we must have to develop a truly effective nationwide system of coordinated regional EMS. Public Law 93–154 granted 1-year of EMS training authority under section 776 of title VII of the Public Health Service Act. In contrast, the balance of EMS program authority in Public Law 93–154 was vested in a new title XII of the Public Health Service Act. At the time the EMSS Act was approved by the Congress, we had every reason to believe that the health manpower authorities contained in title VII, including section 776, would be blended into a comprehensive new health manpower program. Thus, there was wisdom in placing EMS training authorities under title VII at that time. Since then two developments have led me to question whether this is the best approach to provide for the vital EMS training that we must have to go hand-in-hand with development of EMS systems:

First. Health manpower programs under title VII have been operating for 2 years on a continuing resolution. For the past year, there has been a running dialog between the Secretary of Health, Education, and Welfare and the Appropriation Committees of the House and Senate as to whether the fiscal year 1975 continuing resolution includes section 776. This issue is still clouded, and the result is that we have no specific program for meeting our Nation's crucial EMS personnel training needs. There will be no EMS training grants made under section 776 in fiscal year 1975, and it is unclear at this point whether the recent fiscal year 1976 continuing resolution will result in making section 776 funds available in the coming year.

Second. The present law divides EMS systems authority and EMS training authority between two different titles of the Public Health Service Act which has led to a great deal of confusion. It has made the coordination of EMS system implementation and EMS training—which must and do go together—extremely difficult, primarily because the administration of these two responsibilities falls within two different program units of the Department of Health, Education, and Welfare.

For these reasons, my bill strikes the EMS training authority under title VII, section 776, and transfers it to title XII as a new section 1211 of the Emergency Medical Services Systems Act. This will permit the integration and coordination of EMS systems development and EMS training by placing both responsibilities in the same HEW administrative unit.

(5) INTERAGENCY COMMITTEE

The present law wisely provides for an Interagency Committee on Emergency Medical Services comprised of representatives from all Federal agencies having any programs of grants or contracts for emergency medical services. I have amended the present law to strengthen the role and responsibility of this committee in an effort to insure that we will have improved coordination among all Federal agencies involved in EMS programing. This is badly needed. Any of my colleagues who have constituents involved in developing EMS programs will be familiar with the present chaotic situation with regard to Federal involvement in EMS. We must overcome this serious shortcoming and end the confusion.

Mr. Speaker, I would like to stress that that all areas of this Nation are benefiting from the Emergency Medical Services Systems Act of 1973. On June 20, 1975, the Division of Emergency Medical Services in the Department of Health, Education, and Welfare announced EMSS grants for fiscal year 1975. An analysis reveals that a total of 114 grants went to 47 States, the District of Columbia, Guam, Puerto Rico, and the Trust Territory of the Pacific Islands, including 56 planning grants, 27 grants for initial implementation, and 11 grants for expansion and improvement of existing systems. And all of this was done with a very meager $32,242,800, which was all that was appropriated for EMS system in fiscal year 1975.

The EMSS Act is the best bargain we have going in the Federal Establishment today. For $32 million this year, we are developing more than 100 coordinated regional emergency medical services systems that will save lives every day—from accident victims to burn patients to premature babies to heart attack victims. The Emergency Medical Services Systems Act is an indespensible program that must be allowed to continue its invaluable work of providing improved health services to the American people.

I urge each of my colleagues to give this EMSS Act extension legislation very serious and favorable consideration, and for their benefit, the text of H.R. 8212 follows:

H.R. 8212

A bill to amend title XII of the Public Health Service Act to revise and extend the program of assistance for emergency medical services systems

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCE TO ACT

SECTION 1. (a) This Act may be cited as the "Emergency Medical Services Systems Act Amendments of 1975".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

DEFINITIONS

SEC. 2. (a) Section 1201(4) is amended to read as follows:

"(4) The term 'section 1521 State health planning and development agency' means the agency of a State designated under section 1521(b)(3)."

(b) Section 1201(5) is amended to read as follows:

"(5) The term 'section 1515 health systems agency' means a health systems agency designated under section 1515, and the term 'health systems plan' means a health systems plan referred to in section 1513(b)(2)."

(c) Section 1202(d)(3)(A) is amended to read as follows: "(A) with each section 1515 health systems agency whose health systems plan covers (in whole or part) such area, and".

(d)(1) Section 1206(b)(3)(D)(i) is amended by striking out "section 314(a) State health planning agency" and inserting in lieu thereof "section 1521 State health planning and development agency".

(2) Section 1206(b)(3)(D)(ii) is amended to read as follows:

"(ii) section 1515 health systems agency (if any) whose health systems plan covers (in whole or in part) the service area of such system,".

GRANTS AND CONTRACTS FOR ESTABLISHMENT AND INITIAL OPERATION

SEC. 3. Section 1203(c)(3) is amended by striking out "June 30, 1976" and inserting "September 30, 1979".

GRANTS AND CONTRACTS FOR EXPANSION AND IMPROVEMENT

SEC. 4. (a) Section 1204(b) is amended to read as follows:

"(b)(1) If a grant or a contract is made under this section for a project, the Secretary may make one additional grant or contract for such project.

"(2) Subject to section 1206(f)—

"(A) the amount of the first grant or contract under this section for a project shall not exceed (i) 50 per centum of the costs of that project (as determined pursuant to regulations of the Secretary), or (ii) in the case of applications which demonstrate an exceptional need for financial assistance, 75 per centum of such costs, and

"(B) the amount of the second grant or contract under this section for a project shall not exceed (i) 25 per centum of the costs of that project (as determined pursuant to regulations of the Secretary), or (ii) in the case of applications which demonstrate an exceptional need for financial assistance, 50 per centum of such costs."

(b) Section 1204(a) is amended by inserting "planning for expansion and improvement," after "including".

GRANTS AND CONTRACTS FOR RESEARCH

SEC. 5. (a) Section 1205(a) is amended by adding at the end thereof the following: "In awarding grants or contracts for research relating to the delivery of emergency medical services in rural areas, emphasis should be placed on identifying and utilizing techniques and methods to apply the results of such research to improve the delivery of emergency medical services in rural areas."

(b) Section 1205(c) is amended by adding at the end thereof the following: "Such reports shall contain recommendations and a plan of action for applying the results of research to improve the delivery of emergency medical services."

GENERAL PROVISIONS RESPECTING GRANTS AND CONTRACTS

SEC. 6. Subsection (f) of section 1206 is amended (1) by striking out paragraph (2), and (2) by striking out "(1)" after "(f)".

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. Effective with respect to appropriations for fiscal years beginning after June 30, 1975, section 1207 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1207(a) (1). For the purpose of making payments pursuant to grants and contracts under sections 1202, 1203, and 1204, there are authorized to be appropriated $70,000,000 for the fiscal year ending June 30, 1976, $17,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, $95,000,000 for the fiscal year ending September 30, 1977; and for the purpose of making payments pursuant to grants and contracts under sections 1203 and 1204 there are authorized to be appropriated $110,000,000 for the fiscal year ending September 30, 1978, $110,000,000 for the fiscal year ending September 30, 1979, and $40,000,000 for the fiscal year ending September 30, 1980.

"(2) Of the sums appropriated under paragraph (1) for any fiscal year, not less than 20 per centum shall be made available for grants and contracts under this title for such fiscal year for emergency medical services systems which serve or will serve rural areas (as defined in regulations of the Secretary under section 1203(c) (5)).

"(3) Of the sums appropriated under paragraph (1) for the fiscal year ending June 30, 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal year ending September 30, 1977—

"(A) not to exceed 10 per centum of such sums for each such fiscal year and for such period shall be made available only for grants and contracts under section 1202 (relating to feasibility studies and planning) for such fiscal year or period;

"(B) the balance of such sums for each such fiscal year and for such period shall be made available for grants and contracts under section 1203 (relating to establishment and initial operation) and for grants and contracts under section 1204 (relating to expansion and improvement) for such fiscal year or period in proportions to be determined by the Secretary after assessing section 1203 and section 1204 applications for funding in each such fiscal year or in such period.

"(4) Of the sums appropriated under paragraph (1) for the fiscal years 1978, 1979, and 1980, such sums for each fiscal year shall be made available only for grants and contracts under section 1203 and section 1204 in proportions to be determined by the Secretary in accordance with paragraph (e) (B).

"(b) For the purpose of making payments pursuant to grants and contracts under section 1205 (relating to research), there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1976, $1,200,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $6,500,000 for each of the next two fiscal years.

"(c) For the purpose of making payments pursuant to grants and contracts under section 1211, there are authorized to be appropriated $12,000,000 for the fiscal year ending June 30, 1976, $3,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, $15,000,000 for the fiscal year ending September 30, 1977, $15,000,000 for the fiscal year ending September 30, 1978, $12,000,000 for the fiscal year ending September 30, 1979, and $6,000,000 for the fiscal year ending September 30, 1980."

INTERAGENCY COMMITTEE ON EMERGENCY MEDICAL SERVICES

SEC. 8. (a) Subsection (a) of section 1209 is amended to read as follows:

"(a) The Secretary shall establish an Interagency Committee on Emergency Medical Services. The Committee shall coordinate and provide for the communication and exchange of information between all Federal programs of grants and contracts for activities which relate to emergency medical services. The administrative unit established within the Department of Health, Education, and Welfare under section 1208 shall, through the Committee—

"(1) evaluate the adequacy and technical soundness of all Federal programs and activities relating to emergency medical services,

"(2) study on a continuing basis the roles, resources, and responsibilities (including adequacy, technical soundness, and redundancy) of all Federal agencies involved in the provision of grants and contracts for emergency medical services, and

"(3) make recommendations to the Secretary respecting the administration of the program of grants and contracts under this title (including the making of regulations for such program).

Such unit shall report to the Congress the results of the study made under paragraph (2). The first such report shall be made not later than January 1, 1977, and subsequent reports shall be made as prescribed by the Secretary.

(b) Section 1209(b) is amended by striking out "the National Academy of Sciences,".

TRAINING ASSISTANCE

SEC. 9. (a) (1) Section 1206(e) is amended by striking out "or title VII".

(2) Section 1206(b) (2) is amended by striking out "under this title" and inserting in lieu thereof "for a grant or a contract under section 1202, 1203, 1204, or 1205".

(b) Section 776 is placed after section 1210, is redesignated as section 1211, and, effective with respect to appropriations for grants and contracts under such section for fiscal years beginning after June 30, 1975, is amended to read as follows:

"TRAINING IN EMERGENCY MEDICAL SERVICES

"SEC. 1211. (a) The Secretary may make grants and enter into contracts with schools of medicine, dentistry, osteopathy, and nursing, training centers for allied health professions, other educational entities, or any other public or nonprofit private entity, to assist in meeting the cost of training programs in the techniques and methods of providing emergency medical services (including the skills required in connection with the provision of prehospital, interhospital, and transportation care and the skills required for effective emergency and hospital treatment of patients) especially training programs affording clinical experience in emergency medical service systems.

"(b) No grant or contract may be made or entered into under this section unless the applicant is a public or nonprofit private entity. An application for such a grant or contract shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) The Secretary shall give special consideration to applications received under this section for applicants seeking assistance to satisfy the requirements of section 1206(b) (4) (C) (ii).

"(d) No grant or contract may be made under this section for the fiscal year ending September 30, 1979, to an entity which did not receive a grant or contract under this section for the preceding fiscal year.

"(e) If a grant or contract has been made under this section for a training program, the Secretary may make not more than two additional grants or contracts under this section for such program.

"(f) (1) The amount of the first grant or contract under this section for a training program may be 100 per centum of the costs of the training program for the year for which the grant or contract is made.

"(2) The amount of the second grant or contract under this section for a training program may not exceed 50 per centum of the costs of the training program for the year for which the grant or contract is made.

"(3) The amount of the third grant or contract under this section for a training program may not exceed 25 per centum of the costs of the training program for the year for which the grant or contract is made.

"(g) Grantees and contractees under this section shall make such reports at such intervals, and containig such information, as the Secretary may require."

STUDY

SEC. 10. (a) The Secretary of Health, Education, and Welfare shall conduct a study to identify the categories of critically ill and dying patients which should be included in a uniform reporting system used to evaluate the effectiveness of emergency medical service systems in reducing death and disability. Not later than 12 months after the date of the enactment of this Act, the Secretary shall report to the Congress the results of such study. Such report shall include such recommendations for legislation relating to such a uniform reporting system as the Secretary determines is appropriate.

(b) The Secretary shall conduct a study to evaluate the effectiveness of Federal programs of assistance for communication systems of public safety agencies and to determine the feasibility of encouraging joint and coordinated Federal funding of communications systems to insure integrated response capabilities to medical emergencies. Not later than 12 months after the date of the enactment of this Act, the Secretary shall report to the Congress the results of such study and recommendations for such legislation as may be necessary to insure such response capabilities.

MAKING ENDS MEET IN BUFFALO

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. NOWAK. Mr. Speaker, like many of our Nation's urban areas, the city of Buffalo in recent years has been forced to combat some very unfavorable economic tides. With the nationwide difficulties posed by simultaneous inflationary and recessionary trends, the city has had to cope with declining revenues prompted by population losses and departing industries.

The recent creation of the Buffalo and Erie County Economic Development Task

Force, coupled with the approval of two Federal grants totaling $1.9 million for land preparation for an industrial park and development of a pedestrian mall linking the downtown business district with the waterfront redevelopment area, have provided new impetus to stem these disturbing trends and improve the citys economic climate.

Throughout this difficult period, however, the city of Buffalo has committed itself to responsible and realistic fiscal policies. The following article from the Wall Street Journal of June 23, 1975, details some of the techniques employed by the city and I would like to bring this information to the attention of my colleagues:

MAKING ENDS MEET IN BUFFALO

(By James Ring Adams)

BUFFALO.—When Mayor Beame of New York City was making headlines earlier this year with announcements of layoffs which then amounted to about 3% of the city's workforce, Philip Cook, the budget director of Buffalo, the state's second largest city, was asked if he, too, was planning cutbacks.

"Most of our thinking is at the other end," he replied. "We're considering what services we absolutely can't cut and keep the city going. . . . We figure the water works is the most basic."

Buffalo may not really be this close to cataclysm, but it can match fiscal problems with New York City any day of the week. The problems obviously are different—New York has great economic advantages denied to Buffalo, and its sheer size puts it in a class by itself. But there are other differences that appear to be the result of deliberate political choice. New York has compounded its fiscal agonies by years of budget manipulation, while Buffalo has managed to survive in spite of acute economic deterioration by an austere approach to city finance.

In fact, it could be said that if Buffalo's approach had been applied to New York City 10 years ago, that metropolis would now be the darling of the credit markets, while if New York's attitudes had taken root in Buffalo that upstate city would long since have been a ward of the bankruptcy courts.

On strictly economic grounds, Buffalo is much the worse off. Unemployment in this aging, blue-collar city is 14.7%, the sixth highest in the nation. Industries have been departing steadily. The population—460,000 in the 1970 census—declined 13% in the '60s and assessed value of taxable property also dipped 3% in that period. Buffalo has an added problem in that it estimates 40% of its 41 square miles is taken up by tax exempt institutions, such as the five local colleges and two state university campuses.

A hefty rise in Buffalo's real estate tax rate last year, $5.50 per $1,000 of assessed value, pushed the city's tax delinquency rate to nearly 8%, the highest since 1939. The current tax rate, $82.93 per $1,000, is 20 cents higher than New York's. Fearful of growing foreclosures, Buffalo has frozen the tax rate and the upcoming budget projects a slight decrease in the $86 million levy.

"AUSTERITY" AND "HORROR"

Like Mayor Beame who unsuccessfully sought a $641 million tax and aid package from the state legislature to balance an "austerity" budget then put at $12.7 billion, Buffalo's Mayor Stanley M. Makowski was asking Albany for an extra $11.5 million for his $244 million budget. However Mr. Makowski will have to wait for a decision until the legislators tie up all the loose ends on their much diminished aid package for New York City.

Like Mayor Beame, who at one point presented a "horror list" of payroll cuts totalling 20% of the city's 338,000 workforce, Mayor Makowski sent a memo to the State Assembly declaring that without further aid, Buffalo would have to cut its payroll by 20% to 25%.

Buffalo's cuts, however, would come after a five-year period in which the city steadily shrank its workforce from 6,500 to 5,200 (excluding the semi-autonomous city board of education). In the same period, New York City employment, as defined by a City Hall spokesman, has increased by nearly 50,000.

"We've been laying people off since 1971," says Mr. Cook. "In city government that's the only way to deal effectively with increasing expenses." (The 35-year-old budget director's conservatism might seem odd considering the fact that he was one of the founding members of the Students for a Democratic Society 10 years ago. He says he dropped out of SDS when it veered off on ideological tangents during the Vietnam war.)

For all its troubles, Buffalo has done infinitely better than New York City in one crucial area—credit. "The city of Buffalo continues to enjoy the confidence of the investing fraternity," said Comptroller George D. O'Connell at a time when the public market had turned its back on New York City bonds and notes. In December, before the fiscal crisis, New York City had to swallow a 9.48% interest rate on a $500 million loan issue. But on April 1, Buffalo floated $56 million in notes at rates ranging from 6.9% to 5.87%.

One obvious reason, of course, is the much smaller volume of Buffalo's offerings, although Moody's reports that its overall debt burden is higher, measured against the estimated market value of the taxable property in the city, than New York's. The main source of investor confidence, therefore, must be the city's attitude toward its debt.

The city has shunned New York's primrose path of covering budget deficits by every conceivable gimmick. Buffalo does have a deficit problem—some $17 million this year alone and a cumulative total of $32.4 million by the end of next fiscal year. "Each year our cash problem comes at an earlier time and we're forced to resort to anticipation notes to get through," says James W. Burns, Buffalo's commissioner of finance and administration. But, he adds, the city retires its budget notes when they come due, rather than roll them over as New York City does. A large part of Buffalo's problem is its real estate tax delinquency; the upcoming budget reserves $5.6 million to cover it.

In fact, Mayor Makowski gives higher priority to reducing the deficit backlog than to avoiding layoffs. In his annual budget message, he told the Common Council that any state aid above his request should go "to continue the process of making our budget whole." A minimum of $10.4 million already has been appropriated. "We're trying to tackle this problem of wiping out the deficits and getting on a current cash basis," comments Mr. Burns.

This attitude partly comes from necessity. "Because we're smaller," says Mr. Cook, "We've never had any hope of controlling the state senate and assembly with a large bloc of assemblymen. . . . Our first reaction isn't to go to the state. On the other hand, I don't think there's a section of the Municipal Finance Law that doesn't have a special section for New York City."

In one instance, however, Buffalo has benefitted from an emergency ruling by the state legislature. This was to permit the city to keep pension costs out of the property tax. This was an aftermath of the "Hurd decision" a suit last year brought by Bradley J. Hurd, a retired businessman and president of the United Taxpayers League of Buffalo and Erie County. He charged that Buffalo exceeded its constitutional taxing power in paying employe pensions and Social Security from sources other than the property tax. The state's highest court agreed.

Then another tax protester, Arthur O. Pellnat, a typewriter repair man who runs the Schiller Park Taxpayers' Organization, went to Small Claims Court and won a refund of the $112 he figured were his unconstitutional tax payments under the Hurd decision. City Hall is confident of winning a reversal on appeal, but so many of Mr. Pellnat's supporters have picked up his cue that the city treasurer has prepared a special rubber stamp, "Paid Under Protest," for their tax returns.

By the state constitution, large cities (except for New York) are limited to a 20% tax on property to pay for operating costs. The rest goes for debt service. In Buffalo, these costs include a $35 million lump sum for the school board, which then sets its own budget. The Hurd decision would squeeze in another $39 million pension costs, which would leave the city absolutely nothing for its operations. Says Mr. Cook, even a 100% personnel layoff wouldn't save enough money to pay Mr. Pellnat's friends' refunds. The whole matter probably will be presented to the state's voters as an amendment to the constitutional tax limit in a referendum this fall.

A SOURCE OF STRENGTH

Buffalo's hard decisions, such as laying off firemen to avoid piling up further deficits, show a political strength lacking in New York City. The source of that strength is fairly obvious. Mayor Makowski and his budget officers have the backing of what has been called the most effective political machine east of Chicago—the Erie County Democratic organization, chaired by Joseph F. Crangle.

Mr. Hurd, who besides suing the city is also the Republican-Conservative candidate for Common Council President, declares, "The Democratic Party's been Crangleized." But even he concedes that Mr. Crangle in 10 years has "done an excellent job of organizing."

"It makes my job a little easier," says Anthony M. Masiello, the 29-year-old majority leader of the Common Council, which is 14 to one Democratic. "And it gives a lot of support to the Mayor."

Mr. Crangle pretty much concentrates on keeping the party in line, leaving financial policy to City Hall. Tightening up the city's management, says Commissioner Burns, "takes a lot of continuity. We've got a very stable political situation in this county and this continuity is of tremendous help in this task."

The brunt of public complaint has fallen hardest on the nine councilmen who represent districts in the city, as compared to the six at-large members of Common Council. "Those guys took an awful lot of flak last year when we were going to increase taxes and decrease services," says Mr. Masiello.

With a sure majority, however, the Buffalo Democrats even have the luxury of allowing nay votes as a safety valve. The black districts, say Mr. Masiello, were especially worried about a 68-man cut in the fire department, because their neighborhoods of old wooden houses have the highest fire rates in the city. The budget passed on June 2 by a 9 to 5 vote, the Democratic opposition coming, as Mr. Masiello expected, from various district councilmen, including the two black members.

But political control, says Budgetmeister Cook, is secondary to following sound policy. "If what we do isn't sound," he says, "no matter how tight-knit the organization is now, it isn't going to stay that way. It's obviously more politically feasible to go into a long-term program of gradual reductions of work force than to make radical changes."

"Sure it's easier to do when we have a tight-knit political organization," he adds, "but it's never easy to do in any political situation."

THE NEED FOR LAND USE PLANNING

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. HARRINGTON. Mr. Speaker, land is America's most important and valuable natural resource. Yet, as a result of intensive, unplanned and largely unregulated growth, land is no longer our most abundant natural resource. It can no longer bear the heavy burden of the combined pressures of population growth, industrial building and waste, rapid urbanization, and resource and agricultural mismanagement.

To try to cope with conflicting land use demands, bureaucratic devices such as zoning ordinances, building codes and subdivision laws have been enacted. While somewhat effective in some areas, these measures are all plagued by local dissimilarities, and leave too much discretion to the landowner. State and Federal involvement in the process has been needed to try and develop comprehensive, uniform land use package.

It is essential that Congress reach agreement on a measure to guide critical decisions on the use or management of America's land resources.

I feel we must encourage the coordination of planning on Federal, State, and local levels, among the agencies involved, and between the public and private sectors.

The following editorial, which appeared in the Washington Post of June 26, 1975, describes many of the important features of the bill. I recommend it to the attention of my colleagues.

The text follows:

Vote on Land Use

The lobbying has reached a feverish intensity as the House Interior Committee approaches its final vote on the land-use planning bill (H.R. 3510). The bill survived an early test last month by a slim margin, 22–20, but several committee members are said to be reconsidering their stands. Ideally, the forthcoming congressional recess should provide time for calm reflection. But interested groups on both sides of the controversy are poised to turn up the pressure in key members' districts next week.

Though the campaign against H.R. 3510 has grown increasingly frenetic, the bill itself is far more temperate than some earlier proposals in this field. Contrary to opponents' claims, the measure would not stop development. It would not dictate a federal land-use or zoning plan. And it would not impose any single planning system on the 50 states. Instead, the bill would encourage, but not compel, states to take inventories of their valuable land resources and set up comprehensive programs for making decisions about important areas, large-scale developments, major facilities and projects with regional impact. The resulting planning structures would no doubt vary greatly from state to state, reflecting the diversity of land-use problems, existing programs and governmental traditions across the land. In the Washington area, for instance, most counties already have sophisticated planning efforts under way and regional cooperation is well advanced. H.R. 3510 would not upset those programs, but could complement them by stimulating better management of growth on the fringes of the metropolitan area and helping the states find better ways to evaluate large projects such as major energy facilities.

There is reason to be concerned about federal involvement in land-use decisions that can best be made by state and local governments. That concern properly arises, however, not from H.R. 3510, but from the laws already on the books that inject federal agencies into land-use issues in a hundred different ways under labels such as highway construction, pollution control, floodplain protection, sewer construction and park development. These laws, enacted and administered in disconnected ways, have produced reams of confusing and conflicting regulations which often delay decision-making and lead to federal intervention of the most arbitrary sort. Far from compounding such problems, H.R. 3510 would reduce them by fostering coordination among federal agencies and by enhancing the ability of state and local governments to weigh competing interests and make hard decisions more rationally.

All in all, the bill is conservative in the most fundamental sense. It recognizes that America is running out of room, that tough choices among conflicting goals and interests affecting land resources must be made—and that those judgments should be reached in ways that respect and accommodate the diverse circumstances and concerns of different areas. This is, in short, a modest bill but a very important one. The House committee should vote to send it on to the House floor.

EMERGENCY MIDDLE-INCOME HOUSING ACT OF 1975

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. HAGEDORN. Mr. Speaker, today we must determine the direction and ultimate thrust for our Nation's housing policy. The President has vetoed H.R. 4485, the bill dubbed the "Emergency Middle-Income Housing Act of 1975." Ours is the task of responding to the veto.

The severe economic problems of the unemployed are of primary concern to each Member of Congress, and the challenge of these conditions requires our closest attention.

For this reason, I supported legislation to give emergency relief to unemployed workers in danger of home mortgage foreclosures. In addition, I am supporting legislation by Congressman Garry Brown of Michigan to provide relief to those who are facing foreclosures. This bill also extends the life of the Government National Mortgage Association, earmarking 80 percent of its funds for median and slightly above income persons at a fixed interest rate of 7½ percent.

These programs would be cost-effective, and in tandem with a consistent national housing policy. The bill before us today, Mr. Speaker, would accomplish neither.

America's home building industry is making a noticeable recovery from its recently depressed status. Last fall, legislation was enacted to extend subsidized loan money to conventional mortgages, and it remains available for new home sales. Already $13.5 billion has been earmarked to mortgage purchase support, plus the fact Congress recently passed tax credits for those purchasing unsold homes at a cost of $750 million.

These provisions added to the aid to the unemployed, and, upon approval, mortgage relief to those financially harmed by the current recession, make housing prospects very bright indeed for a speedy and full recovery. When the additional mortgage availability for middle and slightly above income families is included, a total housing program emerges.

H.R. 4485 uses the shotgun approach to housing, as it tries to deal with many areas in one shot. Unfortunately, it fails in all, and must be rejected. By causing the promulgation of extensive new regulations and general uncertainties among home buyers, housing sales would be virtually halted, and added unemployment in the homebuilding trades would result. The use of the artificially low 6-percent rate of interest would create a long term tax burden on the very persons the bill purports to support.

The provisions of H.R. 4485 would add $1 billion to the overgrown Federal deficit, and add to later inflationary fires, which will again take our Nation down the path to recession unless we stop it now.

I call upon my colleagues to carefully review this measure, and to reflect upon the inflationary, recessionary period of the last few years. If you do, I am sure you will join me in seeking a national housing policy, and rejecting the H.R. 4485 shotgun method before us.

THE SOARING COSTS OF OIL PRODUCTION

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. KRUEGER. Mr. Speaker, as a member of the Subcommittee on Energy and Power who has been immersed in the question of oil pricing, I have collected numerous cost statistics from American producers. Without exception, the information I have collected indicates that oil production costs have soared over the past few years. This confirms the costs projections I have submitted for the Record as calculated by Economist Robert Nathan and the consulting firm of LaRue, Moore, and Schafer.

First. Delray Oil, Inc. operates approximately 300 wells in the Texas area of Caldwell and Guadalupe Counties. In August 1972, the total cost for drilling and completing a 2,275-foot well was $28,822.19; a December 1974 well of 2,243 feet in the same formation cost $53,202.12—an increase of 84.6 percent. In December 1972, the total cost for drilling and completing a 3,904-foot well in the Talpa area of Coleman County, Tex., was $43,275.17; a December 1974 well of 3,878 feet in the same formation cost $70,920.96—an increase of 63.9 percent.

Second. J. Lee Youngblood, a small producer, drilled a well in March 1974 in the Cromwell formation in Oklahoma at a cost of $22.43 per foot: A well drilled in the same formation 9 months later cost $27.61 per foot—an increase of 23 percent in only 9 months. Earlier, Youngblood had drilled a well in November 1973 in the Canyon formation in Texas at a cost of $9.99 per foot; a well drilled in the same formation 10 months later cost $12.45 per foot—an increase of 24 percent in only 10 months.

Third. The American Quasar Petroleum Co. drilled two deep wells in a Ward County, Tex., formation in June 1972 and in January 1975. The first well was to a depth of 19,885 feet and the second well was a depth of 18,125 feet. The cost increase was $903,766 or 73.2 percent. The same company drilled two wells in Crockett County, Tex. in August 1973—8,000 feet and in April 1975—7,888 feet. The cost increase was $100,155 or 96.1 percent.

Fourth. Dallas Production, Inc. drilled a 7,265-foot well in Denton County, Tex., in January 1972 at a cost of $8.70 per foot. A 7,150-foot well in the same county drilled in November 1974 cost $22.15 per foot—254 percent of January 1972 costs. A 5,335-foot well in Parker County, Tex., in July 1973 cost $9.38 per foot while a 4,473-foot well in the same county in March 1975 cost $23.85 per foot—254 percent of July 1973 costs. A 7,150-foot well in Wise County, Tex. in June 1973 cost $10.43 per foot while a 7,012-foot well in February 1975 cost $18.96 per foot—181.7 percent of June 1973 costs.

Fifth. A. V. Jones drilled a January 1974 well in West Central Texas at a depth of 4,405 feet for a total cost of $48,102.24 or $10.92 per foot. A 4,648-foot well in March 1975 cost the firm $100,797.81 or $21.69 per foot—almost double the cost in 14 months in which the price of new oil only rose from $9.82 to slightly over $11.

Sixth. Thomas G. Vessels, a small Denver producer, participated in three Adams County, Colo., wells totaling 23,355 feet in 1970 at a total cost of $269,182.74. Three wells in the same county totaling 24,895 feet cost $717,124.79 during October 1974–January 1975. The last group of wells cost 250.30 percent per foot of 1970 costs.

Seventh. The Texas Pacific Oil Co. Inc.'s average development well cost in the Elsinore field rose from $568,000 in 1973 to $933,000 currently. The average development well for the firm in the Wasson field rose from $74,980 in 1972 to $145,200 currently. Costs doubled in 2 years. Operating costs of the firm have soared. Between the first quarter of 1974 and the same period of 1975, all itemized operating expenses rose dramatically; the largest expense item, repair and maintenance, rose 99 percent, jumping from $659,621 to $1,312,825. During the same period, oil prices rose less than one-third on new oil and old oil prices remained fixed.

Eighth. Pan-American Engineering Co. has provided invoices demonstrating the rising cost of one crucial item, workover rigs, during the last 30 years. One of the prime tools of the oil operator to keep oil production on the line is known as a workover rig. This is a machine which does all the maintenance on an oil well, pulls the tubing and is used to solve certain production problems; it is the most important maintenance tool the oil operator uses after the well is drilled and placed on production. The use of the workover rig is more or less a continuous process from time to time over the life of the well. The cost of this particular piece of equipment is an excellent yardstick of the cost ecountered by the operator, because the price charged includes the machinery, labor, supervision, taxes, fuel, depreciation, maintenance, and all other costs involved with a service operation. In October of 1956, the cost of a workover rig was $16.50 per hour; oil prices were then 2.79 in 1974 dollars. By January of 1975, the cost of a workover rig was $55 per hour; the average price of domestic oil had only risen to $7.50 per barrel.

Ninth. Houston Oil and Minerals Corp. has prepared comparative cost data on both land and water wells for the years 1973–75; all supporting invoices are provided. The cost of an average land well rose from $50,073 in 1973 to $66,653 in 1974 to $89,433 in 1975—total costs jumped by 79 percent. The cost of an average well drilled on water rose from $678,872 in 1973 to $1,133,822 in 1974 to $1,250,309 in 1975—total costs jumped by 84 percent.

In analyzing these statistics, it is important to note that while costs have been going up, the number of barrels discovered per exploratory well has been declining. In 1960, more than 140,000 barrels of oil were discovered per exploratory well; by 1970, the amount had decreased to approximately 110,000 barrels per exploratory well; by 1974, only 80,000 barrels of oil were discovered per exploratory well. These figures are based on 3-year rolling averages of new discoveries divided by annual exploratory well efforts. It is important to recall that approximately five out of six exploratory wells are "dry."

These considerations warn us against actions such as the price rollback included in the Commerce Committee bill (H.R. 7014) as amended in committee. Instead of a windfall profits tax which would allow a plowback for new production costs as was in the original bill, the committee adopted a rollback provision by a 22-to-21 vote. The price received for new oil production would be rolled back from $12 to $7.50. As costs continue to rise, this ceiling will become increasingly unrealistic.

ROYBAL AMENDMENT INCREASING FUNDS FOR MATERNAL AND CHILD HEALTH SERVICES

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. ROYBAL. Mr. Speaker, during yesterday's debate on H.R. 8069, the Labor-HEW Appropriations bill, the House passed by a two-thirds margin an amendment which I proposed and which Representative CONTE cosponsored to increase funding for maternal and child health services by $30.9 million. This amendment was necessary to maintain the current level of services to our children and mothers throughout the country.

The maternal and child health services program merits a special place among Federal health services, for it fulfills a critical need in preventing unnecessary death and disability among our children. It has evolved over the years as one of our most efficient health programs, and has the support of health specialists and community leaders throughout the country. And yet we have not given the fiscal support necessary to maintain this program at an equitable level in each and every State. The fact is that we have broken faith with the States on this comprehensive health service program.

First of all, we have enacted a Federal mandate that the States develop at least one project in each of five essential areas of health service; namely, maternity and infant, intensive care of newborns, children and youth, dental, and family planning. But we have not appropriated sufficient funds to help States comply with this health law. Only eight were able to meet the program requirements last year; now even they are in trouble. Such States as New York and Colorado are planning layoffs of maternal and child health personnel this year. Others including California, Texas, Pennsylvania, and Rhode Island are dismantling a number of maternal and child health projects. All States are being forced to determine which projects must be eliminated.

Further, it should be pointed out that because of current funding levels, only 1 of every 4 eligible mothers and 1 of 18 eligible handicapped children were served under this program. The United States still ranks behind 14 other nations in preventing infant deaths and behind 10 in preventing maternal deaths.

FORMULA GRANTS TO STATES

The maternal and child health programs affect the constituents of every congressional district. Our amendment raised the funding level for formula grants to States from $266.95 million, proposed by the committee, to $295.7 million.

State grants provides two essential programs, maternal and child health services, and crippled children services. Maternal and child health projects prevent and treat malnutrition, respiratory emergencies, serious infections and other causes of death and handicapping conditions in newborn infants and children. Crippled childrens services treat children having chronic diseases including cystic fibrosis, muscular dystrophy, hemophilia, and orthopedic disabilities. The program also provides funds to improve services and staffing of children's medical units through research and training.

The justification and need for this vital program is substanital. This is the only major cause of death for which we have conclusive evidence showing that child health care does make a measurable difference in curbing infant mortality and handicapping conditions. A study published by the Institute of Medicine of the National Academy of Sciences in 1973 showed that, by simply providing the type of care offered by maternal and child health services, the New York City infant death rate in 1969 could have been cut from 21.9 to 14.7 per thousand live births. A series of studies published in medical science journals covered various regions of the United States proved that infant death rates were lowered by 30 to 50 percent following the introduction of new maternal and child health projects. And approximately two-thirds of handicapping conditions in our children could have been prevented or cured using services sponsored by this program, according to the American Academy of Pediatrics. Clearly this is an effective program—one involving a matter of life or death for millions of children, a crossroad leading either to a happy productive future or one burdened by physical deformity, pain and social rejection.

We have an efficient program in maternal and child health—on which meets the standard of fiscal responsibility as well as our sense of humanity and compassion. A study on cost and benefit incidence, published by the Office of Research and Statistics of the Social Security Administration in 1974, concluded that maternal and child health programs had the highest benefit cost ratio of all Government medical care programs in the years studied—1966 and 1969. Other studies showed that the average cost per patient fell from $201 in 1968 to $130 in 1974, despite general cost inflation in the Nation's health services. Cost controls are evident in rates of hospitalization, which fell from 7.7 percent in 1968 to 2.4 percent in 1974, proving that good administration can reduce the wasteful and inappropriate use of expensive health facilities.

The States and local governments have had 40 years of experience in perfecting the administration of maternal and child health. For example, they have developed efficient systems of hospital utilization control, reducing hospitalization by using preadmission certification. They have started up comprehensive care teams to replace the expensive ping-pong referral of patients from one specialist to another. Quality control is supervised by maternal and child health consultant boards, which engage in peer review. We are only now beginning to institute these reforms in other Federal health programs, and they have a long way to go to catch up with maternal and child health services.

The administration argued that the funding for maternal and child health could be reduced by increasing the recovery of payments from third party payers and recipients of care. Evidence presented to the Appropriations Committee contradicted this claim, and HEW officials who made the statement admitted that they had collected no evidence in the field to substantiate it. A recent health survey of my district and the State of California showed no laxity at all in recovering fees either by direct reimbursement to the program or by direct payment to providers. A more extensive study by the American Academy of Pediatrics for 1974–75 covering 11 States and 4 cities reached the same conclusion.

RESEARCH AND TRAINING

My amendment raised the research and training program from $19.5 million recommended by the committee to $21.5 million. Even though this represents a $2 million increase over the committee's level, it is still below the 1975 appropriation. This is a service-oriented component, essential to the organization and staffing of new types of diagnostic and treatment services. Vital activities include finding ways to bring high-risk infants into regional perinatal care networks, such as crisis care nurseries, improving services for lung diseases of children through pediatric pulmonary centers, and strengthening maternal nutrition programs, to prevent handicaps in newborn infants.

It has been argued that the research component duplicates efforts by the National Institute of Child Health and Human Development, and that the training program overlaps that of the Health Resources Administration. The truth is that although many directors of State maternal and child health programs have requested National Institute funds for this purpose, the agency has consistently refused, down through 1974, to support services research and evaluation on child health, which is better left to the experts of maternal and child health services.

A similar problem exists with regard to the manpower training programs, under the Health Resources Administration. Again, the facts are that they do not train highly specialized personnel needed to staff such activities as pediatric pulmonary centers or clinics for the mentally retarded; nor should they; for they are not qualified or expert in the maternal and child health field. Proposed program cuts by the committee will only impair the foundation for high quality infant and maternal care.

SUDDEN INFANT DEATH SYNDROME

My amendment added $200,000 to the $2 million proposed by the committee for continuing the sudden infant death syndrome program. This increase would improve our efforts to help States develop model legislation as well as strengthen local management of crib deaths. This program is devoted to training medical examiners, policemen, firemen, and district attorneys on how to deal with this serious and yet unsolved medical problem, and prevent the misdiagnosis of homicide and arrest of innocent parents.

The maternal and child health amendment, therefore, represents a prudent and fiscally responsible investment in the health future of this country. It would be a tragic mistake to underfund this vital program and cause the serious erosion of essential services to our children.

VOTE ON LAND USE

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. STEELMAN. Mr. Speaker, I would like to call to the attention of my colleagues the editorial in today's Washington Post entitled "Vote On Land Use."

Mr. Speaker, this article expresses the view that many of us on the Interior Committee who support H.R. 3510, have been stating all along, mainly, that H.R. 3510 is a voluntary proposal, that does not stop development, does not dictate a "Federal land-use or zoning plan," and does not "impose any single planning system on the 50 States."

What the bill does do, however, is to encourage States to inventory their natural resources, and develop a comprehensive program for "stimulating better management of growth." In addition, H.R. 3510 would complement existing planning programs on the local, State, and regional level, and most important, bring the Federal Government's land use programs into order and foster "coordination among Federal agencies and by enhancing the ability of State and local governments to weigh competing interests and make hard decisions more rationally."

Mr. Speaker, as ranking minority for the Subcommittee on Energy and the Environment, I have had the opportunity to listen to all sides of this proposal and participate in the marking up of this legislation. This bill, I feel, truly represents the thinking of the local, State, and regional governments and the multicorporations that have day-to-day contact with land-use decisions.

Land-use decisions are tough to make, no one will take issue with this. However, these decisions are only going to get tougher and unless something is done to eliminate or coordinate the "conflicting goals and interests affecting land resources," we will shortly find ourselves in the same situation we presently face with respect to our energy resources—running out and depending on other sources to keep our Nation going. Unfortunately, land is not a resource that we can suddenly discover or import more of.

Mr. Speaker, over this recess, Members of Congress will be approached by both sides of this issue. I would simply ask that each Member determine for themselves what actual knowledge these people have of H.R. 3510, and what interest they serve. I think that this legislation has been unduly misrepresented by well-intentioned but uninformed persons and that in this day and age, when so many things are being blamed upon government, and some rightfully so, there is no need to create further suspicion, especially when that suspicion is unfounded.

I think it is an appropriate time for the Interior Committee to report this legislation out of committee and let the full House make the decision on this proposal.

Mr. Speaker, I ask that following my remarks the editorial from the Washington Post be printed in the RECORD in total.

Thank you.

The editorial follows:

[From the Washington Post, June 26, 1975]

VOTE ON LAND USE

The lobbying has reached a feverish intensity as the House Interior Committee approaches its final vote on the land-use planning bill (H.R. 3510). The bill survived an early test last month by a slim margin, 22–20, but several committee members are said to be reconsidering their stands. Ideally, the forthcoming congressional recess should provide time for calm reflection. But interested groups on both sides of the controversy are poised to turn up the pressure in key members' districts next week.

Though the campaign against H.R. 3510 has grown increasingly frenetic, the bill itself is far more temperate than some earlier proposals in this field. Contrary to opponents' claims, the measure would not stop development. It would not dictate a federal land-use or zoning plan. And it would not impose any single planning system on the 50 states. Instead, the bill would encourage, but *not* compel, states to take inventories of their valuable land resources and set up comprehensive programs for making decisions about important areas, large-scale developments, major public facilities and projects with regional impact. The resulting planning structures would no doubt vary greatly from state to state, reflecting the diversity of land-use problems, existing programs and governmental traditions across the land. In the Washington area, for instance, most counties already have sophisticated planning efforts under way and regional cooperation is well advanced. H.R. 3510 would not upset those programs, but could complement them by stimulating better management of growth on the fringes of the metropolitan area and helping the states find better ways to evaluate large projects such as major energy facilities.

There is reason to be concerned about federal involvement in land-use decisions that can best be made by state and local governments. That concern properly arises, however, not from H.R. 3510, but from the laws already on the books that inject federal agencies into land-use issues in a hundred different ways under labels such as highway construction, pollution control, flood-plain protection, sewer construction and park development. These laws, enacted and administered in disconnected ways, have produced reams of confusing and conflicting regulations which often delay decision-making and lead to federal intervention of the most arbitrary sort. Far from compounding such problems, H.R. 3510 would reduce them by fostering coordination among federal agencies and by enhancing the ability of state and local governments to weigh competing interests and make hard decisions more rationally.

All in all, the bill is conservative in the most fundamental sense. It recognizes that America is running out of room, that tough choices among conflicting goals and interests affecting land resources must be made—and that those judgments should be reached in ways that respect and accommodate the diverse circumstances and concerns of different areas. This is, in short, a modest bill but a very important one. The House committee should vote to send it on to the House floor.

HATHAWAY CONFIRMATION

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. STEIGER of Arizona. Mr. Speaker, following the nomination by the President of Gov. Stanley Hathaway to be Secretary of the Interior, and before his confirmation, much undue criticism was made of Mr. Hathaway, who is indeed a very fine public servant.

In order to set the record straight, I would like to have published in the RECORD three articles which appeared in the Casper, Wyo., Star-Tribune, on June 12, the day following Secretary Hathaway's confirmation. The articles follow:

STATE LAUDS CONFIRMATION

CASPER.—Oilman Dave True Jr. said it was "really disgraceful" that former Gov. Stan Hathaway was subjected to such "interrogation."

Hathaway was confirmed 60–36 by the U.S. Senate Wednesday as Secretary of the Interior.

"My concern is how to get qualified people to serve the government in the future," True said. "I frankly marvel at Hathaway's dedication. Certainly a lesser man or a man with lesser dedication would have given up long ago. He's making a great sacrifice to do this and to be subjected to that kind of treatment is just unAmerican, in my estimation," True said.

"None of the senators that subjected him to this could stand that same type of interrogation themselves," True said.

At Sheridan, Lynn Dickey, coordinator of the Powder River Basin Resource Council, said she was glad the vote had been taken.

"I'm glad that they have finally got an interior secretary and I'm hopeful that he'll do a fair job on the continued federal coal leasing program and the federal coal mining program which has now fallen to him because Congress refuses to take on the responsibility of providing some regulations," Miss Dickey said.

Bill Rudd of Casper, executive secretary of the Wyoming Mining Association, said he was "delighted" at Hathaway's confirmation.

"I think he's a very able man and his record as the governor of the state of Wyoming is an excellent one," Budd said.

"I have no doubt he will do an admirable job as Secretary of the Interior."

In Denver, George Pring, director of the Denver office of the Environmental Defense Fund said the 36 votes against Hathaway's confirmation was "substantial."

"I believe (it) speaks more eloquently to problems raised by his candidacy than I can," Pring said.

"I believe that Mr. Hathaway assumes the awesome powers of his office realizing that a very considerable segment of public opinion and congressional opinion will be keeping extremely close watch on the decisions he makes with regard to our public lands and resources," Pring added.

Secretary of State Thyra Thomson, who is in Jackson attending the convention of the Wyoming Bankers' Association, said she was glad the long ordeal was over.

"I think it's appropriate that the Secretary of the Interior should be from Wyoming because 40 per cent of all the federal income from public lands in the U.S. comes from within Wyoming" she said.

Laney Hicks, northern plains representative for the Sierra Club was unavailable for comment, as was Bart Koehler, now of Jackson, executive director of the Wyoming Outdoor Council.

Also unavailable for comment was Leslie Petersen of the Wyoming Environmental Institute.

State Auditor Jim Griffith said the only reason there were so many votes against Hathaway's confirmation "was because some senators were expressing their unhappiness with the veto of the strip mine bill and the failure of the house to override the veto."

"I think he's going to be a breath of fresh air back in Washington, D.C., Stan Hathaway is," said the Republican state official.

Griffith was the only one of the five elected state officials in Cheyenne Wednesday.

Gov. Ed Herschler had not returned from the National Governors' Conference in New Orleans, State Treasurer Ed Witzenburger was in Jackson for the Wyoming Bankers' Association convention, and State Superintendent of Public Instruction Robert Schrader was in Washington, D.C.

Laramie County Democratic Chairman Ken Burns said, he, too, was pleased by the confirmation.

"I just feel that he knows the problems in the western states better than anyone else and he'll do a good job in the position."

He added that the senate confirmation vote "wasn't as bad as I thought it would be."

He pointed out the nomination received adverse publicity in the Cheyenne area "from our friends in Colorado."

Burns mentioned opopsition by Colorado Sen. Gary Hart and Gov. Richard Lamm, both Democrats, saying he believed it was a "mistake."

"I would hate to see Colorado alienated because of it," he continued. "That's one place where Democrats, at least this Democrat, didn't agree with other Democrats."

STAN'S STILL THE MAN

Former Governor Stan Hathaway was finally confirmed as Secretary of the Interior Wednesday after a bruising battle that bordered at times on the hysterical and included attacks on his integrity.

The Senate vote was 60 to 36 but Mr. Hathaway prevailed.

Was it worthwhile?

One viewpoint is that no man entering government service should be subjected to such a debilitating inquisition. The argument is that no one should be forced to undergo such borderline brutal scrutiny and it will tend to kee pothers from entering government service.

Another viewpoint is that it is good for the country. It is, after all, post-Watergate, with all the horrors uncovered in that dismal time.

Our view is a combination of both. We never had any doubts concerning Mr. Hathaway's integrity, his management abilities, his knowledge of government and problems concerning the West, his feelings for the environment tempered by the practical that man does not live on scenery alone.

Mr. Hathaway's experience was gained in the sure school of practical politics. He proved his reasonableness over and over to most of us. And he prevailed in perhaps the roughest confirmation hearings ever conducted. This tells us something about Mr. Hathaway's integrity, his abilities, and his grace under pressure, which another lover of Wyoming, writer Ernest Hemingway, called guts.

Wyoming residents are painted as being provincial. Perhaps we are but the majority of us came from other states and countries. Somehow we all learn to love Wyoming. If this is provincialism, let's have more of it.

Singling out groups and individuals who went to war for Mr. Hathaway is idle. One could start with the many individuals who coughed up some $10,000 to force the New York Times to run an advertisement to answer what they considered an unfair editorial attack on the former governor.

We would be remiss if we did not all thank Democratic Sen. Gale McGee, Republican Sen. Cliff Hansen, Democratic Rep. Teno Roncalio and Democratic Gov. Ed Herschler, all of whom united despite politics to battle for Mr. Hathaway's confirmation.

Comes now claims of victory. Environmentalist groups will claim a win because of the 60–36 vote margin in confirmation. We heard that all before when Walter Hickel of Alaska underwent his confirmation hearings as Interior Secretary.

Industry may claim they tilted the scale and congratulate itself. Not so. It is the people of this country to whom the victory belongs.

Mr. Hathaway was called upon by our President to serve his country. He considered it his duty to serve knowing what he may be subjected to, personally, financially, even perhaps from a health standpoint. He did not waver but God only knows how many times he must have felt like throwing up his hands and quitting thinking what a fool he must have been to try and serve his country.

Mr. Hathaway entered the national political arena when tempers are raw and times difficult.

His term as a Cabinet officer may be brief but we predict it will be beneficial to all of us.

If you will indulge us in a little prideful gloating, we do not know of a better choice for the first Cabinet member in history from Wyoming.

Hometown Cheers Stan

Torrington.—Hometown people were happy with the confirmation of former Governor Stanley Hathaway as Secretary of the Interior Wednesday.

Most Torrington residents said the criticism lodged against Hathaway during the Senate hearings was unjustified. Several residents admitted having not kept up with events surrounding the confirmation and were not aware of the 60–36 confirmation vote.

"I just heard about it on the radio," Rosemarie Howell said. "I guess it is all right. I think he will do a good job."

A Torrington resident for 36 years, she said, she did not know the former state executive personally.

She said she had not paid much attention to the nomination and thought criticism of Hathaway was unfair.

A young woman who would not be identified, declined to discuss the confirmation vote, saying "I really don't know too much about it."

L. C. Atkins, president of the First National Bank spoke highly of his personal friend for more than a decade.

"It is a good appointment," Atkins said. "Stan Hathaway is a capable man."

He, too, said he did not know the Senate had voted, but said it is a "great move."

Admitting to be "on the environmentalist side," Terry Watson, of 2833 East C, said, Hathaway should be a good secretary.

"I was pretty much in favor of the nomination, but had some reservations," he said. Watson did not specify his reservations as he cut short the interview to serve customers in his store.

Mrs. Frank (Marthaann) Adams, of 610 West 21st Ave., exclaimed, "Oh, good," when told of the Hathaway confirmation.

Mrs. Adams said former Governor Sam had been a practicing Torrington lawyer when he "took care" of her father's estate.

Commenting that she "didn't like" the opposition Hathaway faced during confirmation hearings, she said, "I don't think most Torrington people did."

Of the 60–36 confirmation vote, she said, "I would have hoped that more people would have favored him."

"I think that Stan will do everything for the good of his country. I think that his real purpose of seeking this job is that he really has his country at heart," Mrs. Adams said.

A resident of Torrington for seven years, Pauline Gayman, of 442 West 19th, said that although she did not know Hathaway personally, she knew enough about him to say he would do a fine job.

"He was a good governor," she added.

Commenting on the testimony of some environmentalists during the Senate hearing, she said, "I didn't hear any criticism."

Criticism of the former governor is unfair, Helen Montgomery of RFD 1 responded.

"I think he will be a fine cabinet member; he was a good governor." She said she had "known him for a long time," and had been a client of Hathaway's when he had practiced law before entering politics.

"I don't agree with him on many political issues, but a hometown boy makes good and I am happy about that," Roger Courtney, Democratic County Chairman said.

Some of the criticism expressed during the hearing was justifiable, Courtney said, "but I am still quite pleased."

IS HOUSING BILL VETO JUSTIFIED?

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. DENT. Mr. Speaker, this morning, as I listened to the "Today Show," I was amazed to hear the Secretary of Housing and Urban Development, Mrs. Carla Hills, give the administration's interpretation of the Emergency Housing Act. I was amazed because I had never known until this morning that the real name of the "Today Show" is "Stranger Than Truth." Because Mrs. Hills stated flatly that the bill would produce runaway inflation, only produce 20,000 jobs, and that the $30,000 home provided most for in the bill would only provide 2 jobs per each house.

It is this kind of ignorance of the facts and operations of the building industry that causes the current economic situation to worsen to its present critical stage. The $30,000 per average unit is spent in many uses. Housing is not created by any exclusive magic formula. It takes labor, skilled and unskilled, it takes increased production of mortar and brick, of blocks and wood, of roofing and flooring, of nails and tools of all kinds. Hundreds of items, not excluding kitchen and heating equipment, electrical work, plumbing fixtures, and the like that goes into that average house costing $30,000 is, even then, only about one-third of the entire cost of the unit.

We must consider with all of the above, the land and land preparation, the charges for utilities, construction supervision and bookwork, while not forgetting that one must prove qualifications for bank loans. That $30,000 will be spread around over supplies, and lawyers, while also giving work to public officials, who must check every step of a construction job.

For a supposedly responsible member of the Cabinet to try to justify the veto of the President by damning this bill with such inaccurate information and illogical conslusions is an obvious and pointed condemnation of the political tug of war being put upon Congress through the President by exactly this type of ill-found advice and counsel.

Congress is being accused of not working with the President. We have tried cooperating, compromising, and communicating but from the actions of the President these are idle words to be used to confuse the people.

What the President is demanding from the majority Members of Congress is none of these three, but instead, by his abusive use of the veto, the abdication on the part of the majority. The President is making the majority a minority by wanton veto.

In all of the veto messages from the President, one realizes that he ignored the pluses in the legislation which was passed. The political plot unveils itself very clearly for anyone observing it closely. Republicans certainly participate in the majority vote originally, giving the obvious impression that they believe the legislation to be proper and meaningful. However, when the hammer falls from the White House and things are put into a political context, in the hopes of creating a public image for President Ford in order to enhance his election chances next year, then, of course, all the previous votes on legislation are ignored.

In the particular case of housing, the entire veto message was inaccurate and illogical and unreasonable. The real cause for the veto was never mentioned and sidestepped very carefully. The real cause was the fact that the majority of Congress felt that a 6-percent interest rate was as high as the buyers of these homes could possibly afford in the face of the inflationary increase in the cost of construction and land.

These are long-term loans and any interest rate in the area of 7½ or 8 percent doubles the cost of the home; when a long mortgage is taken out the cost is tripled. Six percent is not much better, but at least is less than the payments made to the mortgage.

All Congress has to do to get the President's signature on the exact same housing bill is to increase the interest rate, and all of a sudden he will find all the other features acceptable. Many predicted the veto and told the committee that, while they understood the desire of the committee to make these homes available to a greater number of citizens by keeping the interest rate down.

There is no way the President of the United States is going to flaunt the desires of the bankers and money lenders. If one reads the messages carefully, he will find that in each instance the upper-crust of our society is protected by every veto.

Action taken earlier proves my contention that this is the Presidential veto campaign for 1976 beyond any reasonable doubt.

Recently the Senate unanimously passed a bill for the tourism industry of the United States to recapture some of the billions of dollars spent overseas by American tourists. It was passed by the House with a vote of 287 to 133, a reasonable vetoproof vote. This has happened with other legislation which did not prove to be vetoproof.

The President then vetoed this bill. Republican leaders in the Senate and House advised the President that it was not possible to sustain the veto on this bill so it was worked out that they would change a line without any change in funding or the substantive matter of the bill. There would be no change in intent, just a slight change in language, doing the same thing, giving the President the opportunity next week to sign a new bill.

Obviously the President views this veto business much like he views his golf, as a game. We have a hole in one economy, and a President who is always looking ahead to the next tournament. I hope there is a course to play on for that tournament.

LOCAL FISCAL ASSISTANCE

HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. MOLLOHAN. Mr. Speaker, on June 24, 1975, I introduced H.R. 8170, the Local Fiscal Assistance Act of 1975, which has been referred to the Government Operations Committee. My bill would amend the State and Local Fiscal Assistance Act of 1972, known as the Revenue Sharing Act, as follows:

First, terminate allocation of revenue sharing funds to State governments.

Second, allocate all revenue sharing funds to units of local government—namely counties, municipalities, townships, and other units of general government below the State.

Third, appropriate revenue sharing funds for the local governments for the period beginning July 1, 1976, through the fiscal year beginning October 1, 1981, increasing at the rate of $150 million per fiscal year. The amounts and increases in my bill are essentially the same as in the administration bill H.R. 6558.

Fourth, redefine "adjusted taxes" so that the local government will receive tax credit for funds expended on public services such as sewerage disposal, garbage collection, and so forth.

These amendments will, I believe, redirect the current law to solve the problems for which it was designed. The present act provides for an allocation of revenue sharing funds on the basis of one-third to State governments and two-thirds to local governments. But this allocation does not recognize the indisputable fact that of the two classes of government it is the local units, rather than the States, which are suffering from a tragic inadequacy of income. As the Senate Finance Committee said in its report on the present Revenue Sharing Act, Senate Report No. 92–1050, part 1:

> Moreover, while most State and local governments are experiencing financial difficulties, for many core cities the financial problems are particularly acute. The flight of middle income and high income people to the suburbs has left core cities with the severe fiscal burden of providing services to large numbers of relatively low income people who are able to pay only a relatively small share of the cost of government services. However, the financial problems are not confined to the cities. Small communities, including many in rural areas, are also encountering financial distress, particularly where their inhabitants are poor and the tax base is limited.
>
> Local governments generally appear to be in a more precarious financial position than State governments, and therefore have a correspondingly greater need for assistance.

Of the various types of government in this country, two—the Federal and the local—are confronted by deficits of disastrous magnitude. The annual Federal deficit is climbing toward $100 billion. New York City, and dozens of other metropolitan centers, face insolvency, with expenses mounting and income declining with alarming speed.

The situation of the States is quite different. According to a report of the Joint Economic Committee entitled. "The Current Fiscal Position of State and Local Governments," dated May 6, 1975:

> Unencumbered Surpluses: Most states finish their fiscal years with surpluses remaining in their general fund accounts after all revenues have been collected and all expenditures have been made. These unencumbered surpluses are carried over into the ensuing fiscal year and can be appropriated for expenditures in that fiscal year. More often, however, these surpluses are used as a contingency fund, spent to keep the budget in balance if revenues fall short of expectations or expenditures exceed expectations. This contingency fund is essential to minimize the austerity measures necessary to keep the budget in balance (all states have some prohibitions against deficit spending) in the event that economic conditions deteriorate subsequent to the preparation of the budget. Shifts in the size of the unencumbered surplus are a good indication of the relative fiscal position of the states from one year to the next.

Thus, of the two, it is not the States, but it is the local governments for which financial shortages threaten catalysm. It is the local governments whose tax income has withered during the recession, whose unbalanced budgets have paralyzed the government bond markets, whose financial shortages have compelled them to dismiss policemen and firemen in large numbers which threatens public safety, to reduce assistance to the aged and needy, to drastically curtail education, and otherwise to unstabilize the present and imperil the future. Of all our government problems, local financing is the worst and most distressing, and it is here that we must hopefully apply the cure of revenue sharing.

PRINCETON UNIVERSITY HONORS CHAIRMAN RODINO

HON. PAUL S. SARBANES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. SARBANES. Mr. Speaker, just a year ago, the House Committee on the Judiciary was engaged in carrying out a most solemn constitutional obligation: An inquiry into the grounds for impeachment of a President of the United States. The responsibility for the conduct of that inquiry lay, above all, with the committee chairman, the distinguished gentleman from New Jersey, the Honorable PETER W. RODINO. I need hardly remind the Members of this House of the distinction with which the chairman fulfilled the grave responsibility to defend the Constitution that was placed upon him. His wise judgment and courage, his sense of fairness, and his clear devotion to the constitutional principles which are the guarantee of our liberties, served our country well in a time of great crisis.

As a member of the Judiciary Committee who has been privileged to work with the chairman, I was deeply gratified by the decision of my alma mater, Princeton University, to confer on him an honorary degree, the doctor of laws, at its 228th commencement held on June 10 on the campus in front of historic Nassau Hall. During the course of the ceremonies the following citation, which expresses the sentiments we all feel for Chairman RODINO, was read at the time of the conferring of the honorary degree:

> DEGREE OF DOCTOR OF LAWS PRESENTED TO PETER W. RODINO, JR.
>
> Presentation to the President, by the University orator, of the candidates for honorary degrees; and the conferring of the degrees by the President.
>
> Congressman, New Jersey's Tenth District; Chairman, Committee on the Judiciary, House of Representatives. Rutgers Law School (LL.B. 1937).
>
> Thrust into a lonely historical position, he conducted proceedings of utmost importance to the nation with patience, forbearance, and fairness. Calling upon traditional consolidations of music and literature to sustain him in times of stress, he carried on with steadiness, consistently upholding his convictions that ours is a government of laws and that the Constitution is pre-eminently the guardian of the rights of individuals. His performance of his office strengthened what he himself has called the real security of our nation: "The integrity of its institutions and the trust and confidence of its people."

WE ARE NOT THE RICHEST

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. GAYDOS. Mr. Speaker, I noted with interest a recently published report on a study by the Union Bank of Switzerland which shows that our country ranks fifth down the list, behind certain Europeans, in per capita wealth.

The Swiss bank based its findings on 1974 figures which rated tiny Kuwait, with its oil riches, as No. 1, with $11,000 worth of goods and services for every one of its persons.

Then came the Europeans—the Swiss with a per capita gross national product of $7,270, the Swedes with $6,840, and the Danes with $6,800. And then, in the fifth slot, we Americans with $6,595. I might observe that these figures do not reflect the debt each nation owes. If they did, then we would be even farther, I am sure, down the list.

The figures have importance to us for obvious reasons. We are not the world's richest nation, as our foreign aid advocates keep telling us, with a special responsibility to share our wealth with others. We need to stop this kind of talk and the Swiss study might help us to do so.

We need also to keep in mind that, through picking up the lion's share of the NATO tab and with 300,000 American servicemen stationed in Europe, we are draining what resources we have left to defend prosperous Europeans. By doing so, we are letting them skimp on their own military budgets.

The Swiss bank's study ought to make it even harder for hard-pressed Americans to accept President Ford's recent declarations that we must continue for some time to come—perhaps decades—to bear the heavy European military commitment—we, the world's fifth richest people, protecting others richer than we.

BENEATH THE LID

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. QUIE. Mr. Speaker, last fall President Ford, in response to questions on how consumers can lower food costs, suggested more individuals should plant a garden. Some 6 million persons followed his advice this year, but now they cannot buy canning lids to store their fruits and vegetables.

"It's a conspiracy," is the common theme running through my mail. "Forget about the so-called energy shortage. I want to know why I cannot find any canning lids," they are saying.

They are angry, bewildered, and frustrated with good reason. The labor and investment they have put in the garden may all go down the drain if no replacement lids can be found.

With complaints rising, Representative CHARLES J. CARNEY, chairman of the Small Business Subcommittee on Commodities and Services, held a 2-day inquiry into the shortage of home canning equipment. His concern for frustrated consumers is exemplary, and he has my full support to press on with continued inquiries.

His subcommittee was told there are several reasons for the shortage. Among them are: a 1973 and 1974 shortage of soda ash and tin plate, key ingredients in the home canning industry, 12 million new gardeners in the last 2 years, panic buying and hoarding among consumers, a 15 to 18 month "lag time" needed to install new manufacturing equipment, shipments to Southern States first and extensions northward in concert with the growing season.

These factors combined can and probably did contribute to the shortage; yet, there are other questions that have not been answered.

This year's demand was clearly predictable, and manufacturing overall is up 30 percent over last years' record production. Companies like Ball and Kerr, which account for about 90 percent of the market, are receiving all the materials they need and are working 24 hours daily, 6 and 7 days a week. Yet consumers in Minnesota cannot find lids, even though shipments began in May.

There are other nagging questions. Is there collusion between manufacturers and brokers or wholesalers to hold back the supply to reap higher profits? Is there an unwritten practice today by manufacturers to push jar and lid combinations, now in adequate supply, just so consumers can obtain lids? Does the cost of materials justify a nearly 300 percent increase in the price of lids in the past 18 months? What are the marketing practices of the home canning industry? How does it work? Why cannot retailers obtain the essential products?

Millions of tons of fruits and vegetables may be lost if home canners cannot obtain the products they need. My inquiries of the Federal Trade Commission and the Office of Consumer Affairs earlier this year were met only with responses that supplies will be "tight"—which is Government lingo meaning shortage—and that supplies will arrive on store shelves soon. This information was passed on to my constituents. It was of little help. Hoarding was discouraged, but in Minnesota's First District, there are none to hoard.

More inquiries need to be conducted by the Congress. I commend Chairman CARNEY for holding investigative hearings June 24 and 25 and shall vigorously support continued examinations into this area. Consumers should know what steps are being taken and what needs to be done to put more home canning equipment, especially replacement lids, on the store shelves.

VIETNAM RESOLUTION

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. CHAPPELL. Mr. Speaker, it is, indeed, most fitting that the celebration of this great Nation's birth, be coupled with the strongest recognition for those who have stood by this country in its quest for freedom.

I am, therefore, honored in sharing with my colleagues a resolution adopted by the American Bicentennial Commission of the city of Jacksonville, Fla., recommending that we emphasize the spirit of our heritage by welcoming our Vietnamese allies to join with us and build yet a greater Nation.

The resolution follows:

VIETNAM RESOLUTION

The deep, broad wake of the Vietnam conflict will take many years to settle into a ripple in the mainstream of history. The pros and cons of various factors surrounding this unique war leave many divided opinions; however, one thing remains certain—the leadership of America through several Presidents and a long number of congressional sessions made a deep commitment to support the people of South Vietnam. We sacrificed tens of thousands of lives and billions of dollars in the pursuit of that cause.

This nation is now confronted with one of its greatest opportunities to make a giant humanitarian contribution. The Vietnam refugees now coming to America deserve our total support, our money, our hearts, and our helping hands.

As members of the American Bicentennial Commission of Jacksonville, we cannot help but observe that America was founded by individuals who, in many instances, had problems similar to those that our South Vietnamese friends now face. Our forefathers came to this country speaking the native tongue of the land of their birth—full of wonder, apprehension, ambition and a deep desire to make a new life in a bright, new land. Thus was born the American dream.

We, as members of the American Bicentennial Commission of Jacksonville, Florida, join together in recommending that all citizens of the United States of America do everything possible to make the assimilation and settlement of our Vietnamese allies as comfortable as possible.

America has been, now is, and hopefully always will be a place where people of good will can find freedom, happiness, the opportunity to worship as they please, and boundless horizons for personal development and career growth. We of the American Bicentennial Commission join together as one voice, saying to our Vietnamese friends and compatriots "Welcome to America—the Land of the Free and the Home of the Brave." We should inspire them to joint us in building an ever greater U.S.A.

GEORGE M. LINVILLE,
President.

FAMOUS EDITOR PRESENTS SOUND ADVICE FOR GRADUATING SENIORS

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. MOTTL. Mr. Speaker, every Member of this House, at one time or another, has faced the challenge of addressing a graduating class. You struggle to come up with words of wisdom and sound advice that the graduates and their parents may long remember.

There is in my home territory of Cleveland, Ohio, a sagacious and famous former editor who, both in his active career and his present retirement, was as noted for his oratorical skill as for his editorial accomplishments. I refer to Mr. Louis B. Seltzer, the former editor of the Cleveland Press.

L. B. S., as Louis is known by his multitude of friends, claims almost total recall of exact conversations with his father, the late Charles Alden Seltzer, who was also a well-known writer.

In a recent column written for the Brunswick Times, a suburban weekly newspaper published in northern Ohio, L. B. S. dipped into his recollections to come up with an article which may be used as an invaluable guide for anyone confronted with the problem of what to say in a graduation exercise speech.

I present Mr. Seltzer's words:

THE FIFTH SEASON

This is the year's fifth season. The other four are, winter, spring, summer and fall.

The fifth—right now—is for "Graduates".

Over the years, even though I was not privileged to go beyond the third grade in elementary school, I have either delivered several hundred graduation addresses, or listened to as many, or more.

None, however, made as profound an impression upon me as a little informal one my father "delivered" with me sitting—literally—at his feet. It is worth, I believe, in its wisdom, to pass along to 1975's group of graduates—since they are being graduated in times strikingly similar to the year when my father spoke his words of wisdom to me. My father said:

"Son, this is a world of people.

"You must always remember that. Life is not simple for people. It is hard. There are very few people in this world whose lot is secure and peaceful and untroubled with cares and worries. It seems that for the privilege of living on this earth most of us must bear some kind of cross.

"No two people are alike. This is at once the strength and weakness of the human race. There are all kinds of people; and they are doing all kinds of things—barbers, lawyers, coal miners, writers (like your Father), ditch diggers, doctors, thieves, motormen, clerks, policemen—just all kinds of people doing all kinds of things.

A good part of the people are doing what they want to do; and some of the time, unfortunately, they are doing what the circumstances of life compel them, whether they like it or not, to do.

Whatever you do in life when you grow up, always remember that. If you are doing something in life that you like to do—remember that somebody else may be doing something he doesn't want to do. You may be happy at what you are doing. He may be unhappy doing what he's doing."

"Outward appearances are not an infallible measure of people's character. The well-dressed man or woman may be successful by social or economic standards, whereas lacking in qualities of character; and by the same token some man or woman, apparently broken on the wheel of life, may have qualities of character more desirable and admirable."

"The more important thing to look for among people is character. You are apt to find it in the most unsuspected places and people."

"There is something else to remember. As you grow up there will be many changes in the circumstances of life in this country. Nothing stands still. Right now, as we talk, times are bad. They will be good again. Then they will be bad again, and many people will be out of jobs, and the country will be in a turmoil."

"There will be wars and panics, and troubles of one kind or another. There always have been. There always will be. In everything that you do, in everything you think, always, remember that people are more important than any other considerant in the world. People make the world. The world does not make people."

"Remember, also, that because a man is not, by the measure of this world, recognized as a success it does not follow that he is a failure. Too many times it will be found that men of comparable abilities in like fields of work will turn out differently, because circumstances favor one and not the other."

"Each man, however, should make the utmost of what nature has given him. There is no excuse for failure there."

"Everything I have said to you tonight means this:

People are, after all, the most precious, fascinating, important, useful, vexatious, and yet indispensable beings in the world."

"You will have one life. It will be lived, every minute of it, with other people. They will be restless, irritable, kindly, serene, helpful, inconsiderate, mean, good, as people always have been, and, perhaps, as they always will be. But they are really good deep down inside—and that's where you should look to find them."

Once again I say thank you to my Father for the best "graduation speech" I have ever heard. One that brings a heartbeat with every word.

OLD CITY HALL IN PHILADELPHIA

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. EILBERG. Mr. Speaker, in light of the upcoming Bicentennial celebrations throughout the country, I would like to point out the particular contribution of one recently restored building originally completed in 1790.

At this time, Mr. Speaker, I enter into the Record a statement announcing the reopening to the public of the Old City Hall in Philadelphia.

Old City Hall in Philadelphia

Old City Hall at 5th and Chestnut sts., closed to the public for six years prior to its restoration this spring, will be the scene of the annual Freedom Week Naturalization Ceremony on Friday morning, June 27 at 10 a.m. Federal Judge John B. Hannum will preside, and the event is open to the public.

The exterior of Old City Hall has been restored to look as it did when built . . . in a long construction period from the 1730's to 1790. Between 1790–1800, when Philadelphia was the capital of the nation, the building was used as the U.S. Supreme Court. It was then used for another hundred years as the City Hall and the Mayor's Court.

Restoration was done by the National Parks Service at a cost of $785,000. It includes the judicial area on the first floor. On the second floor, life in Old Philadelphia is interpreted.

Highlight of the June 27 naturalization program will be the guest of honor, Bern Dibner, philanthropist, who last year turned over to the Smithsonian Institution his collection of scientific books and memorabilia, valued at over $10 million.

OSHA AND SMALL BUSINESS

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. SHARP. Mr. Speaker, on Wednesday night, the House considered an amendment to the Labor-HEW appropriations bill, H.R. 8069, offered by the gentleman from Illinois (Mr. Findley). The amendment would have prohibited the use of funds for the issuance of first-instance citations by the Occupational Safety and Health Administration to firms employing 25 or fewer workers.

There is no question that all of us recognize the vital importance of protecting the health and safety of employees at their place of business. Without the standards and enforcement powers of the Agency, progress in eliminating threats to the lives and well-being of millions of workers would be greatly restricted. Much work in this area remains to be done, and I will continue to support these efforts.

However, many of us have heard from businessmen, especially small businessmen, who have had difficulty with the requirements of the law. Many are unable to decipher the law without hiring professional counsel, and many provisions of the program may not be applicable in an individual case. Many of my constituents have found some of the bureaucratic rulings to be costly with little, if any, obvious benefit to the health and safety of employees. In any event, this is clearly a situation in which a worthy Government program has created unnecessary frustration and fears.

I voted for the Findley amendment to send a message to the administrators of this program and to the congressional committees with jurisdiction for OSHA oversight. In my judgment, the amendment was by no means the best approach to solving these problems, but I understood it was likely to be the only opportunity for us to make clear that there are valid criticisms of the program and Congress must squarely face that issue. The complaints about OSHA have been aired to every one of my colleagues and, without doing damage to the noble and good purposes of the program, its inequities should be corrected.

The law must be equitable and reasonable and I look forward to action by the committee to that end.

IS INDIA A DEMOCRACY?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. ASHBROOK. Mr. Speaker, one of the arguments made for giving billions of dollars in foreign aid to India is that India was the largest democracy in the world. While we might not always agree with India, it supposedly had a democratic system which worked and was not much in evidence in that part of the world.

The political oppression that is currently taking place in India is not the action of a free society. The reported arrest of more than 100 political opponents of Prime Minister Indira Gandhi is reprehensible.

These arrests would seem to be a result of the worsening political situation that Indira Gandhi finds herself in since being convicted for campaign violations.

Many in this body were quick to criticize former President Thieu for actions he took in his country—a country at war. I hope these same individuals will now be as forthright in this blatant retreat from democracy in India.

At this point I include in the Record the text of the article "India Arrests Opponents of Gandhi" from the June 26, 1975, Washington Post:

India Arrests Opponents of Gandhi

(By Lewis M. Simons)

New Delhi, June 26.—More than 100 of India's top political figures, including nearly all of the right-wing opposition leaders, were arrested early today, hours after one of them, Jayaprakash Narayan, called for a civil disobedience campaign to force the resignation of Prime Minister Indira Gandhi.

After the arrests began, President Fakhruddin Ali Ahmed, on the advice of Mrs. Gandhi, declared a state of emergency, effectively suspending the nation's constitution until further notice.

In a brief address to the nation on the government-operated All-India radio, Mrs. Gandhi said the state of emergency was imposed because of "internal disturbances."

No official announcement was made of those arrested and no chargers were specified.

Those arrested were known to include Socialist leader Raj Naraian, who originally brought campaign corruption charges against Mrs. Gandhi; Morarji Desai, former deputy prime minister who formed his own party six years ago, and Chandra Sekhar, a dissident in Mrs. Gandhi's own Congress Party.

Mrs. Gandhi was convicted June 12 of illegally using government officials in her campaign for parliament four years ago and has been under pressure from the opposition since then to resign. The Supreme Court this week barred her from voting in Parliament during appeal of her conviction, but the court said she need not resign.

In what appeared to be a related development today, most New Delhi newspapers were unable to publish their Thursday morning editions. According to one newspaper source, the electricity supply to most of the papers was halted, apparently by Communist-backed labor unions.

The stunning arrests and declaration of a state of emergency came within hours of a call by Narayan for a civil disobedience campaign to demand Mrs. Gandhi's resignation. He urged India's army and police to disobey orders as part of the campaign.

In her radio address, Mrs. Gandhi said, "It is our firm duty to safeguard unity and stability at a time when a program of disruption has been drawn up to challenge law and order throughout the country."

Referring to Narayan's appeal to the army and police to disobey orders, she said, "Ours is a strong military and it is aware of its national responsibility."

She attacked Narayan for instigating a "widespread conspiracy and attempting to destroy democracy in the name of saving it."

Even before the declaration of a state of emergency was recommended to Ahmed, India's figurehead president, police throughout the country had arrested more than 100 political figures, most of them from rightwing parties affiliated with Narayan.

The arrests were made under another form of a state of emergency that has been in effect since India's the December 1971 war in Bangladesh.

Narayan, an ailing, 73-year-old colleague of the late Mahatma Gandhi, addressed a rally of 50,000 persons here last night, touching off the present crisis. He has been waging an intensive anticorruption drive throughout India for the past year.

Sekhar, the arrested Congress Party member, belongs to the party's top policy-making body, the Congress Working Committee. He is believed to be the first member of the committee to be arrested for dissent in 28 years of Indian independence. Sekhar had objected to the party's support for Mrs. Gandhi after her conviction.

The editor of The Motherland, a daily newspaper published by the rightwing Jana Sangh Party, was also arrested. The Motherland and its editor, K. R. Malkani, were singled out for praise by Narayan in his speech last night.

The mass arrests, which were continuing in widespread parts of the country this morning, came as a stunning surprise. Shortly after Narayan began his speech, Mrs. Gandhi had denounced his appeals for civil disobedience.

The prime minister, addressing a small rally near her home, said: "It is amazing that people have been urging the armed forces to disobey government orders."

Whether Narayan's planned campaign, which was to begin on Monday, will now take place seemed extremely doubtful. Mrs. Gandhi appeared determined to break opposition efforts to arouse popular opinion against her at all costs.

In calling for civil disobedience, Narayan invoked the same tactic his mentor, Mahatma Gandhi, successfully used to force the British out of India 28 years ago.

Narayan told the crowd that India was faced with "a serious threat of fascism" and he charged Mrs. Gandhi with waring a "malicious propaganda campaign, like that Hitler adopted in Germany."

"I say this with a great sense of shame," he added mournfully.

Speaking in a surprisingly powerful voice for his age and ill health, the snowy-haired Gandhian appealed to students to stay out of their classes and go to jail if necessary.

He also urged people to avoid paying their taxes until Mrs. Gandhi agrees to resign while the Supreme Court reviews her appeal against a lower court conviction for corrupt election practices.

The non-Communist opposition parties control only about 10 per cent of the lower house's 523 seats and and are no threat to Mrs. Gandhi's Congress Party, which has 358 seats. However, the judge's ruling against Mrs. Gandhi and the subsequent national political uproar have served to unite the opposition parties against the government more than any other event in the country's 28-year history.

In urging the police and army to ignore what he termed "illegal orders," Narayan was seeking to assure that they do not attempt to break up the strike and other civil disobedience activities. "The police know what are illegal orders, for they have been educated to this," he said.

On a separate tack, he called for a nationwide "public education campaign" intended to inform the population about the implications of Mrs. Gandhi's refusal to leave office after the Supreme Court yesterday barred her from voting in Parliament.

The American-educated Narayan chided a number of Indian newspapers for "misrepresenting" the non-Communist opposition front, for which he acts as leader. He also attacked All-Indian Radio and Television for broadcasting what he described as "malicious propaganda."

In reference to Mrs. Gandhi's impending appeal to the Supreme Court, which is scheduled to return from its summer holiday on July 14, he attacked the prime minister for installing her personal choice as chief justice two years ago. The court's ruling yesterday, which allows here to remain in office but denies her parliamentary voting rights, was on a stay of the judge's order and not on the decision itself.

IN MEMORY OF SENATOR FRANCIS CASE

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. PRESSLER. Mr. Speaker, I wish to speak in honor of the man who many call "the greatest South Dakotan ever to serve in Congress" on the anniversary of his death—Senator Francis Case, who served this body for seven terms from 1937 until 1951; and in the U.S. Senate from 1951 until his death on June 22, 1962. The late Senator Case is regarded by many in the historical perspective as our most distinguished representative—mainly because of his integrity.

It was my privilege to work as an aide to the Senator. It was he who gave me the inspiration to seek public office. He was a man of impeccable integrity—who not only refused bribes, but exposed them on the Senate floor. His work in the area of public works led to the building of many bridges in South Dakota and throughout the Nation.

Water subjects were dear to his heart. Francis Case grew up in the Midwest and worked many years as a newspaper editor in western South Dakota where drought was a common and persistent worry to agricultural pursuits. Many water projects in my State came into being because of Senator Case's diligent efforts. Weather modification and saline water research were ideas that he saw come to fruitation during his lifetime.

Many of those in Washington first became aware of this quiet, scholarly man from South Dakota when he initiated the War Renegotiation Act, which resulted in the savings of many billions of dollars to the U.S. Treasury. South Dakotans are indebted to him for his years of selfless devotion to the public duty which he worked for unceasingly.

Case is a man remembered for his directness, who said exactly what he thought no matter what the consequences. He is remembered by South Dakotans for his visions and concerns for future generations. At a time when Americans are crying for congressional reform and honesty in Government, I wish we had Senator Case around. We need a man like him in Congress today.

A JOINT SELECT COMMITTEE ON ENERGY IS ESSENTIAL FOR CONGRESS TO DEVELOP A COMPREHENSIVE ENERGY POLICY

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. KASTEN. Mr. Speaker, on June 19, 1975, I cosponsored House Concurrent Resolution 318 which would establish a Joint Select Committee on Energy. I did so because I believe a coordinated approach to our Nation's energy policy is essential if we are to devise a comprehensive strategy to deal with our energy problems.

Unfortunately, the Congress has not acted decisively in the public interest with respect to energy. This is due in part to the fragmented approach to this issue which is inherent in the present divided jurisdictions among committees of both the House and the Senate on energy issues. During the 93d Congress more than 2,000 energy bills were introduced, and 1,000 days of hearings were held by more than 30 different standing committees.

Activity in the 94th Congress has already overtaken the whole first session of the 93d Congress; more than 200 energy-related bills and resolutions have been introduced in the Senate, and more than 700 in the House. Fifteen committees of the Senate and three joint committees have held a total of more than 200 days of hearings, and 15 committees in the House have held over 275 days of hearings. This represents about twice the volume of activity that took place during the same time in the last Congress.

However, as of the beginning of June this year, the 94th Congress had only enacted a dozen energy-related bills, two of which were vetoed, and another dozen had passed one or both Houses without reaching enactment. Moreover, none of these bills or the measures passed in the last Congress represent a comprehensive, overall approach; most of them attack only small segments of the overall energy problem.

We should not kid ourselves that if we sit tight and take no action our energy problems will miraculously disappear. Signals abound that after a seeming respite, shortages, higher prices, and distribution problems will be with us in increasing severity in the immediate future.

Our dependence on foreign oil today is greater than it was in October of 1973 when the Arab oil embargo was instituted. It is growing all the time.

At the present time, the lack of an overall energy committee in the House has resulted in our seeking a comprehensive focus for energy legislation in the House Ways and Means Committee. This committee has worked hard to produce an energy bill using revenue and taxation as major tools in shaping incentives and market forces. But it is clear that energy is not primarily a tax problem, and moreover, it is a problem of such enormous magnitude that it does not deserve to go by default to a committee whose major concern is not energy resources and many related concerns. As a matter of fact, the measure recently put forward by the Ways and Means Committee and passed by the House is in fact only half of the energy policy effort by the House; the other half will soon emerge from the Commerce Committee.

At the end of the debate on H.R. 6860, several of the Members who voted for the Energy Conservation and Conversion Act proceeded to vote to recommit the bill to committee—not because they were against the bill, but in order to wait for the second half of our energy meaure to emerge from Commerce, thus to insure consideration of each in view of the effects of the other. Although the vote to recommit did not pass, it is an indication of the concern the split jurisdictions of our committees engenders. Further, in the process of splitting energy policy measures between the House Ways and Means and Commerce Committees, we have excluded from the basic considerations many committees who have direct jurisdiction in energy matters, such as Interior, Science and Technology, Public Works, and the Joint Committee on Atomic Energy. And many other committees have strong interests in the impact of energy problems on issues within their jurisdiction.

The answer to this dilemma which has so greatly inhibited our ability to organize a comprehensive policy on energy is obviously to create a committee which would have exactly that mandate. House Concurrent Resolution 318, which I support strongly, would accomplish this end. It would establish a joint select committee, which would have review of all major energy bills, and would be charged specifically with reporting to both Houses of Congress a comprehensive energy policy bill within 18 months. It would have 34 members, encompassing the chairman of committees of both Houses with primary energy jurisdictions, the ranking members of these committees, membership from the Joint Committee on Atomic Energy, and at-large members from each House. I feel that it is plainfully clear that both the Senate and the House lack the organizational focus that we must have to deal effectively with the energy question, which is otherwise so pervasive as to reduce the current fragmented energy jurisdictions to near paralysis. The need to deal with energy issues in a comprehensive manner is critical.

Mr. Speaker, I would urge the immediate attention of our leadership in the House and concurrent consideration in the Senate, to the creation of the Joint Select Committee on Energy proposed in House Concurrent Resolution 318. It has my strong support, and the support of Members in both the House and Senate, and it is urgently needed now, in order to avoid further delay in dealing with the most immediately pressing issue of our day.

TRIBUTE TO ANGIER LOUIS GOODWIN

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. MACDONALD of Massachusetts. Mr. Speaker, it is with great sadness that I learned of the death of a former Member of this distinguished body and my predecessor in Congress, Angier Louis Goodwin. Mr. Goodwin, a resident of Melrose, Mass., was widely respected by his friends and admired by his colleagues for his diligence, forthrightness, sense of humor, and integrity.

Angier Louis Goodwin leaves an inspiring record of service to his native city of Melrose, the Commonwealth of Massachusetts, and the Nation. During his career that spanned more than 50 years he compiled an exemplary record of public service that is rarely matched in political life.

A native of Maine, Mr. Goodwin took up residence in Melrose in 1906. He began his political career in 1912 as a Melrose alderman and served in that capacity for 6 years. In 1920 he was elected president of the board of aldermen, a post which he left when elected mayor of Melrose in 1921. Angier Goodwin served as mayor for 3 years.

Mr. Goodwin's service to the Commonwealth of Massachusetts began in 1925 as a State representative. Holding that post for 4 years, he was elected State senator in 1929. Mr. Goodwin's diligence and involvement was rewarded by his fellow State senators in electing him president of the State senate in 1941. He retired from the presidency in 1942 when he was appointed by Governor Leverett Saltonstall to the commission on administration and finance.

Angier Goodwin began his prominent career in the House of Representatives in 1942 and served through the 83d Congress which ended in 1954. During his years as Representative of the old Eighth Congressional District of Massachusetts, Mr. Goodwin served on a variety of committees. His most extensive work was done on the House Judiciary Committee and the House Elections Committee. He also served on the House Ways and Means Committee.

In leaving Congress, Mr. Goodwin was appointed to the State tax appelate board, serving until 1961.

Angier Goodwin was a graduate of Skowhegan High School in Maine, Colby College, and Harvard Law School. He was active in a number of organizations, including memberships in the Maine Protective Order of the Elks, the Innational Order of Odd Fellows, the Order of the Eastern Star, the State Grange, the Melrose Lodge of Elks, and the Fidelity Lodge of Masons.

The death of Angier Goodwin is truly a great loss to the Commonwealth of Massachusetts. He selflessly gave his life to public service, and I know his memory will be preserved as an affirmation of that sacrifice.

I know I express the sentiments of my colleagues here in Congress in extending my deepest sympathy to his family and to all his friends.

To those who knew him we have lost a fine gentleman, an outstanding public servant, and a good friend.

FEDERAL MUNICIPAL CREDIT CORPORATION ACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. BIAGGI. Mr. Speaker, the financial health of our Nation's municipalities is important to all Americans wherever they may live. Municipal financial crises are laden with threats to our sensitive interdependent economy, to our multivariate social fabric, to our faith in democratic institutions and to our security as a nation of opportunity and tranquility.

The extraordinary economic conditions of the past decade have placed a great number of municipalities of all sizes and in varying locations in deteriorating financial health. I have proposed the Federal Municipal Credit Corporation Act, H.R. 7747, to help reverse that deterioration without cost to the Treasury and without intermeddling in the forces of the free market.

I am sure my colleagues will find an article from the Bond Buyer, the Nation's foremost publication on municipal bonds, to be of interest in this regard, and, I am including it at this point in the RECORD:

BIAGGI INTRODUCES LEGISLATION TO CREATE FEDERAL AGENCY TO BUY MUNICIPAL BONDS

(By John Gerrity)

WASHINGTON, June 19.—Due for early consideration and action is a bill introduced by Rep. Mario Biaggi D-N.Y., which if enacted four or five years ago, might have contributed much to sparing New York some of its recent financial agonies as well as helping other hardpressed American cities escape money pitfalls that plagued New York.

The Biaggi measure is based essentially on the Federal National Mortgage Corp. concept.

In simplest terms, it would provide another buyer outlet for municipal bonds, as well as conducting secondary market operations for local bonds under appropriate market and credit conditions.

The Fannie Mae approach to helping localities market their tax-exempt issues is not necessarily new or innovative.

The New Yorker's bill does however, contain one highly critical provision that few of its predecessors did—and none, in such clear and unambiguous language. This provision states simply:

". . . This act shall not be construed to grant the (Quasi-Government) corporation any regulatory powers over municipalities, investment bankers, or investors."

Financed by Sale of Equities

The Biaggi proposal calls for the Federal chartering of a new body to be called the Federal Municipal Credit Corp., to be financed ultimately and entirely by the sale of securities in public capital markets, with the stock of the FMCC to be listed on national stock exchanges and traded like any privately issued security.

The FMCC would, however, carry a $2 billion "line of credit" with the Treasury—a source of capital funds, which conceivably might be used during extremely tight money crunches, when municipalities, along with the housing and small businesses, tend to suffer most from capital shortages.

FMCC operations will be directed by a board of 15 members, five to be named by the President and Congress; 10 to be elected by share holders. Mr. Biaggi estimates that the new corporation, when going full blast, will require no more than 60 employees, five of whom will hold executive positions.

Most significantly, the chartering provisions will ensure that the new corporation will operate under a total tax-exempt basis—that is, it will buy and sell only tax-exempt issues; its dividend earnings on outstanding stock will be tax exempt as will interest on debt it may incur, and under appropriate circumstances it will be empowered to assist localities to refund their tax-exempt debt with lower interest cost tax exempts.

Here are the criteria that would be established by statute for the FMCC to invest in and conduct a secondary market operation for local and state tax exempts:

FMCC shall purchase only general obligation securities.

FMCC shall be prohibited from purchasing the securities of any municipality which has general obligation securities in default.

Refinancing securities shall be of the same statute as those refinanced.

FMCC shall not be restricted from purchasing or refinancing bearer, coupon, discount, registered or such other forms of municipal bonds as meet standards of investment criteria.

FMCC shall not deal in any types of bonds except those of municipalities, to the definite exclusion of state, foreign, Federal, corporate, state agency, or any other Federal or Federal agency obligations. It may, however, temporarily invest short-term funds in a manner consistent with accepted cash management practices.

FMCC shall never purchase at original issue, except under contingent issuance commitments.

Other contingent powers the FMCC would acquire, if the statute is enacted are:

FMCC shall have the option to enter into contingent purchase agreements with investment bankers preparing to offer municipal bonds to the public on behalf of an issuing municipality.

Such contingent purchase shall only cover such bonds as meet the corporation's investment criteria.

If, after a good faith effort to market bonds covered by such agreement, the investment banker shall have failed to successfully market the entire issue, then FMCC shall purchase the remainder, up to a maximum amount agreed to.

FMCC shall only enter into such agreements on negotiated offerings.

FMCC shall never commit to purchase more than half of an offering.

If FMCC shall purchase the bonds, it shall purchase them only on a full net basis, so that its payment has the effect of being passed through in whole to the issuer without any compensation to the investment banker on that portion of the offering purchased by FMCC.

In consideration for entering into the contingent purchase agreement, the investment banker shall pay a nonrefundable fee in advance of the offering to FMCC. This fee will be negotiated on an issue-by-issue basis.

FMCC shall be prohibited from maintaining contingent commitment liabilities at any time more than a conservative portion of its total capital.

FMCC shall be prohibited from, at any one time, holding more bonds acquired under contingent purchase agreements in its portfolio than a certain conservation portion of its total capital.

FMCC shall not enter into contingent purchase agreements with an investment bankers of which a member is not adhering to the laws of the United States.

CONFINED TO BONDS

In many ways, the proposed FMCC also resembles the old Reconstruction Finance Corp., save for the fact that it will be confined to operating exclusively in tax-exempt state and local bonds.

TRIBUTE TO NEAL BODDIFORD, COMMUNITY LEADER AND FRIEND

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. MATHIS. Mr. Speaker, it was with a great deal of sadness that I learned last week of the tragic death of a dear friend and associate in an automobile accident.

L. C. "Neal" Boddiford, Jr., of Sylvester, Ga., was an outstanding businessman and civic leader.

He had been a close personal friend of mine for the past 10 years and was chairman of my campaign committee ever since I have been in the Congress.

Neal Boddiford was born in Screven County, Ga. He was a graduate of Abraham Baldwin Agricultural College and the University of Georgia. He taught vocational agriculture in Bulloch County for 4 years and then became associated with the Bank of Screven County in February 1952. He later moved to Douglas, Ga., where he was vice president of the Farmers Bank of Douglas for 7 years. He had been executive vice president of the Bank of Worth County, Sylvester, Ga., for the past 13 years and was involved in all aspects of community leadership.

He served as president of the Georgia Planning Association and as chairman and member of many civic and fraternal organizations, being especially active in the Kiwanis Club. He was chairman of the Southwest Georgia Area Planning and Development Commission for the past 10 years. He was the immediate past president of the Georgia Bankers Association and was currently serving on the public affairs committee.

He was the national appointee from Georgia to the American Bankers Association Agricultural Action Committee and was serving as vice president of the ABAC College Foundation. He was a member of the First Baptist Church of Sylvester where he was a teacher of the Hobby Bible Class. He had served as a deacon of the First Baptist Church of Douglas.

Survivors are his wife, Bernice White Boddiford, Sylvester; one son, Joe Neal Boddiford, and three daughters, Mrs. Vicki McKellar, Donna and Lisa Boddiford and a sister, Mrs. Melba Beasley.

Mr. Speaker, it is impossible for me to list all of the ways that I personally know that Neal Boddified has been of service to his neighbors and friends of Georgia. He has been wise counsel for me throughout my political career, never asking any personal favors, wanting only that the governmental process would work in the best interests of everyone.

My wife, Patricia, and I went to Sylvester on the afternoon on Wednesday, June 4, 1975, to be present for final services honoring Neal Boddiford.

I felt that the message brought by Rev. Paschal Gilley, Jr., was an appropriate tribute to our friend, Neal Boddiford. Reverend Gilley now serves the First Baptist Church of Forest Park, having recently moved there from Sylvester. I asked the minister for his notes so that they might be included in the Record:

Funeral of L. C. (Neal) Boddiford, Jr., June 4, 1975

I am the resurrection and the life, saith the Lord: he that believeth in me, though he were dead, yet shall he live: and whosoever liveth and believeth in me, shall never die. . . .

Death is real and must be faced as reality. It intrudes our privacy and our sanctuary of life and brings grief, heart break and sorrow. As Christians though, we should have mixed emotions. We grieve because of the loss, but we should also rejoice because of what we believe about death. We believe there is a resurrection and that the soul of man is immortal.

Neal Boddiford came a long way in 47 years. From a farm boy in Screven County to the highest executive positions in banking.

He was one of the most generous men I have ever known.

Neal did far more for black-white relations in this town and county than any other person could possibly do.

He was a friend to those who knew him. Those who did not like him did not know him . . . I see hypocrisy at work here today . . . I hope it is repentance. Neal was straight forward, often blunt. He straddled no fences. He was too honest . . . He despised trivia—had little patience with those who wasted opportunity. He was a religious man—not pious—rather he was confident in his faith.

Neal had many frustrations, but so do we all if we take life seriously. Who could not but be frustrated with all the activity of so many humanitarian requests.

A husband, father, grandfather—friend. He will be missed.

PERSONAL EXPLANATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. MAZZOLI. Mr. Speaker, I was unavoidably absent from the House for Rollcall No. 329 on Friday, June 20, 1975.

Had I been in the Chamber I would have voted "aye" on Roll 329, final passage of the bill, H.R. 7001, the Nuclear Regulatory Commission authorization.

SOVIET JEWS NEED AMERICAN SUPPORT

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Ms. HOLTZMAN. Mr. Speaker, on my recent trip to the Soviet Union, I became more strongly convinced than ever of how essential American pressure is to assure Soviet Jews the right to emigrate. Such pressures also helps to protect those courageous persons who dare to express opposition to the Soviet Government.

I commend to my colleagues the following article from the Washington Post, June 2, 1975, which points out the danger posed by an easing of pressure and concern in the United States:

Soviet Dissidents See Crackdown as West's Interest Fades

(By Peter Osnos)

Moscow, June 1.—Moscow's small community of dissidents believes that the state has ended its brief season of tolerance and is now turning the screws on them in a coordinated attack on non-conformity.

Agents of the Soviet secret police, the KGB, reportedly indicated to one dissident that the police are freer to act because Westerners have grown bored with the dissidents.

A series of arrests, searches and other harassment over a period of several months has persuaded many dissidents of a major new KGB offensive against them.

"It is obvious there is a plan, a systematic escalation of the pressure against us" said Valentin Turchin, president of the Moscow chapter of Amnesty International, the London-based human rights organization.

Amnesty International has figured prominently in the evidence of a crackdown. In mid-April its secretary, Andrei Tverdokhlebov, was arrested; a member of the group from Kiev was detained and the apartments of Turchin and another Moscow man were searched. The Soviets took the unusual step in that case of announcing the arrest in a press release to major Western news organizations.

Among the many other incidents reported by dissident sources in the past few weeks are these:

An implied KGB threat against the life of a writer, Vladimir Voinovich. Earlier this year, a Voinovich novel was published in the West and the KGB called him in. Vionovich, who is known as a generally calm person, claims he was gassed by the KGB. Friends say he has not yet fully recovered.

The expulsion from the Graphics Union, a professional association, of Osker Rabin, a leading figure in Moscow's unofficial artist circles. Rabin was a principal organizer last year of public showings of abstract art. He was sacked from the Graphics Union and attacked in a Moscow newspaper for taking part in art shows at private apartments.

A threat to prosecute a Jewish physicist, Mark Azbel, unless he stopped holding weekly meetings of Jewish scientists in his apartment. Searches have also been reported at the homes of four Jews associated with an underground publication called "Jews in the U.S.S.R."

The continued refusal to permit Elena Bonner, the wife of the dissident physicist, Andrei Sakharov, to go abroad for treatment of an eye ailment. Sakharov has been ordered by doctors to stay in bed for a week or so after suffering chest pains.

Starting about the new year, a steadily mounting number of punitive actions have been reported. A long prison term for a renegade Baptist leader, the jailing of a Pentacostalist, the arrest and extended exile of two Jews who demonstrated briefly against their visa refusals—all could be considered part of a campaign.

One widespread theory among the dissidents is that the KGB was ordered to step up its activities after the collapse in December of the benefits-for-emigration compromise embodied in the Jackson Amendment to the U.S. Trade Act.

The speculation is that while there was a possibility of striking a bargin—extending civil rights slightly in exchange for trade advantages—the Soviets were more circumspect in handling dissenters, encouraging or forcing them to emigrate whenever possible.

But with the Jackson Amendment issue now considered dead by the Soviets, possible restrictions on police actions against the remnants of the dissident and emigration movements apparently have been lifted.

Another factor worrying the dissidents is what they regard as a diminishing interest in their problems in the West. The détente politics of Soviet Communist Party leader Leonid Brezhnev and his colleagues have not entailed any internal ideological liberalization, but they evidently have made the Kremlin more conscious of its world image.

Based on the record of recent years, the dissidents feel that if their cases get enough publicity abroad, and attract influential sympathizers—the Jews found Sen. Henry Jackson (D-Wash.); writers look to their liberal-minded colleagues in places like the PEN Club—then the Soviet government will often relent just to quiet the fuss.

Recently, however, international attention on economic and energy problems, the Middle East and Indochina have overshadowed the troubles of human rights activists here. Turchin quoted the KGB agents who searched his apartment as saying that foreigners had "grown bored" with Soviet dissidents.

"I have to agree," Turchin said. "This is true."

Far from attempting to conceal their activities against the dissidents, the Soviets have made some unusual attempts to publicize them abroad. The notification to Western newspapers of the Amnesty International arrest was one example.

Recently Voinovich was succssful in reading a long statement about what had happened to him over the telephone to contacts in the West. Generally such conversations are interrupted.

The accumulation of incidents over the months has supplanted the signs of greater tolerance that appeared last summer, fall and winter. These included the abstract art shows (after bulldozers disrupted the first attempt to hold one) and the permission to emigrate given a number of prominent Jewish activists and Soviet cultural figures.

Throughout, there has been a continued undertone of pressure on such people as Sakharov, whose telephone calls and mail from the West have been cut off. Now, the dissidents say, the hopeful trends are disappearing.

The number of Jews applying for visas has dropped dramatically, allegedly because many are intimidated, and harassment has been reported against unofficial artists seeking to stage further shows in Moscow and Leningrad.

One of the puzzles in recent Soviet actions is that they seem to run counter to the Kremlin's own interest in bringing to an early close the long-running Conference on Security and Cooperation in Europe.

A major point in those negotiations has been greater East-West cultural and human contact and the right of persons to travel abroad.

HOME HEALTH CARE—PART XIX

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. KOCH. Mr. Speaker, together with 111 cosponsors, I have introduced H.R. 4772 and H.R. 4774, the National Home Health Care Act of 1975. The bill has been given equally strong support in the Senate where it has been introduced as S. 1163 by Senators Frank Moss and Frank Church, respective chairmen of the Senate Subcommittee on Long Term Care and Committee on Aging. It is supported in the Senate by Hugh Scott, Senate minority leader, and by Senators Williams, Domenici, and Tunney.

The following is the 19th in the series of statements on home health care which I have periodically been submitting for the Record:

Alternative to the Nursing Home

(By Shawn G. Kennedy)

Stamford, Conn.—Anna Porcelli, age 79, sat in the sewing room of the Senior Sitting Center the other day hunched over the beginnings of a patchwork quilt. At another table, 82-year-old Sophie Malanawski worked on a puzzle and reminisced about a job she had as a young woman.

"I worked right here in Stamford at Yale and Towne," Mrs. Malanawski said. "I set locks up there on the fourth floor. I don't remember what we were paid—it wasn't much, I remember that. We were paid by the piece."

Mrs. Malanawski laughed. "Oh boy," she said, "that was a long time ago. That was before I was married, when I was just a little kid."

The other woman had stories about what they were doing when Mrs. Malanawski was setting locks at Yale and Towne. Stories they had told each other before and would probably tell again.

But no one seemed to mind the repetition because if it were not for the center these women and other elderly people would probably be sitting by themselves watching television and waiting for someone to come and be with them.

The Senior Sitting Center gives them a place to go, things to do and, most importantly, someone to talk to.

"We are an alternative to the nursing home," said Kay Ardizzone, one of the center's co-founders and directors. "The men and women who come to stay with us during the day don't belong in homes, but can't be left at home alone either. Physically they are fine but they need custodial care. Their families want them to live at home but have jobs and other responsibilities that keep them out during the day."

"Some of our people are senile, some are in wheel chairs, and some are just plain old," said Lou Goldstein, the center's other founder and director. "But there is no reason for them to be sitting around or in bed day after day."

A PERSONAL NEED

Mrs. Ardizzone said that the idea for the four-month-old center developed from a personal need.

"Last year I was looking for a place like the center for my mother," she said. "She wanted the companionship of people her age. But I quickly realized that I not only would not find one in our area, but that I might not find such a place at all."

Mrs. Ardizzone mentioned her problem to Mrs. Goldstein, who had worked as recreation director for a local nursing home, and together they decided to do something about it. After months of nursing home visits, searching for a good location, and procuring the necessary permits and licenses, they opened the center in early March.

Situated on the fourth floor of a downtown office building, the center's five rooms are furnished with belongings plucked from the homes of its directors and their friends.

The five rooms—a sitting room, sewing room, television room with tables for playing cards, lunch room, and a room in the back with a reclining chair for napping—provide the clients with a sense of homeness or some privacy if they want it.

The center, at 1116 Summers Street, is generally open from 9 A.M. to 5 P.M., Monday through Friday, but the directors said it opened early and closed later when it is necessary. The charge at the center is $2 an hour or $12 a day.

On a recent afternoon the women in the sewing room were singing songs from their girlhoods. They were warming up for the tapes they would make later that day for their families.

"All right now, girls," one of them said as she stood up and moved to the center of the room to direct. "I know you all remember, 'Let Me Call You Sweetheart' and how about 'Micky, Oh Pretty Micky'! Let's get going."

As they sang some clapped and kept time, others forgot the words or sang the Irish ballads in Italian.

Mrs. Porcelli, glancing up from her quilt, paused between songs to give her impressions of the center.

"We don't do much here," she said. "But I like to sew and talk and some of the ladies even speak Italian. So we sit and talk and sing. I like the company."

RUSSIANS IN SHIPPING PRICE WAR

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. McDONALD of Georgia. Mr. Speaker, in recent years the Soviet Merchant Marine has been moving into traditional western shipping markets and routes. This is easily done by the Soviet Union. Price is really no consideration when the state fixes the wage rates and all other prices are regulated by the state. In the case of shipping and other international trade matters, the Soviets simply mark their product some arbitrary percentage under the going rate and wedge their way into the market. Any losses are made up by charging higher prices for something else sold to their satellites or to the Russian people. The Soviets say our problem is inflation. Indeed it is, but I prefer to keep our problem rather than have a Socialist society with everything, including human rights, frozen in concrete. Who knows what Soviet shipping rates would be if their crews belonged to a free trade union or if their workers were really allowed to bargain for their rights in Soviet factories.

I commend this article from the London Daily Telegraph of June 21, 1975, to the attention of my colleagues as yet another example of Soviet economic warfare:

RUSSIANS IN SHIPPING PRICE WAR

Russian moves to start a price war that could wreck Western shipping lines will provoke calls for political retaliation when Common Market shipowners meet in Brussels today.

Britain has passed legislation giving power of retaliation against unfair methods. With Mr. Wilson committed to expansion of trade with Russia, however, it is unlikely that the Government will take unilateral action.

Already, the Russians have taken 12 per cent of the trade from West Europe to Japan. By promoting the trans-Siberian railway at cargo charges 15 per cent lower than Western shipping rates, this route alone is expected to carry 1.5 million tons of cargo this year, and bottlenecks are being removed to double capacity.

UNREALISTIC RATES

Last month, Russia opened a direct, shipping service from Liverpool to the Far East at rates which under-cut existing services by 20 per cent. A cut-price container service from London to North America, with transshipment at Hamburg, has just opened and is seen as a prelude to a direct London-North America container service next year.

Shipowners say the Russians also plan a container service from West Europe to the Far East this year at rates between 30 per cent, and 40 percent, lower than current charges.

These rates are said to be unrealistic and part of the Eastern bloc moves to dominate trading. The Russian answer to complaints is "We do not have inflation. Tell your Government to control inflation and you will be able to compete."

The Russians already dominate the cruise market from Britain, using modern passenger liners built in East Germany with fares far below those of Western operators.

CHILD AND FAMILY SERVICES ACT OF 1975

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. BIAGGI. Mr. Speaker, the Education and Labor Committee, of which I am a member, has been conducting hearings on the Child and Family Services Act of 1975. It is particularly significant that yesterday the House passed an amendment to the Labor-HEW appropriations bill relegating $31 million for child and maternal health care services. It is important that we assure that the moneys spent will benefit as many people as possible.

At this time, Mr. Speaker, I think it appropriate to include the text of my testimony before the Select Education Subcommittee on the Child and Family Services Act, and would urge that my colleagues join me in supporting this significant piece of legislation:

TESTIMONY BY HON. MARIO BIAGGI

Mr. Chairman, I am pleased that I have been afforded this opportunity to present my views on the Child and Family Services Act of 1975. The Subcommittee on Select Education and the Senate Subcommittee on Children and Youth, in joint sessions, have conducted comprehensive deliberations on this legislation. The Subcommittee have offered a forum for individuals to air their views on both sides of this question. The feasibility, necessity, and advisability of providing child and family services have been discussed, in my opinion, carefully and completely. I would like to commend the Chairmen of the Subcommittees, my colleague in the House, Congressman John Brademas, and Senator Mondale, Chairman of the Senate Subcommittee (and chief sponsors of the bill), for their efforts in this regard, and for their interest in the expeditious consideration and passage of the bill.

Each year sees increasing numbers of women with children who work. Since it is a matter of necessity, rather than choice, that these parents seek an acceptable place to leave their children while they work, it is obvious that the services provided by this bill are urgently needed.

In my district, in the Southeast Bronx area, there is an approximate waiting list of ninety children for each day care center. The Director of the Soundview Child Care Center, a relatively small center, advises me that he has a waiting list of about 75–80 children. In all of the Southeast Bronx, the total comes to around 500 children waiting to take advantage of child care services. Let me point out this is only a very small section of New York City. The total picture is staggering, pointing to the imminent need for expanded services. How can we turn our backs on these children? How can we turn our backs on their families, who because of poor economic circumstances must work? What are they to do with their children? Their alternatives are poor. Must they decide between leaving their children where they won't receive adequate care, or stay home with them, and let them suffer from economic deprivation?

There are opponents of this bill, but I must confess that none of the arguments have convinced me. Some have expressed opposition to the concept of the Child and Family Services Act of 1975 with regard to regulation, the maintenance of quality services, and the threat of inefficiency. The guidelines are very explicit in the bill for monitoring programs, insuring quality care and maximum efficiency. An Office of Child and Famiy Services would be set up to coordinate programs which currently exist in the Department of Health, Education, and Welfare. In addition, the Family Service Council, chaired by the Director of the Office of Child and Family Services, would be charged with the responsibility of providing financial assistance to eligible applicants.

Other sections direct the Secretary to consider the need factors for the program, prior planning in the area, and the ability of the applicant to serve the children in that area, whenever applications are reviewed for grants or loans. The bill also requires regular and periodic monitoring of programs to assure compliance with the child care standards of the Act.

Section 204 serves to insure an efficient and responsive system, void of discrimination, by withholding grants when there has been a failure to comply with any requirements set forth. While legislation alone cannot insure quality and efficiency, this bill does make an effort, and a very responsible one, to review programs so that it is the most workable and practical system it can be.

Other arguments have been raised that children are better off at home with their mothers. Ideally, this is probably the best way for a child to be cared for. It might be better for the mothers, for the children, for the entire family. But, when one understands the realities of economic conditions as they exist, their contentions lose merit. One third of all mothers with children in the United States work, and three-fourths of those do so out of economic necessity. Only a few working parents can provide unsubsidized day care for their children. Low income families don't have that advantage. The best alternative is for facilities and programs to be placed at the disposal of these mothers where their children can benefit from a happy, practical, learning experience. The Child and Family Services Act seeks to do just that.

I have paid primary attention to the child in this text. And, of course, the child is at the core of interest and concern. But the Child and Family Services Act, as its title implies, seeks to deal with other areas such as providing for prenatal and medical care to expectant and post partum mothers, counseling and referral to help the family determine the appropriateness of services, and attempts to touch other areas as well.

This Child and Family Services Act of 1975 is one of the most necessary pieces of legislation we will consider in this session. Because it affects one of our most precious resources, our children, it is imperative that the bill be moved through Committee and onto the floor for a vote as soon as possible. I fully support the bill and intend to vote for it in Committee and when it reaches the floor.

BLOODBATHS AND DOMINOES: VIETNAM WAR CRITICS HAVE BEEN PROVEN WRONG

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. CRANE. Mr. Speaker, throughout the course of the war in Vietnam many American critics of the war declared that if the Communists were to win, no bloodbaths would occur and that if Vietnam were to fall, other Asian nations would remain free and independent. They declared that those Americans who warned of Communist tyranny and of a spread of aggression which would engulf other Asian nations were wrong and alarmists.

Now, we can observe some of the events which have followed the Communist victories in South Vietnam and Cambodia. In Cambodia, men and women have been forced from hospital beds to take a long march into the countryside. Thousands have already died, and reports now indicate that mass starvation is an ever-present reality. In Vietnam, where liberal war critics denounced the Thieu regime for closing one newspaper, all papers have been closed, all Western books have been burned, and totalitarian government has been imposed. Those who said that the people of Cambodia and Vietnam would be better off under communism must consider mass starvation and an end to all freedom of speech and the press to be major advances. Such critics have been strangely silent in commenting upon events in Cambodia and Vietnam.

Elsewhere in Asia, Communist advances are continuing. The fall of Laos is imminent, guerrilla activity is increasing in Thailand, and the Philippines has recognized Communist China. Whether the United States will fulfill its commitments to Taiwan, to South Korea, and to Japan is a matter of speculation. Clearly, Communist leaders have much to be happy about.

In a thoughtful article, Carl Gershman, executive director of the Social Democrats of America, a group of American socialists who oppose the tyranny of communism, notes that the words "bloodbath" and "dominoes" became part of the "propaganda arsenal of those who were against any commitment at all. The words were used with bitter sarcasm: To think that the Communists would actually execute people, or that even if they did, that this would be worse than the war itself? How preposterous! Yet now, in the aftermath of the Communist victory these propositions have turned out to be all too accurate. Even the hawks in the Indochina debate never went so far as to predict anything like the Cambodian bloodbath. There should be no mistake about it: The forced march of 3 to 4 million people—out of a population of 7 million—from the cities to the countryside is, in fact, a death march."

"The attitude of overlooking Communist acts of barbarism," Mr. Gershman writes, "has become part of the psyche of many American liberals whose perceptions have been so disoriented by the Vietnam trauma that they consider freedom to be no more than a propaganda slogan of the cold war. It can only be hoped that the consequences of the Vietnam disaster will bring some people back to their senses before it is too late."

I wish to share with my colleagues the article, "Bloodbaths and Dominoes," by Carl Gershman, which appeared in New America in its June 1975 issue and insert it into the RECORD at this time.

BLOODBATHS AND DOMINOES

(By Carl Gershman, Executive Director, Social Democrats, U.S.A.)

During the great debate on the war in Indochina, no two words were more highly charged with political significance than "bloodbath" and "dominoes." Each was a shorthand way of describing the consequences of a Communist victory, "bloodbath" signifying the fate that awaited political opponents within the war-torn countries themselves, and "dominoes" meaning the fall of other countries in Southeast Asia to the Communists.

One of the remarkable things about the Vietnam debate is that both these words, which were conceived by proponents of an American commitment in Indochina, became part of the propaganda arsenal of those who were against any commitment at all. The words were used with bitter sarcasm: To think that the Communists would actually execute people, or that even if they did, that this would be worse than the war itself. Or even more absurd, to think that the victory of one side in a civil war could conceivably have consequences outside the immediate arena of conflict. How preposterous.

Yet now, in the aftermath of the Communist victory in Vietnam and Cambodia, these propositions have turned out to be all too accurate. Even the "hawks" in the Indochina debate never went so far as to predict anything like the Cambodian bloodbath that Sydney Schanberg has written about. There should be no mistake about it: the forced march of 3 to 4 million people (out of a population of 7 million) from the cities to the countryside is, in fact, a death march, not just for the old and the infirm who were indiscriminately uprooted, but also for the others, many of whom undoubtedly will starve to death since the next harvest is a half year away.

MEDIA'S INFLUENCE

Schanberg was courageous enough to admit that he was wrong to assume that the killing would end with a Communist victory. But one cannot forget his earlier series of reports on Cambodia which encouraged in America an attitude of complacency and confusion. One article, which appeared the Sunday before the fall of Phnom Penh, was entitled "Indochina Without Americans: For Most, a Better Life" and was accompanied by a drawing of flowers growing out of a bomb crater. In the end Schanberg was overjoyed to breathe Thai air after a harrowing and eye-opening ordeal in "liberated" Cambodia.

Schanberg may now regret his predictions, though others have refused to come to grips with the implications of his subsequent revelations. Columnists Anthony Lewis and Mary McGrory dodged the whole issue by praising Schanberg for his open-mindedness and humanity and attacking American policy-makers for lacking such qualities. Tom Wicker was upset that the Khmer Rouge mixed the innocent in with "those who might more legitimately have been made to suffer retaliation," which is one way to say that a bloodbath against "enemy collaborators" is ligitimate.

It is, of course, also the fashion to point out that the North Vietnamese have not been as brutal as the Khmer Rouge, though there have already been reliable reports of mass executions in Ban Me Thuot and elsewhere, and the destruction of the South Vietnamese labor movement (CVT) and the arrest of its leading cadres should leave no question about the kind of society the Communists will build. The killing may be on a relatively small scale now, but the Communists have given every indication that after they have consolidated power, political opponents will be "severely punished."

Whatever happens in Vietnam, it has already been made clear that the South Vietnamese people deeply feared the consequences of a Communist victory. When the refugees fled the northern provinces at the start of the great retreat, it was said that they were merely fleeing the fighting. (Richard Rovere had the gall to write that "in a sense, the refugees are fleeing from us," meaning as a result of U.S. propaganda.) But as the fighting entered the final phase, the refugees fled into Saigon, the main battle zone, when they could have more easily avoided danger by remaining in Communist held areas. "That they did not," the *Economist* magazine wrote, "may be one final, unspoken comment on the central issue of the war."

In the rest of Southeast Asia we are only beginning to witness the consequences of the events in Vietnam and Cambodia. A Communist victory in Laos appears imminent, and the "civil war" in Thailand should heat up. Malaysia and the Philippines are moving rapidly to appease China, while Indonesia and Singapore have expressed grave doubts about the future. War is once again a possibility in North Korea, and Japan may decide that it is time to rearm. This may not be a series of dominoes falling in a row, but the events now taking place are exactly what was implied by the metaphor.

INTELLECTUALS

The problem is that many American and European intellectuals find nothing wrong with this development. *Time* magazine has reported that in the eyes of West European intellectuals, "the democratic societies of the West, despite their manifest freedoms, are associated with political corruption, economic crises, imported American tastes (by definition bad) and American values (by definition shallow). In contrast, Communist regimes are identified with social justice, economic security, cultural integrity and a bracing measure of discipline."

This attitude also has considerable appeal among anti-American Americans, liberals whose perceptions have been so disoriented by the Vietnam trauma that they consider freedom to be no more than a propaganda slogan of the Cold War. It can only be hoped that the consequences of the Vietnam disaster will bring some people back to their senses, before it is too late.

SOLAR HEATING AND COOLING UNIT BEING BUILT

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. PICKLE. Mr. Speaker, engineering students at the University of Texas at Austin are currently engaged in a project of designing and building a solar combined heating and cooling system that could have wide application throughout the Southwest and other areas of the country.

Many people are ready to accept the fact that solar energy can supply good heat for water and for heating homes and buildings. But the technology is there as well to use solar energy to cool buildings. In the Southwest, this is most important as cooling homes and buildings is the single largest user of energy there.

The students' combined system not only should demonstrate the practicality of using solar energy for cooling purposes, it should help to cut costs by allowing a more rapid recovery from the initial investment. Many of the major components will be common to both the heating and cooling systems, and the users can count, therefore, on year-round use of the equipment.

A recent story by the University News and Information Service explains the project and I would like to reprint it at this time.

I am most proud that these young engineers are stepping forward to make this great energy source more a reality for this country.

The article follows:

SOLAR HEATING AND COOLING UNIT BEING BUILT

AUSTIN, TEXAS—Ask a typical Texan on a blistering summer's day what energy source he thinks is most likely to ease the energy shortage and he probably will tell you solar energy.

A group of students at The University of Texas is currently involved in a national competition to design systems for homes, farms and light industry with the emphasis placed on non-conventional energy sources.

Their project involves the application of solar energy to the cooling of homes and buildings, which is the single largest user of energy in the Southwest.

"The project we are working on is a solar heating and cooling system which will use solar power to heat water and to power a pump to circulate the water through the system," says Dr. Gary Vliet, UT Austin associate professor of mechanical engineering who is faculty sponsor and adviser for the project.

According to Dr. Vliet and Mike Hart, a graduate student in mechanical engineering who is in charge of the project, the size of the system for the project has been limited due to the current high cost of solar collectors.

"One of the collectors from which we are now collecting data was donated to us by a manufacturer," says Hart, "and the other was built by students involved in the project."

Currently the collectors are the greatest expense involved in a solar system, but according to Hart, when they are mass produced in large quantities and with several recent technological improvements their efficiency is increasing so that they soon will be able to compete with conventional forms of energy.

Both the student-built and the commercial collectors will be used to provide hot water for the system that will be entered in the competition.

Hart and Donald Sansom, a student in civil engineering, have installed the collectors on the roof of Taylor Hall on the UT campus and are gathering data on their performance.

"We are trying to determine the performance of the collector we built," Hart explains, "but bad weather this spring has kept us from gathering data on what we consider to be good solar days. The data we have collected indicates that ours will be able to perform adequately."

The system being built includes the collector array, a hot-water storage vessel, a solar pump to circulate the water between the collector and the vessel, a water-to-air heat exchanger coil to provide heating and a dehumidification device which will provide for cooling the air.

Providing for heating is the simplest part of the system. Water heated in the collector is pumped by means of a solar-powered pump to a tank. From the tank the hot water flows to a heat exchanger, which essentially is a radiator through which air at the prevailing temperature is forced, and is in turn headted as it passes over the coils of the heat exchanger. The air then can be distributed through ducts and registers as in a conventional central heating system.

Cooling by means of solar-heated water sounds complicated, but the principles involved are based on technology which is commonly used in commercial gas-powered cooling installations.

The major difference in the system designed by the UT students is that the hot water is heated by solar collectors rather than by burning fuel.

In order to cool the air, a solid desiccant dryer wheel is used. The dryer contains silica gel, a moisture absorbent often packed in the shipping containers with cameras or electronic equipment.

Outside air is drawn into the dryer where it is de-humidified, mixed with outside air and then passed through a conventional evaporative cooler which re-humidifies the air and cools it.

One of the largest energy users in a system of this type is in the regeneration of the moisture absorbent. The student engineers have designed a heat exchanger which will use hot water from the solar collectors to heat air which will be forced through the dryer to restore the ability of the silica gel to absorb moisture.

The system is not totally independent of conventional energy sources. Electricity is necessary to power the fans which move air through the heat exchangers, the dryer wheel and the evaporative cooler. Solar energy replaces the largest user of energy by heating the water.

According to Dr. Vliet, the major advantage in constructing a dual system which cools and heats is that many of the major components are common to both systems and therefore can be used all year, allowing a more rapid recovery of costs.

"By designing the cooling system to provide approximately 80 per cent of the overall requirements of a building in which the system is installed, it will be able to provide an even higher percentage of the heating load," says Dr. Vliet. "An additional asset may be found in using the waste heat from the air used to regenerate the dryer to provide a domestic hot water supply."

The Student Competition on Relevant Engineering (SCORE) is sponsored each year by the academic engineering community. In past years competition has included such projects as the design of a light vehicle for urban transportation and a project on new techniques of fire prevention and control. This year the competition will take place in August in Albuquerque, N.M.

The UT Center for Energy Studies, the SCORE National Committee, the office of the dean of the College of Engineering and the Department of Mechanical Engineering have provided financial support for the student project. Additional help has come from industry, which has provided equipment such as a solar collector donated by the Pittsburgh Plate Glass Industries, Inc.

BUSING IS A FAILURE

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. BLANCHARD. Mr. Speaker, in the coming weeks and months, the House of Representatives will very likely find itself being faced more than once with debate on one of the most socially divisive and unsuccessful ideas ever to come out of our courts and Government: Forced school busing.

Study after study in recent weeks and months has confirmed not only that forced busing brings conflict, suspicion and hatred in its wake, but that it fails even to produce the equality of educational opportunity it is supposedly designed to bring about.

Mr. Speaker, I have seen at first hand the effects of the short-sighted and arrogant policies pursued by the Department of Justice, in the Ferndale School District in Michigan.

There, as elsewhere across this country, the Federal Government has proven itself time and time again to be concerned only with forcing desegregation, regardless of the willingness of local officials to compromise, regardless of the past history and facts of the individual case, and in short, heedless of the real welfare of a community and its students.

Recently, I introduced an amendment to the U.S. Constitution to stop these practices, and to protect our neighborhood schools.

In support of my viewpoint on this issue, I call to the attention of my fellow Representatives the following thoughtful analysis entitled "Is Detroit the End of the School Bus Line?" which appeared May 30, 1975, in the *Detroit News:*

IS DETROIT THE END OF THE SCHOOL BUS LINE?

(By Biloine W. Young and Grace B. Bress)

In the summer of 1974, 20 years after its landmark Brown vs. Board of Education decision, the U.S. Supreme Court again aroused bitter controversy with a school desegregation ruling.

On July 25, 1974, the high court ruled 5–4 that the 53 suburban school districts clustering around Detroit could not be legally compelled to merge with the Detroit district to improve the racial balance of the 70 percent black Detroit public schools.

The court stated that no evidence had been offered to show that the 53 suburban districts had been guilty of segregation or discrimination in their treatment of black students; therefore, the suburbs need not, in effect, be "punished" by a mandatory two-way racial exchange with Detroit.

Civil rights activists, hoping for a decision that would have required the largely white, middle-class suburbs to share the responsibility for educating the urban black poor, argue that this decision effectively locks the problems of unequal educational opportunity inside America's increasingly black cities.

Other observers applaud the Detroit ruling (the case is officially titled Milliken vs. Bradley) as a reaffirmation of the judicial essence of the earlier Brown decision; namely, that the law must be applied to all Americans in a color-blind fashion; that race is not a constitutionally valid basis for differentiating among schoolchildren; and that a legal wrong must be proved before a remedy (however socially desirable) may be ordered.

The writers of this article support the second interpretation. Further, we believe the Detroit decision, by setting limits on court-ordered bussing, may force a reappraisal of the causes and cures of poor academic performance of minorities and thus lead to genuine educational solutions far more productive for black achievement than the largely symbolic, political gesture of bussing for racial balance.

Nathan Glazer was the first prominent social scientist to challenge the academic and social assumptions of the integration hypothesis on the basis of longitudinal studies of real-life integration. In 1972 he wrote, ". . . (M) uch integration through transportation has been so disappointing in terms of raising achievement that it may well lead to a reevaluation of the earlier research whose somewhat tenuous results raised what begin to look like false hopes."

He found the claims for reduction of racial tension equally unfounded and concluded, "If, then, judges are moving toward a forcible reorganization of American education because they believe this will improve relations between the races, they are acting neither on evidence nor on experience but on faith."

Other researchers evaluated additional data. Jeffrey Leech, writing in the Indiana Law Review in 1973, surveyed a number of longitudinal studies on the effect of induced integration and warned, "The federal judiciary should examine its recent push toward massive busing in light of more current sociological evidence which indicates that busing to achieve integration may in fact produce no education gains, may hinder the psychological development of black children, and may intensify racial misunderstanding."

Although there is some tentative evidence that race relations in schools in Southern rural and middle-sized city systems may be better than in Northern large-city school systems, at least two national surveys, the Carnegie Commission's and the New York Times', reported increased racial hostility, intimidation and violence in racially balanced schools throughout the country.

Unanticipated at the time of "Brown," the phenomenon of "resegregation" has occurred following mandatory desegregation when the class-cultural environment of a school becomes chaotic and hostile to intellectual achievement. Middle-class parents (including middle-class blacks) remove their children from these environments to private schools or the suburbs, thus increasing the racial and class imbalance in city schools which well-intentioned theorists had intended to stabilize.

The New York State Board of Regents has now disavowed the use of enrollment quotas and black-white ratios to measure equal opportunity as a result of studies showing New York's schools to be more segregated after 15 years of efforts at integration than before.

In 1968, 72.1 percent of minority children in the state attended schools that were more than half minority. Today the figure is 75 percent. Half of the black and Hispanic children in New York State attend schools that are over 90 percent minority.

The problem of "white flight" is slowly being perceived more as one of class than of race. The overrepresentation of blacks in the disorganized lower class with its antisocial behavioral life-style, the "culture of poverty", has obscured and confused this fact. Americans have traditionally been reluctant to admit to the existence of class differences in U.S. society, much less to class conflicts.

It is not surprising, then, that public discussion of the problems of inner-city schools repeats the tired and out-of-date rhetoric of race when the issues now are class-cultural differences between middle and lower class (not stable working class) in values, life-style, learning style, social behavior norms, language, etc.

Since desegregation of their schools, Southern whites have discovered, agreeably and with some surprise, that not all blacks are lower class, as bussing to achieve racial balance has moved North. Northern whites are discovering, with some dismay, that not all blacks are middle class.

Many inner-city classrooms are becoming a battleground between the middle-class values of the teacher and the lower-class and often anti-intellectual values of increasing percentages of the children. The current ideological disarray among educators and academics who find much to complain about "middle-class-ness" further compounds the problems that inner-city schools face in reaching and teaching their mainly lower-class clientele while still preserving the classroom order and intellectual challenge required to keep middle-class families from moving their children out.

For 20 years the national remedy for low minority achievement has been bussing for integration—the faith that if the correct racial mix can be provided in a classroom, problems of low achievement and racial tensions will disappear. Such a "solution" now appears to have been dangerously simplistic, creating expectations it has, so far, been unable to satisfy.

Further, mandatory bussing has contributed to the racial and economic segregation of our cities on a scale undreamed of in 1954, to the extent that in many there are no longer enough white pupils to integrate.

The Detroit ruling now ends the search for more white faces and throws the challenge back on the schools to find genuine solutions rather than inadequate and largely symbolic remedies which distract attention from learning problems that need real—not symbolic—solutions. Educators must free their thinking of the racist notion that there is something magical in whiteness—that without it a black or a red or a brown child cannot learn.

Once this mythic heritage of white superiority is abandoned, educators can address themselves to an analysis of the strengths, weaknesses and needs of each school system, school classroom and, ultimately, each child—no matter his color or that of his seatmates—to determine which of the many resources, including integration, are most applicable to his learning needs.

PHILADELPHIA CIVIC BALLET COMPANY

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. EILBERG. Mr. Speaker, the educational needs of our youth are of great concern to all of us. Recently, I have been made aware of the talented work of the Philadelphia Civic Ballet Company and their outstanding effort to broaden the horizons of youngsters in my city, Philadelphia. This group has been performing at various parks and playgrounds throughout the Philadelphia area for the past 20 years.

However, 3 years ago an education program was developed using the ballet company, and since then it has been presented in both public and parochial schools in Philadelphia. By increasing children's cultural awareness, I feel that presentations of this kind make a great contribution to our society.

At this time, Mr. Speaker, I would like to place in the Record an article by Nancy Greenberg, a reporter for the Philadelphia Evening Bulletin, which describes the fine quality of the Philadelphia Civic Ballet Company's work, the overwhelming reception it has already received, and the benefits that this kind of organization is capable of providing our educational system.

[From The Philadelphia Evening Bulletin, April 10, 1975]

They Know What They Like—High School Students Find Ballet Has Leaping Possibilities

(By Nancy Greenberg)

What a bummer! Making us watch some dippy ballet while the rest of the kids get to go to the faculty-student wrestling match . . . it's not fair . . . gee whiz . . . you wonder who dreams up the torture around here . . .

Roughly, these were the sentiments expressed one day recently when the Philadelphia Civic Ballet Company was coming to give the boys at Kensington and Torresdale its first assembly presentation.

Minutes before the performance began in Northeast Catholic's enormous auditorium, even the torture-dreamer-upper himself, Father Joseph Toner, principal of the all male school, was beginning to express some doubts about the wisdom of the program choice.

Be that as it may, Father's speculation proved, within seconds, to be of the idle sort. For on stage appeared the Civic Ballet's Alicia Craig in a white flowy blouse and black flowy skirt and lots of dark, flowy hair shouting, "Hi Everybody! I don't like to use a microphone. I like to be free with my arms and legs. I like to be free!"

ROUSING CHEER

Before long, over a thousand young men who didn't know much about ballet but did know what they liked, gave Ms. Craig a rousing cheer, answered by Ms. Craig with, "Fellows, I was nervous about coming to Northeast, but you are fantastic!"

Then Audrey Bookspan, Diane Stern and Kathy Taylor of the Civic Ballet danced across the stage and over a thousand young men who didn't know much about ballet but did know what they liked, were craning their necks to get a better view.

"Sit down, men, sit down" shouted a priest, trying to keep order about him.

"Take it easy, men, take it easy," shouted a teacher named Mr. Butler who was unsuccessfully trying to quell the tumult in the rows. Entire rows, in fact, were swaying back and forth to the rhythm of Ms. Craig's dance music in order to capture the full essence of the performance.

"You probably noticed that everyone was doing something different," Mr. Craig pointed out to the audience of her dancers. "That's because everybody is a little different. That's what makes all of you beautiful."

Cheers from all the different, beautiful people.

"As I'm sure you noticed," Ms. Craig continued, "Diane has sweat pants on. Diane moved from how she felt. We all move from how we feel and I'm sure that even you boys move from how you feel . . . betcha do!"

EXUBERANT APPROACH

Ms. Craig's exuberant approach to dance might be called evangelical if it were not tempered by her statement, "I'm not going to the high schools to teach them how to dance. I'm not going to teach them to want to dance. I'm just going to make them feel at home with dance."

Apparently, she has been wildly successful at doing just that. For the last four years she has done her schtick at high schools all over the city, typically drawing responses like the one from the Rev. William C. Faunce of the Mercy School Complex who wrote Charles Schalch, the president of the Philadelphia Civic Ballet:

"In this troubled world of ours miracles come under suspicion and unbelieving scrutiny because we are supposed to be such a wise and observing people. A miracle did happen at Our Lady of Mercy Church when Alicia Craig performed . . . In fact, we would like the members of the ballet to return on Easter Sunday to dance at our liturgy. Then—poor as we are—we will be honored to give a donation to your wonderful work."

The Civic Ballet high school dance program is presently funded by the Pennsylvania Council on the Arts with matching funds from the Atlantic Richfield Foundations and the Bell Telephone Company.

At all black Simon Gratz High School, there was some initial reluctance to permit the ballet company to perform, reports Ms. Craig, but eventually, she says, the school's principal decided, "If it's good enough for 'West Side Story' then it's good enough for us."

The thought was something to keep in mind at Northeast Catholic when the Civic Ballet presented the audience with the male dancer in its troupe.

"Clayton Strange is going to demonstrate sufferings," began Ms. Craig as the student body tittered nervously at the sight of a young man in leotards. "He's going to dance 'First Thing Monday Morning' from 'Purlie,' but since this is a Friday morning at Northeast Catholic High School, we'll call it first thing Friday morning."

Cheers. Tittering gave way to finger-snapping as Strange gracefully pranced across the stage. The aforementioned Mr. Butler yelled at the students, "Hold those fingers, men, hold those fingers."

"MAN POWER"

Audrey, Ms. Craig explained, would now dance to "John Henry."

"This is a song about man power," she added. "If some women were here they'd ask about women power, but I'd say to them, 'It's the power of humanity that counts.'"

Audrey, in a salmon-colored skirt over leotards, did a whimsical sort of dance, sticking her tongue out every now and then.

After the overwhelming applause, Ms. Craig bellowed out, "I wish I could pack up all the people in this audience and take them on tour with me."

One student named Peter Williams called out, "I'll go in your suitcase, lady."

"We have three things on which we depend," Ms. Craig chimed out, "mind, body and spirit. When you put these things together, you have a winning combination."

This was the introduction to the first piece of "real ballet" the students watched, a dance by Karen Taylor to Leontyne Price's "When I Am Laid in Earth," a tribute to Billy Holliday.

"We are going to go into one more area," Ms. Craig informed the boys. "On your toes . . . I don't care what you say, we all at one time in our lives want to be on our toes."

Diane Stern did a leggy toe dance to "Two Hearts in ¾ Time," getting an awful lot of applause for her efforts.

"I have run out of people, but I'm still here," Ms. Craig shouted to an audience which was well aware that it had yet to see its mistress of ceremonies even pirouette.

"You clapped so loud," she continued, "Just for spite I want 20 of you up here with me on stage to dance."

MUMMERS' STRUT

About half of the people in the audience it seemed to be, including a few priests, ran up to the stage to dance free form with Alicia Craig. Some boys did a Mummers' strut. A juggler materialized out of nowhere. Many of the boys danced in such a way as to resemble the teapot created when kindergarten children sing, "I'm a little teapot short and stout . . . just tip me over and pour me out."

The rest of those on stage appeared, to this untrained eye, to be doing an Israel folk dance.

Suddenly, those in the audience began shouting, "We want Ernie, we want Ernie," a call for the school disciplinarian Ernest Koshneg to come up on the stage and dance with Ms. Craig. Somehow the vice-principal was forced on stage to the squealish delight of the students who squealed particularly when Ms. Craig took Mr. Koshneg's arm. He quickly dismissed the assembly.

GOVERNMENT RESPONDS

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. WALSH. Mr. Speaker, the Federal Government is the target of constant criticism for failure to respond to the needs of the public. I have often been one of those critics and have urged the bureaucracy to get closer to the people.

However, I am in the midst of an experience in which the Government is responding and responding quickly and efficiently.

The Allied Chemical Corp. has a plant in my congressional district which employs 1,900 people. The company was compelled to purchase and restore 220 railroad cars to transport coal meeting State and Federal air pollution standards from western Pennsylvania in order to assure the continued operation of this plant. The company found it could no longer rely upon the Penn Central because of critical shortages of coal cars and the financial inability of the railroad to remedy this situation.

Allied Chemical contacted at least 10 major U.S. companies in an exhaustive effort to have these unserviceable cars repaired in this country. But, in every case, a shortage of the required steel kits and limited shop space prevented any possibility of restoring the cars before the fourth quarter of 1975. Most companies were quoting 1976 and 1977 delivery dates.

The company finally learned of a Canadian repair shop which was able to restore and deliver all the railroad cars by January 31, 1975. Under existing tariffs, however, Allied Chemical was required to pay approximately $502,000 in U.S. customs duties because the cars were restored in Canada.

All concerned recognize that the principal purpose of the U.S. Customs tariffs is to protect domestic industry and the jobs of American men and women. Allied Chemical made every possible effort in that regard.

As a result, I introduced legislation on February 19, that would return the $502,000 in customs duties to Allied Chemical. That bill was referred to the Subcommittee on Trade of the House Ways and Means Committee on March 4.

Just 2 weeks ago, on June 12, the subcommittee favorably reported the legislation to the full committee, followed by committee approval on June 16. Two days ago, June 24, that measure passed the House of Representatives.

At this point, it appears there will be no objections either at the Senate or in the White House. Hopefully, the legislation will experience the same smooth-sledding there it experienced in the House of Representatives.

Barring the unforeseen, I must point to this bill as an example of quick and effective response to a public need.

ARGENTINE TERRORIST RING BROKEN UP

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the Argentine federal police have broken up a Trotskyist terrorist organization with links in the United States and Europe. The terrorist group, called the Revolutionary Communist League, is affiliated with the Fourth International, a worldwide Trotskyist movement. The Socialist Workers Party is the affiliate of the Fourth International in the United States. I note that the SWP has complained, in the June 27 issue of its newspaper, The Militant, about my earlier exposure of SWP contacts with foreign terrorists. (CONGRESSIONAL RECORD, February 19, 1975, page 3687.)

The police investigation and raids that broke up this terrorist ring began in December 1974, with a raid on a so-called people's jail, where the Trotskyite terrorists kept kidnap victims. An extensive investigation revealed the participation of this organization in numerous kidnapings and other terrorist actions.

The Revolutionary Communist League was formerly called the Red Faction of the Revolutionary Workers Party, PRT, of Argentina. The PRT was the official section of the Fourth International in Argentina until early 1973 when it broke with the International. The PRT, through its armed section operating under the name of Revolutionary Army of the People, ERP, carried out most of the terrorist attacks in Argentina during the past 5 years.

Many millions of dollars in ransom money have been paid to these Argentine Trotskyite Communists by major corporations including Exxon as ransom for corporate executives kidnaped by the terrorists.

In early 1973, the PRT/ERP broke with the Fourth International during a faction fight.

The Red Faction of this movement remained with the Fourth International and in March 1974, changed its name to Revolutionary Communist League. In August 1972, Mario Roberto Santucho, the leader of the ERP, led a number of his members, who had been captured during terrorist operations, in a prison break from a military prison in Argentina. He fled to Chile where he was greeted by officials of the Allende regime. He subsequently went on to Cuba where he again received a warm welcome from the officials of that Communist government.

After leaving the ERP, the Red Faction decided to kidnap Aaron Bellinson, an Argentinian business executive. He was kidnaped on May 23, 1973, and a demand of a million dollars was made for his release. The ransom was paid and he was released on June 3, 1973. Of the $1 million in ransom, $100,000 was given by the Red Faction to Livio Maitan, a leader of the Fourth International. Half of the money was assigned to the financing of the Fourth International and the other half was presented to the MIR, the Communist terrorist movement in Chile.

Maitan, an Italian, is in charge of coordinating Trotskyite terrorist activities throughout Latin America. He received the $100,000 from Flavio Koutzii and Paulo Antonio Parangua, who are leaders of the Red Faction. In August 1973, shortly after receiving the ransom payoff money, Livio Maitan entered the United States to attend the 1973 convention of the Socialist Workers Party where he spoke extensively in defense of terrorism as a useful revolutionary tactic now.

The leadership of the Socialist Workers Party opposes terrorism at this time, arguing that they do not have either the manpower or the facilities to carry out such operations. They do, however, argue that terrorism may be an appropriate tactic in the future. According to Socialist Workers Party official Peter Camajo in a secret document distributed only to members of the Socialist Workers Party—

> In the process of an insurrection, terrorist acts may be advantageous to the Workers movement.

But he says that such acts should not be isolated from the mass armed struggle at that time. International Internal Discussion Bulletin, June 1973, page 11.

About 10 percent of the members of the Socialist Workers Party support the proterrorist majority of the Fourth International. They have been organized into a group called the Internationalist Tendency. In July 1974 most of the Internationalist Tendency were expelled from the Socialist Workers Party, not because they advocated terrorism, but because they had violated some of the party's organizational principles.

Some of the proterrorists remain within the Socialist Workers Party, the rest, organized under the leadership of William Massey and John Barzman, have asked for reaffiliation with the Socialist Workers Party and are in constant contact with the leadership of the Fourth International, Ernest Mandel and Livio Maitan. The headquarters of the Internationalist Tendency is Chicago, Ill.

In August 1973, Danial Bensaid, a French official of the Fourth International, arrived in Argentina, met with the leaders of the Red Faction and invited them to send six delegates to the World Congress of the Fourth International to take place in Sweden in February of 1974. The six delegates chosen were:

Paulo Antonio Parangua—party name "Saul"—who is presently under arrest. He was the leader of a group of Brazilians assigned to the Fourth International in 1971–72 to work in Argentina;

Flavio Koutzii—party name "Rene"—Brazilian, now under arrest;

Manuel Rallis—party name "Beto"—now under arrest;

Maria Regina Pilla—party name "La Negra"—Brazilian, now under arrest;

Mario Vencente Rodriguez—party name "Gallego"—killed in a shootout with the police in December 1974; and

Klachko—party name "Pelado"—who now heads a rival terrorist group called the Communist League. He is still a fugitive from justice although some members of his group are in custody.

At the World Congress of the Fourth International, Parangua made the majority report on Argentina under the party name "Saul Lopez." Among the speakers at the congress who discussed terrorism in Argentina were Rodriguez under the name "Gallego," Jack Barnes the national chairman on the Socialist Workers Party under the party name "Hans." Klachko under the party name "Pelado," Livio Maitan under the party name "Claudio," Rallis under the party name "Beto," Koutzii under the party name "Rene," and Ernest Mandel the world leader of the Fourth International under the party name "Walter." All supported continuing the terror in Argentina except Barnes.

Massey and Barzman, the two leaders of the Internationalist Tendency, also attended the World Congress of the Fourth International where they collaborated with Maitan, Mandel, the Argentinian Red Faction, and other supporters of "terrorism now." After returning from the World Congress the Red Faction continued the kidnapings and terrorism.

Mr. Speaker, there are no laws on the books which prevent foreign terrorist leaders such as Livio Maitan from entering the United States and meeting with their American supporters. He is only one of many. Our colleague, the gentlemen from Ohio (Mr. ASHBROOK), has introduced a bill to curb terrorism which includes a section which would bar foreign terrorists from entry into this country. That bill is now pending before the Judiciary Committee but hearings concerning it have not been announced.

FORD VETOES HOUSING INDUSTRY

HON. ALLAN T. HOWE

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. HOWE. Mr. Speaker, in his veto message to Congress, President Ford termed the Emergency Middle-Income Housing Act of 1975 as costly, ineffective, and inflationary. I regret that his veto was not overridden by the House of Representatives.

I submit that the bill is none of the things he alleges and it would have done more to benefit the housing industry and the economy as a whole than the alternative program the President has now belatedly proposed.

The vetoed bill was designed to not only stimulate production and aid home buyers, but it was also a jobs bill and from all previous indications, it appears Mr. Ford does not want to support any legislation designed to reduce unemployment.

He stated that the Government is already providing "unprecedented support to the housing industry," and there are "strong indications that new home construction and sales are responding to these actions."

This, of course, can be linked to the tax credit provision provided by the passage of the Tax Reduction Act of 1975 and the increased money supply in the economy. I strongly supported this bill and am pleased at the positive results the tax credit provision is showing in my own district of Utah.

The President, along with Housing and Urban Development Secretary Carla Hills, has proposed an alternative program which would release $2 billion in Federal funds to purchase low-cost mortgages, request Congress to approve $7.75 billion in new mortgage subsidy money for fiscal year 1976 and he has now said he would approve pending legislation designed to guarantee mortgages of jobless homeowners.

In examining the President's proposal, I find its biggest drawback to be the discretionary manner in which it can be implemented by the administration. If Congress does approve the $7.75 billion requested, would that money be used in light of the fact that this administration is now holding back some $2 billion in similar funds? Also, would the funds go to any type of public housing project that is so desperately needed in many U.S. cities, or would it remain idle?

On the other hand, the emergency middle-income housing bill would have provided for a 1-year program to expire on June 30, 1976, for assistance toward the purchase of an estimated 400,000 homes to both one- and two-family dwellings or cooperative housing projects for middle-income home buyers. It would have also authorized the Department of Housing and Urban Development to make repayable emergency mortgage relief payments for homeowners who have either received notice of foreclosure, are at least 2 months behind in mortgage payments, or those who are unemployed, or underemployed and are not able to make payments on home mortgages. The reduction of interest rates would have also provided more opportunities for homeownership and thereby stimulate housing construction itself. Obviously, a significant factor in this legislation would have been the creation of some 800,000 jobs which would have at least made a dent in high unemployment.

This administration, however, obviously does not agree that Government assistance is necessary at this time in the private sector. Time and time again, they have argued that this type of legislation is inflationary and stimulating business and industry is not warranted because the Federal Government should not interfere in the affairs of private enterprise.

What has been ignored each time the Congress has passed emergency legislation to help business and industry and the President has vetoed it, is that these measures are just that—emergency measures. And to term this particular bill, and others, as inflationary also disregards a 9.2-percent national unemployment rate and the amount of money the Treasury spends for unemployment compensation, food stamps, and other aids for the unemployed.

The vote in Congress to sustain this veto could very well prolong the recession that has lasted longer than any other since World War II.

Historically, an upswing in the housing industry has been a necessary prerequisite for an end to recessions, and even though housing starts for the month of May improved, they were still below the level for starts in 1972 and are the lowest for that month since 1946. Also, mortgage defaults are at a postwar record high.

It is disappointing to me that Congress was unable to override his veto. My vote to override was not intended as a confrontation with a Republican President but rather a belief that the Emergency Middle-Income Housing Act was a positive, decisive action to help the housing industry and ultimately the entire economy.

POSITION ON ROLLCALL VOTES

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. JONES of Tennessee. Mr. Speaker, during the last several weeks, I have had to miss a number of rollcall votes due to minor surgery for which I was hospitalized for 10 days and at home convalescing for an additional week. I wish to record here what my position would have been, had I been present and voting:

Rollcall 248, H.R. 5899, a motion to recede from House disagreement to Senate amendment 107 to the second supplemental appropriations bill; "yes."

Rollcall 250, a motion to amend sections 4 and 5 of H.R. 6219; "no."

Rollcall 251, a motion to amend section 5 of H.R. 6219; "no."

Rollcall 252, a motion to amend H.R. 6219 to appeal preclearance procedures included in that section; "no."

Rollcall 254, an amendment to strike title II of H.R. 6219; "no."

Rollcall 255, a motion to amend H.R. 6219 by deleting the words "Alaskan Natives" in the definition of language minorities; "no."

Rollcall 258, a motion to override the Presidential veto of H.R. 4481, the Emergency Employment Appropriations Act of 1975; "yes."

Rollcall 260, a motion to amend H.R. 6219 to exclude from the definition of language minority groups those persons of ethnic origin whose dominant language is English; "no."

Rollcall 261, a motion to amend H.R. 6219, by inserting the word "citizens" in lieu of "persons" in language outlining triggering conditions under the act; "yes."

Rollcall 262, a motion to amend H.R. 6219, to extend the definition of language minority groups to all persons whose principal language is other than English; "no."

Rollcall 263, a motion to amend H.R. 6219, to extend certain provisions of the act for an additional 10 years and to make permanent the ban against certain prerequisites to voting; "yes."

Rollcall 265, conference report, to accompany H.R. 4485, the Middle-Income Housing Act; "yes."

Rollcall 266, a motion to amend H.R. 4035 by striking language of the committee amendment to extend the Emergency Allocation Act of 1973 until December 31, 1975; "no."

Rollcall 267, H.R. 4035, to provide for congressional review of Presidential decisions to remove existing allocations and pricing controls of petroleum products; "yes."

Rollcall 268, a motion to recommit the bill (H.R. 4925), to amend the Public Health Service Act and related laws to revise and extend programs of health revenue sharing, and health services; "no."

Rollcall 270, a motion to disagree to Senate amendment 107 to the House amendment to H.R. 5899; "yes."

Rollcall 271, House Resolution 505; "yes."

Rollcall 273, S. 818, to authorize U.S. payments to the United Nations for expenses of peacekeeping forces in the Middle East; "yes."

Rollcall 275, a motion to override the Presidential veto on H.R. 25, the Surface Mining and Reclamation Act; "no."

Rollcall 276, House Resolution 492, to provide for urgent supplemental appropriations for summer youth employment for fiscal year ending June 30, 1975; "yes."

Rollcall 277, a motion to amend a committee amendment to H.R. 6860 that strikes the provisions for Federal purchases and sale of imported oil and makes that program mandatory rather than discretionary; "no."

Rollcall 278, committee amendments to title I of H.R. 6860; "yes."

Rollcall 279, a motion to amend H.R. 6860 by striking the import quota provisions of the act; "no."

Rollcall 281, a motion to amend H.R. 6860 to increase the import quotas allowed for 1980 and thereafter; "no."

Rollcall 282, a motion to amend H.R. 6860 by striking section 112, import licensing; and part IV, import treatment of oil; "no."

Rollcall 283, a motion to amend H.R. 6860 by striking the provisions calling for additional gasoline taxes of 20 cents per gallon after April 1, 1977; "yes."

Rollcall 284, a motion to amend H.R. 6860 by striking title II; "yes."

Rollcall 288, a motion to amend H.R. 6860 by imposing per car excise taxes in model year 1977 on fuel inefficient automobiles; "yes."

Rollcall 289, a motion to amend rollcall 288 by providing auto efficiency tax standards with civil penalties for noncompliance; "yes."

Rollcall 290, a motion to further amend rollcall 288 by imposing auto efficiency standards; "yes."

Rollcall 291, a motion to amend H.R. 6860 by inserting new language for part I, title III, the automobile fuel efficiency tax; "yes."

Rollcall 292, a motion to amend H.R. 6860, to phase out the repeal of the excise tax on radial tires over a period of 5 years; "no."

Rollcall 293, a motion to amend H.R. 6860 by removing the tax credit for home insulation; "no."

Rollcall 295, a motion to amend H.R. 6860 by increasing the individual tax credit for installing residential solar heating equipment; "yes."

Rollcall 296, a motion to amend H.R. 6860 by reducing the funds available for the energy trust funds; "no."

Rollcall 297, a motion to amend H.R. 6860 by requiring that 25 percent of trust fund moneys be expended for mass transit and commuter profits; "no."

VFW COMMANDER SPEAKS OUT AGAINST GENERAL AMNESTY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. ASHBROOK. Mr. Speaker, John Stang, the national commander-in-chief of the Veterans of Foreign Wars, recently sent a telegram to President Ford. In this telegram Commander Stang expressed strong opposition to general amnesty for Vietnam draft-dodgers and deserters.

I agree that such a grant of general amnesty would be outrageous. As is stated in the telegram, it would be "intolerable and a travesty to the memory of those who served honorably, those who died and were wounded in the service of their country and those still missing."

Following is the text of Commander Stang's telegram to President Ford, which appeared in the June 12 edition of the Stars and Stripes—The National Tribune:

TELEGRAM

I have been reliably informed that you are seriously considering granting a general and total amnesty to those who deserted the armed forces and who dodged the draft by failing to report for induction or leaving the legal jurisdiction of the courts by moving out of this country. I am further informed that Charles Goodell is urging this action for persons in the Vietnam era.

Should you be persuaded to take this regrettable act—one which the 1.8 million members of the Veterans of Foreign Wars of the U.S. and the 527,000 members of our Ladies Auxiliary find intolerable and a travesty to the memory of those who served honorably, those who died and were wounded in the service of their country and those still missing—we strongly urge that your amnesty be truly for all. This would include those who deserted and evaded the draft during the Korean War for whom no amnesty was considered. It would also include those hundreds of thousands who received discharges other than honorable from the military services and prison sentences from civil courts during other wars. They have lived with their "bad paper" for many years and also should be forgiven.

The V.F.W. believes that all should be treated equally under the law. We disagree with your clemency program. We disagree with your proposed plan to grant general amnesty. But, if you persist, do not stop with just one segment of the population. Clear the prisons. Clear the lives of those who have lived with their punishment. Clear the names of dead deserters so that families will not be shamed. Let it be said that in the future a man can choose his war. Then try to defend this glorious nation!

GOVERNMENTAL OVERREGULATION

HON. DONALD D. CLANCY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. CLANCY. Mr. Speaker, each of us sees and hears about examples of big Government getting out of control. I would like to draw my colleagues attention to an article in the June issue of Nation's Business magazine which provides an overall perspective of the growing problem.

In the interests of conserving time and space, here is a condensation of that article:

WHERE OVERREGULATION CAN LEAD

Washington, warns Dr. Murray L. Weidenbaum, a former government official himself, is snatching much of the vital decision-making and handing it over to a growing federal bureaucracy.

Dr. Weidenbaum, a distinguished economist and author, is an expert on government and its impact on the economy.

In this interview with Nation's Business, he says there has been not merely a loss of managerial freedom, but an enormous cost to the public. Unless the nation changes course, he adds, our economic system is threatened with stagnation and continuous high inflation.

Dr. Weidenbaum is Director of the Center for the Study of American Business, established at Washington University, St. Louis, Mo., last January with a grant from the John Olin Foundation.

He was Assistant Secretary of the Treasury for Economic Policy during 1969–71 and served earlier as a fiscal economist in the U.S. Bureau of the Budget.

From 1958 to 1963, he was the Corporate Economist at the Boeing Co. and is now a consulting economist to Mallinckrodt, Inc., and the First National Bank in St. Louis.

Is business in the United States facing a threat it never faced before?

Yes, this country is going through a second managerial revolution. The first occurred many years ago, with the divorce of corporate ownership from management. That revolution involved the rise of professional managers, as distinct from owners.

This new revolution is far more subtle. It involves the shift of decision-making from managers, who represent the share holders, to a cadre of government officials, government inspectors, government regulators.

Increasingly, the power to make business decisions is being taken away from management and assumed by government.

In what areas do their decisions affect management?

How you hire people, what products you make, how you go about making them, personnel practices, production methods, marketing, financing. There isn't much, in terms of company decision-making, that isn't closely controlled or influenced by one or more federal agencies. And sometimes the control of one agency conflicts with the control of another.

The increase in the cost of producing consumer goods is the ultimate burden imposed by government regulation of business.

So this is part of the revolution you mentioned. What are some of the other vital business areas it affects?

It is most apparent, perhaps, in industries like transportation, where literally you can't go into business until government gives its approval. You can't even get started, unless government gives you the go-ahead.

That applies to communications—radio, television, cable TV, mircowave transmission—as well as trucking, for example.

But it goes beyond that, doesn't it?

Yes. Obviously, you can't build a factory if it violates the standards of the Environmental Protection Agency. You have to make sure, of course, that in cleaning up air pollution you don't generate water pollution.

Let me give you another example.

Federal food standards require meat-packing plants to be kept clean and sanitary. Surfaces that are easiest to clean are usually tile or stainless steel.

But tile and stainless steel are highly reflective of noise and don't always meet Occupational Safety and Health Administration standards.

More is involved than the environment and health, isn't it?

Let's take the personnel department. It's quite clear that before you can hire anyone, you have to make sure you follow the rules of the Equal Employment Opportunity Commission.

Certainly, once people are hired, you have to meet the requirements of the wage and hour law.

If you have landed a federal contract, you have to file an affirmative action program. Also, you will have to make sure you comply with the Davis-Bacon Act or the Walsh-Healy Act.

In all cases, you must make sure you don't violate the rules of the Occupational Safety and Health Administration. And sometimes those rules get in the way of the Equal Employment Opportunity Commission.

For example, both OSHA and EEOC have jurisdiction over toilets. OSHA once said women need special lounge facilities as part of their restrooms. But EEOC says, well, if you provide lounges for women, you have to provide them for men also.

Regulation, like justice, must be blind.

What if you clear hurdles like these?

Along comes the Consumer Product Safety Commission. It has the power to ban your product in the marketplace. In the commission's eyes, you are guilty until proven innocent.

The commission puts out a list of banned products. But it warns that, even if you aren't on the list, you should consider your products banned unless you can prove they meet the commission's standards. That's what I mean by guilty until proven innocent.

When you look at the power of the Consumer Product Safety Commission, it is really scary.

The commission put the Marlin Toy Co., a small firm in Wisconsin, out of the toy business by inadvertently putting its products on the banned list.

Later, the commission recognized its error, but it was too late.

As it turns out, this company was an employer of handicapped people in the little town where it is located. So we are talking about a socially responsible business.

By forcing it to lay off employees, the commission not only added to unemployment, but hurt a group of people who find it especially hard to get jobs—the handicapped.

Isn't it rare for Washington to put a company out of business and people out of work?

Not at all.

For example, about 350 foundries in this country have closed in the past three years because they couldn't meet EPA or OSHA requirements. Basically, these were smaller foundries.

As a result, the larger foundries are working to capacity. They're so busy that they can't take on a lot of military work, including castings for our big M–60 tank.

Now, we have a shortage of tank castings. It is so serious that the army has been investigating tank casting facilities in Britain and West Germany.

Meanwhile, of course, unemployment here continues to rise.

Why aren't Americans aware of what's happening?

The change isn't visible or dramatic enough, except to the businessman under the gun.

The consumer is paying for the new managerial revolution in a number of ways. One is his tax bill. It costs him $4 billion a year to support all the federal regulatory agencies that ride herd on business.

But that's only the tip of the iceberg. The real cost to the consumer is indirect, but much larger.

We are now deeply concerned about our economy's lack of increase in productivity. It is crystal-clear to me that much of our potential growth in productivity is eaten up by the proliferation of government controls.

Government regulation imposes a lot of burdens on business, like mountains of paperwork, that decrease productivity.

But I guess what worries me most is what happens to an industry when it really becomes controlled by government, as some are.

Look at the cost overruns, for instance, in so many Defense Department projects. Also, look at the time delays.

We think of utilities as our most tightly regulated industry. But they aren't regulated anything like the defense industry.

Look at the regulations issued by state utility commissions, and you are talking literally, about volumes.

A smart bureaucrat knows how to say no.

I spent a lot of time in the federal government during the course of my career, and I know that the safest thing to say is no. That way, you won't get into trouble.

Don't stick your neck out.

Well, that runs counter to what happens in private industry, where you are sticking your neck out all the time. When you bring out a new product, you stick your neck out. When you introduce a new production process, you stick your neck out.

You mean government makes the decisions?

More and more every day—and not always wisely.

Look at the automobile industry and catalytic converters.

Big Brother, or Big Mother, however you prefer to think of Washington, got the auto industry to put in the converters. Now Big Mother finds that she may have been hasty. The catalytic converters may cause worse pollution than they eliminate.

But the point is that the decision was shifted from business to government. The irony of it. Think of the outcry if Detroit, on its own, had gone ahead and installed catalytic converters without a full environmental impact statement.

Well, the agency in charge of these environmental impact statements, EPA, apparently went ahead on converters without checking the full impact on the environment.

That's part of the problem of dealing with government. Business can be forced by government to follow rules and regulations. But the government itself is free to ignore them.

Doesn't that apply to the Consumer Product Safety Commission, too?

Yes, in a way. Last fall, it bought 80,000 toy-safety buttons to be worn on the lapel. The idea was to encourage people to be safety-minded about toys.

Well, it turned out that they used lead paint on the buttons. There was a danger of lead poisoning if they were licked by children. So the commission had to ban its own buttons.

It sounds funny.

But think about the taxpayers who had to foot the bill for producing 80,000 useless buttons.

Isn't that a drop in the bucket for Uncle Sam?

There are so many drops that even that bucket is overflowing.

Each agency is preoccupied with its own narrow interests and isn't concerned with what's happening to the company, an industry, or even to society as a whole.

EPA and the fire ants offer a good case history. EPA has told the Agriculture Department it is imposing severe restrictions on the use of pesticides to kill fire ants. The department had a major program under way to get rid of them. Now the department says EPA's ruling makes it impossible to carry out its eradication program.

So the department thinks fire ants may spread over a third of the United States—as far north as Philadelphia.

Fire ants may not harm the environment as much as EPA thinks pesticides harm it. But their bite is not only painful but can even cause death.

All EPA cares about is the environment. Apparently, the fact that these ants can kill you and me isn't EPA's problem.

Do you think public opinion will change?

I think so. I am an optimist. But a patient optimist.

To me, Congress's decision to reverse the federal regulators on the interlock, seat-belt system this year was encouraging. It's an example of what can happen when the public gets aroused.

Congress got the picture pretty fast. It threw the interlock out the window.

But only, of course, after the auto industry had spent millions to perfect and install it.

Any straws in the wind there?

Yes, I think so. Congress almost outlawed air bags at the same time.

I think this is a message those who are so much in favor of regulation should take to heart.

When the pendulum swings, it swings with a vengeance.

If so, you'll see the end of the good, as well as the bad.

So not all regulation is bad?

No. Unless you are an anarchist you must believe that government should set the rules for society. The question is what kind of rules and how many.

Economics has an answer for that. It says, carry regulation to the point where the added benefits barely exceed the added costs. That's where you stop.

Overregulation is where the added costs exceed the added benefits.

Can you give an example of a useful role for a government regulator?

Take OSHA. It has a basic role in investigating lethal hazards. That's why Congress set it up. But it should not also be deciding questions like these:

How big is a hole?

What color to paint a door?

What is a ladder?

That's the kind of nonsense that should be eliminated.

Are more regulations inevitable?

In the short run, I am afraid we are in for more.

I have looked at the proposed new legislation in Congress—and I'm afraid that, for the next year, busines must brace itself for another round of federal straitjackets.

In fact, at least 23 congressmen in the House literally believe you should have to get Washington's permission to go out of business. They introduced H.R. 76 last January. It would require a two-year prenotification to the Secretary of Labor to close or move a business—if that would result in 15 percent of the employees losing their jobs.

What can businessmen do if they don't like this trend?

Support something like the bill of Sen. J. Glenn Beall, Jr., of Maryland.

It would require each new law, including those that regulate business, to carry a price tag.

That would alert us to the cost—as well as the promised benefits—of each regulatory proposal put before Congress.

That's progress—a cost-benefit analysis. If we could limit new regulations only to those whose benefit to society exceeds the cost, there'd be a lot fewer of them.

Anything else?

Take a leaf from the environmentalists. They pushed through a rule that before you do anything, anywhere, you must determine what impact this will have on the environment.

I would like to turn that around.

I'd like to see legislation which says that, before EPA or any other regulatory body does anything, it must file a statement describing what this will do to the economy—an economic impact statement.

Can business look for allies elsewhere?

Well, the thing that amazes me is that liberals, who attack the government when it infringes on civil liberties of individuals, couldn't care less when it does the same thing to businessmen.

You know of the outcry over no-knock searches for narcotics.

Well, OSHA inspectors all have no-knock power. They can come into your plant without warning anytime they please.

Liberals should wake up to the fact that there isn't a sharp cleavage between civil liberties in the personal sphere and civil liberties in the business sphere.

PUBLIC SUPPORT FOR FULL EMPLOYMENT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. HAWKINS. Mr. Speaker, in the past week I have received a great deal of mail from concerned citizens across the country in response to an article which appeared in Parade magazine, May 18, 1975, regarding a discussion about every person's right to a job. This is a concept that H.R. 50 is fully committed to guaranteeing and one I feel very strongly needs to be dealt with immediately. With skyrocketing rates of unemployment and vast amounts of unmet domestic needs, it is high time that we sought to provide every American citizen with a job as a basic right. In doing so we would hopefully alleviate much of the individual physical and emotional as well as social, strains which are caused by the lack of meaningful employment.

The letters which I have received overwhelmingly express the desire and necessity for meaningful employment as a means for providing dignity, self-esteem, and purpose to all Americans who wish to work. These letters reflect more than just the concern of a few Americans with the present economic situation, they are indications that we as a body should quickly work for the achievement of full employment. I, therefore, wish to insert in the Record at this time, copies of some of these letters for the information and perusal of the Members:

Newport News, Va.,
May 19, 1975.

Rep. Augustus Hawkins,
House of Representatives,
Washington, D.C.

Dear Congressman Hawkins: I read with much interest the article in Parade magazine on your "right to a job" bill. I think this is the most crucial and worthwhile issue in the nation today. Although there appears to be little hope of the bill passing in the near future, bringing this matter to public attention will be of great value in itself.

The position of the opponents of the bill that "some rate of joblessness is the price Americans pay for the benefits of the free enterprise system" is particularly revealing. It amounts to an admission that the free enterprise system as presently constituted cannot supply this basic need. An appropriate response to this would be that, by its own criterion, if the free enterprise system cannot supply a quality product in terms of human values, it does not deserve to and should not survive. Perhaps this is what is happening in the world today.

You have my support and best wishes for your program.

Sincerely,

James J. McKeon.

May 27, 1975.

Congressman Augustus Hawkins,
House of Representatives,
Capitol Building,
Washington, D.C.

Dear Representative Hawkins: I could not agree more with the concept behind your Bill to guarantee every citizen the right to a job.

Your definition of "full employment" is an especially important aspect of the Bill, and one that I whole-heartedly support.

As a recent candidate to the State Senate, one of my major concerns was the need for useful and rewarding jobs.

I feel that the time is right for a Bill such as yours and I would appreciate it if you could send me any available information on this particular piece of legislation.

I anxiously await your reply.

Good Luck with this worthwhile endeavor!!

Sincerely,
Rev. H. W. Hamilton, M.S.W.,
Executive Director.

Washington, D.C.,
May 20, 1975.

Dear Congressman Hawkins: I was very much impressed by an article in the "Parade" Sunday newspaper magazine, written by Derek Norcross, "Should you have a right to a job". In most states over the past few years, there has been state legislation on various Right to work laws. But the greatest power in the U.S. today, greater than both political parties, is organized labor, unfortunately, the greatest detriment to the individual laborer, but a deity to the individual union, whose control over the individual member, by force or propaganda, is stronger than the power of the Soviet Union over it's people.

Since the documented contributions to congressmen in one year, according to AFL–CIO and COPE documents, amounts to 100,000,000—one hundred million—how is it possible to get any kind of legislation thru congress that is not for a union but for all of our working men. Union workers are prohibited from the truth, and really vote against their best interests. Strikes disrupt our whole economy and if the truth were known, could paralyze our national security and will when the proper time comes. The Union bosses, however, tell the workers that they must strike now, even with our sick economy, "TO CATCH UP". In fact union workers are away ahead, while unemployment keeps increasing. In 1947 the cost of living index (CPI) was 120% lower than it is today. It has climbed 120% while wages have climbed 238%!

I agree with you and some of the other objective thinkers, but with the power of organized labor, the power of industry, neither controlled by congress, (representing the people,) we haven't got a chance.

We can still vote for our representative but the millions of dollars they get from labor and industry controls their votes once they get in office.

Respectfully yours,
W. L. Anderson.

Newburyport, Maine,
May 20, 1975.

Representative Augustus Hawkins,
House of Representatives,
Washington, D.C.

Dear Sir: I read with great interest about your proposed legislation giving every American the right to a job. I am totally in support of this idea.

I am included in the number of those people who have only been able to find half-time jobs. Fortunately, the job I have is just enough to keep a single person going, but I'll never get ahead this way. I have been odd-jobbing now for two years.

Having been a worker with young people and deprived people all of my life I know that unemployment is just about the most demoralizing personal force there is.

Please keep fighting for your idea. I will write my Congressmen to support it also.

Yours very truly,
Patricia E. Culver.

May 18, 1975.

Representative Augustus Hawkins,
House Office Building, Congress of the United States, Washington, D.C.

Dear Mr. Hawkins: I have just read the article in the May 18 issue of *Parade Magazine* concerning your "Full Employment and National Purposes Budget". This appears to me to be a long needed and excellent piece of legislation that would do much to solve many of our national problems.

It has been my personal experience that many persons with mental problems and other forms of handicaps desperately need meaningful work in order to maintain (or develop) a sense of self-esteem and dignity. Such a law as you propose should make gainful employment available to *all* persons in our society who are able and willing to work.

I would also like to suggest that you might counter your opponents belief that "some joblessness is the price Americans must pay for the benefits of the free enterprise system" by correcting their language. We do not have a "free" enterprise system as nothing ever has been, or will be, "free". Your bill really strengthens American values by providing a HUMAN ENTERPRISE SYSTEM in which every person can participate through work and responsibility—which is exactly what our country needs.

If I can help you advance your bill in any way I would like to do so; please let me know what I can do to help you.

Sincerely,
Robert E. Valett.

May 19, 1975.

Re Equal Opportunity and Full Employment Act.

Representative Augustus Hawkins,
House of Representatives,
Washington, D.C.

Dear Mr. Hawkins: I think writing letters does no good, but I'm not passing up this chance.

I believe your bill is a brave and virtuous step on your part and those of your colleagues, E.i., the big corporations might frown on your plan, and not only that.

Unemployment is a disgrace, to put it mildly, and I'm afraid we tend to accept the "Nixon-type" way of thinking even now.

Yours truly,
Neil Ferguson.

May 21, 1975.

Representative Don Young,
Congressman from Alaska,
House Office Building,
Washington, D.C.

Dear Mr. Young: I just read about the Equal Opportunity and Fair Employment Act introduced by Rep. Augustus Hawkins (Calif.). I must support its concept. One of the greatest problems our nation faces is the loss of incentive to work. Yet most government programs designed to aid those in need actually decrease the incentive to work. My medical practice is full of people suffering from loss of interest in life, usually partly due to a lack of opportunity and incentive to engage in productive work effort.

Please look into and support this bill.

Thank you.

Sincerely,
P. S. Rosi.

Milano, Tex.,
May 19, 1975.

Hon. Augustus Hawkins,
U.S. House of Representatives,
Washington, D.C.

My Dear Mr. Hawkins: I read about your bill for Equal Opportunity and Full Employment in the *Parade* magazine. I am very much in favor of such a law.

The unemployed people both male and female need to be at work. Every able bodied man and woman drawing unemployment checks and those on welfare who are able to work ages 16–62 should earn their checks by working at a government job, state or federal. This laying around and getting something for nothing will not cut the ice for me. These people drain valuable tax dollars each year. Many of us are tired of putting the bill for loafers.

The WPA program on a large scale is one of the best solutions I know.

Respectfully,
George W. Lantrip.

P.S. I realize we as workers pay into unemployment and are entitled to it for 6 months in most states.

Derby Line, Vt.,
May 21, 1975.

Representative Augustus Hawkins,
House of Representatives,
Washington, D.C.

Dear Sir: I am writing to express wholehearted support of your proposed Equal Opportunity and Full Employment Act. For years I have wondered when such a sensible piece of legislation would be put forth. Not only does your bill provide for substantial decreases in public expenditures of welfare and unemployment, not only does it provide jobs in such vitally important areas as ecology and education, but most importantly of all it provides dignity and a purpose, as well as an opportunity, to all Americans who wish to work. I can't say enough in praise of this bill. Anything I can do to help its passage, I will try on the local level. Thank you for this piece of legislation.

Sincerely,
Carole Bishop.

A NEW VISION OF NATURAL RESOURCES

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. DOWNING of Virginia. Mr. Speaker, the international organization known as the Organization for Economic Cooperation and Development held its fifth meeting of Science Ministers in Paris, France, this week. The 24 OECD-member nations includes all the market economy nations of Western Europe plus the United States, Canada, Japan, Australia, and New Zealand. The newspaper, Financial Times, stated that the ministers at the meeting represented "four-fifths of the world's scientific research" capability.

The theme of the meeting was "Science and Technology in the Management of Complex Problems," and the discussions covered a wide range of the debilitating factors complicating our lives today.

The U.S. delegation was headed by Dr. H. Guyford Stever, Director of the National Science Foundation and Science Adviser to the President, and OECD Ambassador William Turner. Congressional advisers to the delegation and participants in the deliberations were Congressmen Charles A. Mosher of Ohio and Thomas N. Downing of Virginia.

One of the highlights of the conference was an outstanding speech delivered by Dr. Stever on the topic, "A New Vision of Natural Resources." I think my colleagues in the Congress will find his thoughts interesting.

A New Vision of Natural Resources

(Remarks of H. Guyford Stever)

I would like to speak to the practical need to strengthen cooperation among member countries so that we can all utilize science and technology to manage better the complex system of natural resources.

The past decade has been one of successive crises associated with resource availability, their prices and their use. Each has been viewed in isolation, beginning with the environmental crisis of the 1960's, and continuing with repeated food crises, the energy crisis and materials shortages.

The energy crisis, as emphasized by Secretary of State Kissinger at the Meeting of the OECD Ministerial Council here last month, heightened our awareness of the global interdependence of both resource systems and political entities. So, too, have the worldwide recession, unprecedented inflation, and increased pressures from poorer nations for more participation in the international system. We now recognize the importance for policy development and management of achieving a better understanding of the interactions among the energy, food, and materials resources systems, and between these systems and the environment. In the future, science and technology policy will have to seek to contribute to the ongoing availability of the resources vital to economic expansion while ensuring the integrity of the environment and the quality of life. In particular, we face the challenge of identifying obstacles to resource development that are unlikely to be overcome by industry in response to relative price changes.

The OECD is uniquely suited to help our Governments formulate intelligent and effective resource policies.

However, the organization must plan its work in the area of natural resources in the light of economic, political and technical realities:

First, despite the increasing recognition of the interdependence of energy, food, materials and environment, the severe economic and political problems to which governments must immediately respond, coupled with our lack of knowledge of how these systems interact, make it difficult to develop comprehensive near-term policies for resource management;

Second, the specific character of resource issues, including trade dependence, differs greatly among countries and regional groupings. Resource price level and stability, market access to and for resources, and possible changes in resource industry structures are seen in a different light by the industrialized and the developing countries; and

Third, the direct impact of any science and technology policy directed to natural resource issues will materialize largely in the longer term, or at best in the medium term. This is a reflection of the time necessary to effect technological change. Nevertheless, a cooperative international effort to understand the natural resource system, and to develop appropriate science and technology options to assist in solving resource problems, could of itself have a beneficial effect on economic and political discussions of near term solutions.

It is clear that, in the framework of the OECD, specific cooperative activities on resource issues must be carried out by several of the organization's committees. The prime goal of this Committee should be to contribute to a better understanding of the overall resource system and the "points of leverage" at which R&D could be most effective. Specifically, we feel that it would now be especially appropriate for the Committee to direct its attention to food and materials. Successful cooperative programs dealing with these resources will complement the work of the organization on energy and the environment. The valuable foresight shown over the years by the Committee and its Chairman, Professor Colombo, and the current utility of its publication, "Energy R&D Problems and Perspectives," attest to the potential contribution of such efforts.

I would like now to outline two proposals for follow-up OECD action on food and materials. Both concern the longer term objective of understanding and improving policy and management in complex systems. Both should also prove useful in dealing with immediate concerns.

First, I would like to suggest new or renewed effort toward more effective linkages of research in the OECD nations in subjects relating to the food system. Surely there is much to be gained from more closely knit cooperation between the OECD nations in their efforts to improve (through research) the total system of food production, processing and distribution. A strengthening of this sector of the OECD could help to improve the food systems of member countries and, at the same time, to increase their ability to meet the needs of the less developed countries.

Specifically, the leaders of research activities in the OECD nations could be asked to explore the means of intensifying their cooperative efforts. This might initially entail:

Carrying out specific and well-defined technology assessments of aspects of the total food resources system to clarify the implications of pursuing various research options;

Exchanging information on current research activities and priorities in the food system area and related basic research;

Developing an inventory of research facilities, equipment and specialized expertise that might be shared in meeting research objectives;

Exchanging techniques in relevant research areas including perhaps the exchange of scientists; and

Establishing common research priorities to improve the effectiveness of research efforts within the OECD area as a whole.

The purpose of these recommendations is to intensify cooperative interaction within the OECD on food research. It is true that there are beginnings in this direction. For example, the Agricultural Research Directors of OECD Member countries meet at three-year intervals to consider research priorities in agriculture, and, in the Common Market and FAO inventories of agricultural research activities are in preparation. The present initiative takes these activities into account, but is aimed at achieving broader research collaboration within the OECD on the food system and on agricultural techniques.

We suggest that this meeting invite the Secretary-General to consider these suggestions, in consultation with our committee, the Agricultural Committee, the Development Assistance Committee and, as appropriate, with other bodies. In this connection, we should take particular note of the meeting of Directors of Agricultural Research planned for late 1975. This meeting offers an excellent opportunity for preliminary discussion of the Secretary-General's views.

The second effort I wish to draw attention to is already underway in this Committee's Ad Hoc Working Group on Materials Resources. In January 1975 this Group initiated an exploratory study of the use of modelling to describe the flows of materials in national economies, and to identify areas where science and technology might contribute to the solution of resource problems.

Work has begun on two case studies; one concerning copper, a non-renewable resource; and the other, wood, a renewable resource. We are grateful for the leadership provided by the Canadian and Swedish authorities in carrying forward these two studies with the cooperation of interested member countries.

Having initiated these studies, the opportunity now exists to expand the effort to cover a related aspect of materials in our economies. Specifically, we recommend that the Committee analyze the changing character of demand for materials in the OECD countries and define the role of materials research and development in responding to the new situation. The possibilities for the use of fiber optics in lieu of waveguides and cables in telecommunications provides a case in point. The efficiency of materials utilization and recovery, and the possibilities for substitution should be emphasized in the analysis.

On a related matter, let me raise a question concerning an important point in the background paper prepared for this discussion. That is the presumption that there must necessarily be an expansion of R. & D. efforts in natural resources. It is my view that we are not yet sure what the full scale and thrust of the present efforts are in the member countries, much less that we have identified important new targets. Thus, we are challenged to ascertain what is needed for natural resources R. & D., to examine the wisdom of shifting emphasis within our present national R. & D. efforts, and to seek possibilities for enhancing national efforts through international cooperation. Only then can the need for expansion be addressed.

In closing, Mr. Chairman, I want to express the hope that our discussion today will reveal not only a common perception of the major issues that confront us, but agreement on specific cooperative efforts in the OECD.

ADVICE TO GRADUATING SENIORS FROM HON. T. J. DULSKI

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. NOWAK. Mr. Speaker, on June 19, the Honorable Thaddeus J. Dulski, my able predecessor as Representative of the 37th Congressional District of New York, delivered the commencement address at Buffalo's highly respected Bishop Turner High School.

The 185 graduates assembled in the school gym and marched to the school auditorium. Leading the group was Rev. Joseph Penkaul, MA, assistant principal of the high school, while the Reverend William F. White, MA, rector of the faculty house provided the organ music processional. A baccalaureate mass was celebrated with the following concelebrants: Rev. Francis Braun, MS; Rev. Richard Cahill, MA; Rev. James Campbell, MS; Rev. William Honer, MSSTL; and Rev. Nelson Kinmartin, MS, senior guidance counselor.

Participants in the mass were Rev. William Honer, senior religion counselor; Joseph Giancarlo, senior class president; Edward Swinnich, salutatorian; Dennis Linda, president of faculty senate; Rev. Nelson J. Kinmartain; Dale Vernon, president of student council; Craig Sikut, public relations; Joseph Wojciechowski, valedictorian; Dominic Battistella, vice president senior class; Christopher Kerr, vice president student council; and Rev. Max M. Kozminski, principal of Bishop Turner High School.

Diplomas and special awards were presented by the principal, Rev. Max M. Kozminski. The finale of the program was the address to the graduates by the

Honorable Thaddeus J. Dulski, Congressman Emeritus.

The youngest of Mr. Dulski's five children was among the graduates, and so his speech to the seniors had a very personal added significance.

His experienced fatherly advice to the class has a message as well for those who are already wrestling with the problems of our society, and it is a privilege for me to share his commencement remarks with my colleagues:

SPEECH BY HON. T. J. DULSKI

Reverend Father Kozminski, Reverend Clergy, distinguished guests, members of the graduating class and their parents, faculty, friends and fellow Americans, it is an honor and a privilege to be your speaker at these very impressive commencement exercises this evening.

First, let me congratulate each and every one of you upon graduation from high school. It is an accomplishment of which you, your parents, your friends and well-wishers can be justifiably proud. You have worked hard for this moment.

As the parent of a son in the graduating class, I feel proud, and perhaps just a little nostalgic since he is the last of my five children to graduate from high school.

I also feel somewhat special, being in the same league as President Ford who was the commencement speaker at his daughter's graduation in Washington earlier this month. I might add that I got the same advice from my son which the President received from his daughter—"don't talk too long, don't tell any of your jokes, don't talk about me, and don't talk about the way things were when you graduated."

So I will try my best to oblige.

While having completed high school graduating requirements constitutes a very significant step in the preparation for your eventually chosen role in life, most of you will probably seek additional education—either vocational or academic.

The wide world opens before you. Boundless opportunities of a promising successful future await the impact of your aspiration, energy, and ability. There is a need in many sectors of our society for trained, skilled, and educated ability in various fields.

We live in the greatest country on earth, but our society is not perfect—far from it. However, it is the best any people have ever had, anywhere, and at any time throughout history. It can stand improvement. We have many critics and people to tell us what is wrong with our system. What we need now is doers—you.

I am not against criticism; if constructive, it is needed and helpful. But when it is excessive and aimed at undermining all the good in our society, it becomes destructive and robs us of our initiative. In fact, I think this is what is happening in our nation today—far too many are saying, "What's the use?" And they just watch things happen without doing anything to make them better.

There are three types of people:

1. Those who make things happen—hopefully all for the good.
2. Those who watch things happen.
3. Those who sit by and don't know what's happening.

Which type are you? Unfortunately, right now we have too many people in this country who watch unhealthy things happen and do nothing, or those who are unconcerned and too disinterested to even know what is going on.

I would hope that the vast majority of you graduates here will be doers and make things happen for your own good, the good of your community and country.

A high school education is just about a must in our lives today.

But where do you plan to go from here? Is this the end of your formal education, or is it the end of but a segment of the educational process? For all of you, it signals the beginning of new undertakings and new challenges in a complex and uncertain world.

If this is the end of your formal education, because you are tired of studying, or because you do not have the financial means—or whatever the reason—you may have some difficulty getting an interesting job which will pay you a living wage. Even our college graduates today are experiencing this same problem.

If you are college-bound, make sure this is what you want to do. If you don't like books and studying does not turn you on, and you have not decided on a profession as your goal, then chances are very good that you won't get anything out of college.

I firmly believe that those who do not dig books should not be made to dance an intellectual tune when their real talents lie in another direction.

I am not here to knock a college education. If this is your forte, by all means, pursue it—particularly if you are interested in a profession. But what I am trying to say is that there are many careers—non-professional—which are satisfying and rewarding, and do not require a college degree.

There are many opportunities in the skilled trades and with our ever-increasing population, we will need more electricians, plumbers, tilesetters, etc. Just the other day I learned that fine cabinetmakers are almost extinct in this country.

Many opportunities exist in the semi-professional category which require specialized training, but not a formal education.

Despite today's bleak labor market, a demand still exists for talent, ability and, possibly in greater quantity, for a willingness to work. And tomorrow's prospects should be even brighter.

I cannot over-emphasize the willingness to work as a first step to success. For this demand is prevalent in every occupational endeavor that I can think of, and so leaves sufficient room for individual choice.

Don't be afraid to make an honest mistake or, more important still, to admit that you made one. It has been my experience that it is your batting average that counts—not the number of mistakes you have made. A lot can be learned from mistakes—sometimes even more than what you learn when you score.

Take pride in yourselves—whether you are entering the working world upon your graduation from Bishop Turner, or whether you plan on a formal education, or whether you plan on continuing your education through specialized courses for a trade or vocation.

Pride is not a vice. At least not in moderation, and it is indispensable to the development of many virtues, including industry and initiative. Strive to do your best and take pride in whatever you do. Pride in yourself is not the easiest thing to achieve, but it is essential.

There can be no success without personal satisfaction and pride in accomplishment. These, in turn, can be achieved only by approaching and attacking the problems and obstacles that confront us. To overcome, remove, or even limit them. They become the true rewards and emblems of success.

Things change, yes, but do we as human beings actually change much? I don't think so, really. From generation to generation, things change such as the kind of music we listen to, our dress styles, etc. But what we are as human beings doesn't really change all that much. If these were not true, what other reason would we have for finding a great deal of current application to our lives in the writings of those who lived hundreds or even a thousand years ago?

And so your graduation tonight signifies but a start in preparing yourself for the challenges ahead. And to those of us who are now aged and matured with experience, we find hope in knowing that as a new generation you will be better equipped, more knowledgeable and better able to cope with problems and, therefore, should have a far better chance to harvest the satisfaction of accomplishment.

As you approach your assignments in the future, perhaps one brief sentence can sum up what I am trying to say, "Give the best that you have to the highest that you know . . . and be decisive about it. All of us who are so proud of you, so devoted to you, cannot ask for more. But do we dare ask for less?

"If you cannot do great things, do small things in a great way." So ends my dissertation this evening.

Good luck and God-speed.

WORDS OF WISDOM THAT WENT UNHEEDED

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. RONCALIO. Mr. Speaker, the following article appeared in the New Yorker Magazine, and in keeping with its traditional excellence, this New Yorker's "The Talk of the Town" item speaks the nearest thing to prophetic truth and wisdom that has been published in a long time.

Twenty-one years ago Mr. Kennan's hope was that we in America might appreciate and grasp a new dimension that must come into our relations with the peoples beyond our borders. Not 10 days from the well of this House, the President of Germany echoed the same sentiments if this country, his Nation, and the rest of the free world is to understand our relationship to the Communist countries. I ask that the item be reprinted in full in the hope that those who read it may grasp its message.

THE TALK OF THE TOWN

NOTES AND COMMENT

Listening to President Ford speak of America's commitment to South Vietnam last week left us with the impression that American policy in that part of the world had become something changeless and eternal something that could never be influenced by mere human events and we fancied that even after there was no more South Vietnam, ghostly Presidents of a future might still be maintaining America's commitment to the that nation. The timeless quality of American policy may be one reason some words we came across recently that were written in 1954 seem as eloquent and as pertinent to our situation today as they were to the situation then. They are words spoken by George F. Kennen at Princeton University, in a series of four lectures on American foreign policy. (The lectures were later published by Princeton University Press as "Realities of American Foreign Policy.") Kennan had advice to offer both on what America should do in 1954 and on what it should not do. Some of the advice on what it should not do concerned our response to Communism in Asia. At the time, the French were within two months of their defeat at Dien Bien Phu.

"It is here, above all, that we must avoid the fallacy that we are dealing with some threat of military aggression comparable to that which faced the world when Hitler put his demands on the Poles in 1939," Kennan said. "Military aggression can never be ruled out entirely as a possibility but it is not the most urgent and likely of the possibilities with which we have to reckon We are dealing here in large measure with tendencies and states of mind which, however misguided and however befuddled by deceptions practiced from outside, are nevertheless basically the reflections of wholly real and even profound indigenous conditions, and would not be caused to disappear even in the unthinkable event that Moscow could be threatened or bludgeoned into telling them to do so. We are dealing here with great emotional forces, and not with rational reactions."

Kennan went on, "It seems to me evident . . . that in no area of our foreign policy will we be well served, in this coming period, by an approach directed strictly to countering the Soviet threat as a straight military problem. . . . Let us remember that the dominant characteristic of our present international situation is the passing of the phenomenon people have called 'bipolarity'—a state of affairs that marked the immediate post-hostilities period—and the rise to renewed vigor and importance of the so-called 'in-between' countries, particularly our recent enemies, but not only them. We are today in the midst of a transition from a simple to a complex international pattern. Yet many of us seem not to be aware of this. . . . A strictly military approach, which attempts to subordinate all other considerations to the balancing of the military equation, will be not only inadequate but downright harmful. For the demands placed on our policy by the rise of these in-between countries to positions of new vitality and importance will often be in direct conflict with the requirements of the perfect and total military posture; and any marked failure on our part to meet these new demands will only be capitalized on at once by the Communists within the respective countries; so that by a rigid military approach we will be in danger of losing on the political level more than we gain on the military one. We will be like the man whose exclusive preoccupation with barricading the front door has made it easy for his enemies to enter by the back door."

And Kennan said, "If there is any great lesson we Americans need to learn with regard to the methodology of foreign policy, it is that we must be gardeners and not mechanics in our approach to world affairs. We must come to think of the development of international life as an organic and not a mechanical process. We must realize that we did not create the forces by which this process operates. We must learn to take these forces for what they are and to induce them to work with us and for us by influencing the environmental stimuli to which they are subjected, but to do this gently and patiently, with understanding and sympathy, not trying to force growth by mechanical means, not tearing the plants up by the roots when they fail to behave as we wish them to. The forces of nature will generally be on the side of him who understands them best and respects them most scrupulously. We do not need to insist, as the Communists do, that change in the camp of *our* adversaries can come only by violence. Our concept of the possibility of improvement in the condition of mankind is not predicated, as is that of the Communists, on the employment of violence as a means to its realization. If our outlook on life is, as we believe it to be, more closely attuned to the real nature of man than that of our Communist adversaries, then we can afford to be patient and even occasionally to suffer reverses, placing our confidence in the longer and deeper working of history."

In dealing with the Communist movement, Kennan suggested, a degree of inattention could serve a purpose: "It may be said that the problem of world Communism is one of those problems which can be dealt with effectively only if you learn to look away from it, not in the sense that you take no precautionary measures with regard to it, but in the sense that you do not permit it to preoccupy your thoughts and your vision but rather insist on the right to proceed with your positive undertakings in spite of it. This is a quality not peculiar to Moscow's Communism. Only too often in life we find ourselves beset by demons, sometimes outside ourselves, sometimes within us, who have power over us only so long as they are able to monopolize our attention and lose that power when we refuse to permit ourselves to be diverted and intimidated by them and when we simply go on with the real work we know we have to do. Thus it is with Communism; and in this recognition lies, I believe, not only the key to the only successful method of dealing with that particular phenomenon but also the key to a successful global approach to our world problems generally, in this coming period."

When it came to recommending what America should do in its foreign policy, Kennan had suggestions that seemed, on the surface, to have more to do with domestic policy: "One of the things that I have in mind is the manner in which we treat our natural environment here on this North American territory. I think we can no longer permit the economic advance of our country to take place so extensively at the cost of the devastation of its natural resources and its natural beauty." (Said in 1954.) Another thing he worried about was "our dependence on other countries for materials vital to the functioning of our economy," and he advised "a conscious attempt to shape our relationships with other economies in all these matters in such a way that they have some stability and some firm foundation of mutual understanding and do not lead in the future to all sort of crises and tensions and tragedies." It may seem odd that at the heart of a discussion of foreign policy he was recommending domestic policies, yet he had thought carefully about the problem of inward and outward strength, and one theme of his lectures was the danger that in our obsession with strength in the world we would undermine the foundation of our strength at home.

And so in his discussion of American foreign policy he went on to remark, "I would like to say that the way things are proceeding at present produces on the surface of our national life a number of depressing and discreditable phenomena which are visible to the world at large and are genuinely important from the standpoint of our relationships with other peoples. Blighted areas, filthy streets, community demoralization, juvenile delinquency, chaotic traffic conditions, utter disregard for aesthetic and recreational values in urban development, and an obviously unsatisfactory geographic distribution of various facilities for homelife and work and recreation and shopping and worship; these things may not mark all our urban communities in conspicuous degree, but they mark enough of them to put a definite imprint on the image of our life that is carried to the world around us, and this is an imprint that leads others to feel that we are not really the masters of our own fate, that our society is not really under control, that we are being helplessly carried along by forces we do not have the courage or the vitality to master."

Kennan was telling Americans of 1954 that although adequate military forces were one necessary expression of our strength, what we made of ourselves at home was the very source of our strength, and he was warning that a rigid obsession with countering external threats by force of arms would, over the long run, leave us debilitated. On the other hand, if we kept the better part of our attention trained on the quality of life in America our position in the world would be strengthened. He said, "Now this problem of the adjustment of man to his natural resources, and the problem of how such things as industrialization and urbanization can be accepted without destroying the traditional values of a civilization and corrupting the inner vitality of its life—these things are not only the problems of America; they are the porblems of men everywhere. To the extent that we Americans become able to show that we are aware of these problems, and that we are approaching them with coherent and effective ideas of our own which we have the courage to put into effect in our own lives, to that extent a new dimension will come into our relations with the peoples beyond our borders, to that extent, in fact, the dreams of these earlier generations of Americans who saw us as leaders and helpers to the peoples of the world at large will begin to take on flesh and reality."

IN SUPPORT OF DICKEY-LINCOLN

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. MIKVA. Mr. Speaker, I rise in opposition to the Conte amendment to strike the funding provisions for the Dickey-Lincoln project in H.R. 8122.

It is increasingly apparent that the Nation's most pressing need is for the production of safe, clean, and efficient forms of energy. As our existing supplies of energy are exhausted, alternative sources must be discovered and utilized. Unfortunately, it also is apparent that in some cases new energy projects are incompatible with the maintenance of a safe, clean environment. Our goal then is to develop new sources of energy that are both effective and compatible with the environment. It is for this reason that I urge my colleagues to oppose the Conte amendment.

The Dickey-Lincoln appropriations would provide the funds to compile a needed environmental impact statement. Little is known about the northern Maine area where this project would be located. All the facts should be known before a final determination on the project is made. The appropriations in this bill are not for construction, but merely for a continuing study of the affected area.

We must not forget the special problems of our New England States. The New England region has the highest electric rates in the country and is totally dependent on foreign oil to fill its petroleum needs. It is the only region in the United States without a hydroelectric plant—a void which would be filled by the Dickey-Lincoln project. Moreover, this project has the support of all the New England State Governors and both Senators from the State of Maine.

Our needs for energy in this country are too staggering to dismiss a potential source of power such as the Dickey-Lincoln Lakes project without even an investigation to determine whether the area could accommodate the project without disrupting the environmental balance. I urge my colleagues to vote against this amendment.

AID TO SYRIA AND THE PLIGHT OF SYRIAN JEWS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. SOLARZ. Mr. Speaker, in 1974 the Congress established a special requirements fund of $100 million, under the foreign assistance act, to help "foster a climate conducive to increased economic development, thereby contributing to a community of free, secure, and prospering nations in the Middle East." The foreign aid measure also expressed the sense of Congress that funds should not be provided "to any nation which denies its citizens the right or opportunity to emigrate."

In January the President advised the Congress of his intention to make $25 million in agricultural aid available to Syria. Although Syrian Jews are forbidden to leave their country—even to be reunited with families in countries distant from Syria—a resolution of disapproval was not offered at that time, primarily because of Secretary Kissinger's efforts to negotiate a settlement in the strife-torn Middle East. However, some 82 House Members urged, in a letter to Dr. Kissinger, that efforts be made to "prevail upon the Syrian Government to give those Syrian Jews who wish to leave their country the right to do so."

Unfortunately, no substantive progress has been made and Syrian Jews continue to be captives in their own land. Syria is in clear violation of the Universal Declaration of Human Rights—to which it is a signator and which guarantees freedom of emigration.

Thus, when the administration late last month informed the Congress of its intention to obligate an additional $58 million in aid to Syria under the special requirements fund, I felt that the United States could not continue to furnish assistance to any nation which denies its citizens the freedom of movement and emigration. Accordingly, I drafted a resolution of disapproval—in accordance with the provisions of section 903(b) (2) of the Foreign Assistance Act—and introduced it last week. My able and distinguished colleagues from New York—JONATHAN BINGHAM and BENJAMIN ROSENTHAL—joined me in cosponsoring House Concurrent Resolution 312.

Yesterday afternoon the Special Subcommittee on Investigations of the Committee on International Relations conducted a hearing on Syria's compliance with section 901 of the Foreign Assistance Act and the economic aid allocation for Syria. Among those who testified were Dr. George E. Gruen, director, Middle East Affairs of the American Jewish Committee; Rabbi Chaim Benoliel, secretary-general of the Committee for Rescue of Syrian Jewry; and two young Jews who managed to flee from Syria at great personal risk.

Mr. Speaker, I believe Dr. Gruen's testimony would be particularly useful in describing the background of conditions in Syria as they pertain to the Jewish community and the current plight of Syrian Jews. I present his testimony herewith, for inclusion in the RECORD, and commend it to our colleagues' attention. I also wish to include the text of House Concurrent Resolution 312:

H. CON. RES. 312

Whereas section 901 of the Foreign Assistance Act of 1961 expresses the sense of Congress that no funds authorized by that Act should "be provided to any nation which denies its citizens the right or opportunity to emigrate";

Whereas section 903 of such Act establishes a procedure whereby the Congress may disapprove the obligation and expenditure of funds authorized under such section;

Whereas the Government of Syria, in contravention of the Universal Declaration of Human Rights, to which it is a signator, has consistently denied certain of its citizens the right or opportunity to emigrate; and

Whereas it would be inconsistent with the United States basic traditions and beliefs and contrary to the provisions of the Foreign Assistance Act of 1961 to continue furnishing assistance to any nation which denies its citizens the freedom of movement and emigration: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress does not approve the obligation of $58,000,000 from the Middle East special requirements funds for certain projects in Syria as reported by the President to the Congress under section 903(b) of the Foreign Assistance Act of 1961, such report having been received by the House of Representatives on May 27, 1975.

THE CURRENT SITUATION OF SYRIAN JEWRY

(By Dr. George E. Gruen)

Thank you for giving me this opportunity today to discuss an issue of our fundamental humanitarian concern—the position of the Jewish community in Syria. As you may hear in greater detail from other witnesses, in the United States this is not only a question of abstract principle, for there are today some 25,000 American citizens of Syrian Jewish origin who are deeply concerned about the fate of their brethren in Syria and who have tried unsuccessfully for years to obtain permission from the Syrian authorities for close relatives in Syria to be reunited with their families in the United States.

Moreover, the plight of Syrian Jewry has been a subject of increasing awareness among the general public in the United States. For example, a petition is currently being circulated which calls upon "President Ford to intervene personally, using the power and prestige of your office to urge the President of Syria to: 1) cease the persecution of the Jewish citizens of Syria and to insure their human rights and dignity; (2) request the Syrian Government to permit the emigration of Syrian Jews." This petition campaign, which is endorsed by all the major American Jewish organizations, has in the past few weeks already been signed by more than 200,000 concerned Americans, Jews and non-Jews alike, in communities throughout the United States.

Before describing the discriminatory restrictions which are currently still imposed upon Syria's Jewish citizens, I should like very briefly to outline the major developments that have affected this ancient and once flourishing Jewish community, which as late as 1943 still numbered nearly 30,000 persons. Today it consists of some 4,500, of whom about 3,000 reside in the capital of Damascus, some 1,200 in Aleppo and about 300 in Qamishly, a small community near the Turkish border.

Jewish life in Syria always was precarious and subject to the whims of intolerant rulers and easily inflamed masses. For example, in 1327 the synagogue in Aleppo was turned into a mosque with the approval of the Sultan of Cairo. Generally, after the area came under Ottoman Turkish rule in 1517 there was greater tolerance, but there were still occasional threats to the Jewish community, especially during the declining years of the Empire. I am sure you have all heard of the infamous blood libel spread against the Jews of Damascus in 1840 by local religious fanatics.

Nevertheless, despite periodic difficulties, the Syrian Jewish communities produced numerous Jewish scholars and enjoyed a rich Jewish cultural life. Jews also played a prominent role in the commercial life of the country and in the professions. They continued to do so during the period of the French Mandate, which followed the defeat of Turkey in the First World War.

Emigration of Syrian Jews began in the 1880's—first to Egypt, Lebanon and Palestine and then to Latin America, the United States and England. Under the French Mandate, the Jews in Syria enjoyed full civil rights and equal opportunities. However, Zionist activities were forbidden. Gradual emigration continued in the 1920's and 30's, due largely to the deterioration in the political climate—as Arab nationalism became more intense and strife mounted between different ethnic and religious groups. During the Second World War, when the Vichy government in France collaborated with the Nazis, many Syrian Jews fled secretly to Palestine.

The Syrian Arabs were always vigorous supporters of Palestinian Arab nationalism, and when Syria became independent after World War II, physical attacks against Jews in Syria became more frequent and proclamations calling for a boycott against Syrian Jews were widely circulated. Anti-Zionist demonstrations increasingly violent, with the local Jewish population serving as a convenient scapegoat.

After the United Nations in November 1947 voted to partition Palestine into an Arab and a Jewish state, anti-Jewish attacks reached a climax in Aleppo, when the masses went wild in the Jewish quarter of the city and set fire to the majority of the synagogues. They also broke into some 60 shops and 150 houses and set them ablaze. The Syrian Minister of Finance failed to act on a request for financial assistance to restore at least one of the synagogues.

Following the pogrom in Aleppo, other acts of violence against Syrian Jews occurred, the worst being explosions of bombs in the Jewish quarter of Damascus in Feb. 1948 and in the Synagogue during services on a Friday night in Aug. 1949. The latter incident killed 13 persons and wounded scores of others. The anti-Jewish attacks naturally prompted many Jews to seek to leave. However, since Syria received its independence in 1945 the authorities forbade Jewish emigration to Palestine and reportedly gave orders to shoot those found crossing the border illegally. The Syrians also imposed difficulties on Jewish travel to other countries as well. Nevertheless, thousands of Jews fled to Palestine or Lebanon, from whence they travelled to other countries.

After the establishment of the State of Israel in 1948, the situation of the Syrian Jews continued to deteriorate. Jews were forbidden to sell their property (1948) and Jewish bank accounts were frozen (1953). The Syrian authorities placed Palestinian Arab refugees in Jewish-owned homes in the

Jewish quarters of Damascus and Aleppo and the embittered Palestinians often have harassed their Syrian Jewish neighbors.

Since then all Jewish emigration has been barred except for a few short periods of relaxation. The first of these occurred in 1949, during the brief rule of Husni al-Zaim, a Syrian of Kurdish origin, who indicated a readiness to negotiate a peace treaty with Israel. Before he could carry out his peaceful intentions, however, he was assassinated. Frequent coups and counter-coups were to plague Syrian political life in the following years. When Hashim al-Attasi came to power in 1954, Jews were permitted to leave Syria, on condition that they renounce all claim to their property. However, after the first group reached Turkey, in Novemebr 1954, the Syrian police forbade others to leave.

In 1958, with the union of Syria and Egypt into the United Arab Republic, the prohibition on the exit of Syrian Jews was again cancelled, on condition that they transfer their proprety to the Government. However, shortly afterwards the frontiers were again closed to them and in 1959 those accused of helping Jews to leave were put on trial. In 1961 Syria broke away from the United Arab Republic.

In 1963 the Ba'ath Party came into power in Syria. Since this is officially known as the Arab Socialist, Renaissance Party, and is dedicated to freedom, progress, and Arab unity, one might have hoped from its rhetoric that the Ba'ath would remove the restrictions upon the Jewish community. Unfortunately, reality proved to be in harsh contrast to the rhetoric. Instead of being a unifying force, the Ba'ath has been split into factions both within Syria and between Syria and Iraq. Tragically, leaders of the self-styled "progressive" Ba'ath party have been responsible for such atrocities as the brutal torture and hanging of Iraqi Jews and non-Jews in 1969 and their summary execution after the mockery of peremptory secret trials.

Within Syria, it was the Baathists who in 1964 increased the official harassment to which Jews were subjected. They intensified internal travel restrictions on the Jews, requiring special permission from the secret police every time a Jew wished to travel from one city to another. They also vigorously enforced the regulation that identity cards of Jews be prominently marked in red on both sides: "Musawi" (of the faith of Moses). One of the purposes of such a special notation is to deny Jews the right, which other Syrians enjoy, to travel to neighboring Lebanon. Syrian law provides that Syrian citizens can visit neighboring Arab states without requiring a passport. This is similar to the arrangement between the U.S. and Canada.

But travel is not the only right denied the Syrian Jews. Other documents of Syrian Jews carry similar special notations. This is true, for example, of their bank accounts, their certificates of membership in the medical guild, and even their licenses to operate motorcycles and automobiles. The numerous regulations and discriminatory actions against Syrian citizens who are Jewish are enforced by a special branch of the Muhabarat (intelligence or secret police) of the Ministry of Interior. Even in those areas where by law all Syrian citizens are officially treated equally, the Muhabarat exercises an arbitrary veto power. Thus, for example, there have been cases in which highly qualified Jewish high school graduates were denied permission by the Muhabarat to attend the university.

Similarly, for many years it was exceedingly difficult for Jews to obtain driver's licenses, and once obtained, such licenses have in some cases been arbitrarily revoked. Jews have also generally been unable to obtain licenses to engage in import and export, although a few have managed to continue in business by working together with a Moslem partner. Jews have found it difficult to obtain employment in government ministries, even in areas unrelated to security or defense.

Special discriminatory rules also continue to restrict the rights of Jews to sell or inherit property. In order to sell his house or his car, a Jew requires the prior permission of the Muhabarat. This is usually denied unless he can demonstrate that the purpose of the sale is to acquire a more expensive house or car. With regard to inheritance the law also discriminates against Jews. It is apparently a general rule that Syrians living outside the country cannot inherit property in Syria.

However, in the case of Moslem and Christian Syrians, any heirs remaining in Syria divide the property. When a Jewish head of household dies, however, the shares of relatives who have left the country are confiscated by a special Palestinian Affairs Committee. As a result, in some cases the heirs remaining in Syria become minority shareholders and must pay rent for the privilege of remaining in their own homes!

It is important to note that these discriminatory restrictions were imposed on Syrian Jews before the Six-Day War of 1967. Those journalists who justify the Syrian discriminatory measures against the Jews on the grounds that the Syrians are understandably angry because Israel occupies Syria's Golan Heights, simply don't know their history.

Similarly, Mike Wallace on CBS's 60 Minutes seemed to justify the close surveillance and the travel restrictions imposed on Syrian Jews on the grounds that the Syrian authorities suspect them as a possible "fifth column," adding that "four young Syrian Jews were executed for espionage in 1969." This is simply not true. No such executions took place. In fact No Syrian Jew has been convicted of espionage in the entire period of Israel's creation from 1948 to the present. Even the Syrian Ambassador to the United States, Sabah Kabbani, has categorically denied the incident reported by Mr. Wallace. Thus, a major "fact" which has been presented to the American public as explaining the Syrian Government's restrictions on the Jewish community is without foundation.

Syrian Jews have, however, been imprisoned and tortured, often without formal trial, for having attempted to emigrate illegally—but of course there is today no legal way for them to do so—or for allegedly having helped other Jews to escape. Some Jews have been imprisoned for 2 months simply for having lost or misplaced their identity card. Others have been subjected to brutal interrogation simply at the whim of the secret police.

In fact, a few years ago, an entire family, including a five year old boy, were imprisoned for several months because they had allegedly been trying to flee the country.

You may well ask whether in the light of the grim Syrian record of mistreatment of its Jewish community there is any point in undertaking public efforts on their behalf? What hope do we have of success?

First of all, we have had success after much patient and persistent effort in seemingly even more hopeless cases. For example, it took three years until international efforts succeeded in obtaining the release of all the Jewish men who had been imprisoned in Egypt by Nasser in June 1967. Today, the 400 Jews remaining in Egypt are not persecuted or harassed. Even in Iraq, where Jews were officially murdered and no one was permitted to leave for many years, finally—through a combination of quiet diplomatic intervention and public outcry—Iraqi Jews were permitted to emigrate and today there are less than 400 remaining in the country.

In this connection, I should like to note with appreciation the hearing conducted by Mr. Hamilton, Chairman of the Subcommittee on the Near East, in May of 1973, at which Iraqi and Syrian escapees testified, and Mr. Hamilton's report to the House of Representatives on May 8, 1973, summarizing their testimony, which he concluded with an appeal that "we should try to persuade the Iraqis and Syrians that it is in their interests and in the interests of peace and human rights to let these small communities go." I am confident that this Congressional activity had a salutary effect upon the Iraqi authorities. I hope that we may see similar progress with regard to Syria. Secondly, aside from the Iraqi precedent, there is some cause for optimism in the fact that Syrian treatment of the Jews has varied somewhat over the years and that there were prior periods when emigration was permitted.

Thirdly, as Congressman Solarz has pointed out, today Syria is the only Arab country that totally refuses to allow its Jews to emigrate. We therefore believe that it is useful to emphasize that the Syrian Government's policy is inconsistent with Arab practice and indeed contradicts the official Arab propaganda line, which allegedly draws a distinction between Israel, which it opposes for political reasons, and Jews, which it respects as members of a monotheistic faith. Our emphasis in all our efforts has been to stress that we as Americans are concerned with the rights of Syrian Jews as a basic humanitarian issue and not as a part of the Arab-Israel dispute.

Fourthly, President Hafez al-Assad of Syria is reputedly more "moderate" than some of his predecessors. At least he appears to be more desirous of good political and economic relations with the United States. The resumption of direct U.S.-Syrian diplomatic relations last summer, after they had been broken off by Syria in 1967, gives the U.S. government a channel to exercise some measure of influence upon the Syrian authorities.

Finally, let me say a few words on the most recent developments, some of which indicate that the Syrian authorities are not totally unresponsive to American expressions of concern, although one should not exaggerate the limited progress that has been made:

For example, a few months ago there was a slight liberalization to allow some blind or critically ill persons to travel abroad for urgent medical attention. Permission to travel within Syria has also been more readily obtainable than in the past.

There have been a few other hopeful signs that the Syrian authorities were not completely insensitive to world public opinion: You will recall that in the Spring of 1974 there was an international outcry following the disappearance and subsequent discovery of the bodies of two young Syrian Jewish men who had attempted to flee; and the rape and murder in March 1974 of four young Jewish women, in the mountains near the Lebanese border, as they were apparently attempting to flee the country.

At first, Syrian Minister of the Interior Ali Zaza declared that two Jews and two Moslems had been arrested and had "confessed" to the murder of the women. After it was revealed that the two accused Jewish men, Yusef Shaluh and Azur Zalta, were respected members of the Jewish community (Zalta's brother is married to the sister of one of the victims), and that their "confessions" had been obtained through torture and were repudiated in court, the Syrian authorities first dropped the murder charge against the Jews, accusing them instead of aiding in illegally smuggling persons out of the country, and then last summer released them on bail. The two Moslems, with a record of smuggling and other crimes, were placed under psychiatric observation. The trial was scheduled to be resumed in October, but there have been no reports of any further sessions thus far, prompting some to believe that the Syrian authorities have decided quietly to drop the proceedings against the Jews.

Moreover, after three years of imprisonment, the Syrian authorities also finally released two young Jews, Nissim Katri and Joseph Swed, who had been picked up by the Muhabarat in the summer of 1971. They had languished in solitary confinement in secret police cells without formal trial for nearly two years before being transferred to the regular al-Maze prison in Damascus, from which they were released in June 1974. (Nothing is known of the present fate of Dr. Albert Elia, secretary-general of the Lebanese Jewish community, who was kidnapped from a Beirut street by agents of the Syrian secret police in September 1971 and was reliably reported to have been held in a Damascus military prison. He is presumed to have died in prison.)

In addition to giving permission for a few persons to travel to Lebanon or Europe for urgent medical attention not obtainable in Syria, in the past few months the Syrian authorities have for the first time also permitted a couple of Syrian Jews to visit their family in the United States. But in all these cases they have had to leave large security deposits with the Syrian authorities, which are forfeited if they fail to return promptly. In addition, the Syrians required some close family members to remain behind, fearing that if the entire family were let out they would not return.

It is difficult to determine whether these isolated cases represent the beginning of a general liberalization or whether they are simply part of a campaign by the Syrian authorities to improve their image in the United States without any substantial change in the real situation.

We know that as part of their public relations campaign to portray a falsely rosy picture of Jewish life in Syria, the Syrian authorities have singled out a few Jews for special privileged treatment. They are trotted out for display whenever visiting foreign dignitaries or journalists inquire about Syrian Jews.

For example, the New York Times on January 5, 1975 reported a Syrian statement that "the most popular men's clothing store in Damascus is owned by a Jew." This is true, but the Times failed to note that the owner, Halil Jijati, is known in the Jewish community to be closely connected with the head of the Syrian secret police. Mr. Jijati is also a member of the Jewish Community Council, which in Syria is not picked by the Jewish community but is appointed by the secret police. Because of his special relations with the police, Jijati has been able to rent space for his store in a government building and has been permitted to travel to Europe on business.

Similarly, three Syrian Government agents accompanies Mike Wallace of CBS "60 Minutes" while he was permitted to interview a well-to-do family. Wallace noted that Mr. Nusseri is one of Damascus' best known artisans in copper and brass. His son, Albert, is a pharmacist. But Mr. Wallace failed to note that two other children of Mr. Nusseri has fled, leaving all their wealth behind because they wished to live in freedom. Moreover, Mr. Nusseri himself and members of his family had some years back spent over a month in prison for "interrogation" before being released without charges. Under such circumstances it should be obvious that Mr. Nusseri would not dare say anything critical of the Syrian authorities.

Similarly, the offer by President Assad to allow Syrian Jews in the United States to come and visit their relatives in Syria does not appear to me to be a realistic solution. Only one couple has thus far taken up the offer. Others have failed to do so, not only because of lingering fears as to how they themselves would be treated (especially if they left Syria "illegally"), but also because of fears of the possible repercussions upon their relatives left in Syria after they had returned to the United States. Syrian Jews are under orders not to discuss their situation with foreigners without first informing the Muhabarat and obtaining their permission. Reportedly after a Mexican Jew visited the Syrian Jewish community, all those he talked to were lengthily interrogated by the Muhabarat.

What I find difficult to understand is the adamant refusal of the Syrian authorities thus far to allow even Syrian Jews with close relatives in the United States, Canada and other countries far from the Middle East to be united with their families. Of what is President Assad really afraid?

I believe that the United States should continue to seek to improve relations with Syria, but this must be a two-way street. If the Syrians wish increased American trade, investment and tourism, as Mr. Assad has indicated they do, then it is manifestly in their own self interest to do something to convince the American public that Syria is a country governed by the rule of law and not a police state subject to the arbitrary whim of the Muhabarat. Removing the discriminatory restrictions upon the Syrian Jewish community and permitting them the right to travel would help convince the people of the United States that Syria shares with us a concern for peace and fundamental human rights.

TOWARD THE GOALS OF NATIONAL AWARENESS WEEK

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. SISK. Mr. Speaker, I call to the attention of the Members that "National Awareness Week" will be observed from June 30 to July 6, and it has as its goal to make all persons aware of the environmental barriers which effect 1 out of every 10 Americans, and to work toward removal of those barriers.

It is, then, in this spirit that today I introduce legislation to create a Disabled Eagle passport program which will allow disabled persons free admission to our national parks and recreation areas and to utilize the recreational facilities at half the established daily use fee.

I feel that enactment of this legislation will both encourage and enhance this Nation's disabled to visit and utilize our vast park system and recreation areas which were established by the Congress for all the people to enjoy.

I would hope that there is agreement that Congress should be looking at methods by which we can assist the disabled to fully participate as citizens in programs fostered in this body for the past two centuries. A Disabled Eagle passport program is but one small contribution.

While this bill does not remove an architectural barrier for the disabled, it does provide them an opportunity to visit these natural, scenic or historic areas and to enjoy them.

I would hope that my colleagues will become aware of National Awareness Week during this recess period, and ponder the problems of all barriers facing the disabled.

BUDGET MISNOMER: "UNCONTROLLABLES"

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, June 27, 1975

Mr. HARRY F. BYRD, JR. Mr. President, the Columbus Evening Dispatch recently published an outstanding editorial on Federal spending. The Dispatch discusses the so-called "uncontrollables" in the Federal budget and points out that these items are "uncontrollable" in the Federal budget and points out that these items are "uncontrollable" because Congress refuses to clamp down on runaway spending.

Recently the Congress approved a $46 billion—4½ month increase in the Federal debt.

Interest on the national debt is now $100 million per day.

This spending has resulted in skyrocketing inflation. In fact, what could be bought for a dollar in 1939 would now cost over $4. But let us look at it another way—a dollar is not worth two bits.

I ask unanimous consent that the June 22, 1975, editorial from the Columbus Evening Dispatch be included in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BUDGET MISNOMER: 'UNCONTROLLABLES'

"Meritorious as the new federal Budget Control Act may be, the fact remains members of Congress have yet to disavow a multifaceted misnomer which tends to render the budget act hollow.

"What many members of Congress insist on citing when federal deficits are envisioned are the 'uncontrollable' items on the list of expenditures.

"Actually, these items are 'uncontrollable simply because Congress lacks the will to control them. What is more disastrous is the fact Congress has legislated barriers against even consideration of control.

"Tax Foundation, an independent research organization, recently addressed itself to this situation and found Congress could indeed rid itself of the burden of the "uncontrollables.'

"Congress should amend its commendable Budget Control Act because Tax Foundation has found that about 75 percent, or $261 billion, of the federal budget's total is being lumped under the heading of 'uncontrollables.'

"Worse, the total is increasing by leaps and bounds.

"In fact, says Tax Foundation, 'the growth in uncontrollable outlays has accelerated to the point where such spending is rising at a faster rate than federal income and more rapidly than the rate of growth of the whole economy.'

"Worse, neither Congress nor the executive branch of government seems able to exercise any control over this growth because of the built-in impetus of existing legislation.

"By far the largest amount of accelerated growth concerns 'payments for individuals.' These are scheduled to total $165.1 billion in fiscal 1976 compared to $41.8 billion in 1967.

"This means the federal government is becoming a massive transfer agent who collects tax dollars from this group and hands it over to that group, all the while skimming a portion off the top to maintain the bureaus which administer the transfer.

"There is obviously opportunity to make needed amendments to the new Budget Control Act to bring the uncontrollables under control.

"Congress, at the outset, should think the unthinkable—for politicians, that is—and vow not to start a new spending program or enlarge an existing one without providing the visible financing.

"In addition, Congress should reverse its present course and eliminate restrictions which currently prohibit annual review of spending programs as part of the budget-building process.

"More importantly, the federal legislature should eliminate regulations which tend to perpetuate programs ad infinitum and which legalize such budget-wrecking devices as automatic cost escalators.

"Knowledge that uncontrollables constitute three-fourths of the federal budget is appalling to the average American who has little choice but to plan rigidly for his own livelihood as well as for his own future, including mortgage payoff and the education of his children, let alone his own retirement.

"The American taxpayer is not at all unreasonable in expecting his government to exercise the same responsibility."

QUESTIONAIRE RESULTS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. FORD of Michigan. Mr. Speaker, this spring, as I have each year since my election to Congress 11 years ago, I made a questionnaire survey of my constituents to determine their views on some of the major issues confronting our Nation.

Copies of the questionnaire were mailed to each of the more than 155,000 homes in my district, and the responses were returned to my local office. Staff members and volunteers spent many hours opening, sorting, and tabulating the replies.

Although each day's mail still brings more returns, we decided to set June 1 as the cutoff date for counting, and nearly 10,000 replies up to that time have now been tabulated. All the questionnaires received after June 1 will also be tabulated, and the total results included in my permanent record.

I am pleased at this time to share the percentage results of the first 10,000 with my colleagues, and ask that they be printed at this point in the RECORD:

1. In which of the following areas would you prefer to reduce American petroleum consumption, to help eliminate our dependence on imported oil?

[Amounts in percent]

a. Gasoline consumption by automobiles, 26.

b. Gasoline consumption by trucks and buses, 15.

c. Petrochemicals (synthetic clothing, etc.), 26.

d. Industfial use, such as plastics, 22.

e. Agriculture use, such as fertilizers, 8.

f. Residential heating, 6.

g. Commercial heating, 18.

h. Equal cutbacks in all of the above, 47.

2. Which of the following proposals would you prefer to help curb gasoline consumption?

a. Higher prices, through tariffs or sales taxes, 13.

b. A Federal tax on horsepower or auto weight, 34.

c. Nation-wide gasoline rationing, 15.

d. Closing of gasoline stations on Sundays, 32.

e. Strict enforcement of the 55-mile speed limit, 67.

3. When you buy your next car, what size do you plan to buy?

a. Full size, 22.

b. Intermediate, 38.

c. Compact, 29.

d. Sub-compact, 11.

4. Oil company profits have continued to rise despite the energy shortage. Do you think the oil industry should be:

a. Regulated as a public utility, 31.

b. Limited as to its profit margin, 44.

c. Nationalized by the Federal government, 13.

d. Allowed high profits to encourage exploration, 12.

5. The problem of inflation has not been solved, and the Administration predicts that it will continue at an annual rate of 8% or higher for the next decade.

a. Do you consider inflation a serious problem? Yes. 97.

b. Do you favor the return of wage-price controls? Yes. 51.

c. If controls are brought back, do you think they should induce dividends and business profits? Yes, 75.

6. The House has approved a $16 billion income tax rebate. If the President signs the bill into law, how would you most likely use the extra money?

a. To pay off existing debts, 36.

b. To make new purchases, 43.

c. To increase your savings, 21.

7. In recent years American corporations have been making substantial investments in foreign countries. West Germany, Japan and Middle-East nations are making similar investments in the United States.

a. Do you think the Federal government should set limits on overseas investments by U.S. Corporations? Yes. 70.

b. Do you think the Federal government should set limits on foreign investments in the United States? Yes. 70.

8. The United States still has 320,000 troops and 140,000 dependents in Europe. Do you think our troop level in Europe should be:

a. Reduced sharply, 26.

b. Reduced moderately, 28.

c. Retained at the present level, 26.

d. Eliminated entirely, 20.

9. Both Congress and the Administration agree that Federal spending should be reduced, but disagree on which programs should be cut. President Ford, like President Nixon before him, wants to cut domestic spending, but increase allocations for the military and for foreign aid.

a. In what three areas do you think the Federal budget should be cut?

Foreign Aid, 60.
Military Spending, 40.
Welfare, 19.
Government Waste, 17.
Federal Salaries, 11.
Federal Subsidies, 9.

b. In what three areas should the Federal budget be increased?

Education, 18.
None, 18.
Senior Citizens, 16.
National Health Care, 11.
Employment Programs, 10.
Energy Research, 10.

10. To conclude this questionnaire, please tell me what you consider the three most important problems facing our nation.

Inflation, 48.
Unemployment, 28.
Crime and Drugs, 28.
Energy, 10.
Government Corruption, 10.
Recession, 10.

Mr. Speaker, I would like to comment briefly on each of these questions, and my constituents' responses.

The results support what I have been hearing from many persons on my trips to the district, and from my incoming mail—my constituents do not believe that efforts to solve the energy crisis should be borne entirely by those who must use automobiles for work, for shopping and for recreation. Other users must be asked to share in any cutbacks. This includes the petrochemical and plastic industries, public utilities, farmers, the transportation industry, and both commercial and residential heat suppliers. Why not cut back on the production of such "vital" items as hula hoops, hockey pucks and plastic ducks?

Sixty-seven percent of my constituents favored the 55-mile speed limit above all other alternatives as the most fair and effective means of reducing gasoline consumption. I must agree that this measure should be fully tested and explored before we resort to more drastic steps which would fall most heavily on the poor, the elderly and the working people.

Of the five proposals I listed as possible means of reducing consumption, the smallest number of votes went for higher prices. This represents my feelings exactly, for such increases would be grossly unfair to those least able to afford it. Our entire economy is auto-oriented, and I will firmly oppose any measures which would tend to make driving a privilege of the wealthy.

Only 11 percent of my constituents intend their next car to be a subcompact, and only 22 percent plan to buy a full-sized model. The great majority—67 percent—prefer an intermediate or compact car, which is in line with national polls that I have seen. I hope the automobile companies will build cars to meet this market, and I hope they will be built in the United States, with American workers.

The answers on oil-company profits also parallel national polls. Although few persons favor the radical step of nationalization, even fewer accept the oil companies' argument that high profits are needed to encourage exploration. A far greater number believe that oil companies should be regulated as public utilities, and should be limited as to profit margins.

It was hardly surprising that 97 percent of those responding consider inflation a serious problem. Nor was it surprising that barely half favor the return of wage-price controls. The fact that 75 percent want dividends and business profits included in any future controls is a reflection of previous experiments, which failed miserably to either control prices or to deal fairly with wage earners. It is highly unfair to set a limit on income earned by labor, without a similar limit on income earned by capital.

The value of the tax rebate plan passed by Congress to help combat the recession is clearly shown in the answer to the question of how my constituents plan to use the extra money. Only 21 percent intend to increase their savings; the other 79 percent plan to either pay off existing debts or make new purchases. Both these alternatives help pump money back into the economy. I strongly supported the rebate plan for this very reason.

My constituents, by identical margins of 70 percent, would set limits both on overseas investment by U.S. corporations, and on foreign investments in the United States. These results show great concern by the people of my district, a concern that I have heard voiced on many occasions. I am also greatly troubled by the growing role of multinational corporations. I find a basic conflict between my strong support of free trade, and my desire to protect American jobs.

The response to the question about American troops and dependents in Europe indicates a strong feeling—74 percent—that they should be reduced or even eliminated. I also think we should be reducing these and other overseas commitments, and that we should be looking to an eventual return of all our troops, and their payrolls, to the United States.

I have asked my constituents for several years to pick the three areas of the Federal budget which should be reduced, and those which should be increased. For the past 2 years, the lists have been almost identical. Foreign aid, military spending, and welfare lead the list of budget cuts, in that order. Education topped the list of proposed increases both years, but health care, which tied with education in 1974, dropped to fourth this year. Not surprisingly, the category of "none" jumped from sixth last year to a first-place tie this year. Pollution control, which ranked a close third in 1974, dropped out of the top six this year. Senior citizen programs rose from fourth to third. Reflecting the Nation's record unemployment rate, employment programs came in fourth this year.

My concluding question, this year and last, asked my constituents to tell me what they considered the three most important questions facing our Nation. Again, the comparison with 1974 is significant in view of today's economic problems. Inflation topped the list both years, but unemployment came in second this year, as compared to sixth a year ago. Crime and drugs, ranked second in 1974, dropped to third place. Energy dropped from third to fourth, while Government corruption remained in fifth spot. The recession, not ranked a top problem in 1974, was sixth this year. The Presidency was fourth last year, during the height of the Nixon-Watergate problems, but dropped off the list this year.

Mr. Speaker, I consider this annual questionnaire survey one of the most valuable projects carried out each year by my office. It gives me a most useful analysis of my constituents' feelings on the tough controversial issues which we debate here on the House floor. In addition, the questionnaires encourage my constituents to write me on other issues, and reinforce a vital communication link with me as their representative in Washington. It enables me to keep in close touch with a broad cross section of my constituency, and to be aware of their concerns. It lets me know how the residents of my district set their priorities in our never-ending efforts to achieve peace and prosperity both at home and abroad.

SPEAKING OUT FOR FREEDOM

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. KOCH. Mr. Speaker, I would like to bring to the attention of my colleagues a recent article which reminds us of the closed and antilegal character of Soviet society. Certainly we would all agree that the right of choice of country of residence proclaimed by article 13 of the Universal Declaration of Human Rights is a basic freedom which cannot be sacrificed at any cost. Yet the Soviet Union, while not admitting to do so in principle, is in practice making a mockery of this basic right by placing groundless and lawless limitations on those Soviet citizens wishing to emigrate. In an editorial which appeared in the New York Times of June 26, Telford Taylor, chief prosecutor of the Nuremberg war crimes trials, tells of the flagrant violations of the Soviet criminal codes and of the shocking abuses in Soviet prison conditions he discovered while attempting to obtain relief for some 20 Soviet Jews and 2 Gentiles who had fallen afoul of Soviet criminal law during their efforts to emigrate to Israel. This awful oppression is especially acute in the question of Jewish emigration from the U.S.S.R. to Israel which is so important in both historical and personal terms for all who want to leave. The constant groundless refusals of exit visas, the harassments, intimidations, provocations, and trials are terrible human misfortunes. We cannot condone the repressive and fearful atmosphere prevailing in the Soviet Union. There is nothing more important than personal liberty and we must stand by those who have the courage to fight these oppressive Soviet forces. Denial of human rights in any country is an international matter. The U.S. system of government, with all its faults, contains protections which ultimately permit the public to stop the attacks upon their liberties. Unfortunately, that is not true in the U.S.S.R.

While the Soviet Union cannot be moved by internal legal safeguards for the protection of the individual, it has been established that it will move in response to world public opinion. All those who believe in personal liberty and the exercise of basic human rights should write to Ambassador Dobrynin of the Soviet Embassy registering their deep concern over the deterioration of Soviet treatment of prisoners and immigration cases.

I am appending Telford Taylor's article as it appeared in the New York Times:

TRIALS AND TRIBULATIONS IN SOVIET COURTS

Roman Rudenko has been the Procurator General of the Soviet Union for over twenty years. In that capacity, he has authority to "protest" criminal convictions in the Soviet courts—that is, to set aside judgments which he finds invalid, and force their reconsideration. He also has authority over the Soviet prison and labor camp system, and the responsibility of correcting violations of the rules governing prison conditions.

I had last seen General Rudenko at Nuremberg in 1946, when he was chief Soviet prosecutor at the war crimes trials, and I was associate counsel on the American prosecution staff. Nazi criminality had then been the main subject of our discussions, and it seemed extraordinary that Nazi criminals were again involved at our meeting in his Moscow office in June of 1974.

The occasion for our reunion arose from the imprisonment of some twenty Soviet Jews and two Gentiles who had fallen afoul of Soviet criminal law during their efforts to emigrate to Israel. The prisoners' relatives, many of whom were is Israel, had asked a group of American lawyers, of which I was one, to represent them in an effort to obtain relief for the prisoners. Because of my past acquaintance with General Rudenko, I had been asked to go to Moscow and speak to him.

Records of Soviet criminal proceedings are not public. Even final judgments of their courts are often difficult and sometimes impossible to obtain, especially in "political" criminal cases such as the ones we were concerned with. Most of the information we had acquired came from the prisoners' relatives in Israel who had been present at the trials, and from a few Jews who had themselves beeen convicted and served short sentences, prior to emigrating to Israel. Very little of their information was in documentary form, and my colleagues and I had spent many days in Israel interviewing these people and embodying their statements in affidavits.

We tried to guard against exaggerations and faulty memories by careful cross-checking, and relying only upon accounts that were inherently credible and confirmed by several observers.

Despite these limitations, our legal group had assembled what we all believed to be a formidable amount of evidence that the trials had involved flagrant violations of the Soviet criminal codes, and exposing shocking abuses in prison conditions. Outstanding among these abuses was the fact that most of the Jewish prisoners are confined in labor camps where the majority of the other inmates had been convicted of collaborating with the Nazis in the murder of Jews, and in other atrocities, during World War II. Virulently anti-Semitic, they are long-termers many of whom have become "trustees," and use their privileged positions to harass and victimize the Jews.

Soviet laws governing criminal court procedure have enlightened safeguards and it is quite possible that nonpolitical trials are fairly conducted. But if the trials of these Jews are any guide, the paper guarantees are worthless when important state interests are involved.

Soviet defendants, for example, are entitled by law to representation by counsel of their own choosing. But all of our defendants were required to retain counsel holding a *dopusk*—a special permit approved by the K.G.B. (Soviet security police). In some cases this meant hostile lawyers who refused to call witnesses or take appeals as desired by their clients. In virtually all cases it meant counsel who would not too sharply challenge the prosecution, and generally would confine their efforts to pleas for mitigation of the sentences, on grounds such as that the defendants were young and misled by Zionist propaganda.

This is but one of many examples of the disregard for law which tainted these trials. Defendants guilty of lesser offenses were convicted of treason, although the elements of that offense were clearly lacking, in order to impose heavy sentences. Many were convicted of disseminating anti-Soviet literature, although most of it (including biographies of Golda Meir, Leon Uris' "Exodus," and even Talmuds) was offensive to the prosecutors only because of its Jewish character. It was deemed "anti-Soviet" because the political authorities had so decided, in flagrant violation of the Soviet rule that all evidence be heard in open court.

Recently, the accusations have sometimes been wholly fabricated. A one-legged Jewish carpenter who sought to emigrate was accused of overcharging his customers. When the prosecutor was unable to produce any evidence, the judge told the carpenter that his wish to emigrate was the only reason for his plight, and that the charges would be dropped if he would drop his plan. He refused and was given a five-year sentence.

All this and much more was in the briefs and petitions I presented to General Rudenko. He was personally friendly and agreed to receive them, but it proved impossible to engage him in rational discussions of the cases. Soon it became apparent that he and his staff would give no serious consideration to our evidence or arguments.

Efforts to follow up the encounter have elicited no response, and General Rudenko has done nothing to rectify the errors or mitigate the prison abuses. What we have been able to accomplish is to give our clients the moral comfort that (to paraphrase Arthur Miller) "attention is being paid" to the injustices by which their imprisoned relatives have been victimized.

Despite the very different concept of the function of law which prevails in Communist countries, Russian lawyers are not without pride in the nature and quality of their judicial system. Perhaps our group was wrong to hope that this pride, coupled with reluctance to have these abuses exposed, would prompt corrective action. If such hopes remain unfulfilled, at least our efforts may contribute to the record on which decisions of Soviet courts are to be judged.

PANAMA CANAL

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, June 27, 1975

Mr. HARRY F. BYRD, JR. Mr. President, the Clarksville (Tenn.) Leaf Chronicle published an editorial on May 25, 1975, in which it commented on an excellent Senate speech made by the distinguished Senator from Florida (Mr. STONE) on May 31, 1975. The Lubbock (Tex.) Journal published an editorial in opposition to the Panama Canal giveaway.

I ask unanimous consent that the Clarksville (Tenn.) Leaf Chronicle editorial, captioned "Security Threat," and the Lubbock (Tex.) Journal editorial, captioned "Push On For Canal Giveaway," be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

SECURITY THREAT

Detente should be a two-way street, argues Sen. Richard Stone, a Florida Democrat. To modify the U.S. position before Cuba shows a commitment to improved relations by changing some of its policies would be to "give away all our bargaining chips in advance," he warns. Stone and Sen. James L. Buckley (Cons-R-N.Y.) both are wary of the security threat Cuba poses only 90 miles from U.S. shores because of its close relationship with Soviet intelligence operations and its use as a maintenance area for Russian submarines.

Buckley has urged Cuba order the withdrawal of Soviet military and intelligence operatives and deny the use of basing facilities to the Soviet navy before trade is resumed.

Sen. Harry F. Byrd Jr. (Ind-Va.) has suggested additional conditions, including the free flow of journalists and visitors between the two countries, and compensation for U.S. property seized when Castro came to power. Byrd says American citizens and businesses have claims totalling $1.8-billion against the Cuban government.

The United States also has a moral obligation to oppose the Cuban government as long as it remains Communist, argue two House Democrats from Florida, Bill Chappell Jr. and Claude Pepper. The Castro government ignores democratic and humanitarian principles, says Chappell, and resuming normal relations with Cuba would be detrimental to the best interests and national security of the United States.

PUSH ON FOR CANAL GIVEAWAY

If for no other reason than to be consistent with the United States' worldwide retreat in confusion from its established foreign policy, the Ford administration is beginning to pull out all the stops to gain public and Congressional approval of giving away the Panama Canal.

Happily, it'll have to convince two-thirds of the Senate to ratify any new treaty with Panama—and the Senate appears to be leery of the scheme.

To relinquish sovereignty over the Canal Zone, obtained in perpetuity in 1903, would be to sacrifice the U.S.' own best interests on the altar of "adapting to change."

A massive public relations campaign has been launched to gain support for the American retreat from Panama.

Chief U.S. negotiator Ellsworth Bunker is saying in interviews that failure to ratify a new treaty returning the Canal Zone to Panama "would almost certainly (mean) hostilities with an otherwise friendly country."

Friendly? Pro-Soviet Panamanian dictator Omar Torrijos warns, "if these negotiations do not conclude satisfactorily, Canal operations could come to a total halt by guerrilla attacks."

Assistant Secretary of State for inter-American affairs William D. Rogers argues for a new treaty with "a fixed termination date" because "we no longer dominate the world scene as we once did. A new pattern of relationships and power structures is emerging."

Negotiations now underway, he adds, will produce a treaty under which "Panama will participate in the administration and defense of the canal and receive an equitable share of the economic benefits of the canal."

Otherwise, he warns, "we could be forced to engage in hostilities . . ."

To all of this, Sen. Harry F. Byrd Jr. answers that "compromising our rights in the Canal Zone would weaken this country's defense posture in the Western Hemisphere."

"Could anyone seriously contend," he asks, "that Panama, with a population of slightly over 1.5 million—less than a third of Virginia's—could defend the canal by itself?"

Other critics wonder what makes the administration think that American shipping interests could be protected if the canal is under Panamanian control when, by its own arguments, it says that unless the U.S. gives up control there may be trouble.

"The changing world circumstances" to which Mr. Rogers refers should mandate that the United States, for a change, begin putting its own interests first. And standing ready to fight for them if necessary.

PERSONAL FINANCIAL STATEMENT OF HON. JOHN CONYERS, JR., FOR 1974

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1975

Mr. CONYERS. Mr. Speaker, in keeping with my conviction that public service carries with it the obligation to make full public disclosure of personal finances to one's constituents, I am once again making such a statement for the RECORD. The following is a report of my financial condition for the year 1974:

My income for the year consisted of my congressional salary of $42,500, income from my ownership interest in the Conyers Partnership (automobile dealership) of $17,108, and speaking honoraria amounting to $8,193.71. My total income was $68,114.13 and my adjusted gross income was $67,706.62. I paid Federal income taxes amounting to $25,897.80, Michigan State taxes amounting to $2,539.00 and city of Detroit taxes amounting to $1,342.13.

SENATE—*Monday, July 7, 1975*

The Senate met at 11 a.m. and was called to order by Hon. DALE BUMPERS, a Senator from the State of Arkansas.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Spirit of God, descend upon our hearts. Take the dimness of our souls away that we may know Thy will and do it. Lead us in paths of righteousness for Thy name's sake. Keep ever before us the vision of the land of the free, the home of the brave, and the Nation whose God is the Lord. When we sin forgive us, when we fail correct us, when we are right confirm and strengthen us. As we work keep our hearts aglow with faith and hope that we may have a part with Thee in shaping a better nation in a better world. May goodness and mercy abide in us and at the last may we hear the divine approbation, "Well done, good and faithful servant."

We pray in the name of the Great Redeemer. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 7, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DALE BUMPERS, a Senator from the State of Arkansas, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. BUMPERS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, June 27, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today until 11:30 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Does the Senator from North Carolina seek recognition as acting minority leader?

Mr. HELMS. Only briefly, Mr. President.

ALEXANDER SOLZHENITSYN

Mr. HELMS. Mr. President, during the recess last week I noticed in the press of North Carolina a report on what purported to be comments by Ron Nessen, who is, of course, the news secretary of the President of the United States. It seemed to me that Mr. Nessen went out of his way to be snide, indeed approaching the point of sarcasm concerning a distinguished citizen of the world. Alexander Solzhenitsyn.

Mr. Solzhenitsyn, of course, is visiting in Washington at the present time.

As many Americans know, here is a man who has literally risked his life on behalf of freedom in the Soviet Union. He has been exiled because he dared to speak the truth about the tyranny of communism, which continues to spread around the world. It is widely speculated that he no doubt would have been executed had it not been for the fact that his great book "Gulag Archipelago," and his other books, were prepared in duplicate manuscript form with one copy smuggled out of the country to be released if he were imprisoned or executed. Mr. Solzhenitsyn was sent to a slave labor camp, a concentration camp, for committing the offense of telling the truth. It was then that his books attracted worldwide attention.

Mr. President, this Senator from North Carolina feels honored that Mr. Solzhenitsyn is in America. As the distinguished Presiding Officer will recall, the Senate of the United States last year, and again this year, voted unanimously to confer honorary citizenship upon Mr. Solzhenitsyn.

About 2 weeks ago, the distinguished Senator from South Carolina (Mr. THURMOND) and I sent a joint letter to the President of the United States, expressing the hope that the President would extend the courtesy of an invitation to Mr. Solzhenitsyn while this distinguished Nobel Prize winner is in this country. I am informed that the advisers—I am tempted to put quotation marks around the word "advisers"—to the President told him, in effect, "Oh, no, Mr. President; we may make the Russians mad if you extend the common courtesy of 5 minutes with Mr. Solzhenitsyn."

Mr. President, I suggest that this is a sad day for our country if the United States of America must tremble in cowering timidity for fear of offending Communists unless the President of the United States refuses to see a dedicated exponent of freedom—a dedicated Christian, I might add—a Nobel Prize winner, who comes to our country as a visitor.

I would be less than candid if I did not today express my regrets at this discouraging decision by the White House. I can only hope that the President, himself, has not given his personal attention to this matter and that the refusal to see Mr. Solzhenitsyn was purely a judgment made by the President's advisers. I think the President should reverse this judgment of his so-called advisers, because they have given him bad advice, and certainly it is a slap in the face to all the freedom-loving people throughout the world who understand the nature of communism.

Mr. Solzhenitsyn, in a visit with me a few days ago, commented that the United States is inordinately concerned with world war III. He said:

> Senator, what your leaders apparently do not understand is that World War III is over and that the Communists have won it, taking over 20 countries in the last 15 or 20 years.

So I repeat, Mr. President, the hope that the President of the United States will reconsider this bad advice that his advisers have given him and extend even yet the courtesy of at least a brief invitation to Mr. Solzhenitsyn. If the President has time to roll out the red carpet for soccer players and actors—and Communist functionaries—surely he should be able to find time for a distinguished Nobel Prize winner who has been willing to lay down his life in defense of freedom.

QUORUM CALL

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 30 minutes, with statements therein limited to 5 minutes each.

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 1 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until 1 p.m. today.

There being no objection, the Senate, at 11:20 a.m., recessed until 1 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HELMS).

REPLACEMENT OF THE EXISTING AMERICAN FALLS DAM—ASSURANCE OF TAX-EXEMPT STATUS OF BONDS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 255, S. 1152, which I understand has been cleared on both sides.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

> A bill (S. 1152) to amend the act of December 28, 1973 (87 Stat. 904) to clarify the relationship of the provisions of said act to the provisions of section 103 of title 26, United States Code.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CHURCH. Mr. President, in 1973, Congress passed and the President signed into law a proposal to permit replacement and rehabilitation of the American Falls dam through the use of non-Federal financing by the American Falls Reservoir District, a political subdivision of the State of Idaho. The plan to finance replacement of the dam represented a deliberate choice over legislation concurrently proposed and considered which would have obligated the Federal Government to replace the structure. Not only would such financing remove a financial burden from the taxpayer and assure more rapid implementation of the replacement dam project, but Federal involvement would be minimal and State and local involvement would be at a maximum. The act also provides that upon completion of construction, the United States shall take title to the dam as a feature of the Minidoka project, located in the upper Snake River Basin, Idaho.

It was the expectation of those of us involved with the project and with the act that bonds issued by the reservoir district to finance construction would be tax exempt. That understanding was not challenged throughout congressional action and subsequent passage of the act. In fact, a spokesman for the administration noted in a letter to the chairman of the Interior Committee that the spaceholders would obtain financing for the new dam by the issuance of tax-exempt bonds. Thus, in supporting passage of the original act, the administration also contemplated tax-exempt status.

To assure that the bonds would be successfully marketed, the American Falls Reservoir District has sought a ruling from the Internal Revenue Service that interest on the bonds would be tax exempt. In June of 1974, the district requested a ruling from the Service, but that ruling has yet to be issued.

Passage in the Senate of S. 1152, a bill to clarify the relationship of the provisions of the American Falls Dam Replacement Act to provisions of section 103 of the Internal Revenue Code, will specifically define the intent of Congress and will help to assure adequate financing for replacement costs. I want to emphasize that this bill does not create a precedent for other water projects. It simply clarifies the situation for the American Falls dam reconstruction project.

The original American Falls dam was constructed in 1927 by the Bureau of Reclamation. The dam was restricted to two-thirds of its 1.7 million acre-foot capacity in 1972 by the Bureau of Reclamation for safety reasons, because of excessive pressures on the dam which were caused by an alkali-aggregate reaction and deterioration in the concrete.

The economy of southern Idaho depends upon affirmative action to reconstruct and rehabilitate the dam. Nearly 900,000 acres of prime agricultural land depend, to a large extent, upon the waters stored behind the present, deteriorating structure.

It is for these reasons that speedy passage of the act authorizing replacement was sought in the first instance. Further delay is a luxury the farmers in Idaho cannot afford. I am hopeful the House of Representatives will act quickly and positively on this matter.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Act of December 28, 1973 (87 Stat. 905) is hereby amended by changing the final period to a colon and adding the following language: "*And provided further*, That the dam and related facilities to be financed and constructed by the constructing agency as provided in this Act shall for all purposes of section 103(c) (4) of title 26, United States Code, constitute facilities solely for the furnishing of water, available on reasonable demand to members of the general public.".

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. BUMPERS) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF JOINT RESOLUTIONS

A message from the President of the United States stated that on June 28, 1975, he had approved and signed the enrolled joint resolution (S.J. Res. 94) to extend by 90 days the expiration date of the Defense Production Act of 1950 and to extend the funding of the National Commission on Productivity and Work Quality for 90 days; and on July 4, 1975, he had approved and signed the joint resolution (S.J. Res. 98) to provide that the flag of the United States of America may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge, Pa.

PROPOSED LEGISLATION BY THE PRESIDENT—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. BUMPERS) laid before the Senate a message from the President of the United States transmitting a draft of proposed legislation entitled "Federal-Aid Highway Act of 1975"; which, with the accompanying papers, was referred to the Committee on Finance and the Committee on Public Works, jointly, by unanimous consent. The message is as follows:

To the Congress of the United States:

Twenty years ago, President Eisenhower sent to the Congress a landmark report on our Nation's highways. That report, and the legislation it inspired, launched the Nation on one of the most ambitious public works programs in history—construction of the 42,500-mile Interstate Highway System.

Today, eighty-five percent of the Interstate system is open to traffic, and the system has proven vital to the Nation's commercial prosperity and to the individual mobility of millions of Americans.

The Highway Trust Fund which has financed this remarkable program is scheduled to expire on October 1, 1977. I am today recommending legislation to extend the Trust Fund but limit its use to completion and improvement of the Interstate system itself. Other highway projects receiving Federal assistance would be funded through the general treasury.

In addition, I am recommending that income to the Fund be reduced by transferring two cents of the current Federal gasoline tax from the Trust Fund to the general treasury. At the same time, I am recommending that the Federal gasoline tax be reduced by one cent per gallon in those States which increase their State gasoline tax by an equal amount.

In this way, the ability of State and local governments to deal with their own transportation problems will be improved, but costs to the highway user will not be increased.

Top priority in this legislation will go to completion of those segments of the Interstate system which will make the system truly national in scope.

I am also proposing consolidation of Federal highway programs under three broadly-based categories, combining some thirty narrow grant-in-aid programs now in existence. The three programs will deal, respectively, with urban and suburban transportation, rural transportation and highway safety improvements.

The highway program is a classic example of a Federal program that has expanded over the years into areas of State and local responsibility, distorting the priorities of those governments.

The legislation I propose will refocus the Federal attention on the Interstate System, which is clearly of national significance, and provide flexible aid for other highway construction in a manner which fully respects State and local decision-making roles.

This is consistent with my general philosophy that we should not, at the Federal level, extend our influence into areas which other levels of government can handle better.

As we near our 200th birthday as a Nation, we must select with care the great national efforts we undertake, reflecting the responsibility we all have to preserve the integrity of our Republic. We must limit the Federal role to national concerns, strengthen the authority and resources of State and local governments, and protect the prerogatives of individuals.

I believe this legislation is the most responsible and effective means of meeting the Nation's transportation needs. I urge the Congress to give it prompt and favorable consideration.

GERALD R. FORD.

THE WHITE HOUSE, *July 7, 1975.*

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that a message from the President relative to the Highway Trust Fund and the Interstate Highway System be referred jointly to the Committee on Finance and the Committee on Public Works.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILLS SIGNED

Under authority of the order of June 26, 1975, a message from the House of Representatives was received on June 27, 1975, during the adjournment of the Senate, stating that the Speaker had signed the following enrolled bills and joint resolution:

H.R. 1387. An act for the relief of Raul Alvarez Rodriguez;

H.R. 1388. An act for the relief of Guadalupe Villegas-Cantu;

H.R. 1393. An act for the relief of Jacinta Roque Armstrong-Perez;

H.R. 1408. An act for the relief of Joseph Hoffman;

H.R. 1410. An act for the relief of Samuel T. Ansley;

H.R. 1421. An act for the relief of Stephanie Kahn and Barbara Heyman;

H.R. 1510. An act for the relief of Steve P. Reese;

H.R. 1556. An act for the relief of Hendrika Koenders Lyne;

H.R. 1649. An act for the relief of Howard D. Harden;

H.R. 2109. An act for the relief of Captain George Moore, Jr., of the U.S. Air Force;

H.R. 2119. An act for the relief of Maria Gilda Haro;

H.R. 2946. An act for the relief of Mrs. Dorothy Hinck;

H.R. 3382. An act for the relief of Raymond Monroe;

H.R. 3526. An act for the relief of Randall L. Talbot;

H.R. 5217. An act to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student load, and for other purposes;

H.R. 6900. An act to provide an additional thirteen weeks of benefits under the emergency unemployment compensation program and the special unemployment assistance program, to extend the special unemployment assistance program for 1 year, and for other purposes;

H.R. 7709. An act to continue for a temporary period the existing suspension of duty on certain istle; and

S.J. Res. 98. A joint resolution to provide that the flag of the United States of America may be flown for 24-hours of each day in Valley Forge State Park, Valley Forge, Pa.

The enrolled bills and joint resolution were signed on June 27, 1975, by the Acting President pro tempore (Mr. METCALF).

On June 30, 1975, a message from the House of Representatives was received stating that the Speaker had signed the following enrolled bills:

H.R. 5398. An act to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions; and

H.R. 8109. An act to amend title XIX of the Social Security Act to extend the protection against the loss of medicaid because of the 1972 increase in social security benefits, and to extend the exemption of Puerto Rico, Guam, and the Virgin Islands from certain requirements relating to choice of provider.

The enrolled bills were signed on July 1, 1975, by the Acting President pro tempore (Mr. METCALF).

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on June 27, 1975, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 2003. An act to amend the International Travel Act of 1961 to authorize additional appropriations, and for other purposes; and

S.J. Res. 98. A joint resolution to provide that the flag of the United States of America may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge, Pa.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOLE:

S. 2048. A bill to provide for the modification of the project for Tuttle Creek Lake, Big Blue River, Kans. Referred to the Committee on Public Works.

By Mr. BUMPERS (for himself and Mr. STONE):

S. 2049. A bill to amend title 23 of the United States Code in order to conserve vital fuel and energy resources. Referred to the Committee on Public Works.

By Mr. PROXMIRE (for himself and Mr. TOWER) (by request):

S. 2050. A bill to modify reserve requirements of member banks of the Federal Reserve System; to extend such requirements to other institutions; to authorize Federal Reserve Banks to extend credit to such institutions; and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE:

S. 2048. A bill to provide for the modification of the project for Tuttle Creek Lake, Big Blue River, Kans. Referred to the Committee on Public Works.

MARSHALL COUNTY, KANS., ROAD AND BRIDGE PROGRAM

Mr. DOLE. Mr. President, today I am introducing a bill to authorize $570,000 for the replacement of a bridge and construction of a 2-mile road in Marshall County, Kans. Construction of these projects is to be carried out by the Army Corps of Engineers, Kansas City District.

In 1973, a flood on the Little Blue River wiped out two bridges between Waterville and Blue Rapids, Kans., both located directly southwest of Tuttle Creek Reservoir. These bridges served as vital farm-to-market and social links for the citizens of this entire area. They have not been replaced, and the corps of engineers lacks necessary authority to initiate such activity at this time.

Normal activities in the area, particularly farming trade, have been severely disrupted since the loss of the bridges. The citizens of Waterville and Blue Rapids, in conjunction with corps officials, have concluded that the problems might properly be resolved through reconstruction of one bridge, along with construction of a new 2-mile road. That road would efficiently connect Waterville, Blue Rapids, and the areas in between through linkage with existing roads which run north of the Little Blue River.

Mr. President, the Kansas City District of the Corps of Engineers now has the capability to construct these projects, and is lacking only the funds needed to complete them. There are indications that previous Federal projects downstream may have contributed to the flooding in 1973, and it seems just that funds be authorized to repair the damage. I, therefore, urge that we take prompt action to alleviate the extreme hardships that these citizens of Kansas are experiencing, and authorize this construction, so that this area, long separated, may be sewn back together.

By Mr. BUMPERS (for himself and Mr. STONE):

S. 2049. A bill to amend title 23 of the United States Code in order to conserve vital fuel and energy resources. Referred to the Committee on Public Works.

RIGHT TURN ON RED

Mr. BUMPERS. Mr. President, today I am introducing an amendment to the Federal-Aid Highway Act, as amended, the purpose of which is to provide an incentive to the States to authorize and permit right turns at red light traffic signals in all instances as one means of assuring that our threatened fuel supplies are put to their most efficient and effective use.

On the surface, such legislation might seem trivial and inconsequential. But to give you one estimate by a Highway Administration statistician of the signifiant savings we are talking about, if we assume that an average of 2,500 motor vehicles turn right at red lights every day at each of approximately 600,000 traffic intersections, and further that the average idle fuel consumption is 0.63 gallons per hour and the average waiting time for cars at each intersection is 10 seconds, we can then extrapolate a gasoline savings of 2,550,000 gallons a day or almost a billion gallons a year.

Unhappily, there is no completed comprehensive study or evaluation to give us a better idea of the exact savings we would realize, but I understand that the Federal Energy Administration and the Federal Highway Administration are in the process of conducting such a study that will be available sometime next year. In any case, the trend in the States is definitely toward instituting right turn o nred systems. In 1968, for instance, onlv 20 States authorized right turn on red, but presently 46 of the 50 States have it in some form with only the remaining four States prohibiting it altogether. Unfortunately, of these 46 States only two permit right turn on red totally and in all instances. Most leave the ultimate decision of whether to permit right turn on red to local jurisdictions.

Opponents to right turn on red argue that it enhances the potential for accidents involving both pedestrian and vehicular traffic, but this conclusion was recently refuted for the most part in an October 1974 interim report prepared by Mr. H. W. McGee for the Federal Highway Administration entitled "Right-Turn-on-Red: Current Practices and

State-of-the-Art." Generally, local studies indicate that the frequency of accidents related to right turn on red increases minimally during the early days of implementation, but gradually diminishes after right turn on red has been in use for an extended period in the area. This has led local State agencies like the State of Minnesota's Department of Highways to conclude after a study in 1967 and 1968 that "actual hazards to pedestrians appeared to be minimal" and that the frequency and severity of those accidents was not enough to ban the use of right turn on red. The Federal Highway Administration's study itself concluded that "data collected to date indicate that right turn on red does not significantly increase accidents but it does reduce right-turn delay." Indeed, the sharp increase in the number of States that now permit right turn on red in some form belies the argument that safety is a real problem.

It is unfortunate that a comprehensive study is not available on the fuel savings that could be derived from the enactment of this legislation, but a recent Library of Congress Congressional Research Service memorandum on the subject concluded that authorizing right turn on red might be one legitimate method of reducing fuel consumption, since there is no question that fuel is wasted while motor vehicles idle at red lights waiting for them to change.

My bill would require that as a prerequisite to obtaining highway funds under the Federal Highway-Aid Act, States would have to enact legislation to permit drivers of motor vehicles to turn right on red in every instance. In addition, appropriate State transportation agencies would be required to adopt regulations and guidelines to assure the safety of pedestrian and vehicular traffic which are at least as effective as comparable regulations promulgated by the Secretary of Transportation for the purpose of achieving the same end.

This is only one good idea for fuel conservation that is so obvious it might well have been overlooked. There are many others, and the cumulative effect of actions like this one will be to realize a significant decrease in our daily fuel consumption and at the same time make us more aware of the critical need to devise every means possible to minimize energy in whatever form it might take.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record immediately following these remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2049

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Chapter 1 of Title 23 of the United States Code is amended by inserting at the end thereof a new section as follows:

"Sec. 156. Traffic Signals.

"(a) The Secretary of Transportation shall not approve any project under section 106 in any State after June 30, 1976, which does not have a State law or laws (1) permitting drivers of motor vehicles on the public highways, roads, or streets of such State to turn right at steady red light traffic signals, after such vehicles first come to a complete stop and yield to pedestrian and vehicular traffic, and (2) authorizing municipal, county, and other local governments to permit motor vehicles on the public highways, roads or streets of such state to turn right at steady red light traffic signals, after such vehicles first come to a complete stop and yield to pedestrian and vehicular traffic; provided that such state law or laws shall require that the appropriate State Transportation Agency shall adopt regulations and guidelines to assure the safety of pedestrian and vehicular traffic in such state which are at least as effective as regulations and guidelines promulgated by the Secretary and referred to in subsection (b) hereinbelow.

"(b) The Secretary is hereby directed to adopt such guidelines and regulations as may be necessary to assure the safety of pedestrian and vehicular traffic on public highways, roads and streets in such states which authorize right turns at steady red light traffic signals.

"(c) For the purposes of this section, "steady red light traffic signals" shall mean circular red light traffic signals other than flashing signals, which hold the red light signal for five seconds or longer. Other terms used in this section shall have the same meaning as in Section 101 of Title 23, United States Code."

Sec. 2. The table of contents of chapter 1 of Title 23 of the United States Code is amended by inserting at the end thereof the following:

"156. Traffic Signals."

"(d) Notwithstanding the provisions of Section 120 of Title 23, United States Code, sums apportioned to any state under Section 104 of Title 23, United States Code, shall be available to pay the entire cost of any modification of the signing of the Federal-Aid highways roads or streets directly attributable to the requirements of this section."

By Mr. PROXMIRE (for himself and Mr. Tower) (by request):

S. 2050. A bill to modify reserve requirements of member banks of the Federal Reserve System; to extend such requirements to other institutions; to authorize Federal Reserve Banks to extend credit to such institutions; and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, at the request of the Chairman of the Board of Governors of the Federal Reserve System, Senator Tower and I are introducing legislation authorizing the Board to apply reserve requirements to nonmember financial institutions including commercial banks, savings and loan associations, mutual savings banks, and other depository institutions.

I ask unanimous consent that the text of the bill, together with a letter from Chairman Burns, be printed in the Record at the end of my remarks.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 2050

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the Reserve Requirements Act of 1975.

Reserve Requirements for Member Banks and Other Institutions

Sec. 2. The last sentence of subsection (b) of Section 19 of the Federal Reserve Act (12 U.S.C. 461) is designated as paragraph (5) and that part of such subsection (b) that precedes such sentence is amended to read as follows:

"(b) (1) Every institution that receives demand deposits shall maintain reserves against such deposits in such average ratio, not less than 5 per centum nor more than 20 per centum, as may be determined by the Board.

"(2) Every institution that receives interest-bearing deposits from which the depositor is allowed to make withdrawals by negotiable or transferable instrument for the purpose of making payments to third persons (referred to in this Act as 'negotiable order of withdrawal accounts') shall maintain reserves against such deposits in such average ratio, not less than 3 per centum nor more than 12 per centum, as may be determined by the Board.

"(3) Every institution that receives time and savings deposits shall maintain reserves against such deposits (other than negotiable order of withdrawal accounts) in such average ratio, not less than one-half of one per cent nor more than 8 per centum, as may be determined by the Board.

"(4) Every institution that maintains reserves pursuant to this section shall make reports concerning its deposit liabilities and required reserves at such times and in such manner and form as the Board may require."

CREDIT TO NONMEMBER INSTITUTIONS

Sec. 3. Section 13 of the Federal Reserve Act is amended by adding at the end thereof the following new paragraph:

"Each Federal Reserve Bank may make advances to any nonmember institution in its district that maintains reserves as prescribed by section 19(b) of this Act with due regard to the proportion of its assets held as such reserves and subject to such limitations as the Board may by regulation prescribe."

CONFORMING AMENDMENTS

Sec. 4. Subsection (c) of section 19 of the Federal Reserve Act is amended by striking "member bank" and inserting "institution"; by striking "of which it is a member" and inserting "of the Federal Reserve district in which its home office is located or such other Federal Reserve Bank as the Board may designate"; and by striking "such bank" each time it appears and inserting "such institution." Subsection (f) of that section is amended by striking out "a member bank" and inserting "an institution" and by striking out "such member bank" and inserting "such institution." Subsection (g) of that section is amended by striking out "member banks" and inserting "institutions." Section 11(e) of the Federal Reserve Act, relating to reclassification of reserve cities, is repealed.

TRANSITION PROVISIONS

Sec. 5. With respect to any institution, other than a corporation operating or organized under section 25 or section 25(a) of the Federal Reserve Act, that is not a member of the Federal Reserve System and was not a member as of June 1, 1975, the reserve against its deposits otherwise required by reason of the enactment of this Act shall be reduced by 80 per centum during the first calendar year that begins after its enactment, 60 per centum during the second year, 40 per centum during the third year, and 20 per centum during the fourth year.

SEC. 6. This Act shall take effect on the first day of the first calendar year beginning after the date of its enactment.

CHAIRMAN OF THE BOARD
OF GOVERNORS,
FEDERAL RESERVE SYSTEM,
Washington, D.C., June 26, 1975.
Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Board of Governors herewith submits a proposal to Congress for legislation that would extend reserve requirements set by the Federal Reserve Board to nonmember institutions—commercial banks, mutual savings banks, savings and loan associations and other depositary institutions. The proposed bill makes certain other revisions in related Federal Reserve powers, including a downward adjustment in the permissible range of reserve requirement ratios and expanded authority for the Federal Reserve Banks to lend directly to nonmember institutions that are subject to reserve requirements set by the Federal Reserve.

Similar draft legislation was submitted for Congressional consideration last year. The need for legislation becomes more pressing with the passage of time, and the Board strongly recommends enactment of the proposed bill.

During the past year, deposits at nonmember banks continued to expand more rapidly than deposits at member banks, as can be clearly seen from the data presented in Tables 1 and 2. In 1974, demand deposits of nonmember banks expanded by 6.6 per cent, while such deposits at member banks grew by only 2.7 per cent. Time deposits of nonmember institutions also continued to grow more rapidly than at member banks. By 1974, nonmember banks had 28 per cent of all demand deposits and 32 per cent of time deposits (excluding large money market negotiable time certificates of deposits), and these percentages have been increasing steadily for many years. Thus, an increasing part of the nation's money supply is lodged at banks not subject to reserve requirements set by the Federal Reserve.

Institutional changes are also underway that are rapidly blurring the distinction between demand accounts and time and savings accounts (for example, the development of telephonic and other convenient methods for transferring funds out of savings accounts) as well as the distinction between banks and other savings institutions. The public has come increasingly to hold its transactions and precautionary balances in time and savings accounts. Commercial banks and thrift institutions (savings and loan associations, mutual savings banks, and credit unions) are in direct competition for such balances. They compete on the basis of interest rates and through services offered to the depositor, and a time or savings account at any one of these institutions appears about equally liquid to the depositor. In recognition of these developments, the Federal Reserve has been giving more emphasis, when formulating monetary policy, to measures of money that include time and savings deposits at banks and thrift institutions.

The trend toward holding liquid balances in interest-earning deposits at banks and thrift institutions was well illustrated during the first five months of 1975. Over that period, M_1 (currency and demand deposits) increased at about a 4½ per cent annual rate, while a broader measure of money, M_2 (currency demand deposits, and consumer-type time and savings deposits at commercial banks), rose much more rapidly—at about a 9¼ per cent annual rate. A still broader measure, M_3 (which also includes time deposits at thrift institutions) increased at an annual rate of 11¾ per cent.

The purposes of the proposed legislation are simple and straightforward—namely, first, to enhance the effectiveness of monetary policy and, second, to promote equity in competition among similar institutions. In fulfillment of these objectives, the draft bill embodies the principle that equivalent cash reserves should be held against similar deposits that serve as a part of the public's money balances, whether the deposits are at member banks, nonmember banks, or other financial institutions. The growth of nonmember banks and savings institutions and continued efforts by nonbank depositary institutions to evolve new arrangements for money transfers make adoption of this principle a matter of some urgency.

There are three changes in the present proposal from that submitted in 1974. First, the proposal extends reserve requirements set by the Federal Reserve on time and savings deposits to nonmember depositary institutions; the previous proposal confined such reserve requirements to demand deposits and NOW accounts. Second, the reserve requirement ranges being proposed for the various classes of deposits have been adjusted downward. And third, the current draft legislation does not provide for an exemption of the first $2 million of the combined total of demand deposits and NOW accounts at nonmember institutions.

The Board believes that the proposed legislation, as modified, will enhance the effectiveness of monetary policy by tightening the relationship between bank reserves and the nation's deposits. The task of monetary policy is now complicated because shifts in deposits between member banks and nonmember institutions alter the relationship between reserves under the control of the Federal Reserve and deposits, which constitute the major share of the nation's money supply. Management of money and credit would be more effective if reserves against all deposits were held in balances at Federal Reserve Banks or vault cash, since the reserves would be immobilized and the total of such reserves could be regulated by Federal Reserve policies.

The reserve requirements set by States and the liquidity requirements applicable to nonbank thrift institutions do not meet this test. State-determined reserve requirements on nonmember banks vary from one jurisdiction to another. More importantly, in varying degree, these requirements can be held in the form of securities or deposits in other banks, and thus can finance deposit and credit expansion that has little relation to the volume of bank reserves provided by the Federal Reserve. Most savings and loan associations are subject to liquidity requirements set by the Home Loan Bank Board, but these requirements too may be met by holding interest-bearing deposits at banks or short-term Treasury securities and other money market instruments.

A simplified example may help to clarify the problems for monetary control posed by sizable deposits at nonmember institutions. If the reserve requirement on deposits at member banks were, for illustrative purposes, assumed to be 10 per cent, then $100 of reserves provided by the Federal Reserve could support $1,000 of deposits if all of the deposits were held in member banks. The total of deposits in the hands of the public might be many times greater, however, if all of the public's deposits turned out to be held at nonmember banks. Thus, if nonmember banks had an average reserve requirement of 5 per cent and they maintained all of their reserves as balances at member banks, the potential amount of deposits in nonmember banks from the provision of $100 in reserves is $20,000. This follows because the $100 in reserves provided by the Federal Reserve could support $1,000 of deposits of nonmember banks in member banks, and these interbank balances could in turn support $20,000 of the public's deposits in nonmember banks. In other words, the multiplier between reserves and deposits could be as low as 10 if the public chose to hold all of its balances at member banks, and as high as 200 if all of the public's deposits were held at nonmember banks.

This example illustrates the potential slippage in monetary control that arises because some depositary institutions are not subject to reserve requirements set by the Federal Reserve. In practice, of course, the multiplier relationship between reserves and deposits does not fluctuate between the extreme limits given in the above example. It is very unlikely, for instance, that all, or nearly all, of the money transactions following an initial injection of reserves would take place among nonmember banks, as would be required if the multiplier were to approach the upper limit in the example. However, some part of money transactions will be of this character, and the extent to which this will occur is uncertain. Thus, the multiplier relationship does fluctuate unpredictably. Moreover, with each passing year the possibilities of slippage become larger. As a result, the existence and growth of depositary institutions that are outside the reach of reserve requirements set by the Federal Reserve is definitely reducing the precision of monetary control.

Equity among competing institutions also requires that all institutions offering similar deposit services be subject to similar reserve requirements, particularly now that the deposit functions served by the various institutions are becoming more nearly alike. Both banks and thrift institutions offer Federally-insured time and savings deposits to the public. Moreover, thrift institutions are beginning to offer accounts with various kinds of transferability features. Thus, there is active competition among banks and thrift institutions for the same funds. On the lending side, while thrift institutions still specialize more than banks, they have begun to explore the possibilities of widening their range of activities; and there are recommendations before Congress (in the proposed Financial Institutions Act) to authorize still broader lending and investing powers for nonbank thrift institutions.

The present draft bill contains somewhat lower statutory limits for reserve requirements than the bill submitted last year—and those proposed last year were lower than under present law. The reduced statutory limits recognize the need to maintain the active participation of banks and thrift institutions in credit markets to promote economic growth and to assure the flow of credit to key economic sectors, such as housing. At the same time, the proposed range of permissible reserve ratios is relatively wide because of the need for flexibility as economic and financial circumstances change.

The ranges proposed for the average reserve requirement ratio by deposit category are: for demand deposits, from 5 to 20 per cent; for interest-bearing accounts from which withdrawal can be made by negotiable instruments (such as NOW accounts), from 3 to 12 per cent; and for time and savings deposits, from ½ to 8 per cent. The lower reserve requirement on NOW accounts, as compared with demand deposits, reflects the more limited adaptability of such accounts for use where there are large-scale transactions by the holder that need to be accommodated through the account.

The Board has not included in its present proposal an exemption from reserve requirements set by the Federal Reserve for small nonmember institutions. Exclusion of such institutions would unnecessarily discriminate against smaller member banks. Moreover, to the extent that enactment of such an exclusion would encourage similar banks to leave the System, it would tend to weaken monetary control even further. The draft legislation does, of course, continue to provide for a four-year phase-in of the requirements, so that nonmember institutions would have an ample period in which to adapt to the new conditions.

My colleagues and I on the Board of Governors would be pleased to discuss these proposals more fully with you and other members of your Committee.

Sincerely yours,

Arthur F. Burns.

TABLE 1.—MEMBER AND NONMEMBER DEMAND DEPOSIT COMPONENTS OF THE MONEY SUPPLY

[Dollar amounts in billions]

	Member		Nonmember	
4th quarter	Amount[1]	Growth[2] (percent)	Amount[1][3]	Growth[2] (percent)
1960	$95.4	0.3	$21.0	1.7
1961	98.3	3.1	21.8	3.9
1962	98.4	.1	22.9	5.0
1963	101.3	2.9	24.3	6.2
1964	104.8	3.5	26.1	7.5
1965	108.2	3.2	27.9	6.9
1966	109.7	1.4	28.9	3.5
1967	116.9	6.6	30.9	7.0
1968	124.3	6.4	34.3	11.2
1969	127.0	2.2	37.3	8.6
1970	134.0	5.5	39.5	5.9
1971	140.1	4.6	44.5	12.8
1972	148.5	6.0	50.7	14.0
1973	152.8	2.9	57.2	12.7
1974	156.9	2.7	61.0	6.6

[1] Average of daily figures, not seasonally adjusted.

[2] 4th quarter to 4th quarter annual rate of growth.

[3] Nonmember data are based on the ratios of nonmember to member deposits at call dates and are interpolated between suchdates.

TABLE 2.—NONMEMBER BANKS COMPARED TO ALL COMMERCIAL BANKS

	As of Dec. 31—			
	Nonmember banks number	Percent of number of all commercial banks	Percent of demand deposits at nonmembers	Percent of time and savings deposits (excluding large CD's) at nonmembers
1960	7,300	54.2	18.0	20.1
1961	7,320	54.5	18.1	19.3
1962	7,380	55.0	18.8	19.8
1963	7,461	55.0	19.3	19.9
1964	7,536	54.8	19.9	20.3
1965	7,583	54.9	20.5	20.4
1966	7,620	55.3	20.8	21.0
1967	7,650	55.8	20.8	21.6
1968	7,701	56.3	21.6	22.5
1969	7,791	57.0	22.6	24.2
1970	7,920	57.9	22.7	25.4
1971	8,056	58.4	24.1	26.5
1972	8,223	59.0	25.5	27.9
1973	8,436	59.5	27.2	30.1
1974	8,685	60.0	27.9	31.7

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 1216

At the request of Mr. Talmadge, the Senator from North Dakota (Mr. Burdick) was added as a cosponsor of S. 1216, a bill to amend the Federal Water Pollution Control Act.

S. 1843

At the request of Mr. Dole, the Senator from North Carolina (Mr. Helms) was added as a cosponsor of S. 1843, a bill to amend and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters.

S. 1879

At the request of Mr. Mansfield (for Mr. Magnuson), the Senator from Minnesota (Mr. Mondale), the Senator from Massachusetts (Mr. Kennedy), and the Senator from Vermont (Mr. Leahy) were added as cosponsors of S. 1879, a bill to regulate commerce and promote transportation by bicycle by establishing a program for the conversion of railroad rights-of-way that are sought to be abandoned and for other purposes.

S. 1988

At the request of Mr. Cranston, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 1988, a bill to prevent the loss of existing housing units through abandonment.

S. 1992

At the request of Mr. Church, the Senator from Connecticut (Mr. Ribicoff) was added as a cosponsor of S. 1992, a bill to amend title II of the Social Security Act to revise the provisions relating to automatic cost-of-living increases in benefits, and for other purposes.

AMENDMENTS SUBMITTED FOR PRINTING

NATIONAL SCHOOL LUNCH ACT AND CHILD NUTRITION ACT AMENDMENTS OF 1975—H.R. 4222

AMENDMENT NO. 667

(Ordered to be printed and to lie on the table.)

Mr. CURTIS submitted an amendment intended to be proposed by him to the bill (H.R. 4222) to amend the National School Lunch Act and the Child Nutrition Act of 1966 in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs.

AMENDMENT NO. 668

(Ordered to be printed and to lie on the table.)

Mr. CASE (for himself, Mr. McGovern, Mr. Hugh Scott, Mr. Moss, Mr. Kennedy, Mr. Metcalf, Mr. Philip A. Hart, Mr. Clark, Mr. Humphrey, Mr. Schweiker, and Mr. Cranston) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 4222), supra.

NOTICE OF HEARINGS AND BUSINESS MEETINGS OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JACKSON. Mr. President, in accordance with the rules of the Committee on Interior and Insular Affairs, I wish to advise my colleagues and the public that the following hearings and business meetings have been scheduled before the committee for the next 2 weeks:

July 8—Full committee: 9:30 a.m., room 3110—business meeting. S. 521, OCS bill; S. 391, Federal Coal Leasing Act; S. 598, ERDA authorization bill; and other pending calendar business.

July 8—Full committee: 7:30 p.m., room 3110—business meeting. S. 521, OCS bill; S. 391, Federal Coal Leasing Act; S. 598, ERDA authorization bill; and pending calendar business.

July 9—Environment and Land Resources Subcommittee: 10:30 a.m., room 3110—hearing. S. 10, Housatonic River, Wild and Scenic River Study; S. 1004, Allegheny River, Wild and Scenic River Study.

July 9—Full committee: 7:30 p.m., room 3110—business meeting. Pending calendar business.

July 10—Energy Research and Water Resources Subcommittee: 10:00 a.m., room 3110—hearing S. 506, Title III, to amend Water Resources Planning Act.

July 10—Full committee: 7:30 p.m., room 3110—business meeting. Pending calendar business.

July 11—Energy Research and Water Resources Subcommittee: 10:00 a.m., room 3110—hearing. S. 506, Title III, to amend Water Resources Planning Act.

July 14—Full committee: 10:00 a.m., room 3110—hearing. S. 740, National Energy Production Board bill.

July 15—Energy Research and Water Resources Subcommittee: 10:00 a.m., room 3110—hearing. Information hearing on coal technologies.

July 16—Full committee: 10:00 a.m., room 3110—business meeting. Pending calendar business.

July 18—Energy Research and Water Resources Subcommittee: 10:00 a.m., room 3110—hearing. Oversight hearing on water marketing on the Upper Missouri River.

July 21—Full committee: 10:00 a.m., room 3110—hearing. S. 740, Nat'l. Energy Production Board bill.

NOTICE OF HEARING

Mr. CRANSTON. Mr. President, I announce, for the information of the Senate and the public, on behalf of Mr. Williams, chairman of the Committee on Labor and Public Welfare, that the committee will hold a confirmation hearing tomorrow morning at 9:30 a.m., in room 4232, Dirksen Office Building, on the President's nominees to the Board of Directors of the Legal Services Corporation, the Honorable Marlow Cook, and Mr. Melville Broughton, Jr.

ADDITIONAL STATEMENTS

THE ABORTION ISSUE

Mr. CHURCH. Mr. President, few issues have been as difficult in recent years as coping with the conflicting claims of those who seek abortions and those in certain church-affiliated hospitals who do not choose to perform them. I believe this body found the fair middle ground 2 years ago when it approved what has come to be called the conscience amendment. That amendment still permits women to obtain abortions during the first 3 months of pregnancy, but guarantees that individuals who do not choose to assist may follow their religious convictions in that respect.

Mr. President, as the author of the conscience amendment, I recently reviewed it before the Medical Center Foundation of St. Joseph's Hospital in Lewiston, Idaho. I ask unanimous consent that the text of the speech be printed in the Record.

There being no objections, the speech was ordered to be printed in the Record, as follows:

Address to the Medical Center Foundation of St. Joseph's Hospital, Lewiston, Idaho, by Senator Frank Church

Of all the principles in government, there is no idea more basic to the concept of individual freedom than that expressed so succinctly in the 45 words of the First Amendment to the Constitution of the United States. Freedom of religion is one of the cardinal rights expressed in those few words. It embodies, not only the common concept that the state should not be controlled by a church, but also the right of individual church members to remain free, in the practice of their religion, from control by the state.

If that means that given churches cannot, through the intervention of the state, outlaw abortion, it must also mean that advocates of abortion cannot use the power of the state to force others to participate in their decision.

We must not lose sight of the principal reason our form of government was created—to ensure that it would be the servant and not the master of the people. It was the overriding purpose of our Constitution, written nearly two centuries ago, that individual Americans should be free to manage their own lives. Most of all, they were not to be coerced by government to act against their deeply held personal beliefs.

But we have had some difficulty with that simple concept in recent years on the issue of abortion, which has caused two rights to come in conflict.

The U.S. Supreme Court ruled unanimously that the Constitution does, indeed, leave to the individual women and her doctor, and not to State Legislatures, the decision of whether to have an abortion, if made within the first three months of pregnancy. Hard on the heels of that decision came the contention, backed by an initial legal test in Montana, that the expectant mother was entitled to have her abortion performed in any hospital—even one operated by people whose religious beliefs forbid abortions—providing the hospital in question had accepted some public funds.

That simply could not be. If so, it would mean that pregnant women, asserting they cannot be coerced by state law into giving birth, could themselves call upon the state to coerce others to perform an act which is, according to their consciences, a sin.

However, given a measure of tolerance and good will, it is usually possible to find a way, even with rights in conflict, to walk the fair line between. And we did find a way. Two years ago, the Senate approved, with only one dissenting vote, an amendment of mine which has become known as the conscience amendment. That legislation prevents the Federal Government from requiring church-affiliated hospitals and their personnel to perform abortions.

Thus both assertions of an individual right have been safeguarded. The Court has decreed that government cannot coerce a woman during early pregnancy to forgo an abortion. But there was nothing in that decision to suggest that it is the proper role of government to coerce unwilling doctors to perform such operations, unwilling nurses to attend them, or unwilling hospitals to make their facilities available for what they consider a sinful purpose.

Thus the conscience amendment. The court having spoken, and the amendment having been interposed to protect unwilling doctors and nurses, that should have ended the matter.

But of course it didn't. There are still those who are not satisfied. They want what they call the right to abortions in every hospital, whether public or private. They assert, in effect, that the receipt of tax money by hospitals has purchased, not only health care for the community, but also the right to compel abortions.

The critics of the conscience amendment have what they want—the declared legal right to abortions. They already have the agreement of the United States Supreme Court. They don't need others on their side. They have the law of the land on their side.

And any realist must recognize that they will retain the law on their side. The court has spoken—unanimously. The country is about equally divided on the issue, and it is simply not in the cards that sufficient support can be found to move a constitutional amendment past two-thirds of the members of each house of Congress and through three-fourths of the state legislatures.

Thus, by pronouncement of the Supreme Court, the Constitution now requires those who detest abortion to respect the rights of those who don't. Why then can't those who don't, respect the rights of those who do?

Can there be anything more repugnant in the land of religious freedom than the thought of coercing a Roman Catholic nun, for instance, to assist in an abortion? How could anyone suggest such a thing? And, having done so, how could they have the audicity to lecture others on liberalism?

Their rationale for so offensive a transgression against personal convictions is the expenditure of public money. Their answer, in effect, is provate money talks, but federal money commands.

Moreover, this is not simply a question of telling hospitals that they cannot have any more federal funds if they plan to continue refusing abortions. It is telling them that they must perform abortions now because they accepted federal funds in the past!

What kind of Mickey Mouse, after-the-fact condition is that? And what kind of liberalism is it that enlists the power of the government in forcing the beliefs of one person on another?

If, as the court has held, no creed can impose its most rigorous principles upon the populace through the power of the state, then surely the reverse is true: The state must never impose upon the members of a given creed a less stringent moral code than they are willing to follow.

We are talking about tolerance, and, under the Constitution, we must all mind our own morals.

It is enough that advocates of abortion have won that procedure for themselves. It is asking far too much to require that opponents of abortion assist them.

Nothing is more fundamental to our national birthright than freedom of religion. Religious beliefs must forever remain above the reach of secular authority. Thus it was the duty of Congress to fashion the law in such a manner that no federal funding of hospitals, medical research or medical care could be made contingent upon the violation of religious precepts.

Congress carried out its duty with the passage of the conscience amendment. And, whatever the courts have said on abortion, we cannot grant in the land of the free the rude demand that some must abort their beliefs while assisting others to abort their babies.

"WILKIE" RETIRES

Mr. GRIFFIN. Mr. President, a familiar face with a friendly smile is missing around the Senate today. As of the close of business on June 23, F. Clyde Wilkinson, known to all of us as Wilkie, began a well-earned retirement.

A native of Richmond, Va., "Wilkie" has been serving Republican Senators since the mid-1950's when he began working for the Republican senatorial campaign committee and since 1962 as a staff member of the Senate Republican policy committee.

How many photographs he has made would be hard to estimate. In all of his work he has been thoroughly professional—and always obliging.

After a trip abroad, "Wilkie" will use his camera only as the whim dictates and not on the demanding, if erratic, schedule he followed in his duties here on Capitol Hill. We all wish for him many happy and rewarding retirement years.

FEDERAL ELECTION COMMISSION ANNOUNCEMENTS

Mr. CANNON. Mr. President, I ask unanimous consent that announcements by the Federal Election Commission, which were published in the Federal Register on July 2, 1975, be printed in the Record.

Mr. President, I also ask unanimous consent that three announcements by the Federal Election Commission, published in the Federal Register of Monday, July 7, 1975, also be printed in the Record.

All of these announcements should be of value to candidates for nomination or election to Federal office.

There being no objection, the announcements were ordered to be printed in the Record, as follows:

[Notice 1975–8]

Title 11—Federal Elections; Chapter II—Federal Election Commission

IMPLEMENTATION OF FEDERAL ELECTION CAMPAIGN ACT

Extension of time to comment on proposed rulemaking

The time period within which written notice of Proposed Rulemaking (Notice 1975–2, 40 FR 23833, June 2, 1975) will be received by the Federal Election Commission is extended to July 15, 1975.

Thomas B. Curtis,
Chairman for the Federal Election Commission.

Date: July 1, 1975.

[Notice 1975–9]

INTERIM GUIDELINE: COMPLAINT PROCEDURE

1. *Filing*. Any person who believes a violation of the Federal Election Campaign Act, as amended, 2 U.S.C. Section 431, *et seq*, or of Sections 608, 610, 611, 613, 614, 615, 616, or 617 of Title 18, United States Code, has occurred may file a complaint with the Federal Election Commission, 1325 K. Street, N.W., Washington, D.C. 20463.

2. *Form of Complaint*. There is no prescribed form for a complaint, but all complaints must be typewritten or handwritten legibly in ink. The person making the complaint must sign the complaint, the complaint must be verified by the oath or affirmation of such person taken before an officer authorized to administer oaths, and include his or her address and phone number in the complaint. A complaint shall name the person complained against (respondent), describe in detail the alleged violation or violations and shall be submitted together with copies of evidentiary material available to the complainant.

3. *Notification of Respondent.* The Commission shall send a copy of the complaint to the respondent within a reasonable time after the complaint is received. Such notification of the respondent shall not be released to the public unless and until written permission of the respondent is expressly given.

4. *Reply by Respondent.* The respondent will normally be given ten (10) days after receipt in which to respond in writing to the allegations in the complaint except where, in the judgment of the Commission, a shorter or longer period of time is necessary. The response to the complaint shall be addressed to the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. The Commission shall send a copy of the response to the complainant within a reasonable time. The response must be typewritten or handwritten legibly in ink. The respondent or the authorized representative thereof shall sign the response and the response shall be verified by the oath or affirmation of such person taken before an officer authorized to administer oaths.

5. *Exchange of Information.* The Commission shall receive all documents and evidence submitted by the complainant and respondent and shall facilitate the exchange of such information by sending copies to the parties within a reasonable time.

6. *Investigations.* The Staff Director and the General Counsel shall proceed to direct the investigation of all duly filed complaints. A duly filed complaint is one which substantially complies with the form described by paragraph 2 above, is within the jurisdiction of the Commission and contains allegations of fact which, if proved, would constitute a violation of law. Investigations shall be conducted expeditiously and shall include an investigation of any reports and statements filed by the complainant, if the complainant is a candidate. Such investigations shall not be made public by the Commission or any other person without the written consent of the person under investigation.

7. *Hearings.* At the time the Commission notifies the respondent that a complaint has been filed, it shall notify the respondent that the respondent may request a hearing. The Commission will determine the manner and procedure for such hearings.

THOMAS B. CURTIS,
Chairman, for the Federal Election Commission.
Date: July 1, 1975.

[Federal Election Commission—Notice 1975-10]

ANNOUNCEMENT OF PUBLIC RECORDS AVAILABILITY

The purpose of this announcement is to inform the public of the methods by which the Commission is presently making available for public inspection and for copying the information which the law requires to be made available. Sections 302-308 of the Federal Election Campaign Act of 1971, Public Law 92-225, as amended by Sections 202, 203, 204, 206, 208 and 209 of The Federal Election Campaign Act Amendments of 1974, Public Law 93-443, provide that statements of organization of political committees, reports of receipts and expenditures of political committees and candidates, reports on presidential convention financing, other expenditure reports, advisory opinions, statements relating to Presidential Nominating Convention Fund provisions, and other information relating to financing of Federal elections shall come under the purview of the Federal Election Commission. Some of the aforementioned information was formerly required to be submitted to the Secretary of the Senate, the Clerk of the House, or the Comptroller General of the United States, under Public Law 92-225. Public Law 93-443 provides that all such information shall either be filed with, provided to, or maintained by the Federal Election Commission.

The following guidelines shall apply to inspection and copying of the Commission's public records:

(a) Inquiries concerning the records available at the Commission's Public Records Division may be made in person, by mail, or by telephone. Inquiries should be directed to: Public Records Division, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463 (Telephone 202-382-7012). The Public Records Division is open Monday through Friday, excluding legal holidays, from 9:00 a.m. to 5:30 p.m. Extended hours may be provided for by the Commission to meet public needs.

(b) Requests for inspection of Commission records may be made in person at the time and place stated in paragraph (a). Requests for copies of records may be made in person at the time and place stated in paragraph (a) or by mail directed to the Public Records Division.

(c) Each request for Commission records or copies shall describe the records sought with sufficient specificity with respect to names, dates, and subject matter to permit the records to be located among the records maintained by or for the Commission. A person who has requested Commission records or copies will be promptly advised if the records cannot be located on the basis of the description given and informed that further identifying information must be provided before the request can be satisfied.

(d) A search fee (Appendix to this Announcement) will be charged when more than one-half hour of work is devoted to locating and making records available for inspection or for copying. No search fee will be charged if records adequately described cannot be located within a reasonable time. The Public Records Division shall promptly notify a requesting person if records adequately described cannot be located after a reasonable search. If such person requests and authorizes the search to continue, a search fee shall apply to time thereafter spent searching for the records.

(e) A current schedule of fees for record services, including locating and making records available, copying, and authentication, appears in the Appendix to this Announcement. Copies of the current schedule of fees also may be obtained upon request made in person, by telephone, or by mail from the Public Records Division.

(f) Upon receiving a request for inspection or copying of records, the Public Records Division shall promptly notify the requesting person of the estimated cost, if applicable, of locating and making the records available, of copying, and of any requested authentication. Only after receiving (1) authorization from the person requesting such services and (2) full payment in advance, if applicable, shall the Public Records Division proceed to fulfill a request for inspection or copying of records.

(g) The time actually required for locating and making records available for inspection or for copying in order to fulfill a request may exceed the amount of time estimated and paid for. In such circumstances, no work will be done that will result in fees beyond the amount estimated and paid for without further authorization from the person requesting the records or copies.

(h) In addition to any other fees or charges which may apply, a fee will be charged for record authentication as provided in the Commission's current schedule of fees. Authentication shall include an attestation that the document copied is a true copy of the original and a certification that the person who attests is in legal custody of the document. The Commission seal shall be affixed to such document.

(i) Copies of public records filed with or retained by the Commission, or portions thereof, will be provided subject to fees set forth in the Commission's current schedule of fees.

(j) Requested records shall be furnished without charge or at reduced charge whenever it shall be determined by the Commission that a waiver or reduction of the fee is in the public interest. Requests for a waiver or reduction of fees may be submitted with the original request for records and may state such facts as may be considered appropriate and necessary.

Any interested person or organization is invited to submit written comments to the Federal Election Commission concerning the manner and form by which public documents should be made available to the general public. Comments could include those relating to easy access filing systems, the use of photocopying devices, microfilm, microfiche, or any other retrieval systems. Comments should be mailed to: Federal Election Commission, Rulemaking Section, 1325 K Street, N.W., Washington, D.C. 20463.

THOMAS B. CURTIS,
Chairman, for the
Federal Election Commission.
Date: July 1, 1975.

[Appendix]

SCHEDULE OF FEES FOR RECORD SERVICES

Locating and making available records requested for inspection or copying (including overhead costs). First one-half hour: No fee. Each additional one-half hour or fraction thereof: $2.50.

Authentication with Commission Seal (in addition to other fees, if any). Price per authentication: $2.00.

Facsimile Copies of Documents. Price per page: $.10.

Full payment for the above services shall be made in advance of records or copies being made available. Payments must be by check or money order made payable to: "Treasurer of the United States". Mailed payments must be addressed to: Director, Public Records Division, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463.

[Release From the Federal Election Commission]

OFFICE-HOLDER EXPENSES, HONORARIUMS SUBJECT OF REQUESTS FOR OPINIONS

WASHINGTON, June 27.—The Federal Election Commission today asked for public comment on questions sought by Members of Congress about provisions of the campaign financing act dealing with office-holder expenses and honorariums.

The FEC released the "Requests for Advisory Opinions" on these subjects. Following publication of the requests in the Federal Register next week, and a ten-day period for public comment thereafter, the FEC will issue Advisory Opinions on the specific transactions or activities involved.

The questions released today are as follows:

Advisory Opinion Request No. 7: Officeholder expenses—Constituent Service Funds—

(1) Whether a committee set up to administer a Congressman's "Constituent Services Fund" is a "political committee" within the definitions of the campaign financing act, and whether a fund-raising event for the benefit of such a "Constituent Services Fund" is subject to the disclosure requirements of the campaign financing act. (requested by U.S. Rep. David W. Evans, (D-Ind.-6)

(2) Whether a corporation can contribute to a Congressman's "Public Service Committee" which is "used solely to defray the

cost of newsletters, reports and questionnaires sent to constituents." (requested by U.S. Rep. John P. Murtha, (D-Pa.–12)

Polls: Whether campaign spending limits apply to "issue-oriented" polls and surveys conducted among a Member of Congress's constituents. (requested by U.S. Sen. E. J. (Jake) Garn, (R-Utah).

Advisory opinion request No. 8: Honorariums—

Donation to charities: Whether the $15,000 honorarium limit applies where a Member of Congress requests that all or part of an offered honorarium be donated to charity. (requested by U.S. Rep. Dan Rostenkowski (D, Ill–8), and by U.S. Rep. John J. Rhodes (R, Ariz–X1);

Travel expenses: Whether a Member of Congress, who has already reached the $15,000 calendar year honorarium limit, may thereafter "still be able to have travel and subsistence expenses paid for by the sponsor," and whether a sponsor that is "prohibited from making campaign contributions" could pay such travel and subsistence expenses. (Requested jointly by U.S. Sen. Mike Mansfield (D-Mont.) and U.S. Sen. Hugh Scott (R-Pa.)

[Notice 1975-7]

Highlights—Federal Elections

(Federal Elections Commission publishes several requests for advisory opinions, comments invited for ten days.)

In accordance with the procedures set forth in the Commission's Notice 1975–4, published on June 24, 1975 (40 FR 26660), Advisory Opinion Requests 1975–7 and 1975–8 are published today. Each of the Requests consists of inquiries from several sources which have been consolidated since they present similar, if not identical, issues.

Interested persons wishing to comment on the subject matter of any Advisory Opinion Request may submit written views with respect to such requests within 10 calendar days of the date of the publication of the request in the Federal Register. Such submission should be sent to the Federal Election Commission, Office of General Counsel, Advisory Opinion Request Section, 1325 K Street, N.W., Washington, D.C. 20463. Persons requiring additional time in which to respond to any Advisory Opinion Request will normally be granted such time upon written request to the Commission. All timely comments received by the Commission will be considered by the Commission before it issues an advisory opinion. The Commission recommends that comments on pending Advisory Opinion Requests refer to the specific AOR number of the Request commented upon, and that statutory references be to the United States Code citations, rather than to the Public Law Citations.

AOR 1975–7: Contributions and Expenditures Relating to the Constituent Services of Members of Congress.

A. Nature of a Constituent Service Fund and Contributions To It. (Request Summarized and Edited by the Commission).

Congressman Dave Evans has established two "fund-raising entities" to support his Congressional activities. The Dave Evans for Congress Committee has been designated by Congressman Evans as his principal campaign committee. The Dave Evans Constituent Services Fund is described as a nonpartisan fund set up to collect monies to assist Congressman Evans in his services to the people of his congressional district.

The Congressman has planned a fund-raising affair, and all the proceeds of the function are to go to the Congressman's Constituent Services Fund. The Federal Election Commission (FEC) has been asked to issue an advisory opinion as to whether the Dave Evans Constituent Services Fund is a political committee within the definition of Title 2, Section 431(d) and Title 18, Section 591 (d). Congressman Evans' office provided the following description of the Dave Evans Constituent Services Fund:

"The Dave Evans Constituent Services Fund will be a non-partisan fund set up to collect monies to assist Congressman Evans in his service to the people of the Sixth District. Contributions to the fund will be used for printing newsletters; holding neighborhood office hours, conducting meetings and seminars with representatives of governmental and private agencies, and with elected and appointed officials of the cities, counties and towns of the District; holding periodic open house activities at the District and Washington offices, providing constituents with flags, publications and certain other items that must be purchased; and any other general expenses which, in the opinion of the Committee, are incurred in connection with the Congressman's service to his constituents. Proceeds of this Fund will not be used to present or promote the viewpoint of any political party or philosophy or to influence the re-election of Congressman Evans."

Congressman Evans also requests the FEC to issue an advisory opinion as to the legal requirements pertaining to the identification of the sponsor of the fund-raising event and the disclosure requirements for the use of the proceeds. The Congressman's office provided the following as a sample identification and disclosure provision:

"The Dave Evans Constituent Services Fund is not a 'political committee' as defined in the Federal Election Campaign Act of 1971, as amended. Therefore, a donation to the Fund is not tax deductible or subject to a tax credit as a 'political contribution' pursuant to the Internal Revenue Code of 1954, as amended. Proceeds of the Fund will be used for printing or newsletters, news releases, meeting allowances or other nonpolitical material; purchase of equipment, services or supplies; or any purpose which, in the opinion of the Committee, will assist Congressman Evans, directly or indirectly, in servicing the residents of Indiana's Sixth Congressional District.

"Thomas J. Kern,
"Administrative Assistant for
Congressman Dave Evans."

Source: Congressman David Evans by Thomas J. Kern, Administrative Assistant, 4th Floor Administration Building, Weir Cook Airport, Indianapolis, Indiana 40241 (May 6, 1975).

B. Contributions to A Constituent Service Fund (Request Edited by the Commission).

"Dear Mr. Curtis: * * * A Pennsylvania corporation makes a contribution to a Public Service Committee, such as the one I have established which is used solely to defray the cost of newsletters, reports and questionnaires sent to constituents. Question: Is such a corporation within its legal bounds in making such a contribution or does it contradict present law governing political contributions? * * *

"John P. Murtha,
Member of Congress."

Source: Congressman John P. Murtha, 431 Cannon House Office Building, Washington, D.C. 20515 (May 7, 1975).

C. Expenditures to Poll Constituents (Request Edited by the Commission).

"Dear Mr. Chairman: * * * Specifically, I would like Commission guidance on the question whether an incumbent Senator or Representative may engage in attitudinal research within his constituency if the purpose is to measure policy issues, job approval perceptions, etc. (not to include political trial heats) without having those expenditures allocated against any applicable spending limitation. Does the fact a Member may have announced his candidacy make a difference in the use of issue-oriented opinion research? I have enclosed a sample list of the questions which might be used in the type of research for which I seek an advisory opinion.

"Jake Garn,
U.S. Senator."

Senator Garn's sample questions are:

I. STATISTICAL

1. Age
2. Income
3. Occupation
4. Sex
5. Political Registration

II. OPEN END SAMPLES

1. What do you think is the most important issue facing the United States today?

2. What do you think is the most important issue facing your State today?

3. If you were the Congressman from this district and could make one change of improvement, what would it be?

III. FORCED RESPONSES

1. Do you favor or oppose re-establishment of wage and price controls now?

2. Do you favor or oppose placing a one-year lid on new federal spending programs?

3. Do you favor or oppose legislation placing restrictions on the sale of hand hand guns?

4. Do you favor or oppose rationing of gasoline by issuance of coupons to conserve energy?

5. Do you approve or disapprove of the way Senator ——— from this state is handling his job?

6. Why do you approve or disapprove?

Source: Senator Jake Garn, 4203 Dirksen Senate Office Building, Washington, D.C. 20510 (April 29, 1975).

AOR 1975–8: Honorariums and Related Benefits for Members of Congress.

A. Request of Congressman Dan Rostenkowski (Honorariums) (Request Edited by the Commission).

"Dear Mr. Chairman: * * * There is a need for a clarification of Section 616 of Title 18 of the U.S. Code, which was added by the 1974 amendments to the campaign law. This section, which deals with the acceptance of honoraria by federal officials, has raised several questions concerning the suggestion of a charitable gift as an alternative to the acceptance of an honorarium.

To help clarify this matter, I would like to describe three * * * situations. I would appreciate your opinion as to the legality of each in order that Members of Congress will have a better understanding of the operation of this new provision.

Case No. 1

A Member of Congress is offered a $500.00 honorarium as the keynote speaker at a convention. He has accepted $4,000.00 in honoraria during the current calendar year. He prefers not to accept an honorarium for this speaking engagement but suggests to the sponsors of the convention that if they are so inclined, they could give a $500.00 donation to either Charity A or Charity B, both bona fide charitable organizations. Such a donation would not be a prerequisite to or requirement for the making of the speaking engagement. The Member of Congress would not include the amount of any donation to the charity as an honorarium received for purposes of the $15,000.00 limit.

Case No. 2

A Member of Congress is offered a $1,500.00 honorarium to be the keynote speaker at a convention. To date he has accepted $4,000.00 in total honoraria for the calendar year. The Member of Congress specifies that he will accept a $1,000.00 honorarium and suggests that if the sponsors of the convention are so inclined, they could make a $500.00 donation to either Charity A or Charity B, both bona fide charitable organizations. Such a donation would not be a prerequisite to or a requirement for making the speaking engagement.

Case No. 3

A Member of Congress is offered a $500.00 honorarium to be the keynote speaker at a convention. He has already accepted his $15,000.00 limit for honoraria in this calendar year. He accepts the speech and declines the honorarium. He suggests that if the sponsors of the convention are so inclined, they might want to donate part or all of the funds originally reserved for the honorarium to either Charity A or Charity B, both bona fide charitable organizations. Agreement to give such a donation would not be a prerequisite to or requirement for making the speaking engagement.

Dan Rostenkowski,
Member of Congress.

Source: Congressman Dan Rostenkowski, 2185 Rayburn House Office Building, Washington, D.C. 20515 (May 8, 1975).

B. Request of Congressman Rhodes (Honorariums) (Request Paraphrased by the Commission).

Congressman Rhodes asks for an advisory opinion construing 18 U.S.C. 616, which limits the amount of honorariums elected officers may accept in any calendar year ($15,000) as well as for any specific appearance ($1,000). The specific question raised is whether a Member of Congress, who has already received the full amount of honoraria permitted by the cited statute, would be in violation of the law if he or she requires or requests that the sponsors of the Member's appearance donate an amount equal to, but in lieu of the honorarium, directly to "bona fide charities" named by the Member or the donor.

Source: Congressman John J. Rhodes, Office of the Minority Leader, H-232, The Capitol, Washington, D.C. 20515 (May 6, 1975).

C. Joint Request of Senators Mansfield and Scott (Reimbursement of Travel Expenses) (Request Edited by the Commission).

"Dear Mr. Chairman: Section 616 of Title 18 prohibits Members of Congress, among others, from accepting more than $15,000 in honorariums in any calendar year. Of course, some Members will reach that limit in a shorter period of time than others. In such cases, would those Members be able to accept speaking engagements, receive no honorarium, and still be able to have travel and subsistence expenses paid for by the sponsor?

On a related issue, could such a sponsor be a party to this kind of arrangement if that sponsor would ordinarily and otherwise be prohibited from making campaign contributions? * * *"

"Mike Mansfield,
Majority Leader.
"Hugh Scott,
Republican Leader."

Source: Senator Mansfield, Senator Scott, Office of the Minority Leader, Room: S-230, The Capitol, Washington, D.C. 20510.

Thomas B. Curtis,
Chairman, for the
Federal Election Commission.

Date: 26 June 1975.

THE PLASTIC BOTTLE—ANOTHER STEP IN THE WRONG DIRECTION

Mr. HATFIELD. Mr. President, the beverage industry is taking another step in the wrong direction with the development of plastic bottles. These containers are nonrefillable, difficult to recycle, and nonbiodegradable. Instead of this approach, the industry ought to be moving in the direction of more returnable bottles, which will reduce litter, cut down on energy consumption, and conserve nonrenewable resources. The State of Oregon requires a deposit on all soft drink and beer containers, which has proved to be extremely successful, and I have introduced S. 613, the Returnable Beverage Container Act of 1975, which would require such a deposit nationally.

I regret very much this development and I urge consumers to use returnables, rather than the "throwaway" cans, or one-way bottles. I ask unanimous consent that an article from Conservation News, a publication of the reputable National Wildlife Federation, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

"Lopac"—A Plastic Bottle Forever

(By Ann Shalowitz)

Despite increasing consumer concern over the use and misuse of beverage containers, several chemical companies are actively engaged in perfecting and test marketing plastic bottles, which are currently neither refillable nor returnable.

Supporters of the plastic containers—mainly the chemical companies themselves and the Society of the Plastics Industry—stress its light weight, potential recyclability, and resistance to breakage. Indeed, an Environmental Impact Statement (EIS) prepared by the Food and Drug Administration rates the plastic bottle above all other containers in the area of safety.

But while it acknowledges the safety assets of the plastic bottle, the EIS comes down rather heavily against it for a variety of environmental reasons. It observes that nonrefillable plastic bottles "will hasten the trend to throwaway containers with consequent depletion of irreplaceable resources (notably fossil fuels), increased littering, and further burden on solid waste disposal."

Citing past apathy toward recycling and the problem of contamination of polyester resins, the EIS concludes that "plastic barrier bottles are unlikely to be recycled in significant quantities."

And though the manufacturers, including Monsanto, DuPont, Standard Oil (Visitron Corporation), and Borg-Warner, maintain that a refillable bottle is an attainable goal, the FDA report notes that "for the foreseeable future, plastic barrier bottles will not be refillable."

The development of a nonrefillable plastic bottle would also conflict with legislation, such as the "Oregon Bottle Bill," specifically designed to reduce litter and conserve energy. It has been estimated that 40 percent of the total energy demand made by the beverage industry could be reduced if the industry converted entirely to refillable containers. The evidence indicates that the introduction of another disposable container would increase the total energy demand made by this industry.

Monsanto hopes to encourage recycling, thus recovering the inherent "energy credit" of its Lopac bottles. It plans to offer $200 per ton of Lopac containers returned for recycling. But only Monsanto ventured an estimate as to how long the "optimization" on their bottle would take, which is two to three years. In the meantime, millions of pounds of the bottles will be sold, representing a tremendous waste of energy.

An unusual aspect of the Lopac bottle and its "relatives" is that instead of that usual procedure of discovering a chemical and then finding its applications, the requirements for a synthetic container of this sort were fed into a computer and the Lopac bottle resulted. Dr. E. P. Odum, a discussant at the Monsanto symposium on the environmental impact of nitrile barrier bottles ("barrier" because of the low permeability to gases), criticized this approach.

"What you asked for, and what you got," he noted, ". . . is an extremely durable bottle, so durable that it is a very poor design for a throwaway or 'no-return' bottle.

"Making a drink bottle durable means that it is absolutely impossible to dispose of, without a lot of trouble," noted Dr. Odum. "If you burn it you've got possible trouble with noxious gases. If it goes on the roadside or into solid waste it's there for a long time. Most of all, you're throwing away energy, 14,000 BTU per pound; about like throwing away coal (which has about the same energy content by weight)."

An ideal container for the environment would be biodegradable, Odum explained. A container designed with the environment and energy conservation in mind would be considerably different from Lopac, which he feels "has been fabricated with manufacturing and commercial properties mostly in mind and environmental impact mostly an afterthought."

While recognizing the hazards of the plastic bottle, the FDA concluded in the EIS that it has "no legal authority" to prevent their manufacture, for the bottles were not found to be unsafe or unhealthy. This decision carries with it the implication that the 1969 National Environmental Policy Act does not amend the 1938 Food, Drug and Cosmetic Act. The earlier law gave the FDA authority to consider environmental impact only when a health hazard is involved, while the more recent law ordered all federal agencies to consider environmental impact in making decisions.

An environmental lawsuit to force a closer look at the impact of the plastic containers has already been filed. Depending on the result of the legal action, however, plastic bottles may appear on the market within the year—a nonbiodegradable, nonrefillable testament to the container industry's "concern" for the environment.

MARY GARDINER JONES ADDRESSES CONSUMER ACTION ISSUES

Mr. MOSS. Mr. President, Mary Gardiner Jones, formerly Commissioner of the Federal Trade Commission, and currently vice president for consumer affairs for Western Union, delivered an important speech in San Antonio, Tex., on June 21, 1975. In her speech she dealt with problems of the regulatory agencies and needs that we have in evaluating and directing their functions. She also addressed herself to the new Consumer Advocacy Agency which the Congress is now considering. Because of the importance of her speech, I ask unanimous consent that it be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Consumer Action Issues

(By Mary Gardiner Jones)

The most important consumer action issues today in my judgment revolve around the role which government can and should play in today's society.

As a nation we seem to be confronting a host of problems, some new, some old, but all of which require difficult trade off decisions—frequently between equally desirable and competing goals. We are pressed on all sides to come up with effective solutions to our problems of stagflation, to find ways to meet our substantial capital needs, to increase our productivity and to cope with our resource scarcities and pressing needs for low cost energy supplies. At the same time we are being asked to respond to the rising expectations of consumers for higher protection standards against environmental, occupational and product hazards.

Each one of these decisions goes to the very essence of the type of society we want and the price which we must pay in order to come close to our visions and ideals. Many of them will have to be made by government. It is essential therefore that government decision making operate at maximum effectiveness and sensitivity to the needs of all groups in our society.

Yet we are confronted today with a serious problem of regulatory credibility. At the moment, it is a fixed perception on the part of most citizens that business has the inside track in the government decision making process. No matter how far from reality this may be, this lack of credibility of both the regulated and the regulators among increasing numbers of citizens must be reckoned with and dispelled. It constitutes a major consumer action issue which will confront us over the coming years.

A second basic consumer issue, closely related to this general problem of credibility, also goes to the heart of our regulatory system. For the first time time in our history, serious questions are being asked as to whether some parts of our economy might not perform more in the consumer interest if they were substantially deregulated. Moreover, we are also beginning to look carefully at the costs of regulation as well as at its benefits. Regulators are being pressed on all sides to demonstrate benefits rather than simply assume them.

Whether or not we succeed in deregulating some parts of our regulated industries, there is no likely possibility that we will abandon the great bulk of our regulatory programs or that government transfer of fund programs will be dismantled to any large extent in the near future. We live today in a highly regulated society which is not likely to change substantially.

Hence, the principal issues which will confront us over the coming years must be focused on two major challenges. First, how to restore consumer confidence in both business and government; and second, how to improve the quality and efficiency of government performance.

The decision making required to grapple with today's problems is too complex and too costly a process to tolerate mistakes. Too much energy goes into marshaling data, evaluating it, making the trade offs which are essentially between mutually desirable but inconsistent means and ends to suffer bad decision making. Moreover, the costs of bad decision making frequently may not surface until after some period of time has elapsed. During this time dissatisfaction and cynicism can grow out of all proportion; positions will typically harden and polarize as a result and the adverse impacts which do develop become inordinantly more difficult to undo and dissipate.

Business knows all this. Look at the time and energy devoted by some members of the food retail industry to pinpointing and trying to solve in advance the potential problems which the Universal Products Code may create for consumers. Similar efforts to anticipate consumer acceptance and match consumer bill paying behavior patterns are also being made by some of the more forward looking members of the banking industry concerned with EFT systems.

Business today is acutely aware of the importance of the consumer viewpoint with respect to all kinds of facets of their business and with the need for consumer acceptance of whatever the new product or marketing innovation under consideration might be. An increasing number of companies are consulting consumer experts, establishing consumer affairs departments and hot lines and in a variety of ways trying to integrate the consumer viewpoint into their day-to-day decision making processes.

If we are to restore confidence in government decisions and improve the quality and responsiveness of government decisions, it is equally essential to integrate consumer viewpoints into government decision making. I am convinced that an essential prerequisite for the restoration of confidence in government is to provide for the active participation of all citizens and interest groups in the government decision making processes which so deeply affect their welfare.

One such vehicle for accomplishing this purpose is the Agency for Consumer Advocacy. The Bill as you know is focused entirely on providing consumers with a formal voice in decisions made by government agencies affecting consumer welfare. ACA reflects a recognition by Congress both of the importance of integrating consumer views into the government's decision making process and also of the growing maturity and importance of the consumer movement. While organized business such as the Chamber of Commerce, the NAM and the GMA are still resolutely opposed to the new agency, a significant number of companies have come out in support of the Bill. This is a testament to their statesmanship and to the sensitivity of the framers and supporters of the agency who have worked long and hard to produce a Bill which could be workable and realistic and impose minimum burdens on business and miximum benefits for consumers.

I am convinced that President Ford is wrong—just as I believe former President Nixon was wrong—in his opposition to this Bill. The issue is not whether the Bill adds another layer of bureaucracy to the federal establishment. The issue is whether the agency will enhance the confidence of citizens in their government by giving them a direct representative on the federal level—an important goal by itself—and whether it will in fact improve the decision making of the federal establishment. We must determine whether the benefits of such improved decision making will out-weigh the cost which may be entailed in the operation of the agency, in any decision making which may be occasioned by consideration of data presented by the agency and in any additional litigation which may ensue if the Consumer Advocate believes it necessary to challenge an agency decision in court. It is clear to me that it will be far less costly and far more effective to establish a single agency to represent consumer viewpoints in government than it would be to create separate consumer offices in every government agency whose decisions affect consumer welfare.

I do not want to argue the case here for the ACA. I have done that elsewhere and others have done it better than I. What I would like to do is touch briefly on the present provisions of the ACA as it has been reported out of the Senate Governmental Affairs Committee and then spend a few minutes discussing with you how I see this agency performing its responsibilities with maximum effectiveness.

A primary and early goal of the agency must be to develop hard data on the scope and intensity of the range of consumer problems encompassed in the Act's definition of consumer interest.* To date no systematic effort has been made to secure this type of basic and essential data. There is no capability either on the campuses or within existing consumer organizations to identify and evaluate the existence and importance of consumer problems and to apply cost benefit and social accounting techniques to determine priorities of consumer problems on the one hand and to evluate the feasibility, costs, benefits and effectiveness of alternative solutions on the other hand. The development of this needed data and this type of capability is of fundamental importance to consumer groups as well as to legislators and other persons concerned with promoting and protecting consumer interests. Its collection must be a major priority goal of the new agency.

In discharging its primary function of representing consumer viewpoints in government decision making, the new agency will be confronted with a vast sea of government agencies each of which will be making innumerable decisions through a great variety of proceedings which will affect consumers in a variety of ways. It is obvious that the new agency could not begin to develop sufficient expertise—let alone manpower—to intervene in any but a minuscule portion of these multitudinous activities of the federal establishment.

An early priority, therefore, for the agency will be to identify the particular divisions and bureaus within the various government departments and agencies which are involved in matters affecting consumers. At the same time it will also be necessary to identify the relevant ongoing decisions and programs of these divisions and bureaus and the procedures which they employ in making their decisions. Much of this data can be gathered by the agency itself. Much of it will have to be developed through regulations requiring identification of consumer programs and of applicable agency rules and procedures relating to these programs. Ultimately, the agency will want to develop procedures—either through individual negotiations with individual agencies or through rule making—for the type and timing of the notice which it will need in order to determine what course of action it wants to pursue with respect to the many agency decisions and programs which may affect the consumers' interests.

The agency will also have to determine the type of internal organization which will best enable it to discharge its vast responsibilities and the types of skills which it must have at its command in order to be an effective force in the government establishment. Clearly it will require skills in the engineering, marketing, consumer behavior, economic, policy analysis and scientific disciplines, to name only a few. It will have to determine whether its substantive contributions can best be generated by focusing on particular groups of agencies or by focusing on common consumer problems such as transportation, communications, environmental, occupational and product safety problems, energy and other industry problem areas involving particular resourse allocation needs.

Regulatory effectiveness is a critical issue affecting both consumers and business today. Consumers are acutely aware of the fact that simply creating a governmental response to a problem is no assurance that that response is either appropriate or necessarily likely to be effective to produce the solution desired. Indeed we are beginning to recognize that on occasion the governmental solution reached for creates more problems than it solves.

Consumers also have limited resources both of time, energy and most important, of funds. They cannot afford to use up precious resources backing legislative or regulatory solutions to problems which will not be effective or worse still counter-productive to their long range interests. Clearly what is needed by consumers—and business as well—is some central clearing house first, to dispense information about the scope and nature of existing regulatory programs designed to tackle given consumer problems; and second, and much more important, to provide conscientious and expert evaluation of the benefits, the costs and likely effectiveness of these regulatory programs. The fifty states and the various city and local entities in this country provide a beautiful experimental laboratory for all types of regulatory ideas. Many of these states and local entities have enacted laws and regulations to cope with emission controls, sewerage treatment programs, water and air pollution, congestion and a vast number of marketplace consumer problems. No one has yet sought to tap this vast amount of data, or to capitalize on these test markets and gather data on these regulatory experiences in dealing with consumer problems.

---

*The Act defines the consumer interest to be represented by the Consumer Advocate as intended to be affected by the Act as the "health, safety and economic concerns" of consumers involved in goods and services which "may become the subject of commercial transactions or which are related to any terms of conditions of such transactions."

I believe the new Consumer Advocacy Agency must develop a strong capability to gather before and after data on consumer legislation and regulation, to set up evaluative standards and to make every effort—however imperfect and incomplete the data—to provide appraisals to consumer groups and to business on the costs of these programs, their impact on consumer welfare and on business productivity and profits, and on their general efficacy in bringing about the desired changes in the community problems and conditions which gave rise to them.

This same capability will be invaluable to the agency in discharging its own advocacy functions. One of the principal input needs of the operational decision making agencies is not only to understand the consumer interests in the problem being tackled but to be innovative in finding ways to promote and safeguard these interests along with all the other interests involved in the particular matter. An innovative Consumer Advocacy, armed with hard statistical empirical data both on the nature of the consumer interests involved and on the types and costs of solutions which are available will provide an essential and unique contribution to the decision making agency.

Finally, there is a major need in this country to come to grips with the question of "who speaks for the consumer," i.e., which consumer's needs should be responded to, or which of several conflicting needs and desires within the same consumer should be responded to by business and government. Is there a "consumption interest" which is greater than the aggregate interests of individual consumers? These questions make clear the need to develop techniques for building consensus on consumer policy issues involving conflicting values. An important function of the Consumer Advocate could be to develop techniques for identifying these conflicting values in consumer policy and to determine whether communication techniques, exchange of information, or other means of educating citizens to the need for trade offs among competing values would build a significant consensus on consumer policy needs.

In short, I look to the new Agency for Consumer Advocacy to provide a much needed expertise in the art of regulation which is sorely needed in the federal establishment. If it can in fact develop such a comprehensive expertise—either in-house or through the use of its contracting authority—it will earn its 25 million dollar budget many times over in the savings to consumer groups and business which will flow from efficient and effective government decision making. The Agency has the potential for restoring citizen confidence in government and improving the effectiveness of government decision making.

All of us have a clear interest in helping it to succeed in its mandate.

Thank you.

DEATH OF SENATOR EDGAR A. BROWN

Mr. THURMOND. Mr. President, on Thursday, June 27, a tragic auto accident ended the life of one of the eminent leaders in my State. Edgar A. Brown of Barnwell, S.C., who had served in the South Carolina General Assembly for almost 50 years, is dead at the age of 86. I shall not pretend that Senator Brown and I did not have our differences over the years. We belonged to different parties for a portion of those years, and we were opponents in a hard-fought election campaign in 1954 for the seat in the U.S. Senate which I now occupy. However, I always had the highest opinion of his ability and dedication to the welfare of our State. Moreover, his accomplishments were so numerous that no loyal son of South Carolina, of whatever party or viewpoint, could fail to appreciate them. It is with the deepest gratitude for his long and outstanding career, and the deepest sorrow for his sudden death, that I rise now to pay Senator Brown a few words of tribute.

Edgar Brown is the only man ever to have been both Speaker of the South Carolina House of Representatives and president pro tem of the South Carolina Senate. He began his career in the House, to which he was first elected in 1920. After 6 years there, the last 2 as Speaker, he made his first race for the U.S. Senate. Though unsuccessful in this effort, he returned to politics in 1929 in a victorious campaign for the State senate. The seat which he gained thereby he held continuously until 1972, when he retired voluntarily. His 43 years as a State senator set a South Carolina record, as did his 29 years as chairman of the powerful senate finance committee.

Longevity, ability, and hard work combined to make Senator Brown, in the latter decades of his career, the acknowledged legislative leader of South Carolina State government. Even the numerous Governors with whom he served relied on him for advice and assistance, as I can report from personal experience. Continuing to gain in power and prestige, he used his influence for a number of important and laudable purposes. He kept a watchful eye on all state expenditures, and his sense of fiscal responsibility is largely responsible for the excellent financial health which South Carolina today enjoys. He was also a formidable champion of expanding the State highway system and improving State education. Finally, he gave South Carolina a powerful voice in the counsels of the Democratic Party, serving for 16 years on the national committee. The State of South Carolina formally recognized his political accomplishments by naming in his honor a new State office building in Columbia. I am pleased to say that Senator Brown had the pleasure of attending the dedication of this building in June.

Senator Brown, however, did not confine his activities to politics. By profession he was a lawyer, and his colleagues in the South Carolina Bar remember him as one of the forceful and eloquent attorneys of his generation. In consequence of his legal attainments, Clemson University in 1970 named him an honorary doctor of laws. This gesture was particularly appropriate, as Clemson was another of the causes to which Senator Brown devoted his time and effort. Named to the presidency of the Clemson board of trustees in 1956, he held this position until the time of his death. He was also active in the affairs of his church, the Methodist Episcopal Church of Barnwell.

Indeed, Senator Brown, by the end of his public career, was regarded more as an institution than an individual. "The Bishop of Barnwell," he was called, with awe and affection. Though his death has deprived us of his ability and experience, these feelings will remain. The man who possessed such abilities and such experience will not soon fade from our memories. In short, Edgar Brown leaves to us not only his achievements, which will last long enough, but his example of dedication and service, which is imperishable. No man can give more. Let this thought console us for the terrible loss which, with his passing from the scene, we have sustained.

Mr. President, on the occasion of Senator Brown's death the newspapers of South Carolina were literally saturated with articles about his life and career. I ask unanimous consent that representative accounts be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Former Senator Brown Dies of Crash Injuries

[From the Columbia (S.C.) State, June 27, 1975]

Former Sen. Edgar A. Brown of Barnwell, who served state government for 50 years and experienced many adversities in recent years, died Thursday at age 86 from injuries received in an automobile accident.

Brown was driving his 1961 Lincoln when the two-car accident occurred about noon at the intersection of highways 3 and 69 about 1.4 miles south of Barnwell.

Listed in fair but stable condition in Barnwell Hospital were the driver of the other car, Glenda Steinmeyer, 61, of Boiling Springs, and her niece, Evelyn Brubaker, 30, who was visiting from Altamonte Springs, Fla.

Robert Sanders, the highway patrolman at the scene, said the accident is still under investigation. Brown's car, he said, was damaged on the left side and Mrs. Steinmeyer's car was damaged on the front. He said there were no witnesses.

Brown was taken to Richland Memorial Hospital by the Barnwell Rescue Squad. Attendants who were with him said he did not lose consciousness.

He was immediately taken to surgery for treatment of chest and abdomen injuries. A hospital spokesman said he died at 4:40 p.m., shortly after leaving the operating room.

Sen. Brown's only child, Mrs. Richard M. Jefferies Jr., died in April after choking on a piece of meat. His wife died in 1973 of a heart attack while both she and Brown were patients in Richland Memorial Hospital.

His survivors are two grandchildren, Richard Allan Jefferies and Emily McBurney Jefferies, and his son-in-law, Richard M. Jefferies of Barnwell, son of the former governor.

Funeral plans are incomplete. Mole Funeral Home is in charge.

Brown, who had been the most powerful man in state government before his retirement from the State Senate in 1972, was honored just two weeks ago with the dedication of the newest state government office facility, the Edgar A. Brown Building.

Referring to that event, Gov. James B. Edwards commented after Brown's death, "I'm only happy we were able to pay tribute to him just recently when we dedicated the Brown Building. It is always nice to have the opportunity to give a person the roses while they can still smell them."

Edwards, who was among numerous officials expressing sadness at Brown's death, said, "South Carolina has lost an illustrious and outstanding citizen. My sympathy goes out to the family on behalf of all the people of South Carolina."

For 29 years, Brown was chairman of the Senate's powerful Finance Committee and he was the only South Carolinian to have been both speaker of the House and president pro tempore of the Senate. In 1957, he took over the longevity record in the Senate held for more than 100 years by another Barnwell man, Angus Patterson who served 28 years in the 1800's.

In an interview shortly before he retired from the Senate, Brown said, "I would love to serve until I'm 100.

My doctors think I ought to keep busy at something in order not to dry up and give up and fade away . . . that's my life up there at the State House, 50 years of it, and I'm almost afraid that if I quite and sat down, that would be the end of Mr. Brown."

An ailing heart forced the senator's retirement, and he suffered a mild stroke and heart attack on May 17, 1972.

He was South Carolina's only "senator emeritus," a title bestowed on him by his Senate colleagues shortly after he announced his retirement.

Sen. Brown began his legislative career by serving five years in the S.C. House. He was elected to the Senate in 1929, and he served there continuously until 1972. He was a major power in state politics in his roles as Senate president pro tempore and chairman of the Senate Finance Committee.

As a life-long and never-wavering Democrat, he was a towering figure in the state and national parties; first as a delegate to conventions who attracted the attention of leaders and then as a longtime national committeeman from South Carolina.

Sen. Brown was perhaps proudest of his record as the watchdog of a state's finances. Resolutely, sometimes ruthlessly, he struggled to maintain the solvency and credit of his state. And in this he largely succeeded, winning the plaudits of South Carolinians dedicated to sound governmental financing.

Although he enjoyed positions of prominence and power in politics and government, his public career was punctuated by several bitter disappointments. Three times he made bids for a seat in the U.S. Senate, but was never successful. Friends would always say that he would have been "as great a United States senator as a state senator."

But the people of Barnwell County always re-elected him, from the time he was first elected to the House in 1921 until his last election. Seldom was he ever opposed. He served in the House from 1921–1926, as speaker his last two years there, and was elected to the Senate in 1929 to remain a member of that body longer than any man in its history.

An ingratiating and persuasive personality, backed by extraordinary talents for legislating were his personal tools as he led, in the late 1920's and through the late 1930's, especially the movements to create a first-rate highway system for South Carolina.

When the late Gov. Burnet R. Maybank, with the state government facing monetary problems, sought to divert highway funds from that purpose to general usage, Sen. Brown was among the leaders successfully opposing the movement.

Some years before, when the late Gov. Olin D. Johnston sought deeper mastery over the Highway Department, Sen. Brown was one of those blocking that bid and assuring the road-building independence of the department.

He was often in combat with those seeking, as he believed, dangerous overspending in the field of education, but the record shows a general support of the advancement of education in the state.

One of his deepest interests in later life was Clemson University of which he became a life member of the board of trustees. He became president of the board in 1956.

Clemson awarded him the honorary degree of doctor of laws. In 1970, there was a further honor for him from the university in the establishment of the Edgar A. Brown Foundation, involving a starting fund in excess of 100,000, the income from which will be used "exclusively for charitable, scientific, literary or educational purposes," at Clemson.

And in 1971, a special room containing his personal mementoes, furniture and other memorabolia was opened in the university library. The board of trustees had invited the senator to leave these items to the university.

In addition to the honorary degree from Clemson, Sen. Brown earlier received from the Medecial University of South Carolina the honorary degree of doctor of humane letters for his leadership in having passed legislation for the Medical University's multi-million-dollar Reference and Teaching Hospital.

One of the tributes, coming on his 82nd birthday, was a large celebration in Barnwell, attended by more than 5,000 persons.

One of the speakers, the late U.S. Rep. L. Mendel Rivers, said: "Edgar Brown has developed the resources of our state, built institutions and promoted great interests."

And on the same occasion then Gov. Robert E. McNair, after characterizing the senators as "a dreamer and a fighter," added: "With each year he has broadened his horizons and then expanded the dreams of all South Carolinians. He has been the champion of innovation but he understands, too, the lessons of history.

"Sen. Brown has been one of the greatest forces for good South Carolina has even known."

On the same occasion, the senator's colleague in the legislature from Barnwell County, Speaker of the House Solomon Blatt, said: "Sen. Brown is more responsible for the state's sound financial condition than any man I know. He is truly the kingfish of all South Carolina."

The senator took with good grace the various appelations which were attached to him. He was probably best known as the "Bishop from Barnwell," which became the title of a book about him by W. D. Workman Jr.

Although his direct and tangible services to the state government will stand as the substantial public service memorial to Brown, he probably was best known to the general public through the years for his candidacies, his controversies and his conflicts in the pageantry of South Carolina politics.

Not a few of these untranquil experiences were spawned by the severe changes on the national scene, especially in the 1940's and 1950's.

He had run unsuccessfully for the U.S. Senate in 1926 and 1938. In the 1938 contest, he withdrew before the election.

Then came 1954 and Brown's most traumatic experience in politics, and not only dividing his beloved Democratic Party on the matter of a senator, but creating bitter personal animosities.

U.S. Sen. Burnet R. Maybank died suddenly. Immediately, the state executive committee of the Democratic Party, acting under an emergency rule, nominated Brown to succeed Maybank, deciding there was not sufficient time, prior to the upcoming general election, to nominate by a primary.

Protests against nomination began to swell over the state, Democrats contended that there was time to have a primary. But another movement valuted into the forground. Mayor Francis P. Coleman of Mount Pleasant launched a drive to enter former Gov. Strom Thurmond as a write-in candidate in the November general election.

This move succeeded, and the race was on between Brown and Thurmond, the man who temporarily bolted the National Democratic Party in 1948 to run for President on the States Rights ticket.

Thurmond and his supporters attacked the Democratic committee for making a nomination and not having a primary, and Brown, came under fire for accepting. The write-in candidate began to receive strong support in the press.

In "The Bishop from Barnwell," author Workman wrote: "Brown's entire political career has been marked by loyalty to the Democratic Party."

As the campaign against Thurmond proceeded, Brown emphasized the Democratic loyalty and the "obligation," as he saw it, for Democrats to vote for the Democratic candidate.

But the result, as Brown was to foresee, was the election of Thurmond by 143,444 votes to 88,525 for Brown.

Brown, until 1952, has been a lifelong friend and political confederate of James F. Byrnes.

But in 1952, Byrnes, then governor, threw his support to Eisenhower for President. This was to spark a deep and emotional break between the two South Carolinians. Byrnes, Brown said, had turned his back on the Democratic Party.

And, in 1954, his term as governor nearing its end, Byrnes endorsed Thurmond against Brown. This was the last draw. The cleavage was complete.

Two sentences from Byrnes' statement endorsing Thurmond said: "I want my position clear. I would not vote for any person in South Carolina nominated by the committe under the circumstances in which this nomination was made. I have told friends who asked me privately, and now I say publicly, I shall write in the name of Strom Thurmond."

In "The Bishop from Barnwell," Brown is quoted regarding a conversation in Charleston after the funeral of Sen. Maybank:

"Homer Capehart (then a senator of Indiana) didn't tell me this, but he told one just as responsible as you (the author) that somebody close to Byrnes at the grave turned to him as they were shaking hands and dispersing, and said it looks as if they (the executive committee) were going to 'send Jim back to Washington'." They (the Byrneses) were as much interested in it as I was or anybody else."

All of that became history and eventually the two old men got together in what was doubtless a touching reconciliation.

In May 1969, President Nixon stopped in Columbia to pay his respects to Byrnes on his 90th birthday.

But in that same week came an event which was to reach public notice, several days later.

Brown, then 80, went to the Byrnes home

and he and the former Supreme Court justice, secretary of state and governor had what was described as a joyful reunion as they reminisced.

Byrnes said that he himself had planned to end the long separation but "hadn't felt up to it."

Sen. Brown went away still the Democrat he had always been even though in the 1940's and 1950's, with the racial question sizzling in politics, he had seen many Democrats unhappy and rebellious, and his task as delegate to national conventions and to meetings of the national committee difficult.

He weathered it and eventually saw the Democrats back in the White House after the Eisenhower years, and after the States Rights revolt against the Trumanism of the times which many Southerners resented.

At issue at the Democratic conventions of the 1950's was the so-called "loyalty oath." Brown labeled the first protagonists of this as "Young Turks" aiming at the South, and engaged in a heated exchange with The Charleston News and Courier over his position in such an oath.

At the 1952 national convention in Chicago, the South Carolina delegation voted at one time to walk out in protest against developing national party policy repulsive to the South. And it appeared for once that Brown would join the departure, but there was reconsideration and South Carolina did not walk.

Things were mellowing somewhat in 1956 and Brown did not take too active a part in the national convention. Nor did he at Los Angeles in 1960, saying he would let Gov. Ernest F. Hollings do most of the talking. (This was regarded as genuine political sagacity.) Brown wanted a ticket of Lyndon Johnson and John F. Kennedy, but the reverse was what he and the country got.

He became national committeeman in 1953, after then Gov. Maybank resigned the post, and stayed on until 1969 when he stepped down and then Gov. McNair was elected to the national committee.

While Brown made up with Byrnes, whom he always called "Jim," not "Jimmy," there was little evidence that he and Sen. Thurmond ever did so.

In addition to his deep interest in Clemson University in his later years, the senator had a strong interest in the state's educational television system. He supported it in the Senate and otherwise, and was proud of the international attention it drew.

The senator lived a relatively simple life in Barnwell. He headed a large law firm, the walls of which were lined with photographs of noted men he had known, including several presidents.

Occasionally, he would take a short trip abroad, always accompanied by his friend, John Cauthen.

In his younger years Brown suffered health problems and once was sent to camp in the mountains of North Carolina as treatment for tuberculosis. He recovered from the TB but developed failing eyesight and voice power in his last years.

Brown was born in Aiken County, July 11, 1888, a son of Augustus Abraham and Elizabeth Howard Brown. He attended public schools and the Graniteville Academy and Osborne's Business College in Augusta.

As early as 1908, he was court reporter for the 2nd Judicial Circuit. Meanwhile he was studying law and was admitted to the State Bar in 1910. He later was admitted to practice in the District, Circuit and Supreme Courts of the United States. He was a member of the American Bar Association and former president of the South Carolina Bar Association. He was a former chairman of the Board of Managers of the Council of State Government.

[From the Columbia (S.C.) State, June 27, 1975]

"THE BISHOP FROM BARNWELL" WAS A SCRAPPER TO THE END

(The year 1962 was an eventful one in South Carolina politics. In addition to the usual races for state offices and the General Assembly, a fledgling Republican Party was unsuccessfully running a candidate for the U.S. Senate against the veteran Democratic incumbent, Olin D. Johnston. Down in Barnwell, State Sen. Edgar A. Brown was secure in his own bailwick, just as he was well entrenched as president pro-tem of the State Senate.

(But Sen. Brown played another role in 1962—that of subject for a biography of his political life and times. And who should be writing this biography of "Mr. Democrat" but the Republican nominee for the Senate—a veteran reporter by the name of W. D. Workman, Jr. The two men, although on opposite sides of the political fense at a time of unusual partisan fervor, worked in harmony as reporter and subject, developing a mutual respect in the process.

(Today, as former editor and now editorial analyst for The State, Workman gives his past and present impressions of Edgar Brown, who died in Columbia Thursday afternoon.)

(By W. D. Workman, Jr.)

To the very end, Edgar Brown was a scrapper, fighting for his convictions, for his friends, for the financial stability of South Carolina, and—to a degree hardly known by even those who were closest to him—for his very life.

"I've had a greater struggle living—just staying alive—than I've had in getting along in the world politically, legally, economically, or otherwise."

Those were his own words, spoken 13 years ago as I delved into the ins and outs of his varied career in order to give substance, his substance, to "The Bishop From Barnwell." As the book was being written, he was apparently robust for a man in his 76th year. But, as is reported in the book itself, he had suffered illnesses and accidents which could have been the death of a less fortunate, or less determined, man. "Tuberculosis, anemia, and arthritis have been intermittent plagues for most of his life. He had an arm broken as a young man while being inducted, with too much enthusiasm, into a fraternal order at Spartanburg, back about the time of World War I. He has been in an airplane when it caught fire and had to land in a cotton field in Virginia. He was in an automobile which turned over and nearly burned up at Edisto Beach. He slipped and fell while taking a shower in a Washington hotel, shattering a collar bone and shoulder. Chronic throat trouble has reached the point where he carries a tiny amplifier with him to make his hoarse whisper audible in a group. And his eyes require the use of a powerful magnifying glass for any reading he does."

Yesterday, Edgar Brown lost his last fight, succumbing to injuries sustained in an automobile crash just a few days short of his 87th birthday (on July 11). But he had already received a birthday present from the state he loved so much and served so long and so well. On June 12, he was on hand, in good spirits and in relatively good health, for the dedication of the Edgar A. Brown Building, the latest addition to the capital complex of state office buildings.

On that occasion, he heard a Republican governor (which must have tickled his ready sense of humor) express regret at never having been privileged to serve with Sen. Brown in the State Senate. And he heard his own Democratic colleagues of years past join in praise for his continuing dedication to South Carolina's sense of financial responsibility.

But Edgar Brown in 1975 had been three years out of public life and the public eye. Even before he left office, his political pace and legislative involvement had slackened somewhat with the onset of advanced age and shifting tides (and atttiudes) in state government.

Thus, it may be appropriate here to run back the clock and assess "the Bishop From Barnwell" as he appeared to me in 1962. He was then and long had been "a legend in his own time." What follows are a few paragraphs taken from the foreward to his biography.

Edgar A. Brown is the man everybody knows—and the man nobody knows. He is the thick-skinned politician whose hide seems impervious to "the slings and arrows of outrageous fortune"; yet he is deeply although imperceptibly sensitive to verbal barbs, to condemnation and most especially to ingratitude. He is the patient whipping-boy of the legislature, absorbing abuse and censure in bland composure, and accepting unwarranted criticism for things not of his doing. And he can be the placid recipient of praise for deeds done by others of which were, at best, only partly done by himself. He is a dyed-in-the-wool conservative, by conviction and by self-description; yet he was the political apologist for the New Deal and the 1938 candidate who espoused government pensions to all persons over sixty years of age.

He is a well-read, well-informed man. Yet he was forty years old before he ever set foot in a college, doing so then as a newly-elected member of the Clemson College Board of Trustees.

He is a man whose very heartbeat is set to political pulsations and who glories in the hurly-burly of public life; yet he would warn his cherished grandson that such a life "is hard and treacherous and difficult." He is the legislator who regards his colleagues, past and present, as men of dedication and ability. Yet he never has hesitated spending, or for "disgraceful conduct" during a prolonged filibuster, or for spending money "like drunken sailors" when fiscal caution was being cast to the winds, or for "playing footsie with each other and with the public" in unnecessarily prolonging legislative session.

It is fitting to emphasize the words, "legislative longevity," in talking of Brown, for the legislature always has been his "briar patch." Through the years, well-meaning friends and political acquaintances have urged him to run for governor, some of them with quadrennial frequency. But not once has he moved, even tentatively, in that direction.

There have been few times since 1924 that there haven't been a great many people who thought he ought to be governor and have said so. As late as 1962, he still was getting letters saying: "You ought to run for governor and make that the climax of your career."

But there never has been a time that he had any notion of running for governor—for the very good reason that he has never wanted to be governor. "I'm not an administrator," he says; "I'm a policymaker. I'm a legislator."

Contemporary South Carolinians have both the mental and the visual picture of Edgar Brown as an aging but erect and affable "elder statesman," wise in years and experience, imperturable in demeanor, and dignified in bearing. This, indeed, is the Edgar Brown of the mid-century.

But the Edgar Brown of earlier days was more belligerent. He required police protection during the heated debates between partisans of Al Smith and William McAdoo (he was a McAdoo man) at the turbulent Democratic convention of 1924 in New York's Madison Square Garden. And Edgar Brown, Speaker of the House in the mid-twenties, was the target of a derringer shot (which missed) from the senator from his own county—and in the State House at that. And Edgar Brown—delegate, county chairman, and state executive committeeman from Barnwell County—was in a fist-fight, briefly and bloodlessly, with John Gary Evans at the State Democratic Convention of May 16, 1928 . . .

Probably more than any other single individual on the South Carolina scene, Sen. Brown personifies that quintessence of the "party man": that purely political being who can rise to the heights, or plunge to the depths, in the close combat of political warfare—and yet emerge from bitter battle prepared to forgive, and be forgiven by, his recent adversary as they join hands in some other enterprise "for the good of the party." In the course of a half-century of partisan political involvement at every level, Brown has tangled with the biggest and the best that South Carolina had to offer—winning some, losing some, and occasionally fighting others to a stand-off.

One measure of Edgar Brown's stature was his selection as the *only* man in South Carolina to share in the secret that the United States government intended to locate a massive, multi-million-dollar facility in Barnwell and Aiken counties. The federal government needed someone with whom its officials, and those of the DuPont Co., could talk concerning the involved considerations of place, personnel, and other problems attending a project of such size—and Sen. Brown was entrusted with the biggest industrial secret in South Carolina history. Not until the formal announcement came on Nov. 28, 1950, sky-rocketing what had been mild suspense into wild excitement, was Brown free to divulge what he had known for months—that one of the world's largest construction projects of all time was to be undertaken in South Carolina. But even he did not know that the installation was to be an establishment of the Atomic Energy Commission. . . .

I will have no quarrel with those who say I have omitted episodes in the personal life of the senator from Barnwell, for that is true. There are stories galore, some true and some false, of a man who has loved life and lived it to the fullest. There may be a book there, but this is not that book. Nor will I quarrel with those who praise Brown with an extravagance which does not shine through in these pages.

The Bishop From Barnwell is the work neither of a biographer nor of a novelist. It is the work of a reporter whose sole concern lies in serving the truth, and whose innate love of his native state finds complete reconciliation with recording this journalistic appraisal of a remarkable man who has served his state with an ability beyond that of most men.

[From the Charleston (S.C.) Evening Post, June 27, 1975]

State Will Pay Final Tribute to Senator Brown

Columbia.—South Carolina's political and business leaders will be among those gathering at the State House Sunday to pay final tribute to former State Sen. Edgar Brown, a powerful force in South Carolina politics for almost a half century.

The 86-year-old Brown, known as "the Bishop of Barnwell," was fatally injured Thursday when his car collided with another automobile near Barnwell. He was brought to Richland County Memorial Hospital in Columbia and died at 4:40 p.m. following surgery for injuries of the chest and abdomen.

His body will be at his home in Barnwell Saturday and will be taken to the State Senate chamber in Columbia at noon Sunday. A memorial service will be held in the chamber at 2:30 p.m.

Following the State House rites, graveside services will be held at 5:30 p.m. at the Barnwell Methodist Episcopal Churchyard in Barnwell.

The Highway Patrol said the automobiles driven by Brown and Mrs. Glenda H. Steinmeyer, 61, of Boiling Spring, collided shortly after noon at the intersection of U.S. 3 and U.S. 69 about 1½ miles south of Barnwell.

Mrs. Steinmeyer and her niece, Evelyn Burbaker, 30, of Atlamonte Springs, Fla., were seriously injured. The two women were reported in "stable" condition this morning at the Barnwell Hospital.

Brown, after serving in the legislature 50 years, did not offer for re-election to his Senate seat in 1972. Among the state's leaders deeply saddened by his death was House Speaker Emeritus Solomon Blatt, who with Brown formed the once politically powerful "Barnwell Ring."

"He was one of the most outstanding and most successful lawyers I ever knew," said Blatt, who is still serving in the House from Barnwell County.

"He had the respect, love and admiration of all the people in Barnwell County, as well as people from other areas of the state and throughout the nation."

Sen. Brown's wife died in 1973 of a heart attack while both she and Brown were patients in Richmond Memorial Hospital. Their only child, Mrs. Richard M. Jeffries Jr., died in April after choking on a piece of meat.

Brown is survived by two grandchildren, Richard Allen Jeffries and Emily McBurney Jeffries, and by his son-in-law, Richard M. Jeffries of Barnwell, son of the late Gov. Richard Jeffries. Only two weeks ago, Brown, was in Columbia for the dedication of a state office building named for him.

"I've lost a beloved, close friend, whom I felt towards just like a member of my own family. My deepest sympathy goes to the remaining members of his family," said Sen. Rembert C. Dennis, D-Berkeley, who succeeded Brown as chairman of the Senate Finance Committee upon Brown's retirement.

Brown retired from the General Assembly as Senate President Pro Tem.

His influence could be felt in almost all facets of state government during his service. He played influential roles in state financing and in the provision of highways.

As a life-long Democrat, he was an active figure in state and national party politics. He was National Committeeman from South Carolina over an extended period.

He served as watchdog over the state's finances, trying to maintain the solvency and credit of the state.

Three times Brown made bids for a seat in the U.S. Senate, but was never successful.

First elected to the S.C. House in 1921, Brown was reelected to the General Assembly by Barnwell County voters every time he offered for the position. He served in the House until 1926 and was speaker his last two years there. He was elected to the Senate in 1929 and remained a member of that body until his retirement in 1971.

Sen. L. Marion Gressette, D-Calhoun, who succeeded Brown as Senate president pro tempore, said Brown was able in many facets of governmental areas. He said it had been a pleasure working with Brown.

Rex L. Carter, Brown's successor as speaker of the House, said, "His loss is beyond measurement and his contributions are unsurpassed."

Sen. Strom Thurmond, R-S.C., said from his Washington office that he was deeply saddened by Brown's death.

Gov. James B. Edwards, in a statement released Thursday, mourned the loss of Brown.

"The senator's death is a loss to South Carolina. Sen. Brown led a full and illustrious life of service and his death is a great loss to the state. I'm only happy we could pay tribute to him recently in the dedication of the Brown Building while he was still alive," Edwards said.

"South Carolina has lost an illustrious and outstanding citizen and my sympathy goes out to family," he added.

Edwards requested that all state flags be flown at half staff on state buildings until sunset Monday in Brown's honor.

[From the Augusta (Ga.) Chronicle, June 27, 1975]

Former South Carolina Senator Edgar Brown Dies Following Auto Accident

Barnwell, S.C.—Retired state Sen. Edgar A. Brown, the Bishop of Barnwell, died in Richland County Memorial Hospital Thursday from injuries sustained in an automobile accident.

According to the South Carolina Highway Patrol, the accident occurred at 12:05 p.m. Thursday, on South Carolina 3 about four miles southwest of Barnwell.

Brown, 86, suffered a punctured lung, broken ribs and other possible internal injuries in the two-car accident.

He was taken to the Barnwell County Hospital and then rushed to the Richland County Memorial Hospital in Columbia where he was operated on at 3 p.m.

He died in the recovery room at 4:40 p.m., hospital officials said.

aPtrolman Robert Saunders said Brown was driving when his car collided with a vehicle driven by Mr. Glynda Steinmeyer, 57, of Boiling Springs, S.C.

Sanders said both cars left the highway. Brown's car was struck in the side.

Mrs. Steinmeyer and a passenger in her car, Mrs. Evelyn Brubaker, 30, of Altamonte, Fla., were both seriously injured and admitted to the Barnwell Hospital, the patrolman said.

Both women suffered lacerations and Mrs. Steinmeyer had a possible leg fracture.

Brown's political career spanned more than a half century.

Dubbed the "Kingfish" of Palmetto State politics, Brown retired at the age of 74 from the Senate he had dominated for decades in 1972. He would have been 87 on July 11.

Lawyer, banker, bussinessman, he served in the South Carolina House, later became its speaker and became its president pro tempore and Chairman of its most powerful committee.

Brown, the famed leader of the "Barnwell Ring" was a guiding force over state spending after becoming chairman of the Senate Finance Committee in 1942. He was equally blasted and praised for his belief in a balanced budget economy for the senate.

[From the Florence (S.C.) Morning News, June 29, 1975]

Brown Left State Treasury in Sound Shape

When Edgar Brown retired from the S.C. Senate in 1972 after more than 50 years as a member of the legislature, the Senate took a few minutes on the day of final adjournment of the session to honor the old man who had dominated state spending decision-making for more than 30 years.

All of the veteran senators had a few words to say about and the Senate took the unusual step of giving House Speaker Sol Blatt, Brown's colleague and old political ally from Barnwell, the floor for a few remarks. Gov. John C. West made a rare appearance on the Senate floor to express the gratitude of the state for Brown's service.

Brown, who died last Thursday at 86 of injuries received in a highway accident, told his fellow senators that he would rather have held the state Senate jobs he was leaving than any others the voters could give him.

It was probably good that Brown stayed in those jobs, because he and his allies gave the state sound, responsible government and a financial policy that is enabling it as it finally becomes truly prosperous to fund programs to give its people the better things of life.

But it was not planned that way, and one could not fail to think back as Brown and others talked to his three tries for the U.S. Senate which stand as some of the most colorful campaigns the state has seen.

Brown made a run against Sen. E. D. Smith in 1926 in a three-way race when Brown was serving as speaker of the House. He went into a runoff and lost by only 5,000 votes against the veteran Smith.

In 1938, Brown again was a candidate against Smith with Gov. Olin D. Johnson as the third candidate. Brown really threw a monkey wrench into that one by withdrawing from the race the weekend before the first primary, leaving what had been a battle to get into a runoff a two-way race between Smith and Johnston with no tomorrow for the second place man.

Smith won his last term in the Senate.

In 1954 came Brown's last try and most controversial and disappointing.

Sen. Burnet R. Maybank died between the primary and election that year, and the State Democratic Executive Committee replaced Maybank on the ballot with Brown, expecting to give the veteran state senator a term in Washington as crowning achievement of his political career and faithful service to the Democratic Party.

The committee decision was legal and its explanation that time was too short for a special primary was logical, but the people were unconvinced. Strom Thurmond announced as a write-in candidate, and won the election. He still is the only U.S. senator ever elected in a write-in campaign.

The bitterest blow to Brown in that race may well have been the fact that his old friend and political ally, James F. Byrnes, then governor, supported Thurmond.

Brown, who had loyally backed Byrnes in everything he ever ran for, all the way back to early century races for Congress, never understood.

That came to my mind on another day in the Senate in 1972 when senators were making remarks on the death the previous day of Byrnes.

Brown sat quietly and without comment through it all.

The two did, however, get together at least once in the final years before Brynes' death.

In 1969 when President Nixon flew to Columbia to visit Byrnes on his 90th birthday, Brown joined the crowd at Byrnes' Columbia home.

Brown was a partisan who never could understand people like Thurmond who easily shift parties and political loyalties. He was chairman of the Barnwell County Democratic Party and a member of the State Democratic Executive Committee from 1914 until his death. He also served as a national Democratic committeeman from 1954 until 1968.

Brown attended many national conventions and in 1924 William Jennings Bryan had to break up a near fist fight between Brown at a Pennsylvania delegate at the long, hot and bitter Madison Square Garden convention. It promoted one national leader to remark that "That man Brown" was going places, and that became one of his slogans in his 1926 campaign.

The day in 1967 when the first class of Republican state senator appeared to take their State Senate seats, Brown as president pro tempore was presiding. As was customary, Senate Democrats caucused the night before and filled committee seats. GOP members got very little consideration, promoting one to complain decisions long and loud about the caucus having no business making such decisions.

Brown smiled benignly and educated the young man that "You see, the caucus runs the Senate." He never understood those fellows.

When a memorial service is held for Brown in the State House on Sunday, it will be televised to the state on the educational network that many knowledgeable people consider the best.

It is a product of Brown's service, the large sums of money needed to launch the system were not always popular, but Brown's backing made it a reality.

There are many other things from the technical education system to a college at Florence to a fine highway system that we have largely because of his backing.

[From the Columbia (S.C.) State,
June 30, 1975]

SOUTH CAROLINA PAYS TRIBUTE TO BROWN

Grieving South Carolinians paid last tributes Sunday to former State Sen. Edgar A. Brown of Barnwell, eulogized at a state memorial service as a financial genius of vision and courage willing to scrap in the political arena for fiscal integrity and for his fellow man.

Over 450 persons including Gov. James B. Edwards, five former South Carolina officialdom, bade farewell to the 86-year-old Brown in the Senate chamber where he reigned supreme for four decades.

Final services were held at a tree-shaded church cemetery 60 miles away in Barnwell where Brown was laid to rest in a tomb next to his wife and near his only daughter.

Brown, who carved a niche in South Carolina government and politics as a fiscal conservative who also favored progressive government was fatally injured last Thursday in an automobile accident in rural Barnwell County.

The memorial service in the Senate chamber, where Brown lay in state for two hours in a closed casket, was the first such service in state history, according to Senate Clerk Lovick Thomas. Other memorials have been held in the Senate, but not with the body present.

Brown helped make funeral arrangements about two weeks ago, Thomas said, specifying use of the Senate sword and a Senate seal on his casket in the services.

Brown's portrait, painted 18 years ago, was draped in black and his former desk was to the right of the casket. His brown homburg, his familiar walking cane and a single rose were on top of the desk.

Former Gov. John C. West, a former Senate colleague and a close friend of Brown delivered the principal eulogy in a chamber filled to capacity. The services were carried statewide by the S.C. Educational Television Network.

West, recalling Brown's contributions to government and public life said that Brown not only had visions of greatness "but had the courage when the going got rough, and was willing to square off and punch and counterpunch for principles in which he believed."

"That is why," West said, "we will always live in the lengthened shadow of this man who not only dreamed, hoped and planned, but fought, struggled and succeeded in making this state the embodiment of the great personal qualities which he possessed."

"The grace of Edgar Brown became the spirit of tolerance and understanding which has brought the people of our state together as never before."

Brown's belief in financial integrity and fiscal responsibility the former governor said, will bring "citizens of distant generations a government made strong, effective and responsible." These were principles Brown had fought for "right here on this Senate floor," West said.

Brief eulogies were also delivered by Senate President Pro Tem Tem L. Marion Gressette and Rembert C. Dennis who were long-time associates of Brown and who inherited mantles of leadership when Brown retired in 1972.

Gressette said Brown had God-given qualities of a brilliant mind, the capability to dream and a capacity for leadership "that few mortal men had equalled."

Brown gave the state for a half a century the kind of leadership "essential for our beloved state to rise to stand proudly as it does today," Gressette said.

"Edgar Brown lived a long and prestigious life and we will miss him deeply," Gressette said.

Speaking for other senators assembled en masse for the tribute, Dennis said Brown was the symbol of greatness in South Carolina. "To work with him was like walking alongside a giant of human kindness, warmth, humor, intelligence and ability."

Recalling Brown's battle to overcome youthful illness and then a long struggle up the political ladder, Dennis said, "I remember the senator as a fighter who won, almost without exception the causes to which he was dedicated, causes for the healthy progress of South Carolina in so many ways.

"In these halls, he conducted his mission as the architect of progress for modern South Carolina."

Brown was devoted to fiscal integrity and balanced budgets, Dennis said, but it did not shake his commitment to help people.

"He counted each state dollar with great care," Dennis said, "yet he gave his all to his people never counting the cost to himself for serving each of us.

"His willingness to help others is the living tribute to the memory of Edgar Brown that will go on forever," Dennis said. "He was a man of great vision and he applied that vision to daily life with careful skill."

Gov. Edwards, assisted by House Speaker Rex L. Carter and Lt. Gov. W. Brantley Harvey, placed a large wreath of multi-colored flowers representing the state seal at the casket at the conclusion of the service.

After the somber 45-minute service, "the Bishop from Barnwell" went home for the last time for a late afternoon graveside service at Barnwell Methodist Episcopal Church. Entombment followed in the cemetery alongside his wife, Annie, who died in May 1973.

Brown's body, brought to the capitol from Barnwell at noon, lay in state in a closed palomino bronze casket in the Senate chamber, flanked by two vases of long-stemmed red roses as scores of people filed by to pay respects.

Among the mourners were five of the governors Brown had served with, including West, who was a pallbearer.

Robert E. McNair, a Columbia lawyer was an active pallbearer. Former Governors Strom Thurmond, Donald S. Russell and George Bell Timmerman were included in the official party along with constitutional officers. Thurmond is now a U.S. Senator, Russell is a federal judge and Timmerman is a state circuit judge.

House Speaker Emeritus Sol Blatt of Barnwell, who formed the other half with Brown of the legendary (and some say mythical) Barnwell Ring also served in the honorary escort.

Honorary Pallbearers, included members and former members of the Senate, Chief Justice Joseph R. Moss and other members of the State Supreme Court, members of the Clemson University Board of Trustees and other constitutional officers.

Members of Brown's immediate family at the services included his son-in-law, Richard M. Jefferies Jr., and grandson Richard Allen Jefferies and granddaughter, Emily McBurney Jefferies.

[From the Columbia (S.C.) State,
June 27, 1975]

BROWN'S DEVOTION TO STATE RECALLED

House Speaker Emeritus Solomon Blatt, D-Barnwell, remembered Edgar A. Brown Thursday for his "constant stand for sound government, his great ability as a lawyer, his love of friends and his interest in and contributions to his church."

Former Gov. Robert E. McNair said, "The Bishop of Barnwell, Mr. Fiscal Responsibility, Mr. Democrat, all give recognition of the involvement of Edgar Brown in the life of South Carolina."

Sen. Rembert C. Dennis, D-Berkeley, who met Brown as a page 45 years ago and succeeded him in 1972 as chairman of the Senate Finance Committee, said, "I've lost a beloved, close personal friend, who I felt towards just like a member of my own family. My deepest sympathy goes to the remaining member of his family, on which tragedy has taken such a heavy toll in recent months."

The tributes poured in as news of Brown's death quickly spread to the leaders of state government with whom he had served during 50 years in the legislature or knew of his dedication to the state.

Gov. James B. Edwards said, "This is certainly a loss to South Carolina. He's a man who has lived a full and illustrious life of service to the state."

Former Gov. John C. West telephoned from Kansas City where he was attending a meeting and said, "Edgar Brown was one of the truly great men of South Carolina. His leadership had lasting and beneficial effects on all phases of state government. I valued him as a friend, counsellor and leader. His passing is a loss to all of us."

U.S. Sen. Strom Thurmond, R-S.C., who defeated Brown in race for the U.S. Senate in 1954, said, "I'm deeply saddened by the death of Sen. Brown. The esteem with which he is held by his fellow South Carolinians was demonstrated just two weeks ago at the dedication of a state office building that bears his name.

"Sen. Brown served our state long and faithfully and his service, particularly in fiscal affairs, was outstanding. Throughout his public career he was a sturdy advocate of those issues he felt were right for the people of our state."

U.S. Rep. Floyd D. Spence, R-S.C., said, "I am especially grateful for the opportunity that was mine in serving with this truly outstanding leader. No one in recent times has had greater influence over the destiny of our state than Sen. Brown. South Carolina's splendid financial standing today is a tribute to the fact that he exercised his great authority in an effective, responsible manner."

McNair said, "It was my good fortune to be his friend and to have shared in his wise counsel and unusual wisdom. Although this state has produced many distinguished and great people during this century, none have contributed more or left a mark more indelibly printed in the history of this period than Edgar Brown."

Blatt, who formed with Brown the legendary "Barnwell Ring" so powerful for many years in state government, recalled, "I first knew Sen. Brown when I came to Barnwell to practice law in 1917 and have tried many cases with him and against him.

"He was one of the most outstanding and most successful lawyers I ever knew. He had the respect, love and admiration of all the people in Barnwell County, as well as people from other areas of the state and throughout the nation."

Blatt called Brown "a statesman of great ability. In my judgment, he is solely responsible for the sound financial condition of the state and his love for his fellow citizens was something one had to greatly admire.

"We have lost our greatest statesman and I personally have suffered a loss that will be most difficult to overcome. He labored well during his lifetime and he will be rewarded now in that home that all of us hope to reach when day is done."

Sen. L. Marion Gressette, D-Calhoun, who succeeded Brown as Senate president pro tempore, remembered he made his first venture into statewide politics in 1925, when he was elected to the House while Brown was speaker.

"Over the years, it's just been a pleasure to be around him, and to observe his work," said Gressette, who was honored for his 50 years of legislative service this year when his portrait was hung on the south wall of the Senate.

"I think sometimes we are inclined to think that he concentrated solely on fiscal affairs. I've never agreed with that, because he ranged out on many other important matters and his influence was felt to a very great extent in the public school system, higher institutions of learning, the ports authority, ETV, and many other useful governmental agencies which he stood out and supported."

Gressette added, "I think one of the finest things I could say about Edgar is that he had the knack of putting first things first. I deeply regret his passing."

Blatt's successor as speaker of the House, Rex L. Carter, of Greenville said, "His loss is beyond measurement and his contributions are unsurpassed. He will always be loved, respected and remembered by the people of this state. He had more human compassion; perhaps, than any man I've ever known."

Clemson President Robert C. Edwards said ". . . Clemson University will cherish his memory because of his wise counsel and leadership as president of the board of trustees. His memory will be perpetuated in the Edgar A. Brown Room of the Robert Muldrow Cooper Library, where he placed the records and momentos of his remarkable life.

"We have lost a most beloved member of the Clemson family. Without the benefit of his advice, counsel, and the degree of confidence he shared with me, I could not have begun to face the many responsibilities of this office throughout the years.

[From the Columbia (S.C.) State, June 27, 1975]

SENATOR EDGAR BROWN: A LEGEND IN HIS TIME

"The Bishop from Barnwell" is dead, the victim of an automobile accident, but the imprint of Edward A. Brown upon the government of South Carolina will long remain.

For more than a half-century (from 1920 through 1972), Edgar Brown helped guide the destiny of his native state through troubled times of economic stringency, wartime difficulties, educational challenges, and racial tensions. He served with 17 governors, many of whom regarded him as something of a "prime minister" of South Carolina.

He was always in the thick of things, whether as a young representative from Barnwell County (later to become Speaker of the House) or as the sagacious dean of the State Senate, exercising monumental influence as President Pro tempore and chairman of the Senate Finance Committee. He voluntarily relinquished that dual role and retired in 1972.

Contemporary South Carolinians will remember him most for his achievements in the last-named role. It was as the guiding genius of the Finance Committee that he helped keep the state on a sound, fiscally conservative footing at times when more venturesome legislators proposed liberal—sometimes extravagant—spending policies.

But Senator Brown was no mossback. Even as the weight of years and failing health slowed his parliamentary pace, he was in the forefront of such innovative ideas an educational television and nuclear development. History will record him as a South Carolina pioneer in both fields.

As a politician, he was unbeatable in Barnwell County and unequalled as a power within the Democratic Party of South Carolina. Yet, he never achieved his recurring ambition of election to the United States Senate. Three times he tried and three times he failed, his last defeat coming in 1954.

But his personal disappointments in those efforts were offset in some measure by widespread gratification on the part of others at his remaining in South Carolina. One of his distinguished friends and admirers, the late Robert M. Cooper, voiced that sentiment in these words:

"Personally, in a way I was glad that he wasn't elected to the United States Senate, because I think if we had lost his service in the legislature and his local contributions to state government that it would far overshadow the good that he might have done, regardless of how good it was, in Washington."

Mr. Cooper spoke with authority on the subject, for he had served with Senator Brown on the Clemson College (now University) Board of Trustees. That institution was another of Senator Brown's consuming interests during much of his later life, so much so that a special room in the University Library already commemorates his name and houses many of his papers. An "Edgar A. Brown Foundation," created by his friends, is dedicated to the betterment of Clemson.

Other tangible and intangible tributes (including the Edgar Brown State Office Building which was dedicated June 12 with the "Bishop" in attendance) will preserve his memory in South Carolina. Yet, in a very real sense, such institutions as state highway system, the state tax structure, and the whole economic and governmental climate of the Palmetto State are more appropriate testimonials to the career of a man who, while creating an image of himself, improved the image of his state.

[From the Charleston (S.C.) News and Courier, June 28, 1975]

SENATOR EDGAR A. BROWN

When he retired in 1972, Sen. Edgar A. Brown of Barnwell had established a record for legislative longevity in South Carolina. People will remember him for his 50 years in the Statehouse, but they will remember him more for all he did in that half-century and how he did it. He knew politics inside out. He understood government better than most. He wielded power. And he left his mark on the state.

Controversy and conflict dotted his long career. He won victories and suffered defeats in the political arena, but in the long haul his successes and achievements more than balanced off reverses. He served both as speaker of the House and as president pro tempore of the Senate, but he was perhaps best known as chairman for 29 years of the Senate's powerful Finance Committee.

He was, in fact, proudest of his record as watchdog of state finances and his guidance through the years was instrumental in putting South Carolina on a firm financial footing and keeping it there. His sagacity and his vision were reflected, too, in other facets of government. The state's highway system, much of the tax structure, the industrial climate, the educational television system are all in large measure reminders of Brown policies, rooted in conservatism.

Conservatism and his enduring devotion to the Democratic Party created something of a paradox in the political life of Edgar Brown, but he never wavered in his loyalty. It was indicative of the man that he took the view that you don't quit your side if and when the going gets tough.

Though he denied there ever was such a thing as the "Barnwell ring"—a campaign term used by Strom Thurmond in 1954 when he defeated Mr. Brown in a U.S. Senate race—it is generally recognized that Sen. Brown was a key figure in a concentration of state political power in Barnwell County for several years. His capabilities and influence in the legislature and in state government were strong enough to prompt that most astute analyist of Southern politics, V. O. Key, to suggest at one time that South Carolina experiment with responsible cabinet government, with Sen. Brown "functioning as in the manner of a prime minister."

Sen. Brown never officially was that, but he became the elder statesman of South Carolina politics and government. He had critics and political enemies, but he had a lot more friends and admirers, in Barnwell and in the 45 other counties. His death at 86, the result of an auto crash, has removed from the scene a former legislator once described by a longtime colleague, Rep. Sol Blatt, as "truly the kingfish of all South Carolina."

[From the Aiken (S.C.) Standard, June 27, 1975]

EDGAR A. BROWN

Aiken County's foremost native son, former State Senator Edgar A. Brown, of Barnwell, is dead at age of 86.

The legendary state government leader long was considered a more powerful influence than any of the 17 governors with whom he served during a career in public office which spanned more than half a century. He was a force widely acclaimed of enormous benefit for his beloved South Carolina. Former Gov. Robert E. McNair once said that Sen. Brown "has been one of the greatest forces for good South Carolina has ever known". He is credited with having, almost single-handedly, kept South Carolina on a sound financial basis during a tumultous period when other state legislatures were spending at a dizzying pace, far in excess of income.

Variously known as "The Bishop", or "The Bishop from Barnwell", or "The Man from Horse Creek Valley", he was a formidable fighter for the causes in which he believed, although almost constantly beset by a succession of infirmities. Early in life, he suffered from anemia and tuberculosis. In latter years, he had to contend with arthritis; extremely poor eyesight and a voice reduced to a whisper; a heart attack and a stroke. In recent years, he had the burden of two personal tragedies. His wife died in 1973, while both were in the hospital for treatment of heart conditions. Last April, his only child Mrs. Richard M. Jefferies, Jr., died after choking on a piece of meat.

In his latter years, he was thought of as the mellow, amiable "elder statesman" of South Carolina governmental affairs; a man full of good humor; a raconteur of colorful and interesting stories about people and politics. His earlier days in public office were not nearly so tranquil. He was a combatant in public fist-fights, and on one occasion was the target of a pistol bullet, fired in the State House by the senator from his own Barnwell County. During the forties and fifties, when he was perhaps at the pinnacle of his vast power and influence, he was constantly under verbal attack as the senior member of what was referred to as "the Barnwell Ring".

He exemplified a rags-to-riches career. Born July 11, 1888, in Aiken County, he was a son of Augutus Abraham and Elizabeth Howard Brown. His formal education consisted of attendance at public schools in the area, graduation at Graniteville Academy and Osborne's Business College in Augusta. Like another illustrious South Carolinian, James F. Byrnes, he was a court reporter, and it was in this role that he gained interest and knowledge of law. He studied law and took the bar examination and was admitted to practice in South Carolina in 1910.

He was 40 years old before he even walked through the doors of a college, and that was when he was named to the Board of Trustees of Clemson College.

In his long and brilliant career, he was frequently promoted by his friends and supporters to be a candidate for governor. He constantly shunned the state's highest office, explaining that he was inherently a policy maker, and not an administrator. Most political observers believe he could have had that office if he had decided to offer for election. But the one other office he wanted, the United States Senate, eluded him. He sought the nomination three times. Twice he was unsuccessful. The third and last time, he got the nomination, but was soundly defeated under circumstances that made political history.

Soon after his re-nomination, then-Senator Burnet R. Mayband died. The State Democratic Party's Executive Committee, expressing belief that insufficient time was available to hold another primary, named Edgar A. Brown as the party's nominee. Had it been uncontested, he would surely have realized at last his dream of serving in the United States Senate. The Republican Party was at that time a negligible force.

But Aiken's Strom Thurmond, then a Democrat, believed the method of nomination was wrong and that the people should have a choice in the General Election. A write-in campaign was hastily but effectively organized, and Strom Thurmond became the first United States Senator to win election by write-in ballot.

It did not end Sen. Brown's service to his state. Whatever disappointment he felt—and it was undoubtedly acute—he brushed aside and went on eagerly and energetically to win greater respect for himself and for his home state.

There are now many monuments of various sizes and forms to Edgar A. Brown, the most lavish being the Edgar A. Brown State Office Building. The most meaningful one, the one most cherished by Senator Brown and those who knew him best, was the soundness of his state's government—an accomplishment attributable in huge measure to his efforts.

It is the end of a long, colorful and brilliant life, full of accomplishment for the state he so loved.

Edgar Brown's life and his numerous contributions now become a conspicuous part of South Carolina's history.

[From the Camden (S.C.) Chronicle, June 27, 1975]

EDGAR A. BROWN

"I am especially grateful for the opportunity that was mine in serving with this truly outstanding leader. No one in recent times has had greater influence over the destiny of our state than Senator Edgar Brown. South Carolina's splendid financial standing today is a tribute to the fact that he exercised his great authority in an effective, responsible manner."—U.S. Rep. **Floyd D.** Spence (R-SC).

Senator Edgar A. Brown of Barnwell is dead, his life snuffed out by injuries received in an automobile accident Thursday.

The statement by Republican Rep. Floyd Spence of Lexington is but one of the tributes paid "Mr. Democrat" by state leaders. The uniqueness of all these tributes is that they are all fully deserved. Senator Brown surely did more for the betterment of South Carolina than anyone in modern history.

Suffice to say that even his severest critics in years past have come to realize that Senator Brown's leadership on the Senate Fiance Committee kept the state on sound financial ground. He always insisted that the state's budget be balanced with a little left over for the unexpected.

While he is perhaps better remembered as the man who controlled the state's purse strings, Senator Brown was also instrumental in molding the state highway system and the state's tax structure. A progressive servant, he was one of the first to advocate educational television and nuclear development.

We are glad that Senator Brown lived to realize that his 50 years service to his beloved state was appreciated. (He attended the dedication of the Edgar A. Brown state capital complex on June 12).

Senator Edgar A. Brown, the "Bishop of Barnwell", was one of the great citizens of our state. May his most worthy soul rest in peace.

[From the Florence (S.C.) Morning News, June 29, 1975]

SENATOR EDGAR A. BROWN: A LONG SHADOW CAST

Today's memorial service for South Carolina's late Senator Edgar A. Brown will officially end and era in South Carolina's political history during which the one who became known affectionately as "The Bishop of Barnwell" imprinted his image upon so many facets of the state's life as to virtually shape it to his own making.

For more than half a century and during the administration of 17 governors, Edgar Brown was a member of the South Carolina General Assembly. Elected to membership in the House of Representatives in 1921, he served there until 1926 and as speaker from 1924–26. He was then elected to the Senate where he remained until his voluntary retirement in 1972 as senator emeritus, the only senator in South Carolina political history to bear that title.

For 29 years he was chairman of the Senate's powerful Senate Finance Committee. In that capacity, he was the acknowledged watchdog of state finances and the primary architect of the state's prestigious triple-A credit rating on the nation's money market.

While best remembered by contemporary South Carolinians in that role, his influence was exerted powerfully in far wider fields, including both state and national politics.

He was a central figure in Democratic national politics during hectic years when the National Democratic Party was engaging in practices believed inimical to the South's best interests. But to the end he was a loyal Democrat who stayed in the party while others were forsaking it either to join in a third party movement or later to line up with Republicans. In 1963 he became Democratic national committeeman and remained in that post until 1969 when he stepped down. Gov. Robert E. McNair was then elected to the post.

In South Carolina, he was a principal influence in retaining for the State Highway Commission an independent roadbuilding authority that resulted in the state's great highway system.

Fiscally conservative in matters dealing with the state's finances, he was sometimes considered a drawback to public education, yet the record shows that on balance he was forward looking. He wished for public schools the benefit of every dollar that fiscal responsibility would permit.

Among his special interests was Clemson University on whose board of trustees he held life membership. In 1956 he became chairman of the board. In 1971, the university set aside a special room in the University library to contain his papers and other memorabilia associated with his long and distinguished career.

During his latter legislative years, his interest in educational television and nuclear pioneer development in South Carolina made him a pioneer in both fields.

For many years hence, historians will be weighing the influence of Edgar A. Brown on the political, social, educational, financial, and economic life of South Carolina. At this range so close to the career now closed, it seems certain that they will conclude that few men in the state's history have cast so long a pervasive and influential shadow over so many areas crucial to the state's well being.

CIA/GAO CORRESPONDENCE ON AUDITING INTELLIGENCE FUNCTIONS

Mr. PROXMIRE. Mr. President, early in 1974, I asked the Comptroller General a number of questions about the statutory authority for and the operations of the Central Intelligence Agency. On May 10, 1974, the GAO replied to these questions with a lengthy statement. That statement was placed in the CONGRESSIONAL RECORD on February 11, 1975.

Subsequent to that time, the Director of Central Intelligence responded to the Comptroller General's letter to me in a letter dated June 16, 1975.

With the approval of the GAO and the CIA, and for the purpose of highlighting the issue of the GAO's authority to review intelligence activities, Mr. President, I ask unanimous consent that the exchange of correspondence be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

CENTRAL INTELLIGENCE AGENCY,
Washington, D.C., June 16, 1975.
Hon. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR MR. STAATS: My attention has been directed to a letter from Mr. Keller, General Accounting Office, to the Honorable William Proxmire dated May 10, 1974, which was placed in the Congressional Record by Senator Proxmire on February 11, 1975. The letter deals with the intelligence community and reviews the General Accounting Office's right to audit and obtain information from the Central Intelligence Agency.

Inasmuch as Mr. Keller has treated a subject basic to this Agency's capability to carry out work mandated by Congress, I believe it would serve a useful purpose to review some of the background concerning the use of confidential funds and their relationship to the audit of CIA over the years.

Mr. Keller notes in his letter that there are "a fairly substantial number of instances where expenditures are accounted for solely upon a certification by the head of the department or establishment involved." The need is clear in the case of this Agency. The necessity to safeguard certain truly vital foreign intelligence secrets has been recognized by the Congress in its direction to the Director of Central Intelligence to protect intelligence sources and methods from unauthorized disclosure. This responsibility was complemented by authorizing expenditures "for objects of a confidential, extraordinary, or emergency nature," to be accounted for solely on the certificate of the Director of Central Intellgience. Such expenditures would apply, for example, to a secret agent operating abroad in a hostile climate whose identity must be protected not only so that he can continue supplying the intelligence involved, but also because his freedom—and on occasion his life—weighs in the balance.

Other intelligence activities do not have such obvious security requirements, but are, nonetheless, within the sources and methods concept. Liaison with foreign intelligence and security agencies is extremely important in fields of both positive intelligence and counterintelligence. Such liaisons to be effective depend on the confidence of each service that the other will protect not only the mere fact of the relationships, but also its sources and methods and sensitive information. Compromise in any of these brings not only protests from the foreign liaison service, but in some cases a lessening or even cessation of its cooperation.

Even overt activities have their own security problems. Thus, many U.S. citizens and others are willing to provide sensitive information to overt intelligence units only on condition that their cooperation in this respect be absolutely protected.

This need for the special protection of intelligence sources and methods has been well recognized by officials in the executive, judicial, and legislative branches of our Government. Mr. Lindsay C. Warren, then Comptroller General of the United States, in a letter dated March 12, 1948, to the Director, Bureau of the Budget, addressed the provision granting the Director of Central Intelligence the power to certify the expenditure of confidential funds by stating that while it provided "for the granting of much wider authority than I would ordinarily recommend for Government agencies, generally, the purposes sought to be obtained in the establishment of the Central Intelligence Agency are believed to be of such paramount importance as to justify the extraordinary measures proposed therein." He went on to say that the "necessity for secrecy in such matters is apparent and the Congress apparently recognized this fully in that it provided in section 102(d)(3) of Public Law 253, that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure." Under these conditions, he stated, "I do not feel called upon to object to the proposals advanced . . ."

It has been and it remains the policy of CIA to rely upon vouchered funds wherever possible. (Vouchered funds are those which can be accounted for and audited in conformance with the laws that apply to other Government agencies and with standard Government regulations and procedures.) Currently more than half of the Agency's appropriatons are disbursed as vouchered funds. The confidential funds certification authority referred to by Mr. Warren in his March 12, 1948 letter is reserved for "objects of a confidential, extraordinary, or emergency nature."

From the beginning of CIA records for all vouchered fund expenditures were made available to and were subject to a voucher audit by the GAO. Use of the voucher audit procedure allowed the GAO to examine expenditure and collection vouchers and related documents to determine whether expenditures were made legally and solely for the objects for which appropriations were made. Use of the voucher audit procedure also allowed CIA to protect those activities of a confidential, extraordinary, or emergency nature, i.e., intelligence sources and methods.

Subsequent to the enactment of the CIA legislation, GAO adopted a "comprehensive audit approach," and raised with the CIA Subcommittee of the House Armed Services Committee the desirability of an expanded audit of Agency activities. The Comptroller General stated by letter dated May 29, 1959 to Subcommittee Chairman Kilday that he did "not recommend any change in section 10 (now section 8) of the Central Intelligence Act" and that "any broadening of our audit activities should not include an evaluation of the intelligence activities of the Agency."

Mr. Allen Dulles, then Director of Central Intelligence, agreed that GAO should expand its current audit activities in a letter to the Comptroller dated October 16, 1959, cautioning, however, that the comprehensive audit would have to be limited so as to remain outside the area of sensitive security operations for which by law the Director's certificate must be deemed a sufficient voucher.

The results of the trial period of comprehensive audit from 1959 to 1961 were made known to the CIA Subcommittee in a letter of May 16, 1961 from the Comptroller General in which he said the GAO planned to discontinue the audit of CIA activities. He acknowledged that various steps were taken by the CIA "to place the General Accounting Office in a position to make a comprehensive audit of the overt activities of CIA." Nevertheless, he stated that GAO "cannot effectively review and evaluate activities of the Support Component because the confidential and overt activities of this component are integrated to such an extent that we cannot make reasonably comprehensive audits." He further stated "we have been given sufficient access to make reasonably comprehensive reviews of the overt activities of the Intelligence Component, but such reviews, in our opinion, will not be productive of significant evaluations because we cannot feasibly evaluate the extent to which needed overt information is available for collection or determine the need for the intelligence information selected for collation and use in the production of intelligence reports." In short, the Comptroller General was recognizing the conflict between the philosophy underlying a "comprehensive audit approach" and the Director's statutory responsibility and authority to protect intelligence sources and methods.

Both the Director and Chairman Vinson, of the House Committee on Armed Services, requested that the Comptroller General continue to audit Agency affairs on a limited basis, but after another trial period the Comptroller General reiterated his earlier view. In a letter to Chairman Vinson dated June 21, 1962, the Comptroller General stated his belief that for maximum effectiveness "it would be necessary for our GAO audit staff to have nearly complete access to CIA activities," and that even to perform reasonably comprehensive reviews would require "complete access to the administrative activities, . . . that are performed in support of both sensitive and nonsensitive operations of CIA."

Chairman Vinson replied to the Comptroller General on July 18, 1962, stating that, "the restrictions you met within the Central Intelligence Agency are necessary, I believe, for the proper protection of its intelligence activities and should be maintained." The Chairman agreed, however, that in view of the Comptroller General's opinion that a continued audit was not a worthwhile effort, GAO might withdraw from further audit activities in the Central Intelligence Agency.

In summary, I believe that several points are deserving of emphasis in assessing the nature and history of GAO's audit activities with respect to this Agency:

(a) CIA cooperated fully in all respects in extending administrative support and in granting security clearances and access to information related to vouchered fund activities.

(b) The Chairman of the interested oversight committee in the House of Representatives was fully informed of the nature and status of the activity.

(c) This Agency encouraged GAO to conduct and to continue to conduct its activities consistent with the operational and statutory requirements imposed upon this Agency.

(d) The decision to discontinue the audit activities was made solely by GAO and was approved by the Chairman of the House Armed Services Committee.

Sincerely,

W. E. COLBY,
Director.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., June 24, 1975.
Hon. W. E. COLBY,
Director, Central Intelligence Agency,
Washington, D.C.

DEAR MR. COLBY: Thank you for your letter of June 16, 1975, concerning the Deputy Comptroller General's letter of May 10, 1974, which deals with the intelligence community and reviews the GAO's right to audit and obtain information from the CIA.

Your views on Mr. Keller's letter will be helpful in connection with any future comments the GAO may have to make. I must note however that I do not think that Mr. Keller's statements are inconsistent with the facts stated in your letter, although they are not in as much detail in some areas as those you have set forth in your letter. I might add that Mr. Keller was familiar with the background of the audit of CIA by GAO and was a participant in the negotiations during the 1959 to 1962 period.

I appreciate receiving your comments.

Sincerely yours,

ELMER B. STAATS.

MEMORIALS TO CONGRESS FROM OREGON

Mr. HATFIELD. Mr. President, the Legislative Assembly of Oregon recently concluded its regular biennial session.

As always, State legislatures deal with a number of issues which overlap with Federal jurisdiction. In the areas which require Federal action, the Oregon Legislature has customarily formulated memorials to Congress. I ask unanimous consent that memorials be printed in the RECORD, so the Members of Congress may be aware of these concerns. These memorials deal with the topics of Federal day care requirements, food stamp eligibility, the use of interstate highway funds, and the purchase of a hospital in Bend, Oreg. I commend these requests to my fellow Members of Congress.

There being no objection, the memorials were ordered to be printed in the RECORD, as follows:

HOUSE JOINT MEMORIAL 8

We, your memorialists, the Fifty-eighth Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas child care for the children of working parents, the single head of the household and students who are also parents is a necessity; and

Whereas the federal regulations requiring a ratio of one audit to each five or six children in a properly run day care center is raising the cost of such quality day care centers beyond the ability of the average working parent to pay for such care; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) The Congress of the United States and the Secretary of the United States Department of Health, Education, and Welfare are memorialized to allow for waiver of federal interagency day care requirements at the regional level to permit greater flexibility in meeting day care needs.

(2) A copy of this memorial shall be transmitted to each member of the Oregon Congressional Delegation and to the Secretary of the Department of Health, Education, and Welfare.

HOUSE JOINT MEMORIAL 7

We, your memorialists, the Fifty-eighth Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas current economic dislocation has caused a severe crisis in employment for Oregon workers; and

Whereas growing numbers of workers have been plunged into deepening personal crisis because of lost employment; and

Whereas large numbers of recently unemployed have unsuccessfully sought relief for themselves and their families through the federal food stamp program; and

Whereas existing federal regulations governing food stamp distribution systematically deny aid to the recently unemployed through unrealistic and overly severe property resource limitations of only $1,500 for one person and only $3,000 for two or more persons; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) We urge the Congress of the United States to abandon the unrealistic and severe property limits on eligibility for food stamps so that our fellow Americans who are suffering from the combined impact of inflation and unemployment can be aided in an effective manner.

(2) A copy of this memorial shall be transmitted to the President of the United States, to the Secretary of Agriculture and to each member of the Oregon Congressional Delegation.

HOUSE JOINT MEMORIAL 6

We, your memorialists, the Fifty-eighth Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas the State of Oregon has completed all but five percent of its interstate highway system miles, with the remaining portions delayed by court action; and

Whereas the State of Oregon must match federal highway funds allocated to it in order to avoid the loss of the benefits from those revenues; and

Whereas unless there is a change in the present interstate completion requirements established by the federal administration, the State of Oregon will be forced to either refuse federal funds to the detriment of the state's economy or continue to upgrade its interstate highways and neglect the most needed portions of its highway system; and

Whereas the State of Oregon is required to allocate its limited resources away from critical maintenance and repair projects on state primary and secondary roads because the use of most federal funds is limited to the uncompleted interstate system; and

Whereas increasing maintenance costs, critical state construction needs and a declining revenue base within the state may necessitate Oregon's refusal of federal dollars in the near future; and

Whereas federally funded maintenance projects would create more employment opportunities in the State of Oregon than would new construction projects utilizing federal funds; and

Whereas current federal policy necessitates the advancement of interstate highway programs that are based on obtaining the maximum amount of federal funding over a short period of time, whether or not such funding is to be used for the most necessary purposes; and

Whereas the time pressure created by the June 30, 1975, deadline set by the federal administration effectively eliminates funding of those projects which require environmental impact studies to be made before they may be commenced; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) We urge the Congress of the United States to amend the requirements for completion of the interstate system now set by the Federal Aid Highway Act of 1973 to allow the use of federal aid interstate funds on primary and secondary road systems whenever a state completes 90 percent of its interstate system mileage and that the same matching basis of approximately 90 percent federal, 10 percent state funds be permitted for such use.

(2) We urge Congress to make funds available to the state for highway maintenance purposes.

(3) We urge the Congress to expand the transfer provisions of the Federal Aid Highway Act of 1973 to allow federal funds for undesired interstate segments to be transferred to rural and secondary roads.

(4) We further urge the federal administration not to impound future appropriations of federal aid highway funds so there may be orderly highway project planning at the state level.

(5) A copy of this memorial shall be transmitted to the President of the United States and to each member of the Oregon Congressional Delegation.

HOUSE JOINT MEMORIAL 3

We, your memorialists, the Fifty-eighth Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas the people of the State of Oregon and of the entire United States of America owe a continuing debt of gratitude to those who have protected and served them in the armed services; and

Whereas the people of the United States of America have deemed it proper to provide medical services for veterans by establishing a system of veterans' hospitals; and

Whereas these veterans' hospitals must be convenient and uncrowded to provide effective medical service to veterans; and

Whereas veterans from central and eastern Oregon must travel 160 to 300 miles to receive the medical services to which they are entitled; and

Whereas existing veterans' hospitals serving Oregon veterans are crowded and maintain waiting lists for use of their facilities; and

Whereas the St. Charles Memorial Hospital in Bend, Oregon, will be vacated by its present occupants, by September 1, 1975; and

Whereas the St. Charles Memorial Hospital is a complete and adequate treatment facility offered for sale at a reasonable price; and

Whereas establishment of a veterans' hospital in Bend, Oregon, would facilitate access to medical services for veterans in eastern and central Oregon, and would alleviate crowded conditions in other veterans' hospitals; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) The Congress of the United States and the Veterans' Administration are memorialized to consider the advantages of purchasing the St. Charles Memorial Hospital and establishing there a veterans' hospital to provide convenient and timely service to those who have protected and served this country in the armed services.

(2) A copy of this memorial shall be transmitted to the presiding officers of each house of the Congress, to the Administrator of Veterans' Affairs of the Veterans' Administration and to each member of the Oregon Congressional Delegation.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, President Truman, in transmitting the Genocide Convention on June 16, 1949, stated:

> By the leading part the United States has taken in the United Nations in producing an effective international legal instrument outlawing the world-shocking crime of genocide, we have established before the world our firm and clear policy toward that crime. By giving its advice and consent to my ratification of this convention, which I urge, the Senate of the United States will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of the principles of law and justice.

The words of President Truman have gone unheeded over these past 26 years. The threat of the elimination of entire cultures and peoples remains as real today as when Mr. Truman spoke. Since that time Amnesty International and other groups have reported from Africa, Asia, and the Americas of killing and torture involving literally thousands. Meanwhile, the United States officially ignores the need for international sanctions against such crimes. The policies of the United States are certainly intended to promote peace and prosperity in the world, but the poor or controversial leadership that has been demonstrated with respect to South America, the Middle East, Africa, and Asia give cause for sober rethinking of our role.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of Senate Resolution 166, which the clerk will state.

The assistant legislative clerk read as follows:

A resolution (S. Res. 166), relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 47 Leg.]

Allen
Byrd,
Harry F., Jr.
Byrd, Robert C.
Church
Glenn
Griffin
Hatfield
Hathaway
Helms
Huddleston
Johnston
Mansfield
McIntyre
Nelson
Sparkman
Stennis
Talmadge
Young

The PRESIDING OFFICER (Mr. Glenn). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Bartlett
Bellmon
Bentsen
Biden
Brock
Buckley
Bumpers
Cannon
Case
Clark
Cranston
Curtis
Dole
Eagleton
Ford
Gravel
Hansen
Hart, Philip A.
Hartke
Haskell
Hruska
Inouye
Jackson
Kennedy
Laxalt
Magnuson
McClellan
McGovern
Metcalf
Montoya
Moss
Nunn
Packwood
Pastore
Proxmire
Randolph
Schweiker
Scott,
William L.
Stevenson
Stone
Symington
Taft
Thurmond
Tunney
Weicker

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from North Dakota (Mr. Burdick), the Senator from Florida (Mr. Chiles), the Senator from Mississippi (Mr. Eastland), the Senator from Louisiana (Mr. Long), the Senator from Maine (Mr. Muskie), the Senator from Rhode Island (Mr. Pell), the Senator from New Jersey (Mr. Williams), and the Senator from Wyoming (Mr. McGee) are necessarily absent.

I further announce that the Senator from Iowa (Mr. Culver), the Senator from Colorado (Mr. Hart), the Senator from South Carolina (Mr. Hollings), the Senator from Minnesota (Mr. Humphrey), the Senator from Vermont (Mr. Leahy), the Senator from Minnesota (Mr. Mondale), the Senator from North Carolina (Mr. Morgan), and the Senator from Connecticut (Mr. Ribicoff), are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Maryland (Mr. Beall), the Senator from Massachusetts (Mr. Brooke), the Senator from Arizona (Mr. Fannin), the Senator from Hawaii (Mr. Fong), the Senator from Utah (Mr. Garn), the Senator from Arizona (Mr. Goldwater), the Senator from Delaware (Mr. Roth), the Senator from Vermont (Mr. Stafford), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

The Senator from New Mexico (Mr. Domenici), the Senator from New York (Mr. Javits), the Senator from Maryland (Mr. Mathias), the Senator from Idaho (Mr. McClure), the Senator from Kansas (Mr. Pearson), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott), and the Senator from Texas (Mr. Tower) are necessarily absent on official business.

The PRESIDING OFFICER. A quorum is present.

Mr. CANNON. Mr. President, what is the pending business?

The PRESIDING OFFICER. The question is on amendment No. 666 to Senate Resolution 166. The yeas and nays have been ordered. It is the amendment proposed by the Senator from Alabama to his own amendment.

Mr. CANNON. That is the amendment to his amendment, and that is in the second degree, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. CANNON. Mr. President, I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ASSIGNMENTS AND DIRECT PAYMENTS BY THE DISBURSING OFFICE

Mr. PROXMIRE. Mr. President, I understand that H.R. 7405 is at the desk. I have discussed this with the majority leader and the minority has been notified. I ask unanimous consent for the immediate consideration of H.R. 7405. It is a routine bill. I have checked it with the Republican cloakroom.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7405) to amend section 3620 of the Revised Statutes with respect to certain disbursements to be made by banks, savings banks, savings and loan associations, and credit unions.

The PRESIDING OFFICER. Is there objection to the present consideration of H.R. 7405?

Mr. CURTIS. Reserving the right to object, will the Senator tell us what the bill is about?

Mr. PROXMIRE. The bill provides for payroll deductions for congressional employees. As I say, it is a routine bill. It was passed by the House of Representatives. It would place the employees of the House and Senate on a par with other Federal employees in the matter of payroll deductions.

Mr. CURTIS. What kind of payroll deductions are we talking about? Is this taxes?

Mr. PROXMIRE. What this does is to give them an option of having their pay sent to two or three different places. They can have it sent to a bank, a credit union, and then to a savings and loan, for example, if they wish to do this. This is done for all other Federal employees but not for the employees of the House and Senate because we did not have the computers here to do the job efficiently. I understand now they have the equipment and are willing to do it.

I have an amendment I shall offer to the bill which, I understand, is acceptable to those who are interested in this that would provide that the Senate provision would not be put into effect until the Secretary of the Senate finds it is convenient to do so, but within 90 days.

Mr. CURTIS. Could it properly be described as a bill to permit assignments and direct payments by the Disbursing Office?

Mr. PROXMIRE. I guess that is an accurate description; that is correct.

Mr. CURTIS. It does not relate to withholding for taxes?

Mr. PROXMIRE. No, it does not relate to withholding for taxes.

Mr. CURTIS. Does it relate to withholding of taxes for States?

Mr. PROXMIRE. It does not relate to withholding of taxes for State or Federal Government.

Mr. CURTIS. To what committee was it referred?

Mr. PROXMIRE. This is from the Banking Committee.

Mr. CURTIS. I have no objection.

The PRESIDING OFFICER. Without objection the Senate will proceed to consider the bill, which will be considered as having been read twice.

Mr. PROXMIRE. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

strike lines 6 through 8 and insert the following:

"(b) With respect to the Senate, the amendment made by subsection (a) shall take effect whenever the Secretary of the Senate determines the feasibility of compliance with the amendment, but in no event, later than July 1, 1976.

"(c) With respect to the House of Representatives, the amendment made by subsection (a) shall take effect whenever the Clerk of the House of Representatives determines the feasibility of compliance with the amendment, but in no event, later than July 1, 1976."

Mr. PROXMIRE. Mr. President, H.R. 7405, as passed by the House of Representatives, would place employees of the House and Senate on a par with other Federal employees with respect to payroll deductions. Under the present law (31 U.S.C. 492(b)), a Federal employee can have his paycheck sent to up to three financial institutions of his choice. For example, a designated portion of his paycheck may go to a savings and loan association, a second portion can be automatically sent to a credit union and the balance can be deposited to the employee's checking account.

These provisions were enacted in 1968 in order to encourage saving on the part of Federal employees. At that time, however, the legislation specifically exempted House and Senate employees because the payroll operations of the House and Senate disbursing offices were not sufficiently computerized.

Since that time, both the House and Senate disbursing offices have made great strides in improving the efficiency of their operations. Accordingly, on June 16, 1975 the House passed H.R. 7405, removing the exemption for House and Senate employees from the provisions of 31 United States Code 492(b). Under the House bill, this exemption would be terminated 90 days after the date of enactment of this legislation.

I have been informed that the Senate Disbursing Office is in agreement with the objectives of H.R. 7405 but feels that the 90-day effective date should be extended. Therefore, I am proposing an amendment to H.R. 7405 to provide that the legislation take effect whenever the Secretary of the Senate determines the feasibility of compliance with respect to employees of the Senate and whenever the Clerk of the House of Representatives determines the feasibility of compliance with respect to House employees, but in no event, later than July 1, 1976. This amendment would permit each House to determine its own schedule for complying with the legislation while setting an outside limit of July 1, 1976, about a year away.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 7405) was read the third time, and passed.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BELLMON). Without objection, it is so ordered.

DETERMINATION OF SENATE ELECTION IN NEW HAMPSHIRE

The Senate continued with the consideration of the resolution (S. Res. 166) relating to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire.

Mr. CURTIS. Mr. President, the State of New Hampshire has been represented by one Senator all through January, February, March, April, May, June, and here it is well into July. This is in violation of the Constitution of the United States. The last clause in article V of the Constitution states:

> No State, without its consent, shall be deprived of its equal suffrage in the Senate.

Yet every State in the Union—New York, Nevada, Montana, Nebraska, every one of them—has twice the representation in this Senate as has the State of New Hampshire.

It is a gross violation of the Constitution. It was unnecessary.

The usual practice that has been followed in the Senate has been built around this constitutional provision. The usual practice when we have an election contest is that the individual holding a certificate of election is seated and then if the Senate assumes jurisdiction to hear a contest, the contest goes on.

The Senator with the certificate is permitted to take the oath without prejudice to a contest.

That was not done in this case. It is no wonder that the Senate is in ill repute across the country because of it.

I do not think it was deliberately planned. I think what has happened on the other side of the aisle is that we have had some erroneous quarterbacking. I believe they are headed for a situation which they do not enjoy. I believe they are headed for a situation which will result in a public sentiment very critical of the U.S. Senate, and particularly its majority.

Mr. President, this is showing up all over. I hold in my hand an editorial from the Los Angeles Times of June 27, 1975. Its title is "The Footstool Looks Shabby." It reads as follows:

> THE FOOTSTOOL LOOKS SHABBY
>
> The time has come for the U.S. Senate to put an end to its partisan bickering and deadlock over last November's disputed New Hampshire senatorial election.
>
> It has long been clear that the issue cannot fairly be resolved in Washington. "No man on God's footstool can say who won this election," was the way Majority Whip Robert C. Byrd (D-W. Va.) put it.
>
> The accuracy of that assessment is not in contention. That means that the proper thing to do is to return the matter to the people of New Hampshire, where the state legislature already has authorized a special election.
>
> Democrats in the Senate don't want to do that. With their majority, they are certain of seating Democrat John A. Durkin if they can break the weeks-old GOP filibuster. Durkin won the second of two recounts last year by two votes, after losing the first recount to Republican Louis C. Wyman by 10 votes.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. CANNON. The Senator is not subscribing to the accuracy of this article, is he?

Mr. CURTIS. No, no.

Mr. CANNON. The part the Senator just read is completely, 180 degrees opposite from the facts.

Mr. CURTIS. That is correct; but there is no dispute that the majority whip said, "No man on God's footstool can say who won this election." The Senator does not dispute that, does he?

Mr. CANNON. I suppose he said that. The ballots are locked up downstairs. No one can say who won until we tally the ballots.

But I am surprised at the Los Angeles Times reporter not being a little more accurate when he made this obvious misstatement of the facts.

Mr. CURTIS. I think the Senator expects a little too much from the press. I applaud them when their conclusions are correct, but have long ago determined to be charitable about their sometimes poetic treatment of the facts.

The fact situation is turned completely around, of course.

The editorial continues:

> But, given the confusion over the ballot tabulations, it is evident that declaring a winner on a party-line vote would not necessarily mean seating the man most favored by the New Hampshire electorate.
>
> The Senate has the constitutional power to pass judgment on the election of its members. But in the present cast the evidence on which judgment must be based is so muddled, so much a matter of partisan controversy, that any choice between the two candidates would inevitably be clouded by doubt.

Mr. President, not only does the assistant majority leader (Mr. ROBERT C. BYRD) say we cannot tell who won this election; we have just heard the distinguished Senator from Nevada say the same thing.

Here is what has not been done: While all this was going on, they did not seek the one who held the office under color of title—an expression which the lawyers in the Chamber are quite familiar with. Neither did they gather in all the votes and count them. Neither did they divide the votes into certain classes and count them on both sides. Neither did they delegate it to some impartial outside force to count those ballots. A certain few issues have been picked out, and then, with sheer power, an attempt is made to force a decision in this matter.

Mr. President, that does not do credit to the United States Senate. That is in clear violation of the Constitution, which says that New Hampshire is entitled to just as many Senators as any other State.

The editorial concludes:

> Senate Republicans want to declare the New Hampshire seat vacant, and so open the way for a special election. There is no denying their partisan motive to go for a possible victory in New Hampshire against a sure defeat if the vote is left with the Senate. It is still the best course to take, however—best for the people of New Hampshire and best for the integrity of the Senate.

Mr. President, if it had been impossible for the Senate to seat Mr. Wyman without prejudice to hearing the contest, which I do not think it was, then the Senate should have immediately declared the seat vacant; and, as everyone knows, our beloved former colleague, Norris Cotton, would be back here serving in the interim while this matter was settled. But none of those alternatives were followed. There were a number of ways that they could have proceeded without openly violating the Constitution of the United States.

If the Senate has power to take away the suffrage of a State in the Senate for 5 months, they can do it for 8 months. If they can do it for 8 months, they can do it for a year. There is no answer and no defense to such a violation of the Constitution. Is it any wonder that these headlines are springing up all over?

I would think that New York and Los Angeles would be about the last places in the world to get a favorable headline for a Republican point, but it just happens that Republicans are right. And it also happens that the people in those cities are aware that what is going on is not right, that it is not fair to New Hampshire, and that the Senate of the United States ought to be getting on with something else.

The following editorial is from the Wall Street Journal of July 2, 1975:

On Nov. 6, 1974, the voters of New Hampshire cast some 223,000 ballots in the U.S. Senate contest between Democrat John Durkin and Republican Louis Wyman. It was the closest Senate race in history, so close that after eight months it still has not been decided, and it is now perfectly obvious to almost everyone except the Senate Democrats that the voters of New Hampshire should have another go at it.

At first, it appeared Mr. Wyman had won by 355 votes. A recount gave it to Mr. Durkin by 10 votes. Then the state's bipartisan Ballot Law Commission poured over the votes again and finally declared Mr. Wyman the winner by 2 votes. Unanimously. Whereupon Mr. Durkin protested to the U.S. Senate itself, which refused to accept Mr. Wyman's certificate of election and decided to settle matters itself.

The Senate is botching the job, but given the nature of the problem before it, the ensuing mess was bound to occur. The Senate Rules Committee has spent several months whittling 3,500 challenged ballots down to less than 1,000, disposed of several hundreds of these by "masking" the names on questionable ballots, so Senators wouldn't know which candidate would benefit by their judgment. A batch of other ballots, not masked, were decided in favor of Mr. Durkin by 5-to-3 party-line committee votes. And 27 ballots divided 4-to-4 on, with Senator Allen of Alabama joining the Republicans, are to be decided by the full Senate.

Believing they would lose every vote, with perhaps one exception, the Republicans have for the 12 sessions prior to the current recess staged a filibuster to prevent any votes at all. They are persuaded their only hope for getting Mr. Wyman a sporting chance, given the Democratic 61-to-38 majority in the Senate, is to focus sufficient public attention on the proceedings so that the Democrats will be forced to be fair. It is safely assumed that unless the Democrats make a few changes in the interest of fairness Mr. Wyman stands not a ghost of a chance of coming out on top.

Mr. President, the very purpose of the right to filibuster is to appeal to the public.

Mr. President, I ask unanimous consent, that the full copy of this editorial from the Wall Street Journal be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

BACK TO NEW HAMPSHIRE

On Nov. 6, 1974, the voters of New Hampshire cast some 223,000 ballots in the U.S. Senate contest between Democrat John Durkin and Republican Louis Wyman. It was the closest Senate race in history, so close that after eight months it still has not been decided, and it is now perfectly obvious to almost everyone except the Senate Democrats that the voters of New Hampshire should have another go at it.

At first, it appeared Mr. Wyman had won by 355 votes. A recount gave it to Mr. Durkin by 10 votes. Then the state's bipartisan Ballot Law Commission pored over the votes again and finally declared Mr. Wyman the winner by 2 votes. Unanimously. Whereupon Mr. Durkin protested to the U.S. Senate itself, which refused to accept Mr. Wyman's certificate of election and decided to settle matters itself.

The Senate is botching the job, but given the nature of the problem before it, the ensuing mess was bound to occur. The Senate Rules Committee has spent several months whittling 3,500 challenged ballots down to less than 1,000, disposed of several hundred of these by "masking" the names on questionable ballots, so Senators wouldn't know which candidate would benefit by their judgment. A batch of other ballots, not masked, were decided in favor of Mr. Durkin by 5-to-3 party-line committee votes. And 27 ballots divided 4-to-4 on, with Senator Allen of Alabama joining the Republicans, are to be decided by the full Senate.

Believing they would lose every vote, with perhaps one exception, the Republicans have for the 12 sessions prior to the current recess staged a filibuster to prevent any votes at all. They are persuaded their only hope for getting Mr. Wyman a sporting chance, given the Democratic 61-to-38 majority in the Senate, is to focus sufficient public attention on the proceedings so that the Democrats will be forced to be fair. It is safely assumed that unless the Democrats make a few changes in the interest of fairness Mr. Wyman stands not a ghost of a chance of coming out on top.

Certainly the Democrats would steal the election outright if Mr. Durkin won the Rules Committee's "skip-candidate" decision. Mr. Durkin's ballot-counters challenged 12 votes New Hampshire authorities had counted for Mr. Wyman. In them voters had marked with an X the circle at the top that designates a party-line vote for all Republicans, then marked X's for the individual GOP candidates with the exception of Mr. Wyman. On this issue the Rules Committee divided 4-4, operating under rulings that tie committee votes were resolved by not counting the disputed ballots.

Committee Democrats argued that the intent of such voters was to skip Mr. Wyman. But New Hampshire practice is to count such votes, and in the period when the two candidates were contesting ballots, Mr. Wyman did not challenge those on which Mr. Durkin's name had been skipped. The Democrats have refused to go back and count those ballots, with Chairman Howard Cannon shamelessly asserting that it was Mr. Wyman's fault for not having done so in the first place.

But even if this issue is resolved, there seems little chance that the Democrats can seat Mr. Durkin without it being a partisan gift. This is so because there are simply too many ballots that could be decided either way even if judged by a committee of Solomons.

If a voter placed a series of X's, one on top of another, in one candidate's box, does this mean the voter was adding emphasis to his selection, or had second thoughts and decided to X out the vote? If a voter puts an X in one candidate's box and a slash mark in an opponent's box, what was his intent? There's no reason the Democrats should decide these issues in favor of Mr. Wyman, but also no reason to decide in favor of Mr. Durkin.

In other words, there is no way the Senate can decide this election and still be fair. Mr. Durkin and Mr. Wyman say they'd like to run the election again. And every sounding taken in New Hampshire lately indicates overwhelming sentiment for a re-run. The Senate should judge the seat to be vacant, and hope the electorate would not divide so neatly the second time around.

Mr. CURTIS. Mr. President, I ask unanimous consent to proceed on another subject out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN INTERESTS IN THE MIDDLE EAST

Mr. CURTIS. Mr. President, in today's Washington Post, our former distinguished colleague, Mr. J. William Fulbright, of Arkansas, has an article, "American Interests in the Middle East." I believe this article merits the attention of every Senator and all the committees of the Senate.

Mr. President, it is my opinion that the very purpose of a foreign policy is for the United States to keep the peace and to be able to carry on commerce and communications around the world. It is not the purpose of our foreign policy for us to decide who our favorites are and who are not. The purpose of our foreign policy is to protect the interest of the United States. This is a point that Mr. Fulbright has made in this article.

Mr. President, I ask unanimous consent that the article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

AMERICAN INTERESTS IN THE MIDDLE EAST

In his speech at Atlanta on June 24, Secretary of State Kissinger pointed to the range of vital American interests in the Middle East—the security of Israel, access to Arab oil, the strain on the Western alliance posed by each successive crisis, the threat to the world economy of a new oil crisis, and the chronic danger of confrontation with the Soviet Union. The Secretary emphasized that the United States "must do its utmost to protect *all* its interests in the Middle East."

Having recently returned from an extended tour of the Middle East, I am filled with a strong sense of both the import and urgency of the Secretary's observations. Time is working against us, and against our interests.

To see why, it is necessary to consider *all* of our interests in the Middle East. The Arab-Israeli conflict and the oil problem are not only related but inseparable. Israel is largely a creation of the conscience of the West particularly that of the United States; for that reason alone, her survival qualifies as an American national interest. At the same time we have a most vital interest in access to Arab oil—all the more as the Gulf States account for a steadily rising portion of our imports and Congress shows little inclination to enact measures for meaningful energy-conservation. Logic suggests that if we are to give all-out support to current Israeli policy, we should be taking drastic measures of energy conservation against the inevitable embargo; or if we are to allow our dependency on Persian Gulf oil to continue to increase at its present rate, it would be prudent to draw back from our financial and political support of continued Israeli occupation of Arab lands.

The problem of statecraft is to avoid this unpalatable choice of reconciling our Israeli and Arab interests, surely not to allow ourselves to drift, or be maneuvered, into a position in which one must be sacrificed to the other. The only way to reconcile these interests is by bringing the Arab states and Israel to a settlement.

The status quo is not benign. It is not allowing tensions to abate; on the contrary, it fosters a steady and accelerating slide toward war. The Secretary was, if anything, understating the matter when he said at Atlanta that "we are now at a point where there must be a turn either toward peace or toward new crises." Virtually every Arab leader I met on my trip expressed not just apprehension but certainty that if significant progress toward a settlement does not come soon, war will follow within a year or so, and with it a new oil embargo.

The principal Arab countries—including Egypt, Syria, Jordan and Saudi Arabia—are all led by moderate and responsible men. These leaders are united in a consensus for making peace with Israel on the basis of the 1967 borders. All of them say so, explicitly and without qualification, and the head of the Palestine Liberation Organization, Yasser Arafat says so, too, guardedly and by indirection but, to my ear, unmistakably. The emergence of this consensus for the acceptance of Israel is the most important and promising development in the Arab world since the 1967 war. It has created what Arab leaders describe as a "golden opportunity" for peace.

Emphatic as they are in pointing to this "golden opportunity," Arab leaders are no less emphatic that, if not seized upon now, the opportunity will soon be lost, perhaps irretrievably. As in our own politics, no approach to a problem—especially a risky and controversial one—can be pressed indefinitely if it does not bring results. The continued occupation of Arab lands is a threat not only to Arab moderation but to the moderate leaders themselves. Mr. Arafat hints that he could be more forthcoming if he had something to show for it and also warns that if he does not succeed he will be replaced by extremists. One also hears—with disturbing frequency—warnings that President Sadat himself may be in trouble if he does not soon achieve some progress toward peace.

The stakes are high, either for disaster or, as is not always sufficiently recognized, for great good. If there is another war, it may well bring on difficulties with the Soviet Union, and it will surely bring an embargo, which in turn could precipitate the disintegration of our alliances with Europe and Japan.

On the other hand, Saudi Arabia, with one-fourth of the world's oil reserves, has offered the United States a degree of cooperation and assured access to its oil that arouses the envy of all other industrialized countries. The Saudis do not propose, nor would we desire, privileged or discriminatory access to their oil, but they do offer us—and it is entirely proper that we should accept—a unique relationship based upon assured oil supply, large-scale investment of oil revenues in the United States, and primary reliance upon American technology for the development of Saudi Arabia. A Saudi-American association of this kind could also serve as an economic nucleus that would be highly beneficial to the rest of the world, including the developing countries. Also of great importance is the fact that almost all of Saudia Arabia's vast oil reserves are explored and extracted by a highly efficient American company with excellent relations with the Saudi government. It is staffed primarily by Americans, is American in its orientation, and qualifies thereby as a solid asset to the national interest.

There are two basic problems with respect to our reliance on Arab oil: supply and price. The problem of supply—which is to say, the threat of embargo—is wholly a function of the Arab-Israel conflict. If that is resolved, there is no further threat of embargo. The problem of price is also related to the Arab-Israel conflict. A settlement could not be expected to result in an immediate, sizable price rollback, nor would it detach Saudi Arabia from OPEC. It would, however, eliminate the only outstanding issue between the United States and Saudi Arabia—especially if provision were made for the restoration of East Jerusalem to one form or another of Arab sovereignty. Under these circumstances, Saudi Arabia would almost certainly draw closer to the United States and become more amenable to our influence, making the problem of oil prices far more susceptible of reasonable accommodation.

Except from Israel herself, there is a virtual world consensus as to the main outlines of a Middle East settlement: an Israeli withdrawal to the borders of 1967 with insubstantial variations; a Palestinian state comprising the West Bank and Gaza, either separate or in association with Jordan as the Palestinians may choose; the permanent or indefinite demilitarization of the Golan Heights, of much or all of Sinai including Sharm el-Sheikh, and of much or all of the West Bank; the stationing in the demilitarized zones of U.N. Forces which could not be removed except with the consent of both sides; and great power guarantees of the settlement, preferably under the aegis of the United Nations Security Council, supplemented if necessary by a solid and explicit American guarantee of Israel.

A settlement along these lines has been endorsed by the principal Arab parties and also by the Soviet Union. The Arab consensus for the acceptance of Israel has been repeatedly signaled by the Arab leaders. King Khalid put it this way: "The Arabs have learned to be moderate, reasonable. Gone are the days of Nasser's period when the Arabs threatened to exterminate the Israelis." No less significant is the Soviet declaration of willngness to guarantee Israel. As Foreign Minister Gromyko put it at a dinner in Moscow on April 23 for Syrian Foreign Minister Khaddam: "Israel may get, if it so wishes, the strictest guarantees with the participation—under an appropriate agreement—of the Soviet Union." As noted, the Arab consensus will not survive indefinitely if it brings no rewards; nor can we count on the Soviets to renew their offer to cooperate if we do not hold them to it now.

The settlement would not need to be implemented at once. President Sadat and other Arab leaders indicate that they would be prepared to have it implemented over a period of years, step-by-step—*provided* it were understood that such a settlement, and nothing less, were the agreed objective.

A settlement of the kind described would redeem and reconcile the American interests at stake and, I feel certain, is in the best interests of Israel as well. Israel will be secure only when she gains acceptance as a normal state in the Middle East, in which event she would almost certainly become the scientific and technological leader of the region. The Arabs offer that—or a start toward that—now, but it is far from certain that they will continue to offer it as they gain in military and technological capacity. The advantage of Israel is transient: a population far more advanced than those of her neighbors in technology and organization. The Arabs, however, are advancing rapidly in education and technological skills, and when these are added to their vastly greater numbers and wealth, the balance of power will swing in their favor. In that eventuality, Israel will become less and less secure despite the retention of "defensible borders" and will of course be thrown into steadily greater dependence upon the United States.

As matters now stand, our commitment to Israel is open-ended: We are providing the material means for an Israeli policy that is beyond our control—a policy that, by all indications, is carrying both Israel and the United States toward a major new crisis. An American guarantee of an agreed settlement, on the other hand, would clarify an ambiguous commitment, bringing it clearly within the scope of our national interest, and at the same time provide Israel with the greatest possible security under the circumstances that exist in the area. As one thoughtful observer remarked: "The only secure borders are those which are accepted by one's neighbors."

INDEPENDENCE FOR THE HANDICAPPED

Mr. CURTIS. Mr. President, as we return from our Independence Day recess, let us consider the need for independence of some 24 million American citizens who are disabled and prevented by environmental barriers from enjoying the full benefits and freedoms of our society.

One out of every ten Americans is handicapped and deserving of the fullest enjoyment of life possible.

The Nebraska Easter Seal Society commemorated the week of June 30–July 6, while we were in recess, as "National Awareness Week" to remind all of us of the needs of handicapped persons. As executive director of that Nebraska organization, Mrs. Letitia Simmons of Omaha, states it so effectively:

> National Awareness must develop into a deep commitment to taking every step possible to guarantee that our handicapped citizens receive equal access to employment, transportation, housing, recreation and to public buildings and services.

Unwitting discrimination toward handicapped persons occurs frequently and is needlessly cruel.

I hope all Americans will make a greater effort to understand the needs of all people, regardless of disability, to participate in community life.

I hope we in Congress will continue to remove legislative barriers and restrictions to the freedom of movement of all people.

I hope all handicapped people will reach out, in turn, to complete the circle of cooperation needed to forge a free and independent life for all of us.

Awareness without action is senseless.

DEFICITS AND MORE DEFICITS

Mr. CURTIS. Mr. President, there is a growing awareness throughout the United States that the solvency of our Government is seriously threatened. It used to be that we had a deficit every year of a few billion dollars, $3 billion or $5 billion, or $10 billion. But with the fact that our Government countenanced such a procedure of spending money that we do not have, the result was inevitable. The result was that this deficit spending has gotten out of hand. Fifteen percent of every dollar spent by the Federal Government this year will be borrowed money. How are we going to reverse that order for next year? How are we ever going to pay these bonds? The people are going to ask those questions. Financial institutions in this country are going to ask those questions.

Financial institutions and governments around the world are going to ask: "Does Uncle Sam ever pay his bills?"

Mr. President, the surest way to revive the prosperity in this country is for the Government to put their financial house in order. The old cliches about going broke creates prosperity just are not so, and a thorough research will show that they never were so. All the boondoggling done back in the thirties did not bring an end to unemployment. Unfortunately, that unemployment continued at full steam until World War II started in Europe.

Mr. President, if we do not do something, what kind of a deficit will we have next year and next year? I think we must do something.

I am happy to report that the Subcommittee on Constitutional Amendments of the Committee on the Judiciary is going to hold 2 days of hearings this fall on my constitutional amendment, which has been joined in by a number of other Senators, that would compel a balanced budget.

I have no serious quarrel with those in Government who favor more Government than I do. I would not suggest that my views on how much Government we should have should be the views of everyone else. They are entitled to their own. But I do part company with those people who vote for more bills, more programs, and more expansion of Government without facing the issue of how are we to pay for it.

This amendment which I have proposed would compel the Government to balance their budget. It would work in this manner: The President, when he submitted his budget, would have to submit a balanced budget. He must calculate what the expenditures are and what the receipts are. If the expenditures exceed the receipts, he must then determine how much surtax it would take to put the budget in balance. If he has recommended a budget, and he would have to add a surtax to corporate and individual income taxes of 10 percent, or 7 percent, or 3 percent, or whatever is necessary, he would have to so declare it when he sent it to Congress.

Mr. President, the people all over the United States would know about that. When they met at coffee the next morning they would say: "Did you read or did you hear what the President is going to do? He is going to raise our taxes by a certain percent." They would become alert right away. They would contact their Congressmen and Senators.

Under this proposed amendment, the authority would still rest in the Congress over the purse strings. Congress would have the final authority.

They could do one of several things. They could reduce the President's budget and make the surtax unnecessary. Or they could find some other revenue and make the surtax unnecessary, in which case there would be no surtax.

But if they did nothing, or if they raised the President's budget, then they would either have to find the revenue or the appropriate surtax would go into effect. This proposal provides that at stated periods during the year the Speaker of the House of Representatives must calculate what the expenditures are going to be and the expected income and declare and proclaim how much surtax it would take to put the budget in balance.

As I say, Congress still would be in control. It could reduce expenditures. It could find some other revenue. But if it did nothing, the surtax would go into effect.

Would it work? I am sure it would. I am sure that one of two things would happen: Either the surtax would go into effect and the people would agree with it, or, if they disagreed with it, they could turn the rascals out.

It would be nice if we could just pass a sound, constitutional proposal that says we must balance the budget. But we might as well pass one that says that all criminals must obey the law from here on. What we need is a self-enforcing one, one that would compel the President and Congress to collect enough money for the programs they vote in.

Mr. President, the question naturally arises, how about if a grave national emergency struck the country or Congress should declare war? This proposal, if adopted, provides that on a three-fourths vote of both Houses of Congress, this mandatory budget balancing could be set aside for 1 year at a time. If the war or the emergency extends beyond a year, they could vote again. If we faced a very real national emergency, I am sure they could get the three-fourths vote. I am sure that if we declared war, they would get the three-fourths vote.

Mr. President, it will take something like this. I do not believe there is a Senator or Representative who, in his heart, does not believe that if we do not make a right-about-face in our handling of our country's finances, we are headed for trouble; we may be headed for disaster—and it will be because we in Government failed.

Mr. President, as the weeks go by, I am going to have more to say on this subject. I think it is the most important subject at hand. I believe that it is the one thing that would cause this economy to boom, that it would cause individuals to invest their money. It would cause individuals to build new plants. It would cause individuals to bet on a new idea, a patent, or a potential dream—if they were certain as to what would happen to the U.S. Government from the standpoint of our finances and the value of our money.

ORDER FOR RECESS TO 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF SENATE RESOLUTION 166 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, the Senate resume the consideration of Senate Resolution 166.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The second assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 166, relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

Mike Mansfield, Lee Metcalf, William Proxmire, Robert C. Byrd, Vance Hartke, Wendell H. Ford, John Glenn, Richard (Dick) Stone, Alan Cranston, James Abourezk, John V. Tunney, Joseph R. Biden, Jr., Walter D. Huddleston, Jennings Randolph, William D. Hathaway, Gaylord Nelson, Dale Bumpers.

ORDER FOR RECOGNITION OF SENATOR ALLEN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate resumes consideration of Senate Resolution 166 tomorrow, Mr. ALLEN be recognized.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR CONTROL OF TIME TOMORROW ON MOTION TO INVOKE CLOTURE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that control of the time on the motion to invoke cloture tomorrow be equally divided between and controlled by Mr. CANNON and Mr. HATFIELD.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I will state the program shortly. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 11 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, the Senate will resume consideration of Senate Resolution 166, a resolution relating to the New Hampshire election dispute. The pending question will be on the adoption of the amendment by Mr. ALLEN to the amendment by Mr. ALLEN. Tabling motions will be in order.

Mr. ALLEN will be recognized immediately after the two leaders or their designees have been recognized under the standing order.

At 3 p.m. tomorrow, the 1 hour under the rule on the motion to invoke cloture will begin running. The automatic quorum call will occur at 4 p.m. The

automatic rollcall vote on the motion to invoke cloture will occur about 4:15 p.m.

Under the order previously entered, following the vote on the motion to invoke cloture, there will be 1 hour of debate on S. 677, a bill to establish a strategic energy reserve system, and there will be one-half hour of debate on an amendment by Mr. HASKELL, such half-hour to come out of the 1 hour of debate. An additional half-hour is allotted to Mr. GRAVEL in the event Mr. GRAVEL should call up an amendment or amendments, after which the disposition of S. 677 will occur. No doubt, there will be a rollcall vote.

Rollcall votes may occur tomorrow prior to the hour of circa 4:15 p.m. on a motion to table or on amendments or on other matters, whether or not related to the New Hampshire election dispute.

As of now, there will be at least two rollcall votes tomorrow and, very likely, additional ones.

RECESS UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 11 a.m. tomorrow.

The motion was agreed to; and at 2:51 p.m., the Senate recessed until tomorrow, Tuesday, July 8, 1975, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate July 7, 1975:

DEPARTMENT OF STATE

Herbert J. Spiro, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Cameroon, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Equatorial Guinea.

D.C. COURT OF APPEALS

Julia P. Cooper, of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals for the term of 15 years, vice Hubert G. Pair, resigned.

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Bruce S. Mencher, of the District of Columbia, to be an associate judge of the Superior Court of the District of Columbia for the term of 15 years vice Edward A. Beard, term expired.

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Robert E. Huyser, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Daniel James, Jr. [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer for appointment as Surgeon General of the Air Force in the grade of lieutenant general under the provisions of section 8036, title 10 of the United States Code:

Maj. Gen. George E. Schafer, [redacted] FR (brigadier general, Regular Air Force, Medical), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. William Y. Smith, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Alton D. Slay [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Charles E. Buckingham, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066 to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Wilbur L. Creech, [redacted] FR (Brigadier general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Thomas W. Morgan, [redacted]-FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Dennis Phillip McAuliffe, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Donn Royce Pepke, [redacted], Army of the United States (brigadier general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a), in grade as follows:

To be lieutenant general

Maj. Gen. Sam Simes Walker, [redacted], Army of the United States (brigadier general, U.S.Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Donald Harry Cowles, [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be assigned to a position of importance and responsibility designated by the President under the provisions of title 10, United States Code, section 3066(a), in grade as follows:

To be lieutenant general

Maj. Gen. John William Vessey, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

The U.S. Army Reserve officers named herein for promotion to reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3384:

To be major general

Brig. Gen. Kenneth Allert Kuykendall, [redacted].

Brig. Gen. Willard Phaup Milby, Jr., [redacted].

Brig. Gen. William Bannister Pendlebury, [redacted].

To be brigadier general

Col. Berwln Fragner, [redacted].

Col. Thomas Lee Merrill, [redacted]

Col. Herman Albert Norton, [redacted]

Col. Clifford Gerald Ryan, [redacted]

Col. Harry Hart Treadway, [redacted]

The Army National Guard of the United States officers named herein for promotion as reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be brigadier general

Col. Richard Kenneth Baum, [redacted]

Col. George Joseph Betor, [redacted]

Col. Hal Lamoyn Hefner, [redacted]

Col. Stanley Warren Johnston, [redacted]

Col. William Robert Kinton, Jr., [redacted].

Col. Robert Lee Meyer, [redacted].

Col. Frank Mitcheal Parham, Jr., [redacted]

Col. Arthur Hughes Spring, [redacted]

Col. Robert Woodson Teater, [redacted]

The Army National Guard of the United States officers named herein for appointment as reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be brigadier general

Col. James Michael Abraham, [redacted]

Col. Peter Russell Amodio, [redacted]

Col. Benjamin Franklin Dean, [redacted]

Col. Wayne Marvin McDaniels, [redacted].

Col. Gordon I. Shore, [redacted].

IN THE NAVY

Rear Adm. Jon L. Boyes, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

IN THE MARINE CORPS

In accordance with the provisions of title 10, U.S. Code, section 5232, Maj. Gen. Lawrence F. Snowden, U.S. Marine Corps having been designated for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade of lieutenant general while so serving.

In accordance with the provisions of title 10, U.S. Code, section 5232, Maj. Gen. Joseph C. Fegan, Jr., U.S. Marine Corps having been designated for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade of lieutenant general while so serving.

Lt. Gen. Edward S. Fris, U.S. Marine Corps, when retired, to be placed on the retired list in the grade of lieutenant general in accordance with the provisions of title 10, U.S. Code, section 5233.